To: Rick.Carias@capitalonebank.com[Rick.Carias@capitalonebank.com]
Cc: Douglas Larson; Michael Papagianopoulos
From: Gerry Asprer
Sent: Mon 8/16/2010 6:49:02 PM
Subject: 40 Wall Street
40 Wall Street Appraisal.pdf
40 Wall Street Argus.zip

The attached final report and argus file have been uploaded to RIMS.
If you have any questions please contact Mr. Douglas Larson at 212 841-5051.

Thank you.

Gerry Asprer
VAS Coordinator
Valuation & Advisory
Cushman & Wakefield, Inc.
1290 Avenue of the Americas, 9th Floor
New York, NY 10104-6178

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PX-238
Index No. 452564/2022 (AFE)

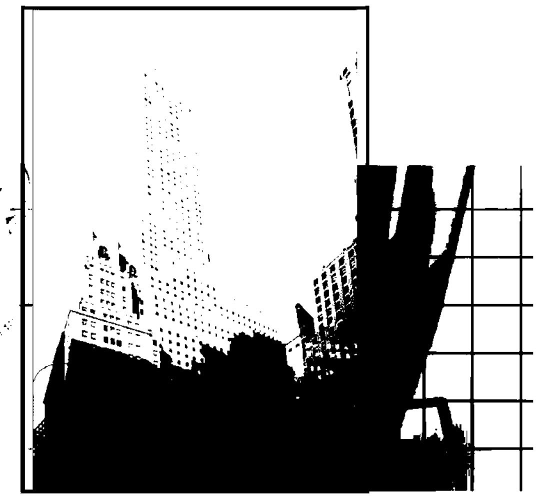
APPRAISAL OF REAL PROPERTY

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

IN A SELF-CONTAINED APPRAISAL REPORT

As of August 1, 2010

Prepared For:
Capital One Bank
404 Fifth Avenue, 4th Floor
New York, New York 10018



Photograph of Subject Property

Prepared By:
Cushman & Wakefield, Inc.
Valuation Services
1290 Avenue of the Americas
New York, NY 10104
C&W File ID: 10-12001-9719

CUSHMAN & WAKEFIELD
Global Real Estate Solutions℠

"As a matter of environmental responsibility, C&W has adopted a corporate wide program to print our appraisal reports double-sided."

CUSHMAN & WAKEFIELD, INC.
1290 AVENUE OF THE AMERICAS
NEW YORK, NY 10104

August 5, 2010

Ms. Tara Boyan
Capital One Bank
404 Fifth Avenue, 4th Floor
New York, New York 10018'

Re: Appraisal of Real Property
In a Self-Contained Report

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

C&W File ID: 10-12001-9719

Dear Ms. Boyan:

In fulfillment of our agreement as outlined in the Letter of Engagement, we are pleased to transmit our appraisal of the above property in a self-contained report dated August 5, 2010. The effective date of value is August 1, 2010.

This report was prepared for Capital One Bank and is intended only for its specified use. It may be distributed to the client's attorneys, accountants, advisors, investors, lenders, potential mortgage participants and rating agencies. It may not be distributed to or relied upon by other persons or entities without 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.

MARKET VALUE AS IS

Based on the agreed to Scope of Work, and as outlined in the report, we have developed an opinion that the market value of the **leasehold estate** of the referenced property, subject to the assumptions and limiting conditions, certifications, extraordinary and hypothetical conditions, if any, and definitions, "As-Is" on August 1, 2010, is:

TWO HUNDRED MILLION DOLLARS

$200,000,000

PROSPECTIVE MARKET VALUE

Based on the agreed to Scope of Work, and as outlined in the report, we have developed an opinion that the prospective market value of the **leasehold estate** of the referenced property, subject to the assumptions, limiting conditions, certifications, and definitions, on August 1, 2015, will be:

TWO HUNDRED EIGHTY MILLION DOLLARS

$280,000,000

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.

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Senior Director
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SUMMARY OF SALIENT FACTS

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 1,175,607 square feet of net rentable area (1,061,266 square feet of gross building area) on a 34,360 square foot parcel of land. The subject property was remeasured by the owners based on a 27.00 percent loss factor, which is consistent in the market. It has been our experience that 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. These examples assume a full floor tenant. The loss factors are greater for partial floor tenancies. Based on the rent roll, the current net rentable area is 1,130,555 square feet, while the future remeasured net rentable area is 1,175,607 square feet once the leases that is not remeasured expire. As these leases expire, tenants will be paying rent based on their remeasured area, which is standard in the market. It should be noted that throughout this appraisal we have analyzed the subject property based on the remeasured net rentable area of 1,175,607 square feet. The comparable sales and comparable rentals in this appraisal were also analyzed based on their remeasured net rentable areas.
Assessor's Parcel Number:	Lot 2 in Block 43
Interest Appraised:	Leasehold Estate
Dates of Value:	August 1, 2010 "As Is" August 1, 2015 "Prospective Market Value"
Date of Inspection:	July 29, 2010

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 71.13 percent leased to 42 office tenants and four retail tenants. There are 19 vacant office spaces within the property on the 16th through 23rd floors, 26th and 27th floors, 50th through 57th floors and 60th floor totaling 313,786± square feet. In addition, there are three vacant retail spaces on the ground floor and second floor totaling 16,193± square feet and five vacant storage spaces in the basement totaling 9,450± square feet available for lease.
Current Property Taxes	
2010/2011 Property Assessment:	$70,110,000
2010/2011 Property Taxes:	$7,382,765
Highest and Best Use	
If Vacant:	Eventual multi tenant office building development once market conditions improve.
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 (There is no 13th floor.)
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:	1,130,555 square feet (Per Rent Roll/Leases) 1,175,607 square feet (Remeasured)
VALUE INDICATORS	
SALES COMPARISON APPROACH:	
Indicated Value (Leased Fee Estate):	$353,000,000
Less: Value of Ground Lessor's Position:	$76,000,000
Indicated Value "As Is" (Leasehold Estate):	$277,000,000

INCOME CAPITALIZATION APPROACH

DISCOUNTED CASH FLOW

Projection Period:	16 years	
Holding Period:	15 years	
Start Dates:	August 1, 2010 "As Is" August 1, 2015 "Prospective Market Value"	
Classification – Office Leases		
Major Office Tenants:	Greater than 20,000 square feet	
Minor Office Tenants:	Less than 20,000 square feet	
Market Rental Rate-Office (Year 1):	<u>Floors</u>	<u>Rent</u>
	Floors 3-22	$34.00/sf
	Floors 23-33	$36.00/sf
	Floors 34-49	$40.00/sf
	Floors 50-63	$44.00/sf
Market Rental Rate-Retail (Year 1):	<u>Space</u>	<u>Rent</u>
	Wall Street Small	$150.00/sf
	Wall Street Large	$65.00/sf
	Pine Street	$60.00/sf
	Second Floor	$35.00/sf
	Lobby	$40.00/sf
	Basement	$10.00/sf
Market Rental Rate-Storage (Year 1):	$10.00/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:	$45.00 per square foot
Retail Tenants:	None
Storage Tenants:	None
Tenant Improvement – Renewing Leases	
Major Office Tenants:	$25.00 per square foot
Minor Office Tenants:	$22.50 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 60%; effective vacancy is 3 months.)
Vacancy and Credit Loss:	5.00% (average; applied to all tenants)
Terminal Capitalization Rate:	7.50% (applied to reversion year net operating income)
Transaction Costs in Reversion Sale:	4.00% (includes brokerage, legal fees and estimated transfer taxes)
Discount Rate:	8.50% (see Discount Rate Analysis)
Date of Market Value "As Is":	August 1, 2010
Indicated Value "As Is":	$200,000,000 (As of August 1, 2010)
Implicit First year Capitalization Rate:	3.57%
Date of "Prospective Market Value":	August 1, 2015
Indicated "Prospective Market Value":	$280,000,000 (As of August 1, 2015)
Implicit First year Capitalization Rate:	7.92%

DIRECT CAPITALIZATION

Net Operating Income:	$22,163,721 (As of August 1, 2015)
Capitalization Rate:	7.50%
Reconciled "Upon Stabilized Occupancy":	$295,000,000 (As of August 1, 2015)

RECONCILED VALUE

Indicated Value "As Is":	$200,000,000 (As of August 1, 2010)
Per Square Foot (NRA):	$170.12
Indicated "Prospective Market Value":	$280,000,000 (As of August 1, 2015)
Per Square Foot (NRA):	$238.17

FINAL VALUE CONCLUSION

Market Value "As Is" Leasehold Estate:	$200,000,000 (As of August 1, 2010)
Per Square Foot (NRA):	$170.12
Implied Capitalization Rate:	3.57%
"Prospective Market Value" Leasehold Estate:	$280,000,000 (As of August 1, 2015)

Per Square Foot (NRA):	$238.17
Implied Capitalization Rate:	7.92%
Exposure Time:	12 months
Marketing Time:	12 months

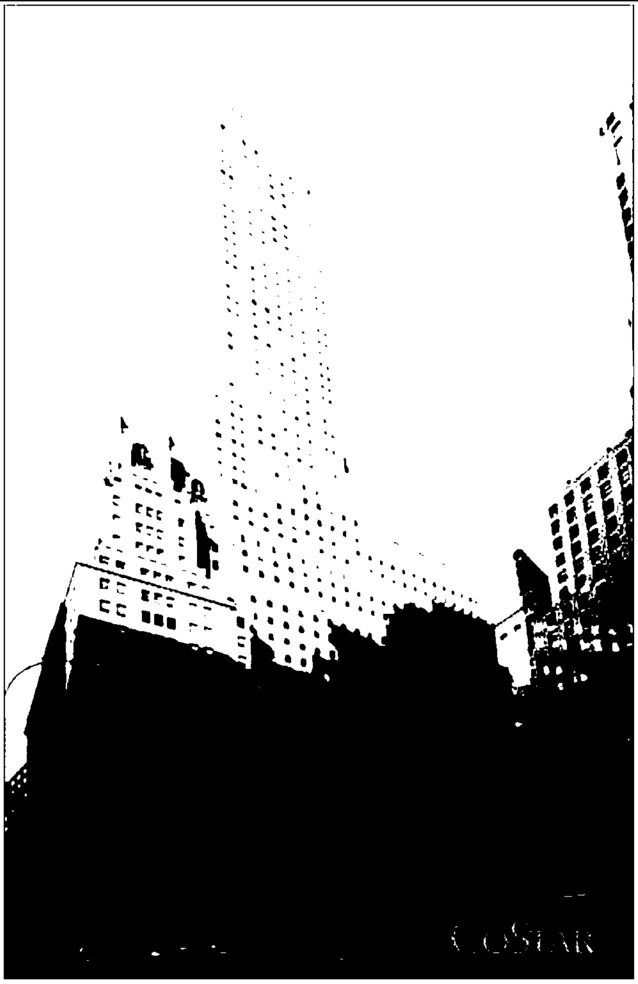
EXTRAORDINARY ASSUMPTIONS

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

HYPOTHETICAL CONDITIONS

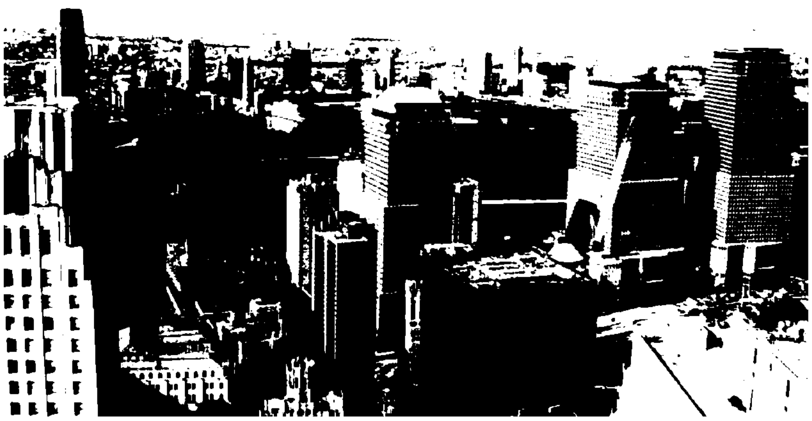
This appraisal does not employ any hypothetical conditions. For a definition of Hypothetical Conditions please see the Glossary of Terms & Definitions.

40 WALL STREET

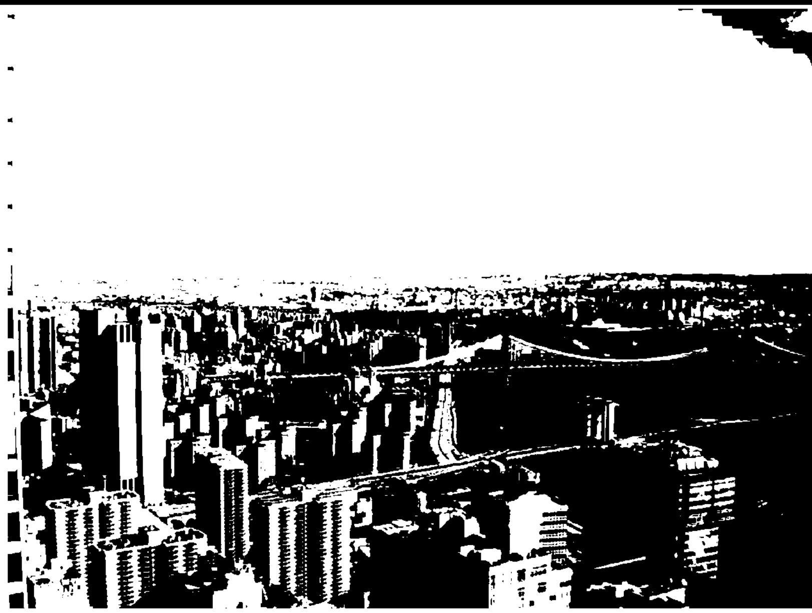


VIEW OF 40 WALL STREET SPIRE

View to the southwest from the top floors of the subject



View to the west from the top floors of the subject



Views to the east from the top of the subject

View of Wall Street looking west; the subject is on the right

View of Wall Street looking east; the subject is on the left

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INTRODUCTION

SCOPE OF WORK

This appraisal, presented in a self-contained report, is intended to comply with the reporting requirements outlined under the USPAP for a self-contained appraisal report. The report was also prepared to comply with the requirements of the Code of Professional Ethics of the Appraisal Institute and the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), Title XI Regulations.

In the process of preparing this appraisal, we:

- Inspected the exterior and interior of the building and site improvements with a representative of ownership.
- Interviewed a representative of ownership, Jeff McConney of The Trump Organization; the exclusive leasing representative, Richard Feldman of WPG, Inc.; and several leasing and investment sales brokers and market research analysts including Franklin Speyer, Mitchell Konsker, Joshua Kuriloff, Paul Glickman, Matt Astrachan, Tara Stacom, Robert Lowe, Robert Gallucci, Alex Chudnoff, 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 for 2010 including the budget for planned capital expenditures and repairs.
- 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 scope of this analysis, and the analysis contained herein, is reflective of "the type and extent of research and analyses in an assignment" (2010 USPAP).

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 1,175,607 square feet of net rentable area (1,061,266 square feet of gross building area) on a 34,360 square foot parcel of land. The subject property was remeasured by the owners based on a 27 percent loss factor, which is consistent in the market. It has been our experience that loss factors for primary office buildings fall within the range of 20 to 40 percent. Based on the rent roll, the current net rentable area is 1,130,555 square feet, while the future remeasured net rentable area is 1,175,607 square feet once the leases that is not remeasured expire. As these leases expire, tenants will be paying rent based on their remeasured area, which is standard in the market. It should be noted that throughout this appraisal we have analyzed the subject property based on the remeasured net rentable area of 1,175,607 square feet. The comparable sales and comparable rentals in this appraisal were also analyzed based on their remeasured net rentable areas.
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:	August 1, 2010 "As Is" August 1, 2015 "Prospective Market Value"
Date of Inspection:	July 29, 2010
Property inspection was performed by:	Douglas H. Larson and Naoum M. Papagianopoulos 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.

INTENDED USE AND USERS OF THE APPRAISAL	
Intended Use:	This appraisal is intended to provide an opinion of the market value of the leasehold interest in the property for loan underwriting and/or credit decisions. All other uses are unintended, unless specifically stated in the letter of transmittal.
Intended User:	This appraisal report was prepared for the exclusive use of Capital One Bank and/or affiliates. The intended function is for loan underwriting and/or credit decisions by Capital One Bank and/or participants. It may be distributed to the client's attorneys, accountants, advisors and investors. All other uses and users are unintended. It may be distributed to the client's attorneys, accountants, advisors and investors.

EXTRAORDINARY ASSUMPTIONS

This appraisal does not employ any extraordinary assumptions.

HYPOTHETICAL CONDITIONS

This appraisal does not employ any hypothetical conditions.

REGIONAL MAP

NEW YORK REGIONAL MARKET ANALYSIS

INTRODUCTION

MARKET DEFINITION

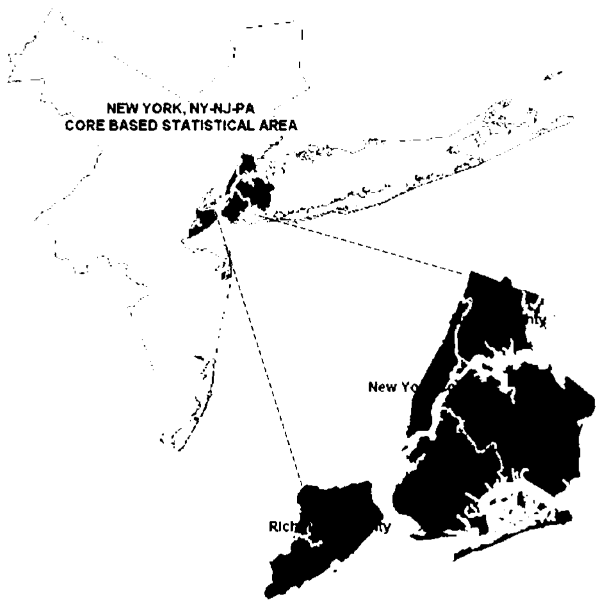
New York City consists of five counties at the mouth of the Hudson River in the southeast area of New York State. The borough of Manhattan, also referred to as New York County, forms the political, financial and cultural core of the City. It is the economic growth engine of the Greater New York Region. The City's other boroughs are Brooklyn, Queens, Staten Island, and the Bronx, otherwise known as Kings, Queens, Richmond, and Bronx counties. The area's vast mass transit infrastructure closely 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:

- New York is heavily weighted in the services industries. This creates a large demand for office space within the market.
- The city is home to the two largest stock exchanges in the world, the New York Stock Exchange and the NASDAQ.
- New York is home to many large financial institutions, including: Citigroup, JP Morgan Chase, Barclay's and Bank of America.

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

NEW YORK CITY COUNTIES



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

CURRENT TRENDS

Many economists now believe New York City is officially in recovery. According to Moody's Economy.com, the city has recovered one-quarter of the jobs lost during the recession. Job growth in the private sector has been widespread across industries, while public sector growth is questionable.

New York City is facing a budget deficit and Mayor Bloomberg is eliminating 11,000 jobs. Temporary workers hired for the census will be eliminated as well. This will dampen overall employment growth numbers for the last half of the year.

Further considerations are as follows:

- New York is currently seeing a migration of its middle class out of the city. The cost of living within the city has outpaced median household income growth, causing many middle class families to leave for the suburbs.
- The city's population growth and household formation will underperform when compared to the country, due to a lack of buildable land and falling household income.
- New York's GMP will climb this year, gaining 3.0 percent. The city will outperform in comparison to the rest of the country over the next five years.
- Job growth in the private sector of the city has driven unemployment downward. The unemployment rate through April is 9.4 percent.

DEMOGRAPHIC TRENDS

DEMOGRAPHIC CHARACTERISTICS

New York is seeing its middle class disappear. The statistics provided below show the city is well above the national averages in household income at both the top and bottom of the spectrum. However, the city is clearly behind the country in the middle income brackets. This is evidence of the migration of the middle class out of the city and to more affordable living areas. Over the past several years there has been much talk about this subject and how this will affect the city. The city also has a gap in its education levels. There is a larger than usual percentage of the population with less than a high school education, as well as a higher percentage of citizens with college degrees.

Further considerations are as follows:

- New York has seen its median age slightly increase recently to 36.8 years, on par with the country.
- New York's average household income ($73,308) is slightly higher than the country ($69,376). When looking at median household income, the roles are reversed. Median income in New York is $48,530, while the country's median household income is $51,433.
- New York boasts a higher percentage of graduate degrees compared to the country (11.5 percent to 8.9 percent). The city also has a much higher percentage of people with less than a high-school education (27.9 percent to 19.4 percent).

The following chart compares the demographic characteristics of New York City with the demographic characteristics of the U.S.:

Demographic Characteristics
New York City vs. United States
2009 Estimates

Characteristic	New York City	U.S.
Median Age (years)	36.8	36.8
Average Annual Household Income	$73,308	$69,376
Median Annual Household Income	$48,530	$51,433
Households by Annual Income Level:		
<$25,000	28.9%	22.9%
$25,000 to $49,999	22.4%	26.0%
$50,000 to $74,999	16.6%	19.6%
$75,000 to $99,999	10.9%	12.3%
$100,000 plus	21.2%	19.3%
Education Breakdown:		
< High School	27.9%	19.4%
High School Graduate	24.4%	28.3%
College < Bachelor Degree	20.4%	27.7%
Bachelor Degree	15.8%	15.8%
Advanced Degree	11.5%	8.9%

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

POPULATION

The density of population in the New York area will always prevent the city from growing at national averages. Currently, the population of New York sits at 8.4 million. Expanding upon this is difficult considering how little buildable land there is. In recent years, a trend of redeveloping former industrial buildings and industrial parcels into high-rise or luxury residences has increased the potential population growth of the city.

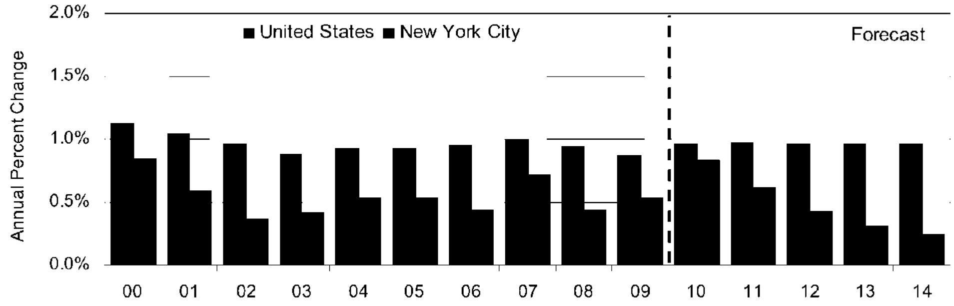
The city also has trouble attracting people due to its high cost of living. According to Moody's Economy.com, the city's cost of living is around 17% higher than the nation. This has been forcing many middle class families out of the city, and keeping many from coming in. This helps explain the gap between the high and low-income households previously seen.

Further considerations are as follows:

- Between 2000 and 2009 New York averaged an annual population growth of 0.5 percent. The nation, during the same time frame, grew at an annual rate of 1.0 percent.
- Population growth for the next five years is expected to be low in New York. The average annual rate is forecasted at 0.5 percent, compared to the expected national annual growth rate of 1.0 percent. The city's growth is projected to peak in 2010 with 0.9 percent. The last time the city has seen growth that size was 1999.

The following graph compares historical and projected population growth between New York City and the U.S. as a whole:

POPULATION GROWTH BY YEAR
New York City vs. United States, 2000-2014



Source: Data Courtesy of Moody's Economy.com and Cushman & Wakefield Valuation & Advisory Services
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 2000-2014					
Population (000's)	2000	2010	2014 Forecast	Annual Growth 00-09	Annual Growth 10-14
United States	282,537.7	310,399.1	322,596.2	0.8%	0.8%
New York City	**8,015.3**	**8,462.1**	**8,598.8**	**0.5%**	**0.5%**
Bronx County	1,333.9	1,408.9	1,432.5	0.6%	0.5%
Kings County	2,465.8	2,588.3	2,631.1	0.5%	0.5%
New York County	1,540.4	1,643.2	1,665.5	0.6%	0.4%
Queens County	2,229.9	2,323.9	2,357.5	0.4%	0.4%
Richmond County	445.4	497.8	512.2	1.2%	0.8%

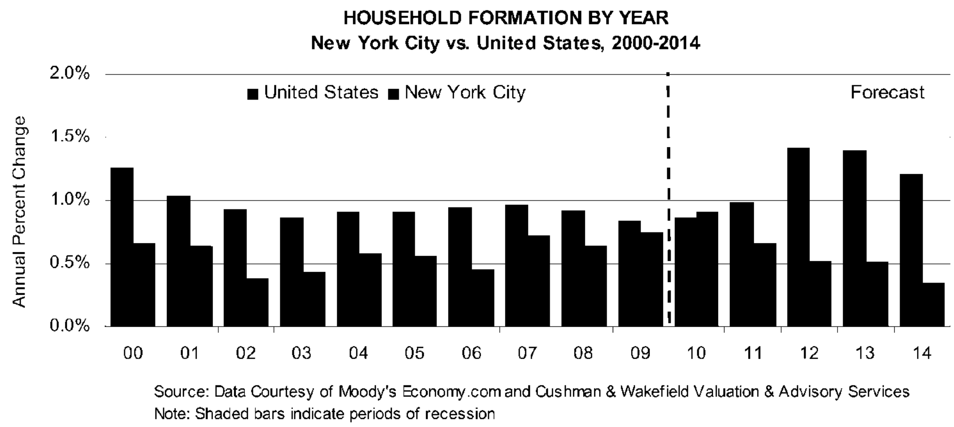
Source: Data Courtesy of Moody's Economy.com, Cushman & Wakefield Valuation & Advisory Services

HOUSEHOLDS

Much like population growth, New York City continually lags the country in household formation, and for many of the same reasons. The forecast by Moody's Economy.com predicts that New York City will show higher household formation growth in 2010 than the nation. This hasn't been seen, with data going back to 1991.

- From 2000 to 2009 household formation grew at an annual rate of 0.6 percent, lower than the national average of 1.0 percent.
- Over the next five years the city's annual rate is expected to remain 0.6 percent, while the national annual rate will rise to 1.2 percent.

The following graph compares historical and projected household formation growth between New York City and the U.S. as a whole:



ECONOMIC TRENDS

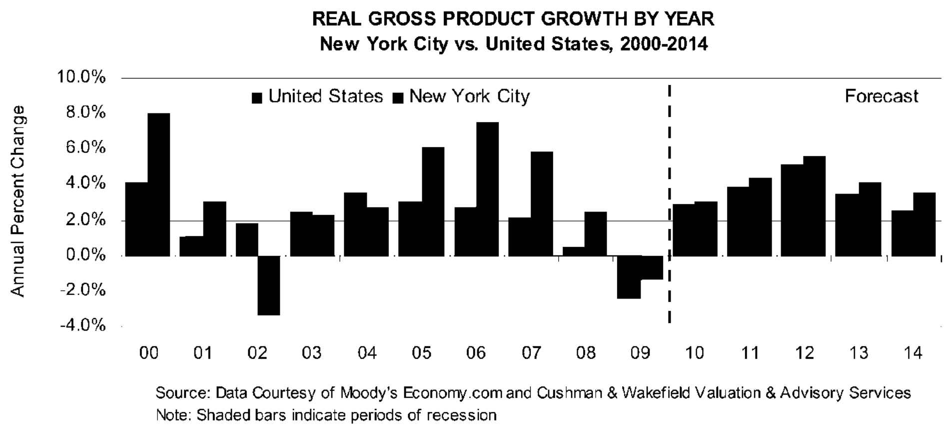
GROSS METRO PRODUCT

New York, during the previous ten years, outgrew the country in terms of gross metro product (GMP). This is largely due to the expansion of the financial sector. However, the recent recession is having a major affect on New York's GMP. The metro's GMP dropped 1.4 percent in 2009. This is because of the major toll the financial and professional services sectors took during the recession.

Further considerations are as follows:

- Between 2000 and 2009, New York averaged 3.3 percent annual GMP growth, much higher than the national average of 1.9 percent.
- The city's GMP is expected to outperform the country for the next five years, averaging an annual rate of 4.1 percent and slightly higher than the national annual rate of 3.6 percent.

The following graph compares historical and projected GMP growth by year for New York City and U.S. as a whole:



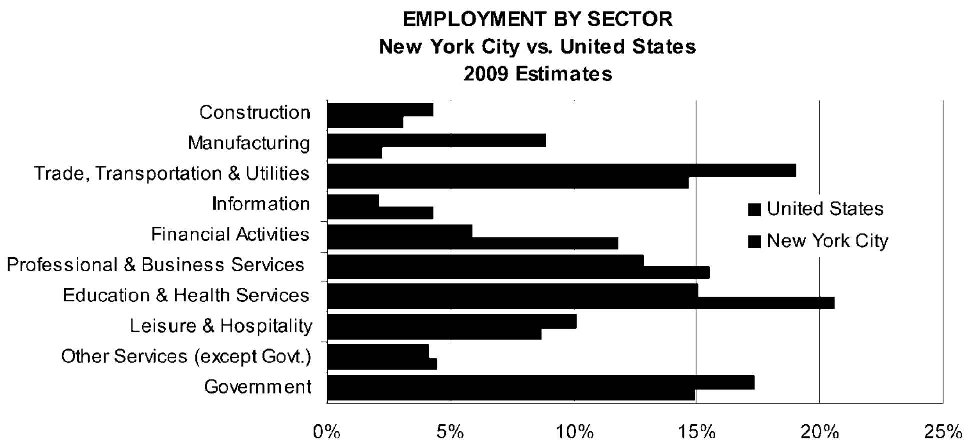
Employment Distribution

New York is heavily weighted in the services sectors. During most recessions this would be an ideal situation. However, this current recession has seen private service providing sectors accounting for around half of the jobs lost in the country. This vulnerability is a recent occurrence, and means this major area of employment and economic production will negatively affect New York's economy.

Further considerations are as follows:

- More New Yorkers are employed in education and health services than any other sector, comprising 20.6 percent of the workforce. The national average is currently at 15.0 percent. These percentages continue to rise because this is the only sector that is consistently adding jobs.
- The sector with the lowest employment in the city is manufacturing, which accounts for 2.2 percent of the workforce. The sector accounts for 8.9 percent of the national workforce. It is unclear at the moment where this percentage is heading. Recently, some manufacturing companies have been recalling workers cut during the recession. This comes after sustained increases in consumer spending cut inventory of consumer goods.

The following graph compares non-farm employment sectors for New York City and the U.S. as a whole:



Source: Data Courtesy of Moody's Economy.com and Cushman & Wakefield Valuation & Advisory Services

Major Employers

As the financial capital of the world, it is not surprising to see two of the three largest employers in the market are financial services companies. Citigroup is currently the second largest company in New York, followed by JP Morgan. These two companies may see some decline in employment, given the current economic climate.

The largest employer of the city is the New York-Presbyterian Healthcare System. Even with a troubled economy, healthcare providers like New York-Presbyterian are not likely to lose employees.

The following table lists the New York City's largest private employers, and highlights the diversified nature of the regional employment concentration:

Largest Private Employers
New York City, NY

Company	No. of Employees	Business Type
New York-Presbyterian Healthcare System	28,909	Healthcare
Citigroup, Inc.	26,809	Financial Services
JPMorgan Chase & Company	20,883	Financial Services
Verizon Communications	17,622	Communications
Federated Department Stores, Inc.	17,000	Retail
Continuum Health Partners, Inc.	15,592	Healthcare
Columbia University	13,151	Education
Time Warner Inc.	12,890	Communications
North-Shore Long Island Jewish Health System	12,857	Healthcare
New York University	12,621	Education

Source: Crain's New York Business - Book of Lists, January 2007 and Guide to Military Installations, 2009 & Cushman & Wakefield, Valuation & Advisory Services

EMPLOYMENT GROWTH

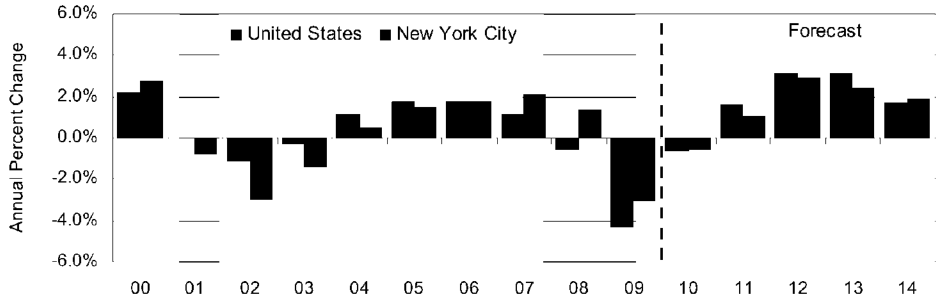
Employment growth in New York within the past ten years has been seen largely in the financial and healthcare sectors, which explains the above average employment numbers in those sectors. The economic recession caused a large decrease in employment in 2009. The MSA is now seeing growth in the private sector, while public sector employment will see decreases.

Further considerations are as follows:

- According to the latest numbers, New York is still seeing growth in the education and health services and government sectors. In December 2009, employment in the sector grew 2.0 percentage points over the previous year.
- Over the previous 10 years employment growth in New York averaged 0.2 percent annually. During the same time period the nation averaged an annual growth rate of 0.1 percent.
- The city is expecting to show an average annual employment growth rate of 1.5 percent over the next five years. This is below the expected national average annual rate of 1.8 percent.

The following graph illustrates total non-farm employment growth per year, for New York City, and the U.S.

TOTAL EMPLOYMENT GROWTH BY YEAR
New York City vs. United States, 2000-2014



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

UNEMPLOYMENT

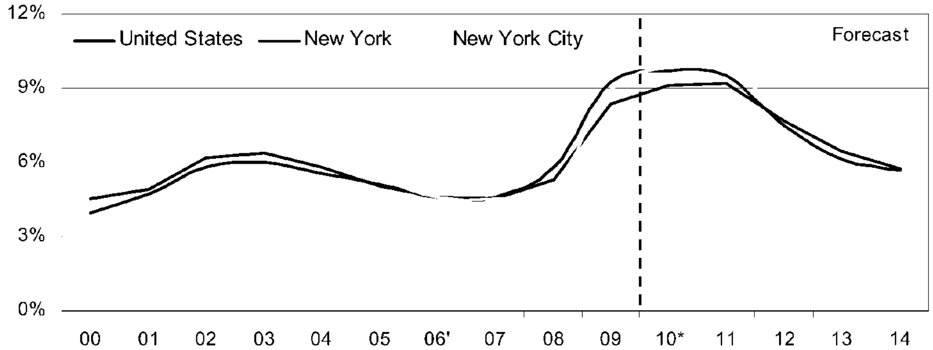
Through April, New York City's unemployment rate was 9.4 percent, according to the Bureau of Labor Statistics. Industry-wide job growth has driven the rate downward from over 10.0 percent. Weakness in the public sector threatens to halt this progress, but the MSA should continue to see its unemployment rate decrease through the year.

Further considerations are as follows:

- Moody's is forecasting New York will finish the year with an unemployment rate of 7.3 percent. This number is an aggregate of the monthly numbers so far this year, averaged with a final year-end forecast. This is the reason why the number is much lower in comparison with what the Bureau of Labor Statistics show.
- Over the previous ten years, New York's unemployment rate averaged 6.2 percent compared to 5.5 percent for the country.

The following graph compares historical and projected unemployment levels for New York City, the state of New York, and the U.S. as a whole:

UNEMPLOYMENT RATE BY YEAR
New York City vs. New York vs. United States, 2000-2014



Source: Data Courtesy of Moody's Economy.com and Cushman & Wakefield Valuation & Advisory Services
Note: Shaded bars indicate periods of recession
*10Q1

CONCLUSION

New York City's economic progress is surprising, given such dire forecasts following the financial crisis. New York City's financial sector has regained itself and is hiring once more, along with several other important industries.

Further considerations are as follows:

- The flight of the middle-class could severely change demographics within New York, as it would create a large income gap in the city's population.
- Gains in GMP and employment have put New York City firmly into recovery.

DOWNTOWN MANHATTAN OFFICE MARKET ANALYSIS

INTRODUCTION

CURRENT TRENDS

Office-using employment is the main growth driver in New York City's office market and is primarily made up of the financial services, business and professional services and information sectors (in total, these industries account for roughly 29.5 percent of employment). New York City has increased payroll employment in each of the first five months of the year, around 43,000 jobs in total.

As of May 2010, the New York City unemployment rate was 9.6 percent. This figure is slightly lower than the national rate of 9.7 percent (May 2010), and down from a high of 10.5 percent in December of 2009. According to Moody's Economy.com, employment is rising in every major industry of the city and the private sector has recovered one-quarter of the jobs lost. The public sector of New York City, however, is not faring as well.

A recent boost to employment in New York City is the temporary workers hired by the Census Bureau. Those jobs are expected to end after the summer months, and may push the unemployment rate back up a bit. The local government is also seeing funding from Albany cut this year. Mayor Bloomberg announced 11,000 city jobs will be eliminated beginning in June 2010. This will almost certainly slow job numbers and may equalize some of the gains made in the private sector. Nevertheless, 2010 year-end job numbers are expected to be an improvement over the previous year.

Listed below are highlights in the Downtown office market for second quarter 2010:

- The overall vacancy rate has decreased this quarter by 0.1 percentage points. There is a large amount of space that is expected to hit statistics soon, which will drive the rate back into double digits.
- Overall asking rents have dropped $1.14 per square foot from a quarter ago. This should continue for the rest of the year as vacant space accumulates again.
- Absorption, defined as the net gain in occupancy, remained negative 647,604 square feet.
- Leasing activity in Downtown is currently 14.3 percent lower compared to the previous mid-year total.

MARKET CHARACTERISTICS

Downtown's office inventory of 86.3 million square feet is geographically segmented into five major submarkets: City Hall, World Financial, Financial East, Financial West, and Insurance. Approximately 54.4 percent of Downtown is comprised of Class A product, the majority of which is located in the Financial East submarket.

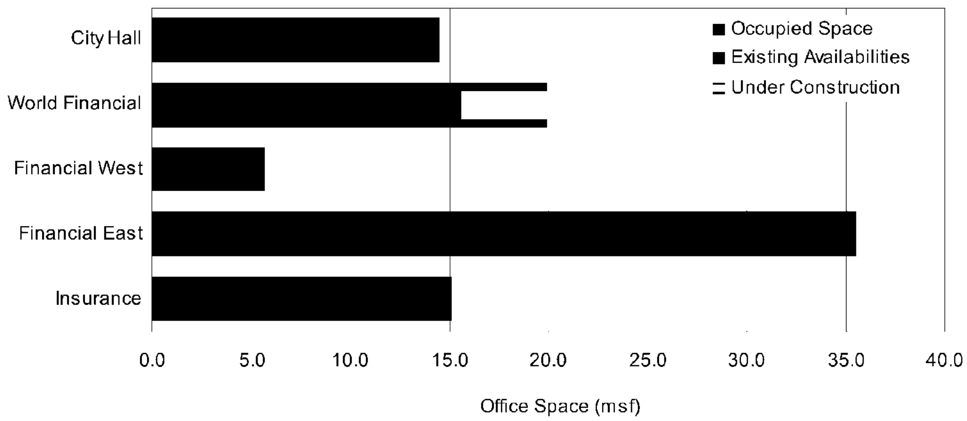
The following are market characteristics of the Downtown's submarkets:

- The City Hall submarket is located in the most northern section of the Downtown market, spanning from the east to west side of Manhattan, south of Canal Street and the Brooklyn Bridge. With 14.5 million square feet of office space, City Hall is dominated by 6.3 million square feet of Class A space. Landmark municipal buildings and courthouses, as well as City Hall, are all located in the center of the submarket.

- The 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 15.6 million square feet of space making up World Financial, 11.9 million square feet is primary Class A space, heavily concentrated in the World Financial Center. All five planned buildings at the Center complex will contain more than 10 million square feet of commercial and retail space.
- The Financial West submarket, with 5.7 million square feet of office space, mostly Class B, is Downtown's smallest submarket.
- Home to the neighborhood known as the Financial District, Financial East, with 35.5 million square feet of office space, is Downtown's largest submarket. Home to many of the city's financial institutions and their headquarters, Financial East is comprised of 64.5 percent Class A office space.
- The Insurance submarket is located on the eastern side of the Downtown market, south of City Hall and north of the Financial East submarkets. The 15.1 million square foot Insurance submarket is made up predominantly of Class B office space, with approximately 6.4 million square feet.

The following graph demonstrates the Downtown office market's office submarket breakdown:

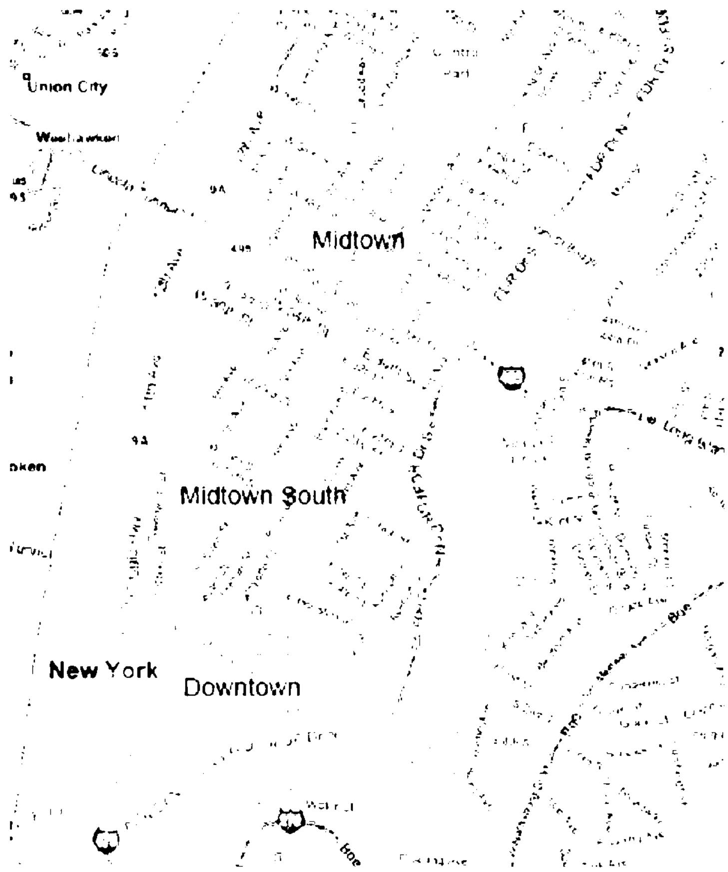
OFFICE INVENTORY BY MAJOR SUBMARKET
DOWNTOWN
SECOND QUARTER 2010



Source: Cushman & Wakefield Valuation & Advisory Services

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

MANHATTAN OFFICE MARKET BOUNDARY MAP



Source: Microsoft Virtual Earth

SUPPLY ANALYSIS

VACANCY

Overall vacancy in the Downtown market has fallen from the previous quarter to 9.9 percent, a decrease of 0.1 percentage points. With increasing leasing activity, the market must still be shedding space onto the market for the overall vacancy rate to remain almost unmoved. With Goldman Sachs and AIG's vacated space about to hit statistics later in the year, the overall vacancy rate will increase into the 12.5 percent range according to Cushman & Wakefield Research Services. The city is also in the process of consolidating its office space footprint in an effort to increase its efficiency and save money. This vacated space will also drive vacancy higher.

Further considerations are as follows:

- Class A overall vacancy fell to 8.8 percent, down 0.1 percentage points from the previous quarter's rate of 8.9 percent. As previously stated, large occupiers like Goldman Sachs and AIG have vacated space that will affect statistics last this year. All of this will be Class A and will drive the vacancy rate upward.

- Downtown's direct vacancy rose 0.1 percentage points from the first quarter. The direct vacancy rate is now 7.9 percent.
- Within the submarkets, City Hall held the lowest direct vacancy rate with 5.6 percent, down 0.1 percentage points from the previous quarter.
- The Financial West submarket's direct vacancy rate of 14.5 percent was again the highest in the market. However, this is a 3.5 percentage point increase from the previous quarter.

The following chart shows Downtown's submarket statistics for the second quarter:

Office Market Statistics by Submarket
Downtown Manhattan
Second Quarter 2010

Market/Submarket	Inventory	Overall Vacancy	Direct Vacancy	YTD Constr. Compl.	YTD Overall Absorption	Under Constr.	Direct Wtd Avg Class B Rent	Overall Wtd Avg Asking Rent
				CBD				
City Hall	14,483,704	6.2%	5.6%	0	-202,131	0	$40.58	$41.36
World Financial	15,570,956	10.4%	7.8%	0	-11,982	4,370,480	$37.52	$42.74
Financial West	5,679,102	16.0%	14.5%	0	-159,236	0	$33.42	$34.26
Financial East	35,512,055	11.2%	8.1%	0	-422,538	0	$35.37	$36.28
Insurance	15,080,026	7.8%	7.1%	0	148,283	0	$36.94	$36.31
DOWNTOWN CBD TOTAL	**86,325,843**	**9.9%**	**7.9%**	**0**	**-647,604**	**4,370,480**	**$35.78**	**$37.81**

Source: Cushman & Wakefield Valuation & Advisory Services

CONSTRUCTION

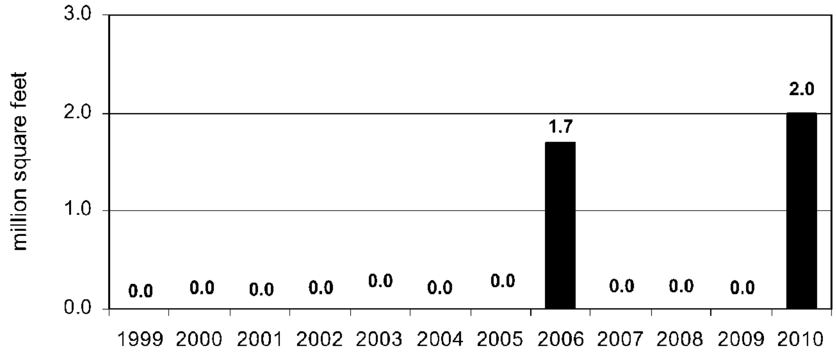
Even with somewhat calmer economic conditions, construction in Downtown is not expected to increase in the near future. Downtown will be dominated by the World Trade Center sites, currently undergoing indefinite delays in development. Like the other Manhattan office markets, the lack of buildable land, tight zoning restrictions, and more recently, high construction costs, all impede on new construction in Downtown.

Below is a list of construction developments in the Downtown market:

- Construction on the WTC site's centerpiece, the 2.6 million square feet One World Trade Center, began in June 2006 and is expected to be the tallest of the planned skyscrapers once completed. Construction will continue on the tower as planned.
- The Port Authority and Silverstein Properties have come to an agreement on financing for Towers 3 and 4 at Ground Zero. Under the agreement, the Port will provide $1 billion in backstopping to help Mr. Silverstein build his towers, but the developer will have to find $300 million in equity if the second of his buildings is to be constructed. Tower 4 will be financed by the Port Authority and is expected to complete in 2014.
- The Port Authority awarded a $542.0 million contract to Skanska USA Civil Northeast, Granite Construction Northeast and Skanska USA Building for the construction of the PATH Hall in the WTC site.
- In addition to the WTC sites, construction of Goldman Sachs' $2.6 billion headquarters building at 200 West Street is completed. Goldman occupies the entire 2.0 million square foot building.

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

CONSTRUCTION COMPLETIONS
Downtown Office Market, 1999-2010 YTD



Source: Cushman & Wakefield Valuation and Advisory Services

ASKING RENTS

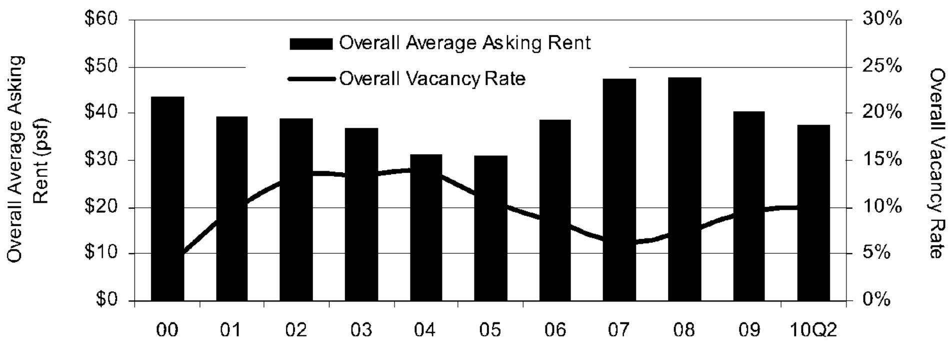
Downtown saw its overall asking rents fall only slightly this quarter, dropping only $1.14 per square foot to $37.81 per square foot. With more space ready to enter the market, asking rents will continue to fall in the near term.

Further considerations include:

- Class A direct asking rates dropped by $0.40 per square foot from the first quarter, ending at $41.89 per square foot.
- Direct rates fell $0.41 percent from the first quarter, dropping to $38.48 per square foot.
- The World Financial submarket held the highest Class A direct rents with $59.38 per square foot. This is $1.73 higher than the previous quarter.

The following graph highlights the inverse relationship between the overall vacancy rate and overall asking rents in the Downtown office market since 2000:

OVERALL VACANCY RATE & OVERALL ASKING RENT BY YEAR
DOWNTOWN, 00-10Q2



Source: Cushman & Wakefield Valuation & Advisory Services

DEMAND ANALYSIS

Leasing Activity

Downtown's leasing activity is now ahead of last year's totals through the second quarter by 14.3 percent. In total, 1,603,032 square feet of space has been leased so far this year, 848,553 square feet of which was leased in the second quarter. Merrill Lynch is rumored to renew at least a portion of their leases at the World Financial Center locations. In addition, Conde Nast is rumored to be leasing 1.0 million square feet at One World Financial Center.

The following points summarize Downtown's office leasing for second quarter 2010:

- The largest deal done during the second quarter was the lease by the New York Liquidation Bureau at 110 William Street for 116,540 square feet.
- The Financial East submarket has the most leasing activity so far this year with 632,836 square feet leased.

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

Significant Office Market Lease Transactions
Downtown Manhattan
Second Quarter 2010

Building Address	Submarket	Tenant	Size (sf)
110 William Street	Insurance	New York Liquidation Bureau	116,540
26 Broadway	Financial East	New York City Construction Authority	106,341
Three World Financial Center	World Financial	U.S. Securities and Exchange Commission	55,104

Source: Cushman & Wakefield Valuation & Advisory Services

NET ABSORPTION

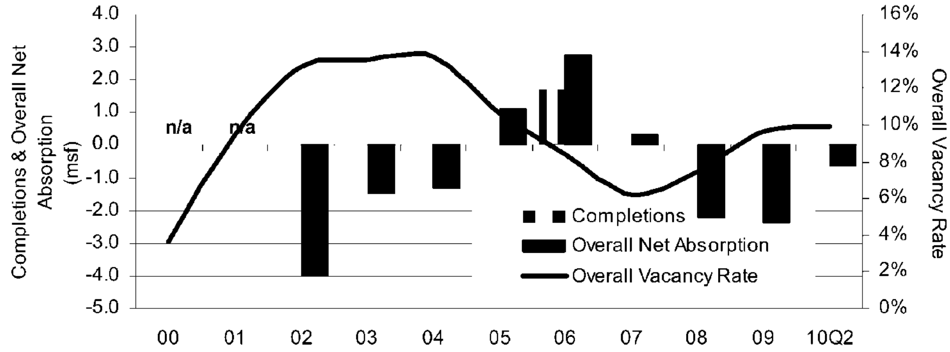
The Downtown market's overall absorption for the second quarter was negative 647,604 square feet. This is better than the first quarter of 2009 when absorption was negative 1,279,485 square feet. With more space about to affect statistics, negative absorption will continue to rise in the Downtown market.

Further considerations are as follows:

- The Financial East submarket has the highest negative absorption so far this year with a total of negative 422,538 square feet.
- Not surprisingly, Class A space made up 73.7 percent of the total negative absorption. Class A space was the largest hit during the recession, as a lot of high priced space flooded into the market by downsizing or failing companies.

The following graph shows construction completions and absorption compared to overall vacancy rates since 2000:

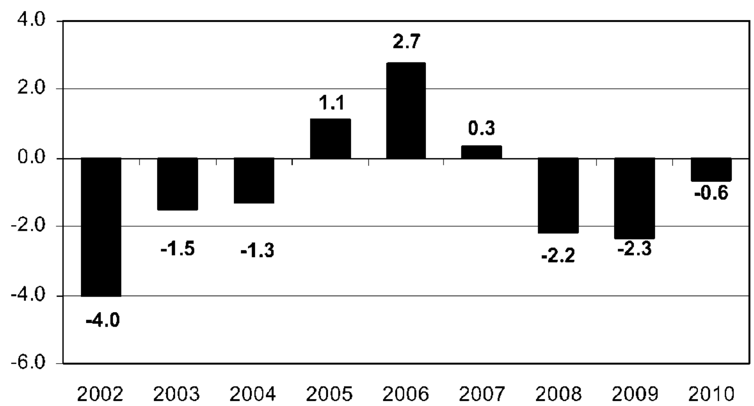
COMPLETIONS & ABSORPTON VS. VACANCY
DOWNTOWN, 00-10Q2



Source: Cushman & Wakefield Valuation & Advisory Services

The following graph shows the overall net absorption in Downtown since 2002:

OVERALL NET ABSORPTION
Downtown Office Market, 2002-2010 YTD



Source: Cushman & Wakefield Valuation & Advisory Services

DEMAND DRIVERS

Being the largest regional economy in the United States and one of the largest in the world, NYC is traditionally driven by the Finance, Insurance, and Real Estate (FIRE) sectors. Other economic drivers are the arts and entertainment, retail, sciences and health care, journalism and publishing, and higher education industries. Businesses in NYC capitalize on the synergy created from the presence of more than 200,000 companies, the access to investment capital and consumers, and the City's attractive quality of life. Leading world companies with headquarters and regional offices in New York City include 21 Fortune 500 firms, the highest by far of any city in the U.S., making NYC the nation's headquarters capital.

Further considerations are as follows:

- The financial services industry alone makes up 12.5 percent of the New York City economy, and 15.8 percent of Manhattan's, with its highest concentration in the Downtown and Midtown markets. While Downtown is home to the Financial District centered on Wall Street, the Midtown office market is the largest central business district in the country.
- Strong hiring across most sectors has driven unemployment in the city downward, which now sits at 9.6 percent as of May.
- The pace of office-using employment growth has sparked an increase in demand for quality space. It will take some time for asking rents to make an upward push, as the market will still be oversupplied.

OFFICE-USING EMPLOYMENT

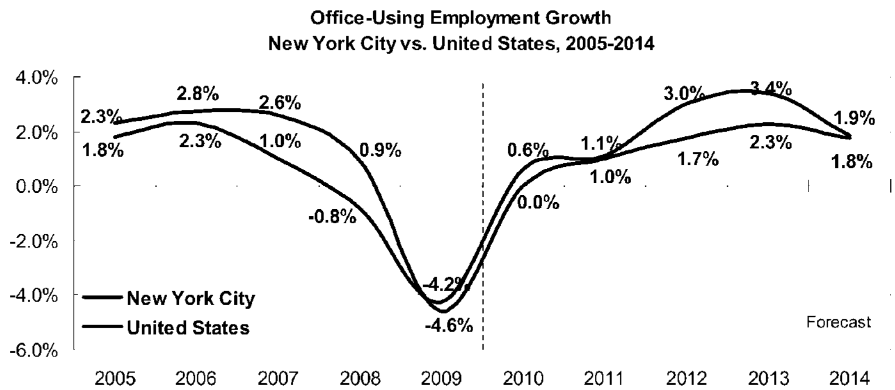
According to Moody's Economy.com, New York City will no longer be shedding office-using jobs. They have a modest projection of 65 office-using jobs being added in New York City in 2010. This is quite below the job growth we are seeing right now and will likely be much lower than the total amount of office-using jobs added this year.

The financial sector, for example, has hired 6,000 employees since the end of February. The large banking and insurance businesses that were severely hit and propped up by government money, have now turned steady profits for several quarters. This has allowed them to restock talent that was lost during the financial crisis.

Further considerations are as follows:

- From 2005 to 2009, Manhattan's office using employment annual growth rate increased at a rate of 0.8 percent annually, well ahead of the U.S., which showed flat growth over the same time span.
- New York City is not expected to see office-using employment growth until 2011, when growth is forecasted to be 1.0 percent. This is behind the rest of the nation, which will see forecast growth of 1.1 percent in 2011. This is well below what we see happening currently. Cushman & Wakefield Valuation and Advisory Services expect employment growth to exceed those forecasts.

The following chart is a forecast of office-using employment growth from Moody's Economy.com:



Source: Data Courtesy of Moody's Economy.com

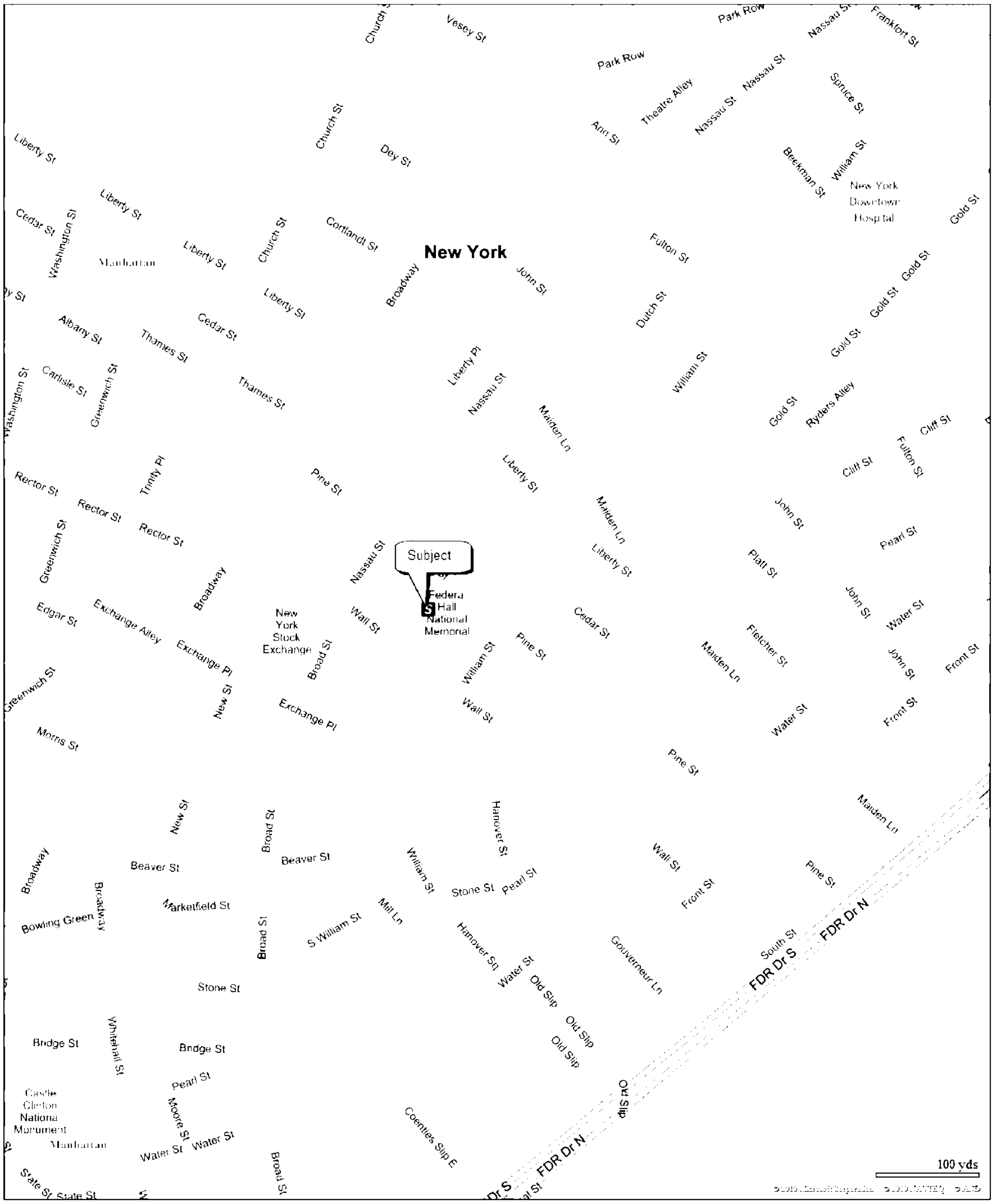
CONCLUSION

As stated previously, New York City's private sector is expanding once again. The city has recovered one-quarter of the jobs lost in the recession, but will take a few years to return to peak-level employment. The public sector of the city will shed jobs this year, which will moderate some of the private sector gains late in the year.

Final thoughts:

- Vacancy will increase through the year from large, recently vacated space occupied by Goldman Sachs and AIG hits the market.
- Asking rents are expected to see decreases for most of 2010. The influx of supply onto the market will not allow any upward shift.

LOCAL AREA MAP



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FINANCIAL EAST OFFICE DISTRICT ANALYSIS

DISTRICT OVERVIEW

The subject property, 40 Wall Street, is 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. The Stock Exchange will construct their new headquarters directly across Broad Street from their existing facility on the square block bounded by Exchange Place, William Street and Wall Street.

Major users of space in this subdistrict include Goldman Sachs located at 85 Broad Street, 180 Maiden Lane, and One New York Plaza; Deutsche Bank located at 60 Wall Street; Wachovia Securities located at One New York Plaza; and Brown Brothers Harriman & Co. located at 140 Broadway; Standard & Poor's located at 55 Water Street; and the MTA located at Two Broadway. 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 office market as of second quarter 2010:

DOWNTOWN NEW YORK OFFICE MARKET
Class A Space Second Quarter 2010

	City Hall	World Financial	Financial West	Financial East	Insurance	Market Summary
Number of Buildings	7	7	2	21	9	**46**
Inventory (sf)	6,298,488	11,902,802	663,315	22,944,388	5,202,929	**47,011,922**
Total Space Available	183,038	846,302	83,882	2,586,952	417,038	**4,117,212**
Direct Space Available	153,038	436,192	46,131	1,715,542	315,586	**2,666,489**
Direct Vacancy Rate	2.4%	3.7%	7.0%	7.5%	6.1%	**5.7%**
Total Vacancy Rate	2.9%	7.1%	12.6%	11.3%	8.0%	**8.8%**
Direct Rental Rate	$36.10	$59.38	$38.27	$38.23	$40.96	**$41.89**
YTD Leasing Activity	2,520	205,089	82,512	239,460	56,966	**586,547**

For Class A space, the direct vacancy rates are 2.4 percent for the City Hall subdistrict, 3.7 percent for the World Financial subdistrict, 7.0 percent for the Financial West subdistrict, 7.5 percent for the Financial East subdistrict and 6.1 percent for the Insurance sub district. This compares to the average Downtown direct vacancy rate of 5.7 percent for Class B space. When sublease space is included, the average vacancy rate for Downtown Class A space increases to 8.80 percent.

The Financial East subdistrict has the highest concentration of Class B office space with 11.2 million square feet as shown on the table above. The average Class B asking rental rate in the Financial West District was $33.42 as of the second quarter of 2010, below the Downtown Class B average of $35.78.

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 32 competitive buildings, excluding the subject. These office buildings are felt to be more indicative of the competition that would have a direct impact on the subject.

All of the available space reported reflects available direct space. Although we have included sublease space in our survey, this space is not considered a reliable occupancy indicator. It should be noted that direct asking rents are slightly higher than those typically negotiated and signed under the terms of an actual lease. In addition, these competitive properties reflect current asking rents based upon available space reflecting current market measurement standards.

COMPETITIVE BUILDINGS

	Property (Cross Streets)	Office Area (NRA)	Year Built	Stories	Minimum Floor Size	Maximum Floor Size	Direct SF Available	Sublease SF Available	% Occupied (Direct)	Direct Asking Rent Low	Direct Asking Rent High
1	**One World Financial Center** Bounded by Albany, Liberty, West Sts & South End Ave	1,461,365	1985	40	20,698	76,423	0	204,067	100.00%	N/A	N/A
2	**Two World Financial Center** Bounded by the Hudson River, West, Vesey & Liberty Streets	2,200,000	1987	44	31,100	115,100	0	23,971	100.00%	N/A	N/A
3	**American Express Tower** **Three World Financial Center** Bounded by Vesey Street & Westside Highway	2,300,000	1985	51	24,000	73,453	0	89,994	100.00%	N/A	N/A
4	**Merrill Lynch Tower** **Four World Financial Center** Bounded by Vesey Street, Westside Highway & North End Avenue	1,600,000	1986	34	15,600	84,943	0	0	100.00%	N/A	N/A
5	Broad Financial Center **33 Whitehall Street** B/w Bridge & Pearl Streets	395,000	1987	28	14,750	16,564	0	0	100.00%	N/A	N/A
6	NY Information Technology Ctr. **55 Broad Street** N/E/C Beaver Street	402,126	1967	30	8,000	24,707	56,945	0	85.84%	$36.00	$36.00
7	**85 Broad Street** Bounded by Broad St., So. William St., Pearl St. & Coenties Alley	1,040,000	1983	30	8,024	39,014	0	0	100.00%	N/A	N/A
8	**45 Broadway Atrium** B/w Morris Street & Exchange Alley	368,315	1983	32	10,875	17,050	40,703	37,751	88.95%	$35.00	$39.00
9	The Equitable Building **120 Broadway** Bounded by Bway, Pine, Nassau & Cedar Sts.	1,916,700	1915	41	35,254	55,500	171,471	11,740	91.05%	$34.00	$38.00
10	**140 Broadway** Bound by Cedar, Nassau & Liberty Streets	1,200,000	1967	51	14,556	45,500	86,588	50,251	92.78%	$46.00	$47.00
11	**One Chase Manhattan Plaza** Bounded by Pine, Nassau, Liberty & William Sts.	1,898,158	1960	60	26,096	35,518	0	0	100.00%	N/A	N/A

COMPETITIVE BUILDINGS (CONTINUED)

	Property (Cross Streets)	Office Area (NRA)	Year Built	Stories	Minimum Floor Size	Maximum Floor Size	Direct SF Available	Sublease SF Available	% Occupied (Direct)	Direct Asking Rent Low	Direct Asking Rent High
12	**Financial Square** Bounded by Old Slip, Gouveneur Lane, Front & South Streets	1,000,301	1987	36	17,866	39,450	82,822	0	91.72%	$45.00	$50.00
13	**7 Hanover Square** B/w Water & Pearl Streets	847,000	1983	27	32,000	38,069	0	131,114	100.00%	N/A	N/A
14	**180 Water Street** S/E/C of John Street	467,000	1970	23	20,000	21,500	0	0	100.00%	N/A	N/A
15	**One Liberty Plaza** Bounded by Broadway, Church & Cortlandt Streets	2,121,437	1972	54	37,008	47,597	100,063	0	95.28%	$51.00	$55.00
16	Federal Reserve Plaza **33 Maiden Lane** N/E/C of Nassau Street	540,000	1984	27	21,000	24,047	72,141	0	86.64%	$50.00	$50.00
17	Continental Center **180 Maiden Lane** Bounded by Front, Pine & South Streets	982,089	1983	41	25,491	34,802	29,553	0	96.99%	$45.00	$45.00
18	One New York Plaza **One New York Plaza** Bounded By Broad,South,Whitehall & Water Sts.	2,103,750	1968	50	26,000	63,000	547,624	0	73.97%	$50.00	$50.00
19	**Two New York Plaza** N/W/C of South Street & FDR Drive	1,345,919	1970	40	8,000	38,015	314,500	71,936	76.63%	$39.00	$39.00
20	**Four New York Plaza** N/E/C of Broad & Water Streets	796,000	1968	23	37,980	49,570	148,574	0	81.33%	$29.00	$29.00
21	**Wall Street Plaza** **88 Pine Street** Bound by Water Street, Front Street & Maiden Lane	624,000	1971	32	19,300	21,650	44,254	19,887	92.91%	$42.00	$44.00
22	R.R. Donnelley & Sons Co. Bldg **75 Park Place** Bounded by Murray, Greenwich & West Broadway	520,000	1987	14	17,145	47,260	0	40,798	100.00%	N/A	N/A

COMPETITIVE BUILDINGS (CONTINUED)

	Property (Cross Streets)	Office Area (NRA)	Year Built	Stories	Minimum Floor Size	Maximum Floor Size	Direct SF Available	Sublease SF Available	% Occupied (Direct)	Direct Asking Rent Low	Direct Asking Rent High
23	**One State Street Plaza** B/w Pearl & Water Streets	747,000	1970	35	11,700	35,071	64,030	52,901	91.43%	$42.00	$52.00
24	**17 State Street** N/E/C of Pearl Street opposite Battery Park	525,900	1988	42	12,450	14,899	37,234	7,962	92.92%	$50.00	$50.00
25	**One Battery Park Plaza** Bounded by State, Pearl, Bridge & Whitehall Sts	810,625	1969	35	15,640	25,700	7,732	85,820	99.05%	$39.00	$39.00
26	Deutsche Bank Building **60 Wall Street** B/w William & Pearl Sts. thrublock to Pine St.	1,587,849	1989	47	29,000	52,084	0	0	100.00%	N/A	N/A
27	100 Wall Street **100 Wall Street** B/w Water & Front Streets	457,622	1968	29	15,277	18,917	89,171	8,948	80.51%	$38.00	$40.00
28	**55 Water Street** Bound by Old Slip, South St. & Jeanette Park	3,600,000	1972	53	51,810	94,000	0	80,051	100.00%	N/A	N/A
29	**77 Water Street** Bound by Gouverneur, Old Slip, & Front Sts	614,011	1970	26	14,849	25,310	0	349,048	100.00%	N/A	N/A
30	**160 Water Street** N/W/C Fletcher Street through to Pearl Street	484,000	1970	24	22,000	22,000	0	0	100.00%	N/A	N/A
31	American International Bldg **175 Water Street** Bound by Burling Slip, Front & Fletcher Sts	592,635	1983	30	18,482	20,721	0	0	100.00%	N/A	N/A
32	One Seaport Plaza **199 Water Street** Bound by Burling Slip & Fulton Street	933,310	1984	35	12,200	35,999	35,035	78,804	96.25%	N/A	N/A
	TOTAL	**36,482,112**					**1,928,440**	**1,345,043**			
	AVERAGE	**1,140,066**	**1975**	**36**	**21,067**	**42,295**	**60,264**	**42,033**	**94.71%**	**$29.00**	**$55.00**

The buildings that are competitive with the subject contain a total net rentable area of 36,482,112 square feet. The average overall direct occupancy rate for these buildings is 94.71 percent, compared to 94.30 percent for Class A office space in the Downtown market as a whole. The minimum asking rent for the 32 buildings that are competitive with the subject is $29.00 per square foot and the average maximum asking rent is $55.00 per square foot.

By averaging the data for these buildings it is possible to create an image of what a building that is competitive with the subject is like. The typical building would have an average net rentable area of 1,140,066 square feet; it would have 36 stories; and it would be of 1975 construction. The typical floor size would average from 21,067 to 42,295 square feet. The typical building would have 60,264 square feet of direct space available.

DIRECTLY COMPETITIVE BUILDINGS

Of the 32 buildings presented, eight 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 eight competitive buildings 120 Broadway, One Chase Manhattan Plaza, One New York Plaza, Two New York Plaza, 88 Pine Street, One State Street Plaza, 100 Wall Street, 180 Maiden Lane, and 100 Wall Street.

DIRECTLY COMPETITIVE BUILDINGS

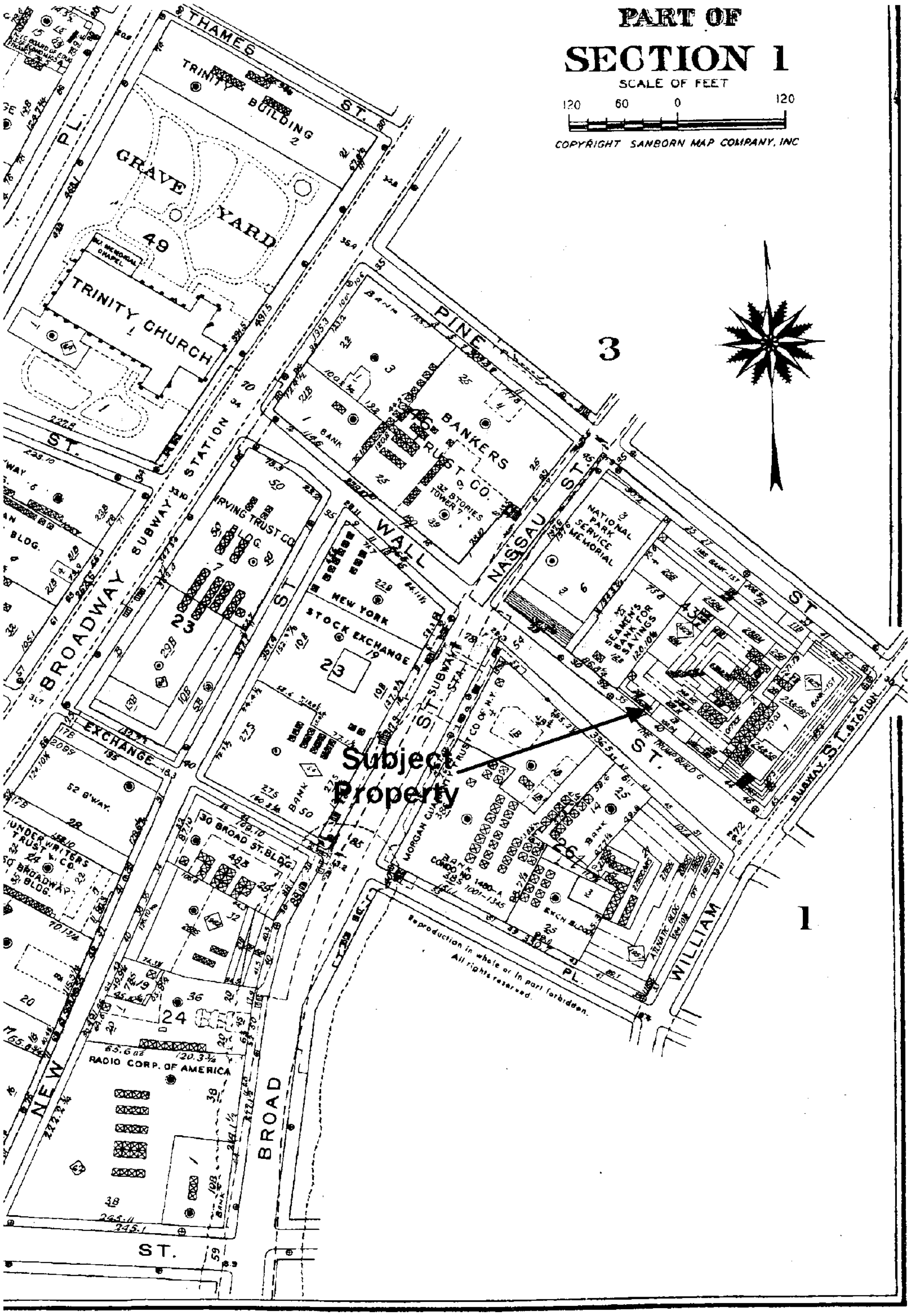
	Property (Cross Streets)	Office Area (NRA)	Direct Avail. SF	Sublease Avail SF	% Occupied (Direct)	% Occupied (Total)	Direct Asking Rent Low	Direct Asking Rent High
1	120 Broadway	1,916,700	171,471	11,740	91.05%	90.44%	$34.00	$38.00
2	One Chase Manhattan	1,898,158	0	0	100.00%	100.00%	N/A	N/A
3	One New York Plaza	2,103,750	547,624	0	73.97%	73.97%	$50.00	$50.00
4	Two New York Plaza	1,345,919	314,500	71,936	76.63%	71.29%	$39.00	$39.00
5	88 Pine Street	624,000	44,254	19,887	92.91%	89.72%	$42.00	$44.00
6	One State Street Plaza	747,000	64,030	52,901	91.43%	84.35%	$42.00	$52.00
7	180 Maiden Lane	982,089	29,553	0	96.99%	96.99%	$45.00	$45.00
8	100 Wall Street	457,622	89,171	8,948	80.51%	78.56%	$38.00	$40.00
	TOTAL	**10,075,238**	**1,260,603**	**165,412**				
	AVERAGE	**1,259,405**	**157,575**	**20,677**	**87.49%**	**85.85%**	**$34.00**	**$52.00**

The average direct occupancy rate for these eight directly competitive buildings is 87.49 percent for direct space and 85.85 percent when including sublease space. This compares with an average direct occupancy rate of 94.71 percent for all of the buildings competitive with the subject and 94.30 percent for direct Class A space within the Downtown market.

SUMMARY AND CONCLUSIONS

Of the 32 buildings competitive with the subject, eight buildings are considered directly competitive; 120 Broadway, One Chase Manhattan Plaza, One New York Plaza, Two New York Plaza, 88 Pine Street, One State Street Plaza, 100 Wall Street, 180 Maiden Lane, and 100 Wall Street 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 $30's per square foot and stabilize at an occupancy rate in the range of 90 percent.

SANBORN MAP



CUSHMAN & WAKEFIELD

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

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 the late 1990s.)
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:	1,130,555 square feet (Per Rent Roll/Leases)
	1,175,607 square feet (Remeasured)
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 fmished 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 tv 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.

EntranceILobby:	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:	80 years
Effective Age:	35 years (The building was renovated in 1996 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:	2010/11		2009/10	
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	$52,020,000	$50,130,000	$50,670,000	$48,600,000
Total Assessed Value	$72,000,000	$70,110,000	$70,650,000	$68,580,000
TAX LIABILITY				
Taxable Assessment	$70,110,000		$68,580,000	
Tax Rate	10.530%		10.426%	
Total Property Taxes	$7,382,765		$7,150,151	
** Excludes ICIP tax exemption.*				

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 addition to the tax liability of the City of New York, the property is also subject to an assessment by the area's business improvement district. This special district assessment is based on a per square foot charge, rather than the assessed value of the building. In 2010, the special district assessment is $191,371.

As can be seen from the previous summary of tax liability, the subject property's assessments increased from 2009/10 to 2010/11. 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.

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	1,597,965	1915	$89,186,563	$55.81	$9,391,345	$5.88
2	One Chase Manhattan Plaz	44	1	2,239,000	1963	$161,177,584	$71.99	$16,972,000	$7.58
3	One New York Plaza	4	1001-1052	1,848,626	1970	$154,477,080	$83.56	$16,266,437	$8.80
4	88 Pine Street	38	17	623,858	1973	$47,775,703	$76.58	$5,030,782	$8.06
5	One State Street Plaza	9	1	845,018	1969	$83,540,000	$98.86	$8,796,762	$10.41
6	180 Maiden Lane	37	23	1,079,361	1983	$101,695,000	$94.22	$10,708,484	$9.92
7	100 Wall Street	38	1	463,664	1969	$36,180,000	$78.03	$3,809,754	$8.22
STATISTICS									
Low:				463,664	1915	$36,180,000	$55.81	$3,809,754	$5.88
High:				2,239,000	1983	$161,177,584	$98.86	$16,972,000	$10.41
Average:				1,242,499	1963	96,290,276	$79.86	10,139,366	$8.41
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 $5.88 to $10.41 per square foot of gross building area. The average tax of the comparable properties is $8.41 per square foot. This compares with the subject's 2010/11 fiscal tax liability of $7,382,765 or $6.96 per square foot of the assessor's gross building area of 1,061,266± square feet.

The subject property appears under-assessed in the initial years of the holding period in light of its location and level of income. 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 $8.00 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 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 will be discussed later within this report, we have concluded at an "as is" market value estimate of $200,000,000 for the subject property. The 2010/11 transitional assessed value of $70,110,000 is equivalent to 35 percent of market value. This assessment/market value ratio is within the range of acceptable ratios found for similar buildings in this marketplace.

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 entire building is $70,110,000, 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.

[redacted]

PHASE-IN PERIOD	TAX YEAR	ASSESSED VALUE PHASE-IN
1	2010/11	$70,110,000
2	2011/12	$72,582,500
3	2012/13	$75,055,000
4	2014/15	$77,527,500
5	2015/16	$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 is under-assessed and will receive large tax increases in the near term. We have assumed the assessed value for the entire building will stabilize at $80,000,000 (taxes near $8.00 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 2011/2012-tax year, are reflected in the tax forecast at the end of this section.

ICIP TAX EXEMPTION

Under provisions of Local Law 71, Chapter 56A, Section 1322(B), as amended on October 9, 1984, the subject property has been granted two property tax exemptions due to its increase in value of improvements as a result of recent renovation. The tax exemption has been determined for the subject property and will remain throughout the exemption period, although the assessor reanalyzes the assessments each year. The tax exemption, in the form of the Industrial and Commercial Incentive Plan was defined as follows:

For the first eight years following the issuance of a Certificate of Occupancy, the tax payment on 100 percent of the exemption base shall be exempt (exemption base means the portion of assessed value of improvements made since eligibility of exemption and before the fourth taxable year following such eligibility.) For the following four tax years, the exemption amount decreases by 20 percent per year, until entirely phased out after year 12.

The following table illustrates the computation of exemption and payment of taxes for commercial construction work.

TAX YEAR FOLLOWING DATE OF ISSUANCE OF CERTIFICATE OF ELIGIBILITY	AMOUNT OF TAX PAYMENTS TO BE EXEMPT
1 through 8	Exemption of tax payment on 100% of the exemption base.
9	Exemption of tax payment on 80% of the exemption base.
10	Exemption of tax payment on 60% of the exemption base.
11	Exemption of tax payment on 40% of the exemption base.
12	Exemption of tax payment on 20% of the exemption base.
13	No exemption of tax payment.

The table on the **following page** summarizes our estimate of tax liability for the period through the 2024/25 tax year. Key assumptions in our analysis are as follows:

a) the ICIP exemptions end in the 2010/11 and 2011/12 tax years;

b) exemption bases of $5,040,000 and $594,000 are applied to the improved assessed value;

c) tax rate increase of 1 percent annually, beginning in the 2010/11 tax year;

d) assessed value increase of 2 percent annually, following a reassessment of the entire property to $80,000,000 or real estate taxes near $8.00 per square foot which is transitionally phased in by the 2014/15 tax year.

e) Business Improvement District (BID) tax rate increase of 3 percent annually.

ASSUMPTIONS	
BLOCK:	43
LOT:	2
GROSS BUILDING AREA (SF):	1,061,266
FIRST ICIP BENEFIT YEAR:	2000/01
LAST ICIP BENEFIT YEAR:	2011/12
2009/10 TAX RATE:	10.426%
ASSESSED VALUE GROWTH RATE	2.0%
TAX RATE GROWTH RATE	1.0%
BID TAX GROWTH RATE	3.0%
EXEMPTION BASE-1	$5,040,000
EXEMPTION BASE-2	$594,000

40 Wall Street
Between Nassau and William Streets
New York City

ICIP Tax Exemption Projection

PROJECTION YEAR	TAX YEAR	CALENDAR YEAR	FISCAL YEAR	AV BASE (1)	EXEMPTION BASE-1	% EXEMPT	EXEMPTION BASE-2	% EXEMPT	EXEMPT AV	TAXABLE AV	TAX RATE	PAYABLE FISCAL YR TAXES	PAYABLE CALENDAR YR TAXES	TAXES PER SF	FULL CALENDAR YR TAXES	TAXES PER SF	BID PAYABLE
0	2010	2009	2009/10	$68,580,000	$5,040,000	60%	$594,000	40%	$ 3,261,600	$65,318,400	10.426%	$ 6,810,096	$ 6,810,096	$ 6.42	$ 7,150,151	$ 6.74	$ 191,371
1	2011	2010	2010/11	$70,110,000	$5,040,000	40%	$594,000	20%	$ 2,134,800	$ 67,975,200	10.530%	$ 7,157,965	$ 6,984,031	$ 6.58	$ 7,266,458	$ 6.85	$ 191,371
2	2012	2011	2011/12	$72,582,500	$5,040,000	20%	$594,000	0%	$ 1,008,000	$ 71,574,500	10.636%	$ 7,612,351	$ 7,385,158	$ 6.96	$ 7,551,161	$ 7.12	$ 197,112
3	2013	2012	2012/13	$75,055,000	$5,040,000	0%	$594,000	0%	$ -	$ 75,055,000	10.742%	$ 8,062,347	$ 7,837,349	$ 7.38	$ 7,890,952	$ 7.44	$ 203,025
4	2014	2013	2013/14	$77,527,500	$5,040,000	0%	$594,000	0%	$ -	$ 77,527,500	10.849%	$ 8,411,220	$ 8,236,783	$ 7.76	$ 8,236,783	$ 7.76	$ 209,116
5	2015	2014	2014/15	$80,000,000	$5,040,000	0%	$594,000	0%	$ -	$ 80,000,000	10.958%	$ 8,766,265	$ 8,588,742	$ 8.09	$ 8,588,742	$ 8.09	$ 215,390
6	2016	2015	2015/16	$81,600,000	$5,040,000	0%	$594,000	0%	$ -	$ 81,600,000	11.067%	$ 9,031,006	$ 8,898,635	$ 8.38	$ 8,898,635	$ 8.38	$ 221,851
7	2017	2016	2016/17	$83,232,000	$5,040,000	0%	$594,000	0%	$ -	$ 83,232,000	11.178%	$ 9,303,742	$ 9,167,374	$ 8.64	$ 9,167,374	$ 8.64	$ 228,507
8	2018	2017	2017/18	$84,896,640	$5,040,000	0%	$594,000	0%	$ -	$ 84,896,640	11.290%	$ 9,584,715	$ 9,444,229	$ 8.90	$ 9,444,229	$ 8.90	$ 235,362
9	2019	2018	2018/19	$86,594,573	$5,040,000	0%	$594,000	0%	$ -	$ 86,594,573	11.403%	$ 9,874,174	$ 9,729,444	$ 9.17	$ 9,729,444	$ 9.17	$ 242,423
10	2020	2019	2019/20	$88,326,464	$5,040,000	0%	$594,000	0%	$ -	$ 88,326,464	11.517%	$ 10,172,374	$ 10,023,274	$ 9.44	$ 10,023,274	$ 9.44	$ 249,696
11	2021	2020	2020/21	$90,092,994	$5,040,000	0%	$594,000	0%	$ -	$ 90,092,994	11.632%	$ 10,479,579	$ 10,325,976	$ 9.73	$ 10,325,976	$ 9.73	$ 257,187
12	2022	2021	2021/22	$91,894,853	$5,040,000	0%	$594,000	0%	$ -	$ 91,894,853	11.748%	$ 10,796,063	$ 10,637,821	$ 10.02	$ 10,637,821	$ 10.02	$ 264,902
13	2023	2022	2022/23	$93,732,750	$5,040,000	0%	$594,000	0%	$ -	$ 93,732,750	11.866%	$ 11,122,104	$ 10,959,083	$ 10.33	$ 10,959,083	$ 10.33	$ 272,849
14	2024	2023	2023/24	$95,607,405	$5,040,000	0%	$594,000	0%	$ -	$ 95,607,405	11.984%	$ 11,457,991	$ 11,290,047	$ 10.64	$ 11,290,047	$ 10.64	$ 281,035
15	2025	2024	2024/25	$97,519,554	$5,040,000	0%	$594,000	0%	$ -	$ 97,519,554	12.104%	$ 11,804,023	$ 11,631,007	$ 10.96	$ 11,631,007	$ 10.96	$ 289,466
												$ 9,402,876	$ 9,246,816	$ 8.71	$ 9,299,446	$ 8.76	$ 234,416

(1) Real estate taxes are assumed to be reassessed to $80,000,000 by the 2014/15 tax year.
(2) The real estate tax exemption base has been established by the City of New York.

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.

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
Maximum Street Wall	

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.

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

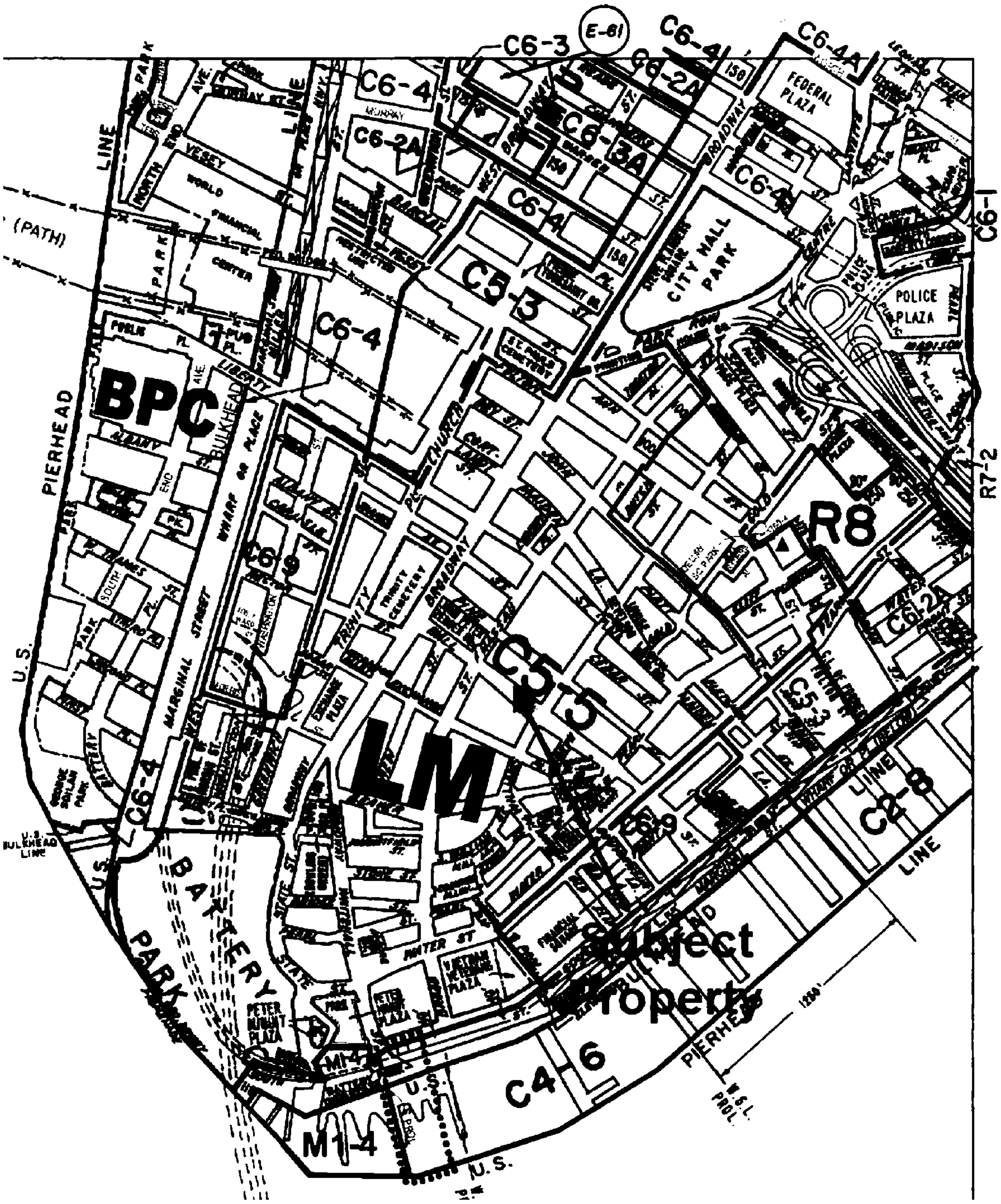
ZONING	LAND SF	FAR	BUILDABLE SF
C5-5	34,360± SF	@ 15 =	515,400± square feet

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 building bulk as of right of 515,400± square feet.

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.

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
(PATH)
WORLD FINANCIAL CENTER
C5-3
CITY HALL PARK
POLICE PLAZA
C6-4
BPC
BULKHEAD
PIERHEAD
R7-2
R8
C6-9
TRINITY CEMETERY
C5-5
C6-2
C5-3
U.S.
LM
C6-4
C2-8
U.S. BULKHEAD LINE
BATTERY PARK
LINE
Subject Property
PIERHEAD
C4-6
M1-4
U.S.

HIGHEST AND BEST USE

HIGHEST AND BEST USE CRITERIA

The Dictionary of Real Estate Appraisal, Fourth Edition (2002), 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 subject's zoning classification of C5-5 Restricted Central Commercial District permits development of residential, office, retail, hotel, and community service related uses. 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 located 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 the Financial East office submarket of Downtown Manhattan and within close proximity to prime World Trade complex. In addition, the subject is located a block away from the under development World Trade Center Transportatio Hub, one of the projected major gateways within the public transportation network for Manhattan. Retail uses at grade level are consistent with other uses in the local market area.

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.

The credit crunch that began to unfold in the U.S. in mid-2007 evolved into a global financial crisis by October 2008, soon after the Lehman Brothers bankruptcy. Many market observers equate this crisis as the greatest challenge to the world's economic health since the Great Depression. Its effects have radically reshaped the financial sector, and its consequences continue to impact nearly every other industry. Although many financial experts believe that the worst may be behind us, economic data continues to send mixed signals.

The fallout from the crisis was significant, widespread, and permanently altered the financial landscape. Institutions such as Lehman Brothers, which had been around for well over a century, were acquired, filed for Chapter 11 bankruptcy protection, or placed into federal conservatorship. Money from TARP flooded these companies with the much-needed cash to stay afloat, pulling them, and the economy at large, from the brink of collapse. To date, a few major institutions such as Bank of America, JPMorgan Chase, and Goldman Sachs have repaid their TARP loans; however, most of this has been done with capital raised from the issuance of equity securities and debt not necessarily guaranteed by the federal government.

Currently, the biggest concern for investors is job growth and its consequent impact on leasing activity. Without this core demand driver and a solid economic recovery, occupancy and rents will not recover and market revitalization will be muted. In the first half of 2010, a renewed vigor in the capital markets helped lift values and compressed overall capitalization rates in some transactions. This is beginning to show up in sales and surveys but the sustainability of this trend will become clearer during the second half of 2010 as more and deals emerge.

The U.S. officially entered this recession in December 2007. Though no official end has been announced, the economy grew by 2.2 percent in the third quarter of 2009, 5.6 percent in the fourth quarter (the best performance since 2003), and 3.2 percent in 2010's first quarter. Most estimates place the year-end 2010 growth somewhere in the 3.0 percent range, but the economy remains volatile and there is no clear evidence that we are out of the woods.

Due to this ongoing economic uncertainty, the National Bureau of Economic Research (NBER) remains cautious and has yet to declare an end to the recession. Despite some economists' concerns about a "double-dip" recession the consensus of experts suggests that such a scenario is unlikely, and slow improvement in economic fundamentals is expected.

In mid-2010, the commercial real estate sector remains troubled. Not only is it a concern for banks holding commercial real estate loans, but to the entire economy as a whole. In fact, a congressional panel announced earlier this year that mounting commercial real estate loans could endanger the banking system and dampen economic recovery. Over the next four years, a total of $1.4 trillion in commercial loans will require financing, while more than half of those loans are currently "under water." Expected losses may total between $200.0 and $300.0 billion, threatening roughly 3,000 small and mid-size banks that hold a disproportionate share of commercial real estate assets on their books.

As of mid-year 2010, sales volume appears to be making a comeback. Totaling $36.4 billion, or a 68.0 percent increase over mid-year 2009, year-to-date sales volume is the highest it's been since third quarter 2008. Still, the road to recovery is not without its bumps. Most of these deals are concentrated in major cities and in top tier markets. On top of this, high sales volume is somewhat deceiving as the number of deals actually transpiring is not advancing at the same rapid clip. In fact, Real Capital Analytics recorded 534 sales in the first half of 2010, representing only a 16.8 percent increase from a year ago. This is expected to change during the second half of 2010, however, as renewed interest and more capital flood the markets.

In light of the above, with consideration given to the cost to value relationship and the state of the financial markets, it is our opinion that the typical investor or developer would deem a development of the subject site at this time not feasible.

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 eventual multi tenant office building development once market conditions improve.

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.

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. The location is desirable for office use. Therefore, 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 AND LAND VALUATION

40 Wall Street is subject to a ground lease. For informational purposes, the ground lease has been summarized and analyzed as follows:

GROUND LEASE SUMMARY			
Landlord:	Nautilus Real Estate Inc. and Scandic Wall Limited Partnership		
Tenant:	40 Wall Street LLC c/o The Trump Organization		
Property:	40 Wall Street, New York, New York		
Lease Index:	Ground Lease dated November 30, 1995. Lease 1st Modification dated May 1, 1997 Lease 2nd Modification dated November 24, 1998 Lease 3rd Modification dated July 29, 2002 Lease 4th Modification dated December 31, 2007		
Date of Lease:	November 30, 1995		
Term:	67.6 months 4th Lease modification & Sec: 26 Pg: 53.		
Lease Commencement Date:	November 30, 1995		
Rent Commencement Date:	November 30, 1995		
Fixed Expiration Date:	April 30, 2059. Sec:1 Pg: 2 Lease doc		
Fixed Rent:	Begin	End	Annual Rent
	11/30/1995	11/29/1997	$1,500,000.00
	11/30/1997	11/29/1998	$750,000.00
	11/30/1998	11/29/1999	$650,000.00
	01/01/2008	12/31/2012	$1,500,000.00
	01/01/2013	12/31/2017	$1,650,000.00
	01/01/2018	12/31/2019	$1,815,000.00
	01/01/2020	12/31/2022	$2,315,000.00
	01/01/2023	12/31/2027	$2,546,500.00
	01/01/2028	12/31/2032	$2,801,150.00
	4th Lease Modification Pg: 2.		
	Base Rent for Revaluation Period: Greater of (a) 6.0% the then value of the land considered as vacant and unimproved but with the right to construct a 900,000 SF Bldg for (x) office purposes and (y) ground floor retail space or other retail space in the Bldg which existed after 1/1/2028 or (b) 85.0% of the Then rental. 4th modification Pg: 4.		

Rent Adjustment:	Landlord may require Valuation of the land as of 1/1/2033 and each 25 years thereafter. Land is to be valued as vacant and unimproved but w/ right to construct a 900,000 SF building thereon. Rent becomes greater of (a) 6% of Value or (b) 85% of rent for the prior year. 4th modification Sec: 2.05 Pg: 4.
Renewal Option:	Tenant has right to exercise two renewal options to 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. Sec: 26 pg: 53
Insurance:	Tenant shall maintain its own cost and expense all risk insurance, liability for bodily injury and death, personal injury and property damage, rent or business interruption insurance and such other insurance as required by Landlord. Sec: 5. Pg: 9&10.
Use:	For any Lawful purposes. Sec: 11.01. Pg: 20.
Alterations and Improvements:	Only demolition of building requires Landlord's consent. All alterations are subject to typical restrictions but do not require Landlord's consent. Sec: 9.01 Pg: 17
Repairs:	Tenant is responsible for all repairs and maintenance of the premises. Sec: 7 Pg: 14
Taxes & Imposition:	Tenant shall pay for all Taxes and other charges. Sec: 3.01 Pg: 5.
Purchase Option:	If Landlord elects to sell its interest in property, Tenant has the right of first offer to purchase the fee interest at all the cash price offered by accepting Landlord's notice with in 30 days after getting the offer by Landlord. Sec: 23.04 Pg: 49.
Default:	Monetary Default: 20 days after written notice. Non Monetary Default: 60 days or more if default cannot be cured in 60 days. Sec: 19 Pg: 43
Estoppel:	Within Twenty (20) days prior notice with request from either parties. Sec: 20 Pg: 47
Mortgages, Assignment & Sublease:	Tenant has the absolute right w/o Landlord's consent to: (a) assign or transfer lease, Sec: 18.01. (b) mortgage the lease up to 85% of FMV. Sec 18.02 and (c) sublease all or part of the premises as an entirety for occupancy at least 50% of the premises and not for further subletting. Sec: 18.06 Pg: 30 Landlord shall upon Tenant request enter in to a Non Disturbance agreement with the Tenant and Sub tenant in form and substance who obtained such an agreement from the leasehold mortgage. Sec: 18.10 Pg: 41 Tenant shall not modify the terms of sublease having an unexpired term of 5 years or more or with rents at $250,000 p.a. without the prior written consent of Landlord. Sec: 18.10 Pg: 41.

Condemnation:	If at any time during the term of this lease title to the whole or substantially all of the demised premises shall be taken by the exercising the right of condemnation or eminent domain. The proceeds of any award shall be paid as follows: a) First, to each parties their respective reasonable cost of collection of the award, Second, to Landlord, the sum of \$12,000,000 which shall be increased by the same percentage increase in the net annual rent, Third, settlement to Leasehold mortgages in order of their seniority, Fourth, to Tenant to the extent that the then depreciated value of any improvements to the demised premises made by Tenant shall exceed the amount paid to the holders of Leasehold Mortgage. b) If the value of the unexpired portion of Tenant's leasehold estate which value not have been separately determined in such proceeding such value will be fixed by agreement between Landlord & Tenant. Sec: 16.03 Pg: 27&28.

The ground lease payments currently total \$1,500,000 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; or, (b) 85.0% of the then lease payments. 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.

In order to estimate the value of the leasehold interest, we have estimated the property's land value assuming it is vacant, unimproved and unencumbered and available to be put to its highest and best use. We have estimated the property's land value assuming it is vacant, unimproved and unencumbered and available to be put to its highest and best use.

LAND VALUATION (SUBJECT TO REQUIREMENTS OF THE GROUND LEASE)

We used the Sales Comparison Approach to develop an opinion of land value subject to requirements of the ground lease. In this method, we analyzed prices buyers have recently paid for similar sites in this area. In making comparisons, we adjusted the sale prices for differences between this site and the comparable sites. We present on the following pages a summary of pertinent details of sites recently sold that we compared to the site appraised.

Real estate developers make qualitative and quantitative judgments in the acquisition of a site with development potential such as the subject property. Subjectively, a developer considers the nature of surrounding land uses and proximity to complimentary services to a potential project. Objectively, the physical and functional attributes of the site, and the cost of preparing it for construction must be calculated. Lying between these two considerations are the many aesthetic and economic factors, which come to influence the final product.

The most widely used and market-oriented unit of comparison for development parcels such as the subject site is the sale price per square foot of developable area (FAR) as of right. This unit of comparison is the most accurate method of comparison, since it defines land parcels in terms of their maximum development potential as related to the site. This diminishes the impact of differences caused due to zoning and other factors affecting the utility of the parcel. By using the FAR method of comparison, some of the more abstract comparisons are eliminated. Most important, this method of comparison is also that which is most used by developers and investors for this type of property. All comparable sales were analyzed on this basis.

In our analysis, we compared the sales to the subject property based upon changes in market conditions since the date of sale, location of the real estate, physical and functional traits and the economic characteristics of the property. Percentage adjustments were made to account for differences between the subject and comparables for the following items: property rights conveyed, financing terms and conditions of sale, time (market conditions), location, zoning, configuration, size (MPBB), utility and other.

Our analysis assumes the subject's site developable area (FAR) as of right is 900,000 as stipulated in the ground lease.

DISCUSSION OF ADJUSTMENTS

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 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. Therefore, no adjustments were 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 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.

EXPENSES AFTER PURCHASE

The adjustments between the subject property and comparable sales for expenses after purchase have been expressed in percentages. In many situations, the purchaser may incur costs that may affect transaction prices. The sales did not incur significant expenses after their purchase. Therefore, no adjustments for additional expenses are required to the comparables.

MARKET CONDITIONS

The sales included in this analysis occurred between February 2006 and June 2007. The market has fluctuated over this time period, reflecting the sub-prime crisis that began in August 2007, and the ensuing credit crisis that began in September 2008. As a result, we have made a market condition adjustments of an upward adjustment of 25 percent to August 2007, a downward adjustment of -10 percent to August 2008, a one time downward adjustment of 20 percent in September 2008, a downward adjustment of 10 percent to October 2009, then made no adjustment to to August 1, 2010, the effective date of this appraisal.

LOCATION

Location adjustments were intended to reflect differences with regard to the character of the avenue or street, proximity to transportation, desirability with regard to Midtown 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. Each comparable was adjusted accordingly.

SIZE

The size adjustment generally reflects the inverse relationship expressed between unit price and size. Smaller properties tend to sell for higher unit prices than larger properties, and vice versa. Positive adjustments were made to larger properties, and negative adjustments were made to smaller properties. Size adjustments were made in comparison to the subject property developable area as follows:

Within 25 percent +/- of the subject's square footage no adjustment was made; between 26 percent and 50 percent of the subject's square footage a 5 percent +/- adjustment was made; between 51 percent and 75 percent of the subject's square footage a 10 percent +/- adjustment was made; between 76 percent and 100 percent larger than the subject's square footage or alternatively 50% smaller than the subject's square footage a 15 percent +/- adjustment was made and for properties larger than 100 percent a 20 percent +/- adjustment was applied.

SIZE ADJUSTMENT

SIZE -% DIFFERENCE FROM SUBJECT SQUARE FOOTAGE	PERCENTAGE ADJUSTMENT TO THE COMPARABLE
0-25%	No adjustment
26-50%	5%
51-75%	10%
76-100%	15%
>100%	20%

ZONING

Adjustments were intended to reflect differences with regard to plots that were zoned for residential use or low-density commercial districts that limit their commercial use potential. Downward adjustments were made to properties with superior zoning designation while upward adjustments were made to properties with inferior zoning designation.

CONFIGURATION

Adjustments were intended to reflect differences with regard to plots, which were more irregular in shape versus plots, which were more square or rectangular. Configuration affects the shape of the prospective building's floor plate and is an important factor for developers and investors. Downward adjustments were made to superior properties while upward adjustments were made to inferior properties.

UTILITY

When making adjustments for utility, we considered the economic characteristics of the proposed developments. Downward adjustments were made to superior properties while upward adjustments were made to inferior properties.

OTHER

In some cases, other variables will impact the price of a transaction. Some examples would include soil or slope conditions, restrictive zoning, easements or external influences. Downward adjustments were made to superior properties while upward adjustments were made to inferior properties.

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	Block/ Lot	Frontage	Configuration	Lot Size (SF)	Zoning	FAR	Max Bldg. Area (SF)	Unit Price/FAR
1	**91-95 Chambers Street** Btwn Church Street & Broadway Downtown, Manhattan	Jun-07	$23,150,000	RAEM 93 Chambers St/RAE-ME Realty LLC / 77 Realty LLC	Various	Blockfront Parcel	Rectangular	11,670	C6-4 (TMU)	7.52	87,758	$263.79
	Comments: This is the sale of two contiguous development sites located on the north side of Chambers Street between Church Street and Broadway. At the time of sale, the lots were improved with two buildings with a combined gross building area of 23,950± square feet. As such, we have applied demolition costs estimated at $20 per square foot to the final purchase price. The property is located within the Tribeca Mixed Use Special District, which requires approvals from the Landmarks Preservation Commission (LPC) for redevelopment. According to public record, the grantee received LPC approval for the construction of a six-story, 65,000± square foot condominium building with ground floor retail and is in the process of seeking a bulk waiver from the City Planning Commission.											
2	**215 Pearl Street** Btwn Platt Street & Maiden Lane Downtown, Manhattan	Apr-07	$37,831,550	215 Pearl LLC Lam`s Golden Pearl Hotel Plaza LLC	Various	Blockfront Parcel	Rectangular	13,471	C5-5	15.00	202,065	$187.22
	Comments: This is the sale of 4 parcels of land located in the Insurance District of Lower Manhattan. The Lam Group reportedly intends to develop two hotel buildings on the site, one operated by Sheraton and the other operated by Aloft. Lot 4 was improved with a 5-story residential building with a gross floor area of 17,324 square feet at the time of purchase. Therefore, we have estimated demolition costs of $20.00 per square foot, which we have included in the sales price.											
3	**99 Church Street** Btwn Barclay Street & Park Place Downtown, Manhattan	Dec-06	$170,050,000 $2,000,000 $172,050,000	Moody's Investors Service / Silverstein Properties	Block 123 Lot 10	Blockfront Parcel	Rectangular	29,125	C5-3CR	15.00	436,875	$393.82
	Comments: The property is currently improved with an 11-story office building that was the former headquarters of Moody's Investor Services, who will relocate to 7 World Trade Center. The building, containing 336,000 square feet, is intended to be demolished by Silverstein Properties, who will redevelop the site. We estimated $2,000,000 for demolition costs.											
4	**151-161 Maiden Lane** Btwn Front Street & South Street Downtown, Manhattan	Oct-06	$56,081,000	Barbara Pollard/Hasa Realty LLC The Pioneer Companies	Various	Corner Parcel	Rectangular	11,215	C5-3	15.00	168,225	$333.37
	Comments: This is the sale of two adjacent lots. At the time of sale, Lot 7 was improved with a 6-story office building, while Lot 2 is improved with a surface parking lot. The existing improvements are to be razed to make way for the construction of a hotel condominium at a cost of $750,000, which is included in the sale price. The lots are located in a site designated as a receiving site for transferable development rights that were created during the formation of the South Street Seaport District. The grantee purchased 74,019 square feet of transferable development rights in two separate transactions for a blended cost of $115 per square foot. This brings the total cost to $56,081,000, $333.37 per square foot of ZFA.											
5	**140 Liberty Street** South side of Liberty Street Downtown, Manhattan	Feb-06	$59,000,000	140 Liberty Street Associates / Lower Manhattan Development Corporation	Block 56 Lot 15	Corner Parcel	Irregular	18,779	C6-9	15.00	281,685	$209.45
	Comments: The site was previously utilized as a parking lot located on the south side of Liberty Street with additional frontage on the west side of Washington Street, west side of West Street and north side of Cedar Street.											

STATISTICS	Consideration	Lot Size (SF)	Max Bldg. Area (SF)	Unit Price/FAR
LOW	$23,150,000	11,215	87,758	$187.22
HIGH	$172,050,000	29,125	436,875	$393.82
MEAN	$69,622,510	16,852	235,322	$277.53
MEDIAN	$56,081,000	13,471	202,065	$263.79

COMPARABLE SALE NO. 1

This sale consists of two contiguous development sites located at 91-95 Chambers Street on the north side of Chambers Street between Church Street and Broadway. This property sold in June 2007 from RAEM 93 Chambers St/RAE-ME Realty LLC to 77 Realty LLC for a purchase price of $23,150,000 which includes demolition costs we estimated at $20 per square foot. At the time of sale, the lots were improved with two buildings with a combined gross building area of 23,950± square feet. We have applied demolition costs estimated at $20 per square foot to the purchase price. The property is located within the TriBeCa Mixed Use Special District, which requires approvals from the Landmarks Preservation Commission (LPC) for redevelopment. According to public record, the grantee received LPC approval for the construction of a six-story, 65,000± square foot condominium building with ground floor retail and is in the process of seeking a bulk waiver from the City Planning Commission. This parcel contains a total land area of 11,670± square feet. This property is in the C6-4 zoning district. Based on the total FAR of 87,758± square feet, the resulting unit value is $263.79 per FAR.

In comparison with the subject property, a downward adjustment was required for market conditions. A downward adjustment was required for size. A downward adjustment was required for plottage. No other adjustments were required. The adjusted price is $125.69 per FAR.

COMPARABLE SALE NO. 2

This sale is located at 215 Pearl Street between Platt Street and Maiden Lane in the Insurance District of Downtown Manhattan. This property sold in April 2007 from 215 Pearl LLC to Lam`s Golden Pearl Hotel Plaza LLC for a purchase price of $37,831,550. This is the sale of 4 parcels of land located in the Insurance District of Lower Manhattan. The Lam Group reportedly intends to develop two hotel buildings on the site, one operated by Sheraton and the other operated by Aloft. Lot 4 was improved with a 5-story residential building with a gross floor area of 17,324 square feet at the time of purchase. Therefore, we have estimated demolition costs of $20.00 per square foot, which we have included in the sales price. This parcel contains a total land area of 13,471± square feet. This property is in the C5-5 zoning district. Based on the total FAR of 202,065± square feet, the resulting unit value is $187.22 per FAR.

In comparison with the subject property, a downward adjustment was required for market conditions. A downward adjustment was required for size. A downward adjustment was required for plottage. No other adjustments were required. The adjusted price is $94.29 per FAR.

COMPARABLE SALE NO. 3

This sale is located at 99 Church Street between Barclay Street and Park Place. This property sold in December 2006 from Moody's Investors Service to Silverstein Properties for a purchase price of $172,050,000. This parcel contains a total land area of 29,125± square feet. The site is zoned C5-3CR. The property is currently improved with an 11-story office building that was the former headquarters of Moody's Investor Services, who will relocate to 7 World Trade Center. The building, containing 336,000 square feet, is intended to be demolished by Silverstein Properties, who will redevelop the site. We were provided with budgeted costs of $2,000,000 for demolition costs. Based on the total FAR of 436,875± square feet, the resulting unit value is $393.82 per FAR.

In comparison with the subject property, a downward adjustment was required for market conditions. A downward adjustment was required for size. A downward adjustment was required for utility. A downward adjustment was required for plottage. No other adjustments were required. The adjusted price is $101.33 per FAR.

COMPARABLE SALE NO. 4

This sale is located at 151-161 Maiden Lane between Front Street & South Street. This property sold in October 2006 from Barbara Pollard/Hasa Realty LLC to The Pioneer Companies for a purchase price of $56,081,000. This is the sale of two adjacent lots. This property is in the C5-3 zoning district. At the time of sale, Lot 7 was improved with a 6-story office building, while Lot 2 is improved with a surface parking lot. The existing improvements have been razed to make way for the construction of a hotel condominium at a cost of $750,000, which is included in the sale price. The lots are located in a site designated as a receiving site for transferable development rights that were created during the formation of the South Street Seaport District. The grantee purchased 74,019 square feet of transferable development rights in two separate transactions for a blended cost of $115 per square foot. This brings the total cost to $56,081,000, $333.37 per square foot of ZFA. Based on the total FAR of 168,225± square feet, the resulting unit value is $333.37 per FAR.

In comparison with the subject property, a downward adjustment was required for market conditions. A downward adjustment was required for corner influence/ access. A downward adjustment was required for size. A downward adjustment was required for utility. A downward adjustment was required for plottage. No other adjustments were required. The adjusted price is $89.95 per FAR.

COMPARABLE SALE NO. 5

This is the February 2006 sale located at 140 Liberty Street from the Lower Manhattan Development Corporation to Milstein Properties. The purchase price is $59,000,000. This parcel contains a total land area of 18,779± square feet. The site is zoned C6-9. This is the last development site in Battery Park City. The site was previously utilized as a parking lot and is located on the south side of Liberty Street with additional frontage on the west side of Washington Street, west side of West Street and north side of Cedar Street. Based on the total FAR of 281,685± square feet, the resulting unit value is $209.45 per FAR.

In comparison with the subject property, an upward adjustment was required for market conditions. A downward adjustment was required for location. A downward adjustment was required for corner influence/ access. A downward adjustment was required for size. A downward adjustment was required for plottage. No other adjustments were required. The adjusted price is $100.40 per FAR.

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 five comparable sales exhibit a range in unadjusted unit prices from $187.22 to $393.82 per FAR. The sales occurred between February 2006 and June 2007. The sites involved both small and large development sites ranging in size from 87,758 to 436,875 square feet of FAR. 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

No.	$/FAR Date	Property Rights Conveyed	Financing & Conditions of Sale	Exp. After Purchase	# Months/ Market Conditions *	Subtotal	Location	Zoning	Corner Influence/ Access	Configuration	Size (MPBB)	Utility	Other	Adj. $/SqFt	Overall
		ECONOMIC ADJUSTMENTS (CUMULATIVE)					PROPERTY CHARACTERISTIC ADJUSTMENTS (ADDITIVE)								
1	**$263.79**	Fee Simple/Mkt.	Arms-Length	None	38	**$193.37**	Similar	Similar	Similar	Similar	Smaller	Similar	Superior	**$125.69**	Superior
	6/07	0.0%	0.0%	0.0%	-26.7%	-26.7%	0.0%	0.0%	0.0%	0.0%	-20.0%	0.0%	-15.0%	-35.0%	
2	**$187.22**	Fee Simple/Mkt.	Arms-Length	None	40	**$145.06**	Similar	Similar	Similar	Similar	Smaller	Similar	Superior	**$94.29**	Superior
	4/07	0.0%	0.0%	0.0%	-22.5%	-22.5%	0.0%	0.0%	0.0%	0.0%	-20.0%	0.0%	-15.0%	-35.0%	
3	**$393.82**	Fee Simple/Mkt.	Arms-Length	None	44	**$337.77**	Similar	Similar	Similar	Similar	Smaller	Smaller	Superior	**$101.33**	Superior
	12/06	0.0%	0.0%	0.0%	-14.2%	-14.2%	0.0%	0.0%	0.0%	0.0%	-20.0%	-35.0%	-15.0%	-70.0%	
4	**$333.37**	Fee Simple/Mkt.	Arms-Length	None	46	**$299.85**	Similar	Similar	Superior	Similar	Smaller	Smaller	Superior	**$89.95**	Superior
	10/06	0.0%	0.0%	0.0%	-10.1%	-10.1%	0.0%	0.0%	-10.0%	0.0%	-20.0%	-25.0%	-15.0%	-70.0%	
5	**$209.45**	Fee Simple/Mkt.	Arms-Length	None	54	**$223.11**	Superior	Similar	Superior	Similar	Smaller	Similar	Superior	**$100.40**	Superior
	2/06	0.0%	0.0%	0.0%	6.5%	6.5%	-10.0%	0.0%	-10.0%	0.0%	-20.0%	0.0%	-15.0%	-55.0%	

SUMMARY

Price Range	Unadj. $/FAR	Adj. $/FAR
Low	$187.22	$89.95
High	$393.82	$125.69
Average	$277.53	$102.33
Net Adjustment Range		
Low	-70.0%	
High	-35.0%	
Average	-53.0%	

CONCLUSION	**$/SqFt**
Indicated Value	$100.00
Site Area (Maximum FAR)	x 900,000
Indicated Value	$90,000,000
Rounded	$90,000,000
Per square foot	$100.00

***Market Conditions Adjustment**

Date of Value (for adjustment calculations): August 1, 2010

Yearly Adjustment to	August 1, 2010	0.00%
Yearly Adjustment to	October 1, 2009	-10.00%
One-Time Adjustment on	September 15, 2008	-20.00%
Yearly Adjustment to	September 1, 2008	-10.00%
Yearly Adjustment to	August 1, 2007	25.00%

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 $187.22 to $393.82 per FAR. After adjustments, the land sales reflect a range from $89.95 to $125.69 per FAR. The average adjusted unit value is $102.33 per FAR.

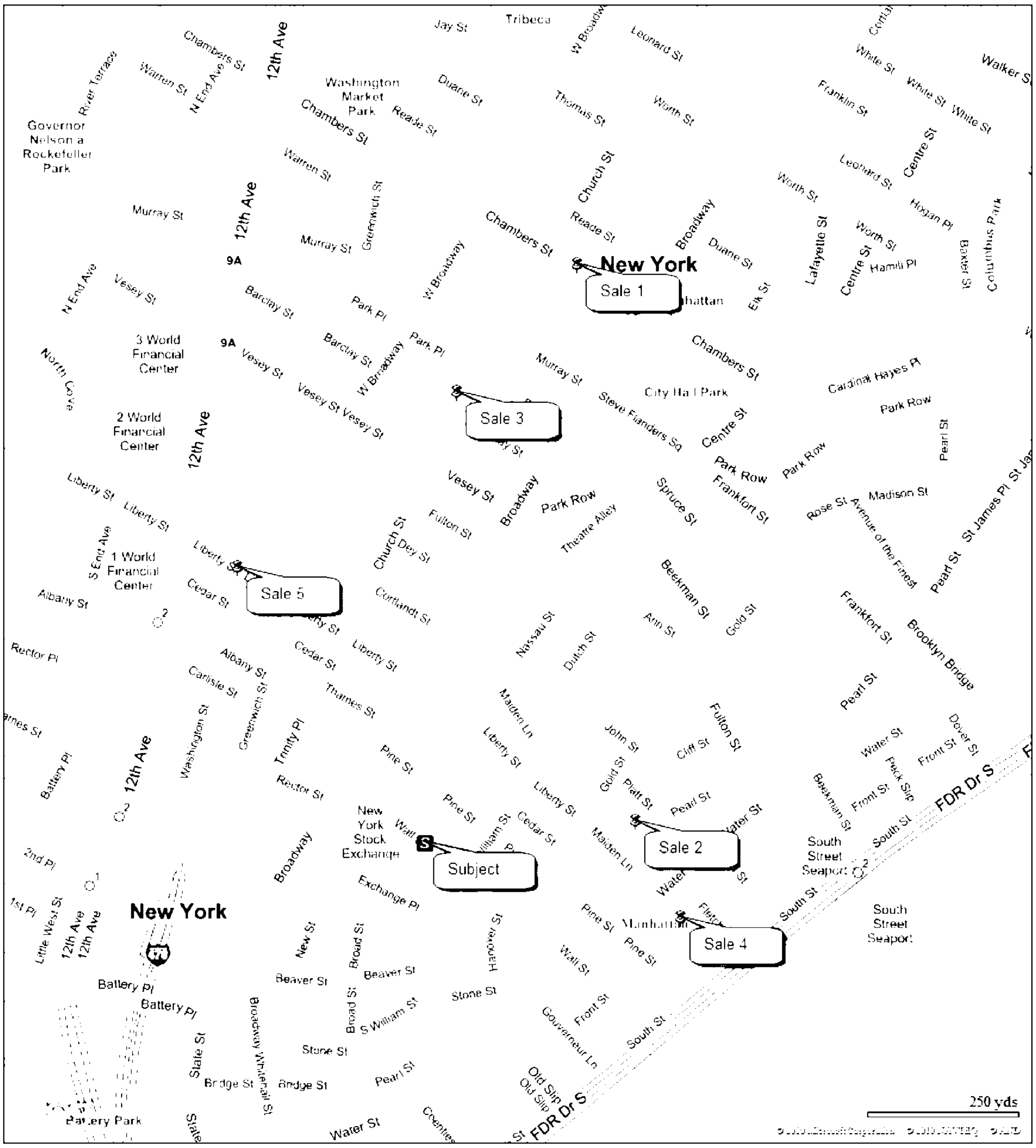
Our analysis assumes the subject's site developable area (FAR) is 900,000 square feet as stipulated in the ground lease.

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 to apply due to locational and physical similarities is $100.00 per FAR based on a highest and best use. 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 computed as follows:

LAND VALUATION CONCLUSION AS VACANT AND UNIMPROVED BASED ON THE RIGHT TO CONSTRUCT A 900,000 SQUARE FOOT BUIDLING AS STIPULATED IN THE GROUND LEASE	
	INDICATED VALUE
Maximum FAR:	900,000
Indicated Value per FAR:	X $100.00
Indicated Land Value:	$90,000,000
Rounded Land Value:	$90,000,000
Fee Simple Value per FAR:	$100.00

The ground lease states that the Landlord may require valuation of the land as of January 1, 2033 and each 25 years thereafter. The land is to be valued as vacant and unimproved but with the right to construct a 900,000 square foot building thereon. Rent becomes greater of (a) 6% of Value or (b) 85% of rent for the prior year. Our analysis assumes the subject's site developable area (FAR) is 900,000 square feet as stipulated in the ground lease, which does not represent a market value of the land.

LAND SALES MAP



PRESENT VALUE OF GROUND LEASE

In order to determine the reasonableness of the subject's ground lease rent, we have researched the market for recent leased fee (ground lease) sales. The leased fee sales were primarily used to extract internal rates of return and overall capitalization rates. **Since ground rent is typically determined based on a factor of land value, the comparable leased fee sales do not provide a reliable indication of ground rent for the subject property.**

Based upon ground lease transactions included within the Addenda section of this report (Addendum D: Comparable Leased Fee Land Sales), a wide range of overall capitalization rates from 0.93 to 4.69 percent is indicated for long term leased fee ground leases where rental payments are fixed for extended periods of time. Sale Nos. 1 through 4 are the most recent leased fee ground lease transactions and reveal overall capitalization rates of 0.93 through 4.69 percent, respectively. Internal rates of return of 5.00 to 6.50 percent are indicated from the sales. In our opinion, a discount rate of 6.50 percent is reasonable for the subject property.

The ground lease payments currently total $1,500,000 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; or, (b) 85.0% of the then lease payments. 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.The complete analysis of ground rent payments over the remaining holding period may be found on the **following page**. The present value of these payments over the holding period may be summarized as follows:

VALUATION	
Discounted Value of the Cash Flow	$74,718,755
Discounted Value of the Reversion	$1,464,937
Value of the Ground Lessor's Position (Leased Fee Interest) Rounded	**$76,000,000**

The present value of both annual rent and reversionary value was based upon a 6.50 percent discount rate. The reversionary sale price was based upon the estimated land value (subject to requirements of the ground lease) grown at 3 percent over the remaining 117-year lease term, less a 4 percent cost of reversion. Therefore, it is our opinion that the value of the ground lessor's position in the subject property, as of August 1, 2010, was $76,000,000.

DISCOUNTED CASH FLOW ANALYSIS
BEGINNING AUGUST 1, 2010

REMAINING TERM	DATE	FISCAL YEAR	BASE RENT	LAND VALUE (REVERSION)	NET CASH FLOW	DISCOUNT FACTOR 6.50%	PRESENT VALUE OF CASH FLOWS	COMPOSITION OF YIELD	ANNUAL CASH ON CASH RETURN
1	01/01/10	2010	$1,500,000		$1,500,000	0.938967	$ 1,408,451	1.85%	1.97%
2	01/01/11	2011	$1,500,000		$1,500,000	0.881659	$ 1,322,489	1.74%	1.97%
3	01/01/12	2012	$1,500,000		$1,500,000	0.827849	$ 1,241,774	1.63%	1.97%
4	01/01/13	2013	$1,650,000		$1,650,000	0.777323	$ 1,282,583	1.68%	2.17%
5	01/01/14	2014	$1,650,000		$1,650,000	0.729881	$ 1,204,303	1.58%	2.17%
6	01/01/15	2015	$1,650,000		$1,650,000	0.685334	$ 1,130,801	1.48%	2.17%
7	01/01/16	2016	$1,650,000		$1,650,000	0.643506	$ 1,061,785	1.39%	2.17%
8	01/01/17	2017	$1,650,000		$1,650,000	0.604231	$ 996,981	1.31%	2.17%
9	01/01/18	2018	$1,815,000		$1,815,000	0.567353	$ 1,029,746	1.35%	2.38%
10	01/01/19	2019	$1,815,000		$1,815,000	0.532726	$ 966,898	1.27%	2.38%
11	01/01/20	2020	$2,315,000		$2,315,000	0.500212	$ 1,157,991	1.52%	3.04%
12	01/01/21	2021	$2,315,000		$2,315,000	0.469683	$ 1,087,316	1.43%	3.04%
13	01/01/22	2022	$2,315,000		$2,315,000	0.441017	$ 1,020,954	1.34%	3.04%
14	01/01/23	2023	$2,546,500		$2,546,500	0.414100	$ 1,054,506	1.38%	3.34%
15	01/01/24	2024	$2,546,500		$2,546,500	0.388827	$ 990,147	1.30%	3.34%
16	01/01/25	2025	$2,546,500		$2,546,500	0.365095	$ 929,715	1.22%	3.34%
17	01/01/26	2026	$2,546,500		$2,546,500	0.342813	$ 872,972	1.15%	3.34%
18	01/01/27	2027	$2,546,500		$2,546,500	0.321890	$ 819,692	1.08%	3.34%
19	01/01/28	2028	$2,801,150		$2,801,150	0.302244	$ 846,630	1.11%	3.68%
20	01/01/29	2029	$2,801,150		$2,801,150	0.283797	$ 794,958	1.04%	3.68%
21	01/01/30	2030	$2,801,150		$2,801,150	0.266476	$ 746,439	0.98%	3.68%
22	01/01/31	2031	$2,801,150		$2,801,150	0.250212	$ 700,882	0.92%	3.68%
23	01/01/32	2032	$2,801,150		$2,801,150	0.234941	$ 658,105	0.86%	3.68%
24	01/01/33	2033	$10,657,367		$10,657,367	0.220602	$ 2,351,036	3.09%	13.99%
25	01/01/34	2034	$10,657,367		$10,657,367	0.207138	$ 2,207,546	2.90%	13.99%
26	01/01/35	2035	$10,657,367		$10,657,367	0.194496	$ 2,072,813	2.72%	13.99%
27	01/01/36	2036	$10,657,367		$10,657,367	0.182625	$ 1,946,303	2.55%	13.99%
28	01/01/37	2037	$10,657,367		$10,657,367	0.171479	$ 1,827,515	2.40%	13.99%
29	01/01/38	2038	$10,657,367		$10,657,367	0.161013	$ 1,715,976	2.25%	13.99%
30	01/01/39	2039	$10,657,367		$10,657,367	0.151186	$ 1,611,245	2.11%	13.99%
31	01/01/40	2040	$10,657,367		$10,657,367	0.141959	$ 1,512,906	1.99%	13.99%
32	01/01/41	2041	$10,657,367		$10,657,367	0.133295	$ 1,420,569	1.86%	13.99%
33	01/01/42	2042	$10,657,367		$10,657,367	0.125159	$ 1,333,868	1.75%	13.99%
34	01/01/43	2043	$10,657,367		$10,657,367	0.117520	$ 1,252,458	1.64%	13.99%
35	01/01/44	2044	$10,657,367		$10,657,367	0.110348	$ 1,176,017	1.54%	13.99%
36	01/01/45	2045	$10,657,367		$10,657,367	0.103613	$ 1,104,241	1.45%	13.99%
37	01/01/46	2046	$10,657,367		$10,657,367	0.097289	$ 1,036,846	1.36%	13.99%
38	01/01/47	2047	$10,657,367		$10,657,367	0.091351	$ 973,565	1.28%	13.99%
39	01/01/48	2048	$10,657,367		$10,657,367	0.085776	$ 914,145	1.20%	13.99%
40	01/01/49	2049	$10,657,367		$10,657,367	0.080541	$ 858,352	1.13%	13.99%
41	01/01/50	2050	$10,657,367		$10,657,367	0.075625	$ 805,965	1.06%	13.99%
42	01/01/51	2051	$10,657,367		$10,657,367	0.071010	$ 756,774	0.99%	13.99%
43	01/01/52	2052	$10,657,367		$10,657,367	0.066676	$ 710,586	0.93%	13.99%
44	01/01/53	2053	$10,657,367		$10,657,367	0.062606	$ 667,217	0.88%	13.99%
45	01/01/54	2054	$10,657,367		$10,657,367	0.058785	$ 626,495	0.82%	13.99%

ASSUMPTIONS

Land Growth Rate		3.00%
2010 Value per FAR	$	100.00
LAND AREA		34,360
MPBB(FAR)		900,000
TOTAL LAND VALUE	$	90,000,000
ROUNDED,	$	90,000,000
2010 GROUND RENT		$1,500,000

VALUATION

Discount Rate		6.50%		
Cost of Sale at Reversion		4.00%		
Value of Cash Flow	$	74,718,755		98.08%
Value of the Reversion	$	1,464,937		1.92%
Total Value	$	76,183,692		100.00%
ESTIMATED MARKET VALUE			$	76,000,000
Per Unit			$	84.44
Overall Capitalization Rate (on NOI)				1.97%

DISCOUNTED CASH FLOW ANALYSIS

BEGINNING AUGUST 1, 2010

REMAINING TERM	DATE	FISCAL YEAR	BASE RENT	LAND VALUE (REVERSION)	NET CASH FLOW	DISCOUNT FACTOR 6.50%	PRESENT VALUE OF CASH FLOWS	COMPOSITION OF YIELD	ANNUAL CASH ON CASH RETURN
45	01/01/54	2054	$10.657.367		$10.657,367	0.058785	$ 626.495	0.82%	13.99%
46	01/01/55	2055	$10,657,367		$10,657,367	0.055197	$ 588,258	0.77%	13.99%
47	01/01/56	2056	$10,657,367		$10,657,367	0.051828	$ 552,355	0.73%	13.99%
48	01/01/57	2057	$10,657,367		$10,657,367	0.048665	$ 518,643	0.68%	13.99%
49	01/01/58	2058	$10,657,367		$10,657,367	0.045695	$ 486,989	0.64%	13.99%
50	01/01/59	2059	$22,983,585		$22,983,585	0.042906	$ 986,137	1.29%	30.17%
51	01/01/60	2060	$22,983,585		$22,983,585	0.040287	$ 925,951	1.22%	30.17%
52	01/01/61	2061	$22,983,585		$22,983,585	0.037829	$ 869,437	1.14%	30.17%
53	01/01/62	2062	$22,983,585		$22,983,585	0.035520	$ 816,373	1.07%	30.17%
54	01/01/63	2063	$22,983,585		$22,983,585	0.033352	$ 766,547	1.01%	30.17%
55	01/01/64	2064	$22,983,585		$22,983,585	0.031316	$ 719,763	0.94%	30.17%
56	01/01/65	2065	$22,983,585		$22,983,585	0.029405	$ 675,834	0.89%	30.17%
57	01/01/66	2066	$22,983,585		$22,983,585	0.027610	$ 634,585	0.83%	30.17%
58	01/01/67	2067	$22,983,585		$22,983,585	0.025925	$ 595,855	0.78%	30.17%
59	01/01/68	2068	$22,983,585		$22,983,585	0.024343	$ 559,488	0.73%	30.17%
60	01/01/69	2069	$22,983,585		$22,983,585	0.022857	$ 525,341	0.69%	30.17%
61	01/01/70	2070	$22,983,585		$22,983,585	0.021462	$ 493,278	0.65%	30.17%
62	01/01/71	2071	$22,983,585		$22,983,585	0.020152	$ 463,172	0.61%	30.17%
63	01/01/72	2072	$22,983,585		$22,983,585	0.018922	$ 434,903	0.57%	30.17%
64	01/01/73	2073	$22,983,585		$22,983,585	0.017767	$ 408,360	0.54%	30.17%
65	01/01/74	2074	$22,983,585		$22,983,585	0.016683	$ 383,436	0.50%	30.17%
66	01/01/75	2075	$22,983,585		$22,983,585	0.015665	$ 360,034	0.47%	30.17%
67	01/01/76	2076	$22,983,585		$22,983,585	0.014709	$ 338,060	0.44%	30.17%
68	01/01/77	2077	$22,983,585		$22,983,585	0.013811	$ 317,427	0.42%	30.17%
69	01/01/78	2078	$22,983,585		$22,983,585	0.012968	$ 298,054	0.39%	30.17%
70	01/01/79	2079	$22,983,585		$22,983,585	0.012177	$ 279,863	0.37%	30.17%
71	01/01/80	2080	$22,983,585		$22,983,585	0.011433	$ 262,782	0.34%	30.17%
72	01/01/81	2081	$22,983,585		$22,983,585	0.010736	$ 246,744	0.32%	30.17%
73	01/01/82	2082	$22,983,585		$22,983,585	0.010080	$ 231,684	0.30%	30.17%
74	01/01/83	2083	$22,983,585		$22,983,585	0.009465	$ 217,544	0.29%	30.17%
75	01/01/84	2084	$48,122,523		$48,122,523	0.008887	$ 427,689	0.56%	63.17%
76	01/01/85	2085	$48,122,523		$48,122,523	0.008345	$ 401,586	0.53%	63.17%
77	01/01/86	2086	$48,122,523		$48,122,523	0.007836	$ 377,076	0.49%	63.17%
78	01/01/87	2087	$48,122,523		$48,122,523	0.007358	$ 354,062	0.46%	63.17%
79	01/01/88	2088	$48,122,523		$48,122,523	0.006908	$ 332,452	0.44%	63.17%
80	01/01/89	2089	$48,122,523		$48,122,523	0.006487	$ 312,162	0.41%	63.17%
81	01/01/90	2090	$48,122,523		$48,122,523	0.006091	$ 293,110	0.38%	63.17%
82	01/01/91	2091	$48,122,523		$48,122,523	0.005719	$ 275,220	0.36%	63.17%
83	01/01/92	2092	$48,122,523		$48,122,523	0.005370	$ 258,423	0.34%	63.17%
84	01/01/93	2093	$48,122,523		$48,122,523	0.005042	$ 242,651	0.32%	63.17%

DISCOUNTED CASH FLOW ANALYSIS
BEGINNING AUGUST 1, 2010

TERM	CALENDAR YEAR	CALENDAR YEAR	BASE RENT	LAND VALUE (REVERSION)	NET CASH FLOW	DISCOUNT FACTOR 6.50%	PRESENT VALUE OF CASH FLOWS	COMPOSITION OF YIELD	ANNUAL CASH ON CASH RETURN
85	01/01/94	2094	$48,122,523		$48,122,523	0.004735	$ 227,841	0.30%	63.17%
86	01/01/95	2095	$48,122,523		$48,122,523	0.004446	$ 213,935	0.28%	63.17%
87	01/01/96	2096	$48,122,523		$48,122,523	0.004174	$ 200,878	0.26%	63.17%
88	01/01/97	2097	$48,122,523		$48,122,523	0.003920	$ 188,618	0.25%	63.17%
89	01/01/98	2098	$48,122,523		$48,122,523	0.003680	$ 177,106	0.23%	63.17%
90	01/01/99	2099	$48,122,523		$48,122,523	0.003456	$ 166,297	0.22%	63.17%
91	01/01/00	2100	$48,122,523		$48,122,523	0.003245	$ 156,147	0.20%	63.17%
92	01/01/01	2101	$48,122,523		$48,122,523	0.003047	$ 146,617	0.19%	63.17%
93	01/01/02	2102	$48,122,523		$48,122,523	0.002861	$ 137,669	0.18%	63.17%
94	01/01/03	2103	$48,122,523		$48,122,523	0.002686	$ 129,266	0.17%	63.17%
95	01/01/04	2104	$48,122,523		$48,122,523	0.002522	$ 121,377	0.16%	63.17%
96	01/01/05	2105	$48,122,523		$48,122,523	0.002368	$ 113,969	0.15%	63.17%
97	01/01/06	2106	$48,122,523		$48,122,523	0.002224	$ 107,013	0.14%	63.17%
98	01/01/07	2107	$48,122,523		$48,122,523	0.002088	$ 100,482	0.13%	63.17%
99	01/01/08	2108	$48,122,523		$48,122,523	0.001961	$ 94,349	0.12%	63.17%
100	01/01/09	2109	$100,757,876		$100,757,876	0.001841	$ 185,489	0.24%	132.26%
101	01/01/10	2110	$100,757,876		$100,757,876	0.001729	$ 174,168	0.23%	132.26%
102	01/01/11	2111	$100,757,876		$100,757,876	0.001623	$ 163,538	0.21%	132.26%
103	01/01/12	2112	$100,757,876		$100,757,876	0.001524	$ 153,557	0.20%	132.26%
104	01/01/13	2113	$100,757,876		$100,757,876	0.001431	$ 144,185	0.19%	132.26%
105	01/01/14	2114	$100,757,876		$100,757,876	0.001344	$ 135,385	0.18%	132.26%
106	01/01/15	2115	$100,757,876		$100,757,876	0.001262	$ 127,122	0.17%	132.26%
107	01/01/16	2116	$100,757,876		$100,757,876	0.001185	$ 119,363	0.16%	132.26%
108	01/01/17	2117	$100,757,876		$100,757,876	0.001112	$ 112,078	0.15%	132.26%
109	01/01/18	2118	$100,757,876		$100,757,876	0.001044	$ 105,238	0.14%	132.26%
110	01/01/19	2119	$100,757,876		$100,757,876	0.000981	$ 98,815	0.13%	132.26%
111	01/01/20	2120	$100,757,876		$100,757,876	0.000921	$ 92,784	0.12%	132.26%
112	01/01/21	2121	$100,757,876		$100,757,876	0.000865	$ 87,121	0.11%	132.26%
113	01/01/22	2122	$100,757,876		$100,757,876	0.000812	$ 81,804	0.11%	132.26%
114	01/01/23	2123	$100,757,876		$100,757,876	0.000762	$ 76,811	0.10%	132.26%
115	01/01/24	2124	$100,757,876		$100,757,876	0.000716	$ 72,123	0.09%	132.26%
116	01/01/25	2125	$100,757,876		$100,757,876	0.000672	$ 67,721	0.09%	132.26%
117	01/01/26	2126	$100,757,876	$2,220,498,899	$2,321,256,776	0.000631	$ 1,464,937	1.92%	3046.92%
							$ 76,183,692	100.00%	68.87% Average

CUSHMAN & WAKEFIELD

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, effective gross income multiplier, or net income per square foot;
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
- An effective gross income multiplier analysis

It should be noted that we have analyzed the subject property based on the remeasured net rentable area of 1,175,607 square feet. The comparable sales in this appraisal were also analyzed based on their remeasured net rentable areas.

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	EGIM	Financing
1	**72 Wall Street** N/W/C of Pearl Street Downtown, Manhattan	22,014	322,968	1925	13	Jul-10 **Contract**	Youngwoo & Associates / Deutsche Bank	$60,000,000	$185.78	N/A	N/A	0%	N/A	Cash
	Comments:	Sale of a Class B office building located in Downtown Manhattan. The property is being acquired by Deutsche Bank who intends to break through the walls of their adjacent headquarters building at 60 Wall Street to create large trading floors in the building. The property, along with 70 Pine Street, was previously purchased in May 2009 by Youngwoo & Associates from American International Group (AIG) who used the building as their New York headquarters.													
2	**4 New York Plaza** btw. Water and South Streets Downtown, Manhattan	54,023	1,085,272	1969	22	Dec-09	JPMorgan Chase Bank / Harbor Group International, LLC	$107,000,000	$98.59	$4.15	4.21%	75%	4.28	Cash
	Comments:	Sale of a modern 22-story Class A office property built in 1969. The property is fully occupied by JPMorgan Chase Bank as back office space. JPMorgan Chase Bank will lease-back the floor 3 and floors 8 through 22 at a gross rent of $27.50 per square foot with subsequent increases for a 15-year lease with seven, 5-year renewal options at 90 percent of fair market rent. JPMorgan Chase Bank will give-back the balance of the building on floor 2 and floors 4 through 7 totaling 267,847 square feet on or before March 31, 2010, which will then become available for lease. The current overall capitalization rate is 4.21 percent in year one and increases to 9.3 percent by year five.													
3	**70 Pine Street** btw. Pearl and William Streets Downtown, Manhattan	31,722	1,056,869	1932	66	May-09	American International Group (AIG) / Youngwoo & Associates	$115,000,000	$108.81	N/A	N/A	0%	N/A	Cash
	Comments:	Sale of a Class A minus office building located in Downtown Manhattan. The property is the New York headquarters of American International Group (AIG) who is selling the building, along with 72 Wall Street, to Youngwoo & Associates. The buildings at 70 Pine Street and 72 Wall Street are connected by a skywalk. The buyers intend to hold the property for future conversion to a mixed-use residential and retail building.													
4	**72 Wall Street** N/W/C of Pearl Street Downtown, Manhattan	22,014	322,968	1925	13	May-09	American International Group (AIG) / Youngwoo & Associates	$35,000,000	$108.37	N/A	N/A	0%	N/A	Cash
	Comments:	Sale of a Class B office building located in Downtown Manhattan. The property is the New York headquarters of American International Group (AIG) who is selling the building, along with 70 Pine Street, to Youngwoo & Associates. The buildings at 70 Pine Street and 72 Wall Street are connected by a skywalk. The buyers intend to hold the property for future conversion to a mixed-use residential and retail building.													

SUMMARY OF IMPROVED SALES (CONTINUED)

	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	EGIM	Financing
5	**156 William Street** N/E/C of Ann Street Downtown, Manhattan	19,103	257,430	1955	12	Jan-08	AFIAA 156 William Street LLC / Capstone Equities	$60,000,000	$233.07	$16.50	7.08%	85%	9.92	Cash
	Comments:	Sale of a Class B office building located in Downtown Manhattan. The property is leased to several tenants including City of New York, Pace University and Riverside Research Institute. The average rental rate in place was reported at $24.00 per square foot, gross. The buyer plans on refurbishing the facade and elevator cabs.												

STATISTICS

	Land Area (SF)	Net Rentable Area (SF)	Year Built	Price/NRA	NOI/SF	OAR	Occupancy at Sale
LOW	19,103	257,430	1925	$98.59	$4.15	4.21%	0.00%
HIGH	54,023	1,085,272	1969	$233.07	$16.50	7.08%	84.60%
MEAN	29,775	609,101	1941	$146.92	$10.33	5.65%	31.98%
MEDIAN	22,014	322,968	1932	$108.81	$10.33	5.65%	0.00%

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. Each comparable was adjusted accordingly.

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 January 2008 and July 2010 (Sale No. 1 is under contract of sale). The market showed unprecendent levels of appreciation to August 2007, then leveled off through much of 2008 because of the credit crunch. By the end of September 2008, an international crisis had emerged as more banks failed and global markets witnessed sharp reductions in stock and commodity values. This crisis has affected real estate values. As of the fourth quarter of 2009, the market has leveled off as the confidence among investors has increased.

As a result, we have made a market condition adjustment of negative 10 percent adjustment per annum to August 2008; a one time downward adjustment of 20 percent on September 15, 2008; then made a negative 10 percent adjustment per annum to September 2009. From October 2009 through August 2015, a 3 percent increase per annum was applied.

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.

It should be noted that there have been very few recent Downtown office building sales. The sales that are included in this analysis occurred since January 2008. All of the comparable sales are considered significantly inferior to the subject property in terms of age and condition, as well as quality and appeal. Therefore, we have made upward qualitative adjustments of 45 percent for age and condition to each comparable sale. We have also made upward qualitative adjustments of 45 percent for age and condition to each comparable sale (except Sale No. 5 which was adjusted upward by 35 percent). Based on the superior quality of the subject property which was extensively renovated in 1995, our adjustments for physical traits to the comparable sales are considered reasonable and consistent with opinions of investment sale brokers, leasing brokers and owners and investors active in the Downtown office building market.

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 sale is located at 72 Wall Street on the northwest corner of Pearl Street. The property is currently being acquired for a purchase price of $60,000,000 by Deutsche Bank who intends to break through the walls of their adjacent headquarters building at 60 Wall Street to create large trading floors in the building. The property, along with 70 Pine Street, was previously purchased in May 2009 by Youngwoo & Associates from American International Group (AIG) who used the building as their New York headquarters. **72 Wall Street is in need of an extensive renovation and is substantially inferior to the subject property in terms of views, age and condition, and quality and appeal.** The current sales price equates to $185.78 per square foot.

In comparison with the subject property, a downward adjustment was required for financing and conditions of sale. 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. An upward adjustment was required for occupancy. No other adjustments were required. The adjusted price is $345.28 per square foot.

COMPARABLE SALE NO. 2

This is the sale of 4 New York Plaza, located at 115 Broad Street on the southeast corner of Broad Street. This property sold in December 2009 from JPMorgan Chase Bank, N.A. to Harbor Group International, LLC for a purchase price of $107,000,000. This is the sale of a modern 22-story Class A office property built in 1969. The property is fully occupied by JPMorgan Chase Bank, N.A. as back office space. JPMorgan Chase Bank, N.A. will lease-back the floor 3 and floors 8 through 22 at a gross rent of $27.50 per square foot with subsequent increases for a 15-year lease with three, 8-year renewal options at 95 percent of fair market rent. JPMorgan Chase Bank, N.A. will give-back the balance of the building on floor 2 and floors 4 through 7 totaling 267,847± square feet on or before March 31, 2010, which will then become available for lease. **4 New York Plaza has limited views due to its small windows and is substantially inferior to the subject property in terms of finishes, back office use, age and condition, and quality and appeal.** The current overall capitalization rate is 4.21 percent in year one and increases to 9.3 percent by year five. The current sales price equates to $98.59 per square foot.

In comparison with the subject property, 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. An upward adjustment was required for occupancy. No other adjustments were required. The adjusted price is $259.55 per square foot.

COMPARABLE SALE NO. 3

This sale is located at 70 Pine Street between Pearl and William Streets. This property was sold in May 2009 from American International Group to Youngwoo & Associates for a purchase price of $115,000,000. This is the sale of a Class A minus office building located in Downtown Manhattan. The property is the New York headquarters of American International Group (AIG) who is selling the building, along with 72 Wall Street, to Youngwoo & Associates. The buildings at 70 Pine Street and 72 Wall Street are connected by a skywalk. The buyers intend to hold the property for future conversion to a mixed-use residential and retail building. **70 Pine Street will require an extensive renovation and is substantially inferior to the subject property in terms of age and condition, and quality and appeal.** The current sales price equates to $108.81 per square foot.

In comparison with the subject property, 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. An upward adjustment was required for occupancy. No other adjustments were required. The adjusted price is $277.42 per square foot.

COMPARABLE SALE NO. 4

This sale is located at 72 Wall Street on the northwest corner of Pearl Street. This property was sold in May 2009 from American International Group to Youngwoo & Associates for a purchase price of $35,000,000. This is the sale of a Class B office building located in Downtown Manhattan. The property is the New York headquarters of American International Group (AIG) who is selling the building, along with 70 Pine Street, to Youngwoo & Associates. The buildings at 70 Pine Street and 72 Wall Street are connected by a skywalk. The buyers intend to hold the property for future conversion to a mixed-use residential and retail building. **72 Wall Street is in need of an extensive renovation and is substantially inferior to the subject property in terms of views, age and condition, and quality and appeal.** The current sales price equates to $108.37 per square foot.

In comparison with the subject property, 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. An upward adjustment was required for occupancy. No other adjustments were required. The adjusted price is $264.02 per square foot.

COMPARABLE SALE NO. 5

This sale is located at 156 William Street at the northeast corner of Ann Street. This property was sold in January 2008 to Capstone Equities by AFIAA 156 William Street LLC for a purchase price of $60,000,000. This is a sale of a Class B office building located in Downtown Manhattan. Built in 1955, the 12-story office tower was 85 percent leased at the time of sale. The property is leased to several tenants including City of New York, Pace University and Riverside Research Institute. The average rental rate in place was reported at $24.00 per square foot, gross. The buyer plans on refurbishing the facade and elevator cabs. **156 William Street is substantially inferior to the subject property in terms of finishes, views, age and condition, and quality and appeal.** The overall capitalization rate is 7.08 percent. The current sales price equates to $233.07 per square foot.

In comparison with the subject property, a downward 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 $318.50 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 $98.59 to $233.07 per square foot. The mean price per square foot exhibited by the comparables was calculated to be $146.92 per square foot and the median price per square foot was $108.81.

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	Financing & Conditions of Sale	Exp. After Purchase	# Months/ Market Conditions *	Subtotal	Location	Size	Age & Condition	Quality & Appeal	Occupancy	Economics	Utility	Other	Adj. $/Sqft	Overall
1	**$185.78**	Fee Simple/Mkt.	Arms-Length	None	61	**$160.60**	Similar	Superior	Inferior	Inferior	Inferior	Similar	Similar	Similar	**$345.28**	Inferior
	7/10	0.0%	-25.0%	0.0%	15.3%	-13.6%	0.0%	-10.0%	45.0%	45.0%	35.0%	0.0%	0.0%	0.0%	115.0%	
2	**$98.59**	Fee Simple/Mkt.	Arms-Length	None	68	**$115.36**	Similar	Similar	Inferior	Inferior	Inferior	Similar	Similar	Similar	**$259.55**	Inferior
	12/09	0.0%	0.0%	0.0%	17.0%	17.0%	0.0%	0.0%	45.0%	45.0%	35.0%	0.0%	0.0%	0.0%	125.0%	
3	**$108.81**	Fee Simple/Mkt.	Arms-Length	None	75	**$123.30**	Similar	Similar	Inferior	Inferior	Inferior	Similar	Similar	Similar	**$277.42**	Inferior
	5/09	0.0%	0.0%	0.0%	13.3%	13.3%	0.0%	0.0%	45.0%	45.0%	35.0%	0.0%	0.0%	0.0%	125.0%	
4	**$108.37**	Fee Simple/Mkt.	Arms-Length	None	75	**$122.80**	Similar	Superior	Inferior	Inferior	Inferior	Similar	Similar	Similar	**$264.02**	Inferior
	5/09	0.0%	0.0%	0.0%	13.3%	13.3%	0.0%	-10.0%	45.0%	45.0%	35.0%	0.0%	0.0%	0.0%	115.0%	
5	**$233.07**	Fee Simple/Mkt.	Arms-Length	None	91	**$187.35**	Similar	Superior	Inferior	Inferior	Similar	Similar	Similar	Similar	**$318.50**	Inferior
	1/08	0.0%	0.0%	0.0%	-19.6%	-19.6%	0.0%	-10.0%	45.0%	35.0%	0.0%	0.0%	0.0%	0.0%	70.0%	

SUMMARY

Price Range	Unadj. $/SF	Adj. $/SF
Low	$98.59	$259.55
High	$233.07	$345.28
Average	$146.92	$292.95
Net Adjustment		
Low	70.0%	
High	125.0%	
Average	110.0%	

CONCLUSION

Indicated Value per Square Foot NRA	$300.00
Net Rentable Area in Square Feet	x 1,175,607
Indicated Value	$352,682,100
Rounded	$353,000,000
Per square foot	$300.27

***Market Conditions Adjustment**

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

Annual Adjustment to August 1, 2015	3.00%
Annual Adjustment to August 1, 2011	3.00%
Annual Adjustment to October 1, 2009	-10.00%
One-Time Adjustment on September 15, 2008	-20.00%
Annual Adjustment to September 1, 2008	-10.00%

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 from $98.59 to $233.07 per square foot. After adjustments the comparable improved sales reflect unit prices ranging from $259.55 to $345.28 per square foot with an average adjusted price of $196.02 per square foot.

The reported and derived overall capitalization rates range from 4.21 to 7.08 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. Market rents within the subject property average in the mid $30's per square foot.

Based on our analysis of these sales on a price per square foot basis, a reasonable adjusted value range for the subject property is $259.55 to $345.28 per square foot of net rentable area, indicating a value range of $300,000,000 to $400,000,000.

Therefore, we conclude that the indicated value by the Percentage Adjustment Method was:

PERCENT ADJUSTMENT METHOD SUMMARY	
MARKET VALUE AS IS:	
Net Rentable Area:	1,175,607
Concluded Price Per Square Foot:	x $300.00
Indicated Value:	$352,682,100
Rounded:	$353,000,000
Per Square Foot:	$300.27

EFFECTIVE GROSS INCOME MULTIPLIER ANALYSIS

The effective gross income multiplier (EGIM) is calculated in the sales transactions by dividing the sales price by the effective gross income at the time of sale. The EGIM expresses the relationship between a sales price and the property's effective gross income. EGIM is commonly used by buyers and sellers of commercial real estate as a straightforward relationship between gross revenue of a building after costs associated with vacancy and non collection on the date of its sale, and its sale price. All other things being equal, the lower the income, the lower the sales price. However, there are other variables that affect the price/income relationship such as the condition of the property, the vacancy at time of sale, the stability of the income stream, the likelihood of near term change (up or down), and the ratio of operating expenses to effective gross income.

As all of the sales are very similar to the property appraised in terms of physical condition, access and visibility and the prospect for continuation of the income stream at or near current levels, the expense ratio is the most significant variable of difference. The expense ratio affects net operating income and, by implication, the overall capitalization rate and sales price. There is an inverse relationship between the expense ratio and EGIM; the higher the expense ratio, the lower the EGIM.

Based on our analysis of sales and give the current economic climate, we have concluded that the appropriate range of an EGIM would be 7.00 to 8.00. Applying this range to the effective gross income for the **fiscal year 2016** of **$45,571,525** produces a range of $320,000,000 to $360,000,000. **We have placed limited weight on the EGIM analysis since the subject's estimated fiscal year 2015 effective gross income is based on future market rents.** Based on this information, we conclude that the value indicated by the EGIM Analysis was:

EGIM SUMMARY

No.	Property	Sale Price		Effective Gross Income		EGIM
1	72 Wall Street	$60,000,000	÷	N/A	=	N/A
2	4 New York Plaza	$107,000,000	÷	$24,973,582	=	4.28
3	70 Pine Street	$115,000,000	÷	N/A	=	N/A
4	72 Wall Street	$35,000,000	÷	N/A	=	N/A
5	156 William Street	$60,000,000	÷	$6,048,000	=	9.92

ANALYSIS

Range	EGIM	Subject EGI	Indicated Value	PSF
Low	4.28	$45,571,525	$195,252,454	$166.09
High	9.92	$45,571,525	$452,098,462	$384.57
Median	7.10	$45,571,525	$323,675,458	$275.33
Average	7.10	$45,571,525	$323,675,458	$275.33

CONCLUSION	LOW	HIGH
Indicated EGIM	**7.00**	**8.00**
Effective Gross Income	x 45,571,525	x 45,571,525
Indicated Value	$319,000,675	$364,572,200
Rounded	$320,000,000	$360,000,000
Per Square Foot	$272.20	$306.22

SALES COMPARISON APPROACH CONCLUSION

Sales No. 1 and 2 are the most recent transactions, and indicate adjusted unit prices ranging from $345.28 and $259.55 per square foot, respectively, using the percentage adjustment method. The majority of the sales were adjusted for age and condition, quality and appeal or location.

Therefore, the value indicated by the Sales Comparison Approach is near the middle of the range of adjusted sale prices per square foot indicated by the comparables.

SALES COMPARISON APPROACH SUMMARY		
METHOD	**LOW RANGE**	**HIGH RANGE**
Value indicated on basis of percentage adjustments	$300,000,000	$400,000,000
Value indicated by EGIM analysis	$320,000,000	$360,000,000
Indicated Value Range per square foot of NRA	$300,000,000	$400,000,000

Investors of Manhattan office buildings place most weight on the sale price per square foot analysis to derive an estimate of market value. **We have placed limited weight on the EGIM analysis since the subject's estimated fiscal year 2016 effective gross income is based on future market rents.** In light of this fact, we have placed most weight on the sale price per square foot method. Based on our analysis of competitive sales, we conclude that the indicated value by the Sales Comparison Approach on August 1, 2015, will be:

SALES COMPARISON APPROACH CONCLUSION		
NET SF	**$/SF**	**INDICATED VALUE**
1,175,607	$300.00	$352,682,100
Rounded:		$353,000,000
Per Sq Ft:		$300.27

The value of the leasehold interest of the property is estimated by deducting the value of the leased fee interest (ground lessor's position) from the value in fee simple interest. This estimate, explained within the Ground Lease and Land Valuation section of this report, of $76,000,000 results in the following calculation:

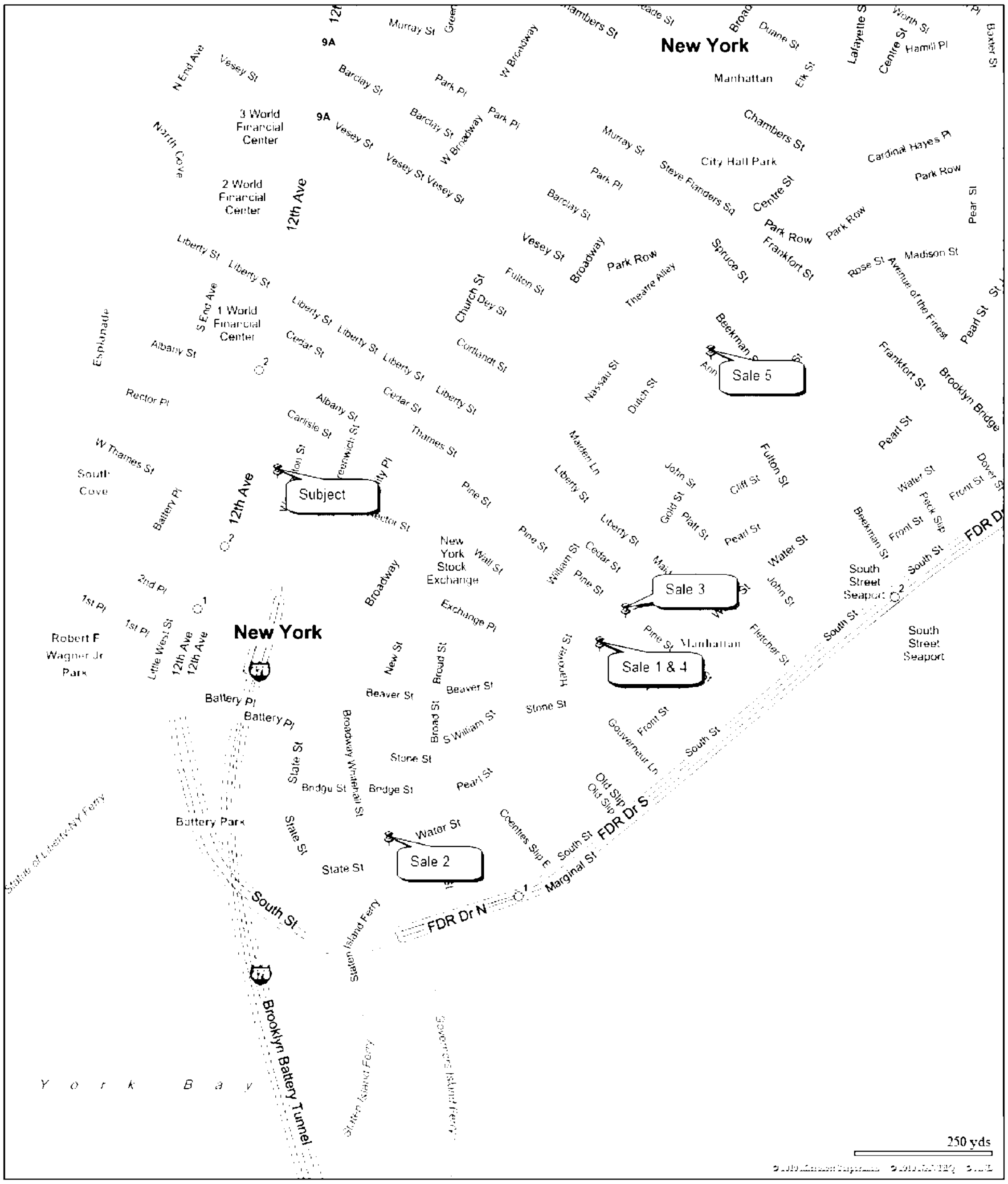
VALUATION	
Market Value "As Is" of the Fee Simple Interest	$353,000,000
Less: Value of the Leased Fee Interest	$76,000,000
Value of the Leasehold Interest (Rounded)	**$277,000,000**

Opinion of Value Indicated by the Sales Comparison Approach

"Prospective Market Value" As of August 1, 2015

$277,000,000

SALE COMPARISON MAP



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.

Based on the rent roll, the current net rentable area is 1,130,555 square feet, while the future remeasured net rentable area is 1,175,607 square feet once the leases that are not remeasured expire. As these leases expire, tenants will be paying rent based on their remeasured area, which is standard in the market.

OCCUPANCY STATUS

The property, 40 Wall Street, is currently 71.13 percent leased to 42 office tenants and four retail tenants. There are 19 vacant office spaces within the property on the 16th through 23rd floors, 26th and 27th floors, 50th through 57th floors and 60th floor totaling 313,786± square feet. In addition, there are three vacant retail spaces on the ground floor and second floor totaling 16,193± square feet and five vacant storage spaces in the basement totaling 9,450± square feet available for lease.

The property includes 34,570± square feet of storage space in the basement and upper floors; 56,468± square feet of retail space on the ground floor, basement and second floor; and 1,084,569± square feet of above grade office space. The building's on going remeasurement will result in a total of 1,175,607± rentable square feet which occurs once the leases that are not remeasured expire.

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	1,084,569	770,783	65.56%	313,786	26.69%	$36.21
Retail Space	56,468	40,275	3.43%	16,193	1.38%	$53.47
Storage Space	34,570	25,120	2.14%	9,450	0.80%	$51.48
Total	1,175,607	836,178	71.13%	339,429	28.87%	

*Remeasured target square footage.

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

RENT ROLL REPORT

	SUITE	TENANT	AREA / SF	REMEASURED AREA / SF	BEGIN DATE	END DATE
Storage / Other Space						
1	Bsmt	To-Be-Leased	804	804	Nov-11	Oct-21
2	Bsmt	To-Be-Leased	2,640	2,640	Nov-11	Oct-21
3	Bsmt	To-Be-Leased	1,683	1,683	Nov-11	Oct-21
4	Bsmt	To-Be-Leased	2,640	2,640	Nov-11	Oct-21
5	Bsmt	To-Be-Leased	1,683	1,683	Nov-11	Oct-21
6	Bsmt	Jaskin	240	240	Jan-10	Jul-20
7	2501	The Judge Group Inc.	4,269	4,800	May-08	May-18
8	2502	Oracle America Inc.	6,166	6,944	Apr-08	Mar-13
9	2503	Patriarch Parteners LLC	3,974	4,417	May-00	Nov-10
10	2504	Metro PCS NY LLC	689	175	Sep-08	Dec-30
11	2505	CH Service NY LLC	4,431	4,698	Apr-06	Dec-30
12	2506	Cogent Communications	1	1	Mar-01	Dec-30
13	2507	Sprint National Lease Management	194	194	Feb-01	Dec-30
14	2508	Cypress Communications	200	200	Mar-97	Dec-30
15	2509	MCI World Com Lease Administration	150	150	Mar-97	Dec-30
16	2510	Time Warner AXS of NYC	125	125	Apr-97	Dec-30
17	2511	XO Communication Services Inc.	175	175	Nov-99	Dec-30
18	2512	AT&T GRE Lease Administration	175	175	Feb-00	Dec-30
19	2513	Yipes Enterprises Services	217	217	Sep-03	Dec-30
20	2514	RCN Business Solutions	83	83	Apr-03	Dec-30
21	2515	Dae Woo	2,527	2,527	Jan-10	Dec-30
Retail Space						
22	Bsmt	Sav Café Inc.	1,900	1,900	Apr-97	Aug-10
23	Grade	Duane Reade	5,273	5,273	Jun-10	May-30
24	Grade	Duane Reade	18,037	18,037	Jun-10	May-30
25	Grade	Milk Street Café	14,500	14,500	Sep-10	Jan-26
26	Grade	Kenjo 40 Wall St Inc.	600	565	Feb-98	Aug-13
27	Grade	To-Be-Leased	4,923	4,923	Nov-11	Oct-21
28	Grade	To-Be-Leased	791	791	Nov-11	Oct-21
29	202	To-Be-Leased	10,479	10,479	Nov-11	Oct-21
Major Office Space (>20,000 Square Feet)						
30	301	Country-Wide Insurance	10,510	10,510	Mar-11	Aug-21
31	302	Susquehanna Partners LLC	21,321	22,646	Jun-00	Sep-10
32	401	Susquehanna Partners LLC	25,647	28,153	Mar-04	Sep-10
33	501	GDS Publishing	20,240	20,240	Sep-09	Sep-16
34	600	Health Net, Inc.	35,283	36,921	Oct-98	Dec-10
35	700	Continental Casualty Company	33,097	37,217	Jun-98	Mar-14
36	800	Continental Casualty Company	33,097	35,168	Jun-98	Mar-14
37	900	Continental Casualty Company	33,097	35,050	Jun-98	Mar-14
38	1000	Continental Casualty Company	33,096	35,050	Jun-98	Mar-14
39	1100	Continental Casualty Company > Haks Engineering	33,426	34,975	Jun-98	May-20
40	1200	Continental Casualty Company > Country-Wide	33,426	31,942	Jun-98	Aug-21
41	1300	Country-Wide Insurance > Renewal	26,751	33,244	Sep-98	Aug-21
42	1400	Country-Wide Insurance > Renewal	26,751	32,645	Sep-98	Aug-21
43	1500	Country-Wide Insurance > Vacate	26,751	26,751	Sep-98	Feb-11
44	1501	Country-Wide Insurance > Vacate	8,846	8,846	Oct-99	Dec-10
45	1603	XO Communication LLC	20,586	20,586	Mar-10	Mar-22
46	1700	To-Be-Leased	32,687	32,687	Feb-12	Jan-27
47	1800	To-Be-Leased	32,875	32,875	May-12	Apr-27
48	1900	To-Be-Leased	28,207	28,207	May-12	Apr-27
49	2000	To-Be-Leased	28,580	28,580	Aug-12	Jul-27
50	2100	To-Be-Leased	27,288	27,288	Aug-12	Jul-27

RENT ROLL REPORT (CONTINUED)

	SUITE	TENANT	AREA / SF	REMEASURED AREA / SF	BEGIN DATE	END DATE
Major Office Space (>20,000 Square Feet) (Continued)						
51	2200	To-Be-Leased	27,212	27,212	Nov-12	Oct-27
52	2300	To-Be-Leased	25,480	25,480	Feb-13	Jan-28
53	2400	The Global Alliance	23,465	24,521	Dec-07	Dec-17
54	2800	Office Space Solutions Inc.	14,515	14,515	Aug-06	May-17
55	2900	Office Space Solutions Inc.	13,143	13,544	Aug-06	May-17
56	4000	Telstra, Inc.	8,091	9,317	Jun-05	Nov-15
57	4301	Telstra, Inc.	5,125	5,125	Apr-10	Mar-20
58	4400	Telstra, Inc.	9,372	9,372	Apr-10	Mar-20
59	4600	Heidrick & Struggles Inc.	8,875	9,372	Sep-00	May-11
60	4700	Heidrick & Struggles Inc.	8,260	9,372	Jun-98	May-11
61	4900	Heidrick & Struggles Inc.	8,357	9,263	Jun-98	May-11
Minor Office Space (<20,000 Square Feet)						
62	201	Management Office	1,350	1,350	Oct-08	Sep-30
63	402	Haks Engineering & Land Survey	10,675	10,675	Jun-10	May-20
64	502	Star Alliance Trading Group	7,500	7,500	Sep-09	Dec-14
65	503	Xcitek Solutions	6,288	6,288	Jun-10	May-20
66	1601	Core Staffing Services	5,845	5,845	May-10	Sep-17
67	1602	To-Be-Leased	5,772	5,772	Nov-11	Oct-21
68	2600	To-Be-Leased	15,353	15,353	Feb-13	Jan-28
69	2701	To-Be-Leased	11,380	11,380	Feb-13	Jan-23
70	2702	Zaremba Brownell & Brown LLC	3,954	3,954	Feb-10	Jan-25
71	3001	Clancy Finanacial Services	4,384	4,384	Feb-10	Feb-17
72	3002	RRZ Management Inc.	5,433	5,433	Jan-10	Jun-17
73	3003	Spyker Consulting	3,726	3,726	Dec-09	Jan-15
74	3101	Mercer Capital Ltd	9,541	9,869	Jan-05	Apr-15
75	3102	Rosabianca & Associates LLC	3,616	3,616	Jun-09	Feb-19
76	3201	UBS Financial Services	2,682	3,198	Mar-99	Feb-11
77	3202	Rosen Greenberg Blaha LLP	3,450	4,593	Jan-10	Feb-15
78	3301	Murphy & O'Connell	2,525	1,743	Jan-06	Apr-11
79	3302	Relavis Corporation	4,132	4,143	Aug-06	Aug-11
80	3303	Vertex Capital Management	3,689	3,689	Feb-09	Feb-12
81	3304	Banif Securities	2,947	3,058	Sep-02	Aug-12
82	3305	Trump University LLC	5,315	5,759	Nov-05	Oct-15
83	3400	Jaskim Inc.	11,729	12,562	Nov-09	Jul-20
84	3500	Solomon, Pearl, Blum	8,288	8,641	Sep-00	Jul-20
85	3600	Tradeware Systems Corp.	7,981	8,848	Nov-01	Dec-11
86	3700	Tradeware Systems Corp.	7,884	8,840	Sep-03	Dec-11
87	3801	NYG Capital LLC	5,310	5,310	Jan-10	Sep-15
88	3802	Oakwood Asset Management LLC	2,086	2,086	Jan-10	Jan-15
89	3900	Euroclear Bank S.A.	8,313	8,841	Feb-08	Jul-18
90	4100	Hilton Hotels Corporation	8,878	9,277	Jul-03	Jun-13
91	4200	Direct Access Partners	9,372	9,372	Jan-10	Dec-19
92	4302	Direct Access Partners	4,247	4,247	Jan-10	Dec-19
93	4500	Freedom Holdings Group	8,870	9,372	Mar-09	Feb-19
94	4800	Brokerage Management Corp.	9,263	9,263	Jul-10	Jun-22
95	5000	To-Be-Leased	9,248	9,248	May-13	Apr-28
96	5100	To-Be-Leased	9,248	9,248	May-13	Apr-28
97	5200	To-Be-Leased	9,248	9,248	May-13	Apr-28
98	5300	To-Be-Leased	9,248	9,248	May-13	Apr-28
99	5400	To-Be-Leased	9,248	9,248	Aug-13	Jul-28
100	5500	To-Be-Leased	9,248	9,248	Aug-13	Jul-28
101	5600	To-Be-Leased	9,248	9,248	Aug-13	Jul-28
102	5700	To-Be-Leased	8,025	8,025	Aug-13	Jul-28
103	5800	Baytree Associates	7,461	8,227	May-97	Apr-12
104	5900	Infinitel Communications Inc.	7,900	7,900	Nov-09	Apr-19
105	6000	To-Be-Leased	6,191	6,191	Aug-13	Jul-28

RENT ROLL REPORT (CONTINUED)

	SUITE	TENANT	AREA / SF	REMEASURED AREA / SF	BEGIN DATE	END DATE
Minor Office Space (<20,000 Square Feet) (Continued)						
106	6100	John P. Bostany	6,051	6,243	Oct-04	Dec-10
107	6200	Pyne Companies Ltd.	1,972	4,995	Dec-98	Jun-11
108	6300	RCL Advisors	3,416	3,591	May-07	Apr-17
	Total		**1,130,555**	**1,175,607**		

LEASE STRUCTURE OF THE SUBJECT PROPERTY

The property is leased to 10 major office tenants (defined as tenant spaces greater than 20,000 square feet). The two largest office tenants in the property are Continental Casualty Company and Country-Wide Insurance. Continental Casualty Company leases 199,239± square on the 7th through 12th floors. Country-Wide Insurance leases 99,609± square on the 3rd floor and 13th through 15th floors. Together, the leases with Continental Casualty Company and Country-Wide Insurance represent over 32 percent of the property's total rentable area.

The remaining major office tenants in the building include include Susquehanna Partners LLC (46,968± square feet) located on the 3rd and 4th floors; Health Net, Inc. (35,283± square feet) on the 6th floor; Office Space Solutions Inc. (27,658± square feet on the 28th and 29th floors; Heidrick & Struggles Inc. (25,492± square feet) on the 46th, 47th and 49th floors; The Global Alliance (23,465± square feet) on the 24th floor; Telstra, Inc. (22,588± square feet) on the 40th, 43rd and 44th floors; XO Communication LLC (20,586± square feet) on the 16th floor; and GDS Publishing (20,240± square feet) on the 5th floor.

The 10 major office tenants previously mentioned represent over 46 percent of the property's total rentable area. Each of these firms are considered major office tenants in the building, a classification that necessitates a more generous concession package on rollover (free rent and tenant work letter), than that provided to minor office tenants in the property.

The balance of office space in the building is leased to 32 office tenants that lease smaller units of space. These firms include Tradeware Systems Corp. (15,865± square feet) located on the 36th and 37th floors; Direct Access Partners (13,619± square feet) on the 42nd and 43rd floors; Jaskim Inc. (11,729± square feet on the 34th floor; Haks Engineering & Land Survey (10,675± square feet) on the 4th floor; Mercer Capital Ltd. (9,541± square feet) on the 31st floor; Brokerage Management Corp. (9,263± square feet) on the 48th floor; Hilton Hotels Corporation (8,878± square feet) on the 41st floor; Freedom Holdings Group (8,870± square feet) on the 45th floor; Euroclear Bank S.A. (8,313± square feet) on the 39th floor; Solomon, Pearl, Blum (8,288± square feet) on the 39th floor; Infinitel Communications Inc. (7,900± square feet) on the 59th floor; Star Alliance Trading Group (7,500± square feet) on the 5th floor; Baytree Associates (7,461± square feet on the 58th floor; Xcitek Solutions (6,288± square feet) on the 5th floor; John P. Bostany (6,051± square feet) on the 61st floor; Core Staffing Services (5,845± square feet) on the 16th floor; RRZ Management Inc. (5,433± square feet) on the 30th floor; Trump University LLC (5,315± square feet) on the 33rd floor; NYG Capital LLC (5,310± square feet) on the 38th floor; Clancy Finanacial Services (4,384± square feet) on the 30th floor; Relavis Corporation (4,132± square feet) on the 33rd floor; Zaremba Brownell & Brown LLC (3,954± square feet) on the 27th floor; Spyker Consulting (3,726± square feet) on the 30th floor; Vertex Capital Management (3,689± square feet) on the 33rd floor; Rosabianca & Associates LLC (3,616± square feet) on the 31st floor; Rosen Greenberg Blaha LLP (3,450± square feet) on the 32nd floor; RCL Advisors (3,416± square feet) on the 63rd floor; Banif Securities (2,947± square feet) on the 33rd floor; UBS Financial Services (2,682± square feet) on the 32nd floor; Murphy & O'Connell (2,525± square feet) on the 33rd floor; Oakwood Asset Management LLC (2,086± square feet) on the 38th floor; and Pyne Companies Ltd. (1,972± square feet) on the 62nd floor.

These minor office tenancies represent approximately 18 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 tenant's concession packages.

In addition to office space, the subject property is leased to four retail tenants that include Kenjo 40 Wall St Inc., Milk Street Café, Duane Reade and Sav Café Inc. 50 Kenjo 40 Wall St Inc. leases 600± square feet and Milk Street Café leases 14,500± square feet along Wall Street side of the building, respectively. 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 three vacant retail spaces in the lobby and 2nd floor totaling 16,193± square feet available for lease. The retail space in the property totals 56,503± 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
Continental Casualty Company	199,239	209,402	17.62%	$5,977,170	20.69%	$30.00	Mar-14
Country-Wide Insurance	99,609	111,996	8.81%	$3,387,747	11.72%	$34.01	Aug-21
Susquehanna Partners LLC	46,968	50,799	4.15%	$1,795,231	6.21%	$38.22	Sep-10
Health Net, Inc.	35,283	36,921	3.12%	$1,129,056	3.91%	$32.00	Dec-10
Office Space Solutions Inc.	27,658	28,059	2.45%	$857,398	2.97%	$31.00	May-17
The Global Alliance	23,465	24,521	2.08%	$1,114,588	3.86%	$47.50	Dec-17
Heidrick & Struggles Inc.	25,492	28,007	2.25%	$1,633,489	5.65%	$64.08	May-11
Telstra, Inc.	22,588	23,814	2.00%	$811,483	2.81%	$35.93	Mar-20
XO Communication LLC	20,586	20,586	1.82%	$537,892	1.86%	$26.13	Mar-22
GDS Publishing	20,240	20,240	1.79%	$647,680	2.24%	$32.00	Sep-16
Total Major Office Tenants	**521,128**	**554,345**	**46.09%**	**17,891,734**	**61.92%**	**$34.33**	
Tradeware Systems Corp.	15,865	17,688	1.40%	$651,144	2.25%	$41.04	Dec-11
Direct Access Partners	13,619	13,619	1.20%	$449,427	1.56%	$33.00	Dec-19
Jaskim Inc.	11,729	12,562	1.04%	$387,057	1.34%	$33.00	Jul-20
Haks Engineering & Land Survey	10,675	10,675	0.94%	$341,600	1.18%	$32.00	May-20
Mercer Capital Ltd	9,541	9,869	0.84%	$305,312	1.06%	$32.00	Apr-15
Hilton Hotels Corporation	8,878	9,277	0.79%	$319,608	1.11%	$36.00	Jun-13
Freedom Holdings Group	8,870	9,372	0.78%	$487,850	1.69%	$55.00	Feb-19
Solomon, Pearl, Blum	8,288	8,641	0.73%	$262,232	0.91%	$31.64	Jul-20
Infinitel Communications Inc.	7,900	7,900	0.70%	$323,900	1.12%	$41.00	Apr-19
Baytree Associates	7,461	8,227	0.66%	$412,593	1.43%	$55.30	Apr-12
Xcitek Solutions	6,288	6,288	0.56%	$201,216	0.70%	$32.00	May-20
John P. Bostany	6,051	6,243	0.54%	$254,142	0.88%	$42.00	Dec-10
Core Staffing Services	5,845	5,845	0.52%	$99,756	0.35%	$17.07	Sep-17
Brokerage Management Corp.	9,263	9,263	0.82%	$370,524	1.28%	$40.00	Jun-22
Euroclear Bank S.A.	8,313	8,841	0.74%	$457,215	1.58%	$55.00	Jul-18
Star Alliance Trading Group	7,500	7,500	0.66%	$240,000	0.83%	$32.00	Dec-14
RRZ Management Inc.	5,433	5,433	0.48%	$184,722	0.64%	$34.00	Jun-17
Trump University LLC	5,315	5,759	0.47%	$212,387	0.74%	$39.96	Oct-15
NYG Capital LLC	5,310	5,310	0.47%	$156,486	0.54%	$29.47	Sep-15
Clancy Finanacial Services	4,384	4,384	0.39%	$149,056	0.52%	$34.00	Feb-17
Relavis Corporation	4,132	4,143	0.37%	$148,752	0.51%	$36.00	Aug-11
Zaremba Brownell & Brown LLC	3,954	3,954	0.35%	$138,390	0.48%	$35.00	Jan-25
Spyker Consulting	3,726	3,726	0.33%	$130,410	0.45%	$35.00	Jan-15
Vertex Capital Management	3,689	3,689	0.33%	$166,005	0.57%	$45.00	Feb-12
Rosabianca & Associates LLC	3,616	3,616	0.32%	$133,792	0.46%	$37.00	Feb-19
Rosen Greenberg Blaha LLP	3,450	4,593	0.31%	$131,100	0.45%	$38.00	Feb-15
RCL Advisors	3,416	3,591	0.30%	$174,216	0.60%	$51.00	Apr-17
Banif Securities	2,947	3,058	0.26%	$147,350	0.51%	$50.00	Aug-12
UBS Financial Services	2,682	3,198	0.24%	$96,552	0.33%	$36.00	Feb-11
Murphy & O'Connell	2,525	1,743	0.22%	$85,194	0.29%	$33.74	Apr-11
Oakwood Asset Management LLC	2,086	2,086	0.18%	$68,838	0.24%	$33.00	Jan-15
Pyne Companies Ltd.	1,972	4,995	0.17%	$55,216	0.19%	$28.00	Jun-11
Total Minor Office Tenants	**204,723**	**215,088**	**18.11%**	**7,742,042**	**26.80%**	**$37.82**	
Duane Reade	23,310	23,310	2.06%	$1,421,904	4.92%	$61.00	May-30
Milk Street Café	14,500	14,500	1.28%	$625,000	2.16%	$43.10	Jan-26
Sav Café Inc.	1,900	1,900	0.17%	$14,003	0.05%	$7.37	Aug-10
Kenjo 40 Wall St Inc.	600	565	0.05%	$94,602	0.33%	$157.67	Aug-13
Total Retail Tenants	**40,310**	**40,275**	**3.57%**	**$2,155,509**	**7.46%**	**$53.47**	

LEASE SUMMARY REPORT (CONTINUED)							
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
Oracle America Inc.	6,166	6,944	0.55%	$332,964	1.15%	$54.00	Mar-13
CH Service NY LLC	4,431	4,698	0.39%	$163,947	0.57%	$37.00	--
The Judge Group Inc.	4,269	4,800	0.38%	$217,719	0.75%	$51.00	May-18
Patriarch Parteners LLC	3,974	4,417	0.35%	$208,635	0.72%	$52.50	Nov-10
Dae Woo	2,527	2,527	0.22%	$0	0.00%	$0.00	--
Metro PCS NY LLC	689	175	0.06%	$51,503	0.18%	$74.75	--
Jaskin	240	240	0.02%	$4,080	0.01%	$17.00	Jul-20
Yipes Enterprises Services	217	217	0.02%	$7,293	0.03%	$33.61	--
Cypress Communications	200	200	0.02%	$10,104	0.03%	$50.52	--
Sprint National Lease Management	194	194	0.02%	$30,744	0.11%	$158.47	--
XO Communication Services Inc.	175	175	0.02%	$15,000	0.05%	$85.71	--
AT&T GRE Lease Administration	175	175	0.02%	$15,000	0.05%	$85.71	--
MCI World Com Lease Administratior	150	150	0.01%	$9,000	0.03%	$60.00	--
Time Warner AXS of NYC	125	125	0.01%	$9,372	0.03%	$74.98	--
RCN Business Solutions	83	83	0.01%	$10,210	0.04%	$123.02	--
Cogent Communications	--	--	0.00%	$18,612	0.06%	$18,612	--
Total Storage / Other Tenants	**23,615**	**25,120**	**2.09%**	**$1,104,183**	**3.82%**	**$46.76**	
Total Vacant Office Space	**313,786**	**313,786**	**27.76%**				
Total Vacant Retail Space	**16,193**	**16,193**	**1.43%**				
Total Vacant Storage Space	**9,450**	**9,450**	**0.84%**				
Total Management Space	**1,350**	**1,350**	**0.12%**				
Total Net Rentable Area	**1,130,555**	**1,175,607**	**100.00%**	**$28,893,469**	**100.00%**	**$25.56**	

LEASE EXPIRATIONS

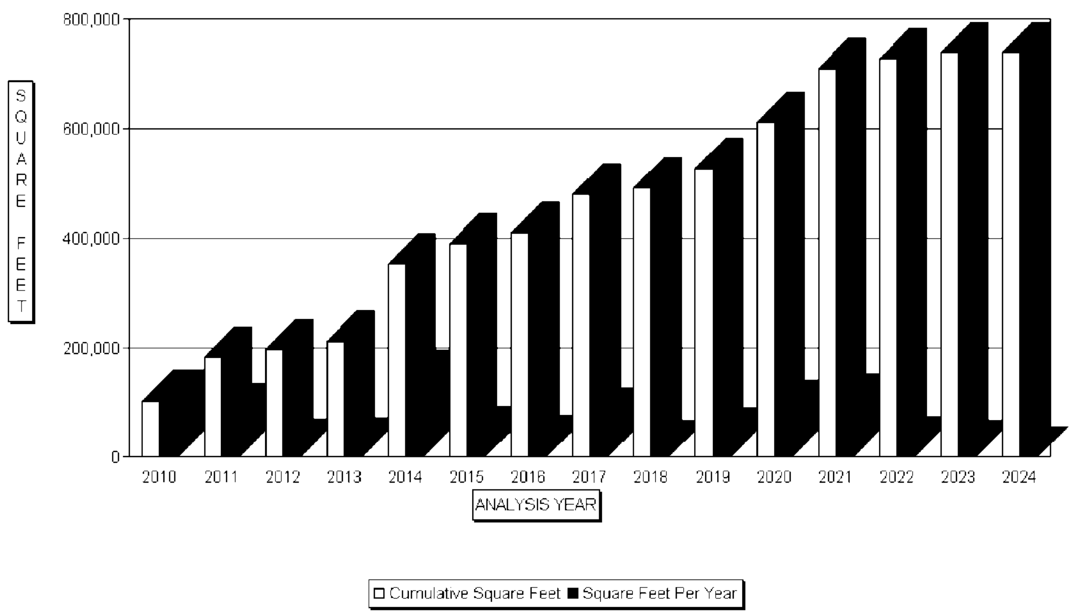
Based upon the subject's current lease expiration schedule, over 65 percent of the property's rentable area is represented by leases that are due to expire within the next fifteen calendar years (through 2024). There is 103,022± square feet due to expire in 2010.

The major rollover years in the analysis period occur in 2010, 2011, 2014, 2017, 2020 and 2021. In 2010, 103,022± square feet (9 percent) of the property's rentable area expires; in 2011, 79,419± square feet (7 percent) expires; in 2014, 139,887± square feet (12 percent) expires; in 2017, 70,201± square feet (6 percent) expires; in 2020, 85,143± square feet (8 percent) expires; and in 2021, 97,438± square feet (9 percent) expires. Obviously, the largest lease expiration occurs in 2014 when the lease expires with Continental Casualty Company. The average rollover over the next fifteen years is 4.36 percent per year with most risk occurring in 2010, 2011, 2014, 2017, 2020 and 2021.

LEASE EXPIRATION SCHEDULE

Year Expiration	Expiring Squar Footage Per Rent Roll*	Expiring Squar Footage Per Remeasuremen	% of Square Footage	Cumulative	% of Total Rentable Area	Annual Base Rent On Expiration	Annual Base Rent/SF	% of Total Rent	Cumulative
2010	103,022	109,126	9.11%	103,022	9.11%	$3,763,753	$13.57	12.21%	12.21%
2011	79,419	86,525	7.02%	182,441	16.14%	$2,970,634	$8.66	9.64%	21.85%
2012	14,097	14,974	1.25%	196,538	17.38%	$725,948	$211.05	2.36%	24.21%
2013	15,644	16,786	1.38%	212,182	18.77%	$756,630	$46.91	2.46%	26.66%
2014	139,887	149,985	12.37%	352,069	31.14%	$4,476,384	$10.82	14.53%	41.19%
2015	37,519	40,660	3.32%	389,588	34.46%	$1,397,974	$76.66	4.54%	45.73%
2016	20,240	20,240	1.79%	409,828	36.25%	$688,160	$176.19	2.23%	47.96%
2017	70,201	71,833	6.21%	480,029	42.46%	$2,975,229	$16.23	9.65%	57.61%
2018	12,582	13,641	1.11%	492,611	43.57%	$733,800	$0.00	2.38%	60.00%
2019	34,005	34,507	3.01%	526,616	46.58%	$1,513,754	$0.00	4.91%	64.91%
2020	85,143	87,878	7.53%	611,759	54.11%	$2,876,056	$1.90	9.33%	74.24%
2021	97,438	108,341	8.62%	709,197	62.73%	$3,566,100	$7.76	11.57%	85.81%
2022	18,469	18,469	1.63%	727,666	64.36%	$1,139,405	$0.00	3.70%	89.51%
2023	11,380	11,380	1.01%	739,046	65.37%	$0	$0.00	0.00%	89.51%
2024	0	0	0.00%	739,046	65.37%	$0	$0.00	0.00%	89.51%
2025	3,954	3,954	0.35%	743,000	65.72%	$162,114	$0.00	0.53%	90.04%
2026	14,500	14,500	1.28%	757,500	67.00%	$756,320	$0.00	2.45%	92.49%
2027	0	0	0.00%	757,500	67.00%	$0	$0.00	0.00%	92.49%
2028	0	0	0.00%	757,500	67.00%	$0	$0.00	0.00%	92.49%
2029	0	0	0.00%	757,500	67.00%	$0	$0.00	0.00%	92.49%
2030 +	32,276	32,030	2.85%	789,776	69.86%	$2,314,236	$71.70	7.51%	100.00%
Vacant	339,429	339,429	30.02%	1,129,205	99.88%	--	--		
Bldg Mgmt	1,350	1,350	0.12%	1,130,555	100.00%	--	--		
Analysis Period FY 2010 - 2024 (15 years)									
Totals	739,046	784,345	65.37%			$27,583,827		89.51%	
Average	49,270	52,290	4.36%			$1,838,922		5.97%	
Entire Property FY 2010 - 2030 (21 years)									
Totals	1,130,555	1,175,607	100.00%			$30,816,497		100.00%	
Average	53,836	55,981	4.76%			$1,467,452		4.76%	

* Net rentable area prior to remeasurement target of 1,175,607 square feet.



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 continues to remain stagnant. They expect the increase in inventory in the upcoming months to apply downward pressure on office market rents for the foreseeable future.

According to Cushman & Wakefield, Inc. Research Department the Downtown overall vacancy rate, now at 9.9%, has risen 1.2 percentage points since second quarter 2009. The increase can be attributed to a rise in direct available space, as nearly 1.2 million square feet has been added since this time last year. Contributing to the rise in vacancy this quarter were blocks of space at Four New York Plaza (247,000 sf), Three World Financial Center (124,733 sf) and 100 Broadway (71,602 sf). Vacancy rates are expected to increase significantly in the next three to six months as large blocks at 70 Pine Street, 85 Broad Street and One New York Plaza are due to hit the market.

Downtown overall asking rents have decreased for seven consecutive quarters, and are currently at $37.81 per square foot. The last time overall asking rents went below $38.00 was October of 2006. Class A overall rental rates continue to decline at a more dramatic pace. Currently $39.78 per square foot, class A rents are off 4.1 percent from first quarter 2010 and off 17.9 percent, from second quarter 2009. World Financial remains the highest priced submarket Downtown, mostly because Seven World Trade Center has the top asking rent at $62.00 per square foot.

After a weak first quarter 2010 with Downtown leasing activity off the first quarter 2009 pace by 18.0 percent, leasing activity bounced back increasing by 14.3 percent since the second quarter 2009, with 1.6 million square feet leased year-to-date. The leasing activity was driven by two large deals, New York Liquidation Bureau's 116,540 square foot lease at 110 William Street, and NYC Construction Authority's 106,341 square foot lease at 26 Broadway. The largest transaction of the quarter was a renewal by Kenyon & Kenyon at One Broadway for 199,000 square feet.

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**.

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.

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.

Prior to adjustment, the comparables reflect a range in base rent of $28.50 to $51.00 per square foot, gross. After adjustment to the comparables, a range of $32.65 to $45.58 per square foot gross was revealed.

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	233 Broadway New York City	77 Water Street New York City	Three World Financial Center New York City	233 Broadway New York City	60 Broad Street New York City
YEAR BUILT	1930/96	1913	1970	1985	1913	1962
RENTABLE AREA (SF)	1,175,607	855,104	614,011	2,300,000	855,104	1,014,041
NO.STORIES	63	54	26	51	54	39
OCCUPANCY %	71.13%	97%	100%	100%	97%	100%
LEASE INFORMATION						
TENANT NAME		NYC Police Pension Fund	Seeger Weiss LLP	U.S. Securities and Exchange Commission	BER	Petsky Prunier
FLOOR(S) LEASED		Ent. 19th & Ent. 25th	Pt. 26th	Ent. 14th	Ent. 12th	Pt. 38th
LEASE DATE	August 2010	July 2010	June 2010	June 2010	June 2010	June 2010
TERM		20.00	8.00	10.00	10.00	10.00
LEASE TYPE	Gross	Gross	Gross	Gross	Gross	Gross
TENANT SIZE		56,196	21,639	55,104	27,845	10,378
RENT PER SF		$35.00 Yr. 1 $36.00 Yr. 6 $39.00 Yr. 11 $42.00 Yr. 16	$32.00 Yr. 1 $36.00 Yr. 5	$51.00 Yr. 1 $56.00 Yr. 4 $61.00 Yr. 7	$28.50 Yr. 1	$34.50 Yr. 1 $37.50 Yr. 4 $40.00 Yr. 7
FREE RENT(MONTHS)	12	0	11	5	8	7
WORKLETTER (PSF)	$50.00	$0.00	$91.00	$20.00	$40.00	$65.00
ADJUSTMENTS						
RENT CONCESSIONS		$4.25	($4.79)	$5.98	$1.95	($0.06)
EFFECTIVE ADJUSTED RENT PER SF		$39.25	$27.21	$56.98	$30.45	$34.44
MONTHS FROM VALUE DATE		1	2	2	2	2
TIME (MARKET CONDITIONS)		0.0%	0.0%	0.0%	0.0%	0.0%
TIME ADJUSTED RENT PER SF		$39.25	$27.21	$56.98	$30.45	$34.44
LOCATION		5%	0%	0%	5%	0%
FLOOR		0%	0%	0%	0%	0%
QUALITY		5%	20%	-20%	5%	10%
SIZE		0%	0%	0%	0%	-5%
CONDITION		0%	0%	0%	0%	0%
TOTAL ADJUSTMENT		10%	20%	-20%	10%	5%
INDICATED GROSS RENT PER SF		**$43.18**	**$32.65**	**$45.58**	**$33.50**	**$36.16**

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	120 Wall Street New York City	60 Broad Street New York City	140 Broadway New York City	110 William Street New York City	120 Wall Street New York City
YEAR BUILT	1930/96	1930	1962	1967	1958	1930
RENTABLE AREA (SF)	1,175,607	467,560	1,014,041	1,200,000	848,592	467,560
NO.STORIES	63	34	39	51	32	34
OCCUPANCY %	71.13%	77%	100%	93%	95%	77%
LEASE INFORMATION						
TENANT NAME		Urban Homesteading Assistance Board	JN Savasta Corporation	Susquehanna International Group, LLP	New York Liquidation Bureau	National Foundation for Teaching Entrepreneurshi -
FLOOR(S) LEASED		Pt. 20th	Pt. 38th	Ent. 47th & 48th	E15-17th, P18	Pt. 18th
LEASE DATE	August 2010	June 2010	May 2010	April 2010	April 2010	April 2010
TERM		10.00	10.00	10.08	15.00	15.00
LEASE TYPE	Gross	Gross	Gross	Gross	Gross	Gross
TENANT SIZE		9,000	12,379	52,412	116,540	14,188
RENT PER SF		$30.00 Yr. 1	$34.00 Yr. 1	$34.00 Yr. 1	$29.00 Yr. 1	$32.00 Yr. 1
		$34.00 Yr. 6	$38.00 Yr. 6	$36.00 Yr. 6	$34.00 Yr. 6	$35.00 Yr. 6
					$39.00 Yr. 11	$38.00 Yr. 11
FREE RENT(MONTHS)	12	5	5	8	2	8
WORKLETTER (PSF)	$50.00	$10.00	$20.00	$0.00	$5.00	$50.00
ADJUSTMENTS						
RENT CONCESSIONS		$5.75	$4.98	$6.08	$4.61	$0.71
EFFECTIVE ADJUSTED RENT PER SF		$35.75	$38.98	$40.08	$33.61	$32.71
MONTHS FROM VALUE DATE		2	3	4	4	4
TIME (MARKET CONDITIONS)		0.0%	0.0%	0.0%	0.0%	0.0%
TIME ADJUSTED RENT PER SF		$35.75	$38.98	$40.08	$33.61	$32.71
LOCATION		0%	0%	0%	0%	0%
FLOOR		0%	0%	0%	0%	0%
QUALITY		10%	10%	-5%	10%	10%
SIZE		-5%	-5%	0%	0%	-5%
CONDITION		0%	0%	0%	0%	0%
TOTAL ADJUSTMENT		5%	5%	-5%	10%	5%
INDICATED GROSS RENT PER SF		**$37.54**	**$40.93**	**$38.08**	**$36.97**	**$34.35**

The comparable office leases, as exhibited on the **previous pages**, range from $28.50 to $51.00 per square foot, gross, before adjustments and may be summarized as follows:

RENTAL COMPARABLE NO. 1 involves a 56,196± square foot office lease within 233 Broadway located between Barclay Street and Park Place. This lease was signed in July 2010 for a 20.00-year term. The tenant leased the entire 19th and 25th floors. The base rent was $35.00 per square foot, increasing to $36.00 per square foot in year six, $39.00 per square foot in year eleven, and to $42.00 per square foot in year sixteen. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $39.25 per square foot, gross.

In comparison to the subject property, an upward adjustment was required for location. An upward adjustment was required for quality. No other adjustments were required. The adjusted rent is $43.18 per square foot.

RENTAL COMPARABLE NO. 2 involves a 21,639± square foot office lease within 77 Water Street on the block bounded by Gouverneur, Old Slip, and Front Streets. This lease was signed in June 2010 for an 8.00-year term. The tenant leased part of the entire 26th floor. The initial base rent was $32.00 per square foot increasing to $36.00 per square foot in year five. After adjusting for rent concessions, the equivalent rent is $27.21 per square foot, gross.

In comparison to the subject property, an upward adjustment was required for quality. No other adjustments were required. The adjusted rent is $32.65 per square foot.

RENTAL COMPARABLE NO. 3 involves a 55,104± square foot office lease within Three World Financial Center located on the block bounded by Vesey Street and Westside Highway. This lease was signed in June 2010 for a 10.00-year term. The tenant leased the entire 14th floor. The initial base rent was $51.00 per square foot, increasing to $56.00 per square foot in year four and $61.00 per square foot in year seven. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $56.98 per square foot, gross.

In comparison to the subject property, a downward adjustment was required for quality. No other adjustments were required. The adjusted rent is $45.58 per square foot.

RENTAL COMPARABLE NO. 4 involves a 27,845± square foot office lease within 233 Broadway located between Barclay Street and Park Place. This lease was signed in June 2010 for a 10.00-year term. The tenant leased the entire 12th floor. The base rent was $28.50 per square foot. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $30.45 per square foot, gross.

In comparison to the subject property, an upward adjustment was required for location. An upward adjustment was required for quality. No other adjustments were required. The adjusted rent is $33.50 per square foot.

RENTAL COMPARABLE NO. 5 involves a 10,378± square foot office lease within 60 Broad Street located on the northwest corner of Beaver Street. This lease was signed in June 2010 for a 10.00 -year term. The tenant leased part of the 38th floor. The initial base rent was $34.50 per square foot, increasing to $37.50 per square foot in year four and $40.00 per square foot in year seven. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $34.44 per square foot, gross.

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 $36.16 per square foot.

RENTAL COMPARABLE NO. 6 involves a 9,000± square foot office lease within 120 Wall Street located on the northwest corner of South Street. This lease was signed in June 2010 for a 10.00-year term. The tenant leased part of the 20th floor. The initial base rent was $30.00 per square foot increasing to $34.00 per square foot in year six. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $35.75 per square foot.

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 $37.54 per square foot.

RENTAL COMPARABLE NO. 7 involves a 12,379± square foot office lease within 60 Broad Street located on the northwest corner of Beaver Street. This lease was signed in May 2010 for a 10.00 -year term. The tenant leased part of the 38th floor. The initial base rent was $34.00 per square foot increasing to $38.00 per square foot in year six. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $38.98 per square foot, gross.

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 $40.93 per square foot.

RENTAL COMPARABLE NO. 8 involves a 52,412± square foot office lease within 140 Broadway located on the block bounded by Cedar, Nassau and Liberty Streets. This lease was signed in April 2010 for a 10.08 year term. The tenant leased part of the 47th and 48th floors. The initial base rent was $34.00 per square foot increasing to $36.00 per square foot in year six. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $40.08 per square foot.

In comparison to the subject property, a downward adjustment was required for quality. No other adjustments were required. The adjusted rent is $38.08 per square foot.

RENTAL COMPARABLE NO. 9 involves an 116,540± square foot office lease within 110 William Street located on the northeast corner of John Street. This lease was signed in April 2010 for a 15.00-year term. The tenant leased the entire 15th through 17th and part of the 18th floors. The base rent was $29.00 per square foot, increasing to $34.00 per square foot in year six, $39.00 per square foot in year eleven. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $33.61 per square foot, gross.

In comparison to the subject property, an upward adjustment was required for quality. No other adjustments were required. The adjusted rent is $36.97 per square foot.

RENTAL COMPARABLE NO. 10 involves a 14,188± square foot office lease within 120 Wall Street located on the northwest corner of South Street. This lease was signed in April 2010 for a 15.00-year term. The tenant leased part of the 18th floor. The initial base rent was $32.00 per square foot, increasing to $35.00 per square foot in year six, $38.00 per square foot in year eleven. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $32.71 per square foot.

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 $34.35 per square foot.

After adjustment to the comparables, a range of $32.65 to $45.58 per square foot gross was revealed.

RECENT OFFICE LEASES IN THE BUILDING

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

40 WALL STREET RECENT OFFICE LEASES									
No.	Tenant	Floors	Area (SF)	Begin Date	End Date	Yr/Rent		Base Year/Concessions	
1	Country-Wide Insurance	Part 3	10,510	Mar-11	Aug-21		$25.00	Tax Base:	2011/12
						(10/14)	$35.45	Operating Base:	2011
						(09/16)	$39.00	Electric:	Submetered
								Free Rent:	6 Mos.
								Work letter:	$20.00
		Entire 14	32,645	Mar-11	Aug-21		$25.00	Tax Base:	2010/11
		Entire 13	33,244			(09/16)	$27.50	Operating Base:	2010
		Entire 12	31,942					Electric:	Submetered
			97,831					Free Rent:	6 Mos.
								Work letter:	$20.00
2	Brokerage Management Corp.	Entire 48	9,263	Jul-10	Jun-22		$40.00	Tax Base:	2010/11
						(07/17)	$43.00	Operating Base:	2010
								Electric:	Submetered
								Free Rent:	12 Mos.
								Work letter:	$30.00
3	Xcitek Solutions	Part 5	6,288	Jun-10	May-20		$32.00	Tax Base:	2010/11
						(06/15)	$35.00	Operating Base:	2010
								Electric:	Submetered
								Free Rent:	4 Mos.
								Work letter:	None
4	HAKS Engineering & Land Survey	Part 4	10,675	Jun-10	May-20		$32.00	Tax Base:	2010/11
						(06/15)	$35.00	Operating Base:	2010
								Electric:	Submetered
								Free Rent:	4 Mos.
								Work letter:	None
5	Core Staffing Services	Part 16	5,845	May-10	Sep-17		$32.00	Tax Base:	2010/11
						(12/13)	$35.00	Operating Base:	2010
								Electric:	Submetered
								Free Rent:	5 Mos.
								Work letter:	$53.00
6	Telstra Inc.	Entire 44	9,372	Apr-10	Mar-20		$37.00	Tax Base:	2010/11
		Part 43	5,125			(04/15)	$40.00	Operating Base:	2010
			14,497					Electric:	Submetered
								Free Rent:	None
								Work letter:	None
7	XO Communications	Part 16	20,586	Mar-10	Mar-22		$30.00	Tax Base:	2010/11
						(02/15)	$33.00	Operating Base:	2010
						(01/19)	$36.00	Electric:	Submetered
								Free Rent:	14 Mos.
								Work letter:	None
8	Clancy Financial services	Part 30	4,384	Feb-10	Feb-17	(06/10)	$34.00	Tax Base:	2010/11
						(09/13)	$38.00	Operating Base:	2010
								Electric:	Submetered
								Free Rent:	4 Mos.
								Work letter:	None
9	Zaremba Brownell & Brown LLC	Part 27	3,954	Feb-10	Jan-25		$35.00	Tax Base:	2010/11
						(12/15)	$38.00	Operating Base:	2010
						(12/20)	$41.00	Electric:	Submetered
								Free Rent:	9 Mos.
								Work letter:	None
10	Direct Access Partners	Part 43	4,247	Jan-10	Dec-19		$33.00	Tax Base:	2010/11
		Entire 42	9,372			(03/15)	$36.00	Operating Base:	2010
			13,619					Electric:	Submetered
								Free Rent:	6 Mos.
								Work letter:	None
11	Oakwook Asset Management LLC	Part 38	2,086	Jan-10	Jan-15		$33.00	Tax Base:	2010/11
								Operating Base:	2010
								Electric:	Submetered
								Free Rent:	None
								Work letter:	None

40 WALL STREET RECENT OFFICE LEASES (CONTINUED)							
No.	Tenant	Floors	Area (SF)	Begin Date	End Date	Yr/Rent	Base Year/Concessions
12	NYG Capital LLC	Part 38	5,310	Jan-10	Sep-15	$34.00	Tax Base: 2010/11 Operating Base: 2010 Electric: Submetered Free Rent: 9 Mos. Work letter: None
13	Rosen Greenberg Blaha LLP	Part 32	3,450	Jan-10	Feb-15	$38.00 (02/11) $40.00 (01/12) $42.00 (01/13) $45.00	Tax Base: 2010/11 Operating Base: 2010 Electric: Submetered Free Rent: 2 Mos. Work letter: None
14	RRZ Management Inc.	Part 30	5,433	Jan-10	Jun-17	$34.00 (06/13) $37.00	Tax Base: 2010/11 Operating Base: 2010 Electric: Submetered Free Rent: 6 Mos. Work letter: None
15	Spyker Consulting	Part 30	3,726	Dec-09	Jan-15	$35.00	Tax Base: 2009/10 Operating Base: 2009 Electric: Submetered Free Rent: None Work letter: None
16	Infinitel Communications Inc.	Entire 59	7,900	Nov-09	Apr-19	$41.00 (12/14) $43.00 (12/17) $45.00	Tax Base: 2009/10 Operating Base: 2009 Electric: Submetered Free Rent: 6 Mos. Work letter: None
17	Jaskim Inc.	Entire 34	11,729	Nov-09	Jul-20	$33.00 (01/15) $36.00	Tax Base: 2009/10 Operating Base: 2009 Electric: Submetered Free Rent: 9 Mos. Work letter: None
18	Star Alliance Trading Group	Part 5	7,500	Sep-09	Dec-14	$32.00	Tax Base: 2009/10 Operating Base: 2009 Electric: Submetered Free Rent: None Work letter: None
19	GDS Publishing	Part 5	20,240	Sep-09	Sep-16	$32.00 (04/13) $34.00	Tax Base: 2009/10 Operating Base: 2009 Electric: Submetered Free Rent: 4 Mos. Work letter: None
20	Rosabianca & Associates LLC	Part 31	3,616	Jun-09	Feb-19	$37.00 (03/15) $40.00	Tax Base: 2009/10 Operating Base: 2009 Electric: Submetered Free Rent: 9 Mos. Work letter: None
21	Freedom Holdings Group	Entire 45	8,870	Mar-09	Feb-19	$55.00 (03/12) $57.00 (03/15) $59.00	Tax Base: 2009/10 Operating Base: 2009 Electric: Submetered Free Rent: None Work letter: None
22	Vertex Capital Managements	Part 33	3,689	Feb-09	Feb-12	$45.00	Tax Base: 2009/10 Operating Base: 2009 Electric: Submetered Free Rent: None Work letter: None

The subject property's office base rents average $36.07 per square foot, gross. The adjusted comparable rentals range from $32.65 to $45.58 with an average of $37.89 per square foot, gross. The most recent leases signed in the subject building, exhibited in the previous page chart, range from from $25.00 to $55.00 per square foot, gross. The majority of the recent leases are near market. 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 mid $30's per square foot. This results in a range of market rent for 40 Wall Street of $34 to $44 per square foot for new leases which has been distributed by floor level as follows:

OFFICE MARKET RENT	
FLOORS	**RENT/SF**
3 to 22	$34.00
23 to 33	$36.00
34 to 49	$40.00
50 to 63	$44.00

The above estimated market rents assume the following concession package.

LARGE 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

SMALL OFFICE TENANTS				
TITLE	FREE RENT		TENANT IMPROVEMENTS	
New Leases	Year 1	10 months	Year 1	$45.00
	Thereafter	10 months	Thereafter	$45.00
Renewing Leases	Year 1	5 months	Year 1	$22.50
	Thereafter	5 months	Thereafter	$22.50

The rent increase profile is as follows:

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

CHANGE IN RENTAL MARKET CONDITIONS

Banks in the US and increasingly Europe and Asia are deleveraging in an alarming way. They are increasing their allocation to equity while attempting to purge themselves of their risky mortgages and commercial loans. The Treasury bill approved by Congress will create a process by which many American companies, financial or otherwise, can sell their massive amount of risky debt to the Treasury department over the next several years. This is in an effort to unfreeze debt capital.

One of the affects of deleveraging is deflation. In essence, with the banking industry worldwide systematically withdrawing debt capital from the economy, the value of most assets will decline. Assets that rely on financing decrease in value as financing become less and less available. Risk and liquidity spreads increase further lowering value. This includes real estate, automobiles and other capital goods.

Following historic highs in 2007, market rents decreased while concessions increased over the past three years. For example, we believe base market rents for the subject property in 2007 averaged in the low $50's per square foot, based on comparable rentals and our discussions with leasing brokers active in the market. Typical concessions provided ranged from 4 to 8 months of free rent with workletters averaging $25 to $40 per square. As of August 1, 2010, the estimated base market rent for the subject property ranged from $34 to $44 per square foot, averaging in the mid $30's per square foot. Concessions include free rent of 12 months and workletters of $50 per square. If we amortize these concessions, we can calculate the net effective market rents as of 2007 and the present. It should be noted, based on today's financing rates and treasury bills, an amortization rate of 6 percent is considered reasonable. This comparison is illustrated below.

NET EFFECTIVE RENT (AS OF AUGUST 1, 2010)			
Lease Terms	Nominal Value	Years	Rent Equivalent
Rent Per SF/Step-Ups	$36.00	5.00	
	$39.60	5.00	
	$43.56	5.00	
Base Rent Equivalent (NPV)			$38.98
Free Rent @ 12 Mos.	$36.00		($3.53)
Workletter	$50.00		($5.04)
Net Effective Rent @ 6%			**$30.41**

NET EFFECTIVE RENT (AS OF 2007)			
Lease Terms	Nominal Value	Years	Rent Equivalent
Rent Per SF/Step-Ups	$50.00	5.00	
	$55.00	5.00	
	$60.50	5.00	
Base Rent Equivalent (NPV)			$54.14
Free Rent @ 6 Mos.	$25.00		($2.49)
Workletter	$40.00		($4.03)
Net Effective Rent @ 6%			**$47.62**
Difference in Net Effective Rent			**($17.21)**
			-36%

This analysis indicates there has been approximately a 36 percent decrease in net effective market rents for the subject property from 2007 to the effective date of the appraisal, August 1, 2010.

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
2010 – 0%
Thereafter – 3%

We have assumed a growth rate of 3 percent beginning in 2011.

MARKET RENTAL RATE – RETAIL SPACE

The subject property is leased to four retail tenants that include Kenjo 40 Wall St Inc., Milk Street Café, Duane Reade and Sav Café Inc. 50 Kenjo 40 Wall St Inc. leases 600± square feet and Milk Street Café leases 14,500± square feet along Wall Street side of the building, respectively. 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 three vacant retail spaces in the lobby and 2nd floor totaling 16,193± square feet available for lease. The retail space in the property totals 56,503± square feet.

RETAIL CONTRACT RENT SUMMARY				
Tenant	Area/SF	Remeasured Area/SF	Contract Rent	Contract Rent/SF
Wall Street Frontage				
Kenjo 40 Wall St Inc.	600	565	$94,602	$157.67
Milk Street Café	14,500	14,500	$625,000	$43.10
Pine Street Frontage				
Duane Reade	5,273	5,273	$321,648	$61.00
Duane Reade	18,037	18,037	$1,100,256	$61.00
Total	23,310	23,310	$1,421,904	$61.00
Lobby				
To-Be-Leased	4,923	4,923	$0	$0.00
To-Be-Leased	791	791	$0	$0.00
2nd Floor				
To-Be-Leased	10,479	10,479	$0	$0.00
Basement				
Sav Café Inc.	1,900	1,900	$14,003	$7.37
Total: Retail Space	**56,503**	**56,468**	**$2,155,509**	**$38.15**

Market rent for the retail space within the property has been estimated by analyzing **eight** 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		RENTAL 4	
ADDRESS	40 Wall Street	30 Broad Street		5 Hanover Square		101 Maiden Lane		101 Maiden Lane	
	B/w William & Nassau Sts.	S/W/C of Exchange Place		B/w Beaver & Pearl Streets		N/W/C Pearl Street		N/W/C Pearl Street	
	New York City	New York City		New York City		New York City		New York City	
LEASE INFORMATION									
TENANT NAME		My Suit		H&R Block		Goodburger		Pret A Manger	
FRONTAGE		Broad St & Exchange Pl		Beaver Street		Maiden Lane & Pearl Street		Maiden Lane	
BEGINNING DATE	August 2010	July 2010		October 2009		October 2009		October 2009	
TERM		10		6		10		10	
LEASE TYPE	Gross	Gross		Gross		Gross		Gross	
TENANT SIZE		2,500	Grade	1,900	Grade	1,700	Grade	1,500	Grade
RENT PER SF		$133.00	1	$102.00	1	$170.00	1	$140.00	1
		% Inc./Yr.	2-10	% Inc./Yr.	2-6	% Inc./Yr.	2-10	% Inc./Yr.	2-10
FREE RENT(MONTHS)	6	6		6		6		6	
WORKLETTER (PSF)	$0.00	$0.00		$0.00		$0.00		$0.00	
ADJUSTMENTS									
RENT CONCESSIONS		$0.00		$0.00		$0.00		$0.00	
EFFECTIVE ADJUSTED RENT PER SF/GRADE LEVEL		$133.00		$102.00		$170.00		$140.00	
MONTHS FROM VALUE DATE		1		10		10		10	
TIME (MARKET CONDITIONS)		0.0%		0.0%		0.0%		0.0%	
TIME ADJUSTED RENT PER SF		$133.00		$102.00		$170.00		$140.00	
LOCATION		5%		5%		0%		0%	
QUALITY		10%		5%		0%		0%	
SIZE		0%		0%		0%		0%	
CORNER/FRONTAGE		-10%		0%		-10%		0%	
TOTAL ADJUSTMENT		5%		10%		-10%		0%	
INDICATED RENT PER SF		**$139.65**		**$112.20**		**$153.00**		**$140.00**	

COMPARABLE RETAIL RENTS AND ADJUSTMENTS

	SUBJECT	RENTAL 5		RENTAL 6		RENTAL 7		RENTAL 8	
ADDRESS	40 Wall Street	66 Pearl Street		95 Wall Street		54 Pine street		2 South End Avenue	
	B/w William & Nassau Sts.	S/W/C Coenties Slip		S/W/C Water Street		B/w William & Pearl Streets		B/w Third Pl & West Thames St	
	New York City	New York City		New York City		New York City		New York City	
LEASE INFORMATION									
TENANT NAME		Fika Espresso Bar		Duane Reade		Pine Gourmet Café		Kumon North America	
FRONTAGE		Pearl Street		Gouverneur Lane & Water Street		Pine Street		Thames Street	
BEGINNING DATE	August 2010	June 2009		June 2009		March 2009		February 2009	
TERM		12		10		15		10	
LEASE TYPE	Gross	Gross		Gross		Gross		Gross	
TENANT SIZE		1,450	Grade	9,226	Grade	200	Grade	3,000	Grade
		1,450	LL			1,800	LL		
		2,900	Total			1,000	Mezz		
						3,000	Total		
		Grade				Grade			
RENT PER SF		$136.00	1	$119.23	1	$98.00	1	$85.00	1
		% Inc./Yr.	2-12	% Inc./Yr.	2-10	% Inc./Yr.	2-15	% Inc./Yr.	2-10
FREE RENT(MONTHS)	6	6		6		6		6	
WORKLETTER (PSF)	$0.00	$0.00		$0.00		$0.00		$0.00	
ADJUSTMENTS									
RENT CONCESSIONS		$0.00		$0.00		$0.00		$0.00	
EFFECTIVE ADJUSTED RENT PER SF/GRADE LEVEL		$136.00		$119.23		$98.00		$85.00	
MONTHS FROM VALUE DATE		14		14		17		18	
TIME (MARKET CONDITIONS)		0.0%		0.0%		0.0%		0.0%	
TIME ADJUSTED RENT PER SF		$136.00		$119.23		$98.00		$85.00	
LOCATION		0%		0%		0%		10%	
QUALITY		0%		0%		0%		15%	
SIZE		0%		0%		0%		0%	
CORNER/FRONTAGE		0%		10%		15%		0%	
TOTAL ADJUSTMENT		0%		10%		15%		25%	
INDICATED RENT PER SF		**$136.00**		**$131.15**		**$112.70**		**$106.25**	

The comparable retail leases, exhibited on the **previous pages**, range $48.00 to $178.00 per square foot gross before adjustments and may be summarized as follows:

RENTAL COMPARABLE NO. 1 involves a 2,500± square foot retail lease within 30 Broad Street located on the southwest corner of Exchange Place. This lease was signed in July 2010 for a 10-year term. The initial base rent for the ground floor was $133.00 per square foot with subsequent increases. After adjusting for rent concessions (free rent and work letter), the equivalent rent for the ground floor is $133.00 per square foot.

In comparison to the subject property, an upward adjustment was required for location. An upward adjustment was required for quality. A downward adjustment was required for corner/frontage. No other adjustments were required. The adjusted rent is $139.65 per square foot.

RENTAL COMPARABLE NO. 2 involves a 1,900± square foot retail lease within 5 Hanover Square located between Beaver and Pearl Streets. This lease was signed in October 2009 for a 6-year term. The initial base rent was $102.00 per square foot with subsequent increases. After adjusting for rent concessions (free rent and work letter), the equivalent rent for the ground floor is $102.00 per square foot.

In comparison to the subject property, an upward adjustment was required for location. An upward adjustment was required for quality. No other adjustments were required. The adjusted rent is $112.20 per square foot.

RENTAL COMPARABLE NO. 3 involves a 1,700± square foot retail lease within 101 Maiden Lane located northwest corner of Pearl Street. This lease was signed in October 2009 for a 10-year term. The initial base rent was $170.00 per square foot with subsequent increases. After adjusting for rent concessions (free rent and work letter), the equivalent rent for the ground floor is $170.00 per square foot.

In comparison to the subject property, a downward adjustment was required for corner/frontage. No other adjustments were required. The adjusted rent is $153.00 per square foot.

RENTAL COMPARABLE NO. 4 involves a 1,500± square foot retail lease within 101 Maiden Lane located northwest corner of Pearl Street. This lease was signed in October 2009 for a 10-year term. The initial base rent was $140.00 per square foot with subsequent increases. After adjusting for rent concessions (free rent and work letter), the equivalent rent for the ground floor is $140.00 per square foot.

In comparison to the subject property, no adjustments were required. The adjusted rent is $140.00 per square foot.

RENTAL COMPARABLE NO. 5 involves a 2,900± square foot retail lease within 66 Pearl Street located on the southwest corner of Coenties Slip. This lease was signed in June 2009 for a 12-year term. The tenant leased 1,450± square feet on the ground floor and 1,450± square feet on the lower level. The initial base rent was $1360.00 per square foot with subsequent increases. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $136.00 per square foot.

In comparison to the subject property, no adjustments were required. The adjusted rent is $136.00 per square foot.

RENTAL COMPARABLE NO. 6 involves a 9,226± square foot retail lease within 95 Wall Street located on the southwest corner of Water Street. This lease was signed in June 2009 for a 10-year term. The initial base rent was $119.23 per square foot with subsequent increases. After adjusting for rent concessions (free rent and work letter), the equivalent rent is $119.23 per square foot.

In comparison to the subject property, an upward adjustment was required for market conditions (time). An upward adjustment was required for corner/frontage. No other adjustments were required. The adjusted rent is $131.15 per square foot.

RENTAL COMPARABLE NO. 7 involves a 3,000± square foot retail lease within 54 Pine Street located between William and Pearl Streets This lease was signed in February 2009 for a 10-year term. The tenant leased 200± square feet on the ground floor, 1,800± square feet on the lower level and 1,000± square feet on the mezzanine. The initial base rent was $95.00 per square foot with subsequent increases. After adjusting for rent concessions (free rent and work letter), the equivalent rent for the ground floor is $95.00 per square foot.

In comparison to the subject property, an upward adjustment was required for corner/frontage. No other adjustments were required. The adjusted rent is $112.70 per square foot.

RENTAL COMPARABLE NO. 8 involves a 3,000± square foot retail lease within 2 South End Avenue located between Third Place and West Thames Street. This lease was signed in February 2009 for a 10-year term. The initial base rent for the ground floor was $85.00 per square foot with subsequent increases. After adjusting for rent concessions (free rent and work letter), the equivalent rent for the ground floor is $85.00 per square foot.

In comparison to the subject property, an upward adjustment was required for location. An upward adjustment was required for quality. No other adjustments were required. The adjusted rent is $106.25 per square foot.

The comparable retail leases, exhibited on the **previous pages**, range from $102.00 to $170.00 per square foot before adjustments. After adjustment to the comparables, a range of $112.20 to $153.00 per square foot gross was revealed.

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)	Begin Date	End Date	Yr/Rent	Base Year/Concessions
1	Duane Reade	Grade Grade	5,273 18,037 23,310	Jun-10	May-30	$61.00 (06/15) $67.24 (06/20) $73.97 (06/25) $81.36	Tax Base: 2010/11 Electric: Direct Free Rent: 6 Mos. Work letter: None
2	Milk Street Café	Grade	14,500	Sep-10	Jan-26	$43.10 (09/15) $47.41 (09/20) $52.16	Tax Base: 2010/11 Electric: Direct Free Rent: 6 Mos. Work letter: None
3	Sav Café Inc.	Basement	1,900	Apr-97	Aug-10	$7.37	Tax Base: 1997/98 Electric: Submetered Free Rent: None Work letter: None
4	Kenjo 40 Wall St Inc.	Grade	600	Feb-98	Aug-13	$157.67 (09/10) $173.43	Tax Base: 1998/99 Electric: Submetered Free Rent: None Work letter: None

The lease with Duane Reade was recently signed and commences in June 2010 for a 20 year term. The Duane space contains 23,310± square feet on the grade with frontage on Pine Street. Following a six month rent abatement Duane pays a starting contract rent of $61.00 per square foot with subsequent increases. In our opinion the Duane Reade lease is at market.

The next retail tenant is Milk Street Café, which recently signed a 15 year lease for 14,500± square feet with frontage along Wall Street. The lease commences in September 2010 with a starting contract rent of $43.10 per square foot with subsequent increases. Altough this retail space has a somewhate limited exposure on Wall Street, we believe the lease is below market.

The remaining leases are with Kenjo 40 Wall St Inc. and Sav Café Inc. Kenjo 40 Wall St Inc.who pays currently $157.67 per square foot, for 600± square feet on the grade with frontage on Wall Street. The Kenjo 40 Wall St Inc. is a 15 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 $7.37 per square foot.

RETAIL MARKET RENTAL RATE CONCLUSION

The retail leases within the subject range from $43.10 to $157.67 per square foot on the grade level. Retail leases in the lobby range from $112.20 to $153.00 per square foot. The adjusted comparable rentals range from $112.20 to $153.00 per square foot. The existing retail leases commenced between April 1997 and September 2010. Overall, we believe the average retail rents in the subject property are below market.

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

RETAIL MARKET RENT SUMMARY

Tenant	Remeasured Area/SF		Market Rent/SF		Total Rent
Wall Street Frontage					
Kenjo 40 Wall St Inc.	565	@	$150.00	=	$84,750
Milk Street Café	14,500	@	$65.00	=	$942,500
Pine Street					
Duane Reade	5,273	@	$60.00	=	$316,380
Duane Reade	18,037	@	$60.00	=	$1,082,220
Total	23,310	@	$60.00	=	$1,398,600
Lobby					
To-Be-Leased	4,923	@	$40.00	=	$196,920
To-Be-Leased	791	@	$40.00	=	$31,640
2nd Floor					
To-Be-Leased	10,479	@	$35.00	=	$366,765
Basement					
Sav Café Inc.	1,900	@	$10.00	=	$19,000
Total: Retail Space	**56,468**				**3,040,175**

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 $150 per square foot for small ground floor retail space and $65 per square foot for large ground floor retail space along Wall Street. Market rent for the retail space along Pine Street is $60 per square foot. Market rent for the second floor retail space is estimated at $35 per square foot. Market rent for the lobby retail space is estimated at $40 per square foot. Market rent for the basement retail space is estimated at $10 per square foot. A summary of the market rents is provided in the following table.

RETAIL MARKET RENT	
TYPE SPACE	**RENT/SF**
Wall Street Frontage-Small	$150.00/sf
Wall Street Frontage-Large	$65.00/sf
Pine Street Frontage	$60.00/sf
Second Floor	$35.00/sf
Lobby	$40.00/sf
Basement	$10.00/sf

The above 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 upper floors of the building. The property contains 34,570± square feet of storage space. There are five vacant storage spaces in the basement totaling 9,450± 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 $15.00 per square foot. We have assigned a market rent to the storage space of $10.00 per square foot gross in our cash flow projection.

STORAGE MARKET RENT	
TYPE SPACE	**RENT/SF**
Storage Space	$10.00/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 20,000 square feet) and minor office tenants (defined as tenant spaces less than 20,000 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 $45.00 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 19 vacant office spaces within the property on the 16th through 23rd floors, 26th and 27th floors, 50th through 57th floors and 60th floor totaling 313,786± square feet. In addition, there are three vacant retail spaces on the ground floor and second floor totaling 16,193± square feet and five vacant storage spaces in the basement totaling 9,450± square feet available for lease. In our analysis, we have assumed that the vacant space will be leased by August 2013. 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 eight 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	120 Broadway	1,916,700	171,471	11,740	91.05%	90.44%	$34.00	$38.00
2	One Chase Manhattan	1,898,158	0	0	100.00%	100.00%	N/A	N/A
3	One New York Plaza	2,103,750	547,624	0	73.97%	73.97%	$50.00	$50.00
4	Two New York Plaza	1,345,919	314,500	71,936	76.63%	71.29%	$39.00	$39.00
5	88 Pine Street	624,000	44,254	19,887	92.91%	89.72%	$42.00	$44.00
6	One State Street Plaza	747,000	64,030	52,901	91.43%	84.35%	$42.00	$52.00
7	180 Maiden Lane	982,089	29,553	0	96.99%	96.99%	$45.00	$45.00
8	100 Wall Street	457,622	89,171	8,948	80.51%	78.56%	$38.00	$40.00
	TOTAL	**10,075,238**	**1,260,603**	**165,412**				
	AVERAGE	**1,259,405**	**157,575**	**20,677**	**87.49%**	**85.85%**	**$34.00**	**$52.00**

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 90 percent. This is consistent with the implied overall occupancy rate of the subject property over the holding period of 88.95 percent, which includes vacancy and collection loss and downtime between leases. The effect of new construction and new competition on the subject property is negligible as reflected in the fact that very little new construction of office buildings is currently underway in Midtown Manhattan. This lack of new construction means that very little new construction will be completed within three years of the effective date of this appraisal.

Market timing influences absorption rates, which for the last twenty-four months has been unfavorable. Based on our discussions with leasing brokers, there has been decreasing leasing activity in the better Midtown buildings because of the current economic.

There have been no recent examples of absorption of Downtown and Midtown office buildings. However, we have surveyed opinions of absorption from owners/investors and leasing representatives actively marketing vacant space in six Downtown and Midtown office buildings summarized in the following table.

MARKET OPINIONS OF BUILDING ABSORPTION					
BUILDING	SPACE TYPE	VACANT SF	FORECASTED ABSORPTION LENGTH	FORECASTED ABSORPTION PER MONTH	SURVEY PARTICIPANT
375 Pearl Street	Office	1,117,023	4+ Years	23,271	CBRE, Leasing Agent
9 West 57th Street	Office	247,400	3 Years	6,872	Solow Realty, Owner
229 West 43rd Street	Office	644,177	3+ Years	17,894	CBRE, Leasing Agent
510 Madison Avenue	Office	316,500	2-3 Years	10,550	CBRE, Leasing Agent
825 Eighth Avenue	Office	639,540	3-4 Years	15,227	George Comfort & Sons
120 Park Avenue	Office	439,561	3+ Years	12,210	C&W, Leasing Agent
Total/Average		3,404,201	3+ Years	14,337	

Based on our survey, the majority of real estate market participants believe an absorption period of 2 to 3 years or more is needed to lease-up large blocks of vacant space, citing the lack of fundamental demand as the primary reason. The survey of comparable building absorption table reflects an average absorption period of over 3 years for the six buildings, which reflects an absorption rate of 14,337 square feet per month for the 3,404,201 of vacancy in these buildings.

In Midtown Manhattan, in the West Side submarket, SJP Properties is constructing 11 Times Square on the southeast corner of 8th Avenue and 42nd Street. The 40-story office tower is anticipated for delivery in 2010 and will house 1.0 million square feet of office space. As of May 2010, SJP Properties signed a pre-lease agreement for a 20-year term with Proskauer Rose LLP, who will lease 406,000 square feet on the entire 18th through 30th floors. The initial base rent for the Proskauer Rose LLP lease is $78.50 per square foot, increasing to $86.35 per square foot in year six, $94.20 per square foot in year eleven and $102.50 per square foot in year sixteen.

At 250 West 55th Street, a joint venture between Boston Properties and Madison Equities, has plans for a 900,000 square foot office building. Gibson, Dunn & Crutcher LLP has signed a lease for 222,000 square feet beginning in 2011 to relocate from Park Avenue. The original completion date was 2010. However, after failing to find a second major tenant for the balance of the space the owners have **put the project on hold until the market conditions improve**. Boston Properties and Madison Equities have placed the project on-hold even though there will penalties associated with not delivering the space to Gibson, Dunn & Crutcher LLP on time.

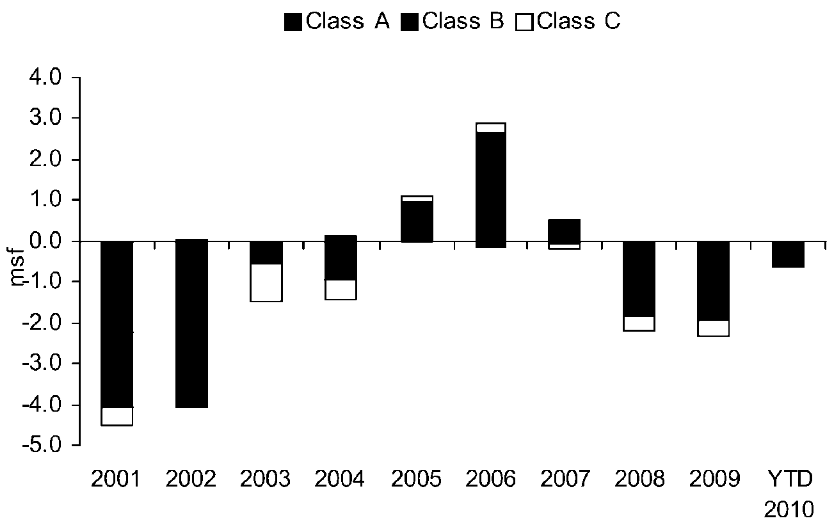
In the Madison/Fifth Avenue submarket, an office tower has recently completed construction at 510 Madison Avenue located on the southwest corner of Madison Avenue and East 53rd Street. The office building contains 278,966 square feet of gross building area and is presently vacant.

Based on our discussions with Downtown leasing brokers and property owners, the amount of leasing activity has increased in the past six to nine months. The most recent leases include Healthfirst who has signed a 172,000 square feet lease at 100 Church Street at an average base rent of $37 per square foot. 100 Church Street is substantially inferior to the subject property in terms of location and quality. In addition, New York Daily News is moving from Midtown and has signed a 100,000 square foot lease within 4 New York Plaza. Real estate market participants have indicated that more Midtown and Midtown South tenants are considering moving to Downtown Manhattan in search for lower rents.

Downtown Leasing Activity

After a weak first quarter 2010 with Downtown activity off the first quarter 2009 pace by 18.0 percent, leasing activity bounced back increasing by 14.3 percent since the second quarter 2009, with 1.6 million square feet leased year-to-date. The leasing activity was driven by two large deals, New York Liquidation Bureau's 116,540 square foot lease at 110 William Street, and NYC Construction Authority's 106,341 square foot lease at 26 Broadway. The largest transaction of the quarter was a renewal by Kenyon & Kenyon at One Broadway for 199,000 square feet.

DOWNTOWN MANHATTAN OVERALL ABSORPTION
2001 – 2Q 2010



Lease up Assumptions

In our analysis, we have assumed that the 339,429± square feet of vacant office, retail and storage space is leased over a 36 month absorption period from August 2010. This results in an absorption rate of 9,429± square feet per month or 28,286± square feet per quarter, which is generally consistent with opinioins of absorption from real estate market participants. Although vacancy in Downtown is negatively affected by recently vacated space occupied by Goldman Sachs and AIG, 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. In addition, our absorption estimate considers that the subject property has leased over 320,000 square feet to new and renewing office and retail tenants in the subject property since 2009. The following table summarizes our lease-up and absorption forecast.

SUMMARY OF VACANT SPACE ABSORPTION		
FLOOR	**START OF LEASE**	**SQUARE FEET**
Basement Storage	Nov-11	804
Basement Storage	Nov-11	2,640
Basement Storage	Nov-11	1,683
Basement Storage	Nov-11	2,640
Basement Storage	Nov-11	1,683
Grade Retail	Nov-11	4,923
Grade Retail	Nov-11	791
2nd Floor Retail	Nov-11	10,479
16th Floor Office	Nov-11	5,772
17th Floor Office	Feb-12	32,687
18th Floor Office	May-12	32,875
19th Floor Office	May-12	28,207
20th Floor Office	Aug-12	28,580
21st Floor Office	Aug-12	27,288
22nd Floor Office	Nov-12	27,212
23rd Floor Office	Feb-13	25,480
26th Floor Office	Feb-13	15,353
27th Floor Office	Feb-13	11,380
50th Floor Office	May-13	9,248
51st Floor Office	May-13	9,248
52nd Floor Office	May-13	9,248
53rd Floor Office	May-13	9,248
54th Floor Office	Aug-13	9,248
55th Floor Office	Aug-13	9,248
56th Floor Office	Aug-13	9,248
57th Floor Office	Aug-13	8,025
60th Floor Office	Aug-13	6,191
Total		**339,429**

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 5.00 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 15-year holding period is 93.95 percent. Including our overall vacancy/global credit loss allowance estimated at 5.00 percent for all tenants, the implied overall occupancy rate of the subject property over the holding period is 88.95 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 2007, 2008 and 2009; and budgeted expenses for 2010 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 2007		Actual CY 2008		Actual CY 2009	
	Total	Per SF	Total	Per SF	Total	Per SF
POTENTIAL GROSS REVENUE						
Base Rental Revenue	$29,934,290	$25.46	$31,296,235	$26.62	$26,875,182	$22.86
Base Rent Abatements	0	0.00	0	0.00	0	0.00
Real Estate Taxes	2,293,166	1.95	2,749,131	2.34	2,102,196	1.79
Operating Expenses	3,676,783	3.13	3,749,701	3.19	3,439,887	2.93
Tenant Electric	1,653,763	1.41	1,703,914	1.45	1,149,458	0.98
Sublease Profit	0	0.00	0	0.00	0	0.00
Miscellaneous Income	647,947	0.55	1,428,166	1.21	1,080,624	0.92
TOTAL POTENTIAL GROSS REVENUE	$38,205,949	$32.50	$40,927,147	$34.81	$34,647,347	$29.47
Vacancy and Collection Loss	0	0.00	0	0.00	0	0.00
EFFECTIVE GROSS REVENUE	$38,205,949	$32.50	$40,927,147	$34.81	$34,647,347	$29.47
OPERATING EXPENSES						
Payroll and Cleaning	$3,528,899	$3.00	$3,866,052	$3.29	$2,950,312	$2.51
Security	885,759	0.75	845,353	0.72	842,724	0.72
Repairs and Maintenance	2,563,670	2.18	2,759,093	2.35	2,018,054	1.72
Utilities	4,021,604	3.42	4,531,234	3.85	2,557,775	2.18
Casualty, Liability and Terrorism Insurance	1,381,367	1.18	1,188,591	1.01	1,043,125	0.89
Management Fee	100,000	0.09	100,000	0.09	100,000	0.09
General and Administrative	547,295	0.47	940,698	0.80	314,957	0.27
Miscellaneous	212,914	0.18	249,919	0.21	101,462	0.09
Sub Total	$13,241,508	$11.26	$14,480,940	$12.32	$9,928,409	$8.45
Ground Rent	1,525,000	1.30	$1,500,000	1.28	$1,500,000	1.28
Real Estate Taxes	4,857,581	4.13	5,320,389	4.53	6,211,014	5.28
TOTAL EXPENSES	$19,624,089	$16.69	$21,301,329	$18.12	$17,639,423	$15.00
NET OPERATING INCOME	$18,581,860	$15.81	$19,625,818	$16.69	$17,007,924	$14.47
CAPITAL EXPENDITURES						
Tenant Improvements	$0	$0.00	$0	$0.00	$0	$0.00
Leasing Commissions	0	0.00	0	0.00	0	0.00
Capital Reserves	0	0.00	0	0.00	0	0.00
TOTAL CAPITAL EXPENDITURES	$0	$0.00	$0	$0.00	$0	$0.00
CASH FLOW BEFORE DEBT SERVICE	$18,581,860	$15.81	$19,625,818	$16.69	$17,007,924	$14.47
Net Rentable Area:	1,175,607	Square Feet				

REVENUE AND EXPENSE ANALYSIS (CONTINUED)						
	Budget CY 2010		Budget Comparison		C&W Forecast FY 2010	
	Total	Per SF	Total	PSF	Total	Per SF
POTENTIAL GROSS REVENUE						
Base Rental Revenue	$23,480,517	$19.97	$1,625,621	$1.38	$25,106,138	$21.36
Base Rent Abatements	0	0.00	(2,421,675)	(2.06)	(2,421,675)	(2.06)
Real Estate Taxes	2,100,000	1.79	(458,926)	(0.39)	1,641,074	1.40
Operating Expenses	1,500,000	1.28	(162,646)	(0.14)	1,337,354	1.14
Tenant Electric	1,000,000	0.85	962,484	0.82	1,962,484	1.67
Sublease Profit	241,247	0.21	180	0.00	241,427	0.21
Miscellaneous Income	253,910	0.22	0	0.00	253,910	0.22
TOTAL POTENTIAL GROSS REVENUE	$28,575,674	$24.31	($454,962)	($0.39)	$28,120,712	$23.92
Vacancy and Collection Loss	0	0.00	(1,406,036)	(1.20)	(1,406,036)	(1.20)
EFFECTIVE GROSS REVENUE	$28,575,674	$24.31	($1,860,998)	($1.58)	$26,714,676	$22.72
OPERATING EXPENSES						
Payroll and Cleaning	$3,004,600	$2.56	$0	$0.00	$3,004,600	$2.56
Security	897,100	0.76	0	0.00	897,100	0.76
Repairs and Maintenance	2,765,400	2.35	0	0.00	2,765,400	2.35
Utilities	2,192,079	1.86	0	0.00	2,192,079	1.86
Casualty, Liability and Terrorism Insurance	1,078,500	0.92	0	0.00	1,078,500	0.92
Management Fee	100,000	0.09	252,682	0.21	352,682	0.30
General and Administrative	511,700	0.44	0	0.00	511,700	0.44
Miscellaneous	99,000	0.08	0	0.00	99,000	0.08
Sub Total	$10,648,379	$9.06	$252,682	$0.21	$10,901,061	$9.27
Ground Rent	$1,500,000	1.28	0	0.00	1,500,000	1.28
Real Estate Taxes	6,002,852	5.11	1,172,550	1.00	7,175,402	6.10
TOTAL EXPENSES	$18,151,231	$15.44	$1,425,232	$1.21	$19,576,463	$16.65
NET OPERATING INCOME	$10,424,443	$8.87	($3,286,230)	($2.80)	$7,138,213	$6.07
CAPITAL EXPENDITURES						
Tenant Improvements	$0	$0.00	$5,414,143	$4.61	$5,414,143	$4.61
Leasing Commissions	0	0.00	1,602,619	1.36	1,602,619	1.36
Capital Reserves	0	0.00	235,121	0.20	235,121	0.20
TOTAL CAPITAL EXPENDITURES	$0	$0.00	$7,251,883	$6.17	$7,251,883	$6.17
CASH FLOW BEFORE DEBT SERVICE	$10,424,443	$8.87	($10,538,113)	($8.96)	($113,670)	-$0.10
Net Rentable Area:	1,175,607	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 2010.

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 $3,528,899 in 2007, $3,866,052 in 2008 and $2,950,312 in 2009. The 2010 budget is $3,004,600. The 2010 budget is considered to be reasonable based on our analysis of comparable buildings that reflect costs ranging from $2.01 to $5.04 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 calendar year 2010 expense is $3,004,600 or $2.56 per square foot.
Security:	This expense includes costs related to service contracts for security and life safety maintenance. This expense was $885,759 in 2007, $845,353 in 2008 and $842,724 in 2009. The 2010 budget is $897,100. An analysis of competitive buildings reflects costs ranging from $0.23 to $0.79 per square foot. Our forecast of calendar year 2010 expense is $897,100 or $0.76 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 $2,563,670 in 2007, $2,759,093 in 2008 and $2,018,054 in 2009. The 2010 budget is $2,765,400. Competitive buildings reflect costs ranging from $0.52 to $5.09 per square foot. The higher end of this range reflects buildings that include the cost of other service contracts in this category. The subject property does not include building service contracts within this expense category. Our forecast of calendar year 2010 expense is $2,765,400 or $2.35 per square foot.

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 $4,021,604 in 2007, $4,531,234 in 2008 and $2,557,775 in 2009. The 2010 budget is $2,192,079, which we consider sufficient to provide electric to tenants in the building given Con Edison's recent increase in utility rates. An analysis of competitive buildings reflects costs ranging from $1.85 to $5.29 per square foot. The lower end of this range reflects buildings that are directly metered for tenant electric. Our forecast of calendar year 2010 expense is $2,192,079 or $1.86 per square foot.

Casualty, Liability and Terrorism Insurance:

The federal terrorism insurance law signed by President Bush has had a positive effect on insurance costs. The federal terrorism insurance act was reauthorized in 2009 and expires in 2022. 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.

The insurance expense for 40 Wall Street was $1,381,367 in 2007, $1,188,591 in 2008 and $1,043,125 in 2009. The 2010 budget is $1,078,500, which includes property policy, general liability and umbrella policy, fire and extended liability coverage, and terrorism coverage. An analysis of competitive buildings reflects costs ranging from $0.18 to $0.96 per square foot. Our forecast of calendar year 2010 expense is $1,078,500 or $0.92 per square foot, which **includes terrorism insurance**.

Management Fee:

The property owners currently act as managing agent for the property. Management fees were $100,000 in 2007, $100,000 in 2008 and $100,000 in 2009. The 2010 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 calendar year 2010 expense is $352,682 or $0.30 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 $547,295 in 2007, $940,698 in 2008 and $314,957 in 2009. The 2010 budget is $511,700. Competitive buildings reflect costs ranging from $0.07 to $0.62 per square foot. Our forecast of calendar year 2010 expense is $511,700 or $0.44 per square foot.

Miscellaneous: This expense includes costs not included elsewhere. This expense was $212,914 in 2007, $249,919 in 2008 and $101,462 in 2009. The 2010 budget is $99,000. Competitive buildings reflect costs ranging from $0.01 to $0.46 per square foot. Our forecast of calendar year 2010 expense is $99,000 or $0.08 per square foot.

Ground Rent: The ground rent payments total $1,500,000 or $1.28 per square foot. This represents our forecast of 2010 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 2010 real estate taxes including the ICIP tax exemption are projected to be $7,175,402 or $6.10 per square foot of rentable area ($6.76 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 $191,371. 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 calendar year 2010 are $10,901,061 or $9.27 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						
Property Name Year Built Rentable Area Source (Year)	4 New York Plaza 1968 1,085,272 Budget CY 2010		61 Broadway 1917/1985 700,966 Budget CY 2010		156 William Street 1955 257,430 Budget CY 2009	
	Annual Amount	Per SF	Annual Amount	Per SF	Annual Amount	Per SF
POTENTIAL GROSS REVENUE						
Base Rental Revenue	$19,479,901	$17.95	$22,678,050	$32.35	$4,992,747	$19.39
Base Rent Abatements	$0	$0.00	($13,102)	($0.02)	($383,831)	($1.49)
Real Estate Taxes	$1,308,520	$1.21	$251,316	$0.36	$286,402	$1.11
Operating Expenses	$1,723,652	$1.59	$164,320	$0.23	$0	$0.00
Tenant Electric	$2,535,508	$2.34	$2,030,218	$2.90	$403,945	$1.57
Sublease Profit	$0	$0.00	$0	$0.00	$0	$0.00
Miscellaneous Income	$0	$0.00	$0	$0.00	$6,000	$0.02
TOTAL POTENTIAL GROSS REVENUE	$25,047,581	$23.08	$25,110,802	$35.82	$5,305,263	$20.61
Vacancy and Collection Loss	($584,397)	($0.54)	($1,255,540)	($1.79)	$0	$0.00
EFFECTIVE GROSS REVENUE	$24,463,184	$22.54	$23,855,262	$34.03	$5,305,263	$20.61
OPERATING EXPENSES						
Payroll and Cleaning	$4,322,188	$3.98	$2,100,000	$3.00	$518,695	$2.01
Security	$499,225	$0.46	$400,000	$0.57	$60,000	$0.23
Repairs and Maintenance	$823,900	$0.76	$2,653,315	$3.79	$134,081	$0.52
Utilities	$4,717,702	$4.35	$1,913,163	$2.73	$1,030,200	$4.00
Casualty, Liability and Terrorism Insurance	$596,491	$0.55	$150,000	$0.21	$72,623	$0.28
Management Fee	$249,442	$0.23	$477,105	$0.68	$60,000	$0.23
General and Administrative	$108,453	$0.10	$300,000	$0.43	$123,000	$0.48
Miscellaneous	$162,679	$0.15	$100,000	$0.14	$21,464	$0.08
Subtotal	$11,480,080	$10.58	$8,093,583	$11.55	$2,020,063	$7.85
Ground Rent	$0	$0.00	$0	$0.00	$0	$0.00
Real Estate Taxes	$6,040,842	$5.57	$3,385,398	$4.83	$910,831	$3.54
TOTAL EXPENSES	$17,520,922	$16.14	$11,478,981	$16.38	$2,930,894	$11.39
NET OPERATING INCOME	$6,942,262	$6.40	$12,376,281	$17.66	$2,374,369	$9.22
CAPITAL EXPENDITURES						
Tenant Improvements	$0	$0.00	$0	$0.00	$851,965	$3.31
Leasing Commissions	$0	$0.00	$0	$0.00	$426,008	$1.65
Capital Reserves	$325,582	$0.30	$0	$0.00	$0	$0.00
TOTAL CAPITAL EXPENDITURES	$325,582	$0.30	$0	$0.00	$1,277,973	$4.96
CASH FLOW BEFORE DEBT SERVICE	$6,616,680	$6.10	$12,376,281	$17.66	$1,096,396	$4.26

COMPARABLE OFFICE BUILDING EXPENSE ANALYSIS (CONTINUED)						
Property Name Year Built Rentable Area Source (Year)	88 Pine Street 1973 623,858 Budget CY 2010		160 Water Street 1970 488,862 Budget CY 2010		100 Church Street 1958 1,078,067 Budget CY 2009	
	Annual Amount	Per SF	Annual Amount	Per SF	Annual Amount	Per SF
POTENTIAL GROSS REVENUE						
Base Rental Revenue	$24,610,408	$39.45	$13,415,975	$27.44	$33,309,647	$30.90
Base Rent Abatements	($1,736,655)	($2.78)	$0	$0.00	($13,406)	($0.01)
Real Estate Taxes	$1,403,817	$2.25	$400,000	$0.82	$1,605,913	$1.49
Operating Expenses	$942,909	$1.51	$484,372	$0.99	$1,061,637	$0.98
Tenant Electric	$1,745,110	$2.80	$692,500	$1.42	$2,982,075	$2.77
Sublease Profit	$0	$0.00	$0	$0.00	$0	$0.00
Miscellaneous Income	$0	$0.00	$0	$0.00	$0	$0.00
TOTAL POTENTIAL GROSS REVENUE	$26,965,589	$43.22	$14,992,847	$30.67	$38,945,866	$36.13
Vacancy and Collection Loss	$0	$0.00	$0	$0.00	($1,954,532)	($1.81)
EFFECTIVE GROSS REVENUE	$26,965,589	$43.22	$14,992,847	$30.67	$36,991,334	$34.31
OPERATING EXPENSES						
Payroll and Cleaning	$1,959,390	$3.14	$2,156,076	$4.41	$3,701,562	$3.43
Security	$334,513	$0.54	$316,800	$0.65	$848,732	$0.79
Repairs and Maintenance	$3,176,428	$5.09	$689,038	$1.41	$1,385,101	$1.28
Utilities	$2,600,000	$4.17	$1,289,963	$2.64	$2,947,708	$2.73
Casualty, Liability and Terrorism Insurance	$200,000	$0.32	$205,000	$0.42	$1,037,691	$0.96
Management Fee	$116,000	$0.19	$146,659	$0.30	$386,181	$0.36
General and Administrative	$205,600	$0.33	$134,232	$0.27	$119,405	$0.11
Miscellaneous	$121,000	$0.19	$3,000	$0.01	$500,912	$0.46
Subtotal	$8,712,931	$13.97	$4,940,768	$10.11	$10,927,292	$10.14
Ground Rent	$75,000	$0.12	$0	$0.00	$0	$0.00
Real Estate Taxes	$4,885,820	$7.83	$2,640,000	$5.40	$4,273,347	$3.96
TOTAL EXPENSES	$13,673,751	$21.92	$7,580,768	$15.51	$15,200,639	$14.10
NET OPERATING INCOME	$13,291,839	$21.31	$7,412,079	$15.16	$21,790,695	$20.21
CAPITAL EXPENDITURES						
Tenant Improvements	$1,010,000	$1.62	$0	$0.00	$0	$0.00
Leasing Commissions	$2,982,000	$4.78	$0	$0.00	$0	$0.00
Capital Reserves	$0	$0.00	$0	$0.00	$0	$0.00
TOTAL CAPITAL EXPENDITURES	$3,992,000	$6.40	$0	$0.00	$0	$0.00
CASH FLOW BEFORE DEBT SERVICE	$9,299,839	$14.91	$7,412,079	$15.16	$21,790,695	$20.21

COMPARABLE OFFICE BUILDING EXPENSE ANALYSIS (CONTINUED)

Property Name Year Built Rentable Area Source (Year)	33 Whitehall Street 1985 420,341 Budget CY 2010		40 Rector Street 1922/1971 444,763 Budget CY 2010		60 Broad Street 1961 1,009,071 Budget CY 2009	
	Annual Amount	Per SF	Annual Amount	Per SF	Annual Amount	Per SF
POTENTIAL GROSS REVENUE						
Base Rental Revenue	$18,287,300	$43.51	$8,631,299	$19.41	$34,580,297	$34.27
Base Rent Abatements	($487,100)	($1.16)	($265,781)	($0.60)	($304,146)	($0.30)
Real Estate Taxes	$392,500	$0.93	$650,000	$1.46	$2,175,431	$2.16
Operating Expenses	$2,600	$0.01	$1,260,000	$2.83	$1,303,727	$1.29
Tenant Electric	$130,200	$0.31	$1,000,000	$2.25	$5,942,367	$5.89
Sublease Profit	$0	$0.00	$0	$0.00	$0	$0.00
Miscellaneous Income	$0	$0.00	$0	$0.00	$0	$0.00
TOTAL POTENTIAL GROSS REVENUE	$18,325,500	$43.60	$11,275,518	$25.35	$43,697,676	$43.30
Vacancy and Collection Loss	$0	$0.00	$0	$0.00	$0	$0.00
EFFECTIVE GROSS REVENUE	$18,325,500	$43.60	$11,275,518	$25.35	$43,697,676	$43.30
OPERATING EXPENSES						
Payroll and Cleaning	$2,120,400	$5.04	$1,807,079	$4.06	$3,554,362	$3.52
Security	$324,100	$0.77	$297,189	$0.67	$716,686	$0.71
Repairs and Maintenance	$385,900	$0.92	$382,896	$0.86	$2,094,401	$2.08
Utilities	$777,800	$1.85	$2,352,213	$5.29	$4,099,992	$4.06
Casualty, Liability and Terrorism Insurance	$335,700	$0.80	$372,312	$0.84	$185,148	$0.18
Management Fee	$351,600	$0.84	$349,435	$0.79	$708,978	$0.70
General and Administrative	$28,900	$0.07	$221,337	$0.50	$622,841	$0.62
Miscellaneous	$81,500	$0.19	$101,246	$0.23	$89,273	$0.09
Subtotal	$4,405,900	$10.48	$5,883,707	$13.23	$12,071,682	$11.96
Ground Rent	$0	$0.00	$0	$0.00	$0	$0.00
Real Estate Taxes	$3,356,000	$7.98	$2,619,054	$5.89	$5,948,472	$5.89
TOTAL EXPENSES	$7,761,900	$18.47	$8,502,761	$19.12	$18,020,154	$17.86
NET OPERATING INCOME	$10,563,600	$25.13	$2,772,757	$6.23	$25,677,522	$25.45
CAPITAL EXPENDITURES						
Tenant Improvements	$938,600	$2.23	$0	$0.00	$637,450	$0.63
Leasing Commissions	$542,100	$1.29	$0	$0.00	$0	$0.00
Capital Reserves	$0	$0.00	$0	$0.00	$0	$0.00
TOTAL CAPITAL EXPENDITURES	$1,480,700	$3.52	$0	$0.00	$637,450	$0.63
CASH FLOW BEFORE DEBT SERVICE	$9,082,900	$21.61	$2,772,757	$6.23	$25,040,072	$24.81

COMPARABLE OFFICE BUILDING EXPENSE ANALYSIS (CONTINUED)						
Property Name Year Built Rentable Area	40 Wall Street (Subject) 1929/1995 1,175,607					
Source (Year)	Budget CY 2010		C&W Forecast CY 2010		Expense Comparables	
	Annual Amount	Per SF	Annual Amount	Per SF	Minimum Per SF	Maximum Per SF
POTENTIAL GROSS REVENUE						
Base Rental Revenue	$23,480,517	$19.97	$25,106,138	$21.36	$17.95	$43.51
Base Rent Abatements	$0	$0.00	($2,421,675)	($2.06)	($2.78)	$0.00
Real Estate Taxes	$2,100,000	$1.79	$1,641,074	$1.40	$0.36	$2.25
Operating Expenses	$1,500,000	$1.28	$1,337,354	$1.14	$0.00	$2.83
Tenant Electric	$1,000,000	$0.85	$1,962,484	$1.67	$0.31	$5.89
Sublease Profit	$241,247	$0.21	$241,427	$0.21	$0.00	$0.00
Miscellaneous Income	$253,910	$0.22	$253,910	$0.22	$0.00	$0.02
TOTAL POTENTIAL GROSS REVENUE	$28,575,674	$24.31	$28,120,712	$23.92	$20.61	$43.60
Vacancy and Collection Loss	$0	$0.00	($1,406,036)	($1.20)	($1.81)	$0.00
EFFECTIVE GROSS REVENUE	$28,575,674	$24.31	$26,714,676	$22.72	$20.61	$43.60
OPERATING EXPENSES						
Payroll and Cleaning	$3,004,600	$2.56	$3,004,600	$2.56	$2.01	$5.04
Security	$897,100	$0.76	$897,100	$0.76	$0.23	$0.79
Repairs and Maintenance	$2,765,400	$2.35	$2,765,400	$2.35	$0.52	$5.09
Utilities	$2,192,079	$1.86	$2,192,079	$1.86	$1.85	$5.29
Casualty, Liability and Terrorism Insurance	$1,078,500	$0.92	$1,078,500	$0.92	$0.18	$0.96
Management Fee	$100,000	$0.09	$352,682	$0.30	$0.19	$0.84
General and Administrative	$511,700	$0.44	$511,700	$0.44	$0.07	$0.62
Miscellaneous	$99,000	$0.08	$99,000	$0.08	$0.01	$0.46
Subtotal	$10,648,379	$9.06	$10,901,061	$9.27	$7.85	$13.97
Ground Rent	$1,500,000	$1.28	$1,500,000	$1.28	$0.00	$0.12
Real Estate Taxes	$6,002,852	$5.11	$7,175,402	$6.10	$3.54	$7.98
TOTAL EXPENSES	$18,151,231	$15.44	$19,576,463	$16.65	$11.39	$21.92
NET OPERATING INCOME	$10,424,443	$8.87	$7,138,213	$6.07	$6.23	$25.45
CAPITAL EXPENDITURES						
Tenant Improvements	$0	$0.00	$5,414,143	$4.61	$0.00	$3.31
Leasing Commissions	$0	$0.00	$1,602,619	$1.36	$0.00	$4.78
Capital Reserves	$0	$0.00	$235,121	$0.20	$0.00	$0.30
TOTAL CAPITAL EXPENDITURES	$0	$0.00	$7,251,883	$6.17	$0.00	$6.40
CASH FLOW BEFORE DEBT SERVICE	$10,424,443	$8.87	($113,670)	($0.10)	$4.26	$24.81

The six expense comparables reflect a range of $7.85 to $13.97 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 $9.27 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 NRA
4 New York Plaza	1968	1,085,272	Budget CY 2010	$10.58
61 Broadway	1917/1985	700,966	Budget CY 2010	$11.55
156 William Street	1955	257,430	Budget CY 2009	$7.85
88 Pine Street	1973	623,858	Budget CY 2010	$13.97
160 Water Street	1970	488,862	Budget CY 2010	$10.11
100 Church Street	1958	1,078,067	Budget CY 2009	$10.14
33 Whitehall Street	1985	420,341	Budget CY 2010	$10.48
40 Rector Street	1922/1971	444,763	Budget CY 2010	$13.23
60 Broad Street	1961	1,009,071	Budget CY 2009	$11.96

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 3.50 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 2010 projection of $235,121 or $0.20 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:	16 years
Holding Period:	15 years
Start Dates:	August 1, 2010 "As Is"
	August 1, 2015 "Prospective Market Value"
Reversion Year:	FY 2026 (16th fiscal year)
Vacancy & Collection Loss:	5.00% (average; applied to all tenants)
Consumer Price Index (CPI):	3.00%
Expense Growth Rate:	3.00%
Real Estate Tax Growth Rate:	3.50% (years 1-5) and 3.00% (thereafter)
Rates of Return	
Discount Rate:	8.50% (see Discount Rate Analysis)
Terminal Cap Rate:	7.50% (applied to reversion year net operating income)
Reversionary Sales Cost:	4.00% (includes brokerage, legal fees and estimated transfer taxes)
Indicated "As Is" Value:	$200,000,000
Indicated "Prospective" Value:	$280,000,000

LEASING ASSUMPTIONS	LARGE OFFICE TENANTS	SMALL OFFICE TENANTS	RETAIL TENANTS	STORAGE TENANTS
Market Rent per Square Foot	Floors 2-12 $28.00/sf; Floors 14-19 $30.00/sf	Floors 2-12 $28.00/sf; Floors 14-19 $30.00/sf	$150.00/sf (Small); $65.00/sf (Large); $60.00/sf (Pine Street); $35.00/sf (Second Floor); $10.00/sf (Basement)	$10.00/sf/sf
Market Rent Growth Rate:	3.00%	3.00%	3.00%	3.00%
Lease Term (years):	15	10	10	10
Free Rent (months)				
New Leases:	12	10	6	6
Renewals:	6	5	3	3
Downtime Between Leases (months):	8	8	8	8
	Downtime between leases is prior to renewal probability of 65.00%; effective vacancy is 3 months.			
Renewal Probability:	65.00%	65.00%	65.00%	65.00%
Capital Expenditures:				
Tenant Improvements ($/SF)				
New Leases:	$50.00	$45.00	None	None
Renewals:	$25.00	$22.50	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 16-year cash flow projection, which includes our 15-year holding period and 16-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 August 1, 2010
Cash Flow Analysis

	YEAR 1 FY 2011	YEAR 2 FY 2012	YEAR 3 FY 2013	YEAR 4 FY 2014	YEAR 5 FY 2015	YEAR 6 FY 2016	YEAR 7 FY 2017	YEAR 8 FY 2018	YEAR 9 FY 2019	YEAR 10 FY 2020	YEAR 11 FY 2021	YEAR 12 FY 2022	YEAR 13 FY 2023	YEAR 14 FY 2024	YEAR 15 FY 2025	YEAR 16 FY 2026
POTENTIAL GROSS INCOME																
Base Rental Revenue	$25,106,138	$29,972,303	$37,380,260	$40,875,831	$42,909,151	$43,794,815	$43,016,360	$43,958,887	$44,384,047	$44,945,389	$46,849,277	$49,775,983	$52,880,882	$54,576,780	$55,969,413	$56,175,935
Base Rent Abatements	($2,421,675)	($4,664,322)	($7,235,899)	($4,573,223)	($3,393,331)	($908,186)	($661,537)	($1,732,478)	($750,083)	($808,346)	($2,816,774)	($4,602,440)	($2,234,507)	($3,704,242)	($85,970)	($2,517,124)
BASE RENTAL INCOME	$22,684,463	$25,307,981	$30,144,361	$36,302,608	$39,515,820	$42,886,629	$42,354,823	$42,226,409	$43,633,964	$44,137,043	$44,032,503	$45,173,543	$50,646,375	$50,872,538	$55,883,443	$53,658,811
Real Estate Taxes	$1,641,074	$1,335,685	$1,627,113	$1,598,987	$1,197,698	$1,433,420	$1,648,771	$1,811,858	$2,036,479	$2,253,957	$2,318,019	$2,205,437	$2,275,758	$2,350,611	$2,678,153	$2,725,919
Operating Expenses	$1,337,354	$1,098,410	$1,328,294	$1,314,802	$989,977	$1,323,740	$1,658,516	$1,929,941	$2,268,484	$2,595,117	$2,758,356	$2,718,087	$2,866,738	$2,979,938	$3,441,454	$3,577,010
Tenant Electric	$1,962,484	$2,056,724	$1,938,404	$1,872,145	$1,977,909	$2,031,886	$2,101,265	$2,163,080	$2,215,257	$2,270,206	$2,346,284	$2,358,052	$2,503,386	$2,573,838	$2,640,594	$2,725,658
TOTAL REIMBURSEMENT REVENUE	$4,940,912	$4,490,819	$4,893,811	$4,785,934	$4,165,584	$4,789,046	$5,408,552	$5,904,879	$6,520,220	$7,119,280	$7,422,659	$7,281,576	$7,645,882	$7,904,387	$8,760,201	$9,028,587
Add: Other Income	$253,910	$261,527	$269,373	$277,454	$285,778	$294,351	$303,182	$312,277	$321,646	$331,295	$341,234	$351,471	$362,015	$372,875	$384,062	$395,584
Add: Sublease Profit	$241,427	$224,299	$212,491	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
POTENTIAL GROSS INCOME	$28,120,712	$30,284,626	$35,520,036	$41,365,996	$43,967,182	$47,970,026	$48,066,557	$48,443,565	$50,475,830	$51,587,618	$51,796,396	$52,806,590	$58,654,272	$59,149,800	$65,027,706	$63,082,982
Less: Vacancy & Collection Loss	($1,406,036)	($1,514,231)	($1,776,002)	($2,068,300)	($2,198,359)	($2,398,501)	($2,403,328)	($2,422,178)	($2,523,792)	($2,579,381)	($2,589,820)	($2,640,330)	($2,932,714)	($2,957,490)	($3,251,385)	($3,154,149)
EFFECTIVE GROSS INCOME	$26,714,676	$28,770,395	$33,744,034	$39,297,696	$41,768,823	$45,571,525	$45,663,229	$46,021,387	$47,952,038	$49,008,237	$49,206,576	$50,166,260	$55,721,558	$56,192,310	$61,776,321	$59,928,833
OPERATING EXPENSES																
Real Estate Taxes	$7,175,402	$7,582,270	$8,040,374	$8,445,899	$8,804,132	$9,120,486	$9,395,881	$9,679,591	$9,971,867	$10,272,970	$10,583,163	$10,902,723	$11,231,932	$11,571,082	$11,920,473	$12,278,087
Operating Expenses	$10,901,061	$11,228,093	$11,564,936	$11,911,883	$12,269,240	$12,637,318	$13,016,436	$13,406,932	$13,809,140	$14,223,414	$14,650,114	$15,089,617	$15,542,305	$16,008,576	$16,488,832	$16,983,499
Ground Rent	$1,500,000	$1,587,500	$1,650,000	$1,650,000	$1,650,000	$1,650,000	$1,650,000	$1,746,250	$1,815,000	$2,101,629	$2,306,364	$2,306,364	$2,306,364	$2,446,441	$2,546,496	$2,546,496
TOTAL OPERATING EXPENSES	$19,576,463	$20,397,863	$21,255,310	$22,007,782	$22,723,372	$23,407,804	$24,062,317	$24,832,773	$25,596,007	$26,598,013	$27,539,641	$28,298,704	$29,080,601	$30,026,099	$30,955,801	$31,808,082
NET OPERATING INCOME	$7,138,213	$8,372,532	$12,488,724	$17,289,914	$19,045,451	$22,163,721	$21,600,912	$21,188,614	$22,356,031	$22,410,224	$21,666,935	$21,867,556	$26,640,957	$26,166,211	$30,820,520	$28,120,751
Per Square Foot	*$6.07*	*$7.12*	*$10.62*	*$14.71*	*$16.20*	*$18.85*	*$18.37*	*$18.02*	*$19.02*	*$19.06*	*$18.43*	*$18.60*	*$22.66*	*$22.26*	*$26.22*	*$23.92*

40 Wall Street
Market Value "As Is" on August 1, 2010
Cash Flow Analysis

	YEAR 1 FY 2011	YEAR 2 FY 2012	YEAR 3 FY 2013	YEAR 4 FY 2014	YEAR 5 FY 2015	YEAR 6 FY 2016	YEAR 7 FY 2017	YEAR 8 FY 2018
LEASING & CAPITAL COSTS								
Tenant Improvements	$5,414,143	$8,912,708	$9,164,487	$7,625,986	$612,124	$1,101,821	$974,662	$2,737,971
Leasing Commissions	$1,602,619	$3,612,330	$3,344,407	$2,899,671	$192,645	$403,100	$358,740	$1,055,371
Capital Reserves	$235,121	$242,175	$249,440	$256,924	$264,631	$272,570	$280,747	$289,170
TOTAL LEASING & CAPITAL COSTS	$7,251,883	$12,767,213	$12,758,334	$10,782,581	$1,069,400	$1,777,491	$1,614,149	$4,082,512
TOTAL CASH FLOW	($113,670)	($4,394,681)	($269,610)	$6,507,333	$17,976,051	$20,386,230	$19,986,763	$17,106,102
Annual Overall Capitalization Rate	*3.57%*	*4.19%*	*6.24%*	*8.64%*	*9.52%*	*11.08%*	*10.80%*	*10.59%*
Annual Cash on Cash Return	*-0.06%*	*-2.20%*	*-0.13%*	*3.25%*	*8.99%*	*10.19%*	*9.99%*	*8.55%*

	YEAR 9 FY 2019	YEAR 10 FY 2020	YEAR 11 FY 2021	YEAR 12 FY 2022	YEAR 13 FY 2023	YEAR 14 FY 2024	YEAR 15 FY 2025	YEAR 16 FY 2026
LEASING & CAPITAL COSTS								
Tenant Improvements	$839,939	$1,491,243	$3,399,206	$7,601,567	$2,207,382	$3,935,606	$526,253	$6,095,693
Leasing Commissions	$308,547	$596,169	$1,236,389	$3,076,472	$741,299	$1,577,149	$161,261	$2,629,643
Capital Reserves	$297,845	$306,780	$315,984	$325,463	$335,227	$345,284	$355,642	$366,311
TOTAL LEASING & CAPITAL COSTS	$1,446,331	$2,394,192	$4,951,579	$11,003,502	$3,283,908	$5,858,039	$1,043,156	$9,091,647
TOTAL CASH FLOW	$20,909,700	$20,016,032	$16,715,356	$10,864,054	$23,357,049	$20,308,172	$29,777,364	$19,029,104
Annual Overall Capitalization Rate	*11.18%*	*11.21%*	*10.83%*	*10.93%*	*13.32%*	*13.08%*	*15.41%*	
Annual Cash on Cash Return	*10.45%*	*10.01%*	*8.36%*	*5.43%*	*11.68%*	*10.15%*	*14.89%*	

PROPERTY VALUATION MATRIX AND CASH FLOW SUMMARY ($000's)

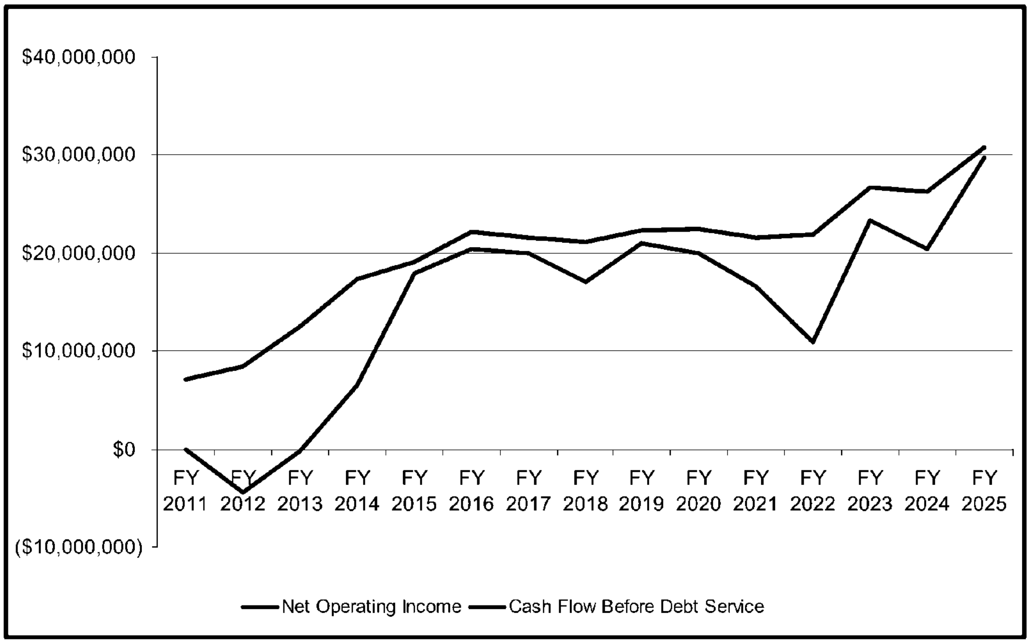
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
Net Cash Flow	($114)	($4,395)	($270)	$6,507	$17,976	$20,386	$19,987	$17,106	$20,910	$20,016	$16,715	$10,864	$23,357	$20,308	$29,777
Residual Value	0	0	0	0	0	0	0	0	0	0	0	0	0	0	351,220
Total Cash Flow Proceeds	($114)	($4,395)	($270)	$6,507	$17,976	$20,386	$19,987	$17,106	$20,910	$20,016	$16,715	$10,864	$23,357	$20,308	$380,998

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

IRR	Terminal Cap Rate 6.50%	7.00%	7.50%	8.00%	8.50%
7.50%	$244,820 ($208)	$234,794 ($200)	$226,105 ($192)	$218,502 ($186)	$211,793 ($180)
8.00%	$230,961 ($196)	$221,609 ($189)	$213,504 ($182)	$206,413 ($176)	$200,155 ($170)
8.50%	$218,001 ($185)	$209,275 ($178)	$201,713 ($172)	$195,096 ($166)	$189,257 ($161)
9.00%	$205,875 ($175)	$197,731 ($168)	$190,673 ($162)	$184,496 ($157)	$179,047 ($152)
9.50%	$194,525 ($165)	$186,921 ($159)	$180,331 ($153)	$174,564 ($148)	$169,476 ($144)

VALUATION ASSUMPTIONS	
Discount Rate:	8.50%
Terminal Cap Rate:	7.50%
Cost of Sale at Reversion	4.00%
Square Footage NRA (sf)	1,175,607
Holding Period	15 Years
Value of Cash Flow	98,404,882
Value of Reversion	103,307,894
ESTIMATED MARKET VALUE	$200,000,000
Per Square Foot	$170.12

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



INVESTMENT CONSIDERATIONS

THE FINANCIAL CRISIS

The credit crunch that began to unfold in the U.S. in mid-2007 evolved into a global financial crisis by October 2008, soon after the Lehman Brothers bankruptcy. Many market observers equate this crisis as the greatest challenge to the world's economic health since the Great Depression. Its effects have radically reshaped the financial sector, and its consequences continue to impact nearly every other industry. Although many financial experts believe that the worst may be behind us, economic data continues to send mixed signals.

From the start, government efforts to combat the crisis were not only robust but also unprecedented. The Emergency Economic Stabilization Act of October 2008 (EESA) allowed Treasury to facilitate the $700.0 billion Troubled Asset Relief Program (TARP) also known as "the bailout". In February of 2009, the American Recovery and Reinvestment Act of 2009 (AARA) was enacted by Congress and signed into law. Better known as the "stimulus bill", the $787.0 billion package included federal tax cuts and extended unemployment benefits, in addition to increasing domestic spending on education, health care, and infrastructure. So far, about a third of the "stimulus" money has been spent. Time will tell if a second "stimulus" is needed, as some leading economists argue. For the time being, however, it appears that government policies have successfully reinvigorated the financial markets.

The fallout from the crisis was significant, widespread, and permanently altered the financial landscape. Institutions such as Lehman Brothers, which had been around for well over a century, were acquired, filed for Chapter 11 bankruptcy protection, or placed into federal conservatorship. Money from TARP flooded these companies with the much-needed cash to stay afloat, pulling them, and the economy at large, from the brink of collapse. To date, a few major institutions such as Bank of America, JPMorgan Chase, and Goldman Sachs have repaid their TARP loans; however, most of this has been done with capital raised from the issuance of equity securities and debt not necessarily guaranteed by the federal government.

Currently, the biggest concern for investors is job growth and its consequent impact on leasing activity. Without this core demand driver and a solid economic recovery, occupancy and rents will not recover and market revitalization will be muted. In the first half of 2010, a renewed vigor in the capital markets helped lift values and compressed overall capitalization rates in some transactions. This is beginning to show up in sales and surveys but the sustainability of this trend will become clearer during the second half of 2010 as more and deals emerge.

Economic Impact

The U.S. officially entered this recession in December 2007. Though no official end has been announced, the economy grew by 2.2 percent in the third quarter of 2009, 5.6 percent in the fourth quarter (the best performance since 2003), and 3.2 percent in 2010's first quarter. Most estimates place the year-end 2010 growth somewhere in the 3.0 percent range, but the economy remains volatile and there is no clear evidence that we are out of the woods.

Due to this ongoing economic uncertainty, the National Bureau of Economic Research (NBER) remains cautious and has yet to declare an end to the recession. Despite some economists' concerns about a "double-dip" recession the consensus of experts suggests that such a scenario is unlikely, and slow improvement in economic fundamentals is expected.

Listed below are some notable economic trends:

- Following two years of job losses, job creation increased in the first quarter of 2010. In June 2010, however, the U.S. experienced its second straight month of lackluster hiring. Although the unemployment rate managed to slip to 9.5 percent from 9.7 percent in May, it was largely a result of 652,000 people abandoning their job searches.
- In June 2010, retail sales tumbled for their second straight month, raising concerns about consumer spending. Retail sales decreased by 0.5 percent, notably higher than the Dow Jones Newswires forecast of a 0.3 percent decline. Driving June's drop was a lower demand for cars and parts.
- The National Association of Realtors (NAR) reported that June 2010 existing home sales fell 5.1 percent over May 2010 but are 9.8 percent higher than they were in June 2009. NAR noted that sales will likely slow in the coming months following the end of the tax credit, and that it will begin to show significant improvement as more jobs are created.

Commercial Real Estate Market Impact

In mid-2010, the commercial real estate sector remains troubled. Not only is it a concern for banks holding commercial real estate loans, but to the entire economy as a whole. In fact, a congressional panel announced earlier this year that mounting commercial real estate loans could endanger the banking system and dampen economic recovery. Over the next four years, a total of $1.4 trillion in commercial loans will require financing, while more than half of those loans are currently "under water." Expected losses may total between $200.0 and $300.0 billion, threatening roughly 3,000 small and mid-size banks that hold a disproportionate share of commercial real estate assets on their books.

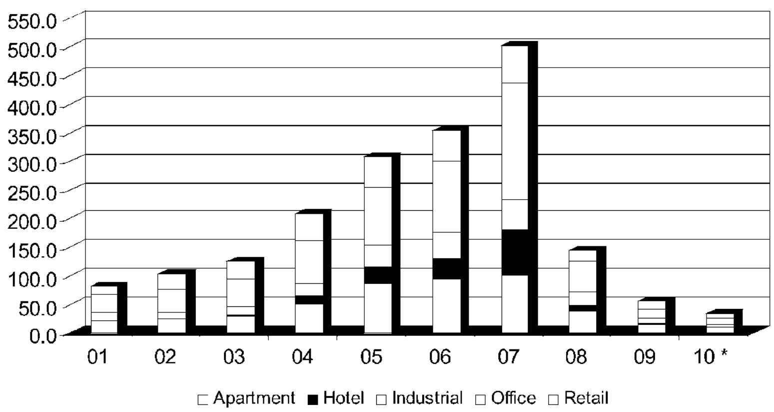
Proposed efforts to combat the crisis range from government intervention similar to the TARP program, and "stress tests" for banks that are heavily concentrated with commercial real estate loans. The response will likely be one that will force banks to closely monitor losses and take appropriate action. Any actions taken will undoubtedly be closely watched by investors.

Over the past few years, reduced credit availability and sellers' refusals to lower pricing, translated into significantly reduced transaction volume. According to Real Capital Analytics, the dollar volume of commercial real estate sales increased about 300.0 percent between 2003 and 2007, but decreased by 71.0 percent in 2008 and by roughly 63.0 percent in 2009. Total volume in 2009 was 89.0 percent below the frenetic pace recorded in 2007.

As of mid-year 2010, sales volume appears to be making a comeback. Totaling $36.4 billion, or a 68.0 percent increase over mid-year 2009, year-to-date sales volume is the highest it's been since third quarter 2008. Still, the road to recovery is not without its bumps. Most of these deals are concentrated in major cities and in top tier markets. On top of this, high sales volume is somewhat deceiving as the number of deals actually transpiring is not advancing at the same rapid clip. In fact, Real Capital Analytics recorded 534 sales in the first half of 2010, representing only a 16.8 percent increase from a year ago. This is expected to change during the second half of 2010, however, as renewed interest and more capital flood the markets.

The following graph displays national transaction activity by property type between 2001 and mid-year 2010:

National Transaction Activity by Property Type



Source: Real Capital Analytics, Inc.
Notes: * Year-to-Date 2010, Hotel data not avail. until 2004, Numbers reflect billions

Though Federal monetary policy (low interest rates) remains favorable for real estate investors, market remains essentially bifurcated. On one end of the spectrum, significant capital is chasing the highest quality institutional-grade assets, which is leading to compressed OARs. On the other end of the spectrum is the distressed market wherein large opportunity funds are looking for larger distressed properties and value-add opportunities. There is still a very limited market for properties in the middle.

Other important points to consider include:

- An increasing number of deals which are too troubled to save and work through the REO/foreclosure process are expected to be brought to market in the second half of 2010.
- As the number of deals increase and more "troubled" properties enter the market, loan restructuring will become more common. Fortunately, adjusting debt service coverage ratios and the handling of non-performing loans, in general, are more easily accommodated in the current low interest rate environment.
- A growing number of market experts believe that office and industrial markets have reached a bottom in most major markets across the country. This is evidenced by stabilizing vacancy rates and the return of positive absorption.

CONCLUSION

As market observers who simulate behavior rather than affect it, we still await market evidence as to the long-term impact of the credit crisis. Risk is considered in the context of our anticipation of rental growth and most vividly in our overall capitalization and discount rate selections. Current active investor behavior reflects a higher cost of capital with the exception of top tier assets in target markets, concern about the economy, a reduced pool of investors (although this is growing), and more conservative rent growth and cash flow modeling assumptions. We recognize also that the new market purchasers will have a greater equity interest and lenders will be working with more conventional lending margins, debt and equity coverage ratios.

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 **Midtown and Downtown** Manhattan office building sales.

SALES ECONOMIC INDICATORS - DOWNTOWN MANHATTAN

No.	Sales Date	Property Name	Price	Price/ NRA	EGIM	OAR	Forecast	IRR	Terminal OAR
1	Contract	72 Wall Street	$60,000,000	$186	--	--	--	--	--
2	Dec-09	4 New York Plaza	$107,000,000	$99	4.28	4.21%	14	9.00%	8.00%
3	May-09	70 Pine Street	$115,000,000	$109	–	–	10	10.00%	9.00%
4	May-09	72 Wall Street	$35,000,000	$108	--	--	10	10.00%	9.00%
5	Jan-08	156 William Street	$60,000,000	$233	9.92	7.08%	10	8.00%	7.00%

** Compiled by Cushman & Wakefield Valuation & Advisory Services*

SALES ECONOMIC INDICATORS - MIDTOWN MANHATTAN

No.	Sales Date	Property Name	Price	Price/ NRA	EGIM	OAR	Forecast	IRR	Terminal OAR
1	Contract	125 Park Avenue	$330,000,000	$507	9.53	5.72%	10	7.50%	6.00%
2	Contract	340 Madison Avenue	$570,000,000	$756	11.69	6.21%	10	7.50%	6.00%
3	Jun-10	417 Fifth Avenue	$140,000,000	$339	7.62	7.72%	10	8.00%	7.00%
4	Apr-10	650 Madison Avenue	$575,000,000	$966	12.87	5.09%	10	8.00%	6.00%
5	Apr-10	600 Lexington Avenue	$193,000,000	$635	11.27	5.28%	10	7.00%	6.00%
6	Jan-10	299 Park Avenue	$620,000,000	$547	6.58	8.39%	10	8.50%	6.50%
7	Oct-09	452 Fifth Avenue	$330,000,000	$379	7.36	8.12%	13	8.00%	7.00%
8	Jul-09	Worldwide Plaza	$605,000,000	$315	7.82	6.16%	12	9.00%	7.50%
9	Mar-09	1540 Broadway	$355,000,000	$391	7.77	6.50%	12	9.00%	7.50%

** Compiled by Cushman & Wakefield Valuation & Advisory Services*

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 Korpacz Real Estate Investor Survey published by PricewaterhouseCoopers.

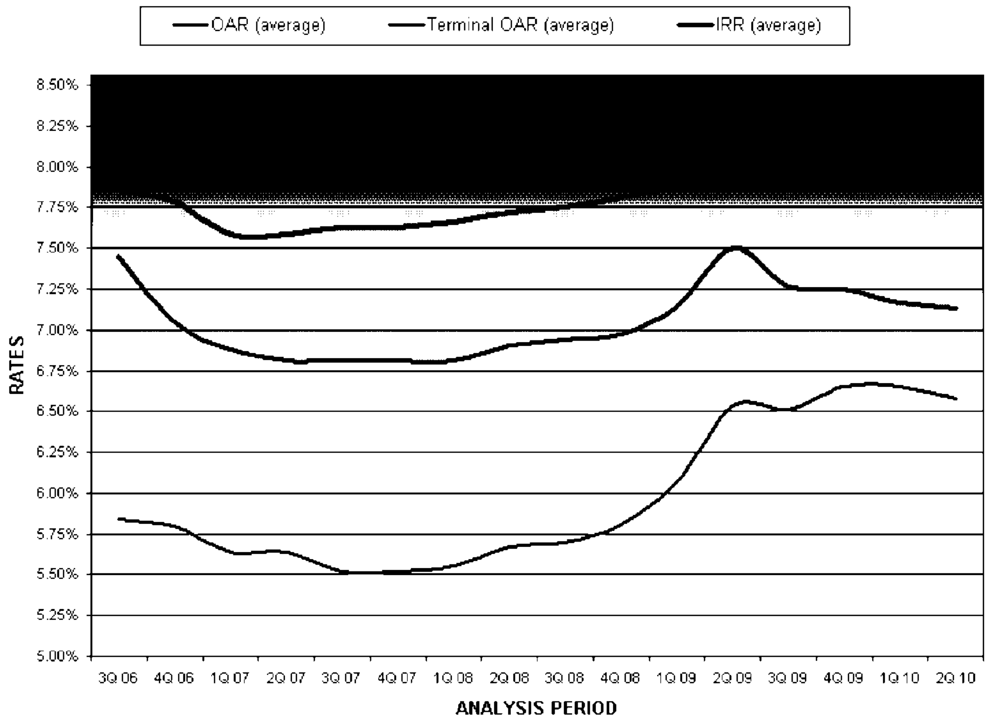
INVESTOR SURVEY HISTORICAL RESULTS

Survey: KORPACZ **End Quarter:**

Property Type:

Quarter	3Q 06	4Q 06	1Q 07	2Q 07	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	4Q 08	1Q 09	2Q 09	3Q 09	4Q 09	1Q 10	2Q 10
OAR (average)	5.84%	5.80%	5.64%	5.64%	5.52%	5.52%	5.55%	5.67%	5.70%	5.81%	6.07%	6.54%	6.51%	6.65%	6.65%	6.58%
Terminal OAR (average)	7.45%	7.05%	6.88%	6.81%	6.81%	6.81%	6.81%	6.91%	6.94%	6.97%	7.14%	7.50%	7.27%	7.25%	7.17%	7.13%
IRR (average)	7.86%	7.79%	7.59%	7.59%	7.63%	7.63%	7.66%	7.72%	7.75%	7.81%	7.93%	8.36%	8.15%	8.23%	8.23%	7.98%

INVESTOR SURVEY HISTORICAL RESULTS



Source: Korpacz Real Estate Investor Survey

As the chart illustrates, the return requirements cited by investors were at lows in all categories in 2007, spurred by the low interest rate environment. Starting in 2008 an upward trend and an increase in return requirements is indicated, with all categories reaching highs in the second quarter of 2009. Following some improvement in the economic indicators, increased optimism by investors and the return of capital into the market the return requirements have decrease in the first half of 2010.

According to Cushman & Wakefield Investment Sale brokers a year ago, there were many capital sources on the sideline, circling New York and waiting to be at or near "the bottom". Today, the vast majority of investors believe that the market has bottomed, or is close enough, and the number of investors seeking to unearth investment opportunities in New York City has grown exponentially from the first half of last year. The capital targeting New York comes from around the globe. C&W Investment Sale brokers are continually meeting with investors from Asia, Europe, the Middle East, Latin America and Canada, as well as domestic investors. There is very strong equity liquidity, and so little product to feed it. While a year ago, a stalled debt market and bid-ask discrepancies were more significant factors in the low transaction volume, today, the biggest factor quelling volume is the availability of product for sale. Delaying loss recognition has created major supply/demand disequilibrium.

It is important to note that the vast majority of the capital seeking to buy in New York, as well as other desirable US markets, is zeroed in on core, well leased properties with little vacancy, near-term lease rollover or credit risk. Right now there exists a bifurcated market; where the "have-nots", or secondary or opportunistic product, are attracting a much smaller audience of investors, and are subject to much higher yield requirements or discounts. For the core product, we are seeing very active bidding with 20-30+ offers for the right deals as seen with the large amount of bidders for the recent three most recent office building sales: 600 Lexington Avenue, 340 Madison Avenue and 125 Park Avenue.

TERMINAL CAPITALIZATION RATE SELECTION

We based the estimate of property value at reversion on assumed resale at the end of Year 15, using our forecast of Year 16 net operating income. The reversion value was calculated by applying a capitalization rate of 7.50 percent to the fiscal year 2026 NOI and subtracting sales expenses of 4.00 percent. The net cash flows and the net reversion were discounted to net present value using a discount rate of 8.50 percent, the derivation of which is discussed below.

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.

TERMINAL CAPITALIZATION RATES (OAR_{out})

Survey	Date	Range	Average
Korpacz	Second Quarter 2010	6.00% - 8.50%	7.13%

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

In addition, we examined the terminal capitalization rates derived from the improved property sales.

MANHATTAN OFFICE BUILDING SALES TERMINAL CAPITALIZATION RATE SUMMARY		
No.	Property	Capitalization Rate
1	72 Wall Street	--
2	4 New York Plaza	8.00%
3	70 Pine Street	9.00%
4	72 Wall Street	9.00%
5	156 William Street	7.00%

STATISTICS	
Low	7.00%
High	9.00%
Median	8.50%
Average	8.25%

The terminal capitalization rates derived from the improved property sales are between 7.00 and 9.00 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.

As a result, we have applied a 7.50 percent terminal capitalization rate in our analysis. This rate is supported by 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 second quarter 2010 PriceWaterhouseCoopers, Inc. survey indicates that investors considered acceptable internal rates of return within the following range:

DISCOUNT RATES (IRR)			
Survey	Date	Range	Average
Korpacz	Second Quarter 2010	6.00% - 10.00%	7.98%

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

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.

MANHATTAN OFFICE BUILDING SALES DISCOUNT RATE (IRR) SUMMARY		
No.	Property	Discount Rate
1	72 Wall Street	--
2	4 New York Plaza	9.00%
3	70 Pine Street	10.00%
4	72 Wall Street	10.00%
5	156 William Street	8.00%

STATISTICS	
Low	8.00%
High	10.00%
Median	9.50%
Average	9.25%

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 10.00 percent. Manhattan office building sales reflect internal rates of return ranging from 8.00 to 10.00 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 7.00 percent. In addition, the current discount rate, or the interest rate charged by the Federal Reserve when banks borrow money, of 0.75 percent, although has increased recently, is still near historic lows.

Therefore, taking into consideration 40 Wall Street's location, construction quality, tenant credit quality and declining returns expected by investors in the current market in relation to other office properties, we discounted the cash flows at 8.50 percent. Our selection of discount rate is considered reasonable given the relative strength of the cash flow of the subject property, which is considered to be a prime quality asset.

"As Is" Versus "Prospective Market" Values

Our estimate of the appropriate discount rate for the market value analysis is the same as the discount rate assuming stabilized occupancy. The "As Is" value of the property assumes that a buyer will require a greater return on his or her investment given the speculative nature of leasing office space in an improving, yet still competitive market. The "Prospective Market" value analysis is considered the less risky of the two scenarios under the assumption that the property has achieved optimum market occupancy. Although this relationship is generally true, the subject property is expected to achieve stabilization by August 1, 2015.

Based upon the above, it is our opinion that an investor would require a discount rate in the range of 8.0 to 9.0 percent with a terminal capitalization rate ranging from 7.0 to 8.0 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 8.0 to 9.0 percent at 50 basis point intervals. Discounting these cash flows over the range of yields and terminal rates 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	7.00%	7.50%	8.00%
8.00%	$221,600	$213,500	$206,400
8.50%	$209,300	$201,700	$195,100
9.00%	$197,700	$190,700	$184,500

The value of the subject property varies with the discount rates and range of terminal capitalization rates from approximately **$184,500,000 to $221,600,000**, 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 **$200,000,000**, 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 NEW YORK, NEW YORK	
Terminal Capitalization Rate	7.50%
Equity Yield	8.50%
Price/SF of NRA	$170.12

Discounted Cash Flow Analysis and DCF Summary Table

Based on the discount rate selected above, "As Is" market value would be **$200,000,000**, rounded. The reversionary sale contributes 51.22 percent to this value estimate. The 15 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 August 1, 2010

FISCAL YEAR	NET CASH FLOW		DISCOUNT FACTOR @ 8.50%		PRESENT VALUE OF CASH FLOWS	COMPOSITION OF YIELD	ANNUAL CASH ON CASH RETURN
One	$ (113,670)	X	0.921659	=	$ (104,765)	-0.05%	-0.06%
Two	$ (4,394,681)	X	0.849455	=	$ (3,733,085)	-1.85%	-2.18%
Three	$ (269,610)	X	0.782908	=	$ (211,080)	-0.10%	-0.13%
Four	$ 6,507,333	X	0.721574	=	$ 4,695,524	2.33%	3.23%
Five	$ 17,976,051	X	0.665045	=	$ 11,954,890	5.93%	8.91%
Six	$ 20,386,230	X	0.612945	=	$ 12,495,640	6.19%	10.11%
Seven	$ 19,986,763	X	0.564926	=	$ 11,291,049	5.60%	9.91%
Eight	$ 17,106,102	X	0.520669	=	$ 8,906,625	4.42%	8.48%
Nine	$ 20,909,700	X	0.479880	=	$ 10,034,140	4.97%	10.37%
Ten	$ 20,016,032	X	0.442285	=	$ 8,852,799	4.39%	9.92%
Eleven	$ 16,715,356	X	0.407636	=	$ 6,813,786	3.38%	8.29%
Twelve	$ 10,864,054	X	0.375702	=	$ 4,081,643	2.02%	5.39%
Thirteen	$ 23,357,049	X	0.346269	=	$ 8,087,818	4.01%	11.58%
Fourteen	$ 20,308,172	X	0.319142	=	$ 6,481,186	3.21%	10.07%
Fifteen	$ 29,777,364	X	0.294140	=	$ 8,758,711	4.34%	14.76%
Total Present Value of Cash Flows					$ 98,404,882	48.78%	5.86% Average
Reversion:							
Sixteen	$ 28,120,751	(1) /	7.50%	=	$ 374,943,347		
	Less: Cost of Sale @		4.00%		$ 14,997,734		
	Less: T.I and Comm.				$ 8,725,336		
	Net Reversion				$ 351,220,277		
	X Discount Factor				0.294140		
Total Present Value of Reversion					$ 103,307,894	51.22%	
Total Present Value					$ 201,712,776	100.00%	
		ROUNDED:			$ 200,000,000		

Net Rentable Area (SF):	1,175,607
Per Square Foot of Net Rentable Area:	$170.12
Implicit Going-in Capitalization Rate:	
Year One NOI (12 Months)	$7,138,213
Going-In Cap Rate	3.57%
Compounded Annual Growth Rate	
Concluded to Reversion:	4.95%
Compounded Annual Growth Rate	
Net Cash Flow:	n/a

Note: (1) Net Operating Income

"PROSPECTIVE MARKET VALUE" AS OF AUGUST 1, 2015

We have also been asked by Capital One Bank to estimate the prospective value as of August 1, 2015. The key assumption of this scenario, which is based upon the cash flow projection exhibited previously, is that the property will reach stabilized occupancy by August 1, 2015. With the exception of the starting date, all other assumptions such as market rent, growth rate, rent concessions, vacancy between leases and credit loss remain the same as the "As Is" scenario. We have included a 10-year cash flow projection reflecting the assumptions used in this scenario, which assume a fiscal year analysis beginning August 1, 2015.

Based upon the above, it is our opinion that an investor would require a discount rate in the range of 8.0 to 9.0 percent with a terminal capitalization rate ranging from 7.0 to 8.0 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 8.0 to 9.0 percent at 50 basis point intervals. Discounting these cash flows over the range of yields and terminal rates 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 "Prospective Market Value" ($000's)

	Terminal Capitalization Rates		
IRR	**7.00%**	**7.50%**	**8.00%**
8.00%	$306,600	$294,700	$284,300
8.50%	$295,700	$284,400	$274,400
9.00%	$285,300	$274,500	$265,000

The value of the subject property varies with the discount rates and range of terminal capitalization rates from approximately **$265,000,000 to $306,600,000**, 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 **$280,000,000**, 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
NEW YORK, NEW YORK

Terminal Capitalization Rate	7.50%
Equity Yield	8.50%
Price/SF of NRA	$238.17

DISCOUNTED CASH FLOW ANALYSIS AND DCF SUMMARY TABLE

Based on the discount rate selected above, prospective market value would be **$280,000,000**, rounded. The reversionary sale contributes 54.63 percent to this value estimate. The implied "going in" capitalization rate is 7.92 percent, which is in line with going-in capitalization rates indicated by the sales and the most recent Investor Surveys. The 10-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
Prospective Market Value on August 1, 2015

FISCAL YEAR	NET CASH FLOW		DISCOUNT FACTOR @ 8.50%		PRESENT VALUE OF CASH FLOWS	COMPOSITION OF YIELD	ANNUAL CASH ON CASH RETURN
One	$ 20,386,230	X	0.921659	=	$ 18,789,152	6.61%	7.17%
Two	$ 19,986,763	X	0.849455	=	$ 16,977,861	5.97%	7.03%
Three	$ 17,106,102	X	0.782908	=	$ 13,392,506	4.71%	6.02%
Four	$ 20,909,700	X	0.721574	=	$ 15,087,902	5.31%	7.35%
Five	$ 20,016,032	X	0.665045	=	$ 13,311,570	4.68%	7.04%
Six	$ 16,715,356	X	0.612945	=	$ 10,245,595	3.60%	5.88%
Seven	$ 10,864,054	X	0.564926	=	$ 6,137,390	2.16%	3.82%
Eight	$ 23,357,049	X	0.520669	=	$ 12,161,302	4.28%	8.21%
Nine	$ 20,308,172	X	0.479880	=	$ 9,745,479	3.43%	7.14%
Ten	$ 29,777,364	X	0.442285	=	$ 13,170,094	4.63%	10.47%
Total Present Value of Cash Flows					$ 129,018,852	45.37%	7.01% Average
Reversion:							
Eleven	$ 28,120,751	(1) /	7.50%	=	$ 374,943,347		
	Less: Cost of Sale @		4.00%		$ 14,997,734		
	Less: T.I and Comm.				$ 8,725,336		
	Net Reversion				$ 351,220,277		
	X Discount Factor				0.442285		
Total Present Value of Reversion					$ 155,339,606	54.63%	
Total Present Value					$ 284,358,458	100.00%	
	ROUNDED:				$ 280,000,000		

Net Rentable Area (SF):		1,175,607
Per Square Foot of Net Rentable Area:		$238.17
Implicit Going-in Capitalization Rate:		
Year One NOI (	12 Months)	$22,163,721
Going-In Cap Rate		7.92%
Compounded Annual Growth Rate		
Concluded to Reversion:		2.96%
Compounded Annual Growth Rate		
Net cash Flow:		n/a

Note: (1) Net Operating Income

DIRECT CAPITALIZATION VALUATION METHOD ("PROSPECTIVE MARKET VALUE" AS OF AUGUST 1, 2015)

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. We estimated the capitalization rate to be 7.50 percent. The overall capitalization rates derived from the improved property sales are between 4.21 and 7.08 percent. The overall capitalization rates derived from the most applicable improved property sales are shown below.

MANHATTAN OFFICE BUILDING SALES
OVERALL CAPITALIZATION RATE SUMMARY

No.	Property	Capitalization Rate
1	72 Wall Street	--
2	4 New York Plaza	4.21%
3	70 Pine Street	--
4	72 Wall Street	--
5	156 William Street	7.08%

STATISTICS	
Low	4.21%
High	7.08%
Median	5.65%
Average	5.65%

The current market conditions require higher rates as a result of the recent credit market correction. In the context of the direct capitalization method, a going-in rate of 7.50 percent is considered reasonable, compensating the typical buyer for the risk inherent in investing in this building. A summary of the direct capitalization method is shown below.

INDICATED VALUE BASED ON DIRECT CAPITALIZATION OF NOI

Direct Capitalization Method			
NET OPERATING INCOME		**$22,163,721**	**$18.85**
Sensitivity Analysis OAR Spread	**0.50%**	**Value**	**$/SF NRA**
Based on Low-Range	7.00%	$316,624,586	$269.33
Based on Most Probable Range	7.50%	$295,516,280	$251.37
Based on High-Range	8.00%	$277,046,513	$235.66
Reconciled Value		$295,516,280	$251.37
Rounded		$295,000,000	$250.93

The year one going-in capitalization rate indicated in the discounted cash flow analysis is 7.92 percent. This is in line with going-in capitalization rates indicated by the improved sales and the most recent Investor Survey. The going-in capitalization rate also considers that rates are higher than in August 2007 as a result of the credit market correction. 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:	$280,000,000
Value Indicated by the Direct Capitalization Method:	$295,000,000

Since the subject is a multi-tenant office building with a fair amount of turnover in the near term, 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	
Indicated Market Value (As of August 1, 2015)::	$280,000,000

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 (Prospective Value as of August 1, 2015):	$277,000,000
Income Capitalization Approach (Prospective Value as of August 1, 2015):	$280,000,000

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.

MARKET VALUE AS IS

Based on the agreed to Scope of Work, and as outlined in the report, we have developed an opinion that the market value of the **leasehold estate** of the referenced property, subject to the assumptions and limiting conditions, certifications, extraordinary and hypothetical conditions, if any, and definitions, “As-Is” on August 1, 2010, is:

TWO HUNDRED MILLION DOLLARS

$200,000,000

PROSPECTIVE MARKET VALUE

Based on the agreed to Scope of Work, and as outlined in the report, we have developed an opinion that the prospective market value of the **leasehold estate** of the referenced property, subject to the assumptions, limiting conditions, certifications, and definitions, on August 1, 2015, will be:

TWO HUNDRED EIGHTY MILLION DOLLARS

$280,000,000

EXPOSURE 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 twelve (12) months. This assumes an active and professional marketing plan would have been employed by the current owner.

MARKETING TIME

We believe, based on the assumptions employed in our analysis, as well as our selection of investment parameters for the subject, that our value conclusion represents a price achievable within twelve (12) months.

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 and Naoum M. Papagianopoulos 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.
- Robert S. Nardella, MAI, MRICS, Douglas H. Larson and Naoum M. Papagianopoulos have not provided services regarding the subject property within the prior three years.
- As of the date of this report, Robert S. Nardella, MAI, MRICS has completed the continuing education program 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*, Fourth Edition (2002), published by the Appraisal Institute, as well as other sources.

CASH EQUIVALENCE

A price expressed in terms of cash, as distinguished from a price expressed totally or partly in terms of the face amounts of notes or other securities that cannot be sold at their face amounts. Calculating the cash-equivalent price requires an appraiser to compare transactions involving atypical financing to transactions involving comparable properties financed at typical market terms.

EXTRAORDINARY ASSUMPTIONS

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

HYPOTHETICAL CONDITIONS

A hypothetical condition is "that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions 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

- The value of an asset or asset group that is covered by an insurance policy; can be estimated by deducting costs of noninsurable items (e.g., land value) from market value.
- Value used by insurance companies as the basis for insurance. Often considered to be replacement or reproduction cost plus allowances for debris removal or demolition less deterioration and noninsurable items. Sometimes cash value or market value, but often entirely a cost concept. (Marshall & Swift LP)

MARKETING TIME

Marketing time is an opinion of the time that might be required to sell a real property interest at the appraised value. Marketing time is presumed to start on the effective date of the appraisal. (Marketing time is subsequent to the effective date of the appraisal and exposure time is presumed to precede the effective date of the appraisal). The opinion of marketing time uses some of the same data analyzed in the process of estimating reasonable exposure time and it is not intended to be a prediction of a date of sale."

FEE SIMPLE ESTATE

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

LEASED FEE INTEREST

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease.

LEASEHOLD INTEREST

The interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions.

MARKET RENT

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the specified lease agreement including term, rental adjustment and revaluation, permitted uses, use restrictions, and expense obligations; the lessee and lessor each acting prudently and knowledgeably, and assuming consummation of a lease contract as of a specified date and the passing of the leasehold from lessor to lessee under conditions whereby:

- Lessee and lessor are typically motivated.
- Both parties are well informed or well advised, and acting in what they consider their best interests.
- A reasonable time is allowed for exposure in the open market.
- The rent payment is made in terms of cash in United States dollars, and is expressed as an amount per time period consistent with the payment schedule of the lease contract.
- The rental amount represents the normal consideration for the property lease unaffected by special fees or concessions granted by anyone associated with the transaction.

MARKET VALUE

Market value is one of the central concepts of the appraisal practice. Market value is differentiated from other types of value in that it is created by the collective patterns of the market. A current economic definition agreed upon by agencies that regulate federal financial institutions in the United States of America follows, taken from Advisory Opinion-22 of *USPAP* of The Appraisal Foundation:

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

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Value As Is

The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal. It relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.

ADDENDA CONTENTS

ADDENDUM A:	ENGAGEMENT LETTER
ADDENDUM B:	INSURABLE VALUE
ADDENDUM C:	NEW YORK CITY TAX MAP
ADDENDUM D:	COMPARABLE LEASED FEE LAND SALES
ADDENDUM E:	COMPARABLE IMPROVED SALES
ADDENDUM F:	APPRAISER'S CERTIFICATIONS
ADDENDUM G:	QUALIFICATION OF THE APPRAISERS

ADDENDUM A: ENGAGEMENT LETTER

Capital One Bank

Date: 07/13/2010

Appraisal Order #: 10-001531-01

Robert Nardella
Cushman & Wakefield
51 West 52nd Street
New York, NY 10019

Dear Robert Nardella,

This letter will serve as Capital One's engagement of your services with regard to the following property. The specifics of the engagement including the agreed upon fee and delivery date are listed below. The reports must be addressed to the Capital One Job Manager and an electronic copy of the report and invoice MUST be uploaded to the Award record on RIMSCentral http://www.rimscentral.com. Please reference on the invoice an invoice number, invoice date, your Tax ID #, the Capital One Order #, and a Property Reference. Any questions pertaining to this assignment should be addressed with the Capital One contact in RETECHS.

Fee: PER BID AWARD   Due Date: 8/3/2010

Property Location:	40 Wall Street, New York, NY 10005
Property Type:	Office - Office Building-High-Rise
Intended Use	Use - Loan Underwriting Description: The intended use of this appraisal is for loan underwriting and-or credit decisions by Capital One Bank and-or participants
Intended User	User - Capital One Bank Description: The intended users of this report is Capital One Bank and-or affiliates
Approaches to Value	Approach - ALL Description: All applicable approaches
Other Requirements	None
Report Type:	Self-Contained
Format:	Narrative
Appraisal Premise:	Market Value - As-Is - Lease Hold Prospective Market Value - Upon Stabilization - Lease Hold Insurable Replacement Cost Estimate - As-Is - Interest Appraised Not Applicable
Property Contact:	Jeffrey McConney
Phone:	212-715-7231
Capital One Job Manager:	Tara Boyan 404 Fifth Avenue, 4th Floor New York, NY 10018
Phone:	212-273-3520
Email:	tara.boyan@capitalonebank.com

An appraisal service must comply with the Comptroller of Currency appraisal standards as delineated by ruling 12 U.S.C. 93 a and Title XI of FIRREA dated 1989. Failure to comply with any of the above requirements may result in rejections of the appraisal. In addition, payment of the fee is subject to a review of the appraisal for compliance with the above mentioned requirements. Should you experience any delays in the performance of this appraisal, please notify us in writing via email no less than seven days prior to the due date.

As confirmation of your acceptance of this assignment under the terms specified in this letter, please return a signed copy of this engagement letter to us and include a copy in the addenda to the report. Signing of this engagement letter indicates that

Capital One Bank

an appraisal report will comply with the most current USPAP and all guidelines specified. Evaluations must comply with the OCC's requirements for same. Also, by signing this letter you understand that Capital One is the client and that you are prohibited from appraising or performing an evaluation relative to this property for the next six months without the express written permission of the undersigned. Such permission will not be unreasonably withheld.

Capital One Bank will not accept limiting conditions which attempt to restrict potential damages to the fee collected for an assignment or suggest that the Bank should indemnify the vendor for a loss or claim stemming from their assignment. Any such ôlimiting conditionö must be removed from the vendors Contingent and Limiting Conditions.

If upon review, the appraisal report or evaluation is deemed unacceptable by Capital One for non-compliance issues, and requested changes and/or additions are not properly made, Capital One may elect to refuse payment of the appraiser's invoice.

<u>Capital One Appraisal Requirements</u>

1) If a direct sales comparison approach is utilized for land and improved valuation, the subject and comparables should be arranged on an adjustment grid. A matched paired analysis is the preferred method to estimate the amount of adjustments in the sales comparison approach. If a matched paired analysis is not applicable, provide explanation and support for all adjustments.
2) For all significant multi-tenant income producing property appraisals, a discounted cash flow analysis should be prepared. Any elimination of this technique should be fully supported.
3) If applicable, perform a direct capitalization analysis using a capitalization rate that is adequately supported by market evidence. If Ellwood or Akerson techniques are used, clear market support must be provided for the projected change in property value and for the applicability of the technique.

<u>Market Value Definition</u>

"Market Value" is defined by the United States Treasury Deparment, Comptroller of the Currency 12 CFR part 34, ° 34.42 (f) as,

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

(1) Buyer and seller are typically motivated;
(2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
(3) A reasonable time is allowed for exposure in the open market;
(4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
(5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

<u>FIRREA Appraisal Standards</u>

MINIMUM STANDARDS. For federally related transactions, all appraisals shall, at a minimum:

(1) Comply with the Uniform Standards of Professional Appraisal Practice ("USPAP");
(2) Be sufficiently informative to support the institution's lending decision;
(3) Analyze and report deductions and discounts, when appropriate;
(4) State a Market Value estimate, as defined by this appraisal regulation;
(5) Be performed by State licensed or certified appraiser.

The following items should be included in every report:

- Signed copy of engagement letter
- Copy of appropriate state certifications in addenda
- Properly completed invoice

Sincerely,

Capital One Bank

Tara Boyan

Accepted:

7/13/10

Date:

ADDENDUM B: INSURABLE VALUE

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.

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

We developed an opinion of replacement cost new by using the Calculator Cost Method developed by Marshall Valuation Service, a nationally recognized cost estimating company that estimates construction costs for all types of improvements. Marshall Valuation Service revises its cost factors monthly and adjusts them to reflect regional and local cost variations. Base costs for an excellent quality office building has been used in the analysis of the subject property. These costs may be found in Section 15, Page 17 of the Marshall Valuation Service Manual.

Based on Marshall Valuation Service, the total replacement costs for the subject property were estimated at $728,836,971 or $686.76 per square foot of gross building area. In estimating the replacement cost, we have also considered construction costs for several office buildings. Following is a list of construction budgets for several office buildings recently constructed, under construction or planned in Manhattan.

Construction Budgets - Manhattan Office Buildings

Name/Address	Budget Year	Size GBA-SF	Direct Costs/SF	Indirect Costs/SF	Total Costs/SF	Total Costs/SF Time Adjusted *(1)*
2 World Trade Center	2008	2,834,170	$709.32	$281.49	$990.81	$891.73
3 World Trade Center	2008	2,519,289	$603.79	$235.64	$839.44	$755.49
4 World Trade Center	2008	2,179,296	$673.80	$233.67	$907.47	$816.72
510 Madison Avenue	2008	278,966	$591.06	$247.98	$839.04	$755.14
11 Times Square	2008	1,000,000	$650.00	$350.00	$1,000.00	$900.00
620 Eighth Avenue	2005	1,539,762	$269.10	$106.51	$375.61	$571.26
505 Fifth Avenue	2005	295,120	$224.92	$163.60	$388.52	$590.89
7 World Trade Center	2005	1,603,861	$231.16	$181.29	$412.45	$627.28
340 Madison Avenue	2004	584,091	$247.67	$120.15	$367.82	$643.32
Columbus Centre	2004	658,980	$279.13	$120.07	$399.20	$698.20
Averages			$448.00	$204.04	$652.04	$725.00

(1) Adjusted for inflation factor of 15% per year between 2004 and 2006 to account for cost increases in labor and materials (ie. steel costs, etc.) and a 10% increase from 2008 for deteriorating market conditions.

The construction comparables indicate development costs between $571.26 and $900.00 per square foot. This compares to the total replacement costs based on Marshall Valuation Service of $686.76 per square foot. After reviewing the construction costs for the comparable office projects and Marshall Valuation Service cost estimates, we have utilized a total replacement cost estimate for the subject property $728,836,971 or $686.76 per square foot of gross building area.

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-09

REPLACEMENT COST ANALYSIS

Replacement Cost New (RCN)	**GBA (SF)**	**$/GBA**	**Sub-Total**	
Building Improvements				
Base Cost	1,061,266	$228.51	$242,509,894	
Cooling		$8.00	$8,490,128	
Heating		$8.35	$8,861,571	
Sprinklers		$2.40	$2,547,038	
Subtotal		$247.26	$262,408,631	
Multipliers				
Current Cost		1.020		
Local Area		1.400		
Perimeter		1.100		
Building Height		1.263		
Congestion/Complex		1.400		
Product of Multipliers			x 2.777	
Adjusted Replacement Cost New (RCN)			$728,836,971	$686.76

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%	($72,883,697)	
Insurable Value		$655,953,274	
Rounded		**$660,000,000**	$621.90

Compiled by Cushman & Wakefield, Inc.

ADDENDUM C:
NEW YORK CITY TAX MAP

FINANCE
NEW YORK
MARTHA E. STARK
COMMISSIONER

NYC Digital Tax Map

Effective Date : 12-09-2008 10:41:22
End Date : Current

Manhattan Block: 43

Legend

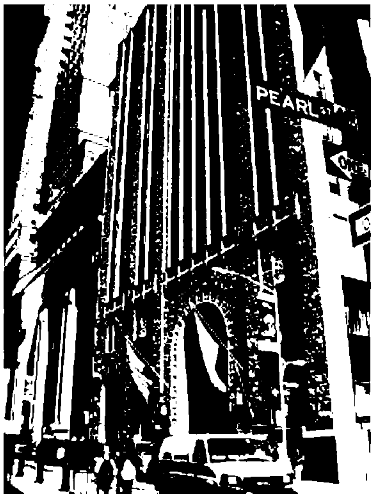
- Streets
- Miscellaneous Text
- Possession Hooks
- Boundary Lines
- Lot Face Possession Hooks
- Regular
- Underwater
- Tax Lot Polygon
- Condo Number
- Tax Block Polygon

ADDENDUM D:
COMPARABLE LEASED FEE LAND SALES

COMPARABLE LEASED FEE INTEREST LAND SALES

	SALE 1	SALE 2	SALE 3	SALE 4	SALE 5	SALE 6
ADDRESS	635 MADISON AVENUE	445 PARK AVENUE	425 PARK AVENUE	50 CENTRAL PARK SOUTH	445 PARK AVENUE	909 THIRD AVENUE
	NEW YORK CITY	NEW YORK CITY	NEW YORK CITY	NEW YORK CITY	NEW YORK CITY	NEW YORK CITY
GRANTOR	LEO 635 LLC	ZAR REALTY	GOELET FAMILY	ST. MORITZ FEE ASSOCIATES	LASZLO TAUBER	LASZLO TAUBER
GRANTEE	L&L HOLDING COMPANY	BALMER PARC LLC	L&L HOLDING COMPANY	MILLENIUM PARTNERS	ZAR REALTY	ZAR REALTY
LOT SIZE (SF)	9,087	18,075	27,950	14,057	18,075	82,040
ZONING	C5-3	C5-3	C5-3	R10-H	C5-3	C6-6 / C1-9
MPBB(FAR)	136,305	271,125	419,250	140,570	271,125	554,275
FLOOR AREA RATIO	15.0	15.0	15.0	10.0	15.0	6.8
SALES PRICE	$110,000,000	$32,000,000	$320,000,000	$87,500,000	$21,000,000	$52,000,000
SALE DATE	Jul-07	Oct-06	Sep-06	Mar-06	Apr-04	Apr-04
PROPERTY RIGHTS	LEASED FEE	LEASED FEE	LEASED FEE	LEASED FEE	LEASED FEE	LEASED FEE
GROUND RENT	$1,026,250	$400,000	$15,000,000	$3,400,000	$400,000	$1,600,000
NEXT RESET DATE	May-09	EXPIRING IN MAY-2058	84 YEARS STARTING IN 2015	EXPIRING IN OCT-2075	EXPIRING IN MAY-2058	EXPIRING IN NOV-2063
RESET TERMS	TWO, OPTIONS @ 5% LAND	RENEWAL OPTIONS IN	--	RESET IN 2010 @ $6.5 MILLION	RENEWAL OPTIONS IN	RENEWAL OPTIONS IN
	VALUE EXPIR. APR 2051	2018 AND 2038 @ $400,000	--	AND IN 2020 @ $7.0 MILLION	2018 AND 2038 @ $400,000	2018 AND 2041 @ $1,600,000
PRICE PER FAR	$807.01	$118.03	$763.27	$622.47	$77.46	$93.82
INTERNAL RATE OF RETURN	6.00%	5.00%	6.00%	6.50%	5.50%	5.50%
CAPITALIZATION RATE	0.93%	1.25%	4.69%	3.89%	1.90%	3.08%

ADDENDUM E:
COMPARABLE IMPROVED SALES



72 Wall Street
New York, NY 10005
MSA: New York
New York (Manhattan) County

Property Type:	Office
Property Subtype:	Office Building - Mid Rise
ID:	181547
APN:	Block 40, Lot 1

PROPERTY INFORMATION

Site Area (Acres):	0.51	Number of Buildings:	1
Site Area (SqFt):	22,014	Number of Stories:	13
Gross Bldg Area:	255,622	Class:	B
Net Bldg Area:	322,968	Number of Parking	N/A
Year Built:	1925	Parking Ratio:	N/A
Year of Last Renovation:	N/A	Tenancy Type:	N/A
Quality:	Good		
Condition:	Good		

SALE INFORMATION

Sale Status:	In-Contract	OAR:	N/A
Sale Date:	7/2010	NOI:	N/A
Sale Price:	$60,000,000	NOI per SqFt:	N/A
Sale Price per SqFt:	$185.78	Occupancy:	N/A
Grantor:	Youngwoo & Associates	Expense Ratio:	N/A
Grantee:	Deutsche Bank	EGIM:	N/A
Value Interest:	Fee Simple	Buying Entity:	Owner-User
Ground Lease:	N/A		

VERIFICATION COMMENTS

Deutsche Bank

COMMENTS

Sale of a Class B office building located in Downtown Manhattan. The property is being acquired by Deutsche Bank who intends to break through the walls of their adjacent headquarters building at 60 Wall Street to create large trading floors in the building. The property, along with 70 Pine Street, was previously purchased in May 2009 by Youngwoo & Associates from American International Group (AIG) who used the building as their New York headquarters.

IMPROVED SALE COMPARABLE - 2

Four New York Plaza
115 Broad Street
New York, NY 10004
MSA: New York
New York (Manhattan) County

Property Type:	Office
Property Subtype:	Office Building - High Rise
ID:	169154
APN:	Block: 5 Lot: 10

PROPERTY INFORMATION

Site Area (Acres):	1.24	Number of Buildings:	1
Site Area (SqFt):	54,023	Number of Stories:	22
Gross Bldg Area:	1,016,406	Class:	A
Net Bldg Area:	1,085,272	Number of Parking	N/A
Year Built:	1969	Parking Ratio:	N/A
Year of Last Renovation:	N/A	Tenancy Type:	Multi-Tenant
Quality:	Good		
Condition:	Good		

SALE INFORMATION

Sale Status:	Recorded Sale	OAR:	4.21%
Sale Date:	12/2009	NOI:	$4,508,939
Sale Price:	$107,000,000	NOI per SqFt:	$4.15
Sale Price per SqFt:	$98.59	Occupancy:	75.00%
Grantor:	JPMorgan Chase Bank, N.A.	Expense Ratio:	N/A
Grantee:	Harbor Group International, LLC	EGIM:	4.28
Value Interest:	Leased Fee	Buying Entity:	Investor
Ground Lease:	N/A		

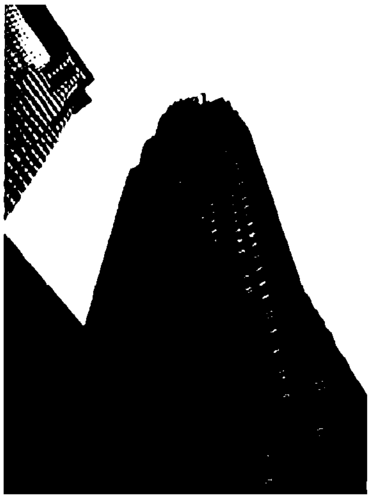
VERIFICATION COMMENTS

Harbor Group International, LLC

COMMENTS

The property is fully occupied by JPMorgan Chase Bank as back office space. JPMorgan Chase Bank will lease-back the 3rd and 8th through 22nd floors at a gross rent of $27.50 psf with subsequent increases, for a 15-year term. JPMorgan Chase Bank has seven, 5-year renewal options at 90% of fair market rent. JPMorgan Chase Bank will give-back the balance of the building on the 2nd and 4th through 7th floors totaling 267,847 square feet on or before March 31, 2010, which will then become available for lease. The current overall capitalization rate is 4.21% in year 1 and increases to 9.3% by year 5.

IMPROVED SALE COMPARABLE - 3



70 Pine Street
New York, NY 10005
MSA: New York
New York (Manhattan) County

Property Type:	Office
Property Subtype:	Office Building - High Rise
ID:	166802
APN:	Block 41, Lot 1

PROPERTY INFORMATION

Site Area (Acres):	0.73	Number of Buildings:	1
Site Area (SqFt):	31,722	Number of Stories:	66
Gross Bldg Area:	918,919	Class:	A
Net Bldg Area:	1,056,869	Number of Parking	N/A
Year Built:	1932	Parking Ratio:	N/A
Year of Last Renovation:	N/A	Tenancy Type:	Single-Tenant
Quality:	Good		
Condition:	Good		

SALE INFORMATION

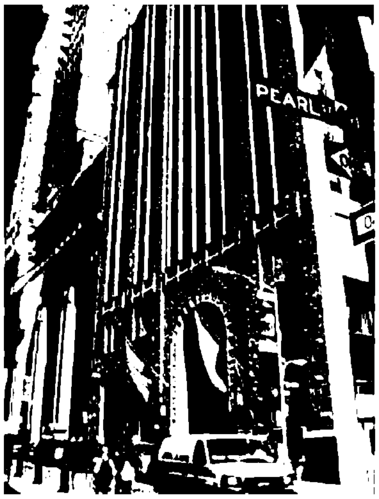
Sale Status:	Recorded Sale	OAR:	N/A
Sale Date:	5/2009	NOI:	N/A
Sale Price:	$115,000,000	NOI per SqFt:	N/A
Sale Price per SqFt:	$108.81	Occupancy:	0.00%
Grantor:	American International Group (AIG)	Expense Ratio:	N/A
Grantee:	Youngwoo & Associates	EGIM:	N/A
Value Interest:	Fee Simple	Buying Entity:	Investor
Ground Lease:	No		

VERIFICATION COMMENTS

ACRIS

COMMENTS

This is a sale of a Class A office building located in Downtown Manhattan. The property is the New York Headquarters of American International Group (AIG) who sold the building, along with 72 Wall Street, to Youngwoo and Associates for a total amount of $150,000,000. The two buildings are connected by a skywalk. The buyers intend to hold the property for future conversion to a mixed-use residential and retail building.



72 Wall Street
New York, NY 10005
MSA: New York
New York (Manhattan) County

Property Type:	Office
Property Subtype:	Office Building - High Rise
ID:	166803
APN:	Block 40, Lot 1

PROPERTY INFORMATION

Site Area (Acres):	0.51	Number of Buildings:	1
Site Area (SqFt):	22,014	Number of Stories:	13
Gross Bldg Area:	324,705	Class:	B
Net Bldg Area:	322,968	Number of Parking	N/A
Year Built:	1925	Parking Ratio:	N/A
Year of Last Renovation:	N/A	Tenancy Type:	N/A
Quality:	Good		
Condition:	Good		

SALE INFORMATION

Sale Status:	Recorded Sale	OAR:	N/A
Sale Date:	5/2009	NOI:	N/A
Sale Price:	$35,000,000	NOI per SqFt:	N/A
Sale Price per SqFt:	$108.37	Occupancy:	0.00%
Grantor:	American International Group (AIG)	Expense Ratio:	N/A
Grantee:	Youngwoo & Associates	EGIM:	N/A
Value Interest:	Fee Simple	Buying Entity:	Investor
Ground Lease:	N/A		

VERIFICATION COMMENTS

ACRIS

COMMENTS

This is a sale of a Class B office building located in Downtown Manhattan. The property is the New York Headquarters of American International Group (AIG) who sold the building, along with 70 Pine Street, to Youngwoo and Associates for a total amount of $150,000,000. The two buildings are connected by a skywalk. The buyers intend to hold the property for future conversion to a mixed-use residential and retail building.

156 William Street
New York (Downtown), NY 10038
MSA: New York
New York (Manhattan) County

Property Type:	Office
Property Subtype:	Office Building - Mid Rise
ID:	129354
APN:	Block: 93 Lot: 20

PROPERTY INFORMATION

Site Area (Acres):	0.44	Number of Buildings:	1
Site Area (SqFt):	19,103	Number of Stories:	12
Gross Bldg Area:	215,755	Class:	B
Net Bldg Area:	242,000	Number of Parking	N/A
Year Built:	1955	Parking Ratio:	N/A
Year of Last Renovation:	N/A	Tenancy Type:	Multi-Tenant
Quality:	Average		
Condition:	Average		

SALE INFORMATION

Sale Status:	Recorded Sale	OAR:	5.25%
Sale Date:	1/2008	NOI:	$3,150,000
Sale Price:	$60,000,000	NOI per SqFt:	$13.02
Sale Price per SqFt:	$247.93	Occupancy:	82.00%
Grantor:	Capstone Equities	Expense Ratio:	N/A
Grantee:	AFIAA	EGIM:	N/A
Value Interest:	Leased Fee	Buying Entity:	Investor
Ground Lease:	N/A		

VERIFICATION COMMENTS

Verified with ACRIS, public record, and conversations with brokers.

COMMENTS

This office building is located on the northeast corner of William and Ann Streets in lower Manhattan's Insurance District, just south of City Hall. At the time of sale, the property reportedly had approximately 44,000 square feet of vacant space, which included half the ground floor and an entire above grade floor. Due to the vacancy, the cap rate ranged from approximately 4.75 to 5.25 percent. We have therefore reported the overall rate towards the middle of this range. The grantor intends to significantly renovate and update the building, including replacing the existing HVAC system and installing thermal windows. They may also potentially renovate and improve the lobby

ADDENDUM F:
APPRAISER'S CERTIFICATIONS

UNIQUE ID NUMBER
46000039300

State of New York
Department of State
DIVISION OF LICENSING SERVICES

FOR OFFICE USE ONLY
Control No. 54348

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	10

EXPIRATION DATE

MO.	DAY	YR.
06	04	12

LARSON DOUGLAS H
C/O CUSHMAN & WAKEFIELD INC
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.
LORRAINE A. CORTES-VAZQUEZ
SECRETARY OF STATE

DOS-1098 (Rev. 3/01)

UNIQUE ID NUMBER
46000004620

State of New York
Department of State
DIVISION OF LICENSING SERVICES

FOR OFFICE USE ONLY
Control No. 46158

PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS.

EFFECTIVE DATE

MO.	DAY	YR.
12	08	08

EXPIRATION DATE

MO.	DAY	YR.
12	07	10

NARDELLA ROBERT S
C/O CUSHMAN & WAKEFIELD INC
51 W 52ND ST
9TH FL
NEW YORK, NY 10019

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.
LORRAINE A. CORTES-VAZQUEZ
SECRETARY OF STATE

DOS-1098 (Rev. 3/01)

UNIQUE ID NUMBER
46000048506

State of New York
Department of State
DIVISION OF LICENSING SERVICES

FOR OFFICE USE ONLY
Control No. 50291

PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS.

EFFECTIVE DATE
MO 11 | DAY 05 | YR. 09

PAPAGIANOPOULOS NAOUM M
C/O CUSHMAN & WAKEFIELD
51 W 52ND ST 9TH FL
NEW YORK, NY 10019

EXPIRATION DATE
MO. 11 | DAY 04 | YR. 11

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
LORRAINE A. CORTES-VAZQUEZ
SECRETARY OF STATE

DOS-1098 (Rev. 3/01)

ADDENDUM G: QUALIFICATION OF THE APPRAISERS

PROFESSIONAL QUALIFICATIONS

Naoum M. Papagianopoulos

Associate Director
Valuation & Advisory Services

Background

Naoum M. Papagianopoulos is an associate appraiser and real estate analyst with Cushman & Wakefield, Inc. Valuation Services, Capital Markets Group. He joined Cushman & Wakefield Valuation Advisory Services in March of 2005. Prior to joining the Valuation Services, 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. Notable office building assignments include: General Motors Building, 667 Madison Avenue, 9 West 57th Street, 660 Madison Avenue, 1251 Avenue of the Americas, Trump Tower, World Trade Center Towers 2, 3 and 4, Seven World Trade Center, and 60 Wall Street.

License and Professional Affiliates

Certified General Real Estate Appraiser-State of New York (License No. 46000048506)
Associate Member, The Appraisal Institute – Metropolitan New York Chapter

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

Appraisal Education

Successfully completed all New York State required appraisal courses and satisfied all educational requirements as set forth by the Appraisal Institute.

CUSHMAN & WAKEFIELD

PROFESSIONAL QUALIFICATIONS

Douglas H. Larson

Senior Director
Valuation & Advisory Services

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 a Senior Director with the New York Valuation & Advisory Services 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 Anderson & 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

Consulting and Arbitration Experience
Varied commercial real estate experience in New York City for the past 17 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

- Associate Member of the Appraisal Institute – Metropolitan New York Chapter
- Mr. Larson is a duly Certified General Real Estate Appraiser, # 46000039300, expiring 06/04/12, according to the Department of State of the State of New York.

PROFESSIONAL QUALIFICATIONS

Robert S. Nardella, MAI, MRICS

Senior Managing Director
Valuation & Advisory Services

Background

Robert S. Nardella is a Senior Managing Director of Cushman & Wakefield, Inc., working within the Valuation & Advisory Services 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 Services 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 Services, 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 VAS 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. Mr. Nardella has also successfully negotiated a ground lease for the development of a national chain restaurant.

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 of the Appraisal Institute (MAI designation achieved 1997)
Member, Royal Institute of Chartered Surveyors (MRICS)
Certified New York State – General Appraiser No. 46000004620
New York State Real Estate Salesperson

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