

4-6 East 57th Street

PBC

Year	20 years, Net Lease	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Rent	see Plan tab, increases 10% every 5 years	28,384,494	28,384,494	28,384,494	28,384,494	28,384,494	31,222,943	31,222,943	31,222,943	31,222,943	31,222,943	34,345,237	34,345,237	34,345,237	34,345,237	34,345,237	37,779,761	37,779,761	37,779,761	37,779,761	37,779,761	
Free Rent	1 year	(28,384,494)																				
TI Allowance	\$125 PSF	(11,709,875)																				
Leasing Commission	3%	(13,241,366)																				
Ground Lease Rent		(2,550,000)	(2,613,000)	(2,677,890)	(2,744,727)	(2,813,569)	(2,884,476)	(2,957,510)	(3,032,735)	(3,110,217)	(3,190,024)	(3,272,225)	(3,356,892)	(3,444,099)	(3,533,922)	(3,626,440)	(3,721,733)	(3,819,885)	(3,920,982)	(4,025,111)	(4,132,364)	
Total Cash Flow		(27,501,241)	25,771,494	25,706,604	25,639,767	25,570,925	28,338,468	28,265,433	28,190,208	28,112,726	28,032,919	31,073,012	30,988,346	30,901,139	30,811,315	30,718,798	34,058,028	33,959,876	33,858,779	33,754,650	33,647,397	
Discount Factor	7.0%	0.935	0.873	0.816	0.763	0.713	0.666	0.623	0.582	0.544	0.508	0.475	0.444	0.415	0.388	0.362	0.339	0.317	0.296	0.277	0.258	
NPV	252,779,805																					

Comments

4-6 East 57th has historically been occupied by a single tenant. Given the current tenant's lease expiration in May 2022, the discounted cash flow takes into account a new single-tenant user.

4-6 East 57th Street Plan

PRO

<u>Floor</u>	<u>RSF</u>	<u>Rent PSF</u>	<u>Rent</u>	<u>Comments</u>
Cellar	8,185	0	0	
Ground	8,583	2,394	20,547,409	see Gucci
2nd	13,276	250	3,319,000	see Gucci
3rd	18,112	71	1,285,952	office
4th	18,154	71	1,288,934	office
5h	14,451	71	1,026,021	office
6th	4,158	71	295,218	office
7th	4,295	71	304,945	office
8th	4,465	71	317,015	office
Total	93,679	303	28,384,494	

2020 Gucci Renewal Comparable

<u>Floor</u>	<u>RSF</u>	<u>Rent PSF</u>	<u>Rent</u>	<u>Comments</u>
Basement	4,644	0	0	
Base. Mezz.	2,173	0	0	
Ground	6,060	2,394	14,507,433	implied value given values attributed to other floors
2nd	8,796	250	2,199,000	second floor retail
3rd	13,497	71	958,287	office
4th	13,497	71	958,287	office
Total	48,667	383	18,623,007	

Comments

Used 2020 Gucci renewal as the most recent comparable given close proximity to 4-6 East 57th Street and similar luxury retail presence on both blocks.

**4-6 East 57th Street
Ground Lease**

PRO

see workpaper 4800.02a page 4 and 5 for ground lease payments

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Kandell [1]	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Minskoff	2,100,000	2,163,000	2,227,890	2,294,727	2,363,569	2,434,476	2,507,510	2,582,735	2,660,217	2,740,024	2,822,225	2,906,892	2,994,099	3,083,922	3,176,440	3,271,733	3,369,885	3,470,982	3,575,111	3,682,364
Total	2,550,000	2,613,000	2,677,890	2,744,727	2,813,569	2,884,476	2,957,510	3,032,735	3,110,217	3,190,024	3,272,225	3,356,892	3,444,099	3,533,922	3,626,440	3,721,733	3,819,885	3,920,982	4,025,111	4,132,364

[1] Kandell ground lease is subject to a pending rent reset to be determined by an appraisal proceeding. In the absence of the final determination, we assumed the same amount of the prior period.