

## Subject Property Location

<b>Name</b>	(None Entered)
<b>Metro Searched</b>	New York
<b>Submarkets Searched</b>	All Submarkets

## Summary Statistics

	Low	Average	High
<b>* Gross Building Area (SF)</b>	973,587	973,587	973,587
<b>* Net Rentable Area (SF)</b>	--	--	--
<b>* Unspecified Building Area (SF)</b>	254,474	254,474	254,474
<b>Number of Floors</b>	13	25	36
<b>Year Built</b>	1958	1973	1987
<b>Time Since Sale (months)</b>	1	1	1
<b>Sale Price</b>	\$375,000,000	\$563,000,000	\$751,000,000
<b>Sale Price PSF (Gross Area)</b>	\$771	\$771	\$771
<b>Sale Price PSF (Rentable Area)</b>	--	--	--
<b>Sale Price PSF (Unspecified Area)</b>	\$1,474	\$1,474	\$1,474

\* Square footage is reported as Gross Building Area, and/or Net Rentable Area, or Unspecified Building Area. Each row, in the table above, related to size includes only those buildings in the corresponding size category.

\* In the case of a partial sale, the figures shown here include only the area purchased.

**Total Number of Properties** 2



## Sales Comparables

Office

	Address	Submarket	Year Built	Floors	Size (SF)	Sale Price	Price PSF	Sale Date
1.	660 Madison Ave New York, NY 10021	Plaza	1958	13	254,474	\$375,000,000	\$1,474	30 Aug 2007
2.	32 Old Slip New York, NY 10005	Downtown	1987	36	973,587 <sup>GBA</sup>	\$751,000,000	\$771 <sup>GBA</sup>	29 Aug 2007



Property Location and Physical Characteristics

<b>Property Name</b>		<b>Property Type</b>	Multi-Tenant
<b>Address</b>	660 Madison Ave	<b>Building Area (SF)</b>	254,474
<b>City</b>	New York	<b>No. of Bldgs./Floors</b>	1 / 13
<b>State/ZIP/County</b>	NY / 10021 / New York	<b>Year Built/Renovated</b>	1958 / 1993
<b>Metro (Submarket)</b>	New York (Plaza)	<b>Asset Class</b>	A
<b>Comments</b>	Masonry exterior walls.		

Sale Details and Analysis

<b>Sale Date</b>	30 Aug 2007	<b>Reis Cap Rate Analysis Proforma</b>	
<b>Sale Price</b>	\$375,000,000	<i>All per square foot figures are on an annual basis</i>	
<b>Sale Price PSF</b>	\$1,474	<b>Rentable Area Assumption</b>	254,474 SF
<b>Vacancy at Sale</b>		<b>Potential Rent Revenue</b>	\$26,387,971
<b>Seller</b>	1. C/O Broadway Real Estate Partners, LLC / (212) 319-7100 / 375 Park Ave, Ste 2107, New York, NY 10152 2. Broadway 660 Madison Fee LLC	<b>Vacancy Loss/Rate</b>	(\$2,175,753) [5.7%] <i>\$150.00 Market Rent x 14,505 SF</i>
<b>Buyer</b>	1. Luigi Zunino / Italy	<b>Effective Rent Revenue</b>	\$24,212,218 <i>\$98.35 In Place Rent x 239,969 SF</i>
<b>Comments</b>	Reportedly, the p/sf set a record high for NY real estate.	<b>Expense Reimbursements</b>	\$182,507 [\$0.72 PSF] <i>(\$21.69 PSF Exp. - Avg. Stop @ \$20.93) x 239,969 SF</i>
		<b>Free Rent Concessions</b>	(\$310,664) [\$1.22 PSF]
		<b>Credit Loss</b>	(\$263,880) [1.0%]
		<b>Additional Income</b>	\$0 [\$0.00 PSF]
		<b>Effective Gross Revenue</b>	\$23,820,181
		<b>Operating Expenses</b>	(\$5,519,541) [\$21.69 PSF]
		<b>Capital Reserve</b>	(\$25,447) [\$0.10 PSF]
		<b>Net Operating Income</b>	\$18,275,193
		<b>Estimated Going-in Cap Rate</b>	4.9% <i>Based on Sale Price of \$375,000,000</i>
		<b>Reis Indexed Metro Off Cap Rate</b>	6.3% (Q3 2007)
		<b>Reported Cap Rate, This Sale</b>	None

Additional Details When Available

<b>Seller's Broker</b>	1. Douglas Harmon, Eastdil Secured, 40 W 57th St, 22nd Fl, New York, NY 10019, (212) 315-7200	<b>Buyer's Broker</b>	
<b>Other Broker</b>		<b>Lot Size</b>	
<b>Interest Purchased</b>		<b>Time on Market</b>	
<b>Key Tenants</b>			
<b>Parcel Number</b>	1375-1102		
<b>Deed Reference</b>			
<b>Financing Details</b>	Property leveraged at a more modest 70 percent, with Deutsche Bank providing the financing.		

Other:

Previously sold in May 2006; see Reis Sales Comparable ID 132927



Property Location and Physical Characteristics

<b>Property Name</b>	Financial Sq	<b>Property Type</b>	Multi-Tenant
<b>Address</b>	32 Old Slip	<b>Building Area (SF)</b>	973,587 <sup>GBA</sup>
<b>City</b>	New York	<b>No. of Bldgs./Floors</b>	1 / 36
<b>State/ZIP/County</b>	NY / 10005 / New York	<b>Year Built/Renovated</b>	1987 / --
<b>Metro (Submarket)</b>	New York (Downtown)	<b>Asset Class</b>	A
<b>Comments</b>	13,439 Sf of undisclosed space.		

Sale Details and Analysis

<b>Sale Date</b>	29 Aug 2007	<b>Reis Cap Rate Analysis Proforma</b>	
<b>Sale Price</b>	\$751,000,000 (Verified: Pub Rcrd)	<i>All per square foot figures are on an annual basis</i>	
<b>Sale Price PSF</b>	\$771 <sup>GBA</sup>	<b>Rentable Area Assumption</b>	915,171 SF [NRA est]
<b>Vacancy at Sale</b>		<b>Potential Rent Revenue</b>	\$42,977,527
<b>Seller</b>	1. Paramount Group / (212) 237-3100 / 1633 Broadway, Ste 1801, New York, NY 10019	<b>Vacancy Loss/Rate</b>	(\$9,041,889) [19.0%]
<b>Buyer</b>	1. / (617) 457-0400 / 1 Federal St, Boston, MA 02110 2. Beacon Capital Partners, LLC / 200 State St, 5th Fl, Boston MA 02109	<i>\$52.00 Market Rent x 173,882 SF</i>	
<b>Comments</b>		<b>Effective Rent Revenue</b>	\$33,935,638
		<i>\$45.50 In Place Rent x 741,289 SF</i>	
		<b>Expense Reimbursements</b>	\$567,553 [\$0.62 PSF]
		<i>(\$12.30 PSF Exp. - Avg. Stop @ \$11.53) x 741,289 SF</i>	
		<b>Free Rent Concessions</b>	(\$358,818) [\$0.39 PSF]
		<b>Credit Loss</b>	(\$429,775) [1.0%]
		<b>Additional Income</b>	\$0 [\$0.00 PSF]
		<b>Effective Gross Revenue</b>	\$33,714,597
		<b>Operating Expenses</b>	(\$11,256,603) [\$12.30 PSF]
		<b>Capital Reserve</b>	(\$100,000) [\$0.11 PSF]
		<b>Net Operating Income</b>	\$22,357,993
		<b>Estimated Going-in Cap Rate</b>	3.0%
		<i>Based on Sale Price of \$751,000,000</i>	
		<b>Reis Indexed Metro Off Cap Rate</b>	6.3% (Q3 2007)
		<b>Reported Cap Rate, This Sale</b>	None

Additional Details When Available

<b>Seller's Broker</b>		<b>Buyer's Broker</b>	
<b>Other Broker</b>		<b>Lot Size</b>	42,176 SF / 0.97 Acres
<b>Interest Purchased</b>		<b>Time on Market</b>	
<b>Key Tenants</b>			
<b>Parcel Number</b>	00035-0001		
<b>Deed Reference</b>	2007090500212001		
<b>Financing Details</b>			

Other:

29,785 SF of the total BGA is garage space. Previously sold in June 2005; see Reis Sales Comparable ID 104451.

## Appendix A - Glossary

**1031 Exchange:** The exchange, under Section 1031 of the Internal Revenue Code, of a real property held for investment or used in a trade or business, for a similar property; it allows the property holders to defer capital gains.

**1031 Replacement Property:** A property purchased with the proceeds from the sale of another property recently sold by the buyer, so as to qualify the sale and subsequent purchase as a *1031 exchange*.

**A:** See *Asset Class*.

**Additional Income:** Building revenue resulting from sources other than office space rents. Examples include rent revenue from retail space, and income from parking garages, billboards/signage, conference facility fees, vending machines, telephone or ATM access fees, and roof antennas.

**Address:** Street location of the property.

**Affiliated Parties:** A *buyer* and *seller* who are related by blood, marriage, or corporate structure, such as a parent and sibling or a corporation and its subsidiary.

**APD:** Indicates that the sale price has been apportioned based on the amount of square feet in each building included in a multiple property transaction.

**APX:** Indicates that the sale price is approximate.

**Arms Length Transaction:** A transaction between unrelated parties under no duress.

**Asset Class:** An overall indicator of both a property's physical condition and operating performance, where "A" properties tend to be the best in the market, have above average design, construction and finish, minimal or no deferred maintenance, superior locations, achieve the highest rents, and have tenants of strong credit quality; "B" properties tend to be in good to above average condition, have adequate construction but do not have design and finish reflective of the latest standards and preferences, have above average locations, are generally well maintained, and command average rents; "C" properties tend to be in average condition, exhibit some deferred maintenance, provide functional space for tenants, have less desirable locations, are usually managed by small local companies with limited experience, command below average rents, and have tenants of lower credit quality that provide a less stable income stream.

**Average Stop:** The weighted average amount of *operating expenses* over which tenants reimburse their pro-rata share to the landlord.

**B:** See *Asset Class*.

**B/C:** See *Asset Class*.

**Bankruptcy:** Indicates that the *seller* was operating under Chapter 7 or 11 bankruptcy protection at the time of sale.

**Building Area:** The total area of the building(s) included in the transaction, expressed in square feet. May represent *NRA*, *GBA*, or *unspecified building area*.

**Buyer:** The person or entity to whom property rights were transferred; the grantee.

**Buyer's Broker:** An intermediary in the transaction who represented the interests of the *buyer*.

**C:** See *Asset Class*.

**Capital Reserve:** An allowance that provides for the periodic replacement of building components that wear out more rapidly than the building itself and must be replaced during the building's economic life.

**Credit Loss:** The total amount of rent due that the landlord is unable to collect due to tenant default.

**Deed Reference:** A filing number that provides a means of retrieving the deed in the public record. Usually in the form of the book number and page number under which the deed has been filed by the recorder.

**Effective Gross Revenue:** The sum of *effective rent revenue* and *additional income*, less *free rent concessions* and *credit loss*.

**Effective Rent Revenue:** *Potential rent revenue* less *vacancy loss*.

**EST:** Indicates that the sale price is estimated.

**Estimated Going-in Cap Rate:** An overall capitalization rate obtained by dividing the projected *net operating income* for the first full calendar year of ownership by the purchase price.

**Expense Reimbursements:** Income to the landlord resulting from tenant's payment of its pro-rata share of *operating expenses* above its stipulated expense stop.

**Financing Details:** Information regarding how the purchase was financed. May include lender, loan amount, interest rate and term.

**Foreclosure Sale:** A sale resulting from the exercise of the optional right of the mortgagee or lending institution to sell mortgaged property if the mortgagor fails to make payment, applying proceeds from the sale toward the outstanding debt.

**Free Rent Concessions:** The total dollar amount of free rent granted by the landlord.

**GBA:** Gross Building Area of the building(s) included in the transaction, expressed in square feet.

**In Place Rent:** Weighted average rent of all existing leases in an office property during the indicated year, expressed per unit per square foot of rentable area.

**Interest Purchased:** The share of the property that was purchased in the transaction. A figure of less than 100% indicates purchase of a fractional interest.

**Key Tenants:** Tenants which occupy significant blocks of space in a building.

**Lot Size:** The total area of all land included in the purchase, expressed in square feet and acres.

**Lstg:** Indicates that the broker was the listing broker in the sale.

**Market Rent:** The weighted average rent at which a new lease would be signed, expressed per square foot per year.

**Medical Office:** An office property which is configured to serve the needs of tenants providing outpatient medical or dental services and consultations.

**Metro:** An area defined by concentrations of office properties and usually consisting of a county, or group of counties, around a central urbanized area.

## Appendix A - Glossary

**Multi-Tenant:** An office property which is configured for occupancy by more than one tenant.

**N/A:** Not available.

**Net Operating Income:** *Effective gross revenue, less operating expenses and capital reserve.*

**Non-Competitive Building:** Buildings, such as post offices, schools, and other government buildings, which are not generally competitive with commercial office properties.

**NRA:** Net Rentable Area of the building(s) included in the transaction, expressed in square feet.

**NRA est.:** Indicates that the *rentable area assumption* was estimated at 94% of *GBA*.

**Number of Bldgs.:** The total number of buildings included in the particular property at a single location. Does not include buildings at other locations, which might have been purchased simultaneously as part of a portfolio.

**Number of Bldgs./Floors:** See *Number of Bldgs.* and *Number of Floors*.

**Number of Floors:** The total number of floors, or stories, comprising a building. For sales involving multiple buildings, the total number of floors of the tallest structure included in the sale.

**Office Condominium:** A portion of a *multi-tenant* office structure or property that is separately owned in fee, and which ownership includes joint ownership of commonly used portions of the property, such as hallways, elevators and stairs.

**Operating Expenses:** Expenditures for ongoing costs of operating a building, including maintenance and repairs, insurance, administrative fees and real estate taxes; expressed as a total annual dollar amount and as an annual dollar amount per square foot of rentable area.

**Other Broker:** An intermediary in the transaction, where it is unclear whether they represented the interests of the *buyer, seller, or both*.

**Owner Occupied:** A building which is both fully owned and fully occupied by one company.

**Parcel Number:** A code number that serves as an abbreviation of, or replacement for, a parcel's legal description.

**Potential Rent Revenue:** The sum of *in place rent* multiplied by currently occupied space, plus *market rent* multiplied by vacant space.

**Property Name:** When applicable, the name by which the property was known at the time of sale.

**Property Type:** See *Multi-Tenant, Single Tenant Rental, Medical Office, Owner Occupied, Non-Competitive Building, and Office Condominium*.

**PSF:** Per square foot. For proforma items such as rents, *operating expenses*, and *capital reserve*, the implied time period is one year (PSF per year).

**Rec:** Indicates that the "*sale date*" is actually a recording date.

**Refereed:** Indicates that the sale occurred pursuant to a declaration by a judge or arbitrator.

**Reis Cap Rate Analysis Proforma:** An analysis which projects income and expenses for the first full calendar year of ownership of the property after the indicated sale date, and which results in a projected *net operating income* that is then divided by the sale price to obtain an *estimated going in cap rate*. Note that projection of revenue relies largely on a rent roll that Reis estimates based on rents, vacancies and expenses observed during several years of surveys at the property or at nearby properties.

**Reis Indexed Metro Off Cap Rate:** Cap rates are calculated by Reis based on conditions in each metro and are updated quarterly. Cap rates are modeled as a function of risk-free interest rates, metro level in-place rent growth expectations, current construction activity, and by running measures of volatility in rents and metro level economic and demographic factors. Together, these measures are proxies for capital conditions, income expectations, and risk. The model was developed using data from actual transactions.

**Rentable Area Assumption:** The amount of rentable area utilized in the *Reis Cap Rate Analysis Proforma* calculation. It equals *NRA*, if available, otherwise *unspecified building area*, if available, and otherwise is estimated by multiplying *GBA* by 94%.

**Reported Cap Rate, This Sale:** A capitalization rate reported by the *buyer, seller* or other party to the transaction, or calculated by dividing reported *net operating income* by the purchase price.

**Sale Date:** The specific date on which the transaction closed; and, only when indicated by the superscript "Rec" to the right of the date, the date on which the transaction was recorded by the county recorder.

**Sale Price PSF:** The purchase price of the property per square foot of net rentable area (indicated by *NRA*), and/or gross building area (indicated by *GBA*) and/or *unspecified building area* (no indicator).

**Sale-Leaseback Transaction:** A financing arrangement in which real property is sold by its owner-user, who simultaneously leases the property from the *buyer* for continued use by the *seller*.

**Seller:** The person or entity which transferred property rights; the grantor.

**Seller's Broker:** An intermediary in the transaction who represented the interests of the *seller*. May, or may not, be the broker who obtained the listing contract.

**Single Tenant Rental:** An office property which is rented and fully occupied by one tenant.

**State/Zip/County:** The state, zip code and county in which the property is located.

**Submarket:** A Reis-defined geographic division of a *metro* comprising a neighborhood, or business concentration/corridor.

**Time on Market:** Time elapsed from when the property was first offered for sale and when the sale resulting from that offering closed.

**Time Since Sale:** Time elapsed between when the property sold and the date the report was generated.

**Unspecified Building Area:** The size of the building in square feet when there is either unclear or conflicting information between various sources as to whether that size represents net rentable area or gross building area.



## Appendix A - Glossary

**Vacancy Loss/Rate:** Loss of *potential rent revenue* attributable to space which is not leased, expressed as a total dollar amount and as a percentage of total rentable space.

**Verified: Lstng Brkr:** Indicates that the sale price and other details have been verified with the listing broker.

**Verified: Buy Attny:** Indicates that the sale price and other details have been verified with the buyer's attorney.

**Verified: Buy Brkr:** Indicates that the sale price and other details have been verified with the buyer's broker.

**Verified: Buyer:** Indicates that the sale price and other details have been verified with the *buyer*.

**Verified: Other Pty:** Indicates that the sale price and other details have been verified with a reliable party to the transaction other than a buyer or seller, or their brokers or attorneys. Such parties include lenders and property managers.

**Verified: Pub Rcrd:** Indicates that the sale price and other details have been verified in an assessor and/or deed recorder record, or in an official public document such as a filing with the Securities and Exchange Commission.

**Verified: Sel Attny:** Indicates that the sale price and other details have been verified with the seller's attorney.

**Verified: Sel Brkr:** Indicates that the sale price and other details have been verified with the seller's broker.

**Verified: Seller:** Indicates that the sale price and other details have been verified with the *seller*.

**Year Built/Renovated:** The year in which the property was built, and the year(s) during which it underwent renovation.