

4-6 East 57th Street

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	26,016,053	26,016,053	26,016,053	26,016,053	26,016,053	28,617,659	28,617,659	28,617,659	28,617,659	28,617,659	31,479,424	31,479,424	31,479,424	31,479,424	31,479,424	34,627,367	34,627,367	34,627,367	34,627,367	34,627,367	
Free Rent	1 year	(26,016,053)																				
TI Allowance	\$125 PSF	(8,225,125)																				
Leasing Commission	3%	(12,136,489)																				
Ground Lease Rent		(3,050,250)	(3,114,983)	(3,181,657)	(3,250,332)	(3,321,067)	(3,393,924)	(3,468,966)	(3,546,260)	(3,625,873)	(3,707,875)	(3,792,336)	(3,879,331)	(3,968,937)	(4,061,230)	(4,156,292)	(4,254,206)	(4,355,057)	(4,458,934)	(4,565,926)	(4,676,129)	
Total Cash Flow		(23,411,864)	22,901,071	22,834,396	22,765,722	22,694,987	25,223,735	25,148,692	25,071,398	24,991,785	24,909,784	27,687,088	27,600,093	27,510,488	27,418,195	27,323,133	30,373,161	30,272,310	30,168,433	30,061,441	29,951,238	
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	225,839,515																					

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

<u>Floor</u>	<u>Usable SF</u>	<u>Rent PSF</u>	<u>Rent</u>	<u>Comments</u>
Cellar	8,185	0	0	
Ground	8,583	2,458	21,099,667	see Gucci
2nd	8,017	250	2,004,250	see Gucci
3rd	11,520	71	817,920	office
4th	11,549	71	819,979	office
5h	8,799	71	624,729	office
6th	2,754	71	195,534	office
7th	3,134	71	222,514	office
8th	3,260	71	231,460	office
Total	65,801	395	26,016,053	

2021 Gucci 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	2,458	14,897,353	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	391	19,012,927	

Comments

Referenced the 2021 Gucci rent 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**

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Kandell	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	892,500	
Minskoff	2,157,750	2,222,483	2,289,157	2,357,832	2,428,567	2,501,424	2,576,466	2,653,760	2,733,373	2,815,375	2,899,836	2,986,831	3,076,437	3,168,730	3,263,792	3,361,706	3,462,557	3,566,434	3,673,426	3,783,629	
Total	3,050,250	3,114,983	3,181,657	3,250,332	3,321,067	3,393,924	3,468,966	3,546,260	3,625,873	3,707,875	3,792,336	3,879,331	3,968,937	4,061,230	4,156,292	4,254,206	4,355,057	4,458,934	4,565,926	4,676,129	
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
	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	3,792,835