

## ART PARTNERSHIP FUNDING

## COLLATERAL CONSIDERATIONS

| <b>NON-TRUST OWNED ART</b>   | <b>COST</b>        | <b>FAIR VALUE (OR COST IF NOT ON APPRAISAL)</b> | <b>FAIR VALUE LESS COST</b> | <b># OF ITEMS</b> |
|------------------------------|--------------------|---|-----------------------------|-------------------|
| WORKS PLEDGED TO CHARITY     | 32,487,142         | 33,419,693                                      | 932,551                     | 18                |
| WORKS PARTIALLY OWNED        | 31,675,474         | 45,250,000                                      | 13,574,526                  | 3                 |
| WORKS HELD IN S CORP         | 14,841,731         | 80,000,000                                      | 85,158,269                  | 1                 |
|                              | 79,004,348         | 158,669,693                                     | 99,665,346                  | 1                 |
| COLLATERAL - UNREALIZED GAIN | 489,114,582        | 887,900,000                                     | 398,785,418                 | 66                |
| COLLATERAL - UNREALIZED LOSS | 144,660,133        | 119,300,000                                     | (25,360,133)                | 24                |
|                              | 264,093,964        | 1,007,200,000                                   | 373,425,284                 | 47                |
| NON-COLLATERAL - UNREAL GAIN | 263,616,404        | 365,554,500                                     | 101,938,096                 | 213               |
| NON-COLLATERAL - UNREAL LOSS | 183,349,750        | 153,523,237                                     | (29,826,513)                | 274               |
|                              | 446,966,155        | 519,077,737                                     | 72,111,582                  | 487               |
| <b>TOTAL PORTFOLIO</b>       | <b>790,064,467</b> | <b>1,684,947,430</b>                            | <b>545,202,212</b>          | <b>535</b>        |

**COLLATERAL - UNREALIZED GAIN ANALYSIS**

|                          |  |             |            |    |
|--------------------------|--|-------------|------------|----|
| HIGHEST % APPREC -TIER 1 |  | 107,500,000 | 90,825,125 | 9  |
| HIGHEST % APPREC -TIER 2 |  | 102,000,000 | 77,135,554 | 9  |
| HIGHEST % APPREC -TIER 3 |  | 101,150,000 | 65,685,533 | 9  |
| HIGHEST % APPREC -TIER 4 |  | 87,500,000  | 49,783,094 | 10 |
| HIGHEST % APPREC -TIER 5 |  | 90,750,000  | 47,116,780 | 4  |
| HIGHEST % APPREC -TIER 6 |  | 105,500,000 | 45,374,588 | 7  |

**COLLATERAL - UNREALIZED LOSS ANALYSIS**

|                          |  |             |              |    |
|--------------------------|--|-------------|--------------|----|
| LOWEST % APPREC - TIER 1 |  | 105,800,000 | (24,789,277) | 22 |
| LOWEST % APPREC - TIER 2 |  | 13,500,000  | (570,857)    | 2  |

**NON -COLLATERAL - UNREALIZED GAIN ANALYSIS**

|                          |            |             |             |     |
|--------------------------|------------|-------------|-------------|-----|
| BY MM VALUE - TIER 1     | THE SCREAM | 135,000,000 | 4,434,378   | 1   |
| HIGHEST % APPREC -TIER 1 |            | 105,500,000 | 63,527,403  | 36  |
| HIGHEST % APPREC -TIER 2 |            | 45,500,000  | 16,026,076  | 32  |
| HIGHEST % APPREC -TIER 3 |            | 50,050,000  | 7,926,165   | 7   |
| HIGHEST % APPREC -TIER 4 |            | 12,150,000  | 5,028,788   | 10  |
| WORKS VALUED < \$500K    |            | 17,354,500  | 8,646,036   | 127 |
|                          |            | 365,554,500 | 105,588,846 | 213 |

**NON -COLLATERAL - UNREALIZED LOSS ANALYSIS**

|                          |  |            |              |     |
|--------------------------|--|------------|--------------|-----|
| LOWEST % APPREC - TIER 1 |  | 47,803,165 | (16,031,370) | 35  |
| LOWEST % APPREC - TIER 2 |  | 50,045,000 | (4,310,357)  | 26  |
| LOWEST % APPREC - TIER 3 |  | 31,489,350 | (562,929)    | 20  |
| WORKS VALUED < \$500K    |  | 24,185,722 | (8,921,858)  | 193 |

**PROPOSED COLLATERAL SWITCH:**

|  |  |             |               |     |
|--|--|-------------|---------------|-----|
| MOVE \$210MM FROM COLLATERAL TO NON-COLLATERAL LIST (HIGHEST GAIN) |  | 209,500,000 | 167,960,679   | 18  |
| MOVE \$98MM TO COLLATERAL LIST FROM NON-COLLATERAL (LOSS)          |  | 97,848,165  | (20,341,726)  | 61  |
| MOVE \$106MM TO COLLATERAL LIST FROM NON-COLLATERAL (LOWEST GAIN)  |  | 107,700,000 | 28,981,029    | 49  |
|  |  | 205,548,165 | 8,639,303     | 110 |
| SHIFT IN COLLATERAL  |  | (3,951,835) | (159,321,376) | 92  |

**ITEMS HELD BY LDB AFTER SWITCH**

|                          |  |             |             |     |
|--------------------------|--|-------------|-------------|-----|
| THE SCREAM               |  | 135,000,000 | 4,434,378   | 1   |
| HIGHEST % APPREC -TIER 1 |  | 107,500,000 | 90,825,125  | 9   |
| HIGHEST % APPREC -TIER 2 |  | 102,000,000 | 77,135,554  | 9   |
| HIGHEST % APPREC -TIER 1 |  | 105,500,000 | 63,527,403  | 36  |
| HIGHEST % APPREC -TIER 4 |  | 17,354,500  | 8,646,036   | 127 |
| LOWEST % APPREC - TIER 3 |  | 31,489,350  | (562,929)   | 20  |
| WORKS VALUED < \$500K    |  | 24,185,722  | (8,921,858) | 193 |
|                          |  | 523,029,572 | 235,083,708 | 395 |
| Ccollateral adj          |  | (3,951,835) |             |     |
|                          |  | 519,077,737 |             |     |