

# 321 East 96th Street

# 270 West 70th Street





# 210 WEST 61ST Street

NYC Educational Construction Fund Dennis Walcott, Chair Michael Bloomberg, Mayor





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# **EXECUTIVE SUMMARY**

On behalf of the New York City Educational Construction Fund ("ECF"), CBRE is pleased to offer for your consideration three prime development sites, two of which are located on the Upper West Side, and one on the Upper East Side. The three sites are truly special opportunities as they present sizable developments within submarkets having limited available land for any substantial development, and are located within neighborhoods exhibiting exceptionally strong residential market fundamentals. They are among the few chances remaining to build large projects in their respective neighborhoods. **Prospective respondents are invited to bid on one, two, or all three sites. Prospective respondents should be aware that the number of sites transacted will be largely determined by the quality of the bids and the decision of the ECF.** 

210 WEST 61st STREET

### **DEVELOPMENT SNAPSHOT**

- Three large and exceptional sites located within the Upper West Side and Upper East Side.
- The sites are to be developed under ECF's long-term lease model in which ECF funds the construction of school facilities through issuance of tax-exempt bonds.
- A lease is executed for development rights of the Non-School Portion of the site between the ECF and the developer.
- The developer will be responsible for construction of a new school which will be financed through tax-exempt bonds.
- Income from the developer's lease payments and "tax equivalency" payments on the Non-School Portion help fund the debt service for the School Portion bonds.
- PS 191, PS 199, and the School of Cooperative Technical Education are to be rebuilt on site. The ECF has secured a relocation site in order that the schools do not have to remain in operation on the site during construction. However, developers are encouraged to include potential relocation alternatives under their control as part of their bid.
- Developers may pursue a Special Permit option which would require public review.
- Prospective respondents are invited to bid on one, two, or all three sites.
- Prospective respondents should be aware that the number of sites transacted will be largely determined by the quality of the bids and the decision of ECF.

# ZONING FLOOR AREA SUMMARY

#### 210 WEST 61ST STREET - PS 191

	Special Permit Scheme		
75,000 zsf	New School	75,000 zsf	
203,775 zsf	Residential	267,672 zsf	
278,775 zsf	Total Floor Area	342,672 zsf	
	203,775 zsf	75,000 zsfNew School203,775 zsfResidential	

#### 270 WEST 70TH STREET - PS 199

As-of-Right Scheme		Special Permit Scheme	
New School	87,000 zsf	New School	87,000 zsf
Residential	346,400 zsf	Residential	561,719 zsf
Total Floor Area	433,400 zsf	Total Floor Area	648,719 zsf

# 321 EAST 96TH STREET — SCHOOL OF COOP TECH

#### Special Permit Scheme

New School	149,410 zsf
Residential	806,619 zsf
Total Floor Area	956,029 zsf

Developers should be aware that the schemes represent only one possible alternative for each site as designed for this offering. Developers are encouraged to consider their own designs for the Non-School Portion and the schools that might result in different uses and floor areas under both As-of-Right and Special Permit scenarios. The ECF Special Permit is described within the Transaction Overview section of this offering. The Zoning floor area excludes below grade space.

#### The sites are:

**210 West 61st Street (PS 191):** Located on Amsterdam Avenue comprising a full block front between 60th Street and 61st Street, the site is home to PS 191. The lot area is 52,719 sf entirely within a R-8 zone, with potential of 342,673 sf of zoning floor area under a Special Permit scenario.

**270 West 70th Street (PS 199):** Located on West 70th Street between Amsterdam Avenue and West End Avenue with 425' of frontage along West 70th Street, the site is home to PS 199. The lot area is 99,803 sf entirely within an R-8 zone, with potential of 648,719 sf of zoning floor area under a Special Permit scenario.

**321 East 96th Street (School of Cooperative Technical Education):** Occupying a full block between First and Second Avenue and East 96th and 97th Street, the site is home to the School of Cooperative Technical Education. The 130,546 sf lot is split into two zones between R10A and R7-2, with potential of 956,029 sf of zoning floor area under a Special Permit scenario.

#### **Investment Highlights**

- Exceptional sites on the Upper West Side and Upper East Side within two of the most coveted neighborhoods in all of Manhattan.
- This is an opportunity to develop three substantial sites within markets starved for luxury residential units. There is an inherent lack of supply in both neighborhoods as only a few buildings are planned in both submarkets.
- The sites present the ability for the developer to build projects of significant height and tremendous views; in areas that more often restrict such height under zoning.
- The locations are underpinned by a variety of fine schools, easy transportation access, proximity to a multitude of cultural amenities, and exposed to vibrant nightlife and retail.
- 321 East 96th Street presents investors with a full block and one of the few remaining development sites of this size on the Upper East Side.
- Both sites on the Upper West Side, one of the most vibrant and culturally diverse neighborhoods in all of Manhattan, are in prime locations.
- Positioned within the Lincoln Square section of the Upper West Side, 210 West 61st Street is just steps away from Lincoln Center and within walking distance to Midtown.
- 270 West 70th Street is at the unofficial center of the Upper West Side near the intersection of Broadway and Amsterdam Avenue and two blocks from The Corner apartment building, which is achieving the top rents in New York City.
- The developer will have the unique opportunity to participate in the mission of the ECF, which is to build safe, secure learning environments within New York City through the leasing of development rights. As part of the ECF model, the developer would be responsible for design and construction of the school facilities (subject to the approval of ECF, DOE and the SCA). Construction of the school facilities would be financed though tax-exempt bonds. Various development options for residential developments are available and prospective developers are encouraged to explore all possibilities in addition to the schemes presented within this offering.
- Ground lease structures allow for financial advantages for the developer, including eliminating the expense of land acquisition and reducing the costs of carrying land.





# The ECF Model

Each site would be developed under ECF's long-term lease model by which ECF provides funds for construction of school facilities. The City of New York, which is the owner of land under the site, transfers title to the ECF. ECF then commences the project under a Developer's Agreement, a 40-year lease of the School Portion of the project from the ECF to the City (acting through the Department of Education), and a lease up to 99 years from the ECF to the developer for the residential or other permitted use building, which is referred to as the Non-School Portion ("NSP"). ECF issues tax-exempt bonds to finance construction of the School Portion. The bonds are backed by project income, ECF's other assets and ultimately by New York State educational aid payments to New York City. Income from the developer's lease payments and payments in lieu of taxes (PILOT) on the NSP assist in payment of debt service for the bonds. Additional details regarding the ECF model and expected obligations of the developer are included within the Transaction Overview and Development Overview sections of this offering.

#### **Transaction Overview**

210 West 61st Street, 270 West 70th Street and/or 321 East 96th Street will be developed under ECF's long-term lease model in which ECF funds the construction of school facilities through issuance of its tax-exempt bonds. A NSP lease from ECF to the developer with no renewal rights is arranged for the NSP, or residential portion of the development.

The project will require:

- PS 191, PS 199, and The School of Cooperative Technical Education are to be rebuilt on site. The ECF must secure a relocation site in order that the schools do not have to remain in operation on the site during construction. Although ECF has identified a potential relocation site, developers are encouraged to include potential relocation alternatives under their control as part of their bid.
- The developer is responsible for obtaining financing for the construction of the NSP, designing the project, and other related costs not ECF's responsibility. ECF provides financing for the construction of the School Portion of the project.
- ULURP would not be necessary for transfer of title between the City of New York and ECF or to lease the school portion to the City or Department of Education. This is an important element of the ECF program which significantly benefits developers as it makes an 'As-of-Right' project feasible. Developers may pursue a Special Permit option at each site which would require public review.
- Prospective respondents should be aware that the PS 199 building was designed by Edward Durell Stone. As a result, respondents should be aware of the significance of the building and that there may be opposition to the project and demolition of the school.



• The project must comply with ECF's enabling statute, Article 10 of the New York Education Law.

# The Market

The Upper East Side and Upper West Side have long been among the most coveted, prestigious, and sought after residential neighborhoods in Manhattan. Both neighborhoods are rich in culture, and offer residents all the best amenities the City has to offer. Whether residents want to peruse the shops in Columbus Circle, or visit several museums along "Museum Mile", both neighborhoods offer an abundance of amenities, entertainment, and easy access to a multitude of transportation options. Both markets demonstrate strong fundamentals, and rents have followed suit showing strong gains in both markets since 2009. In particular, on the Upper West Side both properties are near The Corner and Grand Tier, two residential rental buildings achieving top rents in the City, as well as near several luxury rental buildings, such as Aire and The Ashley, which are also achieving top tier rents. Likewise, several buildings in the immediate vicinity of 321 East 96th Street also demonstrate the strength of the Upper East Side market. One Carnegie Hill, 1510 Lexington at Carnegie Hill, and Carnegie Hill Place at 1500 Lexington, are three luxury rental buildings exhibiting strong demand and corresponding healthy rents.

While New York City's population of a little over 8.2 million is set to expand to approximately 8.7 million by 2020, very few developments are in the pipeline to accommodate this ever growing population, especially on the Upper East Side and Upper West Side. In addition, there are very few development sites of this magnitude, and these three parcels represent some of the last opportunities for developers to make their mark on the skyline in these prime submarkets.

# History of ECF

A public benefit corporation, the New York City Educational Construction Fund finances and develops combined occupancy structures that include a School Portion leased to the New York City Department of Education, and a Non-School Portion constructed within development rights leased to developers. Established in 1967 by the New York State Legislature, the ECF encourages the growth of new public schools through the development of these combined occupancy structures in which the educational component is funded by ECF's tax exempt bonds. Since its inception, ECF has constructed projects that have added over 18,000 school seats, 4,500 units of housing and 1.2 million square feet of office space in New York City. The majority of these projects were completed between 1971 and 1979. Recent projects include The Azure, at 91st Street and First Avenue, which houses the MS 114 East Side Middle School and the project underway at 250 East 57th Street at Second Avenue, which includes a Whole Foods, and a new PS 59 and new High School of Art and Design. A renewed interest in the ECF and its vast potential to improve the condition of public education in New York City occurred under Mayor Bloomberg's leadership. The administration introduced a comprehensive educational reform package that included the pursuit of opportunities to create better schools via entrepreneurial ventures and public-private partnerships. As such, one of the Bloomberg Administration's education initiatives is to reactivate the ECF model and promote city-owned properties for potential development.

# Conclusion

These three development sites offer investors unique opportunities to develop large residential buildings within two premier neighborhoods, experiencing a huge supply/demand imbalance. Currently it is rare to find

development opportunities in these neighborhoods on such large sites with such height potential, offering unencumbered views of both the East River, Hudson River and the City skyline. There is incredible demand for luxury residential units in both neighborhoods, and this supply/demand imbalance is captured by the rents achieved by recently developed buildings in these areas. With a lack of future residential projects in the pipeline, the three sites offer developers a key position in these respective markets.

#### Disclaimer - Not an Offer to Sell or Lease

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# **MARKET OVERVIEW**

Combining unrivaled convenience with spectacular neighborhood amenities, 210 West 61st Street and 270 West 70th Street are ideal candidates for development as luxury residential assets. Both coveted locations offer future residents an abundance of amenities, culture, entertainment, and easy access to a number of different transportation options. In addition, both sites benefit from their core location within one of the City's finest residential submarkets, the Upper West Side. Future residents will enjoy a boundless variety of gourmet restaurants, renowned cultural institutions, and world-class retail shopping along the Broadway corridor and the Lincoln Center area. Undoubtedly, these development sites provide unique opportunities to develop residential towers that will be instantly recognized as two of Manhattan's most desirable destinations.



# 270 WEST 70TH STREET & 210 WEST 61ST STREET

#### **Neighborhood Demographics**

The growth and demand for residential accommodations in the Upper West Side are underpinned by some of the City's strongest demographics. Affluent residents have historically chosen to live in the neighborhood because of its unrivaled convenience, culture, and comprehensive amenities. Individual residents of the Upper West Side have a median income that is 31% higher than the Manhattan average. Median household income has nearly doubled since 1990 within this submarket.

Demographic Snapshot	1/2 Mile Radius From Upper West Side Development Sites
2012 Est. Average Household Income	\$137,222
% with $\geq$ Bachelor Degree	80%
Median Age	40
Population 1990	50,272
Population 2000	55,026
Population 2012 (Estimated)	64,193
Population Growth 2000-2012	9.7%
Source: ACS/U.S. Census Data for Upper West Side Nei	ghborhood





# **Shopping and Dining**

Lincoln Square is one of New York City's premier cosmopolitan neighborhoods, and the area consists of a variety of retail amenities, ranging from luxury boutiques to convenience-oriented shops to big box retailers. Located a short distance from Lincoln Center, Time Warner Center, Columbus Circle and the Broadway retail corridor, future residents will be in proximity to some of the most internationally recognizable brands, such as Brooks Brothers, Coach, Burberry, BCBG, Theory, Intermix, and Apple.

The Properties are also located within a fantastic dining district, where residents and tourists alike can enjoy a variety of critically acclaimed restaurants and local favorites. Notable examples include Per Se, A Voce, Lincoln Ristorante, Café Luxembourg, and Shun Lee.

#### **Lincoln Center**

One of New York's most illustrious cultural institutions, Lincoln Center is the largest performing arts mecca in the world. The 16.3-acre complex houses 11 organizations that deliver numerous performances in multiple disciplines. Both sites are easy walking distance to this global cultural center. The Lincoln Square area is also home to several arts and entertainment companies and institutions such as ABC, the Alvin Ailey American Dance Theater, Symphony Space, Merkin Hall, Children's Television Workshop, and ASCAP.



#### **Columbus Circle & Time Warner Center**

Both Properties, particularly 210 West 61st Street, are conveniently located a short walk away from one of Manhattan's most recognizable public crossroads, Columbus Circle. It is renowned as the home to the internationally recognized Time Warner Center, a mixed-use project consisting of offices, notably the offices of Time Warner and CNN Studios, residential condominiums at 80 Columbus Circle, and the Mandarin Oriental hotel. The Shops at Columbus Circle is an urban shopping mall in the Time Warner Center. This upscale retail venue is home to several luxury stores, such as Armani, Davidoff L'Occitane, Hugo Boss, Coach, Cole Haan, Sephora and Whole Foods.

#### **Riverside Park and Riverside South**

210 West 61st Street and 270 West 70th Street are located only two blocks away from one of New York City's most cherished green spaces, Riverside Park. Stretching four miles from 72nd Street to 158th Street along the Hudson River, Riverside Park is widely regarded as Manhattan's most spectacular waterfront park, and will serve as an attractive feature for future residents looking for recreational options.

Both Properties are also located near Riverside South, a residential development project stretching along the Hudson River from West 59th Street to West 72nd Street. Riverside South has transformed one of Manhattan's most storied and cherished residential neighborhoods, the Upper West Side.

Several recent ground-up construction projects within Riverside South, The Avery, The Rushmore, and The Aldyn are shining examples of the strength of the Upper West Side residential market. Located in Riverside South and only a few blocks away from 210 West 61st Street and 270 West 70th Street, all three properties are achieving top tier pricing within Manhattan's condominium market. The Ashley, another notable property within Riverside South, is a 24-story rental building achieving top tier pricing over \$90 psf.

#### Transportation

One of the many competitive advantages the Upper West Side sites have to offer is their exceptional proximity to a variety of different transportation options. Located a short walk from both Columbus Circle and the 72nd Street / Broadway subway station, future residents will have convenient access to the City's transportation network.

- 270 West 70th Street is only steps from the 72nd Street / Broadway subway station, offering future residents access to the 1, 2 & 3 lines.
- 210 West 61st Street is located near one of Manhattan's major transportation hubs, Columbus Circle, where future residents can enjoy access to the A, B, C, D and 1 subway lines. In addition, within a quick five minute walk to the north, future residents can choose to access the 1-line from the 66th Street Lincoln Center subway station as well.





# Education

Both sites are home to two well acclaimed public elementary schools. PS 199 at 270 West 70th Street achieved four out of five stars from community leaders and serves grades K-5. Additionally, the school averaged 98.4% in last year's New York State Assessment, ranking 36 out of approximately 3,000 schools. PS 191 also achieved 4 gold stars and serves grades PK-8. Other notable elementary, secondary, and public schools in the area include PS 9 located on West 84th Street at Columbus Avenue, and PS 87 located on West 78th Street between Columbus Avenue and Amsterdam Avenue.

#### **Recreational Amenities**

As highlighted, future residents will enjoy a variety of cultural and recreational amenities offered on the Upper West Side, which also includes these neighborhood options:

**Playground 70:** Located adjacent to the development opportunity, Playground 70 provides the future project with enhanced views, light and air, as well as over 39,000 sf of quiet relaxation.

**Samuel Bennerson 2nd Playground:** Located only a few blocks from both properties on West 64th Street between Amsterdam Avenue and West End Avenue, this park acts as the recreational centerpiece for the surrounding neighborhood. Future residents will enjoy several playgrounds, basketball courts, and spray showers for those hot summer days.

**Recreational Center 59:** Located on West 60th Street between Amsterdam Avenue and West End Avenue, and directly south of 210 West 61st Street, future residents will have yet another amenity at their disposal, which includes an indoor pool, gymnasium and several fitness rooms.

# **Potential Views**

210 West 61st Street provides a rare opportunity to develop a premier block-front site with 200 feet of frontage along Amsterdam Avenue, 275 feet of frontage along West 60th Street and 250 feet of frontage along West 61st Street. The opportunity is unique, as the site allows for the construction of a residential tower within an area largely made up of smaller residential buildings. For example, the Amsterdam Houses to the north of the property are a collection of mostly 13-story buildings.

Interestingly, over the past decade there have only been 6 rental buildings developed greater than 20 stories between West 59th Street and West 75th Street along Amsterdam Avenue, West End Avenue and Riverside Boulevard. Even The Corner, one of the most distinctive rental buildings on the Upper West Side and achieving the highest rents in the City on a per square foot basis, is only 20 stories.

Additionally, there is only one block-front rental building along Amsterdam Avenue between 59th Street and 75th Street. 210 West 61st Street's full block frontage along Amsterdam Avenue combined with its superior height potential, and prime location near from Lincoln Center and Columbus Circle, will allow a future development to command top pricing within Manhattan's co-op or rental markets.

#### Competitive Set for 210 West 61st Street & 270 West 70th Street

Listed in the table below are new luxury rental buildings in the surrounding neighborhood. The rents they are achieving are a testament to the strong demand for luxury product in the neighborhood, but also the amenities offered at these high-end rental buildings. These buildings are among the top-performing rentals in Manhattan.

Aire		
	Address	200 West 67th Street at Amsterdam Avenue
	Built	2007
	Stories	43
	Units	330
	Amenities	Private courtyard, indoor children's playroom and outdoor play area, private party and event deck, fitness center, rehearsal rooms, conference room, reading room, on-site parking, and an expansive private park.
	Rents	Recent Deals 1-Bedroom: \$4,500 per month / \$75 psf 2-Bedroom: \$10,800 per month / \$88 psf 3-Bedroom: \$14,100 per month / \$111 psf
The Ashley		
	Address	400 West 63rd Street at Riverside Boulevard
	Built	2010
	Stories	23
	Units	209
	Amenities	La Palestra Athletic Club and Spa, 75-foot indoor pool, dedicated yoga, pilates, and kinesis. Game room, bowling alley, rock climbing wall, basketball court, golf simulator, squash court, massage/ treatment services, concierge services with Abigail Michaels, indoor playground by Kidville, and shuttle to subway.
	Rents	Recent Deals Studio: \$3,200 per month / \$72 psf 1-Bedroom: \$4,100 per month / \$70 psf 2-Bedroom: \$7,000 per month / \$68 psf 3-Bedroom: \$13,500 per month / \$90 psf
The Corner		
	Address	200 West 72nd Street at Broadway
A	Built	2010
	Stories	20
All Della	Units	196
	Amenities	Escobar designed Lobby, roof deck with outdoor fireplace, in-house fitness center, children's playroom, residents lounge with terrace and fireplace, floor-to-ceiling windows, fully attended lobby, free concierge service, valet service, and LEED Silver Certification.
	Rents	Recent Deals Studio: \$3,540 per month / \$88 psf 1-Bedroom: \$5,290 per month / \$86 psf 2-Bedroom: \$13,000 per month / \$125 psf 3-Bedroom: \$17,251 per month / \$131 psf

Grand Tier		
	Address	1930 Broadway at 64th Street
	Built	2004
	Stories	30
	Units	232
	Amenities	Costas Kondylis designed building, 24-hour concierge, attended parking garage, 50 foot swimming pool, children's playroom, fitness center, intercom to doorman, lounge with kitchen, water filtration system, valet and maid service.
	Rents	Recent Deals 2-Bedroom: \$8,600 per month 3-Bedroom: \$18,600 per month

The site at 270 West 70th Street also offers the potential for superior views at the center of the Upper West Side due to the low-rise surrounding buildings. The property features 425 feet of frontage along West 70th Street, and allows for a 50-story residential tower right near the center of the Upper West Side. The open space of the Lincoln Towers Condominiums to the south will provide superior light and air. Playground 70 at the east of the site and the low-rise buildings across 70th Street, offer unencumbered views to the east and north. There are only three residential buildings greater than 50 stories within a ten block radius, making this one of the most unique residential development opportunities on the Upper West Side. Another key feature is the site's proximity to the Upper West Side Historic District, which will effectively preserve views to the north and east, allowing certain floors to enjoy permanently unencumbered views of the Upper West Side landscape towards Central Park and the Hudson River.

# Lack of Recent Product / Demand

The Upper West Side is one of the most coveted residential districts, and the rental premiums being achieved are some of the highest in the City. The Corner, only two blocks away from 270 West 70th Street, and the Grand Tier, only a few blocks away from 210 West 61st Street, are two of the best performing rental buildings in the City. Despite these successes, there have only been three residential rental buildings developed over the last 5 years within a ¼ mile of the Properties. This inherent lack of supply coupled with increasing demand has led to significant rental premiums achieved by newly developed properties such as the Aire, The Corner, and The Ashley. Among these three buildings, there are only a few availabilities and all are achieving rents in the \$80+ psf range, among the highest rents on a per square foot basis in Manhattan. In addition, there are currently no 3-bedroom availabilities within any of these buildings. When three 3-bedroom units at the Aire were brought to market in 2011, an impressive rental rate of approximately \$120 psf was achieved, while The Corner achieved more than \$130 psf for its 3-bedroom units upon opening. While the Grand Tier was developed in 2005, this building is still achieving some of the highest rents in the city, further underscoring the long term market strength inherent in the Upper West Side.

# Lack of Future Supply

Another illustration of the strong rental market is the lack of available units in the surrounding area and the limited future supply. More specifically, according to NYBits, there are only 7 available rental units out of 852 units along Amsterdam Avenue from 57th Street to 75th Street.

The schedule below illustrates the residential rental development pipeline for the Upper West Side (there are no new condominiums planned or proposed). Developers of these sites have pricing expectations that are in line with the market for luxury rentals. For example, developers of 2182 Broadway or "Larstrand," scheduled to open in late 2013, anticipate that rents for the three-bedrooms will be \$90 per square foot, and one-bedrooms, which will average 700 sf, will price around \$80 per square foot.

#### **Development Pipeline**

Project / Address	Total SF	Units	Stories	Completion Date
Larstrand Broadway at West 77th Street	108,500	181	20	Under Construction (2013)
<b>160 West 62nd Street</b> Fordham Site on Amsterdam Ave.	409,889	339	54	Under Construction
<b>175 West 60th Street</b> Fordham Site on Amsterdam Ave.	557,320	257	48	TBD
<b>Riverside 2 &amp; 5</b> #2 – SW corner of 61st Street and West End Ave.	1,350,000	667	#2 - 43	TBD
#5 – NW corner of 59th Street and West End Ave.			#5 - 43	
170-200 Amsterdam Avenue at West 68th Street	238,893	230	TBD	TBD

# Manhattan Rental Market

The Manhattan rental market has experienced a dramatic resurgence over the past year, a strong tailwind for current and future developments. The following statistics highlight the current strength of the market and provides insight as to why rental prices will continue to appreciate.

- According to Nancy Packes, as of Second Quarter 2012, rents achieved in doorman buildings have increased across all unit types when compared to the Second Quarter 2011.
- Specifically, rents for studio, three bedrooms, and four or more bedroom units have increased 7.9%, 10.3% and 7.2%, respectively. One and two bedroom units experienced gains of just below 4%.
- Based upon historical data compiled by Nancy Packes, in all years where private sector employment increased by at least 1% (except 2008), average rents increased, on average, 8.3%. The Independent Budget Office projects private sector growth of 1.22% in 2012, so additional rent growth is anticipated.

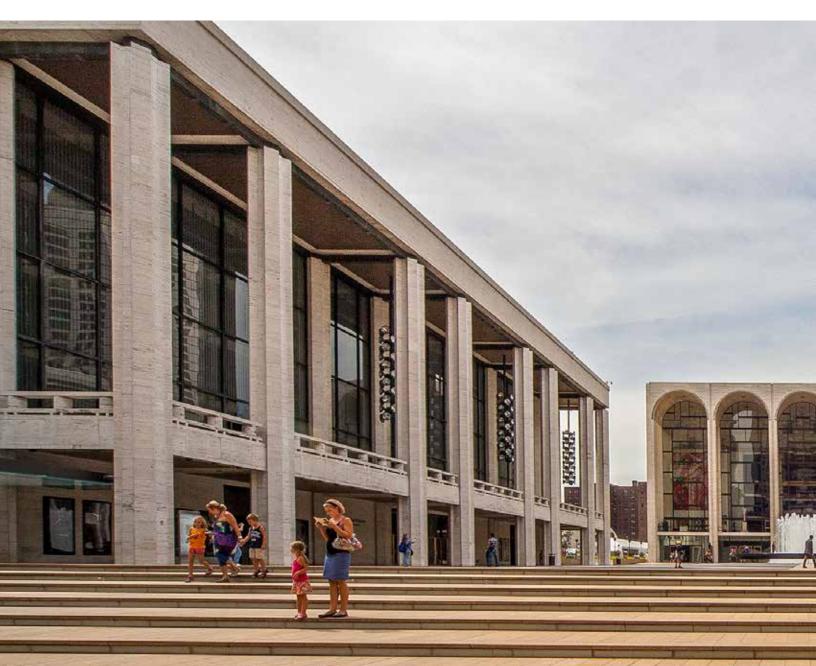


# MARKET OVERVIEW

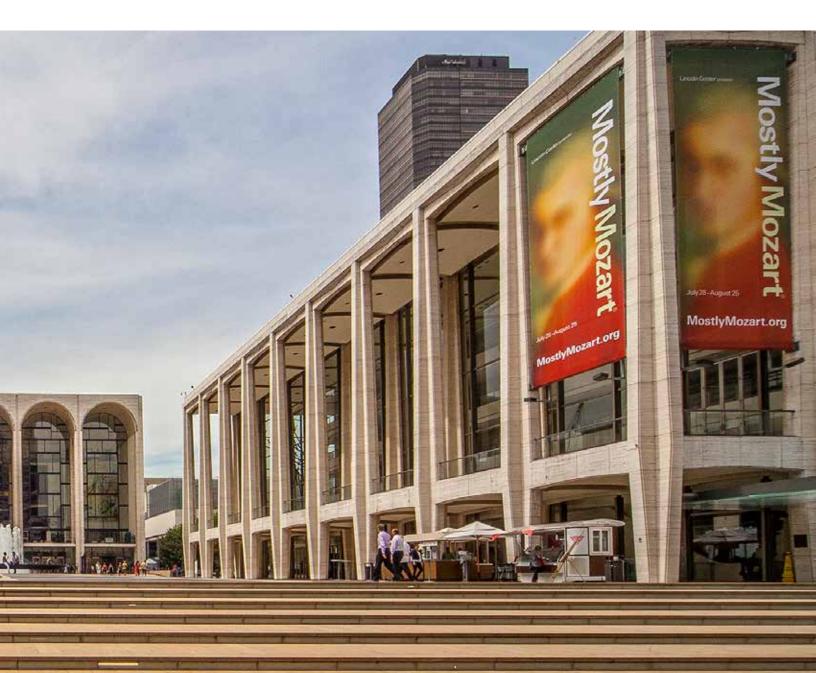
In the evolution of rental development in Manhattan, a new concept has emerged among top tier rentals, highly sought after among a growing demand of consumers. Ultra-luxury residential destinations delivering a rarified combination of amenities and service, has provided residents a quality of living that has become an extension of their apartments. Only a select few of these truly "lifestyle" buildings exist, such as MiMA (at 42nd Street) and New York by Gehry, providing a unique opportunity for a developer to create such a project in advance of any competitor. Given the location of 210 West 61st Street and 270 West 70th Street, developers will have the unique opportunity to build a "lifestyle" residential building in one of the most dynamic residential markets in Manhattan.

# The Upper West Side Rental Market

The Upper West Side rental market is one of the strongest residential submarkets in Manhattan. Top performing buildings, like The Corner and Grand Tier, are located only a few blocks away from 210 West 61st Street and 270 West 70th Street. Boasting some of the highest rents on a per square foot basis, the demand for residential rental product on the Upper West Side is incredibly robust. The following metrics demonstrate the pricing premium this submarket consistently achieves:



- The Upper West Side and specifically the Lincoln Square area has seen a dramatic price appreciation over the past twelve months due to the scarcity of luxury rental units available.
- Vacancy on the Upper West Side has continued to drop over the last six months (.27% between April and May).
- According to Citi Habitats, the Upper West Side commands the second highest rents for three bedroom units in Manhattan. As families continue to seek out larger residences in the coveted Upper West Side neighborhood, residential buildings offering three and four bedroom units will achieve rental premiums associated with larger family oriented units.
- 2nd Quarter 2012 statistics compiled by Nancy Packes indicate that rents in attended buildings on the Upper West Side have increased across all unit types when compared to 2nd Quarter 2011, making it one of the top performing submarkets in Manhattan. Studios achieved a 4.2% gain over last year, while one bedroom units experienced a 10.7% gain since 2nd Quarter 2011. A significant jump came from two and three bedroom units, where rents increased 11% and 16.6%, respectively.



# MARKET OVERVIEW



#### Manhattan Sales Market

Mortgage rates declining to record lows have fueled a surge in buyers over the past nine months and continue to hold Manhattan as one of the better performing housing markets in the U.S. The following statistics provide insight as to why the sales market will continue to appreciate:

- Sales activity reached a five-year high in the 2nd Quarter 2012, making it the strongest quarter since the peak of demand in 2007.
- The number of sales in the 2nd Quarter 2012 totaled 3,760 signed contracts, well above the average over the past five years of 2,538 sales quarterly. The number of sales during Second Quarter 2012 represented a 31% increase versus the prior quarter and a 24% increase versus Second Quarter 2011.
- Condominium inventory has declined nearly 48% from its peak in First Quarter 2009; the last time inventory was lower was in the First Quarter 2005. Limited inventory, low interest rates, and unwavering enthusiasm for Manhattan have all led to elevated pricing.
- Pricing has increased year-over-year for an encouraging tenth consecutive quarter. Average condominium pricing at an average of \$1,425 price per square foot, was the second highest level since the 3rd Quarter 2008.
- Over the past seven years, Manhattan has had an average of 402 closed sales over \$5 million. Already this year, there are 224 closed sales and another 115 signed contracts over this price point.

# Sample Condominium Buildings

The below condominiums represent some of the newest and most luxurious condominiums on the Upper West Side. These residential buildings are experiencing tremendous demand, and significant per square foot pricing, however, moving forward these buildings represent an aging stock with no new condominiums proposed or planned for the area. Demand will continue to grow, and new product brought to market will greatly benefit from this lack of supply.

Name	Address	Built	Comments
The Avery	100 Riverside Boulevard at 64th Street	2007	Recent re-sales - average per square foot 1-Bedroom: \$1,100 psf 2-Bedroom: \$1,220 psf
The Rushmore	80 Riverside Boulevard at 64th Street	2008	Recent re-sales - average per square foot 2-Bedroom: \$1,280 psf 3-Bedroom: \$1,540 psf 4-Bedroom: \$1,590 psf 5-Bedroom: \$1,840 psf
200 West End Avenue	200 West End Avenue at 70th Street	2008	Recent re-sales - average per square foot 1-Bedroom: \$1,290 psf 2-Bedroom: \$1,462 psf 3-Bedroom: \$1,671 psf
Harson House	120 West 72nd Street between Columbus and Amsterdam Avenue	2007	2010 re-sales - average per square foot 2-Bedroom: \$1,510 psf 4-Bedroom: \$2,000 psf
The Laureate	2150 Broadway at West 76th Street	2011	Recent Sales - average per square foot 1-Bedroom: \$1,320 psf 2-Bedroom: \$1,908 psf 3-Bedroom: \$2,365 psf 4-Bedroom: \$2,290 psf 5-Bedroom: \$2,950 psf
The Linden	230 West 78th Street at Broadway	2009	Recent re-sales - average per square foot 2-Bedroom: \$1,340 psf 3-Bedroom: \$1,660 psf 4-Bedroom: \$1,472 psf 5-Bedroom: \$1,630 psf
The Aldyn	60 Riverside Boulevard at West 63rd Street	2009	Recent re-sales - average per square foot 1-Bedroom: \$1,320 psf 2-Bedroom: \$1,480 psf 3-Bedroom: \$1,710 psf 4-Bedroom: \$1,950 psf

# Upper West Side Sales Market

There is also a tremendous amount of demand and an inherent lack of availability of for-sale apartments in the surrounding neighborhood. Interestingly, according to New York Bits, out of approximately 17 condominium buildings between West 57th Street and West 75th Street along Amsterdam Avenue, there are only four available units. With an aging supply, very little vacancy, and no scheduled condominium developments planned in the near future, these development sites offer a rare opportunity to capitalize on an under-served marketplace.



Highlights of the Upper West Side Sales Market in the 2nd Quarter include:

- Condominium median prices increased by a stellar 36% from last quarter. In addition, condominium average price per square foot increased 14% since the second quarter 2011.
- The West Side new development sector is the only submarket in Manhattan where the median price has climbed to over \$2 million.
- New development closings on the West Side increased 23% in median price and 4% in average price per square foot compared to the 2nd Quarter 2011, in part due to the very limited supply in the submarket.
- A large portion of the above sales took place at the The Aldyn and The Rushmore, only a few blocks away from 260 West 61st Street and 270 West 70th Street.

#### Retail

Demand has never been higher for retail space along Columbus Avenue, the Upper West Side's main retail thoroughfare. This prime retail corridor of 188 storefronts, stretching from West 67th to West 82nd Street is nearly 100% leased to a remarkably diverse mix of tenants, creating a vibrant and convenient neighborhood hub. Fashion retailers such as Rag & Bone, Helmut Lang, Burberry, Club Monaco, Oksa, Polarn I. Pyret, Reiss, Comptior des Cotonniers and Theory have rediscovered one of the City's affluent neighborhoods.

The health of Columbus Avenue has had a transformative effect on the surrounding area as well, maintaining strong retail tenancy along Broadway and Amsterdam Avenues. Landlords in the surrounding area are capitalizing on the strength of the market, with new stores recently opened by Century 21 (66th Street & Broadway), Lululemon (75th Street & Broadway), and H&M (Columbus Circle, opening soon).

Nordstrom recently signed a lease to take 7 floors and over 300,000 square feet in Extell's planned building at 225 West 57th Street. This monumental lease representing Nordstrom's first store in Manhattan continues the trend of retail moving to the western side of Manhattan, and will anchor the Westside retail experience at 57th and Broadway.

# Conclusion

The offering of 210 West 61st Street and 270 West 70th Street presents investors with a unique opportunity to acquire ideally located residential development sites in the thriving Lincoln Square and Upper West Side neighborhoods with restraints on future supply. These two sites are surrounded by a comprehensive array of neighborhood amenities, including superior shopping, dining, and recreational destinations. Proximity to Lincoln Center and Columbus Circle combined with superior view corridors, create two unique residential development opportunities in New York City.



# 321 EAST 96TH STREET

#### Introduction

New York City's Upper East Side is widely acknowledged as one of the most desirable residential neighborhoods in the City. 321 East 96th Street offers developers the unique opportunity to develop ground up construction on a full-block site on the Upper East Side, between Second and First Avenue, and East 96th and East 97th Street. The site is ideally located to enjoy the cultural venues and abundance of amenities the Upper East Side has to offer, while providing incredible views of the City skyline, the East River and beyond.

# 321 East 96th Street Neighborhood Demographics

The illustrious Upper East Side is renowned for its high-quality residential living and its world-class cultural institutions. The site's proximity to the future Second Avenue subway line, unencumbered views of the East River, and superior height, will attract a diverse residency of families, young professionals, and corporate executives.





Demographic Snapshot	1/2 Mile Radius From 321 East 96th Street	
2012 Est. Average Household Income	\$107,397	
% with $\geq$ Bachelor Degree	69%	
Median Age	35	
Population 1990	73,817	
Population 2000	79,952	
Population 2012 (Estimated)	81,346	
Source: ACS/U.S. Census Data for Upper East Side Neighborhood		

# **Healthy Income Characteristics**

- The 2010 median household income on the Upper East Side is nearly 50% greater than that of Manhattan as a whole.
- 25% of households in this area earn more than \$200,000 per annum, compared to 15% throughout Manhattan.
- 84% of residents within the neighborhood have achieved a Bachelor's degree or better, nearly 35% higher than the Manhattan average.

# **Cultural Amenities**

The unparalleled cultural amenities found on the Upper East Side will also be an important draw for many future residents. The stretch of Fifth Avenue that runs along the eastern border of Central Park is referred to as "Museum Mile" due to the high concentration of museums, such as the Metropolitan Museum of Art, located between 80th and 84th Street and the Guggenheim, located between 88th and 89th Street. Other nearby cultural attractions include the Whitney Museum of American Art, The Jewish Museum on 92nd Street, the American Irish Historical Society, the Cooper Hewitt - National Design Museum on 91st Street, the Museum of the City of New York on 103rd Street, and the El Museo del Barrio on 104th Street.

# Shopping, Dining and Retail

From romantic four-star legends to neighborhood burger joints to international cuisine that covers nearly every corner of the globe, future residents will experience some of the most unique and appealing restaurants Manhattan has to offer. Throughout the Upper East Side, the variety of restaurant options is extensive including Sarabeth's East, Erminia, Donguri, Archer's, Elio's, and Shake Shack. The Upper East Side is also home to a wide variety of boutiques, museums, galleries, recreational options, nightclubs, first-class schools, and hospitals. There is also an abundance of shopping options ranging from big box retailers to boutique stores. Some of the shops include banking, delis, wine stores, jewelry stores, beauty salons, and popular retailers. 86th Street offers retailers such as Ann Taylor, H&M, Sephora, Steve Madden, Best Buy, and Barnes & Noble. A local favorite, Eli's Vinegar factory, is located at 431 East 91st Street between East End Avenue and York Avenue.

#### Transportation

321 East 96th Street is conveniently located less than a five minute walk from the East 96th Street and the Lexington Avenue subway station, offering future residents access to the Number 6 line and a convenient means of travel throughout the city. More importantly, the scheduled completion of the Second Avenue subway line will have a transformative effect on the Upper East Side, as well as become a key demand driver for residents at the future project. A subway stop is planned catty-corner to the Property at the corner of East 96th Street and Second Avenue. The first phase, scheduled for completion in 2016, will connect 96th Street to 63rd Street. The subway will ultimately provide future residents with convenient and seamless transportation to their offices in Midtown and Midtown South. Major construction on the East 96th Street subway stop will be completed by 2013, greatly improving the site's appeal by adding comfort and convenience to the lives of future residents.



# Education

321 East 96th Street is home to the School of Cooperative Technical Education. The School has served a diverse population of students since its inception in the fall of 1984. Co-op Tech, as it is known, is a well-regarded school designed to provide young adults the education and necessary skills to pursue a career within the trade industry. Today over 1,500 students from over 100 high schools and GED programs throughout New York City attend their Career & Technical Education Courses. In addition, Co-op Tech serves over 200 students between the age of 17 and 20 who have already obtained their high school diploma or GED.

# World Class Medical Facilities & Tech incubator

The Upper East Side is home to some of the finest hospitals in the country: Mount Sinai, New York-Presbyterian/Cornell Medical Center, Sloan-Kettering Cancer Center, and Lenox Hill. Conveniently located across the Street, the Metropolitan Hospital Center is a full service community hospital offering state-of-the-art care and leading edge technology.

These facilities attract the most capable members of the world's medical community, and will be substantial demand drivers for future residents at 321 East 96th Street. Collectively, the medical facilities support thousands of resident physicians and students who rely on the area's accommodations and services.

In addition to the host of notable medical institutions and research universities on the Upper East Side, a new project taking place on Roosevelt Island reflects New York City's growing ambition to challenge Silicon Valley as the Country's leading technology center. Specifically, Cornell University is building a \$2 billion campus and start-up incubator, and aims to almost double the number of engineering graduate students in the City. Cornell NYC is set to open in 2017, and is anticipated to bolster job creation, generate 600 spinoff companies and approximately \$23 billion in economic activity over the next decade.

Given the size, location, and zoning requirements of 321 East 96th Street, it could serve as large development opportunity for a number of institutional purposes. The development could serve as a dormitory, hospital, and for a variety of other institutional uses, which makes this development opportunity even more unique and versatile.

# **Recreational Amenities**

**Asphalt Green:** This facility is one of the great recreational attractions on the Upper East Side, offering a variety of sports and fitness related programs for children and adults. Asphalt Green is located at 555 East 90th Street, less than a 10 minute walk from the Property.

**Carl Schurz Park:** Located a quick walk from the property between East 90th Street and East 84th Street adjacent to the East River, this waterfront park is truly one of the Upper East Side's gems. Offering remarkable views of the East River, this park is a terrific location for residents and families to enjoy one of New York City's great outdoor spaces.

**East River Esplanade:** Another attractive feature of this site is its close proximity to the East River Esplanade. A biker's and runner's dream, the Esplanade spans over 80 blocks along the East River, and is located less than a block away.

**Ward's Island Footbridge:** Accessible from the East River Esplanade on East 103rd Street, the Ward's Island footbridge connects to the southwestern corner of Ward's Island and provides access to the many playing fields and waterfront at Randall's Island Park.

**Marx Brothers Playground:** Situated on the same block as 321 East 96th Street on the western side, the Marx Brothers Playground is a benefit for future residents and also protects the future building's views. In 2001, the park underwent a \$900,000 renovation upgrading the 1.4 acre plot, which now features a synthetic turf field, playground, urban art, and new landscaping.

**Stanley Isaac's Playground:** Extending from 97th Street to 95th Street along First Avenue, this playground provides future residents with 1.23 acres of park, including numerous basketball courts, handball courts, and a roller hockey rink.



# MARKET OVERVIEW

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#### **Potential Views**

The Property offers the unique opportunity to develop a full-block site, one of the last of its kind on the Upper East Side. The Property occupies a full-block site between 96th and 97th Street with 202 feet of frontage along First Avenue, nearly along the East River. The site will offer some of the best views on the Upper East Side, and a once in a lifetime opportunity to develop a project of this magnitude in the neighborhood. Stanley Isaacs Playground to the east, as well as the Marx Brothers Playground on the western portion of the block will provide unobstructed views from the future project. Of note, there is only one rental or condominium building in the Upper East Side developed in the last decade greater than 40 stories, making this development opportunity truly unique.

#### **Rental Pipeline**

The Upper East Side has long been considered one of the most sought-after residential neighborhoods in Manhattan. While demand here remains strong for luxury residential units, there is a lack of supply to satisfy this demand. Most of the rental product is dated, and as a result there is a growing demand for new assets with more efficient units and greater amenities. Within 16 blocks of 321 East 96th Street, there has only been one doorman rental development completed since 2005, and only two new residential rental developments are planned, greatly adding to the site's attractiveness. The lack of a residential supply pipeline in the neighborhood, especially with the capability for similar height potential, will allow the property to target a large residential consumer base interested in a new tower with state-of-the-art amenities.

There are only two planned residential developments on the Upper East Side. The site at 203 East 92nd Street at Third Avenue will be approximately 150,000 square feet, and offer approximately 183 units. The site at 1394 York Avenue at 74th Street will be approximately 61,000 SF, and offer approximately 77 residential rental units. Completion dates for both projects have not been set.

#### The Upper East Side Rental Market

Over the years, the Upper East Side has continued to flourish as a destination for those seeking the very best that Manhattan has to offer. Both residents and tourists will find world-class restaurants, flagship shopping, and internationally renowned museums and attractions. Below are a few highlights regarding Upper East Side's rental market, which continues to strengthen:

- 2nd Quarter 2012 statistics compiled by Nancy Packes indicate that rents in attended buildings have increased across all unit types when compared to 2nd Quarter 2011.
- Studio units have experienced an 8.1% increase, while one bedroom units have experienced a 6.3% rent appreciation.
- Two and three bedroom units have experienced 2.8% and 1% hike in rents respectively when compared to 2nd Quarter 2011. Units with four or more bedrooms have experienced a dramatic gain of 36.2%, further indicating the strong family oriented demand found on the Upper East Side.

#### Competitive Rental Buildings for 321 East 96th Street

The list of rental buildings shown in the table below could be considered a competitive set to a future development at 321 East 96th Street. However, it should be noted that most of these buildings are not recently constructed, and all will be more than 10 years older once a project at 321 East 96th Street is completed. Therefore, it should be anticipated that 321 East 96th Street will achieve significantly higher rents compared to those noted below.

A	Address	215 East 96th Street between 2nd and 3rd Avenue
	Built	2005
	Stories	41
	Units	215
	Amenities	Full-time doorman, health and fitness center with a 50 foot lap pool and two skylights, yoga studio, spa with separate men's and women's locker rooms, children's playroom, pet spa, landscaped rooftop sundeck with barbecues, valet garage parking, business center, pet spa, and a bicycle room.
	Rents	Recent Deals Studio: \$2,670 per month / \$58 psf 1-Bedroom: \$3,395 per month / \$54 psf 2-Bedroom: \$5,540 per month / \$60 psf 3-Bedroom: \$11,000 per month / \$77 psf
ver East		
An other states	Address	408 East 92nd Street at 1st Avenue
	Built	2004
	Stories	32
	Units	200
	Amenities	Full service concierge, 24-hour doorman, residents' lounge with big screen plasma tv, landscaped 34th floor terrace, fitness center with jacuzzi, steam room, sauna and lockers, and a lap-sized swimming pool.
	Rents	Recent Deals Studio: \$2,200 per month / \$50 psf 1-Bedroom: \$2,900 per month / \$51 psf 2-Bedroom: \$4,050 per month / \$47 psf
e Brittany		
Á.	Address	1775 York Avenue at 92nd Street
	Built	1994
	Stories	36
	Units	272
	Amenities	View of the East River, 7,000 sf swimming pool and fitness center, children's play room, 24-hour doormen, attended garage and service entrance, shuttle bus service to shopping and transit, men's and women's saunas, showers and changing rooms.
	Rents	Recent Deals 1-Bedroom: \$3,300 per month 2-Bedroom: \$5,300 per month

## 1510 Lexington Avenue



The Monterey

Avent	ue	
	Address	1510 Lexington Avenue at 98th Street
6.1	Built	2001
	Stories	18
	Units	298
	Amenities	24/7 concierge-attended lobby, 16,500 square feet of gardens and green roofs designed by Lee Weintraub, fitness center including 4-station kinesis wall, parking garage w/ valet parking, children's playroom, rooftop club with 3 panoramic exposures, indoor & outdoor fireplaces, and multi-media entertainment center with billiards table.
	Rents	Recent Deals Studio: 2,682 per month / \$68 psf 1-Bedroom: \$3,390 per month / \$64 psf 2-Bedroom: \$4,750 per month / \$63 psf 3-Bedroom: \$8,800 per month / \$82 psf
	Address	175 East 96th Street at 3rd Avenue
	Built	1990
	Stories	29
	Units	526
in marine	Amenities	Full-time doorman, concierge, video security, bicycle storage room, a state-of-the art health and fitness center, swimming pool, cycling room, sauna, showers, entertainment lounge, valet parking, landscaped outdoor rooftop sun terrace, personal assistant, and in-home package delivery.
18K	Rent	Recent Deals

Recent Deals
Studio: \$2,690 per month / \$60 psf
1-Bedroom: \$3,015 per month / \$52 psf
2-Bedroom: \$3,960 per month / \$58 psf
3-Bedroom: \$7,995 per month / \$56 psf

## Carnegie Hill Place



Address	1500 Lexington Avenue at 97th Street
Built	2002
Stories	22
Units	211
Amenities	24-hour concierge, laundry, gym/fitness center featuring TechnoGym equipment, roof garden & sundeck, high floor lounge with large flat panel TV, On-site storage room for bicycles and other items, and valet parking.
Rents	Recent Deals 1-Bedroom: \$2,857 per month / \$50 psf 2-Bedroom: \$5,100 per month / \$61 psf

#### Upper East Side Sales Market

The Upper East Side has long been distinguished as one of the most prominent neighborhoods in Manhattan. 321 East 96th Street will benefit from its esteemed location, attracting a variety of future residents interested in owning a piece of the neighborhood.

Highlights of the 2nd Quarter Upper East Side Sales Market include:

- The median price for 1 bedroom co-ops jumped nearly 10% since last quarter.
- The average price per square foot for new condominium developments increased to \$1,288 from a year ago.
- Condominium pricing jumped significantly on the Upper East Side. Median price increased 9% from a year ago and 11% from last quarter while the average price per square foot increased 11% from last year and 6% from last quarter. Increases were fueled by a surge of three-plus bedroom sales between \$4.5 million and \$13.8 million, resulting in double digit median price jumps.

#### Lack of Supply

There is a lack of new product planned for the Upper East Side. While demand remains strong for luxury residential units, the fact there is only one new condominium development planned on the Upper East Side will only deepen the current supply/demand imbalance. The planned condominium development at 200 East 79th Street at Third Avenue will be 87,000 square feet, 19 stories, and have 57 units. This project is scheduled for completion in 2013.

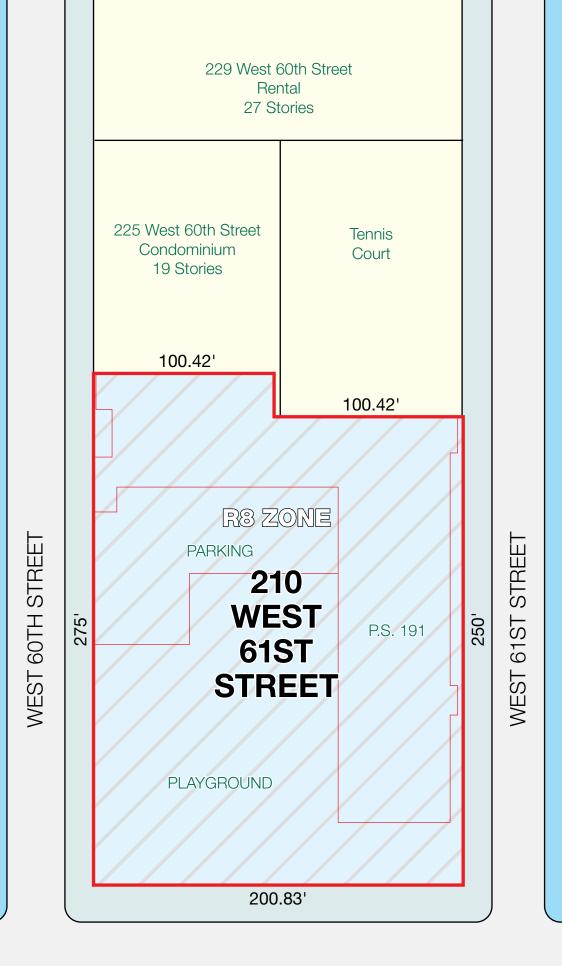
There have been limited condominiums built in the last five years in the immediate area to the site. One Carnegie Hill and East Hill, built in 2005 and 2008 respectively, represent the most recent condominium developments, and both are achieving strong pricing. A future development at 321 East 96th Street can capitalize on the lack of supply planned for the area.

#### Conclusion

Ideally situated in the Upper East Side, 321 East 96th Street's premier location will offer future residents convenient access to the City's vast transportation network (only to improve upon the completion of the Second Avenue subway), a plethora of retail options, broad cultural and recreational amenities and a vibrant nightlife. Full block development sites are a rarity, and 321 East 96th Street offers developers a significant opportunity to shape the skyline on the Upper East Side.

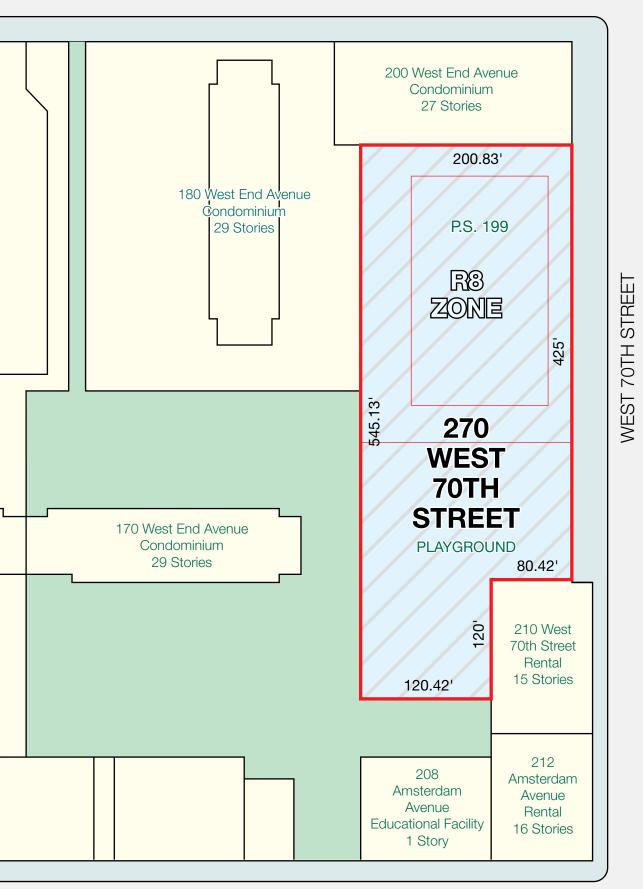
#### Disclaimer - Not an Offer to Sell or Lease

This document is for informational purposes and is not an offer to sell or lease any property or interest therein or related thereto, and may not be relied upon in connection with the purchase, sale, or leasing of any property or interest therein or related thereto.



## AMSTERDAM AVENUE

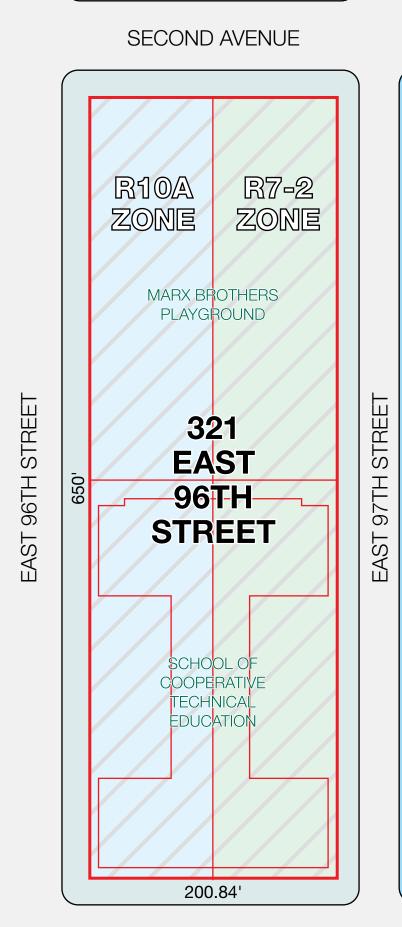
WEST END AVENUE



## AMSTERDAM AVENUE



40



FIRST AVENUE





## UPPER EAST SIDE AREA POINTS OF INTEREST

#### RETAIL

25 Park Alex & Lorenzo Ann Crabtree Ann Taylor Banana Republic Barnes and Noble Bellini Best Buy **Bicycles** Billy Martin's **Crumbs Bake Shop** CVS Duane Reade **Dunkin Donuts** Eli's Vinegar Factory Fairway Market Fedex / Kinkos Foot Locker Gap GNC H&M Hallmark Jamba Juice P.C. Richard Petco Pottery Barn **Rite Aid Pharmacy** Sephora Starbucks Steve Madden

#### RESTAURANTS

16 Handles 3 Guys 88 Fusion Agora Alice's Tea Cup Chapter III Amber Amity Amura Andre's Café Antonucci Café Arturo's Atlantic Grill Bagel Bob's Baluchi's Bar East BB&R Bellini Big Daddy's Blockheads Café d'Alsace Carino Cavatappo Grill Chinatown Fast Don Pedro Donguri Elio's Frminia Haru Isohama Joy Burger Bar

Pan Asian Sarabeth's East Serendipity 3 Shake Shack Southern Hospitality BBQ

# CULTURE & ENTERTAINMENT

American Irish Historical Society

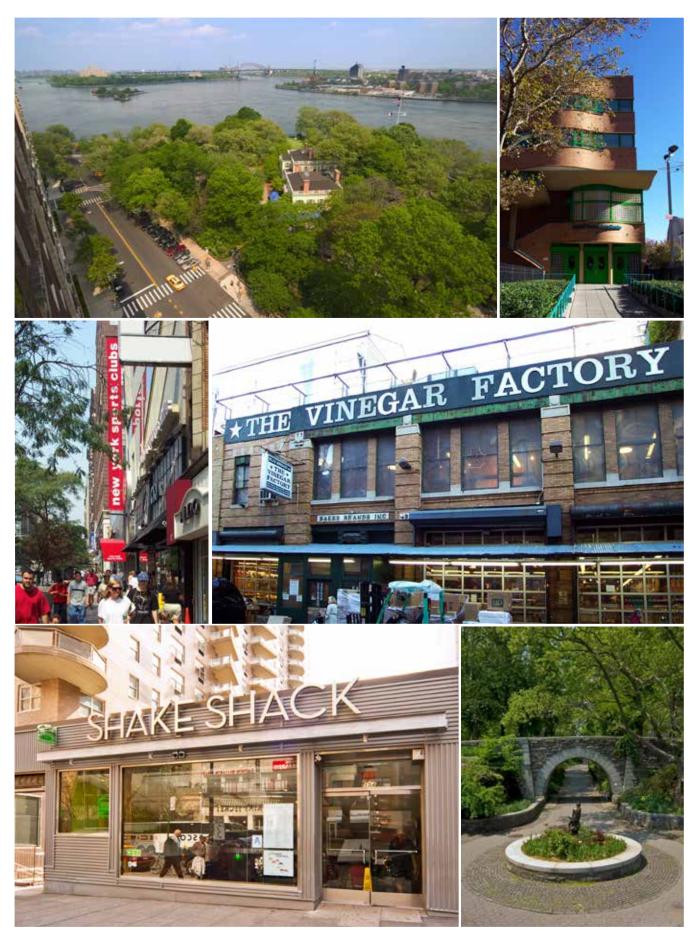
Carl Schurz Park Central Park El Museo Del Barrio Gracie Mansion Guggenheim Jewish Museum Marx Brothers Playground Museum of American Art and Design Museum of the City of

Museum of the City of New York

Randall's Island

Smithsonian Cooper Hewitt, National Design Museum

Ward's Island Whitney Museum of American Art



### UPPER WEST SIDE AREA POINTS OF INTEREST

#### RETAIL

Aerosoles American Apparel Ann Taylor Apple Store Upper West Side

Banana Republic Bang & Olufsen Bed, Bath and Beyond Best Buy Betsey Johnson **Brooks Brothers** Citarella Coach Cole Haan Design within Reach Eddie Bauer Eileen Fisher Fairway Marketplace Gap Gotham Food J. Crew Kiehl's Olive & Bette's Patagonia Pottery Barn Radio Shack Sephora Theory Trader Joe's Urban Outfitters Victoria's Secret

Whole Foods Market Zabar's

#### RESTAURANTS

A Voce Blossom Café Luxembourg Cesca Ducale Isabella's Jean Georges La Mirabelle Lincoln Ristorante at Lincoln Center LUCE Restaurant & Enoteca Masa Mike's Bistro Mughlai Ocean Grill Ouest P.D. O'Hurley's P.J. Clarke's Pappardella Per Se Restaurant Pomodoro Rosso Rosa Mexicano Lincoln Center San Domenico Santa Fe Steakhouse

Sarabeth's

Screme Gelato Bar

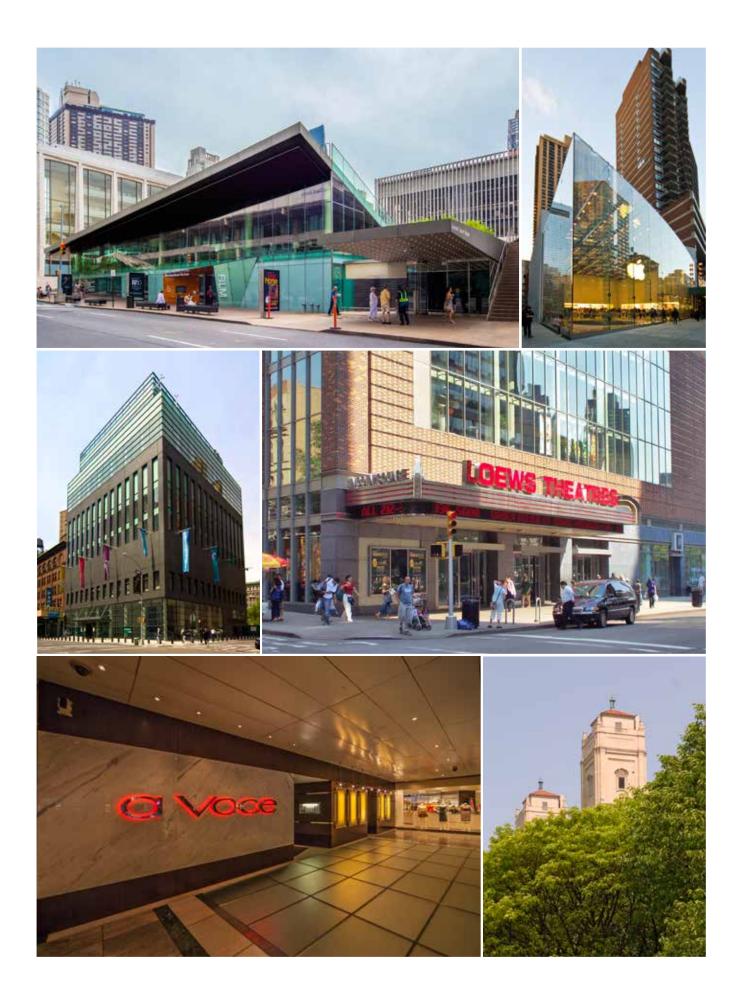
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# CULTURE & ENTERTAINMENT

Alice Tully Hall American Museum of Natural History

Avery Fisher Hall **Beacon Theatre** Central Park Columbus Circle Hayden Planetarium Jewish Community Center Lincoln Center Loews IMAX Metropolitan Opera House New York Ballet New York Historical Society New York Philharmonic New York State Theatre **Reebok Sports Club Riverside Park Rose Center** for Earth & Space

Time Warner Center Vivian Beaumont Theatre









180 WEST END AVENUE

# **TRANSACTION OVERVIEW**

The opportunities at PS 199, PS 191, and the School of Cooperative Technical Education would allow a developer to participate in the mission of the New York City Educational Construction Fund ("ECF"), which is to build safe, secure learning environments. The ECF was created in 1967 by the New York State Legislature to build new school facilities in Combined Occupancy Structures ("COS") on City-owned land. Since that time the ECF has constructed projects that have added over 18,000 school seats, 4,500 units of housing and 1.2 million square feet of office space in New York City.

The sites will be developed under ECF's long-term lease model in which ECF funds the construction of school facilities through issuance of its tax-exempt bonds. ECF uses three documents to provide legal structure for the COS after negotiation of a Term Sheet a Developer's Agreement, a 40-year lease of the School Portion of the project from the ECF to the City of New York (acting through the Department of Education), and a lease up to 99 years from the ECF to the developer for the residential tower or other related facilities comprising the Non-School Portion ("NSP"). The developer is responsible for obtaining financing for the construction of the NSP and ECF provides financing for the construction of the School Portion of the project.

The intent of this section is to further explain the transaction mechanism. More detailed Bid Instructions will be sent to prospective developers subsequent to the delivery of this Offering Memorandum. However, in order to provide developers a more complete understanding of the program before the delivery of the Bid Instructions, several requirements expected of developers by the ECF, and possible options, are also described within this section.

### Co-Op Project

The ECF model is designed to provide a stream of payments to the ECF. Although the need to create annuities and the leasehold interest in which the NSP is held prevent conventional residential condominium projects, the possibility does exist to create a co-operative project. (The ECF project at 250 East 57th Street is allowed to have a condominium component due to legislation passed specific to that project.) Developers should also be aware that, regardless of the feasibility of a co-op project, the ECF maintains the right to and could decide in its sole discretion that a co-op development is not in its best interest.

#### **School Portion**

ECF will finance the School Portion's construction through the issuance of tax-exempt bonds to accomplish this purpose. The bonds cover the hard costs of school construction only, along with some miscellaneous costs and fees. The developer will be responsible to fund all of the soft costs, including design and engineering fees that would be applicable toward the school portion. These are "supported issue" bonds and are not a debt of the City, General Obligation bonds or otherwise. Income from the developer's lease payments and PILOT payments (referred to as "tax equivalency payments" in ECF terminology) on the NSP fund ECF's debt service for the bonds. The ECF then enters into a lease with the Department of Education ("DOE") for the School Portion of the development to coincide with the term of bond financing by which it funds the construction of the school.

The ECF School Bonds are usually for a term of 30 years, and begin amortizing after the estimated completion date through substantially level debt service payments, and bear an interest rate reflective of the tax-exempt market at the time of issuance. The market rate is expected to be slightly greater than the interest rate of City of New York General Obligation bonds with comparable maturities. In general, ECF bonds yield approximately 10 to 15 basis points more than General Obligation bonds, which are generally benchmarked against and yield 60 to 80 basis points more than AAA Municipal Bonds. The actual rate cannot be determined until the bond issuance occurs and could be different from this estimate since it will be reflective of market rates at that time.



At the end of the DOE lease term and payment of the School Bonds, the City has the right to reacquire fee title to the property at no cost, although the City is not required to take back title. For example, the City may want ECF to retain title to accommodate refinancing.

#### **Non-School Portion**

A net lease between ECF and the developer is arranged for the development rights within which the NSP structure will be constructed (the "Non-School Lease"). The developer is responsible for obtaining construction financing for the NSP and may obtain a leasehold mortgage for the NSP, subject to limitations contained in the Non-School Lease. The Non-School Lease will commence upon execution and delivery of the Development Agreement and the Non-School Lease, after the deed is transferred from the City to the ECF following approval under the ULURP procedure of the City Planning Commission and City Council (if a special permit scheme is sought). At the end of the lease term, title of the NSP improvements reverts to the City of New York.

#### PILOT

As sites owned by the ECF are exempt from real estate taxes, the developer makes Payments In Lieu of Taxes ("PILOT"), or "Tax Equivalency Payments" in ECF terminology, based upon the assessed value of the NSP only. PILOT payments would, at a minimum, be the same as real estate taxes on the NSP if the property were not exempt therefrom. Certain tax exemptions would be available for the NSP, subject to the approval of the ECF. Developers should provide a projection of minimum tax equivalency payments, and therefore should be aware that actual tax equivalency payments may be higher than the agreed upon minimum schedule. The ECF expect proposals to include both financial components, rent and tax equivalency payments, and would regard proposals lacking both components as unresponsive.

#### Lease Payments

As discussed above, a Non-School Lease is executed for the development rights of the NSP between the ECF and the developer. The ECF prefers that the rent be subject to fair market rent reviews every 15 years of the lease. The rent resets will be based upon an appraisal of the annual payments that would be fair market rent of the land and development rights for the NSP as net leased. Although the ECF prefers this arrangement, the developer may offer additional alternatives. For example, the developer may desire to offer percentage rent or a combination of fixed and percentage rent, as an additional alternative to the rent structure mentioned. The leasehold will be subordinate to the fee interest.

The ECF will request that the developer pay, as additional rent, a certain percentage of the net proceeds of any refinancing of the NSP (other than replacement of construction loans by permanent financing upon completion of the project). The ECF will also request that any exterior rental income of the NSP (derived from exterior or rooftop communications equipment and/or signage) will be shared between the developer and the ECF. To the extent a co-op structure is planned, a developer may wish to propose that ECF will be entitled to receive a proportion of each initial sale of the resulting co-op units.

#### "As Of Right" Project

The developer has the advantage of pursuing an "as-of-right" project if desired. An "as-of-right" project is one considered allowable under zoning and which does not require a City Planning Commission special permit or other discretionary approval. Developers are expected to determine whether a City Planning Commission Special Permit or other discretionary approval is required and whether the proposed project would be eligible for a Special Permit and then reach their own conclusions as to their preference for an as-of-right project or a discretionary approval. Developers may bid on either or both types of projects. In December 2005, the NYC Law department issued a legal opinion whereby ULURP would not be necessary for transfer of title between the City of New York and ECF or to lease the school portion to the City or Department of Education.

#### **Special Permit Development**

Development of the site entails actions that may be subject to ULURP depending on whether or not a developer seeks a Special Permit issued by the City Planning Commission for ECF projects. Pursuant to the New York City Zoning Resolution Section 74-75, a Special Permit, applicable only to ECF projects, is available for certain zoning bulk waivers to facilitate the most effective integration and massing of the school and non-school buildings ("ECF Special Permit"). The Special Permit, which does not permit an increase in the total floor area permitted under zoning, is subject to ULURP. The ULURP timeframe can be used to develop project design and initiate other preliminary work that will be required once a Term Sheet is executed.

#### **SEQR Environmental Review**

The ECF project will be subject to the State Environmental Quality Review (SEQR) process under both as-ofright and Special Permit developments. Pursuant to state and local law, SEQR identifies any potential adverse environmental effects of proposed actions, assesses their significance, and proposes measures to eliminate or mitigate significant impacts. As the "lead agency" for SEQR purposes, the ECF, is responsible for carrying out the environmental review.

The ECF will apply on behalf of the developer for any actions subject to ULURP (including the ECF Special Permit). Those actions are subject to environmental review pursuant to the SEQR process. The ECF will be responsible for the cost of permits and approvals required for the School Portion and the developer will be responsible for those costs attributable to the NSP. The costs of permits and approvals that cannot be separately obtained, including ULURP and SEQR, will be allocated between the ECF and the developer.



#### **Developer's Improvement Obligations**

As part of the ECF model, the developer engages a contractor or construction manager to build-out the School Portion under standards promulgated by the School Construction Authority ("SCA"). Preliminary programming of the new schools has been included in the Development Overview section. The developer will be permitted to propose architects for the School Portion and NSP (subject to the approval of the ECF); however, one Project Architect of record must be chosen to oversee all architectural services (including construction administration). The architect(s) should also be nominated in the developer's offer. The developer will be responsible for payment of architectural and engineering fees for the School Portion and for the NSP. Any payments for these fees and design services by the developer will be made "at risk".

Subsequent to selection by the ECF, the developer will deliver their proposed floor area of both components of the development; schematic, design development and construction plans and specifications, as well as cost estimates for the School Portion; and schematic plans and outline specifications for the NSP. ECF, DOE, and the SCA will pre-qualify contractors and construction managers nominated by the developer.

#### Wicks Law

The Wicks Law requires that certain trades engaged for the School Portion and/or common elements shared by the School Portion and NSP must be bid separately from the remainder of the work for the School Portion and common elements. Specifically, the following trades must be separately bid to comply with the Wicks Law: electrical, plumbing and drainage and HVAC. The developer may award the contracts to the Wicks Law trades after competitive bidding by pre- qualified bidders and after approval of the bids by the ECF. Upon the selection of the Wicks Law trades, ECF will either assign such contracts to the developer, including their administration and coordination, or the developer will enter into such contracts as ECF's agent.

#### **General Construction Work**

The balance of the construction work for the School Portion can be awarded to the construction manager or contractor for general construction, with the exception of demolition and excavation work (which must be bid separately from other work). The construction management agreement or contract for general construction for the School Portion must be competitively bid, unless the developer can show to the satisfaction of the ECF that an affiliated firm will perform the construction work at market value. General construction of the School Portion will be subject to a guaranteed maximum price approved by the SCA. The developer must waive the developer's fee that may ordinarily be charged for the developer's services in relation to the School Portion.

The developer may choose a separate construction manager or general contractor for the NSP. Demolition and excavation trade contracts must be bid and awarded separately from other project work (and potentially may be performed under a license from the City of New York if transfer of the site to ECF has not yet occurred). Demolition and excavation is anticipated to begin approximately 90 days from ECF and SCA's approval of validated construction amounts submitted by the developer.

The developer is required to furnish to the ECF one hundred percent payment and performance bonds in an amount equal to the entire cost of construction of the Combined Occupancy Structure, issued by sureties approved to issue such bonds for projects constructed or financed by the United States Government. The bonds and sureties must be acceptable to the ECF.

#### **Allocated Costs**

Certain project costs are to be allocated between the ECF and the developer. The ECF and the developer will allocate the cost of permits and approvals that cannot be obtained for individual portions of the project but must be obtained for the project as a whole and for which ECF does not enjoy payment exemption. (The developer is responsible for all mortgage recording taxes and sales taxes on construction items.) The ECF's share of costs will be based on the lower of an allocation determined by comparing the respective square footage of the School Portion and the NSP of the Project or determined by the ratio of land occupied by the School Portion to land occupied by the NSP.

For payment and performance bonds obtained for the entire project, the ECF will pay the portion of the premium for the payment and performance bonds that equals the construction cost of the School Portion multiplied by the bond premium rate, and the developer will pay the portion of the premium for the payment and performance bonds that equals the construction cost of the NSP, multiplied by the bond premium rate. For the purposes of such calculations, common areas utilized by the School Portion and NSP will be considered a part of the NSP.

The developer will be responsible to fund all of the soft costs, including design and engineering fees that are allocated towards the School Portion.

#### **Construction Time Requirements**

The developer will be required to meet a mutually agreed upon timetable for the construction of the project. In their offers, developers must outline their proposed timing for the following milestones.

- Schematic, design development and construction documents completed by the project architect and submitted to the SCA for the School Portion.
- Schematic construction documents for the NSP.
- Developer submittal to the SCA of a final detailed construction cost breakdown for general construction of the School Portion.
- Developer applies for any necessary demolition permits.
- 50% completion of the School Portion.
- 50% completion of the NSP.
- Substantial completion of the School Portion.
- Substantial completion of the NSP.
- Demolition of the existing school building (following completion of the new COS).



## **DEVELOPMENT OVERVIEW**

ASPHALT GREEN

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The purpose of this section is to identify the development potential for the sites located at 210 West 61st Street (PS 191), 270 West 70th Street (PS 199), and 321 East 96th Street (School of Cooperative Technical Education), all in Manhattan. This section will cover both the school portion and the non-school portion. The conceptual design alternatives exhibited in this section have been prepared by Perkins + Will in consultation with Michael Perley of Development Consulting Services, Inc., to illustrate the development potential of all three sites. The alternatives are presented to show possible design and potential floor area of development rights for each use component.

BRITTANY

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RIVER EAST

EL an pipe

STANLEY ISAACS PLAYGROUND

PLYMOUTH TOWER

MILL ROCK

PLAZA

STANLEY ISAACS PLAYGROUND





Developers should be aware that alternatives represent only possibilities within the framework of zoning guidelines and the school program presented within this document. Developers are not to rely on the development scheme or calculation of development rights exhibited in this document as a basis for their bid, and the ECF makes no representations regarding the accuracy of such development scheme or calculation of development rights.

Subject to compliance with the requirements in this section, developers may submit other site development alternatives for consideration and acceptance by ECF, New York City Department of Education ("DOE"), and the New York School Construction Authority ("SCA"). Developers are encouraged to consider alternative designs that may maximize the zoning floor area for the Non-School portion or result in a different mix of uses. The selected developer may submit various designs during the process that will ultimately be subject to the approval of the ECF, DOE, and the SCA.

#### **Project Sites**

There are three project sites, two of which are located on the Upper West Side, and one on the Upper East Side. 210 West 61st Street is a block front site located between West 60th Street and West 61st Street on Amsterdam Avenue. The site is identified on New York City's Manhattan Tax Map as Lot 1152 within Block 29, and is in zone R-8. The site comprises 52,719 square feet and is presently occupied by PS 191 and an adjoining playground. 270 West 70th Street is located between Amsterdam Avenue and West End Avenue on the south side of West 70th Street, and is further identified as Lot 1158 on Block 40, with 99,803 square feet of lot area. This site, currently occupied by PS 199 and an adjoining playground is located in zone R-8. 321 East 96th Street, Block 166 Lot 1, encompasses the entire block located between First Avenue and Second Avenue between East 95th Street and 96th Street. The site comprises 65,273 square feet in zone R10A, and 65,273 square feet in zone R7-2 for a total 130,546 square feet of lot area, and is presently occupied by the School of Cooperative Technical Education and an adjoining playground.

#### **Program of Educational Space Requirements**

PS 191(Amsterdam School), located at 210 West 61st Street, currently enrolls approximately 530 students in kindergarten through 8th grade. The new school will also serve kindergarten through 8th grade; the required new school program of approximately 94,000 gross square feet will be capable of housing additional students. PS 199 (Jesse Isador Straus School), located at 270 West 70th Street, currently enrolls approximately 792 students in kindergarten through 6th grade, and the new school program will require approximately 105,000 – 110,000 gross square feet. The School of Cooperative Technical Education, located at 321 East 96th Street, was designed to provide a Career & Technical Education sequence option to students, and the new school program requires approximately 194,000 square feet. It should also be noted that ECF's enabling statute requires that, in the event that Non-School Portion facilities or improvements will be constructed over an existing playground area, then the combined occupancy structure must provide playground area at least equal in size to the then existing playground area.

#### As-Of- Right Development

The "As-of-Right" schemes for the sites utilize programming and design criteria consistent with SCA standards within applicable zoning regulations. The As-of-Right proposed development scheme for 210 West 61st Street, as illustrated in this offering, comprises 317,235 square feet, with 104,970 gross square feet allocated to PS 191, and 212,265 gross square feet for a 20-story residential tower above a 3-story school base. The As-of-Right proposed development scheme for 270 West 70th Street would comprise 469,933 square feet with 109,100 gross square feet allocated to the school and 360,833 gross square feet for a 34-story residential tower above a 3-story school base. The adjacent 39,000 square foot park (Playground Seventy) would be preserved. 321 East 96th Street is located within two different zones, R10A and R7-2. The allowable residential zoning floor area within R10A is 652,730 zoning square feet, and 224,539 zoning square feet within zone R7-2. Due to the two zoning districts at the 96th Street site and the location of the playground, it is anticipated that it would be most beneficial to apply for a Special Permit.

#### **Special Permit Development**

ECF residential projects are eligible for certain zoning bulk waivers pursuant to a City Planning Commission special permit contained in Section 74-75 of the Zoning Resolution. This provision may facilitate the optimal arrangement of the School Portion and the Non-School Portion on the site. Although the Special Permit does not allow the floor area to be increased, it may facilitate the use of available floor area not usable as a practical matter under an otherwise As-of-Right scheme. Developers are expected to indicate within their offer if they are intending to build an As-of-Right project or apply for a Special Permit which is subject to ULURP, or would consider both alternatives.

As mentioned above, the site at 321 East 96th Street is located within two distinct zones. The Special Permit scheme illustrates a T-shaped 37-story tower above a 3-story school base. In this scenario, the total size of the building would be 1,039,469 gross square feet, with approximately 199,242 gross square feet allocated to the school, and 840,227 gross square feet for the residential portion. The 64,150 square foot Marx Brother's playground would remain adjacent to the western portion of the property.

The site at 210 West 61st Street is located in zone R-8. The Special Permit scheme illustrates a building that is 383,795 gross square feet, with 104,970 gross square feet allocated to the school, and 278,825 gross square feet for a 37-story residential tower above a 3-story school base.

The site at 270 West 70th Street is also located in zone R-8. The "Special Permit" scheme illustrates a building that is 694,225 gross square feet, with 109,100 gross square feet allocated to the school, and 585,125 gross square feet for a 46-story residential tower above a 3-story school base. The 39,000 square foot playground would remain preserved on the eastern portion of the property.

Developers should note that taller towers could be built than shown if smaller floor plates are utilized. Floor plates must fit under the sky exposure plane in the as-of-right scheme.

#### New York City SCA School Room Planning Standards

Developments must be planned in accordance with Program of Requirements corresponding to applicable SCA Standard Room Layout reference numbers. These numbers correspond to specific layouts available from the SCA, which present planning guidelines, furnishings, and equipment to be incorporated into the construction of the school component of this project. ECF and SCA will provide all items listed as "Owner Furnished Equipment" on each Standard Room Layout drawing. The developer will be responsible for providing for all other physical space requirements and equipment items.

#### New York City SCA Design Requirements

SCA Design Requirements must be incorporated into the school design and construction for this project. These requirements are considered an acceptable and/or minimum design requirement, intended to produce a functional, economical, and easily maintained school building. Developers should be aware that the SCA Design Requirements include options that may affect construction costs, and should consult the standards for more information. The SCA requires written approval for any deviations from these design requirements, but encourages suggestions for alternative materials and methods that may be more cost-effective and/or efficient.

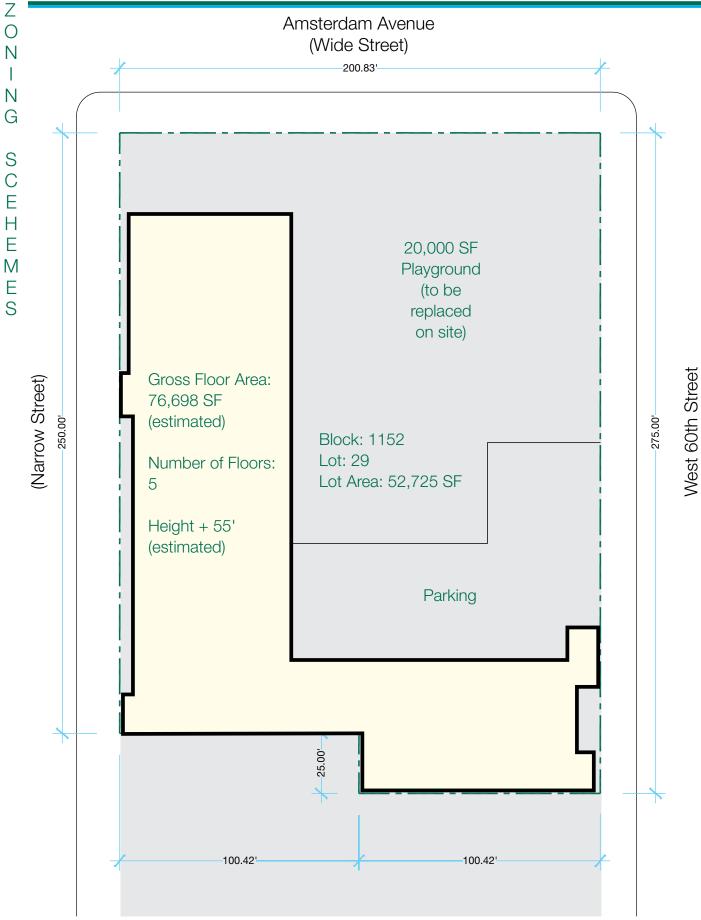
#### New York City SCA Standard Specifications

SCA Standard Specification requirements will apply and must be incorporated into the design and construction of this project. The specifications provide information establishing quality and standards for specific materials, equipment, and products to be used in the school portion of this project.

#### Disclaimer - Not an Offer to Sell or Lease

This document is for informational purposes and is not an offer to sell or lease any property or interest therein or related thereto, and may not be relied upon in connection with the purchase, sale, or leasing of any property or interest therein or related thereto.





Prepared by Perkins + Will in consultation with Development Consulting Services, Inc.

#### 210 WEST 61ST STREET - PS 191 ZONING SUMMARY

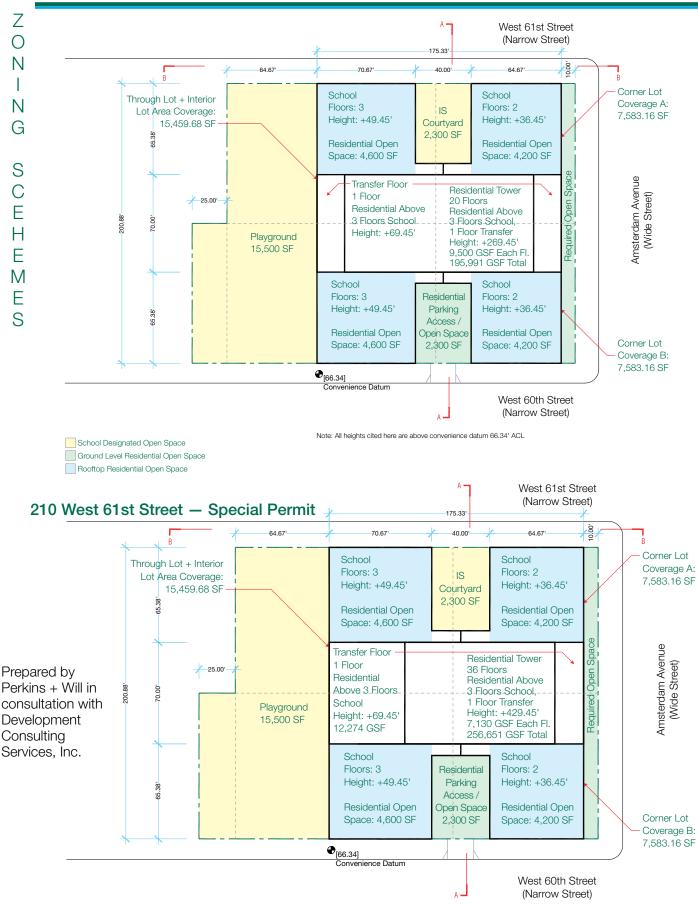
Zoning: R-8 Lot Area: 52,719 SF (Tax Map) Community Facility FAR: 6.5 Residential FAR: 6.02 (Nominal)

Allowable Community Facility ZSF: 342,673 ZSF Allowable Residential ZSF: 317,368 ZSF Allowable Total ZSF: 342,673 ZSF

Existing School Program (estimated): 76,698 GSF (above ground) underground program unknown Proposed New School Program (from ECF): 94,000 GSF Approximate Zoning SF (assume 5% reduction from GSF): 89,300 SF



#### 210 West 61st Street - As-of-Right



Note: All heights cited here are above convenience datum 66.34' ACL

66

#### 210 WEST 61ST STREET

#### As-of-Right

R-8

Lot Area: 52,719 SF (Tax Map) Community Facility FAR: 6.5 Residential FAR: 6.02 (Nominal)

Allowable Community Facility ZSF: 342,673 ZSF Allowable Residential ZSF: 317,368 ZSF Allowable Total ZSF: 342,673 ZSF

Proposed New School Program (from ECF): 94,000 GSF Proposed New School Program (as drawn): 104,970 GSF Below-grade: 26,170 GSF Above-grade: 78,800 GSF

Community Facility Coverage: 30,626.00 SF Corner Lot A Coverage: 7,583.16 SF Corner Lot B Coverage: 7,583.16 SF Through Lot + Interior Lot Coverage: 15,459.68 SF

Community Facility ZFA: Approximately 75,000 ZSF

Residential ZFA: 1. Total Open Space: 21,804 SF 2. @ Height Factor 17 Open Space Supports: 203,775 ZSF

Residential GSF (4% increase from ZSF): 212,265 GSF Ground Floor: 4,000 GSF Level 3 Amenity: 5,900 GSF Transfer Floor: 12,274 GSF

#### 210 WEST 61ST STREET

#### **Special Permit**

R-8 Lot Area: 52,719 SF [Tax Map] Community Facility FAR: 6.5 Residential FAR: 6.02 (Nominal)

Allowable Community Facility ZSF: 342,673 ZSF Allowable Residential ZSF: 317,368 ZSF Allowable Total ZSF: 342,673 ZSF

Proposed New School Program (from ECF): 94,000 GSF

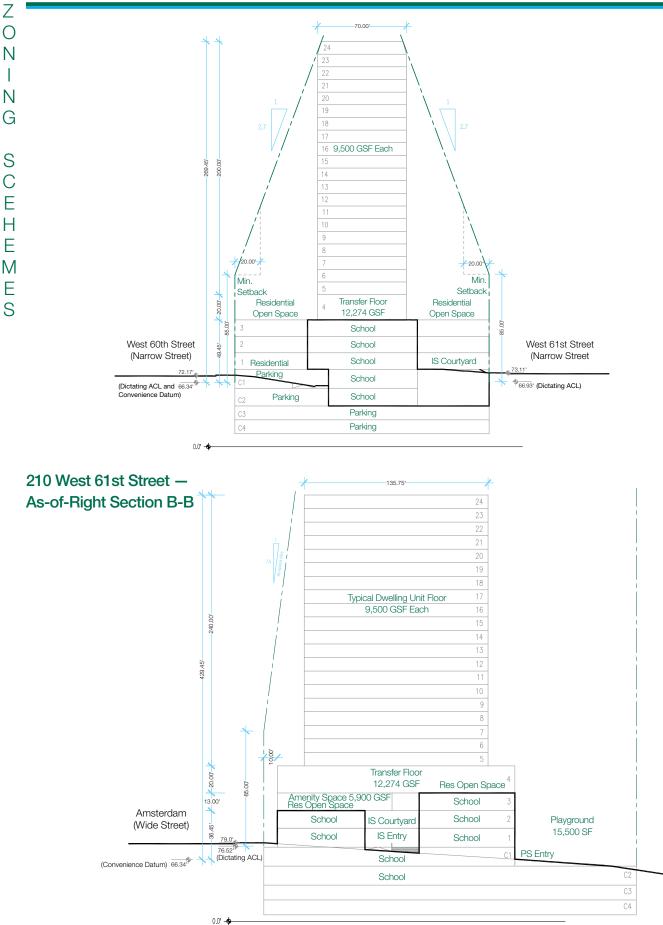
Proposed New School Program (as drawn): 104,970 GSF Below-grade: 26,170 GSF Above-grade: 78,800 GSF

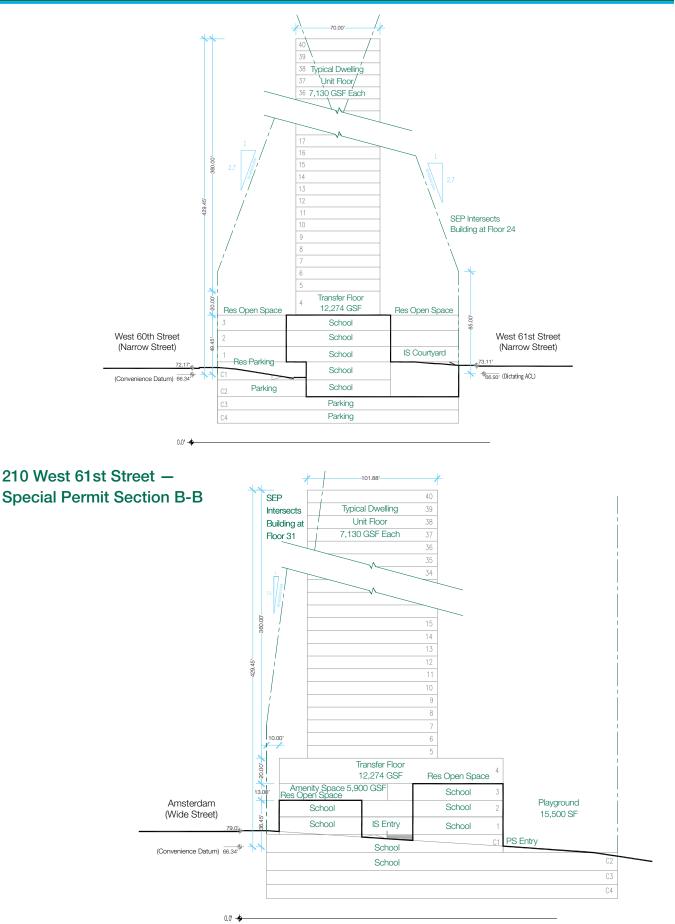
Community Facility Coverage: 30,626.00 SF Corner Lot A Coverage: 7,583.16 SF Corner Lot B Coverage: 7,583.16 SF Through Lot + Interior Lot Coverage: 15,459.68 SF

Community Facility ZFA: Approximately 75,000 ZSF Residential ZFA: 267,672 ZSF

Residential GSF (4% increase from ZSF): 278,825 GSF Ground Floor: 4,000 GSF Level 3 Amenity: 5,900 GSF Transfer Floor: 12,274 GSF Residential Tower: 256,651 GSF

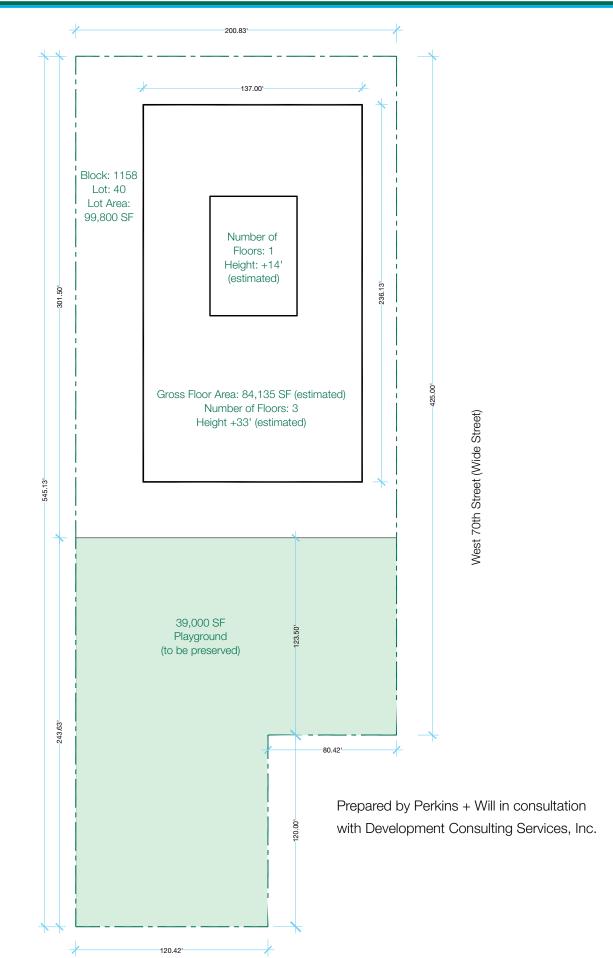
#### 210 West 61st Street - As-of-Right Section A-A





## 270 West 70th Street - Existing Condition





# 270 WEST 70TH STREET - PS 199 ZONING SUMMARY

# **Existing Condition**

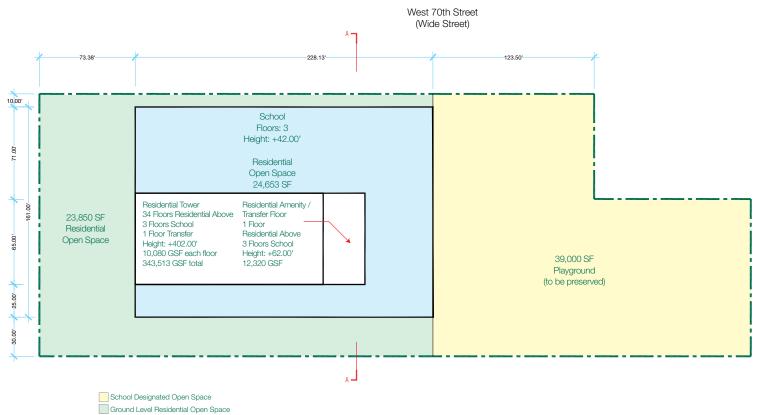
Zoning: R-8 Lot Area: 99.803 SF [Tax Map] Community Facility FAR: 6.5 Residential FAR: 6.02 (Nominal)

Allowable Community Facility ZSF: 648,719 ZSF Allowable Residential ZSF: 600,814 ZSF Allowable Total ZSF: 648,719 ZSF

Existing School Program (estimated): 84,135 GSF (above ground);underground program unknown Proposed New School Program (from ECF): 105,000 GSF - 110,000 GSF

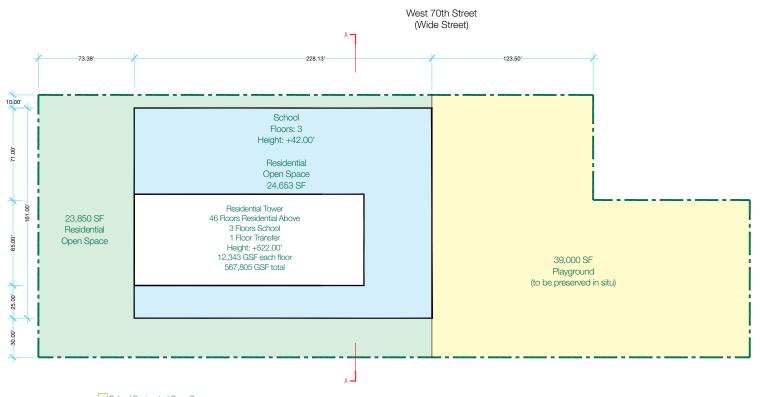


# 270 West 70th Street - As-of-Right



Rooftop Residential Open Space

### 270 West 70th Street - Special Permit



School Designated Open Space Ground Level Residential Open Space Rooftop Residential Open Space

Prepared by Perkins + Will in consultation with Development Consulting Services, Inc.

# 270 WEST 70TH STREET As-of-Right

#### R-8

Lot Area: 99.803 SF [Tax Map] Community Facility FAR: 6.5 Residential FAR: 6.02 (Nominal)

Allowable Community Facility ZSF: 648,719 ZSF Allowable Residential ZSF: 600,814 ZSF Allowable Total ZSF: 648,719 ZSF

Existing School Program (estimated): 84,135 GSF (above ground); underground program unknown Proposed New School Program (from ECF): 105,000 GSF - 110,000 GSF

Proposed New School Program (from ECF): 105,000 GSF – 110,000 GSF

Proposed New School Program (as drawn): 109,100 GSF Below-grade: 17,400 GSF Above-grade: 91,700 GSF

Community Facility Lot Coverage: 36,729 SF

Community Facility ZFA: Approximately 87,000 ZSF

Residential ZFA: 1. Total Open Space: 48,503 SF 2. @ Height Factor 28 Open Space Supports: 346,400 ZSF

Residential GSF (4% increase from ZSF): 360,833 GSF Ground Floor: 5,000 GSF Amenity / Transfer Floor: 12,320 GSF Residential Tower: 343,513 GSF

# 270 WEST 70TH STREET Special Permit

#### R-8

Lot Area: 99,803 SF [Tax Map] Community Facility FAR: 6.5 Residential FAR: 6.02 (Nominal)

Allowable Community Facility ZSF: 648,719 ZSF Allowable Residential ZSF: 600,814 ZSF Allowable Total ZSF: 648,719 ZSF

Proposed New School Program (from ECF): 105,000 GSF - 110,000 GSF

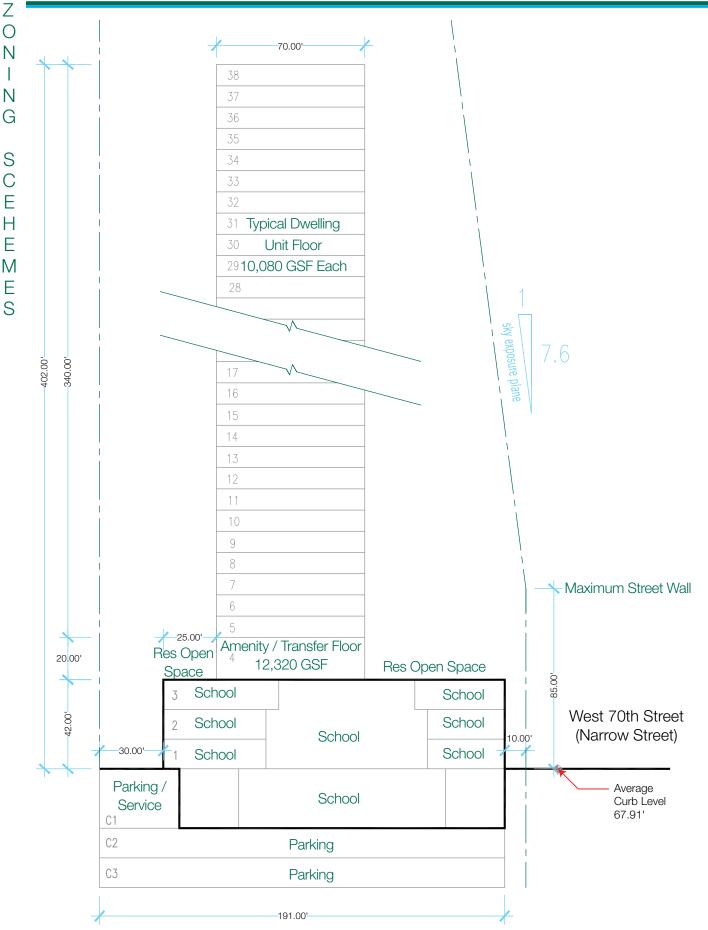
Proposed New School Program (as drawn): 109,100 GSF Below-grade: 17,400 GSF Above-grade: 91.700 GSF

Community Facility Lot Coverage: 36,729 SF

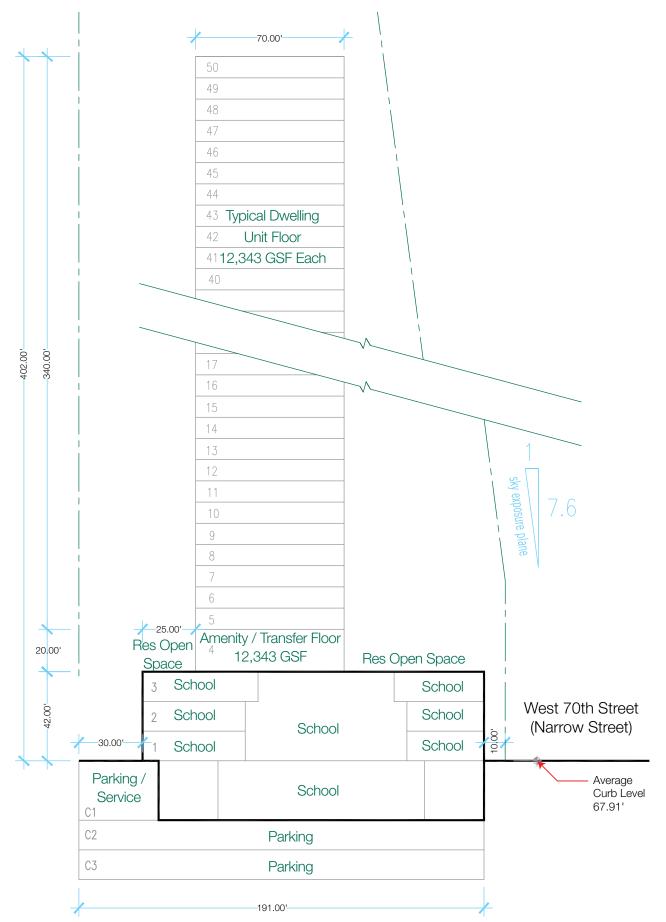
Community Facility ZFA: Approximately 87,000 ZSF

Residential ZFA: 561,719 ZSF Residential GSF (4% increase from ZSF): 585,125 GSF Ground Floor: 5,000 GSF Amenity / Transfer Floor: 12,343 GSF Residential Tower: 567,805 GSF

# 270 West 70th Street - As-of-Right Section A-A



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# 321 East 96th Street - Existing Conditions

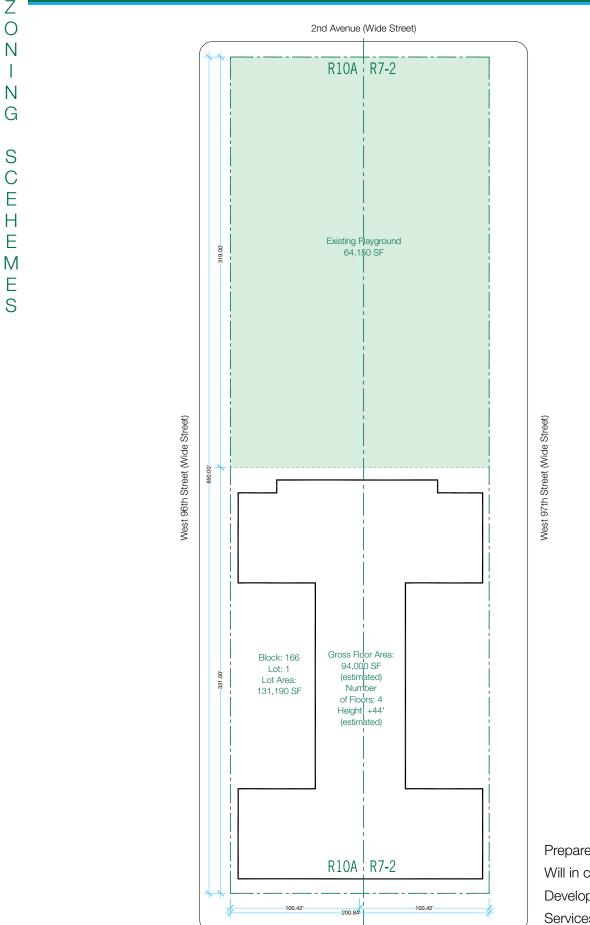
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1st Avenue (Wide Street)

# 321 EAST 96TH STREET - SCHOOL OF CO-OP TECH ZONING SUMMARY

# **Existing Conditions**

R10A Lot Area: 65,273 [Tax Map] Community Facility: 1,077,005 ZSF Residential FAR: 10.0

Allowable Community Facility ZSF: 652,730 ZSF Allowable Residential ZSF: 652,730 ZSF Allowable Total ZSF: 652,730 ZSF

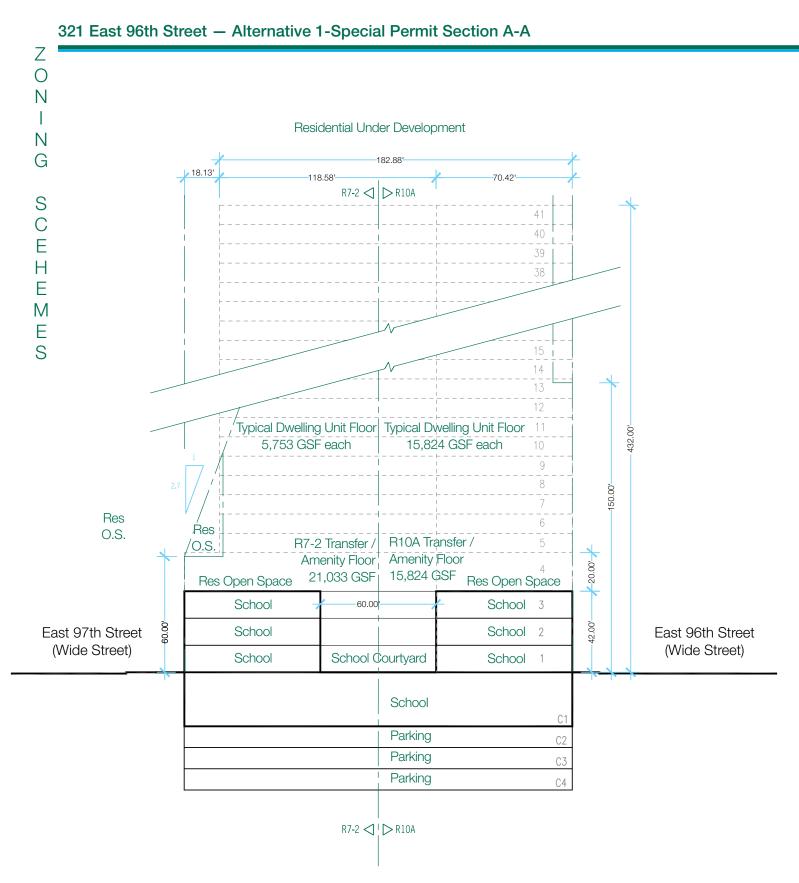
# R7-2

Lot Area: 65,273 [Tax Map] Community Facility FAR: 6.5 Residential FAR: 3.44 (nominal)

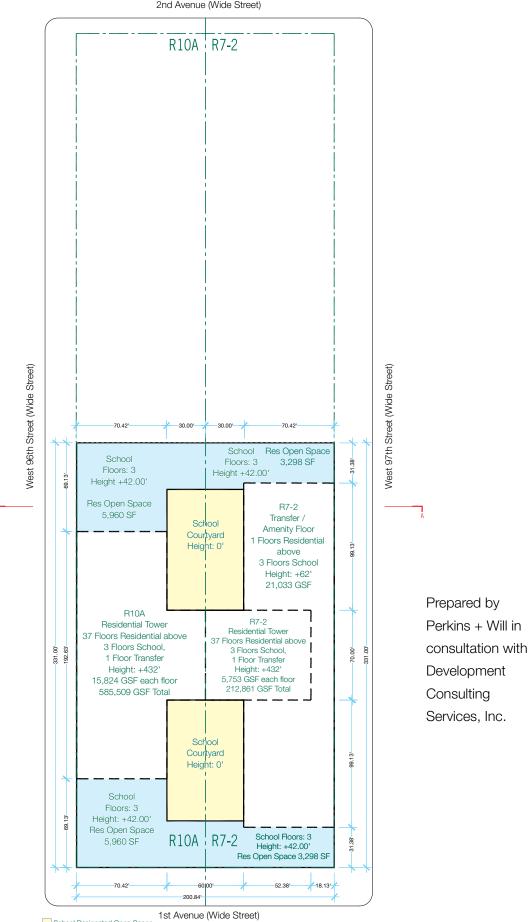
Allowable Community Facility ZSF: 424,275 ZSF Allowable Residential ZSF: 224,539 ZSF Allowable Total ZSF: 424,275 ZSF

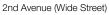
Combined Maximum Permitted Zoning SF Community Facility: 1,077,005 ZSF Residential: 877,269 ZSF Existing School Program (estimated): 94,000 GSF (above ground) Underground Program Unknown Proposed New School Program (from ECF): 194,023 GSF





Prepared by Perkins + Will in consultation with Development Consulting Services, Inc.





School Designated Open Space Rooftop Residential Open Space

#### 321 EAST 96TH STREET - SPECIAL PERMIT

#### **R7-2**

Lot Area: 65,273 [Tax Map] Community Facility FAR: 6.5 Residential FAR: 3.44

Allowable Community Facility ZSF: 424,275 ZSF Allowable Residential ZSF: 224 539 ZSF Allowable Total ZSF: 424,275 ZSF

Proposed New School Program (as drawn): 108,039 GSF Below grade: 25,131 GSF Above grade: 82,908 GSF

Community Facility Coverage: 27,584 SF

Community Facility ZFA: Approximately 78,760 ZSF

Residential ZFA: 224,539 ZFA

Residential GSF (4% increase from ZSF): 233.894 GSF Ground Floor: 0 GSF Residential Tower: 212,861 GSF

### **R10A**

Lot Area: 65,273 [Tax Map] Community Facility FAR: 10.0 Residential FAR: 10.0

Allowable Community Facility ZSF: 652,730 ZSF Allowable Residential ZSF: 652,730 ZSF Allowable Total ZSF: 652,730 ZSF

Proposed New School Program (as drawn): 91,203 GSF below grade: 16,836 GSF above grade: 74,367 GSF

Community Facility Coverage: 27,584 SF

Community Facility ZFA: Approximately 70,650 ZSF

Residential ZFA: 582,080 ZFA

Residential GSF (4% increase from ZFA) 606,333 GSF Ground Floor: 5,000 GSF Transfer Floor: 15,824 GSF Residential Tower: 585,509 GSF



#### Affiliated Business Disclosure and Confidentiality Agreement

CBRE, Inc. operates within a global family of companies with many subsidiaries and/or related entities (each an "Affiliate") engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates may represent various clients with competing interests in the same transaction. For example, this Memorandum may be received by our Affiliates, including CBRE Investors, Inc. or Trammell Crow Company. Those, or other, Affiliates may express an interest in the property described in this Memorandum (the "Property") may submit an offer to purchase the Property and may be the successful bidder for the Property. You hereby acknowledge that possibility and agree that neither CBRE, Inc. nor any involved Affiliate will have any obligation to disclose to you the involvement of any Affiliate in the sale or purchase of the Property. In all instances, however, CBRE, Inc. will act in the best interest of the client(s) it represents in the transaction described in this Memorandum and will not act in concert with or otherwise conduct its business in a way that benefits any Affiliate to the detriment of any other offeror or prospective offeror, but rather will conduct its business in a manner consistent with the law and any fiduciary duties owed to the client(s) it represents in the transaction described in this Memorandum.

This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the "Owner"), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and CBRE, Inc. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Neither the Owner or CBRE, Inc, nor any of their respective directors, officers, consultants, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confident nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.



CBRE is pleased to invite you to participate in the bidding for this premier investment opportunity.

For further information details and additional due diligence information please contact:

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