

21 East 26th Street, New York, NY 10010

PROJECT SUMMARY

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

LAND BASIS DETERMINATION

Land/Improvement Basis	\$13,250,000
Total Land/Improvement Basis	\$13,250,000

FINANCING COSTS (pre-sale of units)

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

SOURCES OF FUNDS (pre-sale of units)

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

USES OF FUNDS (pre-sale of units)

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

RESIDUAL VALUATION

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

COSTS PAID OUT OF SALES

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

DISTRIBUTIONS

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

FT REAL ESTATE – CONTRIBUTIONS/DISTRIBUTIONS

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

Footnotes:

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

21 East 26th Street - Projected Waterfall

2/21/14

Initial Distribution																	
Distributable Cash	\$	2,250,000															
Return of Equity - (Distribution on 11/1/13) <i>100% of Investment plus B Distribution</i>	\$	(2,250,000)															
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	Equity A (Lofts21)	Equity B															
	(2,019,231)	(230,769)															
Projected Remaining Distributions																	
Net Sale of Penthouse	\$	22,000,000															
Additional Sponsor Contingency & Construction Reserve	\$	(460,097)															
Remaining Return of Equity <i>100% of Investment plus B Distribution</i>	\$	(5,550,000)															
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	Equity A (Lofts21)	Equity B															
	(4,980,769)	(569,231)															
Sub Total Distributable Cash	\$	15,989,903															
Development Fee	\$	(225,000)															
Profit (75/25)	\$	(9,866,667)															
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Additional Profit to Equity A	\$	(1,400,000)															
Sub Total of Final Distributable Cash	\$	4,498,236															
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Total Distributions: Equity A (Lofts21)		15,400,000															
Total Distributions: Equity B		1,200,000															
Total Distributions: Advance Star		6,964,903															