TWO SUTTON PLACE NORTH

1113 York Avenue
New York, New York 10065

APPRAISAL REPORT

Date of Report: June 17, 2025

Colliers File #: JFK250397

PREPARED FOR
Matthew Keller
GO Partners, LLC
80 Fifth Avenue, Suite 1201
New York, NY 10011

PREPARED BY
COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

LETTER OF TRANSMITTAL

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June 17, 2025

Matthew Keller
GO Partners, LLC
80 Fifth Avenue, Suite 1201
New York, NY 10011

RE: Two Sutton Place North
1113 York Avenue
New York, New York 10065

Colliers File #: JFK250397

Mr. Keller:

Pursuant with our engagement, the above captioned property was appraised utilizing best practice appraisal principles for this property type. This appraisal report satisfies the scope of work and requirements agreed upon by GO Partners, LLC and Colliers International Valuation & Advisory Services.

At the request of the client, this appraisal is presented in a Comprehensive Appraisal Report format as defined by C*USPAP*. Our appraisal format provides a detailed description of the appraisal process, subject and market data and valuation analyses.

The subject consists of a Mixed-Use (Luxury Class A) property totaling 209 units, 2,500 SF of retail space and a 148 car parking garage located on a 26,956-square-foot site at 1113 York Avenue in the Upper East Side neighborhood of New York, New York. The subject is identified on NYC tax maps as parcel Manhattan, Block 1455, Lot 21.

The improvements were built in 2009, are in excellent condition and have a remaining economic life of 40 years based on our estimate. Project amenities include: concierge/doorman, fitness center, swimming pool, sauna, children’s playroom and landscaped courtyard. The subject’s apartments have open-planned layouts with floor-to-ceiling windows that offer expansive East River views.

The residential unit mix includes studio through three-bedroom units. The subject has 7 rent stabilized units and 199 fair market units. The subject property had a 421a tax exemption expired in June 2023, as such, the rent stabilized units can be deregulated upon lease expiration or renewal.

As of our effective date of value, the retail space and parking garage are fully leased.

The subject property has a residential occupancy level of 98.6% as of March 31, 2025, which is above the stabilized occupancy level estimate of 97.1% that was developed in this appraisal due to typical investor and lender underwriting expectations and requirements.

The purpose of this appraisal is to develop an opinion of the current As-Is Fair Value of the subject property's leased fee interest as of March 31, 2025, and the Retrospective Fair Values as of December 31, 2024 and December 31, 2023. At the request of the client, we have also completed an Insurable Replacement Cost Estimate, and determined the fair market value of the fee simple interest in the underlying land as of March 31, 2025, subject to a Hypothetical Condition that the site is free and clear of improvements.

The IVSB considers that the definition of Fair Value in IFRS is generally consistent with *market value* with respect to IFRS Standard according to IFRS 13 as it relates to fair market value according to IFRS 9 and 10 (which also refers to IAS 40). This is further discussed in IVS 300 Valuations for *Financial Reporting*.

Based on the foregoing, we have defined Fair Value consistent with the definition of Market Value as commonly applied in the US, recognizing the two are synonymous in meaning. The following table conveys the final opinion of fair value of the subject property that is developed within this appraisal report:

VALUE TYPE	INTEREST APPRAISED	DATE OF VALUE	VALUE
Fair Value	Leased Fee	March 31, 2025	$354,300,000
OTHER CONCLUSIONS			
Retrospective Fair Value	Leased Fee	December 31, 2024	$337,000,000
Retrospective Fair Value	Leased Fee	December 31, 2023	$292,000,000
Insurable Replacement Cost			$167,770,000
Land Value (subject to Hypothetical Condition)			$136,700,000

A summary of the current and prior year valuations are detailed below for reference:

VALUATION SUMMARIES

	12/31/2023	12/31/2024	3/31/2025
Overall Market Rent	$7,346	$7,435	$7,836
Residential Rental Income	$18,424,668	$18,648,230	$19,651,792
Commercial Rental Income	$944,379	$965,379	$975,997
Other Income	$333,678	$1,252,295	$1,257,000
Potential Gross Income	$19,702,725	$20,865,904	$21,884,789
Vacancy and Credit Loss	($573,729)	($609,357)	($640,189)
Effective Gross Inome	$19,128,996	$20,256,547	$21,244,600
Real Estate Taxes	($3,443,525)	($3,635,606)	($3,865,219)
Other Operating Expenses	($2,546,060)	($2,620,012)	($2,646,623)
Total Operating Expenses	($5,989,585)	($6,255,618)	($6,511,842)
NOI	$13,139,411	$14,000,930	$14,732,759
OAR	4.50%	4.15%	4.15%
Indicated Value	$292,000,000	$337,371,796	$355,000,000
Less: Rent Loss	($45,324)	($351,872)	($725,591)
Fair Value	$292,000,000	$337,000,000	$354,300,000

The analyses, opinions and conclusions communicated within this appraisal report were developed based upon the requirements and guidelines of the current Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP), the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute. This report is intended to comply with standards of CUSPAP, as well as IFRS accounting treatment for business combinations and asset acquisitions (initial recognition), and the Code of Ethics and Certifications Standards of the Appraisal Institute and State Licensing Laws.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. C*USPAP* defines an Extraordinary Assumption as, “An assumption, directly related to a specific Assignment, which, if were not assumed to be true, could materially alter the opinions or conclusions”. C*USPAP* defines a Hypothetical Condition as, “Hypothetical Conditions are a specific type of an Extraordinary Assumption that presumes, as fact, simulated but untrue information about physical, legal, or economic characteristics of the subject property or external conditions, and are imposed for purposes of reasonable analysis.”

The Extraordinary Assumptions and/or Hypothetical Conditions that were made during the appraisal process to arrive at our opinion of value are fully discussed below. We advise the client to consider these issues carefully given the intended use of this appraisal, as their use might have affected the assignment results.

EXTRAORDINARY ASSUMPTIONS

For the following assignment, we were provided historical income and expense statements by client, that reflect building operating expenses if operating under a REIT structure. At the request of the client, we have been asked to provide As Is and Retrospective Values under the extraordinary assumption that select Payroll and General and Administrative expenses will be reallocated to the corporate entity, GO Partners LLC. Our values within this report are based on the Extraordinary Assumption that the properties were operated as REIT's as of December 31, 2023, December 31, 2024, and March 31, 2025.

HYPOTHETICAL CONDITIONS

Market Value of the underlying land is subject to a Hypothetical Condition that the subject’s site is free and clear of improvements.

RELIANCE LANGUAGE

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to rating agencies, loan participants, underwriters of the initial public offering of GO Residential REIT, and your attorneys and accountants/auditors who shall review and rely upon such reports in connection with the stated Intended Use. CIVAS is not required to explain or testify as to appraisal results other than to respond to the Client (and intended users) for routine and customary questions. Please note that our consent to allow the Appraisal prepared by CIVAS or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS, by a party satisfactory to CIVAS.

CIVAS does consent to your submission of the reports to rating agencies, loan participants, underwriters of the initial public offering of GO Residential REIT, and your attorneys and accountants/auditors in its entirety (but not component parts) without the need to provide CIVAS with an Indemnification Agreement and/or Non-Reliance letter. CIVAS hereby expressly grants to Client the right to copy the Appraisal and distribute it to employees of Client.

Our opinion of value reflects current conditions and the likely actions of market participants as of the date of value. It is based on the available information gathered and provided to us, as presented in this report, and does not predict future performance. Changing market or property conditions can and likely will have an effect on the subject's value.

The signatures below indicate our assurance to the client that the development process and extent of analysis for this assignment adhere to the scope requirements and intended use of the appraisal. If you have any specific questions or concerns regarding the attached appraisal report, or if Colliers International Valuation & Advisory Services can be of additional assistance, please contact the individuals listed below.

Sincerely,

COLLIERS INTERNATIONAL
VALUATION & ADVISORY SERVICES

"Stuart Greenfield"

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GENERAL INFORMATION

Property Name	Two Sutton Place North
Property Type	Mixed-Use - Luxury Class A
Address	1113 York Avenue
Neighborhood	Upper East Side
Borough	Manhattan
City	New York
State	New York
Zip Code	10065
County	New York
Core Based Statistical Area (CBSA)	New York-Newark-Jersey City, NY-NJ-PA
Market	New York Metro
Submarket	Upper East Side
Longitude	-73.959381
Latitude	40.759984
Number Of Parcels	1
Assessor Parcel	Manhattan, Block 1455, Lot 21
Total Taxable Value	$30,921,750
Census Tract Number	106.02

SITE INFORMATION

Land Area	**Acres**	**Square Feet**
Usable	0.619	26,956
Unusable	0.000	0
Excess	0.000	0
Surplus	0.000	0
Total	**0.619**	**26,956**
Topography	Level at street grade	
Shape	Irregular	
Access	Good	
Exposure	Good	
Appeal	Excellent	
Current Zoning	Commercial District (C4-7, C6-3)	
Flood Zone	Zone X (Unshaded)	
Seismic Zone	Moderate Risk	

IMPROVEMENT INFORMATION

Number of Apartments	209
Average Unit Size	1,034 SF
Commercial Area	27,500 SF
Net Rentable Area SF (NRA)	243,625 SF
Gross Building Area SF (GBA)	283,848 SF
Total Number Of Buildings	1
Number Of Stories	1 - 37
Year Built	2009
Quality	Excellent
Condition	Excellent
Marketability	Good
Type Of Construction	Steel and masonry
Parking Type	Garage
Number Of Parking Spaces	148
Parking Spaces/Unit	0.7
Property Amenities	The subject's common amenities include: concierge/doorman, fitness center, rooftop area, swimming pool, sauna, shuttle, playroom, courtyard.

HIGHEST & BEST USE

As Vacant	Development of a mixed-use multifamily property as market conditions warrant
As Improved	Continued use as a mixed-use multifamily property

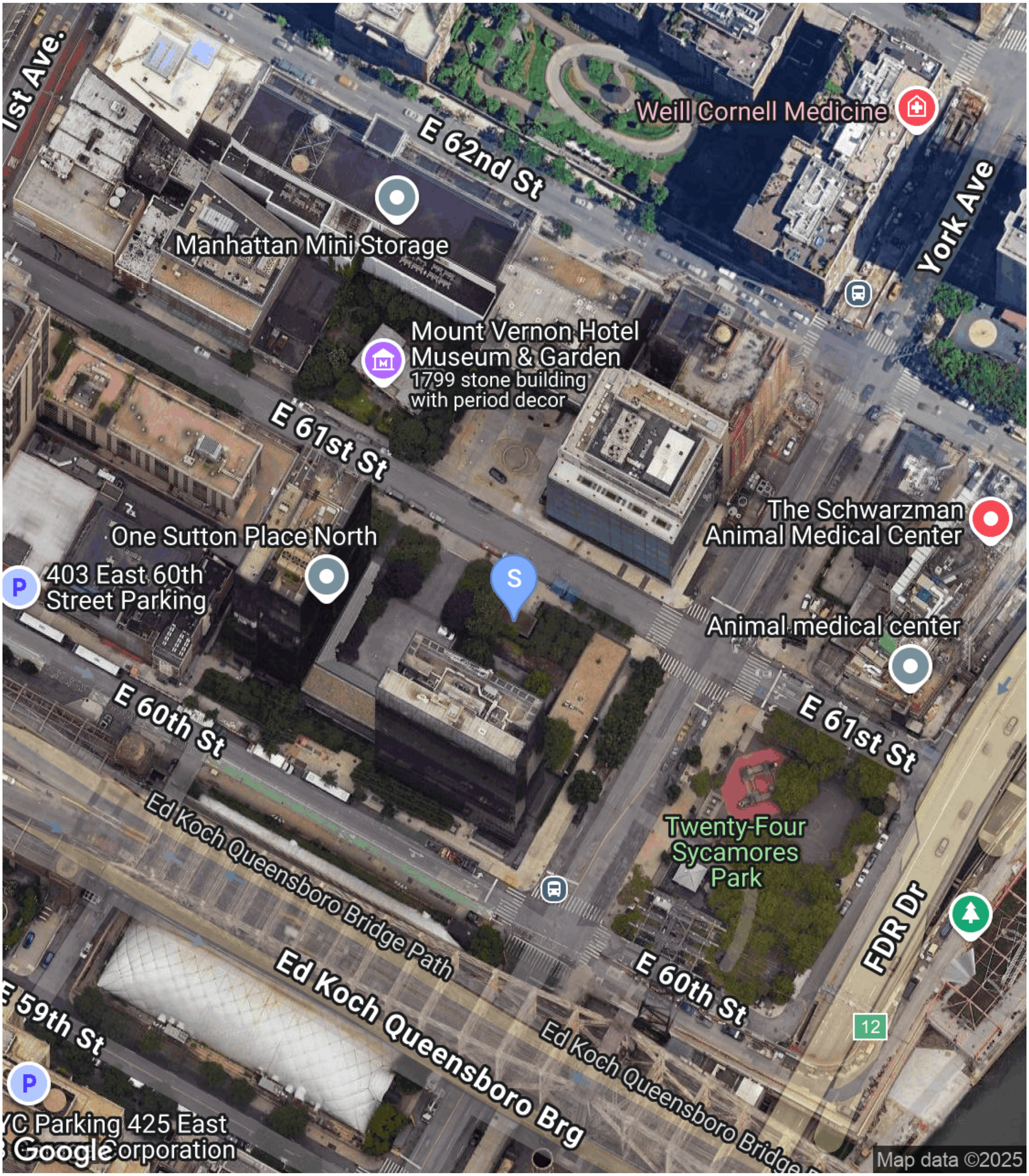
EXPOSURE TIME & MARKETING PERIOD

Exposure Time	12 Months or Less
Marketing Period	12 Months or Less

VALUATION SUMMARY

Current Occupancy	98.6%
Stabilized Occupancy	97.1%
Current Average Rent/Unit	$7,293/Unit
Concluded Average Rent/Unit	$7,836/Unit
Potential Gross Income	$21,884,789
Vacancy, Concessions & Credit Loss	2.9%
Effective Gross Income	$21,244,600
Total Expenses	$6,511,842
Net Operating Income	$14,732,759
Capitalization Rate (OAR)	4.15%

VALUATION SUMMARY		
VALUATION INDICES		**FAIR VALUE**
INTEREST APPRAISED		LEASED FEE
DATE OF VALUE		MARCH 31, 2025
INCOME CAPITALIZATION APPROACH		
Direct Capitalization		**$354,300,000**
Direct Capitalization $/Unit		$1,695,215/Unit
Direct Capitalization $/SF (GBA)		$1,248.20/SF
Net Operating Income		$14,732,759
NOI $/Unit		$70,492/Unit
NOI $/SF (GBA)		$51.90/SF
Capitalization Rate		4.15%
INCOME CONCLUSION		**$354,300,000**
Income Conclusion $/Unit		$1,695,215/Unit
Income Conclusion $/Bed		$354,300,000/Bed
Income Conclusion $/SF (GBA)		$1,248.20/SF
SALES COMPARISON APPROACH		
SALES CONCLUSION		**$340,500,000**
Sales Conclusion $/Unit		$1,629,187/Unit
Sales Conclusion $/SF		$1,199.59/SF
FINAL VALUE CONCLUSION		
FINAL VALUE		**$354,300,000**
Final $/Unit		$1,695,215/Unit
Final $/SF (GBA)		$1,248.20/SF
LAND VALUATION		
LAND VALUE (Subject to Hypothetical Condition)		**$136,700,000**
Value/SF/FAR		$530.00
OTHER CONCLUSIONS		
Retrospective Fair Value	12/31/2024	**$337,000,000**
Retrospective Fair Value	12/31/2023	**$292,000,000**
Insurable Replacement Cost		**$167,770,000**
Market Value of underlying site subject to a Hypothetical Condition (MVHC)		**$136,700,000**


1st Ave.
E 62nd St
Weill Cornell Medicine
Manhattan Mini Storage
York Ave
Mount Vernon Hotel
Museum & Garden
1799 stone building
with period decor
E 61st St
The Schwarzman
Animal Medical Center
One Sutton Place North
403 East 60th
Street Parking
S
Animal medical center
E 60th St
E 61st St
Twenty-Four
Sycamores
Park
Ed Koch Queensboro Bridge Path
FDR Dr
Ed Koch Queensboro Brg
E 60th St
E 59th St
12
Ed Koch Queensboro Bridge
YC Parking 425 East
Corporation
Google
Map data ©2025

SUBJECT EXTERIOR

SUBJECT EXTERIOR

VIEW OF EAST 61ST STREET FACING EAST

VIEW OF EAST 61ST STREET FACING WEST

VIEW OF YORK AVENUE FACING SOUTH

VIEW OF YORK AVENUE FACING NORTH


LOBBY


COMMON HALLWAY


UNIT INTERIOR


UNIT INTERIOR


UNIT INTERIOR


UNIT INTERIOR

UNIT INTERIOR

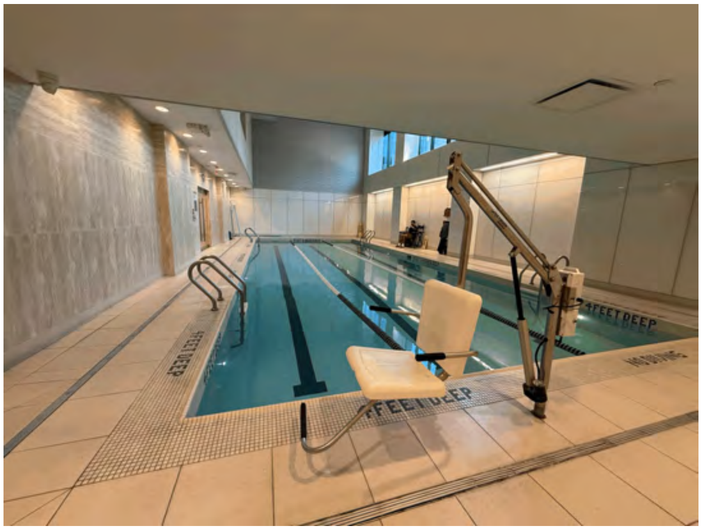
UNIT INTERIOR

UNIT INTERIOR

UNIT INTERIOR

UNIT INTERIOR

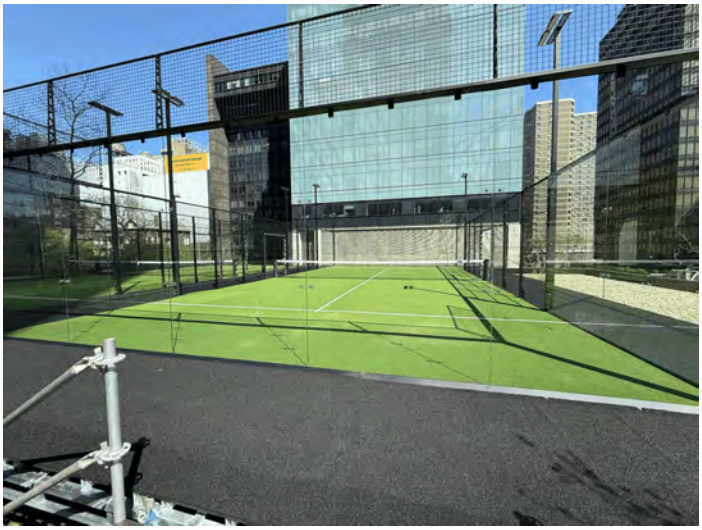
UNIT INTERIOR



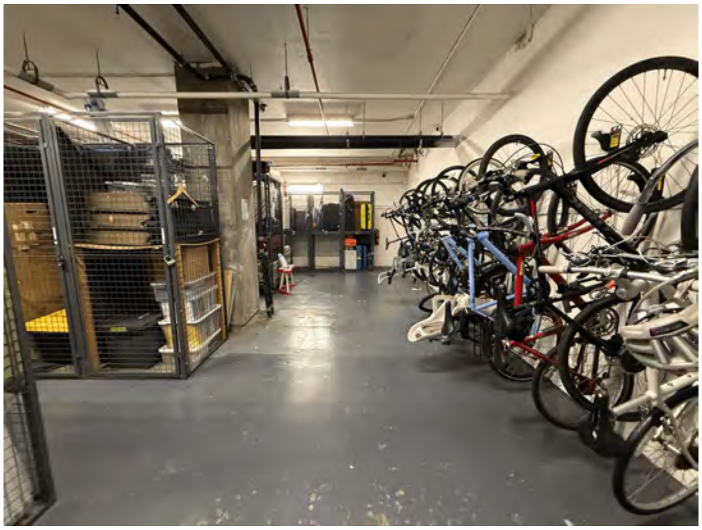
POOL

SAUNA

FITNESS CENTER



PADEL COURT



TENANT STORAGE

RETAIL FRONTAGE


MECHANICALS

MECHANICALS

RETAIL FRONTAGE

BUILDING EXTERIOR


GARAGE ENTRANCE RAMP


COMMON LAUNDRY

PROPERTY IDENTIFICATION

The subject is a Mixed-Use (Luxury Class A) property totaling 209 units, one retail unit and a parking garage. It is located on a 26,956-SF site at 1113 York Avenue in New York, New York County, New York. The assessor's parcel number is: Manhattan, Block 1455, Lot 21.

The legal description of the subject property is as follows:

Two Sutton Place North

ALL that certain plot, piece or parcel of land, situate lying and being in the Borough of Manhattan, County, City and State of New York bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of East 61st Street with the westerly side of York Avenue;

RUNNING THENCE westerly along the southerly side East 61st Street, 112.17 feet to a point;

RUNNING THENCE southerly at right angles to the southerly side of East 61st Street, 126.33 feet to a point;

RUNNING THENCE westerly at right angles to the last mentioned course, 23.00 feet to a point;

RUNNING THENCE southerly at right angles to the last mentioned course, 5.75 feet to a point;

RUNNING THENCE westerly at right angles to the last mentioned course, 88.35 feet to a point;

RUNNING THENCE southerly at right angles to the last mentioned course, 28.50 feet to a point;

RUNNING THENCE easterly at right angles to the last mentioned course, 83.44 feet to a point;

RUNNING THENCE southerly at right angles to the last mentioned course, 40.25 feet to the northerly side of East 60th Street;

RUNNING THENCE easterly along the northerly side of East 60th Street, 140.08 feet to the westerly side of York Avenue;

RUNNING THENCE northerly along the westerly side of York Avenue, 200.83 feet to the corner the point or place of BEGINNING.

TOGETHER with and SUBJECT to the Terms and Conditions of Construction, Reciprocal Operating and Easement Agreement dated 2/22/2008 and recorded 3/5/2008 in CRFN 2008000089785, as amended by Amendment to Construction, Reciprocal Operating Easement Agreement (vault) dated 8/31/2015 and recorded 9/16/2015 in CRFN 2015000326774, and by Second Amendment to Construction, Reciprocal Operating and Easement Agreement dated 1/15/2016, recorded 2/1/2016 in CRFN 201600034512, and by Amended and Restated Construction, Reciprocal Operating and Easement Agreement dated 8/31/2020, recorded 9/15/2020 in CRFN 2020000257434.

(For Information: Block 1455 Lot 21)

AUTHORIZED CLIENT IDENTIFICATION

The client of this specific assignment is GO Partners, LLC.

PURPOSE

The purpose of this appraisal is to develop an opinion of the current As-Is Fair Value of the subject property's leased fee interest as of March 31, 2025, and the Retrospective Fair Values as of December 31, 2024 and December 31, 2023. At the request of the client, we have also completed an Insurable Replacement Cost Estimate, and determined the fair market value of the fee simple interest in the underlying land as of March 31, 2025, subject to a Hypothetical Condition that the site is free and clear of improvements.

AUTHORIZED USE

The authorized use of the appraisal is for IFRS compliance and equity offering process in conjunction with a Canadian IPO, with approval of the reports to be posted on SEDAR as part of a prospectus in accordance with Canadian securities laws. The reports are not intended for any other use.

AUTHORIZED USERS

Authorized users include Go Partners, LLC and its financial advisors and auditors. No other users are intended. Use of this report by third parties and other unintended users is not permitted. This report must be used in its entirety. Reliance on any portion of the report, independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.

ASSIGNMENT DATES

Date of Report	June 17, 2025
Date of Inspection	April 1, 2025
Valuation Date - Fair Value	December 31, 2023
Valuation Date - Fair Value	December 31, 2024

PERSONAL INTANGIBLE PROPERTY

No personal property or intangible items are included in this valuation.

PROPERTY AND SALES HISTORY

Current Owner
2 Sutton Place N. LLC

Three-Year Sales History
The subject property previously sold on November 23, 2022 for $221,270,485 from 60th Street Development II LLC (as recorded on Document No.2022112800672000). The sale was negotiated along with two other luxury apartment buildings (One East River Drive and One Sutton Place). Based on discussions with the current owner and a review of public records and private data services, the prior sale appears to have been an arm's-length transaction and was not impacted by any concessions. Based on the Offering Memorandum provided, the purchase price appears to consider substantial upside to be captured over the holding period, and not indicative of performance at the time of sale.

Subject Sale Status
An interview of the current owner revealed that the subject property is not under a current agreement of sale or option and is not currently offered for sale on the open market.

DEFINITIONS

This section summarizes the definitions of value, property rights appraised, and value scenarios that are applicable for this appraisal assignment. All other applicable definitions for this assignment are located in the Valuation Glossary section of the Addenda.

DEFINITIONS OF VALUE

This section summarizes the definitions of value, property rights appraised, and value scenarios that are applicable for this appraisal assignment. All other applicable definitions for this assignment are located in the Valuation Glossary section of the Addenda.

Given the scope and intended use of this assignment, the following definition of value is applicable:

The purpose of this appraisal is to develop an opinion of the Fair Value and Retrospective Value of the subject property's leased fee interest. The IVSB considers that the definition of Fair Value in IFRS are generally consistent with *market value* with respect to IFRS Standard according to IFRS 13 as it relates to fair market value according to IFRS 9 and 10 (which also refers to IAS 40). This is further discussed in IVS 300 *Valuations for Financial Reporting.* Based on the foregoing, we have defined Fair Value consistent with the definition of Market Value as commonly applied in the US, recognizing the two are synonymous in meaning.

Fair Value
The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.[1]

PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the leased fee interest.

VALUE SCENARIOS

As-Is Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.[2]

Retrospective Value
A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."[3]

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[1] Financial Accounting Standards Board Accounting Standards Codification Topic 820 (ASC 820)
[2] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022
[3] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

INTRODUCTION

The appraisal development and reporting processes requires gathering and analyzing information about those assignment elements necessary to properly identify the appraisal problem to be solved. The scope of work decision must include the research and analyses that are necessary to develop credible assignment results given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed. The scope of work for this appraisal assignment is outlined below:

- The appraisers analyzed the regional and local area economic profiles including employment, population, household income, and real estate trends. The local area was further studied to assess the general quality and condition, and emerging development trends for the real estate market. The immediate market area was inspected and examined to consider external influences on the subject.
- The appraisers confirmed and analyzed legal and physical features of the subject property including sizes of the site and improvements, flood plain data, seismic zone, zoning, easements and encumbrances, access and exposure of the site, and construction materials and condition of the improvements. This process also included estimating the remaining economic life of the improvements and a conclusion of the subject's overall functional utility.
- The appraisers completed an apartment and retail market analysis that included market and sub-market overviews. The New York Metro market and Upper East Side sub-market overviews analyzed supply/demand conditions using vacancy, absorption, supply change and rent change statistics. Conclusions were drawn regarding the subject property's competitive position given its physical and locational characteristics, the prevailing economic conditions and external influences.
- The appraisers conducted a Highest and Best Use analysis, determining the highest and best use of the subject property As-Vacant and As-Improved. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject property. Development of the Highest and Best Use As-Improved explored potential alternative treatments of the property including demolition, expansion, renovation, conversion, and continued use "as-is."
- The appraisers confirmed and analyzed financial features of the subject property. This information as well as trends established by confirmed market indicators was used to forecast performance of the subject property.
- Selection of the valuation methods was based on the identifications required in USPAP relating to the intended use, intended users, definition and date of value, relevant property characteristics and assignment conditions. As a result, this appraisal developed the Income (Direct Capitalization) and Sales Comparison approaches to value. The resulting value indicators were reconciled within the Analysis of Value Conclusions section. The appraisal develops an opinion of the As-Is Fair Value and Market Value of underlying site subject to a Hypothetical Condition (MVHC) of the subject property's leased fee interest. At the request of the client, we have also completed an Insurable Replacement Cost Estimate. The reasoning for including or excluding traditional approaches to value is developed within the Valuation Methodology section.
- Reporting of this appraisal is in an Appraisal Report format as required in USPAP Standard 2. The appraiser's analysis and conclusions are fully described within this document.
- We understand the Competency Rule of USPAP and the authors of this report meet the standards.
- No one provided significant real property appraisal assistance to appraisers signing this certification.

SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

SOURCES OF INFORMATION	
ITEM	**SOURCE**
Tax Information	New York City Department of Finance
Zoning Information	New York City Planning
Site Size Information	New York City Planning
Building Size Information	New York City Planning
Flood Map	InterFlood
Demographics	Esri ArcGIS®
Comparable Information	See Comparable Datasheets for details
Legal Description	Grant Deed from ACRIS
Rent Roll (Dated 12/31/2023 and 12/31/2024)	Property Contact
Income/Expense Statements (2023 & 2024)	Property Contact

SUBJECT PROPERTY INSPECTION

The following table illustrates the Colliers International professionals involved with this appraisal report and their status related to the property inspection.

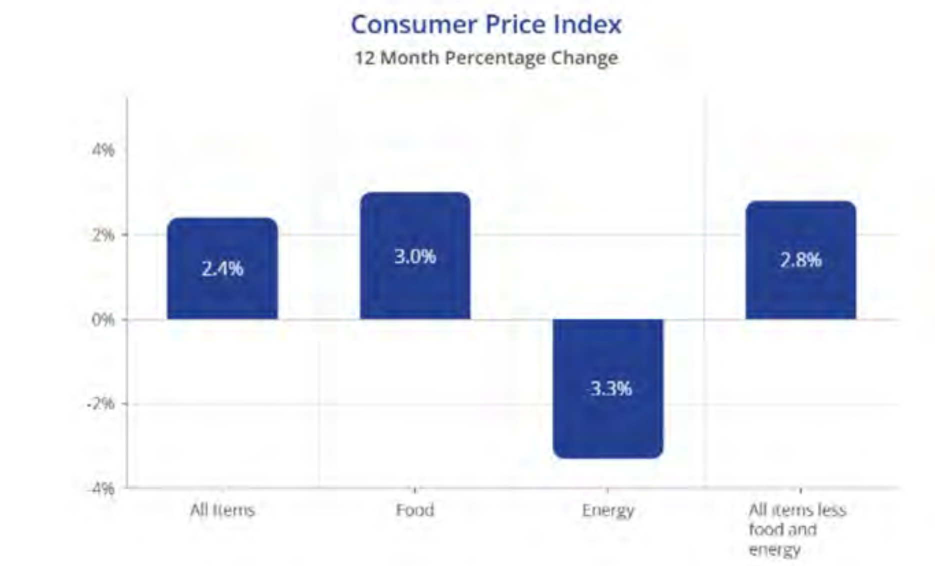
SUBJECT PROPERTY INSPECTION			
APPRAISER	**INSPECTED**	**EXTENT**	**DATE OF INSPECTION**
Stuart Greenfield	No	-	-
Tina Yu	Yes	Interior/Exterior	April 1, 2025
Tony O'Sullivan, MAI, MRICS	No	-	-

It is our understanding that the remaining (non-inspected) units are in similar condition to those inspected, with no interior deferred maintenance present in the other units. This analysis makes the assumption that the non-inspected units are in a similar condition to those units inspected by the appraiser.

National Economic Conditions

Inflation

The March Consumer Price Index (CPI) offered some encouraging news on inflation, but it reflects past conditions more than what lies ahead. Headline CPI fell 0.1%—the first monthly decline since May 2020—thanks to lower oil prices and airfare. On a year-over-year basis, inflation eased to 2.4%, matching a post-pandemic low.



Source: Oxford Economics, Bureau of Economic Analysis

The core CPI, which excludes food and energy, rose 0.1% in March and increased 2.8% from a year earlier. While the monthly core increase was modest, the annual figure remains elevated, highlighting underlying price pressures.

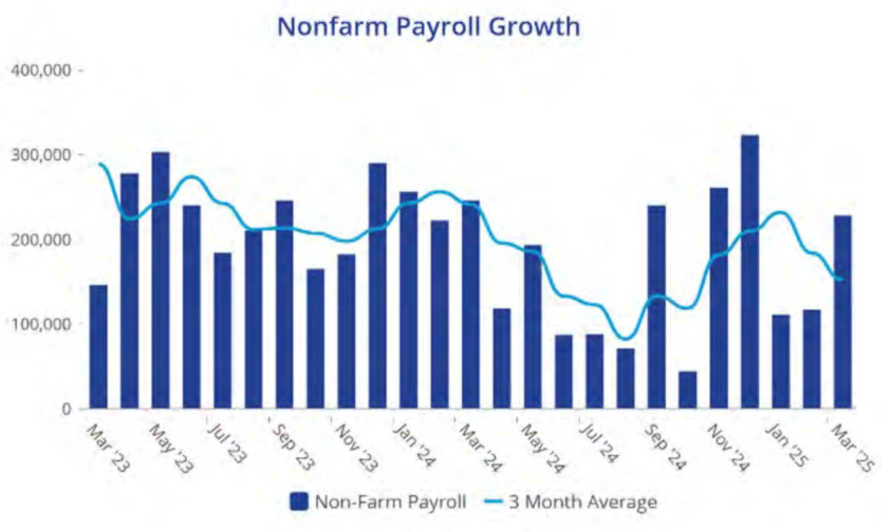
Ordinarily, such a muted CPI report would be a relief for Wall Street and bolster the case for Fed rate cuts. However, the outlook is more complicated. The March data only partially reflected the impact of recently imposed tariffs, and more inflationary pressure is likely in the pipeline. Energy will continue to weigh on headline CPI in April, but tariffs will begin to push prices higher in the months ahead.

Core goods prices dipped between February and March, partly due to softer consumer spending on discretionary items. But this reprieve may be short-lived. As tariffs cut into real disposable income—the main engine of consumption—spending will likely weaken further, increasing the risk of renewed inflation.

Business leaders dialed back their plans for 2025 and grew more cautious as a series of trade wars threatened by President Donald Trump raised worries about customer demand and higher inflation.

Employment

The number of new job postings slipped slightly to 7.6 million in February, down from 7.7 million in January. The report, which is published with a one-month lag, shows that openings have steadily declined from a peak of more than 12 million in 2022.



Source: Oxford Economics, Trading Economics

Economists warn that the Trump administration's rapid push to overhaul federal policies and renegotiate trade agreements could further slow hiring. The uncertainty has dented consumer confidence and led many companies to delay investment and hiring decisions.

March's job openings report is expected to be the first to reflect the full impact of the administration's actions.

Federal Reserve Rate

Following a period of robust economic activity and inflation data since initiating its rate-cutting cycle with a 50bp reduction in mid-September, the Fed took a more cautious approach at its recent two-day FOMC meeting, opting for a 25bp cut. This adjustment brought the federal funds target range down to 4.50%–4.75%.

Former President Donald Trump is expected to introduce proposed immigration restrictions and tariffs through executive action in the second quarter of next year, both of which are considered inflationary. Consequently, the Fed is likely to end its easing cycle sooner than previously anticipated. CME Fed Watch places a 64.6% probability on a 25bps cut at the December meeting. Additional 25bps rate cuts are expected at each meeting until next May, with the rate projected to bottom out at 3.50%–3.75%, 50bps higher than pre-election levels.

New Home Construction

U.S. home construction fell 3.1% in October, with housing starts declining to an annual pace of 1.31 million, the lowest since July and 4% below last year. A decrease in single-family home construction drove the drop, while multi-family starts rose nearly 10%.

Building permits, a key indicator of future activity, dipped 0.6% to a 1.42 million rate. Single-family permits edged up 0.5%, but multi-family permits fell 3%. Hurricanes Helene and Milton likely contributed to reduced activity, particularly in the South.

Despite current challenges, builders are optimistic about the future, anticipating lower mortgage rates and regulatory relief. Builder sentiment reached a seven-month high, reflecting confidence in the ability to sell new homes.

Source: MarketWatch, Trading Economics

Manufacturing

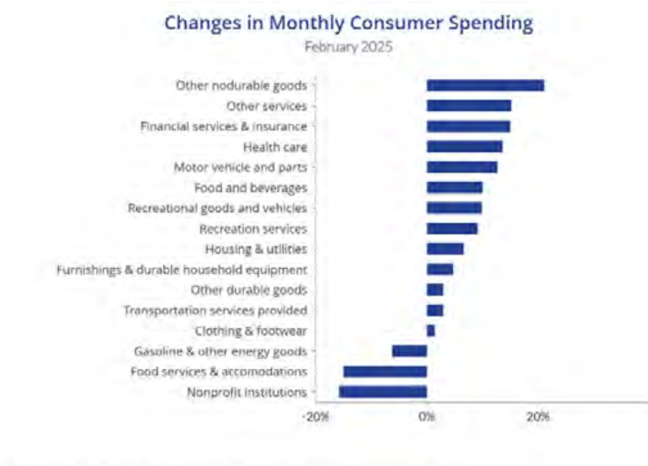
The ISM Non-Manufacturing Index rebounded in December 2024, climbing 2.0 points to 54.1, signaling expansion in the sector. Survey panelists expressed an optimistic outlook for the year ahead, reinforcing positive sentiment. While the index can exhibit monthly volatility, the upward trend in recent months aligns with our expectations for continued growth in consumer spending.

However, this optimism was tempered by a sharp increase in the Prices Paid Index, which surged to its highest level since early 2023. If this trend persists, it could point to a reacceleration of inflation in the first quarter of 2025.

Consumer Spending

Personal spending rebounded by 0.4% in February, following a weather-related 0.3% drop in January. While below the consensus forecast of 0.6%, the result reflected a modest real spending gain of just 0.1% after accounting for a 0.3% price rise. As anticipated by earlier retail and auto sales data, the swing was largely due to goods spending, which had slumped in January and rebounded in February.

A continued drag came from a drop in non-profit spending—an increasingly common pattern in post-election months as professional advocacy activity winds down. Based on historical trends, that effect should fade from March onward.



Source: Oxford Economics, Bureau of Economic Analysis

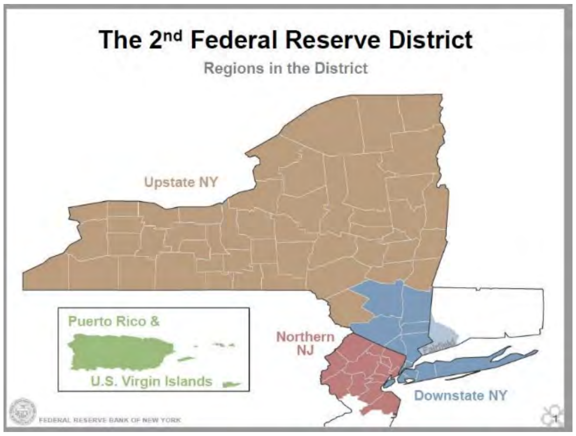
Spending at bars and restaurants also dipped, but high-frequency indicators like Opentable suggest that was likely noise rather than a sign of broader cutbacks.

The delayed arrival of larger tax refunds and the lingering impact of reduced advocacy spending partly limited the February rebound. Early signs point to stronger spending in March.

Regional Economic Conditions

The following was obtained from the Beige Book, published by the Federal Reserve Bank. The Beige Book is a Federal Reserve System publication about current economic conditions across the 12 Federal Reserve Districts. It characterizes regional economic conditions and prospects based on a variety of mostly qualitative information, gathered directly from each District's sources. Reports are published eight times per year.

The data below is from the **March 2025** report and is for the Second District, which is illustrated in the adjoining map.



Labor Markets

On balance, employment in the region continued to grow slightly. Businesses in leisure and hospitality, personal services, and healthcare and education saw modest increases in headcounts. However, construction firms reported moderate reductions, and transportation, information, finance, and business services firms noted more modest declines.

Demand for workers was steady, but employers expressed some hesitancy in hiring due to uncertainty about the outlook. Though there were no mentions of major layoffs in the District, there was some quiet downsizing at financial firms at year end leading to a slight increase in job hunters. Further, a New York City area recruiter noted that there have been a rising number of jobseekers from the healthcare sector, as hospital consolidations have resulted in some reductions in office staffing. Still, demand for workers in financial services remained solid, and some fields that were quiet much of last year, such as sales and marketing, have seen some pickup. With labor supply and labor demand back into balance, it is generally not difficult to find qualified workers.

Wage growth continued at a moderate pace. Several contacts noted that New York State's minimum wage law was a factor pushing up wages for all their workers, though some businesses reported holding the line on wages to only cost-of-living increases or even pay cuts in some industries.

Prices

Selling price increases picked up to a moderate pace after some slowing during the last reporting period. Manufacturing contacts noted a marked uptick in input price increases, while service sector firms reported that cost increases continued at about the same pace as in the prior reporting period. Prices for a number of food products increased sharply, including coffee, chocolate, and eggs; freight, insurance, and utilities costs also increased significantly. Tariffs and the impacts of shifting trade policies on prices were a source of significant concern for businesses across many industries. A manufacturing firm noted that either paying tariffs or adjusting sourcing to avoid tariffs would lead to higher selling prices. In general, firms expected some pickup in price increases in the months ahead.

Consumer Spending

Consumer spending held steady since the last report after a strong holiday sales season despite exceptionally harsh winter weather across much of the District. Auto dealers in upstate New York reported a modest increase in both new and used car sales in early 2025. Still, affordability remained a concern, and used cars have remained appealing due to the gap between the price of new and used cars. Inventory of new and used vehicles remained at healthy levels. Despite heightened uncertainty and some concerns about the impact of tariffs on global supply chains, retailers and auto dealers were optimistic about sales prospects in 2025.

Manufacturing and Distribution

Manufacturing activity edged up slightly, following a small decline in activity last period. New orders and shipments picked up. Activity among wholesale and distribution-related firms was largely unchanged. While supply availability was fairly steady, delivery times lengthened slightly. A shipping industry contact indicated that despite widespread apprehension among importers about the effect of tariffs and shifting trade policies, most are waiting until the changes are established before making any modifications to sourcing or shipping routes. Many contacts expect supply availability to worsen in the months ahead. One firm noted that interest rates are limiting investments, and capital spending plans were generally soft. Optimism among manufacturers and distribution-related firms dropped noticeably.

Services

Activity in the service sector weakened slightly. While business services firms reported steady activity, businesses in other service industries reported slight to modest declines. Service sector firms anticipated only modest growth in the coming months and were less optimistic than in the last reporting period.

Tourism activity in New York City was solid. Despite the usual seasonal slowdown, hotel occupancy rates were high and just below the levels from the same time in 2019. Broadway theatres continued to have high attendance. Even with the seasonal reprieve in hotel rates, high hotel costs cut into visitors' budgets, constraining spending on dining and other entertainment.

Real Estate and Construction

The housing market remained solid. Demand has continued to outpace supply in the New York City suburbs and upstate New York, limiting sales and pushing prices up. Exceptionally low inventory remains a constraint, and on Long Island inventory is at the lowest level in more than two decades. With inventory at relatively normal levels in New York City, new signed contracts have continued to rise. However, price dynamics in the City have been mixed, with the price of existing units moving sideways and the price of new development increasing.

The rental market strengthened. Rents continued to rise in New York City, where bidding wars were common, and a large share of units were rented at an amount over the asking rent. In upstate New York, rents remained stable at a high level. With mortgage rates still relatively high, many prospective buyers have continued to rent.

Commercial real estate markets were mixed. New York City's office market saw a modest uptick in new leases, and vacancy rates fell. Financial services firms accounted for the lion's share of new office leases. Northern New Jersey's industrial market continued to weaken slightly, with a continued rise in vacancy rates and rents declining slightly as new supply on the market has offset rising demand. Increases in industrial demand was driven in large part by third-party logistics firms from Asia as well as big box retailers. Retail markets in New York City worsened slightly, with a small uptick in vacancy rates amid sagging rents.

Construction activity declined at a moderate pace. Despite concerns about rising materials prices, construction industry contacts remained optimistic about business activity in the coming months.

Banking and Finance

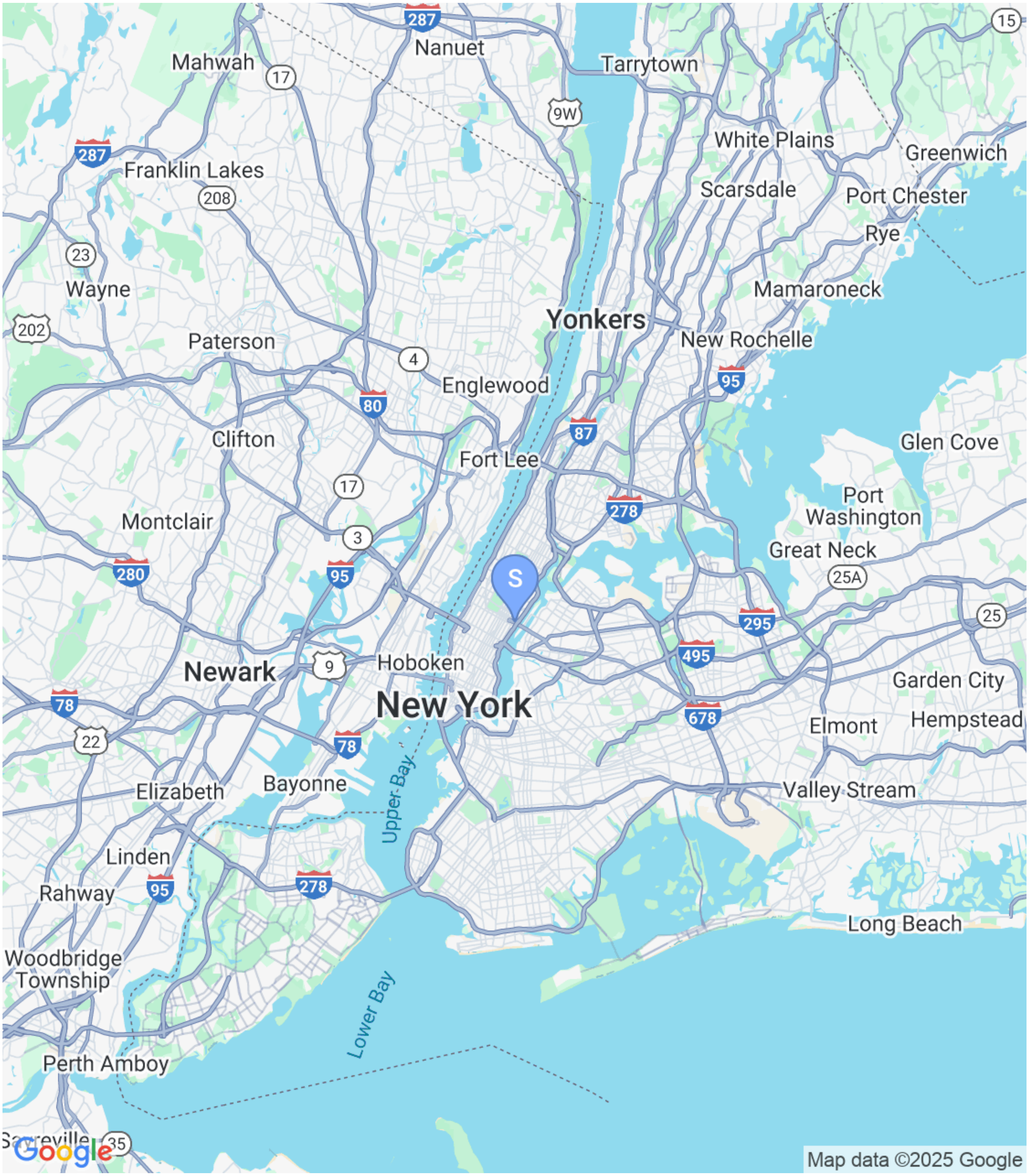
Activity in the broad finance sector weakened modestly. Small-to-medium-sized banks reported that demand continued to decline for all loan types, including business loans, consumer loans, and commercial and residential mortgages, as well as refinances. One regional bank reported that rates had not dropped as much as customers had expected, dampening the demand for loans. Most banking contacts reported that credit standards continued to ease, and delinquency rates continued to improve. Deposit rates moved lower. Still, finance industry contacts remained optimistic about the outlook.

Community Perspectives

Housing shortages persist across much of the District. Although there have been some favorable changes in zoning, legislation, and availability of financing, progress in expanding the supply of housing has been limited, as communities have mounted resistance to real estate development. Still, urban neighborhoods and rural communities alike are finding some success in conversions from commercial properties, including offices but also churches and schools in more rural areas, offering some increase in supply in some communities.

Summary of Economic Activity

Economic activity in the Second District was little changed in early 2025. Employment grew slightly and wage growth was moderate, with labor supply and labor demand coming back into balance. Selling price increases picked up to a moderate pace after some slowing during the last reporting period, while input price increases remained moderate. Manufacturing activity edged up slightly. Consumer spending held steady, and tourism in New York City stayed near pre-pandemic levels. Housing markets remained solid, and new office leases picked up modestly in New York City. The broad finance sector weakened modestly. Many businesses noted heightened economic uncertainty and expressed concern about tariffs. Looking ahead, businesses were notably less optimistic.


Mahwah
Nanuet
Tarrytown
Franklin Lakes
White Plains
Greenwich
Scarsdale
Port Chester
Rye
Wayne
Mamaroneck
Yonkers
Paterson
New Rochelle
Englewood
Clifton
Glen Cove
Fort Lee
Port Washington
Montclair
Great Neck
S
Hoboken
Newark
New York
Garden City
Elmont
Hempstead
Elizabeth
Bayonne
Upper Bay
Valley Stream
Linden
Rahway
Long Beach
Woodbridge Township
Lower Bay
Perth Amboy
Google
Map data ©2025 Google

INTRODUCTION

New York is a hub of international business and is one of three centers for the world economy along with London and Tokyo. The city is a major center for banking and finance, retailing, world trade, transportation, tourism, real estate, insurance, media, theater, fashion, and the arts in the United States. New York City is at the heart of the New York Metropolitan Area, which consists of 23 counties, 10 of which are located in New York State, 12 in New Jersey, and Pike County in Pennsylvania.

With a labor force at 9.6 million workers, the Greater New York economy is the largest economy in the United States and as a center of international banking and commerce, one of the most important in the world. At its heart is New York City, a globally attractive metropolis that is home to such banking giants as JPMorgan Chase, Citigroup, Goldman Sachs and Morgan Stanley. Trade, real estate, manufacturing, tourism, biotechnology, and education are among the leading industries in the area.

This area is considered the New York-Newark-Jersey City, NY-NJ-PA Metropolitan Statistical Area.

Principal Cities in the area include:

- Jersey City
- Lakewood
- New Brunswick
- New York
- Newark
- White Plains

NEW YORK CITY

The five boroughs that comprise New York City make it the most populated city in the U.S., although it covers only 305 square miles or 195,000 acres. Excluding streets and major bodies of water, approximately 154,000 acres of land is useable. As of 2010, only 8,902 acres or 5.8% of the useable acreage was vacant, an indicator that New York City is densely developed. Roughly 41,500 acres or 27% of the useable acreage is open space used as public parks, playgrounds, nature preserves, cemeteries, amusement areas, beaches, stadiums and golf courses.

New York City is located inside of one of the world's largest natural harbors and consists of five boroughs: The Bronx, Brooklyn, Manhattan, Queens, and Staten Island. Throughout the boroughs, there are hundreds of distinct neighborhoods, many with a definable history and character to call their own. If the boroughs were each independent cities, four of the boroughs (Brooklyn, Queens, Manhattan, and the Bronx) would be among the ten most populous cities in the United States.

DEMOGRAPHIC ANALYSIS

The following is a demographic study of the region sourced by *Esri ArcGIS®*.

Population

According to Esri ArcGIS®, a Geographic Information System (GIS) Company, the New York-Newark-Jersey City metropolitan area had a 2024 population of 19,954,881 and experienced an annual growth rate of -0.2%, which was higher than the New York annual growth rate of -0.3%. The metropolitan area accounted for 100.2% of the total New York population (19,924,635). Within the metropolitan area the population density was 3,250.2 people per square mile compared to the lower New York population density of 422.8 people per square mile and the lower United States population density of 95.8 people per square mile.

POPULATION			
YEAR	US	NY	CBSA
2020 Population	331,839,624	20,191,925	20,086,740
2024 Population	338,440,954	19,924,635	19,954,881
2029 Population	344,873,411	19,836,746	19,979,477
2020-2024 CAGR	0.5%	(0.3%)	(0.2%)
2024-2029 CAGR	0.4%	(0.1%)	0.0%

Source: Esri ArcGIS®

POPULATION DENSITY			
YEAR	US	NY	CBSA
2024 Per Square Mile	95.8	422.8	3,250.2
2029 Per Square Mile	97.6	421.0	3,254.2

Source: Esri ArcGIS®

Household Trends

The 2024 Households number of households in the metropolitan area was 7,414,787. The number of households in the metropolitan area is projected to grow by 0.3% annually, increasing the number of households to 7,527,512 by 2029 Households. The 2024 average household size for the metropolitan area was 2.63, which was 3.95% larger than the United States average household size of 2.53 for 2024. The average household size in the metropolitan area is anticipated to retract by 0.23% annually, reducing the average household size to 2.6 by 2029.

NUMBER OF HOUSEHOLDS			
YEAR	US	NY	CBSA
2024 Households	130,716,571	7,705,781	7,414,787
2029 Households	134,930,577	7,795,409	7,527,512
2024-2029 CAGR	0.6%	0.2%	0.3%

Source: Esri ArcGIS®

AVERAGE HOUSEHOLD SIZE			
YEAR	US	NY	CBSA
2024	2.53	2.51	2.63
2029	2.50	2.47	2.60
2024-2029 CAGR	(0.24%)	(0.32%)	(0.23%)

Source: Esri ArcGIS®

The New York-Newark-Jersey City metropolitan area had 50.59% renter occupied units, compared to the lower 48.75% in New York and the lower 35.64% in the United States.

HOUSING UNITS			
	US	NY	CBSA
Owner Occupied	64.36%	51.25%	49.41%
Renter Occupied	35.64%	48.75%	50.59%

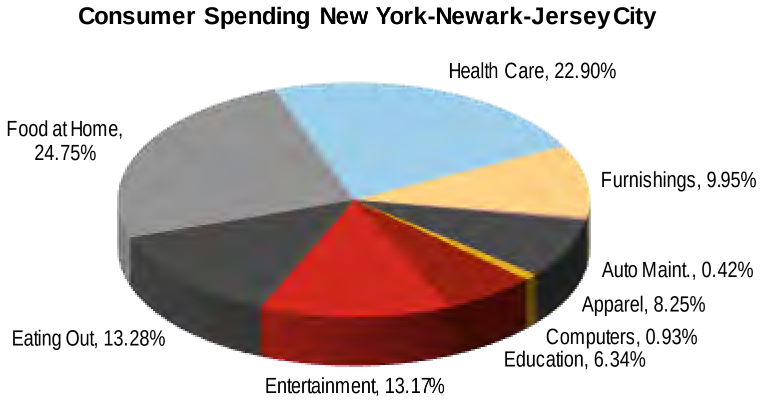
Source: Esri ArcGIS®

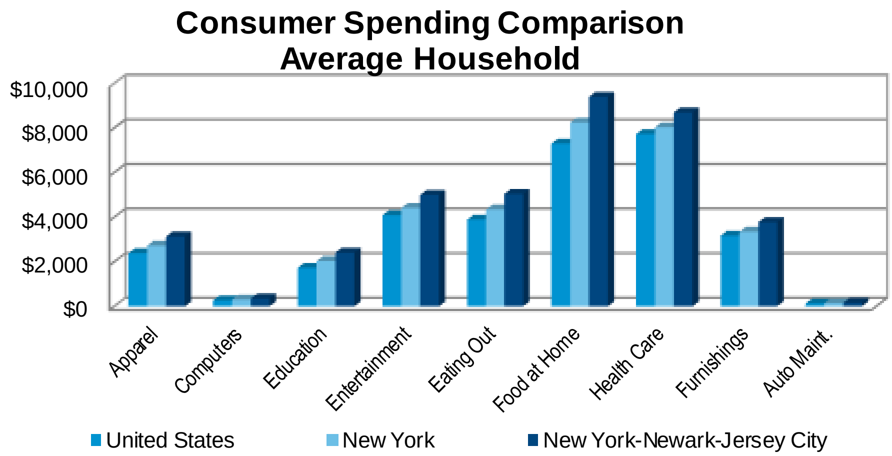
The 2024 median household income for the metropolitan area was $96,850, which was 22.49% higher than the United States median household income of $79,068. The median household income for the metropolitan area is projected to grow by 2.45% annually, increasing the median household income to $109,313 by 2029.

MEDIAN HOUSEHOLD INCOME

YEAR	US	NY	CBSA
2024	$79,068	$83,109	$96,850
2029	$91,442	$95,658	$109,313
2024-2029 CAGR	2.95%	2.85%	2.45%

Source: Esri ArcGIS®





ECONOMY

The economy of New York City encompasses the largest municipal and regional economy in the United States. In 2023, the New York metropolitan area generated a gross metropolitan product (GMP) of US$2.2 trillion, with a population of 23.6 million people. Anchored by Wall Street in Lower Manhattan, New York City has been characterized as the world's premier financial center. The city is home to the New York Stock Exchange (NYSE) and Nasdaq, the world's two largest stock exchanges by both market capitalization and trading activity.

New York City, anchored by Manhattan, is the world's leading center of banking, finance, and communication. It is home to the NYSE on Wall Street. Many of the world's largest corporations are headquartered in Manhattan. The borough contained almost 600 million square feet of office space, as of the 3rd quarter 2023, making it the largest office market in the United States. Midtown Manhattan, with nearly 350 million square feet, as of the 3rd quarter 2023, is one the largest central business districts in the world.

Finance, health care and life sciences, high technology and biotechnology, real estate, and insurance all form the basis of New York City's economy. The city is also the nation's most important center for mass media, journalism, and publishing. Also, it is the country's preeminent arts center. Creative industries such as digital media, advertising, fashion, design, and architecture account for a growing share of employment. New York City possesses strong competitive advantages in these industries. Despite declining, manufacturing remains consequential. The Port of New York and New Jersey is a major economic engine, handling a maritime cargo volume in the ten months through October 2022 of over 8.2 million twenty-foot equivalent units.

LARGEST COMPANIES (BY REVENUE)

Rank	Company	Revenue (2021)	Industry
1	Verizon Communications	133,613	Telecomrmnications
2	JP Morgan Chase & Co	127,202	Financial Services
3	Pfizer	81,288	Riarmaceuticals
4	Citigroup	79,865	Financial Services
5	PepsiCo	79,474	Food & Beverage Roducts
6	MetLife Inc.	71,080	Insurance
7	Prudential Financial Inc.	70,934	Insurance
8	Goldman Sachs	64.989	Financial Services
9	Morgan Stanley	61,121	Financial Services
10	International Business Machines Corp	57,350	Technology

Many Fortune 500 corporations are headquartered in New York City as are a large number of multinational corporations.

New York City's most important economic sector lies in its role as the headquarters for the U.S. financial industry.

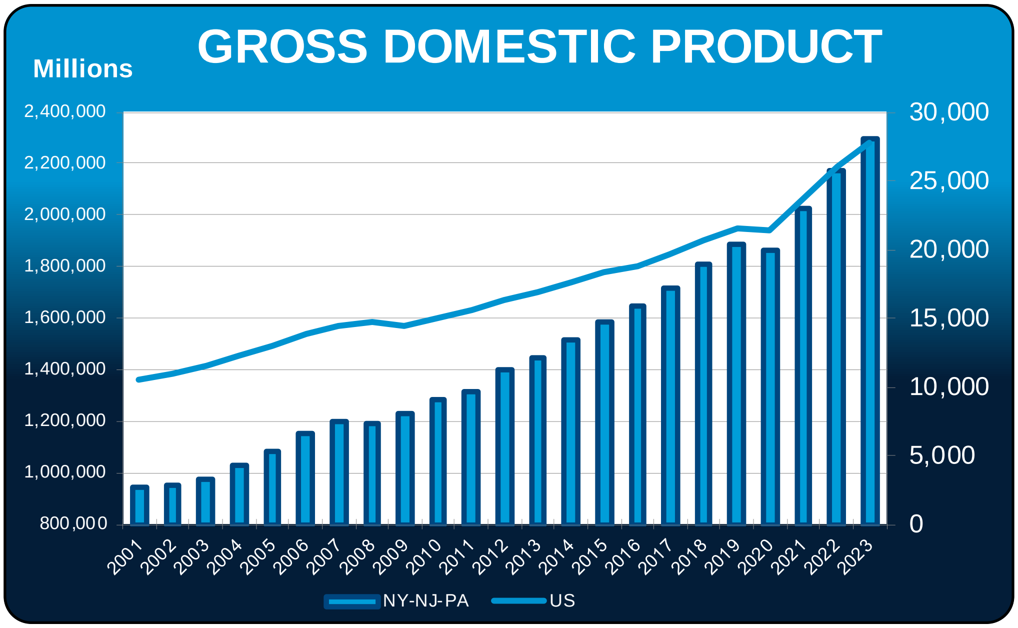
Lower Manhattan is home to the New York Stock Exchange, on Wall Street, and the Nasdaq, at 165 Broadway, representing the world's largest and second largest stock exchanges, respectively, when measured both by overall average daily trading volume and by total market capitalization of their listed companies. Some of the largest commercial and investment banks in the world are headquartered in New York City: including JPMorgan Chase & Co., Citigroup Inc., The Goldman Sachs Group Inc., and Morgan Stanley, as depicted above.

New York is a top-tier global high technology hub. New York's tech universe incorporates artificial intelligence, the Internet, new media, telecommunications, digital media, software development, biotechnology, game design, financial technology ("FinTech"), and other fields within information technology that are supported by its entrepreneurship ecosystem and venture capital investments.

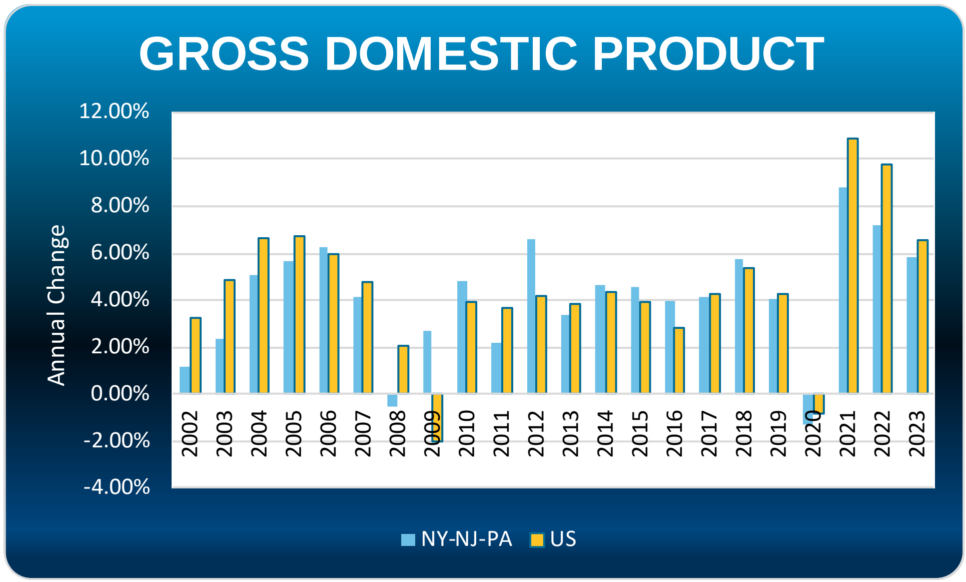
Research and medical services drive New York's healthcare industry. The city has the most post-graduate life sciences degrees awarded annually in the United States, 60,000 licensed physicians, and 127 Nobel laureates with roots in local institutions. New York receives the second-highest amount of annual funding from the National Institutes of Health among all U.S. cities, after Boston.

Manufacturing accounts for a significant share of employment. Garments, chemicals, metal products, processed foods, and furniture are some of the principal products. The food-processing industry is the most stable major manufacturing sector in the city. Food making is a $5 billion industry that employs more than 19,000 residents. There are over 233,000 manufacturing jobs in more than 10,000 New York City industrial businesses.

New York is by far the most important center for American mass media, journalism, and publishing. The city is the top media market in the United States, with 7% of the country's television-viewing households. Three of the Big Four music recording companies have their headquarters in the city. More than 200 newspapers and 350 consumer magazines have an office in the city.



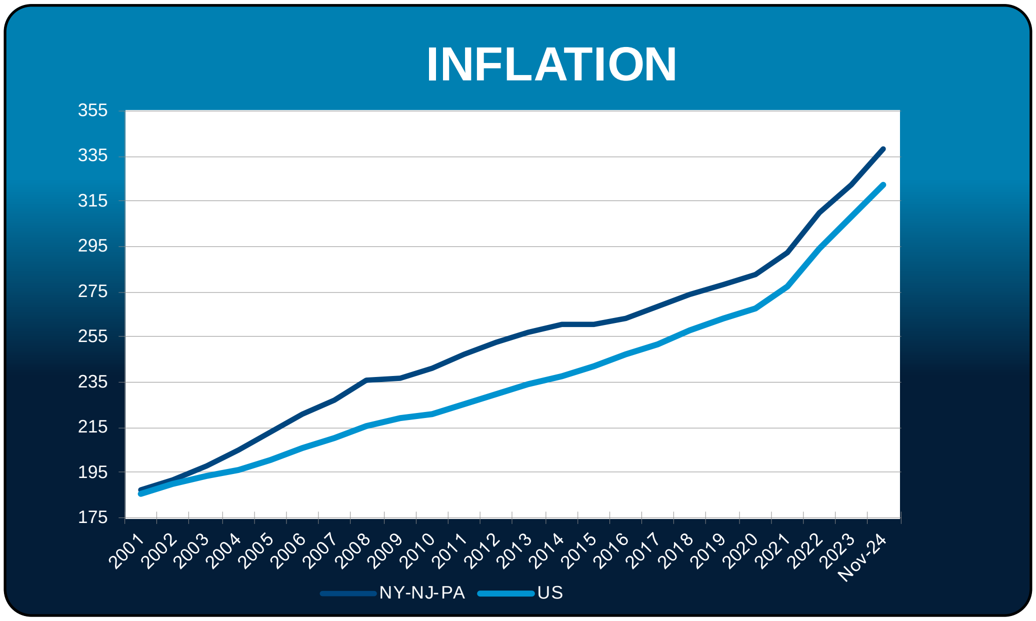
Over the past 23 years, the gross domestic product for the NY-NJ-PA, MSA has increased a compound annual rate of 4.1%, which is lower than the national increase of 4.5%.

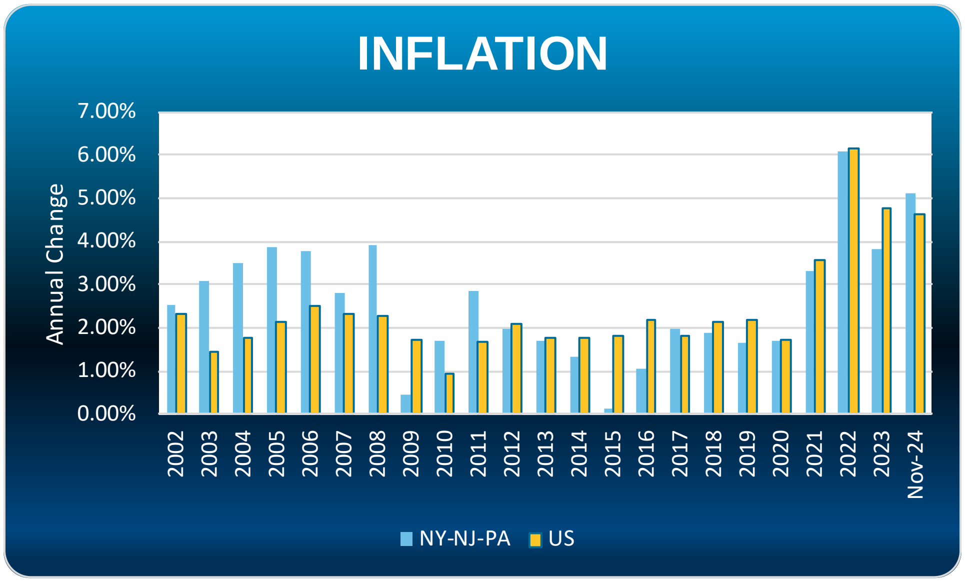


After a sharp drop from 2020 to 2021, the GDP for both the US and the NY-NJ-PA MSA increased by almost 10%. During the past year, both US and the NY-NJ-PA MSA increased by approximately 6%. Since COVID, growth has been the highest levels since 2002.

Inflation

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services.

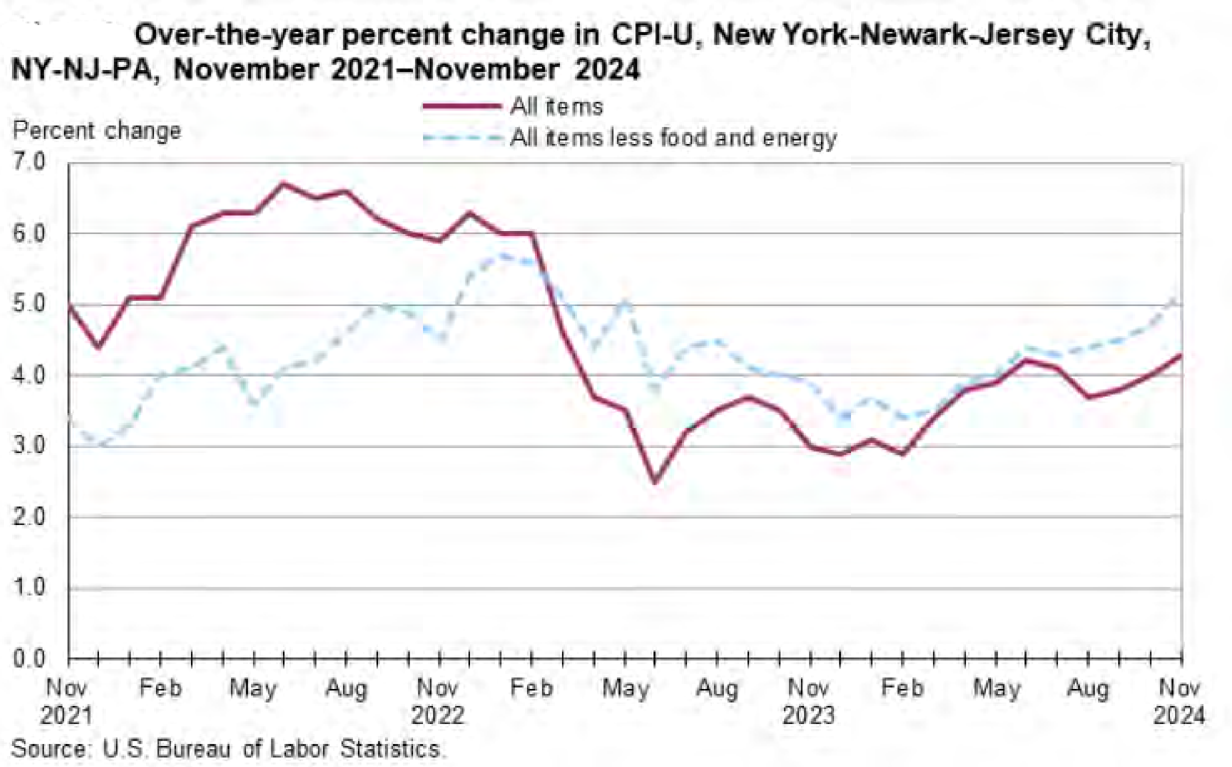




Over the past 23 years, the annual rate of inflation in the NY MSA has ranged from 0.1% to 6.1% with an average of 2.6%. Over the past 23 years, the annual rate of inflation in the nation has ranged from 1.0% to 6.1% with an average of 2.4%

The Consumer Price Index for All Urban Consumers (CPI-U) in the New York-Newark-Jersey City area inched up 0.1 percent for the second consecutive month in November, the U.S. Bureau of Labor Statistics reported.

Over the last 12 months, the New York area all items CPI-U advanced 4.3 percent. The index for all items less food and energy increased 5.2 percent. Food prices rose 1.8 percent, and energy prices declined 1.7 percent.



Food

Food prices increased 0.4 percent in November after ticking down 0.1 percent one month earlier. Prices for food away from home rose 0.5 percent with higher prices recorded for both full service and limited service meals and snacks. A 0.3-percent increase in prices for food at home was the result of higher prices in three of the six grocery categories, led by meats, poultry, fish, and eggs. Other groceries with higher November prices included soups and processed fish and seafood.

From November 2023 to November 2024, the food index increased 1.8 percent. Away-from-home food prices rose 2.6 percent, and at-home food prices increased 1.4 percent.

Energy

The energy index was down 1.2 percent in November with declines in the indexes for household energy (-1.2 percent) and gasoline (-1.2 percent). Within household energy, lower prices were recorded for electricity (-4.4 percent) and fuel oil. In contrast, natural gas charges rose 5.5 percent.

For the year ended in November 2024, the New York area energy index declined 1.7 percent. Over the year, a 13.4-percent drop in gasoline prices outweighed a 5.9-percent rise in household energy prices. A decline in fuel oil prices partially offset higher prices for natural gas (13.9 percent) and electricity (7.1 percent).

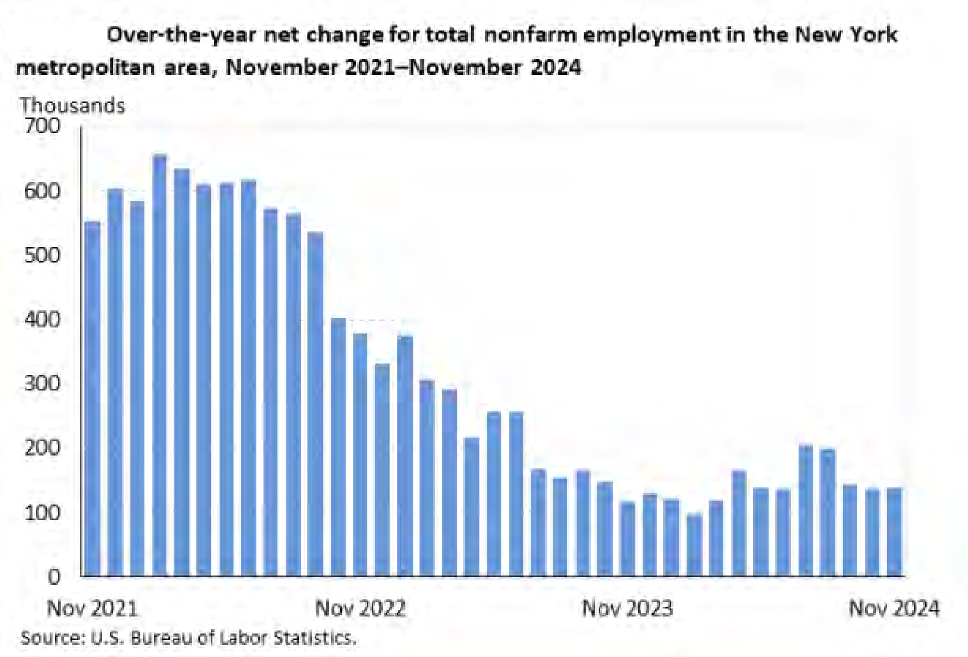
All items less food and energy

The index for all items less food and energy inched up 0.1 percent in November. A 0.3-percent increase in shelter prices included a 0.3-percent increase in owners' equivalent rent and a 0.6-percent rise in rent of primary residence. Medical care prices advanced 1.6 percent with higher prices for medical care services and medical care commodities. Higher prices for leased cars and trucks contributed to a 0.7-percent increase in prices for new and used motor vehicles. A 0.2-percent increase in prices for education and communication included a 0.5-percent rise in tuition, other school fees, and childcare. All of these increases were largely offset by a seasonal reduction in apparel prices (-5.4 percent) as well as lower airline fares.

Over the year, the index for all items less food and energy advanced 5.2 percent. A 5.7-percent increase in shelter prices included increases of 6.3 percent for owners' equivalent rent and 5.5 percent for rent of primary residence. Among the other price categories with annual increases were education and communication (3.6 percent) and household furnishings and operations (6.9 percent).

EMPLOYMENT

Total nonfarm employment for the New York-Newark-Jersey City, NY-NJ-PA, metropolitan area increased by 139,200 over the year in November, the U.S. Bureau of Labor Statistics reported.

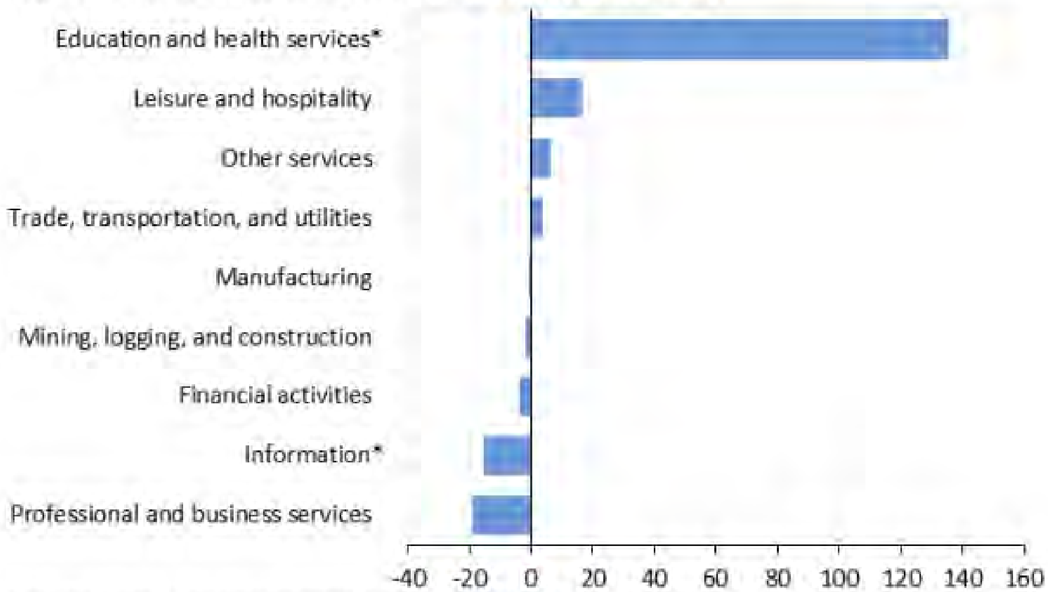


New York-Newark-Jersey City, NY-NJ-PA, is made up of four metropolitan divisions—separately identifiable employment centers within the greater metropolitan area. New York-Jersey City-White Plains, NY-NJ, with 73 percent of the metropolitan area's total nonfarm employment, gained 107,300 jobs over the year. Nassau County-Suffolk County, NY (13 percent of the area's employment), Newark, NJ-PA (13 percent of the area's employment), and Dutchess County-Putnam County, NY (1 percent of the area's employment), each had little change in the employment level over the year.

Industry employment

In New York-Newark-Jersey City, NY-NJ-PA, education and health services had the only significant gain (+135,600) among local private-industry supersectors. Health care and social assistance (+128,900) led the increase in the metropolitan area. The New York-Jersey City-White Plains, NY-NJ, division added 107,100 jobs, or 83 percent of the metropolitan area's employment gain in the health care and social assistance sector. The 6.0-percent increase in the metropolitan area's education and health services supersector compared to a 3.7-percent increase on the national level.

Over-the-year net change for private-industry supersector employment in the New York metropolitan area, November 2024 (in thousands)



Note: An asterisk indicates statistical significance at the 90-percent confidence level.
Source: U.S. Bureau of Labor Statistics.

Private sector jobs in New York City rose by 75,400 over-the-year to 4,210,300 in October 2024. Gains occurred in private education and health services (+85,200), leisure and hospitality (+16,600), and trade, transportation, and utilities (+1,200). Losses occurred in natural resources, mining, and construction (-11,300), information (-8,100), financial activities (-5,700), other services (-1,300), and manufacturing (-1,200). Professional and business services category was unchanged for the month.

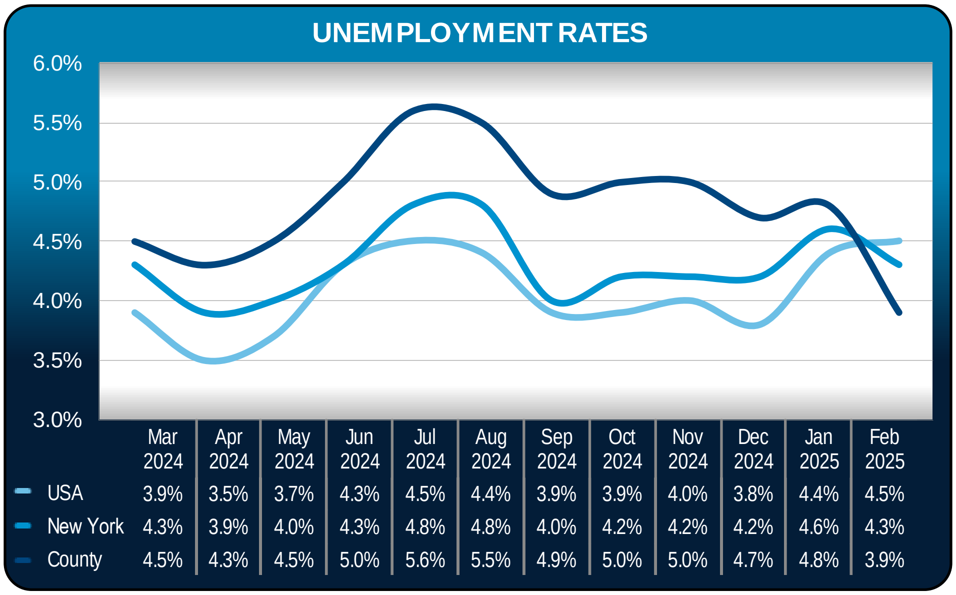
The city's seasonally adjusted unemployment rate was 5.4 percent in October, up 0.1 of a percent from September and an increase of 0.1 percent from October 2023. New York State's rate was 4.4 percent in October 2024. The share of the city's working age population (16+) who were either employed or looking for a job stood at 62.7 in October.

Total employment has increased annually over the past decade in the state of New York by 0.4% and increased annually by 0.7% in the area. From 2022 to 2023 unemployment decreased in New York by 0.2% and decreased by 0.1% in the area. In the state of New York unemployment has increased over the previous month by 0.4% and increased by 0.5% in the area.

EMPLOYMENT & UNEMPLOYMENT STATISTICS 2015 - 2024

	TOTAL EMPLOYMENT				UNEMPLOYMENT RATE		
	New York		New York County, NY		United States*	New York	New York County, NY
Year	Total	% Δ Yr Ago	Total	% Δ Yr Ago			
2015	9,227,736	1.7%	890,438	2.0%	5.3%	5.2%	4.8%
2016	9,291,888	0.7%	874,967	(1.7%)	4.9%	4.9%	4.6%
2017	9,378,155	0.9%	891,470	1.9%	4.4%	4.6%	4.1%
2018	9,425,796	0.5%	892,611	0.1%	3.9%	4.1%	3.8%
2019	9,479,771	0.6%	899,291	0.7%	3.7%	3.9%	3.6%
2020	8,631,409	(8.9%)	780,250	(13.2%)	8.1%	9.8%	9.8%
2021	8,864,556	2.7%	780,948	0.1%	5.3%	7.1%	8.2%
2022	9,205,464	3.8%	844,511	8.1%	3.6%	4.3%	4.8%
2023	9,376,673	1.9%	877,318	3.9%	3.6%	4.1%	4.5%
2024	9,411,747	0.4%	892,131	1.7%	4.0%	4.3%	4.8%
CAGR	**0.2%**	-	**0.0%**	-	-	-	-

Source: U.S. Bureau of Labor Statistics *Unadjusted Non-Seasonal Rate



As of February 2025, the unemployment rate for the county was 0.4% higher than the state's unemployment rate and 0.6% higher than the nation’s. The county’s unemployment rate has tracked a similar rate to unemployment rate of the state and nation.

EDUCATION

There are 248 institutions of higher education in the NY-NJ-PA MSA with a total enrollment of 882,497.

The largest colleges or universities are as follows:

LARGEST COLLEGES / UNIVERSITIES						
Rank	Institution	City Name	Total UG Enrollment	Fulltime UG Enrollment	Total Grad Enrollment	Fulltime Grad Enrollment
1	Rutgers University-New Brunswick	New Brunswick, NJ	34,544	32,411	13,834	8,559
2	CUNY Borough of Manhattan Community College	New York, NY	26,606	17,131	0	0
3	Suffolk County Community College	Selden, NY	26,600	14,318	0	0
4	New York University	New York, NY	24,985	23,715	24,289	16,183
5	Nassau Community College	Garden City, NY	22,374	13,541	0	0
6	CUNY LaGuardia Community College	Long Island City, NY	20,231	10,922	0	0
7	CUNY Kingsborough Community College	Brooklyn, NY	17,758	10,300	0	0
8	CUNY New York City College of Technology	Brooklyn, NY	17,374	10,587	0	0
9	CUNY Hunter College	New York, NY	16,879	12,142	6,233	1,390
10	Stony Brook University	Stony Brook, NY	16,480	15,385	8,127	5,255

Education in New York City is provided by a vast number of public and private institutions. New York City has the largest educational system of any city in the world. The city’s educational infrastructure spans primary education, secondary education, higher education, and research. New York City is home to some of the most important libraries, universities, and research centers in the world.

New York City has many nationally important independent universities and colleges, such as Barnard College, Columbia University, Cooper Union, Cornell Tech, Fordham University, Long Island University, Manhattan College, New York Institute of Technology, New York University, Pace University, Pratt Institute, St. John's University, The New School, Vaughn College of Aeronautics and Technology, and Yeshiva University. The city has dozens of other private colleges and universities, including many religious and special-purpose institutions, such as St. Francis College, The Juilliard School and The School of Visual Arts. There are about 413,308 university students in New York City attending around 110 universities and colleges.

New York City's public school system, operated by the New York City Department of Education, is the largest in the world. More than 1.1 million students are taught in more than 1,700 public schools with a budget of nearly $25 billion. It contains several selective specialized schools, such as Stuyvesant High School, The Bronx High School of Science, and Brooklyn Technical High School. There are several charter schools that operate in the city, such as Success Academy Charter Schools and Public Prep.

There are also approximately 900 additional privately run secular and religious schools in the city.

New York is a center of scientific research, particularly in medicine and the life sciences. The city has 15 nationally leading academic medical research institutions and medical centers. These include Rockefeller University, Beth Israel Medical Center, Columbia-Presbyterian Medical Center, Weill Cornell Medical College, Mount Sinai Medical Center and Mount Sinai School of Medicine, Memorial Sloan-Kettering Cancer Center, and the medical schools of New York University. In the Bronx, the Albert Einstein College of Medicine is a major academic center. Brooklyn also hosts one of the country's leading urban medical centers, SUNY Downstate Medical Center, an academic medical research institution and the oldest hospital-based medical school in the United States.

The Goddard Institute for Space Studies (GISS) is a component laboratory of NASA's Goddard Space Flight Center Earth-Sun Exploration Division and a unit of The Earth Institute at Columbia University.

Rockefeller University, located on the Upper East Side of Manhattan, is a world-renowned center for research and graduate education in the biomedical sciences, chemistry, and physics.

SUMMARY

The overall area provides excellent amenities including public transportation, retail, personal services, schools, hospitals, parks and recreational facilities, and houses of worship. The area has minimal vacancy in commercial and residential properties.

Based on the active mixed-use nature of the subject's area, which is dominated by quality office, residential and retail properties, we anticipate that this location will remain viable going forward.

LOCAL AREA PROFILE

The subject property is located in the Upper East Side neighborhood of Manhattan.

The Upper East Side includes the neighborhoods of Lenox Hill, Carnegie Hill, and Yorkville. The area is known as one of the most affluent neighborhoods in New York City. It is bordered by 59th Street to the south, 96th Street to the north, Fifth Avenue to the west and the East River to the east. The Upper East Side Historic District is one of New York City's largest districts.

This large and densely populated area is renowned for its luxury apartment buildings, elegant townhouses, museums, galleries, restaurants, and retail stores. Within the Upper East Side, the areas considered prime are Fifth and Park Avenues, the blocks between these avenues, and East End Avenue. Madison, Third, and Lexington Avenues are the prime retail strips in the area. Madison Avenue in particular caters to a clientele that includes jewelers, furriers, and internationally renowned designers.

DEMOGRAPHIC PROFILE

Below is a demographic study of the area, sourced by *Esri ArcGIS®*.

LOCAL AREA DEMOGRAPHICS			
DESCRIPTION	**UPPER EAST SIDE**	**DESCRIPTION**	**UPPER EAST SIDE**
POPULATION		**AVERAGE HOUSEHOLD INCOME**	
2010 Population	221,851	2024	$207,185
2020 Population	230,490	2029	$238,109
2024 Population	222,090	Change 2024-2029	14.93%
2029 Population	215,519	**MEDIAN HOUSEHOLD INCOME**	
Change 2010-2020	3.89%	2024	$143,847
Change 2020-2024	(3.64%)	2029	$171,938
Change 2024-2029	(2.96%)	Change 2024-2029	19.53%
NUMBER OF HOUSEHOLDS		**PER CAPITA INCOME**	
2010 Households	120,834	2024	$111,563
2020 Households	121,711	2029	$131,089
2024 Households	119,563	Change 2024-2029	17.50%
2029 Households	118,630	**HOUSEHOLDS BY INCOME (2022)**	
Change 2010-2020	0.73%	Less than $15,000	6.76%
Change 2020-2024	(1.76%)	$15,000 - $24,999	3.59%
Change 2024-2029	(0.78%)	$25,000 - $34,999	3.31%
HOUSING UNITS		$35,000 - $49,999	4.46%
Owner Occupied	42,299	$50,000 - $74,999	9.50%
Renter Occupied	77,264	$75,000 - $99,999	8.53%
HOUSING UNITS BY YEAR BUILT		$100,000 - $149,999	15.56%
Built 2020 or Later	261	$150,000 - $199,999	10.79%
Built 2010 to 2019	1,832	$200,000 or More	37.50%
Built 2000 to 2009	5,067	**HOUSING BY UNITS IN STRUCTURE**	
Built 1990 to 1999	4,539	1, Detached	1,844
Built 1980 to 1989	13,860	1, Attached	1,335
Built 1970 to 1979	16,089	2	1,057
Built 1960 to 1969	27,708	3 or 4	1,215
Built 1950 to 1959	15,123	5 to 9	4,903
Built 1940 to 1949	7,389	10 to 19	15,539
Built 1939 or Earlier	45,744	20 to 49	29,343
HOME VALUES		50 or More	82,230
Average	$1,429,269	Mobile Home	110
Median	$1,389,274	Boat, RV, Van, etc.	35

Source: Esri ArcGIS®

Transportation Routes

The Upper East Side is served by two subway lines, the 4, 5, and 6 trains under Lexington Avenue and the Second Avenue Subway (Q train) under Second Avenue.

The first phase of the Second Avenue Line opened on January 1, 2017, consisting of three stations in the Upper East Side: 96th Street, 86th Street, and 72nd Street. The planned Second Avenue Line includes three additional phases to be built at a later date, which will extend the line north to 125th Street/Park Avenue in Harlem and south to Hanover Square in the Financial District.

There are also local and limited MTA Regional Bus Operations routes M1, M2, M3, M4, M15, M15 SBS, M31, M98, M101, M102 and M103 going uptown and downtown, as well as the crosstown M66, M72, M79 SBS, M86 SBS and M96.

Community Services

Community facilities in the Upper East Side include 10 New York City public schools and 60 private and parochial schools. Colleges and graduate schools located in the area include Hunter College, Cornell University Medical School, Marymount Manhattan College and Rockefeller University. Four public libraries serve the neighborhood. The major medical facilities serving the Upper East Side include Lenox Hill Hospital, Beth Israel (uptown) Hospital, Metropolitan Hospital, New York Hospital and Memorial-Sloan Kettering. The Upper East Side is served by one police precinct, the 19th, and three fire department houses.

The area is host to some of the most famous museums in the world. The string of museums along Fifth Avenue fronting Central Park has been dubbed "Museum Mile", running between 82nd and 105th Streets. It was once named "Millionaire's Row". The following are among the cultural institutions on the Upper East Side: 92nd Street; Asia Society; Colony Club; Andrew Carnegie Mansion, which houses the Cooper–Hewitt, National Design Museum; Henry Clay Frick House; Goethe-Institut, New York; Solomon R. Guggenheim Museum; Irish Georgian Society; Jewish Museum of New York; Manhattan House, the Skidmore, Owings & Merrill; Metropolitan Museum of Art; El Museo del Barrio; Museum of the City of New York; Morgan Library & Museum; National Academy of Design; Neue Galerie; Park Avenue Armory; Society of Illustrators; and, the Whitney Museum of American Art.

IMMEDIATE AREA PROFILE

This section discusses uses and development trends in the immediate area that directly impact the performance and appeal of the subject property.

Predominant Land Uses

The subject is situated in Manhattan Community District 8. Land uses within the district are illustrated in the following chart.

MANHATTAN COMMUNITY DISTRICT 8 LAND USE

CLASSIFICATION	LOTS	SF (000)	PERCENTAGE
1-2 Family Residential	1,046	2,061.5	5.5%
Multi-Family Residential Elevator	953	13,964.9	37.2%
Multi-Family Residential Walkup	1,195	3,414.2	9.1%
Commercial/Office	258	1,552.8	4.1%
Industrial	21	131.1	0.3%
Mixed Residential/Commercial	1,612	8,598.1	22.9%
Open Space/Recreation	8	981.5	2.6%
Miscellaneous	10	69.7	0.2%
Parking	8	227.8	0.6%
Institutions	299	5,040.4	13.4%
Transportation/Utility	41	988.2	2.6%
Vacant	47	484.0	1.3%
TOTAL	5,498	37,514.1	100.0%

As evident, over 46% of the lots within the district comprise multi-family housing. Typical housing in the area consists of four- to six-story masonry old-law tenements and walkup apartment buildings constructed between

1890 and 1920. Many of these buildings, particularly along the avenues, also contain ground level commercial space used for retail purposes and other business establishments catering to the needs of the local residents.

SUBJECT PROPERTY ANALYSIS

The following discussion draws context and analysis on how the subject property is influenced by the local and immediate areas.

Subject Property Analysis

The uses adjacent to the property are noted below:

- **North -** Memorial Sloan-Kettering Cancer Center
- **South -** 59Th Street Bridge And Multi-Family Apartment Buildings
- **East -** Twenty-Four Sycamores Park Public
- **West -** One Sutton Place - Multi-Family Apartment Building

SUMMARY

The overall area provides excellent amenities including public transportation, retail, personal services, schools, hospitals, parks and recreational facilities, and houses of worship. The area has minimal vacancy in commercial and residential properties.

Based on the active mixed-use nature of the subject's area, which is dominated by quality office, residential and retail properties, we anticipate that this location will remain viable going forward.

General Description The subject site consists of 1 parcel. As noted below, the subject site has 26,956 SF (0.62 AC) of land area. The area is estimated based on the assessor's parcel map, and may change if a professional survey determines more precise measurements. Going forward, our valuation analyses will utilize the usable site area. The following discussion summarizes the subject site size and characteristics.

Assessor Parcel Manhattan, Block 1455, Lot 21

Number Of Parcels 1

Land Area	**Acres**	**Square Feet**
Primary Parcel	0.619	26,956
Unusable Land	0.000	0
Excess Land	0.000	0
Surplus Land	0.000	0
Total Land Area	**0.619**	**26,956**

Shape Irregular - See Plat Map For Exact Shape

Topography Level at street grade

Zoning Commercial District (C4-7, C6-3)

Drainage Assumed Adequate

Utilities All available to the site

Street Improvements	**Street**	**Direction**	**No. Lanes**	**Street Type**	Curbs	Sidewalks	Streetlights	Center Lane	Gutters
York Avenue	Primary Street	two-way	two-lane	minor arterial	✓	✓	✓	✓	✓
East 60th Street	Secondary Street	one-way	one-lane	minor arterial	✓	✓	✓		✓
East 61st Street	Secondary Street	one-way	one-lane	minor arterial	✓	✓	✓		✓

Frontage The subject has 200.83 feet of frontage on the western side of York Avenue, 112.17 feet of frontage on the southern side of East 61st Street and 140.08 feet on northern side of East 60th Street.

Accessibility Good - The accessibility of the subject is rated as good. The subject is accessed from three streets, with the main entrance and primary point of ingress/egress being York Avenue. Major transportation arterials within proximity to the subject include FDR Drive and East 59th Street, providing linkage to the surrounding area.

Seismic The subject is in a moderate risk zone.

Flood Zone The subject site falls within the Zone X (Unshaded) flood zone. This is referenced by Community Number 360497, Panel Number 0089F, dated September 05, 2007. The flood zone is defined as follows:

Zone X (unshaded) is a moderate and minimal risk area. Areas of moderate or minimal hazard are studied based upon the principal source of flood in the area. However, buildings in these zones could be flooded by severe, concentrated rainfall coupled with inadequate local drainage systems. Local stormwater drainage systems are not normally considered in a community’s flood insurance study. The failure of a local drainage system can create areas of high flood risk within these zones. Flood insurance is available in participating communities, but is not required by regulation in these zones. Nearly 25-percent of all flood claims filed are for structures located within these zones. Minimal risk areas outside the 1-percent and .2-percent-annual-chance floodplains. No BFEs or base flood depths are shown within these zones. (Zone X (unshaded) is used on new and revised maps in place of Zone C.)

Easements A preliminary title report was not available for review. During the on-site inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there is no negative value impact on the subject improvements. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.

Soils A detailed soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.

Hazardous Waste We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.

Conclusion Overall, the subject's location is rated as good. This location rating considers the subject's general market area (New York Metro), its submarket (Upper East Side) and the surrounding uses and immediate neighborhood. It also takes into account the subject's exposure and access to employment centers, educational facilities, and shopping centers. All of these characteristics provide supporting uses for the subject site making it desirable for multifamily development. Overall, there are no known factors that would limit the site's development according to its highest and best use.

PLAT MAP


115
112.17
E 61 ST
13
126.33
28.5
86.55
1455
5.75
23
83.44
21
92
40.25
200.83
140.08
YORK AVE
E 60 ST
200.83
147

ZONING MAP


East 61 Street (60 ft)
21
C6-3
13
East 61 Street (60 ft)
C4-7
1
13
13
C4-7
York Avenue (100 ft)
East 60 Street

FLOOD MAP

Powered by CoreLogic®

MAP DATA

FEMA Special Flood Hazard Area: **No**
Map Number: **3604970201F**
Zone: **X**
Map Date: **September 05, 2007**
FIPS: **36061**

MAP LEGEND

- Areas inundated by 500-year flooding
- Areas inundated by 100-year flooding
- Velocity Hazard
- Protected Areas
- Floodway
- Subject Area

Introduction	The information presented below is a basic description of the existing improvements. This information is used in the valuation of the property. Reliance has been placed upon information provided by sources deemed dependable for this analysis. It is assumed that there are no hidden defects, and that all structural components are functional and operational, unless otherwise noted. If questions arise regarding the integrity of the improvements or their operational components, it may be necessary to consult additional professional resources.

Property Type	Mixed-Use - Luxury Class A
Number of Units	209
Average Unit Size	1,034 SF
Total Number of Buildings	1
Number of Stories	1 - 37
Access	Luxury Class A
Service Level	Doorman
Net Rentable Area (NRA)	243,625 SF
Gross Building Area (GBA)	283,848 SF
Parking Total	148 (Garage)
Parking Comment	Parking is adequate and is consistent with the other projects in the market
Parking Spaces/Unit	0.7
Year Built	2009
Age/Life Analysis	
Actual Age	16 Years
Effective Age	10 Years
Economic Life	50 Years
Remaining Life	40 Years
Quality	Excellent
Condition	Excellent
Marketability	Good

UNIT MIX				
UNIT TYPES	**NO. UNITS**	**% OF TOTAL**	**UNIT SIZE (SF)**	**NRA (SF)**
Studio FM	34	16.3%	559	19,006
1 BR FM	96	45.9%	807	77,496
1 BR RS	6	2.9%	837	5,019
2 BR FM	35	16.7%	1,345	47,073
2 BR RS	1	0.5%	1,319	1,319
3 BR FM	37	17.7%	1,790	66,212
TOTAL/AVERAGE	**209**	**100%**	**1,034**	**216,125**
The Animal Medical Center			2,500	
iPark			25,000	
SUBTOTAL				**27,500**
TOTAL NET RENTABLE AREA (NRA)				**243,625**
Common Areas				40,223
TOTAL GROSS BUILDING AREA (GBA)				**283,848**

The unit sizes were provided by the subject's management.

The subject unit mix includes studio, one, two and three bedroom apartments. Unit amenities include washer/dryers and premium kitchen appliances. The subject's common amenities include: concierge/doorman, fitness center, rooftop area, swimming pool, sauna, shuttle, playroom, courtyard. The subject property also has first floor retail space and a parking garage .

Basic Construction Steel and masonry

Foundation Reinforced concrete slab

Framing Structural steel with masonry and concrete encasement

Exterior Walls Glass curtainwall

Roof Type Flat with parapet walls

Roof Cover Sealed membrane

Insulation Exact type unknown, assumed adequate (R-type) and to code for both walls and ceilings.

Plumbing Each bathroom includes a toilet, sink, and a shower/tub kit with wall-mounted showerhead. Kitchens include a sink.

Heating/Air Conditioning Central air and heat

Lighting Each unit has adequate lighting (Fluorescent lights in the kitchen, incandescent lighting fixtures elsewhere).

Electrical The building has a master meter

Interior Walls Drywall

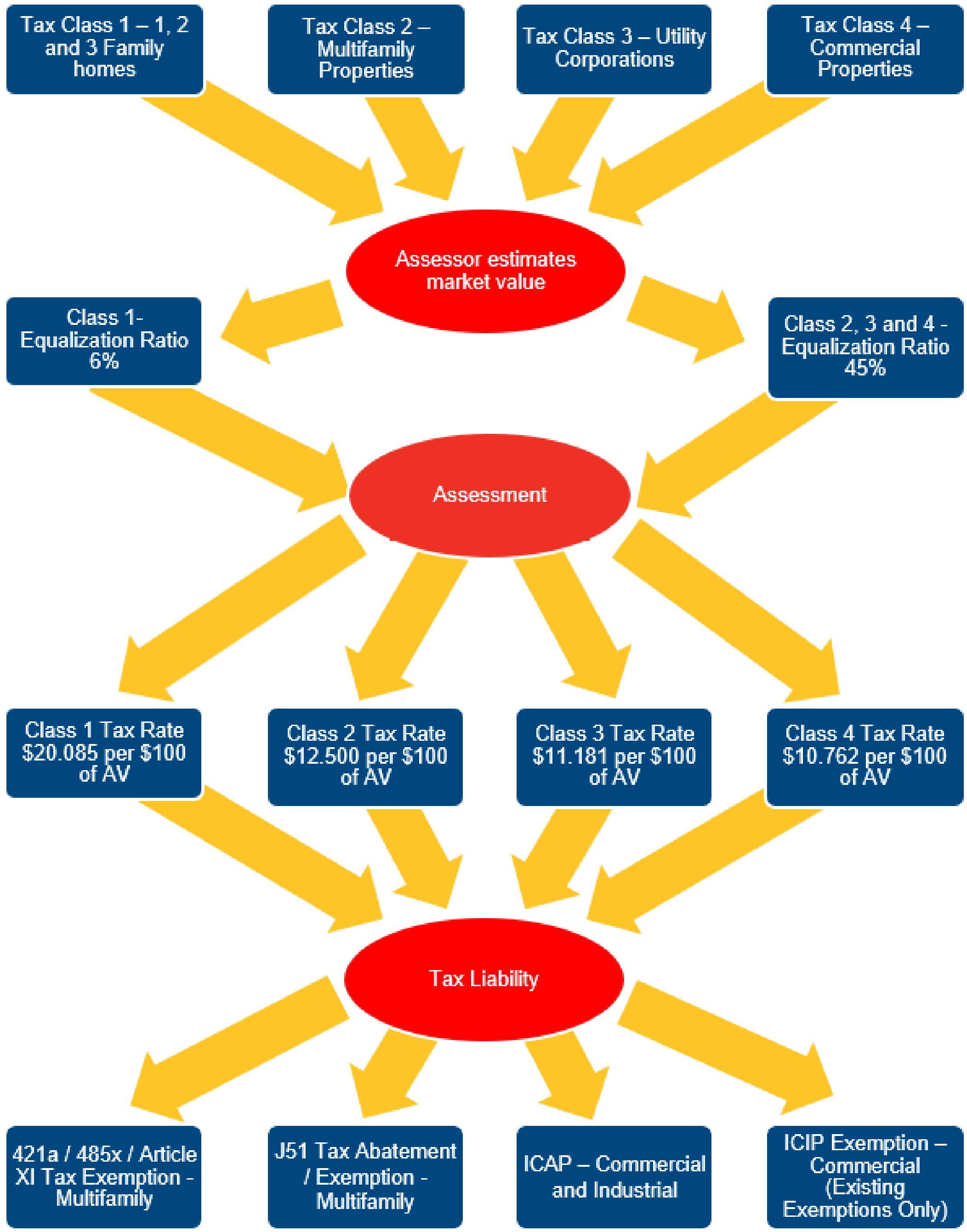
Ceilings Drywall

Windows Thermal windows in vinyl frames.

Doors	Exterior doors are typically metal with peepholes. Interior doors are hollow, painted wood.
Flooring	Floor coverings for bath areas are tile. The floor coverings for the rest of the unit is hardwood.
Elevators	Multiple
Project Amenities	The subject's common amenities include: concierge/doorman, fitness center, rooftop area, swimming pool, sauna, shuttle, playroom, courtyard.
Appliances	Each unit is equipped with a oven/range combination, dishwasher, microwave, and refrigerator/freezer. The age and condition of appliances varies from unit to unit.
Laundry	The project offers common area laundry. Additionally, each unit has a washer/dryer.
Countertops	The subject’s units include granite countertops.
Cabinets	Typical laminate cabinetry
Fire Protection	The subject has a fire sprinkler system and smoke alarms.
Deferred Maintenance	Deferred maintenance is measured as the cost of repairing or restoring the item to new or reasonably new condition. Based on our interview with the property manager and the onsite inspection by the field appraiser, no observable deferred maintenance exists.
Hazardous Materials	This appraisal assumes that the improvements are constructed free of all hazardous waste and toxic materials, including (but not limited to) asbestos. Please refer to the Assumptions and Limiting Conditions section regarding this issue.
***ADA* Compliance**	This analysis assumes that the subject complies with all ADA requirements. Please refer to the Assumptions and Limiting Conditions section regarding this issue.
Conclusion	The subject improvements are in excellent condition for their age and for the surrounding neighborhood. The interiors have Class A standard finish, superior to most other properties in the immediate area. The roofs are reportedly in good condition with no roof leaks reported. The property has an attractive design and good curb appeal.

INTRODUCTION

The subject property is located within the New York City municipality. In New York City, each tax classification has a specific tax rate, which is established annually. The system is described as follows:



Properties in New York City are assessed on a yearly basis. The Market Value is assessed annually with a Market Value date of January 15th. The reassessed annual Market Value is in effect as of July 1st, which is the beginning of the city's fiscal year which runs from July 1st through June 30th. Change in ownership does not trigger a reassessment. Construction or renovation of a building will result in a reassessment of the Market Value. Commercial properties are assessed at the lower of the transitional or actual assessed value. Transitional assessments are applied during the five-year phase-in of assessment changes.

In addition to scheduled reassessments, properties in New York City are reassessed upon gut renovation or demolition of the building. Properties are not reassessed upon sale.

The assessed value for the current year and the previous years are summarized in the following table.

ASSESSMENTS - THREE YEAR HISTORY								
BLOCK / LOT	DOF BUILDING CLASS	TAX CLASS		MARKET LAND	MARKET TOTAL	TRANSITIONAL LAND	TRANSITIONAL TOTAL	TAXABLE AV
1455/21	D8	2	2023/2024	$5,440,500	$28,071,450	$5,353,668	$34,811,228	$28,071,450
			2024/2025	$5,440,500	$29,084,850	$5,397,094	$33,025,664	$29,084,850
			2025/2026	$5,440,500	$30,921,750	$5,440,500	$31,024,440	$30,921,750

The taxable assessment is $30,921,750 and represents the tentative assessment for the tax year 2025/2026.

TAX RATES

The tax rates for the four classes of properties in New York City over the past 10 years is as follows:

NYC TAX RATES								
Year	Class 1	% change from prior year	Class 2	% change from prior year	Class 3	% change from prior year	Class 4	% change from prior year
2015/2016	$19.554	N/A	$12.883	N/A	$10.813	N/A	$10.656	N/A
2016/2017	$19.991	2.23%	$12.892	0.07%	$10.934	1.12%	$10.574	-0.77%
2017/2018	$20.385	1.97%	$12.719	-1.34%	$11.891	8.75%	$10.514	-0.57%
2018/2019	$20.919	2.62%	$12.612	-0.84%	$12.093	1.70%	$10.514	0.00%
2019/2020	$21.167	1.19%	$12.473	-1.10%	$12.536	3.66%	$10.537	0.22%
2020/2021	$21.045	-0.58%	$12.267	-1.65%	$12.826	2.31%	$10.694	1.49%
2021/2022	$19.963	-5.14%	$12.235	-0.26%	$12.289	-4.19%	$10.755	0.57%
2022/2023	$20.309	1.73%	$12.267	0.26%	$12.755	3.79%	$10.646	-1.01%
2023/2024	$20.085	-1.10%	$12.502	1.92%	$12.094	-5.18%	$10.592	-0.51%
2024/2025	$20.085	0.00%	$12.500	-0.02%	$11.181	-7.55%	$10.762	1.60%
Cumulative Change	$0.531	2.72%	-$0.383	-2.97%	$0.368	3.40%	$0.106	0.99%
Average Annual Change		0.32%		-0.33%		0.49%		0.11%
Compound Annual Change		0.27%		-0.30%		0.34%		0.10%

Source: New York City Department of Finance

The 2024/2025 Class 2 tax rate is $12.500 per $100 of assessed value, representing a 0.02% decrease from the previous year and a compounded 0.30% decrease over the past 10 years.

TAX CONCLUSION

The taxes for the upcoming years are as follows:

TAX CALCULATION (2025/2026 TAX YEAR)					
Block / Lot	Assessed Value		Tax Rate		Tax Liability
1455/21	$30,921,750	×	$12.500	=	$3,865,219
Total	$30,921,750				$3,865,219

INTRODUCTION

Zoning requirements typically establish permitted and prohibited uses, building height, lot coverage, setbacks, parking and other factors that control the size and location of improvements on a site. The zoning characteristics for the subject property are summarized below:

ZONING SUMMARY	
Municipality Governing Zoning	New York City Department of City Planning
Current Zoning	Commercial District (C4-7, C6-3)
Permitted Uses	Permitted uses within this zoning district primarily include Multi-Family Apartments, Retail, Offices and Hotel.
Prohibited Uses	Manufacturing
Current Use	Mixed-Use Apartment/Retail
Is Current Use Legally Permitted?	Yes
Zoning Change	Not Likely

ZONING REQUIREMENTS		
	Requirement	
Subject Site Area (SF)	26,956 SF	
Maximum Floor Area Ratio	10.00	C4-7 is R10 equivalent and C6-3 is R9 Equivalent
Maximum Developable Area	269,560 SF	
Zoning Floor Area	257,948 SF	
Gross Building Area	283,848 SF	
Underbuilt	11,612 SF	

Source: New York City Department of City Planning

Based on the interpretation of the zoning ordinance, the subject property is an outright permitted use that could be rebuilt if unintentionally destroyed.

Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of our analysis correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence. Please note that this appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

INTRODUCTION

The market analysis section provides a comprehensive study of supply/demand conditions, examines transaction trends, and interprets ground level information conveyed by market participants. Based on these findings and an analysis of the subject property, conclusions are drawn with regard to the subject's competitive position within the marketplace. Below is a list of the various sections covered in the following apartment market analysis:

› National Multi-family Market
› New York City Rent Guidelines
› New York Metro Apartment Market (REIS)
› Upper East Side Apartment Submarket (REIS)
› Core Manhattan Retail Market (CoStar)
› Plaza District Retail Submarket (CoStar)
› Competitive Dataset Analysis
› Broker / Market Participant Interviews
› Transaction Trends
› Subject Property Analysis

NATIONAL MULTIFAMILY MARKET

The following was obtained from the Colliers Capital Markets 2024 Multifamily Outlook Report:

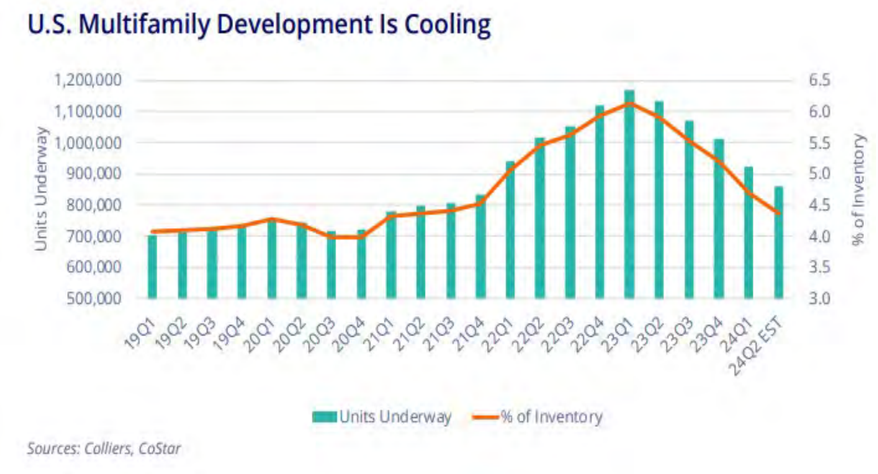
The U.S. multifamily market has faced pressure in recent quarters. Occupancies have slipped due to a rise in development, resulting in the highest levels of completion in decades. As a result, vacancies have shifted more rapidly in demographic hotspots in the Southeast and Southwest, which have seen higher supply levels than Midwest and Northeast markets. Rising operating expenses have crimped NOI, and owners are battling higher financing costs. However, occupancies are at or near their low point, with forecasts showing improvement in the quarters ahead. High home prices and owners locked into low mortgage rates will keep renters in place.

The market remains dynamic, though sales volume is far from the heights of 2021 and early 2022. Our team is closely monitoring the market and is seeing the following trends:

- Properties with assumable financing are attracting strong bidding. Owners can push prices and achieve cap rates not otherwise justified in today's financing market.
- Operations and property management are paramount today. Experienced owners are able to navigate fluctuating market conditions, while others are seeing occupancies slip.
- Rent growth has been most robust in markets with lower levels of development. Markets in the Midwest, Mid-Atlantic, and Northeast are topping recent gains, a 180-degree change from recent years when Sunbelt markets dominated the list.
- Assets converting to multifamily have captured headlines, but by and large, they are not moving markets. Estimates of conversions as a share of future deliveries remain in line with recent totals on a percentage basis.
- Loan maturities will begin to bite. Office is the focus today, but multifamily was the most heavily traded asset class in recent years, and floating rate debt is resetting.

Supply-Side Pressure is Easing

Multifamily deliveries have been heavy, averaging 153,000 units per quarter over the last year through Q1. Supply has peaked, as the number of and strong pricing. It is not uncommon for pricing to outperform expectations.

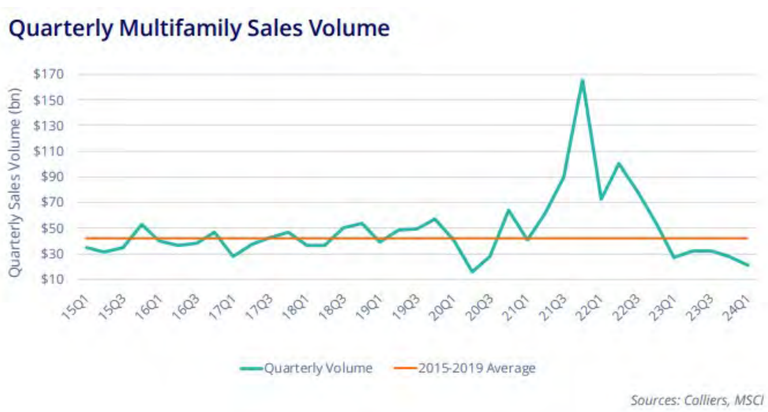


Today's market conditions have highlighted the distinction between those with strong property management and those without it.

Managers with experience in various economic cycles can effectively navigate the wave of development and the pressure on operating expenses while still managing occupancy. This doesn't mean occupancies haven't fallen in the largest portfolios, but it is not units under construction has dipped below one million for the first time since

Construction starts have slowed due to higher financing costs, allowing the market to recalibrate, especially in the Southeast and Southwest, where development has been substantial.

Sales Remain Limited

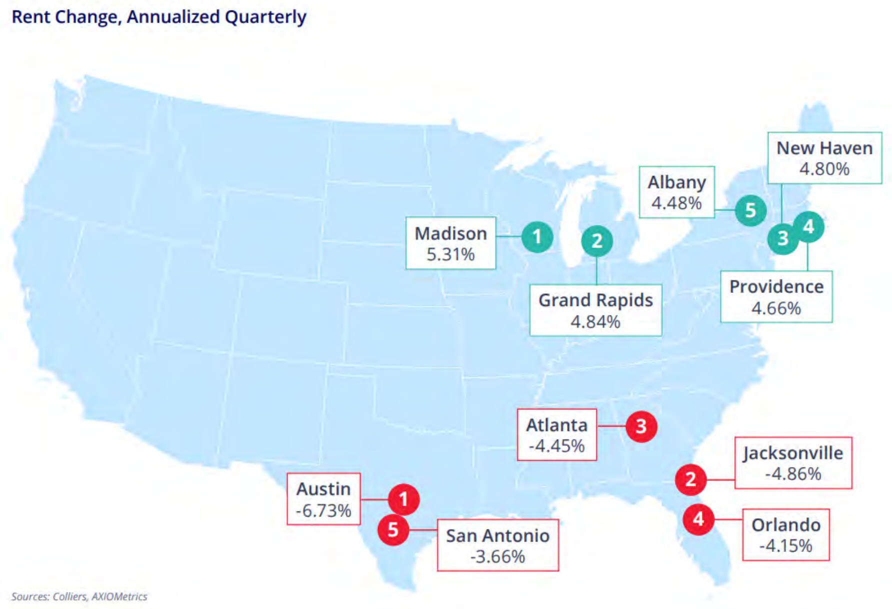


Investment sales volume is still trying to find an equilibrium.

Multifamily remains the most heavily traded of all asset classes, so liquidity remains, though it is impaired. Given the rise in borrowing costs, investors are clamoring for assets with lower financing rates. Properties with such characteristics have been met with deep bid sheets uncommon for investors with short-term hold horizons to face challenges today. These groups now find themselves having to manage properties, which was not part of their initial investment strategy. In some cases, occupancies are falling more rapidly than the market overall, construction has taken longer than anticipated for renovations, and costs are higher. This situation has led to numerous current and potential failed deals, offering intriguing buying opportunities in the quarters ahead.

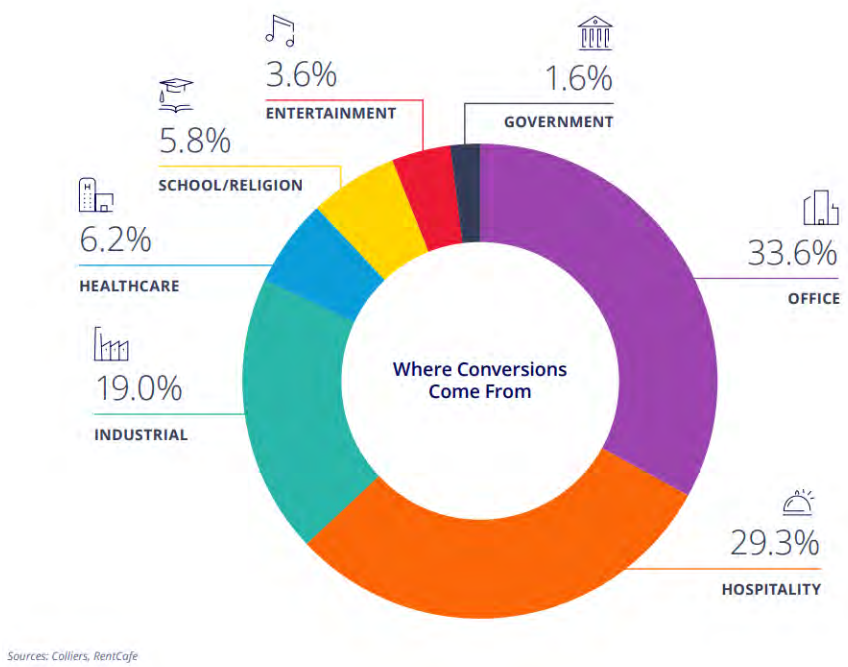
Rental Growth Leaders Have Changed

Rents have faced pressure, particularly effective rents. Concessions are up in markets with heavy development, and asking rents are down. However, this isn't the case everywhere. Markets that have lagged in recent years are now leading in rent gains. These markets are generally in the Northeast and Midwest. Nationally, asking rents are back on the rise.



Conversions Making Headlines

Conversions have become a focal point in cities looking to repurpose under-occupied office space. Municipalities are offering incentives in the form of increased density, tax benefits, or outright capital contributions. Despite these efforts, converting office to residential is not often feasible. Gensler has reported that roughly three of every ten office buildings are potential conversion candidates, meaning they meet the criteria for items like floor plates, window lines, and slab-to-slab height. Once construction costs are factored in, it thins that list out. Many properties are in the planning stages of being converted to residential but lack financing and a clear path to execution. At this point, conversions are more smoke than fire.



Loan Maturities Are Here

Office captures most of the headlines, but in the aggregate, multifamily has nearly $1 trillion in maturities through 2028. From 2027 to 2032, multifamily will account for between 50%-64% of all loan maturities. This asset class will need continued heavy investment to make these loans whole and fill capital stacks. Investors are already gearing up to capitalize on these maturities.

Summary

Today's buyers are able to acquire assets at a reset basis, which is regularly below replacement costs. Fundamentals will begin to improve, setting the stage for more robust NOI growth if operating expenses can be controlled. In addition, Redfin has reported that more than 60% of homeowners have a mortgage rate below 4%. With today's mortgage rates the highest in over a decade, homeownership is increasingly challenging for the average buyer, keeping more households in the rental pool and supporting multifamily occupancies.

NEW YORK CITY RENT GUIDELINES

New York City is the largest housing market in the United States. The majority of rental housing (approximately 52 percent) is governed by a complex set of rent stabilization and rent control regulations governed and enforced by the state and city. Tax abatement and incentive plans continue to play a large role in shaping New York City's residential housing development, as do zoning laws and designations of historic preservation districts.

In June 2019, The New York State Legislature passed the Housing Stability And Tenant Protections Act of 2019, commonly referred to as "HSTPA". A significant number of reforms from prior legislation were enacted. Chief among them were:

- Made the rent regulation system permanent.
- Repealed the provisions that allow removal of units from rent stabilization when rent crosses a statutory high-rent threshold and the unit becomes vacant or the tenant's income is $200,000 or higher in the preceding two years.
- Limited the use of the "owner use" provision to a single unit.
- Limited the temporary non-profit exception to rent stabilization by requiring units to remain rent-stabilized if they are provided to individuals who are or were homeless or are at risk of homelessness. Provided individuals permanently or temporarily housed by nonprofits status as tenants while ensuring that units used for these purposes remain rent stabilized.
- Repealed the "vacancy bonus" provision that allows a property owner to raise rents as much as 20% each time a unit becomes vacant. Repealed the "longevity bonus" provision that allows rents to be raised by additional amounts based on the duration of the previous tenancy. Prohibited local Rent Guidelines Boards from reinstating vacancy bonus on their own.
- Prohibited Rent Guidelines Boards from setting additional increases based on the current rental cost of a unit or the amount of time since the owner was authorized to take additional rent increases, such as a vacancy bonus.
- Prohibited owners who have offered tenants a "preferential rent" below the legal regulated rent from raising the rent to the full legal rent upon renewal. Once the tenant vacates, the owner can charge any rent up to the full legal regulated rent, so long as the tenant did not vacate due to the owner's failure to maintain the unit in habitable condition. Owners with rent-setting regulatory agreements with federal or state agencies will still be permitted to use preferential rents based on their agreements.
- Set Maximum Collectible Rent increases for rent controlled tenants at the average of the five most recent Rent Guidelines Board annual rent increases for one-year renewals. This bill also prohibited fuel pass-along charges.
- Extended the four-year look-back period to six or more years as reasonably necessary to determine a reliable base rent and extends the period for which an owner can be liable for rent overcharge claims from two to six years.
- Lowered the rent increase cap for Major Capital Improvements (MCIs) from 6% to 2% in New York City. Provided the same protections of the 2% cap going forward on MCI rent increases attributable to MCIs that became effective within the prior seven years.

- Lengthened the MCI amortization period. Eliminated MCI increases after 30 years instead of allowing them to remain in effect permanently. Significantly tightened the rules governing what spending may qualify for MCI increases and tightened enforcement of those rules by requiring that 25% of MCIs be inspected and audited.
- Capped the amount of Individual Apartment Improvement (IAI) spending at $15,000 over a 15-year period and allows owners to make up to three IAIs during that time. Makes IAI increases temporary for 30 years rather than permanent and requires owners to clear any hazardous violations in the apartment before collecting an increase.
- Strengthened and made permanent the system that protects tenants in buildings that owners seek to convert into co-ops or condos. Eliminated the option of "eviction plans" and instituted reforms for non-eviction plans. Requires 51% of tenants in residence to agree to purchase apartments before the conversion can be effective. (Currently 15% of apartments must be sold, and the purchasers may be outside investors.) For market-rate senior citizens and disabled tenants during conversion, evictions are permitted only for good cause, where an unconscionable rent increase does not constitute good cause.

The following table illustrates historical, as well as the current and future allowable increases for rent stabilized apartments. In 2018/2019 the vacancy allowance has been separated between 1-Year and 2-Year lease contracts, at 19% and 20%, respectively. The vacancy allowance has now been repealed with the passing of the 2019 HSTP Act.

HISTORICAL RENT STABILIZATION INCREASES

			1-YEAR LEASE RENEWAL	2-YEAR LEASE RENEWAL	1-YEAR LEASE VACANCY	2-YEAR LEASE VACANCY
10/1/2009	to	9/30/2010	3.00%	6.00%	17.00%	17.00%
10/1/2010	to	9/30/2011	2.25%	4.50%	17.00%	17.00%
10/1/2011	to	9/30/2012	3.75%	7.25%	17.00%	17.00%
10/1/2012	to	9/30/2013	2.00%	4.00%	17.00%	17.00%
10/1/2013	to	9/30/2014	4.00%	7.75%	16.25%	20.00%
10/1/2014	to	9/30/2015	1.00%	2.75%	18.25%	20.00%
10/1/2015	to	9/30/2016	0.00%	2.00%	18.00%	20.00%
10/1/2016	to	9/30/2017	0.00%	2.00%	18.00%	20.00%
10/1/2017	to	9/30/2018	1.25%	2.00%	19.25%	20.00%
10/1/2018	to	9/30/2019	1.50%	2.50%	19.00%	20.00%
10/1/2019	to	9/30/2020	1.50%	2.50%	-	-
10/1/2020	to	9/30/2021	0.00%	1.00%	-	-
10/1/2021	to	9/30/2022	0.75%	2.50%	-	-
10/1/2022	to	9/30/2023	3.25%	5.00%	-	-
10/1/2023	to	9/30/2024	3.00%	6.04%	-	-
10/1/2024	to	9/30/2025	2.75%	5.25%	-	-

On June 17, 2024, the NYC Rent Guidelines Board approved rent increases for rent stabilized apartments in New York City after vote. For one-year leases commencing on or after October 1, 2024, and on or before September 30, 2025, the Board approved 2.75% increases., For a two-year lease, the Board approved 5.25%

Conclusion

The impact from the HSTP Act has had widespread impacts on the multifamily market in New York City, which is reflected in a slowdown in multi-family transactions after June 2019.

NEW YORK METRO APARTMENT MARKET

The following is an analysis of supply/demand trends in the New York Metro Apartment Market using information provided by REIS, widely recognized as a credible source for tracking market statistics. ***<u>We note that this market data includes Manhattan, Queens, Brooklyn, and the Bronx.</u>*** The table below presents historical data for key market indicators.

NEW YORK METRO HISTORICAL STATISTICS (LAST TEN YEARS)							
PERIOD	SUPPLY	ADDED SUPPLY	NET ABSORPTION	VACANCY	ASKING RENT	ACTUAL RENT	∆ HSLDS
2015	422,944 Units	4,094 Units	5,337 Units	2.9%	$3,107/Unit	$3,057/Unit	1.4%
2016	432,176 Units	9,232 Units	8,698 Units	3.0%	$3,113/Unit	$3,031/Unit	1.0%
2017	445,690 Units	13,514 Units	6,844 Units	4.4%	$3,212/Unit	$3,067/Unit	0.6%
2018	457,875 Units	12,185 Units	14,582 Units	3.7%	$3,328/Unit	$3,170/Unit	0.5%
2019	465,327 Units	7,452 Units	7,994 Units	3.6%	$3,427/Unit	$3,275/Unit	(1.0%)
2020	471,192 Units	5,865 Units	1,781 Units	4.4%	$3,085/Unit	$2,936/Unit	(3.6%)
2021	475,565 Units	4,373 Units	8,202 Units	3.5%	$3,618/Unit	$3,449/Unit	(2.0%)
2022	483,545 Units	7,980 Units	8,510 Units	3.4%	$4,089/Unit	$3,909/Unit	1.4%
2023	494,346 Units	10,801 Units	10,669 Units	3.3%	$4,150/Unit	$3,946/Unit	(0.1%)
2024	504,091 Units	9,745 Units	8,927 Units	3.4%	$4,133/Unit	$3,950/Unit	0.2%
CAGR	**1.77%**	**-**	**-**	**-**	**2.89%**	**2.59%**	**(0.31%)**

Source: REIS®

The following table summarizes the trailing four quarter performance of the New York Metro market.

NEW YORK METRO TRAILING FOUR QUARTER PERFORMANCE							
PERIOD	SUPPLY	ADDED SUPPLY	NET ABSORPTION	VACANCY	ASKING RENT	ACTUAL RENT	∆ HSLDS
2024 Q1	496,201 Units	1,855 Units	1,955 Units	3.3%	$4,158/Unit	$3,960/Unit	0.0%
2024 Q2	497,509 Units	1,308 Units	1,735 Units	3.2%	$4,185/Unit	$3,993/Unit	0.0%
2024 Q3	501,394 Units	3,885 Units	2,946 Units	3.4%	$4,165/Unit	$3,976/Unit	0.1%
2024 Q4	504,091 Units	2,697 Units	2,291 Units	3.4%	$4,133/Unit	$3,950/Unit	0.1%

Source: REIS®

As of Q4 2024 the New York Metro market has a total apartment inventory of 504,091 units with 17,139 units vacant indicating a current vacancy rate of 3.4%. There was 2,697 units completed last quarter, whereas there were 9,745 units added in the last year.

Key supply/demand statistics for the most recent quarter, last year and historical averages are summarized below.

NEW YORK METRO MARKET TREND ANALYSIS			
	Q4 2024	2024	AVG LAST 10
Total Units	504,091	504,091	465,275
Vacant Units	17,139	17,139	16,564
Market Vacancy	3.4%	3.4%	3.6%
Construction Grow th Rate	0.5%	1.9%	1.8%
Absorption Rate	0.5%	1.8%	1.6%
Average Asking Rent/Unit	$4,133	$4,133	$3,526
Average Actual Rent/Unit	$3,950	$3,950	$3,379
Asking vs Attained	95.6%	95.6%	95.8%
Effective Concessions	4.4%	4.4%	4.2%

Source: REIS®

Vacancy

The Q4 2024 vacancy rate (3.4%) is consistent with last year (3.4%) and consistent with the average vacancy over the past ten years (3.6%). The historic vacancy trend indicates stable long-term demand for apartment units in the New York Metro market. The most recent vacancy trends demonstrate similar market conditions in comparison to the historic trend and suggest continued stability moving forward.

New York Metro Market Conclusion

Based on the preceding analysis, the New York Metro apartment market demonstrates sound fundamentals. Analysis of supply and demand trends indicate the market is currently stable with no evidence to prove this will change any time soon. There are no observed weaknesses of the market that stand out.

MANHATTAN RESIDENTIAL MARKET ANALYSIS

As the midpoint of 2025 approaches, New York's apartment market continues to thrive, driven by strong tenant demand and constrained new supply.

By most metrics, New York is outperforming the broader U.S. apartment market. As of the end of Q1 2025, the vacancy rate for Manhattan was 2.43%.

MANHATTAN VACANCY

Period	12/31/2022	3/30/2023	12/31/2023	3/30/2024	12/31/2024	3/30/2025
Vacancy Rate	2.69%	2.54%	3.42%	2.42%	2.93%	2.43%

Source: Douglas Elliman

As noted in the previous table, vacancy rates are typically lower than the prior quarter. This suggests that an average vacancy rate of 3.0% is appropriate for Manhattan.

Sustained renter demand has helped keep vacancy rates low.

This tight market environment has supported above-average rent growth. At the end of the first quarter, annual rent growth in Manhattan measured 0.55% over the prior quarter.

MANHATTAN AVERAGE RENT PSF

Period	12/31/2022	3/30/2023	12/31/2023	3/30/2024	12/31/2024	3/30/2025
Average Rent PSF	$82.14	$79.43	$85.37	$83.03	$88.51	$89.00
Annual % Change (Q4 to Q4)	N/A		3.93%		3.68%	
Quarterly % Change Q4 to Q3)		-3.30%		-2.74%		0.55%

Source: Douglas Elliman

The change from year-end 2024 to Q1 2025 is 0.55% which equates to an annualized rate of 1.66%.It is noted that the rent increase from Q4 2024 to Q1 2025 is the strongest during this period over the past three years as in 2023, the rents declined by 3.30% and in 2024, the rents declined by 3.30%. As such, Manhattan rents are expected to continue strong growth through the rest of 2025.

UPPER EAST SIDE APARTMENT SUBMARKET OVERVIEW

The following is an analysis of supply/demand trends in the Upper East Side Apartment Submarket using information provided by CoStar. The table below presents historical data for key market indicators.

UPPER EAST SIDE HISTORICAL STATISTICS (LAST TEN YEARS)					
PERIOD	SUPPLY	ADDED SUPPLY	NET ABSORPTION	VACANCY	ASKING RENT
2015	34,766 Units	0 Units	(72) Units	1.4%	$4,220/Unit
2016	35,067 Units	301 Units	(18) Units	2.3%	$4,227/Unit
2017	35,067 Units	0 Units	(239) Units	3.0%	$4,293/Unit
2018	35,067 Units	0 Units	69 Units	2.8%	$4,352/Unit
2019	35,123 Units	56 Units	(1) Units	3.0%	$4,434/Unit
2020	35,123 Units	0 Units	178 Units	2.5%	$3,922/Unit
2021	35,228 Units	105 Units	84 Units	2.5%	$4,366/Unit
2022	35,228 Units	0 Units	(52) Units	2.7%	$5,100/Unit
2023	35,228 Units	0 Units	(28) Units	2.7%	$5,283/Unit
2024	35,228 Units	0 Units	46 Units	2.6%	$5,276/Unit
CAGR	**0.1%**	**-**	**-**	**-**	**2.3%**

Source: REIS®

Over the past ten years the Upper East Side apartment submarket was stable where there was balance in prevailing apartment supply/demand conditions. Over this time period the market inventory slightly increased by 1.3%. Further there was slight negative absorption (-0.1% change), moderate increase in the vacancy rate (1.2% change) and considerable increase of the asking average rent (25.0% change).

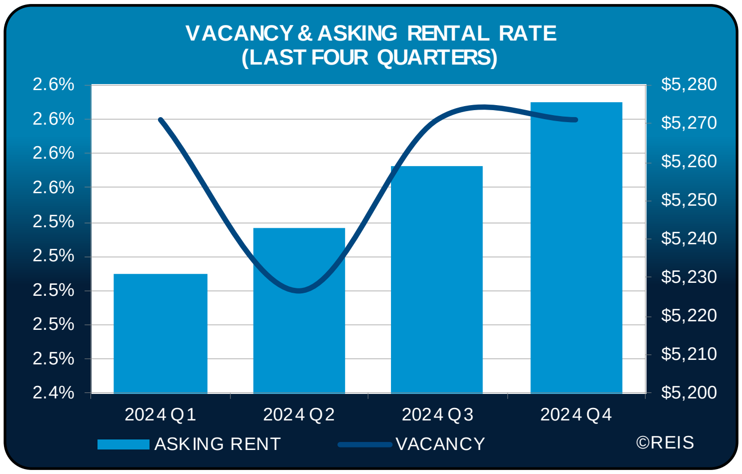
The following table summarizes the trailing four quarter performance of the Upper East Side submarket.

UPPER EAST SIDE TRAILING FOUR QUARTER PERFORMANCE					
PERIOD	SUPPLY	ADDED SUPPLY	NET ABSORPTION	VACANCY	ASKING RENT
2024 Q1	35,228 Units	0 Units	36 Units	2.6%	$5,231/Unit
2024 Q2	35,228 Units	0 Units	31 Units	2.5%	$5,243/Unit
2024 Q3	35,228 Units	0 Units	(10) Units	2.6%	$5,259/Unit
2024 Q4	35,228 Units	0 Units	(11) Units	2.6%	$5,276/Unit

Source: REIS®

As of Q4 2024 the Upper East Side submarket has a total apartment inventory of 35,228 units with 916 units vacant indicating a current vacancy rate of 2.6%. There was no additional inventory delivered last quarter, nor were there any new deliveries in the last year.

Over the past four quarters the Upper East Side apartment submarket has experienced no growth of supply. There was also positive net absorption, stability in vacancy rates and nominal increase of asking rent in the marketplace.



Key supply/demand statistics for the most recent quarter, last year and historical averages are summarized below.

UPPER EAST SIDE MARKET TREND ANALYSIS			
	Q4 2024	**2024**	**AVG LAST 10**
Total Units	35,228	35,228	35,113
Vacant Units	916	916	895
Market Vacancy	2.6%	2.6%	2.6%
Construction Growth Rate	0.0%	0.0%	0.1%
Absorption Rate	(0.0%)	0.1%	(0.0%)
Average Asking Rent/Unit	$5,276	$5,276	$4,547

Source: REIS®

Vacancy

The Q4 2024 vacancy rate (2.6%) is consistent with last year (2.6%) and consistent with the average vacancy over the past ten years (2.6%). The historic vacancy trend indicates stable long-term demand for apartment units in the Upper East Side submarket. The most recent vacancy trends demonstrate similar market conditions in comparison to the historic trend and suggest continued stability moving forward.

Upper East Side Submarket Conclusion

Based on the preceding analysis, the Upper East Side apartment submarket demonstrates sound fundamentals. Analysis of supply and demand trends indicate the submarket is currently stable with no evidence to prove this will change any time soon. There are no observed weaknesses of the submarket that stand out.

COMPETITIVE RESIDENTIAL SET

We utilized CoStar to survey the multifamily supply within 10065 zip code as presented below.

Competitive Multi-family Survey - 10065			
10065	**1Q 25**	**Prior Period**	**10 Year Average**
Inventory Units	9,953	9958	
Vacant Units	158		
Vacancy Rate	1.6%	1.8%	2.3%
Existing Buildings	314		
Average Units per Building	32		
Median Household Income	$114,000		
Asking Rent	$4,964	$4,923	$4,720

Source: CoStar

As indicated, there are 314 properties with 9,953 existing units in the survey area. The competitive set reported an average vacancy rate of 1.6%, which is below the prior period of 1.8%, and below the 10-year average vacancy rate of 2.3%.

CORE MANHATTAN RETAIL MARKET

The following was obtained from the 3Q 2024, Manhattan Retail Market Report published by CBRE.

Leasing slowed in Manhattan amid a depleted inventory of prime retail locations. The rolling four-quarter aggregate leasing velocity, which measures total leasing (renewals and new leases) for the four prior quarters, totaled nearly 2.5 million sq. ft.—a 7% quarterly and 25% annual decrease. In Q3 2024, fine arts operators leased the most square footage, while apparel and food and beverage (F&B) tenants were the greatest drivers of activity based on deal count.

A bright spot for the market has been the steady flow of new-to-market retailers leasing their first brick and mortar locations in Manhattan. These new entrants committed to over 190,000 sq. ft. across 17 transactions in 03—roughly 21% of the quarterly leasing volume. Demand for top-tier retail space remains strong, but dwindling options and a lack of new inventory in prime markets has slowed the pace of transactions and kept leasing 43% below the peak of 4.3 million sq. ft recorded in 02 2019.

In terms of transaction count, the Plaza District tallied the most deals in Q3 with eight transactions totaling more than 104,000 sq. ft. Luxury and upscale apparel brands continued to be active in the Plaza District and closed several deals in Q3. The largest deal within the neighborhood was signed by the English fine art auctioneers Bonhams, which leased a new 42,000-sq.-ft headquarters at the historic Steinway Hall at 111 West 57th Street. Additionally, the Italian luxury fashion house Monder announced plans to sublease the 13,000-sq.-ft. space formerly occupied by Under Armour at Boston Properties' 767 Fifth Avenue, and the Canadian bridge contemporary clothing retailer Club Monaco renewed its 12,000-sq.-ft. lease at Thor Equities' 597 Fifth Avenue.

Rockefeller Center recorded the highest leasing velocity total of any neighborhood in the third quarter with over 230,000 sq. ft. It is uncommon that this neighborhood leads in leasing volume; however, the English luxury fine arts and antique auction house Christie's Inc. signed the largest deal of the quarter to renew its 228,000-sq.-ft auction premises at Tishman Speyer's 20 Rockefeller Plaza.

Times Square also recorded significant leasing velocity in the third quarter with over 74,000 sq. ft. across four transactions. The London based Path Entertainment Group leased nearly 50,000 sq. ft. at SJP Properties' 11 Times Square for a new Monopoly experiential space. Additionally, Broadway 4D, a new experiential theatre venture, signed a 20,000-sq.-ft lease at the Liberty Theatre at 234 West 42nd Street.

On a volume basis, fine arts was the most active sector in the third quarter, recording over 324,000 sq. ft. across four transactions. The largest deals were the aforementioned Christie's Inc. renewal at 20 Rockefeller Plaza and the new lease signed by Bonhams at 111 West 57th Street. Additionally,

Arte Museum, a globally popular immersive art exhibition, leased its first New York City location along the Hudson River waterfront for 51,000 sq. ft. at Chelsea Piers.

Period	12 Month Aggregate (Sq. Ft.)	Period	12 Month Aggregate (Sq. Ft.)
Q2 2019	4,327,469	Q1 2022	2,994,276
Q3 2019	4,284,960	Q2 2022	3,555,620
Q4 2019	4,264,153	Q3 2022	3,709,937
Q1 2020	4,223,957	Q4 2022	3,454,792
Q2 2020	3,747,659	Q1 2023	3,592,768
Q3 2020	3,221,537	Q2 2023	3,320,621
Q4 2020	2,522,634	Q3 2023	3,291,505
Q1 2021	2,045,393	Q4 2023	3,106,840
Q2 2021	1,940,108	Q1 2024	2,929,236
Q3 2021	2,227,102	Q2 2024	2,659,011
Q4 2021	2,824,718	Q3 2024	2,482,860

In Q3 2024, the apparel industry was the most active sector based on the total number of deals with 25 transactions. The deals completed by apparel tenants tallied 172,000 sq. ft. The largest apparel transaction of the quarter was signed by the Chinese fast fashion brand Urban Revivo to open its first US location with 30,000 sq. ft. at 515 Broadway. Additionally, the outdoor clothing brand North Face committed to more than 27,000 sq. ft. for a new location at 511 Fifth Avenue, and the luxury men's fashion company Brooks Brothers announced plans to open a new 9,800-sq.-ft. location at 195 Broadway.

Food and Beverage (F&B) was the third most active sector in 03, recording more than 103,000 sq. ft. The largest F&B deal of the quarter was the 13,000-sq.-ft. lease signed by Nespresso to take over the space formerly occupied by Piano Software at 85 Fifth Avenue. Additionally, the Mexican eatery Rosa Mexicano leased the former 11,000-sq.-ft. Ed's Chowder space at 1893 Broadway, and the Italian restaurant Dante NYC announced a new 11,000-sq.-ft. location at 210 Elizabeth Street.

Availability

The number of direct ground floor availabilities tracked across Manhattan's 16 premier shopping corridors fell to 179 spaces in Q3—down 1% from the prior quarter and 12% year-over- year. The count of available spaces is now 38% below the peak of 290 spaces recorded in 02 2021—a significant improvement from the market trough.

Much of the decline in availabilities was attributable to a flurry of leases signed on the SoHo Broadway corridor, which saw a 38% quarter-over-quarter and 55% year-over-year drop to five available spaces. Among the notable deals that led to the supply reduction was the aforementioned Urban Revivo lease at 515 Broadway. Additionally, the athletic footwear brand New Balance leased over 7,200 sq. ft. at 542 Broadway, the Australian online fashion boutique Princess Polly leased its first NYC location at 514 Broadway, and the collectibles store Pop Mart leased its first 6,900-sq.-ft. brick and mortar outpost in Manhattan at 535 Broadway.

Strong demand from luxury and upscale apparel brands has curtailed the supply of quality space in the Upper Madison Avenue corridor over the past 12 months. Two spaces were leased in Q3 2024 leaving the corridor with 15 available spaces. This decline of 48% was the second largest annual drop in availability across all corridors. Most notable was the 8.900-sq.-ft. lease signed by the jewelry brand Kwiat to take over the entire building at 713 Madison Avenue.

Third Avenue in the Upper East Side was one of the few markets to record both a quarterly and annual increase in availability. Increased pricing and a lack of prime locations in this affluent residential neighborhood have slowed activity along this corridor. Five new availabilities were added to the market in the third quarter including the spaces formerly occupied by Arche and Mochidoki at 1035 Third Avenue, a smoke shop at 1126 Third Avenue and the former T-Mobile at 1231 Third Avenue.

In Q3 2024, the frontage availability rate, which measures the aggregate amount of direct available retail frontage on the city's main retail corridors, decreased 29 bps from the prior quarter to 16.3%. The frontage availability was 816 bps below the pandemic peak of 24.4% and 181 bps below the 18.1% recorded in Q4 2019. The frontage within the corridors displayed divergent trends. While strong leasing activity in SoHo and Grand Central drove the available frontage rates on these most active corridors between 6% and 11%, less active areas such Downtown Broadway and Meatpacking 14th Street have seen new availabilities added, driving frontage availability rates between 22% and 34%.

Average Asking Rent

Neighborhood	Corridor Parameters	Total direct ground floor availabilities Q3 2024	Q3 2024	Q2 2024	Quarter-over-quarter change	Q3 2023	Year-over-year change
Upper West Side	Broadway | 72nd to 86th Streets	16	$232	$254	(8.5%)	$257	(9.7%)
Upper East Side	Third Avenue | 60th to 72nd Streets	15	$264	$246	7.0%	$236	11.5%
Upper Madison Ave	Madison Avenue | 57th to 72nd Streets	15	$906	$884	2.5%	$817	10.9%
Plaza District	Fifth Avenue | 49th to 59th Streets**	8	$2,661	$2,609	2.0%	$2,526	5.4%
Grand Central	Fifth Avenue | 42nd to 49th Streets**	5	$583	$611	(4.5%)	$665	(12.3%)
Times Square	Broadway & Seventh Avenue | 42nd to 47th Streets	7	$1,872	$1,955	(4.2%)	$1,359	37.8%
Herald Square	34th Street | Fifth to Seventh Avenues**	20	$492	$490	0.4%	$485	1.4%
Flatiron/Union Square	Broadway | 14th to 23rd Streets	11	$326	$338	(3.5%)	$420	(22.3%)
Flatiron/Union Square	Fifth Avenue | 14th to 23rd Streets	9	$358	$376	(4.8%)	$365	(1.9%)
SoHo	Broadway | Houston to Broome Streets	5	$679	$605	12.2%	$502	35.4%
SoHo	Prince Street | Broadway to West Broadway	4	$1,057	$1,060	(0.3%)	$1,068	(1.0%)
SoHo	Spring Street | Broadway to West Broadway	6	$828	$818	1.3%	$578	43.3%
Meatpacking	14th Street | Eighth to Tenth Avenues	15	$295	$313	(6.0%)	$353	(16.6%)
Meatpacking	Gansevoort | Little West 12th Street | 13th Street | Ninth to Tenth Avenues	16	$275	$283	(3.1%)	$290	(5.2%)
Meatpacking	Washington Street | 14th to Gansevoort Streets	6	$383	$364	5.4%	$367	4.3%
Downtown	Broadway | Battery Park to Chambers Street	21	$242	$256	(5.4%)	$319	(24.1%)
All	Average of corridors	-	$716	$716	0.0%	$663	8.0%
		Total direct ground floor availabilities Q3 2024	Q3 2024	Q2 2024	Quarter-over-quarter change	Q3 2023	Year-over-year change
Aggregate Average Asking Rent**		179	$578	$579	0.0%	$575	0.6%

Average asking rent in Manhattan's prime 16 retail corridors remained mostly unchanged in the third quarter. In Q3 2024, average pricing on the corridors was $716 per-sq.-ft., up 8% year-over-year. Although strong demand for top-tier locations pushed up asking rents in some markets, overall pricing remained 36% below the peak levels recorded in 2014.

The SoHo Broadway corridor recorded the highest quarterly increase in pricing at $679 per-sq.ft., up 12% quarter-over-quarter and 35% year-over-year. Average pricing on the corridor has risen above $600 per-sq.-ft to a level not seen since 2017. With demand remaining strong for the SoHo submarket and multiple offers being negotiated for the corridor's remaining availabilities, three spaces with below average pricing were leased in the third quarter.

Average pricing on Spring Street in SoHo saw the largest annual increase among the 16 corridors to $828 per-sq.-ft., up 1% quarter-over-quarter and 43% year-over-year. Strong leasing has depleted availabilities on Spring Street and the scarcity of spaces has elevated pricing above $800 per-sq.-ft to a level reminiscent of 2017. The addition of two new spaces with premium prices drove up rents, reflecting the landlord-favorable conditions in the neighborhood.

Downtown Broadway was one of the only corridors to record a significant decline in average asking rent on both a quarterly and annual basis, falling 5% quarter-over-quarter and 24% year-over-year to $242 per-sq.-ft. While the market has seen some challenges over the past few quarters such as stagnant co-tenancy along with a reduced office population slowing demand, Downtown Broadway experienced a few positive signs in Q3 as Brooks Brothers and Ess-a-Bagel leased two of the above-average priced spaces on the corridor, causing a modest decline in pricing.

The following is an analysis of supply/demand trends in the Core Manhattan Retail Market using information provided by CoStar, widely recognized as a credible source for tracking market statistics. The table below presents historical data for key market indicators.

CORE MANHATTAN HISTORICAL STATISTICS (LAST TEN YEARS)					
PERIOD	SUPPLY	NEW CONSTRUCTION	NET ABSORPTION	VACANCY	ASKING RENT
2015	46,932,450 SF	370,138 SF	(16,623) SF	3.0%	$107.48/SF
2016	47,186,269 SF	573,798 SF	173,329 SF	3.0%	$108.04/SF
2017	47,186,821 SF	76,973 SF	(36,995) SF	3.0%	$102.54/SF
2018	47,385,128 SF	508,598 SF	17,661 SF	3.2%	$103.33/SF
2019	48,316,046 SF	1,780,123 SF	1,001,900 SF	3.7%	$115.35/SF
2020	48,595,401 SF	422,572 SF	(650,144) SF	4.1%	$111.13/SF
2021	48,410,428 SF	9,841 SF	(138,827) SF	5.3%	$100.77/SF
2022	48,335,368 SF	77,533 SF	63,522 SF	4.9%	$97.06/SF
2023	48,295,155 SF	62,069 SF	(301,259) SF	5.3%	$94.31/SF
2024	48,312,288 SF	58,165 SF	284,262 SF	5.0%	$89.98/SF
CAGR	0.3%	-	-	-	(1.8%)

*Supply numbers based on information w hich is amended/updated on an on-going basis by Costar.
Source: Costar®

The following table summarizes the trailing four quarter performance of the Core Manhattan market.

CORE MANHATTAN TRAILING FOUR QUARTER PERFORMANCE					
PERIOD	SUPPLY	NEW CONSTRUCTION	NET ABSORPTION	VACANCY	ASKING RENT
2024 Q1	48,333,525 SF	47,165 SF	11,797 SF	5.4%	$87.78/SF
2024 Q2	48,320,213 SF	11,000 SF	202,198 SF	5.0%	$88.48/SF
2024 Q3	48,312,288 SF	0 SF	7,250 SF	4.9%	$91.34/SF
2024 Q4	48,312,288 SF	0 SF	63,017 SF	4.8%	$92.33/SF

Source: Costar®

As of Q4 2024 the Core Manhattan market has a total Retail inventory of 48,312,288 SF with 2,320,981 SF vacant indicating a current vacancy rate of 4.8%. There was no additional inventory delivered last quarter, whereas there was 58,165 SF added in the last year.

Key supply/demand statistics for the most recent quarter, last year and historical averages are summarized below.

CORE MANHATTAN MARKET TREND ANALYSIS			
	Q4 2024	2024	Last 10
Total SF	48,312,288	48,312,288	47,895,535
Vacant SF	2,320,981	2,430,108	1,937,853
Market Vacancy	4.8%	5.0%	4.0%
Construction Grow th Rate	0.0%	0.1%	0.3%
Absorption Rate	0.1%	0.6%	0.1%
Average Asking Rent/SF	$92.33	$89.98	$103.00

Source: Costar®

Vacancy

The Q4 2024 vacancy rate (4.8%) is consistent with last year (5.0%) and slightly higher than the average vacancy over the past ten years (4.0%). The historic vacancy trend indicates somewhat weak long-term demand for retail space in the Core Manhattan market. The most recent vacancy trends demonstrate slightly inferior market conditions in comparison to the historic trend and suggest continued moderately soft demand moving forward.

Core Manhattan Market Conclusion

Based on the preceding analysis, the Core Manhattan Retail market demonstrates relatively weak fundamentals. Analysis of supply and demand factors indicate the market is currently in a state of imbalance; however, the evidence points to signs of recovery and potential stability. There are no observed weaknesses of the market that stand out.

PLAZA DISTRICT RETAIL SUBMARKET OVERVIEW

According to Costar, the subject is located in the Plaza District retail submarket. The following is an analysis of supply/demand trends in the Plaza District Retail Submarket using information provided by CoStar. The table below presents historical data for key market indicators.

PLAZA DISTRICT HISTORICAL STATISTICS (LAST TEN YEARS)

PERIOD	SUPPLY	NEW CONSTRUCTION	NET ABSORPTION	VACANCY	ASKING RENT
2015	5,218,295 SF	0 SF	(44,355) SF	3.2%	$87.60/SF
2016	5,210,298 SF	1,593 SF	(2,977) SF	3.6%	$89.86/SF
2017	5,210,298 SF	0 SF	(84,676) SF	4.0%	$93.26/SF
2018	5,300,619 SF	139,829 SF	122,679 SF	4.3%	$86.56/SF
2019	5,332,814 SF	32,195 SF	109,292 SF	3.2%	$94.96/SF
2020	5,321,752 SF	0 SF	(118,649) SF	3.7%	$90.25/SF
2021	5,321,752 SF	0 SF	(15,981) SF	5.5%	$87.47/SF
2022	5,316,102 SF	5,000 SF	(66,768) SF	5.8%	$93.69/SF
2023	5,301,728 SF	0 SF	(45,023) SF	6.4%	$102.75/SF
2024	5,301,728 SF	0 SF	44,078 SF	6.4%	$98.33/SF
CAGR	0.2%	-	-	-	1.2%

*Supply numbers based on information w hich is amended/updated on an on-going basis by Costar.
Source: Costar®

Over the past ten years the Plaza District Retail submarket was somewhat soft where there was slight imbalance in prevailing Retail supply/demand conditions. Over this time period the submarket inventory slightly increased by 3.4%. Further there was slight negative absorption (-2.0% change), moderate increase in the vacancy rate (3.2% change) and considerable increase of the asking average rent (12.2% change).

The following table summarizes the trailing four quarter performance of the Plaza District submarket.

PLAZA DISTRICT TRAILING FOUR QUARTER PERFORMANCE

PERIOD	SUPPLY	NEW CONSTRUCTION	NET ABSORPTION	VACANCY	ASKING RENT
2024 Q2	5,301,728 SF	0 SF	55,227 SF	6.1%	$97.99/SF
2024 Q3	5,301,728 SF	0 SF	3,139 SF	6.0%	$99.69/SF
2024 Q4	5,301,728 SF	0 SF	(16,109) SF	6.3%	$96.02/SF
2025 Q1	5,301,728 SF	0 SF	(7,526) SF	6.5%	$39.82/SF

Source: Costar®

As of Q1 2025 the Plaza District submarket has a total Retail inventory of 5,301,728 SF with 342,768 SF vacant indicating a current vacancy rate of 6.5%. There was no additional inventory delivered last quarter, nor were there any new deliveries in the last year.

Key supply/demand statistics for the most recent quarter, last year and historical averages are summarized below.

PLAZA DISTRICT MARKET TREND ANALYSIS			
	Q1 2025	2024	Last 10
Total SF	5,301,728	5,301,728	5,283,539
Vacant SF	342,768	338,250	242,673
Market Vacancy	6.5%	6.4%	4.6%
Construction Growth Rate	0.0%	0.0%	0.2%
Absorption Rate	(0.1%)	0.8%	(0.2%)
Average Asking Rent/SF	$39.82	$98.33	$92.47

Source: Costar®

Vacancy

The Q1 2025 vacancy rate (6.5%) is consistent with last year (6.4%) and higher than the average vacancy over the past ten years (4.6%). The historic vacancy trend indicates stable long-term demand for retail space in the Plaza District submarket. The most recent vacancy trends demonstrate superior market conditions in comparison to the historic trend and suggest continued stability moving forward.

Plaza District Submarket Conclusion

Based on the preceding analysis, the Plaza District Retail submarket demonstrates sound fundamentals. Analysis of supply and demand factors indicate the market is currently stable with no evidence to prove this will change any time soon. There are no observed weaknesses of the submarket that stand out.

BROKER / MARKET PARTICIPANT INTERVIEWS

Interviews with brokers and other market participants were conducted to put previously discussed trends and data into better context of what is really occurring in the marketplace.

SALES PERSPECTIVE INTERVIEW	
Name	Eric Toddy
Company	Colliers International
Location	New York, NY
Survey Date	1Q 25
Survey Property Profile	Trophy multifamily

According to Eric Toddy, sale transactions have been steady over the past six months for the subject property type, with most activity being seen from national and foreign buyers. The market participant reported that large quality investments opportunities are currently in greatest demand. Currently capitalization rates for stabilized assets range from 4.00% to 5.00%, with an average of 4.25%-4.5%. Eric Toddy indicated that given the lack of similar quality investments on the market as well as the drop in developments in New York City due to the loss of the 421a tax exemption, a property like the subject would generate relatively low overall capitalization rates. Foreign buyers continue to command a large portion of the buyer pool and are specifically seeking trophy properties like the subject. These buyers often view New York City real estate as a safe and attractive asset, particularly for asset diversification strategies.

TRANSACTION TRENDS

Sales Volume

There has been a low inventory of multi-family sales on a national basis as the commercial real estate market has been impacted by rising interest rates. Buyers are cautious, while sellers of turnkey properties are holding onto their inventory. The highest transaction activity is seen in smaller properties that are excluded from rent regulations, as well as properties that are viewed as having a value upside.

The volume of sale transactions for similar assets has been Low over the past six months within the region. This assertion is supported by the comparable sales that were researched for backup support of the value methodology used for this assignment. These sales are somewhat recent transactions, which provides support for the reported market sales activity. Sales volume is directly impacted by the activity levels of sellers and buyers of this property type.

The following was obtained from the Manhattan 2024 Year-End Commercial Real Estate Trends, published by Ariel Property Advisors:

The Manhattan commercial real estate market experienced a robust rebound in 2024, reflecting renewed investor and developer confidence. With $15.75 billion in spending, 378 transactions, and 512 properties traded, Manhattan reaffirmed its dominance across NYC boroughs. Moreover, 2H'24 was the best performing half since 1H'22.

Multifamily assets remained strong, contributing 22% to total spending with an 11% year-over-year growth, driven by demand for high-quality residential properties, including renewed interest in rent-stabilized assets.

Development assets surged with a 121% jump in dollar volume ($3.22 billion). Optimism was fueled by the new tax incentive programs and the legislation to aid office conversions to residential.

The office sector showed recovery signs, with a 74% spending increase over 2023, capturing 32% of total investment dollars. While owner-users were active buyers, developers targeted office-to-residential conversion opportunities.

These trends collectively signaled a revitalized market and set the stage for continued momentum in 2025.

Dollar Volume Comparison

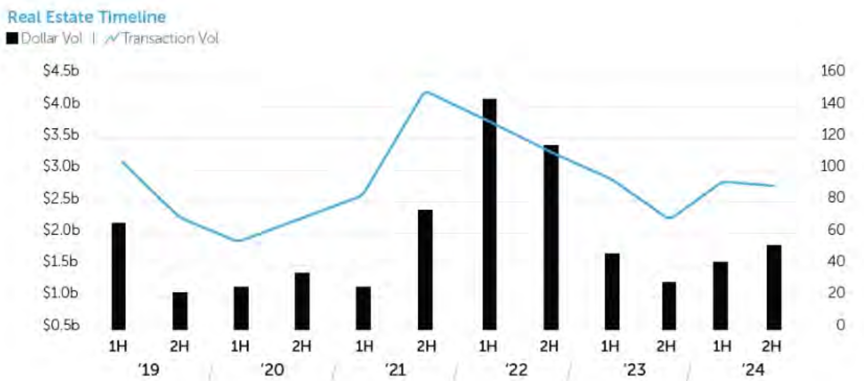
Product Type	2024	2024 VS 2023	2023	2024 VS 2022	2022
Multifamily	$3,443.20M	11%	$3,108.01M	-54%	$7,530.32M
MF-MU 10+ resi units	$2,865.36M	8%	$2,642.34M	-58%	$6,844.82M
MF-MU 6-9 resi units	$189.06M	6%	$178.32M	-36%	$296.74M
MF-MU Small	$388.78M	35%	$287.35M	0%	$388.76M
Retail	$2,228.50M	46%	$1,525.16M	64%	$1,357.38M
Ind / WH / Sto*	$4.70M	-88%	$38.38M	-98%	$203.60M
Development	$3,215.69M	121%	$1,456.96M	25%	$2,566.92M
Office	$5,111.54M	74%	$2,934.38M	-25%	$6,807.13M
Hotel	$1,465.49M	-18%	$1,786.42M	33%	$1,100.32M
Special Purpose	$279.26M	-48%	$536.97M	-38%	$449.69M
GRAND TOTAL	**$15,748.39M**	**38%**	**$11,386.26M**	**-21%**	**$20,015.35M**

*Ind / Wh / Sto: Industrial / Warehouse / Self Storage

Of the total $3.4 billion spent on multifamily assets within Manhattan, 83% represented multifamily buildings with more than 10 units, reflecting a consistent investor appetite seen over the past two years. A deeper analysis shows that predominantly free-market assets accounted for 76% of the dollar volume and 73% of the transaction volume, a decline from 79% and 84%, respectively, in 2023. Pricing also increased slightly for properties with less than 25% rent-stabilized units. Interest in rent-stabilized assets also increased supported by 24% of transaction volume in 2024, up from just 12% in 2023 - further indicating a market characterized by more distressed sales.

The most notable transaction of the year was 20 Exchange Place, a 57-story luxury Art Deco skyscraper in the Financial District, which sold for $370 million. The property, comprising 767 units, was purchased by Dermot Company from DTH Capital. Initially converted to apartments over 20 years ago, the deal priced at $480,000 per unit, making it the second-highest per-unit transaction of the year. The highest per-unit sale occurred earlier in the year at 200 West 67th Street in Lincoln Square, where the 310-unit tower traded for $850,000 per unit.

Pricing per square foot mid-year 2024 showed a downward trend, dropping 15%, but the year-end average reflected a more modest 6% decline compared to 2023. Cap rates continued to rise, averaging 6.23% versus 5.24% in 2023, contributing to reduced property values as interest rates remained steady for most of the year.



Property Value Metrics - Multifamily*

Year	2018	2019	2020	2021	2022	2023	2024
$/SF	$891	$940	$647	$660	$712	$722	$679
$/Unit	$693,251	$758,217	$490,607	$452,380	$525,856	$510,046	$441,514
Cap Rate	3.72%	3.98%	4.58%	4.56%	4.36%	5.24%	6.23%
GRM	18.35	16.01	14.25	13.53	13.83	12.31	9.67

*reflects multifamily transactions of 10+ residential units

Seller Activity

Based on research completed on various listing sources including CoStar and Loopnet, properties similar to the subject in terms of pricing and overall investment appeal have general availability, with numerous listings offered within the marketplace. This trend represents the general sentiment of market participants interviewed for this and other assignments.

Most Probable Buyer Profile/Activity

In the open market, the subject property type would command most interest from national and regional buyers that are actively pursuing similar large investment properties. Refining the buyer profile a bit further, specific buyers known to be active for this property type primarily include family trusts, pension funds and REITs. There is currently moderate buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a national and regional investor.

Transaction Trends Conclusion
Based on the preceding analysis, there is an established sales market for the subject property. As previously discussed, the velocity of sale transactions has been low over the past six months. Currently there is moderate buyer demand, while there is general availability for this property type on the supply side. Based on these factors, conditions are in equilibrium in regard to negotiating sale terms. One of the greatest observed strengths of this asset type is the particularly sound fundamentals compared to other commercial real estate sectors.

SUBJECT PROPERTY ANALYSIS

This market analysis has examined historical and current supply/demand trends for the subject property type on market and submarket levels. Further, the subject's competitive dataset was profiled and analyzed to gain perspective of supply/demand conditions for properties in direct competition with the subject. Market participant interviews were conducted to provide ground level support of what is really occurring in the marketplace. Next, transaction trends were researched and analyzed. The final step will be to draw conclusions from the market data and analyses based on their perceived influence on the subject property.

The subject is a Multifamily (Luxury Class A) asset with a total of 209 units, one ground floor retail space and a parking garage. The subject is situated in a strong market location along York Avenue in the Upper East Side neighborhood of Manhattan. The subject has open-floor layouts with floor-to-ceiling windows that offer expansive East River views. The subject has a competitive amenity package that includes a fitness center, swimming pool, sauna, children's playroom and landscaped courtyard, and in-unit washer/dryer units. Considering these factors, the subject is expected to perform well within the market.

General Vacancy Conclusion
As summarized in the table below this market analysis relied on various published data sources and field research for assessing how supply/demand conditions influence the long-term vacancy estimate of the subject property.

GENERAL VACANCY CONCLUSION				
Residential	**Source**	**Q4 2024**	**LAST YR**	**AVG LAST 10**
New York Metro	REIS	3.4%	3.4%	3.6%
Upper East Side	REIS	2.6%	2.6%	2.6%
		Q1 2025	**LAST YR**	**AVG LAST 10**
Zip Code - 10065	CoStar	1.6%	1.6%	1.6%
Retail		**Q1 2025**	**LAST YR**	**AVG LAST 10**
Core Manhattan	CoStar	4.9%	5.0%	4.0%
Plaza District	CoStar	6.5%	6.4%	4.6%
Residential				**2.5%**
Retail				**5.0%**

The residential market analysis indicated a vacancy rate of 3.4% and an average vacancy rate of 3.6% over the past 10 years. The submarket level analysis indicated a CoStar vacancy rate of 2.6% and an average vacancy rate of 2.6% over the past 10 years. Based on our analysis of the local market, a general vacancy rate of 2.5% is concluded for the residential income.

The retail market analysis indicated a vacancy rate of 6.5% and an average vacancy rate of 4.6% over the past 10 years. The submarket level analysis indicated a CoStar vacancy rate of 6.5% and an average vacancy rate of 4.6% over the past 10 years. Based on our analysis of the local market, a general vacancy rate of 5.0% is concluded for the retail income.

Taking the above factors into consideration, as well as the subject's good condition with competitive amenities and all fair market units (not subject to rent regulation), our conclusions are summarized below.

INCOME LOSS		
	Residential	Retail
Vacancy Rate	2.5%	5.0%
Credit Loss	0.5%	0.5%
TOTAL	**3.0%**	**5.5%**

EXPOSURE TIME & MARKETING PERIOD

Exposure time is defined as "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; a retrospective opinion based on an analysis of past events assuming a competitive and open market" (The Dictionary of Real Estate Appraisal, Appraisal Institute, 2015). Reasonable exposure time is impacted by the aggressiveness and effectiveness of a property's exposure to market participants, availability and cost of financing, and demand for similar investments. Exposure time is best established based the recent history of marketing periods for comparable sales, discussions with market participants and information from published surveys.

The following information was taken into consideration to develop estimates of exposure time and marketing period for the subject property:

EXPOSURE TIME & MARKETING PERIOD					
SOURCE	QUARTER	RANGE			AVG
PriceWaterhouse Coopers					
National Apartment Market	1Q 25	3.0	to	15.0	6.9

The availability of acquisition financing factors into exposure time. In recent quarters, financing has been available for well-positioned commercial real estate, particularly for stabilized assets. For second tier or marginal properties, financing has been available but subject to more stringent requirements. Based on review of the local capital market, we conclude that adequate financing options would have been available to consummate a sale of the property on the date of value.

Exposure Time Conclusion

The preceding information generally supports an exposure time range from 1 to 12 months for Mixed-Use properties. The subject property is of excellent quality and is in excellent condition. Based on its overall physical and locational characteristics, the subject has above average overall appeal to investors. Considering these factors, a reasonable estimate of exposure time for the subject property is 12 months or less.

Marketing Period Conclusion

Marketing period is very similar to exposure time, but reflects a projected time period to sell the property, rather than a retrospective estimate. We have reviewed open listings and discussed the market with local participants, and given the nature of the subject property, we feel that a time period of 12 months or less is supported for the subject's marketing period.

INTRODUCTION

The highest and best use of an improved property is defined as that reasonable and most probable use that will support its highest present value. The highest and best use, or most probable use, must be legally permissible, physically possible, financially feasible, and maximally productive. This section develops the highest and best use of the subject property As-Vacant and As-Improved.

AS-VACANT ANALYSIS

Legal Factors

The legal factors that possibly influence the highest and best use of the subject site are discussed in this section. Private restrictions, zoning, building codes, historic district controls, and environmental regulations are considered, if applicable to the subject site. Permitted uses of the subject's C4-7, C6-3 (Commercial District) zoning were listed in the Zoning Analysis section and include Multi-Family Apartments, Retail, Offices and Hotel. The potential use that meets the requirements of the legal permissibility test is mixed-use development.

Physical & Locational Factors

Regarding physical characteristics, the subject site is irregular in shape and has level topography with good access and good exposure. The subject is surrounded by multifamily development and commercial development. Of the outright permitted uses, physical and locational features best support development of a mixed-use multifamily property as market conditions warrant for the site's highest and best use as-vacant.

Feasibility Factors

The financial feasibility of those uses that meet the legal and physical tests discussed is analyzed further in this section. Supply and demand conditions affect the financial feasibility of possible uses. Indicators of feasibility, which typically indicate favorable or non-favorable supply and demand conditions, include construction financing and proposed projects. Financial feasibility factors generally support .

As-Vacant Conclusion

Based on the previous discussion, the subject's highest and best use as-vacant is concluded to be development of a mixed-use multifamily property as market conditions warrant.

AS-IMPROVED ANALYSIS

Legal Factors

The subject property, as-improved, is a mixed-use luxury class a project that is zoned C4-7, C6-3. The legal factors influencing the highest and best use of the property support the subject's use as-improved.

Physical & Locational Factors

The physical and location characteristics of the subject improvements have been previously discussed in this report. In summary, the subject's improvements were constructed in 2009 and have a remaining economic life of 40 years based on our estimate. The project is of excellent quality construction and in excellent condition, with adequate service amenities. The subject improvements as-improved are sufficiently supported by site features including its irregular, level topography, good access and good exposure. Further, the subject's location supports the subject improvements as-improved with similar and homogeneous developments present in the subject's immediate market area. Physical and location factors influencing the highest and best use of the property support the subject's use as-improved.

Alternative Uses & Feasibility Factors

In addition to legal and physical considerations, analysis of the subject property as-improved requires the treatment of two important issues: 1) consideration of alternative uses for the property; and 2) the marketability of the most probable use. The five possible alternative treatments of the property are demolition, expansion, renovation, conversion, and the subject's use as-improved.

- **Demolition** The subject property has rent stabilized tenants with guaranteed renewal rights. Therefore, demolition is not applicable in this case.
- **Expansion** The subject property comprises approximately 0.619 acres (26,956 SF) and is improved with a luxury class a mixed-use development. The subject site does not contain additional site area for expansion. Therefore, expansion of the subject is not considered a viable option.
- **Renovation** The subject property is approximately 16 years old and is in excellent condition. Renovation, in the form of capital expenditures, would not increase the rent levels or value appreciably. For this reason, renovation is not appropriate.
- **Conversion** Conversion is neither appropriate nor applicable to this property.
- **Continued Use “As-Is”** The final option is the continued use of the property "As-Is." This is legal, physically possible, and financially feasible. Therefore, continued use, a mixed-use (luxury class a) development is considered appropriate.

Among the five alternative uses, the subject’s use as-improved is supported to be its Highest and Best Use.

Marketability Factors

As previously indicated in the Market Analysis, the subject property has good marketability. The condition of the property reflects excellent maintenance and appeal. In general apartment supply/demand conditions and immediate market area trends support viable short and long-term operations of the subject’s use as-improved. Based on our analysis of the subject property and investigation of comparable properties in the marketplace, the subject is considered to have excellent overall tenant appeal with a very strong competitive position for attracting and retaining tenants. Based on our analysis of the subject property and investigation of substitute properties in the marketplace, the subject is considered to have excellent overall buyer appeal with a very strong competitive position if the asset was exposed to the open market.

As-Improved Conclusion

Legal, physical, and market considerations have been analyzed to evaluate the highest and best use of the property. This analysis is presented to evaluate the type of use that will generate the greatest level of future benefits possible from the property. Based on the previous discussion, the highest and best use of the subject property as-improved is concluded to be continued use as a mixed-use multifamily property.

INTRODUCTION

The following presentation of the appraisal process deals directly with the valuation of the subject property. The following paragraphs describe the standard approaches to value that were considered for this analysis.

INCOME APPROACH

The Income Approach is based on the premise that properties are purchased for their income producing potential. It considers both the annual return on the invested principal and the return of the invested principal. This valuation technique entails careful consideration of contract rents currently in place, projected market rents, other income sources, vacancy allowances, and projected expenses associated with the efficient operation and management of the property. The relationship of these income estimates to property value, either as a single stream or a series of projected streams, is the essence of the income approach. The two fundamental methods of this valuation technique include Direct Capitalization and Discounted Cash Flow.

› **Direct Capitalization**
This method analyzes the relationship of one year's stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

› **Discounted Cash Flow (DCF)**
The DCF analysis models a property's performance over a buyer's investment horizon from the date of acquisition through the projected sale of the property at the end of the holding period. Net cash flows from property operations and the reversion are discounted at a rate reflective of the property's economic and physical risk profile.

Development of the Income Approach is a specific scope requirement of this assignment. Characteristics specific to the subject property warrant that this valuation technique is developed. The subject is an investment property; therefore, the Income Approach represents the decision making process of knowledgeable buyers and sellers of this property type. The Direct Capitalization method is used in this analysis. Discounted Cash Flow analysis does not contribute substantially to estimating value beyond the direct capitalization method and is not used in this analysis.

SALES COMPARISON APPROACH

The Sales Comparison Approach is based on the principle of substitution, which asserts that no one would pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments in order to bracket the subject property on an appropriate unit value comparison. The sales comparison approach is applicable when sufficient data on recent market transactions is available. Alternatively, this approach may offer limited reliability because many properties have unique characteristics that cannot be accounted for in the adjustment process.

Development of the Sales Comparison Approach is a specific scope requirement of this assignment. Characteristics specific to the subject property warrant that this valuation technique to be developed. Sufficient sales data is available to provide a credible value estimate by the Sales Comparison Approach. Based on this reasoning, the Sales Comparison Approach is presented within this appraisal.

LAND VALUATION

Development land in the subject marketplace is most often valued utilizing the Sales Comparison Approach. Development of the subject site value is not a specific scope requirement of this assignment. Characteristics specific to the subject property do not warrant that a site value is developed. Therefore, this appraisal does not provide valuation of the subject site.

COST APPROACH

The Cost Approach is a set of procedures through which a value indication is derived for the fee simple estate by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive or profit; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property interest being appraised. For investment properties, this valuation technique is most often relied upon as a test of financial feasibility for proposed construction.

Development of the Cost Approach is not a specific scope requirement of this assignment. Characteristics specific to the subject property do not warrant that this valuation technique is developed. The Cost Approach has limited applicability due to the age of the improvements and lack of market based data to support an estimate of accrued depreciation. Knowledgeable buyers and sellers typically do not rely on this valuation technique for income-producing properties similar to the subject. Based on the preceding information, the Cost Approach will not be presented.

RECONCILIATION OF VALUE CONCLUSIONS

The Income (Direct Capitalization) and Sales Comparison approaches are used to value the subject property, which will be reconciled into the final opinion of market value in the Analysis of Value Conclusions section.

Additional value scenarios presented subsequent to the Analysis of Value Conclusions include: Market Value of underlying site subject to a Hypothetical Condition (MVHC).

INTRODUCTION

The Income Approach is based on the premise that properties are purchased for their income producing potential. It considers both the annual return on the invested principal and the return of the invested principal. This valuation technique entails careful consideration of contract rents currently in place, projected market rents, other income sources, vacancy allowances, and projected expenses associated with the efficient operation and management of the property. The relationship of these income estimates to property value, either as a single stream or a series of projected streams, is the essence of the income approach. The three fundamental methods of this valuation technique include Direct Capitalization and Discounted Cash Flow.

As previously discussed within the Valuation Methods section, the Direct Capitalization method is used in this analysis, and Discounted Cash Flow analysis is not developed.

Income Approach Framework
The following identifies the primary sections and order in which the Income Approach is developed.

- Subject Information
- Apartment Rent Analysis
- Commercial Rent Analysis
- Income & Expense Analysis
- Investment Market Analysis
- Direct Capitalization
- Adjustments to Value
- Income Approach Reconciliation

SUBJECT INFORMATION

March 31, 2025 Rent Roll Data - A copy of the rent roll is located in the addenda of this report. The following table displays the unit statistics of each floor plan based on our analysis of the rent roll.

SUBJECT LEASING INFORMATION

				UNITS	AVG		UNIT %	ASKING RENT			ACTUAL RENT		
	UNIT SUMMARY			PERCENT	UNIT	NRA	OCC-	PER	TOTAL	AVG	PER UNIT	TOTAL	AVG
UNIT TYPE	OCC	VAC	TOT	OF TOTAL	SF	SF	UPIED	UNIT	$/MO	$/SF	AVERAGE	$/MO	$/SF
Studio FM	32	2	34	16.3%	559	19,006	94%	$4,441	$150,997	$7.94	$4,151	$132,834	$7.43
1 BR FM	95	1	96	45.9%	807	77,496	99%	$6,203	$426,346	$7.68	$5,645	$536,314	$6.99
1 BR RS	6	0	6	2.9%	837	5,019	100%	$6,203	$26,647	$7.42	$5,053	$30,316	$6.04
2 BR FM	35	0	35	16.7%	1,345	47,073	100%	$10,258	$155,439	$7.63	$9,550	$334,239	$7.10
2 BR RS	1	0	1	0.5%	1,319	1,319	100%	$10,258	$4,441	$7.78	$7,727	$7,727	$5.86
3 BR FM	37	0	37	17.7%	1,790	66,212	100%	$13,579	$164,321	$7.59	$12,671	$468,809	$7.08
TOTAL/AVG	**206**	**3**	**209**	**100%**	**1,034**	**216,125**	**98.6%**	**$5,468**	**$928,190**	**$4.29**	**$7,331**	**$1,510,238**	**$7.05**

The subject has 7 rent stabilized units and 199 fair market (deregulated) units. The subject property had a 421a tax exemption expired in June 2023, as such, the rent stabilized units can be deregulated upon lease expiration or renewal.

Subject Utility Structure
Tenants are billed directly for their electricity, telephone, cable, and internet usage. The landlord is responsible for water, sewer, heating, and garbage removal, which is included in the tenant’s rent.

ANALYSIS OF RENT COMPARABLES

Unit of Comparison

The analysis is conducted on a rent per month basis, reflecting market behavior. This unit of comparison is predominantly used in this market.

Selection of Comparables

A complete search of the area was conducted in order to find the most comparable complexes in terms of age, appeal, condition, number of units, and amenities. The rent comparables are located in the subject's local area and range from 0.0 to 1.9 miles from the subject site, with an average distance of 0.7 miles. The subject is in excellent condition with excellent appeal for the market area considering its vintage. The comparables selected in this analysis are similar properties to the subject property.

Concessions

None of the comparables were offering concessions at the time of survey.

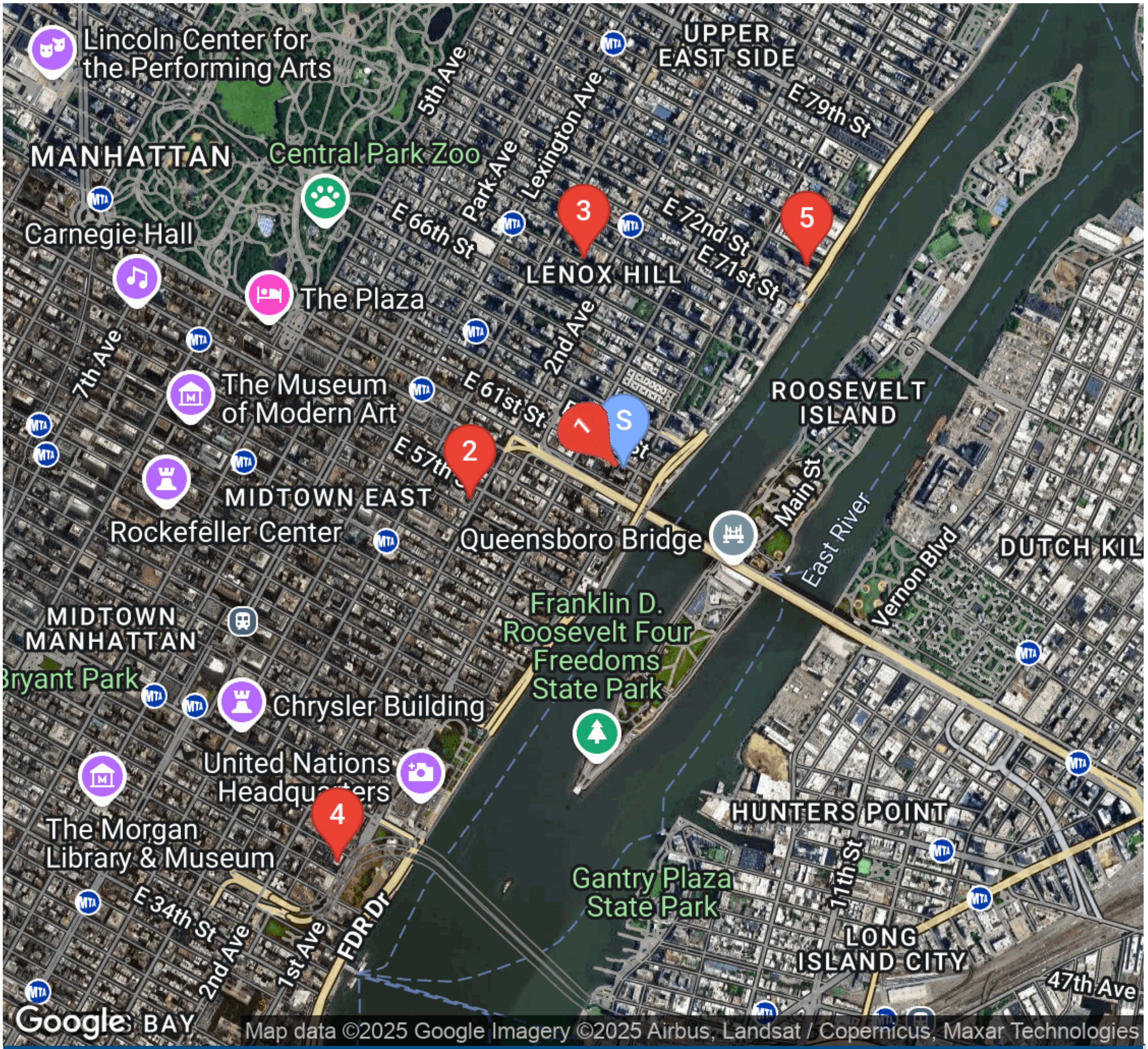
Presentation

The following presentation summarizes the comparables most similar to the subject property. A Rent Comparable Summation Table, Rent Comparable Location Map, Data Sheets, and analysis of the rent comparables is presented on the following pages.

RENT SUMMATION TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5
Name	Two Sutton Place North	One Sutton Place North	Aalto57	215 East 68th Street	The Aldyn	1 East River Drive
Address	1113 York Avenue	420 E 61st St	1065 2nd Avenue	215 East 68th Street	60 Riverside Boulevard	525 East 72nd Street
City	New York	New York	New York	New York	New York	New York
State	NY	NY	NY	NY	NY	NY
Zip	10065	10065	10022	10065	10069	10021
PHYSICAL INFORMATION						
Number of Units	209	232	264	613	316	404
NRA	243,625	232,844	212,151	1,201,289	351,184	399,153
Year Built	2009	2001	2014	1962	2008	1986
Year Renovated	-	-	-	2014	-	-
Average SF/Unit	1,034	1,004	804	1,960	1,111	988
RENT INFORMATION						
Occupancy	98.6%	97.4%	95.0%	99.3%	98.4%	99.3%
Rent Type	Market Rent	Market Rent	Market & Restricted	Market Rent	Market Rent	Market Rent
$/Unit Average	$7,331	$6,183	$6,852	$10,356	$7,759	$6,321
$/SF Average	$7.05	$6.16	$8.53	$5.28	$6.98	$6.40
Studio $/Unit Avg	$4,151	$3,545	$4,967	$4,556	$3,695	$4,729
1 BD $/Unit Avg	$5,610	$5,205	$6,865	$4,358	$5,858	$5,231
2 BD $/Unit Avg	$9,499	$7,725	$9,765	$9,030	$8,715	$8,088
3 BD $/Unit Avg	$12,671	$10,080	$12,094	$13,210	$14,443	$11,458

RENT COMPARABLE LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	OCC %	AVG SF/UNIT	UNITS	BUILT
SUBJECT	-	Two Sutton Place North	1113 York Avenue, New York, NY	98.6%	1,034	209	2009
No. 1	0.0 Miles	One Sutton Place North	420 E 61st St, New York, NY	97.4%	1,004	232	2001
No. 2	0.3 Miles	Aalto57	1065 2nd Avenue, New York, NY	95.0%	804	264	2014
No. 3	0.5 Miles	215 East 68th Street	215 East 68th Street, New York, NY	99.3%	1,960	613	1962
No. 4	1.9 Miles	The Aldyn	60 Riverside Boulevard, New York, NY	98.4%	1,111	316	2008
No. 5	0.6 Miles	1 East River Drive	525 East 72nd Street, New York, NY	99.3%	988	404	1986

COMPARABLE 1

LOCATION INFORMATION	
Name	One Sutton Place North
Address	420 E 61st St
City, State, Zip Code	New York, NY, 10065
MSA	New York-Northern New Jersey-Long Island

PHYSICAL INFORMATION	
Project Design	High-Rise
Number of Units	232
Year Built	2001
Net Rentable Area (NRA)	232,844
Average Unit Size (SF)	1,004
Rent Type	Market Rent
Location	Average
Quality	Average
Condition	Average
Project Amenities	Common Laundry, Elevators, Fitness Center
Unit Amenities	Air Conditioning, Alarm System, Balcony/Patio, Dishwasher, Fireplace, Garbage Disposal, Parking Covered, Parking Garage, Parking Open, Premium Flooring, Storage, Washer/Dryer Hookups, Washer/Dryer In-Unit
Parking	

UTILITIES	INCL. IN RENT	NOT INCL. IN RENT
Electricity		✓
Water	✓	
Hot Water	✓	
Sewer	✓	
Garbage	✓	
Telephone		✓
Gas		✓
Cable/Satellite		✓
High-Speed Internet		✓

UNIT MIX

DESCRIPTION	UNITS	SIZE	AVG RENT
STUDIO / 1 BA	37	500	$3,545
1 BD / 1 BA	117	830	$5,205
2 BD / 2 BA	39	1,295	$7,725
3 BD / 2 BA	39	1,711	$10,080

ONE SUTTON PLACE NORTH

OCCUPANCY / ABSORPTION	
Vacant Units	6
Occupancy Rate	97%

CONFIRMATION	
Source	Confidential
Date	03/31/2025

REMARKS

One Sutton Place is 41-story apartment building property totaling 234 units located on in the Lenox Hill neighborhood within the Upper East Side of Manhattan. The building was built in 2001. The residential unit mix includes studio through three-bedroom units. Project amenities includes: concierge/doorman, children's playroom and has access to the amenities located at the adjacent luxury high rise, Two Sutton Place via an enclosed passageway that includes fitness center, swimming pool, sauna, and landscaped courtyard. The subject has open layouts with floor-to-ceiling windows that offer expansive East River views.

COMPARABLE 2

LOCATION INFORMATION

Name	Aalto57
Address	1065 2nd Avenue
City, State, Zip Code	New York, NY, 10022
MSA	New York-Northern New Jersey-Long Island

PHYSICAL INFORMATION

Project Design	Mixed Use - Apartment/Commercial
Number of Units	264
Year Built	2014
Net Rentable Area (NRA)	212,151
Average Unit Size (SF)	804
Rent Type	Market & Restricted
Location	Average
Quality	Average
Condition	Average
Project Amenities	BBQ/Picnic Area, Fitness Center, Game Room, Rooftop Area, Sport Court
Unit Amenities	None
Parking	

UTILITIES	INCL. IN RENT	NOT INCL. IN RENT
Electricity		✓
Water	✓	
Hot Water		✓
Sewer	✓	
Garbage	✓	
Telephone		✓
Gas		✓
Cable/Satellite		✓
High-Speed Internet		✓

UNIT MIX

DESCRIPTION	UNITS	SIZE	AVG RENT
STUDIO / 1 BA	111	534	$4,967
1 BD / 1 BA	96	816	$6,865
2 BD / 2 BA	39	1,231	$9,765
3 BD / 2 BA	18	1,474	$12,094

AALTO57

OCCUPANCY / ABSORPTION

Vacant Units	13
Occupancy Rate	95%

CONFIRMATION

Source	Publicly available data
Date	04/04/2025

REMARKS

This comparable represents a 41-story luxury apartment building containing 264 residential units located in the Upper East Side neighborhood of Manhattan. This property was constructed in 2014. There are 11 studio units, 96 one-bedroom units, 39 two-bedroom units, and 18 three-bedroom units.

COMPARABLE 3

LOCATION INFORMATION

Name	215 East 68th Street
Address	215 East 68th Street
City, State, Zip Code	New York, NY, 10065
MSA	New York-Northern New Jersey-Long Island.

PHYSICAL INFORMATION

Project Design	High-Rise
Number of Units	613
Year Built	1962
Net Rentable Area (NRA)	1,201,289
Average Unit Size (SF)	1,960
Rent Type	Market Rent
Location	Good
Quality	Good
Condition	Good
Project Amenities	Common Laundry, Concierge/Doorman, Elevators, Fitness Center, Game Room
Unit Amenities	None
Parking	

UTILITIES	INCL. IN RENT	NOT INCL. IN RENT
Electricity		✓
Water	✓	
Hot Water	✓	
Sewer	✓	
Garbage		✓
Telephone		✓
Gas		✓
Cable/Satellite		✓
High-Speed Internet		✓

UNIT MIX

DESCRIPTION	UNITS	SIZE	AVG RENT
STUDIO / 1 BA	62	700	$4,556
1 BD / 1 BA	66	860	$4,358
2 BD / 2 BA	122	1,638	$9,030
3 BD / 2 BA	243	2,351	$13,210
4 BD / 3 BA	60	2,500	$11,111
5 BD / 4.5 BA	60	3,000	$13,333

215 EAST 68TH STREET

OCCUPANCY / ABSORPTION

Vacant Units	4
Occupancy Rate	99%

CONFIRMATION

Source	Publicly available data
Date	04/02/2025

REMARKS

This comparable represents a 33-story luxury apartment building containing 608 residential units located in the Upper East Side neighborhood of Manhattan. This property was constructed in 1962 and renovated in 2014.

COMPARABLE 4

LOCATION INFORMATION

Name	The Aldyn
Address	60 Riverside Boulevard
City, State, Zip Code	New York, NY, 10069
MSA	New York-Northern New Jersey-Long Island

PHYSICAL INFORMATION

Project Design	High-Rise
Number of Units	316
Year Built	2008
Net Rentable Area (NRA)	351,184
Average Unit Size (SF)	1,111
Rent Type	Market Rent
Location	Average
Quality	Average
Condition	Average
Project Amenities	Fitness Center, Swimming Pool
Unit Amenities	None
Parking	

UTILITIES	INCL. IN RENT	NOT INCL. IN RENT
Electricity		✓
Water	✓	
Hot Water		✓
Sewer	✓	
Garbage	✓	
Telephone		✓
Gas		✓
Cable/Satellite		✓
High-Speed Internet		✓

UNIT MIX

DESCRIPTION	UNITS	SIZE	AVG RENT
STUDIO / 1 BA	60	457	$3,695
1 BD / 1 BA	68	807	$5,858
2 BD / 2 BA	163	1,301	$8,715
3 BD / 3 BA	10	1,718	$14,443
4 BD / 3 BA	15	2,643	$17,790

THE ALDYN

OCCUPANCY / ABSORPTION

Vacant Units	5
Occupancy Rate	98%

CONFIRMATION

Source	Publicly available data
Date	03/16/2025

REMARKS

This comparable represents a 40-story apartment building containing 264 residential units located in the Upper West Side neighborhood of Manhattan. This property was constructed in 2008. The unit mix includes studio, one-, two-, three- and four-bedroom units.

COMPARABLE 5

LOCATION INFORMATION

Name	1 East River Drive
Address	525 East 72nd Street
City, State, Zip Code	New York, NY, 10021

PHYSICAL INFORMATION

Project Design	High-Rise
Number of Units	404
Year Built	1986
Net Rentable Area (NRA)	399,153
Average Unit Size (SF)	988
Rent Type	Market Rent
Location	Good
Quality	Good
Condition	Good
Appeal	Good
Project Amenities	Common Laundry, Concierge/Doorman, Courtyard, Elevators, Fitness Center, On-site Manager, Rooftop Area, Spa/Sauna, Swimming Pool
Unit Amenities	Dishwasher
Parking	

UTILITIES	INCL. IN RENT	NOT INCL. IN RENT
Electricity		✓
Water	✓	
Hot Water		✓
Sewer	✓	
Garbage		✓
Telephone		✓
Gas		✓
Cable/Satellite		✓
High-Speed Internet		✓

UNIT MIX

DESCRIPTION	UNITS	SIZE	AVG RENT
STUDIO / 1 BA	40	568	$4,729
1 BD / 1 BA	225	832	$5,231
2 BD / 1 BA	129	1,303	$8,088
3 BD / 1 BA	3	1,787	$11,458
4 BD / 2 BA	7	2,255	$15,714

1 EAST RIVER DRIVE

OCCUPANCY / ABSORPTION

Vacant Units	3
Occupancy Rate	99%
Fees & Deposits	N/Av
Concessions	N/Av

CONFIRMATION

Source	Confidential
Date	Confidential

REMARKS

The property is Multifamily (Luxury Class A) property totaling 403 units, 27,275 SF of office space, and a 208-car garage, located on a 36,659-square-foot site at 1 East River Drive in the Lenox Hill neighborhood of New York, New York.

DISCUSSION OF RENTAL ADJUSTMENTS

Adjustments for differences between the subject property and the comparables can be made quantitatively or qualitatively. Adjustments for some differences can be derived from the market and are addressed below. Other items for which dollar adjustments are more difficult to derive are addressed in the Qualitative Adjustments paragraph.

Adjustments

The subject property and the comparables vary to some degree in terms of physical characteristics, project amenities, unit amenities, parking, laundry, and utilities. The following grid illustrates the quantitative adjustments applied to the comparables (when necessary) in order to make the comparables similar to the subject in terms of these features.

RENT COMPARABLE ADJUSTMENT TABLE

	$ ADJ.	SUBJECT	COMP 1		COMP 2		COMP 3		COMP 4		COMP 5	
PHYSICAL PROJECT FEATURES												
Location			Similar	0%	Similar	0%	Similar	0%	Similar	0%	Similar	0%
Average Unit Size		1,034	1,004	0%	804	5%	1,960	-10%	1,111	-5%	988	0%
Condition	-		Similar	0%	Similar	0%	Similar	0%	Similar	0%	Similar	0%
Physical Subtotal Adjustment				0%		5%		-10%		-5%		0%
PROJECT AMENITIES												
Swimming Pool	**5%**	**Yes**	No	5%	No	5%	No	5%	Yes	0%	Yes	0%
Fitness Center	**10%**	**Yes**	Yes	0%	Yes	0%	Yes	0%	Yes	0%	Yes	0%
Project Amenities Subtotal Adjustment				5%		5%		5%		0%		0%
UNIT AMENITIES												
Air Conditioning	**5%**	**No**	Yes	-5%	No	0%	No	0%	No	0%	No	0%
Unit Amenities Subtotal Adjustment				-5%		0%		0%		0%		0%
LAUNDRY												
Washer/Dryer In-Unit	**5%**	**No**	Yes	-5%	No	0%	No	0%	No	0%	No	0%
Laundry Subtotal Adjustment				-5%		0%		0%		0%		0%
UTILITIES INCLUDED IN RENT												
Electricity	**5%**	**No**	No	0%	No	0%	No	0%	No	0%	No	0%
Water	**5%**	**Yes**	Yes	0%	Yes	0%	Yes	0%	Yes	0%	Yes	0%
Hot Water	**5%**	**Yes**	Yes	0%	No	5%	Yes	0%	No	5%	No	5%
Sewer	**5%**	**Yes**	Yes	0%	Yes	0%	Yes	0%	Yes	0%	Yes	0%
Garbage	**5%**	**Yes**	Yes	0%	Yes	0%	No	5%	Yes	0%	Yes	0%
Cable	**5%**	**No**	No	0%	No	0%	No	0%	No	0%	No	0%
Internet	**5%**	**No**	No	0%	No	0%	No	0%	No	0%	No	0%
Utilities Subtotal Adjustment				0%		5%		5%		5%		5%
TOTAL ADJUSTMENTS				-5%		15%		0%		0%		5%

RENT COMPARABLE ADJUSTMENT GRID

The following tables adjust the comparables to the subject property quantitatively.

RENT COMPARABLE ADJUSTMENT SUMMARY

	NO.	AVG	EFF. RENT	ADJUSTMENTS					TOTAL	ADJUSTED	
COMPARABLE 1	UNITS	SIZE	$/UNIT	PHYSICAL	PROJECT	UNIT	LAUNDRY	UTILITIES	ADJ	$/UNIT	$/SF
STUDIO / 1 BA	37	500	$3,545	0%	5%	-5%	-5%	0%	-5%	$3,368	$6.74
1 BD / 1 BA	117	830	$5,205	0%	5%	-5%	-5%	0%	-5%	$4,945	$5.96
2 BD / 2 BA	39	1,295	$7,725	0%	5%	-5%	-5%	0%	-5%	$7,339	$5.67
3 BD / 2 BA	39	1,711	$10,080	0%	5%	-5%	-5%	0%	-5%	$9,576	$5.60
COMPARABLE 2											
STUDIO / 1 BA	111	534	$4,967	5%	5%	0%	0%	5%	15%	$5,712	$10.70
1 BD / 1 BA	96	816	$6,865	5%	5%	0%	0%	5%	15%	$7,895	$9.67
2 BD / 2 BA	39	1,231	$9,765	5%	5%	0%	0%	5%	15%	$11,230	$9.12
COMPARABLE 3											
STUDIO / 1 BA	62	700	$4,556	-10%	5%	0%	0%	5%	0%	$4,556	$6.51
1 BD / 1 BA	66	860	$4,358	-10%	5%	0%	0%	5%	0%	$4,358	$5.07
2 BD / 2 BA	122	1,638	$9,030	-10%	5%	0%	0%	5%	0%	$9,030	$5.51
3 BD / 2 BA	243	2,351	$13,210	-10%	5%	0%	0%	5%	0%	$13,210	$5.62
COMPARABLE 4											
STUDIO / 1 BA	60	457	$3,695	-5%	0%	0%	0%	5%	0%	$3,695	$8.09
1 BD / 1 BA	68	807	$5,858	-5%	0%	0%	0%	5%	0%	$5,858	$7.26
2 BD / 2 BA	163	1,301	$8,715	-5%	0%	0%	0%	5%	0%	$8,715	$6.70
3 BD / 3 BA	10	1,718	$14,443	-5%	0%	0%	0%	5%	0%	$14,443	$8.41
4 BD / 3 BA	15	2,643	$17,790	-5%	0%	0%	0%	5%	0%	$17,790	$6.73
COMPARABLE 5											
STUDIO / 1 BA	40	568	$4,729	0%	0%	0%	0%	5%	5%	$4,965	$8.74
1 BD / 1 BA	225	832	$5,231	0%	0%	0%	0%	5%	5%	$5,493	$6.60
2 BD / 1 BA	129	1,303	$8,088	0%	0%	0%	0%	5%	5%	$8,492	$6.52
3 BD / 1 BA	3	1,787	$11,458	0%	0%	0%	0%	5%	5%	$12,031	$6.73
4 BD / 2 BA	7	2,255	$15,714	0%	0%	0%	0%	5%	5%	$16,500	$7.32

MARKET RENT ANALYSIS

The following tables summarize the various indicators of market rent, and provide the market rent analysis and conclusions for the subject property.

STUDIO UNIT CONCLUSION							
		UNIT	RENT/MONTH		ADJUSTED RENT/MONT		NET
COMP	UNIT TYPE	SIZE	$/UNIT	$/SF	$/UNIT	$/SF	ADJ %
1	STUDIO / 1 BA	500	$3,545	$7.09	$3,368	$6.74	-5.0%
2	STUDIO / 1 BA	534	$4,967	$9.30	$5,712	$10.70	15.0%
3	STUDIO / 1 BA	700	$4,556	$6.51	$4,556	$6.51	0.0%
4	STUDIO / 1 BA	457	$3,695	$8.09	$3,695	$8.09	0.0%
5	STUDIO / 1 BA	568	$4,729	$8.33	$4,965	$8.74	5.0%
LOW		457	$3,545	$6.51	$3,368	$6.51	-5.0%
HIGH		700	$4,967	$9.30	$5,712	$10.70	15.0%
AVERAGE		552	$4,298	$7.86	$4,459	$8.15	3.0%
MEDIAN		534	$4,556	$8.09	$4,556	$8.09	0.0%

SUBJECT ANALYSIS & CONCLUSIONS									
				ASKING RENT		ACTUAL RENT		CONCLUDED RENT	
UNITS	VAC	UNIT TYPE	SIZE	$/UNIT	$/SF	$/UNIT	$/SF	$/UNIT	$/SF
34	2	Studio FM	559	$4,441	$7.94	$4,151	$7.43	$4,472	$8.00

Analysis and Conclusions

The rent comparables range in size from 457 SF to 700 SF, with an average unit size of 552 SF. The rent comparables' unadjusted rent ranges from $6.51 to $9.30 PSF, with an average rent of $7.86 PSF. After applying adjustments to the comparables for differences in amenities, laundry, parking and utilities, the rent comparables' rent ranges from $6.51 to $10.70 PSF, with an average rent of $8.15 PSF.

- There are (34) Studio FM subject units of 559 SF. This unit type has 2 vacant units and is 94.1% occupied. These units currently have an asking rent of $7.94 PSF. This is above the actual rent for the existing tenants for this unit type. Primary emphasis is placed on the subject's asking and actual rent, with secondary weight placed on the rent comparable range. Therefore, a market rent of $8.0 PSF is estimated for this unit type.

1 BEDROOM UNIT CONCLUSION							
		UNIT	RENT/MONTH		ADJUSTED RENT/MONT		NET
COMP	UNIT TYPE	SIZE	$/UNIT	$/SF	$/UNIT	$/SF	ADJ %
1	1 BD / 1 BA	830	$5,205	$6.27	$4,945	$5.96	-5.0%
2	1 BD / 1 BA	816	$6,865	$8.41	$7,895	$9.67	15.0%
3	1 BD / 1 BA	860	$4,358	$5.07	$4,358	$5.07	0.0%
4	1 BD / 1 BA	807	$5,858	$7.26	$5,858	$7.26	0.0%
5	1 BD / 1 BA	832	$5,231	$6.29	$5,493	$6.60	5.0%
LOW		807	$4,358	$5.07	$4,358	$5.07	-5.0%
HIGH		860	$6,865	$8.41	$7,895	$9.67	15.0%
AVERAGE		829	$5,503	$6.66	$5,710	$6.91	3.0%
MEDIAN		830	$5,231	$6.29	$5,493	$6.60	0.0%

SUBJECT ANALYSIS & CONCLUSIONS									
				ASKING RENT		ACTUAL RENT		CONCLUDED RENT	
UNITS	VAC	UNIT TYPE	SIZE	$/UNIT	$/SF	$/UNIT	$/SF	$/UNIT	$/SF
96	1	1 BR FM	807	$6,203	$7.68	$5,645	$6.99	$6,216	$7.70
6	0	1 BR RS	837	$6,203	$7.42	$5,053	$6.04	$6,441	$7.70

Analysis and Conclusions

The rent comparables range in size from 807 SF to 860 SF, with an average unit size of 829 SF. The rent comparables' unadjusted rent ranges from $5.07 to $8.41 PSF, with an average rent of $6.66 PSF. After applying adjustments to the comparables for differences in amenities, laundry, parking and utilities, the rent comparables' rent ranges from $5.07 to $9.67 PSF, with an average rent of $6.91 PSF.

- There are (96) 1 BR FM subject units of 807 SF. This unit type has one vacant unit and is 99.0% occupied. These units currently have an asking rent of $7.68 PSF. This is above the actual rent for the existing tenants for this unit type. Primary emphasis is placed on the subject's asking and actual rent, with secondary weight placed on the rent comparable range. Therefore, a market rent of $7.70 PSF is estimated for this unit type.
- There are (6) 1 BR RS subject units of 836 SF. This unit type has no vacant units and is 100.0% occupied. hese units will roll to market upon lease renewal or expiration as the subject's 421a tax exemption has expired. Therefore, a market rent of $7.70 PSF is estimated for this unit type.

2 BEDROOM UNIT CONCLUSION

COMP	UNIT TYPE	UNIT SIZE	RENT/MONTH $/UNIT	RENT/MONTH $/SF	ADJUSTED RENT/MONT $/UNIT	ADJUSTED RENT/MONT $/SF	NET ADJ %
1	2 BD / 2 BA	1,295	$7,725	$5.97	$7,339	$5.67	-5.0%
2	2 BD / 2 BA	1,231	$9,765	$7.93	$11,230	$9.12	15.0%
3	2 BD / 2 BA	1,638	$9,030	$5.51	$9,030	$5.51	0.0%
4	2 BD / 2 BA	1,301	$8,715	$6.70	$8,715	$6.70	0.0%
5	2 BD / 1 BA	1,303	$8,088	$6.21	$8,492	$6.52	5.0%
LOW		1,231	$7,725	$5.51	$7,339	$5.51	-5.0%
HIGH		1,638	$9,765	$7.93	$11,230	$9.12	15.0%
AVERAGE		1,354	$8,665	$6.46	$8,961	$6.70	3.0%
MEDIAN		1,301	$8,715	$6.21	$8,715	$6.52	0.0%

SUBJECT ANALYSIS & CONCLUSIONS

UNITS	VAC	UNIT TYPE	SIZE	ASKING RENT $/UNIT	ASKING RENT $/SF	ACTUAL RENT $/UNIT	ACTUAL RENT $/SF	CONCLUDED RENT $/UNIT	CONCLUDED RENT $/SF
35	0	2 BR FM	1,345	$10,258	$7.63	$9,550	$7.10	$10,289	$7.65
1	0	2 BR RS	1,319	$10,258	$7.78	$7,727	$5.86	$10,090	$7.65

Analysis and Conclusions

The rent comparables range in size from 1,231 SF to 1,638 SF, with an average unit size of 1,354 SF. The rent comparables' unadjusted rent ranges from $5.51 to $7.93 PSF, with an average rent of $6.46 PSF. After applying adjustments to the comparables for differences in amenities, laundry, parking and utilities, the rent comparables' rent ranges from $5.51 to $9.12 PSF, with an average rent of $6.70 PSF.

- There are (35) 2 BR FM subject units of 1,345 SF. This unit type has no vacant units and is 100.0% occupied. Primary emphasis is placed on the subject's asking and actual rent, with secondary weight placed on the rent comparable range. Therefore, a market rent of $7.65 PSF is estimated for this unit type.
- There are (2) 2 BR RS subject units of 1,319 SF. This unit type has no vacant units and is 100.0% occupied. These units will roll to market upon lease renewal or expiration as the subject's 421a tax exemption has expired. Therefore, a market rent of $7.65 PSF is estimated for this unit type.

3 BEDROOM UNIT CONCLUSION								
		UNIT	RENT/MONTH		ADJUSTED RENT/MONT		NET	
COMP	UNIT TYPE	SIZE	$/UNIT	$/SF	$/UNIT	$/SF	ADJ %	
1	3 BD / 2 BA	1,711	$10,080	$5.89	$9,576	$5.60	-5.0%	
2	3 BD / 2 BA	1,474	$12,094	$8.20	$13,908	$9.44	15.0%	
3	3 BD / 2 BA	2,351	$13,210	$5.62	$13,210	$5.62	0.0%	
4	3 BD / 3 BA	1,718	$14,443	$8.41	$14,443	$8.41	0.0%	
5	3 BD / 1 BA	1,787	$11,458	$6.41	$12,031	$6.73	5.0%	
LOW		1,474	$10,080	$5.62	$9,576	$5.60	-5.0%	
HIGH		2,351	$14,443	$8.41	$14,443	$9.44	15.0%	
AVERAGE		1,808	$12,257	$6.91	$12,634	$7.16	3.0%	
MEDIAN		1,718	$12,094	$6.41	$13,210	$6.73	0.0%	

SUBJECT ANALYSIS & CONCLUSIONS

				ASKING RENT		ACTUAL RENT		CONCLUDED RENT	
UNITS	VAC	UNIT TYPE	SIZE	$/UNIT	$/SF	$/UNIT	$/SF	$/UNIT	$/SF
37	0	3 BR FM	1,790	$13,579	$7.59	$12,671	$7.08	$12,974	$7.25

Analysis and Conclusions

The rent comparables range in size from 1,474 SF to 2,351 SF, with an average unit size of 1,808 SF. The rent comparables' unadjusted rent ranges from $5.62 to $8.41 PSF, with an average rent of $6.91 PSF. After applying adjustments to the comparables for differences in amenities, laundry, parking and utilities, the rent comparables' rent ranges from $5.60 to $9.44 PSF, with an average rent of $7.16 PSF.

- There are (37) 3 BR FM subject units of 1,790 SF. This unit type has no vacant units and is 100.0% occupied. Primary emphasis is placed on the subject's asking and actual rent, with secondary weight placed on the rent comparable range. Therefore, a market rent of $7.25 PSF is estimated for this unit type.

POTENTIAL GROSS RESIDENTIAL INCOME

The following table presents the subject’s reconstructed rent roll based on the preceding analysis. We have applied contract rent to occupied units and market rent to vacant units.

APARTMENT POTENTIAL GROSS INCOME										
				CONTRACT RENT (BLENDED)[1]			CONCLUDED MARKET RENT			CONTRACT
UNIT TYPE	UNITS	VAC	SF	$/UNIT (MO.)	MONTHLY	ANNUALLY	$/UNIT (MO.)	MONTHLY	ANNUALLY	V. MARKET
Studio FM	34	2	559	$4,170	$141,778	$1,701,332	$4,472	$152,048	$1,824,576	93.2%
1 BR FM	96	1	807	$5,651	$542,530	$6,510,363	$6,216	$596,719	$7,160,630	90.9%
1 BR RS	6	0	837	$5,053	$30,316	$363,788	$6,441	$38,646	$463,756	78.4%
2 BR FM	35	0	1,345	$9,550	$334,239	$4,010,866	$10,289	$360,108	$4,321,301	92.8%
2 BR RS	1	0	1,319	$7,727	$7,727	$92,720	$10,090	$10,090	$121,084	76.6%
3 BR FM	37	0	1,790	$12,671	$468,809	$5,625,706	$12,974	$480,037	$5,760,444	97.7%
TOTAL	**209**		**216,125**	**$7,299**	**$1,525,398**	**$18,304,776**	**$7,836**	**$1,637,649**	**$19,651,792**	**92.6%**

[1] **Contract + Market (Vacant Units Projected At Market Level)**

An analysis of the in-place contract rents and market rate rents is as follows:

RENT ROLL ANALYSIS				
INCOME COMPONENT			MONTHLY	TOTAL ANNUAL
206	Occupied Units	@ Contract Rent	$1,510,238	$18,122,858
3	Vacant Units	@ Market Rates	$23,263	$279,153
209	Total Units	@ Contract Rent (Blended)	$1,525,398	$18,304,776
209	Total Units	@ Market Rent	$1,637,649	$19,651,792
% Difference (In-Place versus Market)				7.4%

The subject achieves 92.6% of market rent, with substantial potential upside available. Given that the subject units are predominately fair market (the subject's existing 10 rent stabilized units will no longer be subject to RGB's rent restrictions upon termination) and may be leased at market rate upon lease expiration, we have applied the full market rent in our forecast of potential gross income for the free market units and the actual rent of the rent stabilized units.

We will consider the market-rate nature of the projected income in our capitalization rate conclusion. The loss to lease over this period will be deducted from the value conclusion as a one-time deduction. In this instance, the loss to lease equates to the difference between the market rent and current blended contract rent, divided by two, since we assume that all units may be turned over within a one year period, on average, with some leases expiring within one month and others at twelve months. Thus, our loss to lease equates to $673,508 ($19,651,792 market rent - $18,304,776 contract rent / 2).

COMMERCIAL INCOME

This section provides an overview of the subject's existing commercial lease. The rental income conclusion was reconciled taking into account such items as durability of in-place contract rents, lease escalations and market terms as measured by rent comparables.

Commercial Rent Roll

The following Rent Roll Summary reflects a breakdown of the individual tenant spaces and a snapshot of in-place contract rents including lease term, expense structure, base rent, expense recovery and total income.

RENT ROLL SUMMARY — AS OF MARCH 2025

TENANT	TOTAL NRA (SF)	% OF GBA	TENANT GROUP	LEASE TERMS START	END	YEARS	RENT ABATEMENT	EXPENSE STRUCTURE	ADDITIONAL RENT	CURRENT BASE RENT ANNUAL	PSF (YR.)	PER SPACE
The Animal Medical Center	2,500	0.9%	Corner Retail	2/24	5/34	10.3	3 1/2 months	Modified Gross	1.5% of the increase in real estate taxes over the 2023/2024 tax amount	$199,619	$79.85	
iPark	25,000	8.8%	Parking	6/23	5/33	10.0	1/2 month	Modified Gross	10.0% of the increase in real estate taxes over the 2023/2024 tax amount not to exceed $22,000	$741,000	$29.64	$5,007
Total NRA	27,500	9.7%								$940,619	$34.20	

COMMERCIAL MARKET RENT ANALYSIS

Having discussed the subject's current income producing capability in detail through an analysis of the subject rent roll, it is appropriate to examine competitive comparable properties within the market. This allows for a comparison of the subject property's contracts to what is attainable in the current market. Risks associated with anomalies between the subject rent roll and current market terms will be addressed in the Market Rent Analysis section.

Adjustment Process

Quantitative adjustments are made to the comparable leases. The following adjustments or general market trends were considered for the basis of market rent analysis.

Transactional Adjustments

If warranted, the comparable leases were adjusted for varying lease structures, atypical concessions and market conditions. The adjustment for rent concession equivalency quantifies the differences between market standard free rent and tenant improvement allowances compared to those of the lease transaction, which were divided by the comparable's lease term, and applied to the beginning "face" rent of the comparable lease.

Market Conditions

Transactional market conditions adjustment was based on a review of historical sale data, market participant interviews and review of current versus historical pricing. Based on our research, the following table summarizes the market conditions adjustment applied in this analysis.

MARKET CONDITIONS ADJUSTMENT			
Per Year As Of	March 2025	(As-Is)	0%

The market has exhibited value stability during the time from the oldest lease date up through the effective valuation date; therefore a market conditions adjustment is not warranted.

Property Adjustments

Quantitative percentage adjustments were made for location and physical characteristics such as size, age, condition, exposure and parking ratio. Where possible the adjustments applied are based on paired data or other statistical analysis. It should be stressed that the adjustments are subjective in nature and are meant to illustrate our logic in deriving a value opinion for the subject site.

Tenant Space Adjustments

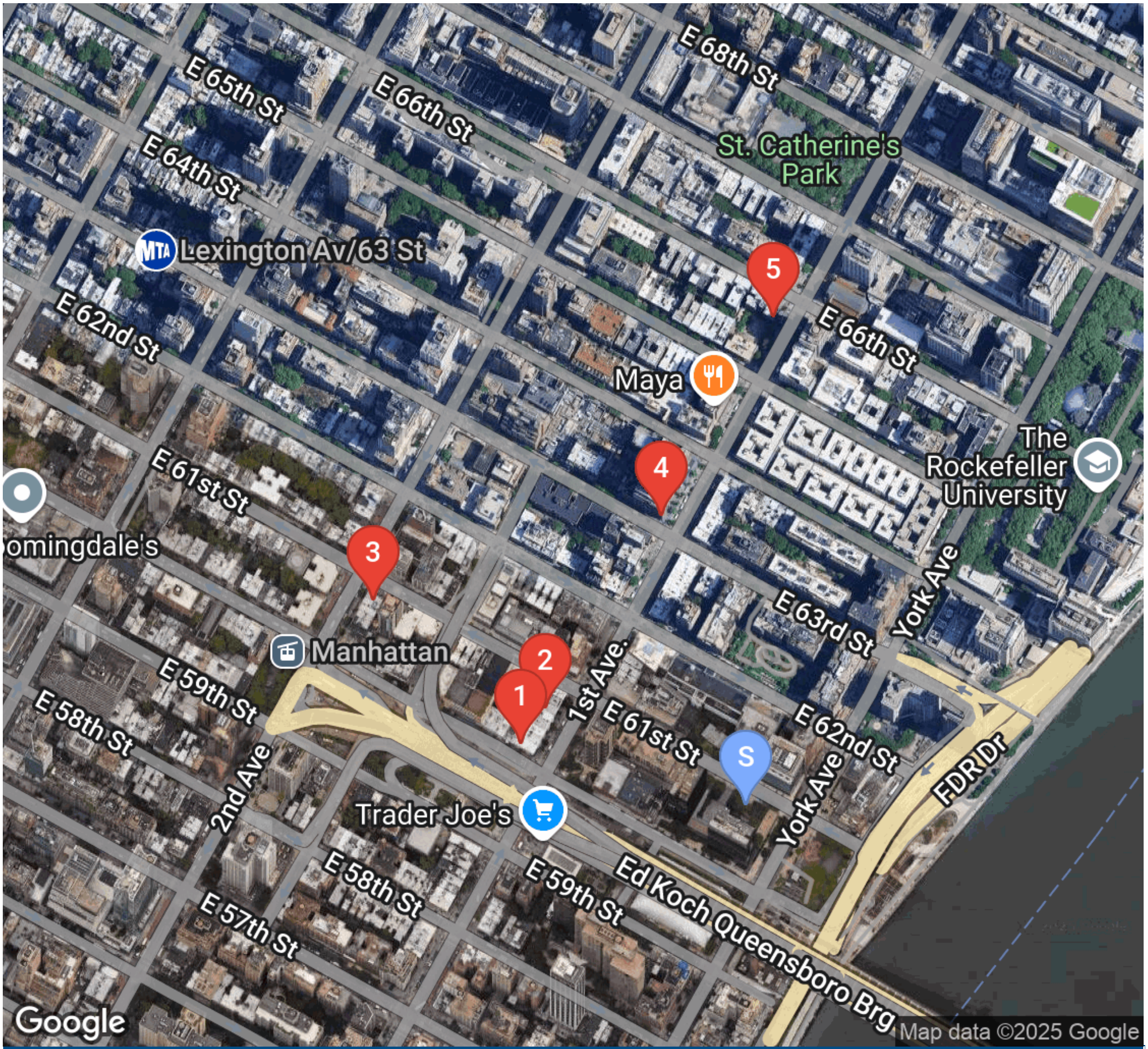
The lease comparables were further adjusted to the subject to account for tenant space specific characteristics such as size and space functionality.

ANALYSIS OF COMPARABLE RETAIL LEASES

The Retail lease analysis is used to derive an opinion of market rent and correlating leasing assumptions for the Corner Retail MLA category. The following table includes a summary of the comparables selected for this analysis, including relevant listings and actual leases at competing properties. Following the table is an adjustment grid, analysis and our conclusion. Datasheets containing more details of the comparables are presented later in this section.

RETAIL LEASE SUMMATION TABLE						
COMPARABLE	**SUBJECT**	**LEASE 1**	**LEASE 2**	**LEASE 3**	**LEASE 4**	**LEASE 5**
Address	1113 York Avenue	351 East 60th Street / 1097 1st Avenue	1107 1st Avenue	1156 2nd Avenue	1153-1167 First Avenue	1217-1219 First Avenue
City	New York	New York	New York	New York	New York	New York
State	NY	NY	NY	NY	NY	NY
Zip	10065	10022	10065	10065	10065	10065
LEASE INFORMATION						
Tenant Name		Green Apple Gourmet Deli Corp	La Pizza Italia III	Natural Leaves & More	Confidential	Payathai
Lease Sign Date		5/1/2024	2/1/2024	12/1/2023	9/15/2023	6/30/2023
Lease Type		New	New	New	New	New
Lease Status		Signed	Signed	Signed	Signed	Signed
Rate Type		MG	Gross	MG	MG	MG
Size (SF)		3,600	970	2,200	3,470	1,400
Term (Yrs)		12.0	10.0	10.0	10.0	10.0
Rent ($/SF/Yr.)		$97.00	$124.00	$94.29	$104.00	$72.85
Avg. Escalation/Yr		-	-	-	-	-

COMPARABLE RETAIL LEASE MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	TENANT	LEASE DATE	SF	$/SF
SUBJECT	-	Two Sutton Place North	1113 York Avenue, New York, NY	-	-	-	$85.00
No. 1	0.1 Miles	Mixed-Use Multifamily	351 East 60th Street / 1097 1st Avenue, N	Green Apple (	5/1/2024	3,600	$97.00
No. 2	0.1 Miles		1107 1st Avenue, New York, NY	La Pizza Italia	2/1/2024	970	$124.00
No. 3	0.2 Miles	Mixed-Use Multifamily	1156 2nd Avenue, New York, NY	Natural Leave	12/1/2023	2,200	$94.29
No. 4	0.2 Miles	Mixed-Use Multifamily	1153-1167 First Avenue, New York, NY	Confidential	9/15/2023	3,470	$104.00
No. 5	0.3 Miles	Mixed-Use Multifamily	1217-1219 First Avenue, New York, NY	Payathai	6/30/2023	1,400	$72.85

COMPARABLE RENT PHOTOGRAPHS

COMPARABLE 1

COMPARABLE 2

COMPARABLE 3

COMPARABLE 4

COMPARABLE 5

RETAIL LEASE ADJUSTMENT TABLE

COMPARABLE	SUBJECT	LEASE 1	LEASE 2	LEASE 3	LEASE 4	LEASE 5
Address	1113 York Avenue	351 East 60th Street / 1097 1st Avenue	1107 1st Avenue	1156 2nd Avenue	1153-1167 First Avenue	1217-1219 First Avenue
City	New York	New York	New York	New York	New York	New York
Year Built	2009	1910	1910	1910	1965	1920
LEASE INFORMATION						
Tenant Name		Green Apple Gourmet Deli Corp	La Pizza Italia III	Natural Leaves & More	Confidential	Payathai
Lease Sign Date		5/1/2024	2/1/2024	12/1/2023	9/15/2023	6/30/2023
Lease Type		New	New	New	New	New
Lease Status		Signed	Signed	Signed	Signed	Signed
Rate Type		MG	Gross	MG	MG	MG
Size (SF)		3,600	970	2,200	3,470	1,400
Term (Yrs)		12.0	10.0	10.0	10.0	10.0
Rent ($/SF/Yr.)		$97.00	$124.00	$94.29	$104.00	$72.85
TRANSACTIONAL ADJUSTMENTS						
Lease Type		$0.00	$0.00	$0.00	$0.00	$0.00
Concessions		$0.00	$0.00	$0.00	$0.00	$0.00
Market Conditions[1]		0%	0%	0%	0%	0%
Subtotal Eff Rent		$97.00	$124.00	$94.29	$104.00	$72.85
PROPERTY ADJUSTMENTS						
Location		-10%	-10%	-10%	0%	0%
Leased Size		0%	-15%	0%	0%	-10%
Condition		0%	0%	0%	0%	0%
Exposure		0%	0%	0%	0%	0%
Access		0%	0%	0%	0%	0%
Subtotal Property Adj		-10%	-25%	-10%	0%	-10%
TOTAL ADJUSTED RENT		**$87.30**	**$93.00**	**$84.86**	**$104.00**	**$65.57**

STATISTICS	UNADJUSTED	ADJUSTED	MARKET CONCESSIONS[1]	
LOW	$72.85	$65.57	Lease Type	Modified Gross
HIGH	$124.00	$104.00		
MEDIAN	$97.00	$87.30		
AVERAGE	$98.43	$86.95		

[1] Market Conditions Adjustment - Compound annual change in market conditions: 0%
Date of Value (for adjustment calculations): 3/31/25

Discussion of Adjustments

Comparable 1 ($87.30/SF adjusted) required a net adjustment downward by -10%. This rental is in a superior location as it is able to generate higher rent levels than the subject property; thus a downward Location adjustment is required.

Comparable 2 ($93.00/SF adjusted) required a net adjustment downward by -25%. This rental is in a superior location as it is able to generate higher rent levels than the subject property; thus a downward Location adjustment is required. This rental is smaller than the subject; thus a downward Size adjustment is required.

Comparable 3 ($84.86/SF adjusted) required a net adjustment downward by -10%. This rental is in a superior location as it is able to generate higher rent levels than the subject property; thus a downward Location adjustment is required.

Comparable 4 ($104.00/SF adjusted) required a net adjustment of 0%.

Comparable 5 ($65.57/SF adjusted) required a net adjustment downward by -10%. This rental is smaller than the subject; thus a downward Size adjustment is required.

RETAIL SPACE MARKET RENT CONCLUSION

The comparables indicate an adjusted lease rate range from $65.57 to $104.00/SF, with a median of $87.30/SF and an average of $86.95/SF. Based on the results of the preceding analysis, Comparable 1 ($87.30/SF adjusted), Comparable 2 ($93.00/SF adjusted), Comparable 3 ($84.86/SF adjusted), Comparable 4 ($104.00/SF adjusted), Comparable 5 ($65.57/SF adjusted) and Comparable 6 (/SF adjusted) are given primary consideration for the lease rate conclusion.

The following table summarizes the analysis of the comparables leases and the Retail market rent conclusion.

RETAIL LEASE CONCLUSION TABLE								
	LEASE	ADJUSTMENT				NET	GROSS	OVERALL
LEASE	RATE	TRANSACTIONAL[1]	ADJUSTED	PROPERTY[2]	FINAL	ADJ %	ADJ %	COMPARISON
1	$97.00	$0.00	$97.00	-10%	**$87.30**	-10%	10%	PRIMARY
2	$124.00	$0.00	$124.00	-25%	**$93.00**	-25%	25%	PRIMARY
3	$94.29	$0.00	$94.29	-10%	**$84.86**	-10%	10%	PRIMARY
4	$104.00	$0.00	$104.00	0%	**$104.00**	0%	0%	PRIMARY
5	$72.85	$0.00	$72.85	-10%	**$65.57**	-10%	10%	PRIMARY
LOW	**$65.57**					**AVERAGE**		**$86.95**
HIGH	**$104.00**					**MEDIAN**		**$87.30**
		AVERAGE CONTRACT						**CONCLUSION**
Corner Retail		**$79.85**						**$85.00**

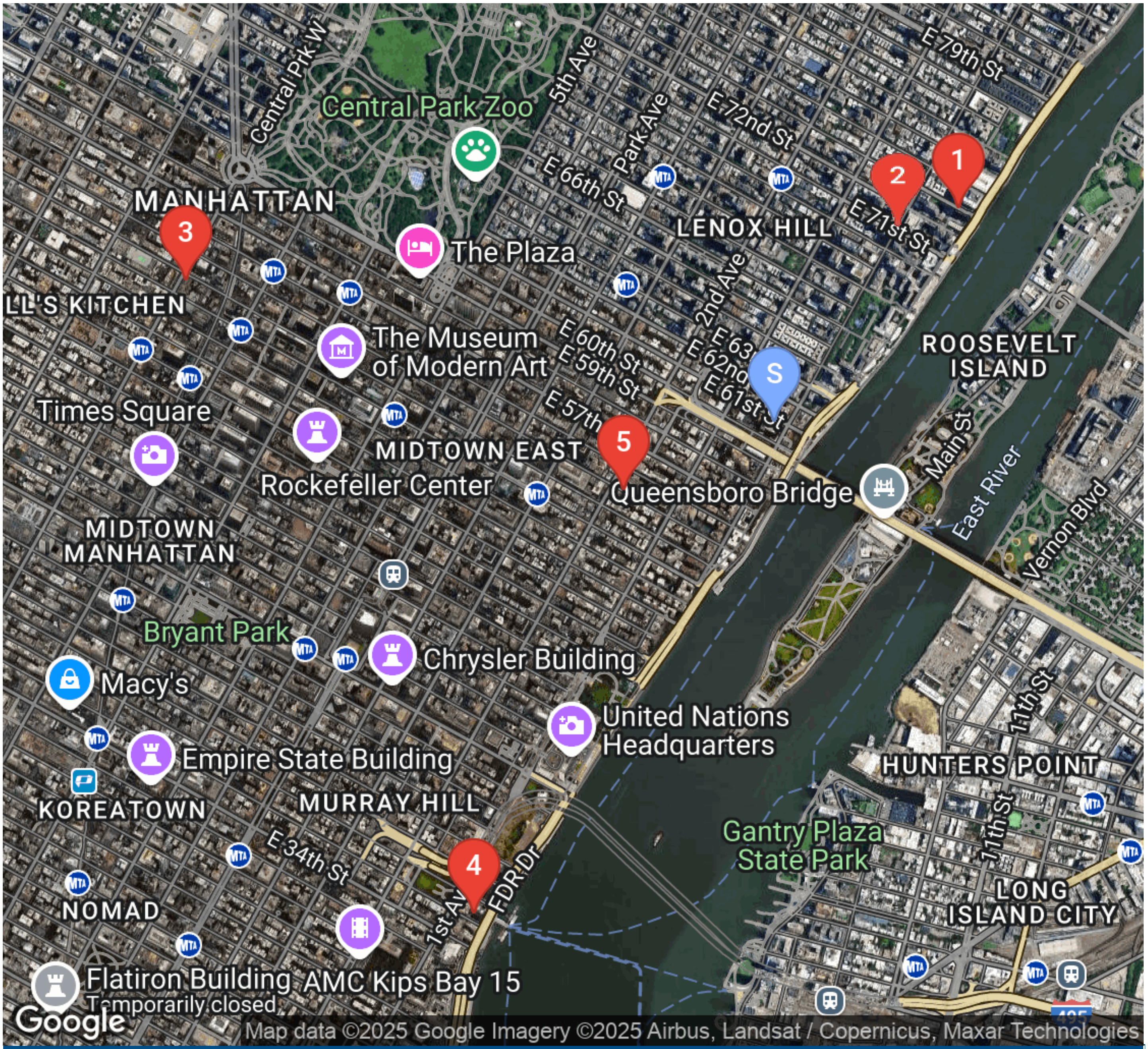
[1]Cumulative [2]Additive (Includes Tenant Adjustments)

ANALYSIS OF COMPARABLE PARKING LEASES

The Parking lease analysis is used to derive an opinion of market rent and correlating leasing assumptions for the Parking MLA category. The following table includes a summary of the comparables selected for this analysis, including relevant listings and actual leases at competing properties. Following the table is an adjustment grid, analysis and our conclusion.

PARKING LEASE SUMMATION TABLE						
COMPARABLE	SUBJECT	LEASE 1	LEASE 2	LEASE 3	LEASE 4	LEASE 5
Address	1113 York Avenue	525 East 72nd Street	685 First Avenue	260 West 54th Street	626 1st Avenue	300 East 55th Street
City	New York	New York	New York	New York	New York	New York
State	NY	NY	NY	NY	NY	NY
Zip	10065	10021	10016	10019	10016	10022
LEASE INFORMATION						
Tenant Name		Sutton Garage Corp	iPark	City Parking	City Parking	Icon Parking
Commencement Date		Mar-25	May-23	Jan-23	Jan-23	Nov-22
Lease Type		New	New	New	New	New
Lease Status		Signed	Signed	Signed	Signed	Signed
Rate Type		Gross	Gross	Gross	Gross	Gross
Parking Spaces	148	200	110	355	252	25
Term (Yrs)		10.0	10.0	10.0	10.0	10.0
Rent ($/space/yr.)		$7,000	$6,364	$7,042	$4,206	$6,120

COMPARABLE PARKING LEASE MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	TENANT	LEASE DATE	SF	$/SF
SUBJECT	-	Two Sutton Place North	1113 York Avenue, New York, NY	-	-	-	$5,600
No. 1	0.6 Miles		525 East 72nd Street, New York, NY	Sutton Garag	3/1/2025		$7,000
No. 2	0.0 Miles		685 First Avenue, New York, NY	iPark	5/1/2023		$6,364
No. 3	1.3 Miles		260 West 54th Street, New York, NY	City Parking	1/1/2023		$7,042
No. 4	1.3 Miles		626 1st Avenue, New York, NY	City Parking	1/1/2023		$4,206
No. 5	0.4 Miles		300 East 55th Street, New York, NY	Icon Parking	11/1/2022		$6,120

PARKING LEASE ADJUSTMENT TABLE

COMPARABLE	SUBJECT	LEASE 1	LEASE 2	LEASE 3	LEASE 4	LEASE 5
Address	1113 York Avenue	525 East 72nd Street	685 First Avenue	260 West 54th Street	626 1st Avenue	300 East 55th Street
Tenant Name		Sutton Garage Corp	iPark	City Parking	City Parking	Icon Parking
Commencement Date		Mar-25	May-23	Jan-23	Jan-23	Nov-22
Lease Type		New	New	New	New	New
Lease Status		Signed	Signed	Signed	Signed	Signed
Rate Type		Gross	Gross	Gross	Gross	Gross
Parking Spaces	148	200	110	355	252	25
Term (Yrs)		10.0	10.0	10.0	10.0	10.0
Rent ($/space/yr.)		$7,000	$6,364	$7,042	$4,206	$6,120
TRANSACTIONAL ADJUSTMENTS						
Lease Type		$0.00	$0.00	$0.00	$0.00	$0.00
Market Conditions[1]		0%	0%	0%	0%	0%
Subtotal Eff Rent		$7,000	$6,364	$7,042	$4,206	$6,120
PROPERTY ADJUSTMENTS						
Location		0%	0%	-10%	0%	-10%
Size		0%	0%	0%	0%	-10%
Condition		0%	0%	0%	0%	0%
Exposure		0%	0%	0%	0%	0%
Access		0%	0%	0%	0%	0%
Subtotal Property Adj		0%	0%	-10%	0%	-20%
TOTAL ADJUSTED RENT		**$7,000**	**$6,364**	**$6,338**	**$4,206**	**$4,896**

STATISTICS	UNADJUSTED	ADJUSTED		
LOW	$4,206	$4,206	Lease Type	Modified Gross
HIGH	$7,042	$7,000		
MEDIAN	$6,364	$6,338		
AVERAGE	$6,146	$5,761		

[1] Market Conditions Adjustment - Compound annual change in market conditions: 0%
Date of Value (for adjustment calculations): 3/31/25

Discussion of Adjustments

Comparable 1 ($7,000.00/SF adjusted) required a net adjustment of 0%.

Comparable 2 ($6,363.64/SF adjusted) required a net adjustment of 0%.

Comparable 3 ($6,338.03/SF adjusted) required a net adjustment downward by -10%. This rental is in a superior location that is in walking distance to employment centers and will also generate income from daily and hourly rates; thus a downward Location adjustment is required.

Comparable 4 ($4,206.00/SF adjusted) required a net adjustment of 0%.

Comparable 5 ($4,896.00/SF adjusted) required a net adjustment downward by -20%. This rental is in a superior location that is in walking distance to employment centers and will also generate income from daily and hourly rates; thus a downward Location adjustment is required. This rental is smaller than the subject; thus a downward Size adjustment is required.

PARKING SPACE MARKET RENT CONCLUSION

The comparables indicate an adjusted lease rate range from $4,206.00 to $7,000.00/SF, with a median of $6,338.03/SF and an average of $5,760.73/SF. Based on the results of the preceding analysis, Comparable 1 ($7,000.00/SF adjusted), Comparable 2 ($6,363.64/SF adjusted), Comparable 3 ($6,338.03/SF adjusted), Comparable 4 ($4,206.00/SF adjusted) and Comparable 5 ($4,896.00/SF adjusted) are given primary consideration for the lease rate conclusion.

The following table summarizes the analysis of the comparables leases and the Parking market rent conclusion.

PARKING LEASE CONCLUSION TABLE

LEASE	LEASE RATE	ADJUSTMENT TRANSACTIONAL[1]	ADJUSTED	PROPERTY[2]	FINAL	NET ADJ %	GROSS ADJ %	OVERALL COMPARISON
1	$7,000	$0.00	$7,000	0%	**$7,000**	0%	0%	PRIMARY
2	$6,364	$0.00	$6,364	0%	**$6,364**	0%	0%	PRIMARY
3	$7,042	$0.00	$7,042	-10%	**$6,338**	-10%	10%	PRIMARY
4	$4,206	$0.00	$4,206	0%	**$4,206**	0%	0%	PRIMARY
5	$6,120	$0.00	$6,120	-20%	**$4,896**	-20%	20%	PRIMARY
LOW	**$4,206**					**AVERAGE**		**$5,761**
HIGH	**$7,000**					**MEDIAN**		**$6,338**
		AVERAGE CONTRACT						**CONCLUSION**
Parking		**$5,007**						**$5,600**

[1]Cumulative [2]Additive (Includes Tenant Adjustments)

Due to the recent nature of the parking garage lease, we have considered its slightly below market terms in our analysis.

COMMERCIAL POTENTIAL GROSS RENT

Our analysis and conclusions of the subject's commercial potential gross rent are detailed as follows:

POTENTIAL GROSS RENT SUMMARY — AS OF MARCH 2025

TENANT	TOTAL NRA (SF)	% OF NRA	TENANT CATEGORY	CONTRACT RENT	MARKET RENT	CONTRACT V MARKET	BASIS FOR PROFORMA	RENT FORECAST ANNUAL	PSF (YR.)	PSF (MO.)
OCCUPIED SPACE										
The Animal Medical Center	2,500	0.9%	Corner Retail	$79.85	$85.00	94%	Contract	$199,619	$79.85	$6.65
iPark	25,000	8.8%	Parking	$5,007	$5,600	89%	Contract	$741,000	$29.64	$2.47
Total Rent	**27,500**							**$940,619**	**$34.20**	**$2.85**
Reimbursements										
The Animal Medical Center								$13,378	$5.35	$0.45
iPark								$22,000	$0.88	$0.07
Total Reimbursements			-			-	-	**$35,378**	**$1.29**	**$0.11**
Total	**27,500**		-			-	-	**$975,997**	**$35.49**	**$2.96**

(1) Potential rent at current market levels, reflected on an annual basis.

MARKET LEASING ASSUMPTIONS

	Mkt Rent ($/SF/Yr.) / ($/space)	Expense Structure	Lease (Years)	Contract Rent Increases	Rnwl Prob	Downtime Btwn Leases	Free Rent (Initial) New	Free Rent (Initial) Rnwls	Leasing Comm New	Leasing Comm Rnwls
Corner Retail	$85.00	Modified Gross	10.0	3.0% Increases	75%	6	1 months	1 months	3.75%	1.50%
Parking	$5,600.00	Gross	20.0	3.0% Increases	75%	12	0 months	0 months	3.75%	1.50%

Leasing commissions are based on the following schedule for new deals: Year 1: 6.0%, Year 2: 5.0%, Years 3-4: 4.0%, Years 5: 3.0%.

For renewals the following schedules applies: Year 1: 3.0%, Year 2: 2.5%, Years 3-4: 2.0%. Years 5: 1.5%

Reimbursement Income

The commercial reimbursement income is illustrated in the following table.

REAL ESTATE REIMBURSEMENT CALCULATION								
Tenant	Current Taxes	Base Year	Base Year AV	Base Year Tax Rate	Base Year Taxes	Increase In Taxes	Pro Rata	Reimbursement Amount
The Animal Medical Center	$3,865,219	2023/2024	$28,071,450	$10.592	$2,973,328	$891,891	1.50%	$13,378
iPark	$3,865,219	2023/2024	$28,071,450	$10.592	$2,973,328	$891,891	10.00%	$22,000
Total								$35,378

INCOME & EXPENSE ANALYSIS

The preceding section addressed potential risks associated with the cash flow of the subject property. Having addressed potential risks, it is appropriate to analyze historical revenues and operating expenses.

SUBJECT OPERATING HISTORICALS												
									COLLIERS FORECAST			
YEAR	2023				2024				PROFORMA			
INCOME ITEMS	TOTAL	$/UNIT	$/SF	%EGI	TOTAL	$/UNIT	$/SF	%EGI	TOTAL	$/UNIT	$/SF	%EGI
Potential Rental Income	$15,160,832	$72,540	$53.41	98.9%	$17,464,489	$83,562	$61.53	93.8%	$19,651,792	$94,028	$69.23	92.5%
Commercial Income	$889,473	$4,256	$3.13	5.8%	$1,079,802	$5,167	$3.80	5.8%	$975,997	$4,670	$3.44	4.6%
TOTAL RENTAL INCOME	$16,050,304	$76,796	$56.55	104.7%	$18,544,291	$88,729	$65.33	99.6%	$20,627,789	$98,698	$72.67	97.1%
OTHER INCOME												
Other Income	$62,682	$300	$0.22	0.4%	$398,099	$1,905	$1.40	2.1%	$260,000	$1,244	$0.92	1.2%
Storage Income	$13,228	$63	$0.05	0.1%	$2,000	$10	$0.01	0.0%	$2,000	$10	$0.01	0.0%
Amenity Income	$257,768	$1,233	$0.91	1.7%	$257,626	$1,233	$0.91	1.4%	$260,000	$1,244	$0.92	1.2%
Cable	$0	-	-	0.0%	$109,126	$522	$0.38	0.6%	$110,000	$526	$0.39	0.5%
Padle Ball Lease	$0	-	-	0.0%	$0	$0	$0.00	0.0%	$625,000	$2,990	$2.20	2.9%
TOTAL OTHER INCOME	$333,678	$1,597	$1.18	2.2%	$766,851	$3,669	$2.70	4.1%	$1,257,000	$6,014	$4.43	5.9%
POTENTIAL GROSS INCOME (PGI)	$16,383,982	$78,392	$57.72	106.9%	$19,311,142	$92,398	$68.03	103.7%	$21,884,789	$104,712	$77.10	103.0%
Residential Vacancy & Credit Loss	($1,058,353)	($5,064)	($3.73)	(6.9%)	($688,057)	($3,292)	($2.42)	(3.7%)	($589,554)	($2,821)	($2.08)	(2.8%)
Retail Vacancy & Credit Loss	$0	-	-	0.0%	$0	-	-	0.0%	($12,925)	($62)	($0.05)	(0.1%)
Parking Vacancy & Credit Loss	$0	-	-	0.0%	$0	-	-	0.0%	$0	-	-	0.0%
Other Income Vacancy & Credit Los:	$0	-	-	0.0%	$0	-	-	0.0%	($37,710)	($180)	($0.13)	(0.2%)
EFFECTIVE GROSS INCOME (EGI)	$15,325,629	$73,328	$53.99	100.0%	$18,623,085	$89,106	$65.61	100.0%	$21,244,600	$101,649	$74.84	100.0%
EXPENSE ITEMS												
Real Estate Taxes	($3,514,491)	($16,816)	($12.38)	(22.9%)	($3,640,314)	($17,418)	($12.82)	(19.5%)	($3,865,219)	($18,494)	($13.62)	(18.2%)
Property Insurance	($290,085)	($1,388)	($1.02)	(1.9%)	($669,259)	($3,202)	($2.36)	(3.6%)	($322,852)	($1,545)	($1.14)	(1.5%)
Utilities	($403,642)	($1,931)	($1.42)	(2.6%)	($457,391)	($2,188)	($1.61)	(2.5%)	($425,772)	($2,037)	($1.50)	(2.0%)
Repairs & Maintenance	($605,217)	($2,896)	($2.13)	(3.9%)	($606,992)	($2,904)	($2.14)	(3.3%)	($610,273)	($2,920)	($2.15)	(2.9%)
Off-Site Management	($153,988)	($737)	($0.54)	(1.0%)	($185,356)	($887)	($0.65)	(1.0%)	($318,669)	($1,525)	($1.12)	(1.5%)
Payroll	($980,939)	($4,693)	($3.46)	(6.4%)	($802,325)	($3,839)	($2.83)	(4.3%)	($803,290)	($3,843)	($2.83)	(3.8%)
General & Administrative	$0	-	-	0.0%	$0	-	-	0.0%	($113,539)	($543)	($0.40)	(0.5%)
Reserves									($52,228)	($250)	($0.18)	(0.2%)
TOTAL EXPENSES	($5,948,362)	($28,461)	($20.96)	(38.8%)	($6,361,638)	($30,438)	($22.41)	(34.2%)	($6,511,842)	($31,157)	($22.94)	(30.7%)
NET OPERATING INCOME (NOI)	$9,377,267	$44,867	$33.04	61.2%	$12,261,447	$58,667	$43.20	65.8%	$14,732,759	$70,492	$51.90	69.3%

Ownership has provided us with the following historical income and expenses figures that are GAAP compliant and are based on the extraordinary assumption that the property was operated as a under a REIT ownership structure for the following prior years. The reader should know that they are not reflective of actual operating costs to the ownership at the time. An explanation of what was broken out from the actual costs provided in the table below.

PAYROLL AND RELATED

	2023	2024	
Total Payroll	$2,234,620	$1,898,144	
Handyman Salary	$247,870	$126,310	There are two "handymen" on-site. One is a resident manager who is paid under the handyman category.
Additional Building Salary	$595,543	$427,154	Additional Building Salary are employees of the asset manager that when on-site have their cost allocated to the building. As a REIT this allocated will no longer take place and employees will be at the REIT level only.
Concierge Salary	$120,968	$13,124	50% of the Concierge is the front-line of our asset maangement team. They assist tenants with their complaints and logging/tracking those complaints through our software.
Payroll Taxes	$98,950	$47,047	The proportionate share of the asset management employees payroll taxes w ill now be a burden of the REIT.
Payroll Service Fee	$3,843	$3,151	Payroll service is allocated to each building as a function of the building being individually ow ned. Through the REIT this w ill be a corporate expense.
Union Dues and Benefits	$0	$239,618	Union Benefits w ill be allocated to each building as a function of the building being individually ow ned. This w ill be a corporate expense through the REIT.
Employee Bonus	$7,546	$10,000	The proportionate share of the asset management employees bonus w ill now be a burden of the REIT.
Employee Appreciation	$0	$0	Employee appreciation is due to asset management employees.
Employee Reimbursements	$0	$0	Employee reimbursements are due for costs such as food or transporation that are granted to employees of the REIT w hen they serve onsite functions.
Disability Insurance	$5,992	$8,918	The proportionate share of the asset management employees disability w ill now be a burden of the REIT.
Workmen's Compensation	$36,599	$33,161	The proportionate share of the asset management employees w orkers comp w ill now be a burden of the REIT.
Temporary Employee	$0	$40,589	Temporary Employees are employees of the asset manager that w hen on-site have their cost allocated to the building. As a REIT, this allocated w ill no longer take place and employees w ill be at the REIT level only.
Total Reallocated to Go Partners, LLC	$1,117,310	$949,072	This is the allocation of the total payroll that is now reallocated to Go Partners LLC, at the corporate level
Adjusted Payroll	$1,117,310	$949,072	This is the revised total payroll cost follow ing the allocation of a portion of payroll to the corporate level and w ill be utilized in both our current market value and retrospective market value conclusions.

GENERAL & ADMINISTRATIVE	2023	2024
Gas and Mileage Reimbursements	$0	$0
Bank Charges	$3,727	$12,286
Payment Processing Fees	$0	$2,996
Credit and Background Reports	$6,646	$1,891
Food, Travel & Entertainment	$5,988	$4,043
Leased Equipment Expense	$0	$0
Filing Fees	$0	$1,865
Postage	$4,327	$956
Employee Cell Phones	$0	$0
Marketing and Advertising	$79,834	$31,478
Training and development fees	$0	$0
Salary Allocation	$558,655	$474,536
Referrals	$0	$0
Licenses	$5,248	$0
Dues and Subscriptions	$16,363	$1,304
Office Expense - Administrative	$744	$352
Office Internet	$44,986	$8,494
Office Supplies	$2,245	$0
Office Equipment	$0	$0
Computer/Software	$12,527	$10,544
IT fees	$6,008	$0
Depreciation	$3,223	$14,165
Office Expense - Building Related	$0	$0
Non-Operating Payroll	$25,769	$0
GENERAL AND ADMINISTRATIVE	$776,290	$564,909
Asset Management Fee	$253,306	$74,509
Asset Management Fee	$0	$0
MANAGEMENT FEE	$253,306	$74,509
Consulting	$0	$11,245
Legal Fees	$26,287	$22,221
Professional Fees	$2,067	$31,769
Auditing And Accounting	$20,550	$19
Legal Tenants	$15,552	$21,774
Utility Consulting	$0	$2,200
Professional Fees	$203,507	$746,806
Consulting	$17,222	$33,750
Legal Fees	$0	$58,863
Broker Fees	$0	$50,000
PROFESSIONAL FEES	$285,184	$978,647
Commission Expense	$0	$6,741
Unit Improvements	$0	$0
Appliance Improvements	$0	$0
Washers & Dryers	$0	$0
HVAC Improvements	$0	$0
General Interior Improvements	$0	$0
Electrical Improvements	$0	$0
Common Area Improvements	$1,200	$0
Computer Equipment	$0	$0
Architect	$2,000	$0
Furniture & Fixtures	$0	$0
Miscellaneous Improvements	$0	$0
Parking Expense	$0	$0
Uniforms - Amortization	$4,868	$11,711
Employee Recruitment	$0	$0
Violations	$0	$40
RE Tax Consulting	$0	$0
Other Taxes Or Assessments	$1,583	$4,695
Corporate Taxes	$0	$21,950
Misc. Expense	$0	$0
Marketing	$0	$0
Covid-19 Rent Deferred	$1,085	$0
Ins Claim Reimb	($1,411)	$0
Total	**$9,326**	**$45,137**

OTHER INCOME

In the following section, we analyzed and made conclusions for the other income items of the subject property.

OTHER INCOME ANALYSIS & CONCLUSIONS

OTHER INCOME

	SUBJECT				
YEAR	TOTAL	$/UNIT	%EGI		
2023	$62,682	$300	0.4%		
2024	$398,099	$1,905	2.1%		
CONCLUSION	**$260,000**	**$1,244**	**1.2%**		

ANALYSIS

Other income includes items such as late fees, application fees, NSF fees, pet fees, pool income and other miscellaneous items. The 2024 historical income included a $141,960 lease break fee from the previous retail tenent. Excluding this income the 2024 other income totaled $256,139 w hich is w hat w e based our conclusion.

STORAGE INCOME

	SUBJECT				
YEAR	TOTAL	$/UNIT	%EGI		
2023	$13,228	$63	0.1%		
2024	$2,000	$10	0.0%		
CONCLUSION	**$2,000**	**$10**	**0.0%**		

ANALYSIS

The concluded amount is all inclusive of income associated w ith storage income. The conclusion is based on the 2024 historical income.

AMENITY INCOME

	SUBJECT				
YEAR	TOTAL	$/UNIT	%EGI		
2023	$257,768	$1,233	1.7%		
2024	$257,626	$1,233	1.4%		
CONCLUSION	**$260,000**	**$1,244**	**1.2%**		

ANALYSIS

The concluded amount is all inclusive of income associated w ith amenity income. The conclusion is based on the 2024 historical income.

CABLE

	SUBJECT				
YEAR	TOTAL	$/UNIT	%EGI		
2023	$0	-	0.0%		
2024	$109,126	$522	0.6%		
CONCLUSION	**$110,000**	**$526**	**0.5%**	**AVG**	**$0**

ANALYSIS

The concluded amount is all inclusive of income associated w ith cable. The conclusion is based on the 2024 historical income.

PADLE BALL LEASE

	SUBJECT				
YEAR	TOTAL	$/UNIT	%EGI		
2023	$0	-	0.0%		
2024	$0	$0	0.0%		
CONCLUSION	**$625,000**	**$2,990**	**2.9%**		

ANALYSIS

The concluded amount is based on the lease for recently completed Padle Club that is leased for a 5-year term that w ill commence in May 2025. The lease also includes a profit split, but as the tenant has no operating history w e have only reflected the base rent in our anlaysis. The conclusion of $625,000 is based on the submitted lease.

The total Other Income forecasted at the subject property equates to $2,707/unit .The following comparables indicate a range in Other Income of $624 to $6,716/unit with an average of $3,807/unit, which supports our conclusion.

OTHER INCOME		
	Per Unit	% of EGI
Comp 1	$5,306	11.3%
Comp 2	$4,122	5.4%
Comp 3	$624	1.0%
Comp 4	$4,060	13.3%
Comp 5	$6,716	13.9%
Comp 6	$2,017	4.0%
MIN	$624	1.0%
MAX	$6,716	13.9%
AVERAGE	$3,807	8.2%

Vacancy and Credit Loss

This category was discussed in depth in the market analysis section of this report. Please reference that discussion for a full analysis. Our conclusions are summarized below.

INCOME LOSS		
	Residential	Retail
Vacancy Rate	2.5%	5.0%
Credit Loss	0.5%	0.5%
TOTAL	**3.0%**	**5.5%**

Analysis of Operating Expenses

Expenses are estimated based on one or more of the following sources: (1) historical or projected operation of the subject; (2) comparable expense properties; (3) published operating sources; or (4) individual suppliers. The expense comparables reflect varying accounting methods with respect to individual line items and reserves for replacement expenses. On a line-item basis, due to the variances in accounting and classification, their applicability is diminished. The following section provides supporting information and discusses the individual expense conclusions for the subject property. The operating expenses for the subject property were presented previously. The following chart summarizes comparable expenses.

EXPENSE COMPARABLES

COMPARABLE	COMP 1			COMP 2			COMP 3			COMP 4			COMP 5			COMP 6			LOW	HIGH	AVG
City		New York			New York			New York			New York			New York			New York				
State		NY			NY			NY			NY			NY			NY				
Expense Year		2024			2023			2023			2023			2024			2025				
Actual/Budget		Actual			Actual			Actual			Actual			Actual			Actual				
Units		269			270			252			125			393			522		125	522	305
Gross Building Area		288,420			469,540			136,262			132,748			284,281			509,090		132,748	509,090	303,390
Year Built		1975			2014			1921			1960			2003			1992				
EXPENSE ITEMS	**$/UNIT**	**$/SF**	**%EGI**	**$/UNIT**	**$/SF**	**%EGI**	**$/UNIT**	**$/SF**	**%EGI**	**$/UNIT**	**$/SF**	**%EGI**	**$/UNIT**	**$/SF**	**%EGI**	**$/UNIT**	**$/SF**	**%EGI**	**LOW**	**HIGH**	**AVG**
Rental Income	$52,558			$75,387			$60,366			$26,515			$36,423			$48,859					
Utility Reimbursements	-			-			-			-			$177			-					
Other Income	$5,306			$4,122			$624			$4,060			$6,716			$2,017					
Other Income % EGI	11.3%			5.4%			1.0%			13.3%			13.9%			4.0%					
EGI	$46,944	$43.78		$76,855	$44.19		$60,989	$112.79		$30,576	$28.79		$48,266	$66.72		$50,016	$51.28		$28.79	$112.79	$59.26
EXPENSE ITEMS	**$/UNIT**	**$/SF**	**%EGI**	**$/UNIT**	**$/SF**	**%EGI**	**$/UNIT**	**$/SF**	**%EGI**	**$/UNIT**	**$/SF**	**%EGI**	**$/UNIT**	**$/SF**	**%EGI**	**$/UNIT**	**$/SF**	**%EGI**	**LOW**	**HIGH**	**AVG**
Real Estate Taxes	$14,802	$13.80	31.5%	$14,072	$8.09	18.3%	$17,640	$32.62	28.9%	$12,619	$11.88	41.3%	$13,559	$18.74	28.1%	$13,075	$13.41	26.1%	$8.09	$32.62	$16.43
Property Insurance	$1,837	$1.71	3.9%	$404	$0.23	0.5%	$1,123	$2.08	1.8%	$879	$0.83	2.9%	$1,234	$1.71	2.6%	$948	$0.97	1.9%	$0.23	$2.08	$1.25
Utilities	$4,248	$3.96	9.0%	$3,541	$2.04	4.6%	$2,226	$4.12	3.7%	$2,813	$2.65	9.2%	$3,095	$4.28	6.4%	$1,892	$1.94	3.8%	$1.94	$4.28	$3.16
Repairs & Maintenance	$776	$0.72	1.7%	$1,625	$0.93	2.1%	$1,826	$3.38	3.0%	$1,894	$1.78	6.2%	$546	$0.75	1.1%	$3,323	$3.41	6.6%	$0.72	$3.41	$1.83
Off-Site Management	$2,300	$2.15	4.9%	$2,306	$1.33	3.0%	$1,830	$3.38	3.0%	$917	$0.86	3.0%	$879	$1.22	1.8%	$1,450	$1.49	2.9%	$0.86	$3.38	$1.74
Payroll	$4,014	$3.74	8.6%	$5,312	$3.05	6.9%	$4,671	$8.64	7.7%	$6,324	$5.95	20.7%	$4,258	$5.89	8.8%	$5,666	$5.81	11.3%	$3.05	$8.64	$5.51
General & Administrative	$1,284	$1.20	2.7%	$4,086	$2.35	5.3%	$1,638	$3.03	2.7%	$1,501	$1.41	4.9%	$265	$0.37	0.5%	$1,057	$1.08	2.1%	$0.37	$3.03	$1.57
Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	$0.00	$0.00	-
TOTAL EXPENSES ($/UNIT)	**$29,262**	**$27.29**	**62.3%**	**$31,346**	**$18.02**	**40.8%**	**$30,954**	**$57.25**	**50.8%**	**$26,947**	**$25.37**	**88.1%**	**$23,836**	**$32.95**	**49.4%**	**$27,410**	**$28.11**	**54.8%**	**$18.02**	**$57.25**	**$32.18**
TOTAL EXPENSES NET TAXES ($/UNIT)	**$14,460**	**$13.49**	**30.8%**	**$17,275**	**$9.93**	**22.5%**	**$13,314**	**$24.62**	**21.8%**	**$14,328**	**$13.49**	**46.9%**	**$10,277**	**$14.21**	**21.3%**	**$14,335**	**$14.70**	**28.7%**	**$9.93**	**$24.62**	**$15.15**

Conclusion of Operating Expenses

In the following section we discuss the individual expense conclusions for the subject property.

EXPENSE ANALYSIS & CONCLUSIONS

REAL ESTATE TAXES

	SUBJECT				EXPENSE COMPS		
YEAR	TOTAL	$/UNIT	$/SF	%EGI	COMP	$/SF	%EGI
2023	$3,514,491	$16,816	$12.38	22.9%	1	$13.80	31.5%
2024	$3,640,314	$17,418	$12.82	19.5%	2	$8.09	18.3%
					3	$32.62	28.9%
					4	$11.88	41.3%
					5	$18.74	28.1%
					6	$13.41	26.1%
CONCLUSION	**$3,865,219**	**$18,494**	**$13.62**	**18.2%**	AVG	$16.43	29.0%

ANALYSIS

The concluded expense is all inclusive of costs associated with real estate taxes. The concluded taxes are based on the current taxes of the subject. Please refer to the Assessments and Taxes section for additional details.

PROPERTY INSURANCE

	SUBJECT				EXPENSE COMPS		
YEAR	TOTAL	$/UNIT	$/SF	%EGI	COMP	$/SF	%EGI
2023	$290,085	$1,388	$1.02	1.9%	1	$1.71	3.9%
2024	$669,259	$3,202	$2.36	3.6%	2	$0.23	0.5%
					3	$2.08	1.8%
					4	$0.83	2.9%
					5	$1.71	2.6%
					6	$0.97	1.9%
CONCLUSION	**$322,852**	**$1,545**	**$1.14**	**1.5%**	AVG	$1.25	2.3%

ANALYSIS

This expense includes all premiums and costs incurred for insurance covering structures, public liability, rental value, and equipment. The current insurance premium is $322,852 which we have reflected in our analysis.

UTILITIES

	SUBJECT				EXPENSE COMPS		
YEAR	TOTAL	$/UNIT	$/SF	%EGI	COMP	$/SF	%EGI
2023	$403,642	$1,931	$1.42	2.6%	1	$3.96	9.0%
2024	$457,391	$2,188	$1.61	2.5%	2	$2.04	4.6%
					3	$4.12	3.7%
					4	$2.65	9.2%
					5	$4.28	6.4%
					6	$1.94	3.8%
CONCLUSION	**$425,772**	**$2,037**	**$1.50**	**2.0%**	AVG	$3.16	6.1%

ANALYSIS

Utilities include gas, electricity and water & sewer. Utility reimbursements are added as another line items. This conclusion is based on the 2024 and T-12 expense.

REPAIRS & MAINTENANCE

	SUBJECT				EXPENSE COMPS		
YEAR	TOTAL	$/UNIT	$/SF	%EGI	COMP	$/SF	%EGI
2023	$605,217	$2,896	$2.13	3.9%	1	$0.72	1.7%
2024	$606,992	$2,904	$2.14	3.3%	2	$0.93	2.1%
					3	$3.38	3.0%
					4	$1.78	6.2%
					5	$0.75	1.1%
					6	$3.41	6.6%
CONCLUSION	**$610,273**	**$2,920**	**$2.15**	**2.9%**	AVG	$1.83	3.5%

ANALYSIS

This expense covers the cost of all routine maintenance and repairs. The conclusion is based on the recent historical expenses.

OFF-SITE MANAGEMENT

	SUBJECT				EXPENSE COMPS		
YEAR	TOTAL	$/UNIT	$/SF	%EGI	COMP	$/SF	%EGI
2023	$153,988	$737	$0.54	1.0%	1	$2.15	4.9%
2024	$185,356	$887	$0.65	1.0%	2	$1.33	3.0%
					3	$3.38	3.0%
					4	$0.86	3.0%
					5	$1.22	1.8%
					6	$1.49	2.9%
CONCLUSION	**$318,669**	**$1,525**	**$1.12**	**1.5%**	AVG	$1.74	3.1%

ANALYSIS

This expense reflects the professional management service for the subject. This expense reflects the in-place management agreement of 1.5% and is reasonable given the above-average income level of the subject.

PAYROLL

	SUBJECT				EXPENSE COMPS		
YEAR	TOTAL	$/UNIT	$/SF	%EGI	COMP	$/SF	%EGI
2023	$980,939	$4,693	$3.46	6.4%	1	$3.74	8.6%
2024	$802,325	$3,839	$2.83	4.3%	2	$3.05	6.9%
					3	$8.64	7.7%
					4	$5.95	20.7%
					5	$5.89	8.8%
					6	$5.81	11.3%
CONCLUSION	**$803,290**	**$3,843**	**$2.83**	**3.8%**	AVG	$5.51	10.7%

ANALYSIS

This expense consists of all payroll and associated employee benefits related to the subject's personnel directly involved in the management and maintenance of the subject. The conclusion is based on the 2024 historical expense.

GENERAL & ADMINISTRATIVE

	SUBJECT				EXPENSE COMPS		
YEAR	TOTAL	$/UNIT	$/SF	%EGI	COMP	$/SF	%EGI
2023	$0		-	0.0%	1	$1.20	2.7%
2024	$0		-	0.0%	2	$2.35	5.3%
					3	$3.03	2.7%
					4	$1.41	4.9%
					5	$0.37	0.5%
					6	$1.08	2.1%
CONCLUSION	**$113,539**	**$543**	**$0.40**	**0.5%**	**AVG**	$1.57	3.1%

ANALYSIS

As indicated in the prior discussion, given the reallocation of these expenses to the corporate level, we have applied an expense at the low end of the range of the comparables.

RESERVES

	SUBJECT			
YEAR	TOTAL	$/UNIT	$/SF	%EGI
2023	$0	$0	-	0.0%
2024	$0	$0	-	0.0%
CONCLUSION	**$52,228**	**$250**	**$0.18**	**0.2%**

ANALYSIS

Reserves for replacements are not typical cash expenditures, but rather the annualized cost of major expense in the future. The expense conclusion considers the subject's age and condition and typical standards and is approximatley $250/unit.

TOTAL EXPENSES (exclusive of RE Taxes and Reserves)

SUBJECT HISTORICAL $/SF	$8.57-$9.59
EXPENSE COMPARABLES $/SF	$9.93-$24.62
TOTAL EXPENSES $/SF	$10.42

CONCLUSION

The projected expenses are lower than the historical expenses as the owner received a lower insurance quote. The projected expenses are well supported by the data, both individually and in the aggregate.

INVESTMENT MARKET ANALYSIS

Development of Capitalization Rate

The going-in capitalization rate, also known as overall rate (OAR), can be determined using several sources and methods. In developing our opinion of OAR, the following techniques were used:

- Comparable Sales (Sales Comparison Approach)
- Investor Surveys
- Band of Investment Technique

Comparable Sales

The following table presents a summary of the comparable sales used ahead in the Sales Comparison Approach, and the capitalization rates from each of those sales.

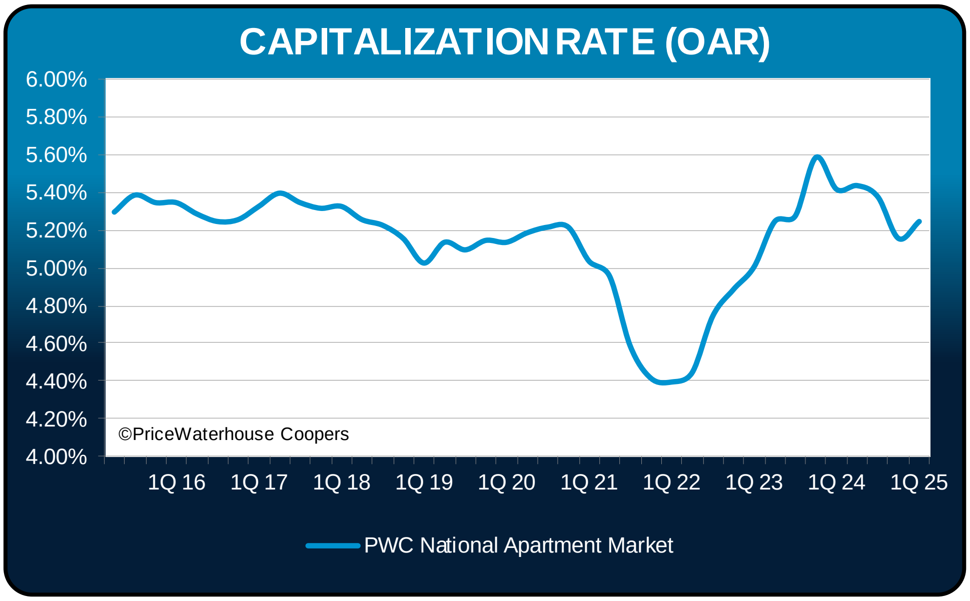
CAPITALIZATION RATE COMPARABLES (OAR)														
	NAME	ADDRESS	CITY	ST	SALE DATE	YR BLT	GBA	$/SF	UNITS	$/UNIT	SALE PRICE	NOI	NOI/SF	CAP RATE
1	Rivers Bend	501 East 87th Street	New York	NY	Mar-25	1963	202,322	$576	179	$650,838	$116,500,000	$4,214,023	$20.83	3.62%
2	The Hanley	165 E 66th Street	New York	NY	Nov-24	1957	255,597	$501	151	$847,682	$128,000,000	$5,696,000	$22.29	4.45%
3	501 E 74th St	501 E 74th St	New York	NY	Jun-24	2014	71,750	$878	81	$777,778	$63,000,000	-	-	-
4	Aire	200 W 67th St	New York	NY	Feb-24	2007	390,682	$678	310	$854,839	$265,000,000	$12,455,000	$31.88	4.70%
5	The Lanthian	377 East 33rd Street	New York	NY	Aug-23	1998	213,549	$983	209	$1,004,785	$210,000,000	$9,450,000	$44.25	4.20%
6	265 East 66th Street	265 East 66th Street	New York	NY	Apr-23	1979	490,652	$821	328	$1,227,515	$402,625,000	$12,078,750	$24.62	3.00%
LOW														**3.00%**
HIGH														**4.70%**
AVERAGE														**3.99%**
MEDIAN														**4.20%**

For this analysis, we have provided six primary sales comparables, which are later presented in the Sales Comparison Approach. Five of the primary sales have capitalization rates ranging from 3.90% to 6.08%, with an average of 4.83% and a median of 4.70%.

Investor Surveys

The potential investor pool for the subject asset includes national, regional and local investors. While all of these groups place emphasis on local cap rates, regional and national investors would also strongly consider national cap rate trends from investor surveys due to the potential to invest in other regions that are offering competitive rates of return.

The following graph provides a historical illustration of capitalization rate statistics as surveyed by investors that we considered to be relevant to the subject property.



The following table provides the most recent survey results from investors.

CAPITALIZATION RATE SURVEYS (OAR)					
SOURCE	QUARTER	RANGE			AVG
PriceWaterhouse Coopers					
National Apartment Market	1Q 25	4.00%	to	6.25%	5.25%
AVERAGE		**4.00%**	**to**	**6.25%**	**5.25%**

In addition to the published investor surveys, the appraisers spoke with one local market participant to put previously discussed trends and data into better context of what is really occurring in the market place.

MARKET PARTICIPANT INTERVIEWS - CAPITALIZATION RATES (OAR)					
NAME	COMPANY	DATE	RANGE		
Eric Toddy	Colliers International	1Q 25	4.00%	to	5.00%

Band of Investment Technique

Because most properties are purchased with debt and equity capital, the overall capitalization rate must satisfy the market return requirements of both investment positions. Lenders must anticipate receiving a competitive interest rate commensurate with the perceived risk of the investment or they will not make funds available. Lenders also require that the principal amount of the loan be repaid through amortization payments. Similarly, equity investors must anticipate receiving a competitive equity cash return commensurate with the perceived risk or they will invest their funds elsewhere.

To analyze the capitalization rate from a financial position, the Band of Investment Technique is used. Available financing information indicates the following terms:

BAND OF INVESTMENT ASSUMPTIONS	
Loan Amortization Period	30 Years
Interest Rate	6.50%
Loan-to-Value (LTV) Ratio	65%
Mortgage Constant	7.58%

Equity dividend rates vary depending upon motivations of buyers and financing terms. The previous terms and an appropriate equity dividend rate are used in the Band of Investments calculations, which are presented on the following chart.

BAND OF INVESTMENT CALCULATION					
Mortgage Component	65%	x	7.58%	=	4.930%
Equity Component	35%	x	5.50%	=	1.925%
Indicated Capitalization Rate					6.855%
INDICATED CAPITALIZATION RATE					**6.86%**

Debt Coverage Ratio Technique

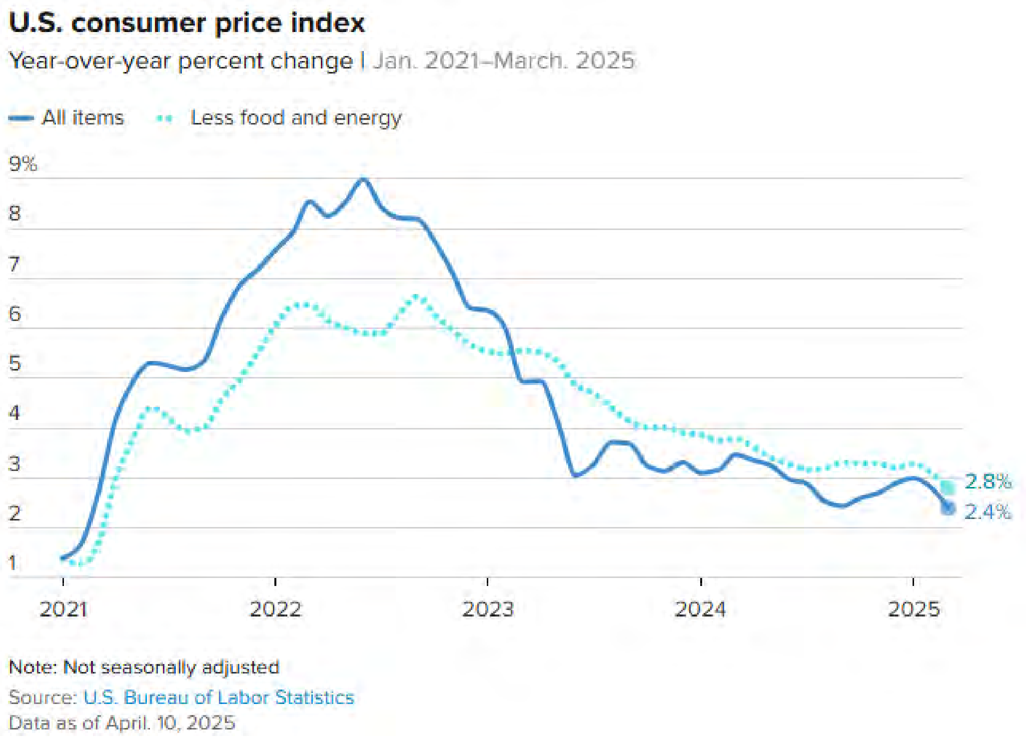
An alternate method to calculating capitalization rates based on financing metrics is the Debt Coverage Ratio method, which uses the relationship between the DCR, LTV, and mortgage constant to conclude to a rate value. Based on the assumptions previously discussed, we have concluded to a DCR of 1.30, an LTV of 65% and a mortgage constant of 7.58%. The following calculation indicates the cap rate conclusion by this method:

DEBT COVERAGE RATIO CALCULATION	
Debt Coverage Ratio	1.30
Loan-to-Value (LTV) Ratio	65%
Mortgage Constant	7.58%
INDICATED CAPITALIZATION RATE	**6.41%**

OVERALL ECONOMIC EFFECTS

The U.S. economy has experienced a dramatic rise in inflation within the past three years, which has led to increases in property operation expenses.

In March 2025, the US inflation rate, as measured by the Consumer Price Index (CPI), was 2.4%. This represented an increase from 2.8% in February 2025.



To battle inflation, the Fed had increased the interest rate by a total of 525 basis points between March 2022 and July 2023, resulting in a rate of 5.50%, the highest level in more than 22 years. In September 2024, the Fed issued a 50 basis points rate cut; In November 2024, the Fed issued a 25 basis points rate cut; In the December meeting, the Fed issued a 25 basis point rate cut. In the January and March 2025 meetings the Fed held its made the decision to hold its benchmark rate steady. Fed officials expect to hold the rate steady in 2025 as opposed to previous anticipated rate cuts. The anticipated steady rate is expected to keep the cost of borrowing stable.

The difference between the 10-year Treasury yield and mortgage rates (the spread) can fluctuate due to various factors, including market sentiment, inflation expectations, and risk premiums associated with mortgages. Lenders need to offer rates that are competitive with other investment options, like Treasury bonds, to attract investors. The yield on the 10-year Treasury note is a significant benchmark for mortgage rates. Generally, when the 10-year Treasury yield increases, mortgage rates tend to rise as well, and vice versa. This relationship is due to lenders needing to make mortgages attractive to investors compared to Treasury notes.

Impact of Treasury Rate Changes

As of March 31, 2025, the 10-Year Treasury was 4.23%, which is 3 basis points higher than the prior year. This marks an increase from the middle of September 2024 low of 3.621%. The 10-year U.S. Treasury yield has significantly increased since 2020. In August 2020, it was at 0.51%. The 10-year Treasury yield started at a very low level in 2020, influenced by the COVID-19 pandemic and the Federal Reserve's aggressive response. Several factors have contributed to the rising yields, including persistent inflation, strong economic growth, and heightened macroeconomic uncertainty.

The following table reflects changes in the US Treasury note since August 2020.

While it remains unclear as to how the market will react overall, the expectation is that the drop will be a catalyst for increased transaction volume. Investors are weighing the economic outlook for the year ahead, and a light economic calendar this week delivered a muddled picture.

The Treasury rate typically provides a good benchmark for risk and the minimum rate of return required. Taking into consideration its upward trend despite rate cuts, we anticipate capitalization rate trends to remain similar in the near future.

Mortgage Spread Compared to Treasury Rates

We have compared the 10-year Treasury Rate to the Average Cap Rate from the PwC survey for that period. As of the 1st Quarter 2025, the average National Apartment Market overall capitalization rate was 5.25%, suggesting a spread of 101 basis points. This spread is similar to one year prior.

Capitalization Rate Conclusion

We took the following factors into consideration when reaching our capitalization rate conclusion.

- We have considered the current economic conditions previously discussed.
- Five of the sales from the Sales Comparison approach have capitalization rates ranging from 3.00% to 4.70%, with an average of 3.99%. Primary emphasis was placed on this survey.
- National multi-family investors reported a range of 4.0% to 6.25%, as of Q1 2025. Trophy properties would command a cap rate at the low end of the range. Primary emphasis was placed on this survey.
- Lenders are typically placing greater reliance on the Band of Investment Technique as they navigate these uncertain times. However, we note that while the Band of Investment and Debt Coverage Ratio methods consider current financing indicators, they fail to include any indication of locational differences and operational differences. Thus, less weight is considered on these methods.
- Lenders are typically placing greater reliance on the Band of Investment Technique as they navigate these uncertain times. However, we note that while the Band of Investment and Debt Coverage Ratio

methods consider current financing indicators, they fail to include any indication of locational differences and operational differences. Thus, less weight is considered on these methods.

- The subject is situated in a strong market, as evidenced by historically low vacancy rates and increasing market rents.
- The property is a trophy quality asset, with high-end amenities desirable east river views.

Taking all factors into consideration, the following table summarizes the various capitalization rate indicators and provides the final capitalization rate conclusion.

CAPITALIZATION RATE CONCLUSION (OAR)								
SOURCE	**QUARTER**	**RANGE**			**AVG**	**SUGGESTED**	**WEIGHT**	**FACTOR**
Comparable Sales		3.00%	to	4.70%	3.99%	4.00%	35.0%	1.4%
National Investor Surveys (PwC)	1Q 25	4.00%	to	6.25%	5.25%	4.00%	30.0%	1.2%
Eric Toddy	1Q 25	4.00%	to	5.00%	4.25%-4.5%	4.25%	30.0%	1.3%
Band of Investment Technique					6.86%	6.85%	2.50%	0.2%
Debt Coverage Technique					6.41%	6.40%	2.50%	0.2%
AVERAGE		3.67%	to	5.32%	5.63%			4.21%
CAPITALIZATION CONCLUSION								**4.15%**

DIRECT CAPITALIZATION

This method analyzes the relationship of one year's stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

The following table summarizes our opinion of market value via direct capitalization.

DIRECT CAPITALIZATION SUMMATION TABLE - 3/31/2025

INCOME ITEMS	%PGI	%EGI	$/SF	$/UNIT	TOTAL
Potential Rental Income			$69.23	$94,028	$19,651,792
Retail Income			$0.70	$955	$199,619
Parking Income			$2.61	$3,545	$741,000
Retail and Parking Reimbursements			$0.12	$169	$35,378
TOTAL RENTAL INCOME			**$72.67**	**$98,698**	**$20,627,789**
OTHER INCOME					
Other Income			$0.92	$1,244	$260,000
Storage Income			$0.01	$10	$2,000
Amenity Income			$0.92	$1,244	$260,000
Cable			$0.39	$526	$110,000
Padle Ball Lease			$2.20	$2,990	$625,000
TOTAL OTHER INCOME			**$4.43**	**$6,014**	**$1,257,000**
POTENTIAL GROSS INCOME (PGI)			**$77.10**	**$104,712**	**$21,884,789**
INCOME LOSS	**%PGI**		**$/SF**	**$/UNIT**	**TOTAL**
Residential Vacancy & Credit Loss	(3.0%)		($2.08)	($2,821)	($589,554)
Retail Vacancy & Credit Loss	(5.5%)		($0.05)	($62)	($12,925)
Parking Vacancy & Credit Loss	0.0%		-	-	$0
Other Vacancy & Credit Loss	(3.0%)		($0.13)		($37,710)
TOTAL INCOME LOSS	**(2.9%)**		**($2.26)**	**($3,063)**	**($640,189)**
EFFECTIVE GROSS INCOME (EGI)	**97.1%**		**$74.84**	**$101,649**	**$21,244,600**
EXPENSE ITEMS	**%PGI**	**%EGI**	**$/SF**	**$/UNIT**	**TOTAL**
Real Estate Taxes	(17.7%)	(18.2%)	($13.62)	($18,494)	($3,865,219)
Property Insurance	(1.5%)	(1.5%)	($1.14)	($1,545)	($322,852)
Utilities	(1.9%)	(2.0%)	($1.50)	($2,037)	($425,772)
Repairs & Maintenance	(2.8%)	(2.9%)	($2.15)	($2,920)	($610,273)
Off-Site Management	(1.5%)	(1.5%)	($1.12)	($1,525)	($318,669)
Payroll	(3.7%)	(3.8%)	($2.83)	($3,843)	($803,290)
General & Administrative	(0.5%)	(0.5%)	($0.40)	($543)	($113,539)
Reserves	(0.2%)	(0.2%)	($0.18)	($250)	($52,228)
TOTAL EXPENSES	**(29.8%)**	**(30.7%)**	**($22.94)**	**($31,157)**	**($6,511,842)**
NET OPERATING INCOME (NOI)	**67.3%**	**69.3%**	**$51.90**	**$70,492**	**$14,732,759**
Capitalization Rate					4.15%
Capitalized Value					$355,006,231
INDICATED VALUE			**$1,251**	**$1,698,565**	**$355,000,000**
Less: Residential Rent Loss					($673,508)
Less: Padle Ball Lease - 1 months rent loss					($52,083)
AS-IS MARKET VALUE			**$1,248**	**$1,695,215**	**$354,300,000**
					Rounded to nearest $100,000

The paddle ball leases commences in May 2025, thus we deducted 1 months of rent loss.

INTRODUCTION

The Sales Comparison Approach is based on the principle of substitution, which asserts that a buyer would not pay more for a property than the value of similar properties in the market. This approach analyzes comparable sales by applying transactional and property adjustments to bracket the subject property within an appropriate unit value comparison.

UNIT OF COMPARISON

The most relevant unit of comparison is the price per SF of GBA. This indicator best reflects the analysis used by buyers and sellers in this market for improved properties with similar design and utility.

COMPARABLE SELECTION

We completed a thorough search for similar improved sales in terms of property type, location, physical characteristics, and date of sale. In selecting comparables, emphasis was placed on confirming recent improved sales of properties that match the highest and best use, and buyer/seller profile of the subject property.

The sale comparables are located in the subject's region and range from 0.4 to 1.7 miles from the subject site, with an average distance of 1.0 miles. Overall, the sales selected represent the best comparables available for this analysis.

ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

Transactional Adjustments
Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a leased fee basis. If warranted, leased fee, leasehold and/or partial interest sales were adjusted accordingly.
Financing Terms	The subject property was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales.
Expenditures After Purchase	Adjustments were applied if physical conditions warranted expenditures on the part of the buyer to bring the comparable up to functional standards. Most often this adjustment accounts for costs associated with deferred maintenance.
Market Conditions	Market conditions adjustments were based on a review of historical sale data, market participant interviews and review of current versus historical pricing. on our research, the following table summarizes the market conditions adjustment applied in this analysis.

MARKET CONDITIONS ADJUSTMENT			
Per Year As Of	March 2025	(As-Is)	0%

The market has exhibited value stability during the time from the oldest sale date up through the effective valuation date; therefore a market conditions adjustment is not warranted.

Property Adjustments

Quantitative percentage adjustments are also made for location and physical characteristics such as size, age, site and parking ratios, access, exposure, quality and condition, as well as other applicable elements of comparison. Where possible the adjustments applied are based on paired data or other statistical analysis. It should be stressed that the adjustments are subjective in nature and are meant to illustrate our logic in deriving a value opinion for the subject property.

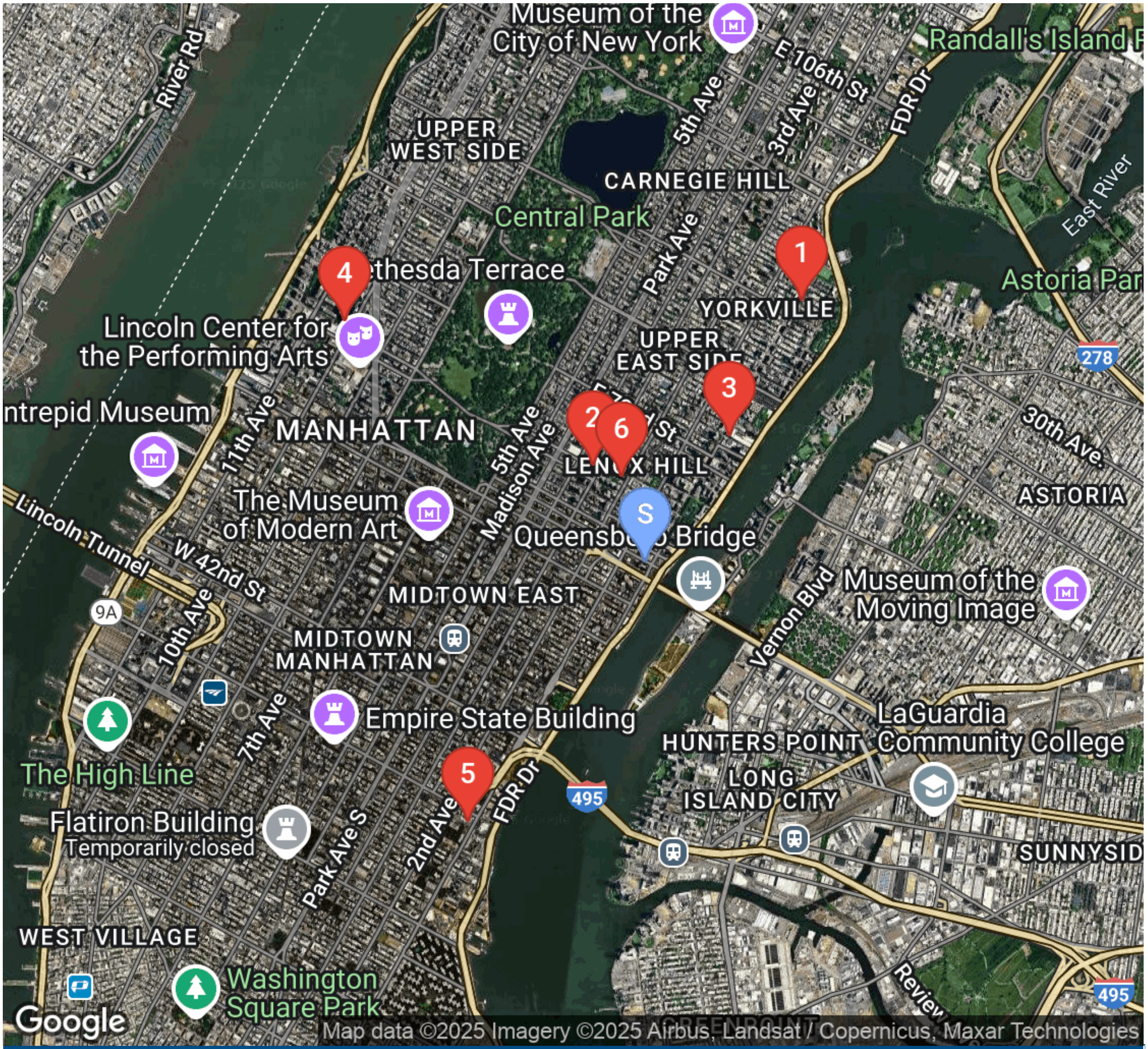
Location	Properties that have superior locational characteristics generally obtain higher rent levels and higher corresponding sales prices than properties with inferior locational characteristics.
Size	Generally speaking, larger properties sell for a lower amount than smaller properties, due to the larger pool of potential investors of smaller properties. However, larger parcels often have the ability to incorporate superior amenities which generate higher rents and sales prices than similarly sized units. As such, larger properties require downward adjustments as compared to smaller properties.
Exposure	Corner properties generally sell for a greater amount than mid-block properties due to their added exposure from the wrap around frontage.
Condition	Properties in better condition generally sell for a greater amount than properties in inferior condition. These properties generally have lower maintenance costs as well as the need for less capital expenditures.
Retail	Mixed-use properties generally have price differences based on the amount of retail. As the subject’s commercial income accounts for approximately 4.5% of the subjects potential gross income, no retail adjustment were warranted.
Project Amenities	Properties that offer high demand, high end quality amenities generally have price differences.
Views	Properties that offer unobstructed river and skyline views obtain higher rent levels.

PRESENTATION

The following Sales Summation Table, Location Map and datasheets summarize the improved sales data. Following these items, the comparable sales are adjusted for applicable elements of comparison and the opinion of value by the Sales Comparison Approach is concluded.

IMPROVED SALES SUMMATION TABLE							
COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	Two Sutton Place North	Rivers Bend	The Hanley	501 E 74th St	Aire	The Lanthian	265 East 66th Street
Address	1113 York Avenue	501 East 87th Street	165 E 66th Street	501 E 74th St	200 W 67th St	377 East 33rd Street	265 East 66th Street
City	New York	New York	New York	New York	New York	New York	New York
State	NY	NY	NY	NY	NY	NY	NY
Zip	10065	10128	10065	10021	10023	10016	10065
County	New York	New York	New York	New York	New York	New York	New York
PHYSICAL INFORMATION							
GBA (SF)	283,848	202,322	255,597	71,750	390,682	213,549	490,652
Units	209	179	151	81	310	209	328
Average Unit SF	1,034	1,130	1,693	886	1,260	1,022	1,496
Land Area (SF)		16,363	40,206	6,094	50,000	13,939	40,168
Year Built	2009	1963	1957	2014	2007	1998	1979
Year Renovated	-	-	2015	-	-	-	2015
Stories	37	21	20	20	42	23	45
SALE INFORMATION							
Date		3/12/2025	11/1/2024	6/28/2024	2/4/2024	8/30/2023	4/20/2023
Status		Recorded	Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee	Leased Fee
Transaction Price		$116,500,000	$128,000,000	$63,000,000	$265,000,000	$210,000,000	$402,625,000
Transaction $/Unit		$650,838	$847,682	$777,778	$854,839	$1,004,785	$1,227,515
Transaction $/SF GBA		$576	$501	$878	$678	$983	$821
Analysis Price		$116,500,000	$128,000,000	$63,000,000	$265,000,000	$210,000,000	$402,625,000
Analysis $/Unit		$650,838	$847,682	$777,778	$854,839	$1,004,785	$1,227,515
Analysis $/SF GBA		$576	$501	$878	$678	$983	$821
NOI/Unit	$70,492	$23,542	$37,722	-	$40,177	$45,215	$36,825
NOI/SF GBA	$51.90	$20.83	$22.29	$0.00	$31.88	$44.25	$24.62
Capitalization Rate		3.62%	4.45%	-	4.70%	4.20%	3.00%

SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	NAME	ADDRESS	OCC.	SALE DATE	OAR	$/SF
SUBJECT	-	Two Sutton Place North	1113 York Avenue, New York, NY	98.6%	-	-	$1,200
No. 1	1.3 Miles	Rivers Bend	501 East 87th Street, New York, NY	100.0%	3/12/2025	3.62%	$576
No. 2	0.5 Miles	The Hanley	165 E 66th Street, New York, NY	94.0%	11/1/2024	4.45%	$501
No. 3	0.7 Miles	501 E 74th St	501 E 74th St, New York, NY	99.1%	6/28/2024		$878
No. 4	1.7 Miles	Aire	200 W 67th St, New York, NY	100.0%	2/4/2024	4.70%	$678
No. 5	1.4 Miles	The Lanthian	377 East 33rd Street, New York, NY		8/30/2023	4.20%	$983
No. 6	0.4 Miles	265 East 66th Street	265 East 66th Street, New York, NY		4/20/2023	3.00%	$821

COMPARABLE 1

LOCATION INFORMATION	
Name	Rivers Bend
Address	501 East 87th Street
City, State, Zip Code	New York, NY, 10128
County	New York
MSA	New York-Northern New Jersey-Long Island, N
APN	M / 1587 / 1
SALE INFORMATION	
Buyer	A&E Real Estate Holdings
Seller	Soloviev Group
Transaction Date	03/12/2025
Transaction Status	Recorded
Transaction Price	$116,500,000
Analysis Price	$116,500,000
Recording Number	2025031301021000
Rights Transferred	Leased Fee
Conditions of Sale	Arms-Length
PHYSICAL INFORMATION	
Project Type	High-Rise
Project Size GBA	202,322 SF
Units	179
No. of Buildings/Floors	1 Buildings / 21 Floors
Year Built	1963
Quality / Condition	Average / Average
Appeal	Average
Site Size	16,363 SF
Zoning	R10
Average Unit Size	738 SF
Density	477.3
Project Amenities	Concierge/Doorman, Rooftop Area, Swimming Pool
Unit Amenities	Balcony/Patio

RIVERS BEND

ANALYSIS INFORMATION			
Price/SF			$575.81
Adjusted Price/SF			$921.30
Capitalization Rate			3.62%
Equity Div. / PGIM / EGIM	-	11.27	11.27

CONFIRMATION		
Name	Confidential	
Company	Confidential	
Source	Knowledgeable Third Party	
Date / Phone Number	03/13/2025	Confidential

REMARKS

The elevator building with 179 residential units in Yorkville has 202,322 square feet of built space. The parcel has frontage of 151 feet and is 125 feet deep with a total lot size of 16,363 square feet. The lot is irregular. The zoning is R10 which allows for up to 10 times floor area ratio (FAR) for residential with inclusionary housing. The city-designated market value for the property in 2022 is $40.9 million. The most recent loan totaled $60.5 million and was provided by Walker & Dunlop on August 31, 2020. A&E Real Estate Holdings, among the top three largest private residential owners in the city, according to a PincusCo accounting, paid $116.5 million to Stefan Soloviev's Soloviev Group, for the 179-unit Rivers Bend apartment building at 501 East 87th Street in Yorkville, Manhattan, according to sources familiar with the deal. The sale closed March 12, 2025, and has not yet been recorded. The purchase equates to approximately $547,000 per unit.

COMPARABLE 2

LOCATION INFORMATION

Name	The Hanley
Address	165 E 66th Street
City, State, Zip Code	New York, NY, 10065
County	New York
APN	1401-1002, 1401-1003

SALE INFORMATION

Buyer	Stonehenge NYC
Seller	CIM Group, LP
Transaction Date	11/1/2024
Transaction Status	Recorded
Transaction Price	$128,000,000
Analysis Price	$128,000,000
Recording Number	2024000294520
Rights Transferred	Leased Fee
Financing	Conventional
Conditions of Sale	Arms-Length

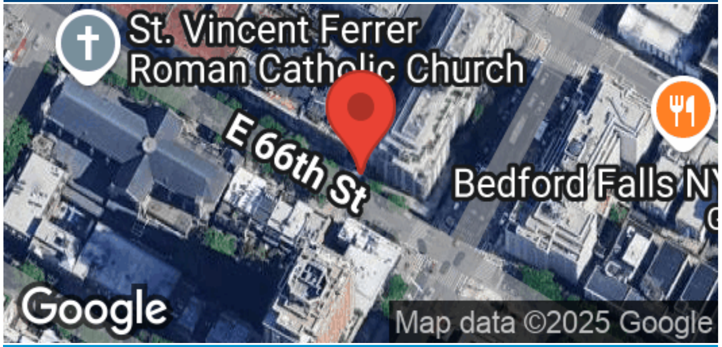
PHYSICAL INFORMATION

Project Type	High-Rise
Project Size GBA	255,597 SF
Units	151
No. of Buildings/Floors	Buildings / 20 Floors
Year Built	1957 - Renovated 2015
Quality / Condition	Average / Average
Appeal	Average
Building Structure	Masonry
Site Size	20,083 SF
Zoning	C1-9
Average Unit Size	1,444 SF
Density	164.1
Project Amenities	Common Laundry, Concierge/Doorman, Fitness Center
Unit Amenities	Dishwasher, Garbage Disposal, Microwave, Range/Stove, Refrigerator, Washer/Dryer In-

UNIT MIX

NO. UNITS	AVG SIZE	DESCRIPTION
2	620	STUDIO / 1 BA
36	940	1 BD / 1 BA
73	1,451	2 BD / 2 BA
27	1,722	3 BD / 3 BA
13	2,352	4 BD / 4 BA

THE HANLEY



ANALYSIS INFORMATION

Price/SF			$500.79
Adjusted Price/SF			$776.22
Capitalization Rate			4.45%
Equity Div. / PGIM / EGIM	-	8.35	8.79

CONFIRMATION

Name	Confidential	
Company	Confidential	
Source	Knowledgeable Third Party	
Date / Phone Number	11/22/2024	Confidential

REMARKS

This site is a generally rectangular, corner parcel containing a gross site area of 40,206 SF and is zoned C1-9 by the City of New York. The site is improved with a twenty-story, masonry constructed apartment building that was built in 1957 and renovated in 2015 that contains a GBA of 272,535 SF, of which 233,578 SF represents the NRA and containing 151 (7 Studio, 48 1BR/1BA, 42 2BR/2BA, 36 3BR/3BA, 18 4BR/4BA) apartment units. The sale included the parking garage; however, Miami-based Crescent Heights retained ownership of the retail portion, 16,938 SF, of the property.

COMPARABLE 3

LOCATION INFORMATION

Name	501 E 74th St
Address	501 E 74th St
City, State, Zip Code	New York, NY, 10021
County	New York
MSA	New York-Northern New Jersey-Long Island, N
APN	M / 1486 / 1, 103

SALE INFORMATION

Buyer	501 East 74th Street Owner, LLC
Seller	Golden Asset LLC
Transaction Date	06/28/2024
Transaction Status	Recorded
Transaction Price	$63,000,000
Analysis Price	$63,000,000
Recording Number	2024000177043
Rights Transferred	Leased Fee
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Project Type	High-Rise
Project Size GBA	71,750 SF
Units	81
No. of Buildings/Floors	1 Buildings / 20 Floors
Year Built	2014
Parking Spaces / Ratio	8 (0.1/Unit)
Quality / Condition	Average / Average
Appeal	Average
Building Structure	Concrete
Site Size	6,094 SF
Zoning	R10
Average Unit Size	862 SF
Density	578.0
Project Amenities	Elevators, Fitness Center, Pet Policy
Unit Amenities	None

UNIT MIX

NO. UNITS	AVG SIZE	DESCRIPTION
34	520	STUDIO / 1 BA
16	794	1 BD / 1 BA
29	1,222	2 BD / 2 BA
2	2,000	3 BD / 2 BA

501 E 74TH ST

ANALYSIS INFORMATION

Price/SF			$878.05
Adjusted Price/SF			$1,141.47
Capitalization Rate			-
Equity Div. / PGIM / EGIM	-	-	-

CONFIRMATION

Name	Confidential	
Company	Confidential	
Source	Knowledgeable Third Party	
Date / Phone Number	12/6/2024	Confidential

REMARKS

The multifamily property located at 501 East 74th Street in the Upper East Side was recently sold for $63,000,000. This property consists of 83 units with a price per unit of $759,036, encompassing a total area of 74,214 square feet. The sale price per square foot stood at $849. The transaction involved Fetner Properties as the buyer and the Ohebshalom Family as the seller. New York Life served as the lender for the deal. The sales brokers for this transaction were Daniel Kaplan and Doug Middleton, while the mortgage brokers were Tom Traynor, Tom Rugg, and Adam Spengler from CBRE.

In this transaction, the key individuals involved were the sales brokers Daniel Kaplan and Doug Middleton. The mortgage brokers who facilitated the loan were Tom Traynor, Tom Rugg, and Adam Spengler from CBRE. Fetner Properties acted as the buyer, while the Ohebshalom Family served as the seller. New York Life provided the financing for the deal.

COMPARABLE 4

LOCATION INFORMATION

Name	Aire
Address	200 W 67th St
City, State, Zip Code	New York, NY, 10023
County	New York
MSA	New York-Northern New Jersey-Long Island, N
APN	1158-0129, 1158-1701, 1158-1702, 1158-1703

SALE INFORMATION

Buyer	Gotham Organization and Carlyle Group
Seller	A&R Kalimian Realty
Transaction Date	02/4/2024
Transaction Status	Recorded
Transaction Price	$265,000,000
Analysis Price	$265,000,000
Recording Number	2024000035885
Rights Transferred	Leased Fee
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Project Type	High-Rise
Project Size GBA	390,682 SF
Units	310
No. of Buildings/Floors	1 Buildings / 42 Floors
Year Built	2007
Quality / Condition	Good / Good
Appeal	Good/Excellent
Building Structure	Steel
Site Size	50,000 SF
Zoning	C8 / C2-5
Average Unit Size	889 SF
Density	270.0
Project Amenities	Business Center, Clubhouse, Common Laundry, Elevators, Fitness Center,
Unit Amenities	Air Conditioning, Alarm System, Dishwasher, Garbage Disposal, Parking Covered, Parking

UNIT MIX

NO. UNITS	AVG SIZE	DESCRIPTION
63	600	1 BD / 1 BA
123	1,149	2 BD / 2 BA
10	1,545	3 BD / 3 BA
50	485	STUDIO / 1 BA

AIRE

ANALYSIS INFORMATION

Price/SF			$678.30
Adjusted Price/SF			$881.79
Capitalization Rate			4.70%
Equity Div. / PGIM / EGIM	-	-	-

CONFIRMATION

Name	Confidential	
Company	Confidential	
Source	Knowledgeable Third Party	
Date / Phone Number	02/6/2024	Confidential

REMARKS

This 42-story, 310-unit, high-rise multi-family property on the Upper West Side of Manhattan traded in February 2024 for a total of $265 million - equating to roughly $854,839 per unit.

The seller was A&R Kalimian Realty LP. They were represented by a capital markets brokerage team in the transaction. According to CoStar data, a $225 million senior mortgage taken out by the seller matured in November 2023, before the building reportedly went up for sale.

The buyer was a joint venture between New York, NY-based Gotham Organization and Washington, DC-based The Carlyle Group. They purchased the asset in an all-cash transaction. The property also includes a full retail section alongside Amsterdam Avenue. The seller, A&R Kalimian Realty, faced expiration of roughly $200 million in mortgage loans and decided not to seek new financing. However, Aire did not go into actual default as was erroneously reported. Gotham's purchase includes a fully leased retail portion along Amsterdam Avenue.

The gleaming, glass-clad building boasts a tenants' wellness center and a private, half-acre park. Its plight was closely watched ever since a $195.8 million loan from J. P. Morgan went to special servicing in 2023.

COMPARABLE 5

LOCATION INFORMATION	
Name	The Lanthian
Address	377 East 33rd Street
City, State, Zip Code	New York, NY, 10016
County	New York
MSA	New York-Northern New Jersey-Long Island, N
APN	M / 939 / 23

SALE INFORMATION	
Buyer	New York University
Seller	SPI California Management LLC
Transaction Date	08/30/2023
Transaction Status	Recorded
Transaction Price	$210,000,000
Analysis Price	$210,000,000
Recording Number	2023000225060
Rights Transferred	Leased Fee
Financing	Conventional
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION	
Project Type	High-Rise
Project Size GBA	213,549 SF
Units	209
No. of Buildings/Floors	1 Buildings / 23 Floors
Year Built	1998
Quality / Condition	Average / Average
Appeal	Average
Site Size	13,939 SF
Zoning	R8A
Average Unit Size	0 SF
Density	653.1
Project Amenities	Common Laundry, Concierge/Doorman, Fitness Center, Rooftop Area
Unit Amenities	None

THE LANTHIAN

ANALYSIS INFORMATION			
Price/SF			$983.38
Adjusted Price/SF			$1,327.56
Capitalization Rate			4.20%
Equity Div. / PGIM / EGIM	-	-	-

CONFIRMATION		
Name	Confidential	
Company	Confidential	
Source	Confidential	
Date / Phone Number	12/6/2024	Confidential

REMARKS

This 209-unit multi-family property, known as "The Lanthian", along with its neighboring Kips Bay air rights, were purchased by the NYU Grossman School of Medicine in August 2023 for a total of $210 million (a per-unit value of nearly $1.01 million per unit).

The 23-story building was constructed in 1998 and consists of entirely free-market units.

The seller was Dennis Wong, managing member of SPI California Management LLC of which Verbena Road Holdings is a subsidiary. They were represented by a capital markets brokerage in the transaction.

The deal also included an assumed debt with an outstanding balance of $103 million, provided by New York Life.

COMPARABLE 6

LOCATION INFORMATION

Name	265 East 66th Street
Address	265 East 66th Street
City, State, Zip Code	New York, NY, 10065
County	New York
MSA	New York-Northern New Jersey-Long Island, N
APN	M / 1421 / 21

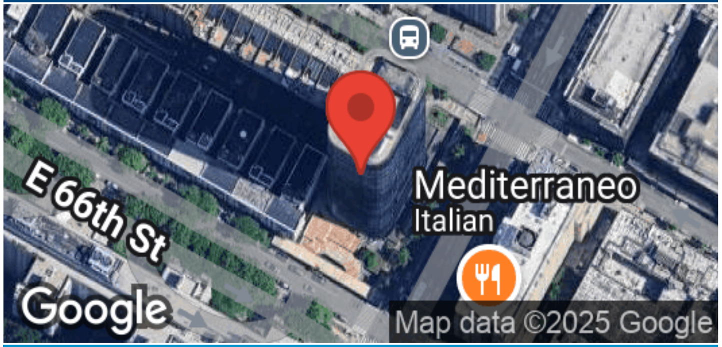
SALE INFORMATION

Buyer	Townhouse Company II, L.L.C.
Seller	265 East 66TH LLC
Transaction Date	04/20/2023
Transaction Status	Recorded
Transaction Price	$402,625,000
Analysis Price	$402,625,000
Recording Number	2023000106914
Rights Transferred	Leased Fee
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Project Type	High-Rise
Project Size GBA	490,652 SF
Units	328
No. of Buildings/Floors	1 Buildings / 45 Floors
Year Built	1979 - Renovated 2015
Quality / Condition	Average / Average
Appeal	Average
Site Size	0.9 Acres (40,168 SF)
Zoning	C2-8 / R8B
Average Unit Size	0 SF
Density	355.7
Project Amenities	Common Laundry, Concierge/Doorman, Fitness Center, Rooftop Area, Swimming Pool
Unit Amenities	Parking Garage

265 EAST 66TH STREET



ANALYSIS INFORMATION

Price/SF			$820.59
Adjusted Price/SF			$1,025.74
Capitalization Rate			3.00%
Equity Div. / PGIM / EGIM	-	-	-

CONFIRMATION

Name	Confidential	
Company	Confidential	
Source	Knowledgeable Third Party	
Date / Phone Number	04/30/2025	Confidential

REMARKS

The property is a 45-story Class A mixed-use multifamily property. It was built in 1979 and renovated in 2015 and is situated along the west side of Second Avenue and has frontage on East 66th Street and East 67th Street. On April 20, 2023, the property was sold for $402,625,000. Based on our conversations with participants, the property had a transaction cap rate of 3.00%.

IMPROVED SALES ADJUSTMENT TABLE							
COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5	COMPARABLE 6
Name	Two Sutton Place North	Rivers Bend	The Hanley	501 E 74th St	Aire	The Lanthian	265 East 66th Street
Address	1113 York Avenue	501 East 87th Street	165 E 66th Street	501 E 74th St	200 W 67th St	377 East 33rd Street	265 East 66th Street
City, State	New York, NY	New York, NY	New York, NY	New York, NY	New York, NY	New York, NY	New York, NY
GBA	283,848	202,322	255,597	71,750	390,682	213,549	490,652
Units	209	179	151	81	310	209	328
Average Unit SF	1,034	1,130	1,693	886	1,260	1,022	1,496
Land Area (AC)	0.6	0.4	0.9	0.1	1.1	0.3	0.9
Land Area (SF)	26,956	16,363	40,206	6,094	50,000	13,939	40,168
Year Built	2009	1963	1957	2014	2007	1998	1979
Year Renovated	-	-	2015	-	-	-	2015
SALE INFORMATION							
Date		3/12/2025	11/1/2024	6/28/2024	2/4/2024	8/30/2023	4/20/2023
Analysis Price		$116,500,000	$128,000,000	$63,000,000	$265,000,000	$210,000,000	$402,625,000
$/Unit		$650,838	$847,682	$777,778	$854,839	$1,004,785	$1,227,515
$/SF GBA		$575.81	$500.79	$878.05	$678.30	$983.38	$820.59
TRANSACTIONAL ADJUSTMENTS							
Property Rights		0%	0%	0%	0%	0%	0%
Financing		0%	0%	0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	0%	0%	0%
Expenditures After the Sale		0%	0%	0%	0%	0%	0%
Market Conditions[1]		0%	0%	0%	0%	0%	0%
Subtotal Transactional Adj Price		$575.81	$500.79	$878.05	$678.30	$983.38	$820.59
PROPERTY ADJUSTMENTS							
Location		10%	10%	10%	10%	10%	10%
Condition		20%	20%	0%	0%	5%	10%
Unit Mix/Unit Size		0%	-5%	5%	0%	0%	-5%
Size		0%	0%	-5%	0%	0%	0%
Project Amenities		20%	20%	10%	10%	10%	0%
Retail		0%	0%	0%	0%	0%	0%
Views		10%	10%	10%	10%	10%	10%
Subtotal Property Adjustment		60%	55%	30%	30%	35%	25%
TOTAL ADJUSTED PRICE		**$921.30**	**$776.22**	**$1,141**	**$881.79**	**$1,328**	**$1,026**
STATISTICS	**UNADJUSTED**	**ADJUSTED**					
LOW	$500.79	$776.22					
HIGH	$983.38	$1,328					
MEDIAN	$749.45	$973.52					
AVERAGE	$739.49	$1,012					

[1] Market Conditions Adjustment - Compound annual change in market conditions: 0%
Date of Value (for adjustment calculations): 03/31/25

SALES COMPARABLE ANALYSIS

Discussion of Adjustments

Comparable 1 ($921.30/SF as adjusted) did not require any transaction adjustments. This sale is located in a neighborhood that is considered inferior to the subject due to proximity to employment centers, mass transportation and neighborhood amenities; thus an upward Location adjustment is required. This sale is in inferior condition so an upward Condition adjustment is required. This sale has an inferior amenity package so an upward amenity adjustment is required. This sale has an inferior water views so an upward adjustment is required.

Comparable 2 ($776.22/SF as adjusted) did not require any transaction adjustments. This sale is located in a neighborhood that is considered inferior to the subject due to proximity to employment centers, mass transportation and neighborhood amenities; thus an upward Location adjustment is required. This sale is in inferior condition so an upward Condition adjustment is required. This sale has a smaller average unit size so a downward adjustment is required. This sale has an inferior amenity package so an upward amenity adjustment is required. This sale has an inferior water views so an upward adjustment is required.

Comparable 3 ($1,141.47/SF as adjusted) did not require any transaction adjustments. This sale is located in a neighborhood that is considered inferior to the subject due to proximity to employment centers, mass transportation and neighborhood amenities; thus an upward Location adjustment is required. This sale is smaller than the subject; thus a downward Size adjustment is required. This sale has a larger average unit size so an upward adjustment is required. This sale has an inferior amenity package so an upward amenity adjustment is required. This sale has an inferior water views so an upward adjustment is required.

Comparable 4 ($881.79/SF as adjusted) did not require any transaction adjustments. This sale is located in a neighborhood that is considered inferior to the subject due to proximity to employment centers, mass transportation and neighborhood amenities; thus an upward Location adjustment is required. This sale has an inferior amenity package so an upward amenity adjustment is required. This sale has an inferior water views so an upward adjustment is required.

Comparable 5 ($1,327.56/SF as adjusted) did not require any transaction adjustments. This sale is located in a neighborhood that is considered inferior to the subject due to proximity to employment centers, mass transportation and neighborhood amenities; thus an upward Location adjustment is required. This sale is in inferior condition so an upward Condition adjustment is required. This sale has an inferior amenity package so an upward amenity adjustment is required. This sale has an inferior water views so an upward adjustment is required.

Comparable 6 ($1,107.80/SF as adjusted) did not require any transaction adjustments. This sale is located in a neighborhood that is considered inferior to the subject due to proximity to employment centers, mass transportation and neighborhood amenities; thus an upward Location adjustment is required. This sale is in inferior condition so an upward Condition adjustment is required. This sale has a smaller average unit size so a downward adjustment is required. This sale has an inferior water views so an upward adjustment is required.

SALES COMPARISON APPROACH CONCLUSION

The comparable sales indicate an adjusted value range from $776.22 to $1,327.56/SF, with a median of $1,014.55/SF and an average of $1,026.02/SF. Based on the results of the preceding analysis, Comparable 3 ($1,141.47/SF adjusted), Comparable 4 ($881.79/SF adjusted), Comparable 5 ($1,327.56/SF adjusted) and Comparable 6 ($1,107.80/SF adjusted) are given primary consideration for the subject's opinion of value.

The following table summarizes the analysis of the comparables, reports the reconciled price per gross building area (GBA) value conclusion, and presents the concluded value of the subject property.

SALES COMPARISON APPROACH CONCLUSION (SF)								
	TRANSACTION	ADJUSTMENT				NET		WEIGHT
COMP	PRICE	TRANSACTIONAL[1]	ADJUSTED	PROPERTY[2]	FINAL	ADJ %		GIVEN
1	$576	0%	$575.81	60%	**$921**	60%		SECONDARY
2	$501	0%	$500.79	55%	**$776**	55%		SECONDARY
3	$878	0%	$878.05	30%	**$1,141**	30%		PRIMARY
4	$678	0%	$678.30	30%	**$882**	30%		PRIMARY
5	$983	0%	$983.38	35%	**$1,328**	35%		PRIMARY
6	$821	0%	$820.59	25%	**$1,026**	25%		PRIMARY
LOW	**$776**						**AVERAGE**	**$1,012**
HIGH	**$1,328**						**MEDIAN**	**$973.52**
			SUBJECT SF		**$/SF**			**VALUE**
INDICATED VALUE			**283,848**	**x**	**$1,200**		**=**	**$340,600,000**
Less: Padle Ball Lease - 1 months rent loss								($52,083)
AS-IS MARKET VALUE					**$1,200**			**$340,500,000**

[1]Cumulative [2]Additive — Rounded to nearest $100,000

INTRODUCTION

The Reconciliation of Value Conclusions is the final step in the appraisal process and involves the weighing of the individual valuation techniques in relationship to their substantiation by market data, and the reliability and applicability of each valuation technique to the subject property. Understanding the profiles of potential buyers and their typical reliance on each approach to value strongly influences the weighting process.

In the open market, the subject property type would command most interest from national and regional buyers that are actively pursuing similar large investment properties. Refining the buyer profile a bit further, specific buyers known to be active for this property type primarily include family trusts, pension funds and REITs. There is currently moderate buyer demand for substitute properties of the subject based on the volume of sale transactions and reports by buyers, sellers and other market participants during confirmation of market transactions. The most probable buyer is a national and regional investor.

Based on the overall quality of the data and analyses, and the decision-making process of the typical buyer profile of the subject asset, the Income approach warranted primary emphasis and the Sales Comparison approach warranted secondary emphasis in developing our final opinion of market.

As previously discussed, the **Cost Approach** was not used in this analysis because depreciation is difficult to estimate. Additionally, there are few land sales since development is not currently financially feasible. Investors do not typically use the Cost Approach for similar purchasing decisions.

The price per square foot method has been presented in the **Sales Comparison Approach**. There have been very few recent sales of properties similar to the subject in the immediate market area in the current market conditions, which decreases the validity of this approach. Recognizing the shifting market conditions, investors would typically give secondary weight to the Sales Comparison Approach in determining value. Therefore, supporting weight is given to the Sales Comparison Approach in this analysis. Strengths and weaknesses of this approach to value included the following:

> Strength: The price per square foot method presents a reasonably narrow range of indicators of value.
>
> Strength: Buyers of this property type frequently rely on this method for general guidance and support of the Income Approach value.
>
> Weakness: A wide variety of adjustments were needed for some of the comparables.

The **Income Approach** to value is generally considered to be the best and most accurate measure of the value of income-producing properties. In this analysis, the Direct Capitalization method was developed. The value estimate by this approach best reflects the analysis that knowledgeable buyers and sellers carry out in their decision-making processes regarding this type of property. Sufficient market data was available to reliably estimate gross income, vacancy, expenses and capitalization and discount rates for the subject property. The Income Approach is given primary emphasis in the analysis. Strengths and weaknesses of this approach to value included the following:

> Strength: Sufficient market data was available to reliably estimate gross income, vacancy, expenses and capitalization and discount rates for the subject property.
>
> Strength: The subject has recent leases and the rents are well supported by the market data.
>
> Strength: Cap rate data from multiple sources was available, leading to a reliable conclusion.

PRESENTATION OF VALUE CONCLUSIONS

The following table summarizes our final opinion of the As-Is Fair Value of the subject property's leased fee interest as of March 31, 2025, and the Retrospective Fair Values as of December 31, 2024 and December 31, 2023. At the request of the client, we have also completed an Insurable Replacement Cost Estimate, and determined the fair market value of the fee simple interest in the underlying land as of March 31, 2025, subject to a Hypothetical Condition that the site is free and clear of improvements.

ANALYSIS OF VALUE CONCLUSIONS		
VALUATION INDICES		**FAIR VALUE**
INTEREST APPRAISED		LEASED FEE
DATE OF VALUE		MARCH 31, 2025
Income Approach		$354,300,000
Sales Comparison Approach		$340,500,000
FINAL VALUE CONCLUSION		**$354,300,000**
$/Unit		$1,695,215/Unit
$/SF (GBA)		$1,248.20/SF
Exposure Time		12 Months or Less
Marketing Period		12 Months or Less
OTHER CONCLUSIONS		
Retrospective Fair Value	12/31/2024	$337,000,000
	12/31/2023	$292,000,000
Insurable Replacement Cost		$167,770,000
Land Value (subject to Hypothetical Condition)		$136,700,000

Details for the retrospective values are included in the addenda.

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions of the signers are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The signers of this report has 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.
- Stuart Greenfield has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Tina Yu has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Tony O'Sullivan, MAI, MRICS has performed no services, as an appraiser or in any other capacity regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- The signers are not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The 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.
- The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and the *Code of Professional Ethics and Standards of Professional Appraisal* Practice of the Appraisal Institute.
- Stuart Greenfield did not inspect the property that is the subject of this report. Tina Yu inspected the property that is the subject of this report. Tony O'Sullivan, MAI, MRICS did not inspect the property that is the subject of this report.
- No one provided significant real property appraisal assistance to appraisers signing this certification.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report Tony O'Sullivan, MAI, MRICS completed the continuing education program for Designated Members of the Appraisal Institute. As of the date of this report Tina Yu has completed the Standards and Ethics Education Requirement for (Candidates or Practicing Affiliates) of the Appraisal Institute.

"Stuart Greenfield"

June 17, 2025
Date

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"Tina Yu"

June 17, 2025
Date

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"Tony O'Sullivan"

June 17, 2025
Date

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This appraisal is subject to the following assumptions and limiting conditions:

- The appraisers may or may not have been provided with a survey of the subject property. If further verification is required, a survey by a registered surveyor is advised.
- We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- The exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters.
- Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or restrictive violations existing in the subject property.
- The appraisers assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.
- Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- The appraisers may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made therefore.
- The statements of value and all conclusions shall apply as of the dates shown herein.
- There is no present or contemplated future interest in the property by the appraisers which is not specifically disclosed in this report.
- Without the written consent or approval of the authors neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraisers and the firm with which the appraisers are connected.
- This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the authors no portion of the report stands alone.
- The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- The liability of Colliers International Valuation & Advisory Services, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- The appraisers are not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. Colliers International Valuation & Advisory Services and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal

injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

› The appraisers assume no responsibility for determining if the subject property complies with the *Americans with Disabilities Act* (*ADA*). Colliers International Valuation & Advisory Services, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with *ADA* standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.

› An on-site inspection of the subject property was conducted. No evidence of asbestos materials on-site was noted. A Phase 1 Environmental Assessment was not provided for this analysis. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.

› A detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.

› This analysis assumes that the financial information provided for this appraisal, including rent rolls and historical income and expense statements; accurately reflect the current and historical operations of the subject property.

Insurable Replacement Cost
Land Value
Retrospective Value Estimate as of 12/31/2024
Retrospective Value Estimate as of 12/31/2023
Engagement Letter
Valuation Glossary
Qualifications of Appraisers
Qualifications of Colliers International Valuation & Advisory Services

INSURABLE REPLACEMENT COST

At the client's request, we have included an estimate of the insurable replacement cost estimate of the subject improvements, which represents the replacement cost new of the subject improvements, exclusive of land value and profit, and the costs associated with excavation, site work, foundations and architects fees. Insurance coverage is usually specific to a given project. We have not been provided with the specific policy requirements, which limit the reliability of the conclusion. Insurable replacement cost is a matter of underwriting as opposed to valuation. Users of this report should not construe the conclusion of insurable value to be an indication of market value. The insurable estimate is made using base costs and multiplier adjustments for market conditions and location from *Marshall Valuation Service,* which is assumed to accurately reflect replacement cost of the subject. We assume no liability as to the subject's insurable replacement cost and recommend that an estimate from a reputable insurance company be obtained if further assurance is required.

The following chart summarizes the insurable replacement cost estimate:

INSURABLE REPLACEMENT COST					
MARSHALL VALUATION SERVICE DIRECT COST					
Number of Buildings	1				
Gross Building Area	283,848 SF		**1**	**2**	**3**
Number of Stories			44	1	1
Component Description			Luxury Apartments (High-Rise)	Retail Stores	Underground Parking Structure
MVS Section/Page/Class			11 / 15 / A	13 / 26 / A	14 / 34 / A - B
MVS Publication Date			Nov-24	May-24	Feb-24
Quality Rating			Good	Excellent	Parking Underground
Component SF (Gross)			255,448	2,500	25,900
Base Cost (Per SF)			$404.00	$273.00	$136.00
SQUARE FOOT REFINEMENTS					
Fire Sprinklers			$3.00	$0.00	$0.00
Appliances		$25,000 per unit	$20.45	$0.00	$0.00
Subtotal			**$427.45**	**$273.00**	**$136.00**
HEIGHT & SIZE REFINEMENTS					
Number of Stories Multiplier			1.205	1.000	1.000
Subtotal			**$515.08**	**$273.00**	**$136.00**
COST MULTIPLIERS					
Current Cost Multiplier		Mar-25	1.04	1.04	1.035
Local Multiplier		Manhattan	1.32	1.32	1.33
DIRECT COSTS PER SF			**$707.11**	**$374.77**	**$187.21**
Component SF (Gross)			255,448	2,500	25,900
TOTAL REPLACEMENT COST NEW			$180,628,583	$936,936	$4,848,760

[1]Colliers International Estimate

INSURABLE REPLACEMENT COST CONCLUSION		
Base Improvement Cost		$186,414,279
Insurable Rplcmnt Cost Exclusions	10%	($18,641,428)
INSURABLE REPLACEMENT COST		$167,770,000

Rounded to nearest $10,000

LAND VALUATION

Our indicated Market Value of the underlying land is subject to a Hypothetical Condition that the subject's site is free and clear of improvements.

Land value is influenced by a number of factors; most prominent of which is development and use potential. These factors, as well as others, are considered in the following analysis.

UNIT OF COMPARISON

The most relevant unit of comparison is the price per square foot per floor-to-area ratio (FAR). This indicator best reflects the analysis used by buyers and sellers in this market for land with similar utility and zoning in this marketplace.

COMPARABLE SELECTION

A thorough search was made for similar land sales in terms of proximity to the subject, size, location, development potential, and date of sale. In selecting comparables, emphasis was placed on confirming recent sales of commercial sites that are similar to the subject property in terms of location and physical characteristics. Overall, the sales selected represent the best comparables available for this analysis.

ADJUSTMENT PROCESS

Quantitative adjustments are made to the comparable sales. The following adjustments or general market trends were considered for the basis of valuation.

Transactional Adjustments

Dollar adjustments to the comparable sales were considered and made when warranted for transactional adjustments in the sequence shown below:

Property Rights Transferred	The valuation of the subject site was completed on a fee simple basis. If warranted, leased fee, leasehold and/or partial interest land sales were adjusted accordingly.
Financing Terms	The subject site was valued on a cash equivalent basis. Adjustments were made to the comparables involving financing terms atypical of the marketplace.
Conditions of Sale	This adjustment accounts for extraordinary motivation on the part of the buyer or seller often associated with distressed sales and/or assemblages.
Expenditures After Purchase	Adjustments were applied if site conditions warranted expenditures on the part of the buyer to create a buildable site. Examples include costs for razing pre-existing structures, general site clearing and/or mitigation of environmental issues.
Market Conditions	Market conditions adjustments were based on a review of historical sale data, market participant interviews and review of current versus historical pricing. Based on our research, the following table summarizes the market conditions adjustment applied in this analysis.

MARKET CONDITIONS ADJUSTMENT			
Per Year As Of	March 2025	(As-Is)	0%

The market has exhibited value stability during the time from the oldest sale date up through the effective valuation date; therefore a market conditions adjustment is not warranted.

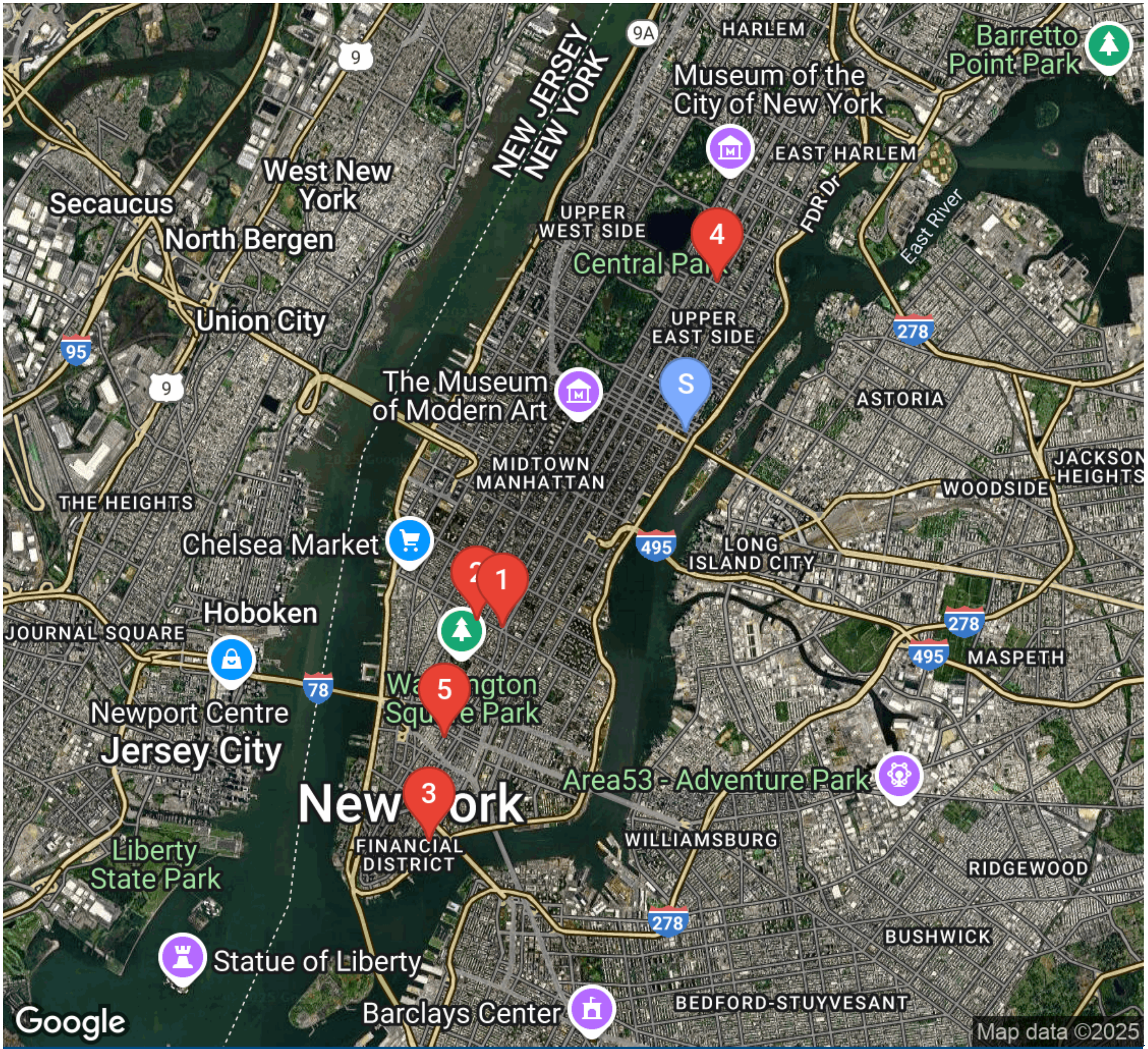
Property Adjustments
Quantitative percentage adjustments are also made for location and physical characteristics such as size, shape, access, exposure, topography, zoning and overall utility. Where possible the adjustments applied are based on paired data or other statistical analysis. For example, location adjustments are based primarily on review of land values in the market areas for the comparables relative to the subject. It should be stressed that the adjustments are subjective in nature and are meant to illustrate our logic in deriving a value opinion for the subject site.

PRESENTATION

The following Land Sales Summation Table, Location Map and datasheets summarize the sales data used in this analysis. Following these items, the comparable land sales are adjusted for applicable elements of comparison and the opinion of site value is concluded.

LAND SALES SUMMATION TABLE						
COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5
Name	Two Sutton Place North	Development Site	Development Site	-	Development Site	-
Address	1113 York Avenue	34 Union Square	8-12 West 14th Street	233-235 Water Street	1530-1532 3rd Avenue	470 Broadway
City	New York	New York	New York	New York	New York	New York
State	NY	NY	NY	NY	NY	NY
Zip	10065	10003	10009	10038	10028	10013
County	New York	New York	New York	New York	New York	New York
APN	M / 1455 / 21	M / 871 / 82	M / 577 / 34	M / 97 / 49	M / 1515 / 33	0473-0005
PHYSICAL INFORMATION						
Site SF	26,956	3,250	18,070	2,418	5,000	3,350
FAR	10.0 : 1	8.0 : 1	7.2 : 1	6.0 : 1	10.0 : 1	5.0 : 1
Max Bldg SF	269,560	26,000	130,104	14,556	50,000	16,750
Zoning	C4-7, C6-3	C6-4 & C-2A	C6-2/C6-2M	C6-2A / LM	C2-8A	M1-5/R9X
Corner	Yes	Yes	No	No	Yes	No
SALE INFORMATION						
Date		10/24/2024	5/9/2024	1/2/2024	10/10/2023	7/7/2023
Status		Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Transaction Price		$11,230,972	$57,500,000	$5,400,000	$24,500,000	$8,077,750
Analysis Price		$10,000,000	$60,250,000	$5,400,000	$24,625,000	$7,879,750
$/SF/FAR		$384.62	$463.09	$370.98	$492.50	$470.43

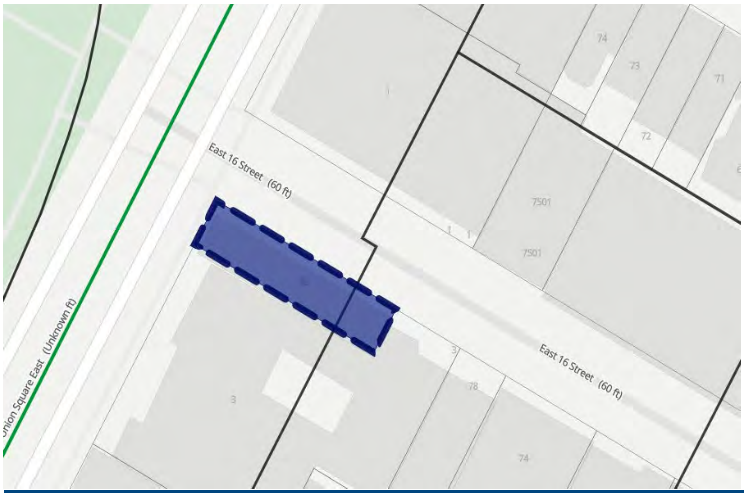
LAND SALES LOCATION MAP



COMPARABLE KEY

COMP	DISTANCE	ADDRESS	SALE DATE	ACRES	SF	$/SF/FAR
SUBJECT	-	1113 York Avenue, New York, NY	-	0.62	26,956	-
No. 1	2.4 Miles	34 Union Square, New York, NY	10/24/2024	0.08	3,250	$384.62
No. 2	2.5 Miles	8-12 West 14th Street, New York, NY	5/9/2024	0.42	18,070	$463.09
No. 3	4.3 Miles	233-235 Water Street, New York, NY	1/2/2024	0.06	2,418	$370.98
No. 4	1.4 Miles	1530-1532 3rd Avenue, New York, NY	10/10/2023	0.12	5,000	$492.50
No. 5	3.4 Miles	470 Broadway, New York, NY	7/7/2023	0.08	3,350	$470.43

COMPARABLE 1



LOCATION INFORMATION	
Name	Development Site
Address	34 Union Square
City, State, Zip Code	New York, NY, 10003
County	New York
APN	M / 871 / 82

SALE INFORMATION	
Buyer	Riese Organization
Seller	T30 Capital
Transaction Date	10/24/2024
Transaction Status	Recorded
Transaction Price	$11,230,972
Analysis Price	$10,000,000
Recording Number	2.024E+12
Rights Transferred	Fee Simple
Financing	All Cash
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION	
Location	Average
Site Size (Net)	0.08 Acres (3,250 SF)
Site Size (Gross)	0.08 Acres (3,250 SF)
Zoning	C6-4 & C-2A
Shape	Rectangular
Topography	Level
Access	Average
Exposure	Average
Corner	Yes
Utilities	No

DEVELOPMENT SITE

ANALYSIS INFORMATION		
Price	$/FAR	$/SF
Gross	$384.62	$3,076.92
Net	$384.62	$3,076.92

CONFIRMATION		
Name	Confidential	
Company	Confidential	
Source	Knowledgeable Third Party	
Date / Phone Number	11/1/2024	Confidential

REMARKS

The asset involved in this transaction is a development site located at 34 Union Square East in Manhattan. According to the broker, the sale was completed for a total price of $10,000,000, with a buildable square footage (BSF) of 26,000 and a price per buildable square foot (PPBSF) of $384. The property has an area of 6,500 square feet and a price per square foot (PPSF) of $1,538.

At the time of sale, the site was improved with a 6,500 SF. The demolition costs are estimated at $162,500 and are included in the Analysis Price.

COMPARABLE 2

LOCATION INFORMATION

Name	Development Site
Address	8-12 West 14th Street
City, State, Zip Code	New York, NY, 10009
County	New York
MSA	New York-Northern New Jersey-Long Islan
APN	M / 577 / 34

SALE INFORMATION

Buyer	5W13 Owner LLC
Seller	Friedland W 14 Owner LLC et al
Transaction Date	05/9/2024
Transaction Status	Recorded
Transaction Price	$57,500,000
Analysis Price	$60,250,000
Recording Number	2.024E+12
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Intended Use	Vacant Land
Location	Average
Site Size (Net)	0.42 Acres (18,070 SF)
Site Size (Gross)	0.42 Acres (18,070 SF)
Zoning	C6-2/C6-2M
Shape	Generally Rectangular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	No

DEVELOPMENT SITE

ANALYSIS INFORMATION

Price	$/FAR	$/SF
Gross	$463.09	$3,334.26
Net	$463.09	$3,334.26

CONFIRMATION

Name	Confidential	
Company	Confidential	
Source	Knowledgeable Third Party	
Date / Phone Number	08/20/2024	Confidential

REMARKS

This property consists of a 110,000 SF multi-story office building that was purchased vacant for redevelopment. The site has frontage on both West 13th and West Streets. Due to its frontage on West 14th Street, the site benefits from additional allowable FAR (wide street). This is a mid-block site. The property sold in May 2024 for $57,500,000. The sale price was adjusted upward for demolition costs of $25.00 PSF.

COMPARABLE 3

LOCATION INFORMATION

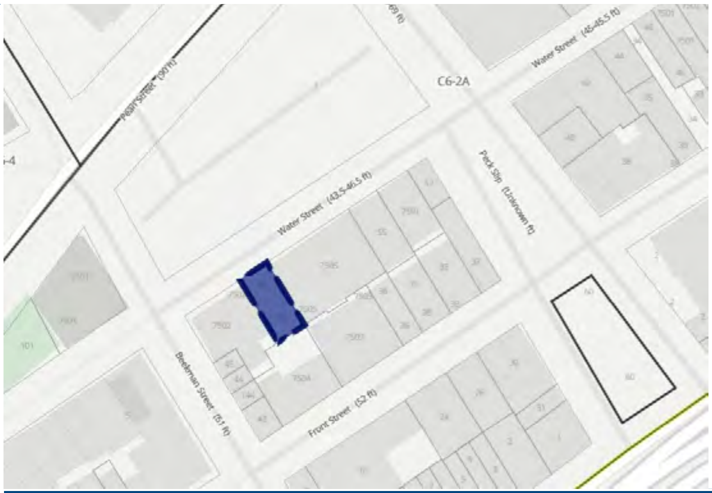
Address	233-235 Water Street
City, State, Zip Code	New York, NY, 10038
County	New York
APN	M / 97 / 49

SALE INFORMATION

Buyer	Roebling Residential LLC
Seller	Balom Realty Corp
Transaction Date	01/2/2024
Transaction Status	Recorded
Transaction Price	$5,400,000
Analysis Price	$5,400,000
Recording Number	2.024E+12
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Location	Average
Site Size (Net)	0.06 Acres (2,418 SF)
Site Size (Gross)	0.06 Acres (2,418 SF)
Zoning	C6-2A / LM
Shape	Rectangular
Topography	Level
Access	Average
Exposure	Average
Corner	No
Utilities	Yes



ANALYSIS INFORMATION

Price	$/FAR	$/SF
Gross	$370.97	$2,233.25
Net	$370.97	$2,233.25

CONFIRMATION

Name	Confidential	
Company	Confidential	
Source	Know ledgeable Third Party	
Date / Phone Number	06/19/2024	Confidential

REMARKS

This is a development site on the east side of Water Street betw een Beekman Street and Peck Slip. At the time of sale, this property w as improved w ith a 4,836 square foot building that w as vacant at the time of sale.

COMPARABLE 4

LOCATION INFORMATION

Name	Development Site
Address	1530-1532 3rd Avenue
City, State, Zip Code	New York, NY, 10028
County	New York
MSA	New York-Northern New Jersey-Long Islan
APN	M / 1515 / 33

SALE INFORMATION

Buyer	ZDJ E 86 LLC
Seller	Extell Development Company
Transaction Date	10/10/2023
Transaction Status	Recorded
Transaction Price	$24,500,000
Analysis Price	$24,625,000
Recording Number	2.023E+12
Rights Transferred	Fee Simple
Financing	Conventional
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION

Intended Use	Vacant Land
Location	Average
Site Size (Net)	0.12 Acres (5,000 SF)
Site Size (Gross)	0.12 Acres (5,000 SF)
Zoning	C2-8A
Development Potential	50000
Shape	Rectangular
Topography	Level
Access	Average
Exposure	Average
Corner	Yes
Utilities	Yes

DEVELOPMENT SITE

ANALYSIS INFORMATION

Price	$/FAR	$/SF	$/Unit
Gross	$492.50	$4,925.00	$493
Net	$492.50	$4,925.00	$493

CONFIRMATION

Name	Know ledgeable Third Party	
Company	Confidential	
Source	Know ledgeable Third Party	
Date / Phone Number	12/11/2023	Confidential

REMARKS

This property consists of a one-story, 5,000 square foot retail center that is vacant. The property has development potential of up to 50,000 square feet (residential) based upon the current C2-A zoning. The site has corner frontage and exposure on both East 86th Street and Third Avenue. The property sold in October 2023 for $24,500,000 for redevelopment. Demolition costs of $25.00 PSF have been added to the sale price.

COMPARABLE 5

LOCATION INFORMATION	
Address	470 Broadway
City, State, Zip Code	New York, NY, 10013
County	New York
APN	0473-0005

SALE INFORMATION	
Buyer	Thor Equities
Seller	Msbam 2012-C6 Broadway LLC
Transaction Date	07/7/2023
Transaction Status	Recorded
Transaction Price	$8,077,750
Analysis Price	$7,879,750
Recording Number	2.023E+12
Rights Transferred	Fee Simple
Conditions of Sale	Arms-Length

PHYSICAL INFORMATION	
Location	Average
Site Size (Net)	0.08 Acres (3,350 SF)
Site Size (Gross)	0.08 Acres (3,350 SF)
Zoning	M1-5/R9X
Shape	Rectangular
Topography	Flat
Access	Average
Exposure	Average
Corner	No
Utilities	No

ANALYSIS INFORMATION		
Price	$/FAR	$/SF
Gross	$470.43	$2,352.16
Net	$470.43	$2,352.16

CONFIRMATION		
Name	Confidential	
Company	Confidential	
Source	Knowledgeable Third Party	
Date / Phone Number	12/7/2023	Confidential

REMARKS

Special Servicer LNR Partners sold this 6,600 building to Thor Equities for $8,077,750, or $1,233.90 per SF. The property fully vacant at the time of sale. The property was on the market for less than two months. This was a Ten-X Auction sale. The buyer turned over the property to its lender, LNR Partners, in October 2022 as a deed-in-lieu-of-foreclosure transaction after they were delinquent on the loan. Although this was not vacant land sale, this comparable is zoned M1-5 which allows a buildable FAR of 5.0, or a maximum building size of 16,750 SF on its 3,350 SF site. A $198,000 demolition cost ($30/SF for the 6,600 SF building) was subtracted from the sale price and is reflected as the analysis price.

LAND SALES ADJUSTMENT TABLE

COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5
Name	Two Sutton Place North	Development Site	Development Site	-	Development Site	-
Address	1113 York Avenue	34 Union Square	8-12 West 14th Street	233-235 Water Street	1530-1532 3rd Avenue	470 Broadway
City	New York	New York	New York	New York	New York	New York
Acres	0.62	0.08	0.42	0.06	0.12	0.08
Site SF	26,956	3,250	18,070	2,418	5,000	3,350
FAR	10.0 : 1	8.0 : 1	7.2 : 1	6.0 : 1	10.0 : 1	5.0 : 1
Max Bldg SF	269,560	26,000	130,104	14,556	50,000	16,750
Zoning	C4-7, C6-3	C6-4 & C-2A	C6-2/C6-2M	C6-2A / LM	C2-8A	M1-5/R9X
Corner	Yes	Yes	No	No	Yes	No
SALE INFORMATION						
Date		10/24/2024	5/9/2024	1/2/2024	10/10/2023	7/7/2023
Status		Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Analysis Price		$10,000,000	$60,250,000	$5,400,000	$24,625,000	$7,879,750
Price/SF/FAR		$384.62	$463.09	$370.98	$492.50	$470.43
TRANSACTIONAL ADJUSTMENTS						
Property Rights		0%	0%	0%	0%	0%
Financing		0%	0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	0%	0%
Expenditures After the Sale		0%	0%	0%	0%	0%
Market Conditions[1]		0%	0%	0%	0%	0%
Subtotal Transactional Adj Price		$384.62	$463.09	$370.98	$492.50	$470.43
PROPERTY ADJUSTMENTS						
Location		10%	10%	10%	10%	5%
Size		10%	10%	10%	10%	10%
Exposure		0%	5%	5%	0%	5%
Access		0%	0%	0%	0%	0%
Shape		0%	0%	0%	0%	0%
Site Utility Rating		0%	0%	0%	0%	0%
Subtotal Property Adjustment		20%	25%	25%	20%	20%
TOTAL ADJUSTED PRICE		**$461.54**	**$578.86**	**$463.73**	**$591.00**	**$564.52**

STATISTICS	UNADJUSTED	ADJUSTED
LOW	$370.98	$461.54
HIGH	$492.50	$591.00
MEDIAN	$463.09	$564.52
AVERAGE	$436.32	$531.93

[1] Market Conditions Adjustment: 0%

Date of Value (for adjustment calculations): 3/31/25

LAND SALES ANALYSIS

Introduction

The comparable land sales indicate an adjusted value range from $461.54 to $591.00/SF/FAR, with a median of $564.52/SF/FAR and an average of $531.93/SF/FAR. The range of total gross adjustment applied to the comparables was from 20% to 25%, with an average gross adjustment across all comparables of 22%. The level of total adjustment applied to the comparables is considered to be moderate. Overall, the availability of market data and extent of analysis was adequate to develop a reasonably credible opinion of land value. The adjustment process for each comparable land sale is discussed in the following paragraphs.

Discussion of Adjustments

Comparable 1 ($461.54/SF/FAR adjusted) did not require any transaction adjustments. This sale is located in a neighborhood that is considered inferior to the subject due to proximity to employment centers, mass transportation and neighborhood amenities; thus an upward Location adjustment is required. This sale is larger than the subject; thus an upward Size adjustment is required.

Comparable 2 ($578.86/SF/FAR adjusted) did not require any transaction adjustments. This sale is located in a neighborhood that is considered inferior to the subject due to proximity to employment centers, mass transportation and neighborhood amenities; thus an upward Location adjustment is required. This sale is larger than the subject; thus an upward Size adjustment is required. This sale has inferior exposure as compared to the subject; thus an upward adjustment is required.

Comparable 3 ($463.73/SF/FAR adjusted) did not require any transaction adjustments. This sale is located in a neighborhood that is considered inferior to the subject due to proximity to employment centers, mass transportation and neighborhood amenities; thus an upward Location adjustment is required. This sale is larger than the subject; thus an upward Size adjustment is required. This sale has inferior exposure as compared to the subject; thus an upward adjustment is required.

Comparable 4 ($591.00/SF/FAR adjusted) did not require any transaction adjustments. This sale is located in a neighborhood that is considered inferior to the subject due to proximity to employment centers, mass transportation and neighborhood amenities; thus an upward Location adjustment is required. This sale is larger than the subject; thus an upward Size adjustment is required.

Comparable 5 ($564.52/SF/FAR adjusted) did not require any transaction adjustments. This sale is located in a neighborhood that is considered inferior to the subject due to proximity to employment centers, mass transportation and neighborhood amenities; thus an upward Location adjustment is required. This sale is larger than the subject; thus an upward Size adjustment is required. This sale has inferior exposure as compared to the subject; thus an upward adjustment is required.

LAND VALUE CONCLUSION

The comparable land sales indicate an adjusted value range from $461.54 to $591.00/SF/FAR, with a median of $564.52/SF/FAR and an average of $531.93/SF/FAR. Based on the results of the preceding analysis, Comparable 1 ($461.54/SF/FAR adjusted), Comparable 2 ($578.86/SF/FAR adjusted) and Comparable 4 ($591.00/SF/FAR adjusted) are given primary consideration for the subject's opinion of land value.

The following table summarizes the analysis of the comparables, reports the reconciled price per square foot per floor-to-area ratio (FAR) value conclusion, and presents the concluded value of the subject site.

CALCULATION OF LAND VALUE

COMP	ANALYSIS PRICE	ADJUSTMENT TRANSACTIONAL[1]	ADJUSTMENT ADJUSTED	ADJUSTMENT PROPERTY[2]	ADJUSTMENT FINAL	NET ADJ %	GROSS ADJ %	OVERALL COMPARISON
1	$384.62	0%	$384.62	20%	**$461.54**	20%	20%	PRIMARY
2	$463.09	0%	$463.09	25%	**$578.86**	25%	25%	PRIMARY
3	$370.98	0%	$370.98	25%	**$463.73**	25%	25%	SECONDARY
4	$492.50	0%	$492.50	20%	**$591.00**	20%	20%	PRIMARY
5	$470.43	0%	$470.43	20%	**$564.52**	20%	20%	SECONDARY
LOW	**$461.54**					**AVERAGE**		**$531.93**
HIGH	**$591.00**					**MEDIAN**		**$564.52**

COMPONENT	SUBJECT ZFA		$/SF/FAR CONCLUSION		VALUE
TOTAL PROPERTY	**257,948**	**x**	**$530.00**	**=**	**$136,700,000**

[1]Cumulative [2]Additive

Rounded to nearest $100,000

RETROSPECTIVE VALUE ESTIMATE (2024)

At the request of the client, we have also included a Retrospective Value Estimate as of December 31, 2024.

The following table illustrates the residential rent roll summary from December 31, 2024.

SUBJECT LEASING INFORMATION

UNIT TYPE	UNIT SUMMARY OCC	VAC	TOT	UNITS PERCENT OF TOTAL	AVG UNIT SF	NRA SF	UNIT % OCC-UPIED	ACTUAL RENT PER UNIT AVERAGE	TOTAL $/MO	AVG $/SF
Studio FM	34	0	34	16.3%	559	19,006	100%	$4,186	$142,334	$7.49
1 BR FM	96	0	96	45.9%	807	77,499	100%	$5,703	$547,503	$7.06
1 BR RS	6	0	6	2.9%	836	5,016	100%	$4,831	$28,988	$5.78
2 BR FM	33	1	34	16.3%	1,346	45,754	97%	$9,663	$318,881	$7.18
2 BR RS	2	0	2	1.0%	1,319	2,638	100%	$7,643	$15,287	$5.79
3 BR FM	34	1	35	16.7%	1,792	62,714	97%	$12,892	$438,322	$7.19
3 BR RS	2	0	2	1.0%	1,749	3,498	100%	$7,875	$15,750	$4.50
TOTAL/AVG	**207**	**2**	**209**	**100%**	**1,034**	**216,125**	**99.0%**	**$7,281**	**$1,507,064**	**$7.09**

The above rents reflect the occupied units. The potential gross residential income is calculated as follows:

APARTMENT POTENTIAL GROSS INCOME

UNIT TYPE	UNITS	VAC	SF	CONTRACT RENT (BLENDED)[1] $/UNIT (MO.)	MONTHLY	ANNUALLY	CONCLUDED MARKET RENT $/UNIT (MO.)	MONTHLY	ANNUALLY	CONTRACT V. MARKET
Studio FM	34	0	559	$4,186	$142,334	$1,708,004	$4,428	$150,543	$1,806,511	94.5%
1 BR FM	96	0	807	$5,703	$547,503	$6,570,030	$5,703	$547,503	$6,570,030	100.0%
1 BR RS	6	0	836	$4,831	$28,988	$347,858	$4,831	$28,988	$347,858	100.0%
2 BR FM	34	1	1,346	$9,678	$329,068	$3,948,815	$10,187	$346,356	$4,156,273	95.0%
2 BR RS	2	0	1,319	$7,643	$15,287	$183,440	$7,643	$15,287	$183,440	100.0%
3 BR FM	35	1	1,792	$12,890	$451,167	$5,414,006	$12,846	$449,593	$5,395,117	100.4%
3 BR RS	2	0	1,749	$7,875	$15,750	$189,000	$7,875	$15,750	$189,000	100.0%
TOTAL	**209**	**2**	**216,125**	**$7,321**	**$1,530,096**	**$18,361,153**	**$7,435**	**$1,554,019**	**$18,648,230**	**98.5%**

[1] **Contract + Market (Vacant Units Projected At Market Level)**

In our analysis, we have applied the full market rent in our forecast of potential gross income. To estimate the residential market rent for the December 31, 2024 retrospective valuation, we conducted a rental survey of comparable buildings rented as of the date of value. Our forecast is presented in the table that follows. As we expect units to turn over the next 12 months; the loss to lease over this period will be deducted from the value conclusion as a one-time deduction.

The taxes in 2024 were calculated as follows:

TAX CALCULATION (2024/2025)

Block / Lot	Assessed Value		Tax Rate		Tax Liability
1455/21	$29,084,850	×	$12.500	=	$3,635,606

<u>Expenses</u>

With respect to operating expenses in our retrospective values, investors typically model 3.0% increases per year. Therefore, apart from real estate taxes and management cost, we projected expenses that are adjusted based on an annual factor of 3.0% per annum from our concluded March 31, 2025 expense conclusions.

<u>Cap Rates</u>

As of December 31, 2024, the 10-Year Treasury was 4.58%, which is 60 basis points higher than the prior year. The 10-year U.S. Treasury yield has significantly increased since 2020. In August 2020, it was at 0.51%. The

10-year Treasury yield started at a very low level in 2020, influenced by the COVID-19 pandemic and the Federal Reserve's aggressive response. Several factors have contributed to the rising yields, including persistent inflation, strong economic growth, and heightened macroeconomic uncertainty.

We have compared the 10-year Treasury Rate to the Average Cap Rate from the PwC survey for that period. As of the 4th Quarter 2024, the average National Apartment Market overall capitalization rate was 5.16%, suggesting a spread of 58 basis points. This spread is the tightest that it's been over the past three years.

The 4thquarter 2024 PwC survey indicated the following:

CAPITALIZATION RATE SURVEYS (OAR)					
SOURCE	QUARTER	RANGE			AVG
PriceWaterhouse Coopers					
National Apartment Market	4Q 24	4.00%	to	6.25%	5.16%
AVERAGE		**4.00%**	**to**	**6.25%**	**5.16%**

The subject is institutional-grade investment and would compete with the properties that are surveyed in the above chart. As noted, in the current valuation we have concluded to a cap rate that is within the investor survey range. As such, the subject would have commanded a cap rate of 4.25% in the 4th quarter of 2024.

The following table summarizes our opinion of market value via direct capitalization.

DIRECT CAPITALIZATION SUMMATION TABLE - 12/31/2024

INCOME ITEMS	%PGI	%EGI	$/SF	$/UNIT	TOTAL
Potential Rental Income			$65.70	$89,226	$18,648,230
Retail Income			$0.70	$955	$199,619
Parking Income			$2.61	$3,545	$741,000
Retail and Parking Reimbursements			$0.09	$118	$24,760
TOTAL RENTAL INCOME			**$69.10**	**$93,845**	**$19,613,609**
OTHER INCOME					
Other Income			$0.91	$1,235	$258,065
Storage Income			$0.01	$9	$1,985
Amenity Income			$0.91	$1,235	$258,065
Cable			$0.38	$522	$109,181
Padle Ball Lease			$2.20	$2,990	$625,000
TOTAL OTHER INCOME			**$4.41**	**$5,992**	**$1,252,295**
POTENTIAL GROSS INCOME (PGI)			**$73.51**	**$99,837**	**$20,865,904**
INCOME LOSS	**%PGI**		**$/SF**	**$/UNIT**	**TOTAL**
Residential Vacancy & Credit Loss	(3.0%)		($1.97)	($2,677)	($559,447)
Retail Vacancy & Credit Loss	(5.5%)		($0.04)	($59)	($12,341)
Parking Vacancy & Credit Loss	0.0%		-	-	$0
Other Vacancy & Credit Loss	(3.0%)		($0.13)		($37,569)
TOTAL INCOME LOSS	**(2.8%)**		**($2.15)**	**($2,916)**	**($609,357)**
EFFECTIVE GROSS INCOME (EGI)	**92.6%**		**$71.36**	**$96,921**	**$20,256,547**
EXPENSE ITEMS	**%PGI**	**%EGI**	**$/SF**	**$/UNIT**	**TOTAL**
Real Estate Taxes	(16.6%)	(17.1%)	($12.81)	($17,395)	($3,635,606)
Property Insurance	(1.5%)	(1.5%)	($1.13)	($1,533)	($320,448)
Utilities	(1.9%)	(2.0%)	($1.49)	($2,022)	($422,602)
Repairs & Maintenance	(2.8%)	(2.9%)	($2.13)	($2,898)	($605,730)
Off-Site Management	(1.4%)	(1.5%)	($1.09)	($1,480)	($309,387)
Payroll	(3.6%)	(3.8%)	($2.81)	($3,815)	($797,310)
General & Administrative	(0.5%)	(0.5%)	($0.40)	($539)	($112,694)
Reserves	(0.2%)	(0.2%)	($0.18)	($248)	($51,839)
TOTAL EXPENSES	**(28.6%)**	**(29.4%)**	**($22.04)**	**($29,931)**	**($6,255,618)**
NET OPERATING INCOME (NOI)	**64.0%**	**65.9%**	**$49.33**	**$66,990**	**$14,000,930**
Capitalization Rate					4.15%
Capitalized Value					$337,371,796
INDICATED VALUE			**$1,188**	**$1,614,115**	**$337,350,000**
Less: Residential Rent Loss					($143,538)
Less: Padle Ball Lease - 4 months rent loss					($208,333)
AS-IS MARKET VALUE			**$1,187**	**$1,612,440**	**$337,000,000**
					Rounded to nearest $50,000

The paddle ball leases commences in May 2025, thus we deducted 5 months of rent loss.

RETROSPECTIVE VALUE ESTIMATE (2023)

At the request of the client, we have also included a Retrospective Value Estimate as of December 31, 2023.

The following table illustrates the residential rent roll summary from December 31, 2023.

SUBJECT LEASING INFORMATION

UNIT TYPE	UNIT SUMMARY OCC	VAC	TOT	UNITS PERCENT OF TOTAL	AVG UNIT SF	NRA SF	UNIT % OCC-UPIED	ACTUAL RENT PER UNIT AVERAGE	TOTAL $/MO	AVG $/SF
Studio FM	30	0	30	14.4%	559	16,770	100%	$4,164	$124,934	$7.45
Studio RS	4	0	4	1.9%	559	2,236	100%	$4,350	$17,400	$7.78
1 BR FM	78	0	78	37.3%	811	63,256	100%	$5,774	$450,363	$7.12
1 BR RS	24	0	24	11.5%	802	19,259	100%	$5,255	$126,127	$6.55
2 BR FM	29	0	29	13.9%	1,350	39,159	100%	$9,726	$282,045	$7.20
2 BR RS	7	0	7	3.3%	1,319	9,233	100%	$8,632	$60,422	$6.54
3 BR FM	28	1	29	13.9%	1,801	52,220	97%	$13,076	$366,134	$7.26
3 BR RS	8	0	8	3.8%	1,749	13,992	100%	$10,992	$87,938	$6.28
TOTAL/AVG	**208**	**1**	**209**	**100%**	**1,034**	**216,125**	**99.5%**	**$7,285**	**$1,515,364**	**$7.05**

APARTMENT POTENTIAL GROSS INCOME

UNIT TYPE	UNITS	VAC	SF	CONTRACT RENT (BLENDED)[1] $/UNIT (MO.)	MONTHLY	ANNUALLY	CONCLUDED MARKET RENT $/UNIT (MO.)	MONTHLY	ANNUALLY	CONTRACT V. MARKET
Studio FM	30	0	559	$4,164	$124,934	$1,499,204	$4,299	$128,963	$1,547,554	96.9%
Studio RS	4	0	559	$4,350	$17,400	$208,800	$4,350	$17,400	$208,800	100.0%
1 BR FM	78	0	811	$5,774	$450,363	$5,404,362	$5,975	$466,052	$5,592,629	96.6%
1 BR RS	24	0	802	$5,255	$126,127	$1,513,526	$5,255	$126,127	$1,513,526	100.0%
2 BR FM	29	0	1,350	$9,726	$282,045	$3,384,545	$9,890	$286,817	$3,441,802	98.3%
2 BR RS	7	0	1,319	$8,632	$60,422	$725,067	$8,632	$60,422	$725,067	100.0%
3 BR FM	29	1	1,801	$13,055	$378,605	$4,543,265	$12,471	$361,670	$4,340,039	104.7%
3 BR RS	8	0	1,749	$10,992	$87,938	$1,055,251	$10,992	$87,938	$1,055,251	100.0%
TOTAL	**209**	**1**	**216,125**	**$7,310**	**$1,527,835**	**$18,334,020**	**$7,346**	**$1,535,389**	**$18,424,668**	**99.5%**

[1] Contract + Market (Vacant Units Projected At Market Level)

In our analysis, we have applied the full market rent in our forecast of potential gross income. To estimate the residential market rent for the December 31, 2023 retrospective valuation, we conducted a rental survey of comparable buildings rented as of the date of value. Our forecast is presented in the table that follows. As we expect units to turn over the next 12 months; the loss to lease over this period will be deducted from the value conclusion as a one-time deduction.

The taxes in 2023 were calculated as follows:

TAX CALCULATION (2023/2024 TAX YEAR)

Block / Lot	Assessed Value		Tax Rate		Tax Liability
1455/21	$28,071,450	×	$12.267	=	$3,443,525

Expenses

With respect to operating expenses in our retrospective values, investors typically model 3.0% increases per year. Therefore, apart from real estate taxes and management cost, we projected expenses that are adjusted based on an annual factor of 3.0% per annum from our concluded December 31, 2024 expense conclusions.

Cap Rates

As of December 31, 2023, the 10-Year Treasury was 3.88%, which was the same as the prior year. In August 2020, it was at 0.51%. The 10-year Treasury yield started at a very low level in 2020, influenced by the COVID-19 pandemic and the Federal Reserve's aggressive response. Several factors have contributed to the rising yields, including persistent inflation, strong economic growth, and heightened macroeconomic uncertainty.

We have compared the 10-year Treasury Rate to the Average Cap Rate from the PwC survey for that period. As of the 4th Quarter 2023, the average National Apartment Market overall capitalization rate was 5.59%, suggesting a spread of 171 basis points. This spread is wider than the prior year spread.

The 4thquarter 2023 PwC survey indicated the following:

CAPITALIZATION RATE SURVEYS (OAR)					
SOURCE	QUARTER	RANGE			AVG
PriceWaterhouse Coopers					
National Apartment Market	4Q 23	4.00%	to	8.00%	5.59%
AVERAGE		**4.00%**	**to**	**8.00%**	**5.59%**

The subject is institutional-grade investment and would compete with the properties that are surveyed in the above chart. We have used the selected capitalization rate for the December 31, 2024 valuation for the basis for selecting an appropriate overall capitalization rate as of December 31, 2023. The average 4Q 24 PwC cap rate was 5.16%, which is about 43 basis points lower than the 4Q 23 PwC average of 5.59%. As such, we have adjusted the 4Q 24 cap rate by about 35 basis points. As such, the subject would have commanded a cap rate of 4.50% in the 4*th* quarter of 2023.

The following table summarizes our opinion of market value via direct capitalization.

DIRECT CAPITALIZATION SUMMATION TABLE - 12/31/2023

INCOME ITEMS	%PGI	%EGI	$/SF	$/UNIT	TOTAL
Potential Rental Income			$64.91	$88,156	$18,424,668
Retail Income			$0.70	$955	$199,619
Parking Income			$2.54	$3,445	$720,000
Retail and Parking Reimbursements			$0.09	$118	$24,760
TOTAL RENTAL INCOME			**$68.24**	**$92,675**	**$19,369,047**
OTHER INCOME					
Other Income			$0.22	$300	$62,682
Storage Income			$0.05	$63	$13,228
Amenity Income			$0.91	$1,233	$257,768
Cable			-	-	$0
TOTAL OTHER INCOME			**$1.18**	**$1,597**	**$333,678**
POTENTIAL GROSS INCOME (PGI)			**$69.41**	**$94,271**	**$19,702,725**
INCOME LOSS	**%PGI**		**$/SF**	**$/UNIT**	**TOTAL**
Residential Vacancy & Credit Loss	(3.0%)		($1.95)	($2,645)	($552,740)
Retail Vacancy & Credit Loss	(5.5%)		($0.04)	($53)	($10,979)
Parking Vacancy & Credit Loss	0.0%		-	-	$0
Other Vacancy & Credit Loss	(3.0%)		($0.04)	($48)	($10,010)
TOTAL INCOME LOSS	**(2.6%)**		**($2.02)**	**($2,745)**	**($573,729)**
EFFECTIVE GROSS INCOME (EGI)	**87.4%**		**$67.39**	**$91,526**	**$19,128,996**
EXPENSE ITEMS	**%PGI**	**%EGI**	**$/SF**	**$/UNIT**	**TOTAL**
Real Estate Taxes	(15.7%)	(16.2%)	($12.13)	($16,476)	($3,443,525)
Property Insurance	(1.4%)	(1.5%)	($1.10)	($1,489)	($311,115)
Utilities	(1.8%)	(1.9%)	($1.42)	($1,931)	($403,642)
Repairs & Maintenance	(2.7%)	(2.8%)	($2.07)	($2,814)	($588,088)
Off-Site Management	(1.4%)	(1.5%)	($1.09)	($1,480)	($309,387)
Payroll	(3.5%)	(3.6%)	($2.73)	($3,704)	($774,087)
General & Administrative	(0.5%)	(0.5%)	($0.39)	($524)	($109,412)
Reserves	(0.2%)	(0.2%)	($0.18)	($241)	($50,329)
TOTAL EXPENSES	**(27.4%)**	**(28.2%)**	**($21.10)**	**($28,658)**	**($5,989,585)**
NET OPERATING INCOME (NOI)	**60.0%**	**61.8%**	**$46.29**	**$62,868**	**$13,139,411**
Capitalization Rate					4.50%
Capitalized Value					$291,986,914
INDICATED VALUE			**$1,029**	**$1,397,129**	**$292,000,000**
Less: Residential Rent Loss					($45,324)
AS-IS MARKET VALUE			**$1,029**	**$1,396,890**	**$291,950,000**

Rounded to nearest $50,000

Professional Service Agreement

1114 Avenue of the Americas, 11th Floor
New York, NY, 10036
MAIN +1 212 716 3500
www.colliers.com/valuationadvisory

March 12, 2025

Tony O'Sullivan, MAI, MRICS
Executive Managing Director | Northeast
Direct +1 212 207 8057
tony.osullivan@colliers.com

Matthew Keller
GO Partners, LLC
80 Fifth Avenue, Suite 1201
New York, NY 10011
Office: 212.725.9202
Email: matt@blackspruce llc.com

RE: Appraisal of Five Multifamily Properties in New York, NY

Dear Mr. Keller:

Thank you for considering Colliers International Valuation & Advisory Services, LLC for the assignment identified in the below stated Professional Service Agreement. Please sign one copy of the agreement and return it to me, thereby indicating your authorization for us to proceed with this assignment and your acceptance of the attached Terms and Conditions.

PROFESSIONAL SERVICE AGREEMENT ("Agreement")	
Project	Five multifamily apartment buildings ("Property")
Location	One Sutton Place (420 E 61st St), New York, NY Two Sutton Place (1113 York Ave), New York, NY 1 East River Drive (525 E 72nd St), New York, NY 685 First Avenue, New York, NY American Copper Buildings (626 First Ave), New York, NY
Project Description	One Sutton Place – A two building, 41-story, luxury apartment building with a commercial component, containing 234 apartment units. Two Sutton Place – A 37-story, luxury apartment building containing 209 units and a parking garage. 1 East River Drive – A 50-story, luxury apartment building containing 415 apartment units. 685 First Ave – A 43-story, luxury mixed-use condominium building that contains individual condominium units for the rental apartments, retail and parking garage components, but does not include the individual condominium apartments situated within the upper floors of the asset which are not part of the collateral. American Copper Buildings – A two building, 48-story, luxury apartment complex with a commercial component, containing 761 apartment units.
Parties	Colliers International Valuation & Advisory Services, LLC ("CIVAS") and GO Partners, LLC (herein at times referred to as "Client")
Intended User	The appraisal will be prepared for GO Partners, LLC. Intended users include the Client and its financial advisors and auditors. No other users are intended.

Intended Use	The reports to be performed under this Agreement ("Appraisal") are intended for use for IFRS compliance and equity offering process in conjunction with a Canadian IPO, with approval of the reports to be posted on SEDAR as part of a prospectus in accordance with Canadian securities laws. The reports are not intended for any other use.
Purpose	Fair Value (as defined by IFRS)
Type of Appraisal	CIVAS will produce Appraisal Reports in which the appraiser's analysis and conclusions will be summarized within the documents.
Rights Appraised	Leased Fee
Dates of Value	1 Sutton Place – 11/23/2022 (PPA on acquisition date), 12/31/2023, 12/31/2024, 3/31/2025 2 Sutton Place – 11/23/2022 (PPA on acquisition date), 12/31/2023, 12/31/2024, 3/31/2025 1 East River – 11/23/2022 (PPA on acquisition date), 12/31/2023, 12/31/2024, 3/31/2025 626 First Ave – 3/1/2022 (PPA on acquisition date), 12/31/2022, 12/31/23, 12/31/2024, 3/31/2025 685 First Ave – 9/3/2022 (PPA on acquisition date), 12/31/2022, 12/31/2023, 12/31/2024, 3/31/2025
Scope of Work	CIVAS will provide the Appraisals in accordance with CUSPAP, as well as IFRS accounting treatment for business combinations and asset acquisitions (initial recognition), and the Code of Ethics and Certifications Standards of the Appraisal Institute and State Licensing Laws. CIVAS will research relevant market data and perform analysis to the extent necessary to produce credible appraisal results. Purchase Price Allocation (as of acquisition date): **Tangible Assets** › Land › Land Improvements › Building(s) › FF&E **Intangible Assets & Liabilities** › Lease-based intangibles (if any) › Assumed Debt (if any) For the subsequent measurement dates indicated above, CIVAS will estimate the Fair Value of each asset and provide the following valuation scenarios: › As Is › As Stabilized (if applicable) CIVAS anticipates developing the following valuation approaches (as applicable): › Cost Approach › Sales Comparison Approach › Income Capitalization Approach (Direct Capitalization) › Insurable Value An interior observation of the subject property will be performed. The scope of work will be included in the Appraisal. A copy of the Assumptions and Limiting Conditions, which appear in the Appraisal, is available upon request.
Delivery	Draft Appraisal: Delivered twenty (20) business days from the date of authorization and receipt of property-specific information. Final Appraisal: Delivered three (3) days after completion of client review and authorization to deliver final report(s).
Professional Fee	**Total Fees - $98,700** (see attached schedule)
Expenses	Fees include all associated expenses.
No. of Reports	One (1) Electronic Draft Appraisal and One (1) Electronic Final Appraisal per property. No printed copies will be delivered to the client.
Retainer	None Please send notification to CIVASAccounting@colliers.com when payment has been sent.

Payment Terms	CIVAS will invoice Client for the Appraisal in its entirety (less retainer) at the delivery of the draft appraisal. Final payment is due and payable within five (5) business days upon delivery of the electronic copy of the Final Appraisal or within thirty (30) days of your receipt of our Draft Appraisal, whichever is sooner. If a Draft Appraisal is requested, the fee is considered earned upon delivery of our Draft Appraisal.
Acceptance Date	These specifications are subject to modification if this Agreement is not accepted within three (3) business days from the date of this letter.

Terms and Conditions

The attached Terms and Conditions and Specific Property Data Request are deemed a part of this Agreement as though set forth in full herein. The following is a list of information needed to begin and complete our analysis. The Client signing this Agreement or the party sending the specific property data certifies that all the information provided is accurate and complete as of the date of this request, and that any updates, revisions or additional relevant information that comes into control or possession of the Client prior to the date on which the Appraisal is delivered shall be provided to CIVAS immediately. Please forward with the Agreement or as soon as possible.

- Purchase Sale Agreements
- Closing Statements
- Acquisition Models & Related Analysis
- Fixed Asset Registers
- Offering Memorandum
- Assumed Debt Terms & Amortization Schedules
- Survey with Legal Description & Site Size
- Title Report
- Wetland Delineation Map (if applicable)
- Engineering studies, soil tests or environmental assessments
- Ground lease (if applicable)
- Existing Building or Improvement Plans
- Individual Floor or Unit Plans
- Current County Property Tax Bill
- Details on any Sale, Contract, or listing of the property in the past 3 years
- Construction Cost/Budget (within past 3 years)
- Detailed list of personal property items
- Property Condition Report
-
- Details regarding the historical and future replacement schedule (i.e., carpets, appliances, cabinetry, laundry facilities, HVAC, etc.)
- Capital improvements history (2 years) & budget
- Three year & YTD Income & Expenses
- Current Budget
- Detailed occupancy report for the past 3 years and YTD
- Detailed current certified rent roll indicating any vacant units and in-place rents
- Details regarding any pending changes to the rent roll including any negotiated side deals to delay or forgive rent payments
- Aged Accounts/Delinquency Report
- Details regarding any concessions currently being offered for new and existing tenants
- Marketing plan and/or local competitive study, if available
- Copy of recent Appraisals or Market Studies
- Name and telephone number of property contact for physical inspection and additional information needed during the appraisal process
- Property Contact ___________________________

In addition to the items requested above, please forward any additional materials you would consider relevant in the analysis of the subject property.

Reliance Language

The Appraisal is for the sole use of the Client; however, Client may provide only complete, final copies of the Appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with the stated Intended Use. CIVAS is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow the Appraisal prepared by CIVAS or portions of such Appraisal, to become part of or be referenced in any public offering, the granting of such consent will be at our sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS, by a party satisfactory to CIVAS.

CIVAS does consent to your submission of the reports to rating agencies, loan participants or your accountants/auditors in its entirety (but not component parts) without the need to provide CIVAS with an Indemnification Agreement and/or Non-Reliance letter. CIVAS hereby expressly grants to Client the right to copy the Appraisal and distribute it to employees of Client.

If you have questions regarding the enclosed, please feel free to contact me. CIVAS appreciates this opportunity to be of service to you on this assignment and looks forward to serving you. If you have additional questions, please contact us.

I, **Matthew Keller /GO Partners, LLC**, agree to the above stated terms and authorize Colliers International Valuation & Advisory Services, LLC to prepare the above referenced appraisals.

"Matthew Keller" 4/17/25

______________________________ Date: ____________________

Matthew Keller
GO Partners, LLC

Respectfully,

Colliers International Valuation & Advisory Services, LLC

"Tony O'Sullivan"

Tony O’Sullivan, MAI, MRICS
Executive Managing Director | Northeast
Direct +1 212 207 8057
tony.osullivan@colliers.com

Terms and Conditions

"T&C"

1) The Appraisal will be subject to Colliers International Valuation & Advisory Services, LLC's ("CIVAS") Assumptions and Limiting Conditions that are incorporated into each appraisal, and any Extraordinary Assumptions and Hypothetical Conditions that may be incorporated into each appraisal.

2) Any capitalized, non-defined words shall have the same meaning as defined in the Agreement to which these T&Cs are attached.

3) Client is defined as the party signing the Agreement and shall be responsible for payment of the fees stipulated in the Agreement. Payment of the fee for the Appraisal is not contingent on the appraised value(s) or the outcome of the report(s). Additional fees will be charged on an hourly basis for any work that may exceed the scope of this proposal, including performing additional valuation scenarios, additional research, and conference calls, meetings, deposition preparation, deposition, trial testimony or travel that may exceed the time allotted by CIVAS for an assignment of this nature. If CIVAS is requested to cease working on the Appraisal for any reason prior to the completion of the appraisal(s), CIVAS will be entitled to bill the Client for the time spent to date at CIVAS' hourly rates for the personnel involved. The Client will be billed a minimum $500 or at a rate of $250 per hour for associate time, $300 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. If the Client delays completion of the assignment beyond ninety (90) days, the fee may be renegotiated. This may result in the total fee exceeding the original agreed fee agreed upon cost.

4) Client agrees to pay all fees and expenses, including attorney's fees, incurred by CIVAS in connection with the collection or attempted collection of the fees and expenses. In the event Client fails to make payments when due and payable, the amount due shall bear interest at 1.5% per month or the maximum rate permitted in the state in which the CIVAS office executing the Agreement is located, whichever is lesser.

5) The fee is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. If a draft is requested, the fee is considered earned upon delivery of our draft report.

6) In the event that either party commences any legal action relating to the provisions of the Agreement, including collection, the prevailing party shall be entitled to its actual attorneys' fees and costs. The Agreement shall be governed by and construed in accordance with the laws of the state where the CIVAS office executing the Agreement is located. The venue of any action arising out of the Agreement shall be the county where the CIVAS office executing the Agreement is located. Client will have up to thirty (30) days from receipt of the Draft Appraisal to review and communicate its review to CIVAS. CIVAS reserves the right to bill Client for additional appraisal efforts that may arise from the Client not responding within with this time period.

7) CIVAS does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to CIVAS by Client. In the event that any such information is inaccurate, misleading or incomplete, CIVAS shall have no responsibility or liability for any matters relating thereto (whether to the Client or to any third party).

8) CIVAS shall have no responsibility for legal matters, questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The Appraisal will not constitute a survey of the Property analyzed.

9) Client shall provide CIVAS with such materials with respect to the Appraisal as requested by CIVAS and which are in the possession or under the control of Client. Client shall provide CIVAS with sufficient access to the Property to be analyzed and hereby grants permission for entry, unless discussed in advance to the contrary.

10) The data gathered in the course of the Appraisal (except data furnished by Client) and the Appraisal prepared pursuant to the Agreement are, and will remain, the property of CIVAS. With respect to data provided by Client, such data shall be confidential, and CIVAS shall not disclose any information identified as confidential furnished to CIVAS. Notwithstanding the foregoing, CIVAS is authorized by Client to disclose all or any portion of the Appraisal and the related data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable CIVAS to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.

11) Unless specifically noted, CIVAS does not assume any duty to analyze or examine the Property or adjacent property for the possible presence of toxic and/or hazardous substances or materials (including but not exclusive to asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (hazardous material), or the cost of encapsulation or removal thereof) and accepts no liability regarding the issue. If such materials exist, CIVAS defers to the expertise of professionals specifically trained in analyzing the cost to remediate, which will not be a part of the appraisal fee proposal. The Appraisal will contain a comprehensive disclaimer to this effect.

12) CIVAS understands that there is no major or significant deferred maintenance in the Property which would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, and are not a part of the fee contemplated in the Agreement.

13) Client acknowledges that CIVAS is being retained hereunder as an independent contractor to perform the services described herein and nothing in the Agreement shall be deemed to create any other relationship between Client and CIVAS. The Agreement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal discussed herein.

14) Client agrees that its only remedy for losses or damages relating to the Agreement shall be limited to the amount of the appraisal fee paid by the Client and in no circumstances shall CIVAS be liable for any losses or damages in excess of this amount. Should the Client, or any other entitled party, make a claim against CIVAS, its directors, officers, employees and other affiliates and shareholders, relating to this engagement or the appraisal(s), the maximum damages recoverable from CIVAS, its directors,

officers, employees and other affiliates and shareholders, shall be the amount of funds actually collected by CIVAS under the Agreement, and no claim shall be made for any consequential or punitive damages.

15) If CIVAS or any of its employees receives a subpoena or other judicial notification to produce documents or provide testimony involving the Appraisal in connection with a lawsuit or related proceeding, CIVAS will notify the Client of receipt of the subpoena or notification. However, if CIVAS is not part of the lawsuit or proceedings, Client agrees to compensate CIVAS for the professional time required and to reimburse CIVAS for the expenses incurred in responding to any such subpoena or judicial notification, including any attorneys' fees, as they are incurred. CIVAS is to be compensated at the prevailing hourly rates of the personnel responding to the subpoena or command for testimony.

16) If expert witness testimony is required in connection with the Appraisal, the following hourly rates will apply. The Client will be billed at the rate of $250 per hour for associate time, $350 per hour for valuation services director, $400 per hour for managing director, and $450 per hour for executive managing director. The hourly billings pertain to court preparation, waiting and travel time, document review and preparation (excludes appraisal report) and all meetings related to court testimony.

17) Client shall indemnify and hold CIVAS, its parent, subsidiaries, affiliates, its officers, directors, employees and agents ("CIVAS Indemnities"), fully harmless against all losses, damages, claims, and expenses of any kind whatsoever (including costs and reasonable attorneys' fees), sustained or incurred by a third party as a result of the negligence or intentional acts or omissions of Client (including any failure to perform any duty imposed by law), any misrepresentation, distortion or if Client fails to provide complete and accurate information to CIVAS, for which recovery is sought against the CIVAS Indemnities; however, such obligation to defend and indemnify shall not apply to the extent caused by the negligent act or willful misconduct of CIVAS. Client shall indemnify and hold CIVAS Indemnities harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the Appraisal to any third party. LIMITATION OF LIABILITY. EXCEPT FOR THE INDEMNIFICATION PROVISION ABOVE, ANYTHING IN THE AGREEMENT TO THE CONTRARY NOTWITHSTANDING, UNDER NO CIRCUMSTANCES WHATSOEVER SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, OR INCIDENTAL DAMAGES OF ANY KIND WHATSOEVER.

18) CIVAS agrees to maintain Professional Liability Insurance in the amount of $1,000,000 and General Liability insurance in the amount of $2,000,000, as well as Workers Compensation per local regulatory requirements. CIVAS will endeavor to provide Client with written notice regarding any cancellation of any such insurance. CIVAS will provide Client with certificates of insurance naming Client as an additional insured on the General Liability policy upon request.

19) The Appraisal and the name Colliers International Valuation & Advisory Services may not be used in any marketing or investment material or offering memoranda without CIVAS' prior written consent. CIVAS, its employees and appraisers have no liability to any recipients of any prepared material and disclaim all liability to any party other than the Client.

20) Unless CIVAS consents in writing, the Appraisal cannot be used by any party or for any purpose other than the Client for the purposes specified in the Agreement. Should the Client provide a copy of this Appraisal to any person or entity not authorized by CIVAS in writing, Client hereby agrees to hold CIVAS, its directors, officers, employees and other affiliates and shareholders, harmless from all damages, expenses, claims and costs, including any attorney's fees. The Client acknowledges that any opinions and conclusions expressed by the professionals of CIVAS pursuant to the Agreement are made as employees and not as individuals. CIVAS' responsibility is limited to the Client, and the use of the Appraisal or related product by third parties shall be solely at the risk of the Client and/or third parties.

21) The use of this appraisal shall be used only for the purpose as set forth in the Intended Use section of the Agreement. In the event that the client wishes to use this report or portions of this report for any other purpose such as, to become part of or be referenced in, any offering or other material intended for the review of others, or to be submitted to others, will be at the Client's sole and absolute discretion and, if given, will be on condition that CIVAS will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CIVAS and the Client, by a party satisfactory to CIVAS and the Client. CIVAS does consent to Client submission of the complete Appraisal to rating agencies, loan participants or your accountants/auditors without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

FEE SCHEDULE

Property	Dates of Value	Appraisal Fee	PPA Fee	Total Fee
One Sutton Place	11/23/2022 12/31/2023 12/31/2024 3/31/2025	$13,400	$6,500	$19,900
Two Sutton Place	11/23/2022 12/31/2023 12/31/2024 3/31/2025	$13,000	$6,500	$19,500
1 East River Drive	11/23/2022 12/31/2023 12/31/2024 3/31/2025	$13,000	$6,500	$19,500
685 First Ave	3/1/2022 12/31/2022 12/31/2023 12/31/2024 3/31/2025	$13,400	$6,500	$19,900
626 First Ave	9/3/2022 12/31/2022 12/31/2023 12/31/2024 3/31/2025	$13,400	$6,500	$19,900
				$98,700

Income Statement

Acct #	Account Name	2023	2024	Q1 2025
		2 Sutton Place		
4248-0000	TOTAL RENTAL INCOME	15,311,762	17,847,483	4,495,058.61
4269-0000	TOTAL COMMERCIAL INCOME	281,916	347,202	83,617.67
4399-0000	TOTAL CONCESSIONS	(1,127,517)	(1,019,475)	(153,248)
4499-0000	NET RENTAL INCOME	14,466,161	17,175,209	4,425,427.85
4599-0000	TOTAL MISC INCOME	932,624	1,360,458	293,341.24
4999-0000	TOTAL REVENUE	15,398,785	18,535,667	4,718,769.09
4299-9500	TOTAL BAD DEBT	81,766	51,575	17,028.89
5259-0000	TOTAL INSURANCE	290,085	669,259	110,750.48
5280-0000	TOTAL TAXES	3,514,491	3,640,314	-
5399-0000	TOTAL UTILITIES	403,642	457,391	118,478.67
5499-0000	TOTAL PAYROLL AND RELATED	558,655	474,536	120,287.34
5599-0000	TOTAL ADMINISTRATIVE EXPENSES	20,687	24,036	5,481
5669-0000	TOTAL PROFESSIONAL & LEGAL FEES	153,988	185,356	47,037
5699-0000	TOTAL OTHER SERVICES	422,284	327,789	80,422.58
5799-0000	TOTAL REPAIRS AND MAINTENANCE	247,036	318,803	67,684.79
5849-0000	TOTAL CONTRACT SERVICES	194,475	143,549	40,668.97
5899-0000	TOTAL MISCELLANEOUS EXPENSES	-	6,418	510.00
5929-0000	TOTAL TURNOVER	163,707	144,640	19,297.43
5999-0000	TOTAL OPERATING EXPENSES	6,050,816	6,443,668	627,646.80
6000-0000	NET OPERATING INCOME	9,347,969	12,091,999	4,091,122.29
6999-0000	TOTAL NON OPERATING EXPENSES	2,775,959	4,856,134	2,794,421
9000-0000	NET INCOME (LOSS)	6,572,010	7,235,865	1,296,701.56

Valuation Glossary 2024

Unless specified otherwise, these definitions were extracted or paraphrased from the following sources or publications:

- The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022 (Dictionary).
- Uniform Standards of Professional Appraisal Practice, 2020-2023 Edition (USPAP).
- The Appraisal of Real Estate, Fifteenth Edition, Appraisal Institute, Chicago, Illinois, 2020 (15th Edition).

Absolute Net Lease
A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. *(Dictionary)*

Ad Valorem Tax
A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. *(15th Edition)*

Arm's-length Transaction
A transaction between unrelated parties who are each acting in his or her own best interest. *(Dictionary)*

As-Is Market Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. *(Dictionary)*

Assessed Value
The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. *(Dictionary)*

Average Daily Room Rate (ADR)
In the lodging industry, the net rooms revenue derived from the sale of guest rooms divided by the number of paid occupied rooms. *(Dictionary)*

Band of Investment
A technique in which the capitalization rates attributable to components of an investment are weighted and combined to derive a weighted-average rate attributable to the total investment. *(Dictionary)*

Cash-Equivalent Price
The sale price of a property that is equivalent to what a cash buyer would pay. *(Dictionary)*

Common Area
The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. *(Dictionary)*

Contract Rent
The actual rental income specified in a lease. *(15th Edition)*

Cost Approach
A set of procedures through which a value indication is derived for the fee simple estate by estimating the cost new as of the effective date of the appraisal to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. The contributory value of any site improvements that have not already been considered in the total cost can be added on a depreciated-cost basis. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property rights being appraised. *(Dictionary)*

Curable Functional Obsolescence
An element of depreciation; a curable defect caused by a flaw involving the structure, materials, or design, which can be practically and economically corrected. *(Dictionary)*

Debt Coverage Ratio (DCR)
The ratio of net operating income to annual debt service, which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR).* (*Dictionary)*

Deferred Maintenance
Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of a property. *(Dictionary)*

Depreciation
In appraisal, a loss in the value of improvements from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date. *(Dictionary)*

Direct Costs
Expenditures for the labor and materials used in the construction of improvements; also called *hard costs. (Dictionary)*

Discounted Cash Flow (DCF) Analysis
The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate. *(Dictionary)*

Discount Rate
A rate of return on capital used to convert future payments or receipts into present value. *(Dictionary)*

Disposition Value
The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Easement
The right to use another's land for a stated purpose. Access or right-of-way easements may be acquired by private parties or public utilities. Governments may be the beneficiaries of easements placed on privately owned land that is dedicated to conservation, open space, or preservation. *(15th Edition)*

Economic Life
The period over which improvements to real estate contribute to property value. *(Dictionary)*

Effective Age
The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. *(Dictionary)*

Effective Date
The date on which the appraisal or review opinion applies (SVP) *(Dictionary)*

Effective Gross Income (EGI)
The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. *(Dictionary)*

Effective Gross Income Multiplier (EGIM)
The ratio between the sale price (or value) of a property and its effective gross income. *(Dictionary)*

Effective Rent
The total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions - e.g. free rent, excessive tenant improvements, moving allowances, lease buyouts, cash allowances, and other lease incentives. *(15th Edition)*

Eminent Domain
The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property. *(Dictionary)*

Entrepreneurial Incentive
The amount an entrepreneur expects or wants to receive as compensation for providing coordination and expertise and assuming the risks associated with the development of a project. Entrepreneurial incentive is the expectation of future reward as opposed to the profit actually earned on the project. *(Dictionary)*

Entrepreneurial Profit
A market-derived figure that represents the amount an entrepreneur received for his or her contribution to a past project to compensate for his or her time, effort, knowledge, and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses. *(Dictionary)*

Excess Land
Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. *(Dictionary)*

Excess Rent
The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the lessor and may reflect superior management, a lease execution in an earlier, stronger rental market, or an agreement of the parties. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized or discounted at a higher rate in the income capitalization approach. *(15th Edition)*

Expense Stop
A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying any operating expenses above a stated level or amount. *(Dictionary)*

Exposure Time
An opinion, based on supporting market data, of the length of time that 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. *(USPAP)*

Extraordinary Assumption
An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. *(USPAP)*

External Obsolescence
A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent. There are two forms of external obsolescence: economic and locational. *(Dictionary)*

Fair Market Value
In nontechnical usage, a term that is equivalent to the contemporary usage of *market value*.
As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency or interpreted differently by court precedent. *(Dictionary)*

Feasibility Analysis
A study of the cost-benefit relationship of an economic endeavor. *(USPAP)*

Fee Simple Estate
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. *(Dictionary)*

Floor Area Ratio (FAR)
The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. *(Dictionary)*

Functional Obsolescence
The impairment of functional capacity of improvements according to market tastes and standards. *(Dictionary)*

Functional Utility
The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. *(Dictionary)*

Furniture, Fixtures, and Equipment (FF&E)
Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-concern
An established and operating business having an indefinite future life. *(Dictionary)*

Going-concern Value
An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern or market value of the total assets of the business*. *(Dictionary)*

Gross Building Area (GBA)
Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. *(Dictionary)*

Gross Leasable Area (GLA)
Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. *(Dictionary)*

Gross Living Area (GLA)
Total area of finished, above-grade residential space area; calculated by measuring the outside perimeter of the structure and includes only finished, habitable, above-grade living space. (Finished basements and attic areas are not generally included in total gross living area. Local practices, however, may differ.) *(Dictionary)*

Highest & Best Use
The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market

participant would have in mind for the asset when formulating the price that it would be willing to bid (IVS). *(Dictionary)*

Hypothetical Condition

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts 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. *(USPAP)*

Income Capitalization Approach

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to this approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach. *(15th Edition)*

Incurable Functional Obsolescence

An element of depreciation; a defect caused by a deficiency or superadequacy involving the structure, materials, or design that cannot be practically or economically corrected as of the effective date of the appraisal. *(Dictionary)*

Indirect Costs

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs, professional fees, financing costs and the interest paid on construction loans, taxes and the builder's or developer's all-risk insurance during construction, and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. Also called *soft costs*. *(Dictionary)*

Interim Use

The use contemplated by the market participants that the subject real estate can be put to while waiting for certain subsequent factors to occur. *(Dictionary)*

Investment Value

The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. *(Dictionary)*

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversion right when the lease expires. *(Dictionary)*

Leasehold Estate

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. *(Dictionary)*

Legal Nonconforming Use

A use that was lawfully established and maintained, but no longer conforms to the use regulations of its current zoning; sometimes known as a legally nonconforming use. *(Dictionary)*

Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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.

This definition can also be modified to provide for valuation with specified financing terms. *(Dictionary)*

Market Area

The geographic region from which a majority of demand comes and in which the majority of competition is located. Depending on the market, a market area may be further subdivided into components such as primary, secondary, and tertiary market areas, or the competitive market area may be distinguished from the general market area. *(Dictionary)*

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. *(Dictionary)*

Market Study

An analysis of the market conditions of supply, demand, and pricing for a specific property type in a specific area. *(Dictionary)*

Market Value (Most Common Non-FRT)

The most probable price, as of a specific date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue distress. *(Dictionary)*

Market Value (Interagency Guidelines)

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:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. 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 CFR, Part 34, Subpart C - Appraisals, 34.42(h))*.

Marketability Analysis

The study of how a specific property is expected to perform in a specific market. A marketability analysis expands on a market analysis by addressing a specific property. *(Dictionary)*

Neighborhood Analysis

The objective analysis of observable or quantifiable data indicating discernible patterns of urban growth, structure, and change that may detract from or enhance property values; focuses on four sets of considerations that influence value: social, economic, governmental, and environmental factors. *(Dictionary)*

Net Net Net Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called *NNN lease, triple net lease*, or *fully net lease. (Dictionary)*

Net Operating Income (NOI)

The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). *(15th Edition)*

Obsolescence

One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. *(Dictionary)*

Off-site Costs

Costs incurred in the development of a project excluding on-site costs such as grading and construction of the building and other improvements; also called *common costs* or *off-site improvement costs. (Dictionary)*

On-site Costs

Costs incurred for the actual construction of buildings and improvements on a particular site. *(Dictionary)*

Overage Rent

The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. *(15th Edition)*

Overall Capitalization Rate (OAR)

The relationship between a single year's net operating income expectancy and the total property price or value. *(Dictionary)*

Parking Ratio

The ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. *(Dictionary)*

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. *(Dictionary)*

Potential Gross Income Multiplier (PGIM)

The ratio between the sale price (or value) of a property and its annual potential gross income. *(Dictionary)*

Present Value (PV)

The value of a future payment or series of future payments discounted to the current date or to time period zero. *(Dictionary)*

Prospective Opinion of Value

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 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 achieved sellout or a stabilized level of long-term occupancy. *(Dictionary)*

Qualitative Adjustment

An indication that one property is superior, inferior, or similar to another property. Note that the common usage of the term is a misnomer in that an adjustment to the sale price of a comparable property is not made. Rather, the indication of a property's superiority or inferiority to another is used in relative comparison analysis, bracketing, and other forms of qualitative analysis. *(Dictionary)*

Quantitative Adjustment

In the application of the sales comparison and income capitalization approaches, a numerical (dollar or percentage) adjustment to the sale price, rent, or expense amount of a comparable property to account for the effect on value of a difference between each comparable property and the subject property. *(Dictionary)*

Rentable Area

The amount of space on which the rent is based; calculated according to local practice. *(Dictionary)*

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. *(Dictionary)*

Replacement Cost for Insurance Purposes

The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design and layout for insurance coverage purposes guaranteeing that damaged property is replaced with a new property (i.e., depreciation is not deducted). *(Dictionary)*

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same or similar materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building. *(Dictionary)*

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." *(Dictionary)*

Sales Comparison Approach

The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered vacant when an adequate supply of comparable sales is available. *(Dictionary)*

Scope of Work

The type and extent of research and analysis in an appraisal or appraisal review assignment. Scope of work includes, but is not limited to:

The extent to which the property is identified;

The extent to which tangible property is inspected;

The type and extent of data researched; and

The type and extent of analysis applied to arrive at opinions or conclusions. *(USPAP)*

Shopping Center Types

Neighborhood Shopping Center: The smallest type of shopping center, generally with a gross leasable area of between 30,000 and 100,000 square feet. Typical anchors include supermarkets. Neighborhood shopping centers offer convenience goods and personal services and usually depend on a market population support of 3,000 to 40,000 people.

Community Shopping Center: A shopping center of 100,000 to 400,000 square feet that usually contains one junior department store, a variety store, discount or department store. A community shopping center generally has between 20 and 70 retail tenants and a market population support of 40,000 to 150,000 people.

Regional Shopping Center: A shopping center of 300,000 to 900,000 square feet that is built around one or two full-line department stores of approximately 200,000 square feet each plus small tenant spaces. This type of center is typically supported by a minimum population of 150,000 people.

Super-Regional Center: A large center of 600,000 to 2.0 million square feet anchored by three or more full-line department stores. This type of center is typically supported by a population area of 300,000 people. *(15th Edition)*

Sum of the Retail Values

The sum of the separate and distinct market value opinions for each of the units in a condominium; subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sales prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values* or *aggregate retail selling price*. *(Dictionary)*

Superadequacy

An excess in the capacity or quality of a structure or structural component; determined by market standards. *(Dictionary)*

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. *(Dictionary)*

Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. *(Dictionary)*

Usable Area

The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas. *(Dictionary)*

Useful Life

The period of time over which a structure or a component of a property may reasonably be expected to perform the function for which it was designed. *(Dictionary)*

Vacancy and Collection Loss

A deduction from potential gross income *(PGI)* made to reflect income deductions due to vacancies, tenant turnover, and nonpayment of rent; also called *vacancy and credit loss* or *vacancy and contingency loss. (Dictionary)*

Yield Capitalization

A method used to convert future benefits into present value by (1) discounting each future benefit at an appropriate yield rate, or (2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate. *(Dictionary)*

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Stuart Greenfield

Education or Qualifications

University of Delaware,
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State Certifications

Connecticut

New Jersey

New York

Area of Expertise

Stuart Greenfield is a Valuation Service Director in the New York Office of Colliers International Valuation & Advisory. Mr. Greenfield started his real estate appraisal career in 2004 and has performed appraisals and consulting services of properties located in the New York metropolitan area and throughout the country. Property types include industrial, retail, office, multi-family, condominiums, subdivisions, land, air rights, hotels, and special-use properties. Assignments have been completed for an extensive array of owner/developers, REITS, pension funds, non-profit organizations, insurance companies and banks.

Affiliations or Memberships

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Connecticut License # RCG0001692

New Jersey License # 42RG00288200

Professional Background

Senior Vice President - R.D. Geronimo LTD.

Director - Landauer Valuation & Advisory (division of Newmark)

Managing Director – Mazars LLP

Associate Appraiser - Joseph J. Blake & Associates

Appraisal Institute Courses

- Appraisal Principals
- General Applications
- Business Practices and Ethics
- General Appraiser Report Writing and Case Studies
- Advanced Income Capitalization

Property Type Experience

- Industrial
- Retail
- Office
- Multi-family
- Condominiums
- Subdivisions
- Land
- Air Rights
- Hotels
- Special-Use

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PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS.

EXPIRATION DATE

MO.	DAY	YR.
11	27	25

GREENFIELD STUART G
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[redacted]

HAS BEEN DULY CERTIFIED TO TRANSACT BUSINESS AS A R. E. GENERAL APPRAISER

In Witness Whereof, The Department of State has caused its official seal to be hereunto affixed.

ROBERT J. RODRIGUEZ
SECRETARY OF STATE

DOS-1098 (Rev. 3/01)

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Tina Yu

Area of Expertise

Tina Yu is a Valuation Services Director in the New York office of Colliers Valuation & Advisory Services. She has been actively engaged in real estate valuation and consultation since 2018 and has provided valuation services on properties located in New York, New Jersey, and Connecticut. Tina has completed work on multi-family properties, as well as Class A office building, shopping centers, and industrial warehouse centers.

Professional Background

Valuation Services Director
Colliers Valuation & Advisory Services (CVAS) – New York

Senior Valuation Specialist
Colliers Valuation & Advisory Services (CVAS) – New York

Mortgage Loan Closing Assistant, Amalgamated Bank

Real Estate Law Intern, The Law Office of Joseph Yau, PLLC

Appraisal Institute Courses

- Principles of Real Estate Appraisal
- Real Estate Appraisal Procedures
- Uniform Standards of Professional Appraisal
- General Appraiser Income Approach I
- General Appraiser Income Approach II

Other Related Courses

- Residential Market Analysis and Highest/Best Use
- Residential Site Valuation and Cost Approach
- Residential Income and Sales Comparison Approach
- Residential Report Writing and Case Studies

Property Types Experience

- Multi-family
- Condominium
- Office
- Industrial
- Land
- Retail

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04	21	23

EXPIRATION DATE

MO.	DAY	YR.
04	20	25

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DOS-1098 (Rev. 3/01)

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Tony O'Sullivan, MAI, MRICS

Area of Expertise

Mr. O'Sullivan has valued and consulted on real estate matters for over 25 years. After a number of years with several industry leaders such as New York Life Insurance, Grubb & Ellis and Cushman & Wakefield, Mr. O'Sullivan is now the Managing Director for the New York office.

Mr. O'Sullivan has provided valuation and consultancy services on several national portfolios of Class A office buildings, shopping centers, apartment complexes and industrial warehouse/distribution centers. He has also provided his valuation expertise on golf resorts, hotel casinos and luxury 5-star hotels, both nationally and internationally.

Tony is a member of the New York Consultancy Team and has been involved in assignments that provided specialized consultancy reports for clients that included marketability studies and highest and best use analyses on large-scale multi-family, mixed-use office and hotel developments throughout New York City and the Tri-State area.

Affiliations or Memberships

Executive Managing Director, Colliers International Valuation & Advisory Services (NYC)

Managing Director, Landauer Valuation & Advisory

Director, Cushman & Wakefield

Senior Appraiser, Leitner Group

Appraiser, New York Life

Professional Background

Member – Appraisal Institute

Member – Royal Institute of Chartered Surveyors

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Connecticut State License. #RCG.0001414

Member - Mortgage Bankers Association

Education or Qualifications

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State Certifications

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Massachusetts

New Jersey

New York

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HAS BEEN DULY CERTIFIED TO TRANSACT BUSINESS AS A R.E. GENERAL APPRAISER

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Valuation & Advisory Services

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Real estate valuations play a pivotal role in today's business climate. An accurate and well supported opinion of property value can mean the difference between reaching a critical goal—securing a loan, closing a sale, reporting to investors, choosing the best asset—or failing to achieve it altogether.

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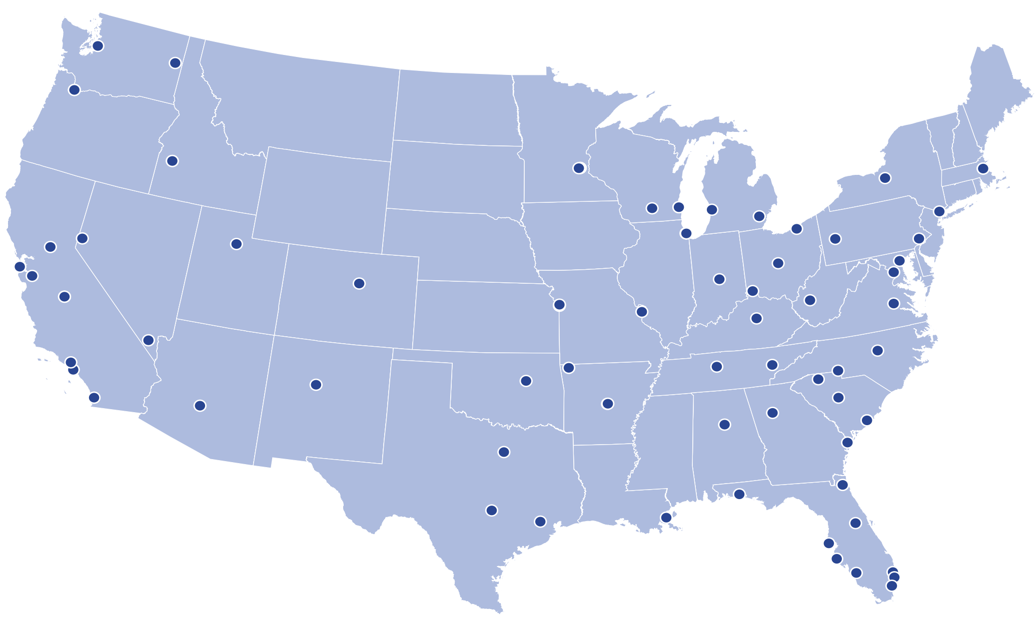
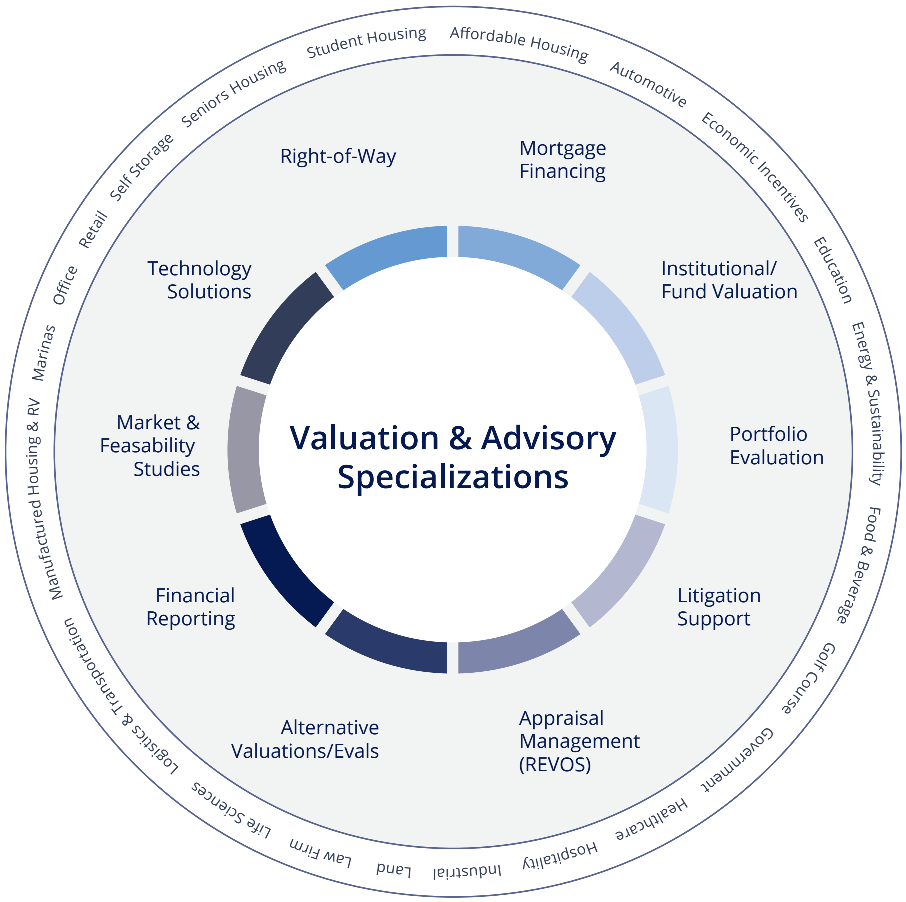
Today's business climate places valuation in a more pivotal position than ever before. All our appraisals are evaluated and approved by an experienced review team to ensure our clients receive concise and timely appraisals. With clear, prompt reporting and a comprehensive, big picture approach, Colliers' valuation and advisory reports give our clients the information they need to make better business decisions.



What We Do



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Our Experts

To learn more about our Regional and Market Valuation Experts, please click on or scan the QR code.

Why work with Colliers?

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