

From: Jeffrey Epstein <jeevacation@gmail.com>
To: Boris Nikolic <[REDACTED]>
Subject: Re: FW: OFFER: 137 Duane St., 3A
Date: Tue, 29 Oct 2013 23:22:11 +0000

steve gold should not be trusted

On Tue, Oct 29, 2013 at 6:51 PM, Boris Nikolic <[REDACTED]> wrote:

Below is re apartment.

In summary – a seller asked for 6.85M. I offered 5.9 which he rejected with a notion that it is too small. I increased to 5.2 which he again rejected. Yesterday seller called my broker and asked that he has offer north of 6.5 and if I am willing to do a contra offer. My broker suggest 6.525M

I love tis apartment but something is shady.

You can find some exchanges of emails and my question below.

It turns out that this apartment was on the market since 06 (with up and down 4.9-6.9).

I just heard that a current seller bought this unit and 9 other units in the building (of total 24 unites – 4 commercial and 20 residential) for a total of 7.5M just last year.

Not sure that he places much into renovation but walls and kitchen.

My banker from JPM hates it and is warning me against. The broker and his attorney are super optimistic.

I am confused.

What is your gut feeling? Could you and me have a conference call with a broker and broker attorney tomorrow?

I am just catching flight to SF.

THANK YOU!!!

Boris

From: Steven Gold [mailto:████████████████████]
Sent: Monday, October 28, 2013 5:44 PM
To: Boris Nikolic
Cc: Sam Jaradeh
Subject: Re: OFFER: 137 Duane St., 3A

Hi,

Are you guys free to talk? I have some news.

The seller said he is close to accepting another offer that is north of \$6.5mm. I spoke to him at length just now and I do not think he is bluffing. I have a feeling that this will not be around for much longer.

He clarified a few things.

1. In May 2012 he bought all the units and gut renovated 3A, which was part of the package. When 3A was on the market before, it was not in the shape it is now. He said it was a disaster, holes in the floor, ikea kitchen, etc. That could be a good reason it did not sell, not to mention he said before bought, the building was in worse shape. Graffiti on the walls, etc. He has cleaned it up.
2. The hallways and lobby will be renovated within the next few months. The renovation has been approved and contractors have already been engaged.
3. The reason there are no minutes is because the board didn't want the added expense of hire a person to record the meeting minutes. It was a cost saving measure, and quite frankly, given the reserve fund, this condo is actually quite flush with cash.
4. He still says there is absolutely no litigation. He said perhaps the litigation the attorney found had to do with the sidewalk. One of the tenants filed a construction motion to have sidewalk repaved, which has already been resolved and repair, according to him. He said other than that there is no litigation, and none between tenants and sponsor units
5. He signed the affidavit this morning to amend offering plan and have an effective offering plan, so there is now an effective offering plan in place

I think we should talk. I tried to get all the info so you can decide to pass or not. But I want this decision to be YOURS and not the markets, if someone else comes in and swoops it up. I am on my cell and free to discuss further. ██████████. Thanks.

EFTA00974125

Best,

Steve

From: Boris Nikolic <[REDACTED]>
Date: Thursday, October 24, 2013 1:15 AM
To: Steven Gold <[REDACTED]>
Cc: Sam Jaradeh <[REDACTED]>
Subject: RE: OFFER: 137 Duane St., 3A

Hi Steve,

I am sorry for this delay. Too much travel put me behind in answering emails – and tomorrow we are going to Brazil.

Please decline the seller's offer.

It is not only that I think that he should come down more with his price, but also he should be more straightforward. I just re-read his email and I really do NOT like following.

A) He is claiming that there “**there is absolutely no future litigation of any kind related to this unit and they are not buying any of the rent stabilized units and there is also no future litigation on the building known or contemplated at this time**”While I heard that there is pending litigation against a current rent stabilized tenant to try to remove the stabilization. Is this correct?

B) The boiler in the building will be replaced soon, which means it was not replaced when they did the conversion, which suggests that they did not do a first class renovation of the systems in the building. Of course, things like that come up during due diligence and we should get a full engineering survey on the building to determine the useful life of plumbing, roof, etc, as well as electrical capacity in the building – nevertheless, it is not a good first sign.

C) There is \$867k in reserves in the Condo's reserve fund, which is high for a smallish/new building, but will probably only cover the work which needs urgently to be done (boiler, lobby, etc). After that, owners will be assessed for the cost of the work. Size of reserve fund is the first question lawyers and lenders ask.

D) The condo plan is ineffective because the sponsor failed to file an amendment in July 2013 as required. The condo has no minutes available to review. Minutes are required for good governance, and to ensure that there is a paper trail of activity/issues/resolutions.

E) Considering all above, seller statement "If I wait till the building lobby work is done in a few months I'll be raising the price to at least \$7.25M" makes me think that it is all a non-sense.

All of above makes me very nervous to buy the largest/most expensive Unit in the building. And as we would need to use all cash, we would be tied up – knowing a history that this seller was unable to sell this Unit since 2006, makes me think that we would rather pay a full price for a property that we can loan money from a bank and re-sell if we need – then risk it.

Also Lisa is not only a banker but a real estate licensed – she does it for a fun and constantly track/buy – for last 20 years. Jeffery is buying/selling for last 30 years. Both of them advised not to go.

It will be something else soon.

Boris

From: Steven Gold [mailto:████████████████████]
Sent: Tuesday, October 22, 2013 2:59 PM

To: Boris Nikolic
Cc: Sam Jaradeh
Subject: Re: OFFER: 137 Duane St., 3A

Let me know what she says. Generally, these issues come up in the due diligence process where you learning everything about a building before signing. No one is suggesting to buy before feeling comfortable with what you are getting in to.

TOWN

110 Fifth Avenue, 6th Fl.

New York, NY 10011

Office: [REDACTED]

Mobile: [REDACTED]

Email: [REDACTED]

My Listings: [REDACTED]

Sent from my iPhone

On Oct 22, 2013, at 5:54 PM, "Boris Nikolic" <[REDACTED]> wrote:

[His answer is slightly misleading](#)

potential future litigation **there is absolutely no future litigation of any kind related to this unit and they are not buying any of the rent stabilized units and there is also no future litigation on the building known or contemplated at this time**

It is not re rent stabilized THIS unit – nor any future litigation with THIS unit but within a building as a general.

I forwarded it to Mrs Wolf.

We will hear it back soon

Thank you

B

From: Steven Gold [mailto: [REDACTED]]
Sent: Tuesday, October 22, 2013 5:46 PM
To: Boris Nikolic; Sam Jaradeh
Subject: Fwd: OFFER: 137 Duane St., 3A

See below. Perhaps send to Mrs Wolf?

TOWN

110 Fifth Avenue, 6th Fl.

New York, NY 10011

Office: [REDACTED]

Mobile: [REDACTED]

Email: [REDACTED]

My Listings: [REDACTED]

Sent from my iPhone

Begin forwarded message:

From: Evan < [REDACTED] >
Date: October 22, 2013 at 5:23:42 PM EDT
To: Steven Gold < [REDACTED] >
Subject: RE: OFFER: 137 Duane St., 3A

Few points on your last email below in Red

Evan Seiden
Chief Executive Officer
Summit Equities LLC

Office: [REDACTED]
Mobile: [REDACTED]
Email: [REDACTED]

From: Steven Gold [mailto: [REDACTED]]
Sent: Tuesday, October 22, 2013 5:17 PM
To: Evan
Subject: Re: OFFER: 137 Duane St., 3A

Thanks. It is not the shape of the lobby that is making the sale difficult, but the issues with the building, rent controlled tenants, **They are rent stabilized not controlled have one bought out with others following suit, they are also actually condominiums which I own so the entire property is condo and I happen to rent out 8 of them to tenants who happen to be rent stabilized, potential future litigation there is absolutely no future litigation of any kind related to this unit and they are not buying any of the rent stabilized units and there is also no future litigation on the building known or contemplated at this time.** and tainted image. It is just a matter of if risk is properly priced in. Regardless I will relay to my client and let you know.

Do you happen to know how many units are owner occupied? **If they bought this 11 of 19 would be owner occupied at closing.** We are waiting on this answer from an attorney. Thx.

Sterling bank, First Republic, and Citi bank are all lenders in the building and happy to introduce your clients to the specific bankers that approved other unit owners in the building for mortgages.

TOWN

110 Fifth Avenue, 6th Fl.

New York, NY 10011

Office: [REDACTED]

Mobile: [REDACTED]

Email: [REDACTED]

My Listings: [REDACTED]

Sent from my iPhone

On Oct 22, 2013, at 4:58 PM, "Evan" < [REDACTED] > wrote:

\$6,650,000 is my counter, that's \$1,210 a foot aka STEAL. If I wait till the building lobby work is done in a few months I'll be raising the price to at least \$7.25M that's only \$1,300 a foot so they're basically getting a huge discount to going to contract now. Even at 7.25M it would still be the cheapest unit in Tribeca for this size. ■ educate them that they're making money just by buying this.

I have an investment I would roll this money into otherwise I wouldn't even sell this low.

Evan Seiden
Chief Executive Officer
Summit Equities LLC

Office: ■■■■■
Mobile: ■■■■■
Email: ■■■■■

From: Steven Gold [mailto:■■■■■]
Sent: Monday, October 21, 2013 9:59 AM
To: Evan
Subject: Re: OFFER: 137 Duane St., 3A

Are you going to counter? 60 days closing.

TOWN

110 Fifth Avenue, 6th Fl.

New York, NY 10011

Office: ■■■■■

Mobile: ■■■■■

Email: ■■■■■

My Listings: ■■■■■

Sent from my iPhone

On Oct 18, 2013, at 2:01 PM, "Evan" <■■■■■> wrote:

would affect closing time frame and time is money can you find out before i counter again thanks

On Oct 18, 2013, at 1:12 PM, "Steven Gold" <[REDACTED]> wrote:

Not sure if cash or may finance but regardless, this offer has no contingencies.

TOWN

110 Fifth Avenue, 6th Fl.

New York, NY 10011

Office: [REDACTED]

Mobile: [REDACTED]

Email: [REDACTED]

My Listings: [REDACTED]

Sent from my iPhone

On Oct 18, 2013, at 1:11 PM, "Evan" <[REDACTED]> wrote:

still very though assuming we got them up farther are they all cash or motgage contingent and to what extent mortgage contingent? Thank you

On Oct 18, 2013, at 12:18 PM, "Steven Gold" <[REDACTED]> wrote:

Hi,

While the price per square foot is very low compared to the Tribeca aggregate market, the fact remains that it would be difficult to create more bedrooms, which most people looking at this size loft would need/want. It is great space, do not get me wrong, but a lot of the space can be utilized. However, my client still likes it and wishes to try to come to terms. Therefore, my client will increase his offer to \$6,250,000. Let us know. Thanks!

Best,

Steve

From: Evan [[mailto:\[REDACTED\]](mailto:[REDACTED])]

Sent: Thursday, October 17, 2013 7:46 PM

To: Steven Gold
Subject: Re: OFFER: 137 Duane St., 3A

sounds good thank you

On Oct 17, 2013, at 7:09 PM, "Steven Gold" <[REDACTED]> wrote:

Hi Evan,

I hope to be in touch tomorrow with a better number. Thanks for your patience here.

Best,

Steve

Steve Gold

Licensed Real Estate Salesperson

[My Exclusive Listings](#)

TOWN

110 5th Ave, 6th Fl

New York, NY 10011

O [REDACTED]

M [REDACTED]

F [REDACTED]

From: Evan [[mailto:\[REDACTED\]](mailto:[REDACTED])]
Sent: Wednesday, October 16, 2013 4:21 PM
To: Steven Gold
Cc: David Grosvenor
Subject: RE: OFFER: 137 Duane St., 3A

Thank you for your offer I must decline at this EXTREMELY low proposed level. Since we are already the least expensive unit per square foot in the market at \$1,250 and fully renovated /never lived in. Your clients would be getting a steal at existing pricing let alone less especially buying

before the building work is done and values increase further. That said I will come down from my ask by \$150,000 to \$6.7M.

Evan Seiden
Chief Executive Officer
Summit Equities LLC

Office: [REDACTED]
Mobile: [REDACTED]
Email: [REDACTED]

From: Steven Gold [mailto:[REDACTED]]
Sent: Wednesday, October 16, 2013 4:13 PM
To: Evan
Cc: David Grosvenor
Subject: OFFER: 137 Duane St., 3A
Importance: High

Dear Evan and David,

On behalf of my client, Sam Jaradeh and Boris Nikolic, I would like to convey an offer in the amount of \$5,900,000 for Unit 3A at 137 Duane Street. This offer is made in good faith and has no contingencies. My client can close in 60 days. We look forward to your response. Thanks!

Best,

Steve

Steve Gold

Licensed Real Estate Salesperson

[My Exclusive Listings](#)

TOWN

110 5th Ave, 6th Fl

New York, NY 10011

O [REDACTED]

M [REDACTED]

F [REDACTED]

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