

FOR CONSIDERATION

June 24, 2010

TO: The Directors

FROM: Dennis M. Mullen

SUBJECT: New York City (New York)—125 Maiden Lane Condominiums

REQUEST FOR: Authorization to Sell Condominium Unit 9A to the International Planned Parenthood Federation—Western Hemisphere Region, Inc. and Take Related Actions

Project Summary

Site: Unit 9A at 125 Maiden Lane, New York, New York
25,622 rentable square feet (rsf)

Purchase Price: \$8,967,700 (\$350 per rsf)

Terms: 10% down payment; Balance to be financed by Purchase Money Mortgage

Appraisal: \$8,970,000
Jerome Haims Realty, Inc., 630 Third Avenue, New York, NY 10017
March 22, 2010

Purchaser: International Planned Parenthood Federation—Western Hemisphere Region, Inc.
120 Wall Street
New York, New York 10005

Mortgage Terms: 10% down, 90% financed
10-year term, 30 year amortization
No pre-payment penalty
6.25% fixed (300 basis points above prime rate)

Anticipated Closing: November 2010

Brokerage Fee: \$314,031.00
Purchaser's broker:

S. Sunshine & Associates LLC
250 West 57th Street
New York, New York 10107

Seller's brokers:

Colliers International NY LLC
380 Madison Avenue
New York, New York 10017
Richard Warshauer and Robert Tunis

The Cornerstone Group
570 Seventh Avenue
New York, New York 10018
Gary Curry

Background

In November 2006, the Corporation acquired seven condominium units and related common areas on as many floors (164,373 rentable square feet) at 125 Maiden Lane, New York, New York (the "125 Maiden Lane"), with the intention of relocating its corporate headquarters. Subsequently, the Corporation undertook a critical review of the acquisition, the real estate market in Lower Manhattan, and its own needs, and concluded that relocation would neither materially contribute to a currently vital Lower Manhattan real estate market nor be in the best interest of the Corporation.

As a result, ESDC has been actively marketing and selling the condominium units. On March 15, 2007, the Directors authorized the sale of Unit 7A, comprising the entire 7th Floor to the Guttmacher Institute and on April 19, 2007 authorized the sale of Units 10A, 11A and 12A, comprising the entire 10th, 11th, and 12th floors to the United States Fund for UNICEF. At its May 2008 meeting, the Directors authorized the sale of Unit 8A which encompasses the entire 8th floor to The Forward Association, Inc.

The International Planned Parenthood Foundation ("IPPF")—Western Hemisphere Region, Inc. ("IPPF/WHR"), a not-for-profit entity, is a network of 40 sexual and reproductive health organizations across North America, Latin America and the Caribbean. It is one of the six regional offices of the IPPF whose global headquarters is in London, England. IPPF was founded more than 50 years ago when family planning organizations from eight countries formed the federation in order to work with different cultures, laws and traditions and religious attitudes to improve the lives of women around the world.

IPPF/WHR presently rents space at 120 Wall Street in downtown Manhattan. The regional office does not provide health services and is the administrative headquarters from which it supplies technical and financial support to its member associations.

Proposal

It is proposed that IPPF/WHR purchase Unit 9A at the 125 Maiden Lane, consisting of 25,622 rsf for \$350 per rsf or \$8,967,700.00 in order to relocate its headquarters facilities. It has requested a 90% purchase money mortgage with a 6.25% fixed interest rate and a 10 year term with 30 year amortization.

Although ESDC recently engaged a new broker to market its 125 Maiden Lane holdings, this transaction was excluded from the new broker's contract as the previous brokers, a joint venture between Colliers International NY LLC (a successor firm to FirstService Williams which was a successor firm to GVA Williams) and The Cornerstone Group, had been previously contacted by IPPF/WHR. The buyer's broker is S. Sunshine & Associates LLC. The brokerage fee, in accordance with the contract is as follows:

	<u>RATE</u>	<u>COMMISSION</u>
First \$1,000,000	3.00%	\$30,000.00
Next \$4,000,000	2.50%	\$100,000.00
Balance \$3,967,700	2.00%	\$79,354.00
Buyer's broker		\$209,354.00
Seller's broker	50.00%	\$104,677.00
GRAND TOTAL		<u>\$314,031.00</u>

Appraisal

On March 22, 2010, Jerome Haims Realty, Inc. opined that the remaining two floors at the 125 Maiden Lane were valued at \$350 per rsf or a rounded up amount of \$8,970,000 for Unit 9A. The proposed sale meets the appraised price.

Environmental Review

Pursuant to the State Environmental Quality Review Act ("SEQRA"), Article 8 of the Environmental Conservation Law, and its implementing regulations (6 NYCRR Part 617), and in connection with the approval of sale of office space at 125 Maiden Lane, the Directors made a Determination of No Significant Effect on the Environment at their meeting of March 15, 2007. This determination addressed all aspects of the proposed project. Therefore, no further environmental review is required in connection with this action

Attachments

Resolution
Appraisal
Floor Plan

June 24, 2010

NEW YORK CITY (NEW YORK COUNTY) --125 Maiden Lane Condominiums--
Authorization to Sell Condominium Unit 9A to the International Planned Parenthood
Federation—Western Hemisphere Region, Inc. and Take Related Actions

RESOLVED, that based upon the materials presented to the Directors at this meeting (the "Materials"), the Corporation may sell and convey to the International Planned Parenthood Federation—Western Hemisphere Region, Inc. (the "Purchaser"), or any corporation or other business entity affiliated or controlled by the Purchaser and satisfactory to the President and Chief Executive Officer of the Corporation or his designee(s), for corporate development purposes, Unit 9A acquired by the Corporation and located at 125 Maiden Lane, New York, New York as shown on the map presented to this meeting, substantially on the terms and conditions set forth in the Materials; and be it further

RESOLVED, that the appropriate officers of the Corporation or their designees be, and each of them hereby is, authorized in the name of and on behalf of the Corporation to execute and deliver and affix the seal of the Corporation to all agreements, deeds, mortgages, certificates and instruments and to take all such action as they may in their sole discretion, consider necessary or proper to effectuate the sale of such property.

* * *