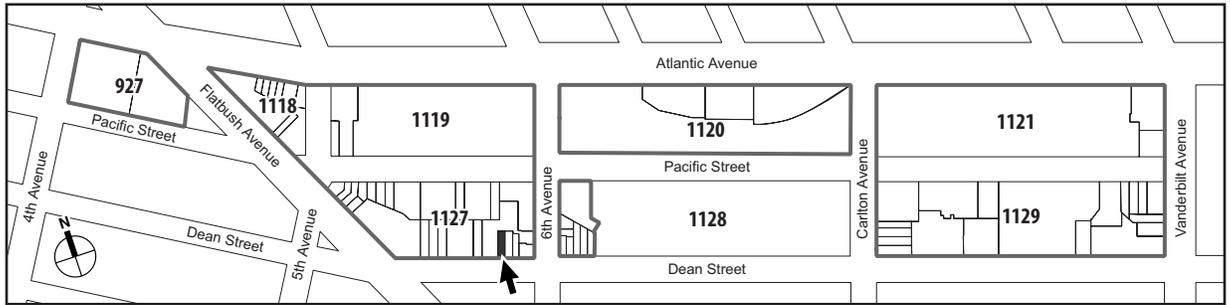


Block I 127, Lot 47



Location, Use, Zoning, and Ownership

Lot 47 is located at 477 Dean Street, between Flatbush and 6th Avenues. The lot is currently used as a parking area (see Photograph A). Lot 47 is located in an R6B zoning district. 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 47 is owned by Bergen Tile Paint and Linoleum Company.

Unsanitary and Unsafe Conditions

As shown in Photograph A, there are some weeds and trash lining the fence on lot 47, and the fence itself is topped in barbed wire. Apart from these conditions, no unsanitary or unsafe conditions were identified as part of the visual assessment.

Indications of Structural Damage

There are no structures located on lot 47.

Building Code Violations

There are no building code violations associated with lot 47.

Occupancy/Vacancy Status

As indicated above, lot 47 is currently used for parking. The lot is owned by Bergen Tile Paint and Linoleum Company, a flooring and tile store located on Flatbush Avenue between Bergen and Dean Streets, and appears to be used by store employees. Although used for parking, the lot is not properly configured for use as a parking lot. There are no parking guide lines on the pavement and as illustrated in Photograph A, parked cars often protrude out onto the sidewalk.

Underutilization

Lot 47 is located in a R6B zoning district with an FAR of 2.0. According to current zoning, the 1,540 sf lot could accommodate up to 3,080 zsf of built space. However, the lot is occupied by a surface parking lot, utilizing none of the lot's development potential.

Environmental Concerns

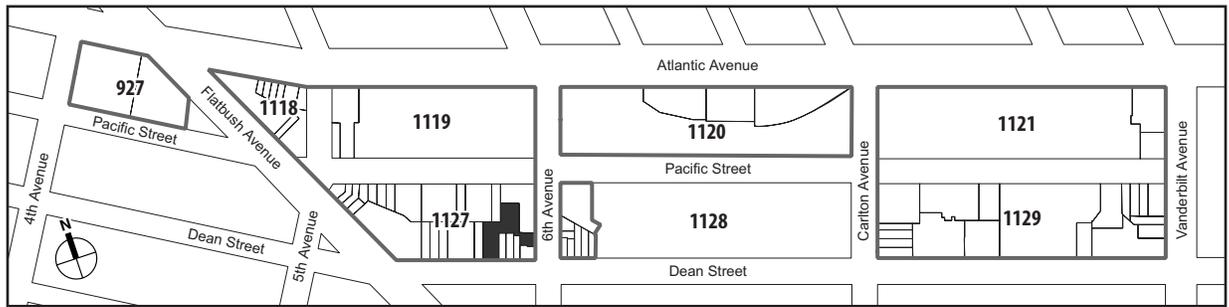
No Phase I or Phase II ESA has been performed for this lot. No potential issues of environmental concern were noted in records or historic research for lot 47.

Block I 127, Lot 47



Photograph I 127-47-A

Block I 127, Lot 48



Location, Use, Zoning, and Ownership

Lot 48 is located on the southeastern portion of the block bounded by Flatbush Avenue, Pacific Street, 6th Avenue, and Dean Street. As shown in the map above, the lot is irregularly shaped, with narrow frontages on both Dean Street and 6th Avenue. The lot hosts a six-story building set back from Dean Street (see Photograph A) and a small single-story building fronting on 6th Avenue (see Photograph B). The address for the six-story building is 475 Dean Street. The address for the single-story building is 38 6th Avenue. Together the buildings contain 40,640 gsf of space.

Both buildings were most recently used as residential space. The six-story building has been functioning as a residential cooperative building, although the New York City Department of Buildings has no coop certificate of occupancy on file for the building and it does not appear that legal papers for coop establishment were ever filed with the Attorney General's Office. The single-story building is also being used for residential purposes, although the New York City Department of Finance lists the building, along with the larger one, as a "miscellaneous loft" building and does not tax it as an apartment building.

The southern portion of lot 48 is located in an R6B zoning district and the northern portion is located in a C4-4A district. With an FAR of 2.0, R6B districts are generally characterized by shorter, four-story rowhouses or apartment buildings. 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.

All of the residential units in the main cooperative building are owned by AYDC. The single-story building is owned by Peter Williams Enterprises and is believed to be occupied by members of Mr. Williams' family.

Unsanitary and Unsafe Conditions

The façade of the one-story building on the eastern portion of lot 48 is in poor condition. As shown in Photograph B, large segments of the building's stucco coating have fallen off, exposing the brickwork below. Bricks along the upper portions of the façade appear to be crumbling, and the lintels that are visible are chipped. There is graffiti painted on the building's front door and one of the windows has been boarded up.

The six-story condominium building on lot 48 appears to be in fair condition. However, the patched concrete shown in Photograph C may be indicative of spalling.

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.

Block I 127, Lot 48

Building Code Violations

Lot 48 has 17 open building code violations dating from the 1980s to 2005 (see Appendix B). The most recent violation was issued in 2005 for work without a permit.

Occupancy/Vacancy Status

As indicated above, both structures located on lot 48 have been used as residential apartments over the past several years, although Department of Buildings and Department of Finance records show that the buildings are not officially classified as residential. According to AYDC, ownership of the six-story residential building was divided among 10 parties. However, some of the owners subdivided their apartments and took on residential tenants. In total, there were 10 owner-occupied units and 10 renter-occupied units in the six story building. All of those units are now owned by AYDC.

The single story building on the eastern portion of lot 48 is also used for residential purposes. The building is owned by a single party and reportedly occupied by members of his family, but appears to be occupied by as many as three separate parties. In total, there are 24 residential units located on lot 48, and four are currently occupied.

Underutilization

According to current zoning, lot 48 is fully utilized.

Environmental Concerns

The Phase I ESA identified characteristics of lot 48 that were indicative of potential environmental concern related to site uses. These include the potential for subsurface contamination due to historic manufacturing operations at the site, the presence of a historic fuel oil storage tank and a current aboveground fuel oil tank, and the presence of transformers on the site that potentially used PCB-containing fluids. No site-related contamination was identified by the limited sampling conducted for the Phase II ESA. However, as indicated in the introduction to Section C, there are certain environmental conditions common to all project site properties that are of potential environmental concern. These include: historic fill which is likely to contain metals such as arsenic and lead, semi-volatile organic compounds and pesticides in quantities that are above the most stringent guidance values; buildings that contain asbestos, lead-paint, and florescent lighting; and the presence of elevated levels of chlorinated volatile organic compounds in the groundwater beneath and surrounding the lot.

Block I 127, Lot 48



Photograph I 127-48-A



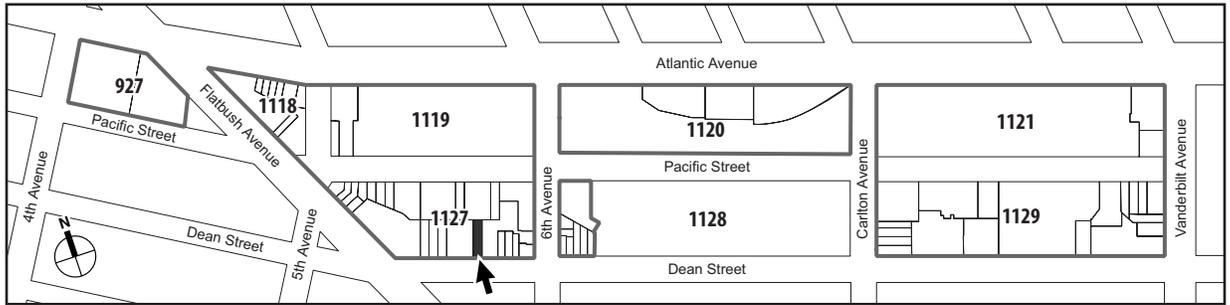
Photograph I 127-48-B

Block I 127, Lot 48



Photograph I 127-48-C

Block I 127, Lot 50



Location, Use, Zoning, and Ownership

Lot 50 is located at 473 Dean Street, between Flatbush and 6th Avenues. The lot hosts a 7,800 gsf, four-story residential building (see Photograph A). Lot 50 is located in an R6B zoning district. With an FAR of 2.0, R6B districts are generally characterized by shorter, four-story rowhouses or apartment buildings. Lot 50 is owned by AYDC, which purchased the property in March 2006.

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 50.

Occupancy/Vacancy Status

There are 16 residential units located in the building on lot 50. All 16 units are currently occupied.

Underutilization

According to current zoning, lot 50 is fully utilized.

Environmental Concerns

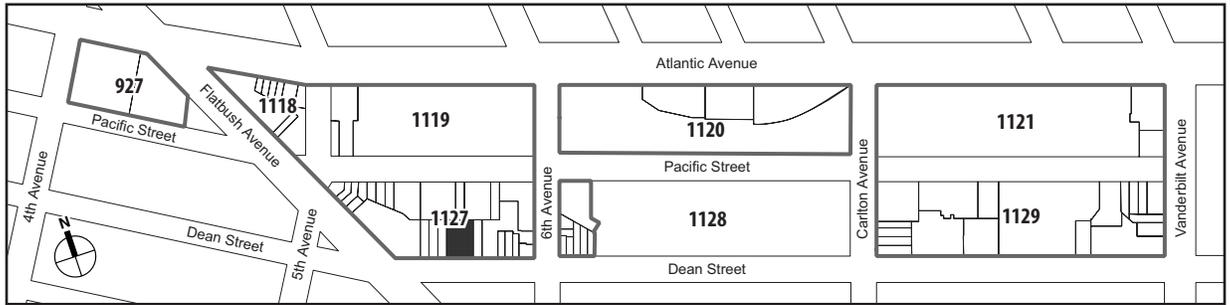
The Phase I ESA identified the potential for subsurface contamination related to an underground fuel oil tank beneath the center yard, associated with a closed spill caused by overfilling the tank. Surface staining of the soil was observed surrounding the fill port in the yard. One of the residential buildings on the site could not be accessed. No Phase II ESA sampling was performed on this lot.

Block I 127, Lot 50



Photograph I 127-50-A

Block I 127, Lot 51



Location, Use, Zoning, and Ownership

Lot 51 is located at 467 Dean Street between Flatbush and 6th Avenues. The lot hosts a 10,000 gsf, single-story building used as an office for the United Union of Roofers, Waterproofers and Allied Workers, Local Union No. 8 (see Photograph A). Lot 51 is located in an R6B zoning district. 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, the building is currently owned by Waterproof Workers Realty.

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 six open building code violations associated with lot 51, issued between 1984 and 1997 (see Appendix B). Two of the violations are for public assembly and one was for failure to install an acceptable two-way voice communication system. Information on the other three violations is not available from the DOB Building Information System.

Occupancy/Vacancy Status

As indicated above, the building on lot 51 is currently occupied by the United Union of Roofers, Waterproofers and Allied Workers, Local Union No. 8.

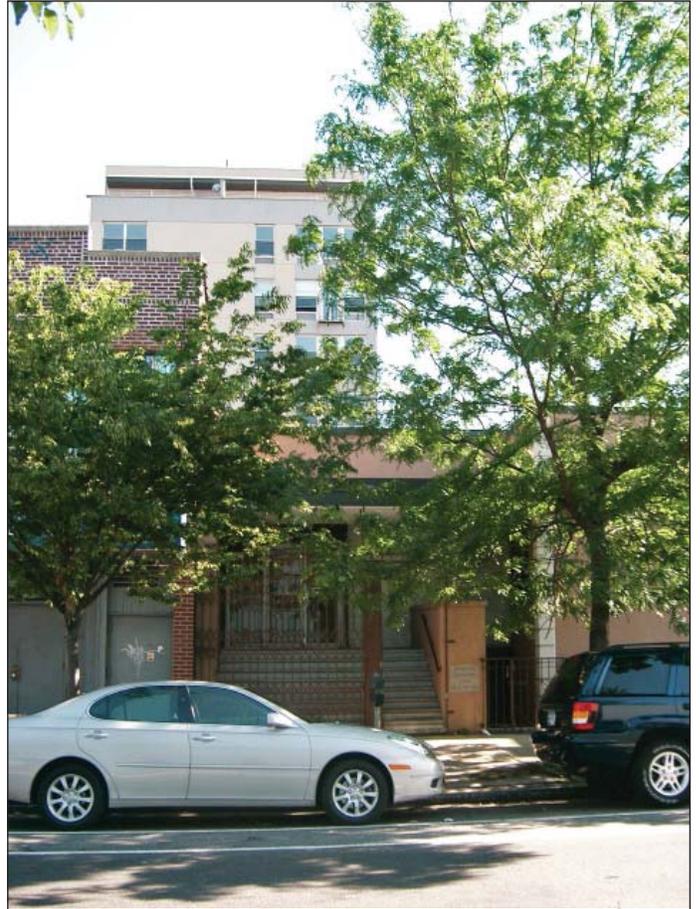
Underutilization

Lot 46 is located in a R6B zoning district with an FAR of 2.0. Although the 8,250 sf lot can accommodate up to 16,500 zsf of built space under current zoning, it is occupied by a single-story 10,000 gsf building, utilizing only 61 percent of the lot's development potential.

Environmental Concerns

No Phase I or Phase II ESA has been performed for this lot. A potential source of subsurface contamination on the site is the possible presence of a current or historic fuel oil storage, as indicated in DOB records.

Block 1127, Lot 51

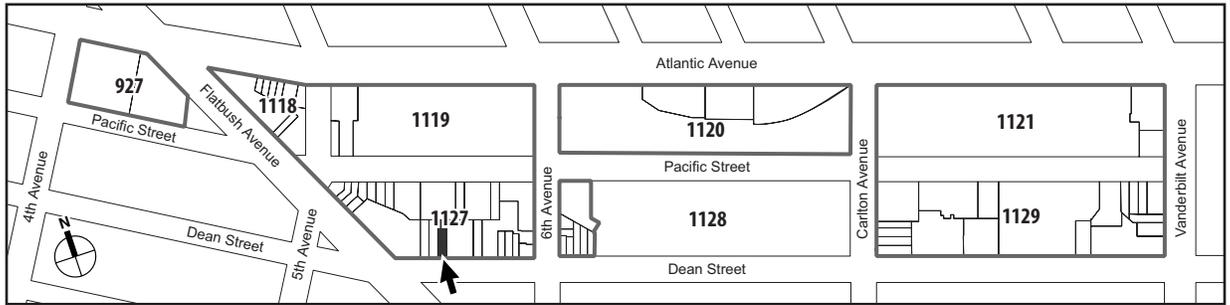


Photograph 1127-51-A



Photograph 1127-51-B

Block I 127, Lot 54



Location, Use, Zoning, and Ownership

Lot 54 is located at 465 Dean Street between Flatbush and 6th Avenues. The lot is occupied by a vacant 4,908 gsf, two-story office building (see Photograph A).

The northern portion of lot 54 is located in an R6B zoning district. The southern portion of the lot is located in an R7A zoning district with a C2-4 overlay. With an FAR of 2.0, R6B districts are generally characterized by shorter, four-story rowhouses or apartment buildings. R7A districts permit medium-density housing with a maximum FAR of 4.0. C2-4 districts accommodate retail and personal service shops needed in residential neighborhoods. When mapped in R7 districts, the maximum commercial FAR in C2-4 districts is 2.0.

Lot 54 is owned by AYDC, which purchased the property vacant in May 2004.

Unsanitary and Unsafe Conditions

With the exception of some graffiti above the second-floor windows and on the front doorway, the building exterior is in fair condition. The building's interior has suffered water damage in several areas. For example, as shown in Photographs B and C, leaking water has caused the paint to peel away from the walls above the second-floor windows and has damaged the underlying brickwork.

Indications of Structural Damage

As described above, water leaks have caused cracking and spalling of the interior brickwork. This damage may lead to degradation of the building's structure. However, a structural due diligence survey has not been conducted for this lot and the visual assessment did not indicate that the building structure is substantially compromised.

Building Code Violations

There are 13 open building code violations associated with lot 54, dating from between 1983 and 1990 (see Appendix B). Six of the violations are for public assembly. Information on the other violations is not available from the DOB Building Information System.

Occupancy/Vacancy Status

As indicated above, the building on lot 54 is currently vacant and was vacant prior to AYDC acquisition.

Block I 127, Lot 54

Underutilization

Lot 54 spans two zoning districts: an R6B district and an R7A district with a C2-4 overlay. According to current zoning, up to 5,500 zsf of built space is permitted on the 2,750 sf lot. At 4,908 gsf, the building currently located on the lot utilizes approximately 89 percent of the lot's development potential.

Environmental Concerns

The Phase I ESA identified no current or historic uses of environmental concern on lot 54. There was no evidence of current or historic petroleum storage tanks associated with the site. Phase II sampling of shallow soils on the property and groundwater on the adjacent sidewalk did not indicate apparent site-related contamination.

Block I 127, Lot 54



Photograph I 127-54-A



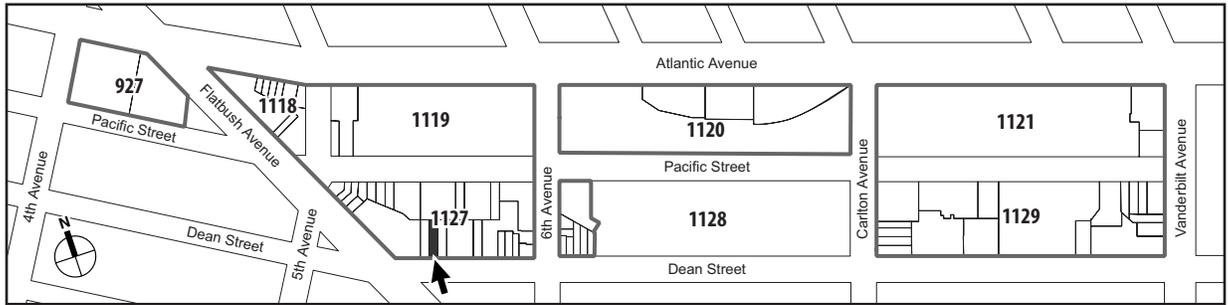
Photograph I 127-54-B

Block I 127, Lot 54



Photograph I 127-54-C

Block I 127, Lot 55



Location, Use, Zoning, and Ownership

Lot 55 is located at 463 Dean Street between Flatbush and 6th Avenues. Until Spring 2006, the lot hosted a vacant 6,125 gsf, four-story residential building facing Dean Street (see Photograph A) and an abandoned and severely deteriorated three-story residential building in the rear of the lot (see Photograph B). The buildings were demolished in Spring 2006 by AYDC with approval from ESDC because of their dangerously deteriorated condition, as described below.

The northern portion of lot 55 is located in an R6B zoning district. The southern portion of the lot is located in an R7A zoning district with a C2-4 overlay. With an FAR of 2.0, R6B districts are generally characterized by shorter, four-story rowhouses or apartment buildings. R7A districts permit medium-density housing with a maximum FAR of 4.0. C2-4 districts accommodate retail and personal service shops needed in residential neighborhoods. When mapped in R7 districts, the maximum commercial FAR in C2-4 districts is 2.0.

Lot 55 is owned by AYDC, which purchased the property in June 2004.

Unsanitary and Unsafe Conditions

As indicated above, the buildings on lot 55 were demolished in Spring 2006. The exterior of the four-story building facing Dean Street appeared to be in fair physical condition. However, the interior was in a state of severe disrepair. The ceiling was damaged in several areas and parts of the ceiling had fallen, exposing the wooden beams and the subfloor above (see Photographs C and D). The floors of the building were littered with debris and all of the floors were sagging severely to the center-most point of the building (see Photograph E).

Both the exterior and interior of the three-story building on the rear portion of the lot were in critical condition. As shown in Photograph B, the building no longer had windows and some of the window openings were covered with metal sheeting. In many areas, the brickwork had either fallen off or was loose and/or severely damaged. A portion of the south masonry wall had collapsed and other portions appeared to be on the verge of collapse. Some of the building's window openings were no longer framed, which left the bricks surrounding the windows without any support (see Photograph F). Below a second-floor window, some of the brick buckled and bowed inward. According to a structural due diligence report prepared by LZA Technology in November 2005, the timber floor framing on the interior of the building was severely deteriorated and appeared on the verge of collapse due to the water-damaged floor structure.

The unbuilt portion of the lot was also unsanitary and unsafe. The yard was overgrown with vegetation that grew to the second story of the building (see Photograph B) and there was evidence of vermin living on the property.

Block I 127, Lot 55

Indications of Structural Damage

A structural due diligence report, prepared by LZA Technology in November 2005 (see Appendix A), indicated that both buildings on lot 55 were structurally unsound and unsafe and recommended that the buildings be demolished. The report indicated that the timber flooring and southern brick masonry wall on the three story building were severely deteriorated and appeared to be on the verge of collapse. It further reported that numerous active leaks throughout the four-story building left the building permanently exposed to the elements and that these active leaks would eventually lead to local collapses of the timber floor and roof joist systems. According to the report, the end of a timber girder supporting the timber floor framing on the first floor was water damaged and rotting, evidence that the building's structural support system was substantially compromised and the structure unsafe.

Building Code Violations

There are no open building code violations associated with lot 55.

Occupancy/Vacancy Status

The three-story building was abandoned and likely had been for decades prior to the AYDC acquisition. The five residential units in the four-story building were vacated pursuant to an agreement with AYDC.

Underutilization

Lot 55 spans two zoning districts: an R6B district and an R7A district with a C2-4 overlay. According to current zoning, up to 6,875 zsf of built space is permitted on the 2,750 sf lot. At 6,125 gsf, the buildings that were located on the parcel utilized approximately 89 percent of the parcel's development potential.

Environmental Concerns

The Phase I ESA identified characteristics of lot 55 that were indicative of potential environmental concern related to site uses. These include potential subsurface contamination due to historic printing and manufacturing operations at the site, and the presence of two aboveground fuel oil tanks in an unfinished basement. One of the on-site buildings was inaccessible to inspection due to deteriorating conditions of the building, and could contain additional storage tanks. No site-related contamination was identified by the limited sampling conducted for the Phase II ESA. However, as indicated in the introduction to Section C, there are certain environmental conditions common to all project site properties that are of potential environmental concern. These include: historic fill which is likely to contain metals such as arsenic and lead, semi-volatile organic compounds and pesticides in quantities that are above the most stringent guidance values; buildings that contain asbestos, lead-paint, and florescent lighting; and the presence of elevated levels of chlorinated volatile organic compounds in the groundwater beneath and surrounding the lot.

Block I 127, Lot 55



Photograph I 127-55-A



Photograph I 127-55-B

Block I 127, Lot 55



Photograph I 127-55-C



Photograph I 127-55-D

Block I 127, Lot 55

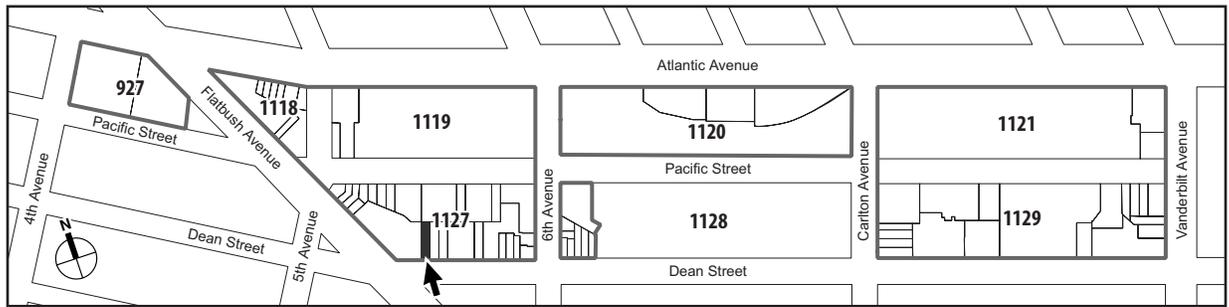


Photograph I 127-55-E



Photograph I 127-55-F

Block I 127, Lot 56



Location, Use, Zoning, and Ownership

Lot 56 is located at 461 Dean Street between Flatbush and 6th Avenues. Until Spring 2006, the lot hosted a vacant 4,100 gsf, four-story residential building facing Dean Street (see Photograph A). The building was demolished by AYDC with approval from the ESDC because of its dangerously deteriorated condition, as described below.

The northern portion of lot 56 is located in an R6B zoning district. The southern portion of the lot is located in an R7A zoning district with a C2-4 overlay. With an FAR of 2.0, R6B districts are generally characterized by shorter, four-story rowhouses or apartment buildings. R7A districts permit medium-density housing with a maximum FAR of 4.0. C2-4 districts accommodate retail and personal service shops needed in residential neighborhoods. When mapped in R7 districts, the maximum commercial FAR in C2-4 districts is 2.0.

Lot 56 is owned by AYDC, which purchased the property in June 2004.

Unsanitary and Unsafe Conditions

As indicated above, the building on lot 56 was demolished in Spring 2006. The exterior of the building on lot 56 appeared to be in fair physical condition. However, there was graffiti painted on the building's western façade, and a portion of the stucco coating on that façade had crumbled, revealing the underlying brick, which also appeared to be crumbling (see Photograph B).

The interior of the building on lot 56 was in a severe state of disrepair. The ceiling is damaged in several areas and parts of the ceiling had fallen, exposing the wooden beams and lath and the subfloor above (see Photographs C and D). The floors in the building were sagging severely to the center-most point of the building and many floors were littered with debris from the falling ceilings and crumbling walls (see Photograph E). Water damage was evident throughout the building and mold was discovered on the back wall of one of the building's closets (see Photograph F).

The unbuilt portion of the lot was also unsanitary and unsafe. The yard in back of the building was overgrown with tall vegetation (see Photograph B attached to the profile for adjacent lot 55) and there was evidence of vermin living on the property.

Indications of Structural Damage

A structural due diligence report, prepared by LZA Technology in November 2005 (see Appendix A), indicated that the building on lot 56 was structurally unsound and unsafe and recommended that the building be demolished. The report indicated that the timber flooring in the building was severely deteriorated and the floors on every floor were sagging severely to the center-most point of the building. The report noted that an additional timber girder with timber shoring was added in the basement under the midspan of the framing in order to prevent further deterioration of the floor framing but that the flooring appeared to be on the verge of collapse despite this measure. The first floor timber joists in the northern

Block I 127, Lot 56

half of the building had numerous signs of water and/or moisture damage, and the timber joists in the northern portion of the upper floors (mainly in the kitchen and bathroom areas) appeared to have rotted in numerous locations due to water leakage from the roof down through pipe penetrations in the floor.

Building Code Violations

Lot 56 has one open building code violation. Information on the type or date of the violation was not available through the DOB Building Information System.

Occupancy/Vacancy Status

The five residential units in the building on lot 56 were vacated upon purchase of the property by AYDC.

Underutilization

Lot 56 spans two different zoning districts: an R6B district and an R7A district with a C2-4 overlay. According to current zoning, up to 8,250 zsf of built space is permitted on the 2,750 sf lot. At 4,100 gsf, the building currently located on the parcel utilizes only half of the parcel's development potential.

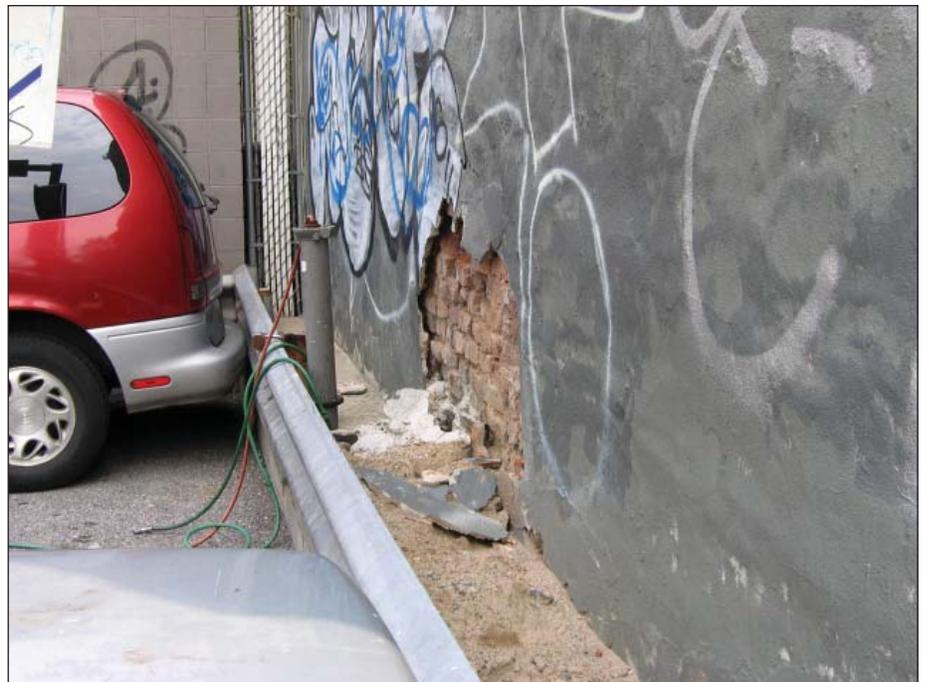
Environmental Concerns

The Phase I ESA identified no current or historic uses of environmental concern on lot 56. No Phase II sampling was performed on this lot.

Block I 127, Lot 56



Photograph I 127-56-A



Photograph I 127-56-B

Block I 127, Lot 56



Photograph I 127-56-C



Photograph I 127-56-D

Block I 127, Lot 56

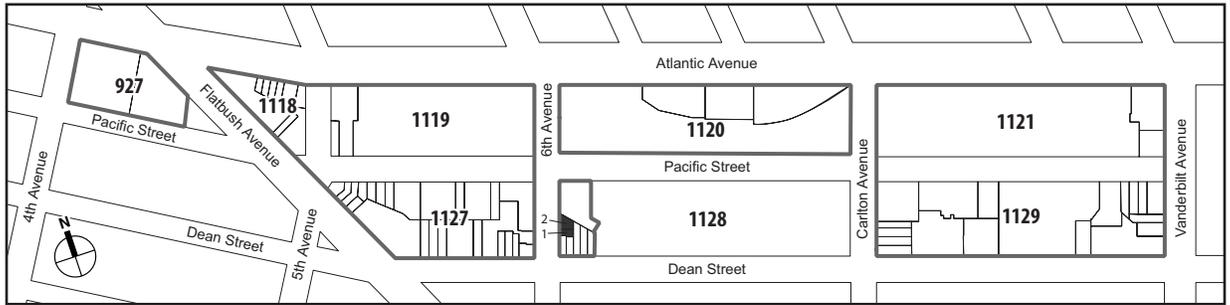


Photograph I 127-56-E



Photograph I 127-56-F

Block 1128, Lots 1 and 2



Location, Use, Zoning, and Ownership

Lots 1 and 2 are located on 6th Avenue between Pacific and Dean Streets. Both properties are small, vacant, irregularly shaped lots. They are partially paved, and appear to be used for parking and to store broken down automobiles (see Photograph A).

Lot 1 is located in an R6B zoning district and lot 2 is located in a C4-4A 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. 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, lots 1 and 2 are owned by Dean Pacific Corporation.

Unsanitary and Unsafe Conditions

As shown in Photograph B, lots 1 and 2 are surrounded by a chain-link fence topped with barbed wire. Weeds grow on both the inside and outside of the fence. The weeds on the outside of the fence encroach onto the sidewalk. As shown in Photograph C, the lots themselves are partially paved with weeds growing in unpaved areas and through cracks in the pavement. The sidewalk bordering lots 1 and 2 is cracked in many places, and weeds grow along the curb and through some of the sidewalk cracks (see Photograph D).

Indications of Structural Damage

There are no built structures located on lots 1 or 2.

Building Code Violations

There are no building code violations associated with lots 1 or 2.

Occupancy/Vacancy Status

As indicated above, lots 1 and 2 are vacant lots.

Underutilization

As indicated above, lots 1 and 2 are in R6B and a C4-4A zoning districts, respectively. Current zoning permits 1,800 zsf to be built on the 900 sf lot 1 and 8,160 zsf to be built on the 2,040 sf lot 2. The lots are currently vacant, utilizing none of this development potential.

Block 1128, Lots 1 and 2

Environmental Concerns

No Phase I or Phase II ESAs were performed on these lots. No uses of concern or evidence of historic petroleum tanks was indicated in documentary research. Lot 2 is a partially paved vacant lot, and contained debris and dumped materials that could potentially have impacted surface soils on the site.

Block 1128, Lots 1 and 2



Photograph 1128-1,2-A



Photograph 1128-1,2-B

Block 1128, Lots 1 and 2



Photograph 1128-1,2-C



Photograph 1128-1,2-D