

Street, New York, NY 10010

PROJECT SUMMARY

<u>Gross Square Feet</u>	35,280
<u>Net Sellable Square Feet: Retail Units</u>	6,700
<u>Net Sellable Square Feet: Residential Units</u>	21,441
<u>Net Sellable Square Feet</u>	28,141

LAND BASIS DETERMINATION

<u>Land/Improvement Basis</u>	\$13,250,000
Total Land/Improvement Basis	\$13,250,000

FINANCING COSTS (pre-sale of units)

<u>Building & Project Loans</u>	79%	\$25,671,303
<u>Interest Rate</u>	13.0%	

SOURCES OF FUNDS (pre-sale of units)

<u>Equity A (Lofts21 LLC)</u>	21.4%	\$7,000,000
<u>Project Loan Financing</u>	3.7%	\$1,197,747
<u>Building Loan Financing</u>	74.9%	\$24,473,556
Total Sources of Funds	100%	\$32,671,303

USES OF FUNDS (pre-sale of units)

<u>Cost of Land & Improvements</u>	\$13,250,000
<u>Hard, Soft, Financing & Interest Costs</u>	<u>\$19,421,303</u>
Total Project Costs	\$32,671,303

RESIDUAL VALUATION

<u>Retail Units Gross Sales</u>	\$7,500,000
<u>Unit #2-4 Residential Gross Sales</u>	\$29,250,000
<u>Penthouse Residential Sale (Projected)</u>	\$22,000,000
Gross Sales	\$58,750,000
<u>Sales Costs (Commissions, Legal, etc.)</u>	<u>(\$3,761,566)</u>
Net Sales	\$54,988,434

COSTS PAID OUT OF SALES

Building & Project Loan - Remaining Interest & Exit Fees	\$1,624,931
Refinancing Costs	\$248,068
Jr. Loan (Remaining Balance)	\$72,922
General Contractor: Settlement Payments	\$549,626
General Contractor: Basement Requisition	\$152,451
Additional Hard & Soft Costs	\$2,806,090
Escrow: LULA Lift Elevator	<u>\$73,138</u>
Total Costs Paid Out of Sales	\$5,527,226

DISTRIBUTIONS

Net Sales	\$54,988,434
Debt	(\$25,671,303)
Costs Paid Out of Unit Sales	(\$5,527,226)
Total Distributable Cash	\$23,789,905
Return of Equity A & B	(\$7,800,000)
<u>Developer's Fee</u>	<u>(\$225,000)</u>
Net Profit	\$15,764,905
Profit to Equity A & B - (75%)	(\$7,400,000)
<u>1st Distribution to Advance Star - (25%)</u>	<u>(\$2,466,667)</u>
Subtotal of Distributable Cash	\$5,898,238
Additional Profit to Equity A (\$1.4MM)	(\$1,400,000)
<u>2nd Distribution to Advance Star</u>	<u>(\$4,498,238)</u>
Total	0

FT REAL ESTATE – CONTRIBUTIONS/DISTRIBUTIONS

Contribution: Equity A (Lofts21 LLC)	\$220,500
Contribution: Advance Star	\$700,000
Total Contribution	\$920,500
Initial Return of Equity A	\$63,606
Return of Equity A	\$156,894
Distribution to Equity A	\$220,500
Add. Distribution to Equity A (\$1.4MM)	\$44,100
Distribution to Advance Star	\$2,089,471
Total Distribution	\$2,574,571

Footnotes:

- Equity B Distribution is \$800,000 on return of capital up to \$400,000 of second distribution.
- Building & Project Loan includes interest reserve.
- Contingency is included in Costs Paid Out of Sales.

- Projected Waterfall

2/21/14

Initial Distribution

Distributable Cash	\$ 2,250,000		
Return of Equity - (Distribution on 11/1/13)	\$ (2,250,000)		
100% of Investment plus B Distribution		Equity A (Lofts21) (2,019,231)	Equity B (230,769)

Projected Remaining Distributions

Net Sale of Penthouse	\$ 22,000,000		
Additional Sponsor Contingency & Construction Reserve	\$ (460,097)		
Remaining Return of Equity	\$ (5,550,000)		
100% of Investment plus B Distribution		Equity A (Lofts21) (4,980,769)	Equity B (569,231)
Sub Total Distributable Cash	\$ 15,989,903		
Development Fee	\$ (225,000)		
Profit (75/25)	\$ (9,866,667)		
		Advance Star Distribution (25%)	Equity A + B (75%)
		\$ (2,466,667)	
Additional Profit to Equity A	\$ (1,400,000)		
Sub Total of Final Distributable Cash	\$ 4,498,236		
		Advance Star Distribution	
		\$ (4,498,236)	

Note: B Distribution is \$800,000 on return of capital up to \$400,000 of second distribution

Totals Distributions

Total Distributions: Equity A (Lofts21)	15,400,000
Total Distributions: Equity B	1,200,000
Total Distributions: Advance Star	6,964,903