

NYCIDA PROJECT COST/BENEFIT ANALYSIS

May 5, 2016

APPLICANT

LIC Site B-1 Owner, LLC
45 Rockefeller Plaza, 9th Fl.
New York, New York 10111

PROJECT LOCATION

28-10 Queens Plaza South
Queens, New York 11101

A. Project Description:

LIC Site B-1 Owner, L.L.C., a Delaware limited liability company (the “Company”) is an affiliate of Tishman Speyer Properties, L.P., a real estate development company. The Company seeks financial assistance in connection with the acquisition of an approximately 71,692 square foot parcel of land and the construction, furnishing and equipping of a two-tower commercial building thereon that will contain approximately 1.1 million gross square feet of Class A office space and approximately 29 stories, approximately 40,000 gross square feet of retail space and an approximate 388 space parking garage (“the Project”).

Total Project costs are estimated to be approximately \$707 million with \$10,793,975 for land acquisition, \$388,380,425 for construction hard costs, \$72,652,024 for soft costs, \$89,842,507 for fixed tenant improvements, \$2,000,000 for furnishings and equipment, \$32,566,886 for capitalized interest, \$11,595,541 for costs of issuance, \$23,899,555 for development fees, and \$75,013,082 for other fees.

The Project is expected to begin construction in 2017 and begin operation in 2020. Approximately 3,380 permanent jobs are expected to be located at the Project.

B. Costs to City (New York City taxes to be exempted):

Mortgage Recording Tax Waiver (NPV, 30 years):	\$	4,468,750
Sales Tax Exemption:		<u>3,864,788</u>
Subtotal: NYCIDA Benefits		8,333,538
ICAP Benefits (NPV, 30 years):		56,623,485
Total Cost to NYC	\$	64,957,023

C. Benefit to City (Estimated NYC Total Tax Revenue Net of IDA Benefits) (estimated NPV 30 years @ 6.25%):

\$ 254,523,538



BENEFITS APPLICATION

Applicant Name: LIC Site B-1 Owner, L.L.C.	
Name of operating company (if different from Applicant):	
Operating Company Address: 45 Rockefeller Plaza, 9 th floor, NY 10111	
Website Address: N/A	
EIN #: XXXXXXXXXX	NAICS Code: 531390
State and date of incorporation or formation: Delaware, 7-14-2015	Qualified to conduct business in NY? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Applicant is (check one of the following, as applicable):	
<input type="checkbox"/> General Partnership	<input type="checkbox"/> Limited Partnership
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Natural Person
<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation
<input type="checkbox"/> 501(c)(3) Organization	<input type="checkbox"/> Other: _____
Are any securities of Applicant publicly traded? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Applicable Financial Assistance (check all that apply)

Please note the following: When Build NYC is the entity providing Financial Assistance, the Project Financial Assistance may be limited to deferral from mortgage recording taxes and tax-exempt conduit bond financing.

<input checked="" type="checkbox"/> Bond Financing
<input checked="" type="checkbox"/> Real Estate Tax Benefits
<input checked="" type="checkbox"/> Sales Tax Waiver
<input checked="" type="checkbox"/> Mortgage Recording Tax Deferral

Applicant Contact Information

	Name/Title	Company	Address	Email	Phone
Applicant Contact Person	Michael Benner	Tishman Speyer	45 Rockefeller Plaza, 7 th Floor, New York, NY 10111		
Attorney	Tal Golomb	Fried Frank	One New York Plaza, New York, NY 10004		
Accountant	Jeffrey Price	Tishman Speyer	11 West 42nd Street, New York, NY 10036		
Consultant/Other					

Background

Please provide a brief description of the Applicant's history and nature of its business, including a description of the industry, competitors and services offered, on a separate sheet.

Proposed Project Activities

Please provide answers to the following four questions on a separate page.

1. Please provide a brief overview of the entire proposed Project. If necessary, break down by tax lot to describe activities at each Project Location.
2. Please provide a brief description of how the proposed Project will affect current operations.
3. Please provide a brief description of renovations/construction of the proposed Project.
4. Please provide a brief timeline for the entire proposed Project.

Project Financing (*Note: the below figures are preliminary and subject to change)

Amounts provided should be aggregates for all Project Locations.

Uses of Funds	Sources of Funds (If needed use an additional sheet to indicate all sources and uses)							Total Uses
	Bond Proceeds	Commercial Financing (Loan 1)	Commercial Financing (Loan 2)	Affiliate/ Employee Loans	Capital Campaign	Company Funds	Other (Identify):	
Land and Other Site Costs	\$0				\$10,793,975			\$10,793,975
Construction Hard Costs	\$0	\$46,605,651			\$252,447,276		\$89,327,498	\$388,380,425
Construction Soft Costs	\$0	\$2,827,777			\$31,779,151		\$38,045,096	\$72,652,024
Fixed Tenant Improvements	\$0	\$88,434,619			\$1,407,888			\$89,842,507
Furnishings & Equipment	\$0	\$2,000,000						\$2,000,000
Debt Service Reserve Fund	\$0							
Capitalized Interest	\$0	\$21,063,194			\$8,454,138		\$3,049,555	\$32,566,886
Costs of Issuance	\$0	\$520,930			\$8,899,611		\$2,175,000	\$11,595,541
Fees (explain): Development Fees	\$0	\$5,929,889			\$11,949,778		\$6,019,889	\$23,899,555
Other (explain) **	\$0	\$40,989,939			\$27,640,181		\$6,382,963	\$75,013,082
Total Sources	\$0	\$208,371,998			\$353,371,998		\$145,000,000	\$706,743,996

*Note: Capital Campaign denotes Partner/Affiliate Equity, Other denotes EB-5 Financing.

**Note: Other category includes IDA/ICAP Fees, Cost of Carry, Marketing, Leasing Legal, Leasing Commissions, Landlord Work, G&A, Contingency.

Operating Pro Forma (for NYCIDA applicants only) (*Note: included in Supplemental Information section at end of application)

Please provide an operating pro forma or other financial analysis demonstrating how NYCIDA assistance is needed in order to make the Project feasible.

Sourcing

Please list where machinery, equipment and furnishings will be purchased and what percentage of total machinery, equipment, and furnishings relating to the Project this will represent: (*Note: the below are estimates based on current plans, which are subject to change)

<input checked="" type="checkbox"/> New York City	% of Total? <input type="text" value="50"/>
<input checked="" type="checkbox"/> New York State (excluding NYC)	% of Total? <input type="text" value="45"/>
<input checked="" type="checkbox"/> United States (excluding NYS & NYC)	% of Total? <input type="text" value="5"/>
<input type="checkbox"/> Outside United States	% of Total? <input type="text"/>
<input type="checkbox"/> N/A - No equipment is planned to be purchased for this Project	

Project Location Detail

Project Location	Project Location # 1 of 1
Borough/Block/Lot: Queens / 420/1	Street address and zip code: 28-10 Queens Plaza South, Queens, NY 11101
Zoning: M1-6/R10/Special Long Island City Mixed Use	Number of Floors: 0 (currently vacant site)
Square footage of existing building: N/A (vacant site)	Square footage of land: 71,692
Anticipated square footage of building following construction and/or renovation: 1.1 million GSF	Anticipated square footage of non-building improvements following construction and/or renovation (i.e., parking lot construction): Parking garage of approx. 80,000 GSF (included in building podium, and reflected in the 1.1 million GSF)
Intended use(s) of site (check <u>all</u> that apply): <input checked="" type="checkbox"/> Retail <input type="checkbox"/> Manufacturing/Industrial <input checked="" type="checkbox"/> Office <input type="checkbox"/> Non-profit For ALL USES other than Non-profit or Retail, please also complete Energy Questionnaire (*Note: we plan to prepare this with the other application pieces)	
Is there any improved space which is currently occupied by existing subtenant(s) (whether Affiliates or otherwise)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Will any improved space be occupied by subtenant(s) (whether Affiliates or otherwise)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If yes to either, please attach a separate page and provide details such as (1) name of subtenant business(es) (whether Affiliates or otherwise), (2) square footage of subtenant operations, (3) subtenant lease commencement and termination dates, and (4) copies of leases.	

Anticipated Ownership of Premises

1. Please check all that apply:

<input checked="" type="checkbox"/> Applicant or an Affiliate is or expects to be the fee simple owner of the Project Location	(Projected) Acquisition date: June 2016
<input type="checkbox"/> Applicant or an Affiliate leases or expects to lease the Project Location	(Projected) Lease signing date:
If you checked the box above, please select one of the following: <input type="checkbox"/> Lease is for an entire building and property <input type="checkbox"/> Lease is for a portion of the building and/or property.	
<input type="checkbox"/> None of the above categories fully describe Applicant's interest or intended interest in the Project Location, which may be more accurately described in a supplementary document (attached).	

2. If an Affiliate owns or controls (or will own or control) a Project Location, then describe such Affiliate by choosing one of the following selections and completing the chart provided below:

- | | | |
|--|--|---|
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> C Corporation |
| <input type="checkbox"/> S Corporation | <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> 501(c)(3) Organization |
| <input type="checkbox"/> Natural Person | <input type="checkbox"/> Other (specify): _____ | |

Name of Affiliate:	EIN # of Affiliate:
Address of Affiliate:	
Affiliation of Affiliate to Applicant:	
Contact Person:	Title of Contact Person:
Phone Number(s):	

Labor

The Applicant and its Affiliates hereinafter will be referred to collectively as the "Companies" or individually as a "Company." If none of the following questions apply to any of these Companies, answer "NO"; but, for any question that does apply, be sure to specify to which of the Companies the answer is relevant.

1. Have any of the Companies during the current calendar year or any of the five preceding calendar years experienced labor unrest situations, including actual or threatened labor strikes, hand billing, consumer boycotts, mass demonstrations or other similar incidents?
 Yes No If Yes, please explain on an attached sheet
2. Have any of the Companies received any federal and/or state unfair labor practices complaints asserted during the current calendar year or any the five calendar years preceding the current calendar year?
 Yes No If Yes, please describe and explain current status of complaints on an attached sheet
3. Do any of the Companies have pending or threatened requests for arbitration, grievance proceedings or other labor disputes during the current calendar year or any of the five calendar years preceding the current calendar year?
 Yes No If Yes, please explain on an attached sheet

Grievances for SEIU Local 32BJ are common occurrences when Tishman Speyer, an affiliate of the applicant, issues warnings, suspensions, and terminations. Arbitrations are also fairly common in the case of terminations for SEIU Local 32BJ. Tishman Speyer is represented by the Realty Advisory Board in these actions. Tishman Speyer has had limited grievances or arbitrations for members of the other Unions.

4. Are all employees of the Companies permitted to work in the United States? *
 Yes No If No, please provide details on an attached sheet.

***Note:** Tishman Speyer, an affiliate of the Applicant, has employees that work outside of the United States and would not be eligible for employment in the United States. For the Companies operating in the United States, all employees are permitted to work here.

Do the Companies complete and retain all required documentation related to this inquiry, such as Employment Eligibility Verification (I-9) forms?

- Yes No If No, please explain on an attached sheet

5. Has the United States Department of Labor, the New York State Department of Labor, the New York City Office of the Comptroller or any other local, state or federal department, agency or commission having regulatory or oversight responsibility with respect to workers and/or their working conditions and/or their wages, inspected the premises of any Company or audited the payroll records of any Company during the current or preceding three year calendar years?
 Yes No If "Yes," please use an attached sheet to briefly describe the nature and date of the inspection and the inspecting governmental entity. Briefly describe the outcome of the inspection, including any reports that may have been issued and any fines or remedial or other requirements imposed upon any of the Companies as a consequence.
6. Have any of the Companies incurred, or potentially incurred, any liability (including withdrawal liability) with respect to an employee benefit plan, including a pension plan?
 Yes No If "Yes," please use an attached sheet to quantify the liability and briefly describe its nature. Refer to any governmental entities that have had regulatory contact with the Company in connection with the liability.
7. Are the practices of any of the Companies now, or have they been at any time during the current or preceding five calendar years, the subject of any complaints, claims, proceedings or litigation arising from alleged discrimination in the hiring, firing, promoting, compensating or general treatment of employees?
 Yes No If "Yes," provide details on an attached sheet. Note "discrimination" includes sexual harassment.

In the ordinary course of its business, Tishman Speyer has received a variety of complaints and claims in administrative, arbitral or judicial proceedings, none of which has been determined adversely to Tishman Speyer. The majority of matters were filed before an administrative agency, such as the U.S. Equal Employment Opportunity Commission (EEOC) or the New York State Division of Human Rights (State Division). There were no findings of probable cause, and most of the charges or complaints were dismissed by the agency in which they were filed with findings of no probable cause. One administrative charge in which Tishman Speyer has submitted a position statement urging dismissal is still pending before the EEOC. In one matter, initially filed in the United States District Court for the Southern District of New York but referred to arbitration, three former employees of Tishman Speyer alleged discrimination based on gender, national origin and sexual harassment. One withdrew her claims and did not proceed, another accepted a modest settlement amount, and a third proceeded to arbitration of her claims, resulting in an arbitral award dismissing all of her claims and giving her no recovery. The New York State Supreme Court denied the former employee's petition to vacate the arbitral award, and the Appellate Division, First Department, unanimously affirmed the Supreme Court's decision in November 2015. Another case, involving a former employee who is claiming gender and disability discrimination, was dismissed by the State Division with a finding of no probable cause. The former employee subsequently filed the same case in Federal Court, but a complaint has not yet been served on Tishman Speyer.

Financials

1. Has **Applicant**, any **Affiliate**, or **Principal**, or any **close relative of any Principal**, ever received, or is any such person or entity currently receiving, financial assistance or any other kind of non-discretionary benefit from any **Public Entities**?
 Yes No If Yes, please provide details on an attached sheet.
2. Has **Applicant**, or any **Affiliate** or **Principal**, or any existing or proposed occupant at the **Project Location(s)**, obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the NYCIDA/Build NYC and/or other **Public Entities**?
 Yes No If Yes, please provide details on an attached sheet.
3. Has **Applicant**, or any **Affiliate** or **Principal**, ever defaulted on a loan or other obligation to a **Public Entity**?
 Yes No If Yes, please provide details on an attached sheet.
4. Has real property in which **Applicant**, or **Affiliate** or **Principal**, holds or has ever held an ownership interest and/or controlling interest of 25 percent or more, now or ever been (i) the subject of foreclosure (including a deed in lieu of foreclosure), or (ii) in arrears with respect to any type of tax, assessment or other imposition?
 Yes No If Yes, please provide details on an attached sheet.
5. Does **Applicant**, or any **Affiliate** or **Principal**, have any contingent liabilities not already covered above (e.g., judgment liens, lis pendens, other liens, etc.)? Please include mortgage loans and other loans taken in the ordinary course of business only if in default.
 Yes No If Yes, please provide details on an attached sheet.
6. Has **Applicant**, or any **Affiliate** or **Principal**, failed to file any required tax returns as and when required with appropriate governmental authorities?
 Yes No If Yes, please provide details on an attached sheet.

For questions 7 through 12, below, please answer the following questions relating to the Applicant (if the space provided below is insufficient, please provide complete information on an attached sheet):

7. List major customers:

Company Name	Address	Contact	Phone	Fax	Email	% of Revenues
N/A						

8. List major suppliers:

Company Name	Address	Contact	Phone	Fax	Email
N/A					

9. List major Funding sources (if applicable):

Company Name	Address	Contact	Phone	Fax	Email
Commercial Bank Loan to be determined					
EB-5 Financing through CanAm regional center (potential)					
Partner equity					

10. List unions (if applicable):

Union Name	Address	Contact	Phone	Fax	Email
N/A					

11. List banks:

Bank Name	Address	Contact	Phone	Fax	Email	Account Type and Number
Lending bank(s) to be selected						

12. List licensing authorities (if applicable):

Company Name	Address	Contact	Phone	Fax	Email
N/A					

Anti-Raiding

1. Will the completion of the Project result in the relocation of any plant or facility located within New York State, but outside of New York City, to New York City? Yes No

If "Yes," please provide the names of the owners and addresses of the to-be-removed plant(s) or facility(ies):

2. Will the completion of the Project result in the abandonment of any plants or facilities located in an area of New York State other than New York City? Yes No

If "Yes," please provide the names of the owners/operators and the addresses of the to-be-abandoned plant(s) or facility(ies):

If the answer to question 1 or 2 is "Yes," please continue and answer questions 3 and 4.

3. Is the Project reasonably necessary to preserve the competitive position of this Applicant, or of any proposed occupants of the Project, in its industry? Yes No

4. Is the Project reasonably necessary to discourage the Applicant, or any proposed occupant of the Project, from removing such plant or facility to a location outside New York State? Yes No

If the answer to question 3 or 4 is "Yes," please provide on a detailed explanation on a separate sheet of paper.

Certification

I, the undersigned officer/member/partner of Applicant, on behalf of Applicant and its Affiliates, hereby request, represent, certify, understand, acknowledge and agree as follows:

I request that this Application, together with all materials and data submitted in support of this Application (collectively, these "Application Materials"), be submitted for review to the applicable Agency's Board of Directors (the "Board"), in order to obtain from the Board an expression of intent to provide the benefits requested herein for the Project.

I represent that I have the authority to sign these Application Materials on behalf of, and to bind, Applicant and its Affiliates.

I certify to the best of my knowledge and belief, after due investigation, the information contained in these Application Materials is accurate, true and correct and does not contain a misstatement of a material fact or omit to state a material fact necessary to make the statements contained herein not misleading. I understand that an intentional misstatement of fact, or, whether intentional or not, a material misstatement of fact, or the providing of materially misleading information, or the omission of a material fact, may cause the Agency's Board to reject the request made in the Application Materials. I understand that the Agency will rely on the information contained within these Application Materials in producing and publishing a public notice and convening a public hearing. If any information in these Application Materials is found to be incorrect, the Applicant may have to provide new information and a new public notice and public hearing may be required. If a new public notice and public hearing is required, they will be at the Applicant's expense.

I understand the following: that Applicant and Principals will be subject to a background check and actual or proposed subtenants may be subject to a background check, and if such background check performed by the Agency with respect to Applicant or any Affiliates reveals negative information, Applicant consents to any actions that the Agency or NYCEDC may take to investigate and verify such information; that the Agency may be required under SEQRA to make a determination as to the Project's environmental impact and that in the event the Agency determines that the Project will have an environmental impact, Applicant will be required to prepare, at its own expense, an environmental impact statement; that the decision of the Board to approve or to reject the request made in the Application Materials is a discretionary decision; that no Bonds may be issued (if Bonds are being requested) unless such Bonds are approved by the Mayor of the City; that under the New York State Freedom of Information Law ("FOIL"), the NYCIDA/Build NYC may be required to disclose the Application Materials and the information contained therein (see the Disclosure Policy section of the Policies and Instructions provided to Applicant and signed by Applicant on or about the date hereof (the "Policies and Instructions")); and that Applicant shall be entirely responsible and liable for the fees referred to in these Application Materials.

I further understand and agree as follows:

That notwithstanding submission of this Application, the Agency shall be under no obligation to present Applicant's proposed Project to its Board for approval. If the Agency presents Applicant's proposed Project to its Board for approval, the Agency does not guaranty that such approval will be obtained. If upon presenting Applicant's proposed Project to its Board for approval the Agency obtains such approval, such approval shall not constitute a guaranty from the Agency to Applicant that the Project transaction will close.

That preparation of this Application and any other actions taken in connection with the proposed Project shall be entirely at Applicant's sole cost and expense. Under all circumstances, the Application Fee is non-refundable, including but not limited to the circumstance where the Agency decides, in its sole discretion, to not present Applicant's proposed project to the the Agency Board of Directors for Approval.

That each of Applicant and each of its Affiliates (collectively, the "Indemnitors") hereby releases NYCIDA, Build NYC, NYCEDC and their respective directors, officers, employees and agents (collectively, the "Indemnitees") from and against any and all claims that any Indemnitor has or could assert and which arise out of, or are related to, any Application Materials, any actions taken in connection therewith or any other actions taken in connection with the proposed Project (collectively, the "Actions"). Each Indemnitor hereby indemnifies and holds harmless each of the Indemnitees from and against any and all claims and damages brought or asserted by third parties, including reasonable attorneys' fees, arising from or in connection with the Actions. As referred to herein, "third parties" shall include, but shall not be limited to, Affiliates.

That in the event the Agency discloses the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes the Agency to make such disclosure and hereby releases the Agency from any claim or action that Applicant may have or might bring against the Agency, their directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold the Agency and the NYCEDC and their respective directors, officers, agents, employees and attorneys harmless (including without limitation for the cost of reasonable attorneys' fees) against claims arising out of such disclosure as such claims may be made by any party including the Applicant, Affiliate, Owner or Principal, or by the officers, directors, employees and agents thereof.

That capitalized terms used but not defined in this Application have the respective meanings specified in the Policies and Instructions.

I acknowledge and agree that the Agency reserves its right in its sole and absolute discretion to request additional information, waive any requirements set forth herein, and/or amend the form of this Application, to the full extent permitted by applicable law.

Requested, Represented, Certified, Acknowledged, Understood and Agreed by Applicant,

I certify that, using due care, I know of no misstatement of material fact in the Application Materials, and know of no material fact required to be stated in the Application Materials to make the statements made therein not misleading. Certified by Preparer,

This 22nd day of March, 2016. _____

This 22nd day of March, 2016.

Name of Applicant: LIC Site B-1 Owner, L.L.C. _____

Name of Preparer: Francesco Ferretti _____

Signatory: Michael B Benner
Title of Signatory: Vice President & Secretary
Signature: Michael B Benner

Signatory: Francesco Ferretti
Title of Signatory: Associate
Signature: Francesco Ferretti

Supplemental Information

Background (from page 2): Please provide a brief description of the Applicant's history and nature of its business, including a description of the industry, competitors and services offered, on a separate sheet.

The Applicant is an affiliate of Tishman Speyer Properties, L.P. ("Tishman Speyer"). Tishman Speyer is a private real estate firm with roots in a family business founded in 1898. Established in its current form in 1978, Tishman Speyer is well-known as a leading owner, operator, developer and fund manager. Tishman Speyer and its Affiliates have acquired, repositioned, developed and/or operated \$76.0 billion of real estate since 1978, including approximately 140 million square feet of office, retail and residential space. Matching a global perspective with deep local market knowledge, Tishman Speyer focuses on prime assets located in the central business districts ("CBDs") of key metropolitan areas across the United States, Europe, Brazil, China and India.

Proposed Project Activities (from page 2):

1. Please provide a brief overview of the entire proposed Project. If necessary, break down by tax lot to describe activities at each Project Location.

The Project consists of two towers of approx. 26 stories with approx. 1.1 million GSF of Class A office space, approx. 40,000 GSF of retail space, and a 388-space parking garage, with construction anticipated to begin in 2017.

2. Please provide a brief description of how the proposed Project will affect current operations.

The proposed development will be ground-up construction on what is currently a vacant site.

3. Please provide a brief description of renovations/construction of the proposed Project.

Construction is anticipated to commence in 2017 and is projected to be completed in 2020. The construction will feature a four-story podium, which will be shared between two towers. Above the podium will rise two office towers, each reaching a height of approx. 29 stories, inclusive of the podium floors. The podium will feature a mix of retail, parking, and office, while the towers will be dedicated to office use.

4. Please provide a brief timeline for the entire proposed Project.

New Building Permit	1Q 2017
Complete C&S Construction Docs	1Q 2017
C&S GMP	3Q 2017
Complete Foundations & Commence Superstructure	1Q 2018
Commence façade	3Q 2018
Top out Superstructure	1Q 2019
Complete façade through parapet	3Q 2019
Complete Elevators	4Q 2019
TCO	2020

Supplemental Information

Operating Pro Forma (from page 2) (*Note: the proforma is preliminary and subject to change):

Project Costs	Total		
		\$/GSF	\$/RSF
Land Total	\$10,793,975	\$9.47	\$9.24
Hard Costs Total	\$388,380,425	\$340.71	\$332.61
Soft Costs Total	\$77,378,747	\$67.88	\$66.27
Cost of Carry Total	\$235,414	\$0.21	\$0.20
Marketing & Leasing Total	\$130,101,413	\$114.13	\$111.42
Financing Total	\$42,662,428	\$37.43	\$36.54
Other Development Costs Total	\$57,191,594	\$50.17	\$48.98
Total Project Costs	\$706,743,996	\$620.00	\$605.26

Property Use	Square Footage Summary			
	ZSF	GSF	RSF	# of Units
Office Total	900,852	1,018,023	1,124,702	
Retail Total	28,965	42,958	42,958	
Parking Total	0	78,922	0	388 spaces
Grand Total	929,817	1,139,904	1,167,661	

Operating Cash Flows:

	1/1/2020 12/31/2020	1/1/2021 12/31/2021	1/1/2022 12/31/2022	1/1/2023 12/31/2023	1/1/2024 12/31/2024	1/1/2025 12/31/2025	1/1/2026 12/31/2026	1/1/2027 12/31/2027	1/1/2028 12/31/2028	1/1/2029 12/31/2029
Office										
Total Office Rent	\$22,917,747	\$21,211,986	\$21,913,947	\$23,725,940	\$26,137,975	\$28,995,999	\$32,310,729	\$36,039,999	\$40,274,953	\$45,018,995
Total Office Free Rent	(\$22,158,844)	(\$24,881,908)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expense Reimbursement	\$2,058,972	\$2,076,466	\$1,969,557	\$2,945,279	\$2,909,929	\$3,177,917	\$4,061,571	\$4,437,289	\$4,999,440	\$5,799,476
Total Office Revenue	\$30,046,875	\$58,789,816	\$64,109,500	\$66,671,207	\$67,643,903	\$70,673,861	\$71,572,276	\$72,096,179	\$72,744,292	\$75,904,921
Total Expenses	(\$13,111,812)	(\$14,579,036)	(\$15,132,058)	(\$15,554,591)	(\$16,062,096)	(\$16,584,363)	(\$17,056,144)	(\$17,530,580)	(\$18,023,076)	(\$18,605,741)
Office NOI	\$16,935,063	\$44,210,780	\$48,977,442	\$49,116,616	\$51,581,806	\$54,089,497	\$54,516,131	\$54,565,599	\$54,721,215	\$57,299,180
Total Capital Expenditures	(\$47,211,706)	(\$3,894,404)	(\$46,494)	(\$46,957)	(\$26,126)	(\$25,000)	(\$46,007)	(\$20,000)	(\$13,495)	(\$23,810)
Office Net CF Before Debt Service	(\$20,680,645)	\$35,655,957	\$48,631,193	\$48,759,979	\$51,214,470	\$53,711,141	\$54,126,425	\$54,164,201	\$54,307,776	\$56,873,337
Retail										
Total Retail Rent	\$1,158,987	\$1,199,870	\$1,239,716	\$1,291,818	\$1,359,557	\$1,431,132	\$1,508,103	\$1,590,987	\$1,679,186	\$1,772,791
Total Retail Free Rent	(\$141,947)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$242,750)
Total Expense Reimbursement	\$0	\$299	\$1,522	\$2,777	\$3,072	\$3,907	\$4,784	\$5,709	\$6,672	\$8,699
Total Retail Revenue	\$754,720	\$1,200,369	\$1,235,235	\$1,294,187	\$1,296,624	\$1,335,007	\$1,399,886	\$1,402,600	\$1,444,858	\$1,459,939
Total Expenses	(\$36,264)	(\$50,433)	(\$52,200)	(\$54,726)	(\$55,594)	(\$57,580)	(\$60,403)	(\$61,405)	(\$63,639)	(\$65,106)
Retail NOI	\$718,456	\$1,149,936	\$1,183,035	\$1,239,461	\$1,241,030	\$1,277,427	\$1,339,483	\$1,341,196	\$1,381,219	\$1,394,833
Total Capital Expenditures	(\$2,349,704)	(\$1,819)	(\$16,289)	(\$18,899)	(\$14,285)	(\$14,471)	(\$13,885)	(\$16,331)	(\$18,701)	(\$2,001,765)
Retail Net CF Before Debt Service	(\$3,500,257)	\$1,137,096	\$1,169,810	\$1,225,839	\$1,226,999	\$1,262,976	\$1,324,598	\$1,325,864	\$1,365,428	(\$666,362)
Cash Flow (Combined)										
Combined Net CF Before Debt Service	(\$24,180,901)	\$36,793,053	\$49,801,003	\$49,985,819	\$52,441,470	\$54,974,117	\$55,451,023	\$55,490,065	\$55,673,203	\$56,206,976
Projected Debt Service	(\$18,000,147)	(\$20,925,992)	(\$24,182,199)	(\$24,192,156)	(\$24,248,411)	(\$24,163,099)	(\$24,157,289)	(\$24,249,171)	(\$24,349,773)	(\$24,349,171)
Net Cash Flow After Debt Service	(\$40,189,048)	\$13,890,470	\$25,618,845	\$25,803,660	\$28,193,059	\$30,791,958	\$25,293,797	\$20,941,894	\$21,125,033	\$21,658,805

Supplemental Information

Project Location Detail (from page 3):

Will any improved space be occupied by subtenant(s) (whether Affiliates or otherwise)? Yes No

- Due to the confidential nature of the Applicant's leases, tenant information cannot be disclosed publicly. However, the Applicant would be able to provide information directly to the IDA on an ad hoc basis.

Financials (from page 6):

1. Has **Applicant**, any **Affiliate**, or **Principal**, or any **close relative of any Principal**, ever received, or is any such person or entity currently receiving, financial assistance or any other kind of non-discretionary benefit from any **Public Entities**?

Neither the Applicant nor any Principal has ever received financial assistance or any other kind of discretionary benefit from any local, state or federal governmental entity. An Affiliate of the Applicant is receiving or is in the process of applying for Brownfield Cleanup Program tax credits; Relocation and Employment Assistance Program tax credits; ICIP/ICAP tax abatements, and 421-a tax abatements; each in connection with the development of Gotham Center in Long Island City, Queens. An affiliate of the Applicant has applied for UTEP benefits in connection with the development of 66 Hudson Boulevard in Manhattan.

2. Has **Applicant**, or any **Affiliate** or **Principal**, or any existing or proposed occupant at the **Project Location(s)**, obtained, or is any such person or entity in the process of obtaining, or contemplating obtaining, other assistance from the NYCIDA/Build NYC and/or other **Public Entities**?

Neither the Application nor any Principal has received any assistance from NYCIDA/Build NYC or another Public Entity. An affiliate of the Applicant has applied for UTEP benefits in connection with the development of 66 Hudson Boulevard.

4. Has real property in which **Applicant**, or **Affiliate** or **Principal**, holds or has ever held an ownership interest and/or controlling interest of 25 percent or more, now or ever been (i) the subject of foreclosure (including a deed in lieu of foreclosure), or (ii) in arrears with respect to any type of tax, assessment or other imposition?

Neither the Applicant nor any Principal has been the subject of foreclosure (including a deed in lieu of foreclosure), or in arrears with respect to any type of tax, assessment or other imposition. Real property owned by Affiliates of the Applicant doing business in New York has been the subject of foreclosure proceedings. In 2010, Stuyvesant Town/Peter Cooper Village, in which an Affiliate of the Applicant held an indirect minority ownership interest, was subject of foreclosure proceedings. With respect to arrearages, see the response to Question 6 below.

6. Has **Applicant**, or any **Affiliate** or **Principal**, failed to file any required tax returns as and when required with appropriate governmental authorities?

Applicant has not failed to file any required tax returns as and when required. Tishman Speyer is a global firm that has acquired, developed and managed a portfolio of real estate projects across the U.S., Europe, Latin America, India and China since 1978. Assisted by two of the Big 4 accounting firms and regional accounting firms, Tishman Speyer prepares and files several thousand income and non-income tax returns annually. The Tishman Speyer tax compliance department has strong controls and processes with respect to its tax return filings; however there have been infrequent cases of delinquent filings, each of which was promptly remedied. The Applicant is not aware of any current tax arrearages.

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Appendix B
Short Environmental Assessment Form

Instructions for Completing

Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information			
Name of Action or Project: One and Three Gotham			
Project Location (describe, and attach a location map): 28-10 Queens Plaza South, Queens, NY 11101			
Brief Description of Proposed Action: The Project consists of two towers of approx. 26 stories with approx. 1.1 million GSF of Class A office space, approx. 20,000-40,000 GSF of retail space, and a 388-space parking garage, with construction to begin in 2017.			
Name of Applicant or Sponsor: LIC Site B-1 Owner, L.L.C.		Telephone: [REDACTED]	
		E-Mail: [REDACTED]	
Address: 45 Rockefeller Plaza, 9th Floor			
City/PO: New York City		State: New York	Zip Code: 10111
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input type="checkbox"/>
			YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval:			NO <input type="checkbox"/>
			YES <input checked="" type="checkbox"/>
3.a. Total acreage of the site of the proposed action?		2.1270 acres	
b. Total acreage to be physically disturbed?		2.1270 acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		2.1270 acres	
4. Check all land uses that occur on, adjoining and near the proposed action.			
<input checked="" type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban)			
<input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____			
<input type="checkbox"/> Parkland			

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____ The Applicant notes that the residential development across Jackson Ave. is subject to an environmental remediation. _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: LIC Site B-1 Owner, L.L.C.		Date: 3/30/2016
Signature: <u>Michael B. Benner</u>		Michael B. Benner Vice President & Secretary

Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing:	<input type="checkbox"/>	<input type="checkbox"/>
a. public / private water supplies?	<input type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input type="checkbox"/>	<input type="checkbox"/>

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input type="checkbox"/>	<input type="checkbox"/>

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
_____	_____
Name of Lead Agency	Date
_____	_____
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
_____	_____
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

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