From: Douglas Larson
Sent: Thursday, June 25, 2015 4:14 PM
To: Tina Schultheis
Subject: FW: 40 Wall
Attachments: 40 Wall Street Appraisal.pdf

The final appraisal was delivered to the client. Please send the invoice and book.

Files are copied in the directory.

Typical splits.

Screens filled out and files in the drive.

Nardella Reviewed

There were Zenta charges:

C&W File ID: 15-12002-901518

From: nithyanandam.manohar@accenture.com
Sent: Thursday, May 28, 2015 10:59 AM
To: Douglas Larson
Cc: Michael Papagianopoulos; Kurt Clauss; Cushmanwakefield@accenture.com; Tina Schultheis; Sid Sohan; Gerry Asprer
Subject: 40 Wall Street - Delivery Notification
Attachments: 40 Wall Street.zip

Follow Up Flag: Follow up
Flag Status: Flagged

Hello Doug,
Please find attached the zip folder containing the Argus and Excel Schedule for '40 Wall Street'.
Assignment Fee: $1,875.00 (Argus - $1,725.00 (115*$15/T) + Excel - $150.00)
Job #: NAV
File #: NAV

Please let us know if you have any questions.

Regards,
Nithyanandam
Accenture,
3rd Floor, Block - B, TECCI Park
#173, Old Mahabalipuram Road, Chennai

PX-118
Index No. 452564/2022 (AFE)

US Toll Free: 1-887-936-8283 x 33129 |nithyanandam.manohar@accenture.com

From: karthi.selvaraj@accenture.com
Sent: Friday, June 05, 2015 11:39 AM
To: Douglas Larson
Cc: Michael Papagianopoulos; Kurt Clauss; Cushmanwakefield@accenture.com; Tina Schultheis; Sid Sohan; Gerry Asprer
Subject: 40 Wall Street - Delivery Notification
Attachments: 15-40 Wall Street.zip

Hello Doug,

Good Morning!

Please find attached the zip file containing the Updated Argus, Excel Schedule, Lease Abstract and Lease Summary for '40 Wall Street'.

The difference in value is due to the tenant 'Balducci's Holding LLC' contract rent. Tenant is paying base rent of $70.00/SF which is lesser than Market Rent of $200.00/SF.

Assignment Fee: $300.00 (Lease Summary - $150.00 + Lease Abstract - $150.00)

Job #: NAV

File #: NAV

Please let us know if you have any questions.

Regards,
Karthi Selvaraj
Accenture,
Tecci Park, Block B – STPI
Sholinganallur, Chennai
P: 1-877-936-8283 x 33129| karthi.selvaraj@accenture.com

From: nithyanandam.manohar@accenture.com
Sent: Friday, June 12, 2015 12:05 PM
To: Douglas Larson
Cc: Michael Papagianopoulos; Kurt Clauss; Cushmanwakefield@accenture.com; Tina Schultheis; Sid Sohan; Gerry Asprer
Subject: RE: 40 Wall Street Dark Value
Attachments: 15-40 Wall Street.zip

Hello Doug,

Please find attached the updated files for '40 Wall Street'.

We have updated the files per your instructions in the below mail.

Assignment Fee: $150.00 (Go Dark Scenario)

Job #: NAV

File #: NAV

Please let us know if you have any questions.

Regards,
Nithyanandam
Accenture,
3rd Floor, Block - B, TECCI Park
#173, Old Mahabalipuram Road, Chennai
US Toll Free: 1-887-936-8283 x 33129 Jnithyanandam.manohar@accenture.com

Driven! C&W's 2011/2012 Annual Review: now available online

From: Kurt Clauss
Sent: Thursday, June 25, 2015 10:59 AM
To: Craig Robertson
Cc: Michael Papagianopoulos; Michael Malinowski; Douglas Larson
Subject: RE: 40 Wall

Craig,

Please find the finalized report and argus attached.

Thank you.

Kurt A. Clauss
Associate Appraiser– New York, NY
Valuation & Advisory

T +1 (212) 713 6711
F +1 (212) 729 2509
kurt.clauss@cushwake.com

CUSHMAN & WAKEFIELD.

Cushman & Wakefield Inc.
1290 Avenue of the Americas, 9th floor, New York, NY 10104, USA

Driven! C&W's 2011/2012 Annual Review: now available online

From: Craig Robertson [mailto:Craig.Robertson@laddercapital.com]
Sent: Wednesday, June 24, 2015 1:21 PM
To: Douglas Larson

Cc: Michael Papagianopoulos; Kurt Clauss; Michael Malinowski
Subject: RE: 40 Wall

18,500 SF

15 year term; 2x five (5) year renewal options @ FMV

15 months free rent

Base Rent of $1.4mm, increasing per the attached schedule.

Taxes over a base year, 1.601% pro rata share

Let me know what else you need. Same rent as BAlducci's, just doesn't appear to include basement in RSF.

From: Douglas Larson [mailto:Douglas.Larson@cushwake.com]
Sent: Wednesday, June 24, 2015 12:20 PM
To: Craig Robertson
Cc: Michael Papagianopoulos; Kurt Clauss; Michael Malinowski
Subject: RE: 40 Wall

Do you also have a summary of the lease terms.

Thanks

Douglas H. Larson
Executive Director
Valuation & Advisory

T +1 (212) 841 5051
M +1 (917) 365 0054
F +1 (212) 479 1838
douglas.larson@cushwake.com | view my online profile

CUSHMAN & WAKEFIELD

Cushman & Wakefield Inc.
1290 Avenue of the Americas, Suite 900, New York, NY 10104, USA

Driven! C&W's 2011/2012 Annual Review: now available online

From: Craig Robertson [mailto:Craig.Robertson@laddercapital.com]
Sent: Wednesday, June 24, 2015 12:11 PM
To: Douglas Larson
Cc: Michael Papagianopoulos; Kurt Clauss; Michael Malinowski
Subject: RE: 40 Wall

From: Douglas Larson [mailto:Douglas.Larson@cushwake.com]
Sent: Wednesday, June 24, 2015 11:32 AM
To: Craig Robertson
Cc: Michael Papagianopoulos; Kurt Clauss; Michael Malinowski
Subject: FW: 40 Wall

Thanks, Doug

Douglas H. Larson
Executive Director
Valuation & Advisory

T +1 (212) 841 5051
M +1 (917) 365 0054
F +1 (212) 479 1838
douglas.larson@cushwake.com | view my online profile

Cushman & Wakefield Inc.
1290 Avenue of the Americas, Suite 900, New York, NY 10104, USA

Driven! C&W's 2011/2012 Annual Review: now available online

From: Craig Robertson [mailto:Craig.Robertson@laddercapital.com]
Sent: Wednesday, June 24, 2015 11:24 AM
To: Douglas Larson; Kurt Clauss
Subject: 40 Wall

Attached:

1. Operating Statements

2. Budget (NOTE INCREASE IN BUDGETED UTILITY REIMBURSEMENT, SPECIFICALLY ELECTRIC)

3. Supporting expense categorizations historically.

4. Spread financials

5. Expense categorizations historically

BALDUCCI's LOI to follow shortly.

Thanks,
Craig

Craig Robertson
Ladder Capital
345 Park Avenue - 8th Floor
New York, NY 10154
212-715-3142 Phone
202-379-6576 Mobile
craig.robertson@laddercapital.com

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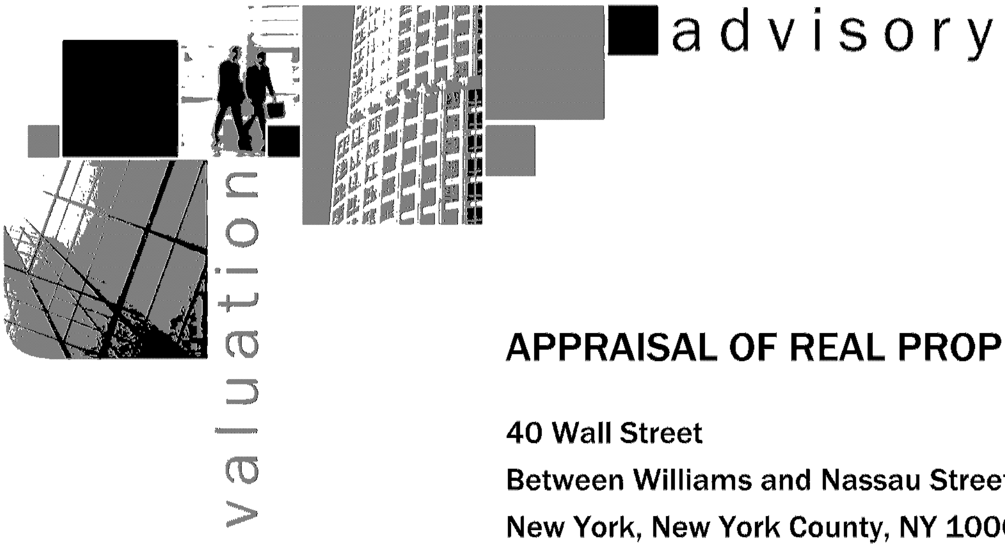
The contents of this communication, including any attachments, are for your information only and are not an offer to sell to any person, or a solicitation from any person of any offer to buy, any securities or an offer of investment advisory services. Such information may be confidential and is solely for the use of the intended recipient(s). If you are not the intended recipient(s), please notify the sender and delete and destroy all copies immediately. Ladder Capital Corp and its affiliates do not accept any responsibility to update any opinions or other information contained in this communication.



APPRAISAL OF REAL PROPERTY

40 Wall Street
Between Williams and Nassau Streets
New York, New York County, NY 10006

IN AN APPRAISAL REPORT
As of June 1, 2015

Prepared For:
Ladder Capital Finance LLC
345 Park Avenue, 8th Floor
New York, New York 10154

Prepared By:
Cushman & Wakefield, Inc.
Valuation & Advisory
1290 Avenue of the Americas
New York, NY 10104
C&W File ID: 15-12002-901518
CONFIDENTIAL

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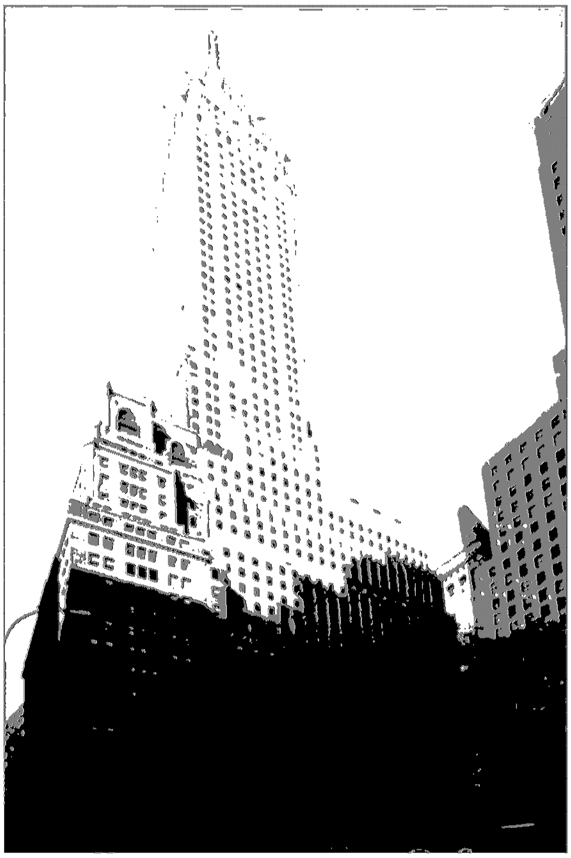
VALUATION & ADVISORY



40 Wall Street
Between Williams and Nassau Streets
New York, New York County, NY 10006

CUSHMAN & WAKEFIELD®

1290 AVENUE OF THE AMERICAS
NEW YORK, NY 10104

June 25, 2015

Mr. Michael Scarola
Ladder Capital Finance LLC
345 Park Avenue, 8th Floor
New York, New York 10154

Re: Appraisal of Real Property
In an Appraisal Report

40 Wall Street
Between Williams and Nassau Streets
New York, New York County, NY 10006

C&W File ID: 15-12002-901518

Dear Mr. Scarola:

In fulfillment of our agreement as outlined in the Letter of Engagement, we are pleased to transmit our appraisal of the above property in an appraisal report dated June 25, 2015. The effective date of value is June 1, 2015.

This report was prepared for Ladder Capital Finance LLC, and is intended only for their specified use. It may be distributed to the client's attorney's accountants, advisors and investors. It may not be distributed to or relied upon by any other persons or entities without the written permission of Cushman & Wakefield, Inc.

This appraisal report has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) as set forth by the Appraisal Foundation and in accordance with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute. In addition, the appraisal was written in conformance with the Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System (FRS) and the Federal Deposit Insurance Corporation (FDIC) in compliance with Title XI of FIRREA.

Based on the agreed-to Scope of Work, and as outlined in the report, we developed the following opinion of market value:

Value Conclusions

Appraisal Premise	Real Property Interest	Date Of Value	Value Conclusion
Market Value As-Is	Leasehold Estate	6/1/2015	$540,000,000
Hypothetical Value - Go Dark	Leasehold Estate	6/1/2015	$440,000,000

Compiled by Cushman & Wakefield, Inc.

The value opinion in this report is qualified by certain assumptions, limiting conditions, certifications, and definitions. We particularly call your attention to the extraordinary assumptions and hypothetical conditions listed below.

EXTRAORDINARY ASSUMPTIONS

This appraisal does not employ any extraordinary assumptions. For a definition of Extraordinary Assumptions please see the Glossary of Terms & Definitions.

HYPOTHETICAL CONDITIONS

This appraisal does not employ any hypothetical conditions. For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions.

This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and Addenda.

Respectfully submitted,

CUSHMAN & WAKEFIELD, INC.

Douglas H. Larson
Executive Director
New York Certified General Appraiser
License No. 46000039300
douglas.larson@cushwake.com
(212) 841-5051 Office Direct
(212) 479-1838 Fax

Naoum M. Papagianopoulos, MAI
Senior Director
New York Certified General Appraiser
License No. 46000048506
michael.papagianopoulos@cushwake.com
(212) 841-7694 Office Direct
(212) 479-1887 Fax

Robert S. Nardella, MAI, MRICS
Executive Managing Director - Area Leader
New York Certified General Appraiser
License No. 46000004620
robert.nardella@cushwake.com
(212) 841-5048 Office Direct
(212) 479-1878 Fax

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

GENERAL INFORMATION

Common Property Name:	40 Wall Street
Location:	Between Williams and Nassau Streets New York, New York County, NY 10006 The subject property is located on the north side of Wall Street throughblock to Pine Street between Nassau and William Streets in the Financial East office submarket of Downtown Manhattan.
Property Description:	40 Wall Street is a pre-war 63-story Class A multi-tenant office property built in 1929 (renovated in 1995) containing 1,165,207 square feet of net rentable area (1,061,266 square feet of gross building area) on a 34,360 square foot parcel of land.
Assessor's Parcel Number:	Lot 2 in Block 43
Interest Appraised:	Leasehold Estate
Dates of Value:	June 1, 2015 “As Is”
Date of Inspection:	June 16, 2015
Ownership:	*Ground Lessor* Nautilus Real Estate Inc. and Scandic Wall Limited Partnership *Ground Lessee* 40 Wall Street LLC c/o The Trump Organization
Occupancy:	The property is currently 95.02 percent leased to 72 office tenants and three retail tenants. There are 8 vacant office spaces within the property totaling 55,695 square feet. In addition, there are two vacant retail spaces on the grade totaling 2,291 square feet available for lease.
Current Property Taxes	
2015/2016 Property Assessment:	$65,315,700
2015/2016 Property Taxes:	$7,048,113
Highest and Best Use	
If Vacant:	Multi-tenant office building development.
As Improved:	As it is currently developed.

SITE & IMPROVEMENTS

Zoning:	C5-5 Restricted Central Commercial District
Land Area:	34,360 square feet
Number of Stories:	63
Year Built:	1929
Type of Construction:	Structural steel and concrete with aluminum and glass curtain wall facade.
Gross Building Area:	1,061,266 square feet (Per Assessor)
Net Rentable Area:	1,165,207 square feet (Remeasured)

VALUE INDICATORS

SALES COMPARISON APPROACH:

Indicated Value "As Is":	$540,000,000
Per Square Foot (NRA):	$463.44

INCOME CAPITALIZATION APPROACH

DISCOUNTED CASH FLOW

Projection Period:	20 years	
Holding Period:	19 years	
Start Dates:	June 1, 2015	
Classification – Office Leases		
Major Office Tenants:	Greater than 10,000 square feet	
Minor Office Tenants:	Less than 10,000 square feet	
Market Rental Rate-Office (Year 1):	Floors	Rent
	Floors 2-18	$45.00/sf
	Floors 19-25	$47.00/sf
	Floors 26-34	$50.00/sf
	Floors 35-63	$52.00/sf
Market Rental Rate-Retail (Year 1):	Space	Rent
	Wall Street – Grade (Small)	$650.00
	Wall Street – Grade (Large)	$75.00/sf
	Pine Street - Grade	$75.00/sf
	Lobby	$250.00/sf
	Mezzanine	$50.00/sf
	Basement	$25.00/sf
Market Rental Rate-Storage (Year 1):	$25.00/sf	

Rent Increase Profile:	For 10 and 15-year leases, 60-month step-ups of 10% are assumed.
Growth in Market Rental Rate:	3.00%
Expense and Tax Pass Throughs:	Gross leases – tenant pays pro-rata share of real estate taxes, operating cost increases over a lease base year.
Expense Growth Rate:	3.00%
Consumer Price Index:	3.00%
Free Rent – New Leases	
Major Office Tenants:	12 months
Minor Office Tenants:	10 months
Retail Tenants:	6 months
Storage Tenants:	6 months
Free Rent – Renewing Leases	
Major Office Tenants:	6 months
Minor Office Tenants:	5 months
Retail Tenants:	3 months
Storage Tenants:	3 months
Typical Lease Term	
Major Office Tenants:	15 years
Minor Office Tenants:	10 years
Retail Tenants:	10 years
Storage Tenants:	10 years
Renewal Probability:	65.00%
Tenant Improvement – New Leases	
Major Office Tenants:	$50.00 per square foot
Minor Office Tenants:	$40.00 per square foot
Retail Tenants:	None
Storage Tenants:	None

Tenant Improvement – Renewing Leases	
Major Office Tenants:	$25.00 per square foot
Minor Office Tenants:	$20.00 per square foot
Retail Tenants:	None
Storage Tenants:	None
Leasing Commissions With Override	
10-Year Lease:	40.00% of first year's base rent including override (paid in year one per market standard)
15-Year Lease:	52.50% of first year's base rent including override (paid in year one per market standard)
	Leasing commissions vary depend upon the length of the lease: 5 percent for year 1; 4 percent for year 2; 3.5 percent for years 3 through 5; 2.5 percent for years 6 through 10; 2 percent for years 11 through 20. This schedule results in the above percentages of the first year's base rent (excluding an override).
Opinion of Vacancy Between Tenants:	8 months (Downtime between leases is prior to renewal probability of 65%; effective vacancy is 3 months.)
Vacancy and Credit Loss:	1.00% (average; applied to all tenants)
Terminal Capitalization Rate:	5.25% (applied to reversion year net operating income)
Transaction Costs in Reversion Sale:	4.00% (includes brokerage, legal fees and estimated transfer taxes)
Discount Rate:	6.50% (see Discount Rate Analysis)
Indicated Value "As Is":	$540,000,000
Implicit First year Capitalization Rate:	2.86%

DIRECT CAPITALIZATION

Net Operating Income (Plus Year 1 Free Rent):	$23,203,919
Capitalization Rate:	4.25%
Indicated Value:	$538,197,585
Less Year One Free Rent:	($7,776,980)
Indicated Value (Rounded):	$540,000,000

RECONCILED VALUE

Indicated Value "As Is":	$540,000,000
Per Square Foot (NRA):	$463.44

FINAL VALUE CONCLUSION

Market Value As-Is Leasehold Estate:	$540,000,000
Per Square Foot (NRA):	$463.44
Implied Capitalization Rate:	2.86%
Exposure Time:	6 months
Marketing Time:	6 months

EXTRAORDINARY ASSUMPTIONS

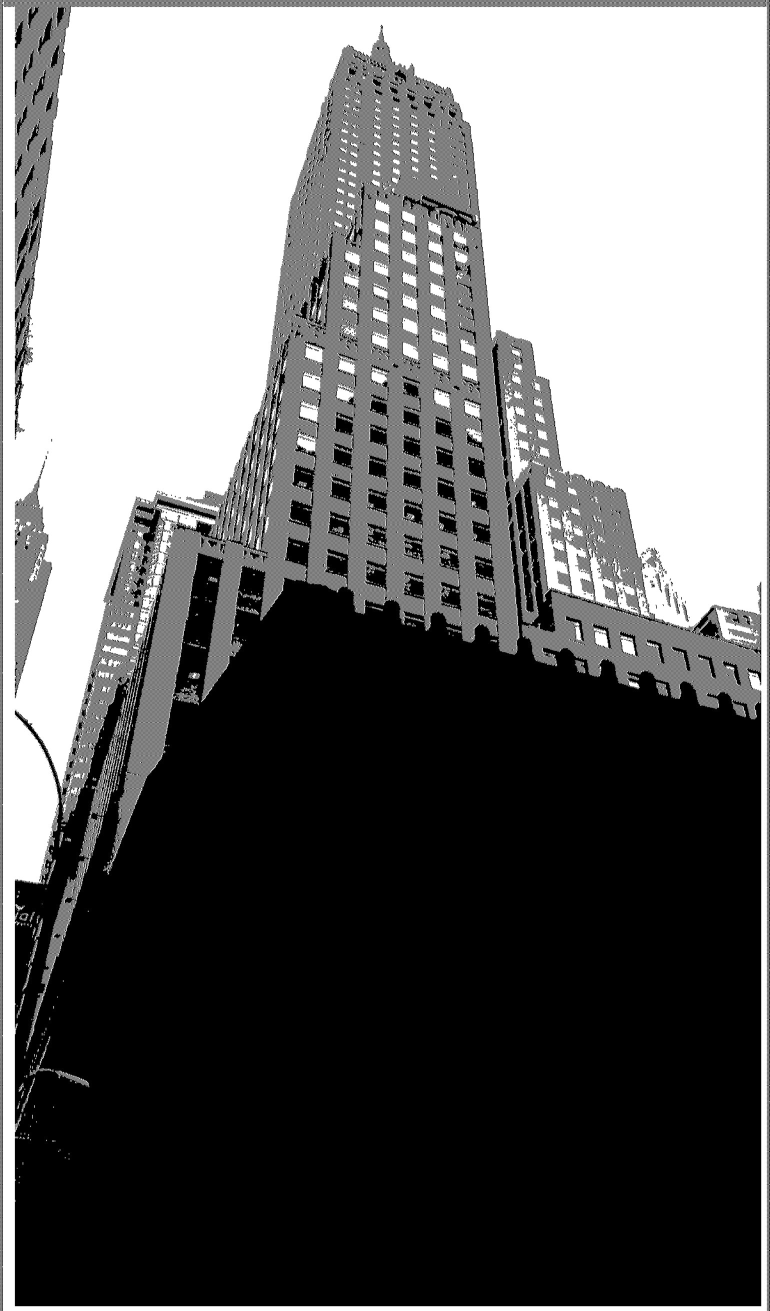
This appraisal does not employ any extraordinary assumptions. For a definition of Extraordinary Assumptions please see the Glossary of Terms & Definitions.

HYPOTHETICAL CONDITIONS

This appraisal does not employ any hypothetical conditions. For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions.

PROPERTY PHOTOGRAPHS

40 WALL STREET



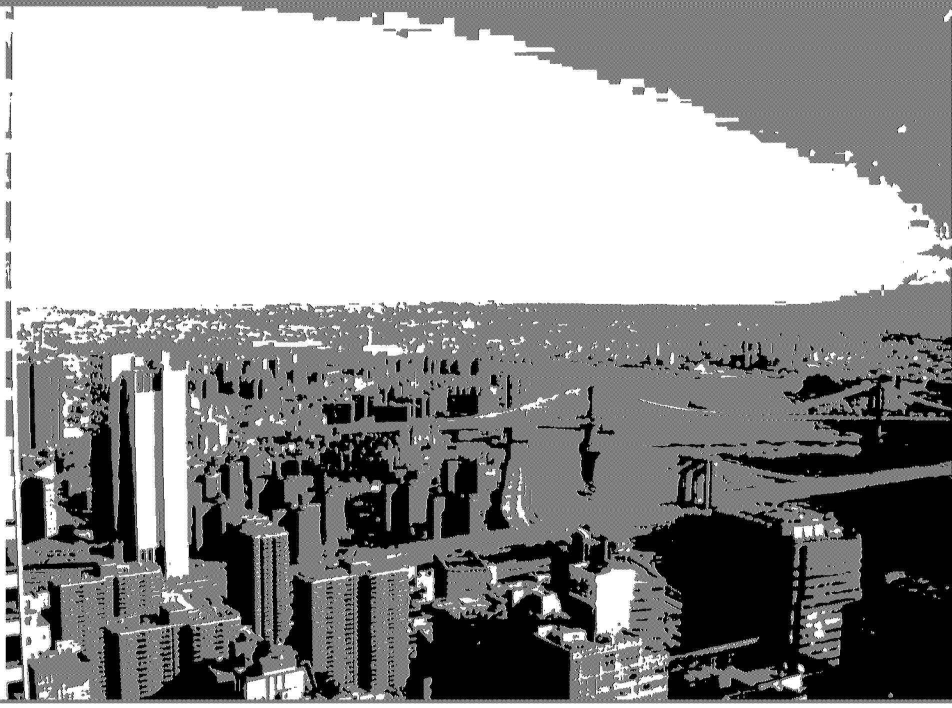
VIEW OF 40 WALL STREET FROM STREET

VIEW OF 40 WALL STREET SPIRE

VIEW TO THE SOUTHWEST FROM THE TOP FLOORS OF THE SUBJECT

VIEW TO THE WEST FROM THE TOP FLOORS OF THE SUBJECT

VIEW TO THE EAST FROM THE TOP OF THE SUBJECT



TYPICAL STREET VIEW

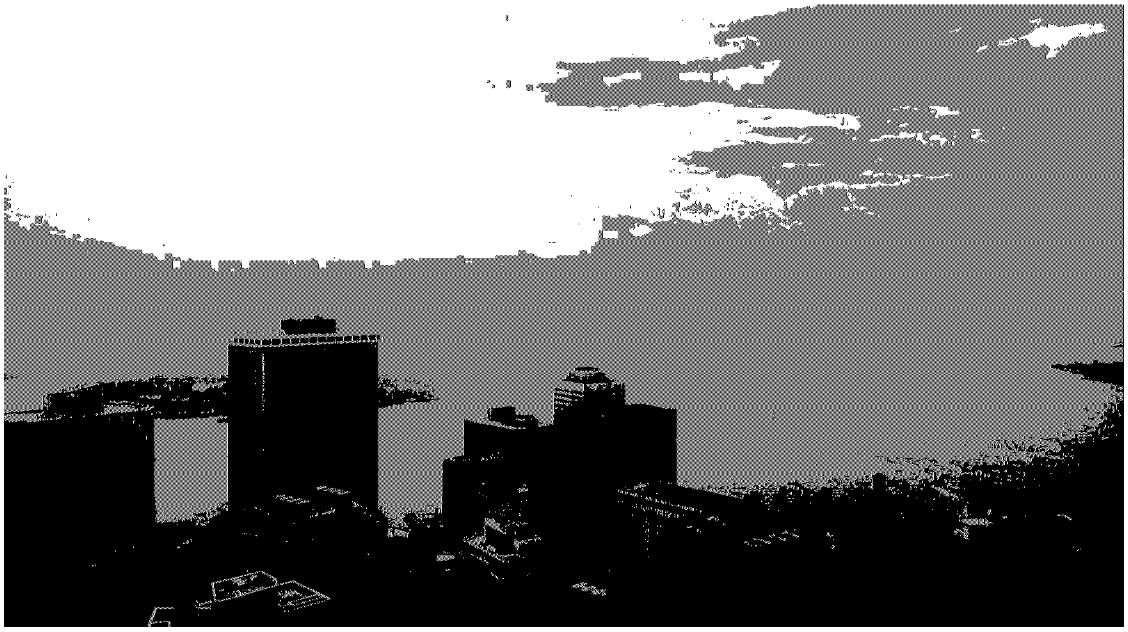
VIEW OF WALL STREET LOOKING WEST; THE SUBJECT IS ON THE RIGHT

VIEW OF WALL STREET LOOKING WEST; THE SUBJECT IS ON THE RIGHT

DUANE READE SPACE

UNDER CONSTRUCTION 60TH FLOOR OFFICE SPACE

VIEW SOUTH FROM THE 60TH FLOOR



DUANE READE ENTRANCE

PINE STREET FACINGSOUTH;SUBJECT ON RIGHT

PINE STREET FACING NORTH;SUBJECT ON LEFT

TABLE OF CONTENTS

INTRODUCTION

SCOPE OF WORK

This report is intended to comply with the reporting requirements outlined under the USPAP for an appraisal report. In addition, the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) specifies that a Federally-regulated financial institution must be the Client in the appraiser-client relationship under the terms of an assignment agreement. To the extent the Client is governed by FIRREA, this appraisal meets all applicable requirements.

In the process of preparing this appraisal, we:

- Inspected the exterior of the building and site improvements.
- Reviewed leasing policy, concessions, tenant build-out allowances, and history of recent rental rates and occupancy with several leasing and investment sales brokers and market research analysts including Franklin Speyer, Joshua Kuriloff, Tara Stacom, Robert Lowe, Peter Berti, Robert Thuss, Louis D'Avanzo, James Downey, Gene Spiegelman and Helen Hwang of Cushman & Wakefield, Inc.
- Reviewed a detailed history of income and expense and a budget forecast.
- Conducted market research of occupancies, asking rents, concessions and operating expenses at competing buildings, which involved interviews with on-site managers and a review of our own data base from previous appraisal files.
- Prepared an opinion of stabilized income and expense (for capitalization purposes).
- Conducted market inquiries into recent sales of similar buildings to ascertain sales price per square foot, effective gross income multipliers and capitalization rates. This process involved telephone interviews with sellers, buyers and/or participating brokers.
- This appraisal employs the Sales Comparison Approach and the Income Capitalization Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that the Sales Comparison Approach and the Income Capitalization Approach would be considered meaningful and applicable in developing a credible value conclusion. The subject's age makes it difficult to accurately form an opinion of depreciation and tends to make the Cost Approach unreliable. Investors do not typically rely on the Cost Approach when purchasing a property such as the subject of this report. Therefore, we have not utilized the Cost Approach to develop an opinion of market value.
- The data have been thoroughly analyzed and confirmed with sources believed to be reliable, leading to the value conclusions in this report. The valuation process used generally accepted market-derived methods and procedures appropriate to the assignment.

Cushman & Wakefield, Inc. has an internal Quality Control Oversight Program. This Program mandates a "second read" of all appraisals. Assignments prepared and signed solely by designated members (MAIs) are read by another MAI who is not participating in the assignment. Assignments prepared, in whole or in part, by non-designated appraisers require MAI participation, Quality Control Oversight, and signature.

For this assignment, Quality Control Oversight was provided by Robert S. Nardella, MAI, MRICS. In addition to a qualitative assessment of the Appraisal Report, Robert S. Nardella, MAI, MRICS is a signatory to the Appraisal Report and concurs in the value estimate(s) set forth herein.

REPORT OPTION DESCRIPTION

USPAP identifies two written report options: Appraisal Report and Restricted Appraisal Report. This document is prepared as an Appraisal Report in accordance with USPAP guidelines. The terms "describe," summarize," and "state" connote different levels of detail, with "describe" as the most comprehensive approach and "state" as the least detailed. As such, the following provides specific descriptions about the level of detail and explanation included within the report:

- Describes the real estate and/or personal property that is the subject of the appraisal, including physical, economic, and other characteristics that are relevant
- States the type and definition of value and its source
- Describes the Scope of Work used to develop the appraisal
- Describes the information analyzed, the appraisal methods used, and the reasoning supporting the analyses and opinions; explains the exclusion of any valuation approaches
- States the use of the property as of the valuation date
- Describes the rationale for the Highest and Best Use opinion (if included)

IDENTIFICATION OF PROPERTY

Common Property Name:	40 Wall Street
Location:	Between Williams and Nassau Streets New York, New York County, NY 10006 The subject property is located on the north side of Wall Street throughblock to Pine Street between Nassau and William Streets in the Financial East office submarket of Downtown Manhattan.
Property Description:	40 Wall Street is a pre-war 63-story Class A multi-tenant office property built in 1929 (renovated in 1995) containing 1,165,207 square feet of net rentable area (1,061,266 square feet of gross building area) on a 34,360 square foot parcel of land.
Assessor's Parcel Number:	Lot 2 in Block 43
Legal Description:	We have not been provided with a metes and bounds legal description for the property. However, the property is identified on the tax maps of the City of New York as Lot 2 in Block 43.

PROPERTY OWNERSHIP AND RECENT HISTORY

Current Ownership:	*Ground Lessor:* Nautilus Real Estate Inc. and Scandic Wall Limited Partnership *Ground Lessee:* 40 Wall Street LLC c/o The Trump Organization
Sale History:	The subject property was acquired by 40 Wall Street LLC c/o The Trump Organization in 1995. There have been no transactions of the property within the past three years to the best of our knowledge.
Current Disposition:	To the best of our knowledge, the property is not under contract of sale nor is it being marketed for sale.

DATES OF INSPECTION AND VALUATION

Dates of Valuation:	June 1, 2015
Date of Inspection:	June 16, 2015
Property inspection was performed by:	Douglas H. Larson, MAI and Naoum M. Papagianopoulos, MAI made a personal inspection of the property that is the subject of this report. Robert S. Nardella, MAI, MRICS reviewed and approved the report but did not inspect the subject property.

CLIENT, INTENDED USE AND USERS OF THE APPRAISAL

Client:	Ladder Capital Finance LLC
Intended Use:	For the purpose of evaluating potential financing.
Intended Users:	This report was prepared for Ladder Capital Finance LLC, and is intended only for their specified use. It may be distributed to the client's attorney's accountants, advisors and investors. It may not be distributed to or relied upon by any other persons or entities without the written permission of Cushman & Wakefield, Inc.

EXTRAORDINARY ASSUMPTIONS

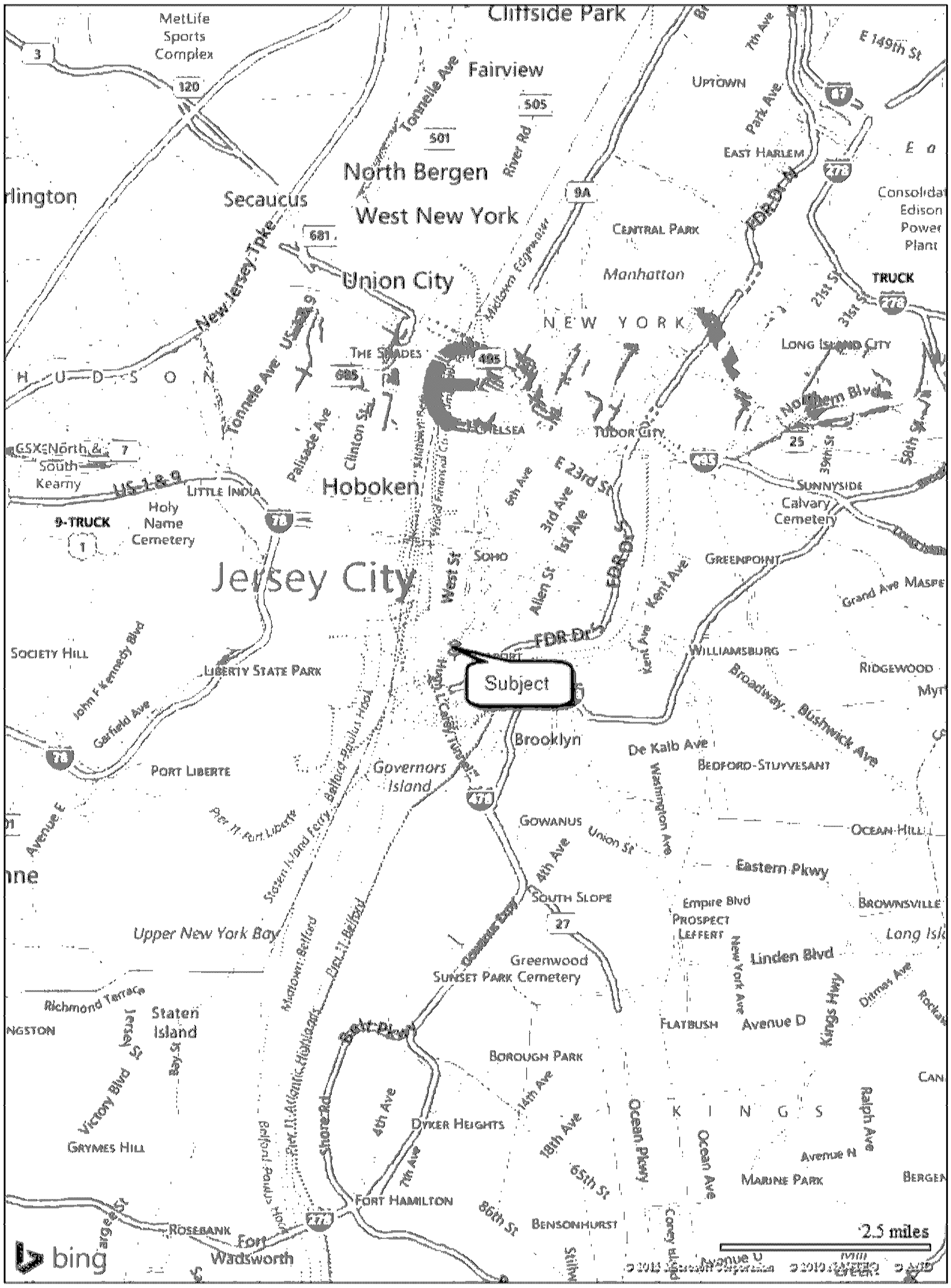
This appraisal does not employ any extraordinary assumptions.

HYPOTHETICAL CONDITIONS

This appraisal does not employ any hypothetical conditions.

NEW YORK CITY REGIONAL ANALYSIS

REGIONAL MAP



INTRODUCTION

MARKET DEFINITION

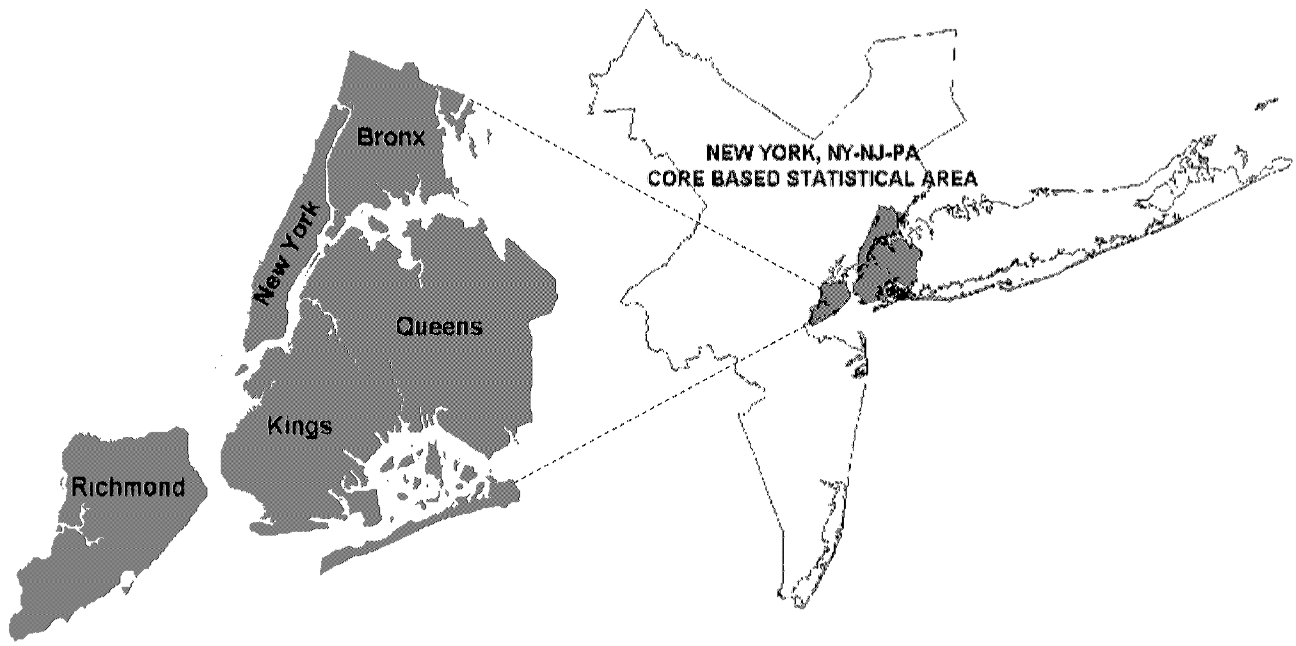
New York City consists of five counties at the mouth of the Hudson River in the southeast area of New York State. The borough of Manhattan, also referred to as New York County, forms the political, financial and cultural core of the city. It is the economic growth engine of the Greater New York Region. The city's other boroughs are Brooklyn, Queens, Staten Island, and the Bronx, otherwise known as Kings, Queens, Richmond, and Bronx counties, respectively. The area's vast mass transit infrastructure connects the five boroughs as well as the surrounding suburban areas, forming the Greater New York Region. This region covers 21 counties in the southeastern section of New York State, southwestern corner of Connecticut, and Central and Northern New Jersey.

The following are notable points about New York City:

- The city is home to the two largest stock exchanges in the world, the New York Stock Exchange and the NASDAQ.
- New York houses many large financial institutions, including Citigroup, JP Morgan Chase, Goldman Sachs, Barclay's and Bank of America.
- New York City is home to the headquarters of 48 companies on the 2014 Fortune 500 list.

The following map highlights the Metropolitan Statistical Area (MSA) of New York, NY:

NEW YORK CITY COUNTIES



Source: Claritas, Inc., Cushman & Wakefield Valuation & Advisory

CURRENT TRENDS

New York City's economy is growing modestly on the strength of steady employment gains over the past few years. The city has recovered all of the jobs lost during the most recent recession, well ahead of most cities in the nation, and total employment recently reached an all-time high. The recent job gains have come in many sectors, and the city's employment diversity has helped weather the finance industry's struggles. A major source of recent economic growth has been the city's tourism industry. NYC & Co., the city's tourism bureau, estimates that New York City had a record 54.3 million visitors in 2013. Healthy tourism is generating revenue for both the retail and hospitality sectors. This boom in the industry explains the city's expansion in related employment sectors, and will continue to help the local economy.

Another important growth driver for the city has been its tech sector. Major companies like Google and Facebook have been joined by small startups throughout the city in creating a thriving tech ecosystem. According to a 2013 study presented at the Bloomberg Technology Summit, the city's tech boom has been responsible for roughly one-third of its private sector job creation since 2007. New York City's government is helping to nurture the growth with economic development and education initiatives. As a result, Cornell, NYU, Columbia, and Carnegie Mellon are all opening or expanding tech-oriented campuses in the city, in an effort to meet the need for highly educated workers.

Another report from 2014, which was commissioned by the Association for a Better New York, found that New York's growing technology industry generates more than a half-million jobs, almost $125.0 billion in annual output, and $5.6 billion in tax revenues.

Despite the city's strong job growth, not all of the jobs added have been high quality and well-paying professional positions. As Wall Street remains stagnant in terms of hiring, the tourism industry has created thousands of low-paying retail jobs. This tradeoff is likely to have a negative impact on New York City's average household income. Moreover, New York City's unemployment rate remains above the nation's going into late 2014.

Further considerations are as follows:

- According to the Port Authority of New York and New Jersey, the four major airports of the New York metropolitan area saw 111.6 million passengers in 2013, an all-time record. John F. Kennedy airport had the most traffic of any in the region, with approximately 50 million passengers during the year.
- Cornell University broke ground on its Roosevelt Island tech campus in January 2014. The $2.0 billion project, which won the city's "Applied Sciences NYC" competition, will add some 2.1 million square feet of academic, residential, and commercial space over the next two decades.
- An October 2014 report from the New York Building Congress forecasts overall construction spending in 2014 to be $32.9 billion, an increase of 17.0 percent from the previous year. A majority of the non-infrastructure construction spending will be from new residential projects.
- General Motors is reorganizing its Cadillac brand into a separate business unit and moving the new company's headquarters to New York City.
- Numerous high-profile redevelopment projects in various stages of the development pipeline will contribute to New York City construction spending well into the future. Notable among these include Hudson Yards, Pacific Park (formerly known as Atlantic Yards), the World Trade Center site, Flushing Commons, Greenpoint Landing, Domino Sugar Factory, the Staten Island ferris wheel and outlet mall, Willets Point, City Point, Hallets Point, and Seward Park.
- Steiner Studios is spending up to $85.0 million to expand its film studio and production space at the Brooklyn Navy Yard. The studio is the largest movie and production facility east of Hollywood.
- Broadway Stages, a Brooklyn-based studio, has plans to build a $20.0 million film production complex on Staten Island. The plan will generate 800 jobs over the next two years and as many as 1,500 jobs over the next five years.

- In December 2013, former Mayor Michael Bloomberg announced that New York City will create a $100.0 million venture for life sciences research and a new technological institute focusing on medical technology. The new institute will be a joint venture between Mount Sinai and Rensselaer Polytechnic Institute.
- IBM announced that it will be investing $1.0 billion in its new Watson supercomputer division, which will be headquartered in 51 Astor Place in Manhattan. The money will be partially invested in startup companies and the hiring of several hundred employees at the new headquarters location.

DEMOGRAPHIC TRENDS

DEMOGRAPHIC CHARACTERISTICS

New York City exceeds the national average in household income at both the top and bottom of the spectrum. As a result, the city's middle income brackets are relatively small. The high cost of living in New York City pushes out many of those who are not poor enough to qualify for subsidized rents or wealthy enough to afford market-rate housing. A 2012 study from the Center for Housing Policy found that for the decade ended in 2010, housing and transportation costs in New York City rose 55.0 percent. Over the same time period, income in the area only grew by 31.0 percent.

The city also has a gap in educational attainment. A higher percentage of New York City residents are without a high school diploma than the national population, and likewise for residents with at least a bachelor's degree.

Further considerations are as follows:

- The median person in New York City is 36 years old, one year younger than the national median.
- New York City's average household income ($78,499) is significantly higher than the country's ($71,318). When looking at median household income, however, the roles are reversed. Median income in New York is $50,493, while the country's median household income is $51,352. Medians are typically a better measure of central tendency, as means are more easily influenced by outliers. As discussed above, New York is full of outliers at the upper and lower ends of the income scale.
- A survey set released by the U.S. Census in September 2013 revealed that in 2011, 21.2 percent of New York City residents were under the poverty line, compared to only 15.9 percent for the nation as a whole. This marked the fourth straight year that the percentage increased. The stat seems to suggest that much of the region's recent job growth has been in industries with low wages.
- New York City bests the national average in residents with at least a bachelor's degree by 5.5 percentage points. The city boasts a large number of institutions of higher learning, along with industries that require such education. The educated labor pool makes New York City an attractive destination for many businesses.

The following table compares the demographic characteristics of New York City with those of the United States:

Demographic Characteristics New York City vs. United States 2014 Estimates		
Characteristic	New York City	United States
Median Age (years)	36.0	37.0
Average Annual Household Income	$78,499	$71,318
Median Annual Household Income	$50,493	$51,352
Households by Annual Income Level:		
<$25,000	28.3%	24.4%
$25,000 to $49,999	21.3%	24.4%
$50,000 to $74,999	15.7%	17.9%
$75,000 to $99,999	10.6%	11.9%
$100,000 plus	24.1%	21.3%
Education Breakdown:		
< High School	20.3%	14.3%
High School Graduate	25.0%	28.4%
College < Bachelor Degree	20.8%	29.0%
Bachelor Degree	20.0%	17.8%
Advanced Degree	13.9%	10.6%

Source: Claritas, Inc., Cushman & Wakefield Valuation & Advisory

POPULATION

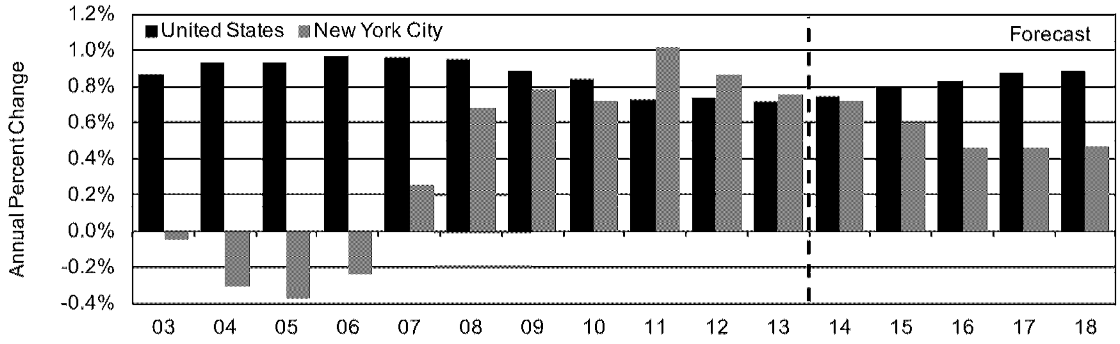
According to Moody's Analytics, the current population of New York City is estimated at over 8.4 million. Rapid population growth is and always will be a challenge for New York City, as the densely populated metro area has little room for growth. The recent trend of redeveloping former industrial and office buildings into residential buildings could help, but the city will likely never grow as quickly as the rest of the country. Of all the boroughs, Brooklyn is expected to grow the most quickly in the near future, as its current renaissance continues. According to Moody's Analytics, the borough is forecast to grow by an average annual rate of 0.7 percent through 2018.

Further considerations are as follows:

- From 2003 through 2013, New York City had average annual population growth of 0.4 percent. Over the same time frame, however, the nation grew at an average annual rate of 0.9 percent.
- Population growth for the next five years will continue to be relatively low in New York. The average annual rate is forecast at 0.5 percent, lower than the nation's forecast annual growth of 0.8 percent.
- People typically follow jobs, so the recent trend of private sector job growth is a likely driver behind New York's population growth since the recession. The city's annual growth rate peaked at roughly 1.0 percent in 2011.

The following chart compares historical and projected population growth between New York City and the United States as a whole:

POPULATION GROWTH BY YEAR
New York City vs. United States, 2003-2018



Source: Data Courtesy of Moody's Analytics and Cushman & Wakefield Valuation & Advisory
Note: Shaded bars indicate periods of recession

The following table shows New York City's annualized population growth by county:

Annualized Population Growth by County
New York City
2003-2018

Population (000's)	2003	2013	Forecast 2014	Forecast 2018	Compound Annual Growth Rate 03-13	Compound Annual Growth Rate 14-18
United States	290,107.9	316,128.9	318,493.9	329,375.3	0.9%	0.8%
New York City	**8,068.1**	**8,407.3**	**8,467.4**	**8,635.5**	**0.4%**	**0.5%**
Bronx County	1,362.4	1,418.6	1,428.8	1,455.0	0.4%	0.5%
Kings County	2,473.0	2,590.8	2,613.2	2,683.4	0.5%	0.7%
Queens County	2,214.6	2,293.1	2,310.4	2,360.0	0.3%	0.5%
Richmond County	455.9	473.7	476.0	478.8	0.4%	0.1%
New York County	1,562.2	1,631.2	1,638.9	1,658.4	0.4%	0.3%

Source: Data Courtesy of Moody's Analytics, Cushman & Wakefield Valuation & Advisory

HOUSEHOLDS

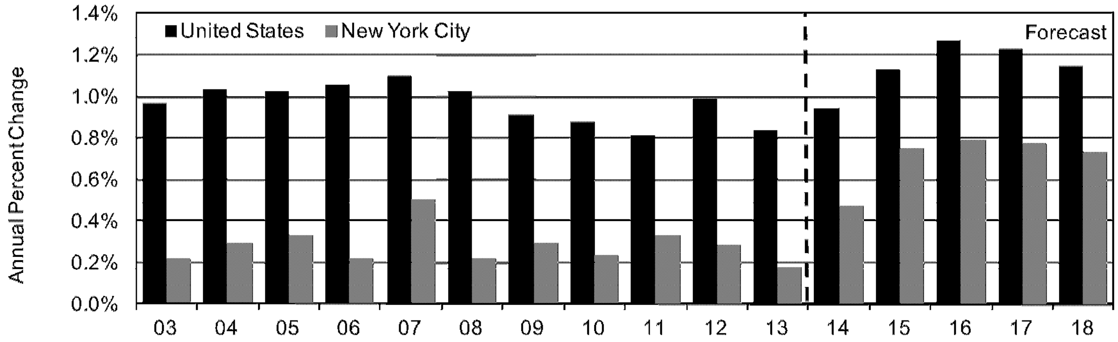
Much like population growth, New York City continually lags the country in household formation. This is largely due to issues endemic to New York City. For example, the extremely high cost of living discourages household formation, especially as young residents group together in apartments to live more affordably. It is not uncommon for living rooms to be converted into extra bedrooms. Indeed, recent census data show that New York City leads the nation in nonfamily households, with almost two-thirds of households having members with no familial relationship.

Further considerations are as follows:

- From 2003 to 2013, the number of households in the city grew at an average annual rate of 0.3 percent, lower than the national rate of 1.0 percent per year.
- Over the next five years, the city's average growth rate is expected to be 0.8 percent per year, two-thirds the nation's rate.

The chart below compares historical and projected household formation growth between New York City and the United States as a whole:

HOUSEHOLD FORMATION BY YEAR
New York City vs. United States, 2003-2018



Source: Data Courtesy of Moody's Analytics and Cushman & Wakefield Valuation & Advisory
Note: Shaded bars indicate periods of recession

ECONOMIC TRENDS

GROSS METRO PRODUCT

As discussed earlier, one of the city's biggest new growth drivers since the recession has been the tech industry. Giants like Microsoft, eBay, Yahoo!, Google, Facebook, Twitter, and LinkedIn have been expanding, while smaller tech firms and startups are popping up in "Silicon Alley" and other areas of the city. Notable among these are Etsy, Shutterstock, Kickstarter, MongoDB, Gilt Groupe, and Tumblr. The industry has also been one of the biggest consumers of office space in the city in recent quarters. Expansion is expected to continue as Cornell University's proposed $2.0 billion high-tech graduate school on Roosevelt Island begins to come to fruition. It may take some time before new jobs and businesses arise from the initiative, but the industry will continue to own a growing share of the city's economic output.

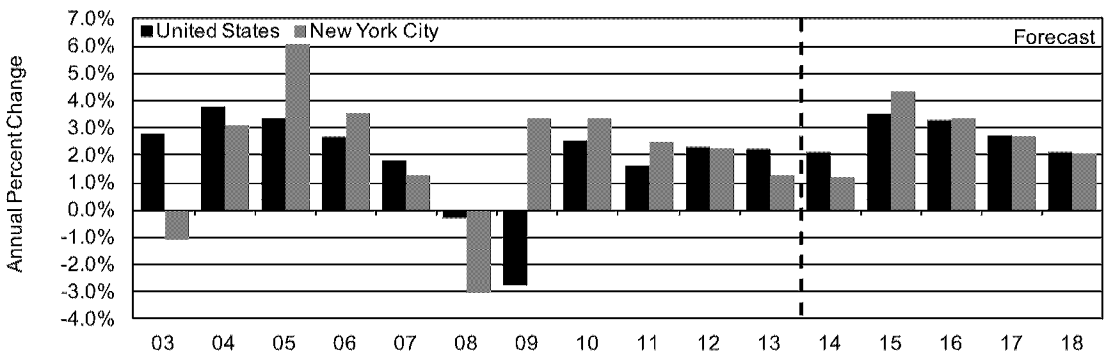
According to Moody's Analytics, the city's economy grew by 1.2 percent by in 2013, lower than the nation's growth of 2.2 percent. This growth is expected to be similar through the rest of 2014, before accelerating in 2015. The city's economy is well-diversified now, and growth will further intensify when financial companies return to expansion.

Further considerations are as follows:

- For the purpose of comparing the economies of New York City and the United States, we use Gross Metro Product (GMP) and Gross Domestic Product (GDP), respectively. The measures are analogous in what they attempt to capture, but GDP is on a much larger scale than GMP.
- From 2003 through 2013, New York City averaged 2.3 percent annual GMP growth, moderately better than the nation's annual GDP growth of 1.7 percent over the same time period.
- The city's GMP growth is expected to slightly lag the nation's GDP growth over the next five years, growing by an annual average rate of 3.1 percent. The nation's GDP is forecast to have 2.9 percent annual growth.

The following chart compares historical and projected GMP growth by year for New York City and GDP growth for the United States:

REAL GROSS PRODUCT GROWTH BY YEAR
New York City vs. United States, 2003-2018



Source: Data Courtesy of Moody's Analytics and Cushman & Wakefield Valuation & Advisory
Note: Shaded bars indicate periods of recession

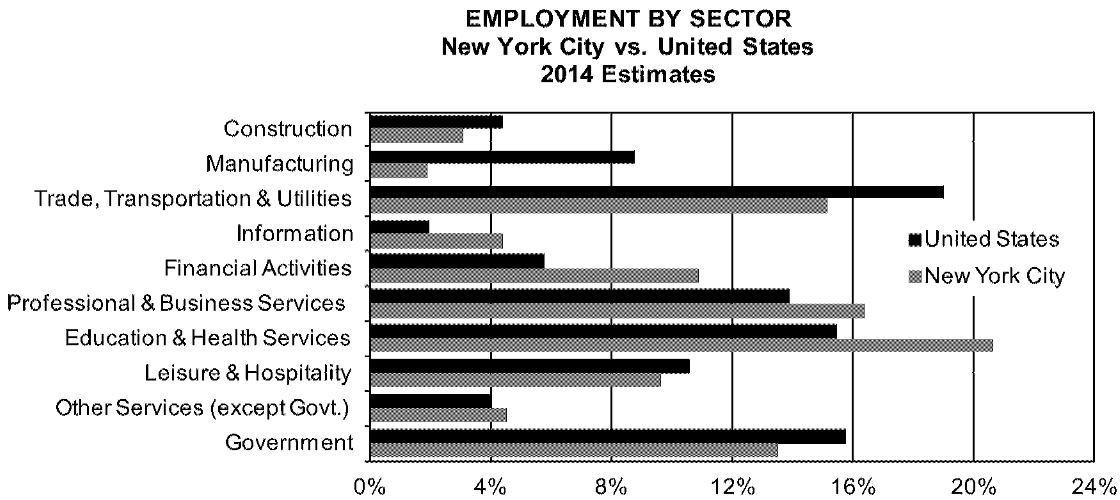
EMPLOYMENT DISTRIBUTION

New York City is heavily weighted in office-using employment sectors, which comprise 31.4 percent of jobs compared to 24.3 percent for the nation. This helps to explain the high wages and job growth found in the metro area. Furthermore, the city's abundance of service jobs has shielded it from the gradual decay in manufacturing employment across the nation.

Further considerations are as follows:

- More New York City jobs are found in education/health services than in any other sector, comprising 20.6 percent of employment. Growth in this sector is expected to continue, particularly as Mayor De Blasio's "Universal Pre-K" program is implemented.
- The sector with the lowest employment representation in the city is manufacturing, which accounts for only 1.9 percent of the workforce. By contrast, the sector accounts for 8.7 percent of national employment. This is a reflection of the service-heavy orientation of New York City, the high cost of land, and the lack of space for large manufacturing facilities.
- The percentage of New York City jobs in the financial activities sector is nearly double that of the national proportion, with 10.9 percent of total employment. This is not surprising, as New York City is the financial capital of the United States and home to Wall Street.
- The area also has more than two times the information sector representation than the rest of the country. Recent growth in this sector is a result of the tech boom.

The following chart compares non-farm employment sectors for New York City and the United States as a whole:



Source: Data Courtesy of Moody's Analytics and Cushman & Wakefield Valuation & Advisory

MAJOR EMPLOYERS

New York City's major employers are a good reflection of the city's employment distribution. Just as many New York City jobs are in education/health services and financial activities, many of the largest employers are found in those sectors. Of the ten largest private employers in the city, five work in healthcare, two are schools, two are banks, and one is a major retailer.

Further considerations are as follows:

- JP Morgan Chase & Co. and Citigroup Inc. are the two largest banks in the city, employing almost 46,500 people combined. Their appearance on this list is not surprising, given New York's status in the financial world.
- As previously stated, the education/health services sector is the largest in the city, and the rest of the list reflects this. In addition to New York City's most renowned schools (NYU and Columbia), the five largest hospital systems (North Shore-Long Island Jewish Health System, Mount Sinai Health System, NYU Langone Medical Center, New York-Presbyterian, and Montefiore Medical Center) employ over 109,000 New Yorkers.

The following table lists New York City's largest private employers:

Largest Private Employers New York City, NY		
Company	No. of Employees	Business Type
Mount Sinai Health System	31,490	Healthcare
JPMorgan Chase & Co.	29,000	Financial Services
North Shore-Long Island Jewish Health System	23,195	Healthcare
New York-Presbyterian Hospital	21,802	Healthcare
NYU Langone Medical Center	17,879	Healthcare
Citigroup Inc.	17,552	Financial Services
Macy's Inc.	17,000	Retailer
New York University	16,021	Education
Columbia University	15,420	Education
Montefiore Health System	14,694	Healthcare

Source: Crain's New York - 2013, & Cushman & Wakefield Valuation & Advisory

EMPLOYMENT GROWTH

Employment growth in New York City remains steady, and has now outpaced the nation's job growth over much of the past decade. New York City has long since recovered all of the jobs lost during the most recent recession and is now in a period of sustained expansion.

According to the New York State Department of Labor, total employment in the city grew by 2.4 percent during the 12-month period ending in September 2014, adding 93,500 jobs. Private sector job growth in New York City was even more pronounced, increasing by 2.8 percent during the year, outpacing the state's growth rate (1.6 percent) and the nation's growth rate (2.3 percent).

Job growth continues to be broad-based, with almost all major private sectors posting year-over-year gains. The city's employment growth over the past year has been led by the following sectors: education/health services (which grew by 32,000 jobs, a 4.0 percent growth rate), professional/business services (which added 20,000 jobs, a 3.1 percent growth rate), leisure/hospitality (15,700 additional jobs representing 4.1 percent growth), and trade/transportation/utilities (adding 17,000 positions, mostly in low-paying retail trade jobs).

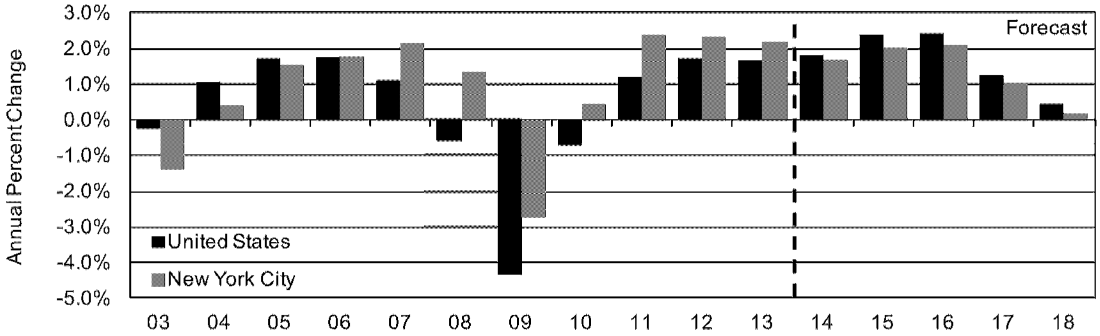
Government employment, however, is still contracting slightly in New York City, as in many others around the country. Over the past year, government employment in the city has fallen by 1,900 jobs (a 0.4 percent decrease). Though the broader financial activities sector expanded by 1.7 percent, the city's important securities brokerage and investment banking subsectors are also still in contraction. These two subsectors combined for a net loss of 1,000 jobs over the past year. Growth could return to these sectors later by the end of 2014 or early 2015, especially as regulatory changes due to the Dodd Frank law become more familiar.

Additional considerations for employment growth are as follows:

- From 2003 through 2013, New York City's total non-farm employment grew by an annual average of 1.2 percent. This was much better than the nation's 0.5 percent annual average job growth over the same time period.
- Over the next five years, the city's total non-farm employment is forecast to grow by an annual average of 1.3 percent, slightly below the nation's 1.6 percent annual growth.

The following chart illustrates total non-farm employment growth per year for New York City and the United States:

TOTAL EMPLOYMENT GROWTH BY YEAR
New York City vs. United States, 2003-2018



Source: Data Courtesy of Moody's Analytics and Cushman & Wakefield Valuation & Advisory
Note: Shaded bars indicate periods of recession

UNEMPLOYMENT

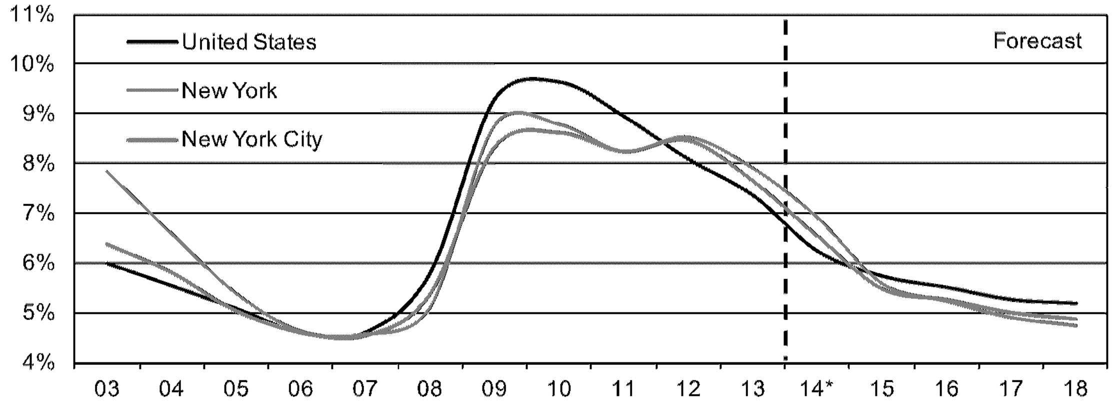
According to the New York State Department of Labor, New York City's seasonally adjusted unemployment rate in September 2014 was 6.8 percent. Year-over-year, the current unemployment rate represents a 1.3-percentage-point improvement from September 2013. The rate remains above the state (6.2 percent) and national (5.9 percent) rates, however. This paradox of a high unemployment rate combined with steady job growth is partly a result of discouraged workers returning to the city's labor force as job prospects improve. New York City's labor force has grown in each of the last three years.

Further considerations are as follows:

- New York City's unemployment rate averaged 6.9 percent from 2003 through 2013, slightly higher than the nation's average rate of 6.8 percent. During the early 2000s the city had a much higher unemployment rate than the nation, a trend which returned in 2012.
- Over the next five years, Moody's Analytics forecasts that New York City's unemployment rate will average 5.5 percent, lower than the nation's 5.6 percent average rate. The city's unemployment rate will dip below 6.0 percent in 2015.

The following graph compares historical and projected unemployment rates for New York City, the state of New York, and the United States as a whole:

UNEMPLOYMENT RATE BY YEAR
New York City vs. New York vs. United States, 2003-2018



Source: Data Courtesy of Moody's Analytics and Cushman & Wakefield Valuation & Advisory
Note: Shaded bars indicate periods of recession
*Second Quarter 2014

CONCLUSION

New York City has fared well in the past few years and expansion is firmly in place. The city has experienced moderate economic growth and employment gains that have outpaced the nation's. Economic expansion is expected to accelerate in 2015 as the tech industry drives employment and financial services begins to recover.

Additional items to consider for New York City:

- New York City has had steady private sector job growth since 2011, record tourism numbers, and features a well-diversified economy that is no longer dependent on Wall Street. As the tech and tourism industries grow further, New York City will continue to see economic growth in line with the rest of the country.
- New York City's unemployment rate has been trending downward and will experience steady improvement over the next several years.
- Affordability will continue to be a problem in the near term for New York City's middle class, sustaining the trend of "a city of extremes". The shifting employment composition could exacerbate this problem.

DOWNTOWN OFFICE MARKET ANALYSIS

INTRODUCTION

CURRENT TRENDS

Even though Downtown got off to a slow start in 2014 in terms of leasing activity and absorption, the market's underlying fundamentals are pointing to the right direction. The vacancy rate has been steadily declining and has remained one of the lowest rates in the country. The average asking rent continued to rise, though the pace is expected to slow as high quality space will be taken off the relatively expensive World Trade submarket.

Several factors are driving this resurgence in lower Manhattan. The first is Downtown's revival as a vibrant mixed-use area. Due to Downtown's rising popularity as a place to live and play, numerous office buildings have been targeted in recent years for residential or hotel conversion. Some examples include: 37 Warren Street, 67 Liberty Street, 70 Pine Street, 180 Water Street, the Woolworth Building, 99 Wall Street, 110 Wall Street, 346 Broadway, and 140 West Street.

These conversions have typically been limited to pre-war buildings with relatively small floor plates. According to the Alliance for Downtown New York, 10.0 million square feet of office space has been converted to residential or hotel use since 2004, and another 5.1 million square feet of space is in the potential conversion pipeline. The residential conversions have the added benefit of removing excess office supply from the market.

The increased residential population has also spurred demand for restaurants and shops. This demand is being met by high-profile retail developments at the World Trade Center site, Brookfield Plaza (World Financial Center is being repositioned to capitalize on the neighborhood's change), and the Pier 17 retail redevelopment. The evolving mixed-use nature of Downtown has consequently made the market more attractive for employers.

In addition to the residential component, Downtown's office space continues to be attractively priced compared to Midtown and even Midtown South. While the early 2015 average asking rents in Midtown and Midtown South were $75.44 per square foot and $63.28 per square foot, respectively, Downtown office space averaged just $57.58 per square foot. This rent discount has been especially attractive to tech and media companies that are getting priced out of Midtown South. A decade ago, two percent of Downtown's leases (by square footage) were signed by information, media, or tech tenants. More recently, these tenants account for a larger portion of the leasing activity in Downtown. WeWork, one of the fast growing users of space in Manhattan over the past two years, is catering to these types of tenants by offering cheap co-working space in creative environments.

Downtown was the only Manhattan submarket to register negative absorption during the first quarter of 2015. In total, 679,579 square feet of space was put back on the market this quarter. The large block of space at 28 Liberty Street (formerly known as One Manhattan Plaza) largely contributed to this negative absorption. The Downtown absorption should improve for the remainder of the year, especially as tenants located in Midtown and Midtown South are increasingly looking to Downtown both for its significant rental discount and its proximity to a creative workforce that lives in lower Manhattan and Brooklyn.

Other important trends and developments in the Downtown office market include:

- The overall average asking rent in Downtown increased from $51.04 per square foot in fourth quarter 2014 to $57.58 per square foot in first quarter 2015.
- Overall vacancy increased from 9.7 percent to 10.4 percent during the first quarter, however, looking at the vacancy rate on a year-over-year basis, it dropped by 0.8 percentage points.
- Downtown's total leasing activity during the quarter amounted to more than 1.0 million square feet, however, absorption was negative 679,579 square feet.

- The Downtown market has been rebranding itself as a "media hub", to capitalize on deals signed by GroupM, New York Daily News, Droga5, MediaMath, Newsweek, Harper Collins, and Condé Nast, among others. If this effort is successful, it may aid the area in attracting the creative spillover from Midtown South.
- Time Inc. is the latest major media company to relocate to Downtown. The company signed a deal during the second quarter in 2014 for almost 700,000 square feet in the Brookfield Place complex.
- News Corporation and 21st Century Fox are considering creating a joint headquarters in the World Trade Center building.
- While Downtown was once an epicenter of financial firms and activity, the market's ongoing diversification into tech and media has proved beneficial, particularly as banks continue to downsize. According to the Alliance for Downtown, the number of employees in these fields has increased by 71.0 percent over the last five years in lower Manhattan.
- Downtown's residential population has grown from 24,000 in 2001 to approximately 61,000 in 2014. By the end of this year, the population is expected to surpass 64,000.
- Furthermore, Downtown is said to be the future of Manhattan's condo. A new report from the Marketing Directors projects that Downtown will see 1,350 new condo units by 2016, constituting about 30.0 percent of the 4,580 total.
- Hugo Boss is moving its North American headquarters from the Starrett-Lehigh building at 601 West 26th Street to 55 Water Street. The fashion giant signed a fifteen year deal for over 68,000 square feet of space, and will occupy the building's entire 48th floor.
- The owners of 375 Pearl Street will be renovating 15 of the building's upper floors for 500,000 square feet of office space. The building is currently configured largely as a data center.

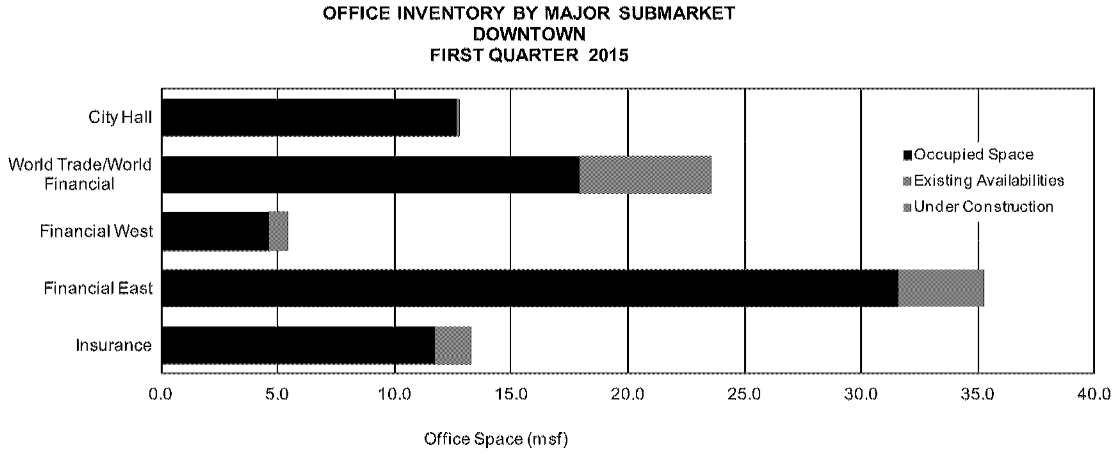
MARKET CHARACTERISTICS

Downtown's office inventory of 87.8 million square feet is geographically segmented into five major submarkets: City Hall, World Trade, Financial East, Financial West and Insurance. Approximately 60.0 percent of Downtown's inventory is Class A product, the majority of which is located in the Financial East submarket.

Characteristics for each submarket are as follows:

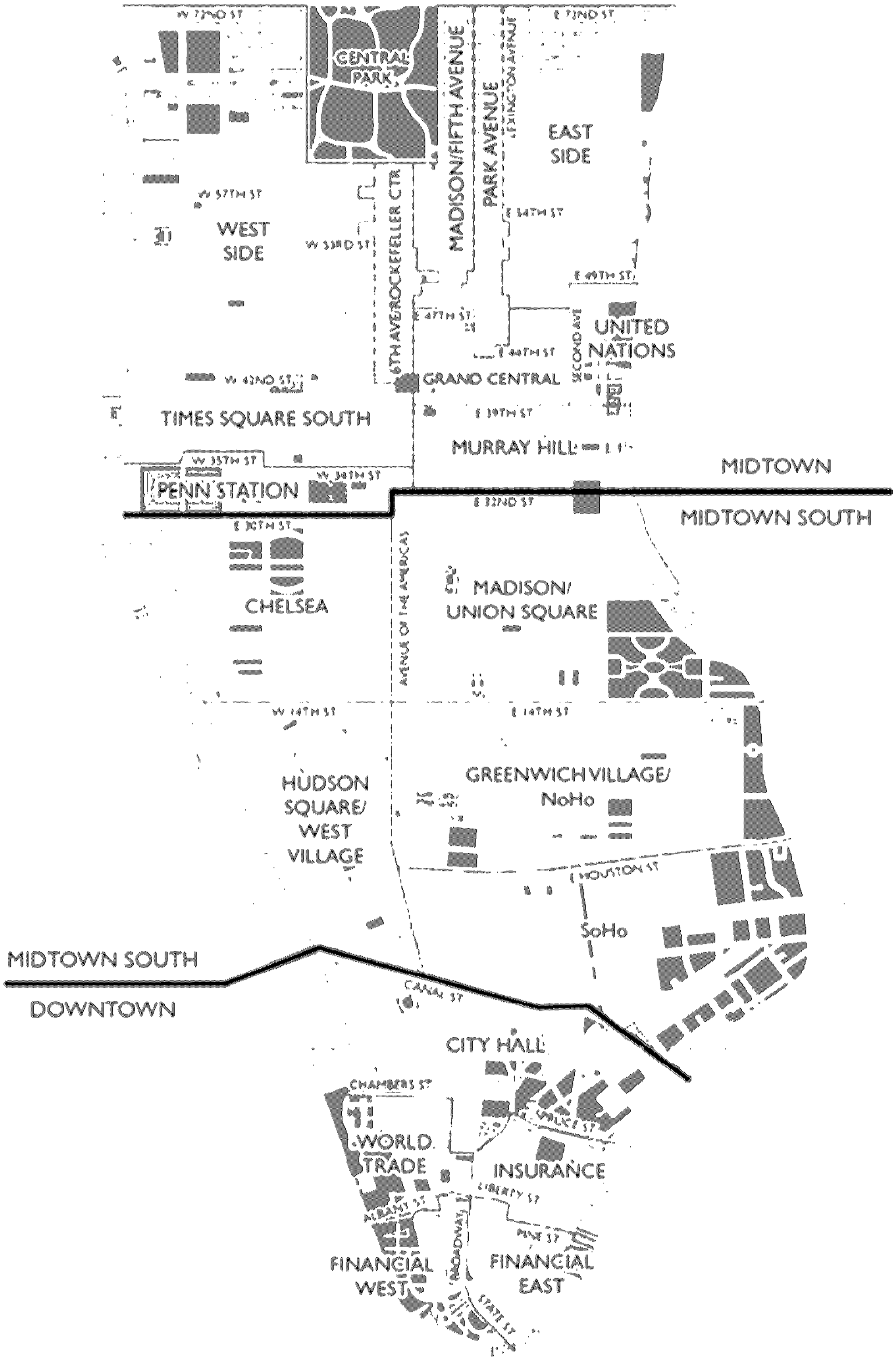
- The City Hall submarket is located in the northernmost section of Downtown, spanning the entire width of Manhattan, south of Canal Street and north of the Brooklyn Bridge. The submarket contains nearly 12.8 million square feet of office space, 6.6 million square feet of which is Class A space. Several landmark municipal buildings, such as City Hall, are located in the center of the submarket.
- The World Trade (formerly known as World Trade/World Financial) submarket rests in the western portion of Downtown, bordering the Hudson River to the west, the Insurance submarket to the east, Financial West to its south and City Hall to its north. Of the 21.1 million square feet of space making up World Trade, 17.4 million square feet is primary Class A space. The submarket is dominated by Brookfield Place and the new World Trade Center complex.
- The Financial West submarket, with just over 5.4 million square feet of office space, is Downtown's smallest submarket. Nearly two thirds of the space in Financial West is Class B.
- Financial East is Downtown's largest submarket with 35.3 million square feet of office space, more than twice as much as any other submarket, except World Trade. This submarket is home to Wall Street and the financial district neighborhood.
- The Insurance submarket is located on the eastern side of the Downtown market, south of City Hall and north of the Financial East submarket. The 13.3 million square foot Insurance submarket is comprised of 43.1 percent Class B office space.

The following chart details the submarket inventories for Downtown:



Source: Cushman & Wakefield Research; compiled by C&W Valuation & Advisory

The following map of Manhattan provides approximate boundaries for each of the borough's major office markets:



SUPPLY ANALYSIS

VACANCY

Downtown's overall vacancy rate rose by 70 basis points, increasing from 9.7 percent in the fourth quarter to 10.4 percent this quarter. This vacancy rate increase was primarily due to the additional 950,000 square feet of space that entered the Downtown market at 28 Liberty Street, formerly One Chase Manhattan Plaza. Over the past year, however, the vacancy rate fell by 80 basis points as a result of strong leasing activity, which was driven by the large volume of leasing at Brookfield Place complex.

Further considerations are as follows:

- The Financial East submarket's vacancy rate increased from 8.7 percent to 10.3 percent during the first quarter. The nearly 1.0 million square foot addition at 28 Liberty Street was a primary cause of this increase.
- City Hall maintains the lowest vacancy rate at less than 1.0 percent, with just over 111,000 square feet of available space during the first quarter.
- World Trade was the only submarket to experience a vacancy rate decrease in the first quarter, dropping 0.8 percent to 14.9 percent.
- Vacancy in Downtown is likely to drop over the next year as space from One World Trade Center is being absorbed at a reasonable rate.

The table below shows Downtown's submarket statistics as of first quarter 2015:

Office Market Statistics by Submarket
Downtown Manhattan
First Quarter 2015

Market/Submarket	Inventory	Overall Vacancy Rate	Direct Vacancy Rate	YTD Construction Completions	YTD Overall Absorption	Under Construction	Direct Wtd Avg Rent	Direct Wtd Avg Class A Asking Rent	Direct Wtd Avg Class B Asking Rent	Overall Wtd Avg Asking Rent
City Hall	12,798,515	0.9%	0.9%	0	(25,414)	0	$48.40	$0.00	$56.98	$48.40
World Trade/World Financial	21,091,586	14.9%	14.0%	0	101,430	2,482,514	$72.51	$72.65	$51.00	$71.85
Financial West	5,411,622	13.6%	11.7%	0	(29,314)	0	$45.53	$49.81	$47.67	$44.56
Financial East	35,261,509	10.3%	9.2%	0	(648,746)	0	$52.17	$55.88	$41.58	$51.39
Insurance	13,268,439	11.6%	10.4%	0	(77,535)	0	$46.64	$48.43	$40.46	$45.54
DOWNTOWN TOTAL	**87,831,671**	**10.4%**	**9.5%**	**0**	**(679,579)**	**2,482,514**	**$58.71**	**$62.63**	**$43.28**	**$57.58**

Source: Cushman & Wakefield Research; compiled by C&W Valuation & Advisory

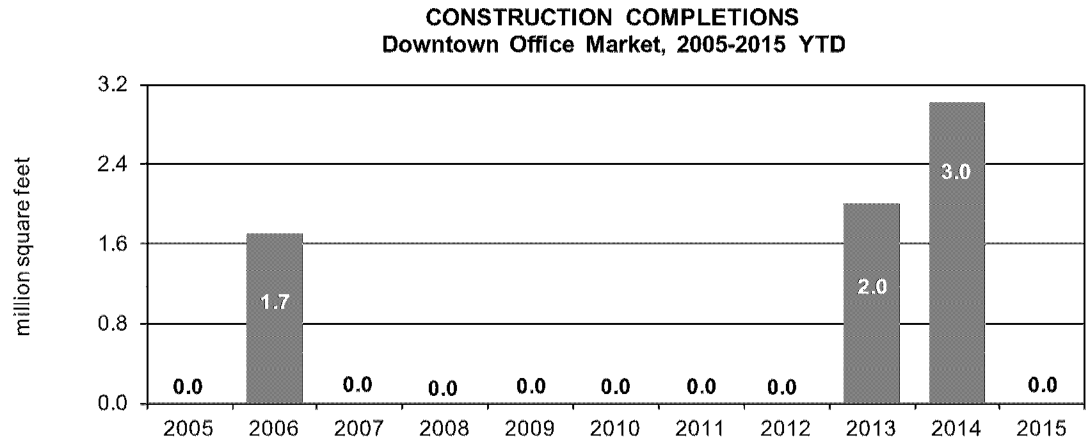
CONSTRUCTION

Though only several office projects have finished construction in the Downtown market recently, it is one of the busiest areas in New York City for office construction. In 2013, nearly half of all office construction (by square footage) tracked by Cushman & Wakefield in the United States occurred in New York City. Most of this total was from the large rebuilding effort at the World Trade Center sites in Downtown Manhattan, which has continued into 2015. Large amounts of Class A space will be added to Downtown sporadically over the next decade, as each tower in the project is finished.

Below is a list of major construction projects in the Downtown market:

- The Fulton Center is located on the southeast corner of Fulton Street and Broadway, and will improve connections to six existing lower Manhattan subway stations. The project will also connect with the PATH service and the World Trade Center site. The $1.4 billion Fulton Center finished construction in November 2014.
- Office construction in Downtown Manhattan is solely represented by the World Trade Center site. By the time the entire project is completed, over 10.0 million square feet of office space will have been added to Downtown's inventory.

The following graph summarizes construction completions within the Downtown office market:



Source: Cushman & Wakefield Research; compiled by C&W Valuation & Advisory

WORLD TRADE CENTER

The most important development in the Downtown market is the World Trade Center site. The project will include six state-of-the-art office towers, a memorial to the victims and families of 9/11, a 550,000 square foot retail concourse, a transportation hub, and a performing arts center. The sustainability efforts of every part of the project make it the most environmentally conscious complex of its size in the world. When completed, the project will be a strong symbol for the resurgent Downtown office market.

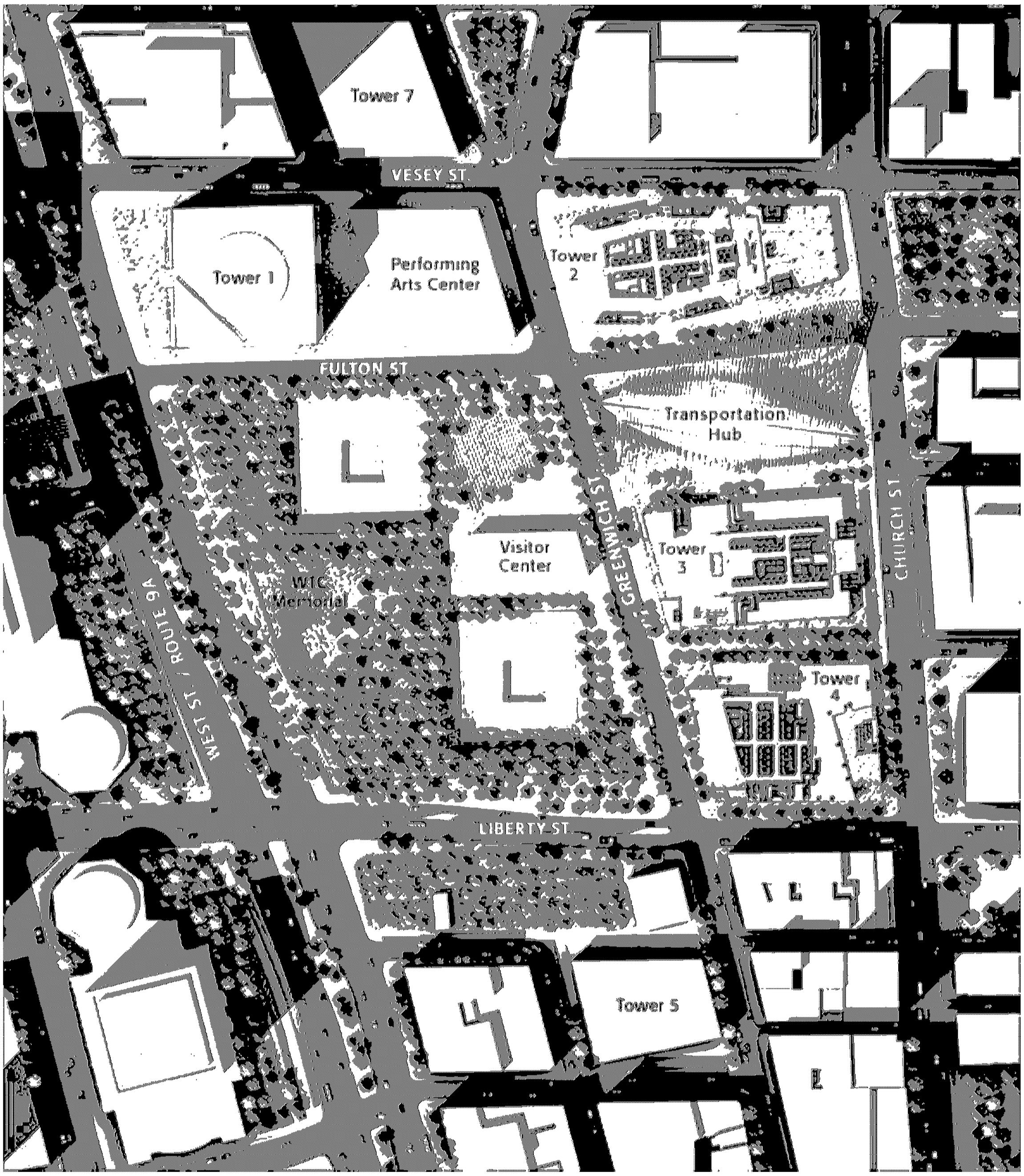
Since their opening, One World Trade Center and Four World Trade Center have been 63.9 percent and 62.0 percent leased, respectively, with almost two million square feet of office space available for lease at both towers. Financial companies, who once filled the original twin towers, are losing dominance as One and Four World Trade Center are attracting a new set of tenants: technology, advertising, media and information (TAMI) companies. These companies present new challenges for the towers as they tend to be comparatively small and often need less office space, leaving relatively more space vacant in the massive towers. In 2014, leases were signed for about 340,000 square feet, with not a single lease larger than the 106,000 square feet signed by MediaMath Inc. at tower 4. Financial firms, who occupied almost 80.0 of space in the twin towers, make up less than 2.0 percent of current tenants, while TAMI tenants have taken up more than 30.0 percent of the tower's space so far, compared to only about 3.0 at the old World Trade Center. Government tenants occupy roughly 40.0 percent of space. At the current pace of leasing, the towers will not reach 95.0 percent occupancy until 2019, according to Bloomberg.

Additional details on the project include:

- Construction on the World Trade Center site's centerpiece, the 3.5 million square foot One World Trade Center, began in 2006, and is the tallest skyscraper in America at 1,776 feet. The tower was developed by the Port Authority of New York/New Jersey and the Durst Organization, and contains roughly 3.0 million square feet of Class A office space. The tower completed construction in November 2014, and was one of the first two towers to reopen at Ground Zero after the September 11, 2001 terrorist attacks. The building's anchor tenant, Condé Nast Publications, leased nearly 1.2 million square feet, and moved into the building the same month the tower was completed. Moreover, Beijing Vantone Real Estate Co. leased more than 196,000 square feet, while the United States General Services Administration took more than 270,000 square feet of space under a twenty year agreement.

- With its crystalline design culminating in a diamond-shaped summit, Two World Trade Center (200 Greenwich Street) will be the second tallest tower on the World Trade Center site. In total, the building will contain 2.8 million square feet of office space, including four trading floors of roughly 65,000 square feet each. Construction has begun, and foundation work was completed in 2013. Before moving forward, however, the developer (Silverstein Properties) must secure an anchor tenant.
- Three World Trade Center (175 Greenwich Street) will be an 80-story, 2.5 million square foot office building. The building will also house 133,000 square feet of retail. Due to a contractual agreement with the Port Authority, however, the building had been capped at eight stories due to insufficient pre-leasing activity. This cap was lifted after GroupM signed a lease for 515,000 square feet in the building. In June 2014, the Port Authority voted to release approximately $159.0 million of insurance money to help secure financing for the tower, and in October, developer, Larry Silverstein, sold $1.6 billion of tax-exempt bonds to finance the construction of the tower.
- Four World Trade Center (150 Greenwich Street) is the fourth tallest building of the World Trade Center site. The 72-story, 2.5 million square foot building was completed in November 2013, and was the first tower to reopen at Ground Zero after the September 11, 2001 terrorist attacks. Roughly half of the building's two million total square feet has been leased to the Port Authority and NYC Department of Human Resource. MediaMath and Morningstar have also signed significant leases in the building recently.
- Five World Trade Center (130 Liberty Street) is on the site of the former Deutsche Bank Building, which was irreparably damaged in the attacks of September 11th. The building's deconstruction finished in early 2011. The approved redevelopment plans call for a 40-story 1.3 million square foot office building to be developed by the Port Authority of New York and New Jersey. Construction on the foundation is currently underway.
- Seven World Trade Center (250 Greenwich Street) was the first office building at the World Trade Center site to be completed. Construction of the 1.7 million square foot building began in 2002 and was completed in 2006, at a cost of $700.0 million. Major tenants include Moody's, MSCI, and Portigon Financial Services.
- The National September 11th Memorial & Museum broke ground in August 2006, and is located on the site of the former twin towers. A beautiful park with two manmade waterfalls is at ground level, along with a museum seventy feet below. The memorial opened to the public in September 2011, and the museum opened during second quarter 2014.
- The retail portion of the World Trade Center site, to be known as Westfield World Trade Center, is estimated to be completed in fall 2015. The current plan proposes some 350,000 square feet of initial retail space within an underground mall, all of which is now owned by Westfield. Leasing of stores at the site is nearly complete, with a tenant list that includes Breitling, Michael Kors, and Eataly.
- A proposed performing arts center will be located on the northwest corner of Fulton and Greenwich Streets. Construction on this project has not yet begun, and funding is currently uncertain.
- The new World Trade Center Transportation Hub (also known as the Oculus), designed by renowned architect Santiago Calatrava, is expected to accommodate 250,000 pedestrians a day. The hub will include a multi-story transit hall and 225,000 square feet of high-end retail. A corridor will also connect the hub to the Fulton Center. In total, commuters will have access to other transportation locations on and around the hub including the Hudson River Ferry, the PATH service, 11 subway lines, and the proposed JFK rail link. This development is a joint effort between the Port Authority of New York/New Jersey and the Federal Transit Administration. The Oculus is scheduled to be open to limited pedestrian traffic in June 2015, and completed in December 2015.

The following rendering of the World Trade Center site is courtesy of Silverstein Properties:



ASKING RENTS

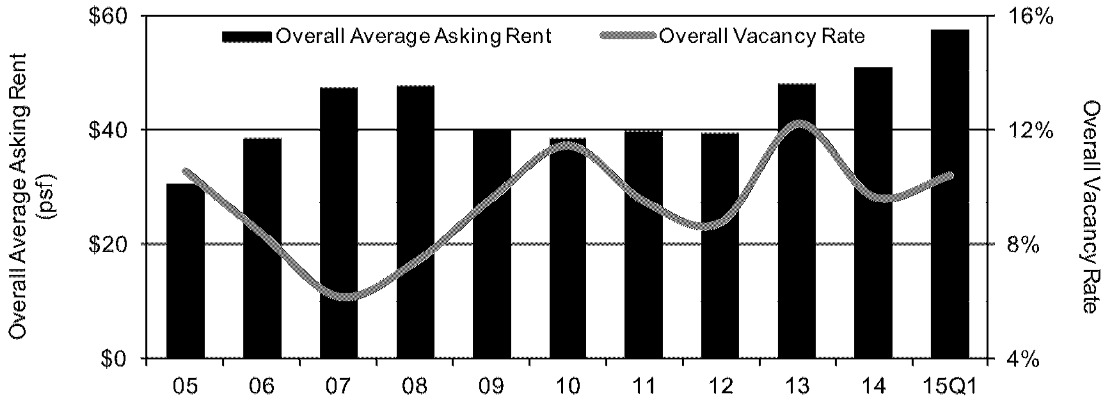
Downtown's overall average asking rent increased from $51.04 per square foot to $57.58 per square foot during first quarter 2015, reaching the highest quarterly level ever recorded in the market. Over the past year, the Downtown overall asking rent has risen by 17.2 percent, due largely to the addition of the space at 28 Liberty Street, which is priced above the market average. The pace is expected to slow as high quality space is getting absorbed. The Downtown market continues to remain a value play for tenants compared to the pricier Midtown and Midtown South markets.

Further considerations include:

- The World Trade submarket currently has the highest overall average asking rent, at $71.85 per square foot. It was the only submarket in Downtown to have its year-over-year rate fall. This decline is attributed to higher priced space at Brookfield Place and Four World Trade Center getting leased.
- The overall average asking rent in the Financial West submarket is $44.56 per square foot, the lowest of any Downtown submarket.
- Exceptionally strong leasing activity in Downtown has caused the net effective rents in the submarket to rise by 9.1 percent, from $35.13 per square foot in 2009 to $38.34 per square foot in 2014.

The following graph highlights the relationship between the overall vacancy rate and overall asking rents in the Downtown office market since 2005:

OVERALL VACANCY RATE & OVERALL ASKING RENT BY YEAR
DOWNTOWN, 2005-15Q1



Source: Cushman & Wakefield Research; compiled by C&W Valuation & Advisory

DEMAND ANALYSIS

LEASING ACTIVITY

Tenants in Downtown signed over 1.0 million square feet of new leases during the first quarter. This represents a decrease of 40.7 percent from the same time last year when total leasing was above 1.7 million square feet. It also represents a quarterly low for the market since first quarter 2010. Financial East was the most active submarket during the quarter, registering over 700,000 square feet of new leasing, including several sizeable transactions completed by WeWork and OSP Group.

Other notes of interest for leasing activity in Downtown are as follows:

- WeWork signed the largest lease during the first quarter, taking more than 230,000 square feet of space at 85 Broad Street in Financial East. The shared office space provider will be taking up six floors at the former headquarters of Goldman Sachs building
- OSP Group signed the second largest lease, taking more than 156,000 square feet at One New York Plaza. The online apparel retailer for plus-size consumers is relocating its corporate headquarters from midtown Manhattan to the new location in Lower Manhattan.
- The third largest lease of the quarter was signed by Planned Parenthood for 65,000 square feet at 123 William Street. The reproductive health nonprofit is selling its current headquarters at 434 West 33rd Street and will be moving to the Insurance submarket.

The following table highlights significant leasing transactions in Downtown for the first quarter in 2015:

Significant Office Market Lease Transactions Downtown Manhattan First Quarter 2015			
Building Address	Submarket	Tenant	Size (sf)
85 Broad Street	Financial East	WeWork	233,174
One New York Plaza	Financial East	OSP Group	157,210
123 William Street	Insurance	Planned Parenthood	65,000

Source: Cushman & Wakefield Research; compiled by C&W Valuation & Advisory

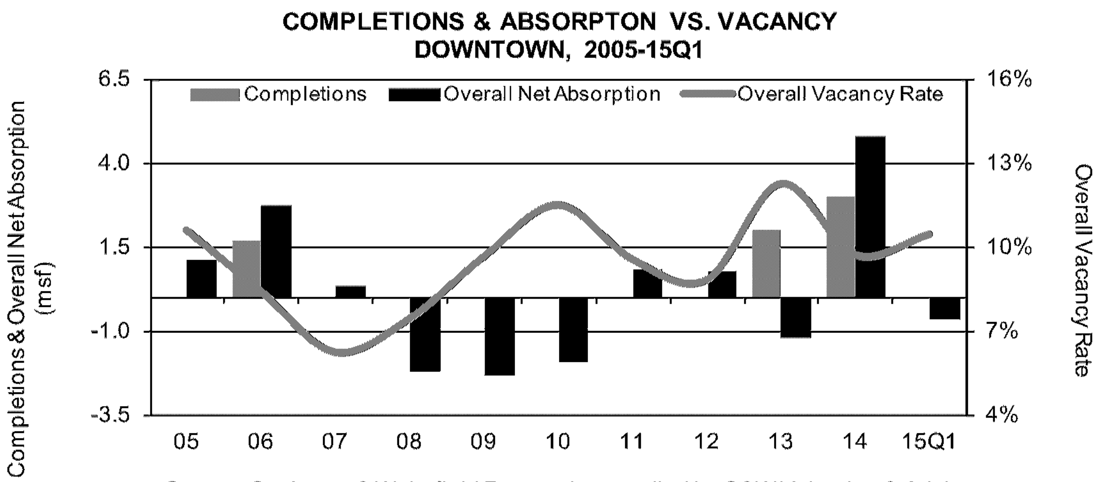
NET ABSORPTION

Downtown was the only Manhattan submarket to register negative absorption during the first quarter. In total, 679,579 square feet of space was put back on the market this quarter. The large block of space at 28 Liberty Street largely contributed to this negative absorption. The Downtown absorption should improve for the remainder of the year, especially as tenants located in Midtown and Midtown South are increasingly looking to Downtown both for its significant rental discount and its proximity to a creative workforce that lives in lower Manhattan and Brooklyn.

Further considerations are as follows:

- Four of the five Downtown submarkets recorded negative overall absorption this quarter, with the exception of World Trade, which recorded over 100,000 square feet of positive absorption.
- Financial East registered the highest level of negative absorption, at 648,746 square feet. Most of the additional space came from 28 Liberty Street.
- Over 96.4 percent of Downtown's negative absorption during the quarter occurred in Class A leasing, most of which has been in the Financial East submarket.

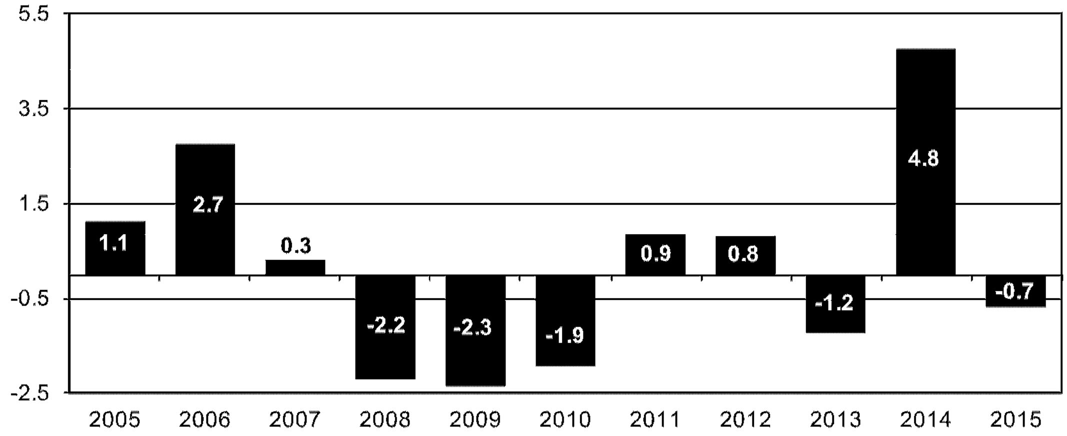
The following graph shows construction completions and absorption compared to overall vacancy rates since 2005:



Source: Cushman & Wakefield Research; compiled by C&W Valuation & Advisory

The following chart shows the overall net absorption in Downtown since 2005:

OVERALL NET ABSORPTION
Downtown Office Market, 2005-2015 YTD



Source: Cushman & Wakefield Research; compiled by C&W Valuation & Advisory

CONCLUSION

The Downtown Manhattan office market remains competitive due to its pricing and growing attractiveness to both residents and employers. The market has moved away from being dominated by financial services firms and now benefits from greater industrial diversity. This trend has been helped by creative and tech firms moving south after being priced out of the tight Midtown South office market. The previous oversupply of space is beginning to be absorbed by renewed interested in the Downtown market.

Some final thoughts on Downtown:

- The asking rents in Downtown remain far below the average rents in Midtown and Midtown South. This has proven to be an advantage, as creative tenants priced out of those markets move south to Downtown.
- Current developments in residential, retail, and entertainment are boosting lower Manhattan's appeal to both employers and employees.
- Despite the recent increase in available space due to the delivery of One World Trade Center, the overall vacancy trend remained stable. This downward trend is expected to continue as space becomes scarce.

FINANCIAL EAST OFFICE DISTRICT ANALYSIS

DISTRICT OVERVIEW

The subject property, 40 Wall Street, located within the Financial East sub district of Downtown Manhattan. This sub district is anchored by the New York Stock Exchange located on the southwest corner of Wall Street and Broad Street. Downtown Manhattan is comprised of five statistical areas tracked by Cushman & Wakefield and are delineated as follows:

- **City Hall:** Bound by the Brooklyn Bridge, Park Row, Vesey Street, Chambers Street, Hudson River, Canal Street and the East River.
- **World Financial:** Bound by Albany Street, Hudson River, Chambers Street, Church Street, Vesey Street, Broadway, Liberty Street and Greenwich Street.
- **Financial West:** Bound by Battery Park, Hudson River, Albany Street, Greenwich Street, Liberty Street and Broadway.
- **Financial East:** Bound by Battery Park, Broadway, Liberty Street, William Street, Pine Street and the East River.
- **Insurance:** Bound by Pine Street, William Street, Liberty Street, Broadway, Park Row and the Brooklyn Bridge.

The following chart summarizes the Downtown Class A and B office market as of first quarter 2015:

DOWNTOWN NEW YORK OFFICE MARKET
Class A Statistical Summary - First Quarter 2015

	City Hall	World Trade	Financial West	Financial East	Insurance	Market Summary
Number of Buildings	8	10	2	21	8	**49**
Inventory (sf)	6,602,688	17,423,432	663,315	23,378,388	4,735,929	**52,803,752**
Total Space Available	0	3,010,514	43,453	2,750,055	997,227	**6,801,249**
Direct Space Available	0	2,929,547	26,233	2,419,869	977,305	**6,352,954**
Direct Vacancy Rate	0.0%	16.8%	4.0%	10.4%	20.6%	**12.0%**
Total Vacancy Rate	0.0%	17.3%	6.6%	11.8%	21.1%	**12.9%**
Direct Rental Rate	$0.00	$72.65	$49.81	$55.88	$48.43	**$62.63**
YTD Leasing Activity	3,500	81,979	27,919	515,215	44,059	**672,672**

DOWNTOWN NEW YORK OFFICE MARKET
Class B Statistical Summary - First Quarter 2015

	City Hall	World Trade	Financial West	Financial East	Insurance	Market Summary
Number of Buildings	8	4	8	24	10	**54**
Inventory (sf)	3,192,893	3,618,654	3,387,600	10,927,205	5,712,767	**26,839,119**
Total Space Available	47,951	138,879	382,694	714,507	469,715	**1,753,746**
Direct Space Available	47,951	18,550	295,531	677,909	342,225	**1,382,166**
Direct Vacancy Rate	1.5%	0.5%	8.7%	6.2%	6.0%	**5.1%**
Total Vacancy Rate	1.5%	3.8%	11.3%	6.5%	8.2%	**6.5%**
Direct Rental Rate	$56.98	$51.00	$47.67	$41.58	$40.46	**$43.27**
YTD Leasing Activity	0	41,137	46,240	150,697	32,615	**270,689**

The Downtown vacancy rates, as of the first quarter 2015, tend to vary from district to district. For Class A space, the direct vacancy rates are 0.0 percent for the City Hall sub district, 16.8 percent for the World Trade sub district, 4.0 percent for the Financial West sub district, 10.4 percent for the Financial East sub district and 20.6 percent for the Insurance sub district. This compares to the average Downtown direct vacancy rate of 12.0 percent for Class A space. When sublease space is included, the average vacancy rate for Downtown Class A space increases to 12.9 percent.

For Class B space, the direct vacancy rates are 1.5 percent for the City Hall sub district, 0.5 percent for the World Trade sub district, 8.7 percent for the Financial West sub district, 6.2 percent for the Financial East sub district and 6.0 percent for the Insurance sub district. This compares to the average Downtown direct vacancy rate of 5.1 percent for Class B space. When sublease space is included, the average vacancy rate for Downtown Class B space increases to 6.5 percent.

FINANCIAL EAST OFFICE SUBDISTRICT

As we mentioned earlier the subject is located within the Financial East office submarket. Following is a snapshot of the submarket as of the first quarter 2015.

**FINANCIAL EAST SUBDISTRICT
OFFICE STATISTICAL AREA FIGURES**

Quarter	Inventory	Direct Vacancy	YTD Leasing Activity	Direct Wtd. Avg Class A Gross Rental Rate psf/yr
1st Quarter 2015	35,261,509	9.20%	705,854	$55.88
4th Quarter 2014	35,339,509	7.80%	2,392,349	$48.61
1st Quarter 2015	35,339,509	7.90%	830,045	$44.92

- **Rents:** Direct Class A asking rents increased from $48.61 per square foot in Q4 2014 to $55.88 per square foot in Q1 2015. The increase in asking rents is reflective of completed new construction; rents will continue to rise as the construction continues. Class B overall rental rates remained flat this quarter at $43.27 per square foot.
- **Vacancy Rates:** Financial East's overall direct vacancy rate is 9.2 percent increased by 1.4 percentage points from Q4 2014. Class A office space maintains a direct vacancy rate of 10.4 percent while Class B is much lower at 6.2 percent. There are two new large blocks available in Financial East at 55 Water Street (127,291 square feet) and One State Street Plaza (81,468 square feet).
- **Leasing Activity:** Year-to-date leasing activity registered over 700,000 square feet, which was more than the rest of downtown combined. Class A leasing represents 73 percent of all leasing in the Financial East submarket. Compared to last year leasing activity is down over 40 percent at 1,044,591 square feet.

The Financial East Sub district contains a large number of pre-war office buildings, many of which remain Class A buildings. An example of a large pre-war Class A buildings include 40 Wall Street (subject property). Pre-war buildings are frequently renovated and upgraded with new windows, new HVAC package units, new elevators and increased electrical capacity. These improvements combine with the architectural integrity of pre-war lobbies which frequently include brass elevator doors, marble floors and vaulted ceilings of intricate design. Examples of pre-war buildings which have undergone renovation include 100 Broadway located on the southeast corner of Pine Street.

Post-war office buildings include several large buildings constructed during the 1960/70 building boom and include larger buildings with large floor sizes built for major institutions. Some of the largest downtown buildings located in the Financial East District fall within this category:

- **Chase Plaza** – One and Two Chase Plaza are 35 and 60 story buildings containing 2.8 million square feet. The complex, located on Pine Street, is occupied by Chase Manhattan Bank and Milbank Tweed Hadley & McCloy.
- **55 Water Street** – Consists of 14 and 53 story towers containing 3.6 million square feet. The complex, located on Water Street, is occupied by Chase Manhattan Bank, Standard & Poor's, and Depository Trust Company.
- **One New York Plaza** – A 50 story tower containing 2.6 million square feet. The tower, located on Water Street, is occupied by Wachovia and Morgan Stanley.

Other large post-war buildings in this district include Two Broadway; Two New York Plaza a/k/a 125 Broad Street; Four New York Plaza and 60 Broad Street. Modern buildings constructed since 1980 are limited in number in Financial East. These would include Seven Hanover Square; Financial Square; 17 State Street, 33 Whitehall Street and 60 Wall Street.

Wall Street is the major east/west artery in this submarket beginning at Broadway and ending seven blocks east at South Street. Other major streets in this district include Broadway which is the north/south artery which forms the district's western border; Broad Street located two blocks east of Broadway which also runs north/south, and Water Street which begins at Battery Park and winds north into the Insurance District.

COMPETITIVE BUILDING HIGHLIGHTS

Several office buildings within the Financial East subdistrict, as well as the surrounding Insurance, Financial West and World Financial sub districts, are considered to be competitive with the subject property. The chart on the **following pages** summarizes these 29 competitive buildings, excluding the subject. These office buildings are more indicative of the competition that would have a direct impact on the subject compared to the overall subdistrict previously examined. Although we have reported both direct and sublease space available within the buildings considered competitive with the subject property, it should be noted that sublease space is generally not considered a reliable occupancy indicator.

COMPETITIVE BUILDINGS

	Property (Cross Streets)	Office Area (NRA)	Year Built	Stories	Direct SF Available	Sublease SF Available	% Occupied (Direct)	Direct Asking Rent Low	Direct Asking Rent High
1	**20 Broad Street** N/W/C of Exchange Place	453,207	1956	27	0	0	100.00%	N/A	N/A
2	**30 Broad Street** S/W/C of Exchange Place	346,900	1932 1985	49	28,000	11,985	91.93%	$42.00	$44.00
3	**26 Broadway** N/E/C of Beaver Street	630,000	1922	31	86,356	0	86.29%	$40.00	$50.00
4	**45 Broadway Atrium** B/w Morris Street & Exchange Alley	368,315	1983	32	9,756	0	97.35%	$41.00	$41.00
5	**61 Broadway** N/W/C of Exchange Alley	548,155	1916 1988	33	62,855	15,203	88.53%	$41.00	$52.00
6	Former Bank of Tokyo Building **100 Broadway** S/E/C of Broadway & Pine Street	304,538	1922 1998	24	26,172	0	91.41%	$41.00	$44.00
7	One Trinity Centre **111 Broadway** S/W/C of Thames St.	427,598	1905 1989	21	56,992	6,859	86.67%	$45.00	$49.00
8	United States Realty Building **115 Broadway** Entire Block Bounded By Thames Street, Trinity Place, Cedar Street, &	409,596	1907	22	107,977	3,550	73.64%	$47.00	$49.00
9	The Equitable Building **120 Broadway** Entire block bounded by Bway, Pine, Nassau & Cedar Sts.	1,916,700	1915	41	128,872	107,282	93.28%	$43.00	$48.00
10	A T & T Building **195 Broadway** B/w Dey & Fulton Streets	875,000	1916 1986	30	0	111,129	100.00%	N/A	N/A

COMPETITIVE BUILDINGS (CONTINUED)

	Property (Cross Streets)	Office Area (NRA)	Year Built	Stories	Direct SF Available	Sublease SF Available	% Occupied (Direct)	Direct Asking Rent Low	Direct Asking Rent High
11	**100 Church Street** Entire block bounded by Barclay Street, West Broadway & Park Place	970,627	1958	21	0	0	100.00%	N/A	N/A
12	**22 Cortlandt Street** B/w Broadway & Church Street	601,487	1972	34	18,550	9,200	96.92%	$51.00	$51.00
13	**One Exchange Plaza** S/W/C of Exchange Alley	295,000	1983	32	23,469	17,220	92.04%	$54.00	$56.00
14	**40 Fulton Street** S/W/C of Pearl Street	224,531	1989	28	16,622	3,042	92.60%	N/A	N/A
15	**5 Hanover Square** B/w Beaver & Pearl Streets	235,523	1961	25	18,337	0	92.21%	$43.00	$43.00
16	Federal Reserve Plaza **33 Maiden Lane** N/E/C of Nassau St.	540,000	1984	27	0	0	100.00%	N/A	N/A
17	**59 Maiden Lane** S/W/C of John Street.	1,043,007	1965	44	0	0	100.00%	N/A	N/A
18	**83 Maiden Lane** N/W/C of Gold Street	135,955	1958 1987	13	0	0	100.00%	N/A	N/A
19	**Four New York Plaza** N/E/C of Broad & Water Streets	1,100,000	1968	23	49,528	0	95.50%	$40.00	$40.00
20	**80 Pine Street** Entire Block Bounded by Maiden Lane, Pearl, Pine & Water Sts	983,425	1960	40	0	127,490	100.00%	N/A	N/A

COMPETITIVE BUILDINGS (CONTINUED)

	Property (Cross Streets)	Office Area (NRA)	Year Built	Stories	Direct SF Available	Sublease SF Available	% Occupied (Direct)	Direct Asking Rent Low	Direct Asking Rent High
21	**14 Wall Street** N/W/C of Nassau & Wall Streets	956,654	1932 1997	37	146,562	0	84.68%	$40.00	$45.00
22	**44 Wall Street** N/W/C of William Street	265,780	1926 2004	24	63,996	2,916	75.92%	$40.00	$44.00
23	**48 Wall Street** N/E/C of William Street	265,427	1927 2000	33	5,803	40,950	97.81%	$42.00	$46.00
24	**100 Wall Street** B/w Water & Front Streets	457,622	1968 1994	29	53,948	16,766	88.21%	$41.00	$43.00
25	**100 William Street** B/w John & Platt Streets	355,364	1972	21	36,880	0	89.62%	$46.00	$48.00
26	**110 William Street** N/E/C of John Street	848,592	1958 1999	32	95,381	0	88.76%	$45.00	$45.00
27	**123 William Street** B/w John & Fulton Streets	503,325	1957 2014	27	10,317	0	97.95%	$40.00	$54.00
28	**77 Water Street** Entire Block bound by Gouverneur, Old Slip, & Front Sts	614,011	1970	26	0	0	100.00%	N/A	N/A
29	The Woolworth Building **233 Broadway** B/w Barclay Street & Park Place	855,104	1913 2002	54	16,738	0	98.04%	$55.00	$57.50
	TOTAL	**14,880,328**			**849,972**	**446,404**			
	AVERAGE	**646,971**	**1965**	**30**	**36,955**	**19,409**	**94.29%**	**$40.00**	**$57.50**

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The buildings that are competitive with the subject contain a total net rentable area of 14,880,328 square feet with an average direct occupancy rate of 94.29 percent; this compares to direct vacancy of 88.0 percent for Class A office space in the Downtown market as a whole. The minimum asking rent for the 30 buildings that are competitive with the subject is $40.00 per square foot and the average maximum asking rent is $57.50 per square foot.

DIRECTLY COMPETITIVE BUILDINGS

Of the 29 buildings presented, six are considered directly competitive with the subject in terms of building classification, asking rents, rentable office area, and current occupancy. The following chart summarizes the relevant occupancy statistics for the seven competitive buildings 14 Wall Street, 100 Church Street, 123 William Street, 111 Broadway, 120 Broadway, and 233 Broadway.

DIRECTLY COMPETITIVE BUILDINGS

	Property (Cross Streets)	Office Area (NRA)	Direct Avail. SF	Sublease Avail SF	% Occupied (Direct)	% Occupied (Total)	Direct Asking Rent Low	Direct Asking Rent High
1	14 Wall Street	956,654	146,562	0	84.68%	84.68%	$40.00	$45.00
2	100 Church Street	970,627	0	0	100.00%	100.00%	N/A	N/A
3	123 William Street	503,325	10,317	0	97.95%	97.95%	$40.00	$54.00
4	111 Broadway	427,598	56,992	6,859	86.67%	85.07%	$45.00	$49.00
5	120 Broadway	1,916,700	128,872	107,282	93.28%	87.68%	$43.00	$48.00
6	233 Broadway	855,104	16,738	0	98.04%	98.04%	$55.00	$57.50
	TOTAL	**5,630,008**	**359,481**	**114,141**				
	AVERAGE	**938,335**	**59,914**	**19,024**	**93.61%**	**91.59%**	**$40.00**	**$57.50**

The average direct occupancy rate for these six directly competitive buildings is 93.61 percent for direct space and 91.59 percent when including sublease space. This compares with an average direct occupancy rate of 89.08 percent for all of the buildings competitive with the subject and 88.00 percent for direct Class A space within the Downtown market.

SUMMARY AND CONCLUSIONS

Of the 29 buildings competitive with the subject, six buildings are considered directly competitive; 14 Wall Street, 100 Church Street, 123 William Street, 111 Broadway, 120 Broadway, and 233 Broadway are directly competitive with the subject due to their similar age, size, quality, location, occupancy and asking rents. The buildings may have individual traits that vary from the subject but overall are very comparable. Based upon our analysis, it is our opinion that rents for 40 Wall Street should average in the mid $40's per square foot and stabilize at an occupancy rate above 90 percent.

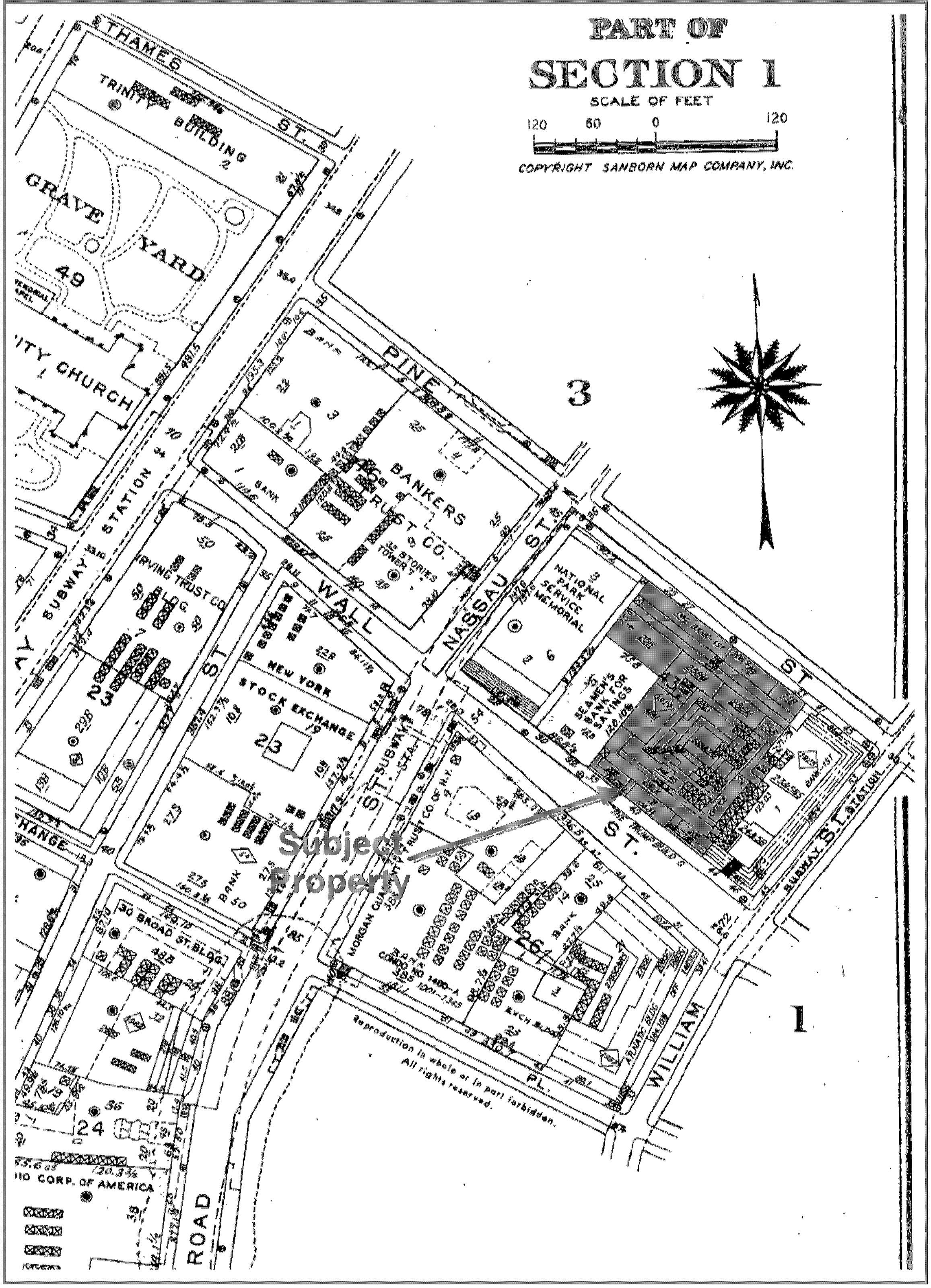
PROPERTY ANALYSIS

SITE DESCRIPTION

Location:	40 Wall Street Between Williams and Nassau Streets New York, New York County, NY 10006 The subject property is located on the north side of Wall Street throughblock to Pine Street between Nassau and William Streets in the Financial East office submarket of Downtown Manhattan.
Shape:	Irregular
Topography:	The site slopes downward slightly from north to south and from east to west.
Land Area:	34,360 square feet
Frontage:	Approximately 150 feet 1 inch on Wall Street and approximately 203 feet 9 inches on Pine Street.
Visibility:	The subject property has good visibility.
Access:	Access is provided by Wall Street and Pine Street. Wall Street is a one-way, eastbound commercial thoroughfare that runs from Broadway to South Street and is closed to vehicular traffic. Pine Street is also a one-way, westbound commercial thoroughfare that runs cross-town from Broadway to Water Street.
Street Improvements:	Curbing, sidewalks and street lights.
Soil Conditions:	We did not receive nor review a soil report. However, we assume that the soil's load-bearing capacity is sufficient to support existing structure. We did not observe any evidence to the contrary during our physical inspection of the property. Drainage appears to be adequate.
Utilities:	Following are the utility providers for the subject property:
Water:	City of New York
Sewer:	City of New York
Electricity:	Consolidated Edison
Gas:	Consolidated Edison
Telephone:	Verizon Communications
Land Use Restrictions:	We were not given a title report to review. We do not know of any easements, encroachments, or restrictions that would adversely affect the site's use. However, we recommend a title search to determine whether any adverse conditions exist.

Flood Zone:	The subject property is located in flood zone X.
Flood Zone Description:	Areas determined to be outside the 500 year flood plain.
FEMA Map:	360497-0184F, dated September 5, 2007
Site Improvements:	The site is improved with a 63-story Class A office building with retail and storage space.
Hazardous Substances:	We observed no evidence of toxic or hazardous substances during our inspection of the site. However, we are not trained to perform technical environmental inspections and recommend the hiring of a professional engineer with expertise in this field
Overall Site Utility:	The subject site is functional for its current use.
Location Rating:	Good

SANBORN MAP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SECTION 1
SCALE OF FEET
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THAMES ST.
TRINITY BUILDING
GRAVE YARD
49
TY CHURCH
PINE
BANKERS TRUST CO.
3
SUBWAY STATION
IRVING TRUST CO BLDG.
WALL
NASSAU ST.
NATIONAL PARK SERVICE MEMORIAL
SEAMEN'S BANK FOR SAVINGS
NEW YORK STOCK EXCHANGE
23
SUBWAY STA.
Subject Property
MORGAN GUARANTY TRUST CO. OF N.Y.
30 BROAD ST. BLDG.
24
CORP. OF AMERICA
ROAD
EXCH. PL.
WILLIAM
SUBWAY ST. STATION
1
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IMPROVEMENTS DESCRIPTION

The following description of improvements is based upon our physical inspection of the improvements along with our discussions with the building manager.

GENERAL DESCRIPTION

Year Built:	1929 (Renovated in 1995)
Building Class:	Class A
Number of Buildings:	1
Number of Stories:	63
Gross Building Area:	1,061,266 square feet (Per Assessor)
Net Rentable Area:	1,165,207 square feet (Per Rent Roll/Leases)
Loss Factor:	27.00 percent (Remeasured) The owners remeasured the property based on a 27.00 percent loss factor. Rentable areas of buildings in New York City exceed the gross buildings areas by factors ranging from 15 to 25 percent per floor which translates to loss factors of 22 to 28 percent per floor based upon REBNY measurements and 26 to 32 percent per floor based upon typical architects' carpetable measurement. As leases expire, tenants will be paying rent based on their remeasured area.
Typical Floor Plate:	The floor plates range from 3,591 to 38,828 square feet.

CONSTRUCTION DETAIL

Basic Construction:	Structural steel and concrete with aluminum and glass curtain wall facade..
Foundation:	The foundation consists of reinforced concrete and steel piles at load bearing column locations and reinforced concrete slab-on-grade basement floors. The basement has concrete perimeter walls.
Framing:	Poured reinforced concrete foundation and concrete encased steel frame supporting reinforced concrete floor slabs.
Ceiling Height:	Generally, ceiling heights vary from 11' 0" to 14' 0", slab to slab with finished ceiling heights of 8' 6" to 9' 0" in the office area.
Floors:	Concrete poured. Each floor is bridged by structural steel floor beams. The stairwells, bathrooms, equipment rooms and elevator shafts are side core.
Exterior Walls:	The facades consist of limestone over concrete masonry unit with some areas of an exterior insulation finishing system.
Roof Cover:	The roofs are a combination of a steep-sloped pinnacle roof structure covered with sheet copper and low-sloped setback roofs covered with single-ply, fully adhered EPDM membranes.

	Parapets are an extension of the facade. Base flashing consists of the roofing membrane extending along the roof side surface of the parapet and terminating under the aluminum counter flashing. Roof drainage is provided by domed strainers that lead to an interior drainage system that discharges storm water into the municipal system.
Windows:	Operable double thermopane that tilt and turn.
Pedestrian Doors:	Glass in aluminum frames.
Loading Doors:	The freight entrance is located on the Pine Street side of the building

MECHANICAL DETAIL

Heating:	Low pressure steam purchased from Consolidated Edison. Steam is provided to the building by two eight inch high pressure steam mains. Low pressure steam is delivered to cast iron perimeter radiators on the 7th through 63rd floors. Heating for the 1st through 6th floors is provided by means of perimeter induction units.
Cooling:	Cooling is provided by three water cooled chillers, which are centrifugal type manufactured by York. Two of the chillers are driven by steam turbines and one is electric drive. They utilized I32A refrigerant. Chilled water is delivered to cooling coils at air handlers on each floor. Heat rejection is provided by one three cell cooling tower located on the 25th floor setback roof. The cooling tower has a capacity of 3,000 tons and is approximately 50 years old. Chilled water is distributed by three circulating pumps manufactured by Weiman. Pumps are rated at 2,300 gpm and motors are rated at 100 hp. Condenser water is circulated by three pumps manufactured by Weinman. Pumps are rated at 3,000 gpm and motors are rated at 200hp. The interior spaces and corridors are provided with fresh air via fans located on each floor.
Plumbing:	The plumbing system is assumed to be adequate for existing use and in compliance with local law and building codes. The plumbing system is typical of other office properties in the area with a combination of steel, copper and cast iron piping throughout the building. Adequate restrooms for men and women are located on each floor of the building.
Electrical Service	Electricity is supplied underground to the site. A single 40,000 amp, 110/208 volt, 3 phase 4-wire service is provided. Circuit protection is provided by circuit breakers, distribution wiring is of copper conductors. Individual meters are located on each floor. Interior lighting consists of fluorescent fixtures.
Emergency Power:	None

Elevator Service: The building is equipped with 30 passenger elevators and 8 freight elevators. They are gearless traction type manufactured by Otis Elevator and are original to the building. Controllers are of the solid-state type. Elevators have a capacity of 2,500 lbs. The cab interiors are finished with carpeted floors, and bronze walls and ceilings. There two escalators connecting the lobby to the banking hall. The elevator service is summarized as follows:

No.	Bank	Type	Weight (lbs.)	Floors
7	A	Passenger	2,500	L-12
1	A	Freight	3,000	LL-12
6	B	Passenger	2,500	L, 12-22
1	B	Freight	3,000	2, 12-22
3	C1	Passenger	2,500	L, 38-55
1	C1	Freight	2,500	2, 38-54
4	C2	Passenger	2,500	L, 38-60
1	C2	Freight	3,000	2, 38-54
6	D	Passenger	2,500	L, 22-38
1	D	Freight	2,500	LL, 22-38
2	E	Passenger	2,500	60-63
1	E	Freight	3,000	60-67
2	X	Passenger	2,500	BB-4
2	Z	Freight	3,000	SB-6

Fire Protection: The building is not fully sprinkled. The building contains a Class E fire alarm system which includes local fire wardens located on each floor, pull boxes, speakers, strobe lights and an "all call" public address system. There are eight separate fire stairs serving the facility. The command center for the fire alarm system is located in the lobby.

Security: The building contains a 24-hour guard service and a closed circuit television system. In addition, tenants in the building have an electronic key code entrance system to enter the building.

INTERIOR DETAIL

Layout: The core of the building is located in the side of each floor. The building features functional floor plates.

Office spaces are located on the 2nd through 63rd floors. The building contains sub-basement, basement and mezzanine space. Additionally, there are several mechanical levels above the 63rd floor. The grade level contains the main lobby, retail space and the elevator landings. The mezzanine level, which is at grade on Pine Street, contains retail space and the building management office. The basement contains a retail unit, currently leased to a cafe as well as miscellaneous building space. The sub-basement and floors above the 63rd contain miscellaneous building and mechanical space.

Entrance/Lobby:	The main entrance consists of four glass and bronze revolving doors flanked by four sets of glass swing type doors. The main lobby on the ground floor is accessible from Wall Street and contains a concierge desk, tenant directories and elevator landings. Access to Sav Café Inc is located in the basement level is available from the main lobby. The main lobby is finished with marble floors and walls and a painted drywall ceiling. Escalators leading to the mezzanine level retail are located in the main lobby.
Floor Covering:	Floors throughout the office, corridor or lobby areas contain marble finish, terrazzo, resilient tile, ceramic tile, carpet or exposed hard wood.
Walls:	Painted plaster. Some office areas have some removable partitions and paneling.
Ceilings:	Ceilings are suspended acoustical tile, painted drywall or plaster.
Doors:	The majority of the office entrance doors off the corridors are painted hollow core metal doors.
Lighting:	The building contains a mixture of fluorescent and incandescent light fixtures.
Restrooms:	The building features restrooms for men and women on each tenant floor.

SITE IMPROVEMENTS

Parking:	None
Onsite Landscaping:	None
Other:	None
Condition:	Average

PERSONAL PROPERTY

Personal property was excluded from our valuation.

SUMMARY

Quality:	Average
Layout & Functional Plan:	Average
Property Rating:	After considering all of the physical characteristics of the subject, we have concluded that this property has an overall rating that is average when measured against other properties in this marketplace.
Actual Age:	86 years
Effective Age:	35 years (The building was renovated in 1995 and has been well maintained)
Expected Economic Life:	60 years
Remaining Economic Life:	25 years

AMERICANS WITH DISABILITIES ACT

The Americans With Disabilities Act (ADA) became effective January 26, 1992. We have not made, nor are we qualified by training to make, a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey and a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have not been provided with the results of a survey, we did not analyze the results of possible non-compliance.

HAZARDOUS SUBSTANCES

We are not aware of any potentially hazardous materials (such as formaldehyde foam insulation, radon-emitting materials, or other potentially hazardous materials) that may have been used in the construction of the improvements. However, we are not qualified to detect such materials and urge the client to employ an expert in the field to determine if such hazardous materials are thought to exist.

DESIGN FEATURES AND FUNCTIONALITY

The building is a pre war 63-story Class A office property with floor plates ranging from 3,591 to 38,828 square feet. The building has good appeal to prospective office tenants.

PHYSICAL CONDITION

We inspected the mechanical systems of the building. The appraisers, however, are not qualified to render an opinion as to the adequacy or condition of these components. The client is urged to retain an expert in this field if detailed information is needed about the adequacy and condition of mechanical systems.

REAL PROPERTY TAXES AND ASSESSMENTS

CURRENT PROPERTY TAXES

The subject property is located in the taxing jurisdiction of City Of New York. The assessor's parcel identification number is Lot 2 in Block 43.

Assessments for the current and prior years are as follows:

NEW YORK CITY ASSESSMENT AND TAX ANALYSIS				
Assessor's Parcel Number:	Block 43, Lot 2			
Assessing Authority:	City of New York			
Current Tax Year:	2015/16		2014/15	
ASSESSMENT INFORMATION				
	Actual	**Transitional**	**Actual**	**Transitional**
Assessed Value				
Land Assessed Value	$19,980,000	$19,980,000	$19,980,000	$19,980,000
Improved Assessed Value	$45,335,700	$45,609,551	$44,128,350	$47,672,131
Total Assessed Value	$65,315,700	$65,589,551	$64,108,350	$67,652,131
TAX LIABILITY				
Taxable Assessment	$65,315,700		$64,108,350	
Tax Rate*	10.791%		10.684%	
Total Property Taxes	$7,048,113		$6,849,336	
(1) 2015/16 tax rate estimated at 1% above the 2014/15 rate.				

Real estate taxes in New York City are normally the product of the transitional assessed value times the tax rate, for the fiscal year July 1 through June 30 (payable July 1 and January 1). The transitional assessed value is based on a five-year phase-in of actual assessed value. If the actual assessed value is lower than the transitional assessed value for that year, the actual assessed value is multiplied by the tax rate to determine the tax.

In the case of the subject property, the actual assessed value is less than the transitional assessed value for 2015/2016. Our tax projection for the subject property, therefore, is based upon the 2014/15 and 2015/2016 actual assessments for calendar year 2015 as follows:

2015 CALENDAR TAX PROJECTIONS	
2015/16 Fiscal Taxes $7,048,113 @ 50% =	$3,524,056
2014/15 Fiscal Taxes $6,849,336 @ 50% =	$3,424,668
2015 Calendar Year Tax Liability =	$6,948,724
2015 Calendar Year BID Taxes =	$237,095
2015 Total Calendar Year Tax Liability =	$7,185,819
Tax Liability per Square Foot GBA =	$6.77

As can be seen from the previous summary of tax liability, the subject property's assessments decreased from 2014/2015 to 2015/2016. In an effort to evaluate the fairness of the subject's current assessed value and future prospects for a change in the assessment, we have;

1) compared the most recent assessments (land and building) to that of other similar properties,
2) compared the assessment to the market value estimate concluded in this report, and
3) considered the potential for future changes in the assessed value of the subject property.

Business Improvement District Tax

The property is also subject to the Downtown Business Improvement District (BID) taxes. The Downtown BID tax is a supplemental real estate tax levied on commercial buildings located in the designated Downtown District. The Downtown District is a Special Assessment District in which private commercial real estate owners pay a nominal supplemental tax used to augment public services and provide special amenities to the area. The Downtown Manhattan Partnership administers the district's activities. According to the Downtown Manhattan BID office, the BID taxes allocated to the subject property are $237,095 for the 2015 tax year.

TAX COMPARISONS

To determine if the taxes on the property are reasonable, we have examined the actual tax burdens of similar properties in the market. They are illustrated in the table below.

REAL ESTATE TAX COMPARABLES

No.	Property Name & Location	Block	Lot	Building GBA	Year Built	Assessment	Assess/SF	Total Taxes	Taxes/SF
1	120 Broadway	47	1001-2	1,597,965	1915	$137,797,430	$86.23	$14,869,721	$9.31
2	14 Wall Street	46	9	839,749	1912	$63,291,230	$75.37	$6,829,757	$8.13
3	30 Broad Street	24	29	370,000	1932	$26,005,470	$70.29	$2,806,250	$7.58
4	55 Broad Street	25	1	406,025	1967	$23,650,650	$58.25	$2,552,142	$6.29
5	80 Broad Street	11	21	361,710	1931	$22,476,150	$62.14	$2,425,401	$6.71
6	61 Broadway	21	1	650,740	1916	$50,596,280	$77.75	$5,459,845	$8.39
7	100 Broadway	46	3	364,390	1922	$24,057,900	$66.02	$2,596,088	$7.12
STATISTICS									
	Low:			361,710	1912	$22,476,150	$58.25	$2,425,401	$6.29
	High:			1,597,965	1967	$137,797,430	$86.23	$14,869,721	$9.31
	Average:			655,797	1928	49,696,444	$70.86	5,362,743	$7.65

G.B.A. provided by Real Property Assessment Bureau

Our survey of comparable office buildings, which contain retail and office space, indicates a wide range of taxes ranging from $6.29 to $9.31 per square foot of gross building area. The average tax of the comparable properties is $7.65 per square foot. This compares with the subject's 2015/2016 fiscal tax liability of $7,048,113 or $6.44 per square foot of the assessor's gross building area of 1,061,266 square feet.

The subject's real estate tax burden is within the range exhibited by the comparables. Based upon the property's increasing net operating income over the next several years, we have assumed the assessed value will stabilize at $80,000,000 (taxes near $8.50 per square foot), which will be phased-in over a 5-year period based upon the net operating income over the next several years.

NEW YORK CITY ASSESSMENT PRACTICE

Based upon our discussions with officials at the New York City Department of Finance, the following guidelines serve to summarize New York City's assessment policy.

1. New York City is guided by the basic principles of ad valorem assessment. Consequently, within the same property classes, properties of similar value should experience approximately equal assessments and pay similar property taxes.

2. Assessments are primarily made for Class IV property by capitalizing net operating income at market level capitalization rates. When a property is sold, the sales price is recorded and the Assessor notes the sales price.

3. Upon sale, the Assessor will likely use the sale, along with other sales data, as indications of general price levels. If the recently sold property has an assessment that is comparable to other similar properties, the sale price is unlikely to cause a substantial reassessment.

As previously discussed, the transitional assessed value is based on a five-year phase-in of actual assessed value. Real estate taxes are determined by the lower of the actual assessed value or transitional assessed value which is multiplied by the tax rate to determine the tax. The current transitional assessed value for the subject property is $65,315,700, which reflects the first year of a five year transitional assessment phase-in to the assessed value of $80,000,000 as shown on the following chart.

PHASE-IN PERIOD	TAX YEAR	ASSESSED VALUE PHASE-IN
1	2015/16	$65,315,700
2	2016/17	$69,192,163
3	2017/18	$72,794,776
4	2018/19	$76,387,388
5	2019/20	$80,000,000

Based on the subject's location, level of income and assessments from competing buildings, as well as the fact that the tax assessor has the ability to change the assessed property values each year, we believe that the subject property will receive large tax increases in the near term. We have assumed the assessed value will stabilize at $80,000,000 (taxes near $8.50 per square foot) based upon net operating income over the next several years, which will be phased-in over the remaining 5-year period. These increases, beginning in the 2012/2013-tax year, are reflected in the tax forecast at the end of this section.

CONCLUSION OF FUTURE REAL ESTATE TAXES

The tax rates in the last nine fiscal years are exhibited on the following chart.

YEAR	TAX RATE
2005/06	11.306
2006/07	10.997
2007/08	10.059
2008/09	10.241
2009/10	10.426
2010/11	10.312
2011/12	10.152
2012/13	10.288
2013/14	10.323
2014/15	10.684

We have assumed an increase in tax rates which will be phased in over a 5 year fiscal year period in our Discounted Cash Flow Analysis. In addition to increasing tax rates, in the Discounted Cash Flow Analysis (that follows in the Income Capitalization Approach), we have incorporated a modest reassessment provision based upon the local custom of annual revaluations. In our analysis, we have assumed that the tax rate will increase 1 percent annually starting fiscal year 2014/15. The actual and projected real estate taxes used for the first six calendar years are summarized on the following chart.

CALENDAR YEAR TAXES				
YEAR	R.E. TAXES	B.I.D. TAXES	TOTAL	PSF
2015	$6,948,724	$237,095	$7,185,819	$6.77
2016	$7,294,596	$244,208	$7,538,804	$7.10
2017	$7,777,068	$251,534	$8,028,602	$7.57
2018	$8,253,388	$259,080	$8,512,468	$8.02
2019	$8,738,456	$266,853	$9,005,309	$8.49
2020	$9,117,941	$274,858	$9,392,799	$8.85

ZONING

Map 12b of the Zoning Resolution of the City of New York indicates that the subject property is zoned as follows:

ZONING DESIGNATION	C5-5 RESTRICTED CENTRAL COMMERCIAL DISTRICT
Definition	C5 Restricted Central Commercial Districts These districts are designed to provide for office buildings and the great variety of large retail stores and related activities which occupy the prime retail frontage in the central business district, and which serve the entire metropolitan region. The district regulations also permit a few high-value custom manufacturing establishments which are generally associated with the predominant retail activities, and which depend on personal contacts with persons living all over the region. The district regulations are also designed to provide for continuous retail frontage.

ZONING COMPLIANCE

Property value is affected by whether or not an existing or proposed improvement complies to zoning regulations, as discussed below.

Complying Uses

An existing or proposed use that complies to zoning regulations implies that there is no legal risk and that the existing improvements could be replaced "as-of-right."

Pre-Existing, Non-Complying Uses

In many areas, existing buildings pre-date the current zoning regulations. When this is the case, it is possible for an existing building that represents a non-complying use to still be considered a legal use of the property. Whether or not the rights of continued use of the building exist depends on local laws. Local laws will also determine if the existing building may be replicated in the event of loss or damage.

Non-Complying Uses

A proposed non-complying use to an existing building might remain legal via variance or special use permit. When appraising a property that has such a non-complying use, it is important to understand the local laws governing this use.

SUBJECT PROPERTY CONFORMANCE

C5-5 bulk regulations are as follows:

ZONING REGULATIONS	F.A.R. (times Lot Area)
Floor Area Ratio	
Commercial Building	15
Community Facility	15
Residential Building	10

The C5-5 designation permits a floor area ratio that permits a zoning floor area of 15 times the size of the lot area for commercial buildings. Our estimate of the maximum permitted zoning floor area for this site under the zoning code designation is as follows:

ZONING	LAND SF	FAR	MAXIMUM ZFA
C5-5	34,360 SF	@ 15 =	515,400 square feet

The subject site contains a zoning lot area of 34,360 square feet. The above grade gross building area of the subject property totals 1,061,266 square feet which appears to conform to the exceed the permitted zoning floor area as of right of 515,400 square feet.

LOWER MANHATTAN-SPECIAL PURPOSE MIDTOWN DISTRICT OVERLAY

The property is within the LM-Special Lower Manhattan District. The "Special Lower Manhattan District" established in the Zoning Resolution is designed to promote and protect public health, safety, general welfare and amenity. These general goals include, among others, the following specific purposes:

a) Encourage development of a 24-hour community through the conversion of older commercial buildings;

b) Facilitate maximum design flexibility of buildings and enhance the distinctive skyline and streetscape of Lower Manhattan;

c) Improve public use and enjoyment of the East River waterfront by creating a better physical and visual relationship between development along the East River and the waterfront area, public access areas and the adjoining upland community;

d) Enhance the pedestrian environment by relieving sidewalk congestion and providing pedestrian amenities;

e) Restore, preserve and assure the use of the South Street Seaport Subdistrict as an area of small historic and restored buildings, open to the waterfront and having a high proportion of public spaces and amenities, including a South Street Seaport Environmental Museum, with associated cultural, recreational and retail activities;

f) Establish the Historic and Commercial Core to protect the existing character of this landmarked area by promoting development that is harmonious with the existing scale and street configuration; and

g) Promote the most desirable use of the land and thus conserve and enhance the value of the land and buildings, and thereby protect the City's tax revenues.

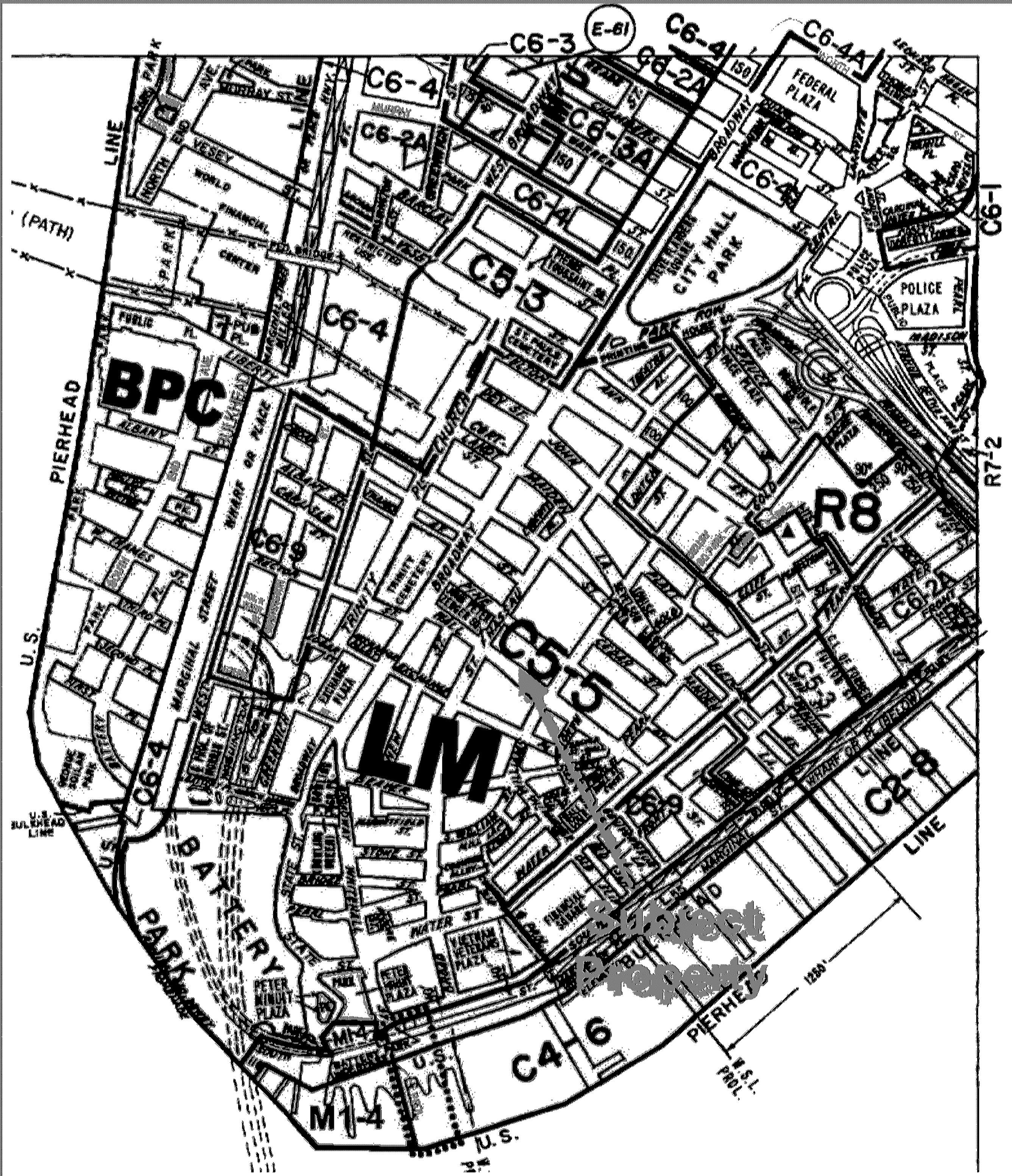
ZONING CONCLUSIONS

We are not experts in the interpretation of complex zoning ordinances but the property appears to be a pre-existing, legal, non-complying use based on our review of public information. According to the Zoning Resolution of the City of New York, a pre-existing, legal, non-complying use occurs when a building that was legal when built, no longer complies with one or more of the present district bulk regulations. Non-compliance results when a building does not comply with any one of such bulk regulations. Alternatively, a non-conforming use is any use legal at its inception (whether a building or a tract of land), which no longer conforms to any one or more of the present use regulations of the district. Non-conformity results when a use does not conform to any one of such applicable use regulations. The property appears to be a pre-existing, legal, non-complying use based on this definition. The determination of compliance is beyond the scope of a real estate appraisal.

OTHER RESTRICTIONS

We know of no deed restrictions, private or public, that further limit the subject property's use. The research required to determine whether or not such restrictions exist, however, is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or title company can usually uncover such restrictive covenants. Thus, we recommend a title search to determine if any such restrictions do exist.

ZONING MAP


C6-3
E-61
C6-4
C6-4A
C6-2A
C6-3A
FEDERAL PLAZA
C6-1
CITY HALL PARK
POLICE PLAZA
C5-3
BPC
PIERHEAD
R8
R7-2
C6-9
C5-5
LM
Subject Property
C2-8
BATTERY PARK
C4-6
M1-4

HIGHEST AND BEST USE

HIGHEST AND BEST USE CRITERIA

The Dictionary of Real Estate Appraisal, Fifth Edition (2010), a publication of the Appraisal Institute, defines the highest and best use as:

> The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

To determine the highest and best use we have evaluated the subject site under two scenarios: as if vacant land and as presently improved. In both cases, the property's highest and best use must meet the four criteria described above.

HIGHEST AND BEST USE OF PROPERTY AS IF VACANT

LEGALLY PERMISSIBLE

The first test concerns permitted uses. According to our understanding of the zoning ordinance, noted earlier in this report, the site may legally be improved with structures that accommodate residential, office and general commercial uses. The land upon which the property was built is owned by the Port Authority of New York and New Jersey, which is not subject to the zoning laws of the City of New York. The site is surrounded by a mixture of residential, commercial, office, retail, hotel and uses. Mixed use developments, with retail at grade and office uses on the upper floors are consistent with the overall development of the area. We are not aware of any legal restrictions that limit the potential uses of the subject site.

PHYSICALLY POSSIBLE

The second test is what is physically possible. As discussed in the "Property Description," the site's size, soil, topography, etc. do not physically limit its use. The subject site is of adequate shape and size to accommodate almost all urban uses. The subject site contains 34,360 square feet of land on the north side of Wall Street throughblock to Pine Street between Nassau and William Streets. The size and configuration of the site are felt to provide a suitable land use and/or development potential for a large variety of possible and standard central business district-oriented land uses. Access and exposure are felt to be excellent for residential, office, commercial, retail and hotel uses. Municipal utilities would adequately provide for nearly all uses. Street improvements are also adequate. The size of the subject's portion of the site is large enough to attract established developers active in the market. Therefore, the physical characteristics of the subject site provide for a wide range of potential land uses.

FINANCIALLY FEASIBLE AND MAXIMALLY PRODUCTIVE

For a use to be seriously considered, it must have the potential to provide a sufficient return to attract investment capital over alternative forms of investment. A positive net income or acceptable rate of return would indicate that a use is financially feasible.

Financially feasible uses are those uses that can generate a profit over and above the cost of acquiring the site, and constructing the improvements. Determining the value of a property upon completion of new construction requires an in-depth analysis of the condition of the local market, the location of the subject property, the proposed use of the property, its tenancy, level of pre-leasing, an estimate for absorbing vacant space, leasing costs, operating expenses, market vacancy and rental rates.

Of the uses that are permitted, possible, and financially feasible, the one that will result in the maximum value for the property is considered the highest and best use. Determining which use is maximally productive is often straightforward, but can be quite complicated. Detailed analyses of values, costs, and returns will need to be conducted for the various uses being put to this final test.

We have considered possible land uses which would be financially feasible and which would produce the highest net return including residential, office, commercial, retail and hotel related uses. Several features of the subject property indicate that a mixed-use development with retail at grade and office uses on the upper floors is the highest and best use of the site. The subject is located within close proximity to prime Class A office buildings.

CONCLUSION

We have considered the legal issues related to zoning and legal restrictions. We have analyzed the physical characteristics of the site to determine what legal uses would be possible and have considered the financial feasibility of these uses to determine the use that is maximally productive.

Considering the subject site's physical characteristics and location, as well as the state of the local market, it is our opinion that the Highest and Best Use of the subject site as if vacant is multi-tenant office building development.

HIGHEST AND BEST USE OF PROPERTY AS IMPROVED

The Dictionary of Real Estate Appraisal defines highest and best use of the property as improved as:

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

In analyzing the Highest and Best Use of a property as improved, it is recognized that the improvements should continue to be used until it is financially advantageous to alter physical elements of the structure or to demolish it and build a new one.

LEGALLY PERMISSIBLE

As described in the Zoning Analysis section of this report, the subject site is zoned C5-5 Restricted Central Commercial District. The site is improved with a pre war 63-story Class A multi-tenant office property built in 1929. The property contains 1,165,207 square feet of net rentable area (1,061,266 square feet of gross building area). In the Zoning section of this appraisal, we determined that the existing improvements represent a non pre-existing, non-conforming use. We also determined that the existing use is a permitted use in this zone.

PHYSICALLY POSSIBLE

The subject improvements were constructed in 1929. We know of no current or pending municipal actions or covenants that would require a change to the current improvements.

FINANCIALLY FEASIBLE AND MAXIMALLY PRODUCTIVE

In the Reconciliation section, we concluded to a market value for the subject property, as improved, of $540,000,000. In our opinion, the improvements contribute significantly to the value of the site. It is likely that no alternate use would result in a higher return.

CONCLUSION

The property is being utilized within the context of its highest and best use. The subject property is considered a pre-war, Class A office building. It is our opinion that the highest and best use of the property is for its continued use as a commercial office building as it is currently developed.

VALUATION PROCESS

METHODOLOGY

There are three generally accepted approaches to developing an opinion of value: Cost, Sales Comparison and Income Capitalization. We have considered each in this appraisal to develop an opinion of the market value of the subject property. In appraisal practice, an approach to value is included or eliminated based on its applicability to the property type being valued and the quality of information available. The reliability of each approach depends on the availability and comparability of market data as well as the motivation and thinking of purchasers.

The valuation process is concluded by analyzing each approach to value used in the appraisal. When more than one approach is used, each approach is judged based on its applicability, reliability, and the quantity and quality of its data. A final value opinion is chosen that either corresponds to one of the approaches to value, or is a correlation of all the approaches used in the appraisal.

We have considered each approach in developing our opinion of the market value of the subject property. We discuss each approach below and conclude with a summary of their applicability to the subject property.

COST APPROACH

The Cost Approach is based on the proposition that an informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements which represent the Highest and Best Use of the land; or when relatively unique or specialized improvements are located on the site for which there are few improved sales or leases of comparable properties.

In the Cost Approach, the appraiser forms an opinion of the cost of all improvements, depreciating them to reflect any value loss from physical, functional and external causes. Land value, entrepreneurial profit and depreciated improvement costs are then added, resulting in an opinion of value for the subject property.

SALES COMPARISON APPROACH

The Sales Comparison Approach uses sales of comparable properties, adjusted for differences, to estimate a value for the subject property. This approach typically uses a unit of comparison such as price per square foot of building area or effective gross income multiplier. When developing an opinion of land value the analysis is based on recent sales of sites of comparable zoning and utility, and the typical units of comparison are price per square foot of land, price per acre, price per unit, or price per square foot of potential building area. In both cases, adjustments are applied to the unit of comparison from an analysis of comparable sales, and the adjusted unit of comparison is then used to derive an opinion of value for the subject property.

The reliability of this approach is dependent upon (a) the availability of comparable sales data; (b) the verification of the sales data; (c) the degree of comparability; (d) the absence of non-typical conditions affecting the sales price.

INCOME CAPITALIZATION APPROACH

The Income Capitalization Approach first determines the income-producing capacity of a property by using contract rents on existing leases and by estimating market rent from rental activity at competing properties for the vacant space. Deductions are then made for vacancy and collection loss and operating expenses. The resulting net operating income is divided by an overall capitalization rate to derive an opinion of value for the subject property. The capitalization rate represents the relationship between net operating income and value. This method is referred to as Direct Capitalization.

Related to the Direct Capitalization Method is the Discounted Cash Flow Method. In this method periodic cash flows (which consist of net operating income less capital costs) and a reversionary value are developed and discounted to a present value using an internal rate of return that is determined by analyzing current investor yield requirements for similar investments.

The reliability of the Income Capitalization Approach depends upon whether investors actively purchase the subject property type for income potential, as well as the quality and quantity of available income and expense data from comparable investments.

SUMMARY

This appraisal employs the Sales Comparison Approach and the Income Capitalization Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that the Sales Comparison Approach and the Income Capitalization Approach would be considered meaningful and applicable in developing a credible value conclusion. The subject's age makes it difficult to accurately form an opinion of depreciation and tends to make the Cost Approach unreliable. Investors do not typically rely on the Cost Approach when purchasing a property such as the subject of this report. Therefore, we have not utilized the Cost Approach to develop an opinion of market value.

Analyzing each approach to value used in the appraisal concludes the valuation process. When more than one approach is used, each approach is judged based on its applicability, reliability, and the quantity and quality of its data. A final value opinion is chosen that either corresponds to one of the approaches to value, or is a correlation of all the approaches used in the appraisal.

GROUND LEASE ANALYSIS

40 Wall Street is subject to a ground lease, which has been summarized as follows:

GROUND LEASE ABSTRACT

Landlord: 40 Wall Limited Partnership and New Scandic Wall Limited Partnership

Tenant: 40 Wall Street LLC

Date of Lease: November 30, 1995

Lease Commencement Date: November 30, 1995

Lease Expiration Date: April 30, 2059

Rent Commencement Date: November 30, 1995

Fixed Rent:

Term	Begin	End	Annual
Base	01/01/2008	12/31/2012	$1,500,000.00
Base	01/01/2013	12/31/2017	$1,650,000.00
Base	01/01/2018	12/31/2019	$1,815,000.00
Base	01/01/2020	12/31/2022	$2,315,000.00
Base	01/01/2023	12/31/2027	$2,546,500.00
Base	01/01/2028	12/31/2032	$2,801.150.00
Base	01/01/2033	04/30/2059	See notes

Base Rent Notes: Landlord shall, by written notice to Tenant during the six months prior to January 1, 2033 and each 25 years thereafter, require valuation of the land (considered as vacant and unimproved but with the right to construct a 900,000 SF building thereon for (x) office purposes, and (b) retail (i) on the ground floor or (ii) elsewhere in the building where it existed at any time during the five (5) year period prior to the applicable date of valuation. Net rent shall equal to 6.0% of the Value or 85.0% of the net rent payable in the immediately preceding 12 month period which shall be greater.

Rent Changeover Day: On the first day of each calendar month during the term of the lease.

Renewal Option: Tenant shall have the option to renew the term of the lease for an additional 67 and ½ years, to commence on 05/01/2059 and expire on 10/31/2126, by giving written notice to Landlord not later than 10/31/2057. In the event Tenant shall have exercised the renewal option Tenant shall have a second renewal option for a period of 80 years and two (2) months, to commence on 11/01/2126 and expire on 12/31/2206, to be exercised by giving written notice to Landlord not later than 04/30/2125.

Repairs and Maintenance: Tenant, at its sole cost and expense, which as to the nature, character, quality and quantity thereof, are of the standard which is appropriate for buildings of similar construction and class and will take good care of the Building (including the fixtures and facilities therein), and the sidewalks, driveways and curbs adjoining the Building and will maintain and keep the same in good order and condition, and make all necessary repairs thereto, interior and exterior, structural and non-structural, ordinary and extraordinary, and foreseen and unforeseen.

Alterations: Tenant shall have the right at any time and from time to time during the term of the lease to make, at its cost and expense, changes, alterations, renovations, restorations, improvements or rebuildings in or of the Land and Building.

Impositions: Tenant shall pay, before any fine, penalty, interest or cost may be added thereto, or become due or be imposed by operation of law for the non-payment thereof, all taxes, assessments, water and sewer rents, rates and charges, transit taxes, charges for public utilities; excises, levies, license and permit fees and other governmental charges, general and special, ordinary and extraordinary, unforeseen and foreseen, of any kind and nature whatsoever which at any time prior to or during the term of the lease may be assessed, levied, confirmed, imposed upon, or grow or become due and payable out of or in respect of, or become a lien on, (i) the Premises or any part thereof or any appurtenances thereto, (ii) the rent, income or other payments received by Tenant or anyone claiming by, through or under Tenant, (iii) any use or occupation of the Premises, (iv) such franchises as may be appurtenant to the use of the Premises and (v) transaction, or any document to which Tenant is a party, creating or transferring an interest or estate in the Premises (all such taxes, assessments, water and sewer rents, transit taxes, rates and charges, charges for public utilities, excises, levies, license fees and other governmental charges being hereinafter referred to as "Impositions").

Insurance: Tenant shall maintain.

Condemnation: **Total Taking:** If at any time during the term of the lease title to the whole or substantially all of the Premises shall be taken by the exercise of the right of condemnation or eminent domain or by agreement between Landlord, Tenant, and those authorized to exercise such right, the lease shall terminate and expire on the date of such taking and the net rent provided to be paid by Tenant shall be apportioned and paid to the date of such taking. In such event, prepaid Impositions will be apportioned only to the extent refunds thereof are actually collected by Landlord, and, if uncollected, Landlord will assign to Tenant any claim to recover such prepaid Impositions. For the purposes of the Section "substantially all of the Premises" shall be deemed to have been taken if the portion of the Premises not so taken, and taking into consideration the amount of the net award available for such purpose, cannot be so repaired or reconstructed as to constitute a complete, rentable structure capable of producing a proportionately fair and reasonable net annual income, after the payment of all operating expenses thereof, the net rent, as the same may be reduced as a result of such taking, additional rent and other charges herein reserved and after performance of all covenants, agreements, terms and provisions herein and by law provided to be performed and paid by Tenant. The determination as to what constitutes a fair and reasonable net annual income shall be governed by the average net annual income produced by the property during the five year period immediately preceding such taking. As used above, the term "operating expenses" shall be deemed to exclude depreciation, income taxes, franchise taxes, interest and amortization on any Leasehold Mortgage.

In the event of the taking of the whole or substantially all of the Premises, the proceeds of any award received by Landlord for land, buildings, improvements and damages upon any such taking, shall be paid as follows and in the following order of priority:

(i) First, to each of the parties on account of their respective reasonable costs of collection of the award; second, to Landlord, the sum of $12,000,000, which sum shall be increased (but never decreased) by the same percentage increase in the net annual rent when determined at each determination of Value, third, to the holders of all Leasehold Mortgages, in order of their seniority, the outstanding amount of their respective Leasehold Mortgages; fourth, to Tenant to the extent that the then depreciated value of any improvements to the Premises made by Tenant shall exceed the amount paid to the holders of Leasehold Mortgages; then, the balance shall be divided between Landlord and Tenant in accordance with the value attributed to their respective interests after giving effect to the sums paid to Landlord and the holders of all Leasehold Mortgages.

(ii) If the value of the unexpired portion of Tenant's leasehold estate shall be determined in the proceeding pursuant to which the Premises shall' have been taken, the value so determined shall be conclusive upon Landlord and Tenant. If such value shall not have been separately determined in such proceeding, such value shall be fixed by agreement between Landlord and Tenant or by appraisal pursuant to the provisions of the lease.

Partial Taking: If at any time during the term of the lease title to less than the whole or substantially all of the Premises shall be taken as aforesaid, all of the award or awards collected by Landlord or the depositary designated of the lease shall be held by Landlord or, at Tenant's option, by the depositary designated, and applied and paid over toward the cost of demolition, repair and restoration, substantially in the same manner and subject to the same conditions as those provided hereof with respect to insurance and other monies. Any balance remaining in the hands of Landlord or the depositary, after payment of such costs of demolition, repair and restoration as aforementioned, shall be retained by Landlord and the net rent adjusted as provided. In the event that the costs of such demolition, repairs and restoration shall exceed the net amount collected by Landlord or the depositary, Tenant shall pay the deficiency. If title to less than the whole or substantially all of the Demised Premises shall be taken as aforesaid, this lease shall continue, but the net rent thereafter payable by Tenant shall be apportioned and reduced from the date of each such partial taking by an amount equal to 6.0% per annum of any net award or awards ultimately received and retained by Landlord. Any net rent becoming due and payable hereunder between the date of any such partial taking and the date of determination of the amount of the rent reduction, if any, to be made in respect hereof shall be paid at the rate theretofore payable hereunder; provided, however, that after such determination Landlord, within 10 days after request, shall pay to Tenant an amount equal to the amount by which any net rent theretofore paid by Tenant for such 'period shall exceed the amount of the net rent for such period as so reduced or Tenant, at its election, may deduct such amount from any subsequent installment or installments of net rent payable hereunder.

Temporary Taking: If the temporary use of the Whole or any part of the Premises shall be taken by any lawful power or authority, by the exercise of the right of condemnation or eminent domain, or by agreement between Tenant and those authorized to exercise such right. Tenant shall give prompt notice thereof to Landlord, the term of the lease shall not be reduced or affected in any way, Tenant shall continue to pay in full the net rent, additional rent and other charges herein reserved, without reduction or abatement, and Tenant shall be-entitled to receive for itself any award or payment made for such use provided, however, that (a) if the taking is for a period not extending beyond the term of the lease and if such award or payment is made in a lump sum, then a portion thereof equal to the net rent and estimated Impositions payable during the term of such temporary taking shall be paid to and held by Landlord or, at Tenant's option, a depositary designated, as a fund which Landlord or such depositary shall apply from time to time to the payment of net rent and Impositions due from Tenant under the terms of the lease, except that, if such taking results in changes or alterations in the Building which would necessitate an expenditure to restore the Building to its former condition, then a portion of such award or payment estimated by Tenant, in its reasonable judgment, as appropriate to cover the expenses of such restoration, subject, however, to the approval of Landlord, which approval shall not be unreasonably withheld or delayed, shall not be applied to such payments but instead shall be applied and paid over toward the restoration of the Building to its former condition, substantially in the same manner and subject to the same conditions hereof with respect to insurance and other monies, or (b) if the taking is for a period extending beyond the term of the lease, such award or payment shall be apportioned between Landlord and Tenant as of the stated expiration date of such term; Tenant's share thereof shall, if paid in a lump sum, be paid and applied in accordance with the provisions of the Section, provided, however, that the amount of any award or payment allowed or retained for restoration of the Building, shall remain the property of Landlord if the lease shall expire prior to the commencement of restoration of the Building to its former condition. Tenant shall be entitled to receive at the close of each year of any such taking, any surplus remaining of said award or awards, after making provision for all payments required pursuant to paragraphs (a) and (b) of the Section. In the case of any taking covered by the provisions of the Article, Landlord and Tenant shall be entitled to reimbursement from any award or awards of all reasonable costs, fees and expenses incurred in the determination and collection of any such awards, prior' to the disbursement of any other portions of such award.

Use:	Tenant shall use the Premises for any lawful uses.
Estoppel:	At any time and from time to time on at least 20 days prior written notice by either party.
Default:	**Monetary:** 20 days after written notice from Landlord to Tenant. **Non-Monetary:** 60 days after written notice thereof from Landlord to Tenant.
Assignment/Subletting:	Tenant shall have the unrestricted right, at any time and from time to time without Landlord's consent, to assign the Lease, and its leasehold estate, and to transfer its interest in the Land and Building, or any interest therein whole or in part, to mortgage, pledge or hypothecate the lease, to execute and deliver one or more mortgages or a

	deed of trust encumbering the Lease and to assign, pledge or hypothecate Tenant's interest in any sublease and sub rents and shall mortgage the lease up to 85.0% of FMV, sublet portions of or all of the Premises as an entirety for occupancy at least 50.0% of the Premises and not further subletting.
Purchase Option:	If Landlord shall determine to offer for sale all of the fee interest in the Premises, Landlord shall first offer such fee interest to Tenant at the all-cash price at which the Landlord would offer same to the third parties. Tenant shall have the right to purchase the fee interest by giving notice to Landlord thereof within 30 days after the date of the giving notice of such offer to Landlord. If Tenant shall fail to give notice or shall reject such offer, all of the tenant's right shall expire on the 30th day after the giving of such notice by Landlord.
Vault Space:	Tenant shall occupy and use the same during the term of the lease, subject to such laws, permits, rules and regulations as may be imposed by appropriate governmental authorities with respect thereto. No revocation on the part of any governmental department or authority of any license or permit to maintain and use any such vault shall in any way affect the lease or the amount of the rent or any other charge payable by Tenant. If any such license or permit shall be revoked, Tenant will, at its sole cost and expense, do and perform all such work as may be necessary to comply with any order revoking the same.

Notice:

Landlord:	Tenant:
40 Wall Limited Partnership and New Scandic Wall Limited Partnership c/o Walter J. Hinneberg, GMBH & Co. KG, Ballindamn 17, 20095, Hamburg, Germany. Attn: Christian Hinnenberg With a copy to Jenkens & Gilchrist Parker Chapin LLP, The Chrysler Building, 405 Lexington Avenue, New York, NY 10174 Attn: Elliot Cohen, Esq., and Joachim von Grumme, Avenue Louis Berlaimont 20, B 1160, Brussels, Belgium	725 Fifth Avenue, New York, NY10022 Attn: Donald J. Trump With a copy to Kramer, Levin, Naftalis, Nessen, Kamin & Frankel, 919 Third Avenue, New York, NY 10022, Attn: Jay A. Neveloff, Esq.

GROUND LEASE SUMMARY

40 Wall Street is subject to a ground lease that commenced in November 30, 1995 and expires in April 30, 2059. There are two renewal options that can be exercised for a period of sixty seven and one half years (67 and ½) to commence on May 1, 2059 to October 31, 2126 and 2nd option commencing on November 1, 2126 to April 30, 2194. Including the renewal options, the remaining term of the ground lease is 191 years and 1 month.

As stated, the subject's ground lease payments currently total $1,650,000 with subsequent set increases through 2032. In 2033 the lease payments are revalued to the greater of either; (a) 6.0% the then value of the land considered as vacant and unimproved but with the right to construct a 900,000 square foot office building with grade retail; or, (b) 85.0% of the then lease payments.

In our analysis we have assumed the 900,000 square feet as the basis of our determination of land value. The ground lease evaluation clause refers to gross square feet. In order to determine the land value, it is appropriate to convert the gross building area to the corresponding zoning floor area. We have estimated that 900,000 square feet of gross building area utilizes 810,000 square feet of zoning floor area. Mechanical areas, stairwells, elevator shafts, and ventilation shafts do not count towards zoning floor area. These areas typically range from five to ten percent for newer office buildings and 5 to 15 percent of older office buildings. We have assumed a 10 percent mechanical deduction in our estimation of zoning floor area for the development. Therefore, we have utilized 810,000 square feet of zoning floor area as the basis for our analysis.

In the Land Valuation section of the report we determine the estimated land value, subject to the ground lease restriction, as $160,000,000 as of June 1, 2015, which we inflated at an annual inflation amount of 3.00 percent through January 1, 2033, the next ground rent reset event. Therefore, our estimated prospective land value January 1, 2033, is $272,389,290, which results in a first fixed rent reset of $16,343,357 (based on a 6.0 percent FMV).

ASSUMPTIONS AND CALCULATIONS				
Year		LAND VALUE		MKT. GROUND RENT (RESET) 6.00000%
1	$	160,000,000	$	9,600,000
2	$	164,800,000	$	9,888,000
3	$	169,744,000	$	10,184,640
4	$	174,836,320	$	10,490,179
5	$	180,081,410	$	10,804,885
6	$	185,483,852	$	11,129,031
7	$	191,048,367	$	11,462,902
8	$	196,779,818	$	11,806,789
9	$	202,683,213	$	12,160,993
10	$	208,763,709	$	12,525,823
11	$	215,026,621	$	12,901,597
12	$	221,477,419	$	13,288,645
13	$	228,121,742	$	13,687,305
14	$	234,965,394	$	14,097,924
15	$	242,014,356	$	14,520,861
16	$	249,274,787	$	14,956,487
17	$	256,753,030	$	15,405,182
18	$	264,455,621	$	15,867,337
19	$	272,389,290	$	16,343,357

FUTURE GROUND LEASE PAYMENTS

The following chart summarizes the contractual ground lease payments, which are utilized in the Discounted Cash Flow Analysis (that follows in the Income Capitalization Approach), are summarized on the following chart.

40 WALL STREET - GROUND LEASE PAYMENTS

LEASE DATE	LEASE FISCAL YEAR	LEASE BASE RENT	REMAINING TERM	ANALYSIS START DATE	ANALYSIS END DATE	ANALYSIS FISCAL YEAR	FISCAL PAYABLE RENT
01/01/2015	2016	$1,650,000	1	06/01/2015	05/31/2016	2016	$1,650,000
01/01/2016	2017	$1,650,000	2	06/01/2016	05/31/2017	2017	$1,650,000
01/01/2017	2018	$1,650,000	3	06/01/2017	05/31/2018	2018	$1,718,750
01/01/2018	2019	$1,815,000	4	06/01/2018	05/31/2019	2019	$1,815,000
01/01/2019	2020	$1,815,000	5	06/01/2019	05/31/2020	2020	$2,023,333
01/01/2020	2021	$2,315,000	6	06/01/2020	05/31/2021	2021	$2,315,000
01/01/2021	2022	$2,315,000	7	06/01/2021	05/31/2022	2022	$2,315,000
01/01/2022	2023	$2,315,000	8	06/01/2022	05/31/2023	2023	$2,411,458
01/01/2023	2024	$2,546,500	9	06/01/2023	05/31/2024	2024	$2,546,500
01/01/2024	2025	$2,546,500	10	06/01/2024	05/31/2025	2025	$2,546,500
01/01/2025	2026	$2,546,500	11	06/01/2025	05/31/2026	2026	$2,546,500
01/01/2026	2027	$2,546,500	12	06/01/2026	05/31/2027	2027	$2,546,500
01/01/2027	2028	$2,546,500	13	06/01/2027	05/31/2028	2028	$2,652,604
01/01/2028	2029	$2,801,150	14	06/01/2028	05/31/2029	2029	$2,801,150
01/01/2029	2030	$2,801,150	15	06/01/2029	05/31/2030	2030	$2,801,150
01/01/2030	2031	$2,801,150	16	06/01/2030	05/31/2031	2031	$2,801,150
01/01/2031	2032	$2,801,150	17	06/01/2031	05/31/2032	2032	$2,801,150
01/01/2032	2033	$2,801,150	18	06/01/2032	05/31/2033	2033	$8,443,736
01/01/2033	2034	$16,343,357	19	06/01/2033	05/31/2034	2034	$16,343,357
01/01/2034	2035	$16,343,357	20	06/01/2034	05/31/2035	2035	$16,343,357

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LAND VALUATION (SUBJECT TO REQUIREMENTS OF THE GROUND LEASE)

We used the Sales Comparison Approach to develop an opinion of land value subject to the requirements of the ground lease.

In the Zoning section of the report we estimated the subject property's zoning floor area is 515,400 square feet. This constitutes the zoning floor area before mechanical bonuses and increases based upon a particular design. Architects typically devise programming schedules, which increase the gross building area somewhat.

However, according to the terms of the ground lease the Fair Market Property Value is based on the owner's ability to construct 900,000 square foot office building with grade retail. The ground lease evaluation clause refers to gross square feet. In order to determine the land value, it is appropriate to convert the gross building area to the corresponding zoning floor area. We have estimated that 900,000 square feet of gross building area utilizes 810,000 square feet of zoning floor area. Mechanical areas, stairwells, elevator shafts, and ventilation shafts do not count towards zoning floor area. These areas typically range from five to ten percent for newer office buildings and 5 to 15 percent of older office buildings. We have assumed a 10 percent mechanical deduction in our estimation of zoning floor area for the development. Therefore, we have utilized 810,000 square feet of zoning floor area as the basis for our analysis.

In this method, we analyzed prices buyers have recently paid for similar sites in the market, as well as examined current offerings. In making comparisons, we adjusted the sale prices for differences between this site and the comparable sites. If the comparable was superior to the subject, a downward adjustment was made to the comparable sale. If inferior, an upward adjustment was made. We present on the following pages a summary of pertinent details of sites recently sold that we compared to the subject site.

Using the Sales Comparison Approach, we developed an opinion of value by comparing the subject property to similar, recently sold properties in the surrounding or competing area. This approach relies on the principle of substitution, which holds that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution.

By analyzing sales that qualify as arm's-length transactions between willing and knowledgeable buyers and sellers, we can identify value and price trends. The basic steps of this approach are:

- Research recent, relevant property sales and current offerings in the competitive area;
- Select and analyze properties that are similar to the subject property, analyzing changes in economic conditions that may have occurred between the sale date and the date of value, and other physical, functional, or locational factors;
- Identify sales that include favorable financing and calculate the cash equivalent price;
- Reduce the sale prices to a common unit of comparison such as price per unit or effective gross income multiplier;
- Make appropriate comparative adjustments to the prices of the comparable properties to relate them to the subject property; and
- Interpret the adjusted sales data and draw a logical value conclusion.

In the valuation of the subject site's fee simple interest, the Sales Comparison Approach has been used to establish prices being paid for comparably zoned land. The most widely used and market oriented unit of comparison for properties with characteristics similar to those of the subject is the sale price per square foot of zoning floor area (ZFA). All transactions used in this analysis are analyzed on this basis.

The major elements of comparison used to value the subject site include the property rights conveyed, the financial terms incorporated into the transaction, the conditions or motivations surrounding the sale, changes in market conditions since the sale, the location of the real estate, its utility and the physical characteristics of the property.

DISCUSSION OF COMPARABLE SALES

PROPERTY RIGHTS CONVEYED

The property rights conveyed in a transaction typically have an impact on the sale price of a property. Acquiring the fee simple interest implies that the buyer is acquiring the full bundle of rights. Acquiring a leased fee interest typically means that the property being acquired is encumbered by at least one lease, which is a binding agreement transferring rights of use and occupancy to the tenant. A leasehold interest involves the acquisition of a lease, which conveys the rights to use and occupy the property to the buyer for a finite period of time.

At the end of the lease term, there is typically no reversionary value to the leasehold interest. Since we are valuing the fee simple interest as reflected by each of the comparables, an adjustment for property rights is not required.

FINANCIAL TERMS

The financial terms of a transaction can have an impact on the sale price of a property. A buyer who purchases an asset with favorable financing might pay a higher price, as the reduced cost of debt creates a favorable debt coverage ratio. A transaction involving above-market debt will typically involve a lower purchase price tied to the lower equity returns after debt service. We analyzed all of the transactions to account for atypical financing terms. To the best of our knowledge, all of the sales used in this analysis were accomplished with cash or market-oriented financing. Therefore, no adjustments were required.

CONDITIONS OF SALE

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations the conditions of sale may significantly affect transaction prices. However, all sales used in this analysis are considered to be "arms-length" market transactions between both knowledgeable buyers and sellers on the open market. Therefore, no adjustments were required.

MARKET CONDITIONS

The sales that are included in this analysis occurred between August 2011 and August 2013. We have made a positive adjustment for the improving market conditions at a rate of 15.0 percent per annum.

LOCATION

An adjustment for location is required when the locational characteristics of a comparable property differ from those of the subject property. Location adjustments were intended to reflect differences with regard to the character of the avenue or street, proximity to transportation, desirability with regard to location (reputation of the surrounding buildings), and trends in future growth or decline. We have made a negative adjustment to those comparables considered superior in location versus the subject. Conversely, a positive adjustment was made to those comparables considered inferior.

SIZE (ZONING FLOOR AREA)

The adjustment for size generally reflects the inverse relationship between unit price and lot size. Smaller lots tend to sell for higher unit prices than larger lots, and vice versa. This adjustment is based on the zoning floor area and not the physical site size. This comparison is common given the vertical nature and density of New York City. Positive adjustments are made to sites that yield a larger zoning floor area, and downward adjustments are made to sites that yield a smaller amount of zoning floor area. Each comparable was adjusted accordingly.

ZONING

Many factors of zoning dictate the resultant use, density and design of a development. Density regulations are determined not only by Floor Area Ratios, but by height limitations, mandatory street wall setbacks, rear yard setbacks and requirements for retail continuity or pedestrian access. Wide streets in the Manhattan core, as well as corner locations, tend to improve utility for developers. The presence of subway stations, while very beneficial for locational attributes, also result in developers needing to be cognizant of subway tunnels that traverse across or along a site, as the protection of tunnels is an added cost of development.

The zoning adjustment also considers features, such as setback regulations, height restrictions, open space requirements, lot coverage requirements, and the potential use groups available for a particular site. The subject property is commercially zoned (C5-5) which permits a tower to be developed. Each comparable has been adjusted accordingly.

UTILITY

The adjustment for utility is intended to reflect differences in a plot's development potential in regard to access, frontage, and visibility. Mid-block sites and sites within areas with height limitations have inferior utility. Utility adjustments consider soil/sub-soil conditions to the extent known. Given its overall physical characteristics and zoning, the subject site is considered adequate to accommodate most permitted development possibilities. We have considered all of these factors in our adjustment process and made adjustments as appropriate. Each comparable was adjusted accordingly.

CONFIGURATION

An adjustment for configuration was intended to reflect differences with regard to plots, which were more irregular in shape versus plots which were more square or rectangular. It also considers frontage to depth ratios and perimeter areas. Configuration affects the shape of the prospective building's floor plate and is an important factor for developers and investors. Given the size and shape of the of the subject site, it offers a developer a good level of flexibility in design features. Each comparable was adjusted accordingly.

OTHER

This category accounts for any other adjustments not previously discussed. Examples include soil or slope conditions, restrictive zoning, easements, wetlands or external influences. No other adjustments have been made. After our analysis of the sales, a downward adjustment of 20 percent was made to all the land sales since the subject's ground lease specifies the site developable area of 810,000 square foot of zoning floor area, which would be required to build a 900,000 square foot office building, which is contrary to Highest and Best Use of the subject site as if vacant of multi-tenant office building development.

DISCUSSION OF COMPARABLE SALES

On the following pages we present a summary of the land sales that we compared to the subject property and an adjustment grid.

SUMMARY OF COMPARABLE LAND SALES
NEW YORK CITY

No.	Location	Sale Date	Consideration	Grantor / Grantee	Lot Size (SF)	Zoning	FAR	Max Bldg. Area (SF)	Unit Price/ZFA
1	**101 Murray Street** N/E/C West Street Tribeca, Manhattan	Aug-13	$226,650,000	St John's University / Henry V Murray Senior, LLC	31,028	C6-4	10.00	310,280	$730.47
	Sale of an irregular shaped parcel located at the northeast corner of West and Murray Streets. The property possesses 176.10 feet of frontage along West Street and 225 feet of frontage along Murray Street. At the time of sale, there was an existing 145,525 square foot building on the site that was assumed to be demolished. We have estimated demolition costs of $25 per square foot. With the inclusion of the plaza bonus, the maximum zoning floor area would be 372,336 square feet and the price per square foot of zoning floor area would be $598.92. As-of-right, the site contains a total of 310,280 square feet of zoning floor area.								
2	**151-161 Maiden Lane** B/w Front & South Streets Downtown, Manhattan	Aug-13	$64,000,000	Maiden Lane Development LLC / FPG Maiden Lane, LLC c/o Fortis Property Group	11,539	C5-3/LM	21.60	249,242	$256.78
	Sale of two contiguous lots located on a through block parcel bounded by Maiden Lane, South, Fletcher and Front Streets. At the time of sale, the site was utilized as a parking lot. The previous owner acquired an additional 76,157 square feet of air rights from 205 and 207 Front Street in June 2007. The buyer reportedly intends to construct a mixed-use retail, residential and hotel development on the property.								
3	**22 Thames Street** S/E/C Greenwich Street Downtown, Manhattan	Sep-12	$87,300,000	Henry II Thames LLC / 22 Thames Street LLC	9,086	C5-5/LM	15.00	358,990	$243.18
	Sale of a through block corner parcel located at the southeast corner of Greenwich and Thames Street, across from the World Trade Center site. The parcel is currently improved with a vacant 10-story, 89,840 square foot Class C office loft building that is in poor condition. The existing improvements have reportedly been vacant since 2008 when the American Stock Exchange (AMEX) was closed. Based on the Max FAR of 15, the site contains a maximum zoning floor area of 136,290 square feet. Furthermore, the subject property also includes 222,700 square feet of zoning floor area (ZFA) from excess development rights associated with adjacent landmark former AMEX building at 86 Trinity Place. Overall, the subject site contains a total of 358,990 square feet of zoning floor area (ZFA). The buyer, Fisher Brothers, has proposed a 20-story, luxury residential building for development on the site.								

SUMMARY OF COMPARABLE LAND SALES
NEW YORK CITY

No.	Location	Sale Date	Consideration	Grantor / Grantee	Lot Size (SF)	Zoning	FAR	Max Bldg. Area (SF)	Unit Price/ZFA
4	**133 Greenwich Street** N/E/C Thames Street Downtown, Manhattan	Mar-12	$27,900,000	Greenwich Thames Realty LLC/ Hidrock Realty	6,109	C5-5/LM	21.49	131,276	$212.53
	Sale of a vacant parcel located at the northeast corner of Thames Street and Greenwich Street. The site has a zoning lot merger with an adjacent parcel (lot 10) that allows for a higher density as the unused development rights are available to this property. The merged zoning lot contains a total of 131,276 square feet of zoning floor area. Hidrock's Realty's partner in the deal is Robert Finvarb Cos. The JV partners plan to spend approximately an additional $70 million to develop a 320-key, 28-story hotel, which is expected to be completed in 2015. The prior owner of the site, Greenwich Street Developers, LLC, filed for bankruptcy in September 2009. The contract grantor, Greenwich Thames Realty LLC, acquired the site from Greenwich Street Developers LLC through a court ordered auction that was held on August 20, 2010. The purchase price was $19.6 million and the transaction closed in November 2010.								
5	**50 Trinity Place** N/W/C Rector Street Downtown, Manhattan	Feb-12	$15,000,000	McSam Hotel Group / Trinity NYC Hotel LLC (Ivan Hakimian, HPNY)	3,885	C5-5/LM	18.61	72,306	$207.45
	Sale of a vacant parcel on the northwest corner of Trinity Place and Rector Street. The site contains 3,885 square feet with a maximum zoning floor area as of right of 56,370 square feet. The seller acquired 15,936 square feet of air rights from adjacent lot 21 in 2009. The total zoning floor area for the site is 72,306 square feet. The grantee, Ivan Hakimian of HPNY, has proposed to develop a 197-room hotel. As of the date of value, construction on the site has not yet begun.								
6	**11-15 Leonard Street** B/w W. Broadway and Hudson Street Tribeca, Manhattan	Aug-11	$10,143,800	Clark Construction / Tribeca Development Partners	5,819	C6-2A	6.02	35,030	$289.57
	Sale of an irregularly shaped development site located along Leonard Street between Broadway and Hudson Street in the TriBeCa neighborhood of Downtown Manhattan. At the time of the sale the site was improved with two 1-story garages. These buildings total 5,752 square feet of gross building area. We have estimated $25 per square foot in demolition cost for the existing gross building area. The buyer, developer Steven Schnall, received approval from the Landmarks Preservation Commission (LPC) to develop a 7-story residential condominium building on the site. As of the date of value, construction has not begun on the project.								

STATISTICS	Consideration	Lot Size (SF)	Max Bldg. Area (SF)	Unit Price/ZFA
LOW	$10,143,800	3,885	35,030	$207.45
HIGH	$226,650,000	31,028	358,990	$730.47
MEAN	$71,832,300	11,244	96,589	$323.33
MEDIAN	$45,950,000	7,598	17,880	$249.98

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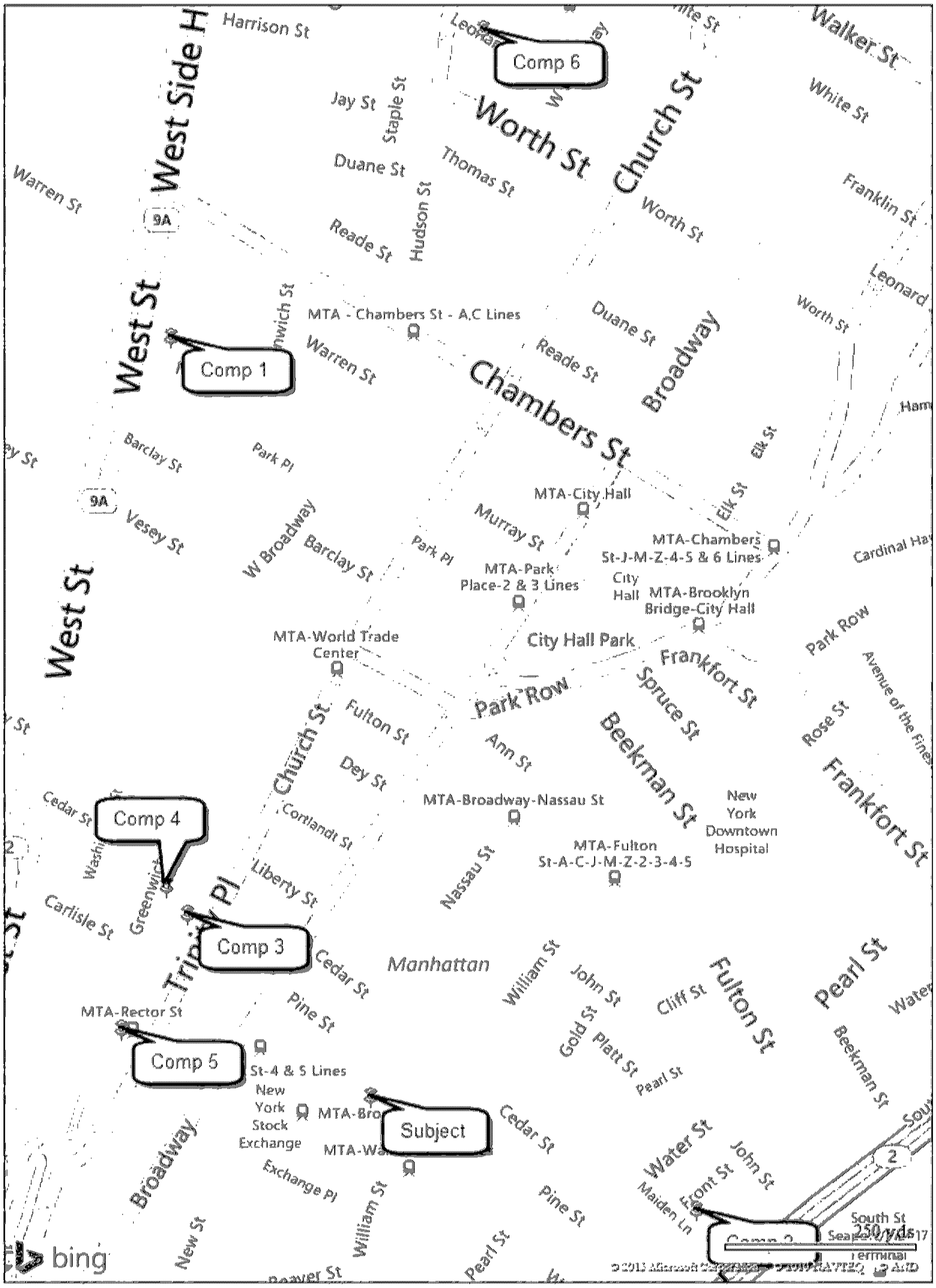
LAND COMPARABLE MAP



COMPARABLE LAND SALE NO. 1

This is the sale of a development site located at 101 Murray Street on the northeast corner of West Street in the Tribeca neighborhood of Downtown Manhattan. St. John's University sold this property to Henry V Murray Senior, LLC in August 2013 for a total consideration of $226,500,000, inclusive of demolition costs. The site is 31,028 square feet and irregular in shape. The site has 176.10 feet of frontage on West Street and 225 feet of frontage along Murray Street. At the time of sale, there was a 145,525 square foot building on the site. We have estimated demolition costs of $25 per square foot, or $3,500,000, rounded. The site is located in a C6-4 zoning district, which has a maximum floor area ratio of 10.00. The site has a maximum zoning floor area of 310,280 square feet. Based on the maximum zoning floor area, the sale price develops an unadjusted unit price of $730.47 per square foot of ZFA.

COMPARABLE LAND SALE NO. 2

This is the sale of a development site located at 151-161 Maiden Lane on the throughblock parcel bounded by Maiden Lane, South, Fletcher and Front Streets in Downtown Manhattan. In August 2013, FPG Maiden Lane, LLC in care of Fortis Property Group purchased the property from Maiden Lane Development LLC in August 2013 for $64,000,000. At the time of sale, the site was utilized as a parking lot. The site was previously purchased in December 2010 from its previous owner, LH Maiden Realty LLC, who acquired an additional 76,157 square feet of air rights from 205 and 207 Front Street in June 2007. The buyer reportedly intends to construct a mixed-use retail, residential and hotel development on the property. Overall, the site contains a total of 249,242 square feet of zoning floor area (ZFA). Based on the maximum zoning floor area, the sale price develops an unadjusted unit price of $256.78 per square foot of ZFA.

COMPARABLE LAND SALE NO. 3

This is the sale of a development site located at 22 Thames Street on the southeast corner of Greenwich Street in the Financial District of Downtown Manhattan. In September 2012, 22 Thames Street LLC (Fisher Brothers) purchased the property from Henry II Thames LLC for a total consideration of $87,300,000, inclusive of demolition costs. The throughblock corner parcel is located across from the World Trade Center site. At the time of sale, the parcel was improved with a vacant 10-story, 89,840 square foot Class C office loft building that was in poor condition. The existing improvements have reportedly been vacant since 2008 when the American Stock Exchange (AMEX) was closed. We have estimated demolition costs of $25 per square foot, or $2,300,000, rounded. The site contains a maximum zoning floor area of 136,290 square feet. Furthermore, the property also includes 222,700 square feet of zoning floor area (ZFA) from excess development rights associated with adjacent landmark former AMEX building at 86 Trinity Place. Overall, the site contains a total of 358,990 square feet of zoning floor area (ZFA)., the sale price develops an unadjusted unit price of $243.18 per square foot of ZFA.

COMPARABLE LAND SALE NO. 4

This is the sale of a development site located at 133 Greenwich Street on the northeast corner of Thames Street in the Financial District. In March 2012, Hidrock Realty purchased the property from Greenwich Thames Realty LLC for a total consideration of $27,900,000. At the time of the sale the parcel was vacant and has a zoning lot merger with an adjacent parcel (lot 10). The merged zoning lot contains a total of 131,276 square feet of zoning floor area. Hidrock's Realty partner in the deal is Robert Finvarb Cos. The grantee plans to spend approximately $70 million to develop a 320-key, 28-story hotel, which is expected to be completed in 2015. As of the date of value, construction has not yet begun on the site.

The prior owner of the site, Greenwich Street Developers, LLC, filed for bankruptcy in September 2009. The grantor, Greenwich Thames Realty LLC, acquired the site from Greenwich Street Developers LLC through a court ordered auction that was held on August 20, 2010. The purchase price was $19.6 million and the transaction closed in November 2010. Based on the maximum zoning floor area, the sale price develops a unit price of $212.53 per square foot of ZFA.

COMPARABLE LAND SALE NO. 5

This is the sale of a development site located at 50 Trinity Place on the northwest corner of Rector Street in the Financial district of Downtown Manhattan. In January 2012, Trinity NYC Hotel LLC purchased the property from McSam Hotel Group for a total consideration of $15,000,000. The 3,885 square foot site yields a total of 72,306 square feet of zoning floor area based on the maximum permitted zoning floor area and development rights from adjacent parcels that were merged for zoning purposes into a single lot. The seller acquired 15,936 square feet of air rights from adjacent lot 21 in 2009. The grantee, Ivan Hakimian of HPNY, has proposed to develop a 197-room hotel. As of the date of value, construction had not yet begun on the site. Based on the maximum zoning floor area, the sale price develops an unadjusted unit price of $207.45 per square foot of ZFA.

COMPARABLE LAND SALE NO. 6

This is the sale of a development site located at 11-15 Leonard Street between West Broadway and Hudson Street in the TriBeCa neighborhood of Downtown Manhattan. In August 2011, TriBeCa Development Partners acquired the two adjacent lots from Clark Construction for $10,143,800, inclusive of estimated demolition costs ($143,800). The site contains 5,819 square feet and is zoned C6-2A. The site yields a total of 35,030 square feet of zoning floor area. At the time of the sale the site was improved with two 1-story garages. These buildings total 5,752 square feet of gross building area. We allocated $25 per square foot in demolition cost for the existing gross building area. The buyer, developer Steven Schnall, received approval from the Landmarks Preservation Commission (LPC) to develop 7-story condominium project on the site. Based on the maximum zoning floor area, the sale price develops a unit price of $289.57 per square foot of ZFA.

SUMMARY OF SALES

The uniqueness of the subject's location makes it difficult to locate direct comparables. The opportunity to acquire a ready-to-build prime development site is rare. However, market participants will only pay an amount to secure a location that is feasible based on the proposed development.

The six comparable sales exhibit a range in unadjusted unit prices from $207.45 to $730.47 per square foot of ZFA. The sales occurred between August 2011 and August 2013. The sites involved both small and large development sites ranging in size from 35,030 to 358,990 square feet of ZFA. All of the sales have been reported to be cash equivalent and arms-length transactions.

In making comparisons, we adjusted the sale prices for differences between this site and the comparable sites. Differences between the subject property and the comparable sales are adjusted to reflect property rights conveyed financing terms and conditions of sale, time (market conditions), location, size, zoning, configuration, utility and other. The following chart summarizes our adjustment process.

LAND SALE ADJUSTMENT GRID

		Economic Adjustments (Cumulative)					Property Characteristic Adjustments (Additive)						
No.	Price/ZFA & Date	Property Rights Conveyed	Conditions of Sale	Financing	Market[1] Conditions	PSF ZFA Subtotal	Location	Size	Zoning	Utility[2]	Configuration	Other	Adj. Price/ZFA
1	**$730.47**	Fee Simple	Arm's-Length	None	Inferior	**$939.38**	Similar	Smaller	Similar	Superior	Superior	Superior	**$234.85**
	8/13	0.0%	0.0%	0.0%	28.6%	28.6%	0.0%	-10.0%	0.0%	-35.0%	-10.0%	-20.0%	-75.0%
2	**$256.78**	Fee Simple	Arm's-Length	None	Inferior	**$331.76**	Similar	Smaller	Similar	Superior	Similar	Superior	**$199.05**
	8/13	0.0%	0.0%	0.0%	29.2%	29.2%	0.0%	-15.0%	0.0%	-5.0%	0.0%	-20.0%	-40.0%
3	**$243.18**	Fee Simple	Arm's-Length	None	Inferior	**$356.99**	Similar	Smaller	Similar	Superior	Similar	Superior	**$232.04**
	9/12	0.0%	0.0%	0.0%	46.8%	46.8%	0.0%	-10.0%	0.0%	-5.0%	0.0%	-20.0%	-35.0%
4	**$212.53**	Fee Simple	Arm's-Length	None	Inferior	**$334.73**	Similar	Smaller	Similar	Superior	Inferior	Superior	**$200.84**
	3/12	0.0%	0.0%	0.0%	57.5%	57.5%	0.0%	-20.0%	0.0%	-5.0%	5.0%	-20.0%	-40.0%
5	**$207.45**	Fee Simple	Arm's-Length	None	Inferior	**$330.47**	Similar	Smaller	Similar	Superior	Inferior	Superior	**$181.76**
	2/12	0.0%	0.0%	0.0%	59.3%	59.3%	0.0%	-25.0%	0.0%	-5.0%	5.0%	-20.0%	-45.0%
6	**$289.57**	Fee Simple	Arm's-Length	None	Inferior	**$494.88**	Similar	Smaller	Similar	Superior	Similar	Superior	**$197.95**
	8/11	0.0%	0.0%	0.0%	70.9%	70.9%	0.0%	-35.0%	0.0%	-5.0%	0.0%	-20.0%	-60.0%

STATISTICS

$207.45	- **Low**	**Low** -	**$181.76**
$730.47	- **High**	**High** -	**$234.85**
$323.33	- **Average**	**Average** -	**$207.75**

Compiled by Cushman & Wakefield, Inc.

(1) Market Conditions Adjustment Footnote

Compound annual change in market conditions: 15.00%

Date of Value (for adjustment calculations): 6/1/15

(2) Utility Footnote

Utility includes access, frontage and visibility.

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OPINION OF SITE VALUE (SUBJECT TO REQUIREMENTS OF THE GROUND LEASE)

The sales that we have utilized represent the best available information that could be compared to the subject property. The major elements of comparison for an analysis of this type include the property rights conveyed, the financial terms incorporated into a particular transaction, the conditions or motivations surrounding the sale, changes in market conditions since the sale, the location of the real estate, its physical traits and the economic characteristics of the property.

As noted by the summary of comparables, the sales reflect a range in unadjusted price per square foot indicators from $207.45 to $730.47 per square foot of ZFA. After adjustments, the land sales reflect a range from $181.76 to $234.85 per square foot of ZFA. The average adjusted unit value is $207.75 per square foot of ZFA.

According to the terms of the ground lease the Fair Market Property Value is based on the owner's ability to construct 900,000 square foot office building with grade retail. The ground lease evaluation clause refers to gross square feet. In order to determine the land value, it is appropriate to convert the gross building area to the corresponding zoning floor area. We have estimated that 900,000 square feet of gross building area utilizes 810,000 square feet of zoning floor area. Mechanical areas, stairwells, elevator shafts, and ventilation shafts do not count towards zoning floor area. These areas typically range from five to ten percent for newer office buildings and 5 to 15 percent of older office buildings. We have assumed a 10 percent mechanical deduction in our estimation of zoning floor area for the development.

Therefore, we have utilized 810,000 square feet of zoning floor area as the basis for our analysis. Our analysis assumes the subject's site developable area (FAR) is 810,000 square feet as stipulated in the ground lease, which does not represent a market value of the land.

After considering all of the available market data in comparison with the characteristics of the subject property, it is our opinion that the proper unit value is $200.00 per square foot of ZFA.

Therefore, our opinion of the **fee simple interest of the subject site, subject to requirements of the ground lease,** indicated by the Sales Comparison Approach is:

LAND VALUATION CONCLUSION	
	INDICATED VALUE
Maximum FAR:	810,000
Indicated Value per FAR:	X $200.00
Indicated Land Value:	$162,000,000
Rounded Land Value:	$160,000,000
Fee Simple Value per FAR:	$197.53

SALES COMPARISON APPROACH

METHODOLOGY

Using the Sales Comparison Approach, we developed an opinion of value by comparing the subject property to similar, recently sold properties in the surrounding or competing area. This approach relies on the principle of substitution, which holds that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution.

By analyzing sales that qualify as arm's-length transactions between willing and knowledgeable buyers and sellers, we can identify value and price trends. The basic steps of this approach are:

1. Research recent, relevant property sales and current offerings in the competitive area;
2. Select and analyze properties that are similar to the subject property, analyzing changes in economic conditions that may have occurred between the sale date and the date of value, and other physical, functional, or locational factors;
3. Identify sales that include favorable financing and calculate the cash equivalent price;
4. Reduce the sale prices to a common unit of comparison such as price per square foot of net rentable area;
5. Make appropriate comparative adjustments to the prices of the comparable properties to relate them to the subject property and
6. Interpret the adjusted sales data and draw a logical value conclusion.

The most widely used and market-oriented unit of comparison for properties such as the subject is the sales price per square foot of net rentable area. All comparable sales were analyzed on this basis. The following pages contain a summary of the improved properties that we compared to the subject property, a map showing their locations, and the adjustment process.

Due to the nature of the subject property and the level of detail available for the comparable data, we have elected to analyze the comparables through the application of a traditional adjustment grid using percentage adjustments.

The most widely used and market-oriented unit of comparison for properties such as the subject is the sales price per square foot of net rentable area. All comparable sales were analyzed on this basis. The following pages contain a summary of the improved properties that we compared to the subject property, a map showing their locations, and the adjustment process.

On the following pages, we present a summary of the improved properties that we compared to the subject property, a map showing their locations, and an adjustment grid.

SUMMARY OF IMPROVED SALES														
	Physical Data					Sale Data			Financial Data					
No.	Property Name Location	Land Area (SF)	Net Rentable Area (SF)	Year Built	No. Stories	Sale Date	Grantor/ Grantee	Price	Price/NRA	NOI/SF	OAR	Occupancy at Sale	Financing
1	**100 Wall Street** Btw. Water & Front Streets New York, New York	22,399	517,031	1969 2014	29	Jun-15 **Contract**	Savanna Partners / Cornerstone Real Estate Advisers	$270,000,000	$522.21	$15.86	3.04%	95%	Cash
	Comments:	Sale of a Class A office building on the corner of Wall Street and Water Street that is leased to 50 tenants. The three largest tenants include Harris Beach LLC, Lester Schwab and US Bank National Association. The average office contract is $38.46 per square, approximately 20 percent below market. An approximate $24.7 million in capital improvements have been spent in the past four years; which included common areas, HVAC, building systems, and the relocation of the electrical switchgear to the 2nd floor. Savanna Partners acquired 100 Wall Street by foreclosing on a mortgage note of $117,399,060 from Lehman Brothers Holdings, Inc. in May 2011. In addition at the time, Savanna acquired the junior debt positions to the first mortgage.											
2	**123 William Street** B/w John and Fulton Streets New York, New York	21,242	545,301	1957	27	Mar-15	GreenOak & East End Capital / New York REIT	$253,000,000	$463.96	$12.45	2.68%	98%	Cash
	Comments:	Sale of a Class A minus office building located between John and Fulton Streets. Tenants include the New York State Department of State, the City of New York, the U.S. Social Security Administration, the Securities Training Corporation and law firm McAloon & Friedman. The property was previously purchased by GreenOak & East End Capital from Chetrit Group in October 2013 for $133 million, at which time the building was half occupied. The property is currently 98 percent leased.											
3	**32 Old Slip** Financial Square B/w South and Front Streets New York, New York	42,176	1,159,086	1987	36	Dec-14	Beacon Capital Partners / RXR Realty	$675,000,000	$582.36	$23.32	4.00%	90%	Cash
	Comments:	Sale of Class A building located on an entire city block bound by Old Slip, South Street, Gouverneur Lane and Front Street in the Financial East District of Downtown Manhattan. RXR Realty purchased the property from Beacon Capital Partners for $675 million. Following the sale, RXR Realty created a 99 year ground lease which they sold to Leon Melohn for a purchase price of 207.5 million. The ground rent is $8.5 million through 2023, increasing to $9,572,381 with subsequent 2.0 percent annual increases. RXR Realty will retain the leasehold estate. The buyer intends to renovate and reposition the property.											
4	**180 Maiden Lane** B/w Front and South Streets New York, New York	46,799	1,189,325	1982/2014	41	Sep-14	JV SL Green & Moinian / JV Murray Hill Properties & Clarion Partners	$470,000,000	$395.18	n/a	n/a	21%	Cash
	Comments:	Sale of Class A building located in the Financial East submarket. AIG was the major anchor tenant at the property until it left in April 2014. The property is in the midst of $60 million capital improvement program. The renovation includes upgrading lobby, common areas, elevators and building mechanical systems.											

SUMMARY OF IMPROVED SALES (CONTINUED)													
	Physical Data					Sale Data			Financial Data				
5	**77 Water Street** B/w Gouverneur Lane and Old Slip New York, New York	25,779	633,308	1969/2009	26	Aug-14	Travelers Companies / Principal Real Estate Investors	$245,000,000 **Leasehold**	$386.86	$29.69	7.68%	100%	Cash
	Comments:	Sale of Class A building located in the Financial East submarket. The property is fully leased to The Goldman Sachs Group, Inc. under a triple-net lease agreement that expires in March 2021 with a surrender option for the 14 through 26 in March 2018. Goldman Sachs Group, Inc. never took occupancy of the property since the lease commencement in January 2000. In 2009, the tenant renovated the property and commenced a subleasing program of the space to third parties. Over 80 percent of the property is currently subleased to third parties such as AT&T, ARUP, Lewis Brisbois and United Health among others. The property was developed by the Kaufmann Organization. The property is subject to a long term ground lease that is owned and controlled by the principals of The William Kaufman Organization with minimal ground rental payments.											
6	**80 Broad Street** B/w Stone & Beaver Streets New York, New York	13,135	411,944	1935/2007	36	Aug-14	Savanna Partners / Broad Street Development	$175,000,000	$424.82	$15.90	3.74%	87%	Cash
	Comments:	Sale of a Class B office building located on Broad Street between Stone and Beaver Streets. The property is located in the Financial East office submarket of Downtown Manhattan. Savanna acquired the property in 2011 from Swig Equities after taking control of the property's senior mortgage. Subsequently, Savanna completed a comprehensive renovation which included a lobby renovation, façade, modernized elevators and upgrades to the common areas. In addition, Savanna also invested capital to complete work following Superstorm Sandy, to protect the building from similar future weather events.											
7	**222 Broadway** B/w Fulton & Ann Streets New York, New York	33,340	775,786	1961/2013	31	Aug-14	Beacon Capital JV L&L Holding / Deutsche Asset & Wealth Management	$502,000,000	$647.09	$26.86	4.15%	97%	Cash
	Comments:	Beacon is selling its equity stake and L&L will stay on as partner and continue to operate the building. Bank of America occupies 78% of the building with their current lease expiring in 2022. In 2013, BOA exercised an option to vacate 91,000 SF. BOA's rents are significantly below market as they sold the building to Beacon and L&L in 2012. The building is near full occupancy with WeWork recently signing a lease for 120,000 SF for 16 years and Conde Nast leasing 83,000 SF until 2029.											
8	**61 Broadway** B/w Exchange Alley & Rector Street New York, New York	21,209	786,975	1916/1986	33	May-14	Broad Street Development / RXR Realty	$330,000,000	$419.33	$18.71	4.46%	97%	Cash
	Comments:	Sale of a Class B office building located on Broadway between Exchange Alley and Rector Street. The buyer intends to renovate at a cost of $20 million over the next several years and increase rents. The buyer intends to attract creative and tech firms. The building is 96.58 percent leased. The largest tenants include The People of New York (36,696 square feet) and Professional Staff Insurance (31,536 square feet). Trinity Place Department Store occupies the retail space on the ground floor, basement and mezzanine.											

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SUMMARY OF IMPROVED SALES (CONTINUED)

No.	Physical Data					Sale Data			Financial Data				
9	**110 William Street** N/E/C of John Street New York, New York	34,591	928,157	1959	32	May-14	Swig Equities & Longwing Ventures / Savanna Partners	$261,100,000	$281.31	$13.98	4.97%	97%	Cash
	Comments:	Sale of a Class A office building located on the northeast corner of William and John Streets. The floor plates range from 5,300 to 40,000 square feet. Ownership has spent approximately $18.6 million in building and tenant improvements since 2005. The two cellar floors total 13,185 square feet, with 20,765 square feet of space on the ground floor and another 894,207 square feet of office space above. New York Economic Development Corporation, the building's anchor tenant, has a private entrance off John Street with escalators leading to its second floor space.											
10	**388-390 Greenwich Street** B/w North Moore & Hubert Streets New York, New York	172,327	2,634,670	1989/1986	39/8	Mar-14	Ivanhoe Cambridge / SL Green Realty Co.	$1,585,000,000	$601.59	$41.52	6.90%	100%	Cash
	Comments:	SL Green bought JV partner Ivanhoe Cambridge's interest. In December 2013, Citi renewed its triple-net lease of the 2.6M SF through 2035 and will make the complex its global HQ. It has the option to buy the properties between December 2017 to December 2020. Its acquisition from Ivanhoe Cambridge values the properties at $1.585B, nearly the same as when the companies bought them from Citigroup in December 2007 ($1.575B). However, the terms of Citi's purchase option aren't known. 388 Greenwich is a 39-story tower with highly efficient floors and sweeping, unobstructed views. 390 Greenwich is an eight-story building featuring 94,000 square foot floors that are considered some of the finest trading floors in Manhattan.											
11	**160 Water Street** B/w Fletcher & John Streets New York, New York	24,092	487,523	1970	24	Mar-14	Oestreicher Realty / Emmes Asset Management	$165,000,000	$338.45	$14.50	4.28%	96%	Cash
	Comments:	Sale of a Class A office building located on the north side of Fletcher Street between Water Street and Pearl Street in the Insurance office submarket of Downtown Manhattan. The property is leased to four office tenants. The three largest office tenants in the building include NYC Health & Hospital (310,841 square feet); Beth Israel Medical Center (107,500 square feet); and Seneca Insurance Company (43,000 square feet). The smallest office tenant is Oestreicher Management (5,259 square feet) which is the owner's management office. The rollover years occur in 2023 and 2025. In 2023, the lease expires with New York City Health and Hospitals Corporation; and in 2025, the lease expires with Beth Israel Medical Center.											
12	**55 Broadway** S/W/C of Exchange Alley New York, New York	15,722	358,637	1981/1987	32	Feb-14	Broad Street Development / Harbor Group International, LLC	$157,000,000	$437.77	$21.34	4.87%	89%	Cash
	Comments:	Sale of a Class A office building known as One Exchange Plaza located on Broadway located one block west of the New York Stock Exchange and four blocks south of the new World Trade Center. The office space is leased 38 office tenants. Approximately 49 percent of the subject's net rentable area expires through 2018. The lobby has been fully renovated along with the elevator cabs and mechanicals. The property previously sold in May 2006 to Broad Street Development from Bank of Communications for a purchase price of $82 million.											

STATISTICS							
LOW	13,135	358,637	1957	$281.31	$12.45	2.68%	21.00%
HIGH	172,327	2,634,670	2014	$647.09	$41.52	7.68%	100.00%
MEAN	39,401	868,979	1976	$458.41	$21.28	4.62%	88.89%
MEDIAN	24,936	704,547	1970	$431.29	$18.71	4.28%	96.24%

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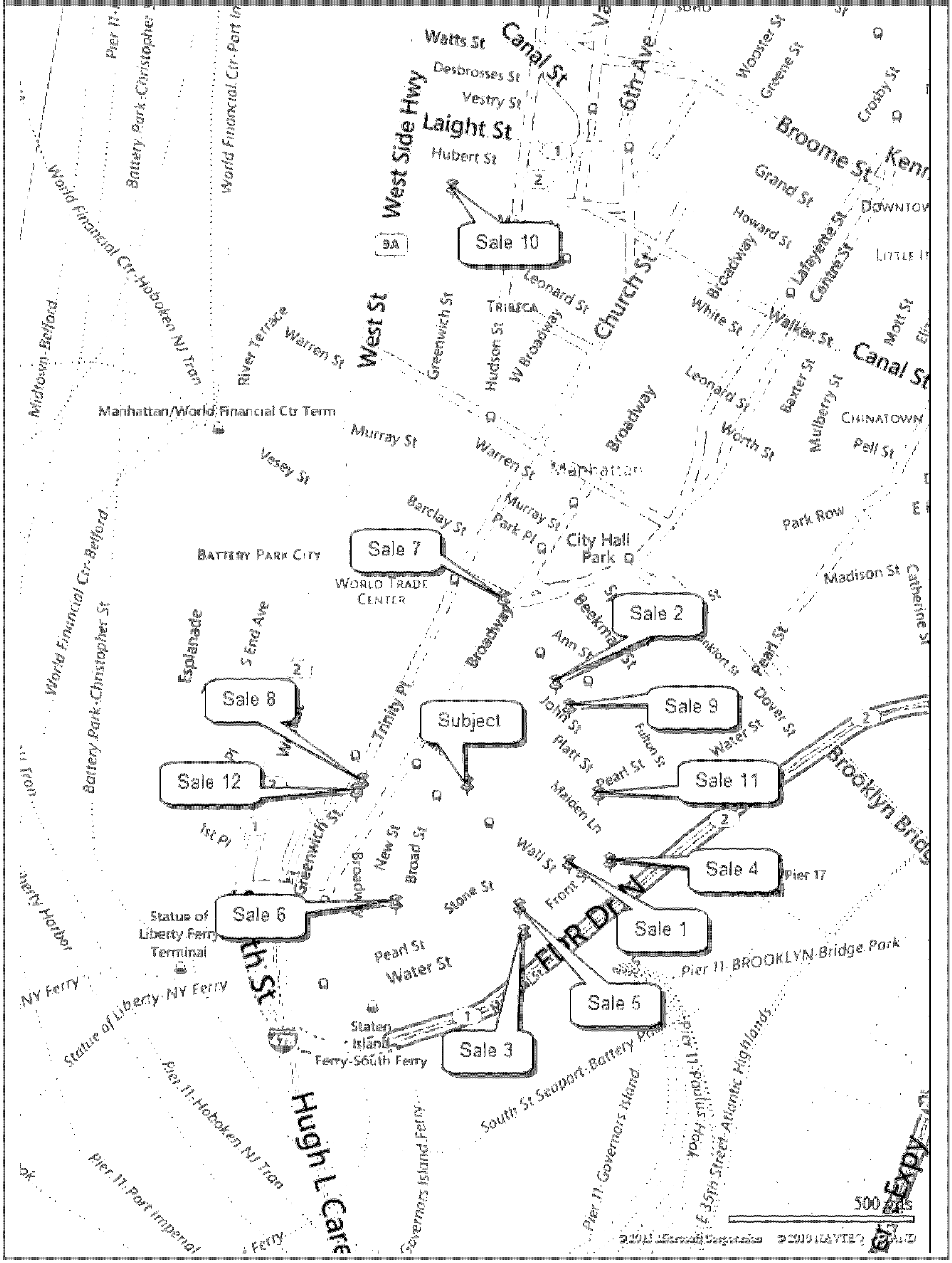
SALES COMPARISON MAP



PERCENTAGE ADJUSTMENT METHOD

ADJUSTMENT PROCESS

The sales we have used were the best available comparables to the subject property. The major points of comparison for this type of analysis include the property rights conveyed, the financial terms incorporated into the transaction, the conditions or motivations surrounding the sale, changes in market conditions since the sale, the location of the real estate, its physical traits and the economic characteristics of the property.

The first adjustment made to the market data takes into account differences between the subject property and the comparable property sales with regard to the legal interest transferred. Advantageous financing terms or atypical conditions of sale are then adjusted to reflect a normal market transaction. Next, changes in market conditions are accounted for, creating a time adjusted price. Lastly, adjustments for location, physical traits and the economic characteristics of the market data are made in order to generate the final adjusted unit rate for the subject property.

We have made a downward adjustment to those comparables considered superior to the subject and an upward adjustment to those comparables considered inferior.

PROPERTY RIGHTS CONVEYED

The property rights conveyed in a transaction typically have an impact on the price that is paid. Acquiring the fee simple interest implies that the buyer is acquiring the full bundle of rights. Acquiring a leased fee interest typically means that the property being acquired is encumbered by at least one lease, which is a binding agreement transferring rights of use and occupancy to the tenant. A leasehold interest involves the acquisition of a lease, which conveys the rights to use and occupy the property to the buyer for a finite period of time. At the end of the lease term, there is typically no reversionary value to the leasehold interest.

The subject is encumbered by a ground lease and this appraisal is intended to provide an opinion of the market value of the leasehold interest in the property. Therefore, downward adjustments were required for the leased fee interest in the comparable sales. No adjustment was required for the leasehold interest in the comparables.

FINANCIAL TERMS

The financial terms of a transaction can have an impact on the sale price of a property. A buyer who purchases an asset with favorable financing might pay a higher price, as the reduced cost of debt creates a favorable debt coverage ratio. A transaction involving above-market debt will typically involve a lower purchase price tied to the lower equity returns after debt service. We have analyzed all of the transactions to account for atypical financing terms. To the best of our knowledge, all of the sales used in this analysis were accomplished with cash or market-oriented financing. Therefore, no adjustments were required.

CONDITIONS OF SALE

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations the conditions of sale may significantly affect transaction prices. However, all sales used in this analysis are considered to be "arms-length" market transactions between both knowledgeable buyers and sellers on the open market. Therefore, no adjustments were required.

MARKET CONDITIONS

The sales that are included in this analysis occurred between February 2014 and June 2015; Sale 1 is currently under contract of sale. Investors continue to view Manhattan's office buildings as less risky and are willing to invest, as indicated by the large number of sales since 2013. We have applied an upward adjustment of 5.00 percent per annum up to June 1, 2015, the effective date of value.

LOCATION

An adjustment for location is required when the locational characteristics of a comparable property differ from those of the subject property. Each comparable was adjusted accordingly.

PHYSICAL TRAITS

Each property has various physical traits that determine its appeal. These traits include size, age, condition, quality, parking ratio and utility. Each comparable was adjusted accordingly.

ECONOMIC CHARACTERISTICS

The economic characteristics of a property include its occupancy levels, operating expense ratios, tenant quality, and other items not covered under prior adjustments that would have an economic impact on the transaction. Each comparable was adjusted accordingly.

OTHER

This category accounts for any other adjustments not previously discussed. Based on our analysis of these sales, none required any additional adjustment.

DISCUSSION OF COMPARABLE SALES

In our analysis, we have compared the subject property to office properties in the subject's market area. These are discussed below.

COMPARABLE SALE NO. 1

This is the June 2015 contract of sale of 100 Wall Street, a modern 29-story (there is no 13th floor) Class A multi-tenant office building built in 1969 (renovated in 1994) containing 517,031 rentable square feet. It is located on the northerly blockfront of Wall Street between Water and Front streets in the Financial East office sub market of Downtown Manhattan. It is located in Flood Zone X, which is outside of the 100- and 500-year flood plain and is not designated as a special flood hazard area.

100 Wall Street is leased to 50 tenants, of which the three largest tenants include Harris Beach PLLC, Lester Schwab and US Bank National Association. The average office contract is $38.46 per square foot, approximately 20 percent below market. An approximate $24.7 million in capital improvements have been spent in the past four years; which included common areas, HVAC, building systems, and the relocation of the electrical switchgear to the 2nd floor.

Savanna Partners is in contract to sell the leased fee interest to Cornerstone Real Estate Advisers for a reported purchase price of $270 million, indicating an overall property capitalization rate of 3.04 percent. The sale price equates to $522.21 per square foot.

In comparison with the subject property, a downward adjustment was required for property rights conveyed. A downward adjustment was required for size under the premise that smaller properties sell for more per square foot than larger properties. No other adjustments were required. The adjusted price is $446.49 per square foot.

COMPARABLE SALE NO. 2

This sale is located at 123 William Street, which is located between Fulton and John Street throughblock to Dutch Street. This office building sold in March 2015 to New York REIT from GreenOak & East End Capital for $253,000,000. 123 William Street is a 27-story, plus lower level, Class A office building containing 545,301 square feet of net rentable area on a 34,360 square foot parcel of land. Tenants include the New York State Department of State, the U.S. Social Security Administration, the Securities Training Corporation and law firm McAloon & Friedman. The property was previously purchased by GreenOak & East End Capital from Chetrit Group in October 2013 for $133 million, at which time the building was half occupied. The property is currently 98 percent leased. 123 William Street is located in Flood Zone X; the area is inundated by 100-year flooding. The purchase price equates to a value of $463.96 per square foot.

In comparison with the subject property, a downward adjustment was required for property rights conveyed. An upward adjustment was required for market conditions. A downward adjustment was required for size under the premise that smaller properties sell for more per square foot than larger properties. An upward adjustment was required for quality and appeal. No other adjustments were required. The adjusted price is $443.97 per square foot.

COMPARABLE SALE NO. 3

This sale is located at 32 Old Slip, which occupies the entire city block bound by Old Slip, South Street, Gouverneur Lane and Front Street in the Financial East District of Downtown Manhattan. This office building sold in December 2014 to RXR Realty from Beacon Capital Partners for $675,000,000. Following the sale, RXR Realty created a 99 year ground lease which they sold to Leon Melohn for a purchase price of 207.5 million. The ground rent is $8.5 million through 2023, increasing to $9,572,381 with subsequent 2.0 percent annual increases. RXR Realty will retain the leasehold estate. 32 Old Slip is a 36-story, plus lower level, Class A office building containing 1,159,086 square feet of net rentable area on a 42,176 square foot parcel of land. It is currently 90 percent occupied. The purchase price equates to $582.36 per square foot. 32 Old Slip is located in Flood Zone X, outside of the 100- and 500- year flood plain.

In comparison with the subject property, a downward adjustment was required for property rights conveyed. An upward adjustment was required for market conditions. An upward adjustment was required for location. A downward adjustment was required for age and condition. A downward adjustment was required for quality and appeal. No other adjustments were required. The adjusted price is $456.61 per square foot.

COMPARABLE SALE NO. 4

This sale is located at 180 Maiden Lane, which occupies the entire city block bound by Maiden Lane, Pine, Front, and South Streets. This office building sold in September 2014 to Murray Hill Properties (MHP) from The Moinian Group and SL Green Realty Corp. for $470,000,000. The contract was dated September 11, 2014. 180 Maiden Lane is a 41-story, plus lower level, Class A office building containing 1,189,325 square feet of net rentable area on a 46,799 square foot parcel of land. It is currently 21.2 percent occupied. The majority of the vacant space was formerly occupied by AIG which recently vacated the property. The building is currently undergoing a $33.0 million capital improvement to reconfigure and enhance the lobby and interior public space, upgrade the elevators and building mechanical systems. The sale price equates to a price of $395.18 per square foot. 180 Maiden Lane is located in Flood Zone AE; the area is inundated by 100-year flooding.

In comparison with the subject property, a downward adjustment was required for property rights conveyed. An upward adjustment was required for market conditions. An upward adjustment was required for location. A downward adjustment was required for age and condition. An upward adjustment was required for occupancy. No other adjustments were required. The adjusted price is $461.20 per square foot.

COMPARABLE SALE NO. 5

This sale is located at 77 Water Street between Gouverneur Lane and Old Slip. This Class A office building was sold in August 2014 to Principal Real Estate Investors from Travelers Companies for $245,000,000. The 26-story office property was built in 1969 and renovated in 2009. The property contains 633,308 square feet of rentable area. The property is fully leased to The Goldman Sachs Group, Inc. under a triple-net lease agreement that expires in March 2021 with a surrender option for floors 14 through 26 in March 2018. Goldman Sachs Group, Inc. never took occupancy of the property since the lease commencement in January 2000. In 2009, the tenant renovated the property and commenced a subleasing program of the space to third parties. Over 80 percent of the property is currently subleased to third parties such as AT&T, ARUP, Lewis Brisbois and United Health among others. The property was developed by the Kaufmann Organization. The property is subject to a long term ground lease that is owned and controlled by the principals of The William Kaufman Organization with minimal ground rental payments. The current overall capitalization rate is 7.68 percent. The sales price equates to $386.86 per square foot. 77 Water Street is located in Flood Zone X, outside of the 100- and 500- year flood plain.

In comparison with the subject property, an upward adjustment was required for market conditions. An upward adjustment was required for location. A downward adjustment was required for size under the premise that smaller properties sell for more per square foot than larger properties. An upward adjustment was required for quality and appeal. No other adjustments were required. The adjusted price is $443.26 per square foot.

COMPARABLE SALE NO. 6

This sale is located at 80 Broad Street between Stone and Beaver Streets. This Class B office building was sold in August 2014 to Broad Street Development from Savanna Partners for $175,000,000. The building is currently 87 percent leased. The 36-story office property was built in 1935. The property contains 411,944 square feet of rentable area. The property is located in the Financial East office submarket of Downtown Manhattan. The sales price equates to $424.82 per square foot. 80 Broad Street is located in Flood Zone X, outside of the 100- and 500- year flood plain.

In comparison with the subject property, a downward adjustment was required for property rights conveyed. An upward adjustment was required for market conditions. An upward adjustment was required for location. A downward adjustment was required for size under the premise that smaller properties sell for more per square foot than larger properties. An upward adjustment was required for age and condition. An upward adjustment was required for quality and appeal. No other adjustments were required. The adjusted price is $457.99 per square foot.

COMPARABLE SALE NO. 7

This sale is located at 222 Broadway between Fulton and Ann Streets. This office building sold in August 2014 to Deutsche Asset & Wealth Management from Beacon Capital JV L&L Holding for a purchase price of $502 million. The building is currently 97 percent leased. The 31-story office property was built in 1961 and renovated in 2013. The property contains 775,786 square feet of rentable area. Beacon sold its equity stake and L&L will stay on as partner and continue to operate the building. Bank of America occupies 62% of the building with their current lease expiring in 2022. In 2013, BOA exercised an option to vacate 91,000 square feet. BoA's rents are significantly below market. The building is near full occupancy with WeWork signing a lease for 120,000 SF for 16 years and Conde Nast leasing 83,000 SF until 2029. The current overall capitalization rate is 4.15 percent. The sales price equates to $647.09 per square foot. 222 Broadway is located in Flood Zone X, outside of the 100- and 500- year flood plain.

In comparison with the subject property, a downward adjustment was required for property rights conveyed. An upward adjustment was required for market conditions. A downward adjustment was required for size under the premise that smaller properties sell for more per square foot than larger properties. A downward adjustment was required for age and condition. A downward adjustment was required for quality and appeal. A downward adjustment was required for occupancy. No other adjustments were required. The adjusted price is $454.97 per square foot.

COMPARABLE SALE NO. 8

This sale is located at 61 Broadway between Exchange Alley and Rector Street. This Class B office building sold in May 2014 to RXR Realty from Broad Street Development for a reported purchase price of $330 million. The buyer intends to renovate at a cost of $20 million. The building is currently 96.58 percent leased. The largest tenants include Corporation for Supporting Housing, Home Insurance Co., Leukemia and Lymphoma Society, Artnet Worldwide, and Gemini Systems. The 33-story office property was built in 1916 and renovated in 1986. The property contains 786,975 square feet of rentable area. The current overall capitalization rate is 4.46 percent. The sales price equates to $419.33 per square foot. 61 Broadway is located in Flood Zone X, outside of the 100- and 500- year flood plain.

In comparison with the subject property, a downward adjustment was required for property rights conveyed. An upward adjustment was required for market conditions. A downward adjustment was required for size under the premise that smaller properties sell for more per square foot than larger properties. An upward adjustment was required for age and condition. An upward adjustment was required for quality and appeal. No other adjustments were required. The adjusted price is $457.54 per square foot.

COMPARABLE SALE NO. 9

This sale is located at 110 William Street on the northeast corner of John Street. This Class A office building sold in May 2014 to Savanna Partners from Swig Equities & Longwing Ventures for a reported purchase price of $261.1 million. The building is currently 97 percent leased. The 32-story office property was built in 1959. The property contains 928,157 square feet of rentable area. The current overall capitalization rate is 4.97 percent. The sales price equates to $281.31 per square foot. 110 William Street is located in Flood Zone X, outside of the 100- and 500- year flood plain.

In comparison with the subject property, a downward adjustment was required for property rights conveyed. An upward adjustment was required for market conditions. An upward adjustment was required for age and condition. An upward adjustment was required for quality and appeal. No other adjustments were required. The adjusted price is $427.06 per square foot.

COMPARABLE SALE NO. 10

This sale is located at 388-390 Greenwich Street between North Moore & Hubert Streets. This Class A office building sold in March 2014 to SL Green Realty Co. from Ivanhoe Cambridge for a purchase price of $1.585 billion. The building is fully leased to Citibank. The property contains 2,634,670 square feet of rentable area. SL Green bought JV partner Ivanhoe Cambridge's interest. In December 2013, Citi renewed its triple-net lease of the 2.6M SF through 2035 and will make the complex its global HQ. It has the option to buy the properties between December 2017 to December 2020. Its acquisition from Ivanhoe Cambridge values the properties at $1.585B, nearly the same as when the companies bought them from Citigroup in December 2007 ($1.575B). However, the terms of Citi's purchase option aren't known. 388 Greenwich is a 39-story tower with highly efficient floors and sweeping, unobstructed views. 390 Greenwich is an eight-story building featuring 94,000 square foot floors that are considered some of the finest trading floors in Manhattan. The current overall capitalization rate is 6.90 percent. The sales price equates to $601.59 per square foot. 388-390 Greenwich Street is located in Flood Zone X, outside of the 100- and 500- year flood plain.

In comparison with the subject property, a downward adjustment was required for property rights conveyed. An upward adjustment was required for market conditions. An upward adjustment was required for location. An upward adjustment was required for size under the premise that smaller properties sell for more per square foot than larger properties. A downward adjustment was required for age and condition. A downward adjustment was required for quality and appeal. A downward adjustment was required for occupancy. No other adjustments were required. The adjusted price is $489.03 per square foot.

COMPARABLE SALE NO. 11

This is the March 2014 sale of a Class A office building located at 160 Water Street between Fletcher and John Streets. Emmes Asset Management acquired the property from Oestreicher Realty for a purchase price of $165,000,000. The 24-store office property was built in 1970. The property contains 487,523 square feet of rentable area. The current overall capitalization rate is 4.28 percent. The sales price equates to $338.45 per square foot. 160 Water Street is located in Flood Zone X, outside of the 100- and 500- year flood plain.

In comparison with the subject property, a downward adjustment was required for property rights conveyed. An upward adjustment was required for market conditions. An upward adjustment was required for location. A downward adjustment was required for size under the premise that smaller properties sell for more per square foot than larger properties. An upward adjustment was required for age and condition. An upward adjustment was required for quality and appeal. No other adjustments were required. The adjusted price is $453.13 per square foot.

COMPARABLE SALE NO. 12

This is the February 2014 sale of 55 Broadway, a Class A office building, located on the southwest corner of Exchange Alley. Harbor Group International, LLC acquired the property from Broad Street Development for a reported purchase price of $157 million. The 32-story office property was built in 1981 and renovated in 1987. The property contains 358,637 square feet of rentable area. The current overall capitalization rate is 4.87 percent. The sales price equates to $437.77 per square foot. 55 Broadway is located in Flood Zone X, outside of the 100- and 500- year flood plain.

In comparison with the subject property, a downward adjustment was required for property rights conveyed. An upward adjustment was required for market conditions. A downward adjustment was required for size under the premise that smaller properties sell for more per square foot than larger properties. An upward adjustment was required for age and condition. An upward adjustment was required for quality and appeal. No other adjustments were required. The adjusted price is $441.17 per square foot.

SUMMARY OF PERCENTAGE ADJUSTMENT METHOD

As noted by the summary of comparables, the sales reflect a range of unadjusted price per square foot from $281.31 to $647.09 per square foot. The mean price per square foot exhibited by the comparables was calculated to be $458.41 per square foot and the median price per square foot was $431.29 per square foot.

In making comparisons, we adjusted the sale prices for differences between this site and the comparable sites. Differences between the subject property and the comparable sales are adjusted to reflect property rights conveyed, financing terms and conditions of sale, time (market conditions), location, size, age/condition, quality, occupancy, economics, utility and other components. The following chart summarizes our adjustment process.

IMPROVED COMPARABLE SALE ADJUSTMENT GRID

		ECONOMIC ADJUSTMENTS (CUMULATIVE)					PROPERTY CHARACTERISTIC ADJUSTMENTS (ADDITIVE)								
No.	$/SqFt Date	Property Rights Conveyed	Conditions of Sale	Financing	# Months/ Market Conditions *	Subtotal	Location	Size	Age & Condition	Quality & Appeal	Occupancy	Economics	Utility	Other	Adj. $/Sqft
1	**$522.21**	Leased Fee/Mkt.	Arms-Length	None	0	**$469.99**	Similar	Smaller	Similar	Similar	Similar	Similar	Similar	Similar	**$446.49**
	6/15	-10.0%	0.0%	0.0%	0.0%	-10.0%	0.0%	-5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-5.0%
2	**$463.96**	Leased Fee/Mkt.	Arms-Length	None	3	**$422.83**	Similar	Smaller	Similar	Inferior	Similar	Similar	Similar	Similar	**$443.97**
	3/15	-10.0%	0.0%	0.0%	1.3%	-8.9%	0.0%	-5.0%	0.0%	10.0%	0.0%	0.0%	0.0%	0.0%	5.0%
3	**$582.36**	Leased Fee/Mkt.	Arms-Length	None	6	**$537.19**	Inferior	Similar	Superior	Superior	Similar	Similar	Similar	Similar	**$456.61**
	12/14	-10.0%	0.0%	0.0%	2.5%	-7.8%	5.0%	0.0%	-10.0%	-10.0%	0.0%	0.0%	0.0%	0.0%	-15.0%
4	**$395.18**	Leased Fee/Mkt.	Arms-Length	None	9	**$368.96**	Inferior	Similar	Superior	Similar	Inferior	Similar	Similar	Similar	**$461.20**
	9/14	-10.0%	0.0%	0.0%	3.7%	-6.6%	5.0%	0.0%	-5.0%	0.0%	25.0%	0.0%	0.0%	0.0%	25.0%
5	**$386.86**	Leasehold	Arms-Length	None	10	**$402.97**	Inferior	Smaller	Similar	Inferior	Similar	Similar	Similar	Similar	**$443.26**
	8/14	0.0%	0.0%	0.0%	4.2%	4.2%	5.0%	-5.0%	0.0%	10.0%	0.0%	0.0%	0.0%	0.0%	10.0%
6	**$424.82**	Leased Fee/Mkt.	Arms-Length	None	10	**$398.25**	Inferior	Smaller	Inferior	Inferior	Similar	Similar	Similar	Similar	**$457.99**
	8/14	-10.0%	0.0%	0.0%	4.2%	-6.3%	5.0%	-10.0%	10.0%	10.0%	0.0%	0.0%	0.0%	0.0%	15.0%
7	**$647.09**	Leased Fee/Mkt.	Arms-Length	None	10	**$606.63**	Similar	Smaller	Superior	Superior	Superior	Similar	Similar	Similar	**$454.97**
	8/14	-10.0%	0.0%	0.0%	4.2%	-6.3%	0.0%	-5.0%	-10.0%	-5.0%	-5.0%	0.0%	0.0%	0.0%	-25.0%
8	**$419.33**	Leased Fee/Mkt.	Arms-Length	None	13	**$397.86**	Similar	Smaller	Inferior	Inferior	Similar	Similar	Similar	Similar	**$457.54**
	5/14	-10.0%	0.0%	0.0%	5.4%	-5.1%	0.0%	-5.0%	10.0%	10.0%	0.0%	0.0%	0.0%	0.0%	15.0%
9	**$281.31**	Leased Fee/Mkt.	Arms-Length	None	13	**$266.91**	Similar	Similar	Inferior	Inferior	Similar	Similar	Similar	Similar	**$427.06**
	5/14	-10.0%	0.0%	0.0%	5.4%	-5.1%	0.0%	0.0%	25.0%	35.0%	0.0%	0.0%	0.0%	0.0%	60.0%
10	**$601.59**	Leased Fee/Mkt.	Arms-Length	None	15	**$575.33**	Inferior	Larger	Superior	Superior	Superior	Similar	Similar	Similar	**$489.03**
	3/14	-10.0%	0.0%	0.0%	6.3%	-4.4%	5.0%	15.0%	-15.0%	-10.0%	-10.0%	0.0%	0.0%	0.0%	-15.0%
11	**$338.45**	Leased Fee/Mkt.	Arms-Length	None	15	**$323.67**	Inferior	Smaller	Inferior	Inferior	Similar	Similar	Similar	Similar	**$453.13**
	3/14	-10.0%	0.0%	0.0%	6.3%	-4.4%	5.0%	-10.0%	20.0%	25.0%	0.0%	0.0%	0.0%	0.0%	40.0%
12	**$437.77**	Leased Fee/Mkt.	Arms-Length	None	16	**$420.17**	Similar	Smaller	Inferior	Inferior	Similar	Similar	Similar	Similar	**$441.17**
	2/14	-10.0%	0.0%	0.0%	6.6%	-4.0%	0.0%	-10.0%	5.0%	10.0%	0.0%	0.0%	0.0%	0.0%	5.0%

SUMMARY

Price Range	Unadj. $/SF	Adj. $/SF
Low	$281.31	$427.06
High	$647.09	$489.03
Average	$458.41	$452.70

Net Adjustment	
Low	-25.0%
High	60.0%
Average	9.6%

***Market Conditions Adjustment**

Date of Value (for adjustment calculations): June 1, 2015

Annual Adjustment to June 1, 2015 5.00%

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ADJUSTMENT PROCESS

The sales that we have utilized represent the best available information that could be compared to the subject property. The major elements of comparison for an analysis of this type include the property rights conveyed, the financial terms incorporated into a particular transaction, the conditions or motivations surrounding the sale, changes in market conditions since the sale, the location of the real estate, its physical traits and the economic characteristics of the property.

The comparable sale properties include buildings that are comparable in both location and physical characteristics. Prior to adjustments, the sales reflect a range in price $281.31 to $647.09 per square foot. After adjustments the comparable improved sales reflect unit prices ranging from $427.06 to $489.03 per square foot with an average adjusted price of $452.70 per square foot.

The reported and derived overall capitalization rates range from 2.68 to 7.68 percent based on projected and/or actual net operating incomes. As displayed, the price per square foot indications vary due to variations in site location, exposure, improvement design, quality, condition and age as well as the image of the property, nature of tenancies, length of lease terms and, most importantly, the level and quality of the net income stream.

The most comparable sales to the subject property are those with good locations and income profiles. The subject property has a potential gross income profile in line with many of the comparables.

SALES COMPARISON APPROACH CONCLUSION

The majority of the sales were adjusted for age and condition, quality and appeal or location. In our analysis we have placed the most weight on Sales 1 through 6 and 8, which have the most similar characteristics to the subject property. Therefore, the value indicated by the Sales Comparison Approach is at the middle of the range of adjusted sale prices per square foot indicated by the comparables at $460.00 per square foot. Based on our analysis of competitive sales, we conclude that the indicated value by the Sales Comparison Approach on June 1, 2015, is:

SALES COMPARISON APPROACH CONCLUSION	
MARKET VALUE:	
Net Rentable Area:	1,165,207 sf
Concluded Price Per Square Foot:	x $460.00
Indicated Value:	$535,995,220
Rounded:	$540,000,000
Per Square Foot:	$463.44

INCOME CAPITALIZATION APPROACH

METHODOLOGY

The Income Capitalization Approach is a method of converting the anticipated economic benefits of owning property into a value through the capitalization process. The principle of "anticipation" underlies this approach in that investors recognize the relationship between an asset's income and its value. In order to value the anticipated economic benefits of a particular property, potential income and expenses must be projected, and the most appropriate capitalization method must be selected.

The two most common methods of converting net income into value are Direct Capitalization and Discounted Cash Flow. In direct capitalization, net operating income is divided by an overall capitalization rate to indicate an opinion of market value. In the discounted cash flow method, anticipated future cash flows and a reversionary value are discounted to an opinion of net present value at a chosen yield rate (internal rate of return).

Based upon the above, the discounted cash flow method is appropriate in this assignment.

POTENTIAL GROSS INCOME

Generally, Manhattan office tenants pay fixed gross rent on a rentable area basis, which is consistent with space measurement standards for buildings of similar vintage, plus any increases in operating expenses and real estate taxes above stipulated base year amounts. Tenant electric costs are either directly metered, sub metered or rent inclusion (charged as additional rent).

MEASUREMENT

Space measurement standards in Manhattan office buildings vary from building to building. Typically, the usable area of each floor (gross area less core) is multiplied times an add-on factor to arrive at rentable area. The add-on factor varies from building to building and is influenced most by the strength or weakness of the leasing market. The ratio of rentable area to usable area is known as the loss factor.

There are three main units of measurement typically used in leasing and marketing Manhattan office space. These include gross area, rentable area and usable area. These units of measurement may be summarized as follows:

Gross Area:	Gross area is the actual square footage measured from the outside walls. An architect typically determines gross area.
Rentable Area:	Rentable area is an economic measurement made by the landlord, which is used to establish the area for each space in an office building for which the tenant will pay rent.
Usable Area:	Usable area is a measurement made by the landlord based upon standards recommended by the Real Estate Board of New York (REBNY). (Gross area excluding vertical penetrations such as stairwells, elevator shafts, elevator machines and risers, fire towers and courts including the nominal four inch enclosing walls but including elevator lobbies, restrooms and columns as usable square footage).
Carpetable Area:	Carpetable area is the actual area used by the tenant excluding elevator lobbies, restrooms and columns. The tenants' architect typically determines carpetable area.

Two other definitions are important and may be summarized as follows:

Loss Factor:	The ratio expressed as a percentage of Rentable Area to Usable Area (1 – Usable/Rentable = Loss Factor %) or Carpetable area (1-Carpetable/Rentable = Loss Factor %).
Add-On Factor:	The multiple applied to the Usable or Carpetable square footage.

New York City is the only office market in the United States that employs this methodology. Manhattan tenants are very sophisticated and most are represented by both experienced real estate attorneys and leasing brokers who engage a number of professionals including architects and designers to measure a prospective space and negotiate with landlords over the terms of their lease contracts. These professionals are fully aware of the various measurements standards.

Landlords who use outdated measurements are at a distinct disadvantage when rental rates fall within a relatively tight range. It has been our experience that building measurements are typically adjusted upward in periods of increased demand, but typically do not decrease in periods of weak demand. Conversely, square foot rental rates increase and decrease with the strength or weakness of the market. Tenants are fully aware of the landlords' use of rentable square footage as a "pricing vehicle" or method of increasing rent so as to enable their property to successfully compete with other office buildings. Landlords, when measuring their building, typically employ architectural or design firms who produce space by space measurements which quantify the changes in square footage for each tenant. As leases expire, the remeasured square footage is applied and a new rent is negotiated.

Using very general measurements as an example, rentable areas of buildings in New York City exceed the gross building areas by factors ranging from 15 to 25 percent per floor which translates to loss factors of 22 to 28 percent per floor based upon REBNY measurements and 26 to 32 percent per floor based upon typical architects' carpetable measurement. These examples assume a full floor tenant. The loss factors are greater for partial floor tenancies. Based on our conversations with brokers active in the market, the REBNY loss factor of the subject property of about 27.00 percent is consistent in the market.

OCCUPANCY STATUS

The property, 40 Wall Street, is currently 95.02 percent leased to 72 office tenants and four retail tenants. There are 8 vacant office spaces within the property totaling 55,695 square feet and one vacant retail space on the grade level containing 791 square feet.

The property includes 1,130 square feet of storage space in the basement and upper floors; 46,551 square feet of retail space on the ground floor, basement and mezzanine floor; and 1,117,526 square feet of above grade office space. The building's total net rentable area is 1,165,207 square feet. A breakdown of average contract rents per space type is as follows:

OCCUPANCY STATUS						
Tenant Type	**Total Square Footage**	**Leased Square Footage**	**Percent Leased**	**Vacant Square Footage**	**Percent Vacant**	**Average Rent/SF**
Office Space	1,117,526	1,061,831	91.13%	55,695	4.78%	$33.40
Retail Space	46,551	44,260	3.80%	2,291	0.20%	$72.45
Storage Space	1,130	1,130	0.10%	-	0.00%	$28.51
Total	**1,165,207**	**1,107,221**	**95.02%**	**57,986**	**4.98%**	

The following table contains a summary of rent roll per space type.

RENT ROLL REPORT

	SUITE	TENANT	AREA / SF	BEGIN DATE	END DATE
Storage and Other Tenants					
1	Bsmt	Solomon Blum	240	Sep-00	Jul-20
2	Grade	Green Ivy	890	Dec-13	Dec-45
3	Roof	At&T Gre Lease Administration	1	Feb-00	Dec-45
4	Roof	Cogent Communications Inc	1	Mar-01	Dec-45
5	Roof	Cypress Communications Inc.	1	Mar-97	Dec-45
6	Roof	MCI Worl Com Lease Admin	1	May-97	Dec-45
7	Roof	Metro Pcs New York LLC	1	Sep-08	Dec-45
8	Roof	North American Mobile	1	Nov-10	Dec-45
9	Roof	RCN Business Solution	1	Apr-03	Dec-45
10	Roof	Sprint National Lease Mgmt	1	Feb-01	Dec-45
11	Roof	Time Warner Axs of NY	1	Apr-97	Dec-45
12	Roof	XO Communications	1	Nov-99	Dec-45
Retail Tenants					
13	Bsmt	SAV Cafe	1,900	Apr-97	Jun-15
14	Bsmt	To-Be-Leased	1,500	Sep-15	Aug-25
15	Grade	Neopolitan Express	550	Jan-14	Mar-34
16	Grade	To-Be-Leased	791	Sep-15	Aug-25
17	Grade	Dean & DeLuca	18,500	Jun-15	Aug-31
18	Grade	Duane Reade	18,092	Jul-11	Jan-32
19	Mezz	Duane Reade	5,218	Jul-11	Jan-32
Major Office Tenants					
20	0200	Green Ivy	13,476	Dec-13	Dec-45
21	0300	Green Ivy	33,156	Dec-13	Dec-45
22	0400	Green Ivy	38,828	Dec-13	Dec-45
23	0501	GDS Publishing Inc	20,240	Oct-09	Sep-16
24	0600	The Harry Fox Agency Inc	36,921	Jun-12	May-26
25	0701	Hadassah, The Women's Zionist	9,561	Dec-14	Sep-35
26	0704	Girl Scout Council of Greater	17,507	Feb-15	Oct-31
27	0800	Hadassah, The Women's Zionist	36,614	Dec-14	Sep-35
28	0900	Haks Engineering & Land	36,490	Dec-13	Mar-29
29	1000	First Investors Mgmt Company	36,490	May-13	Jul-29
30	1100	Haks Engineering & Land	33,426	Jun-06	Mar-29
31	1200	Countrywide Insurance Company	31,942	Mar-11	Aug-21
32	1301	Countrywide Insurance Company	17,715	Mar-11	Aug-21
33	1400	Countrywide Insurance Company	32,645	Mar-11	Aug-21
34	1501	SS&C Technologies Holdings	12,066	Jan-12	Oct-22
35	1502	IBIS World Inc	16,209	Jan-12	Feb-22
36	1503	IBIS World Inc	3,947	Oct-13	Feb-22
37	1603	XO Communications LC	20,586	Mar-10	Mar-22
38	1705	Prodigy Network NY LLC	12,797	Mar-15	May-25
39	1800	Weidlinger Associates Inc	32,875	Nov-11	Jan-33
40	1900	Weidlinger Associates Inc	28,207	Nov-11	Jan-33
41	2000	Huron Consulting Services LLC	28,812	Sep-11	Jul-22
42	2100	Duane Reade	27,250	Oct-12	Mar-28
43	2200	Duane Reade	27,250	Oct-12	Mar-28
44	2301	Leslie E. Robertson Associates	19,967	Apr-12	Feb-28
45	2400	The Global Alliance	28,465	Sep-07	Dec-17
46	2600	Newman Myers Kreines Gross	15,354	Aug-12	Dec-22
47	2800	Office Space Solutions Inc	14,114	Aug-06	May-17
48	2900	Office Space Solutions Inc	13,544	Aug-06	May-17

	RENT ROLL REPORT (CONTINUED)				
	SUITE	TENANT	AREA / SF	BEGIN DATE	END DATE
Major Office Tenants					
49	3400	ICF Consulting Group Inc	12,562	Aug-11	Jan-22
50	3602	Halperin Battaglia Benzija, LLC	3,294	Feb-13	Apr-23
51	3700	Halperin Battaglia Benzija, LLC	8,840	Feb-13	Apr-23
52	4200	Freedom Holdings Group	9,372	Oct-13	Feb-20
53	4301	Freedom Holdings Group	4,247	Oct-13	Feb-20
54	4302	Telstra Inc	5,125	Oct-10	Sep-20
55	4400	Telstra Inc	9,372	Oct-10	Sep-20
56	5700	Magna Group LLC	8,025	Feb-15	Sep-27
57	5800	Magna Group LLC	8,227	Feb-15	Sep-27
Minor Office Tenants					
58	0502	R-Jet Products	7,500	Feb-14	Aug-16
59	0503	Xcitek Solutions Plus LLC	6,288	Nov-10	Oct-20
60	0702	World Zionist Organization-Ame	2,990	Jan-15	Jul-25
61	0703	To-Be-Leased	8,693	Sep-15	Aug-25
62	1302	NFP Property And Casualty Serv	6,202	Jun-15	Jul-25
63	1303	To-Be-Leased	9,327	Dec-15	Nov-25
64	1601	To-Be-Leased	5,772	Dec-15	Nov-25
65	1602	Core Staffing Services	5,845	May-10	Sep-17
66	1701	Coastal Trade Securities	4,706	Mar-12	Jun-17
67	1702	Topeka Capital Markets Inc	2,059	Feb-11	Jun-21
68	1703	Topeka Capital Markets Inc	4,905	Feb-11	Jun-21
69	1704	Jaskim Inc.	4,808	Dec-09	Jul-20
70	1706	United Advisors LLC	3,412	Jun-11	May-16
71	2302	Paulson Investment Co.Inc.	5,480	Jun-13	Sep-18
72	2501	Boyce Technologies Inc	6,166	Apr-13	Jul-20
73	2502	The Judge Group	4,269	May-08	May-18
74	2503	Jajan, Pllc	4,417	May-14	Jun-22
75	2504	To-Be-Leased	4,698	Mar-16	Feb-26
76	2701	Bureau Van DIJK	7,987	Feb-11	Jun-18
77	2702	Zaremba Brownell & Brown	3,954	Feb-10	Jan-25
78	2703	Zaremba Brownell & Brown	2,106	Jul-11	Jan-25
79	2704	Tachlees International	1,377	Sep-12	Nov-17
80	3001	NFP Property And Casualty Serv > Va	3,728	Aug-11	Jun-17
81	3002	JH Darbie & Co Holdings LLC	4,384	Jul-14	Jun-21
82	3003	Halen Capital Management Inc.	5,433	Dec-11	Feb-19
83	3101	P&B Partners LLC	3,616	Jun-15	Sep-22
84	3102	The Heffner Agency Inc	9,869	Feb-15	Oct-30
85	3201	Larocca Hornik Rosen Greenberg	3,450	Jan-10	Feb-20
86	3202	N.Cheng & Co.	5,759	Apr-15	Sep-27
87	3203	UBS Financial Services LLC	2,682	Mar-99	Feb-17
88	3301	Law Offices of Edward M. Rosen	3,689	Feb-12	Jun-17
89	3302	Leeds & Leeds Company, Inc	4,144	Jun-14	May-24
90	3302	Murphy & O'Connell > Vacate	2,525	Jan-06	Jun-15
91	3304	Frank Xu LLP and Cathay Instition	3,057	Feb-13	Mar-20
92	3500	Solomon Blum	8,288	Sep-00	Jul-20
93	3601	Masscomm Inc.	5,554	Nov-12	Apr-23
94	3801	Oakwood Asset Mgmt LLC	2,086	Jan-10	Jan-20
95	3802	NYG Capital LLC	5,310	Jan-10	Dec-22
96	3900	Euroclear Bank Sa	8,313	Mar-08	Jul-18
97	4000	Camacho Mauro Mulholland, LLP	8,941	Jun-15	Nov-25
98	4100	Park Jensen Bennett LLP	9,277	Oct-14	Jun-27
99	4500	Hidrock Realty Inc.	9,372	Jun-15	Jan-26

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RENT ROLL REPORT (CONTINUED)					
	SUITE	TENANT	AREA / SF	BEGIN DATE	END DATE
Minor Office Tenants					
100	4600	RG Michals	9,372	Jun-11	Aug-21
101	4701	Grandfield & Dodd LLC	4,642	Jan-14	Jan-24
102	4702	Diversified Mercury Communicat	4,730	Sep-14	Dec-21
103	4800	Brokerage & Management Corp	9,263	Jul-10	Jul-22
104	4900	Public Financial Management In	9,263	Jul-12	Dec-22
105	5000	Access Intelligence LLC	9,248	Mar-12	Jul-22
106	5100	ID Matters, LLC	9,248	Mar-15	Jul-25
107	5200	Piyi Investment Ltd	9,248	Apr-13	Dec-23
108	5300	Harris, O'Brien, St. Laurent	9,248	Jun-15	Nov-25
109	5400	To-Be-Leased	9,248	Mar-16	Feb-26
110	5500	Cenegenics LLC	9,248	Mar-13	Mar-23
111	5600	Charles W. Cammack & Associates	9,248	May-15	Jan-31
112	5900	To-Be-Leased	7,900	Jun-16	May-26
113	6000	Reliance Capital LLC	6,191	Jun-15	Jan-26
114	6100	To-Be-Leased	6,243	Jun-16	May-26
115	6200	To-Be-Leased	3,814	Jun-16	May-26
116	6300	RCL Advisors	3,416	May-07	Apr-17
	Total		**1,165,207**		

LEASE STRUCTURE OF THE SUBJECT PROPERTY

The property is leased to 24 major office tenants. The two largest office tenants in the property are Green Ivy and Country-Wide Insurance. Green Ivy leases 85,460 square feet on the 2nd through 4th floors. Country-Wide Insurance leases 82,302 square feet on the 12th through 14th floors. Together, the leases with Green Ivy and Country-Wide Insurance represent over 14 percent of the property's rentable area.

The remaining major office tenants in the building include Duane Reade (54,500 square feet) on the 21st and 22nd floors; Haks Engineering & Land (54,500 square feet) on the 9th and 11th floors; Weidlinger Associates Inc (61,082 square feet) on the 18th and 19th floors; Hadassah, The Women's Zionist (46,175 square feet) on the 7th and 8th floors; The Harry Fox Agency (36,921 square feet) on the 6th floor; First Investors Mgmt Company (36,940 square feet) on the 10th floors; Huron Consulting Services LLC (28,812 square feet) on the 20th floor; and The Global Alliance (28,465 square feet) on the 24th floor. Together, these tenants represent over 38 percent of the property's rentable area.

The remaining 14 major office tenants occupy smaller spaces ranging from 12,066 to 27,658 square feet, representing 12.6 percent of the property's rentable area.

The balance of office space in the building is leased to 48 office tenants that lease smaller units of space. These spaces range from 1,377 to 9,930 square feet. These firms represent a mixture of industries including insurance, law, communication and financial services. The minor office tenancies represent less than 30 percent of the property's total rentable area. These tenants are classified as minor office tenants for the purpose of calculating future concession packages on rollover (free rent and tenant work letter), which are less generous than major office tenants concession packages.

In addition to office space, the subject property is leased to four retail tenants that include Dean & Deluca and Neopolitan Express along the Wall Street side of the building. Neopolitan Express leases 550 square feet on the grade while Dean & Deluca leases 18,500 square feet on the grade. Duane Reade leases 23,310 square feet with frontage along Pine Street. Sav Café Inc. leases 1,900 square feet in the basement of the building. In addition, there is one vacant retail space on the ground floor totaling 791 square feet available for lease. The retail space within the property totals 46,551 square feet. The tenant leases may be summarized as follows:

LEASE SUMMARY REPORT							
Tenant Name	Rentable Area (SF) Rent Roll	Rentable Area (SF) Remeasured	% of Total NRA	Current Annual Base Rent	% of Annual Base Rent	Annual Base Rent (SF)	Lease Expiration
Green Ivy	85,460	85,460	7.33%	$2,563,800	6.58%	$30.00	Dec-45
Countrywide Insurance Company	82,302	82,302	7.06%	$2,057,550	5.28%	$25.00	Aug-21
Haks Engineering & Land	69,916	69,916	6.00%	$2,153,747	5.53%	$30.80	Mar-29
Weidlinger Associates Inc	61,082	61,082	5.24%	$1,649,214	4.24%	$27.00	Jan-33
Duane Reade	54,500	54,500	4.68%	$1,444,250	3.71%	$26.50	Mar-28
Hadassah, The Women's Zionist	46,175	46,175	3.96%	$1,569,950	4.03%	$34.00	Sep-35
The Harry Fox Agency Inc	36,921	36,921	3.17%	$996,867	2.56%	$27.00	May-26
First Investors Mgmt Company	36,490	36,490	3.13%	$1,167,680	3.00%	$32.00	Jul-29
Huron Consulting Services LLC	28,812	28,812	2.47%	$777,924	2.00%	$27.00	Jul-22
The Global Alliance	28,465	28,465	2.44%	$1,184,998	3.04%	$41.63	Dec-17
Office Space Solutions Inc	27,658	27,658	2.37%	$1,023,346	2.63%	$37.00	May-17
XO Communications LC	20,586	20,586	1.77%	$679,338	1.74%	$33.00	Mar-22
GDS Publishing Inc	20,240	20,240	1.74%	$688,160	1.77%	$34.00	Sep-16
IBIS World Inc	20,156	20,156	1.73%	$675,226	1.73%	$33.50	Feb-22
Leslie E. Robertson Associates	19,967	19,967	1.71%	$539,109	1.38%	$27.00	Feb-28
Girl Scout Council of Greater	17,507	17,507	1.50%	$612,745	1.57%	$35.00	Oct-31
Magna Group LLC	16,252	16,252	1.39%	$715,088	1.84%	$44.00	Sep-27
Newman Myers Kreines Gross	15,354	15,354	1.32%	$429,912	1.10%	$28.00	Dec-22
Telstra Inc	14,497	14,497	1.24%	$536,389	1.38%	$37.00	Sep-20
Freedom Holdings Group	13,619	13,619	1.17%	$585,617	1.50%	$43.00	Feb-20
Prodigy Network NY LLC	12,797	12,797	1.10%	$486,286	1.25%	$38.00	May-25
ICF Consulting Group Inc	12,562	12,562	1.08%	$427,108	1.10%	$34.00	Jan-22
Halperin Battaglia Benzija, LLC	12,134	12,134	1.04%	$467,159	1.20%	$38.50	Apr-23
SS&C Technologies Holdings	12,066	12,066	1.04%	$337,848	0.87%	$28.00	Oct-22
Total Major Office Tenants	**765,518**	**765,518**	**65.70%**	**$23,769,311**	**61.05%**	**$31.05**	
NFP Property And Casualty Serv	9,930	9,930	0.85%	$390,981	1.00%	$39.37	Jul-25
The Heffner Agency Inc	9,869	9,869	0.85%	$375,022	0.96%	$38.00	Oct-30
Hidrock Realty Inc.	9,372	9,372	0.80%	$402,996	1.04%	$43.00	Jan-26
RG Michals	9,372	9,372	0.80%	$310,494	0.80%	$33.13	Aug-21
Park Jensen Bennett LLP	9,277	9,277	0.80%	$380,357	0.98%	$41.00	Jun-27
Brokerage & Management Corp	9,263	9,263	0.79%	$370,520	0.95%	$40.00	Jul-22
Public Financial Management In	9,263	9,263	0.79%	$370,520	0.95%	$40.00	Dec-22
Access Intelligence LLC	9,248	9,248	0.79%	$342,176	0.88%	$37.00	Jul-22
ID Matters, LLC	9,248	9,248	0.79%	$406,912	1.05%	$44.00	Jul-25
Piyi Investment Ltd	9,248	9,248	0.79%	$406,912	1.05%	$44.00	Dec-23
Harris, O'Brien, St. Laurent	9,248	9,248	0.79%	$425,408	1.09%	$46.00	Nov-25
Cenegenics LLC	9,248	9,248	0.79%	$469,521	1.21%	$50.77	Mar-23
Charles W. Cammack & Associates	9,248	9,248	0.79%	$406,912	1.05%	$44.00	Jan-31
Camacho Mauro Mulholland, LLP	8,941	8,941	0.77%	$384,463	0.99%	$43.00	Nov-25
Euroclear Bank Sa	8,313	8,313	0.71%	$490,467	1.26%	$59.00	Jul-18
Solomon Blum	8,288	8,288	0.71%	$265,216	0.68%	$32.00	Jul-20
Bureau Van DIJK	7,987	7,987	0.69%	$287,532	0.74%	$36.00	Jun-18
R-Jet Products	7,500	7,500	0.64%	$180,000	0.46%	$24.00	Aug-16
Topeka Capital Markets Inc	6,964	6,964	0.60%	$229,812	0.59%	$33.00	Jun-21
Xcitek Solutions Plus LLC	6,288	6,288	0.54%	$201,216	0.52%	$32.00	Oct-20
Reliance Capital LLC	6,191	6,191	0.53%	$284,786	0.73%	$46.00	Jan-26
Boyce Technologies Inc	6,166	6,166	0.53%	$215,378	0.55%	$34.93	Jul-20
Zaremba Brownell & Brown	6,060	6,060	0.52%	$212,100	0.54%	$35.00	Jan-25
Core Staffing Services	5,845	5,845	0.50%	$205,569	0.53%	$35.17	Sep-17
N.Cheng & Co.	5,759	5,759	0.49%	$218,842	0.56%	$38.00	Sep-27
Masscomm Inc.	5,554	5,554	0.48%	$183,282	0.47%	$33.00	Apr-23
Paulson Investment Co.Inc.	5,480	5,480	0.47%	$209,281	0.54%	$38.19	Sep-18
Halen Capital Management Inc.	5,433	5,433	0.47%	$201,021	0.52%	$37.00	Feb-19
NYG Capital LLC	5,310	5,310	0.46%	$180,540	0.46%	$34.00	Dec-22
Jaskim Inc.	4,808	4,808	0.41%	$168,280	0.43%	$35.00	Jul-20
Diversified Mercury Communicat	4,730	4,730	0.41%	$208,120	0.53%	$44.00	Dec-21
Coastal Trade Securities	4,706	4,706	0.40%	$155,298	0.40%	$33.00	Jun-17
Grandfield & Dodd LLC	4,642	4,642	0.40%	$194,964	0.50%	$42.00	Jan-24
Jajan, Pllc	4,417	4,417	0.38%	$153,932	0.40%	$34.85	Jun-22
JH Darbie & Co Holdings LLC	4,384	4,384	0.38%	$166,592	0.43%	$38.00	Jun-21
The Judge Group	4,269	4,269	0.37%	$230,526	0.59%	$54.00	May-18
Leeds & Leeds Company, Inc	4,144	4,144	0.36%	$155,400	0.40%	$37.50	May-24
Law Offices of Edward M. Rosen	3,689	3,689	0.32%	$118,048	0.30%	$32.00	Jun-17
P&B Partners LLC	3,616	3,616	0.31%	$151,872	0.39%	$42.00	Sep-22
Larocca Hornik Rosen Greenberg	3,450	3,450	0.30%	$141,450	0.36%	$41.00	Feb-20
RCL Advisors	3,416	3,416	0.29%	$194,712	0.50%	$57.00	Apr-17
United Advisors LLC	3,412	3,412	0.29%	$114,302	0.29%	$33.50	May-16
Frank Xu LLP and Cathay Instition	3,057	3,057	0.26%	$113,506	0.29%	$37.13	Mar-20
World Zionist Organization-Ame	2,990	2,990	0.26%	$104,650	0.27%	$35.00	Jul-25
UBS Financial Services LLC	2,682	2,682	0.23%	$120,690	0.31%	$45.00	Feb-17
Murphy & O'Connell > Vacate	2,525	2,525	0.22%	$68,276	0.18%	$27.04	Jun-15
Oakwood Asset Mgmt LLC	2,086	2,086	0.18%	$75,096	0.19%	$36.00	Jan-20
Tachlees International	1,377	1,377	0.12%	$50,632	0.13%	$36.77	Nov-17
Total Minor Office Tenants	**296,313**	**296,313**	**25.43%**	**$11,694,584**	**30.04%**	**$39.47**	

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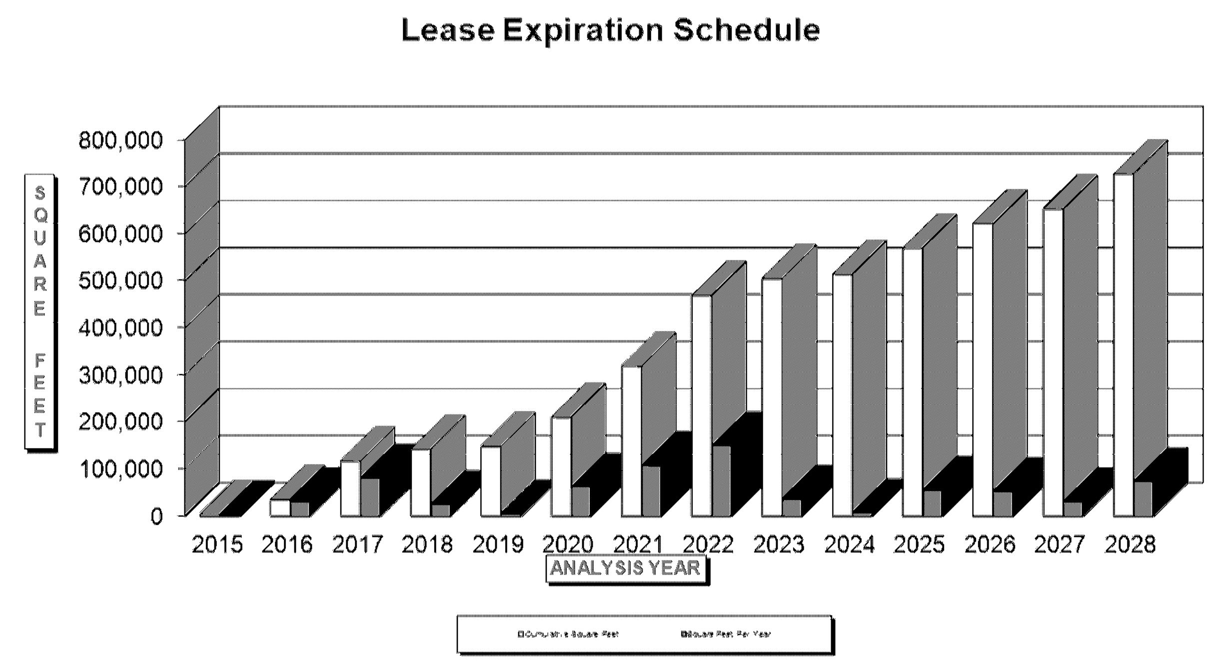
LEASE SUMMARY REPORT							
Duane Reade	23,310	23,310	2.00%	$1,425,000	3.66%	$61.13	Jan-32
Dean & DeLuca	18,500	18,500	1.59%	$1,400,000	3.60%	$75.68	Aug-31
SAV Cafe	1,900	1,900	0.16%	$47,994	0.12%	$25.26	Jun-15
Neopolitan Express	550	550	0.05%	$333,718	0.86%	$606.76	Mar-34
Total Retail Tenants	**44,260**	**44,260**	**3.80%**	**$3,206,712**	**8.24%**	**$72.45**	
Green Ivy	890	890	0.08%	$26,700	0.07%	$30.00	Dec-45
Solomon Blum	240	240	0.02%	$5,520	0.01%	$23.00	Jul-20
Total Storage Tenants	**1,130**	**1,130**	**0.10%**	**$32,220**	**0.08%**	**$28.51**	
At&T Gre Lease Administration	1	1	0.00%	$18,000	0.05%	$18,000.00	Dec-45
Cogent Communications Inc	1	1	0.00%	$20,342	0.05%	$20,342.00	Dec-45
Cypress Communications Inc.	1	1	0.00%	$10,104	0.03%	$10,104.00	Dec-45
MCI Worl Com Lease Admin	1	1	0.00%	$9,000	0.02%	$9,000.00	Dec-45
Metro Pcs New York LLC	1	1	0.00%	$59,703	0.15%	$59,703.00	Dec-45
North American Mobile	1	1	0.00%	$29,076	0.07%	$29,076.00	Dec-45
RCN Business Solution	1	1	0.00%	$10,210	0.03%	$10,210.00	Dec-45
Sprint National Lease Mgmt	1	1	0.00%	$50,902	0.13%	$50,902.00	Dec-45
Time Warner Axs of NY	1	1	0.00%	$7,500	0.02%	$7,500.00	Dec-45
XO Communications	1	1	0.00%	$18,000	0.05%	$18,000.00	Dec-45
Total Roof Tenants	**10**	**10**	**0.00%**	**$232,837**	**0.60%**		
Total Vacant Office	**55,695**	**55,695**	**4.78%**				
Total Vacant Retail	**2,291**	**2,291**	**0.20%**				
Total Net Rentable Area	**1,165,207**	**1,165,207**	**100.00%**	**$38,935,664**	**100.00%**	**$33.42**	

LEASE EXPIRATIONS

The lease expiration schedule is an important investment consideration. As leases rollover, the landlord will be required to negotiate a renewal lease with the existing tenant, or to secure a new tenant for the space. Following is the projected lease expiration schedule for this property incorporating all projected lease expirations forecast during the analysis period

LEASE EXPIRATION SCHEDULE										
Year Expiration	Expiring Square Footage Per Rent Roll		% of Square Footage	Cumulative	% of Total Rentable Area	Annual Base Rent On Expiration	Annual Base Rent/SF	% of Total Rent	Cumulative
2015	4,425	4,425	0.38%	4,425	0.38%	$116,270	$26.28	0.25%	0.25%
2016	31,152	31,152	2.67%	35,577	3.05%	$982,462	$31.54	2.09%	2.34%
2017	81,566	81,566	7.00%	117,143	10.05%	$3,307,047	$40.54	7.04%	9.38%
2018	26,049	26,049	2.24%	143,192	12.29%	$1,267,343	$48.65	2.70%	12.08%
2019	5,433	5,433	0.47%	148,625	12.76%	$222,318	$40.92	0.47%	12.56%
2020	62,499	62,499	5.36%	211,124	18.12%	$2,491,991	$39.87	5.31%	17.86%
2021	107,752	107,752	9.25%	318,876	27.37%	$3,342,676	$31.02	7.12%	24.98%
2022	150,653	150,653	12.93%	469,529	40.30%	$5,493,934	$36.47	11.70%	36.69%
2023	36,184	36,184	3.11%	505,713	43.40%	$1,729,853	$47.81	3.68%	40.37%
2024	8,786	8,786	0.75%	514,499	44.16%	$425,083	$48.38	0.91%	41.28%
2025	55,486	55,486	4.76%	569,985	48.92%	$2,502,074	$45.09	5.33%	46.61%
2026	52,484	52,484	4.50%	622,469	53.42%	$1,968,427	$37.51	4.19%	50.80%
2027	31,288	31,288	2.69%	653,757	56.11%	$1,764,556	$56.40	3.76%	54.56%
2028	74,467	74,467	6.39%	728,224	62.50%	$2,494,645	$33.50	5.31%	59.87%
2029 & Above	378,997	378,997	32.53%	1,107,221	95.02%	$18,840,794	$49.71	40.13%	100.00%
Vacant	57,986	57,986	4.98%	1,165,207	100.00%	--	--		
Analysis Period CY 2015 - 2029 (14 years)									
Totals	**728,224**	**728,224**	**62.50%**			**$28,108,678**		**59.87%**	
Average	**52,016**	**52,016**	**4.46%**			**$2,007,763**		**4.28%**	
Entire Property CY 2015 - 2029 (15 years)									
Totals	**1,165,207**	**1,165,207**	**100.00%**			**$46,949,472**		**100.00%**	
Average	**77,680**	**77,680**	**6.67%**			**$3,129,965**		**6.67%**	



Compiled by Cushman & Wakefield, Inc.

The following table provides a synopsis of the lease expiration anticipated at this property during the analysis period.

LEASE EXPIRATION ANALYSIS		
Total NRA of Subject Property (SF)	1,165,207	100.00%
Year of Peak Expiration	8	
SF Expiring in Peak Year	150,653	12.93%
5-Year Cumulative Expirations (SF)	148,625	12.76%
14-Year Cumulative Expirations (SF)	728,224	62.50%

Compiled by Cushman & Wakefield, Inc.

Based upon the subject's current lease expiration schedule, over 62 percent of the property's rentable area is represented by leases due to expire during the analysis period (through 2024). 4,425 square feet is due to expire through 2015.

The major rollover years in the analysis period occur in 2017, 2021 and 2022. In 2017, 81,566 square feet (7 percent) of the property's rentable area expires; in 2021, 107,752 square feet (9.25 percent) of the property's rentable area expires, and in 2022, 150,653 square feet (12.94 percent) expires. The largest lease expiration occurs in 2015 when the lease expires with Countrywide Insurance Company. The average rollover over the next 14 years is 4.47 percent per year with most risk occurring in 2022.

OPINION OF POTENTIAL GROSS INCOME

We have developed an opinion of market rental rates by examining recent leases in the subject building and by investigating recent rental rates in the competitive buildings in the marketplace.

MARKET RENTAL RATE – OFFICE SPACE

Leasing brokers have indicated that the Downtown office leasing market has improved, although at a lesser pace when compared to Midtown Manhattan. However, the leasing brokers expect the recovery will continue in 2015 because of positive job market numbers and a rising demand.

According to Cushman & Wakefield's Research department, Downtown's overall vacancy rate increased to 10.4 percent from 9.7 percent at the end of 2014, primarily due to nearly 550,000 square feet that entered the Downtown market at 28 Liberty Street. Despite this addition, strong leasing activity has driven overall vacancy down from 11.2 percent from this time last year. Class B available space continued to decline, with the direct vacancy rate falling from 7.9 percent to 5.1 percent over the past two years. This is driving activity in class A space, as low-cost options dry up.

At 1.0 million square feet, leasing activity fell 40.7 percent from Q1 2014. The decline in leasing is not due to a lack of demand, as several sizeable transactions were completed during the quarter. The largest new leases were signed by WeWork for 233,174 square feet at 85 Broad Street followed by OSP Group's 157,210 square feet lease at One New York Plaza. At 123 William Street, Planned Parenthood leased 65,000 square feet.

Downtown average asking rents continued to increase as direct asking rents rose to $58.71 per square foot, up 17.0 percent from one year ago. Downtown overall asking rents reached $57.58 per square foot, the highest quarterly level ever recorded in this market. Current class A direct asking rents are up $16.21 per square foot over the past two years – largely as a result of top-end space added to the market. At $72.65 per square foot, the World Trade submarket has the highest class A direct asking rents in the Downtown market.

In our analysis of the comparable leases, we have considered seven lease attributes: rent concessions, time (market conditions), location, floor level, quality, size and condition. Percentage adjustments between the subject property and the comparable leases were made for each of these factors.

In estimating market rent for the subject property, we analyzed and examined several sources of market information. We analyzed the range in unadjusted and adjusted rents in actual recent leases from comparable buildings. We have also researched the asking rents for several comparable properties, which are summarized within the sub market analysis section of this report. As another source to determine market rent for the subject property, we reviewed the subject's existing leases. In addition to analyzing actual deals inside and outside the property, leasing brokers were interviewed in an effort to ascertain market rent in the marketplace today. Our analysis and conclusions are discussed within this report.

Market rent for the office space within the property has been estimated by analyzing **ten** comparable leases exhibited on the adjustment grid on the **subsequent chart**.

Adjustments to the Comparables

Our adjustment for rent concessions considers the equivalency between the comparables for market standard free rent of twelve months and work letters of $50.00 per square foot. The adjustment for rent concessions equivalency attempts to quantify ($ per square foot) the differences between market free rent and work letter between the subject and the comparables. The differences between free rent and work letter (+/-) is divided by the comparable's lease term, and applied to the beginning "face" rent of the comparable lease. Although this methodology does not take into account amortization of rental increases over the lease term, we believe this is a simplistic approach to understanding the equivalency of concessions on beginning base rent. The rent concession equivalency adjustment calculation may be summarized as follows:

RENT CONCESSION ADJUSTMENT SUMMARY	
FREE RENT ADJUSTMENT	WORKLETTER ADJUSTMENT
Comparable Free Rent	Comparable Workletter
Less: Market Standard	Less: Market Standard
Equals: Over (Under) Standard	Equals: Over (Under) Standard
Divided by Comparable Monthly Lease Term	Divided by Comparable Lease Term
Times: Beginning Base Rent	Equals: Equivalency Adjustment
Equals: Equivalency Adjustment	

It should be noted that comparable office rentals and adjusted market rental range on the following chart are used to lend support to our estimate of market rent. We have attempted to make adjustments to the beginning year "face" rent per square foot of each comparable lease for rent concessions, time (market conditions), location, floor level, quality, size and location. A degree of subjectivity is involved in these adjustments, as insufficient market data were available to perform a paired sales analysis. However, the adjustments do illustrate our thought processes in comparing one lease transaction with another. We have attempted to analyze each aspect of the comparable leases including beginning year base rent, rental bumps, tenant improvements, free rent and adjusted beginning year base rent per square foot.

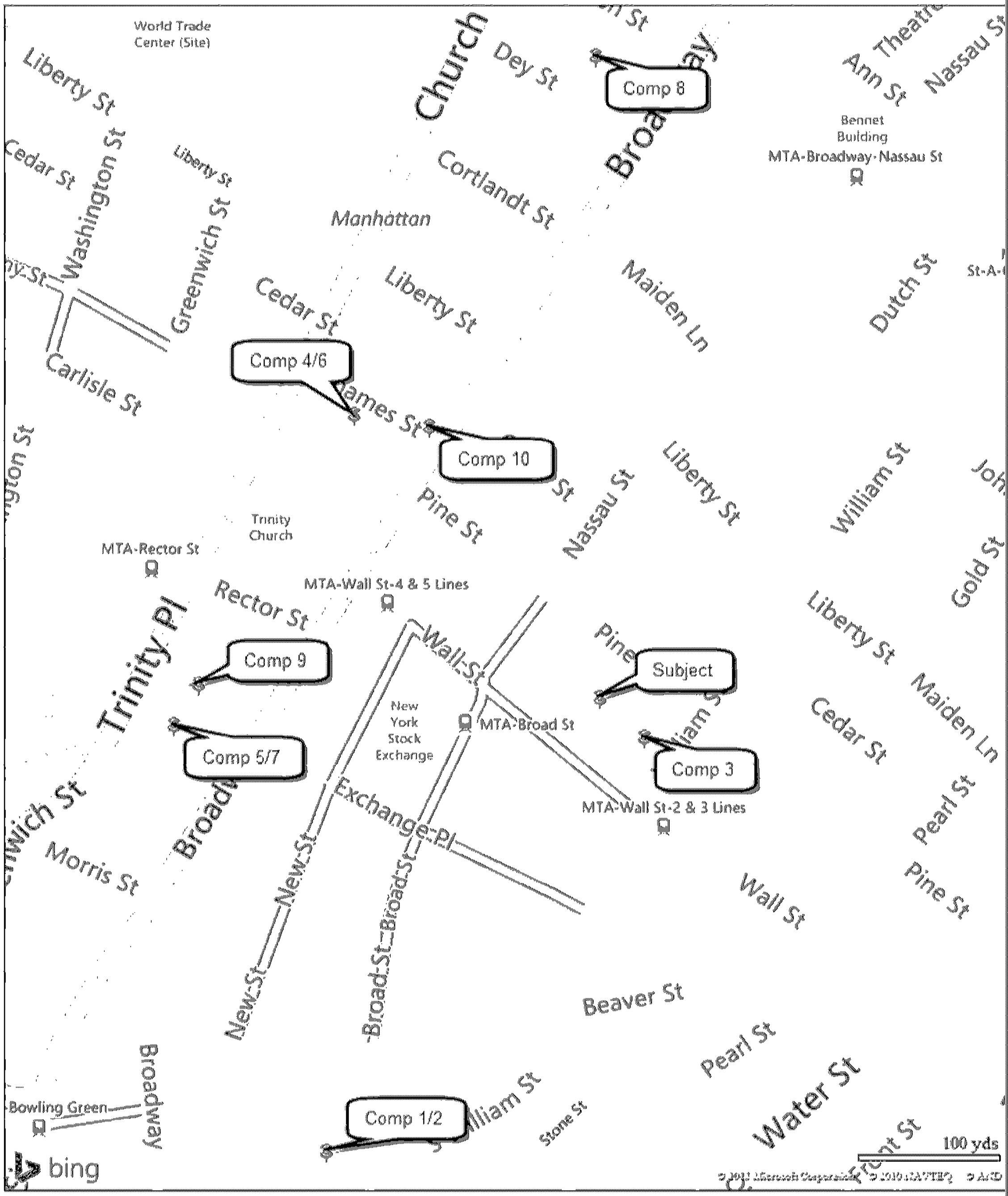
We present on the **following pages** a summary of pertinent details of leases in competitive buildings that we analyzed in estimating market rent for the subject property.

COMPARABLE OFFICE RENTS AND ADJUSTMENTS						
PROPERTY INFORMATION	**SUBJECT**	**RENTAL 1**	**RENTAL 2**	**RENTAL 3**	**RENTAL 4**	**RENTAL 5**
ADDRESS	40 Wall Street New York City	80 Broad Street New York City	80 Broad Street New York City	44 Wall Street New York City	111 Broadway New York City	55 Broadway New York City
YEAR BUILT	1929 / 1965	1931	1931	1926	1905	1981/1987
OFFICE NRA (SF)	1,164,673	352,000	352,000	275,780	427,598	358,637
NO.STORIES	63	36	36	24	21	32
LEASE INFORMATION						
TENANT NAME		Battery Point Financial	Emerald Financial	Leo J. Shapiro & Associates	NYC Charter School Center	Hair Club for Men
FLOOR(S) LEASED		Pt. 31st	Pt. 31st	Pt. 6th	Pt. 6th	Pt. 30th
LEASE DATE	June 2015	May 2015	May 2015	May 2015	May 2015	May 2015
TERM		5.17	5.17	5.08	10.66	10.50
LEASE TYPE	Gross	Gross	Gross	Gross	Gross	Gross
TENANT SIZE		3,787	2,600	3,204	9,304	8,487
RENT PER SF		$45.00 Yr. 1	$47.00 Yr. 1	$41.00 Yr. 1 $43.00 Yr. 4	$46.00 Yr. 1 $50.00 Yr. 6	$55.00 Yr. 1 $58.00 Yr. 6
FREE RENT(MONTHS)	10	2	2	1	8	6
WORKLETTER (PSF)	$50.00	$65.00	$65.00	$65.00	$65.00	$62.50
ADJUSTMENTS						
RENT CONCESSIONS		$2.90	$3.16	$3.10	($0.69)	$0.56
EFFECTIVE ADJUSTED RENT PER SF		$47.90	$50.16	$44.10	$45.31	$55.56
MONTHS FROM VALUE DATE		2	2	2	2	2
TIME (MARKET CONDITIONS)		0.0%	0.0%	0.0%	0.0%	0.0%
TIME ADJUSTED RENT PER SF		$47.90	$50.16	$44.10	$45.31	$55.56
LOCATION		0%	0%	0%	0%	0%
FLOOR		0%	0%	0%	0%	0%
QUALITY		0%	0%	5%	0%	-5%
SIZE		-10%	-10%	-10%	-5%	-5%
CONDITION		0%	0%	0%	0%	0%
TOTAL ADJUSTMENT		-10%	-10%	-5%	-5%	-10%
INDICATED NET RENT PER SF		**$43.11**	**$45.14**	**$41.90**	**$43.05**	**$50.00**

COMPARABLE OFFICE RENTS AND ADJUSTMENTS

PROPERTY INFORMATION	SUBJECT	RENTAL 6	RENTAL 7	RENTAL 8	RENTAL 9	RENTAL 10
ADDRESS	40 Wall Street New York City	111 Broadway New York City	55 Broadway New York City	195 Broadway New York City	61 Broadway New York City	115 Broadway New York City
YEAR BUILT	1929 / 1965	1905	1981/1987	1916	1916	1907
OFFICE RENTABLE AREA (SF	1,164,673	427,598	358,637	875,000	548,155	409,596
NO.STORIES	63	21	32	30	33	22
LEASE INFORMATION						
TENANT NAME		Mark E. Seitelman Law Office, P.C.	Physique57	Namely, Inc.	Murphy Kennedy Group	The Pegasus Group LLC
FLOOR(S) LEASED		Pt. 10th	Pt. 16th	Ent. 15th	Pt. 13th	Pt. 17th
LEASE DATE	June 2015	March 2015	March 2015	February 2015	January 2015	January 2015
TERM		10.25	15.00	10.00	5.00	10.33
LEASE TYPE	Gross	Gross	Gross	Gross	Gross	Gross
TENANT SIZE		12,000	6,992	41,137	3,027	2,767
RENT PER SF		$46.00 Yr. 1 $50.00 Yr. 6	$50.00 Yr. 1 $54.00 Yr. 6 $58.00 Yr. 11	$53.00 Yr. 1 $58.00 Yr. 6	$44.00 Yr. 1	$46.00 Yr. 1
FREE RENT(MONTHS)	10	4	7	10	3	4
WORKLETTER (PSF)	$50.00	$10.00	$50.00	$65.00	$10.00	$0.00
ADJUSTMENTS						
RENT CONCESSIONS		$6.15	$0.83	($1.50)	$13.13	$7.07
EFFECTIVE ADJUSTED RENT PER SF		$52.15	$50.83	$51.50	$57.13	$53.07
MONTHS FROM VALUE DATE		4	4	5	6	6
TIME (MARKET CONDITIONS)		0.0%	0.0%	0.0%	0.0%	0.0%
TIME ADJUSTED RENT PER SF		$52.15	$50.83	$51.50	$57.13	$53.07
LOCATION		0%	0%	0%	0%	0%
FLOOR		0%	0%	0%	0%	0%
QUALITY		0%	-5%	-10%	0%	0%
SIZE		0%	-5%	5%	-10%	-10%
CONDITION		0%	0%	0%	0%	0%
TOTAL ADJUSTMENT		0%	-10%	-5%	-10%	-10%
INDICATED GROSS RENT PER SF		**$52.15**	**$45.75**	**$48.93**	**$51.42**	**$47.76**

OFFICE COMPARABLE MAP



The comparable office leases, as exhibited on the **previous pages**, range from $41.00 to $55.00 per square foot, gross, before adjustments and may be summarized as follows:

RENTAL COMPARABLE NO. 1 involves a 3,787 square foot office lease within 80 Broad Street located on the northwest corner of Stone Street. This lease was signed in May 2015 for a 5.17-year term. The tenant leased part of the 31st floor. The initial base rent was $45.00 per square foot. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $47.90 per square foot.

In comparison to the subject property, a downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. No other adjustments were required. The adjusted rent is $43.11 per square foot.

RENTAL COMPARABLE NO. 2 involves a 2,600 square foot office lease within 80 Broad Street located on the northwest corner of Stone Street. This lease was signed in May 2015 for a 5.17-year term. The tenant leased part of the 31st floor. The initial base rent was $47.00 per square foot. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $50.16 per square foot.

In comparison to the subject property, a downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. No other adjustments were required. The adjusted rent is $45.14 per square foot.

RENTAL COMPARABLE NO. 3 involves a 3,204 square foot office lease within 44 Wall Street located on the northwest corner of William Street. This lease was signed in May 2015 for a 5.08-year term. The tenant leased part of the 6th floor. The initial base rent was $41.00 per square foot, increasing to $43.00 per square foot in year four. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $44.10 per

In comparison to the subject property, an upward adjustment was required for quality. A downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. No other adjustments were required. The adjusted rent is $41.90 per square foot.

RENTAL COMPARABLE NO. 4 involves a 9,304 square foot office lease within 111 Broadway located entire block bound by Broad St, Pearl St, So. William Street and Coenties Alley. This lease was signed in May 2015 for a 10.66-year term. The tenant leased part of the 6th floor. The initial base rent was $46.00 per square foot, increasing to $50.00 per square foot in year six. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $45.31 per square foot.

In comparison to the subject property, a downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. No other adjustments were required. The adjusted rent is $43.05 per square foot."

RENTAL COMPARABLE NO. 5 involves a 8,487 square foot office lease within 55 Broadway located bound by Water Street, Front Street & Maiden Lane. This lease was signed in May 2015 for a 10.5-year term. The tenant leased part of the 30th floor. The initial base rent was $55.00 per square foot, increasing to $58.00 per square foot in year six. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $55.56 per square foot.

In comparison to the subject property, a downward adjustment was required for quality. A downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. No other adjustments were required. The adjusted rent is $50.00 per square foot.

RENTAL COMPARABLE NO. 6 involves a 12,000 square foot office lease within 111 Broadway located entire block bound by Broad St, Pearl St, So. William Street and Coenties Alley. This lease was signed in March 2015 for a 10.25-year term. The tenant leased part of the 10th floor. The initial base rent was $46.00 per square foot, increasing to $50.00 per square foot in year six. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $52.15 per square foot.

In comparison to the subject property, No other adjustments were required. The adjusted rent is $52.15 per square foot.

RENTAL COMPARABLE NO. 7 involves a 6,992 square foot office lease within 55 Broadway located bound by Water Street, Front Street & Maiden Lane. This lease was signed in March 2015 for a 15-year term. The tenant leased part of the 16th floor. The initial base rent was $50.00 per square foot, increasing to $54.00 per square foot in year six, and $58.00 per square foot in year 11. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $50.83 per square foot.

In comparison to the subject property, a downward adjustment was required for quality. A downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. No other adjustments were required. The adjusted rent is $45.75 per square foot.

RENTAL COMPARABLE NO. 8 involves a 41,137 square foot office lease within 195 Broadway located between Dey and Fulton Streets. This lease was signed in February 2015 for a 10-year term. The tenant leased the entire 15th floor. The initial base rent was $53.00 per square foot, increasing to $58.00 per square foot in year six. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $51.50 per square foot.

In comparison to the subject property, a downward adjustment was required for quality. An upward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. No other adjustments were required. The adjusted rent is $48.93 per square foot.

RENTAL COMPARABLE NO. 9 involves a 3,027 square foot office lease within 61 Broadway located on the southwest corner of Exchange alley. This lease was signed in January 2015 for a 5-year term. The tenant leased part of the 13th floor. The initial base rent was $44.00 per square foot. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $57.13 per square foot.

In comparison to the subject property, a downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. No other adjustments were required. The adjusted rent is $51.42 per square foot.

RENTAL COMPARABLE NO. 10 involves a 2,767 square foot office lease within 115 Broadway located entire block bound by Cedar, Nassau & Liberty Streets. This lease was signed in January 2015 for a 10.33-year term. The tenant leased part of the 17th floor. The initial base rent was $46.00 per square foot. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $53.07 per square foot.

In comparison to the subject property, a downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. No other adjustments were required. The adjusted rent is $47.76 per square foot.

After adjustment to the comparables, a range of $41.90 to $52.15 per square foot gross was revealed.

OFFICE LEASES IN THE BUILDING

The following table contains a summary of the office leases negotiated in this building.

40 WALL STREET OFFICE LEASES									
No.	Tenant	Floors	Area (SF)	Start Date	End Date	Yr/Rent		Base Year/Concessions	
1	Green Ivy	Part 2	13,476	Dec-13	Dec-45		$30.00	Tax Base:	2013/14
		Entire 3	33,156			(12/17)	$33.00	Operating Base:	2013
		Entire 4	38,828			(12/22)	$36.00	Electric:	None
			85,460			(12/27)	$39.00	Free Rent:	36 Mos.
						(12/32)	$41.42	Work letter:	N/A
						(12/37)	$45.00		
						(12/42)	$48.00		
2	Countrywide Insurance Company	Entire 12	31,942	Mar-11	Aug-21		$25.00	Tax Base:	2011
						(09/16)	$27.82	Operating Base:	2011
								Electric:	None
								Free Rent:	N/A
								Work letter:	$87.58/SF
		Part 13	17,715	Mar-11	Aug-21		$25.00	Tax Base:	2011
		Entire 14	32,645			(09/16)	$27.82	Operating Base:	2011
			50,360					Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
3	Haks Engineering & Land	Entire 9	36,490	Dec-13	Mar-29		$32.00	Tax Base:	2014
						(12/18)	$35.00	Operating Base:	2014
						(12/23)	$38.00	Electric:	None
								Free Rent:	4 Mos.
								Work letter:	N/A
		Entire 11	33,426	Jun-06	Mar-29		$29.50	Tax Base:	2006/07
						(12/16)	$35.00	Operating Base:	2007
						(01/24)	$38.00	Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
4	Weidlinger Associates Inc	Entire 18	32,875	Nov-11	Jan-33		$27.00	Tax Base:	2013
		Entire 19	28,207			(02/18)	$30.00	Operating Base:	2013
			61,082			(02/23)	$33.00	Electric:	None
						(02/28)	$37.00	Free Rent:	02/14 - 1 Mo. (90.04%)
									02/15 - 1 Mo. (90.04%)
									02/16 - 1 Mo. (90.04%)
									02/17 - 1 Mo. (90.04%)
									02/18 - 1 Mo. (81.03%)
								Work letter:	$65.00/SF
5	Hadassah, The Women's Zionist	Part 7	9,561	Dec-14	Sep-35		$34.00	Tax Base:	2014/15
		Entire 8	36,614			(10/20)	$37.00	Operating Base:	2014
			46,175			(10/25)	$40.00	Electric:	None
						(10/30)	$43.00	Free Rent:	10 Mos.
								Work letter:	N/A
6	The Harry Fox Agency Inc	Entire 6	36,921	Jun-12	May-26		$27.00	Tax Base:	2012/13
						(06/17)	$30.00	Operating Base:	2012
						(06/22)	$33.00	Electric:	None
								Free Rent:	12 Mos.
								Work letter:	N/A
7	First Investors Mgmt Company	Entire 10	36,490	May-13	Jul-29		$32.00	Tax Base:	2012/14
						(07/18)	$35.00	Operating Base:	2013
						(07/23)	$38.00	Electric:	None
								Free Rent:	16 Mos.
								Work letter:	$60.00/SF
8	Huron Consulting Services LLC	Entire 20	28,812	Sep-11	Jul-22		$27.00	Tax Base:	2011/12
						(07/17)	$30.00	Operating Base:	2012
								Electric:	None
								Free Rent:	N/A
								Work letter:	$60.00/SF

40 WALL STREET OFFICE LEASES (CONTD.)							
No.	**Tenant**	**Floors**	**Area (SF)**	**Start Date**	**End Date**	**Yr/Rent**	**Base Year/Concessions**
9	The Global Alliance	Entire 24	28,465	Sep-07	Dec-17	$41.63	Tax Base: 2007/08 Operating Base: 2008 Electric: None Free Rent: N/A Work letter: N/A
10	Office Space Solutions Inc	Entire 28 Entire 29	14,114 13,544 27,658	Aug-06	May-17	$37.00	Tax Base: 2006/07 Operating Base: 2006/07 Electric: None Free Rent: N/A Work letter: N/A
11	XO Communications LC	Part 16	20,586	Mar-10	Mar-22	$33.00 (04/20) $36.00	Tax Base: 2010 Operating Base: 2010 Electric: None Free Rent: 4 Mos. Work letter: N/A
12	GDS Publishing Inc	Part 5	20,240	Oct-09	Sep-16	$34.00	Tax Base: 2010/11 Operating Base: 2010 Electric: None Free Rent: N/A Work letter: N/A
13	IBIS World Inc	Part 15	16,209	Jan-12	Feb-22	$33.50 (06/17) $36.50	Tax Base: 2011 Operating Base: 2011 Electric: None Free Rent: N/A Work letter: N/A
		Part 15	3,947	Oct-13	Feb-22	$33.50 (09/18) $36.50	Tax Base: 2013 Operating Base: 2013 Electric: None Free Rent: N/A Work letter: N/A
14	Leslie E. Robertson Associates	Part 23	19,967	Apr-12	Feb-28	$27.00 (02/18) $30.00 (02/23) $33.50	Tax Base: 2012 Operating Base: 2012 Electric: None Free Rent: 10 Mos. Work letter: N/A
15	Girl Scout Council of Greater	Part 7	17,507	Feb-15	Oct-31	$35.00 (12/21) $39.00 (12/26) $43.00	Tax Base: Avg 2014/15 & 2015/16 Operating Base: 2015 Electric: None Free Rent: 11 Mos. Work letter: N/A
16	Magna Group LLC	Entire 57 Entire 58	8,025 8,227 16,252	Feb-15	Sep-27	$44.00 (02/16) 2.25% Inc/Yr (02/20) $53.27 (02/21) 2.25% Inc/Yr	Tax Base: 2014/15 Operating Base: None Electric: None Free Rent: 8 Mos. Work letter: N/A
17	Newman Myers Kreines Gross	Entire 26	15,354	Aug-12	Dec-22	$28.00 (01/18) $32.00	Tax Base: 2012/13 Operating Base: 2012 Electric: None Free Rent: N/A Work letter: N/A
18	Telstra Inc	Part 43 Entire 44	5,125 9,372 14,497	Oct-10	Sep-20	$37.00 (10/15) $40.00	Tax Base: 2010/11 Operating Base: 2010 Electric: None Free Rent: N/A Work letter: N/A
19	Freedom Holdings Group	Entire 42 Part 43	9,372 4,247 13,619	Oct-13	Feb-20	$43.00	Tax Base: 2008/09 Operating Base: 2008/09 Electric: None Free Rent: N/A Work letter: N/A

40 WALL STREET OFFICE LEASES (CONTD.)									
No.	Tenant	Floors	Area (SF)	Start Date	End Date	Yr/Rent		Base Year/Concessions	
20	Prodigy Network NY LLC	Part 17	12,797	Mar-15	May-25	 (06/20)	$38.00 $42.00	Tax Base: Operating Base: Electric: Free Rent: Work letter:	Avg 2014/15 & 2015/16 2015 None 3 Mos. N/A
21	ICF Consulting Group Inc	Entire 34	12,562	Aug-11	Jan-22	 (07/16)	$34.00 $37.00	Tax Base: Operating Base: Electric: Free Rent: Work letter:	2011 2011 None N/A N/A
22	Halperin Battaglia Benzija, LLC	Part 36 Entire 37	3,294 8,840 12,134	Feb-13	Apr-23	 (05/18)	$38.50 $41.50	Tax Base: Operating Base: Electric: Free Rent: Work letter:	Avg 2012/13 & 2013/14 2013 None 3 Mos. N/A
23	SS&C Technologies Holdings	Part 15	12,066	Jan-12	Oct-22	 (10/17)	$28.00 $32.00	Tax Base: Operating Base: Electric: Free Rent: Work letter:	2011/12 2011 None N/A N/A
24	NFP Property And Casualty Services	Part 13	6,202	Jun-15	Jul-25	 (06/20)	$40.50 $44.50	Tax Base: Operating Base: Electric: Free Rent: Work letter:	Avg 2014/15 & 2015/16 2015 None 2 Mos. N/A
		Part 30	3,728	Aug-11	Jun-17	 (08/15)	$37.50 $67.38	Tax Base: Operating Base: Electric: Free Rent: Work letter:	2011/12 2011 None N/A N/A
25	The Heffner Agency Inc	Part 31	9,869	Feb-15	Oct-30	 (10/20) (10/25)	$38.00 $41.00 $44.00	Tax Base: Operating Base: Electric: Free Rent: Work letter:	Avg 2014/15 & 2015/16 2015 None 8 Mos. N/A
26	Hidrock Realty Inc.	Entire 45	9,372	Jun-15	Nov-25	 (06/20)	$43.00 $47.00	Tax Base: Operating Base: Electric: Free Rent: Work letter:	Avg 2014/15 & 2015/16 2015 None 6 Mos. N/A
27	RG Michals	Entire 46	9,372	Jun-11	Aug-21	 (09/16)	$33.13 $35.96	Tax Base: Operating Base: Electric: Free Rent: Work letter:	2011/12 2011 None N/A N/A
28	Park Jensen Bennett LLP	Entire 41	9,277	Oct-14	Jun-27	 (10/20)	$41.00 $45.00	Tax Base: Operating Base: Electric: Free Rent: Work letter:	Avg 2014/15 & 2015/16 2015 None 8 Mos. N/A
29	Brokerage & Management Corp	Entire 48	9,263	Jul-10	Jul-22	 (07/17)	$40.00 $43.00	Tax Base: Operating Base: Electric: Free Rent: Work letter:	2010/11 2010/11 None N/A $30.00/SF
30	Public Financial Management Inc	Entire 49	9,263	Jul-12	Dec-22	 (12/17)	$40.00 $42.00	Tax Base: Operating Base: Electric: Free Rent: Work letter:	Avg 2011/12 & 2012/13 2012 None 5 Mos. N/A
31	Access Intelligence LLC	Entire 50	9,248	Mar-12	Jul-22	 (08/15) (08/19)	$37.00 $40.00 $43.00	Tax Base: Operating Base: Electric: Free Rent: Work letter:	Avg 2011/12 & 2012/13 2012 None N/A N/A

40 WALL STREET OFFICE LEASES (CONT'D.)									
No.	Tenant	Floors	Area (SF)	Start Date	End Date	Yr/Rent		Base Year/Concessions	
32	ID Matters, LLC	Entire 51	9,248	Mar-15	Jul-25		$44.00	Tax Base:	2014/15
						(03/20)	$48.00	Operating Base:	2015
								Electric:	None
								Free Rent:	5 Mos.
								Work letter:	N/A
33	Piyi Investment Ltd	Entire 52	9,248	Apr-13	Dec-23		$44.00	Tax Base:	Avg 2012/13 & 2013/14
						(04/18)	$48.00	Operating Base:	2013
								Electric:	None
								Free Rent:	5 Mos.
								Work letter:	N/A
34	Harris, O'Brien, St. Laurent	Entire 53	9,248	Jun-15	Nov-25		$46.00	Tax Base:	2015/16
						(06/20)	$50.00	Operating Base:	2015
								Electric:	None
								Free Rent:	6 Mos.
								Work letter:	N/A
35	Cenegenics LLC	Entire 55	9,248	Mar-13	Mar-23		$50.77	Tax Base:	Avg 2011/12 & 2012/13
						(04/16)	1.95% Inc/Yr	Operating Base:	None
						(04/18)	$57.77	Electric:	None
						(04/19)	1.95% Inc/Yr	Free Rent:	1 Mo.
								Work letter:	$11.75/SF
36	Charles W. Cammack & Associates	Entire 56	9,248	May-15	Jan-31		$44.00	Tax Base:	Avg 2014/15 & 2015/16
						(02/21)	$48.00	Operating Base:	2015
						(01/26)	$51.00	Electric:	None
								Free Rent:	8 Mos.
								Work letter:	N/A
37	Camacho Mauro Mulholland, LLP	Entire 40	8,941	Jun-15	Nov-25		$43.00	Tax Base:	Avg 2014/15 & 2015/16
						(06/18)	$45.00	Operating Base:	2016
						(06/21)	$47.00	Electric:	None
								Free Rent:	6 Mos.
								Work letter:	N/A
38	Euroclear Bank Sa	Entire 39	8,313	Mar-08	Jul-18		$59.00	Tax Base:	2008/09
								Operating Base:	2008
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
39	Solomon Blum	Entire 35	8,288	Sep-00	Jul-20		$32.00	Tax Base:	2010/11
						(08/15)	$35.00	Operating Base:	2010
								Electric:	None
								Free Rent:	6 Mos.
								Work letter:	N/A
40	Bureau Van DIJK	Part 27	7,987	Feb-11	Jun-18		$36.00	Tax Base:	2010/11
						(07/16)	$39.00	Operating Base:	2011
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
41	R-Jet Products	Part 5	7,500	Feb-14	Aug-16		$24.00	Tax Base:	2014
								Operating Base:	2014
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
42	Topeka Capital Market	Part 17	2,059	Feb-11	Jun-21		$33.00	Tax Base:	2010/11
		Part 17	4,905			(06/16)	$36.00	Operating Base:	2011
			6,964					Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
43	Xcitek Solutions Plus	Part 5	6,288	Nov-10	Oct-20		$32.00	Tax Base:	2010/11
						(11/16)	$35.00	Operating Base:	2010/11
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
44	Reliance Capital LLC	Entire 60	6,191	Jun-15	Jan-26		$46.00	Tax Base:	Avg 2014/15 & 2015/16
						(06/20)	$50.00	Operating Base:	2015
								Electric:	None
								Free Rent:	8 Mos.
								Work letter:	N/A

40 WALL STREET OFFICE LEASES (CONTD.)									
No.	Tenant	Floors	Area (SF)	Start Date	End Date	Yr/Rent		Base Year/Concessions	
45	Boyce Technologies Inc	Part 25	6,166	Apr-13	Jul-20		$34.93	Tax Base:	2013/14
						(08/15)	2.75% Inc/Yr	Operating Base:	None
						(02/17)	$40.88	Electric:	None
						(08/17)	2.75% Inc/Yr	Free Rent:	4 Mos.
								Work letter:	N/A
46	Zaremba Brownell & Brown	Part 27	3,954	Feb-10	Jan-25		$35.00	Tax Base:	2010
						(12/15)	$38.00	Operating Base:	2010
						(12/20)	$41.00	Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
		Part 27	2,106	Jul-11	Jan-25		$35.00	Tax Base:	2011
						(05/17)	$38.00	Operating Base:	2011
						(05/22)	$41.00	Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
47	Core Staffing Service	Part 16	5,845	May-10	Sep-17		$35.17	Tax Base:	Avg 2009/10 & 2010/11
								Operating Base:	2010
								Electric:	None
								Free Rent:	N/A
								Work letter:	$53.00/SF
48	N.Cheng & Co.	Part 32	5,759	Apr-15	Sep-27		$38.00	Tax Base:	Avg 2014/15 & 2015/16
						(04/16)	2.50% Inc/Yr	Operating Base:	None
						(04/18)	$42.97	Electric:	None
						(04/19)	2.50% Inc/Yr	Free Rent:	N/A
						(04/21)	$48.32	Work letter:	N/A
						(04/22)	2.50% Inc/Yr		
						(04/24)	$54.08		
						(04/25)	2.50% Inc/Yr		
49	Masscomm Inc.	Part 36	5,554	Nov-12	Apr-23		$33.00	Tax Base:	2012/13
						(06/18)	$37.00	Operating Base:	2013
								Electric:	None
								Free Rent:	6 Mos.
								Work letter:	N/A
50	Paulson Investment Co.Inc.	Part 23	5,480	Jun-13	Sep-18		$38.19	Tax Base:	Avg 2012/13 & 2013/14
						(06/16)	$39.34	Operating Base:	None
						(06/17)	$40.52	Electric:	None
								Free Rent:	3 Mos.
								Work letter:	N/A
51	Halen Capital Management Inc.	Part 30	5,433	Dec-11	Feb-19		$37.00	Tax Base:	2010
						(01/16)	$40.92	Operating Base:	2010
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
52	NYG Capital LLC	Part 38	5,310	Jan-10	Dec-22		$34.00	Tax Base:	2010
						(01/16)	$43.00	Operating Base:	2010
						(10/19)	$46.00	Electric:	None
								Free Rent:	3 Mos.
								Work letter:	N/A
53	Jaskim Inc.	Part 17	4,808	Dec-09	Jul-20		$35.00	Tax Base:	2010
						(09/15)	$38.00	Operating Base:	2010
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
54	Diversified Mercury Communication	Part 47	4,730	Sep-14	Dec-21		$44.00	Tax Base:	2014/15
						(09/15)	2.50% Inc/Yr	Operating Base:	None
						(09/18)	$51.64	Electric:	None
						(09/19)	2.50% Inc/Yr	Free Rent:	3 Mos.
								Work letter:	N/A

40 WALL STREET OFFICE LEASES (CONTD.)									
No.	Tenant	Floors	Area (SF)	Start Date	End Date	Yr/Rent		Base Year/Concessions	
55	Coastal Trade Securities	Part 17	4,706	Mar-12	Jun-17		$33.00	Tax Base:	Avg 2011/12 & 2012/13
								Operating Base:	2012
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
56	Grandfield & Dodd LLC	Part 47	4,642	Jan-14	Jan-24		$42.00	Tax Base:	Avg 2012/13 & 2013/14
						(01/20)	$46.00	Operating Base:	2013
								Electric:	None
								Free Rent:	5 Mos.
								Work letter:	N/A
57	Jajan, PLLC	Part 25	4,417	May-14	Jun-22		$34.85	Tax Base:	2014
						(05/16)	2.50% Inc/Yr	Operating Base:	None
						(05/18)	$39.61	Electric:	None
						(05/19)	2.50% Inc/Yr	Free Rent:	5 Mos.
						(05/21)	$42.66	Work letter:	N/A
58	JH Darbie & Co Holdings LLC	Part 30	4,384	Jul-14	Jun-21		$38.00	Tax Base:	2014/15
						(07/15)	2.50% Inc/Yr	Operating Base:	None
						(07/18)	$43.92	Electric:	None
						(07/19)	2.50% Inc/Yr	Free Rent:	3 Mos.
								Work letter:	N/A
59	The Judge Group	Part 25	4,269	May-08	May-18		$54.00	Tax Base:	2008
						(10/15)	$57.00	Operating Base:	2008
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
60	Leeds & Leeds Company, Inc	Part 33	4,144	Jun-14	May-24		$36.50	Tax Base:	2014/15
						(06/15)	2.75% Inc/Yr	Operating Base:	None
						(06/19)	$45.80	Electric:	None
						(06/20)	2.75% Inc/Yr	Free Rent:	4 Mos.
								Work letter:	N/A
61	Law Offices of Edward M. Rosen	Part 33	3,689	Feb-12	Jun-17		$32.00	Tax Base:	2012/13
								Operating Base:	2012
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
62	P&B Partners LLC	Part 31	3,616	Jun-15	Sep-22		$42.00	Tax Base:	Avg 2014/15 & 2015/16
						(06/16)	3.0% Inc/Yr	Operating Base:	None
						(06/19)	$50.27	Electric:	None
						(06/20)	$51.78	Free Rent:	4 Mos.
						(06/21)	$53.33	Work letter:	N/A
63	Larocca Hornik Rosen Greenberg	Part 32	3,450	Jan-10	Feb-20		$41.00	Tax Base:	2010/11
						(03/16)	$42.00	Operating Base:	2010
						(03/18)	$44.00	Electric:	None
								Free Rent:	1 Mo.
								Work letter:	$18.84/SF
64	RCL Advisors	Entire 63	3,416	May-07	Apr-17		$57.00	Tax Base:	2007
								Operating Base:	2007
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
65	United Advisors LLC	Part 17	3,412	Jun-11	May-16		$33.50	Tax Base:	2011/12
								Operating Base:	2011
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A

40 WALL STREET OFFICE LEASES (CONTD.)									
No.	Tenant	Floors	Area (SF)	Start Date	End Date	Yr/Rent		Base Year/Concessions	
66	Frank Xu LLP and Cathay Instition	Part 33	3,057	Feb-13	Mar-20		$37.13	Tax Base:	2012/13
						(02/16)	3.0% Inc/Yr	Operating Base:	None
						(02/19)	$41.79	Electric:	None
								Free Rent:	2 Mos.
								Work letter:	N/A
67	World Zionist Organization	Part 7	2,990	Jan-15	Jul-25		$35.00	Tax Base:	2014/15
						(01/20)	$38.00	Operating Base:	2014
								Electric:	None
								Free Rent:	6 Mos.
								Work letter:	N/A
68	UBS Financial Service	Part 32	2,682	Mar-99	Feb-17		$45.00	Tax Base:	2004/05
								Operating Base:	2004
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
69	Murphy & O'Connell	Part 33	2,525	Jan-06	Jun-15		$27.04	Tax Base:	2008/09
								Operating Base:	2008
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
70	Oakwood Asset Mgmt Ll	Part 38	2,086	Jan-10	Jan-20		$36.00	Tax Base:	2010
								Operating Base:	2010
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
71	Tachlees Internationa	Part 27	1,377	Sep-12	Nov-17		$36.77	Tax Base:	2012
						(12/15)	$37.69	Operating Base:	None
						(12/16)	$38.63	Electric:	None
								Free Rent:	3 Mos.
								Work letter:	N/A

The subject property's office base rents average $33.40 per square foot, gross. The adjusted comparable rentals range from $41.90 to $52.15 with an average of $46.92 per square foot, gross. The most recent leases signed in the subject building, exhibited in the previous page chart, range from $25.00 to $61.13 per square foot, gross. Overall, we believe the average rents in the subject property are below market.

OFFICE MARKET RENTAL RATE CONCLUSION

Recent leases within Manhattan include concessions in the form of free rent and tenant work letter consistent with those offered within the subject property. In addition to analyzing actual leases inside and outside the property, leasing brokers were interviewed in an effort to ascertain competitive packages available in the marketplace today. Most brokers interviewed were of the opinion that 8 to 12 months free rent, inclusive of space build-out time, was available for most tenants. In addition, tenant work letters were felt to range from $40.00 to $50.00 per square foot. The range in concession packages varies by the size of the space leased. The larger the space, the more generous the concession package the tenant receives.

In consideration of occupied area, floor height, relative location and lease date, the comparable rental data provide fairly consistent evidence of rental rates averaging in the high $40's per square foot. This results in a range of market rent for 40 Wall Street of $45 to $52 per square foot for new leases which has been distributed by floor level as follows:

OFFICE MARKET RENT		
FLOORS	AVERAGE FLOORPLATE (SF)	RENT/SF
2 to 18	33,294	$45.00
19 to 25	26,426	$47.00
26 to 34	13,704	$50.00
35 to 63	8,387	$52.00
(Weighted Average)	**18,025**	**$47.41**

These estimated market rents assume the following concession package.

MAJOR OFFICE TENANTS				
TITLE	FREE RENT		TENANT IMPROVEMENTS	
New Leases	Year 1	12 months	Year 1	$50.00
	Thereafter	12 months	Thereafter	$50.00
Renewing Leases	Year 1	6 months	Year 1	$25.00
	Thereafter	6 months	Thereafter	$25.00

MINOR OFFICE TENANTS				
TITLE	FREE RENT		TENANT IMPROVEMENTS	
New Leases	Year 1	10 months	Year 1	$40.00
	Thereafter	10 months	Thereafter	$40.00
Renewing Leases	Year 1	5 months	Year 1	$20.00
	Thereafter	5 months	Thereafter	$20.00

The rent increase profile is as follows:

For 10 and 15-year leases, 60-month step-ups of 10% are assumed.

OFFICE MARKET RENTAL GROWTH RATE

Based on our recent survey, buyers' expectations in the Downtown Manhattan real estate market anticipate rents to increase at CPI. These changes in market conditions result in C&W's leasing brokerage group in Downtown Manhattan to forecast the following rent growths.

RENT GROWTH
Year 1 – 0%
Thereafter – 3%

We have assumed a growth rate of 3 percent beginning in year 2 of the analysis.

MARKET RENTAL RATE – RETAIL SPACE

The subject property is leased to four retail tenants that include Dean & Deluca and Neopolitan Express along the Wall Street side of the building. Neopolitan Express leases 550 square feet on the grade while Dean & Deluca leases 18,500 square feet on the grade. Duane Reade leases 23,310 square feet with frontage along Pine Street. Sav Café Inc. leases 1,900 square feet in the basement of the building. In addition, there are two vacant retail space on the ground floor and basement totaling 2,291 square feet available for lease. The tenant leases may be summarized as follows.

RETAIL CONTRACT RENT SUMMARY			
Tenant	**Rent Roll Area/SF**	**Contract Rent**	**Contract Rent/SF**
Pine Street Frontage			
Duane Reade Grade	18,092	$1,425,000	$78.76
Duane Reade Mezz	5,218	$0	$0.00
Total	23,310	$1,425,000	$61.13
Wall Street Frontage			
Dean & DeLuca	18,500	$1,400,000	$75.68
Neopolitan Express	550	$333,718	$606.76
Lobby			
To-Be-Leased	791	$0	$0.00
Basement			
To-Be-Leased	1,500	$0	$0.00
SAV Cafe	1,900	$47,994	$25.26
Pine Street - Grade	**18,092**	**$1,425,000**	**$78.76**
Wall Street - Grade Large	**18,500**	**$1,400,000**	**$75.68**
Wall Street - Grade Small	**550**	**$333,718**	**$606.76**
Mezzanine	**5,218**	**$0**	**$0.00**
Lobby	**791**	**$0**	**$0.00**
Basement	**3,400**	**$47,994**	**$14.12**
Total	**46,551**	**$3,206,712**	**$72.45**

Market rent for the retail space within the property has been estimated by analyzing **six** comparable leases exhibited on the charts on the following pages. In our analysis, we have considered six lease attributes: rent concessions, time (market conditions), location, quality, size and condition. Our adjustment for rent concessions considers differences in the comparables for market standard free rent period of six months with the space taken on an "as is" basis. Percentage adjustments between the subject property and the comparable leases were made for each of these factors.

Our adjustment for rent concessions considers the difference in the comparables for market standard free rent of six months and no tenant work letters. The adjustment for rent concessions attempts to quantify ($ per square foot) the differences between market free rent and work letter between the subject and the comparables. The differences between free rent and work letter (+/-) is divided by the comparable's lease term, and applied to the beginning "face" rent of the comparable lease. Although this methodology does not take into account amortization of rental increases over the lease term, we believe this is a simplistic approach to understanding the affect of concessions on beginning base rent.

COMPARABLE RETAIL RENTS AND ADJUSTMENTS

	SUBJECT	RENTAL 1		RENTAL 2		RENTAL 3	
ADDRESS	40 Wall Street	120 Wall Street		123 William Street		395 South End Avenue	
	B/w Nassau & William Streets	N/W/C South Street		B/w John & Fulton Streets		S/W/C Liberty Street	
	New York City	New York City		New York City		New York City	
LEASE INFORMATION							
TENANT NAME		OpenKitchen		OpenKitchen		Chipotle	
FRONTAGE		Wall Street		William Street		Pearl Street	
BEGINNING DATE	July 2015	January 2015		December 2014		September 2014	
TERM		10		10		15	
LEASE TYPE	Gross	Gross		Gross		Gross	
TENANT SIZE		5,500	Grade	6,000	Grade	2,361	Grade
		2,000	LL	800	LL		
		7,500		6,800			
RENT PER SF		$90.00	Yr. 1	$65.00	Yr. 1	$121.00	Yr. 1
		Incr./Yr.		Incr./Yr.		10% Incr./3 Yrs.	
FREE RENT(MONTHS)	6	6		12		6	
WORKLETTER (PSF)	$0.00	$60.00		$0.00		$31.77	
ADJUSTMENTS							
RENT CONCESSIONS		($6.00)		($3.25)		($2.12)	
EFFECTIVE ADJUSTED RENT PER SF/GRADE LEVEL		$84.00		$61.75		$118.88	
MONTHS FROM VALUE DATE		6		7		10	
TIME (MARKET CONDITIONS)		0.0%		0.0%		0.0%	
TIME ADJUSTED RENT PER SF		$84.00		$61.75		$118.88	
LOCATION		5%		5%		0%	
QUALITY		0%		0%		0%	
SIZE		-10%		-10%		-15%	
CORNER / FRONTAGE		0%		15%		-10%	
TOTAL ADJUSTMENT		-5%		10%		-25%	
INDICATED RENT PER SF		**$79.80**		**$67.93**		**$89.16**	

COMPARABLE RETAIL RENTS AND ADJUSTMENTS

	SUBJECT	RENTAL 4		RENTAL 5		RENTAL 6	
ADDRESS	40 Wall Street	20 Pine Street		40 Fulton Street		120 Broadway	
	B/w Nassau & William Street	B/w William & Broad Street		B/w Cliff & Pearl Sts.		B/w Pine & Liberty Sts.	
	New York City	New York City		New York City		New York City	
LEASE INFORMATION							
TENANT NAME		FedEx		TD Bank		World Trade Art Center	
FRONTAGE		Pine Street		Fulton Street		Broadway	
BEGINNING DATE	July 2015	June 2014		January 2014		January 2014	
TERM		10		10		10	
LEASE TYPE	Gross	Gross		Gross		Gross	
TENANT SIZE		5,733	Grade	4,500	Grade	1,574	Grade
RENT PER SF		$90.00	Yr. 1	$100.00	Yr. 1	$120.00	Yr. 1
		Incr./Yr.		Incr./Yr.		Incr./Yr.	
FREE RENT(MONTHS)	6	6		6		6	
WORKLETTER (PSF)	$0.00	$0.00		$0.00		$0.00	
ADJUSTMENTS							
RENT CONCESSIONS		$0.00		$0.00		$0.00	
EFFECTIVE ADJUSTED RENT PER SF/GRADE LEVEL		$90.00		$100.00		$120.00	
MONTHS FROM VALUE DATE		13		18		18	
TIME (MARKET CONDITIONS)		0.0%		0.0%		0.0%	
TIME ADJUSTED RENT PER SF		$90.00		$100.00		$120.00	
LOCATION		0%		5%		0%	
QUALITY		0%		0%		-5%	
SIZE		-10%		-10%		-25%	
CORNER / FRONTAGE		-5%		-10%		0%	
TOTAL ADJUSTMENT		-15%		-15%		-30%	
INDICATED RENT PER SF		**$76.50**		**$85.00**		**$84.00**	

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VALUATION & ADVISORY

The comparable retail leases, exhibited on the **previous pages**, range from $65.00 to $121.00 per square foot before adjustments.

RENTAL COMPARABLE NO. 1 involves a 7,500 square foot retail lease within 120 Wall Street located on the northwest corner of South Street through Pine Street. This lease was signed in January 2015 for a 10-year term. The initial base rent was $90.00 per square foot against the grade. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $84.00 per square foot.

In comparison to the subject property, an upward adjustment was required for location. A downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. No other adjustments were required. The adjusted rent is $79.80 per square foot against the grade.

RENTAL COMPARABLE NO. 2 involves a 6,800 square foot retail lease within 123 William Street located on the northwest corner of South Street through Pine Street. This lease was signed in December 2014 for a 10-year term. The initial base rent was $65.00 per square foot against the grade. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $61.75 per square foot.

In comparison to the subject property, an upward adjustment was required for location. A downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. An upward adjustment was required for corner/frontage. No other adjustments were required. The adjusted rent is $67.93 per square foot against the grade.

RENTAL COMPARABLE NO. 3 involves a 2,361 square foot retail lease within 395 South End Avenue located southwest corner of Liberty Street. This lease was signed in September 2014 for a 15-year term. The initial base rent was $121.00 per square foot against the grade. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $118.88 per square foot.

In comparison to the subject property, a downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. A downward adjustment was required for corner/frontage. No other adjustments were required. The adjusted rent is $89.16 per square foot against the grade.

RENTAL COMPARABLE NO. 4 involves a 5,733 square foot retail lease within 20 Pine Street located between William and Broad Streets. This lease was signed in June 2014 for a 10-year term. The initial base rent was $90.00 per square foot against the grade. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $90.00 per square foot.

In comparison to the subject property, a downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. A downward adjustment was required for corner/frontage. No other adjustments were required. The adjusted rent is $76.50 per square foot against the grade.

RENTAL COMPARABLE NO. 5 involves a 4,500 square foot retail lease within 40 Fulton Street located between Cliff and Pearl Streets. This lease was signed in January 2014 for a 10-year term. The initial base rent was $100.00 per square foot against the grade. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $100.00 per square foot.

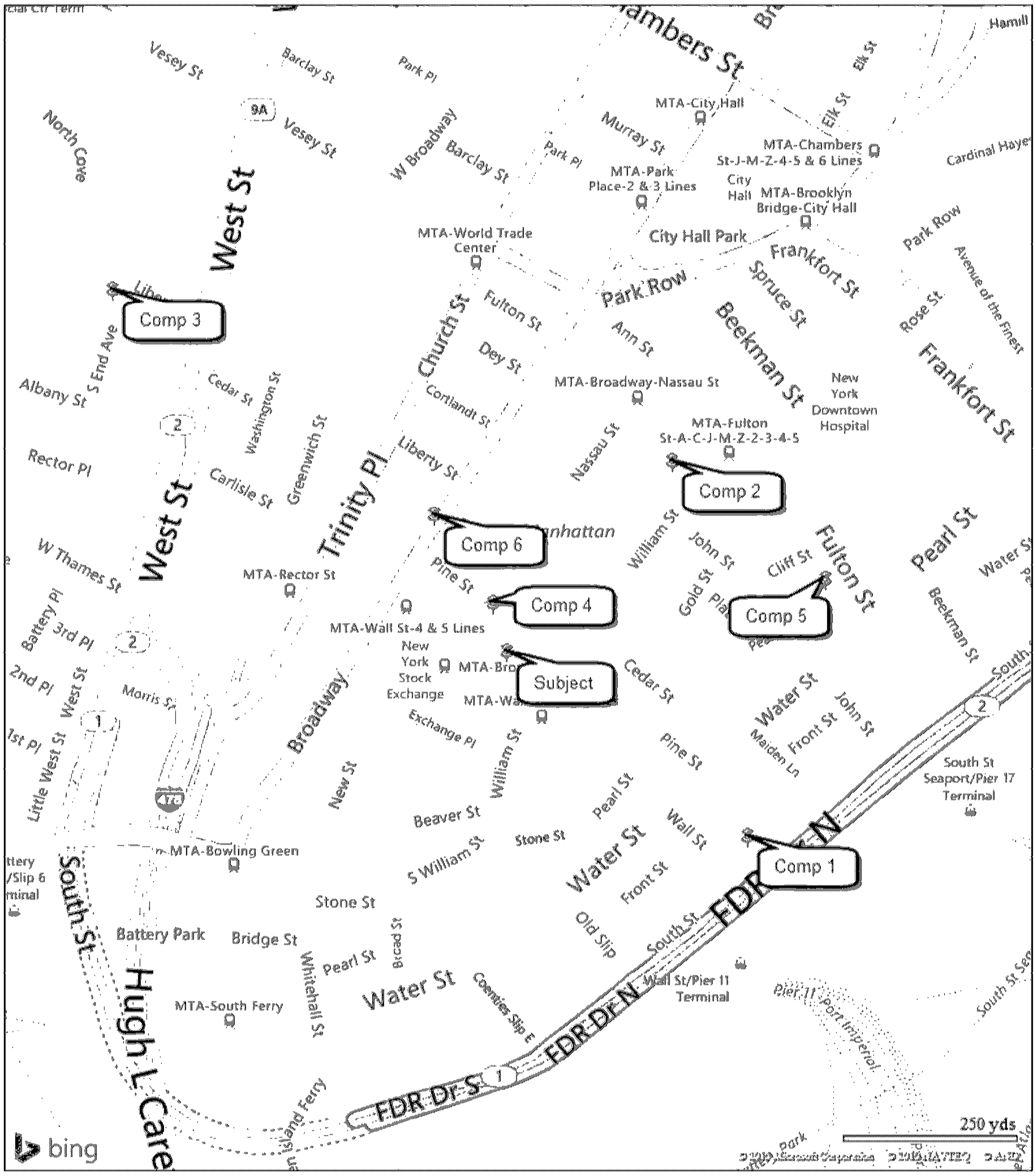
In comparison to the subject property, an upward adjustment was required for location. A downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. A downward adjustment was required for corner/frontage. No other adjustments were required. The adjusted rent is $85.00 per square foot against the grade.

RENTAL COMPARABLE NO. 6 involves a 1,574 square foot retail lease within 120 Broadway located between Pine and Liberty Streets. This lease was signed in January 2014 for a 10-year term. The initial base rent was $120.00 per square foot against the grade. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $120.00 per square foot.

In comparison to the subject property, a downward adjustment was required for utility. A downward adjustment was required for size under the premise that smaller tenant spaces lease for more per square foot than larger tenant spaces. No other adjustments were required. The adjusted rent is $84.00 per square foot against the grade.

After adjustment to the comparables, a range of $67.93 to $89.16 per square foot gross was revealed.

RETAIL COMPARABLE MAP



RETAIL LEASES IN THE BUILDING

The following table contains a summary of the retail leases negotiated in this building.

40 WALL STREET RETAIL LEASES									
No.	Tenant	Floors	Area (SF)	Start Date	End Date	Yr/Rent		Base Year/Concessions	
1	Dean & Deluca	Part Grade	18,500	Jun-15	Aug-31		$70.00	Tax Base:	2015/2016
						(09/21)	10.0% Inc.	Operating Base:	None
						(09/26)	10.0% Inc.	Electric:	None
								Free Rent:	15 Mos.
								Work letter:	N/A
2	Sav Cafe	Part Bsmt	1,900	Apr-97	Jun-15		$25.26	Tax Base:	None
								Operating Base:	None
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A
3	Duane Reade	Part 2	23,310	Jul-11	Jan-32		$61.13	Tax Base:	Inc. over $6,913,639
						(01/17)	$67.25	Operating Base:	None
						(01/22)	$73.97	Electric:	None
						(01/27)	$81.37	Free Rent:	N/A
								Work letter:	N/A
		Entire 21	27,250	Oct-12	Mar-28		$26.50	Tax Base:	2011/12
		Entire 22	27,250			(04/18)	$29.50	Operating Base:	2012
			54,500			(10/22)	$33.50	Electric:	None
								Free Rent:	6 Mos.
								Work letter:	N/A
4	Neopolitan Express	Entire Grade	550	Jan-14	Mar-34		$606.76	Tax Base:	Inc. over $7,145,520
						(01/16)	3.0% Inc/Yr	Operating Base:	None
								Electric:	None
								Free Rent:	N/A
								Work letter:	N/A

The lease with Dean & Deluca commenced in June 2015 for a 15 year term. The Dean & Deluca space contains 18,500 square feet on the grade with frontage on Wall Street. Following 15 month rent abatement Dean & Deluca pays a starting contract rent of $70.00 per square foot with subsequent increases. In our opinion the Dean & Deluca lease is below market.

The lease with Duane Reade commenced in June 2010 for a 20 year term. The Duane space contains 23,310 square feet on the grade and mezzanine with frontage on Pine Street. Following a six month rent abatement Duane pays a starting contract rent of $61.13 per square foot with subsequent increases. In our opinion the Duane Reade lease is below market.

The remaining leases are with Neopolitan Express and Sav Café. Neopolitan Express pays currently $606.76 per square foot, for 550 square feet on the grade. The Neopolitan is under a 18.25 year lease which is at market. Sav Café Inc. leases 1,900 square feet in the basement on a month to month basis. Sav Café Inc. currently pays $25.26 per square foot.

RETAIL MARKET RENTAL RATE CONCLUSION

The retail leases within the subject range from $25.56 to $606.76 per square foot on the grade level. The adjusted comparable rentals range from $67.93 to $89.16 per square foot. The existing retail leases commenced between April 1997 and June 2015. Overall, we believe the average retail rents in the subject property are at market.

A summary of the market rents per space type is provided in the following table.

RETAIL MARKET RENT SUMMARY			
Tenant	**Rent Roll Area/SF**	**Market Rent/SF**	**Total Rent**
Pine Street Frontage			
Duane Reade Grade	18,092 @	$75.00 =	$1,356,900
Duane Reade Mezz	5,218 @	$50.00 =	$260,900
Total	23,310 @	$69.40 =	$1,617,800
Wall Street Frontage			
Dean & DeLuca	18,500 @	$75.00 =	$1,387,500
Neopolitan Express	550 @	$650.00 =	$357,500
Lobby			
To-Be-Leased	791 @	$250.00 =	$197,750
Basement			
To-Be-Leased	1,500 @	$25.00 =	$37,500
SAV Cafe	1,900 @	$25.00 =	$47,500
Pine Street - Grade	**18,092 @**	**$75.00 =**	**$1,356,900**
Wall Street - Grade Large	**18,500 @**	**$75.00 =**	**$1,387,500**
Wall Street - Grade Small	**550 @**	**$650.00 =**	**$357,500**
Mezzanine	**5,218 @**	**$50.00 =**	**$260,900**
Lobby	**791 @**	**$250.00 =**	**$197,750**
Basement	**3,400 @**	**$25.00 =**	**$85,000**
Total	**46,551 @**	**$78.31 =**	**$3,645,550**

In our judgment, considering the comparable retail rentals, existing leases at the subject property and our discussions with leasing brokers active in the marketplace, our estimated unit value is $650 per square foot for small ground floor retail space along Wall Street, $75 per square foot for large ground floor retail space along Wall Street, $75 per square foot for ground floor retail space along Pine Street, $250 per square foot for lobby retail space, $50 per square foot for mezzanine retail space, and $25 per square foot for basement level space.

A summary of the market rents is provided in the following table.

RETAIL MARKET RENT	
TYPE SPACE	RENT/SF
Wall Street – Grade (Small)	$650.00/sf
Wall Street – Grade (Large)	$75.00/sf
Pine Street - Grade	$75.00/sf
Lobby	$250.00/sf
Mezzanine	$50.00/sf
Basement	$25.00/sf

These estimated market rents assume the following concession package.

RETAIL TENANTS		
	FREE RENT	TENANT IMPROVEMENTS
New Leases	6 months	None
Renewing Leases	3 months	None

The rent increase profile is as follows:

For 10-year leases, 60-month escalations of 10% are assumed.

MARKET RENTAL RATE – STORAGE SPACE

40 Wall Street contains storage space in the basement and grade of the building. The property contains 1,130 square feet of storage space. There are six vacant storage spaces in the basement totaling 14,148 square feet available for lease. The balance of the storage space is leased to several of the office tenants. Competitive rates for storage space range from $10.00 to $30.00 per square foot. We have assigned a market rent to the storage space of $25.00 per square foot gross in our cash flow projection.

STORAGE MARKET RENT	
TYPE SPACE	RENT/SF
Storage Space	$25.00/sf

The above estimated market rents assume the following concession package.

STORAGE TENANTS		
	FREE RENT	TENANT IMPROVEMENTS
New Leases	6 months	None
Renewing Leases	3 month	None

The rent increase profile is as follows: For 10 year leases, 60 month step ups of 10% are assumed.

ASSUMPTIONS REGARDING EXISTING AND PROPOSED LEASES

OVERVIEW

Our analysis specifically assumes that all of the existing and proposed tenants will remain in the property and continue paying rent under the terms of their lease. Information provided by management indicates that none of the major tenants are currently in default. The tenant base appears to be stable and management has indicated that large-scale defaults are not anticipated.

LEASE TERMS

For future leasing, tenant sizes are divided into two categories, major office tenants (defined as tenant spaces greater than 10,000 square feet) and minor office tenants (defined as tenant spaces less than 10,000 square feet). Lease term, work letter and free rent vary based upon size. Typical office, retail and storage leases are fifteen years in duration. Major office tenants typically require longer terms, ranging from ten to fifteen years. We have assumed fifteen-year terms for major office tenants. We have assumed ten-year lease terms for minor office tenants. Retail tenants were assumed to have ten-year terms. Storage tenants were assumed to have ten-year terms.

RENEWAL PROBABILITY

Regarding lease expirations, we have assumed a 65 percent probability of rollover (signing new lease) and 35 percent probability of turnover (allow the lease to expire and vacate the property) upon expiration of each primary lease term. These assumptions are based on retention rates quoted by owners and managers of competitive Manhattan office buildings.

RENEWAL OPTIONS

When a tenant has a renewal option at a below market rent (i.e. a lease would typically state a right to renew at rents equal to 90 percent of “fair market rental value”), the projections assume the option is exercised. Furthermore, the leasing commissions and work letters are at the standard schedule for a renewal tenant.

DOWNTIME

Vacancy between leases includes the period of actual downtime and the construction period to build out tenant spaces. Consistent with the current market, we have assumed downtime 8 months. Our downtime of 8 months is supported through discussions with leasing brokers as well as surveying actual downtime of vacant space in building comparable with the subject property. Vacancy between leases is weighted for a renewal probability of 65 percent for tenants, resulting in an effective downtime of 3 months.

FREE RENT

Free rent, calculated from the time the new tenant takes occupancy, ranges from 8 to 12 months in the current market. We have assumed 12 months of free rent for new major office tenants and 10 months of free rent for new minor office tenants. We have assumed 6 months of free rent for new retail and storage tenants. Renewal tenants are provided with one-half (50 percent) of the new tenant rate.

WORK LETTER

Leasing agents report that the building standard work letter for new tenants is equivalent to an actual cost of $50.00 per square foot. Work letters quoted in the marketplace today range from $40 to $50 per square foot. We have assumed $50.00 per square foot work letters for new major office tenants. We have assumed $40.00 per square foot work letters for new minor office tenants. Renewal tenants are provided one-half 50 percent of a new tenant work letter.

LEASING COMMISSIONS

Leasing commissions have been based upon the generally accepted standard schedule. The standard schedule quoted by Cushman & Wakefield, Inc. depends upon the length of the lease: 5 percent for year 1; 4 percent for year 2; 3.5 percent for years 3 through 5; 2.5 percent for years 6 through 10; 2 percent for years 11 through 20. This schedule results in the following percentages of the first year's base rent (excluding an override described below):

LEASING COMMISSIONS	
5-Year Lease:	19.5% or 3.90% per year
10-Year Lease:	32.0% or 3.20% per year
15-Year Lease:	42.0% or 2.80% per year
20-Year Lease:	52.0% or 2.60% per year

Leasing commissions are typically higher for new tenants than renewal tenants. A new tenant typically causes a full commission to be paid, whereas a renewing tenant typically results in a half commission. We have incorporated this standard assumption in our cash flow projection.

Many Manhattan office building owners employ exclusive leasing agents who receive a commission in addition to the commission payable to an outside broker. The subject property, given its size and leasing profile, is felt to be typical of a building whose ownership would employ an exclusive agent. We have, therefore, assumed a full commission on each lease assuming that 50 percent of all new leases would be originated by outside brokers; with the balance of the leases originated by the exclusive agent. Assuming a 50 percent override to the exclusive agent, each new lease would incur a commission expense of 125 percent of the standard rate (50 percent override times 50 percent outside brokers = 25 percent override) plus 100 percent full commission = 125 percent.

REIMBURSABLE EXPENSES (ESCALATIONS)

Tenants are responsible for their pro-rata share of real estate taxes when taxes exceed those incurred during the first full year of their occupancy. This type of escalation is typically also applied to operating expenses in the majority of Manhattan office buildings. The majority of larger leases in the subject property include an operating expense escalation, which calculation may be summarized as follows:

OPERATING EXPENSE ESCALATION
Billing Year Operating Expenses
Less: Base Year Operating Expenses
Equals: Increase in Operating Expenses
Multiplied by: Tenant's Pro Rata Share

We have assumed that future leases in the subject property will be on a full service basis. Tenants will be responsible for a) real estate tax increases over a base tax year amount billed either monthly or semi-annually; b) operating expense escalation billed monthly; and c) tenant electric on a rent inclusion basis of $3.00 per square foot billed monthly.

ABSORPTION OF VACANT SPACE

There are 8 vacant office spaces within the property totaling 55,695 square feet. In addition, there is one vacant retail space on the grade totaling 2,291 square feet available for lease. In our analysis, we have assumed that the vacant space will be leased by June 2016. The lease-up of this vacant space has an impact on the value of the property.

The recent performances of competitive properties are also a factor in forecasting an absorption rate, stabilized occupancy and the forecasted date of stabilized occupancy. We have previously discussed several office buildings that are competitive with the subject. Our conclusions, as cited within the Financial East sub district Analysis section of this report, were that six office buildings are directly competitive with the subject property.

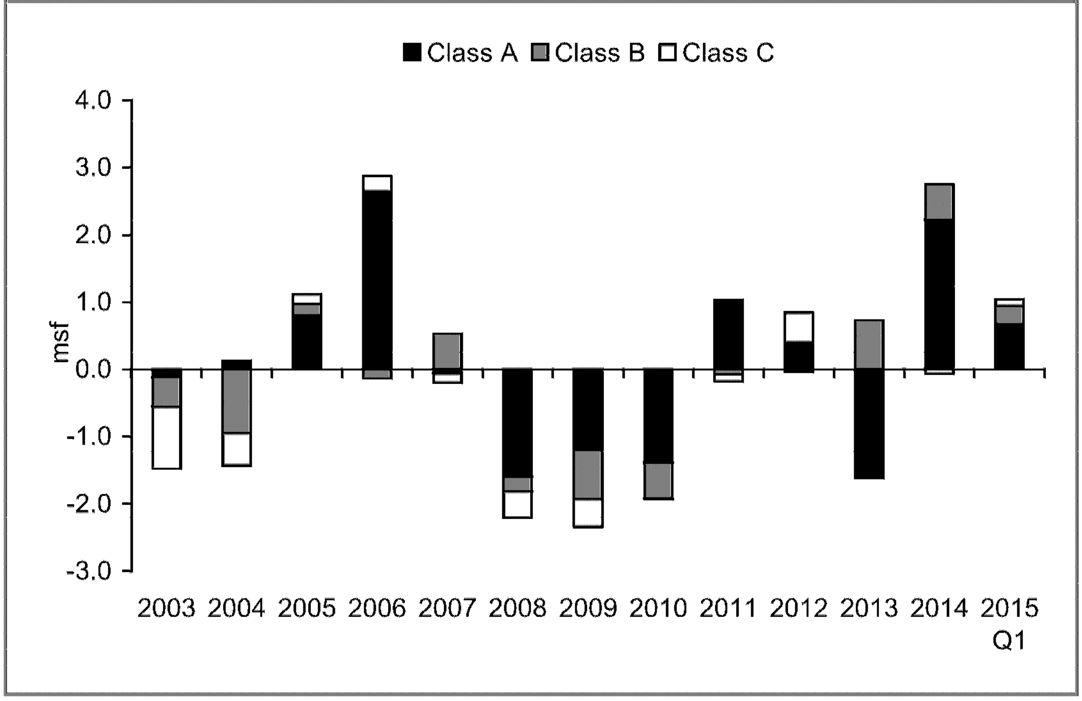
DIRECTLY COMPETITIVE BUILDINGS								
	Property (Cross Streets)	Office Area (NRA)	Direct Avail. SF	Sublease Avail SF	% Occupied (Direct)	% Occupied (Total)	Direct Asking Rent Low	Direct Asking Rent High
1	14 Wall Street	956,654	146,562	0	84.68%	84.68%	$40.00	$45.00
2	100 Church Street	970,627	0	0	100.00%	100.00%	N/A	N/A
3	123 William Street	503,325	10,317	0	97.95%	97.95%	$40.00	$54.00
4	111 Broadway	427,598	56,992	6,859	86.67%	85.07%	$45.00	$49.00
5	120 Broadway	1,916,700	128,872	107,282	93.28%	87.68%	$43.00	$48.00
6	233 Broadway	855,104	16,738	0	98.04%	98.04%	$55.00	$57.50
	TOTAL	**5,630,008**	**359,481**	**114,141**				
	AVERAGE	**938,335**	**59,914**	**19,024**	**93.61%**	**91.59%**	**$40.00**	**$57.50**

In our judgment, the subject property is at least as appealing to tenants as these competitive properties and should maintain a stabilized occupancy averaging near 92 percent. This is consistent with the implied overall occupancy rate of the subject property over the holding period of 97.10 percent, which includes vacancy and collection loss and downtime between leases.

DOWNTOWN LEASING ACTIVITY

According to Cushman & Wakefield, Inc. Research Department, at 1.0 million square feet, leasing activity fell 40.7 percent from Q1 2014. The decline in leasing is not due to a lack of demand, as several sizeable transactions were completed during the quarter. The largest new leases were signed by WeWork for 233,174 square feet at 85 Broad Street followed by OSP Group's 157,210 square feet lease at One New York Plaza. At 123 William Street, Planned Parenthood leased 65,000 square feet.

DOWNTOWN MANHATTAN OVERALL ABSORPTION
2001 – 2015 Q1



Lease up Assumptions

In our analysis, we have assumed that the 55,952 square feet of vacant space is leased over a 12 month absorption period from June 2015. This results in an absorption rate of 4,663 square feet per month or 13,998 square feet per quarter, which is generally consistent with opinions of absorption from real estate market participants. The subject property offers an excellent location on Wall Street and superior Downtown views from its 63-story tower, which are features considered to be very desirable by tenants. The following table summarizes our lease-up and absorption forecast.

SUMMARY OF VACANT SPACE ABSORPTION			
FLOOR/SUITE	TYPE	START OF LEASE	SQUARE FEET
Grade	Retail	Sep-15	791
0703	Office	Sep-15	8,693
1303	Office	Dec-15	9,327
1601	Office	Dec-15	5,772
2504	Office	Mar-16	4,698
5400	Office	Mar-16	9,248
5900	Office	Jun-16	7,900
6100	Office	Jun-16	6,243
6200	Office	Jun-16	3,814
Total			**56,486**

VACANCY AND COLLECTION LOSS

Our cash flow projection assumes a tenant vacancy of 8 months upon lease expiration set against our probability of renewal estimated at 65.00 percent, in addition to a vacancy/global credit loss provision applied to the gross rental income. The vacancy/global loss provision is applied to all tenants. Our estimated vacancy/global credit loss provision applied to the gross rental income is estimated throughout the holding period at 1.00 percent for all tenants.

Based on the subject's weighted average downtime between leases, as well as the preceding absorption schedule for the subject property, the overall average occupancy rate of the subject property over the 19-year holding period is 98.10 percent. Including our overall vacancy/global credit loss allowance estimated at 1.00 percent for all tenants, the implied overall occupancy rate of the subject property over the holding period is 97.10 percent. This is near the actual historical occupancy levels of competing buildings over the last several years.

OPERATING EXPENSES

We have analyzed the actual operating expenses for 2012, 2013, and 2014; and budgeted expenses for 2015 as provided by ownership. We forecasted the property's operating expenses after reviewing operating expenses of similar buildings and after consulting local building managers and agents, including Cushman & Wakefield property management personnel, etc. We also examined industry norms as reported by the **BOMA Experience Exchange Report** published by the Building Owners and Managers Association International, a nationally recognized publication.

On the **following pages** is the income and expense analysis for the property, which is based upon historical operating expense data supported by comparable expense data.

REVENUE AND EXPENSE ANALYSIS	Actual CY 2012		Actual CY 2013		Actual CY 2014		Budget CY 2015		Budget Comparison		C&W Forecast FY 2016	
	Total	Per SF	Total	Per SF	Total	Per SF	Total	Per SF	Total	PSF	Total	Per SF
POTENTIAL GROSS REVENUE												
Base Rental Revenue	$22,920,542	$19.67	$29,105,110	$24.98	$26,148,257	$22.44	$29,217,210	$25.07	$10,909,828	$9.36	$40,127,038	$34.44
Base Rent Abatements	0	0.00	(638,821)	(0.55)	0	0.00	0	0.00	(7,776,980)	(6.67)	(7,776,980)	(6.67)
Real Estate Taxes	945,450	0.81	1,571,070	1.35	487,950	0.42	461,100	0.40	(52,607)	(0.05)	408,493	0.35
Operating Expenses	1,129,945	0.97	762,360	0.65	132,728	0.11	0	0.00	29,098	0.02	29,098	0.02
Tenant Eletric	1,047,893	0.90	1,169,721	1.00	1,381,361	1.19	1,728,000	1.48	0	0.00	1,728,000	1.48
Miscellaneous Income	1,408,000	1.21	1,701,012	1.46	1,403,072	1.20	1,437,433	1.23	(232,204)	(0.20)	1,205,229	1.03
TOTAL POTENTIAL GROSS REVENUE	$27,451,831	$23.56	$33,670,452	$28.90	$29,553,368	$25.36	$32,843,743	$28.19	$2,877,135	$2.47	$35,720,878	$30.66
Vacancy and Collection Loss	0	0.00	0	0.00	0	0.00	0	0.00	(357,209)	(0.31)	(357,209)	(0.31)
EFFECTIVE GROSS REVENUE	$27,451,831	$23.56	$33,670,452	$28.90	$29,553,368	$25.36	$32,843,743	$28.19	$2,519,926	$2.16	$35,363,669	$30.35
OPERATING EXPENSES												
Payroll and Cleaning	$2,984,765	$2.56	$3,062,751	$2.63	$3,432,531	$2.95	$3,519,463	$3.02	$0	$0.00	$3,519,463	$3.02
Casualty, Liability and Terrorism Insurance	1,314,582	1.13	1,887,302	1.62	2,101,191	1.80	876,846	0.75	0	0.00	876,846	0.75
Utilities	2,154,612	1.85	2,150,263	1.85	2,284,164	1.96	2,617,000	2.25	0	0.00	2,617,000	2.25
Repairs and Maintenance	1,932,276	1.66	$2,323,662	1.99	2,258,513	1.94	2,621,000	2.25	0	0.00	2,621,000	2.25
General & Administrative	1,168,449	1.00	1,149,859	0.99	1,006,916	0.86	1,117,040	0.96	0	0.00	1,117,040	0.96
Management Fees	100,000	0.09	100,000	0.09	100,000	0.09	100,000	0.09	249,562	0.21	349,562	0.30
Subtotal	$9,654,684	$8.29	$10,673,837	$9.16	$11,183,315	$9.60	$10,851,349	$9.31	$249,562	$0.21	$11,100,911	$9.53
Ground Rent	$1,503,000	$1.29	$1,650,000	$1.42	$1,650,000	$1.42	$1,653,000	$1.42	($3,000)	($0.00)	$1,650,000	$1.42
Real Estate Taxes	7,792,682	6.69	5,901,681	5.06	6,085,208	5.22	6,098,494	5.23	1,087,325	0.93	7,185,819	6.17
TOTAL EXPENSES	$18,950,366	$16.26	$18,225,518	$15.64	$18,918,523	$16.24	$18,602,843	$15.97	$1,333,887	$1.14	$19,936,730	$17.11
NET OPERATING INCOME	$8,501,465	$7.30	$15,444,934	$13.26	$10,634,845	$9.13	$14,240,900	$12.22	$1,186,039	$1.02	$15,426,939	$13.24
CAPITAL EXPENDITURES												
Tenant Improvements	$16,124,738	$13.84	$9,044,937	$7.76	$7,435,208	$6.38	$0	$0.00	$1,610,520	$1.38	$1,610,520	$1.38
Leasing Commissions	3,309,616	2.84	2,949,799	2.53	4,229,407	3.63	0	0.00	841,255	0.72	841,255	0.72
Capital Reserves	0	0.00	0	0.00	0	0.00	0	0.00	116,521	0.10	116,521	0.10
TOTAL CAPITAL EXPENDITURES	$19,434,354	$16.68	$11,994,736	$10.29	$11,664,615	$10.01	$0	$0.00	$2,568,296	$2.20	$2,568,296	$2.20
CASH FLOW BEFORE DEBT SERVICE	($10,932,890)	($9.38)	$3,450,198	$2.96	($1,029,770)	($0.88)	$14,240,900	$12.22	($1,382,257)	($1.19)	$12,858,643	$11.04
Net Rentable Area:	1,165,207	Square Feet										

ANALYSIS OF EXPENSES

We analyzed each item of expense and developed an opinion of a level of expense we believe a typical investor in a property like this would consider reasonable. The forecast income and expenses are for calendar year 2016.

OPERATING EXPENSE ANALYSIS	
Payroll and Cleaning:	This expense includes wages and benefits covering employees of the building including union staffing and non-union salaries and benefits of the administrative personnel. This expense also includes contract cleaning costs and supplies along with window cleaning. This expense was $2,984,765 in 2012, $3,062,751 in 2013 and $3,432,531 in 2014. The 2015 budget is $3,519,463. It should be noted that the 2012 budgeted payroll expense for various cleaning personnel are included within the repairs and maintenance category. The 2012 budget is considered to be reasonable based on our analysis of comparable buildings that reflect costs ranging from $2.06 to $5.01 per square foot. The upper end of this range reflects buildings that include the cost of other service contracts in this category. The subject property does not include other service contracts within this expense category. Our forecast of fiscal year 2016 expense is $3,519,463 or $3.02 per square foot.
Casualty, Liability and Terrorism Insurance:	The federal terrorism insurance law signed in 2002 has had a positive effect on insurance costs. The federal terrorism insurance act was reauthorized in 2015 and expires in 2020. Reductions in costs for terrorism coverage alone are expected to continue. Casualty & liability and terrorism insurance coverage has become more important for Manhattan office buildings over the past year. Blanket coverage is of much less value to owners than it was in prior years. In other words, the carriers are less inclined to reduce overall premiums under blanket policies. Terrorism Insurance coverage is available in limited quantities with limited exposure (not full value) given by the carriers. Terrorism rates are very high something in the range of 3 to 5 percent of "value", annually. 40 Wall Street is currently covered with a terrorism insurance policy. This expense was $1,314,582 in 2012, $1,887,302 in 2013 and $2,101,191 in 2014. The 2015 budget is $876,846, which includes property policy, general liability and umbrella policy, fire and extended liability coverage, and terrorism coverage. Competitive buildings reflect costs ranging from $0.38 to $0.63 per square foot. Our forecast of fiscal year 2016 expense is $876,846 or $0.75 per square foot, which **includes terrorism insurance**.

Utilities: This expense includes electric for tenant space and common areas, as well as the cost of Con Edison steam to heat the building and water charges and sewer rent. The majority of the tenant spaces are billed for electrical consumption on a rent inclusion or submetered basis. This expense was $2,154,612 in 2012, $2,150,263 in 2013 and $2,284,164 in 2014. The 2015 budget is $2,617,000, which we consider sufficient to provide electric to tenants in the building given Con Edison's recent increase in utility rates. Competitive buildings reflect costs ranging from $1.15 to $4.58 per square foot. Our forecast of fiscal year 2016 expense is $2,617,000 or $2.25 per square foot.

Repairs and Maintenance: This expense is related to the actual expenses for on-going maintenance costs including engineering and preventative maintenance and elevator maintenance costs. This expense was $1,932,276 in 2012, $2,323,662 in 2013 and $2,258,513 in 2014. The 2015 budget is $2,621,000. It should be noted that the 2012 budgeted expense is allocated in a different manner than the historical expenses. The 2015 budgeted expense includes payroll expenses for various cleaning and security personnel. Competitive buildings reflect costs ranging from $0.75 to $3.48 per square foot. Our forecast of fiscal year 2016 expense is $2,621,000 or $2.25 per square foot.

General and Administrative: These costs include professional fees including general and administrative expenses related to operating an office building. This expense was $1,168,449 in 2012, $1,149,859 in 2013 and $1,006,916 in 2014. The 2015 budget is $1,117,040. Competitive buildings reflect costs ranging from $0.41 to $2.66 per square foot. Our forecast of fiscal year 2016 expense is $1,117,040 or $0.96 per square foot.

Management Fee: The property owners currently act as managing agent for the property. This expense was $100,000 in 2012, $100,000 in 2013 and $100,000 in 2014. The 2015 budget is $100,000. Upon sale of the building, we have applied a management fee consistent with rates quoted by Manhattan brokerage and management firms including Cushman & Wakefield, Inc., which typically charge based on building size rather than percentage of revenue.

It should be noted that management fees are typically provided at or near cost by Manhattan brokerage and management firms in an attempt to secure leasing and other business opportunities. In addition, Manhattan brokerage and management firms typically have economies of scale as a result of managing several buildings. In comparison, management fees of owner managed properties typically include profit centers. Our forecast of fiscal year 2016 expense is $349,562 or $0.30 per square foot.

Ground Rent: The ground rent payments total $1,650,000 or $1.42 per square foot. This represents our forecast of 2015 calendar year ground rent payments, which have been discussed in detail under the Ground Lease and Land Valuation section of this report.

Real Estate and BID Taxes: The calendar year 2015 real estate taxes including the ICIP tax exemption are projected to be $6,948,724 or $5.97 per square foot of rentable area ($6.55 per square foot of the assessor's gross building area of 1,061,266 square feet). Included within the real estate tax projection are business improvement district (BID) taxes which are $237,095. This represents our current forecast of real estate and BID taxes, which have been discussed in detail under the Real Property Taxes and Assessments section of this report.

TOTAL OPERATING EXPENSES

In our analysis of the subject property, the total operating expenses, excluding real estate taxes, estimated for fiscal year 2016 are $11,100,911 or $9.53 per square foot of net rentable area excluding taxes. Our operating expenses estimated for the subject property are within the range of actual operating expenses of competing office buildings located in Manhattan as presented on the following chart.

COMPARABLE OFFICE BUILDING EXPENSE ANALYSIS

Office Building (Downtown) Year Built Rentable Area Source (Year)	100 Broadway 1897/1998 394,790 Budget CY 2014		61 Broadway 1917 786,975 Budget CY 2015		14 Wall Street 1912 1,050,771 Budget CY 2015	
	Annual Amount	Per SF	Annual Amount	Per SF	Annual Amount	Per SF
POTENTIAL GROSS REVENUE						
Base Rental Revenue	$14,024,254	$35.52	$25,432,881	$32.32	$35,395,333	$33.69
Base Rent Abatements	($853,418)	($2.16)	($1,421,690)	($1.81)	($3,140,854)	($2.99)
Real Estate Taxes	$464,744	$1.18	$896,994	$1.14	$1,392,143	$1.32
Operating Expenses	$296,098	$0.75	$0	$0.00	$153,953	$0.15
Tenant Electric	$31,901	$0.08	$1,715,615	$2.18	$2,742,513	$2.61
Miscellaneous Income	$228,800	$0.58	$208,191	$0.26	$609,434	$0.58
TOTAL POTENTIAL GROSS REVENUE	$14,192,379	$35.95	$26,831,991	$34.10	$37,152,522	$35.36
Vacancy and Collection Loss	$0	$0.00	$0	$0.00	($2,323,195)	($2.21)
EFFECTIVE GROSS REVENUE	$14,192,379	$35.95	$26,831,991	$34.10	$34,829,327	$33.15
OPERATING EXPENSES						
Payroll and Cleaning	$1,736,163	$4.40	$3,312,470	$4.21	$2,169,441	$2.06
Casualty, Liability and Terrorism Insurance	$249,424	$0.63	$320,774	$0.41	$552,883	$0.53
Utilities	$452,347	$1.15	$2,605,673	$3.31	$4,810,590	$4.58
Repairs and Maintenance	$399,640	$1.01	$812,311	$1.03	$2,584,392	$2.46
General and Administrative	$162,480	$0.41	$654,601	$0.83	$1,504,854	$1.43
Management Fee	$212,886	$0.54	$603,720	$0.77	$696,587	$0.66
SUBTOTAL	$3,212,940	$8.14	$8,309,549	$10.56	$12,318,747	$11.72
Ground Rent	$0	$0.00	$0	$0.00	$0	$0.00
Real Estate Taxes	$2,483,723	$6.29	$4,883,948	$6.21	$6,897,962	$6.56
TOTAL EXPENSES	$5,696,663	$14.43	$13,193,497	$16.76	$19,216,709	$18.29
NET OPERATING INCOME	$8,495,716	$21.52	$13,638,494	$17.33	$15,612,618	$14.86
CAPITAL EXPENDITURES						
Tenant Improvements	$1,179,630	$2.99	$3,016,918	$3.83	$8,353,117	$7.95
Leasing Commissions	$653,173	$1.65	$902,997	$1.15	$2,420,211	$2.30
Capital Reserves	$58,275	$0.15	$2,463,032	$3.13	$160,474	$0.15
TOTAL CAPITAL EXPENDITURES	$1,891,078	$4.79	$6,382,947	$8.11	$10,933,802	$10.41
CASH FLOW BEFORE DEBT SERVICE	$6,604,638	$16.73	$7,255,547	$9.22	$4,678,816	$4.45

COMPARABLE OFFICE BUILDING EXPENSE ANALYSIS (CONTINUED)						
Property Name	**26 Broadway**		**120 Broadway**		**233 Broadway**	
Year Built	**1923/1925**		**1915**		**1913**	
Rentable Area	**839,316**		**2,050,348**		**793,076**	
Source (Year)	**Budget CY 2015**		**Budget CY 2013**		**Budget CY 2015**	
	Annual Amount	**Per SF**	**Annual Amount**	**Per SF**	**Annual Amount**	**Per SF**
POTENTIAL GROSS REVENUE						
Base Rental Revenue	$21,065,755	$25.10	$67,938,128	$33.13	$29,487,475	$37.18
Base Rent Abatements	($1,349,084)	($1.61)	($3,374,482)	($1.65)	($867,444)	($1.09)
Real Estate Taxes	$998,004	$1.19	$2,340,815	$1.14	$1,999,654	$2.52
Operating Expenses	$217,129	$0.26	$4,017,767	$1.96	$585,190	$0.74
Tenant Electric	$555,414	$0.66	$5,492,599	$2.68	$1,713,357	$2.16
Miscellaneous Income	$193,956	$0.23	$1,057,865	$0.52	$123,600	$0.16
TOTAL POTENTIAL GROSS REVENUE	$21,681,174	$25.83	$77,472,692	$37.79	$33,041,832	$41.66
		$0.00				
Vacancy and Collection Loss	($174,964)	($0.21)	$0	$0.00	$0	$0.00
EFFECTIVE GROSS REVENUE	$21,506,210	$25.62	$77,472,692	$37.79	$33,041,832	$41.66
OPERATING EXPENSES						
Payroll and Cleaning	$2,271,338	$2.71	$9,111,048	$4.44	$2,212,600	$2.79
Casualty, Liability and Terrorism Insurance	$397,899	$0.47	$1,186,529	$0.58	$297,692	$0.38
Utilities	$2,738,033	$3.26	$8,991,988	$4.39	$1,897,270	$2.39
Repairs and Maintenance	$628,029	$0.75	$3,884,027	$1.89	$2,757,574	$3.48
General and Administrative	$642,763	$0.77	$1,231,833	$0.60	$2,112,657	$2.66
Management Fee	$121,200	$0.14	$1,936,817	$0.94	$660,837	$0.83
SUBTOTAL	$6,799,262	$8.10	$26,342,242	$12.85	$9,938,630	$12.53
Ground Rent	$0	$0.00	$850,000	$0.41	$0	$0.00
Real Estate Taxes	$4,232,412	$5.04	$11,998,654	$5.85	$6,358,230	$8.02
TOTAL EXPENSES	$11,031,674	$13.14	$39,190,896	$19.11	$16,296,860	$20.55
NET OPERATING INCOME	$10,474,536	$12.48	$38,281,796	$18.67	$16,744,972	$21.11
CAPITAL EXPENDITURES						
Tenant Improvements	$3,063,096	$3.65	$16,164,133	$7.88	$1,674,217	$2.11
Leasing Commissions	$159,816	$0.19	$4,706,885	$2.30	$1,141,100	$1.44
Capital Reserves	$0	$0.00	$491,902	$0.24	$0	$0.00
TOTAL CAPITAL EXPENDITURES	$3,222,912	$3.84	$21,362,920	$10.42	$2,815,317	$3.55
CASH FLOW BEFORE DEBT SERVICE	$7,251,624	$8.64	$16,918,876	$8.25	$13,929,655	$17.56

COMPARABLE OFFICE BUILDING EXPENSE ANALYSIS (CONTINUED)						
Property Name	**40 Wall Street (Subject)**					
Year Built	**1930**					
Rentable Area	**1,165,207**					
Source (Year)	**Budget CY 2015**		**C&W Forecast FY 2016**		**Expense Comparables**	
	Annual Amount	**Per SF**	**Annual Amount**	**Per SF**	**Minimum Per SF**	**Maximum Per SF**
POTENTIAL GROSS REVENUE						
Base Rental Revenue	$29,217,210	$25.07	$40,127,038	$34.44	$25.10	$37.18
Base Rent Abatements	$0	$0.00	($7,776,980)	($6.67)	($2.99)	($1.09)
Real Estate Taxes	$461,100	$0.40	$408,493	$0.35	$1.14	$2.52
Operating Expenses	$0	$0.00	$29,098	$0.02	$0.00	$1.96
Tenant Electric	$1,728,000	$1.48	$1,728,000	$1.48	$0.08	$2.68
Miscellaneous Income	$1,437,433	$1.23	$1,205,229	$1.03	$0.16	$0.58
TOTAL POTENTIAL GROSS REVENUE	$32,843,743	$28.19	$35,720,878	$30.66	$25.83	$41.66
Vacancy and Collection Loss	$0	$0.00	($357,209)	($0.31)	($2.21)	$0.00
EFFECTIVE GROSS REVENUE	$32,843,743	$28.19	$35,363,669	$30.35	$25.62	$41.66
OPERATING EXPENSES						
Payroll and Cleaning	$3,519,463	$3.02	$3,519,463	$3.02	$2.06	$4.44
Casualty, Liability and Terrorism Insurance	$876,846	$0.75	$876,846	$0.75	$0.38	$0.63
Utilities	$2,617,000	$2.25	$2,617,000	$2.25	$1.15	$4.58
Repairs and Maintenance	$2,621,000	$2.25	$2,621,000	$2.25	$0.75	$3.48
General and Administrative	$1,117,040	$0.96	$1,117,040	$0.96	$0.41	$2.66
Management Fee	$100,000	$0.09	$349,562	$0.30	$0.14	$0.94
SUBTOTAL	$10,851,349	$9.31	$11,100,911	$9.53	$8.10	$12.85
Ground Rent	$1,653,000	$1.42	$1,650,000	$1.42	$0.00	$0.41
Real Estate Taxes	$6,098,494	$5.23	$7,185,819	$6.17	$5.04	$8.02
TOTAL EXPENSES	$18,602,843	$15.97	$19,936,730	$17.11	$13.14	$20.55
NET OPERATING INCOME	$14,240,900	$12.22	$15,426,939	$13.24	$12.48	$21.52
CAPITAL EXPENDITURES						
Tenant Improvements	$0	$0.00	$1,610,520	$1.38	$2.11	$7.95
Leasing Commissions	$0	$0.00	$841,255	$0.72	$0.19	$2.30
Capital Reserves	$0	$0.00	$116,521	$0.10	$0.00	$3.13
TOTAL CAPITAL EXPENDITURES	$0	$0.00	$2,568,296	$2.20	$3.55	$10.42
CASH FLOW BEFORE DEBT SERVICE	$14,240,900	$12.22	$12,858,643	$11.04	$4.45	$17.56

The six expense comparables reflect a range of $8.10 to $12.85 per square foot. These buildings have varying degrees of similarity with the subject property in terms of age, size, tenancy and quality. In our judgment, a reconciled expense figure of $9.53 per square foot is reasonable for the subject property considering its age, size and budgeted expense figures.

COMPARABLE OFFICE BUILDING
OPERATING EXPENSES (EXCLUDING REAL ESTATE TAXES)

NAME/ADDRESS	YEAR BUILT	NRA	YEAR SURVEYED	EXPENSES/SF
100 Broadway	1897/1998	394,790	Budget CY 2014	$8.14
61 Broadway	1917	786,975	Budget CY 2015	$10.56
14 Wall Street	1912	1,050,771	Budget CY 2015	$11.72
26 Broadway	1923/1925	839,316	Budget CY 2015	$8.10
120 Broadway	1915	2,050,348	Budget CY 2013	$12.85
233 Broadway	1913	793,076	Budget CY 2015	$12.53
40 Wall Street (Subject)	1930	1,164,673	C&W Forecast FY 2015	$9.77

EXPENSE GROWTH RATE

Our cash flow projections assume that operating expenses and tenant improvement costs will grow at the rate of 3.00 percent per year during the holding period. Real estate tax rates were grown at approximately 4.63 percent for years 1 through 5. Thereafter, we increased real estate taxes at 3.00 percent per year.

RESERVES FOR REPLACEMENTS

It is customary and prudent to deduct an annual sum from effective gross income to establish a reserve for replacing short-lived items throughout the building. These costs may include roof repair, HVAC upgrades and ADA compliance. Our calendar year 2016 projection of $116,521 or $0.10 per square foot of rentable area is a reasonable amount to cover the cost of capital expenditures over the course of the investment-holding period.

DISCOUNTED CASH FLOW ANALYSIS

In the Discounted Cash Flow Method, we employed Argus for Windows software to model the income characteristics of the property and to make a variety of cash flow assumptions. We attempted to reflect the most likely investment assumptions of typical buyers and sellers in this particular market segment. The following table illustrates the assumptions used in the discounted cash flow analysis.

DISCOUNTED CASH FLOW ASSUMPTIONS	
MODELING ASSUMPTIONS	
Years in Forecast:	20 years
Holding Period:	19 years
Start Dates:	June 1, 2015
Reversion Year:	FY 2035 (20th fiscal year)
Vacancy & Collection Loss:	1.00% (average; applied to all tenants)
Consumer Price Index (CPI):	3.00%
Expense Growth Rate:	3.00%
Rates of Return	
Discount Rate:	6.50% (see Discount Rate Analysis)
Terminal Cap Rate:	5.25% (applied to reversion year net operating income)
Reversionary Sales Cost:	4.00% (includes brokerage, legal fees and estimated transfer taxes)
Indicated Value:	$540,000,000

LEASING ASSUMPTIONS	MAJOR OFFICE TENANTS	MINOR OFFICE TENANTS	RETAIL TENANTS	STORAGE TENANTS
Market Rent per Square Foot	Floors 2-18 \$45.00/sf; Floors 19-25 \$47.00/sf; Floors 26-34 \$50.00/sf; Floors 35-63 \$52.00/sf	Floors 2-18 \$45.00/sf; Floors 19-25 \$47.00/sf; Floors 26-34 \$50.00/sf; Floors 35-63 \$52.00/sf	\$650.00 (Wall Street Small); \$75.00/sf (Wall Street Large); \$75.00/sf (Pine Street); \$250.00/sf (Lobby); \$50.00/sf (Mezzanine); \$25.00/sf (Basement)	\$25.00/sf
Market Rent Growth Rate:	3.00%	3.00%	3.00%	3.00%
Lease Term (years):	15	10	10	10
Free Rent (months)				
New Leases:	12	10	6	6
Renewals:	6	5	3	3
Downtime Between Leases (months):	8	8	8	8
	Downtime between leases is prior to renewal probability of 65.00%; effective vacancy is 3 months.			
Renewal Probability:	65.00%	65.00%	65.00%	65.00%
Capital Expenditures:				
Tenant Improvements (\$/SF)				
New Leases:	\$50.00	\$40.00	None	None
Renewals:	\$25.00	\$20.00	None	None
Leasing Commissions				
10 Year Leases:	40.00% of first year's base rent including 125% override (paid in year one)			
15 Year Leases:	52.50% of first year's base rent including 125% override (paid in year one)			
All Renewals:	Typically half of new tenant commission.			

RENT ESCALATIONS & EXPENSE RECOVERIES ASSUMPTIONS	
Rent Steps and Escalations:	For 10 and 15-year leases, 60-month step-ups of 10% are assumed.
Expense Recoveries:	We have assumed that future leases in the subject property will be on a full service basis. Tenants will be responsible for a) real estate tax increases over a base tax year amount billed either monthly or semi-annually; b) operating expense escalation billed monthly; and c) tenant electric on a rent inclusion basis of \$3.00 per square foot billed monthly.

CASH FLOW PROJECTION

On the following pages is our 20-year cash flow projection, which includes our 19-year holding period and 20-year reversionary year. The cash flow reflects the results of the **Argus for Windows** projection imported to **Microsoft Excel**. The cash flow exhibits a value matrix along with a matrix of rates of return over the projection period.

40 Wall Street
Market Value "As Is" on June 1, 2015
Cash Flow Analysis

	YEAR 1 FY 2016	YEAR 2 FY 2017	YEAR 3 FY 2018	YEAR 4 FY 2019	YEAR 5 FY 2020	YEAR 6 FY 2021	YEAR 7 FY 2022	YEAR 8 FY 2023	YEAR 9 FY 2024	YEAR 10 FY 2025
POTENTIAL GROSS INCOME										
Base Rental Revenue	$40,127,038	$42,767,080	$43,874,220	$45,760,943	$46,329,816	$47,552,117	$49,133,966	$53,532,896	$57,050,130	$57,890,937
Base Rent Abatements	($7,776,980)	($4,172,551)	($2,268,501)	($1,700,619)	($272,054)	($1,927,063)	($3,272,186)	($5,301,259)	($2,477,116)	($572,671)
BASE RENTAL INCOME	$32,350,058	$38,594,529	$41,605,719	$44,060,324	$46,057,762	$45,625,054	$45,861,780	$48,231,637	$54,573,014	$57,318,266
Real Estate Taxes	$408,493	$714,748	$1,064,381	$1,455,057	$1,912,359	$2,197,546	$2,270,223	$2,230,702	$2,359,915	$2,625,687
Operating Expenses	$29,098	$167,931	$366,352	$616,293	$885,593	$1,165,682	$1,482,425	$1,744,139	$2,031,667	$2,414,002
Tenant Electric	$1,728,000	$1,779,840	$1,833,235	$1,888,232	$1,944,879	$2,003,226	$2,063,322	$2,125,222	$2,188,979	$2,254,648
TOTAL REIMBURSEMENT REVENUE	$2,165,591	$2,662,519	$3,263,968	$3,959,582	$4,742,831	$5,366,454	$5,815,970	$6,100,063	$6,580,561	$7,294,337
Add: Miscellaneous Income	$1,205,229	$1,241,386	$1,278,627	$1,316,986	$1,356,496	$1,397,191	$1,439,106	$1,482,279	$1,526,748	$1,572,550
POTENTIAL GROSS INCOME	$35,720,878	$42,498,434	$46,148,314	$49,336,892	$52,157,089	$52,388,699	$53,116,856	$55,813,979	$62,680,323	$66,185,153
Less: Vacancy & Collection Loss	($357,209)	($424,984)	($461,483)	($493,369)	($521,571)	($523,887)	($531,169)	($558,140)	($626,803)	($661,852)
EFFECTIVE GROSS INCOME	$35,363,669	$42,073,450	$45,686,831	$48,843,523	$51,635,518	$51,864,812	$52,585,687	$55,255,839	$62,053,520	$65,523,301
OPERATING EXPENSES										
Real Estate Taxes	$7,185,819	$7,538,804	$8,028,602	$8,512,468	$9,005,309	$9,392,799	$9,674,583	$9,964,821	$10,263,765	$10,571,678
Operating Expenses	$11,100,911	$11,433,938	$11,776,956	$12,130,265	$12,494,175	$12,868,998	$13,255,069	$13,652,719	$14,062,303	$14,484,170
Ground Rent	$1,650,000	$1,650,000	$1,718,750	$1,815,000	$2,023,333	$2,315,000	$2,315,000	$2,411,458	$2,546,500	$2,546,500
TOTAL OPERATING EXPENSES	$19,936,730	$20,622,742	$21,524,308	$22,457,733	$23,522,817	$24,576,797	$25,244,652	$26,028,998	$26,872,568	$27,602,348
NET OPERATING INCOME	$15,426,939	$21,450,708	$24,162,523	$26,385,790	$28,112,701	$27,288,015	$27,341,035	$29,226,841	$35,180,952	$37,920,953
Per Square Foot	*$13.24*	*$18.41*	*$20.74*	*$22.64*	*$24.13*	*$23.42*	*$23.46*	*$25.08*	*$30.19*	*$32.54*

	YEAR 11 FY 2026	YEAR 12 FY 2027	YEAR 13 FY 2028	YEAR 14 FY 2029	YEAR 15 FY 2030	YEAR 16 FY 2031	YEAR 17 FY 2032	YEAR 18 FY 2033	YEAR 19 FY 2034	YEAR 20 FY 2035
POTENTIAL GROSS INCOME										
Base Rental Revenue	$57,858,605	$61,628,682	$63,349,749	$67,711,589	$71,187,572	$72,608,805	$74,107,758	$77,417,530	$83,464,812	$85,185,380
Base Rent Abatements	($2,415,857)	($4,383,749)	($1,767,159)	($4,948,505)	($5,291,403)	($1,453,086)	($3,265,448)	($4,684,774)	($6,676,290)	($1,105,652)
BASE RENTAL INCOME	$55,442,748	$57,244,933	$61,582,590	$62,763,084	$65,896,169	$71,155,719	$70,842,310	$72,732,756	$76,788,522	$84,079,728
Real Estate Taxes	$2,727,415	$2,676,576	$2,815,232	$2,750,442	$2,608,243	$2,846,933	$2,904,125	$2,770,022	$2,654,421	$2,984,213
Operating Expenses	$2,622,088	$2,685,220	$2,971,115	$3,016,225	$2,984,169	$3,309,343	$3,547,873	$3,553,538	$3,459,991	$3,929,929
Tenant Electric	$2,322,288	$2,391,956	$2,463,715	$2,537,626	$2,613,755	$2,692,168	$2,772,933	$2,856,121	$2,941,804	$3,030,058
TOTAL REIMBURSEMENT REVENUE	$7,671,791	$7,753,752	$8,250,062	$8,304,293	$8,206,167	$8,848,444	$9,224,931	$9,179,681	$9,056,216	$9,944,200
Add: Miscellaneous Income	$1,619,726	$1,668,318	$1,718,368	$1,769,920	$1,823,018	$1,877,707	$1,934,039	$1,992,060	$2,051,823	$2,113,376
POTENTIAL GROSS INCOME	$64,734,265	$66,667,003	$71,551,020	$72,837,297	$75,925,354	$81,881,870	$82,001,280	$83,904,497	$87,896,561	$96,137,304
Less: Vacancy & Collection Loss	($647,343)	($666,670)	($715,510)	($728,373)	($759,254)	($818,819)	($820,013)	($839,045)	($878,966)	($961,373)
EFFECTIVE GROSS INCOME	$64,086,922	$66,000,333	$70,835,510	$72,108,924	$75,166,100	$81,063,051	$81,181,267	$83,065,452	$87,017,595	$95,175,931
OPERATING EXPENSES										
Real Estate Taxes	$10,888,829	$11,215,493	$11,551,958	$11,898,517	$12,255,472	$12,623,136	$13,001,831	$13,391,886	$13,793,642	$14,207,452
Operating Expenses	$14,918,697	$15,366,258	$15,827,246	$16,302,062	$16,791,124	$17,294,858	$17,813,702	$18,348,113	$18,898,558	$19,465,515
Ground Rent	$2,546,500	$2,546,500	$2,652,604	$2,801,150	$2,801,150	$2,801,150	$2,801,150	$8,443,736	$16,343,357	$16,343,357
TOTAL OPERATING EXPENSES	$28,354,026	$29,128,251	$30,031,808	$31,001,729	$31,847,746	$32,719,144	$33,616,683	$40,183,735	$49,035,557	$50,016,324
NET OPERATING INCOME	$35,732,896	$36,872,082	$40,803,702	$41,107,195	$43,318,354	$48,343,907	$47,564,584	$42,881,717	$37,982,038	$45,159,607
Per Square Foot	*$30.67*	*$31.64*	*$35.02*	*$35.28*	*$37.18*	*$41.49*	*$40.82*	*$36.80*	*$32.60*	*$38.76*

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40 WALL STREET
Market Value "As Is" on June 1, 2015
Cash Flow Analysis

	YEAR 1 FY 2016	YEAR 2 FY 2017	YEAR 3 FY 2018	YEAR 4 FY 2019	YEAR 5 FY 2020	YEAR 6 FY 2021	YEAR 7 FY 2022	YEAR 8 FY 2023	YEAR 9 FY 2024	YEAR 10 FY 2025
LEASING & CAPITAL COSTS										
Tenant Improvements	$1,610,520	$1.746.885	$2.789.717	$768,640	$228,493	$2.103.448	$4.643.442	$5,390,577	$1.500,116	$359.475
Leasing Commissions	$841,255	$859,432	$1,455,006	$378,168	$114,792	$1,118,281	$2.345.404	$2,770,728	$806,883	$178,614
Capital Reserves	$116.521	$120,016	$123.617	$127.325	$131.145	$135,079	$139.132	$143.306	$147.605	$152,033
TOTAL LEASING & CAPITAL COSTS	$2.568,296	$2.726.333	$4.368.340	$1,274,033	$474,430	$3.356.808	$7.127.978	$8,304,611	$2.454.604	$690.122
TOTAL CASH FLOW	$12.858,643	$18,724,375	$19.794.183	$25.111.757	$27.638.271	$23,931,207	$20.213.057	$20,922,230	$32.726.348	$37,230,831
Annual Overall Capitalization Rate	*2.66%*	*3.97%*	*4.47%*	*4.89%*	*5.21%*	*5.05%*	*5.06%*	*5.41%*	*6.51%*	*7.02%*
Annual Cash on Cash Return	*2.38%*	*3.47%*	*3.67%*	*4.65%*	*5.12%*	*4.43%*	*3.74%*	*3.87%*	*6.06%*	*6.89%*
PROPERTY VALUATION MATRIX AND CASH FLOW SUMMARY ($000's)										
Net Cash Flow	$12,859	$18,724	$19,794	$25,112	$27,638	$23,931	$20,213	$20,922	$32,726	$37,231
Residual Value	0	0	0	0	0	0	0	0	0	0
Total Cash Flow Proceeds	$12,859	$18,724	$19,794	$25,112	$27,638	$23,931	$20,213	$20,922	$32,726	$37,231

	YEAR 11 FY 2026	YEAR 12 FY 2027	YEAR 13 FY 2028	YEAR 14 FY 2029	YEAR 15 FY 2030	YEAR 16 FY 2031	YEAR 17 FY 2032	YEAR 18 FY 2033	YEAR 19 FY 2034	YEAR 20 FY 2035
LEASING & CAPITAL COSTS										
Tenant Improvements	$3,337,672	$3,419,423	$2.143.778	$4.926.079	$5,653,899	$2,240,389	$2.942.070	$6.345.898	$2,986,769	$853,813
Leasing Commissions	$1.736.013	$1.699.232	$1,118,045	$2.536,464	$2.826.596	$1.101.240	$2.784.704	$3.304,331	$1,551,948	$609,317
Capital Reserves	$156.594	$161.292	$166,131	$171,115	$176.248	$181.535	$186,982	$192,591	$198.369	$204.320
TOTAL LEASING & CAPITAL COSTS	$5,230,179	$5,279,947	$3.427.954	$7.633.658	$8,656,743	$3.523.164	$5.913.756	$9.842.820	$4,736,076	$1.667.450
TOTAL CASH FLOW	$30.502.717	$31.592.135	$37,375,748	$33.473.537	$34.661.611	$44.820.743	$41,650,828	$33.038.897	$33.245.962	$43.492.157
Annual Overall Capitalization Rate	*6.62%*	*6.83%*	*7.56%*	*7.61%*	*8.02%*	*8.95%*	*8.61%*	*7.94%*	*7.03%*	*8.36%*
Annual Cash on Cash Return	*5.65%*	*5.85%*	*6.92%*	*6.20%*	*6.42%*	*8.30%*	*7.71%*	*6.12%*	*6.16%*	*8.05%*
PROPERTY VALUATION MATRIX AND CASH FLOW SUMMARY ($000's)										
Net Cash Flow	$30,503	$31,592	$37,376	$33,474	$34,662	$44,821	$41,651	$33,039	$33,246	
Residual Value	0	0	0	0	0	0	0	0	824,313	
Total Cash Flow Proceeds	$30,503	$31,592	$37,376	$33,474	$34,662	$44,821	$41,651	$33,039	$857,559	

PRICING MATRIX - Sale/Yield Matrix (000's)

IRR	Terminal Cap Rate 4.25%	4.75%	5.25%	5.75%	6.25%
5.50%	$686,426 ($589)	$647.601 ($556)	$616.171 ($529)	$590,208 ($507)	$568,398 ($488)
6.00%	$640,459 ($550)	$604.969 ($519)	$576,240 ($495)	$552.507 ($474)	$532,571 ($457)
6.50%	$598,226 ($513)	$565.772 ($486)	$539.500 ($463)	$517.797 ($444)	$499,566 ($429)
7.00%	$559,395 ($480)	$529.705 ($455)	$505.670 ($434)	$485.815 ($417)	$469,136 ($403)
7.50%	$523,666 ($449)	$496,492 ($426)	$474.495 ($407)	$456.323 ($392)	$441,058 ($379)

VALUATION ASSUMPTIONS	
Discount Rate:	6.50%
Terminal Cap Rate:	5.25%
Cost of Sale at Reversion	4.00%
Square Footage NRA (sf)	1,165.207
Holding Period	19 Years
Value of Cash Flow	290,356,486
Value of Reversion	249,143,384
ESTIMATED MARKET VALUE	$540,000,000
Per Square Foot	$463.44

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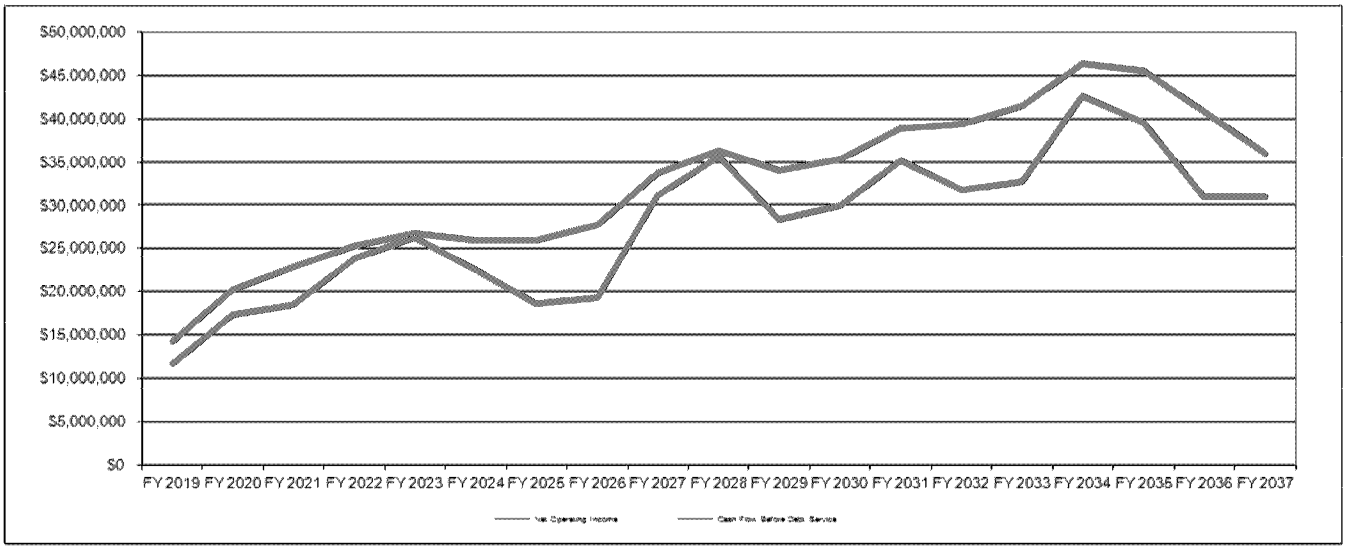
The following graph depicts the forecasted change in both net income and net cash flow over the analysis period.



INVESTOR SURVEY TRENDS

Historic trends in real estate investment help us understand the current and future direction of the market. Investors' return requirements are a benchmark by which real estate assets are bought and sold.

The investment criteria derived from the improved property sales within the Sales Comparison Approach section of this report also lend support to national investor surveys of investment parameters. Following is a brief review of effective gross income multipliers, overall rates, forecasted holding periods, internal rates of return and terminal overall rates from several Downtown Manhattan office building sales.

SALES ECONOMIC INDICATORS - DOWNTOWN MANHATTAN								
No.	Sales Date	Property Name	Price	Price/ NRA	OAR	Forecast	IRR	Terminal OAR
1	Jun-15	100 Wall Street	$270,000,000	$522	3.04%	14	6.00%	5.00%
2	Mar-15	123 William Street	$253,000,000	$464	2.68%	14	7.00%	5.00%
3	Dec-14	32 Old Slip	$675,000,000	$582	4.00%	14	6.00%	5.00%
4	Sep-14	180 Maiden Lane	$470,000,000	$395	n/a	14	7.00%	5.50%
5	Aug-14	77 Water Street	$245,000,000	$387	7.68%	10	7.00%	5.50%
6	Aug-14	80 Broad Street	$175,000,000	$425	3.74%	10	6.50%	5.00%
7	Aug-14	222 Broadway	$502,000,000	$647	4.15%	11	7.00%	5.00%
8	May-14	61 Broadway	$330,000,000	$419	4.46%	11	7.00%	5.00%
9	May-14	110 William Street	$261,100,000	$281	4.97%	11	7.00%	5.00%
10	Mar-14	388-390 Greenwich Street	$1,585,000,000	$602	6.90%	10	7.00%	5.00%
11	Mar-14	160 Water Street	$165,000,000	$338	4.28%	10	7.50%	5.00%
12	Feb-14	55 Broadway	$157,000,000	$438	4.87%	13	8.00%	5.50%

** Compiled by Cushman & Wakefield Valuation & Advisory*

It should be noted that the internal rate of return and terminal overall capitalization rate information reflected in the above chart was extracted from cash flows prepared by Cushman & Wakefield, Inc. from appraisals they prepared of these properties. This information is not provided in publications, but is a technique which only Cushman & Wakefield, Inc. employs in their analysis of New York City office building sales from an appraisal standpoint. The Cushman & Wakefield, Inc. internal rate of return and terminal overall capitalization rate information are confirmed directly from the owners of the respective properties when the properties were appraised.

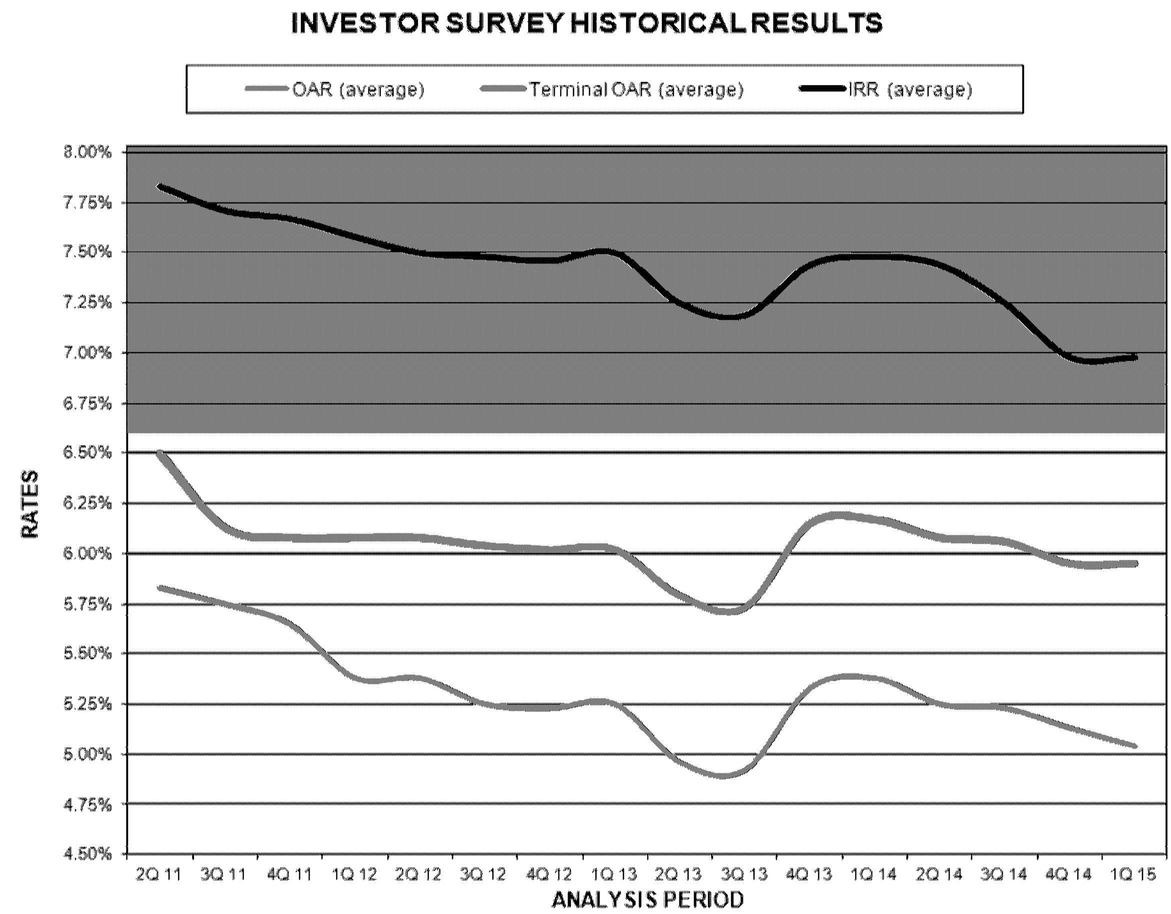
In addition, the following graph shows the historic trends for the subject's asset class spanning a period of four years as reported in the PricewaterhouseCoopers Real Estate Investor Survey.

INVESTOR SURVEY HISTORICAL RESULTS

Survey: **PwC** End Quarter:

Property Type: **MANHATTAN OFFICE** **1Q 15**

Quarter	2Q 11	3Q 11	4Q 11	1Q 12	2Q 12	3Q 12	4Q 12	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15
OAR (average)	5.83%	5.75%	5.65%	5.38%	5.38%	5.25%	5.23%	5.25%	4.96%	4.92%	5.33%	5.38%	5.25%	5.23%	5.13%	5.04%
Terminal OAR (average)	6.50%	6.13%	6.08%	6.08%	6.08%	6.04%	6.02%	6.02%	5.79%	5.73%	6.15%	6.17%	6.08%	6.06%	5.95%	5.95%
IRR (average)	7.83%	7.71%	7.67%	7.58%	7.50%	7.48%	7.46%	7.50%	7.25%	7.19%	7.44%	7.48%	7.44%	7.25%	6.98%	6.98%



Source: PwC Real Estate Investor Survey

As the chart illustrates, investment market conditions have shown considerable improvement over 2011 data. The (average) IRR requirements for Manhattan office properties have decreased quarterly from 2nd quarter 2010 through first quarter 2015, with the reported IRR's improving over the past four years. During this time period IRR requirements (average) have declined by 85 basis points from 7.83 percent as of second quarter 2011 to the current level of 6.98 percent as of 1st quarter 2015. In the 4th quarter of 2013 we saw the first increase in IRR since 4th quarter of 2012; however, the average IRR declined 50 basis points from the first quarter 2014.

FINANCIAL ASSUMPTIONS

The financial assumptions used in the Discount Cash Flow analysis are discussed in the following commentary. A terminal capitalization rate was used to develop an opinion of the market value of the property at the end of the assumed investment holding period. We based the estimate of property value at reversion on assumed resale at the end of Year 19, using our forecast of Year 20 net operating income. Our selection of holding period is to account the rent reset renewal in 2033, which has can have material impact on the subject's projected NOI. The reversion value was calculated by applying a capitalization rate of 5.25 percent to the fiscal year 2035 NOI and subtracting sales expenses of 4.00 percent before making deductions for leasing commissions, tenant improvement allowances and reserves for replacement. The net cash flows and the net reversion were discounted to net present value using a discount rate of 6.50 percent, the derivation of which is discussed below.

TERMINAL CAPITALIZATION RATE SELECTION

A terminal capitalization rate was used to estimate the market value of the property at the end of the assumed investment-holding period. We estimated an appropriate terminal rate based on indicated rates in today's market. PriceWaterhouseCoopers, Inc. periodically surveys national real estate investors to determine terminal capitalization rates considered acceptable by respondents.

DOWNTOWN MANHATTAN OFFICE BUILDING SALES
TERMINAL CAPITALIZATION RATE SUMMARY

No.	Property	Capitalization Rate
1	100 Wall Street	5.00%
2	123 William Street	5.00%
3	32 Old Slip	5.00%
4	180 Maiden Lane	5.50%
5	77 Water Street	5.50%
6	80 Broad Street	5.00%
7	222 Broadway	5.00%
8	61 Broadway	5.00%
9	110 William Street	5.00%
10	388-390 Greenwich Street	5.00%
11	160 Water Street	5.00%
12	55 Broadway	5.50%

STATISTICS	
Low	5.00%
High	5.50%
Median	5.00%
Average	5.13%

** Compiled by Cushman & Wakefield Valuation & Advisory*

In addition, PriceWaterhouseCoopers, Inc. periodically surveys national real estate investors to determine terminal capitalization rates considered acceptable by respondents.

TERMINAL CAPITALIZATION RATES (OAR_{out})			
Survey	Date	Range	Average
PwC	First Quarter 2015	5.00% - 8.00%	5.95%
PwC - Refers to Manhattan Office market regardless of class or occupancy			

The terminal capitalization rates derived from the improved property sales range from 5.00 to 6.00 percent. Investors typically add 50 to 250 basis points to the "going-in" rate to arrive at a terminal capitalization rate, according to Cushman & Wakefield's periodic investor surveys.

The subject is encumbered by a ground lease. As stated, the subject's ground lease payments currently total $1,650,000 with subsequent set increases through 2032. In 2033 the lease payments are revalued to the greater of either; (a) 6.0% the then value of the land considered as vacant and unimproved but with the right to construct a 900,000 square foot office building with grade retail; or, (b) 85.0% of the then lease payments. In our selection of terminal capitalization rate, we have considered the future ground rent reset and applied a 50 base point premium associated with the ground rent reset risk.

In consideration of the subject's location, below market contract rents, leasehold estate, future ground rent reset, significant roll over during the analysis period and expected increase in Downtown Manhattan market rents, we have applied a 5.25 percent terminal capitalization rate in our analysis. This rate is supported by the comparable sales and the investor surveys previously cited.

DISCOUNT RATE ANALYSIS

We estimated future cash flows, including property value at reversion, and discounted that income stream at an internal rate of return (yield rates) currently required by investors for similar-quality real property. The yield rate (internal rate of return or IRR) is the single rate that discounts all future equity benefits (cash flows and equity reversion) to an estimate of net present value.

The investment criteria derived from the improved property sales within the Sales Comparison Approach section of this report also lend support to national investor surveys of investment parameters.

DOWNTOWN MANHATTAN OFFICE BUILDING SALES DISCOUNT RATE (IRR) SUMMARY		
No.	**Property**	**Discount Rate**
1	100 Wall Street	6.00%
2	123 William Street	7.00%
3	32 Old Slip	6.00%
4	180 Maiden Lane	7.00%
5	77 Water Street	7.00%
6	80 Broad Street	6.50%
7	222 Broadway	7.00%
8	61 Broadway	7.00%
9	110 William Street	7.00%
10	388-390 Greenwich Street	7.00%
11	160 Water Street	7.50%
12	55 Broadway	8.00%

STATISTICS	
Low	6.00%
High	8.00%
Median	7.00%
Average	6.92%

** Compiled by Cushman & Wakefield Valuation & Advisory*

The First Quarter 2015 PriceWaterhouseCoopers, Inc. survey indicates that investors considered acceptable internal rates of return within the following range:

DISCOUNT RATES (IRR)			
Survey	**Date**	**Range**	**Average**
PwC	First Quarter 2015	6.00% - 9.00%	6.98%

PwC - Refers to Manhattan Office market regardless of class or occupancy

The discount rates exhibited by improved sales were given more weight in our analysis, since they reflect current local market data of Manhattan office properties, and are more relevant than the broad Manhattan office investor surveys. The investment criteria derived from the improved property sales within the Sales Comparison Approach section of this report also lend support to national investor surveys of investment parameters.

SUMMARY OF DISCOUNT RATE SELECTION

Several sources of discount rate (internal rate of return) information were analyzed including Investor Survey data. The internal rates of return cited previously, by the PriceWaterhouseCoopers, Inc. survey, range from 6.00 to 9.00 percent. Manhattan office building sales reflect internal rates of return ranging from 6.50 to 8.00 percent.

In our selection of a discount rate for the subject property, we have examined mortgage rates available today. The interest rate for a 30-year fixed rate mortgage is currently below 5.00 percent. In addition, the current discount rate, or the interest rate charged by the Federal Reserve when banks borrow money of 0.75 percent is still near historic lows.

Therefore, taking into consideration 40 Wall Street's location, construction quality, tenant roster, leasing profile, ground lease payments, below market contract rents, significant rollover during the analysis period, and declining returns expected by investors in the current market in relation to other office properties, and location, we discounted the cash flows at 6.50 percent. Our discount rate selection is reasonable given the relative strength of the cash flow of the subject property, which is considered to be a prime quality asset.

DISCOUNTED CASH FLOW SUMMARY

Based upon the above, it is our opinion that an investor would require a discount rate in the range of 6.00 to 7.00 percent with a terminal capitalization rate ranging from 4.75 to 5.75 percent. Accordingly, we have discounted the projected future pre-tax cash flows to be received by an equity investor in the subject property to a present value from 6.00 to 7.00 percent at 50 basis point intervals. Discounting these cash flows, over the range of yields and terminal rates that are now being required by participants in the market, for this type of real estate, places additional perspective upon our analysis. A valuation matrix for the subject property is presented below.

VALUATION MATRIX 40 Wall Street– Market Value "As Is" ($000's)			
	Terminal Capitalization Rates		
IRR	**4.75%**	**5.25%**	**5.75%**
6.00%	$605,000	$576,000	$553,000
6.50%	$566,000	**$539,000**	$518,000
7.00%	$530,000	$506,000	$486,000

The value of the subject property varies with the discount rates and range of terminal capitalization rates from approximately **$486,000,000 to $605,000,000**, as rounded. Given consideration to all of the characteristics of the subject property previously discussed, we feel that a prudent investor would require a yield, which falls near the mid-point of the market range outlined above for this property.

In view of the analysis presented, it is our opinion that the discounted cash flow analysis indicates a market value of **$540,000,000**, as rounded, for the subject property. The indices of investment generated through this indication of value are presented as follows.

VALUATION PARAMETERS	
40 WALL STREET, NY, NY	
Terminal Capitalization Rate	5.25%
Equity Yield	6.50%
Price/SF of NRA	$463.44

DISCOUNTED CASH FLOW ANALYSIS AND DCF SUMMARY TABLE

Based on the discount rate selected above, market value would be **$540,000,000**, rounded. The reversionary sale contributes 46.18 percent to this value estimate. The 19 year discounted cash flow summary table is presented on the following page.

40 Wall Street

Between Nassau and William Streets
New York City

Discounted Cash Flow Analysis
Market Value "As Is" on June 1, 2015

FISCAL YEAR		NET CASH FLOW		DISCOUNT FACTOR @ 6.50%			PRESENT VALUE OF CASH FLOWS	COMPOSITION OF YIELD	ANNUAL CASH ON CASH RETURN
One	$	12,858,643	X	0.938967	=	$	12,073,843	2.24%	2.38%
Two	$	18,724,375	X	0.881659	=	$	16,508,519	3.06%	3.47%
Three	$	19,794,183	X	0.827849	=	$	16,386,596	3.04%	3.67%
Four	$	25,111,757	X	0.777323	=	$	19,519,949	3.62%	4.65%
Five	$	27,638,271	X	0.729881	=	$	20,172,644	3.74%	5.12%
Six	$	23,931,207	X	0.685334	=	$	16,400,873	3.04%	4.44%
Seven	$	20,213,057	X	0.643506	=	$	13,007,228	2.41%	3.75%
Eight	$	20,922,230	X	0.604231	=	$	12,641,864	2.34%	3.88%
Nine	$	32,726,348	X	0.567353	=	$	18,567,399	3.44%	6.07%
Ten	$	37,230,831	X	0.532726	=	$	19,833,833	3.68%	6.90%
Eleven	$	30,502,717	X	0.500212	=	$	15,257,832	2.83%	5.65%
Twelve	$	31,592,135	X	0.469683	=	$	14,838,284	2.75%	5.86%
Thirteen	$	37,375,748	X	0.441017	=	$	16,483,331	3.06%	6.93%
Fourteen	$	33,473,537	X	0.414100	=	$	13,861,400	2.57%	6.20%
Fifteen	$	34,661,611	X	0.388827	=	$	13,477,354	2.50%	6.42%
Sixteen	$	44,820,743	X	0.365095	=	$	16,363,844	3.03%	8.31%
Seventeen	$	41,650,828	X	0.342813	=	$	14,278,425	2.65%	7.72%
Eighteen	$	33,038,897	X	0.321890	=	$	10,634,880	1.97%	6.12%
Nineteen	$	33,245,962	X	0.302244	=	$	10,048,387	1.86%	6.16%
Total Present Value of Cash Flows						$	290,356,486	53.82%	5.46% Average
Reversion:									
Twenty	$	45,159,607	(1) /	5.25%	=	$	860,182,990		
		Less: Cost of Sale @		4.00%		$	34,407,320		
		Less: T.I and Comm.				$	1,463,130		
		Net Reversion				$	824,312,541		
		X Discount Factor					0.302244		
Total Present Value of Reversion						$	249,143,384	46.18%	
Total Present Value						$	539,499,870	100.00%	
		ROUNDED:				**$**	**540,000,000**		

Net Rentable Area (SF):	1,165,207
Per Square Foot of Net Rentable Area:	$463.44
Implicit Going-in Capitalization Rate:	
Year One NOI (12 Months)	$15,426,939
Going-In Cap Rate	2.86%
Compounded Annual Growth Rate Concluded to Reversion:	2.48%
Compounded Annual Growth Rate Net cash Flow:	n/a

Note: (1) Net Operating Income

DIRECT CAPITALIZATION VALUATION METHOD

In the direct capitalization method, we estimated market value by dividing stabilized net operating income by an overall rate derived from our analyses of market sales and computed by dividing the net operating income from a sold property by its sale price. The overall capitalization rates derived from the improved property sales are between 2.68 and 7.68 percent. The overall capitalization rates derived from the most applicable improved property sales are shown below.

DOWNTOWN MANHATTAN OFFICE BUILDING SALES OVERALL CAPITALIZATION RATE SUMMARY		
No.	Property	Capitalization Rate
1	100 Wall Street	3.04%
2	123 William Street	2.68%
3	32 Old Slip	4.00%
4	180 Maiden Lane	n/a
5	77 Water Street	7.68%
6	80 Broad Street	3.74%
7	222 Broadway	4.15%
8	61 Broadway	4.46%
9	110 William Street	4.97%
10	388-390 Greenwich Street	6.90%
11	160 Water Street	4.28%
12	55 Broadway	4.87%

STATISTICS	
Low	2.68%
High	7.68%
Median	4.28%
Average	4.62%

** Compiled by Cushman & Wakefield Valuation & Advisory*

Additional support can be drawn from the First Quarter 2015 PriceWaterhouseCoopers, Inc. overall capitalization rate survey:

CAPITALIZATION RATES			
Survey	Date	Range	Average
PwC	First Quarter 2015	3.75% - 8.00%	5.04%

PwC - Refers to Manhattan Office market regardless of class or occupancy

In the context of the direct capitalization method, a going-in rate of 4.25 percent is considered reasonable, compensating the typical buyer for the risk inherent in investing in this building, with consideration to the below market leases. We have applied the direct capitalization a summary of the direct capitalization method is shown below.

Indicated Value Based on Direct Capitalization of NOI

DIRECT CAPITALIZATION METHOD			
NOI (PLUS YEAR ONE FREE RENT)		**$23,203,919**	**$19.91**
Sensitivity Analysis OAR Spread	**0.50%**	**Value**	**$/SF NRA**
Based on Low-Range	3.75%	$618,771,173	$531.04
Based on Most Probable Range	4.25%	$545,974,565	$468.56
Based on High-Range	4.75%	$488,503,558	$419.24
Indicated Value		$545,974,565	$468.56
Less: Year One Free Rent		($7,776,980)	($6.67)
Reconciled Value		$538,197,585	$461.89
Rounded		$540,000,000	$463.44

The year one going-in capitalization rate indicated in the discounted cash flow is 2.86 percent, which reflects the subject's below market leases. This rate is in line with going-in capitalization rates indicated by the improved sales. We have placed most weight on the discounted cash flow analysis with support drawn from the conclusion by direct capitalization.

RECONCILIATION WITHIN INCOME CAPITALIZATION APPROACH

SUMMARY OF INCOME CAPITALIZATION METHODS	
Value Indicated by the Discounted Cash Flow Method:	$540,000,000
Value Indicated by the Direct Capitalization Method:	$540,000,000

We have placed most reliance on the Discounted Cash Flow Analysis Method. This method best reflects the income potential of the property. Therefore, our opinion of market value via the Income Capitalization Approach is as follows.

INCOME CAPITALIZATION CONCLUSION	
Value Conclusion:	$540,000,000

GO DARK VALUE

We have also been asked by the Client to estimate the market value assuming the existing tenant has vacated the subject unit. The key assumption of this scenario, which is based upon the cash flow projection exhibited previously, is that the property is currently vacant and available for lease. With the exception of assuming the existing lease is terminated with the existing tenant and the vacant space is leased within 36 months, all other assumptions such as market rent, growth rate, rent concessions and credit loss remain the same as the "As Is" scenario. We have included a 15-year cash flow projection reflecting the assumptions used in this scenario, which assume a fiscal year analysis beginning January 1, 2015.

Based upon the above, it is our opinion that an investor would require a discount rate in the range of 6.75 to 7.75 percent with a terminal capitalization rate ranging from 4.75 to 5.75 percent. Accordingly, we have discounted the projected future pre-tax cash flows to be received by an equity investor in the subject property to a present value from 6.75 to 7.75 percent at 50 basis point intervals. Discounting these cash flows, over the range of yields and terminal rates that are now being required by participants in the market, for this type of real estate, places additional perspective upon our analysis. A valuation matrix for the subject property is presented below.

VALUATION MATRIX
40 Wall Street – "Hypothetical Go Dark Value" ($000's)

	Terminal Capitalization Rates		
IRR	**4.75%**	**5.25%**	**5.75%**
6.75%	$497,000	$470,000	$448,000
7.25%	$460,000	$435,000	$415,000
7.75%	$426,000	$403,000	$385,000

The value of the subject property varies with the discount rates and range of terminal capitalization rates from approximately **$385,000,000 to $497,000,000**, as rounded. Given consideration to all of the characteristics of the subject property previously discussed, we feel that a prudent investor would require a yield, which falls near the mid-point of the market range outlined above for this property.

In view of the analysis presented, it is our opinion that the discounted cash flow analysis indicates a market value of **$440,000,0000**, as rounded, for the subject property. The indices of investment generated through this indication of value are presented as follows.

VALUATION PARAMETERS
40 WALL STREET
NEW YORK, NEW YORK

Terminal Capitalization Rate	5.25%
Equity Yield	7.25%
Price/SF of NRA	$377.62

DISCOUNTED CASH FLOW ANALYSIS AND DCF SUMMARY TABLE HYPOTHETICAL GO-DARK VALUATION SCENARIO

On the following pages is our 15-year cash flow projection, which includes our 19-year holding period and 20-year reversionary year. The cash flow reflects the results of the **Argus for Windows** projection imported to **Microsoft Excel**. The cash flow exhibits a value matrix along with a matrix of rates of return over the projection period.

Based on the discount rate selected above, hypothetical “go dark” value would be $440,000,000 rounded. The reversionary sale contributes 53.94 percent to this value estimate. The 15 year discounted cash flow is presented on the following page.

40 Wall Street
Hypothetical "Go Dark" Value on June 1, 2015
Cash Flow Analysis

	YEAR 1 FY 2016	YEAR 2 FY 2017	YEAR 3 FY 2018	YEAR 4 FY 2019	YEAR 5 FY 2020	YEAR 6 FY 2021	YEAR 7 FY 2022	YEAR 8 FY 2023	YEAR 9 FY 2024	YEAR 10 FY 2025
POTENTIAL GROSS INCOME										
Base Rental Revenue	$7,606,828	$25,704,395	$45,395,003	$59,024,509	$59,024,523	$59,785,209	$61,594,964	$63,564,024	$64,926,973	$64,926,973
Base Rent Abatements	($6,701,775)	($16,929,774)	($19,251,226)	($10,495,120)	$0	$0	$0	$0	$0	$0
BASE RENTAL INCOME	$905,053	$8,774,621	$26,143,777	$48,529,389	$59,024,523	$59,785,209	$61,594,964	$63,564,024	$64,926,973	$64,926,973
Real Estate Taxes	$0	$83,285	$363,312	$804,063	$1,294,987	$1,680,968	$1,961,654	$2,250,765	$2,548,547	$2,855,259
Operating Expenses	$0	$66,241	$249,658	$558,373	$907,416	$1,266,882	$1,637,166	$2,018,561	$2,411,368	$2,815,998
Tenant Electric	$1,728,000	$1,779,840	$1,833,235	$1,888,232	$1,944,879	$2,003,226	$2,063,322	$2,125,222	$2,188,979	$2,254,648
TOTAL REIMBURSEMENT REVENUE	$1,728,000	$1,929,366	$2,446,205	$3,250,668	$4,147,282	$4,951,076	$5,662,142	$6,394,548	$7,148,894	$7,925,905
Add: Miscellaneous Income	$1,205,229	$1,241,386	$1,278,627	$1,316,986	$1,356,496	$1,397,191	$1,439,106	$1,482,279	$1,526,748	$1,572,550
POTENTIAL GROSS INCOME	$3,838,282	$11,945,373	$29,868,609	$53,097,043	$64,528,301	$66,133,476	$68,696,212	$71,440,851	$73,602,615	$74,425,428
Less: Vacancy & Collection Loss	($38,383)	($119,454)	($298,686)	($530,970)	($645,283)	($661,335)	($686,962)	($714,409)	($736,026)	($744,254)
EFFECTIVE GROSS INCOME	$3,799,899	$11,825,919	$29,569,923	$52,566,073	$63,883,018	$65,472,141	$68,009,250	$70,726,442	$72,866,589	$73,681,174
OPERATING EXPENSES										
Real Estate Taxes	$7,185,819	$7,538,804	$8,028,602	$8,512,468	$9,005,309	$9,392,799	$9,674,583	$9,964,820	$10,263,765	$10,571,678
Operating Expenses	$11,100,911	$11,433,938	$11,776,956	$12,130,265	$12,494,175	$12,868,998	$13,255,069	$13,652,719	$14,062,303	$14,484,170
Ground Rent	$1,650,000	$1,650,000	$1,718,750	$1,815,000	$2,023,333	$2,315,000	$2,315,000	$2,411,458	$2,546,500	$2,546,500
TOTAL OPERATING EXPENSES	$19,936,730	$20,622,742	$21,524,308	$22,457,733	$23,522,817	$24,576,797	$25,244,652	$26,028,997	$26,872,568	$27,602,348
NET OPERATING INCOME	($16,136,831)	($8,796,823)	$8,045,615	$30,108,340	$40,360,201	$40,895,344	$42,764,598	$44,697,445	$45,994,021	$46,078,826
Per Square Foot	-$13.85	-$7.55	$6.90	$25.84	$34.64	$35.10	$36.70	$38.36	$39.47	$39.55

	YEAR 11 FY 2026	YEAR 12 FY 2027	YEAR 13 FY 2028	YEAR 14 FY 2029	YEAR 15 FY 2030	YEAR 16 FY 2031	YEAR 17 FY 2032	YEAR 18 FY 2033	YEAR 19 FY 2034	YEAR 20 FY 2035
POTENTIAL GROSS INCOME										
Base Rental Revenue	$64,454,913	$67,877,297	$67,469,384	$73,205,373	$75,174,615	$73,501,429	$76,568,098	$84,833,631	$90,258,781	$90,455,710
Base Rent Abatements	($1,850,488)	($2,040,700)	($4,338,883)	($10,555,236)	$0	($3,317,062)	($15,341,487)	($15,006,968)	($1,063,273)	$0
BASE RENTAL INCOME	$62,604,425	$65,836,597	$63,130,501	$62,650,138	$75,174,615	$70,184,367	$61,226,611	$69,826,663	$89,195,508	$90,455,710
Real Estate Taxes	$3,029,541	$3,150,421	$3,083,326	$2,732,547	$3,089,157	$3,006,161	$1,860,939	$1,012,240	$1,335,203	$1,748,610
Operating Expenses	$3,192,727	$3,439,899	$3,423,940	$3,048,148	$3,517,194	$3,487,369	$2,215,628	$1,238,490	$1,670,342	$2,214,085
Tenant Electric	$2,322,288	$2,391,956	$2,463,715	$2,537,626	$2,613,755	$2,692,168	$2,772,933	$2,856,121	$2,941,804	$3,030,058
TOTAL REIMBURSEMENT REVENUE	$8,544,556	$8,982,276	$8,970,981	$8,318,321	$9,220,106	$9,185,688	$6,849,500	$5,106,851	$5,947,349	$6,992,753
Add: Miscellaneous Income	$1,619,726	$1,668,318	$1,718,368	$1,769,920	$1,823,018	$1,877,707	$1,934,039	$1,992,060	$2,051,823	$2,113,376
POTENTIAL GROSS INCOME	$72,768,707	$76,487,191	$73,819,850	$72,738,379	$86,217,739	$81,247,762	$70,010,150	$76,925,574	$97,194,680	$99,561,839
Less: Vacancy & Collection Loss	($727,687)	($764,872)	($738,198)	($727,384)	($862,177)	($812,478)	($700,101)	($769,256)	($971,947)	($995,618)
EFFECTIVE GROSS INCOME	$72,041,020	$75,722,319	$73,081,652	$72,010,995	$85,355,562	$80,435,284	$69,310,049	$76,156,318	$96,222,733	$98,566,221
OPERATING EXPENSES										
Real Estate Taxes	$10,888,828	$11,215,493	$11,551,958	$11,898,517	$12,255,472	$12,623,136	$13,001,831	$13,391,885	$13,793,642	$14,207,451
Operating Expenses	$14,918,697	$15,366,258	$15,827,246	$16,302,062	$16,791,124	$17,294,858	$17,813,702	$18,348,113	$18,898,558	$19,465,515
Ground Rent	$2,546,500	$2,546,500	$2,652,604	$2,801,150	$2,801,150	$2,801,150	$2,801,150	$8,443,736	$16,343,357	$16,343,357
TOTAL OPERATING EXPENSES	$28,354,025	$29,128,251	$30,031,808	$31,001,729	$31,847,746	$32,719,144	$33,616,683	$40,183,734	$49,035,557	$50,016,323
NET OPERATING INCOME	$43,686,995	$46,594,068	$43,049,844	$41,009,266	$53,507,816	$47,716,140	$35,693,366	$35,972,584	$47,187,176	$48,549,898
Per Square Foot	$37.49	$39.99	$36.95	$35.19	$45.92	$40.95	$30.63	$30.87	$40.50	$41.67

CUSHMAN & WAKEFIELD.
VALUATION & ADVISORY

40 Wall Street
Hypothetical "Go Dark" Value on June 1, 2015
Cash Flow Analysis

	YEAR 1 FY 2016	YEAR 2 FY 2017	YEAR 3 FY 2018	YEAR 4 FY 2019	YEAR 5 FY 2020	YEAR 6 FY 2021	YEAR 7 FY 2022	YEAR 8 FY 2023	YEAR 9 FY 2024	YEAR 10 FY 2025
LEASING & CAPITAL COSTS										
Tenant Improvements	$11,413,540	$19,886,455	$19,708,081	$4,883,045	$0	$0	$0	$0	$0	$0
Leasing Commissions	$6,876,097	$9,561,036	$9,339,865	$2,269,240	$0	$0	$0	$0	$0	$0
Capital Reserves	$116,521	$120,016	$123,617	$127,325	$131,145	$135,079	$139,132	$143,306	$147,605	$152,033
TOTAL LEASING & CAPITAL COSTS	$18,406,158	$29,567,507	$29,171,563	$7,279,610	$131,145	$135,079	$139,132	$143,306	$147,605	$152,033
TOTAL CASH FLOW	($34,542,989)	($38,364,330)	($21,125,948)	$22,828,730	$40,229,056	$40,760,265	$42,625,466	$44,554,139	$45,846,416	$45,926,793
Annual Overall Capitalization Rate	-3.67%	-2.00%	1.83%	6.84%	9.17%	9.29%	9.72%	10.16%	10.45%	10.47%
Annual Cash on Cash Return	-7.85%	-8.72%	-4.80%	5.19%	9.14%	9.26%	9.69%	10.13%	10.42%	10.44%
PROPERTY VALUATION MATRIX AND CASH FLOW SUMMARY ($000's)										
Net Cash Flow	($34,543)	($38,364)	($21,126)	$22,829	$40,229	$40,760	$42,625	$44,554	$45,846	$45,927
Residual Value	0	0	0	0	0	0	0	0	0	0
Total Cash Flow Proceeds	($34,543)	($38,364)	($21,126)	$22,829	$40,229	$40,760	$42,625	$44,554	$45,846	$45,927

	YEAR 11 FY 2026	YEAR 12 FY 2027	YEAR 13 FY 2028	YEAR 14 FY 2029	YEAR 12 FY 2027	YEAR 13 FY 2028	YEAR 14 FY 2029	YEAR 14 FY 2029	YEAR 14 FY 2029	YEAR 15 FY 2030
LEASING & CAPITAL COSTS										
Tenant Improvements	$562,846	$3,036,864	$6,210,987	$8,590,673	$0	$7,499,213	$16,490,664	$13,856,647	$0	$0
Leasing Commissions	$1,558,698	$1,207,153	$2,753,194	$4,026,577	$0	$3,750,074	$8,246,364	$7,299,746	$0	$0
Capital Reserves	$156,594	$161,292	$166,131	$171,115	$176,248	$181,535	$186,982	$192,591	$198,369	$204,320
TOTAL LEASING & CAPITAL COSTS	$2,278,138	$4,405,309	$9,130,312	$12,788,365	$176,248	$11,430,822	$24,924,010	$21,348,984	$198,369	$204,320
TOTAL CASH FLOW	$41,408,857	$42,188,759	$33,919,532	$28,220,901	$53,331,568	$36,285,318	$10,769,356	$14,623,600	$46,988,807	$48,345,578
Annual Overall Capitalization Rate	9.93%	10.59%	9.78%	9.32%	12.16%	10.84%	8.11%	8.18%	10.72%	11.03%
Annual Cash on Cash Return	9.41%	9.59%	7.71%	6.41%	12.12%	8.25%	2.45%	3.32%	10.68%	10.99%
PROPERTY VALUATION MATRIX AND CASH FLOW SUMMARY ($000's)										
Net Cash Flow	$41,409	$42,189	$33,920	$28,221	$53,332	$36,285	$10,769	$14,624	$46,989	
Residual Value	0	0	0	0	0	0	0	0	887,770	
Total Cash Flow Proceeds	$41,409	$42,189	$33,920	$28,221	$53,332	$36,285	$10,769	$14,624	$934,758	

PRICING MATRIX - Sale/Yield Matrix (000's)

	Terminal Cap Rate				
IRR	**4.25%**	**4.75%**	**5.25%**	**5.75%**	**6.25%**
6.25%	$573,350	$536,866	$507,332	$482,934	$462,440
6.75%	$530,234 ($455)	$496,864 ($426)	$469,850 ($403)	$447,534 ($384)	$428,789 ($368)
7.25%	$490,575 ($421)	$460,040 ($395)	$435,321 ($374)	$414,901 ($356)	$397,748 ($341)
7.75%	$454,070 ($390)	$426,117 ($366)	$403,489 ($346)	$384,796 ($330)	$369,094 ($317)
8.25%	$420,444 ($361)	$394,846 ($339)	$374,123 ($321)	$357,004 ($306)	$342,624 ($294)

VALUATION ASSUMPTIONS	
Discount Rate:	7.25%
Terminal Cap Rate:	5.25%
Cost of Sale at Reversion	4.00%
Square Footage NRA (sf)	1,165,207
Holding Period	19 Years
Value of Cash Flow	200,491,844
Value of Reversion	234,828,895
ESTIMATED MARKET VALUE	$440,000,000
Per Square Foot	$377.62

CUSHMAN & WAKEFIELD. VALUATION & ADVISORY

40 Wall Street

Between Nassau and William Streets
New York City

Discounted Cash Flow Analysis
Hypothetical "Go Dark" Value on June 1, 2015

FISCAL YEAR		NET CASH FLOW		DISCOUNT FACTOR @ 7.25%			PRESENT VALUE OF CASH FLOWS	COMPOSITION OF YIELD	ANNUAL CASH ON CASH RETURN
One	$	(34,542,989)	X	0.932401	=	$	(32,207,915)	-7.40%	-7.94%
Two	$	(38,364,330)	X	0.869371	=	$	(33,352,855)	-7.66%	-8.81%
Three	$	(21,125,948)	X	0.810603	=	$	(17,124,753)	-3.93%	-4.85%
Four	$	22,828,730	X	0.755807	=	$	17,254,109	3.96%	5.24%
Five	$	40,229,056	X	0.704715	=	$	28,350,018	6.51%	9.24%
Six	$	40,760,265	X	0.657077	=	$	26,782,628	6.15%	9.36%
Seven	$	42,625,466	X	0.612659	=	$	26,114,880	6.00%	9.79%
Eight	$	44,554,139	X	0.571244	=	$	25,451,281	5.85%	10.23%
Nine	$	45,846,416	X	0.532628	=	$	24,419,102	5.61%	10.53%
Ten	$	45,926,793	X	0.496623	=	$	22,808,310	5.24%	10.55%
Eleven	$	41,408,857	X	0.463052	=	$	19,174,451	4.40%	9.51%
Twelve	$	42,188,759	X	0.431750	=	$	18,214,999	4.18%	9.69%
Thirteen	$	33,919,532	X	0.402564	=	$	13,654,787	3.14%	7.79%
Fourteen	$	28,220,901	X	0.375351	=	$	10,592,749	2.43%	6.48%
Fifteen	$	53,331,568	X	0.349978	=	$	18,664,864	4.29%	12.25%
Sixteen	$	36,285,318	X	0.326320	=	$	11,840,611	2.72%	8.34%
Seventeen	$	10,769,356	X	0.304261	=	$	3,276,692	0.75%	2.47%
Eighteen	$	14,623,600	X	0.283693	=	$	4,148,613	0.95%	3.36%
Nineteen	$	46,988,807	X	0.264516	=	$	12,429,272	2.86%	10.79%
Total Present Value of Cash Flows						$	200,491,844	46.06%	6.00% Average
Reversion:									
Twenty	$	48,549,898	(1) /	5.25%	=	$	924,759,962		
	Less: Cost of Sale @			4.00%		$	36,990,398		
	Less: T.I and Comm.					$	-		
	Net Reversion					$	887,769,563		
	X Discount Factor						0.264516		
Total Present Value of Reversion						$	234,828,895	53.94%	
Total Present Value						$	435,320,739	100.00%	
		ROUNDED:				**$**	**440,000,000**		

Net Rentable Area (SF):	1,165,207
Per Square Foot of Net Rentable Area:	$377.62
Implicit Going-in Capitalization Rate:	
Year One NOI (12 Months)	($16,136,831)
Going-In Cap Rate	-3.67%
Compounded Annual Growth Rate	
Concluded to Reversion:	3.99%
Compounded Annual Growth Rate	
Net cash Flow:	n/a

Note: (1) Net Operating Income

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RECONCILIATION AND FINAL VALUE OPINION

VALUATION METHODOLOGY REVIEW AND RECONCILIATION

This appraisal employs the Sales Comparison Approach and the Income Capitalization Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that the Sales Comparison Approach and the Income Capitalization Approach would be considered meaningful and applicable in developing a credible value conclusion. The subject's age makes it difficult to accurately form an opinion of depreciation and tends to make the Cost Approach unreliable. Investors do not typically rely on the Cost Approach when purchasing a property such as the subject of this report. Therefore, we have not utilized the Cost Approach to develop an opinion of market value.

The approaches indicated the following:

METHODOLOGY	
Sales Comparison Approach:	$540,000,000
Income Capitalization Approach:	$540,000,000

The Sales Comparison Approach requires application of methods from the Income Capitalization Approach in order to make adjustments for differences in effective gross or net income that have influenced the sale price. Consideration of market data is also required for the Income Capitalization Approach in the selection of market rent and in the application of capitalization rates and discount rates, and estimation of income and expenses. Consequently, it is our opinion that purchasers and sellers intuitively consider components of the Sales Comparison Approach and the Income Capitalization Approach in the process of negotiating an acceptable price for a particular property.

It is the Income Capitalization Approach, however, that is logically considered the most appropriate technique for estimating the value of income-producing property. Not only does this approach represent the most direct and accurate simulation of market behavior, it is the method explicitly employed by buyers and sellers in acquisition and disposition decisions. We have, therefore used an approach based primarily on projected income and expense as the foundation for our valuation of the subject property.

Based on the agreed to Scope of Work, and as outlined in the report, we have developed the following opinion of market value:

Value Conclusions

Appraisal Premise	Real Property Interest	Date Of Value	Value Conclusion
Market Value As-Is	Leasehold Estate	6/1/2015	$540,000,000
Hypothetical Value - Go Dark	Leasehold Estate	6/1/2015	$440,000,000

Compiled by Cushman & Wakefield, Inc.

EXPOSURE TIME AND MARKETING TIME

Based on our review of national investor surveys, discussions with market participants and information gathered during the sales verification process, a reasonable exposure time for the subject property at the value concluded within this report would have been approximately six (6) months. This assumes an active and professional marketing plan would have been employed by the current owner.

ASSUMPTIONS AND LIMITING CONDITIONS

"Report" means the appraisal or consulting report and conclusions stated therein, to which these Assumptions and Limiting Conditions are annexed.

"Property" means the subject of the Report.

"C&W" means Cushman & Wakefield, Inc. or its subsidiary that issued the Report.

"Appraiser(s)" means the employee(s) of C&W who prepared and signed the Report.

The Report has been made subject to the following assumptions and limiting conditions:

- No opinion is intended to be expressed and no responsibility is assumed for the legal description or for any matters that are legal in nature or require legal expertise or specialized knowledge beyond that of a real estate appraiser. Title to the Property is assumed to be good and marketable and the Property is assumed to be free and clear of all liens unless otherwise stated. No survey of the Property was undertaken.
- The information contained in the Report or upon which the Report is based has been gathered from sources the Appraiser assumes to be reliable and accurate. The owner of the Property may have provided some of such information. Neither the Appraiser nor C&W shall be responsible for the accuracy or completeness of such information, including the correctness of estimates, opinions, dimensions, sketches, exhibits and factual matters. Any authorized user of the Report is obligated to bring to the attention of C&W any inaccuracies or errors that it believes are contained in the Report.
- The opinions are only as of the date stated in the Report. Changes since that date in external and market factors or in the Property itself can significantly affect the conclusions in the Report.
- The Report is to be used in whole and not in part. No part of the Report shall be used in conjunction with any other analyses. Publication of the Report or any portion thereof without the prior written consent of C&W is prohibited. Reference to the Appraisal Institute or to the MAI designation is prohibited. Except as may be otherwise stated in the letter of engagement, the Report may not be used by any person(s) other than the party(ies) to whom it is addressed or for purposes other than that for which it was prepared. No part of the Report shall be conveyed to the public through advertising, or used in any sales, promotion, offering or SEC material without C&W's prior written consent. Any authorized user(s) of this Report who provides a copy to, or permits reliance thereon by, any person or entity not authorized by C&W in writing to use or rely thereon, hereby agrees to indemnify and hold C&W, its affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report by any such unauthorized person(s) or entity(ies).
- Except as may be otherwise stated in the letter of engagement, the Appraiser shall not be required to give testimony in any court or administrative proceeding relating to the Property or the Appraisal.
- The Report assumes (a) responsible ownership and competent management of the Property; (b) there are no hidden or unapparent conditions of the Property, subsoil or structures that render the Property more or less valuable (no responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them); (c) full compliance with all applicable federal, state and local zoning and environmental regulations and laws, unless noncompliance is stated, defined and considered in the Report; and (d) all required licenses, certificates of occupancy and other governmental consents have been or can be obtained and renewed for any use on which the value opinion contained in the Report is based.
- The physical condition of the improvements considered by the Report is based on visual inspection by the Appraiser or other person identified in the Report. C&W assumes no responsibility for the soundness of structural components or for the condition of mechanical equipment, plumbing or electrical components.
- The forecasted potential gross income referred to in the Report may be based on lease summaries provided by the owner or third parties. The Report assumes no responsibility for the authenticity or completeness of lease information provided by others. C&W recommends that legal advice be obtained regarding the interpretation of lease provisions and the contractual rights of parties.
- The forecasts of income and expenses are not predictions of the future. Rather, they are the Appraiser's best opinions of current market thinking on future income and expenses. The Appraiser and C&W make no warranty or representation that these forecasts will materialize. The real estate market is constantly fluctuating and changing. It is not the Appraiser's task to predict or in any way warrant the conditions of a future real estate market; the Appraiser can only reflect what the investment community, as of the date of the Report, envisages for the future in terms of rental rates, expenses, and supply and demand.

- Unless otherwise stated in the Report, the existence of potentially hazardous or toxic materials that may have been used in the construction or maintenance of the improvements or may be located at or about the Property was not considered in arriving at the opinion of value. These materials (such as formaldehyde foam insulation, asbestos insulation and other potentially hazardous materials) may adversely affect the value of the Property. The Appraisers are not qualified to detect such substances. C&W recommends that an environmental expert be employed to determine the impact of these matters on the opinion of value.
- Unless otherwise stated in the Report, compliance with the requirements of the Americans with Disabilities Act of 1990 (ADA) has not been considered in arriving at the opinion of value. Failure to comply with the requirements of the ADA may adversely affect the value of the Property. C&W recommends that an expert in this field be employed to determine the compliance of the Property with the requirements of the ADA and the impact of these matters on the opinion of value.
- If the Report is submitted to a lender or investor with the prior approval of C&W, such party should consider this Report as only one factor, together with its independent investment considerations and underwriting criteria, in its overall investment decision. Such lender or investor is specifically cautioned to understand all Extraordinary Assumptions and Hypothetical Conditions and the Assumptions and Limiting Conditions incorporated in this Report.
- In the event of a claim against C&W or its affiliates or their respective officers or employees or the Appraisers in connection with or in any way relating to this Report or this engagement, the maximum damages recoverable shall be the amount of the monies actually collected by C&W or its affiliates for this Report and under no circumstances shall any claim for consequential damages be made.
- If the Report is referred to or included in any offering material or prospectus, the Report shall be deemed referred to or included for informational purposes only and C&W, its employees and the Appraiser have no liability to such recipients. C&W disclaims any and all liability to any party other than the party that retained C&W to prepare the Report.
- Any estimate of insurable value, if included within the agreed upon scope of work and presented within this report, is based upon figures derived from a national cost estimating service and is developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage for replacing any structure. This analysis should not be relied upon to determine insurance coverage. Furthermore, we make no warranties regarding the accuracy of this estimate.
- By use of this Report each party that uses this Report agrees to be bound by all of the Assumptions and Limiting Conditions, Hypothetical Conditions and Extraordinary Assumptions stated herein.

CERTIFICATION OF APPRAISAL

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 are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Douglas H. Larson, MAI, and Naoum M. Papagianopoulos, MAI did make a personal inspection of the property that is the subject of this report. Robert S. Nardella, MAI, MRICS did not make a personal inspection of the property that is the subject of this report.
- We have performed prior services involving the subject property within the three-year period immediately preceding the acceptance of the assignment.
- The services include(s) a previous appraisal, one time within the prior three-year period immediately preceding the acceptance of the assignment.
- The following individuals provided significant real property assistance in preparing this appraisal: Michael J. Malinowski II, MAI, and Kurt Clauss.
- As of the date of this report, Robert S. Nardella, MAI, MRICS, Douglas H. Larson, MAI, Naoum M. Papagianopoulos, MAI, and Michael J. Malinowski II, MAI, have completed the continuing education program for Designated Members of the Appraisal Institute.

- Our analyses, opinions, or conclusions were developed and this report has been prepared in conformity with the requirements of the State of New York for State-certified appraisers.

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GLOSSARY OF TERMS & DEFINITIONS

The following definitions of pertinent terms are taken from *The Dictionary of Real Estate Appraisal*, Fifth Edition (2010), published by the Appraisal Institute, as well as other sources.

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. (Proposed Interagency Appraisal and Evaluation Guidelines, OCC-4810-33-P 20%)

CASH EQUIVALENCY

An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash.

EXPOSURE TIME

1. The time a property remains on the market. 2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. See also marketing time.

EXTRAORDINARY ASSUMPTION

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis..

HYPOTHETICAL CONDITIONS

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.

Comment: 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.

INSURABLE VALUE

A type of value for insurance purposes.

INTENDED USE

The use or uses of an appraiser's reported appraisal, appraisal review, or appraisal consulting assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.

INTENDED USER

The client and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser on the basis of communication with the client at the time of the assignment.

LEASED FEE INTEREST

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease).

MARKET RENT

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).

MARKET VALUE

As defined in the Agencies' appraisal regulations, 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 are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

a) Buyer and seller are typically motivated;

b) Both parties are well informed or well advised, and acting in what they consider their own best interests;

c) A reasonable time is allowed for exposure in the open market;

d) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

e) 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.[1]

MARKETING TIME

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

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

PROSPECTIVE VALUE UPON REACHING STABILIZED OCCUPANCY

The value of a property as of a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long-term occupancy. At such point, all capital outlays for tenant improvements, leasing commissions, marketing costs and other carrying charges are assumed to have been incurred.

SPECIAL, UNUSUAL, OR EXTRAORDINARY ASSUMPTIONS

Before completing the acquisition of a property, a prudent purchaser in the market typically exercises due diligence by making customary enquiries about the property. It is normal for a Valuer to make assumptions as to the most likely outcome of this due diligence process and to rely on actual information regarding such matters as provided by the client. Special, unusual, or extraordinary assumptions may be any additional assumptions relating to matters covered in the due diligence process, or may relate to other issues, such as the identity of the purchaser, the physical state of the property, the presence of environmental pollutants (e.g., ground water contamination), or the ability to redevelop the property.

[1] “Interagency Appraisal and Evaluation Guidelines.” Federal Register 75:237 (December 10, 2010) p. 77472.

ADDENDA CONTENTS

ADDENDUM A: ENGAGEMENT LETTER

George J. Rago, MAI
Executive Managing Director

CUSHMAN & WAKEFIELD®
Cushman & Wakefield, Inc.
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April 29, 2015

Mr. Michael Scarola
Managing Director

Ladder Capital Finance LLC
345 Park Avenue, 8th Floor
New York, NY 10154

**Re: 40 Wall Street
New York, NY**

Dear Mike:

Thank you for requesting our proposal for appraisal services. This proposal letter (together with the Terms and Conditions attached hereto and made a part hereof, the "Proposal") will become, upon your acceptance, our letter of engagement to provide the services outlined herein.

TERMS OF ENGAGEMENT

I. PROBLEM IDENTIFICATION

The Parties To This Agreement: The undersigned Cushman & Wakefield affiliated company and/or its designated affiliate or subsidiary ("C&W") and Ladder Capital Finance LLC (herein at times referred to as "Client").

Intended Users: C&W acknowledges that the services performed hereunder are in connection with a loan to be made by Client in reliance on the report produced hereunder, which loan shall be secured by a mortgage on the referenced property. Other than the entities mentioned below, the Client agrees that there are no other Intended Users. The appraisal may not be distributed or relied upon by any other persons or entities, unless mentioned in the reliance language below:

This report has been prepared to assist in the determination of whether to make a loan or loans evidenced by a note or notes (the "Notes") secured by the property referred to in the report or by a pledge of the equity interests in the borrower by providing a value for the property as of the effective date(s) of value. With no prior approval, this report may be relied upon by (i) Ladder Capital Finance LLC, its employees, agents, servicers, legal counsel, co-lenders, loan syndication participants, successors and/or assigns and affiliates, (ii) the trustee of a trust created in connection with a securitization which includes any of the Notes or an interest therein, (iii) any purchaser or assignee of the Notes or an interest therein in determining whether to acquire the Notes or an interest therein, (iv) any rating agency involved in rating securities which represent a beneficial ownership interest in a trust fund that consists of mortgage loans or mezzanine loans including any of the Notes or an interest therein, (v) any investors purchasing securities issued by a trust or otherwise purchasing a loan with an ownership interest, either directly or indirectly, in the Notes, and (vi) any bank, financial institution or other company or firm providing any financing for which the Notes, or any interest therein, are the collateral for such financing, and their respective successors and/or assigns. This report may be used in connection with the offering materials for sale of the Notes, or an interest in the Notes, and in presentations to any rating agency, investors or lenders and Cushman & Wakefield, Inc. agrees to cooperate in answering questions by any of the above parties in connection with a securitization, sale or other transaction involving the Notes, or any portion thereof, and/or such securities.

Intended Use:	For the purpose of evaluating potential financing.
Type of Opinion and Rights Appraised:	**Market Value of the Leased Fee Interest "As Is" and Prospective Value Upon Stabilized Occupancy, if applicable**
Date Of Value:	Date of Inspection (As Is) Projected Date of Stabilized Occupancy, if applicable
Subject of the Assignment and Relevant Characteristics:	The property is a 70 story office building built in 1930 containing approximately 1 million SF.
Assignment Conditions:	We will incorporate any Extraordinary Assumptions or Hypothetical Conditions that are appropriate.

II. ANTICIPATED SCOPE OF WORK

USPAP Compliance:	C&W will develop the appraisal in accordance with FIRREA, USPAP, the Code of Ethics and Certification Standards of the Appraisal Institute, and applicable Supplemental Standards.
General Scope of Work:	Inspect the Property to the extent necessary to adequately identify the real estate. Research relevant market data, in terms of quantity, quality, and geographic comparability, to the extent necessary to produce credible appraisal results. Consider and develop those approaches relevant and applicable to the appraisal problem. We anticipate developing the following valuation approaches. • Income Capitalization Approach • Sales Comparison Approach **We will include an estimate of Insurable Value and Land Value.**

III. REPORTING AND DISCLOSURE

Scope of Work Disclosure: The anticipated or actual Scope of Work will be stated within the report.

Reporting Option: The report will be communicated in an Appraisal Report as defined by USPAP 2014 (same as 2013 USPAP Self Contained report format).

Appraisal Report - Former Self Contained Style Report

- Describes the real estate and/or personal property that is the subject of the appraisal, including physical, economic, and other characteristics that are relevant
- States the type and definition of value and its source
- Describes the Scope of Work used to develop the appraisal
- Describes the information analyzed, the appraisal methods used, and the reasoning supporting the analyses and opinions; explains the exclusion of any valuation approaches
- States the use of the property as of the valuation date
- Describes the rationale for the Highest and Best Use opinion (if included)

IV. FEE, EXPENSES AND OTHER TERMS OF ENGAGEMENT

Fee: **$25,000**

All invoices are due upon receipt. The client shall be solely responsible for C&W's fees. Acknowledgement of this obligation is made by the countersignature to this Proposal by an authorized representative.

Additional Expenses: Fee quoted is inclusive of expenses related to the preparation of the report.

Retainer: A retainer is not required for this assignment in order to commence work.

Report Copies: The final report will be delivered electronically. Up to three (3) hard copies will be provided.

Start Date: The appraisal process will initiate upon receipt of signed agreement and the receipt of the property specific data.

Acceptance Date: This Proposal is subject to withdrawal if the engagement letter is not executed within four (4) business days.

Delivery: **3 weeks from receipt of signed engagement letter.**

Changes to Agreement: The identity of the Client, Intended Users or Intended Use; the Date of Value; Type of Value or Interest Appraised; or Property appraised cannot be changed without a new

	agreement.
Prior Services Disclosure:	The engaging or principal appraiser has not provided services regarding the subject property within the prior three years.
Conflicts of Interest:	C&W adheres to a strict internal conflict of interest policy. If we discover in the preparation of our appraisal a conflict with this assignment we reserve the right to withdraw from the assignment without penalty.
Further Conditions of Engagement	The Conditions of Engagement attached hereto are incorporated herein and are part of this letter of engagement.

Thank you for calling on us to render these services and we look forward to working with you.

Sincerely,
CUSHMAN & WAKEFIELD, INC.

G J Rago

George J. Rago, MAI
Executive Managing Director

AGREED:
CLIENT: LADDER CAPITAL FINANCE LLC

By: ______________________ Date: ____________

~~Michael Scarola~~ DAVID TRAITEL

Title: Managing Director

E-mail Address/Phone No.: michael.scarola@laddercapital.com

212-715-3179

Information Needed to Complete the Assignment

We understand that you or your borrower will provide all the information needed to complete this assignment.

CONDITIONS OF ENGAGEMENT

1) The Client and any Intended Users should consider the appraisal as only one factor together with its independent investment considerations and underwriting criteria in its overall investment decision. The appraisal cannot be used by any party or for any purpose other than as specified in this engagement letter.

2) Federal banking regulations require banks and savings and loan associations to employ appraisers where a FIRREA compliant appraisal must be used in connection with mortgage loans or other transactions involving federally regulated lending institutions, including mortgage bankers/brokers. Because of that requirement, this appraisal, if ordered independent of a financial institution or agent, may not be accepted by a federally regulated financial institution. This appraisal will be prepared in accordance with the Uniform Standards of Professional Appraisal Practice of The Appraisal Foundation, the Standards of Professional Practice and the Code of Ethics of the Appraisal Institute.

3) The appraisal report will be subject to C&W's standard Assumptions and Limiting Conditions, which will be incorporated into the appraisal. All users of the appraisal report are specifically cautioned to understand any Extraordinary Assumptions and Hypothetical Conditions which may be employed by C&W and incorporated into the appraisal.

4) In the event the Client provides a copy of this appraisal to, or permits reliance thereon by, any person or entity not an Intended User at the time of the assignment and authorized by C&W in writing to use or rely thereon, Client will indemnify and hold C&W, its affiliates and the respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including attorney's fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the appraisal by any such unauthorized person or entity.

5) The balance of the fee for the appraisal will be due upon delivery of the final report or in 30 days of the draft submission, whichever is sooner. Payment of the fee is not contingent on the appraised value, outcome of the consultation report, a loan closing, or any other prearranged condition. C&W will continue to work with Client to address any questions or comments within the draft report, make any reasonably requested revisions, and produce a final report at the request of the Client. In the event Client requests additional services beyond the purpose stated in the Agreement, Client agrees to pay an additional charge for such services, plus reimbursement of expenses. It is understood that the Client has the right to cancel this assignment at any time prior to delivery of the completed report. In such event, the Client is obligated only for the pro-rated share of the fee based upon the work completed and expenses incurred.

6) If C&W or any of its affiliates or any of their respective employees receives a subpoena or other judicial command to produce documents or to provide testimony involving this assignment in connection with a lawsuit or proceeding, C&W will use reasonable efforts to notify the Client of our receipt of same. However, if C&W or any of its affiliates are not a party to these proceedings, Client agrees to compensate C&W or its affiliate for the professional time and reimburse C&W or its affiliate for the actual expense that it incurs in responding to any such subpoena or judicial command, including attorneys' fees, if any, as they are incurred. C&W or its affiliate will be compensated at the then prevailing hourly rates of the personnel responding to the subpoena or command for testimony.

7) By signing this agreement Client expressly agrees that its sole and exclusive remedy for any and all losses or damages brought against C&W by the Client or any Intended User relating to this agreement or the appraisal shall limited to ten times the fees collected under the terms of this assignment. Under no circumstances shall any claim for consequential damages be made.

8) It is acknowledged that any opinions and conclusions expressed by the professionals of C&W or its affiliates during this assignment are representations made as employees and not as individuals. C&W's or its affiliate's responsibility is limited to the Client and all the parties cited in the Intended Users section of this letter (Pages 1and 2). C&W is not liable to any other parties.

9) The fees and expenses shall be due C&W as agreed in this letter. If it becomes necessary to place collection of the fees and expenses due C&W in the hands of a collection agent and/or an attorney (whether or not a legal action is filed) Client agrees to pay all fees and expenses including attorney's fees incurred by C&W in connection with the collection or attempted collection thereof.

10) At its sole cost and expense, C&W shall obtain and maintain insurance (including worker's compensation and employer's liability insurance, general liability insurance, auto insurance and professional liability insurance), at all times during the term of this agreement, in such amounts, covering such risks and liabilities, as are in accordance with normal industry practice, provided, however, that the minimum limits shall be at least $2,000,000 for each insurance policy. Except for the professional liability insurance, the carrier for which is not rated, all insurance policies shall be written by an insurer rated not less than "A X" or better by AM Best & Company, unless otherwise agreed to in writing by Client. Except for the professional liability insurance, the insurance policies shall name Client and its successors and/or assigns, as their interests may appear, as an additional insured and shall be non-cancelable. Prior to cancellation of an insurance policy, C&W shall arrange for issuance of a replacement policy. Certificates evidencing all of said insurance shall be delivered to Client, if requested by Client in writing.

11) If the appraisal is referred to or included in any offering material or prospectus, the appraisal shall be deemed referred to or included for informational purposes only and C&W and its employees have no liability to such recipients, unless they are Intended Users. C&W disclaims any and all liability to any party other than the party which retained C&W to prepare the appraisal and the Intended Users.

12) With respect to data provided by Client, C&W shall not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to C&W. All information obtained from the Client during the course of this engagement shall be kept strictly confidential and not disclosed to any third parties other than an Intended User without the prior written consent of Client. All initial and final reports shall be labeled: PRIVILEGED AND CONFIDENTIAL. For purposes of these Terms and Conditions, the confidentiality obligations hereunder shall not apply to information that : (a) is or becomes publicly available other than through the violation of this confidentiality agreement by C&W; (b) is lawfully obtained by C&W from a third party that, to C&W's actual knowledge, was not under an obligation of confidence; (c) is in C&W's possession prior to its disclosure by Client; (d) is developed by C&W independently of Client's disclosure; or (e) is approved for release in writing by Client. Notwithstanding the foregoing, the appraisal and/or work product or report and that portion of the information relied upon in forming the valuation opinion or the work product or report is required to be retained in an appraiser's file by the Appraisal Institute's Standards of Professional Appraisal Practice and the Uniform Standards of Professional Appraisal Practice of The Appraisal Standards Board of The Appraisal Foundation. It is understood and agreed that such appraisal, work product and information is subject to possible disclosure to a duly authorized professional peer review committee of the Appraisal Institute, or to a state enforcement or regulatory agency, pursuant to a professional audit or investigation.

13) No modification of this Proposal shall be binding upon the parties hereto, unless the same is in writing and signed by both parties. The Proposal shall be governed by the laws of New York and shall not be recorded by C&W. Any recordation or attempted recordation of

this Proposal by C&W shall be void and constitute an event of default. Nothing in this Proposal shall be deemed to grant to C&W a stake or real property interest in the same. Interpretation of this Proposal and the resolution of any dispute arising hereunder shall be resolved in accordance with the laws of the State of New York and the parties hereby consent to conduct any proceeding instituted by Client or C&W in the City of New York and submit to the jurisdiction of the State of New York for all purposes relating to this Proposal.

ADDENDUM B: INSURABLE VALUE

At the Client's request, we have provided an insurable value estimate. The estimate is based on figures derived from the Marshall and Swift (M&S) Commercial Cost Explorer and is developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage for replacing any structure. This analysis should not be relied upon to determine insurance coverage. Furthermore, we make no warranties regarding the accuracy of this estimate.

Insurable Value is directly related to the portion of the real estate that is covered under the asset's insurance policy. We have based this opinion on the building's Replacement Cost New (RCN) which has no direct correlation with its actual market value.

We developed an opinion of RCN using the Calculator Method developed by Marshall & Swift tempered by our experience with similar property types in the City.

The RCN is the total construction cost of a new building with the same specifications and utility as the building being appraised, but built using modern technology, materials, standards and design. For insurance purposes, RCN includes all direct costs necessary to construct the building improvements. Items that are not considered include land value, site improvements, indirect costs, depreciation and entrepreneurial profit. To develop an opinion of insurable value, exclusions for below-grade foundations and architectural fees must be deducted from RCN.

Our estimate of insurable value is based upon figures derived from a national cost estimating service and is developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. **As such, we strongly recommend that the Client obtains estimates from professionals experienced in establishing insurance coverage for replacing any structure. This analysis should not be relied upon to determine insurance coverage. Furthermore, we make no warranties regarding the accuracy of this estimate.**

Please refer to the following chart for opinion of insurable value, which includes exclusions for below-grade foundations and architectural fees deducted from replacement cost new.

INSURABLE VALUE

BASIC ASSUMPTIONS & REPLACEMENT COST PARAMETERS

Insurable Value Type:	**Insurable Value As Is**			
Replacement Cost New Source:	Marshall Valuation Service			
Improvement Type:	Office	**Section:**	15	
Improvement Class:	A	**Page:**	17	
Improvement Quality:	Excellent	**Date:**	Nov-13	

REPLACEMENT COST ANALYSIS

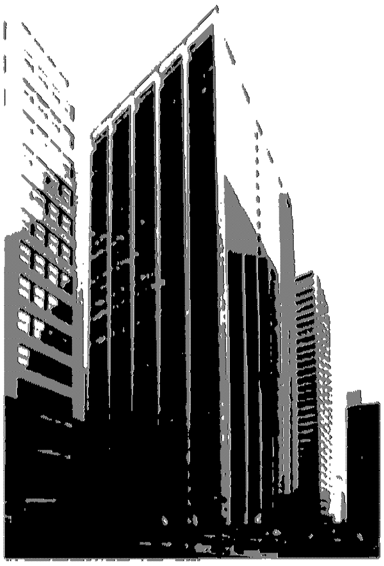
Replacement Cost New (RCN)	**GBA (SF)**	**$/GBA**	**Sub-Total**	
Building Improvements				
Base Cost	1,061,266	$256.40	$272,108,602	
HVAC		$16.35	$17,351,699	
Sprinklers		$2.45	$2,600,102	
Subtotal		$275.20	$292,060,403	
Multipliers				
Current Cost		1.040		
Local Area		1.440		
Perimeter		1.000		
Building Height		1.267		
Congestion/Complex		1.200		
Product of Multipliers			x 2.277	
Adjusted Replacement Cost New (RCN)			$665,007,239	$626.62

INSURABLE VALUE SUMMARY

Less: Insurance Exclusions				
Foundations Below Grade		-5.00%		
Piping Below Grade (Negligible)		0.00%		
Architect Fees		-5.00%		
Total Insurance Exclusion Adjustment		-10.00%	($66,500,724)	
Insurable Value (Subject Property)			$598,506,515	$563.96
Rounded			**$600,000,000**	$565.36

Compiled by Cushman & Wakefield, Inc.

ADDENDUM C: COMPARABLE IMPROVED SALES



100 Wall Street
New York City NY 10005
MSA: New York
New York (Manhattan) County

Property Type:	Office
Property Subtype:	N/A
ID:	315242
APN:	N/A

PROPERTY INFORMATION

Site Area (Acres):	0.51	Number of Buildings:	1
Site Area (SqFt):	22,399	Number of Stories:	29
Gross Bldg Area:	517,031	Class:	A
Net Bldg Area:	517,031	Number of Parking Spaces:	N/A
Year Built:	1969	Parking Ratio:	N/A
Last Renovation:	2014	Tenancy Type:	N/A
Quality:	N/A		
Condition:	N/A		

SALE INFORMATION

Sale Status:	In-Contract	OAR:	3.04%
Transaction Date:	6/2015	NOI:	$8,208,000
Sale Price:	$270,000,000	NOI per SqFt:	$15.88
Price per SqFt:	$522.21	Occupancy:	95.00%
Value Interest:	N/A	Expense Ratio:	N/A
Grantor:	Savanna Partners	EGIM:	N/A
Grantee:	Cornerstone Real Estate Advisors	Buying Entity:	N/A
Condition of Sale:	N/A		

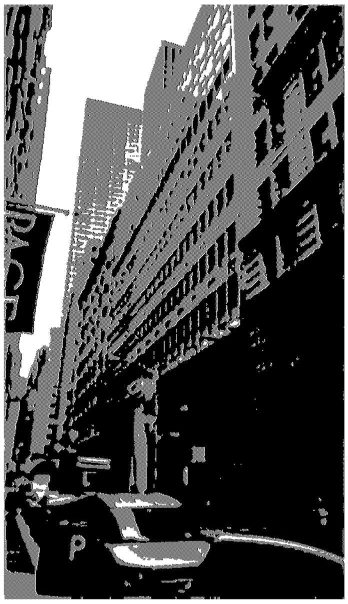
VERIFICATION COMMENTS

N/A

COMMENTS

Sale of a Class A office building on the corner of Wall Street and Water Street that is leased to 50 tenants. The three largest tenants include Harris Beach PLLC, Lester Schwab and US Bank National Association. The average office contract is $38.46 per square, approximately 20 percent below market. An approximate $24.7 million in capital improvements have been spent in the past four years; which included common areas, HVAC, building systems, and the relocation of the electrical switchgear to the 2nd floor. Savanna Partners acquired 100 Wall Street by foreclosing on a mortgage note of $117,399,060 from Lehman Brothers Holdings, Inc. in May 2011. In addition at the time, Savanna acquired the junior debt positions to the first mortgage.

IMPROVED SALE COMPARABLE - 2



123 William Street
New York City NY 10038
MSA: N/A

Property Type:	Office
Property Subtype:	N/A
ID:	306393
APN:	N/A

PROPERTY INFORMATION

Site Area (Acres):	0.49	Number of Buildings:	1
Site Area (SqFt):	21,242	Number of Stories:	27
Gross Bldg Area:	545,301	Class:	N/A
Net Bldg Area:	545,301	Number of Parking Spaces:	N/A
Year Built:	1957	Parking Ratio:	N/A
Last Renovation:	2015	Tenancy Type:	N/A
Quality:	N/A		
Condition:	N/A		

SALE INFORMATION

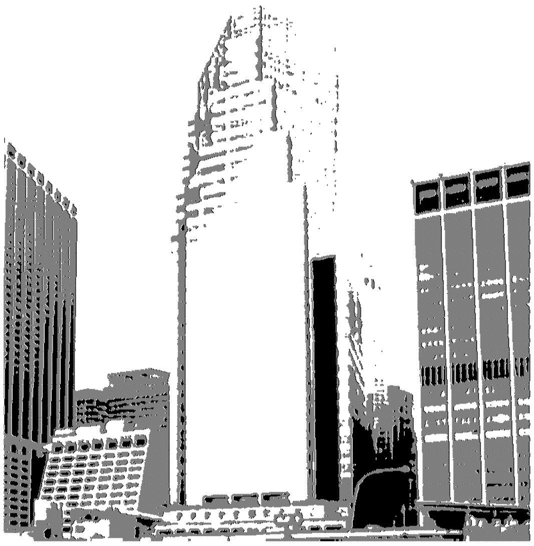
Sale Status:	In-Contract	OAR:	2.68%
Transaction Date:	3/2015	NOI:	$6,780,400
Sale Price:	$253,000,000	NOI per SqFt:	$12.43
Price per SqFt:	$463.96	Occupancy:	98.00%
Value Interest:	N/A	Expense Ratio:	N/A
Grantor:	Green Oak & East End Capital	EGIM:	N/A
Grantee:	American Realty Capital	Buying Entity:	N/A
Condition of Sale:	N/A		

VERIFICATION COMMENTS

N/A

COMMENTS

Sale of a Class A minus office building located between John and Fulton Streets. Tenants include the New York State Department of State, the City of New York, the U.S. Social Security Administration, the Securities Training Corporation and law firm McAloon & Friedman. The property was previously purchased by GreenOak & East End Capital from Chetrit Group in October 2013 for $133 million, at which time the building was half occupied. The property is currently 98 percent leased.



32 Old Slip
Financial Square
New York City NY 10005
MSA: N/A

Property Type:	Office
Property Subtype:	N/A
ID:	306392
APN:	N/A

PROPERTY INFORMATION

Site Area (Acres):	0.97	Number of Buildings:	1
Site Area (SqFt):	42,176	Number of Stories:	36
Gross Bldg Area:	1,159,086	Class:	N/A
Net Bldg Area:	1,159,086	Number of Parking Spaces:	N/A
Year Built:	1987	Parking Ratio:	N/A
Last Renovation:	N/A	Tenancy Type:	N/A
Quality:	N/A		
Condition:	N/A		

SALE INFORMATION

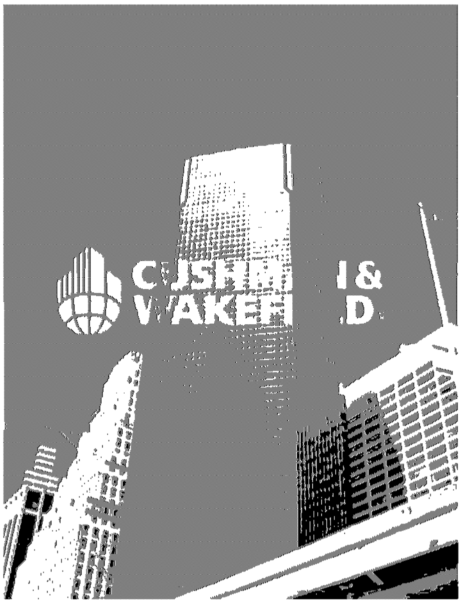
Sale Status:	In-Contract	OAR:	4.00%
Transaction Date:	12/2014	NOI:	$27,000,000
Sale Price:	$675,000,000	NOI per SqFt:	$23.29
Price per SqFt:	$582.36	Occupancy:	N/A
Value Interest:	N/A	Expense Ratio:	N/A
Grantor:	Beacon Capital Partners	EGIM:	N/A
Grantee:	RXR Realty	Buying Entity:	N/A
Condition of Sale:	N/A		

VERIFICATION COMMENTS

N/A

COMMENTS

Sale of Class A building located on an entire city block bound by Old Slip, South Street, Gouverneur Lane and Front Street in the Financial East District of Downtown Manhattan. RXR Realty purchased the property from Beacon Capital Partners for $675 million. Following the sale, RXR Realty created a 99 year ground lease which they sold to Leon Melohn for a purchase price of 207.5 million. The ground rent is $8.5 million through 2023, increasing to $9,572,381 with subsequent 2.0 percent annual increases. RXR Realty will retain the leasehold estate. The buyer intends to renovate and reposition the property.



Office Building
180 Maiden Lane
B/w Front and South Streets
New York NY 10005
MSA: New York
New York (Manhattan) County
New York, Downtown - Financial East

Property Type:	Office
Property Subtype:	Office Building - High Rise
ID:	309089
APN:	N/A

PROPERTY INFORMATION

Site Area (Acres):	1.07	Number of Buildings:	1
Site Area (SqFt):	46,799	Number of Stories:	41
Gross Bldg Area:	1,089,578	Class:	A
Net Bldg Area:	1,189,325	Number of Parking Spaces:	N/A
Year Built:	1984	Parking Ratio:	N/A
Last Renovation:	N/A	Tenancy Type:	Multi-Tenant
Quality:	Excellent		
Condition:	Excellent		

SALE INFORMATION

Sale Status:	Recorded Sale	OAR:	N/A
Transaction Date:	1/2015	NOI:	N/A
Sale Price:	$470,000,000	NOI per SqFt:	N/A
Price per SqFt:	$395.18	Occupancy:	N/A
Value Interest:	Leased Fee	Expense Ratio:	N/A
Grantor:	The Moinian Group and SL Green Realty	EGIM:	N/A
Grantee:	Murray Hill Properties (MHP)	Buying Entity:	N/A
Condition of Sale:	None		

VERIFICATION COMMENTS

cw research

COMMENTS

The property comprises a 41-story, plus lower level, Class A office building containing 1,189,325 square feet of net rentable area on a 46,799 square foot parcel of land. At the time of sale the property was 21.2 percent occupied. The majority of the vacant space was formerly occupied by AIG which recently vacated the property. At the time of sale the property was undergoing a $33.0 million capital improvement to reconfigure and enhance the lobby and interior public space, upgrade the elevators and building mechanical systems.

77 Water Street
77 Water Street
B/w Gouverneur Lane and Old Slip
New York NY 10005
MSA: New York
New York (Manhattan) County
New York, Downtown - Financial East

Property Type:	Office
Property Subtype:	N/A
ID:	291728
APN:	N/A

PROPERTY INFORMATION

Site Area (Acres):	0.59	Number of Buildings:	1
Site Area (SqFt):	25,779	Number of Stories:	26
Gross Bldg Area:	633,308	Class:	A
Net Bldg Area:	633,308	Number of Parking Spaces:	N/A
Year Built:	1969	Parking Ratio:	N/A
Last Renovation:	2009	Tenancy Type:	N/A
Quality:	N/A		
Condition:	N/A		

SALE INFORMATION

Sale Status:	In-Contract	OAR:	7.68%
Transaction Date:	8/2014	NOI:	$18,804,555
Sale Price:	$245,000,000	NOI per SqFt:	$29.69
Price per SqFt:	$386.86	Occupancy:	100.00%
Value Interest:	Leasehold	Expense Ratio:	N/A
Grantor:	Travelers Companies	EGIM:	N/A
Grantee:	Principal Real Estate Investors	Buying Entity:	N/A
Condition of Sale:	N/A		

VERIFICATION COMMENTS

CW Research

COMMENTS

Sale of Class A building located in the Financial East submaket. The property is fully leased to The Goldman Sachs Group, Inc. under a triple-net lease agreement that expires in March 2021 with a surrender option for the 14 through 26 floors in March 2018. Goldman Sachs Group, Inc. never took occupancy of the property since the lease commencement in January 2000. In 2009, the tenant renovated the property and commenced a subleasing program of the space to third parties. Over 80 percent of the property is currently subleased to third parties such as AT&T, ARUP, Lewis Brisbois and United Health among others. The property was developed by the Kaufmann Organization. The property is subject to a long term ground lease that is owned and controlled by the principals of The William Kaufman Organization with minimal ground rental payments.

80 Broad Street
80 Broad Street
Between Stone and Beaver Streets
New York NY 10022
MSA: New York
New York (Manhattan) County

Property Type:	Office
Property Subtype:	N/A
ID:	287002
APN:	Block; 11; Lot; 21

PROPERTY INFORMATION

Site Area (Acres):	0.30	Number of Buildings:	1
Site Area (SqFt):	13,135	Number of Stories:	36
Gross Bldg Area:	N/A	Class:	B
Net Bldg Area:	411,944	Number of Parking Spaces:	N/A
Year Built:	1935	Parking Ratio:	N/A
Last Renovation:	2007	Tenancy Type:	Multi-Tenant
Quality:	Average		
Condition:	Average		

SALE INFORMATION

Sale Status:	Recorded Sale	OAR:	3.74%
Transaction Date:	8/2014	NOI:	$6,545,000
Sale Price:	$175,000,000	NOI per SqFt:	$15.89
Price per SqFt:	$424.82	Occupancy:	87.00%
Value Interest:	N/A	Expense Ratio:	N/A
Grantor:	Savanna	EGIM:	N/A
Grantee:	Broad Street Development	Buying Entity:	N/A
Condition of Sale:	N/A		

VERIFICATION COMMENTS

acris

COMMENTS

Sale of a Class B office building located on Broad Street between Stone and Beaver Streets. The property is located in the Financial East office submarket of Downtown Manhattan. Savanna acquired the property in 2011 from Swig Equities after taking control of the property's senior mortgage. Subsequently, Savanna completed a comprehensive renovation which included a lobby renovation, façade, modernized elevators and upgrades to the common areas. In addition, Savanna also invested capital to complete work following Superstorm Sandy, to protect the building from similar future weather events.

222 Broadway
New York NY 10038
MSA: New York
New York (Manhattan) County
New York, Downtown - Insurance

Property Type:	Office
Property Subtype:	Mixed Use - Office/Retail
ID:	291729
APN:	Block; 89 ; Lot; 12

PROPERTY INFORMATION

Site Area (Acres):	0.77	Number of Buildings:	1
Site Area (SqFt):	33,340	Number of Stories:	31
Gross Bldg Area:	756,138	Class:	A
Net Bldg Area:	756,138	Number of Parking Spaces:	N/A
Year Built:	1961	Parking Ratio:	N/A
Last Renovation:	2013	Tenancy Type:	N/A
Quality:	Good		
Condition:	Good		

SALE INFORMATION

Sale Status:	Recorded Sale	OAR:	4.17%
Transaction Date:	8/2014	NOI:	$20,834,258
Sale Price:	$500,000,000	NOI per SqFt:	$27.55
Price per SqFt:	$661.26	Occupancy:	97.00%
Value Interest:	Leased Fee	Expense Ratio:	N/A
Grantor:	Beacon Capital JV L&L Holding	EGIM:	N/A
Grantee:	Deutsche Asset & Wealth Management	Buying Entity:	N/A
Condition of Sale:	N/A		

VERIFICATION COMMENTS

CW Research

COMMENTS

Sale of a Classe A office building in Downtown Manhattan. Beacon sold its equity stake and L&L will stay on as partner and continue to operate the building. Bank of America occupies 78% of the building with their current lease expiring in 2022. In 2013, BOA exercised an option to vacate 91,000 SF. BOA's rents are significantly below market as they sold the building to Beacon and L&L in 2012. The building is near full occupancy with WeWork recently signing a lease for 120,000 SF for 16 years and Conde Nast leasing 83,000 SF until 2029.

61 Broadway
Northwest corner of Exchange Alley
New York NY 10006
MSA: New York
New York (Manhattan) County

Property Type:	Office
Property Subtype:	Office Building - High Rise
ID:	277096
APN:	N/A

PROPERTY INFORMATION

Site Area (Acres):	0.49	Number of Buildings:	1
Site Area (SqFt):	21,209	Number of Stories:	33
Gross Bldg Area:	650,740	Class:	A
Net Bldg Area:	786,975	Number of Parking Spaces:	N/A
Year Built:	1916	Parking Ratio:	N/A
Last Renovation:	1986	Tenancy Type:	N/A
Quality:	N/A		
Condition:	Average		

SALE INFORMATION

Sale Status:	In-Contract	OAR:	4.46%
Transaction Date:	5/2014	NOI:	$14,718,000
Sale Price:	$330,000,000	NOI per SqFt:	$18.70
Price per SqFt:	$419.33	Occupancy:	97.00%
Value Interest:	N/A	Expense Ratio:	N/A
Grantor:	Broad Street Development	EGIM:	N/A
Grantee:	RXR Realty	Buying Entity:	N/A
Condition of Sale:	N/A		

VERIFICATION COMMENTS

C&W research

COMMENTS

Sale of a Class B office building located on Broadway between Exchange Alley and Rector Street. The building is 96.58 percent leased. The buyer intends to renovate at a cost of $20 million over the next several years and increase rents. The buyer intends to attract creative and tech firms. The largest tenants include The People of New York (36,696 square feet) and Professional Staff Insurance (31,536 square feet). Trinity Place Department Store occupies the retail space on the ground floor, basement and mezzanine.

388-390 Greenwich Street
B/w North Moore & Hubert Streets
New York NY 10013
MSA: New York
New York (Manhattan) County
New York, Downtown - City Hall

Property Type:	Office
Property Subtype:	N/A
ID:	291736
APN:	N/A

PROPERTY INFORMATION

Site Area (Acres):	3.96	Number of Buildings:	2
Site Area (SqFt):	172,327	Number of Stories:	39/8
Gross Bldg Area:	2,634,670	Class:	N/A
Net Bldg Area:	2,634,670	Number of Parking Spaces:	N/A
Year Built:	1986	Parking Ratio:	N/A
Last Renovation:	1989	Tenancy Type:	N/A
Quality:	N/A		
Condition:	N/A		

SALE INFORMATION

Sale Status:	Recorded Sale	OAR:	6.90%
Transaction Date:	3/2014	NOI:	$109,392,601
Sale Price:	$1,585,000,000	NOI per SqFt:	$41.52
Price per SqFt:	$601.59	Occupancy:	100.00%
Value Interest:	Leasehold	Expense Ratio:	N/A
Grantor:	Ivanhoe Cambridge	EGIM:	N/A
Grantee:	SL Green Realty	Buying Entity:	N/A
Condition of Sale:	N/A		

VERIFICATION COMMENTS

CW Research

COMMENTS

SL Green bought JV partner Ivanhoe Cambridge's interest. In December 2013, Citi renewed its triple-net lease of the 2.6M SF through 2035 and will make the complex its global HQ. It has the option to buy the properties between December 2017 to December 2020. Its acquisition from Ivanhoe Cambridge values the properties at $1.585B, nearly the same as when the companies bought them from Citigroup in December 2007 ($1.575B). However, the terms of Citi's purchase option aren't known. 388 Greenwich is a 39-story tower with highly efficient floors and sweeping, unobstructed views. 390 Greenwich is an eight-story building featuring 94,000 square foot floors that are considered some of the finest trading floors in Manhattan.

110 William Street
New York NY
MSA: N/A

Property Type:	Office
Property Subtype:	N/A
ID:	279976
APN:	N/A

PROPERTY INFORMATION

Site Area (Acres):	0.79	Number of Buildings:	1
Site Area (SqFt):	34,591	Number of Stories:	32
Gross Bldg Area:	788,241	Class:	A
Net Bldg Area:	928,157	Number of Parking Spaces:	N/A
Year Built:	1959	Parking Ratio:	N/A
Last Renovation:	N/A	Tenancy Type:	N/A
Quality:	N/A		
Condition:	N/A		

SALE INFORMATION

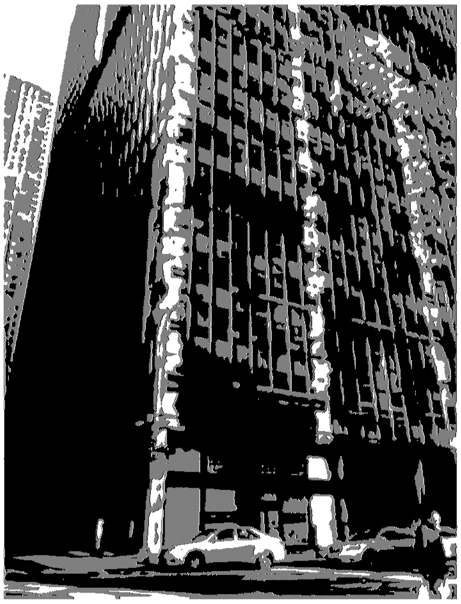
Sale Status:	In-Contract	OAR:	4.97%
Transaction Date:	5/2014	NOI:	$12,976,670
Sale Price:	$261,100,000	NOI per SqFt:	$13.98
Price per SqFt:	$281.31	Occupancy:	97.00%
Value Interest:	N/A	Expense Ratio:	N/A
Grantor:	Swig Equities & Longwing Ventures	EGIM:	N/A
Grantee:	Savanna Partners	Buying Entity:	N/A
Condition of Sale:	N/A		

VERIFICATION COMMENTS

Savanna

COMMENTS

Sale of a Class A office building located on the northeast corner of William and John Streets. The floor plates range from 5,300 to 40,000 square feet. Ownership has spent approximately $18.6 million in building and tenant improvements since 2005. The two cellar floors total 13,185 square feet, with 20,765 square feet of space on the ground floor and another 894,207 square feet of office space above. New York Economic Development Corporation, the building's anchor tenant, has a private entrance off John Street with escalators leading to its second floor space.



160 Water Street
New York NY
MSA: N/A

Property Type:	Office
Property Subtype:	Mixed Use - Office/Retail
ID:	277095
APN:	Block 70 Lot 43

PROPERTY INFORMATION

Site Area (Acres):	0.55	Number of Buildings:	1
Site Area (SqFt):	24,092	Number of Stories:	24
Gross Bldg Area:	487,523	Class:	A
Net Bldg Area:	487,523	Number of Parking Spaces:	N/A
Year Built:	1970	Parking Ratio:	N/A
Last Renovation:	1987	Tenancy Type:	Multi-Tenant
Quality:	Good		
Condition:	Good		

SALE INFORMATION

Sale Status:	Recorded Sale	OAR:	4.28%
Transaction Date:	3/2014	NOI:	$7,062,000
Sale Price:	$165,000,000	NOI per SqFt:	$14.49
Price per SqFt:	$338.45	Occupancy:	96.00%
Value Interest:	Leased Fee	Expense Ratio:	N/A
Grantor:	Oestreicher Realty	EGIM:	N/A
Grantee:	Emmes Asset Management	Buying Entity:	Investor
Condition of Sale:	N/A		

VERIFICATION COMMENTS

Emmes Asset Management

COMMENTS

Sale of a Class A office building located on the north side of Fletcher Street between Water Street and Pearl Street in the Insurance office submarket of Downtown Manhattan. The property is leased to four office tenants. The three largest office tenants in the building include NYC Health & Hospital (310,841 square feet); Beth Israel Medical Center (107,500 square feet); and Seneca Insurance Company (43,000 square feet). The smallest office tenant is Oestreicher Management (5,259 square feet) which is the owner's management office. The rollover years occur in 2023 and 2025. In 2023, the lease expires with New York City Health and Hospitals Corporation; and in 2025, the lease expires with Beth Israel Medical Center.

55 Broadway
55 Broadway
New York (Downtown) NY 10006
MSA: New York
New York (Manhattan) County

Property Type:	Office
Property Subtype:	Office Building - High Rise
ID:	273782
APN:	Block 20 Lot 16

PROPERTY INFORMATION

Site Area (Acres):	0.36	Number of Buildings:	1
Site Area (SqFt):	15,722	Number of Stories:	32
Gross Bldg Area:	309,381	Class:	A
Net Bldg Area:	358,637	Number of Parking Spaces:	N/A
Year Built:	1981	Parking Ratio:	N/A
Last Renovation:	1987	Tenancy Type:	Multi-Tenant
Quality:	Good		
Condition:	Good		

SALE INFORMATION

Sale Status:	Recorded Sale	OAR:	4.87%
Transaction Date:	2/2014	NOI:	$7,645,900
Sale Price:	$157,000,000	NOI per SqFt:	$21.32
Price per SqFt:	$437.77	Occupancy:	89.00%
Value Interest:	N/A	Expense Ratio:	N/A
Grantor:	Broad Street Development	EGIM:	N/A
Grantee:	Harbor Group International, LLC	Buying Entity:	N/A
Condition of Sale:	N/A		

VERIFICATION COMMENTS

N/A

COMMENTS

Sale of a Class A office building known as One Exchange Plaza located on Broadway located one block west of the New York Stock Exchange and four blocks south of the new World Trade Center. The office space is leased 38 office tenants. Approximately 49 percent of the subject's net rentable area expires through 2018. The lobby has been fully renovated along with the elevator cabs and mechanicals. The property previously sold in May 2006 to Broad Street Development from Bank of Communications for a purchase price of $82 million.

ADDENDUM D: APPRAISER'S CERTIFICATIONS & QUALIFICATIONS

PROFESSIONAL QUALIFICATIONS

Naoum M. Papagianopoulos, MAI

Senior Director
Valuation & Advisory

Background
Naoum M. Papagianopoulos is an appraiser and real estate analyst with the Valuation & Advisory Group of Cushman & Wakefield, Inc. He joined Cushman & Wakefield's Valuation & Advisory Group in March of 2005. Prior to joining the Valuation & Advisory Group, Mr. Papagianopoulos was Cushman & Wakefield's financial analyst for budgeting and planning.

Experience
Appraisal assignments have included office buildings, retail properties, hospital and medical office space, mixed-use properties, industrial properties, residential condominium and apartment properties, air rights, vacant land, portfolios, feasibility studies, and market studies. Primary concentration is centered on existing and proposed office and retail use properties in New York City.

Appraisal Experience – New York City Office Buildings
Extensive experience in the analysis and valuation of New York City office buildings and mixed-use properties and institutional office buildings. The primary market area of concentration is Manhattan where over 300 office buildings were appraised within the last five years. Notable office building assignments include the following:

- World Trade Center
- World Financial Center
- General Motors Building
- 745 Seventh Avenue (Barclays)
- Empire State Building
- 9 West 57th Street
- Rockefeller Center
- Chrysler Center
- Worldwide Plaza
- 667 Madison Avenue
- 60 Wall Street
- MetLife Building

Special Purpose Property Experience
Diversified experience in the preparation of appraisals and market studies of, as well as consultation for, industry specific real estate including hospitals and medical centers:

- New York Presbyterian Hospital
- Hospital for Special Surgery
- Manhattan Eye, Ear and Throat Hospital
- St. Luke's Hospital

Education
Baruch College, New York, NY
Zicklin School of Business
Masters of Business Administration, June 1999
Major in Finance

American College of Thessalonica
Bachelor of Arts, June 1996
Major in Business Administration

CUSHMAN & WAKEFIELD

Appraisal Education
Successfully completed all New York State required appraisal courses and satisfied all educational requirements as set forth by the Appraisal Institute.

Memberships, Licenses, and Professional Affiliations

- Designated Member, Appraisal Institute (MAI designation achieved 2012)
- State of New York Certified General Real Estate Appraiser, License #46000048506

UNIQUE ID NUMBER
46000048506

State of New York
Department of State
DIVISION OF LICENSING SERVICES

FOR OFFICE USE ONLY
Control
No.

EFFECTIVE DATE

MO.	DAY	YR.
11	05	13

PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS.

EXPIRATION DATE

MO.	DAY	YR.
11	04	15

PAPAGIANOPOULOS NAOUM M
C/O CUSHMAN & WAKEFIELD
1290 AVENUE OF THE AMERICAS
9TH FL
NEW YORK, NY 10104-6178

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.

CESAR A. PERALES
SECRETARY OF STATE

DOS-1098 (Rev. 3/01)

PROFESSIONAL QUALIFICATIONS

Robert S. Nardella, MAI, MRICS

Senior Managing Director
Valuation & Advisory

Background

Robert S. Nardella is a Senior Managing Director of Cushman & Wakefield, Inc., working within the Valuation & Advisory Group. Mr. Nardella joined Cushman & Wakefield, Inc. in February 1987 while still attending college. He graduated from Pace University's Lubin School of Business, Class of 1987, with a Bachelor of Business Administration in Finance, and earned a Masters in Real Estate from New York University in 1997.

In March of 1993, Mr. Nardella was named Associate Director of Cushman & Wakefield, Inc. He was further promoted to Director in December 1994 and to Senior Director in September 2006. Mr. Nardella has received the Excellence in Quality Service Award for the Valuation Advisory division in the New York region, and was named Quality Control Manager for the New York region in 2004. Other appointments include National Account Manager of several key Cushman & Wakefield relationships, as well as service on the Career Development Committee. In January 2007, Mr. Nardella was appointed Operations Manager of the New York office within Valuation & Advisory, and was named Managing Director in June 2008. In January 2010, Mr. Nardella was named Senior Managing Director and Regional Manager for New York and New Jersey V&A operations.

Real Estate Experience

Since joining Cushman & Wakefield, Inc., Mr. Nardella has performed appraisal, feasibility and consulting assignments involving vacant land, developable air rights, office buildings, proposed and existing regional malls, shopping centers, industrial and residential complexes, condominiums, and investment properties throughout 25 states.

Education

Pace University - Bachelor of Science, Finance – June 1987
New York University – Masters in Real Estate – January 1997

Appraisal Education

Mr. Nardella has successfully completed all courses and requirements to qualify for the MAI designation, and has currently completed the requirements under the continuing education program of the Appraisal Institute.

Memberships, Licenses and Professional Affiliations

- Designated Member, Appraisal Institute (MAI designation achieved 1997)
- Member, Royal Institution of Chartered Surveyors (MRICS)
- State of New York Certified General Real Estate Appraiser, License No. 46000004620
- State of New Jersey Certified General Real Estate Appraiser, License No. 42RG00230800

CUSHMAN & WAKEFIELD®

UNIQUE ID NUMBER
46000004620

State of New York
Department of State
DIVISION OF LICENSING SERVICES

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EFFECTIVE DATE

MO.	DAY	YR.
12	08	14

PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R.E. APPRAISERS.

EXPIRATION DATE

MO.	DAY	YR.
12	07	16

NARDELLA ROBERT S
C/O CUSHMAN & WAKEFIELD INC
1290 AVENUE OF THE AMERICAS
9TH FL
NEW YORK, NY 10104

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.

CESAR A. PERALES
SECRETARY OF STATE

DOS-1098 (Rev. 3/01)

PROFESSIONAL QUALIFICATIONS

Douglas H. Larson
Executive Director
Valuation & Advisory

Mr. Larson is actively involved in appraising various property types including office, industrial, and retail developments. Assignments include appraisal and advising services to institutional lenders and financiers, investment banking firms, brokerage, domestic/international investors and pension/insurance funds. Mr. Larson's experience also involves financial modeling and property valuation, loan review and due diligence of diverse assets. Appraisal and consulting assignments have been completed for mortgage loan purposes, arbitrations, allocations, estates, and assisting in the decision-making process in the acquisition, disposition and marketing of real estate.

Experience
Mr. Larson is an Executive Director with the New York Valuation & Advisory group of Cushman & Wakefield, Inc., an international, full-service real estate organization. He has wide experience on a variety of property types, including Class A office buildings, apartment buildings, shopping centers, regional malls, motels and hotels, manufacturing plants, warehouses and mixed-use projects from 1993 to present.

Arthur Andersen & Co., Phoenix, Arizona, preparing real property appraisals and portfolio analysis used in marketing, leasing and sale of complex assets for bulk sale, internal and annual loan review, acquisition and disposition. Performed marketability and feasibility studies, market analysis, and consulting on real estate within the western United States (1992 to 1993).

Bank One of Arizona, Phoenix, Arizona, preparing and reviewing real property appraisals for compliance of OCC standards and FIRREA guidelines (1990 to 1992).

Appraisal Experience – New York City Office Buildings
Extensive experience in the analysis and valuation of New York City office buildings and mixed-use properties and institutional office buildings. The primary market area of concentration is Manhattan, where over 300 office buildings were appraised within the last five years. Notable office building assignments include the following:

- World Trade Center
- World Financial Center
- General Motors Building
- 745 Seventh Avenue (Barclays)
- Empire State Building
- 9 West 57th Street
- Rockefeller Center
- Chrysler Center
- Worldwide Plaza
- AOL/Time Warner
- Bloomberg Headquarters
- Citigroup Center

Special Purpose Property Experience
Diversified experience in the preparation of appraisals and market studies of, as well as consultation for, industry specific real estate including hospitals and medical centers:

- New York Presbyterian Hospital
- Hospital for Special Surgery
- Manhattan Eye, Ear and Throat Hospital
- St. Luke's Hospital

CUSHMAN & WAKEFIELD®

Consulting and Arbitration Experience

Varied commercial real estate experience in New York City for the past 20 years. Notable recent assignments included:

Consultant to the Port Authority of New York and New Jersey in selecting their alternatives for disposition of the World Trade Center, a seven-building, office and retail complex in lower Manhattan.

Conducted all aspects of financial analysis of commercial real estate, including benefits and costs of property ownership, as well as asset and property management reorganization; accomplished privatization over a five-year period, resulting in the sale of the leasehold interest in the World Trade Center, at the time the largest office complex in the world.

Education

Arizona State University, Tempe, Arizona
Bachelor of Science
Double Majors in Economics & Sociology

Appraisal Education

Successfully completed all New York State required appraisal courses and satisfied all educational requirements as set forth by the Appraisal Institute.

Memberships, Licenses and Professional Affiliations

- Candidate for Designation, Appraisal Institute – Metropolitan New York Chapter
- State of New York Certified General Real Estate Appraiser, License No. # 46000039300

UNIQUE ID NUMBER
46000039300
DUPLICATE LICENSE

State of New York
Department of State
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PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R.E. APPRAISERS

EFFECTIVE DATE

MO	DAY	YR
06	05	2014

LARSON DOUGLAS H
CUSHMAN & WAKEFIELD INC
1290 AVENUE OF THE AMERICAS
9^{TH} FL
NEW YORK NY 10104-6178

EXPIRATION DATE

MO	DAY	YR
06	04	2016

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.

SECRETARY OF STATE
CESAR A. PERALES

DOS-1095 (Rev. 3/01)