

Street, New York, NY 10010

## PROJECT SUMMARY

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

## LAND BASIS DETERMINATION

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

## FINANCING COSTS (pre-sale of units)

Building & Project Loans	79%	\$25,671,303
Interest Rate	13.0%	

## SOURCES OF FUNDS (pre-sale of units)

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

## USES OF FUNDS (pre-sale of units)

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

## RESIDUAL VALUATION

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

## **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	\$73,138
<b>Total Costs Paid Out of Sales</b>	<b>\$5,527,226</b>

## **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)
Developer's Fee	(\$225,000)
Net Profit	\$15,764,905
Profit to Equity A & B - (75%)	(\$7,400,000)
1 <sup>st</sup> Distribution to Advance Star - (25%)	(\$2,466,667)
Subtotal of Distributable Cash	\$5,898,238
Additional Profit to Equity A (\$1.4MM)	(\$1,400,000)
2 <sup>nd</sup> Distribution to Advance Star	(\$4,498,238)
Total	0

## **FT REAL ESTATE – CONTRIBUTIONS/DISTRIBUTIONS**

Contribution: Equity A (Lofts21 LLC)	\$220,500
Contribution: Advance Star	\$700,000
<b>Total Contribution</b>	<b>\$920,500</b>
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
<b>Total Distribution</b>	<b>\$2,574,571</b>

### 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)			
<i>100% of Investment plus B Distribution</i>					
			\$	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)			
<i>100% of Investment plus B Distribution</i>					
			\$	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)	\$
					Equity A (Lofts21) (7,000,000)
					\$ Equity B (400,000)
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