
From: Cecile de Jongh <[REDACTED]>
Sent: Saturday, June 8, 2013 12:56 AM
To: JEE
Cc: Richard Kahn; Jeanne Brennan
Subject: Fwd: AYH/BPPR Financing (August 2007) Bank appraisal
Attachments: IGY Checking acct-wire transfers re AYH 2007.pdf; Untitled attachment 01107.htm

With warm regards,

Cecile

Sent from my iPhone

Begin forwarded message:

From: "Garrison, Frank" <[REDACTED]> >>
Date: June 7, 2013, 6:35:09 PM GM=-04:00
To: Cecile de Jongh <[REDACTED]>
Cc: "Garrison, Frank" <[REDACTED]>
<=>Subject: RE: AYH/BPPR Financing (August 2007) Bank appraisal<=b>

Cecile,

I will=have to look into some of the items you are inquiring about. In the interim=though, I can address a few items:

&n=sp; I have attached hereto a ba=k statement noting various transfers that tie to the AYH closing statement i=cluding the \$16,079,324 you have referenced.

&n=sp; There was not a finder♦=99s fee of \$250,000 paid by Jeffrey to anyone. Rather, there was a \$250,000=acquisition fee paid by IGY to Island Capital for doing the acquisition work. This amount was paid to Island pursuant to agreemen= prior to Jeffrey's investment and was standard for acquisiti=ns negotiated by Island for the benefit of IGY. That \$250,000 was inc=uded in the total costs of IGY Facilities in AYH. Therefore, 50% of that amount was included in the total amount Jeffrey paid to I=Y Facilities for his 50% interest in AYH. Note that IGY incurre= the \$250,000 as an actual out of pocket cost and does not have the same sh=reholders as Island Capital.

 Interest was included in the cost buildup (will have to check the exact amount). It represents interest on the acquisition line of credit that IGY had with Banco Popular and which was drawn upon to fund the acquisition of AYH in January 2007. The interest was paid by IGY to Banco Popular.

 Frank

Frank M. Garrison<=p>

Island Capital Group LLC

One American Center

3100 West End Ave Suite 1=30

Nashville, TN 37203

From: Cecile de Jongh [mailto:[mailto:cj@islandcapitalgroup.com](#)]>
Sent: Friday, June 07, 2013 4:59 PM
To: Garrison, Frank
Cc: Cecile de Jongh
Subject: Re: AYH/BPPR Financing (August 2007) Bank appraisal</=gt;

Good afternoon Frank,

I reviewed the appraisal there are some issues that I noted.

1.=The value is \$4M less than the purchase price just six months prior. Is there an appraisal that IGY used to support the sales price of \$25M?&nbs=; You noted that you are not aware of any other appraisals but there must have been something that led IGY to agree to pay \$25M for the property.

2.=I now understand why the deed for the real (fee simple) property was such an odd amount; it is based on a tax assessed value of exactly \$6,186,939. The appraisal values the real property at \$10.2M.<=p>

3.=The appraiser surmises that the buyer purchased property as "...part of a larger purchase of four marinas properties in the Caribbean. The seller was Sun Resorts, which owned the subject outright and various interests in the other marinas. The sale price is slightly higher than our value estimate, which could be the result of allocated costs of the portfolio sale." What value did IGY place on AYH at the time of purchase? Was this an allocation as part of the larger sale of the four properties?

&n=sp;

Jeffrey has mentioned several times that there was a \$250K + finders fee that he was charged - who did that go to and why? He also has asked about the approximately \$750K payment which we believe represented an interest payment. Why? And, who did this get paid to? Lastly, is there a canceled check from IGY-AYH to MOF VI Limited in the amount of \$16,079,324 from the 1/18/07 closing? If it was a wire, do you have a copy of the wire transfer? May we have a copy of that check of wire transfer docs?

&n=sp;

I have again asked Jeffrey for the 2006 emails between Andrew and himself and he said that he is out of the country and will have to look for them.

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With warm regards,

&n=sp;

=ecile

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"Nearly all men can stand adversity, but if you want to test a man's character= give him power." ~ Abraham Lincoln

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ü Please consider the environment before printing this e-mail.

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Cecile:

I am attaching the appraisal that was prepared for BPPR in connection with the term loan closed in August 2007. This was prepared for BPPR for purposes of making that loan and presumably satisfying whatever LTV requirement they were imposing. It was not an appraisal done in connection with the acquisition (which closed in January of 2007) and I am unaware of any other appraisal.

Also, Marc Levy was the lead on the acquisition of the property from the IGY side.

Any visibility of the e-mails?

Frank

Frank M. Garrison
Island Capital Group LLC
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Nashville, TN 37203
[REDACTED]

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