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**ECONOMIC ANALYSIS REPORT**

**6-10 WEST 70<sup>TH</sup> STREET**

**NEW YORK, NEW YORK**

Prepared For

Congregation Shearith Israel

March 28, 2007

Freeman/Frazier & Associates, Inc.  
132 Nassau Street, Suite 1220  
New York, New York 10038

## **1.00 Scope of Report**

The purpose of this Report is to analyze the feasibility of two alternatives for the development of a site located at 6-10 West 70<sup>th</sup> Street, New York, New York. The alternatives considered include: 1) As of Right Residential/Community Facility (“As of Right Development”) and 2) The Proposed Residential/Community Facility Development (“Proposed Development”). The Proposed Development requires a variance from the Board of Standards and Appeals.

The report includes detailed financial Schedules that compare the ability of the As of Right and Proposed Development alternatives to provide an acceptable return on the investment required to facilitate development. A summary of the economic characteristics of the As of Right and Proposed alternatives, including projected cash flows and development costs may be found on Schedules A and B.

Recent, verifiable comparable vacant land sales were reviewed to establish the market in the vicinity of the subject property. A schedule of this review may be found as Schedule C.

Recent, verifiable residential condominium sales were reviewed to establish the potential space market in the vicinity of the subject property. A schedule of this review may be found as Schedules D. A schedule of projected sales values for the Proposed residential schemes is attached as Schedule D1 and D2.

Financial feasibility, the ability to provide the developer and investor, with the return of and a reasonable return on capital invested, was analyzed for each alternative using actual and estimated costs, for Acquisition, Hard and Soft Construction Costs and building operating expenses. These assumptions are detailed in subsequent sections of this Report.

### **1.10 Description of Property and Project Area**

The subject property is located at 6-10 West 70<sup>th</sup> Street (Block 1122 Lot 37) at the southwest corner of Central Park West and 70<sup>th</sup> Street on Manhattan’s Upper Westside, and is part of Central Park West Historic District. Adjacent to the subject property is 99-100 Central Park West (lot 36) which has a synagogue designated a historic landmark in 1974 by New York City’s Landmark Commission. Currently, 6-10 West 70<sup>th</sup> Street has a four story community house with community facilities that is not included as part of the historic landmark designation. The community house has 64 feet of frontage on West 70<sup>th</sup> Street.

The building is located in Manhattan Community Board #7. Central Park West and the Park Blocks are composed of a mix of architecturally distinctive buildings including row houses, apartment houses, apartment hotels and institutional buildings including: museums, churches and synagogues, many of which have been designated as landmarks. The immediate vicinity of the site is mixed residential and commercial to the north and to the south.

The subject lot area is approximately 6,432 sq.ft. The site has a four-story community facility on the site.

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## 1.20 Zoning Regulations

The present zoning for the property is R8B and R10A and the property is located in the Central Park West Historic District. The split lot zoning divides 73% of the property into the R8B zone, approximately 4,723.5 sq.ft., and 27% of the property into R10A, approximately 1,708.5 sq.ft.

The current Floor Area Ratio (F.A.R.) permitted by Zoning for the district R8B is 4.0 F.A.R., and the permitted F.A.R. for an R10A district is 10.0. The total adjusted maximum developable square footage, for Lot 37 only, is 37,889 sq.ft.

Under the Proposed Development, the residential floor area would be 23,067 sq.ft. and the community facility floor area would be 19,922 sq.ft. The combined total floor would be a zoning floor area of 42,989 sq.ft. The Proposed Development requires approval by the Board of Standards and Appeals.

## 1.30 Property Ownership

The Trustees of the Congregation Shearith Israel owns the subject property.

The property is currently assessed in the 2007/2008-tax year as follows:

	<u>Land</u>	<u>Total</u>
Target	\$2,002,500	\$2,322,000
Transitional	\$1,744,200	\$2,022,300

The property has an exempt value of \$2,322,000 because of its standing as a non-profit institution. However, without the exemption status, and at a Class 4 tax rate of 10.997%, taxes on the property are estimated at \$222,392/year as per the NYC Department of Finance website.

The applicant in this BSA case is Shelly Friedman of Friedman & Gottbaum on behalf of The Trustees of the Congregation Shearith Israel.

## 1.40 Development Alternatives

### 1.41 As of Right Residential/Community Facility Development

The As of Right Development would consist of new construction of six-story building on lot 37. The new development would consist of a new synagogue lobby on the ground floor, and community facilities on the second through fourth floors, with a gross floor area of 20,178 sq.ft. On the fifth and sixth floors there would be two condominium units for sale with a gross residential area of 7,596 sq.ft.

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The gross built area of this alternative would be 27,774 sq.ft. not including the cellar. The zoning floor area for this alternative would be 27,774. The residential sellable area is 5,022 sq.ft.

This development program is referred to as the "As of Right Development".

#### 1.42 Proposed Residential/Community Facility Development

The Proposed Development alternative would consist of new construction of an eight-story plus penthouse mixed use building on lot 37 with the synagogue remaining untouched on the ground floor. The new development consists of a new synagogue lobby on the ground floor, and community facility space on floors two through four with approximately 19,922 sq.ft. of gross area. Floors five through eight plus the penthouse would be five condominiums.

The residential portion of the development would be sold as condominium units, with one condominium per floor. There would be a total of 16,242 sellable square feet. The fifth, sixth, seventh, and eighth floors would have an average size of 3,565 sq.ft and would have four bedrooms and three and a half bathrooms. The penthouse apartment would have 1,984 sq.ft. of sellable area, and would have two bedrooms and two and a half bathrooms. The penthouse apartment would also have a 1,555 sq.ft. terrace with views to the north, south, and west.

The gross built area of this alternative would be 42,989 sq.ft. not including the cellar. The zoning floor area for this alternative would be 42,989 sq.ft.

This development program would require a variance from the Board of Standards and Appeals and is referred to as the "Proposed Development".

## 2.0 Methodology

### 2.10 Value of the Property As Is

In order to estimate the value of the land under consideration, recent sales prices for comparable vacant properties in similar R8B zones and in geographic proximity within Manhattan were reviewed. Four appropriate sales were identified. A site visit to each property was made and location, condition and sales price data were compared. A schedule of the comparable sales is attached as Schedule C.

Vacant land sale prices, adjusted for comparability ranged from \$453.09/sq.ft. of F.A.R. development area to \$565.62/sq.ft. with an average of \$500.31/sq.ft. For purposes of this analysis, a value of \$500/sq.ft., or slightly above the average, was used. The site area is approximately 6,427 sq.ft. with a potential residential zoning floor area of 37,889 sq.ft., therefore, the acquisition cost for Lot 37 for residential use is estimated at \$18,944,000.

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### 3.0 Economic Assumptions

An economic analysis of the two development alternatives was undertaken. Schedule A of this Report identify and compare the ability of each alternative to provide acceptable income to justify the capital investments required.

#### 3.10 Development Cost Assumptions

Development Costs consist of Acquisition Costs, as described in Section 2.00 above; Holding and Preparation Costs; Hard Construction Costs for specific improvements; and Soft Costs including construction loan interest, professional and other fees, property and other taxes and miscellaneous development related expenses incurred during the construction period.

Development related soft costs for the alternatives were estimated based on typical expenses incurred for similar types of development.

The architectural firms of Platt Byard Dovell White Architects LLP have provided plans. For each development alternative, a construction cost estimate has been provided by McQuilkin and Associates. Each estimate can be found in Exhibit A to this Report.

The estimated hard construction cost for the total development of the As of Right Development is \$3,603,000. The work includes residential core and shell, electrical, mechanical and elevator systems. Apartment interiors include kitchen appliances, bathrooms and high end finishes. No construction costs related to development of the community facilities have been included.

The estimated hard construction cost for the total development of Proposed Development is \$7,488,000. This work includes residential core and shell, electrical, mechanical and elevator systems. Apartment interiors include kitchen appliances, bathrooms and high-end finishes. No construction costs related to development of the community facilities have been included.

The cost estimates for each Development alternative were compared with costs for similar development projects and can be considered within the reasonable range for comparable construction and finishes for this type of project. Development related soft costs for the alternatives were estimated based on typical expenses incurred for similar types of development. Schedule B identifies the specific Hard and Soft Cost estimates utilized in this analysis for the each of the alternatives.

#### 3.20 Financing Assumptions

Typically, construction loan interest rates may be assumed to be 1.0-2.0 percentage points above the Prime Rate. As of the Report's date, the Prime Rate was 8.25%, which cannot be reasonably assumed to remain in effect during the development's projected timeframe. Therefore, 9.50% was used as the construction loan rate for the analysis.

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The As of Right and Proposed Development alternatives will be developed as for-sale Condominiums. Therefore, any long term financing will be the responsibility of individual Condominium Unit purchasers and no assumptions were made for this analysis.

### 3.30 Real Estate Tax Assumptions

Current taxes were assumed as a base for the construction and rent up periods for the as of right use alternative.

It is assumed that the As of Right and Proposed Developments would not be eligible for the 421-a Real Estate Tax Abatement Programs.

The As of Right and Proposed Developments under consideration will be developed as for-sale Condominiums. Therefore, any real estate taxes will be the responsibility of individual Condominium Unit purchasers and no assumptions were made for this analysis.

### 3.40 Expense Assumptions

As a residential condominium it is assumed that the tenant will pay all expenses.

### 3.60 Residential Condominium Sales

The upper Westside and residences along side Central Park are popular areas for historic homes as well as new condominium apartment development. Comparable condominium sales from the Upper Westside and Central Park West areas have been used, and appropriate adjustments made to account for their location and other pertinent factors. In estimating the potential sales prices for the As of Right and Proposed Developments, adjustments to observed sales prices were made for time of sale, building location and location of unit within the building, size and level of improvement. This information is provided in the attached Schedule D.

Based on a review of recent verifiable sales of comparable apartments in recently renovated or constructed buildings, apartments are selling in the range of \$2,456.90 to \$2,800.48/sq.ft., adjusting for location, size, floor and amenities. Pricing for each unit in the As of Right and Proposed Developments were estimated based on the adjusted comparable sales contained in Schedule D. The attached Schedule D1 and D2 identify these estimated sales prices.

### 4.00 Consideration

#### 4.10 Property Acquisition

Based on our market review, the estimated price is within the observed market range, taking into account the special features and conditions regarding the subject property as noted in Section 2.10. Economic feasibility issues regarding the project are not, therefore, a result of the estimated value of the property.

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#### 4.20 Unique Site Conditions

Although the potential residential floor area is 37,417 sq.ft., the undersized site; the presence of the existing zoning district boundary and requirements to align its street wall and east elevation with the existing Synagogue; need to replace and enlarge the existing functions in the Community House; and need to address the Synagogue's circulation problems create practicable difficulties in being able to feasibly develop the New Building in a manner that would further CSI's religious, educational and cultural mission. These restrictions also prevent development of a valuable tower component of the building on the R10A portion of the site and limit the overall residential floor area possibilities.

#### 4.30 As of Right Residential/Community Facility Development

As shown in the attached Schedule A1, the Feasibility Analysis estimated the project value to be the sum of residential condominium unit sales, less sales commissions. Consideration of the economic feasibility of condominium projects is typically based on the potential profit generated from the sale of apartment units and other sources, on an annualized basis. Profit is the amount available for distribution to investors after all project expenses incurred in the development and sale of units are deducted from gross revenues. "Annualized Return on Total Investment" is measured by dividing the estimated annualized project profit by the total investment in the project.

As shown in the attached Schedule A, the total investment, including estimated Property Value, base construction costs, soft costs and carrying costs during the sales period for the As of Right Development is estimated to be \$27,970,000.

The Feasibility Analysis estimated the net project value to be \$11,574,000. This amount is the sum of residential condominium unit sales, less sales commissions. As shown in Schedule A, the development of the as of right alternative would result in an annualized **capital loss of \$8,672,000.**

#### 4.40 Proposed Residential/Community Facility Development

As shown in the attached Schedule A, the total investment, including estimated Property Value, base construction costs, soft costs and carrying costs during the sales period for the Proposed Development is estimated to be \$33,688,000.

The Feasibility Analysis estimated the net project value to be \$39,606,000. This amount is the sum of residential condominium unit sales, less sales commissions.

As shown in Schedule A, the annualized return on total investment for the Proposed Development is estimated to be 6.55% with a 28-month development and sales period.

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#### 5.00 Conclusion

The Proposed Development provides a 6.55% Annualized Return on Total Investment. This return is at the low end of the range that typical Investors would consider as an investment opportunity, taking into account the potential risks inherent in this type of development project, and few, if any, investment options. The returns provided by the Proposed Development alternative, in this case would, therefore, be considered acceptable for this project.

There is no Return on Investment provided by the As of Right Development.

#### 6.00 Professional Qualifications

A statement of my professional qualifications is attached. Please note that I am independent of the subject property's owner and have no legal or financial interest in the subject property.



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**SCHEDULE A1: ANALYSIS SUMMARY - CONDOMINIUM USE**

	AS OF RIGHT DEVELOPMENT	PROPOSED DEVELOPMENT
<b>BUILDING AREA (SQ.FT.)</b>		
BUILT RESIDENTIAL AREA	7,596	23,067
SELLABLE AREA	5,022	16,242
<b>CAPITAL INVESTMENT SUMMARY</b>		
ACQUISITION COST	\$18,944,000	\$18,944,000
HOLDING & PREP. COSTS	\$0	\$0
BASE CONSTRUCTION COSTS	\$3,603,000	\$7,488,000
SOFT CONSTRUCTION COSTS	\$4,873,000	\$6,592,000
	<u>\$27,420,000</u>	<u>\$33,024,000</u>
<b>PROJECT VALUE</b>		
SALE OF UNITS	\$12,313,000	\$42,134,000
(less) SALES COMMISSIONS	6% (\$739,000)	(\$2,528,000)
CAPITALIZED VALUE OF COMMERCIAL SPACE	\$0	\$0
EST. NET PROJECT VALUE	<u>\$11,574,000</u>	<u>\$39,606,000</u>
<b>PROJECT INVESTMENT</b>		
ACQUISITION COST	\$18,944,000	\$18,944,000
HOLDING & PREP. COSTS	\$0	\$0
BASE CONSTRUCTION COSTS	\$3,603,000	\$7,488,000
SOFT CONSTRUCTION COSTS	\$4,873,000	\$6,592,000
CARRYING COSTS DURING SALES PERIOD	\$550,000	\$664,000
EST. TOTAL INVESTMENT	<u>\$27,970,000</u>	<u>\$33,688,000</u>
<b>RETURN ON INVESTMENT</b>		
ESTIMATED PROJECT VALUE	\$11,574,000	\$39,606,000
(less) EST. TOTAL INVESTMENT	(\$27,970,000)	(\$33,688,000)
(less) EST. TRANSACTION TAXES	(\$225,000)	(\$769,000)
EST. PROFIT (loss)	<u>(\$16,621,000)</u>	<u>\$5,149,000</u>
DEVELOPMENT/SALES PERIOD (MONTHS)	23	28
ANNUALIZED PROFIT (loss)	(\$8,672,000)	\$2,207,000
RETURN ON TOTAL INVESTMENT	0.00%	15.28%
ANNUALIZED RETURN ON TOTAL INVESTMENT	<u>0.00%</u>	<u>6.55%</u>

NOTE : ALL \$ FIGURES ROUNDED TO NEAREST THOUSAND

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**SCHEDULE B : DEVELOPMENT COSTS**

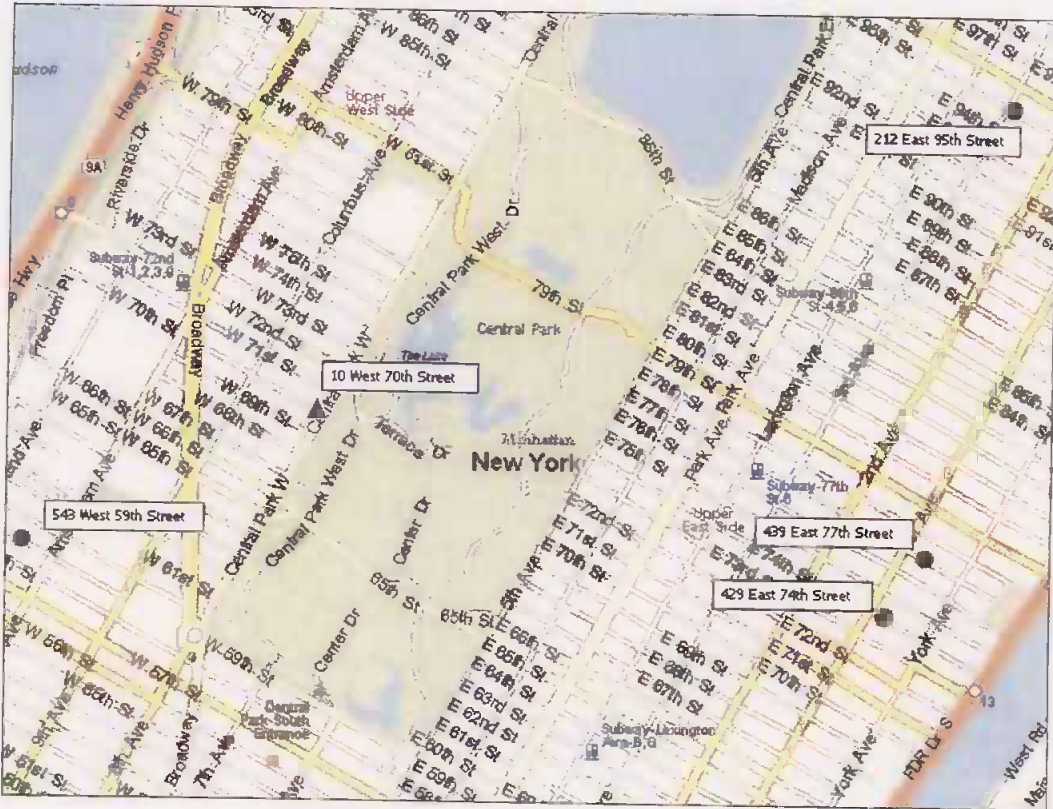
		AS OF RIGHT DEVELOPMENT	PROPOSED DEVELOPMENT
<b>DEVELOPMENT COST SUMMARY</b>			
ACQUISITION COSTS		\$18,944,000	\$18,944,000
HOLDING & PREP. COSTS:		\$0	\$0
BASE CONSTRUCTION COSTS		\$3,603,000	\$7,488,000
TENANT FIT-OUT COSTS		\$0	0
EST.SOFT COSTS		\$4,873,000	\$6,592,000
<b>EST. TOTAL DEV.COSTS</b>		<b>\$27,420,000</b>	<b>\$33,024,000</b>
<b>ACQUISITION COSTS :</b>			
Land Purchase Price		\$18,944,000	\$18,944,000
<b>TOTAL LAND VALUE</b>		<b>\$18,944,000</b>	<b>\$18,944,000</b>
<b>HOLDING &amp; PREP. COSTS:</b>		<b>\$0</b>	<b>\$0</b>
<b>BASE CONSTRUCTION COSTS :</b>		<b>\$3,603,000</b>	<b>\$7,488,000</b>
TENANT FIT-OUT COSTS		\$0	
EST.CONST.LOAN AMOUNT :		\$20,565,000	\$24,768,000
EST.CONST.PERIOD(MOS) :		20	24
<b>EST. SOFT COSTS :</b>			
Builder's Fee/Developer's Profit	3.00%	\$823,000	\$991,000
Archit. & Engin. Fees	8.00%	\$288,000	\$599,000
Bank Inspect.Engin.		\$12,000	\$34,000
Construction Management	5.00%	\$180,000	\$300,000
Inspections, Borings & Surveys			
Laboratory Fees	LS	\$5,000	\$5,000
Soil Investigation	LS	\$10,000	\$10,000
Preliminary Surveys	LS	\$5,000	\$5,000
Ongoing Surveys	LS	\$10,000	\$10,000
Environmental Surveys/Reports	LS	\$2,000	\$2,000
Controlled Inspection Fees	LS	\$45,000	\$45,000
Legal Fees			
Dev.Legal Fees		\$150,000	\$150,000
Con.Lender Legal		\$62,000	\$62,000
End Loan Legal		\$0	\$0
Permits & Approvals			
D.O.B. Fees	25.53%	\$117,000	\$145,000
Cond/Co-op Offering Plan		\$30,000	\$30,000
Other		\$40,000	\$40,000
Accounting Fees		\$5,000	\$5,000
Consultant Fees		\$0	\$0
Appraisal Fees		\$8,000	\$8,000
421-a Tax Exemption Fee	0.00%	\$0	\$0
421a Tax Certificates		NA	NA
Marketing/Pre-Opening Expenses			
Rental Commissions	25.00%	\$0	\$0
Sales Expenses & Advertising		\$198,000	\$198,000
Capitalized Start-up Costs		NA	\$0
Financing and Other Charges			
Con.Loan Int. @ Loan Rate =	9.50%	\$1,628,000	\$2,353,000
Rent-up Loan Int. @ Loan Rate =	7.00%	\$0	\$0
Con.Lender Fees	1.00%	\$206,000	\$248,000
End Loan Fee	1.00%	\$0	\$0
Construction Real Estate Tax		\$334,000	\$445,000
Rent-up Real Estate Tax		\$0	\$0
Title Insurance	0.33%	\$90,000	\$109,000
Mtge.Rec.Tax	2.75%	\$566,000	\$681,000
Construction Insurance	1.00%	\$54,000	\$112,000
Water and Sewer		\$5,000	\$5,000
Other		\$0	\$0
<b>TOTAL EST.SOFT COSTS</b>		<b>\$4,873,000</b>	<b>\$6,592,000</b>

NOTE : ALL \$ FIGURES ROUNDED TO NEAREST THOUSAND



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Schedule C: Comparable Vacant Property Sales



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Schedule C: Comparable Vacant Property Sales

1. 543-547 West 59<sup>th</sup> Street

This 7,550 sq. ft. vacant lot is located between Tenth and Eleventh Avenues. The property resides in a C6-2 zoning district with an F.A.R. of 6.02, and has a buildable area of approximately 45,451. It is located one mile south of the subject property. A +20% adjustment was made for time, and +25% adjustment for the property's inferior location relative to the subject property. A +10% adjustment was made for the inferior zoning. No adjustments were made for size or other factors.

2. 429 East 74<sup>th</sup> Street

This is a 6,554 sq. ft. under-utilized lot on Manhattan's Upper East Side. It is approximately 2.5 miles east of the subject property, and is located on East 74<sup>th</sup> Street between York and First Avenues. A +10% adjustment was made for time, and a +10% adjustment was made for the inferior location. A +10% adjustment was made for the inferior zoning. No adjustments were made for size or other factors.

3. 439 East 77<sup>th</sup> Street

This is a 2,236 sq. ft. under utilized lot on Manhattan's Upper West Side. It is located on East 77<sup>th</sup> Street between York and First Avenues. It is approximately 2.5 miles east of the subject property. A +10% adjustment was made for time, and a +10% adjustment was made for the inferior location. A +10% adjustment was also made for the inferior zoning. No adjustments were made for size or other locations.

4. 212 East 95<sup>th</sup> Street

This is a 5,650 sq. ft. vacant lot located on East 95<sup>th</sup> Street between Second and Third Avenues on Manhattan's Upper East Side. It is located approximately 2.5 miles northeast of the subject property. A +8% adjustment was made for time, and a +25% adjustment was made for inferior location. An additional +10% adjustment was made for the inferior zoning. No adjustments were made for size or other factors.

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Schedule C: Comparable Vacant Property Sales

1. 543-547 West 59<sup>th</sup> Street



2. 429 East 74<sup>th</sup> Street



3. 439 East 77<sup>th</sup> Street



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Schedule C: Comparable Vacant Property Sales Continued

4. 212 East 95<sup>th</sup> Street







Freeman/Frazier & Associates, Inc.  
 Date : March 28, 2007  
 Property : 10 West 70th Street  
 Block, Lot : Blk 1122, Lot 37  
 Total Land Area : 6,472 sq.ft.  
 Zone : R8B & R10A  
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Schedule D1: As of Right Residential Condominium Pricing

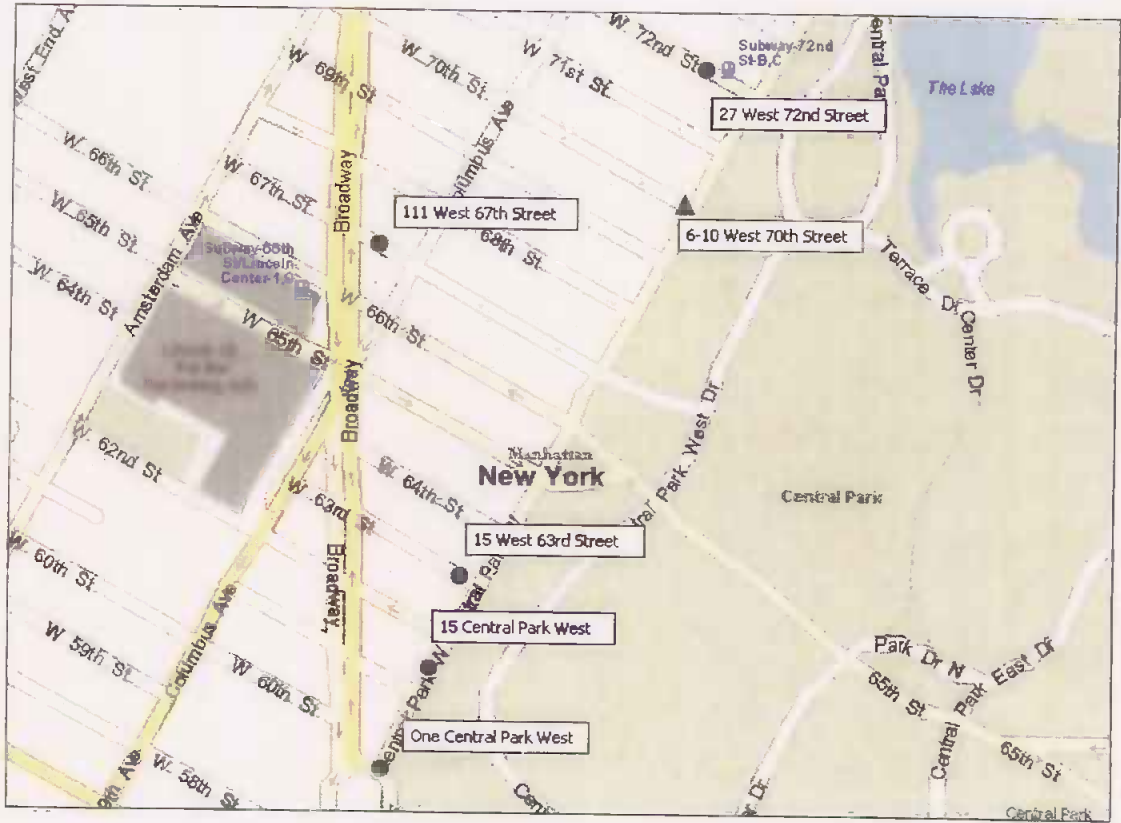
Floor	Area	Price	Price/SF	Outdoor Space
Five	2,815	\$6,333,750	\$2,250	0
Six	2,207	\$5,979,319	\$2,325	1459
Total	5,022	\$12,313,069	\$2,452	

Schedule D2: Proposed Residential Condominium Pricing

Floor	Area	Price	Price/SF	Outdoor Space
Five	3,418	\$7,861,400	\$2,300	0
Six	3,522	\$8,364,750	\$2,375	0
Seven	3,632	\$8,989,200	\$2,475	0
Eight	3,686	\$9,860,050	\$2,675	0
PH	1,984	\$7,058,931	\$2,975	1555
Total	16,242	\$42,134,331	\$2,594	

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Schedule D: Comparable Condominium Sales



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Schedule D: Comparable Condominium Sales

1. One Central Park West #51A

This is a 5,046 sq.ft. condominium with views of Central Park located on the north side of Columbus circle. It is located approximately nine blocks south of the subject property. A -5% adjustment was made for the superior location. No adjustments were made for time, size, zoning or other factors.

2. 15 Central Park West #9G

This is a 2,237 sq.ft. condominium designed by Robert Stern. It is located on Central Park West between West 61<sup>st</sup> and West 62<sup>nd</sup> Street in Manhattan's Upper West Side. It is located approximately eight blocks south of the subject property. A -5% adjustment was made for the superior location. No adjustments were made for time, size, zoning or other factors.

3. 111 West 67<sup>th</sup> Street #45D

This is a 2,948 sq.ft. condominium located on 67<sup>th</sup> Street between Columbus Avenue and Broadway on Manhattan's Upper West Side. It is located approximately four blocks away from the subject property. A -5% adjustment was made for the superior location. No adjustments were made for time, size, zoning or other factors.

4. 15 Central Park West #29C

This is a 2,876 sq.ft. condominium designed by Robert Stern with views of Central Park. It is located on Central Park West between West 61<sup>st</sup> and West 62<sup>nd</sup> Street in Manhattan's Upper West Side. It is located approximately eight blocks south of the subject property. A -5% adjustment was made for the superior location. No adjustments were made for time, size, zoning or other factors.

5. One Central Park West #37B

This is a 1,599 sq.ft. condominium with views of Central Park located on the north side of Columbus circle. It is located approximately nine blocks south of the subject property. A -5% adjustment was made for the superior location, and a +10% adjustment was made for the small size of the unit. No adjustments were made for time, zoning or other factors.

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Schedule D: Comparable Condominium Sales Continued

6. 15 West 63<sup>rd</sup> Street #39A

This is a 2,800 sq.ft. condominium located on West 63<sup>rd</sup> Street between Central Park West and Columbus Avenue. Located on Manhattan's Upper West Side, it is approximately seven blocks south of the subject property. A +5% adjustment was made for time, and a -5% adjustment was made for the superior location relative to the subject property. No adjustments were made for size, zoning or other factors.

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Schedule D: Comparable Condominiums

1. One Central Park West



2. 15 Central Park West



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Schedule D: Comparable Condominiums Continued

3. 111 West 67<sup>th</sup> Street



4. 15 West 63<sup>rd</sup> Street



**EXHIBIT A : CONSTRUCTION COST ESTIMATE**

# CONGREGATION SHEARITH ISRAEL

**NEW YORK, N.Y.**

**AS OF RIGHT CONSTRUCTION COST ESTIMATE**

**March 7, 2007**

**McQuilkin Associates, Inc.**  
**Construction Consultants**

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**500 Morris Avenue**  
**Springfield, NJ 07081**  
**Tel 973-218-1600**  
**Fax 973-218-1700**



MC QUILKIN ASSOCIATES INC.				DATE:	3/7/07		
PROJECT: CONGREGATION SHEARITH ISRAEL				REV:			
LOCATION: NEW YORK, NY							
CSI #	TRADE SUMMARY			SCHOOL	RESIDENTIAL	TOTAL AMOUNT	
	<u>AS OF RIGHT</u>						
02050	BUILDING DEMOLITION			103,500	-	103,500	
02060	SELECTIVE DEMOLITION			25,000		25,000	
02080	ASBESTOS ABATEMENT			NIC	NIC	NIC	
02500	PAVING & SURFACING			24,786	-	24,786	
02900	EXCAVATION/FOUNDATION			1,967,652	24,000	1,991,652	
03010	CONCRETE AND CEMENT WORK			2,325,900	1,023,040	3,348,940	
04200	MASONRY			193,140	-	193,140	
05500	MISCELLANEOUS METALS			95,950	36,500	132,450	
06100	ROUGH CARPENTRY			43,500	16,200	59,700	
06400	FINISH CARPENTRY			21,720	21,452	43,172	
07530	ROOFING & FLASHING			-	152,880	152,880	
07900	JOINT SEALERS			15,000	5,000	20,000	
08100	HOLLOW METAL DOORS			19,930	5,890	25,820	
08200	WOOD DOORS			13,500	7,250	20,750	
08700	HARDWARE			32,800	5,700	38,500	
08900	EXTERIOR FAÇADE			636,176	293,004	929,180	
09250	GYPSUM WALLBOARD			295,356	139,228	434,584	
09300	TILEWORK			136,946	12,492	149,438	
09500	ACOUSTIC CEILING			120,876	1,316	122,192	
09600	WOOD FLOORING			8,376	32,736	41,112	
09680	CARPET & RESILIENT			38,392	764	39,156	
09700	TERRAZZO			181,840	22,920	204,760	
09900	PAINTING			81,224	21,260	102,483	
10100	VISUAL DISPLAY BOARDS			9,750	-	9,750	
10150	COMPARTMENTS & CUBICLES			21,200	-	21,200	
10520	FIRE PROTECTION SPECIALTIES			7,200	-	7,200	
10800	TOILET ACCESSORIES			21,800	2,600	24,400	
11130	PROJECTION SCREENS			18,000	-	18,000	
11400	APPLIANCES			5,000	10,000	15,000	
14000	CONVEYING SYSTEM			150,000	260,000	410,000	
15300	FIRE PROTECTION			175,164	67,584	242,748	
15400	PLUMBING			365,940	167,238	533,177	
15500	HVAC			1,592,400	430,080	2,022,480	
16050	ELECTRICAL WORK			926,092	363,852	1,289,944	
			SUBTOTAL	9,674,109	3,122,985	12,797,095	
			GENERAL CONDITIONS	12%	1,160,893	374,758	1,535,651
			SUBTOTAL	10,835,002	3,497,743	14,332,746	
			LIABILITY INSURANCE	3%	325,050	104,932	429,982
			TOTAL	11,160,052	3,602,676	14,762,728	

# **CONGREGATION SHEARITH ISRAEL**

**NEW YORK, N.Y.**

**PROPOSED CONSTRUCTION COST ESTIMATE**

**March 7, 2007**

**McQuilkin Associates, Inc.**  
**Construction Consultants**

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MC QUILKIN ASSOCIATES INC.				DATE:	3/7/07	
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CSI #	TRADE SUMMARY			SCHOOL	RESIDENTIAL	TOTAL AMOUNT
	<b>PROPOSED</b>					
02050	BUILDING DEMOLITION			103,500	-	103,500
02060	SELECTIVE DEMOLITION			25,000		25,000
02080	ASBESTOS ABATEMENT			NIC	NIC	NIC
02500	PAVING & SURFACING			24,786	-	24,786
02900	EXCAVATION/FOUNDATION			1,967,652	56,000	2,023,652
03010	CONCRETE AND CEMENT WORK			2,458,700	2,184,560	4,643,260
04200	MASONRY			193,140	-	193,140
05500	MISCELLANEOUS METALS			95,950	61,300	157,250
06100	ROUGH CARPENTRY			43,500	47,200	90,700
06400	FINISH CARPENTRY			21,720	33,400	55,120
07530	ROOFING & FLASHING			-	166,680	166,680
07900	JOINT SEALERS			15,000	10,000	25,000
08100	HOLLOW METAL DOORS			19,930	17,680	37,610
08200	WOOD DOORS			13,500	26,000	39,500
08700	HARDWARE			32,800	17,600	50,400
08900	EXTERIOR FAÇADE			654,326	737,084	1,391,410
09250	GYPHUM WALLBOARD			303,236	359,208	662,444
09300	TILEWORK			136,946	30,960	167,906
09500	ACOUSTIC CEILING			134,316	4,004	138,320
09600	WOOD FLOORING			8,376	97,258	105,634
09680	CARPET & RESILIENT			42,352	2,102	44,454
09700	TERRAZZO			181,840	22,920	204,760
09900	PAINTING			82,169	56,934	139,103
10100	VISUAL DISPLAY BOARDS			9,750	-	9,750
10150	COMPARTMENTS & CUBICLES			21,200	-	21,200
10520	FIRE PROTECTION SPECIALTIES			7,200	-	7,200
10800	TOILET ACCESSORIES			21,800	6,500	28,300
11130	PROJECTION SCREENS			18,000	-	18,000
11400	APPLIANCES			5,000	25,000	30,000
14000	CONVEYING SYSTEM			150,000	360,000	510,000
15300	FIRE PROTECTION			185,724	144,551	330,275
15400	PLUMBING			365,940	331,657	697,597
15500	HVAC			1,688,400	919,870	2,608,270
16050	ELECTRICAL WORK			981,772	772,178	1,753,950
				<b>SUBTOTAL</b>		
				10,013,525	6,490,645	16,504,170
				<b>GENERAL CONDITIONS</b>		
			12%	1,201,623	778,877	1,980,500
				<b>SUBTOTAL</b>		
				11,215,147	7,269,523	18,484,670
				<b>LIABILITY INSURANCE</b>		
			3%	336,454	218,086	554,540
				<b>TOTAL</b>		
				11,551,602	7,487,608	19,039,210

**EXHIBIT B : PROFESSIONAL QUALIFICATIONS**

RESUMÉ

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**JACK FREEMAN**

Jack Freeman is principal of Freeman/Frazier & Associates, Inc. Mr. Freeman's professional background combines real estate finance, development planning, project management and public sector experience to provide comprehensive real estate advisory services to the benefits of his clients.

His development financing background includes several years experience as a Mortgage Officer for The New York City Community Preservation Corporation, responsible for construction and permanent loan origination. The Corporation is a consortium of the New York City Commercial Banks and Savings Institutions, established to provide mortgage financing for multifamily housing rehabilitation and economic development.

Public Sector experience includes the position of Director, New York City Department of City Planning, Zoning Study Group and Senior Staff positions in the Mayor's Office of Development, responsible for management of major commercial and residential projects in Lower Manhattan.

As developer, Mr. Freeman has been a principal and General Partner in the development of multifamily market rate and affordable housing projects, with a value in excess of \$17 million.

In 1993 Mr. Freeman was appointed, and served until 1996, as a Commissioner of the New York City Landmarks Preservation Commission. For three years, Mr. Freeman was a member of the New York State Council of Arts Capital Program Review Panel. He has been a recipient of a National Endowment for the Arts Grant for Architecture and a Progressive Architecture Award for Urban Design.

Mr. Freeman is a Licensed Real Estate Broker, a member of the Real Estate Board of New York, the Urban Land Institute and the American Planning Association. He teaches Real Estate Development as a member of Graduate Faculty of the City University of New York and has been a regular lecturer in Real Estate Finance at Princeton University.

Mr. Freeman holds a Masters Degree in City Planning from the City University of New York and a Bachelor of Architecture Degree from Cooper Union.

**FREEMAN**

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**FRAZIER**

**& ASSOCIATES, INC.**