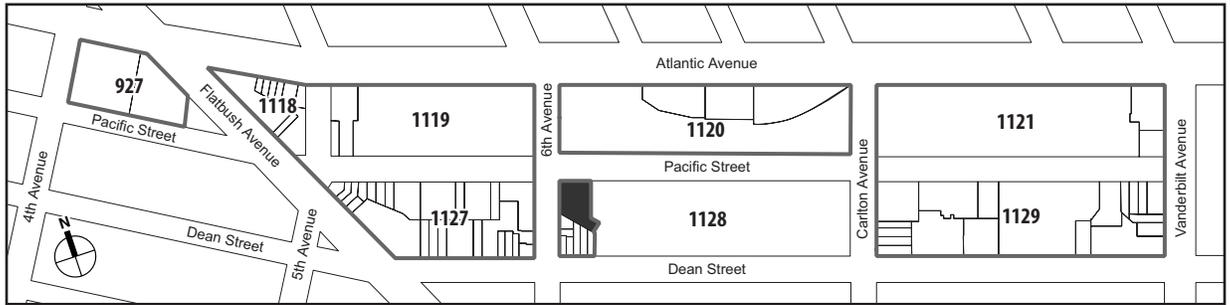


Block I 128, Lot 4



Location, Use, Zoning, and Ownership

Lot 4 is located at 25 6th Avenue, on the corner of Pacific Street and 6th Avenue. It is an irregularly shaped lot, currently occupied by two attached three story commercial buildings which together contain 6,820 gsf of space (see Photograph A).

Lot 4 is located in a C4-4A zoning district (see Figure 6 and Table A-1). C4 districts are located in major commercial centers outside the central business district and allow department stores, theaters, and other commercial uses that serve a larger area. C4-4A districts have a maximum commercial FAR of 4.0.

According to the New York City Department of Finance, lot 4 is owned by Rockwell Property Management Company.

Unsanitary and Unsafe Conditions

As shown in Photograph B, graffiti has been painted on the walls and garage doors of the building and the metal grating covering the windows has rusted. No other unsanitary or unsafe conditions were identified as part of the visual assessment.

Indications of Structural Damage

A structural due diligence survey has not been conducted for this lot. The visual assessment did not indicate that the building structure is substantially compromised.

Building Code Violations

Lot 4 has 24 open building code violations dating from 1993 to 2004 (see Appendix B). Four violations are related to the building's elevator, and 15 to the boiler. One is for plumbing that does not conform to approved plans and another is for doing construction work without a permit. Information on the other violations was not available through the DOB Building Information System.

Occupancy/Vacancy Status

The buildings on lot 4 contain several small businesses including wool, leather, and hat manufacturers and a cell phone importer.

Underutilization

Lot 4 is in a C4-4A zoning district with an FAR of 4.0. Current zoning allows 16,208 zsf of built space on the 4,052 sf lot. New York City Department of Finance records indicate that the building on lot 4 is 6,820 gsf. However, based on the building footprint (as indicated on a 2005 Sanborn map) and number of stories (3), the building is approximately 26,000 gsf and the lot is fully utilized.

Block 1128, Lot 4

Environmental Concerns

No Phase I or Phase II ESA was performed on this lot. The potential for subsurface contamination associated with historic site uses exists on this lot. Historic uses of concern include a transformer manufacturing company, which may have potentially utilized PCB-containing transformer oils, and a printing facility with known solvent use and hazardous material generation. Evidence of potential current or historic fuel oil storage on the lot was encountered. The lot has a E-designation for hazardous materials on file with DOB.

Block I 128, Lot 4

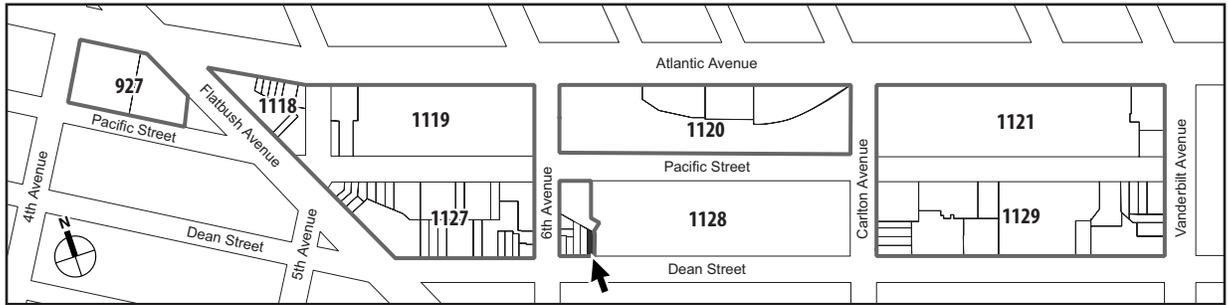


Photograph I 128-4-A



Photograph I 128-4-B

Block I 128, Lot 85



Location, Use, Zoning, and Ownership

Lot 85 is located at 495 Dean Street between 6th and Carlton Avenues. The lot is occupied by a 1,200 gsf two-story single family home (see Photograph A). Lot 85 is located in an R6B zoning district (see Figure 6 and Table A-1). With an FAR of 2.0, R6B districts are generally characterized by shorter, four-story rowhouses or apartment buildings. According to the New York City Department of Finance, lot 85 is owned by Stewart Oliver.

Unsanitary and Unsafe Conditions

No unsanitary or unsafe conditions were identified as part of the visual assessment.

Indications of Structural Damage

A structural due diligence survey has not been conducted for this lot. The visual assessment did not indicate that the building structure is substantially compromised.

Building Code Violations

There are no open building violations associated with lot 85.

Occupancy/Vacancy Status

The single family home on lot 85 is currently occupied.

Underutilization

Lot 85 is in an R6B zoning district with an FAR of 2.0. Although current zoning allows 3,080 zsf of built space on the 1,540 sf lot, the lot currently hosts a 1,200 gsf building, utilizing less than 40 percent of the lot's development potential.

Environmental Concerns

No Phase I or Phase II ESA was performed on this lot. No potential issues of environmental concern were noted in the documentary research for lot 85.

Miscellaneous

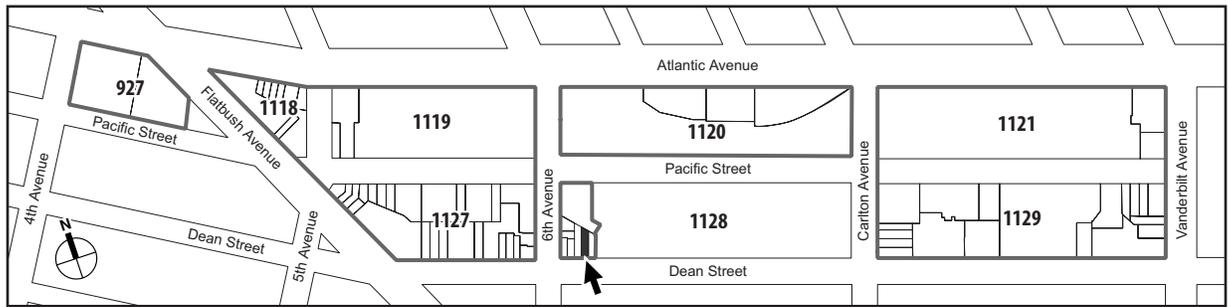
According to the title agency New York Land Services, the owner of lot 85 has outstanding property tax bills dating to January 2003 and totalling \$2,177.07. In addition, the owner owes \$2,390.29 in outstanding water bills.

Block 1128, Lot 85



Photograph 1128-85-A

Block I 128, Lot 86



Location, Use, Zoning, and Ownership

Lot 86 is located at 493 Dean Street between 6th and Carlton Avenues. The lot is occupied by a 2,200 gsf three-story single family home (see Photograph A). Lot 86 is located in an R6B zoning district (see Figure 6 and Table A-1). With an FAR of 2.0, R6B districts are generally characterized by shorter, four-story rowhouses or apartment buildings. According to the New York City Department of Finance, lot 86 is owned by Stewart Oliver Sinclair.

Unsanitary and Unsafe Conditions

No unsanitary or unsafe conditions were identified as part of the visual assessment.

Indications of Structural Damage

A structural due diligence survey has not been conducted for this lot. The visual assessment did not indicate that the building structure is substantially compromised.

Building Code Violations

There are no open building code violations associated with lot 86.

Occupancy/Vacancy Status

The single family home on lot 86 is currently occupied by an owner and one tenant.

Underutilization

Lot 86 is in an R6B zoning district with an FAR of 2.0. Although current zoning allows 3,520 zsf of built space on the 1,760 sf lot, the lot currently hosts a 2,200 gsf building, utilizing 63 percent of the lot's development potential.

Environmental Concerns

No Phase I or Phase II ESA was performed on this lot. No potential issues of environmental concern were noted in the documentary research for lot 86.

Miscellaneous

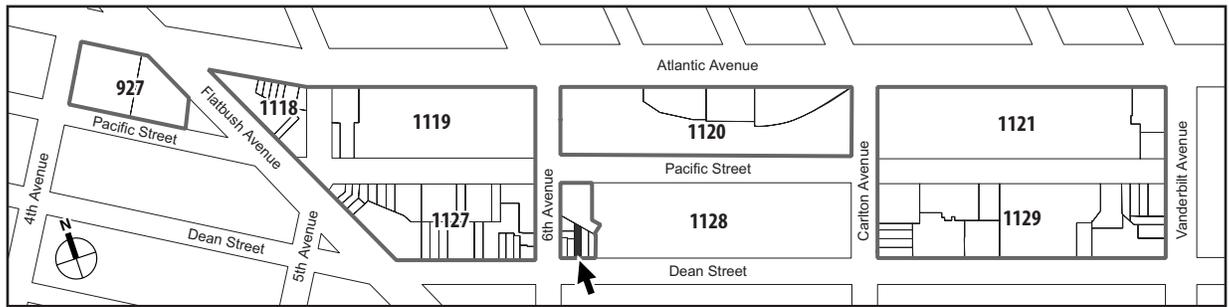
According to the title agency New York Land Services, the owner of lot 80 has outstanding tax bills dating to April 2003 and totaling \$2,482.39. In addition, the owner owes \$3,962.37 in outstanding water bills.

Block I 128, Lot 86



Photograph I 128-86-A

Block I 128, Lot 87



Location, Use, Zoning, and Ownership

Lot 87 is located at 491 Dean Street between 6th and Carlton Avenues. The lot is occupied by a vacant 2,700 gsf, three-story residential building (see Photograph A). Lot 87 is located in an R6B zoning district (see Figure 6 and Table A-1). With an FAR of 2.0, R6B districts are generally characterized by shorter, four-story rowhouses or apartment buildings. According to the New York City Department of Finance, lot 87 is owned by Jurist Razvan.

Unsanitary and Unsafe Conditions

No unsanitary or unsafe conditions were identified as part of the visual assessment.

Indications of Structural Damage

A structural due diligence survey has not been conducted for this lot. The visual assessment did not indicate that the building structure is substantially compromised.

Building Code Violations

Lot 87 has 17 open building code violations issued between 1993 and 2005 (see Appendix B). A majority of the violations (13 of the 17) were issued by DOB and are for failure to maintain the building's boiler. Two of the violations were issued by ECB—one for conducting construction work without a permit and the other for having garbage/debris outside of the building. One violation, issued in 1999, cites the building as unsafe, but no further information on the violation is available from the DOB Building Information System.

Occupancy/Vacancy Status

There are two residential units located in the building on lot 87. Both units are currently vacant.

Underutilization

Lot 87 is in an R6B zoning district with an FAR of 2.0. According to current zoning, up to 3,760 zsf of built space is permitted on the 1,180 sf lot. At 2,700 gsf, the building currently located on the parcel utilizes approximately 72 percent of the parcel's development potential.

Environmental Concerns

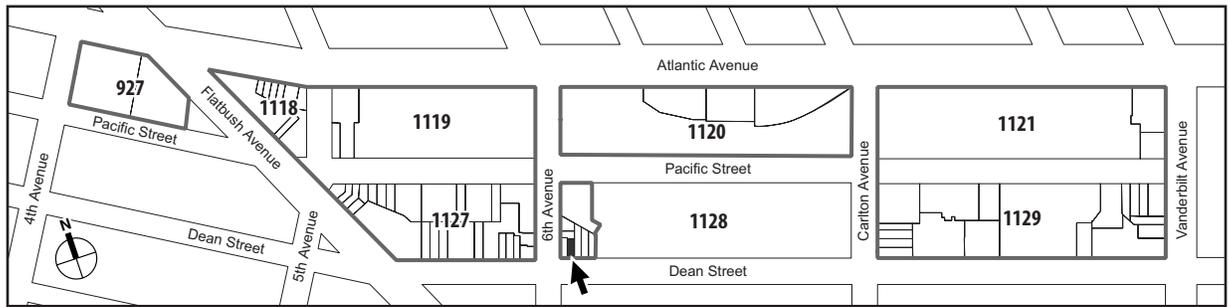
No Phase I or Phase II ESA was performed on this lot. DOB records indicated the possible current or historic presence of a fuel oil storage tank on the site, a potential environmental concern.

Block I 128, Lot 87



Photograph I 128-87-A

Block I 128, Lot 88



Location, Use, Zoning, and Ownership

Lot 88 is located at 489 Dean Street between 6th and Carlton Avenues. The lot is occupied by a three-story, 2,000 gsf residential building (see Photograph A). Lot 88 is located in an R6B zoning district (see Figure 6 and Table A-1). With an FAR of 2.0, R6B districts are generally characterized by shorter, four-story rowhouses or apartment buildings. Lot 88 is currently owned by AYDC, which purchased the property in September 2005.

Unsanitary and Unsafe Conditions

No unsanitary or unsafe conditions were identified as part of the visual assessment.

Indications of Structural Damage

A structural due diligence survey has not been conducted for this lot. The visual assessment did not indicate that the building structure is substantially compromised.

Building Code Violations

There are no open building code violations associated with lot 88.

Occupancy/Vacancy Status

There are two residential units located in the building on lot 88. The building was sold to AYDC in September 2005 and delivered vacant. The upper unit has remained vacant. The ground floor unit is currently occupied by a temporary licensee under a revocable license agreement with AYDC.

Underutilization

Lot 88 is in an R6B zoning district with an FAR of 2.0. According to current zoning, up to 2,200 zsf of built space is permitted on the 1,100 sf lot. At 2,000 gsf, the building currently located on the parcel utilizes approximately 91 percent of the parcel's development potential.

Environmental Concerns

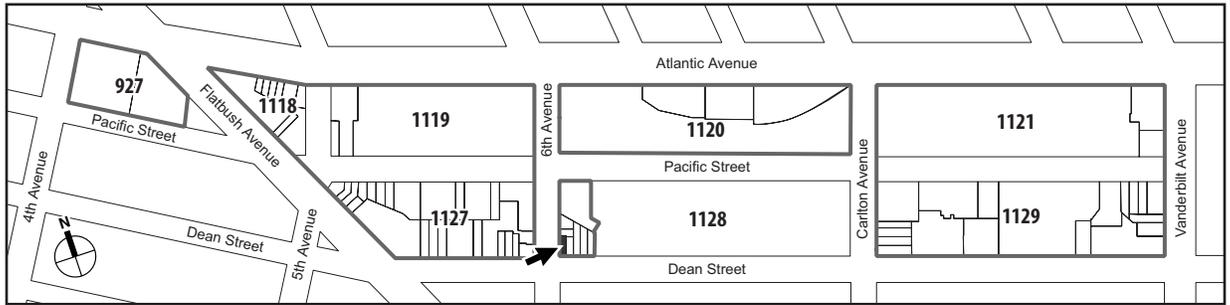
No Phase I or Phase II ESA was performed on this lot. A tank fill port was observed outside the property, indicating that a fuel oil storage tanks was currently or historically present on lot 88.

Block I 128, Lot 88



Photograph I 128-88-A

Block I 128, Lot 89



Location, Use, Zoning, and Ownership

Lot 89 is located at 487 Dean Street on the corner of 6th Avenue and Dean Street. The lot is occupied by a three-story, 2,610 gsf residential building with ground floor commercial space (see Photograph A). Lot 89 is located in an R6B zoning district (see Figure 6 and Table A-1). With an FAR of 2.0, R6B districts are generally characterized by shorter, four-story rowhouses or apartment buildings. According to the New York City Department of Finance, lot 89 is currently owned by Mott and Chloe. LLC.

Unsanitary and Unsafe Conditions

The sidewalk along the 6th Avenue side of lot 89 is in poor condition. In some places, the sidewalk is cracked and crumbling and in others, it is poorly patched (See Photograph B). Weeds grow along the curb for the length of the lot. In addition, as shown in Photographs C and D, graffiti has been painted on the western façade of the building, which faces 6th Avenue.

Indications of Structural Damage

A structural due diligence survey has not been conducted for this lot. The visual assessment did not indicate that the building structure is substantially compromised.

Building Code Violations

Lot 89 has five open building code violations (see Appendix B). Three of the violations are from 2000 and are for failure to maintain the building's boiler. The other two violations date to the 1980s. Further information on these two violations was not available from the DOB Building Information System.

Occupancy/Vacancy Status

The building on lot 89 contains two residential units and one ground-floor commercial space. The residential units are currently occupied. The commercial space is vacant. According to AYDC the current owner has indicated that this commercial space is subject to an existing lease, but the leaseholder has never opened for business.

Underutilization

Based on current zoning, lot 89 is fully utilized.

Environmental Concerns

No Phase I or Phase II ESA was performed on this lot. No potential issues of environmental concern were noted for lot 89.

Block 1128, Lot 89



Photograph 1128-89-A



Photograph 1128-89-B

Block I 128, Lot 89

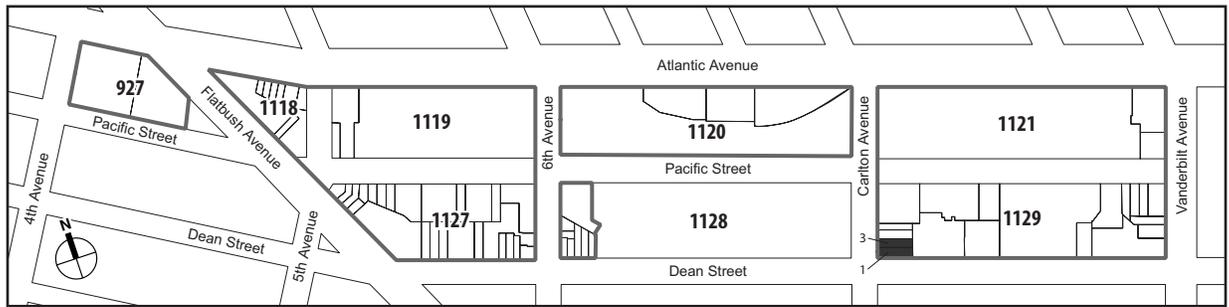


Photograph I 128-89-C



Photograph I 128-89-D

Block 1129, Lots 1 and 3



Location, Use, Zoning, and Ownership

Lots 1 and 3 comprise the fenced vacant property attached to the vacant industrial building located on lot 81 (see Photograph A). The lots are located at 551 Carlton Avenue (lot 1) and 549 Carlton Avenue (lot 3), with lot 1 occupying the corner of the Block. Lots 1 and 3 are located in an M1-1 zoning district with an FAR of 1.0. M1 districts allow high-performance light manufacturing uses and often serve as buffers to adjacent residential or commercial districts. Lots 1 and 3 are currently owned by AYDC, which purchased them, along with the building on adjacent lot 81, in May 2004.

Unsanitary and Unsafe Conditions

As shown in Photograph B, the asphalt sidewalk surrounding lots 1 and 3 is overgrown with weeds along both the interior and curbside portions of the sidewalk, and some graffiti has been painted on the wall of lot 3. No other unsanitary or unsafe conditions were identified as part of the visual assessment for lots 1 or 3. However, as described later in this document, the building on lot 81—which was adjacent to lots 1 and 3 and is functionally attached to lots 1 and 3 by a concrete masonry unit wall that was attached to the building on lot 81—was in such a state of serious disrepair that it was demolished by AYDC in Spring 2006, with approval from ESDC.

Indications of Structural Damage

The only built structure on lots 1 and 3 is the masonry unit wall that surrounds the lots and attaches to the western façade of the building on lot 81. The wall itself appears to be in good condition. However, as noted under the profile for lot 81, a structural condition survey prepared by LZA Technology in November 2005 (see Appendix A) indicated that the building on lot 81 was structurally unsound and should be demolished because it posed an immediate threat to human health and safety.

Building Code Violations

There are no open building code violations associated with lots 1 and 3.

Vacancy Status

As indicated above, lots 1 and 3 are vacant lots. New York City Department of Buildings and Department of Finance records show no indication that the lots were ever built on.

Underutilization

Lots 1 and 3 are located in an M1-1 zoning district with an FAR of 1.0. Current zoning permits a combined 5,350 zsf to be built on these lots, which total 5,350 sf. The lots are currently vacant, utilizing none of this development potential.

Block 1129, Lots 1 and 3

Environmental Concerns

The Phase I ESA identified characteristics of lots 1 and 3 that were indicative of potential subsurface contamination associated with possible dumping of hazardous materials on these lots over their long period of vacancy. These contiguous lots contained abandoned cars, miscellaneous debris, and a drum. The asphalt surface contained minor staining in areas. Phase II ESA sampling did not indicate evidence of site-related contamination in the soil or groundwater samples.

Block I 129, Lots 1 and 3

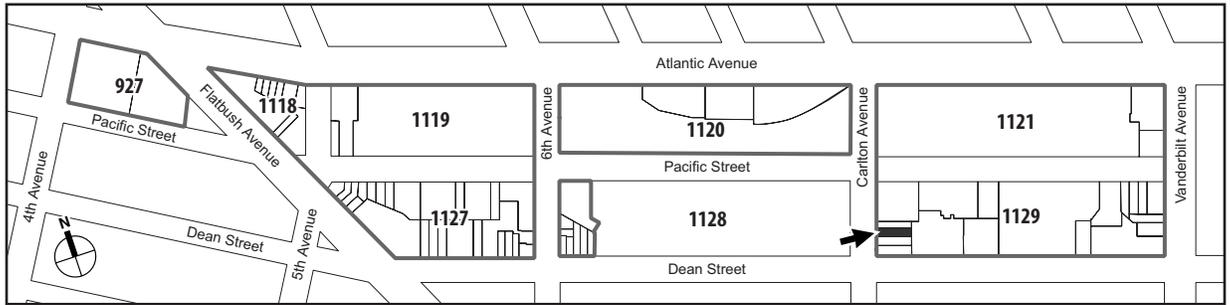


Photograph I 129-1/3-A



Photograph I 129-1/3-B

Block I 129, Lot 4



Location, Use, Zoning, and Ownership

Lot 4 is a vacant 2,600 sf lot located at 547 Carlton Avenue. As shown in Photograph A, the lot has the appearance of being connected to the adjacent lot to its south (lot 3), but it is in fact a separate lot under separate ownership. Lot 4 is located in an M1-1 zoning district with an FAR of 1.0. M1 districts allow high-performance light manufacturing uses and often serve as buffers to adjacent residential or commercial districts. According to the New York City Department of Finance, the lot is currently owned by 535 Carlton Avenue Realty Corporation.

Unsanitary and Unsafe Conditions

As shown in Photograph A, there are some weeds growing along the interior and curbside portions of the asphalt sidewalk in front of lot 4 and the metal door and wall to its left have messages painted on them. As shown in Photographs B through D, the lot is being used to store broken down cars and car parts and is littered with debris. Legal papers posted on the property gate as of May 2006 indicate that the tenant is being evicted by the owner.

Indications of Structural Damage

Aside from the wall surrounding the lot, there are no built structures on lot 4.

Building Code Violations

There are no open building code violations associated with lot 4.

Vacancy Status

As indicated above, lot 4 is a vacant lot. As stated above, aside from the wall surrounding the lot, there are no built structures on lot 4.

Underutilization

Lot 4 is located in an M1-1 zoning district with an FAR of 1.0. Although the 2,600 sf lot can accommodate up to 2,600 zsf of built space under current zoning, it is currently vacant, utilizing none of the lot's development potential.

Environmental Concerns

No Phase I or Phase II ESA was performed on this lot. However, the site was inspected as it was a contiguous part of lots 1 and 3, adjacent to the south. There is the potential for subsurface contamination associated with dumping of materials over a long period of vacancy on the lot. The lot was observed to contain abandoned vehicles and debris, and minor asphalt-staining was present.

Block I 129, Lot 4



Photograph I 129-4-A



Photograph I 129-4-B

Block I 129, Lot 4

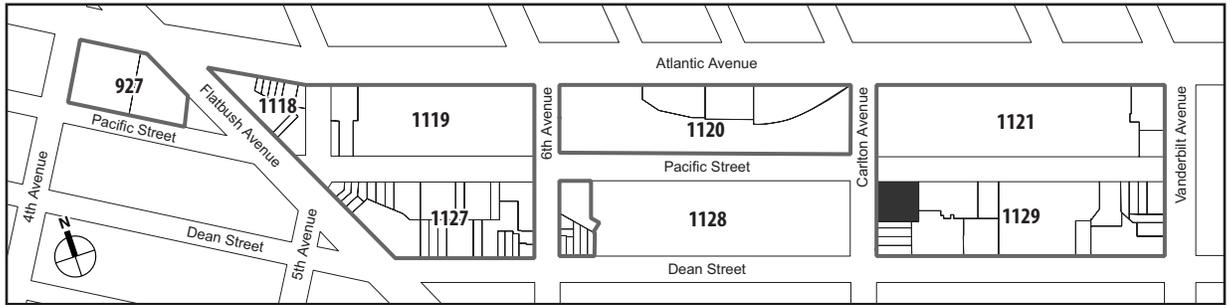


Photograph I 129-4-C



Photograph I 129-4-D

Block I 129, Lots 5 and 6



Location, Use, Zoning, and Ownership

Lots 5 and 6 comprise a parking lot that serves the six story industrial building located on adjacent lot 13 (see Photographs A and B). The lots are located at 545 Carlton Avenue (lot 5) and 543 Pacific Street (lot 6), with lot 6 occupying the northwest corner of the Block. Lots 5 and 6 are located in an M1-1 zoning district with an FAR of 1.0. M1 districts allow high-performance light manufacturing uses and often serve as buffers to adjacent residential or commercial districts. According to the New York City Department of Finance, lots 5 and 6 are owned by 535 Carlton Avenue Realty Corporation. The lots are leased by Pacific Street Park Corporation. AYDC entered into an option to take by assignment the tenant's interest in the ground lease for the lots, subject to the fee owner's consent to such assignment, which consent cannot be unreasonably withheld. The closing of that assignment occurred in March 2006, but the fee owner has disputed the validity of the assignment.

Unsanitary and Unsafe Conditions

No unsanitary or unsafe conditions were identified as part of the visual assessment for lots 5 or 6.

Indications of Structural Damage

There are no built structures located on lots 5 or 6.

Building Code Violations

There are no open building code violations associated with lots 5 or 6.

Vacancy Status

As indicated above, there is a parking lot located on lots 5 and 6. The lot is currently used by Pacific Street Park Corporation occupying a portion of the building on adjacent lot 13. As described under the profile for lot 13, the building on lot 13 was previously vacant and undergoing some renovation when AYDC began negotiations with the principals of Pacific Street Park Corporation. Under an agreement between AYDC and Pacific Street Park Corporation, AYDC has agreed to permit Pacific Street Park Corporation to occupy a portion of the building on lot 13 and use the parking area on lots 5 and 6 for up to two years after the closing under that agreement.

Underutilization

Lots 5 and 6 are located in an M1-1 zoning district with an FAR of 1.0. Current zoning permits 14,400 zsf to be built on the larger corner lot (lot 6) and 2,050 zsf to be built on the smaller lot to the south (lot 5). Both lots are currently used as surface parking lots, utilizing none of this development potential.

Block 1129, Lots 5 and 6

Environmental Concerns

No Phase I or Phase II ESAs were performed on these lots. Historic site uses of environmental concern included manufacturing uses on lot 5 and a historic machine shop on lot 6. Lot 6 possibly contained historic on-site fuel oil storage.

Block I 129, Lots 5 and 6

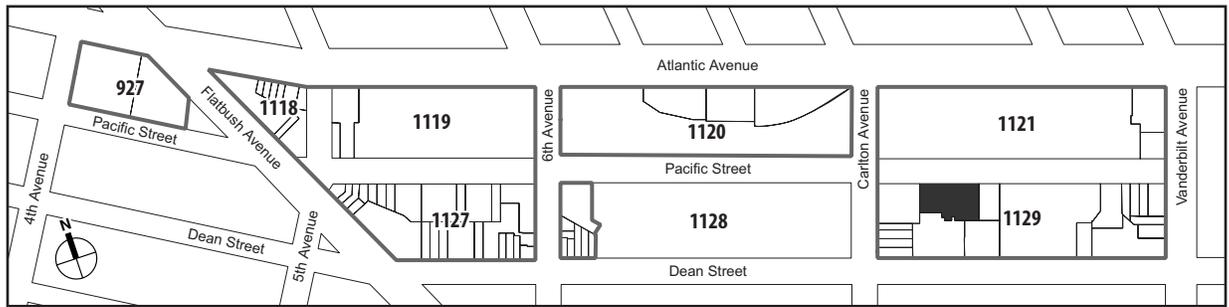


Photograph I 129-5/6-A



Photograph I 129-5/6-B

Block I 129, Lot 13



Location, Use, Zoning, and Ownership

Lot 13 is located at 752-766 Pacific Street between Carlton and Vanderbilt Avenues. The lot is occupied by a six story 83,200 gsf industrial building (see Photograph A). Lot 13 is located in an M1-1 zoning district with an FAR of 1.0. M1 districts allow high-performance light manufacturing uses and often serve as buffers to adjacent residential or commercial districts. According to the New York City Department of Finance, lot 13 is owned by Pacific Carlton Development Corporation. The lots are leased by 752 Pacific, LLC (“752 Pacific”). AYDC entered into an option to take by assignment the tenant’s interest in the ground lease for the property, subject to the fee owner’s consent to assignment, which consent cannot be unreasonably withheld. The closing of that assignment occurred in March 2006, but the fee owner has disputed the validity of the assignment.

Unsanitary and Unsafe Conditions

No unsanitary or unsafe conditions were identified as part of the visual assessment for lot 13.

Indications of Structural Damage

A structural due diligence survey has not been conducted for this lot. The visual assessment did not indicate that the building structure is substantially compromised.

Building Code Violations

Lot 13 has 23 open building code violations, 10 of which were filed between 2000 and 2005. All of the violations issued after 2000 are for elevator-related issues. Four of these violations are for working on the elevator without a permit.

Vacancy Status

The building on lot 13 was previously vacant and undergoing some renovation when AYDC began negotiations with the principals of 752 Pacific. Under an agreement between AYDC and 752 Pacific, AYDC has agreed to permit 752 Pacific to occupy a portion of the building (and use the parking area on lots 5 and 6) for up to two years after the closing under that agreement. In accordance with this agreement, a portion of the building is now occupied by 752 Pacific.

Underutilization

Based on current zoning, lot 13 is fully utilized.

Block 1129, Lot 13

Environmental Concerns

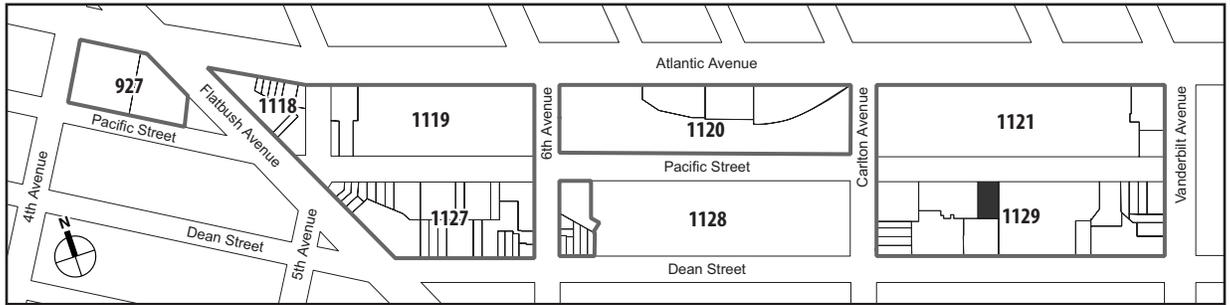
No Phase I or Phase II ESA was performed on this lot. The site was historically utilized as a manufacturing facility, including a typewriter ribbon and carbon paper manufacturer, which are uses of potential environmental concern. Documented spills were associated with transformer vaults on the property, which potentially could be associated with petroleum- or PCB-related contamination.

Block I 129, Lot 13



Photograph I 129-13-A

Block I 129, Lot 21



Location, Use, Zoning, and Ownership

Lot 21 is located at 768 Pacific Street between Carlton and Vanderbilt Avenues. The lot is occupied by a five story 25,000 gsf building that is currently used, along with the building on adjacent lot 76, to provide temporary housing for homeless families (see Photograph A). Lot 21 is located in an M1-1 zoning district with an FAR of 1.0. M1 districts allow high-performance light manufacturing uses and often serve as buffers to adjacent residential or commercial districts. According to the New York City Department of Finance, lot 21 is owned by Pacific Dean Realty. It is leased by Specific Street, LLC.

Unsanitary and Unsafe Conditions

There are some small cracks running through portions of the building's façade and it appears as though some of the brickwork surrounding some windows degraded and has been replaced recently (see Photograph B). As shown in Photograph C, the sidewalk in front of lot 21 is in fair condition, but weeds grow through some of the cracks—particularly against the building's façade. As shown in Photograph D, the stair railing leading up to the building entrance is bent.

Indications of Structural Damage

A structural due diligence survey has not been conducted for this lot. The visual assessment did not indicate that the building structure is substantially compromised.

Building Code Violations

Lot 21 has 13 open building code violations, all from 2004 and 2005 (see Appendix B). Twelve of the violations pertain to the building's boiler system, and one to the elevator.

Vacancy Status

The building on lot 21 is currently occupied by a privately operated facility, Specific Street, LLC that provides temporary housing for homeless families through contract with the NYC Department of Homeless Services.

Underutilization

Based on current zoning, lot 21 is fully utilized.

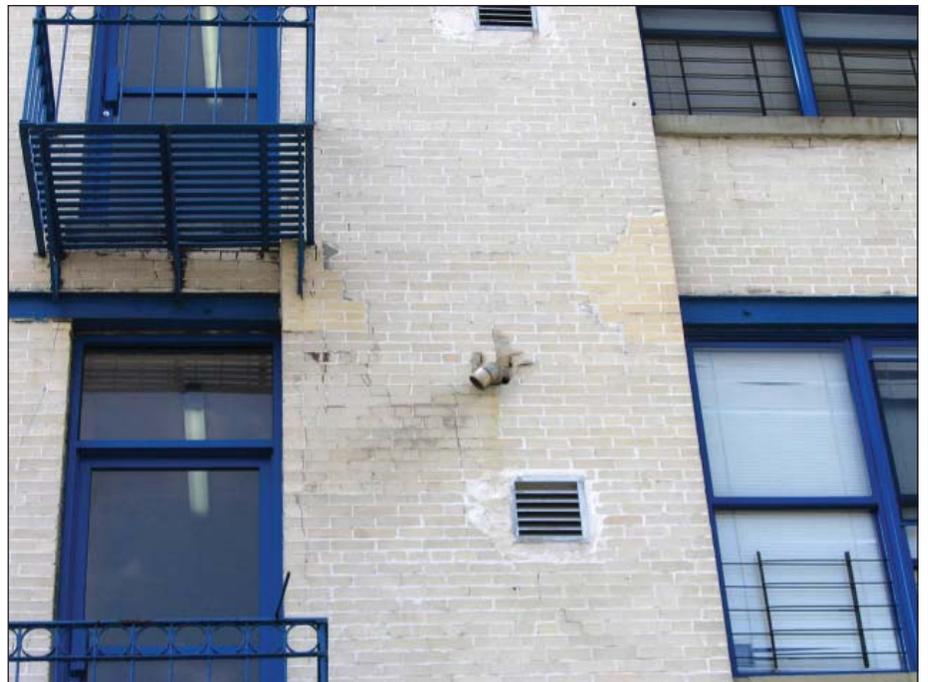
Environmental Concerns

No Phase I or Phase II ESA was performed on this lot. Historic manufacturing uses are a potential environmental concern on this lot, in addition to petroleum storage tank(s) likely associated with property, as noted by the presence of tank fill ports outside the building.

Block 1129, Lot 21



Photograph 1129-21-A

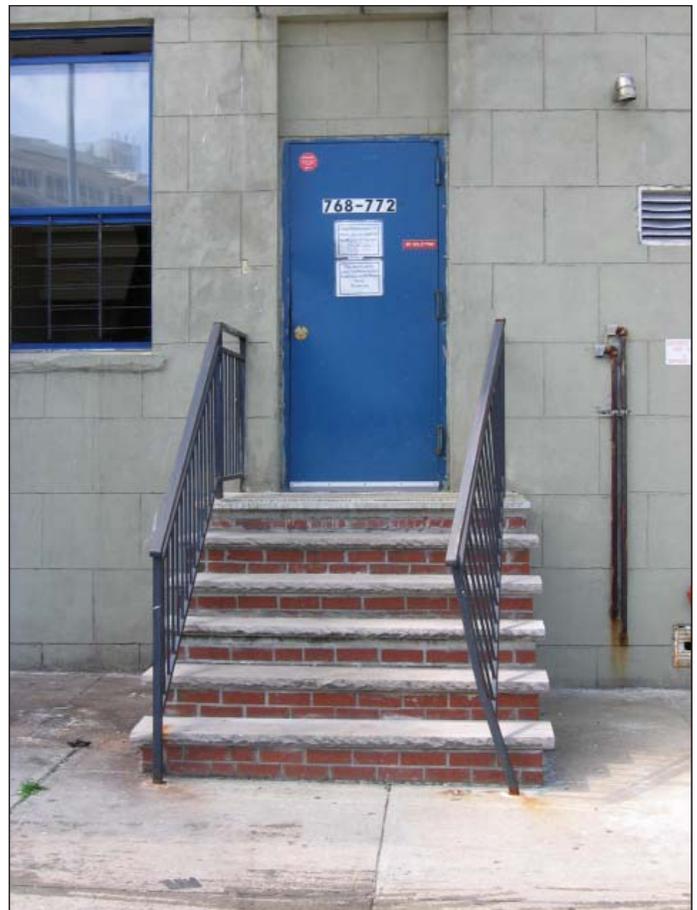


Photograph 1129-21-B

Block I 129, Lot 21



Photograph I 129-21-C



Photograph I 129-21-D