NORTHERN ESTATES

Company Overview

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INTRODUCTION

The firm

In 2004, Neuss Group started a subsidiary in New York, creating Northern Estates Corporation, in order to invest in commercial buildings in Manhattan (http://neussrealestate.com/new-york-2/).

Northern Estates Coproration is focused in the management and operation of mid sized buildings. Each of our properties is treated as a stand-alone business served by our own team of in-house property management experts. This approach ensures a focus on creating value and maximizing long-term profitability, while striving to be the landlord of choice. It also brings countless benefits in the form of superior operational and maintenance standards. The result is a clean, secure, well-maintained property managed to the standard of a world class tenant-occupied building. Northern Estates employs in-house property management specialists who are responsible for all tenants needs. We oversee all aspects of our buildings' operations, including engineering, security, fire safety and maintenance.

To ensure that our properties are operated to the highest level of professionalism, responsiveness and efficiency, we integrate customized internal programs into every building, including:

- Internal Audit
- Tenant Satisfaction
- Emergency Procedures
- Work Order System
- Preventative Maintenance
- Standard Operating Procedures

Our Role

The assets were suffering from ineffective management and deteriorating property markets. Seeing this distress as a tremendous opportunity, Northern Estates led a partnership with two other prominent investors to acquire the buildings in 2005 and 2008, and immediately assumed full responsibility for the management and operation of the properties. Never again would there be a chance to obtain an iconic asset of this magnitude and restore it to its original glory. Immediately, we embarked on an ambitious redevelopment program to refurbish and revitalize the properties. The fundamentals of the investment—location, layout, architecture and aesthetic concept—are brilliant and irreplaceable. However, at the time we took control, the properties' condition did not meet proper-class commercial building standards and could not attract tenants that would pay premium price for office and retail space.

The Outcome

Northern Estates developed a master plan for refurbishment that addressed every aspect of the buildings, including office and retail leasing, operating efficiencies and capital expenditures. Executing the plan began with renovating the office space to market standards. The elevator cabs were replaced with new, state-of-the-art high-speed elevators. We revamped the entire security system and implemented features such as new electronic equipments and renovated electrical and security systems on office floors.

In tandem with the office improvements, we redesigned and enlarged storefronts, creating attractive highly desirable retail spaces, while enhancing the buildings' original arquitecture.

The end result is a classical style renovation using contemporary construction details and materials.

Northern Estates continuously seeks ways to improve the profitability and operating efficiencies. Most recently, we embarked on the construccion of two new floors which are close to finish.

Leasing and Tenants Relation

Our goal is to establish long-lasting relationships with tenants and brokers. This kind of consultative relationship starts with a thorough understanding of what tenants and their brokers require.

Our leasing professionals understand markets and tenants in ways that organizations that outsource this critical function cannot. We speak with tenants, their brokers, leasing agents and even other real estate operators, gathering real-time market knowledge to develop forward-looking projections that are invaluable to us and our partners.

Tenants' and brokers' needs vary by market, and they often change over time.

Acquisitions & development

Our acquisitions and development strategy possess decades of hands-on experience, intimate local market knowledge and an extensive network of relationships with investment and real estate professionals, property owners and government representatives in Argentina and the United States. This experience and expertise provides us with a competitive advantage in identifying and closing attractive investments both on- and off-market. Our team specializes in sourcing the transactions where operational improvements and asset repositioning can add value. Our expertise allow us to determine an asset's underlying worth, often helping us recognize and control investment opportunities before others, many times resulting in off-market transactions. Such knowledge and experience help reduce investment risk and enable us to make advantageous and timely dispositions.

In the acquisitions and development, professionals carefully manage each element during the due diligence process to increase the likelihood of the success. This process includes:

- Analysis of the supply and demand dynamics in the selected market

- Constant analysis of the macro and microeconomic variables that can effect change in all major local markets, such as changes in interest rates, strength of local economies and changes in local tax codes that could yield strong investment opportunities for the company.

- A thorough review of the existing or proposed financial structure of the property.

- A detailed review of building expense and analysis of potential operating cost savings.

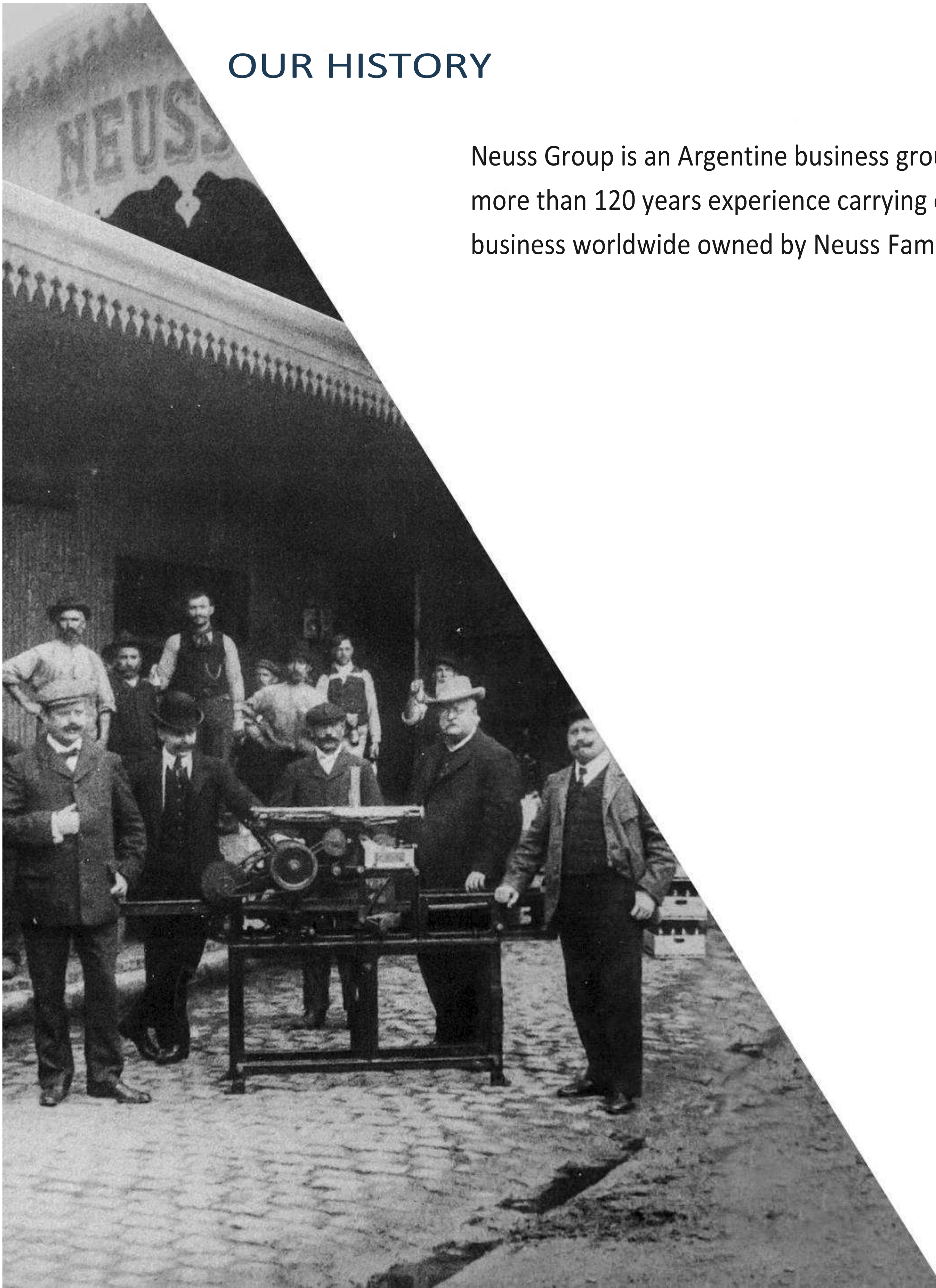
- Market validation of leasing assumptions and identification of prospective new tenants.

- Management and coordination of consultants, legal counsel and tax experts and other professionals both within and outside of our organization.

Northern Estates Corporation is part of Neuss Group (http://www.neusscapital.com/?lang=en)

OUR HISTORY

Neuss Group is an Argentine business group with more than 120 years experience carrying out business worldwide owned by Neuss Family.



Beginning of the Group – Neuss Beverage Factory

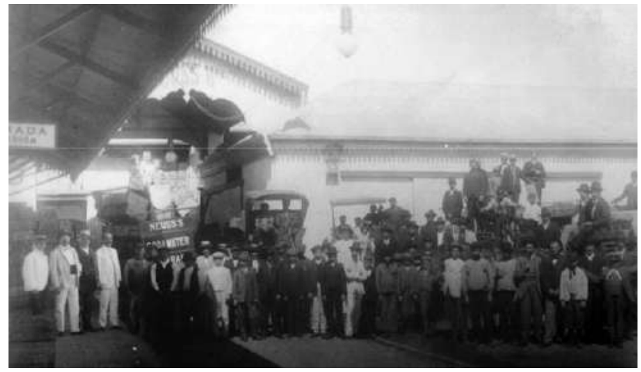
In 1891, Hermann Neuss, born in Germany to a prominent family in the city of Hannover, having graduated in the University of Heidelberg, arrives to Argentina to work as a chemist at the Hospital Aleman in Buenos Aires
He soon discovers the need of drinking bottled water as a means to avoid and fight against the diseases of the time, because of the municipal water condition. Therefore he founds Soda Neuss Belgrano, the first company dedicated to produce fizzy drinks in the country which becomes the leader of the Argentine market.

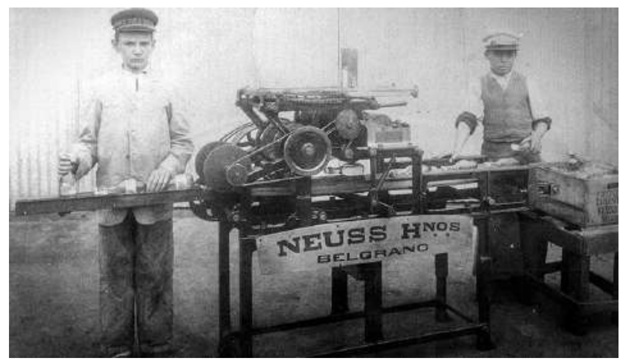
At the beginning of the XXth century, technological innovation reduces the cost of glass manufacture and makes bottling production faster, as a result, bottled water is produced at a large scale and the beverage becomes popular.

The company introduced very popular beverages such as Soda Neuss Belgrano, Pomona, Pomelo Neuss and Naranja Neuss, some of which are still in the market nowadays.

Primer etiqueta de Soda Neuss

1-!ermann Neuss




NEUSS H^{NOS}
BELGRANO

Second Generation – Services for the Public Sector

Following his father and due to the death of his brothers, Jorge Justo Neuss becomes the only heir of Hermann Neuss. Having the same business vocation as his father, he starts a new business branch for the family: public sector services. For such purpose he creates Neuss S.A. providing several services to Aerolineas Argentinas, Ferrocarriles Argentinos and other government entities.

Jorge Justo. Neuss

He also creates Glacco Oil Company to provide drilling services to oil fields of YPF. He later also founds Gold Hill Financial Services associating with Goldhill Switzerland, having offices in London, Genève, Lausanne, Argentine, Chile, Venezuela and Peru providing financial services to European and Latin-American customers. The company specializes in futures market, portfolio management and government counseling.

During his 83 years he spends most of his time studying history and philosophy, giving conferences and being an active member of the Argentine History Society. He attends the prestigious Colegio Nacional de Buenos Aires, and is also a Law Professor during 30 years at the Universidad de Buenos Aires.

Third Generation – Real Estate and Expansion

In 1980 Jorge Justo Neuss (jr.) and German R. J. Neuss, grandchildren of Hermann Neuss, take charge of the business group following the existing business model. They found Urban Yard and later Neuss Real Estate to develop real estate investments in Argentina and Northern Estates Corporation for the United States.

They also decide the expansion of the energy sector of the group by creating Harz Energy and by acquiring Edersa, an energy distribution company in the Province of Rios Negro, Argentina.

Neuss Group made its first investment in the telecommunication business by mid 90s through the association with the French group Thales (before called Thomson-CSF). At present, has the rights on several Super High Frequencies which they rent out to mobile telephone companies. It also manages and sells software for telecommunication companies.

German R. J. Neuss y Jorge Justo Neuss (h)

In 1997, Jacques Chirac, President of France, awarded Jorge Justo Neuss (h) with the distinction of officer of the Legion of Honour, due to his merits in the commercial relations between France and Argentina.

Jorge Justo Neuss (jr.) dedicated most of his life to philanthropy, supporting several NGO for public health, education and art.

Fourth Generation – Continuity and New Businesses

German J. Neuss, born in Buenos Aires City in 1976, continues with the family legacy and in 2014 founds NEUSS CAPITAL, an investment fund specialized in concessions, mobility, services and Real Estate. Based in Buenos Aires, he finishes his highschool studies at the Champagnat College and pursues his Bachelor of Business Administration at the Universidad Católica Argentina.

Germán J. Neuss, CEO Neuss Capital

At the beginning of his professional life, German works in different family businesses that lead him to thrive in the country and to live as an expatriate in the United States and France, focusing on business management. Afterwards, having acquired the necessary experience in different companies, he is accepted by the Massachusetts Institute of Technology-MIT- to pursue a Master in Business Administration- MBA. He moves to Boston, United States, where he studies and develops intrnational relations before returning to Buenos Aires.

After 20 years of management in organizations, he decides to set up his own business and creates NEUSS CAPITAL, incorporating investors from Europe and America.

PROPERTIES

Northern Estates Corporation acquired **20 West 37 street**, in 2005. The 84,850 square feet and 12 story building saw great improvements in rental income through successful lease negotiations and effective marketing.

In 2008 the company acquired a second office building located in **33 West 46 Street**; the 38,859 square feet and 9 story building was greatly capitalized thanks to the real estate market bounce-back after the 2008 financial crisis.

In 2017 the company's office was able to get the Department of Building of New York City to approve the construction approximately 8,400 square feet of vertical enlargement. The construction results in two new floors, summarizing a total of 11 floors. (total rentable area 47,259 square feet).

Plans for future acquisitions were put on hold after the 2020 Covid-19 crisis. The company trusts that the market will see great gains in the years to come, as it did in 2009.

- **20 West 37 Street**.
- **33 West 46 Street**.

20 West 37th Street


BLACKSMITH
20
20

Executive summary

The Property is located on the south side of West 37th Street between Fifth and Sixth avenues with a lot area of approximately 6,315 square feet. The Property is improved with a twelve-story office with ground- floor retail building of approximately 65,400 above-grade gross square feet and 3,600 below-grade square feet. Total rentable above-grade area is approximately 84,850 square feet. The Property is zoned M1-6 and located within the Garment District.

Property Snapshot	
Block/Lot	838/62
Lot Area	6,315 SF
Year Built	1912
Lot Dimensions	63.92’ x 98.75'
Frontage	63.91´
West 37th Street	41.17’
Building Area, Rentable	84,850 SF
Zoning	M1-6
FAR	8.34
Max FAR	10.00
Floor Count	12

The property was purchased in 2005, with a low occupancy rate, and most of the tenants were manufacturers in the garment industry or costume jewelry. Very quickly, Northern Estates Corporation changed the marketing strategy and focused on corporate office tenants, by improving the product delivery and offering competitive deals at a 3% yearly increase. The refurbishing resulted in an elegant lobby with modern elevators, skyline windows, oak hardwood floors, individual control of HVAC systems that were completely renewed. In 2017, the façade was washed, and ornaments were reconditioned, giving the building a fresh new face. In 2020, the COVID-19 crisis had a deep impact in our clients who struggled to survive, regrettably, some went out of business.

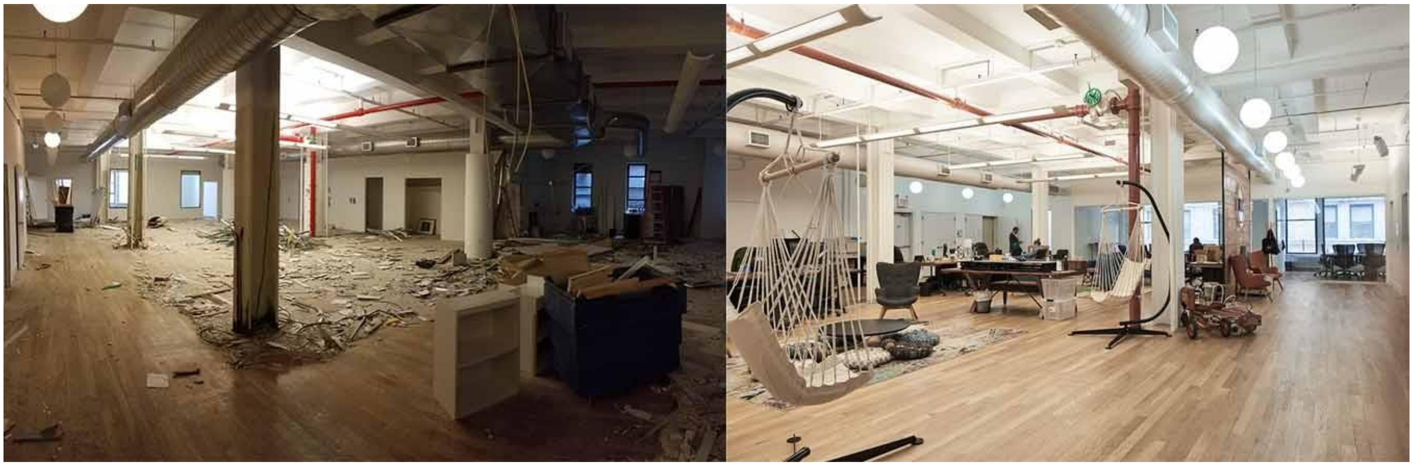
The property is not fully occupied and has over 20,000 vacant rentable square feet. However, given the strength of the Manhattan's real estate market, as well as the desirable location and good condition of the property, a value on the higher end of the estimated range should be achievable. The vacant retail means a huge opportunity given the increase in foot traffic the block will see thanks to the new Amazon office building, a few steps away.

Building conditions in 2005

Most of the floors were destined to manufacturing and the retail was vacant.

Before and after of a typical floor

From a manufacturing space to a marketing agency, tenants seek for open space and smart office design. Northern Estates provides end to end project management.



Marble lobby and brass elevators

Norther Estates delivered a fully refurbished lobby, with a stylish design, matching the architecture of the 1915 building.

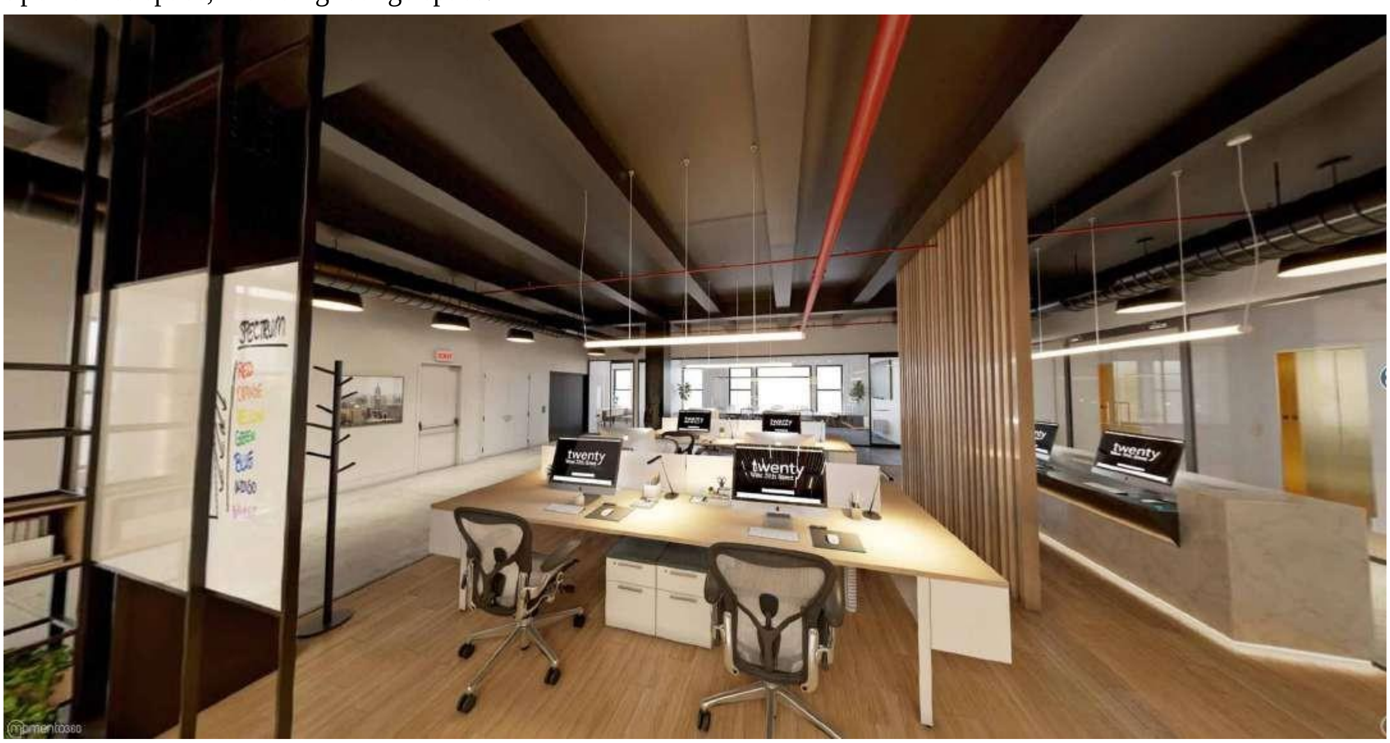
Façade repairs and wash

As per Local Law 11, the building was properly repaired in 2019, exposing great details of it's architecture.

Quality design offered to tenants

360º renders are offered to potential tenants to visualize the final product available. The renders areapplicable to all floors, as the floorplate replicates throughout the building. This tool has been of great use during 2020, given the hardships of showing space during lockdown.

Open office space, including lounge space.

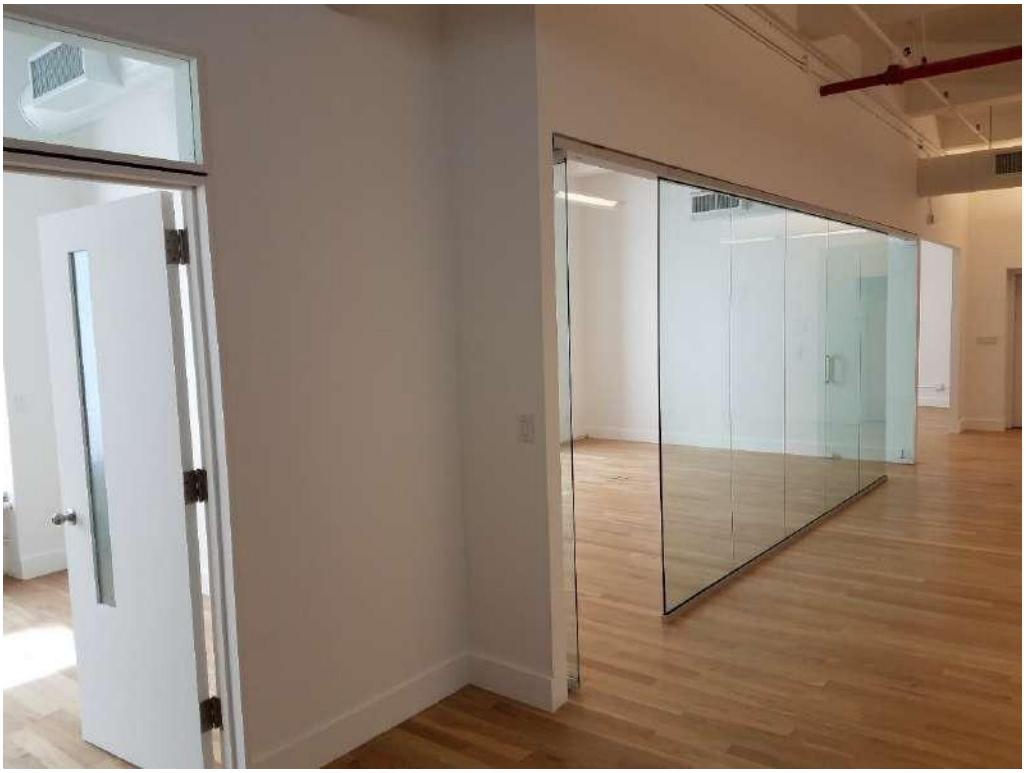


The 360º render can be utilized with a VR headset.

Render of a Kitchen and rest area (above). White box product delivery (below).

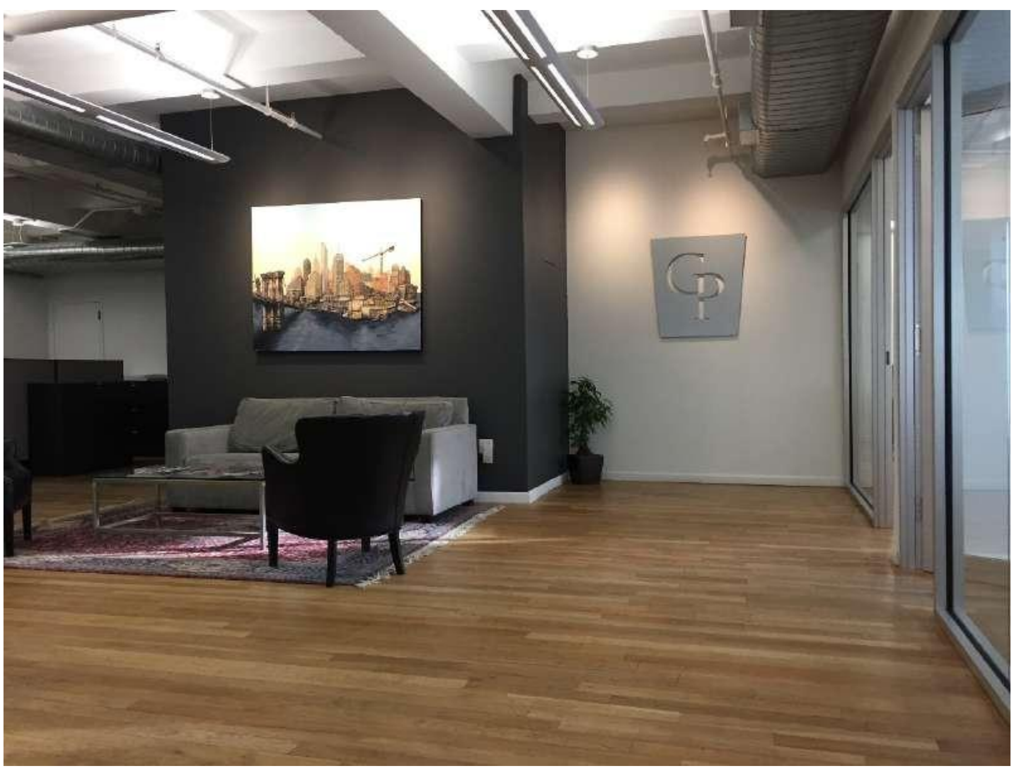
White box delivery

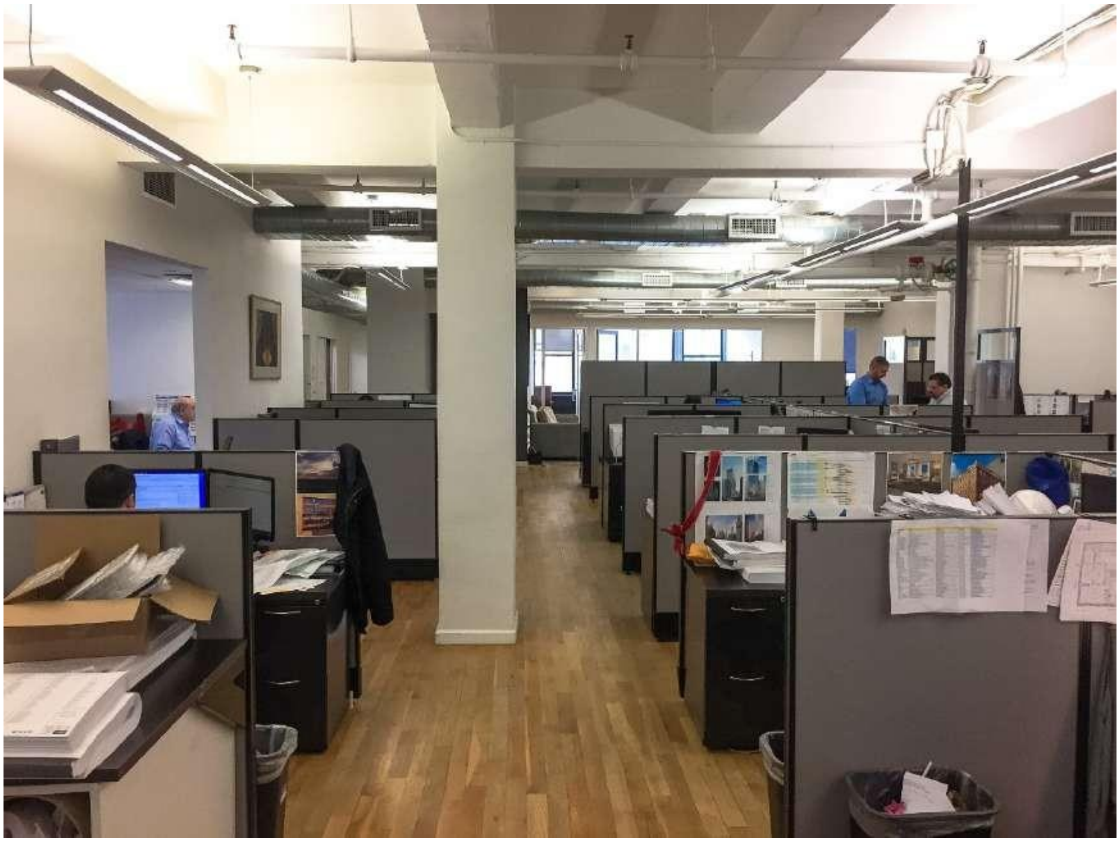
Northern Estates Corp delivers open office space, with new hardwood flooring, light fixtures, HVAC, and white walls and ceiling.

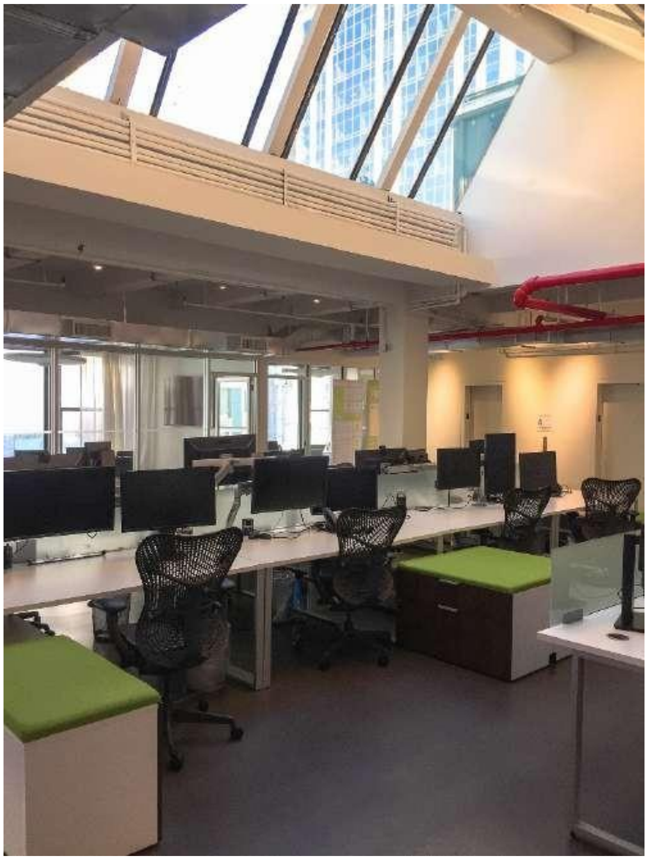


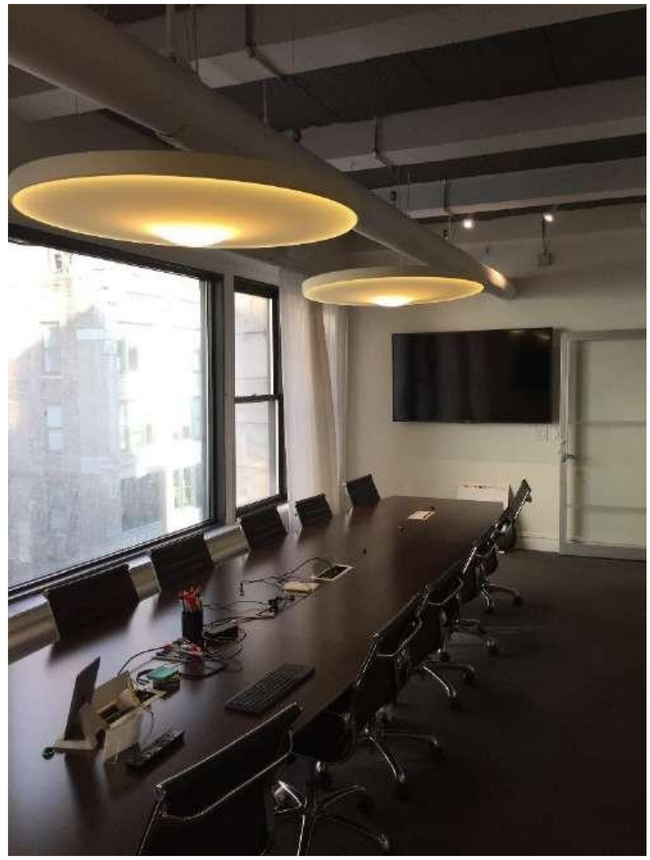
Typical tenant space

Our users are mainly corporate offices, consultants, or agencies. Marketing was shifted from manufacturing tenants to these clients

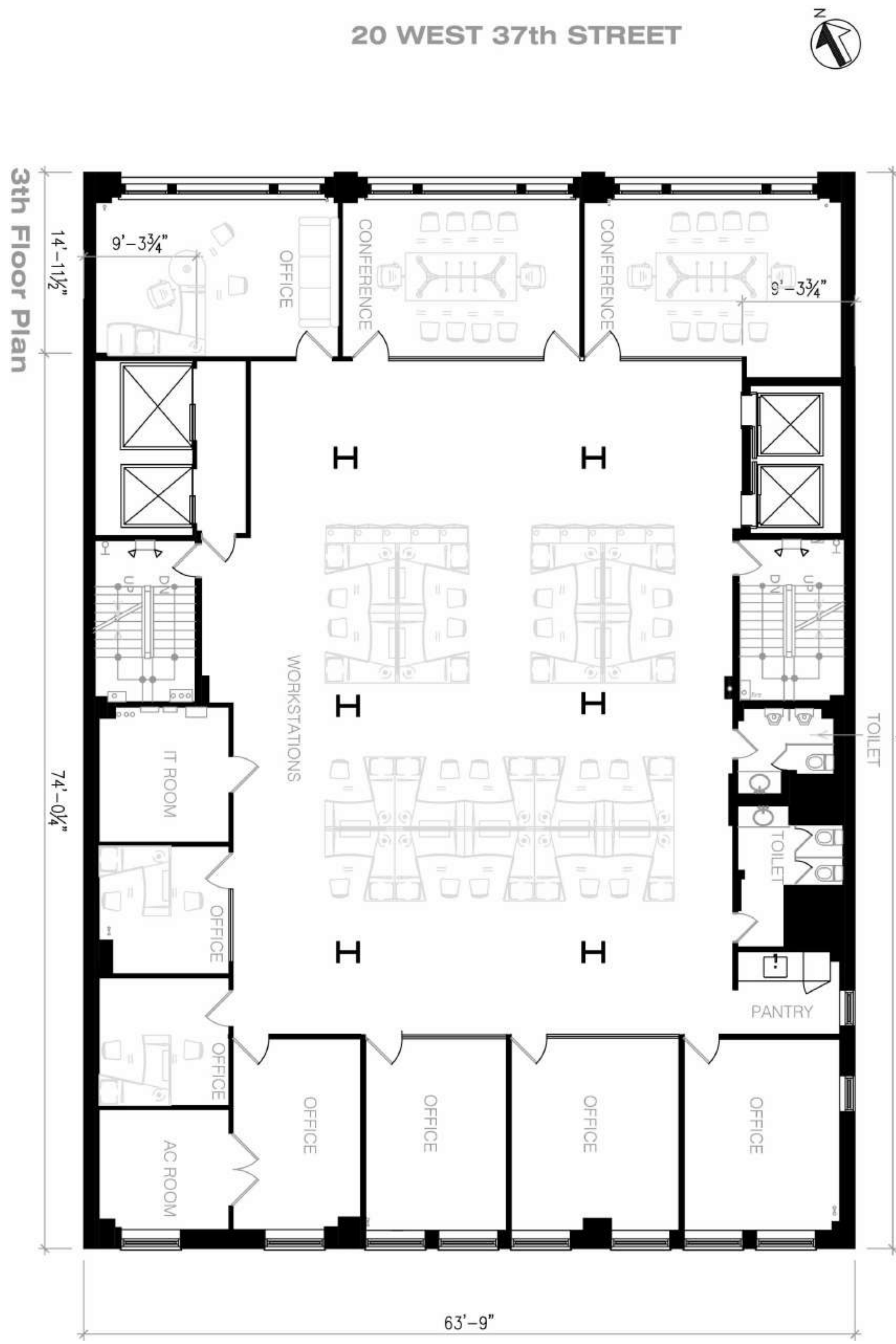








Typical floorplan



Plot plan

Location overview

20 West 37 Street is located between Fifth and Sixth avenues (Avenue of the Americas) in Midtown Manhattan. The Property, benefits from its proximity to both Penn Station Terminal and Bryant Park, and its centrality to New York’s primary Midtown business, tourist and shopping districts.

Pen Station terminal is one of the main influx of pedestrian traffic in Manhattan. It brings in more than half of the total commuters every day and ranks first as busiest railway station in the country. The foot traffic in the area has been accompanied by the famous Madison Square Garden, that hosts both musical and sporting events. The bars and restaurants have blossomed around the area, full of commuters waiting after rush hour to hop on their train back home. Office space has also thrived, employers search to benefit employees with shorter commuting times. The main example of the latter is Hudson Yards, to the West of Penn Station. Hudson Yards homes a cluster of company giants, such as Pfizer, Accenture, L’Oréal, BlackRock and Warner Media, among others. To the opposite side of the station, we can also find major office developments, such as the new Amazon building, located in the refurbished Lord and Taylor building, on Fifth Ave., between 38th and 39th street. As a result, 2000 workers will walk past 20 West 37 street before catching the train. The property is also situated just blocks away from numerous major tourist attractions including Macy’s Department Store, the Empire State Building, the main branch of the New York Public Library, Madison Square Garden and Bryant Park, which offers outdoor activities such as ice skating, patio dining, evening movies and kiosk shopping.

Many of the business professionals and tourists who populate these destinations come from locations outside of New York City. Hotels on the side streets of Avenue of the Americas, submarket such as The Wingate, The Langham, The Gregory Hotel, Bryant Park Hotel or Park Terrace Hotel provide accommodations for these visitors. Hundreds of restaurants satisfy nearly all taste preferences, while shopping abounds in stores ranging from the national retailers of 42nd street to the designer destinations of Fifth Avenue, the famous Macy's, jewelry outlets in the Diamond District and individual boutiques on the side streets.

Area map

Strengths, Weaknesses, Opportunities and Threats (SWOT)

Strengths

- The subject has good as new conditions and features a newly-completed lobby, modern elevators, new windows, restored façade, and infrastructures (A/C units and boiler).
- The subject is well served by mass transit and located in proximity to Penn Station Terminal.
- The subject is located a few feet away from new Amazon building.
- The subject is surrounded by hotels and stores.
- Real Estate taxes expected to drop.

Weaknesses

- The subject is currently 67% leased, and faces some near-term lease-up risk. This is partially offset by the existing negotiations with two new tenants for approximately 18% of the available rentable office space.
- Dip in the real estate market value, generating less valuable leases.
- High vacancy rate in the area.

Opportunities

- Potential bounce back of real estate market.
- Low interest T-Bills. Low discount rate.
- New business blooming since 2020.

Threats

- Slow return to business normality.
- Market not to return to pre-Covid values.

33 West 46th Street

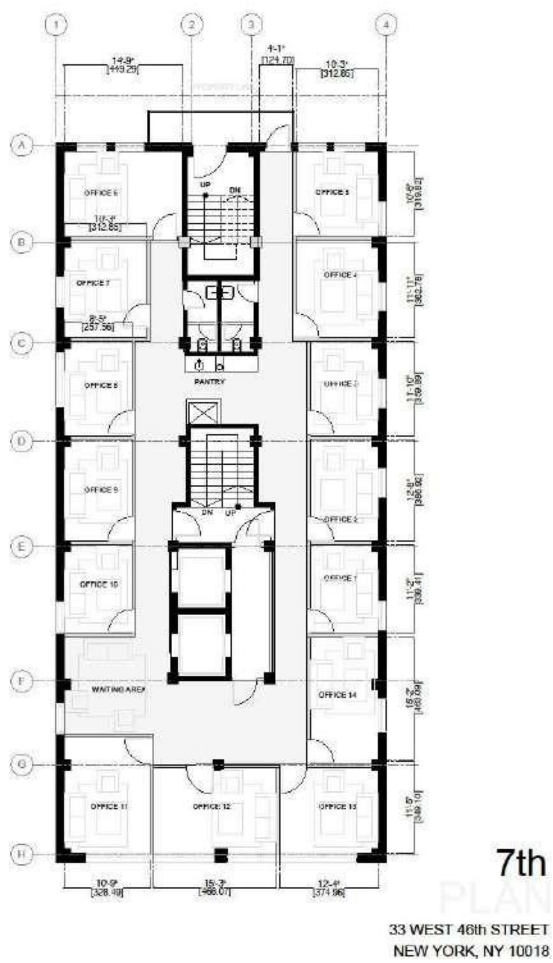

33
VOLTOUR
37
2 BROS

Executive summary

The property is located on the north side of West 46th Street between Fifth and Sixth avenues with a lot area of approximately 4,141 square feet. The Property is improved with a eleven-story office with ground- floor retail building of approximately 47,138 above-grade gross square feet and 1,821 below-grade square feet. Total rentable above-grade area is approximately 47,259 square feet. The Property is zoned C6-4.5 and located within the Special Midtown District (MID). The property has added two 4,000 square feet floors above the roof, summing up to a total of 47,138 square feet.

Although the Property is not fully occupied and has over 20,000 vacant rentable square feet, given the strength of the Manhattan's real estate market, as well as the desirable location and good condition of the property, a value on the higher end of the estimated range should be achievable. The additional floors constructed above, also add significant value to the rentable offer, they have a 360º view of the block thanksto the number of windows at the side of the building and access to a rentable rooftop.

Property Snapshot	
Block/Lot	1262/21
Lot Area	4,141 SF
Year Built	1915
Lot Dimensions	1.17' x 100.42'
Frontage	
West 46th Street	41.17'
Building Area, Rentable	47,259 SF
Zoning	C6-4.5
FAR	8.34
Max FAR	12.00
Floor Count	11

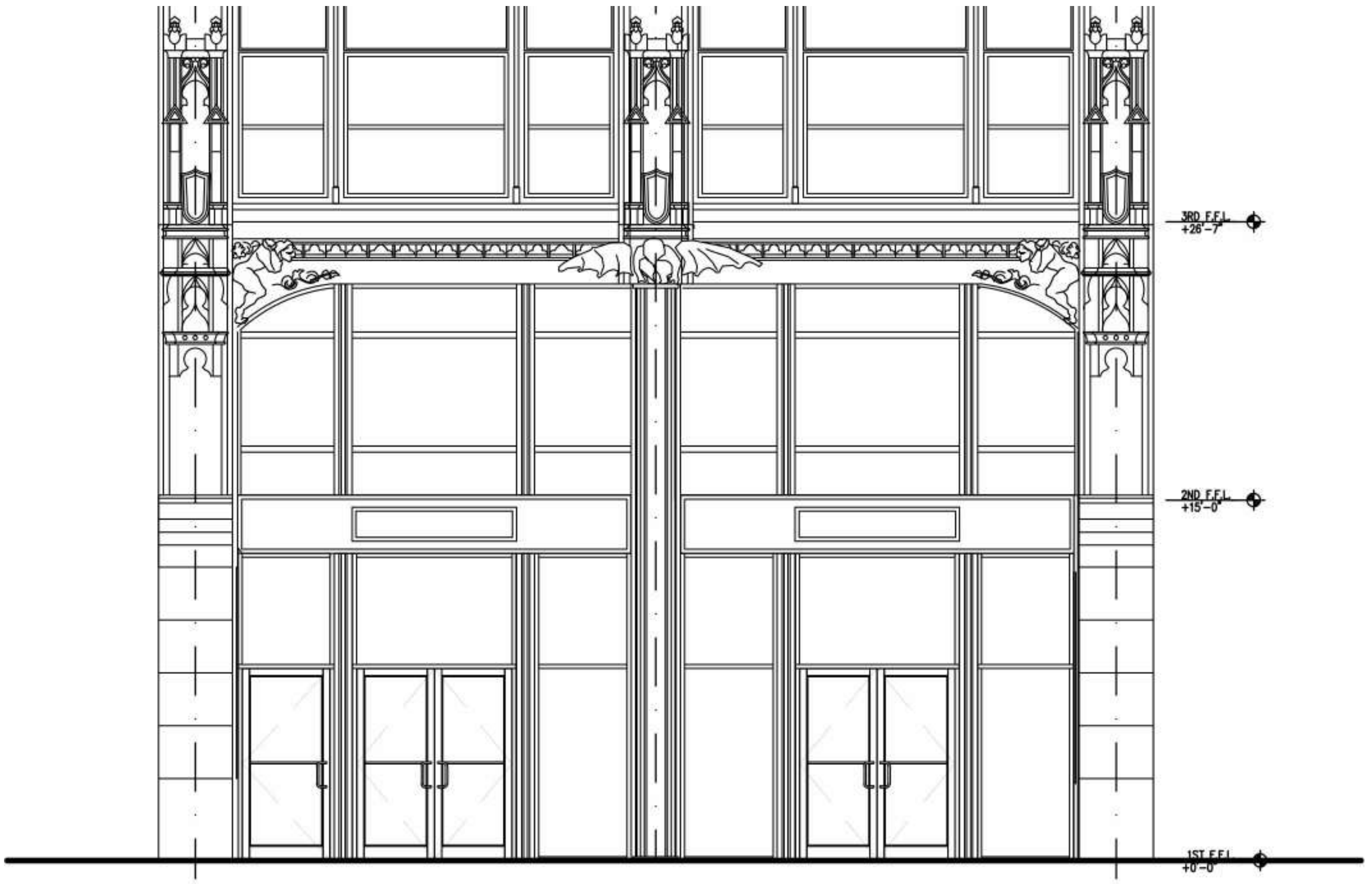


The entrance and lobby

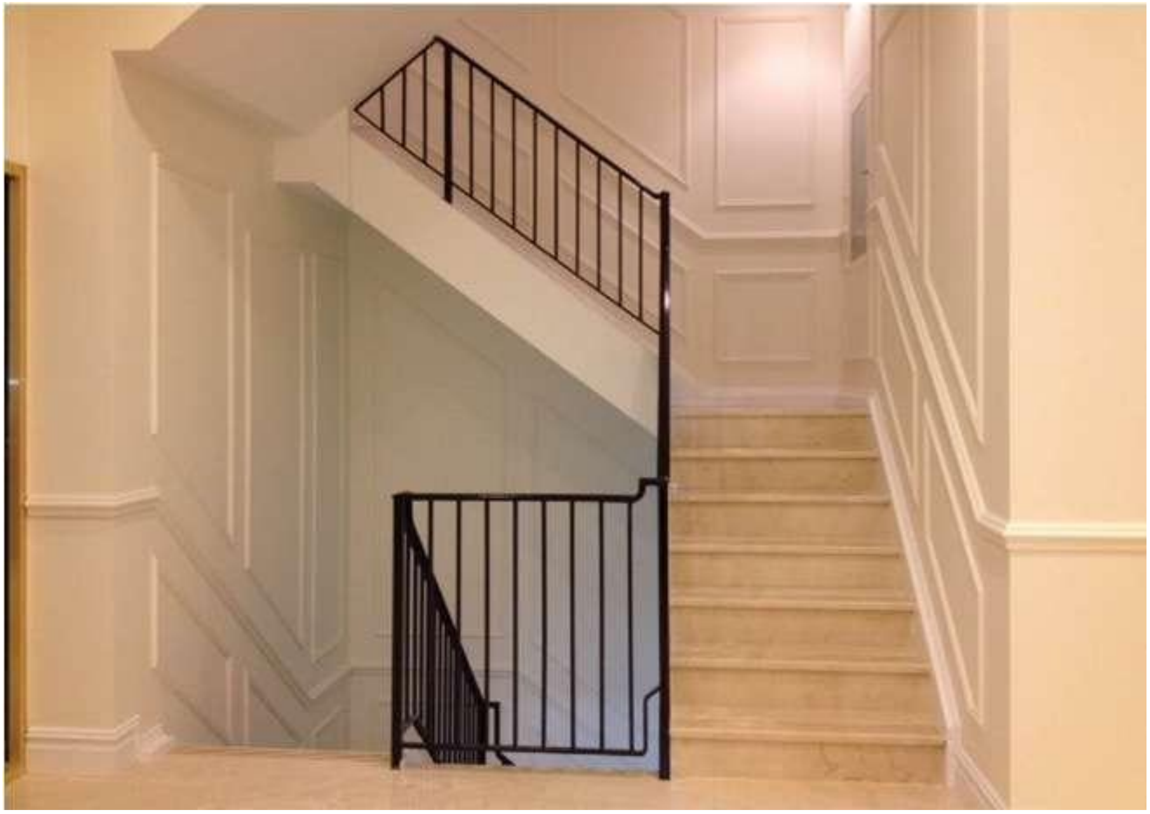
By the time of acquisition, the retail area was small, outdated and lacked appeal.

The refurbished entrance and lobby

The lobby was relocated to the West, and larger space was destined to comercial retail. A new architectural front was designed to match the 1915 façade.



The lobby was built with marble floors, and walls were given a molding design finish.



The Lobby

Core plumbing and heating refurbishing

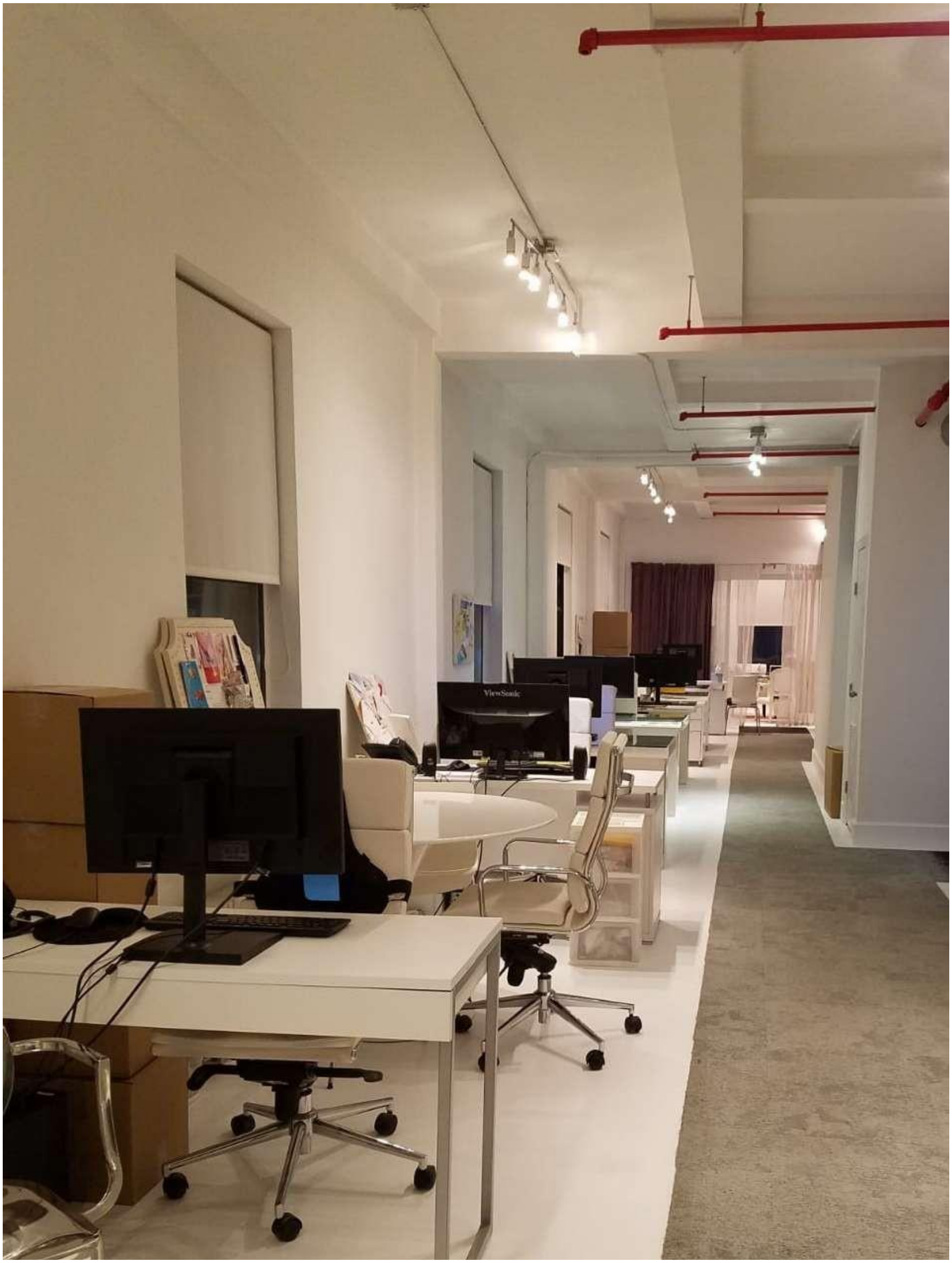
The cellar was redesigned to fit a new gas water boiler for central heating, a new fire reserve water tank and new standpipe and sprinklers.

White box delivery

Each floor that goes into the market receives a white box finish, that includes demolition to open up entire space, sand, plaster, primer and white paint on walls, hardwood floor or self leveling concrete.

Façade repair and wash, before and after

Typical tenant layout



Plot plan

Location overview

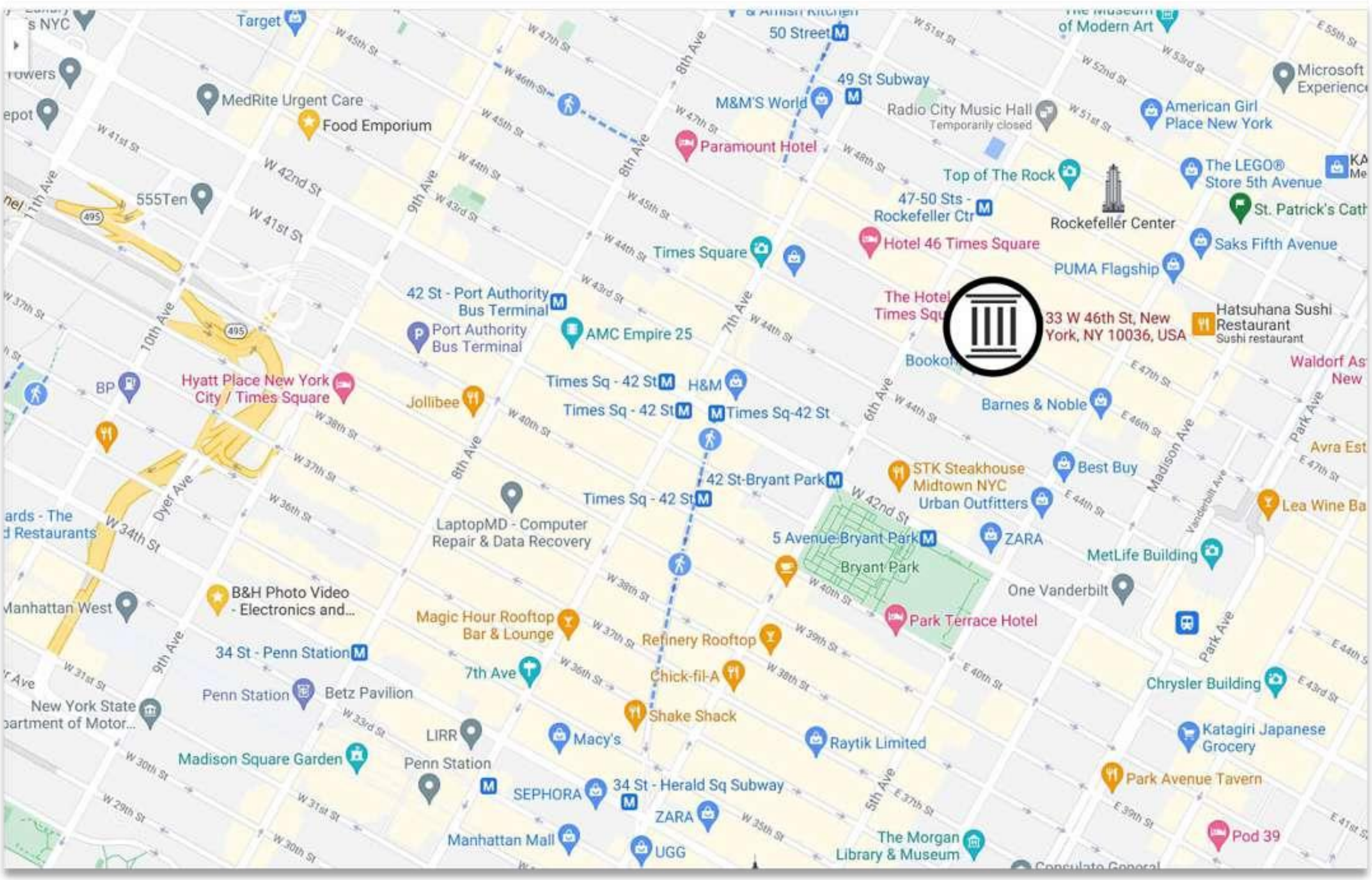
33 West 46 Street is located between Fifth and Sixth avenues (Avenue of the Americas) in Midtown Manhattan. The property, considered part of the Avenue of the Americas submarket, benefits from its proximity to both Grand Central Terminal and Times Square, and its centrality to New York's primary Midtown business, tourist and shopping districts.

Avenue of the Americas, also known as Sixth Avenue, is home to many of the city's most recognized office properties and a host of prominent and influential multinational companies. On Bryant Park, the Grace Building, the Hippodrome, several Rockefeller Plaza buildings and 1095 Avenue of the Americas are among these standouts. The Property is also situated just blocks from numerous major tourist attractions including Radio City Music Hall, Times Square, the main branch of the New York Public Library, the Diamond District and Bryant Park, which offers outdoor activities such as ice skating, patio dining, evening movies and kiosk shopping. Also in proximity to 33 West 46th Street are numerous private clubs including the Penn Club of New York, Harvard Club, Princeton Club and New York Yacht Club.

Many of the business professionals and tourists who populate these destinations come from locations outside of New York City. Hotels on the side streets of the Avenue of the Americas submarket such as The

Algonquin, The Iroquois, The Muse New York, Bryant Park Hotel, Sofitel New York and Cassa Hotel provide accommodations for these visitors. Hundreds of restaurants satisfy nearly all taste preferences, whileshopping abounds in stores ranging from the national retailers of Times Square to the designer destinationsof Fifth Avenue, big boxes on Madison Avenue, jewelry outlets in the Diamond District and individual boutiques on the side streets.

Area map



STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT)

Strengths

- The subject has good as new conditions and features a newly-completed lobby, modern elevators, new windows, restored façade, and infrastructures (Standpipe, sprinklers, class E alarm).
- The subject is well served by mass transit and located in proximity to Grand Central Terminal.
- The subject is located a few steps away from Diamond District
- The subject is surrounded by hotels and stores.

- Real Estate taxes expected to drop.
- New additional floors to add value to the property

Weaknesses

- The subject is currently 51% leased, and faces some near-term lease-up risk
- Dip in the real estate market value, generating less valuable leases.
- High vacancy rate in the area.

Opportunities

- Potential bounce back of real estate market.
- Low interest T-Bills. Low discount rate.
- New business blooming since 2020.

Threats

- Slow return to business normality.
- Market not to return to pre-Covid values.

The Construction of the additional floors

In 2014, the building Management runs a zoning analysis and finds out about 6814 ft2 of unused available air rights in the zoning lot. The lender bank at the time was informed about the management plans of utilizing the available space to carry out a vertical expansion of office space. In 2015 the Project is set motion, and by 2016 the project is approved by the Department of Building.

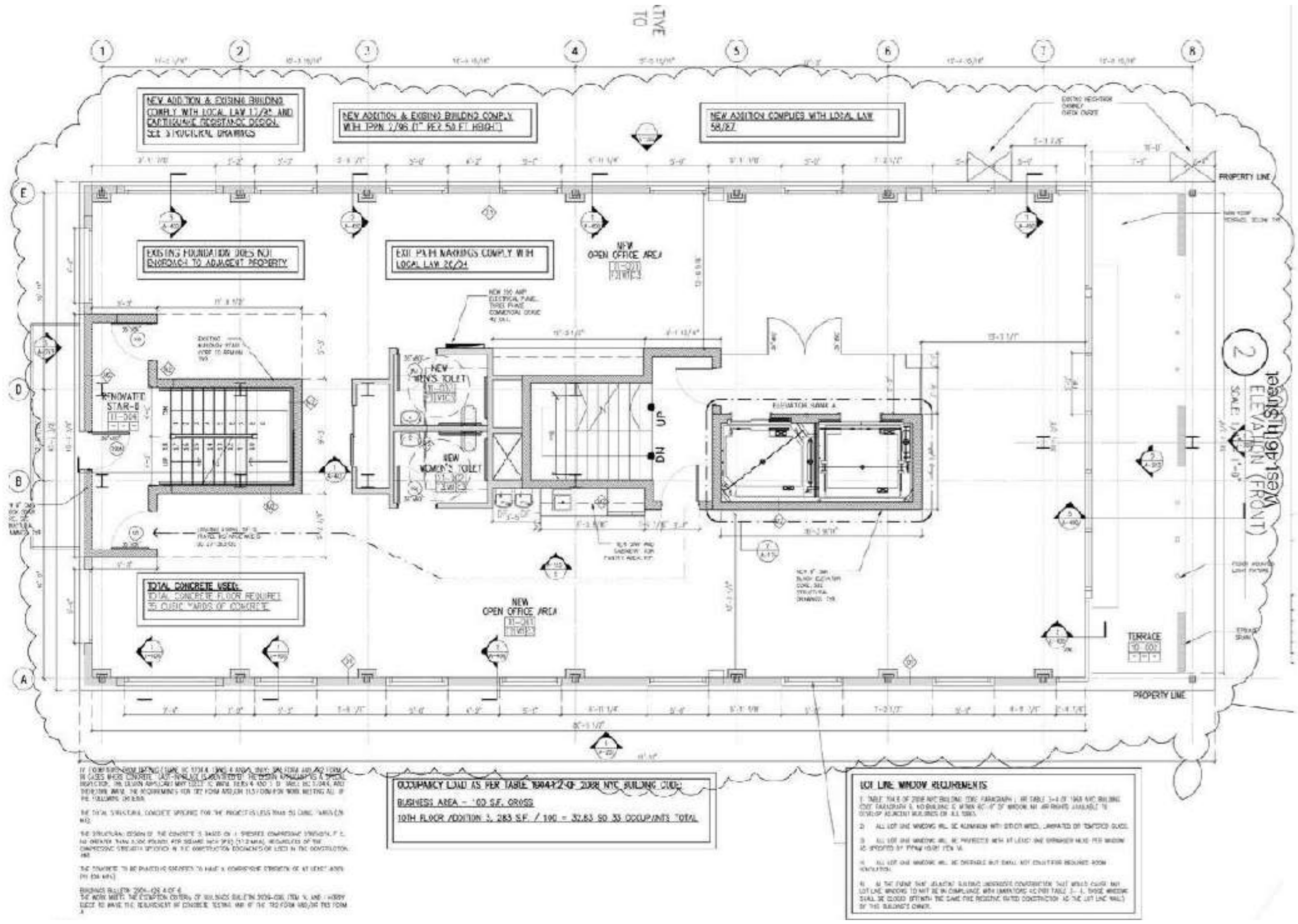
The Project consisted of 1678 ft2 , and a large portion of the available buildable area was still being unused, a structural feasibility plan was carried out in order to find out if an 11th floor was possible.
The plans were resubmitted and approved. At that time, Midland was informed of such actions and solicited pushing back the delivery date.

Construction was set forth in 2016 after hiring a General Contractor who fitted the job description. At the same time, the façade was repointed and conditioned. Additionally, actions were projected to fully sprinkler the building as per local law 11.

The process of construction was slow due to logistic issues such as street embargos and inadequate working hours on account of the coexistence with tenant business operations in the building.

By 2020, the bulk of the work had been finished, but exterior works where still in process. As a result of a difficult relationship with the General Contractor, it was decided that he would be let go as soon as his permit expired, and a new contractor would pull a new permit to finish the job. A settlement agreement was reached and all lien waivers from the contractors were obtained.

Today the new contractor is waiting for the permit to be processed in order to finish roofing, insulation, south storefront, plumbing and interior finishes. We expect such works to be delivered in the process of 5 months from permit obtainment to sign off.

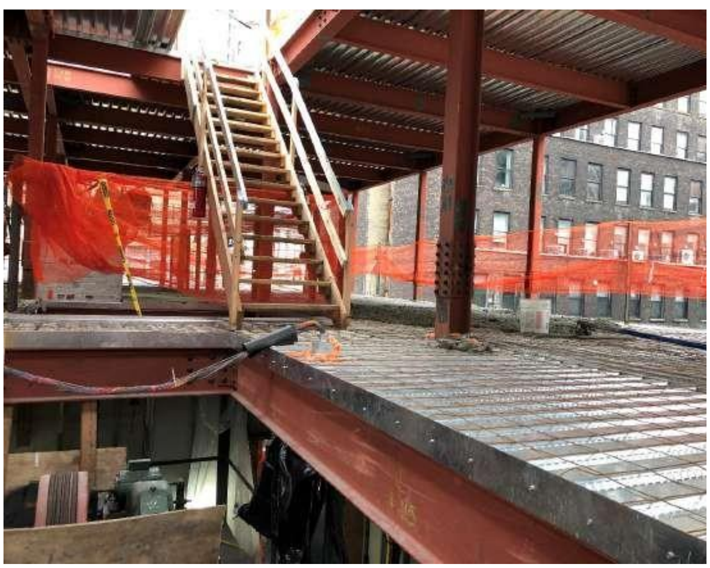


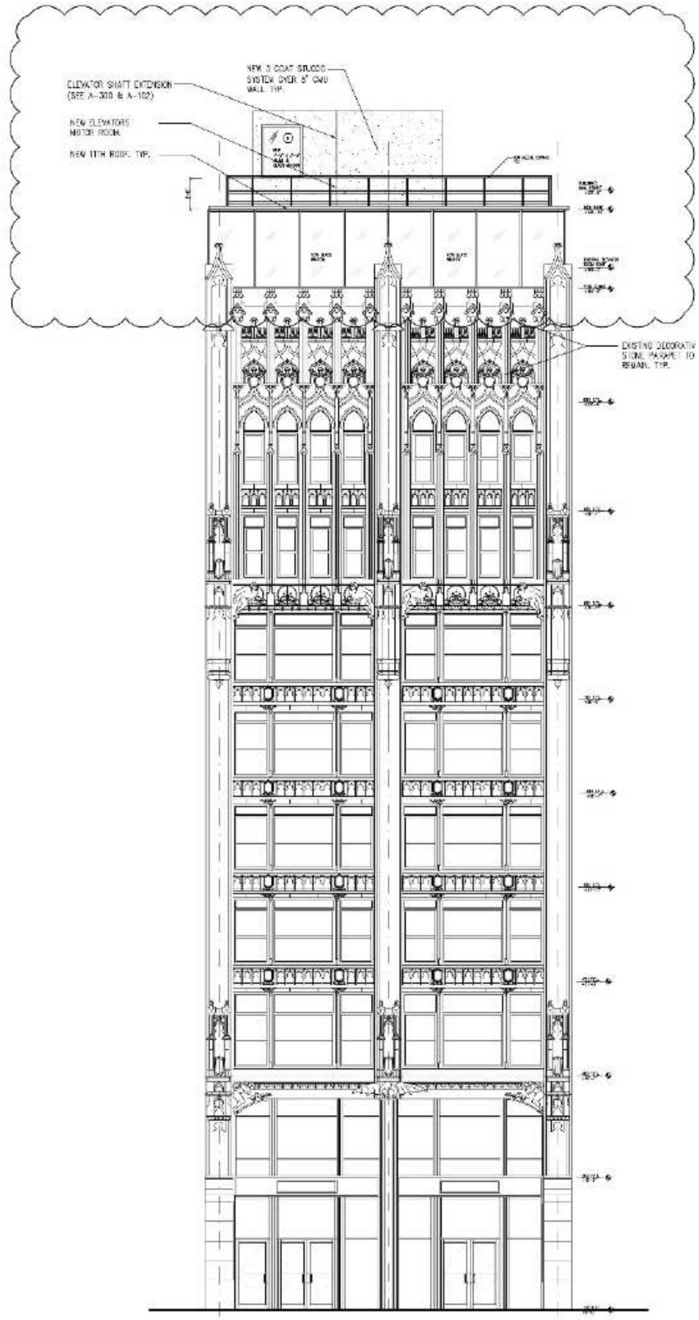
The new floors

The new floors above 33 West 46 street provide the client a unique 360º view of Midtown. To the West, the shining reflecting courtain wall of the Gem Tower surrounds the enviroment with class and sofistication. To the North, the Iconic Rockefeller Center rises above everything and to the South, clear sight of 6th avenue and beyond.

A classy rooftop will be accessible rom the 11th floor, adding incredible value to the sofisticated tenant, while on the 10th floor, a terrace in the front of the building is added to enjoy a New York afternoon surrounded by 1915 classical ornaments.

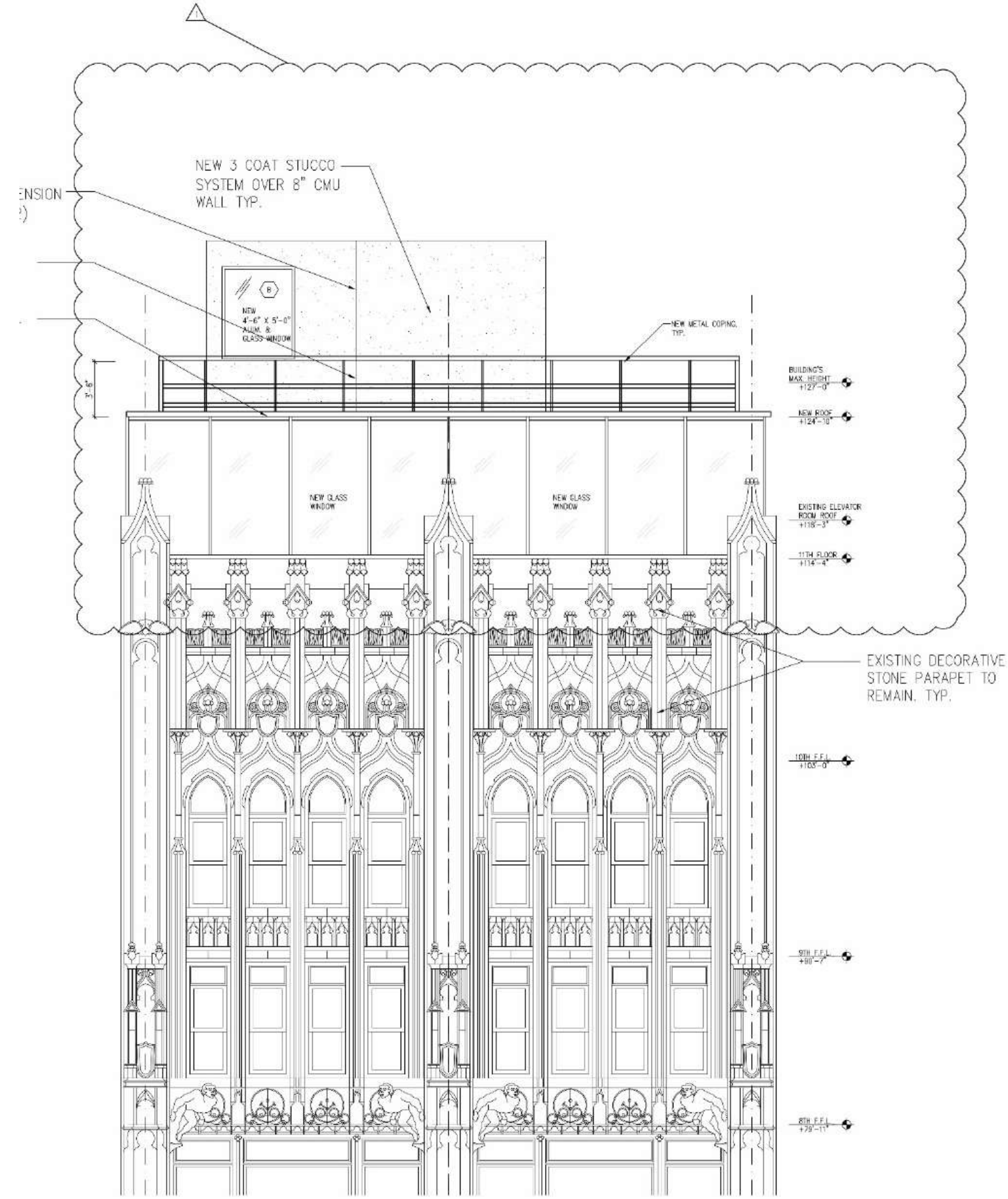
The expected market value of the floors is expected to be 40% above building avearge.





1 SOUTH ELEVATION (FRONT)
SCALE: 1/8" = 1'-0"


ALMEIDA CONCRETE PUMPING
IKINARI
いきなり
33 WEST 46 STREET
NEW YORK, NY 10036
R.U.B.G.A LLC
ALMEIDA



2 SOUTH PARTIAL ELEVATION (FRONT) DETAIL
SCALE: 1/4" = 1'-0"

MARKET OVERVIEW

Northern Estates Corporation keeps updated reports from all markets where the Company invests.

Market Overview

Manhattan Office | Year-End 2021

CBRE

CBRE Research

January 2022

Year-End 2021

NYC Recovery Indicators

Current Measures vs. Pre-Covid Levels

New York City Covid-19 Infections

Weekly New Infections

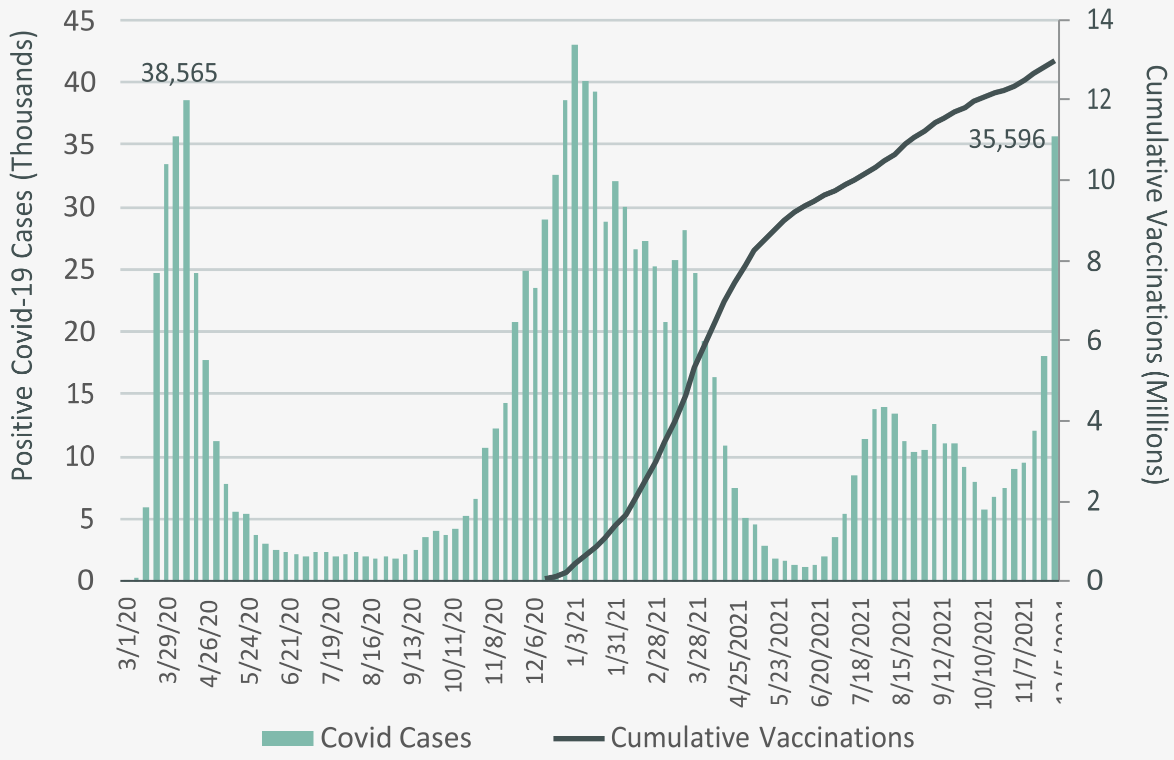
-8%

below New York City's first infection peak in April 2020

81%

of eligible NYC residents have received at lease one vaccine dose

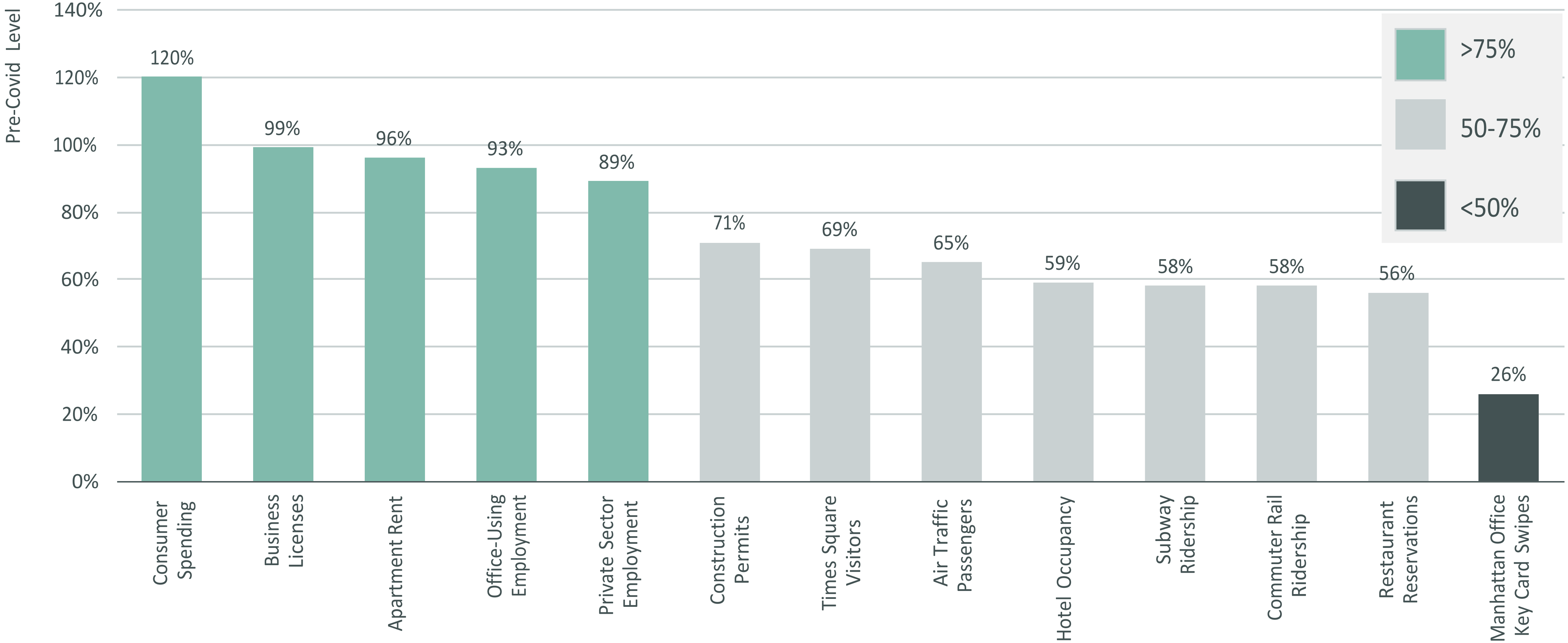
- NYC's Covid positivity rate surged in December as the Omicron variant swept through the city just as cold weather drove people indoors.
- The significant spike in positive cases due to the Omicron variant has resulted in renewed masking requirements and proof of vaccination and booster in order to dine indoors. However, neither city nor state governments are reestablishing lock-down regulations, and NYC public schools continued in-person learning through year-end.
- The winter is expected to be a challenging season for New York, disrupting the city's economic and cultural reopening, along with delaying dates for employees' return to the office.



Source: CBRE Research, The New York Times. Data as of December 18, 2021.

New York City Recovery Indicators

Current Measures vs. Pre-Covid Levels



Source: CBRE Research. Data as of December 22, 2021.

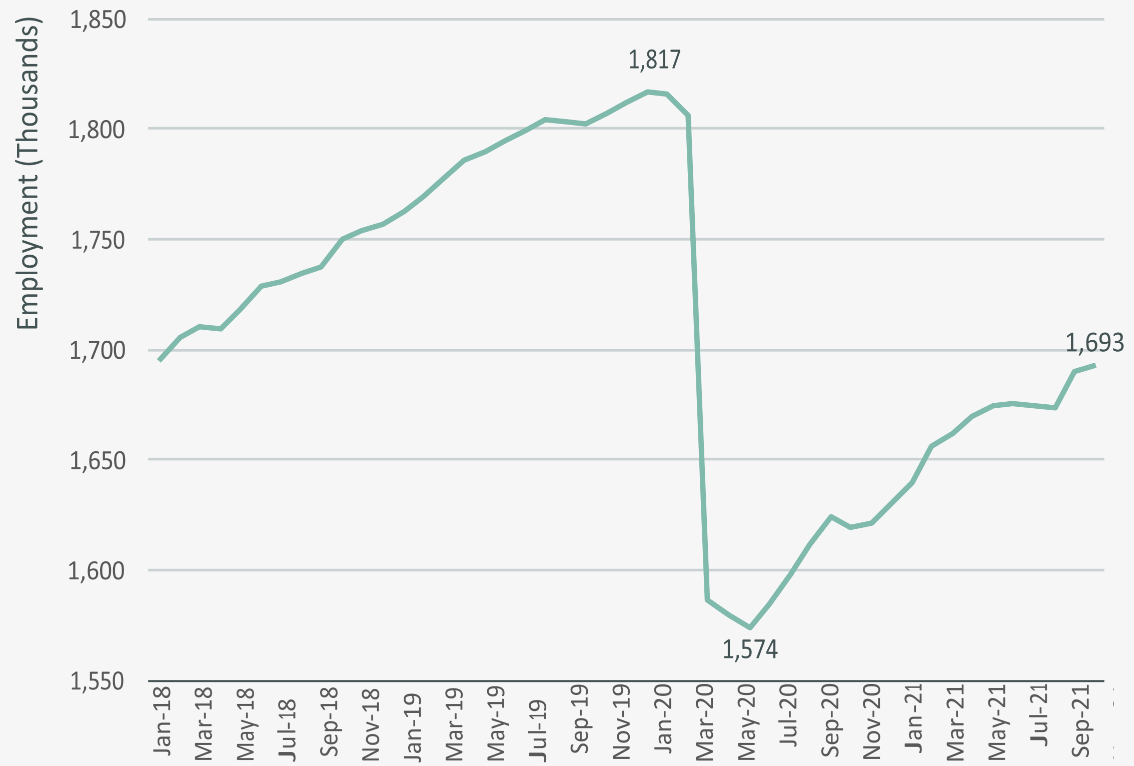
NYC Office-Using Employment Recovering

Seasonally-Adjusted Payroll Employment

93%

office-using employment compared to pre-Covid peak

- New York City's office-using employment (OUE) fell by 13% to a low of about 1.57 million in June 2020.
- OUE has seen a solid recovery since bottoming out, boosted by the advertising, media and telecom, business and professional services, and high-tech industry sectors.
- OUE saw its strongest month-over-month increase of the pandemic era in October 2021 and as of November 2021 was at 1.69 million jobs, 93% of its pre-pandemic peak and on par with late-2017 levels.



Source: CBRE Research, St. Louis FRED. Data as of December 1, 2021.

NYC Transit Ridership / Bridge & Tunnel Usage

Weekly Ridership/Usage, 2020-21 vs. 2019

58%

subway ridership compared to 2019

- MTA subway ridership recovery peaked at 61% in late November 2021 following several months of improvement after stalling at 30% of 2019 levels for much of 2020.
- The spread of the Omicron variant has reversed these gains in recent weeks as events are cancelled and riders once again avoided public transit.
- It is too early to tell how severely Omicron will impact office reoccupancy plans, tourism, and the city's social calendar. Ridership gains will likely stall or decline through the winter or until Covid-19 infections peak and fall off.

Source: CBRE Research, MTA. Data as of December 18, 2021.

Year-End 2021

2021 Recap & Historical Statistics

Manhattan Office Market

Manhattan State of the Office Market | 2021 Recap

Overview

Manhattan's office market rebound began in earnest in 2021 but is still in its early days of recovery. The bounce back reflects improvement in office tenant requirements and new leasing volumes, strong momentum in the rebound of the U.S. economy, increasing levels of NYC office-using employment, and success in vaccination levels in the Tri-State region. While headwinds remain – most notably in the form recurring Covid-19 variants delaying official return-to-office plans and elevated office availability – there is reason for optimism as demand drivers showed significant improvement throughout the year, and the local and U.S. economies are learning how to function amid the various waves of the pandemic.

Leasing & Demand

Manhattan's leasing activity (new leases and expansions) improved during each quarter of 2021, capping off the year with a return to pre-pandemic levels in Q4 and well ahead of the five-year quarterly average. This pushed annual leasing activity to 20.42 million sq. ft., 63% ahead of full-year 2020 but the second-lowest annual total since 2012. Renewal activity as a share of total velocity (new leases, expansions and renewals) fell from 37% in 2020 to 24% in 2021. Moreover, the nature of the renewals that did in occur in 2021 shifted from short-term, "band-aid" deals to longer commitments as occupiers sought to take advantage of the market's tenant-favorable conditions.

The square footage of tenant requirements for new space, a precursor for leasing, has rebounded mightily. Large requirements (50,000+ sq. ft.) closed 2021 at 97% of the pre-pandemic level. Meanwhile, tenant requirements of 10,000 sq. ft. or larger have returned to the 2018-2019 baseline level.

Net Absorption & Availability

Positive movement in demand metrics and a slowing of space additions during the second half of 2021 helped stabilize total available space, but the supply profile remains a challenge to the market. Absorption totaled negative 15.7 million sq. ft. in 2021, following negative 17.7 million sq. ft. in 2020. The availability rate closed the year at 18.7%, down from its October 2021 pandemic high point but well above the 11% range it resided in just prior to the pandemic.

Source: CBRE Research. Data as of January 1, 2022.

The total amount of sublease space has now declined for seven consecutive months. This came as a reduction of the volume of sublease additions during the second half of 2021 dovetailed with a surge in the leasing of sublease space, as well as tenants' withdrawal of previously listed subleases. Of those tenants that withdrew space, the majority cited plans to reoccupy.

Rents & Concessions

Asking rents fell a modest 1% year-over-year in 2021 but remain down 6% since the start of the pandemic. Taking rents averaged about 87% of asking rent as of year-end 2021, up from its 83% pandemic trough. Both tenant improvement allowances and free rent have remained at record levels, indicating a great opportunity for tenants. As a result, NER dropped 15% from one year ago and is down 28% since the onset of the pandemic.

Other Market Factors

The market is still very nuanced, and the uneven recovery that is underway is expected to continue. The flight-to-quality trend, which existed before the pandemic, has gained momentum in 2021, with better-quality buildingsgarnering a disproportionally large share of leasing activity. Better buildings – including new construction, highly renovated buildingsor others with robust building infrastructure, desirable location, an abundance of light and air, and amenities – have secured 75% of larger leases in 2021 despite representing only 40% of the square footage of buildings in the market (24% by number of buildings).

Historical Statistics

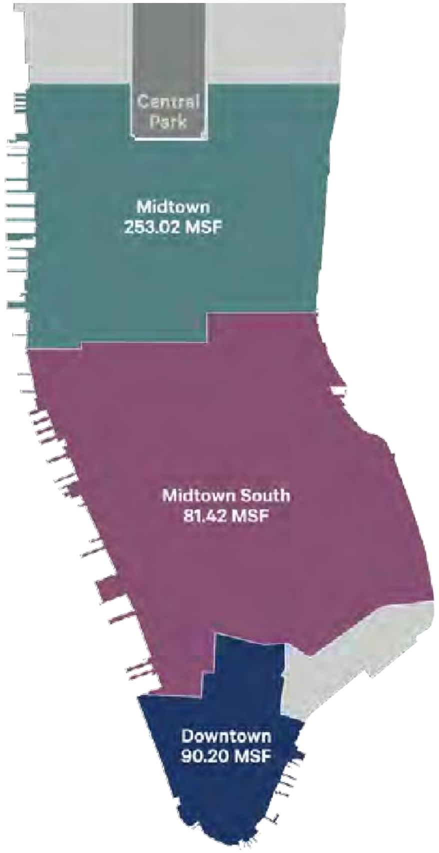
High | Low

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Leasing Activity (MSF)	22.3	24.9	29.9	28.1	22.9	28.4	32.4	31.6	12.6	20.4
Renewals (MSF)*	11.9	11.3	9.2	5.2	8.5	8.3	6.1	8.0	7.4	6.3
Total Velocity (MSF)**	34.2	36.2	39.1	33.3	31.4	36.7	38.5	39.6	20.0	26.7
Absorption (MSF)	(5.9)	0.2	5.4	(0.8)	(3.9)	(0.5)	1.7	(2.1)	(17.7)	(15.7)
Occupancy (MSF)	342.9	344.0	353.8	356.6	347.5	352.7	363.4	368.1	350.4	345.1
Availability Rate	11.9%	11.8%	10.3%	10.4%	11.5%	11.5%	10.8%	11.2%	15.4%	18.7%
Average Asking Rent (PSF)	$58.84	$63.22	$67.05	$71.85	$72.76	$72.91	$73.36	$80.43	$77.25	$76.45

* Revisions were made to renewal data for Midtown and Midtown South, which affected leasing velocity and renewals in select years prior to 2015 | **Velocity is equal to Leasing Activity plus Renewals

Source: CBRE Research. Data as of January 1, 2022.

Historical Statistics by Market



Market		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Midtown	Leasing Activity (MSF)	12.8	15.0	16.8	17.8	15.1	18.0	20.2	17.3	8.8	12.9
Midtown	Renewals (MSF)*	8.3	6.5	5.6	4.2	6.3	6.0	4.3	4.5	4.8	4.3
Midtown	Total Velocity (MSF)**	21.1	21.5	22.4	22.0	21.4	24.0	24.5	21.8	13.6	17.2
Midtown	Absorption (MSF)	(2.4)	0.7	2.8	(0.7)	(2.2)	1.2	1.3	(2.7)	(10.1)	(6.7)
Midtown	Occupancy (MSF)	206.4	207.5	209.3	210.5	206.4	209.4	217.9	218.8	207.3	208.5
Midtown	Availability Rate	12.0%	11.7%	10.5%	10.8%	11.8%	11.2%	10.3%	11.3%	15.4%	17.6%
Midtown	Average Asking Rent (PSF)	$67.80	$72.85	$74.92	$79.91	$80.18	$79.19	$78.43	$86.35	$82.10	$83.45
Midtown South	Leasing Activity (MSF)	5.0	4.2	6.2	5.7	4.4	5.0	6.7	7.0	1.5	4.8
Midtown South	Renewals (MSF)*	1.1	3.5	2.2	0.5	0.5	0.8	0.7	1.1	0.8	0.5
Midtown South	Total Velocity (MSF)**	6.1	7.7	8.4	6.2	4.9	5.8	7.4	8.1	2.3	5.3
Midtown South	Absorption (MSF)	(0.2)	(1.2)	1.1	0.8	(1.6)	(0.4)	0.1	(0.2)	(4.8)	(2.3)
Midtown South	Occupancy (MSF)	65.4	64.7	66.8	68.4	65.7	66.8	68.5	70.2	66.6	66.7
Midtown South	Availability Rate	8.6%	10.2%	8.6%	7.4%	9.7%	10.0%	9.7%	9.8%	15.7%	18.1%
Midtown South	Average Asking Rent (PSF)	$55.14	$64.58	$66.38	$70.55	$68.36	$72.85	$81.69	$84.67	$79.91	$78.56
Downtown	Leasing Activity (MSF)	4.5	5.7	6.8	4.6	3.4	5.5	5.5	7.3	2.3	2.8
Downtown	Renewals (MSF)*	2.5	1.2	1.4	0.6	1.7	1.5	1.1	2.4	1.9	1.5
Downtown	Total Velocity (MSF)**	7.0	6.9	8.2	5.2	5.1	7.0	6.6	9.7	4.2	4.3
Downtown	Absorption (MSF)	(3.2)	0.6	1.6	(0.9)	(0.1)	(1.4)	0.3	0.8	(2.8)	(6.7)
Downtown	Occupancy (MSF)	71.2	71.8	77.6	77.7	75.3	76.5	77.0	79.1	76.5	70.0
Downtown	Availability Rate	14.2%	13.5%	11.0%	11.9%	12.3%	13.5%	13.2%	12.1%	15.1%	22.5%
Downtown	Average Asking Rent (PSF)	$46.85	$46.47	$51.97	$56.57	$58.26	$61.85	$60.23	$63.10	$61.28	$59.62

High Low

* Revisions were made to renewal data for Midtown and Midtown South, which affected leasing velocity and renewals in select years prior to 2015

**Velocity is equal to Leasing Activity plus Renewals

Source: CBRE Research. Data as of January 1, 2022.

Year-End 2021

Tenant Demand Trends

Manhattan Office Market

Manhattan Large TIMs

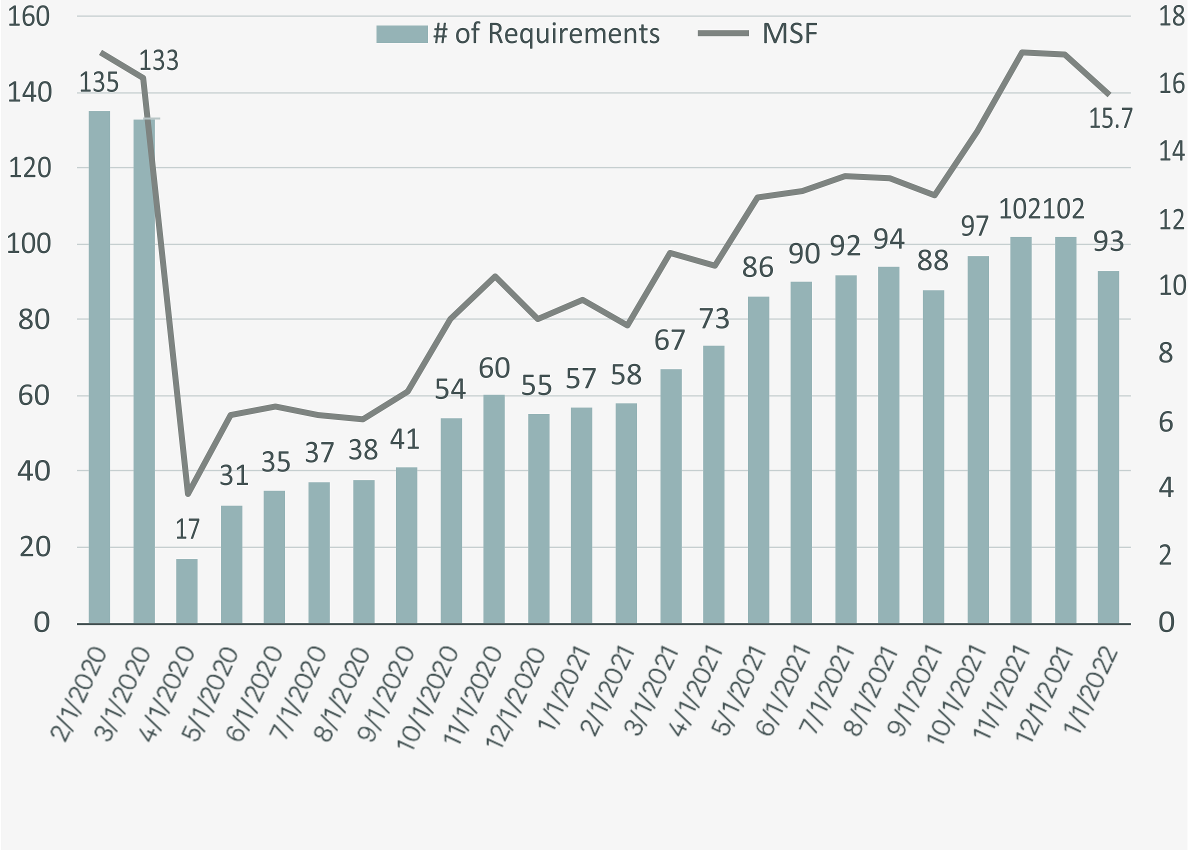
Market Recovering for 50,000 Sq. Ft. and Larger TIMs

97%

of March 2020 requirements based on square footage

- Tenants-in-the-market (TIMs) total 93 requirements for 15.70 million sq. ft. – up 74% from year-end 2020 based on square footage.

- At the low point of the pandemic, many TIMs halted their searches to focus on business operations. The market saw only 17 active TIMs totaling less than 4 million sq. ft. at that point.



Source: CBRE Research. Data as of January 1, 2022.

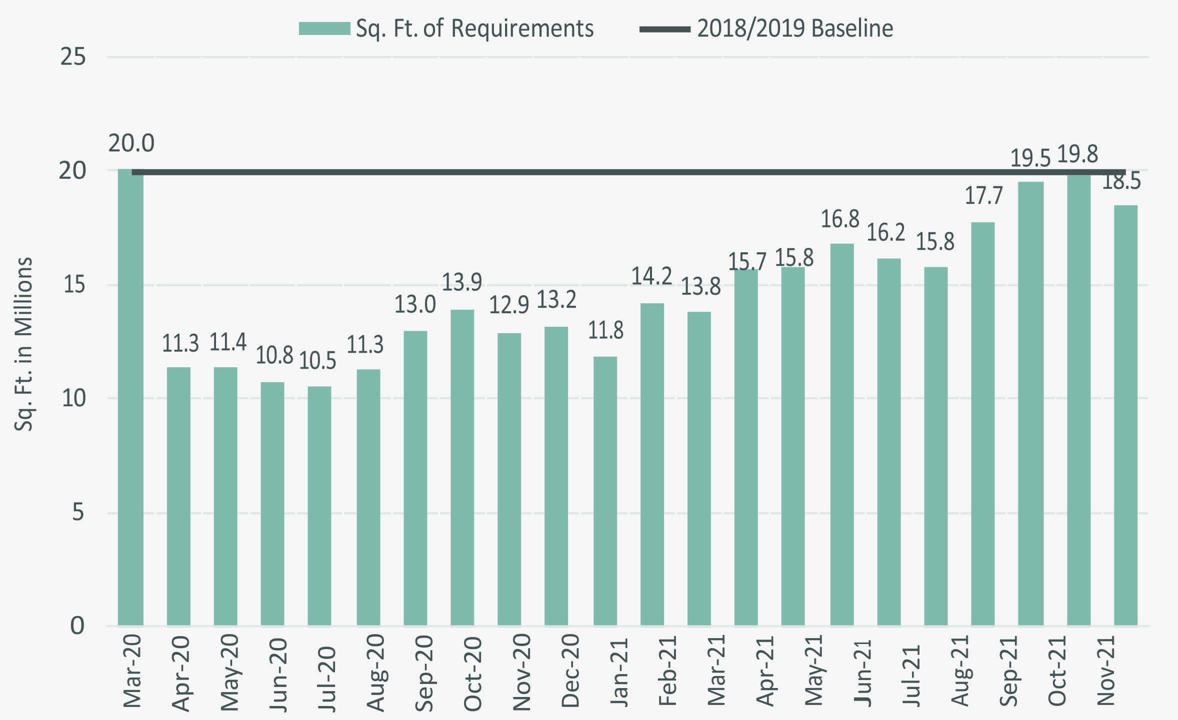
Manhattan TIMs

10,000 Sq. Ft. and Larger TIMs Have Returned to 2018-2019 Levels

93%

of pre-pandemic baseline for TIMs 10,000 sq. ft.+

- Before the pandemic, the tenant requirement pipeline (10,000 sq. ft. and greater) averaged 19.92 million sq. ft. based on 2018-2019 data.
- During the depths of the pandemic, tenant requirements dipped amid the uncertainty to around 10.5 million sq. ft. of requirements.
- The market saw active requirements rebound steadily throughout 2021, returning to the pre-pandemic baseline volume over the past three months.
- While requirements take some time to convert to closed transactions, this momentum bolstered leasing figures in the latter months of 2021 and is expected to continue in early 2022.



Source: CBRE Research. Data as of January 2022.

Year-End 2021

Leasing & Renewal Trends

Manhattan Office Market

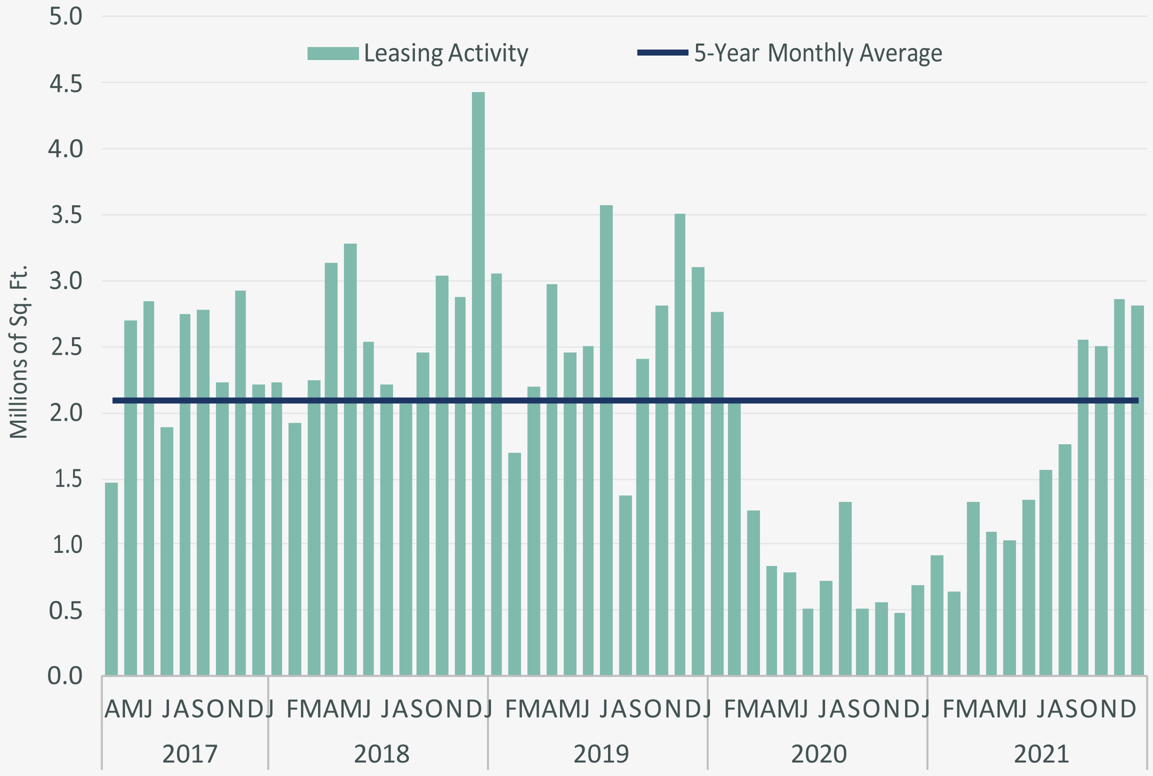
Manhattan Monthly Leasing

Four Consecutive Months of Above-Average Leasing

35%

above the five-year monthly average

- Muted monthly leasing persisted from the onset of the pandemic through early 2021 but has now topped one million sq. ft. for 10 straight months.
- For the first time since the pandemic began, Manhattan saw four consecutive months of leasing activity that exceeded the five-year average.
- November leasing activity totaled 2.86 million sq. ft., the highest monthly figure since 2019, followed by a similarly robust 2.81 million sq. ft. in December.



Source: CBRE Research. Data as of January 1, 2022.

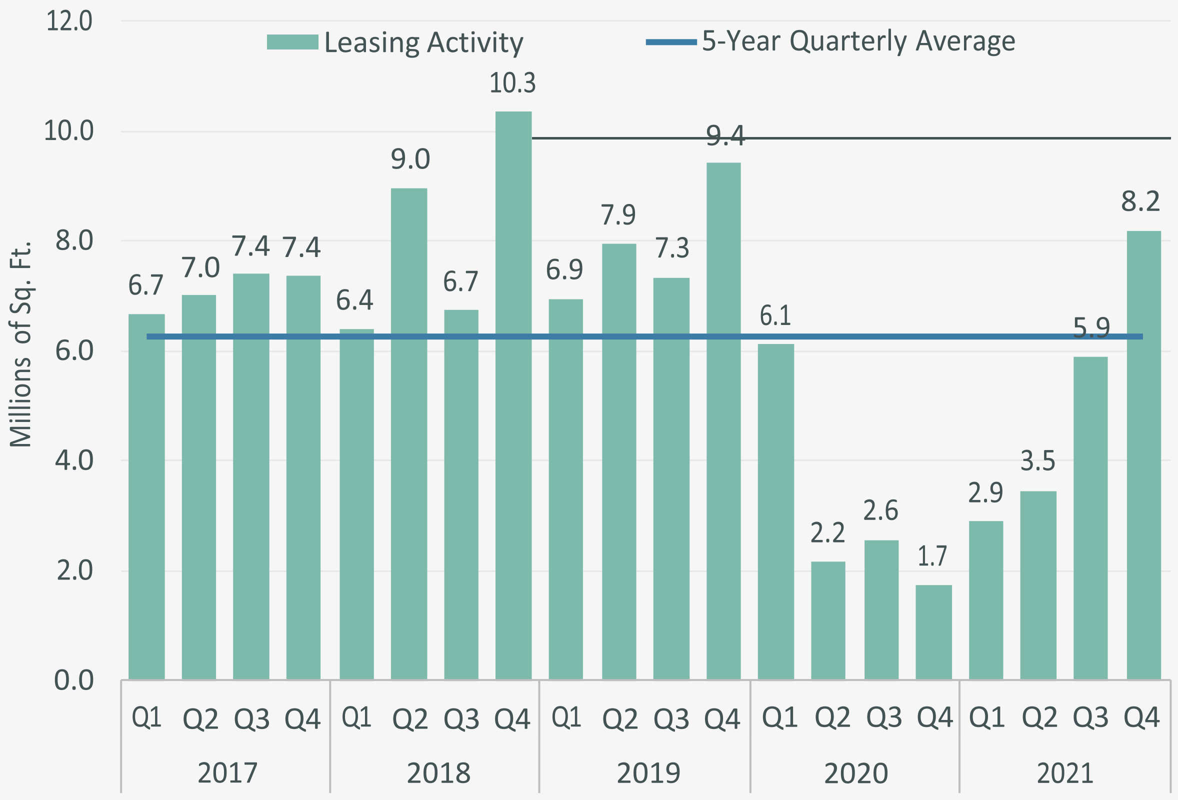
Manhattan Quarterly Leasing

Quarterly Leasing Activity Closes 2021 Above Historical Average

39%

improvement from Q3 2021

- Leasing activity improved during each quarter of 2021, capping off the year with a return to pre-pandemic levels.
- Leasing activity reached 8.19 million sq. ft. in Q4 2021, its highest level since Q4 2019 and 30% ahead of the five-year quarterly average.



Source: CBRE Research. Data as of January 1, 2022.

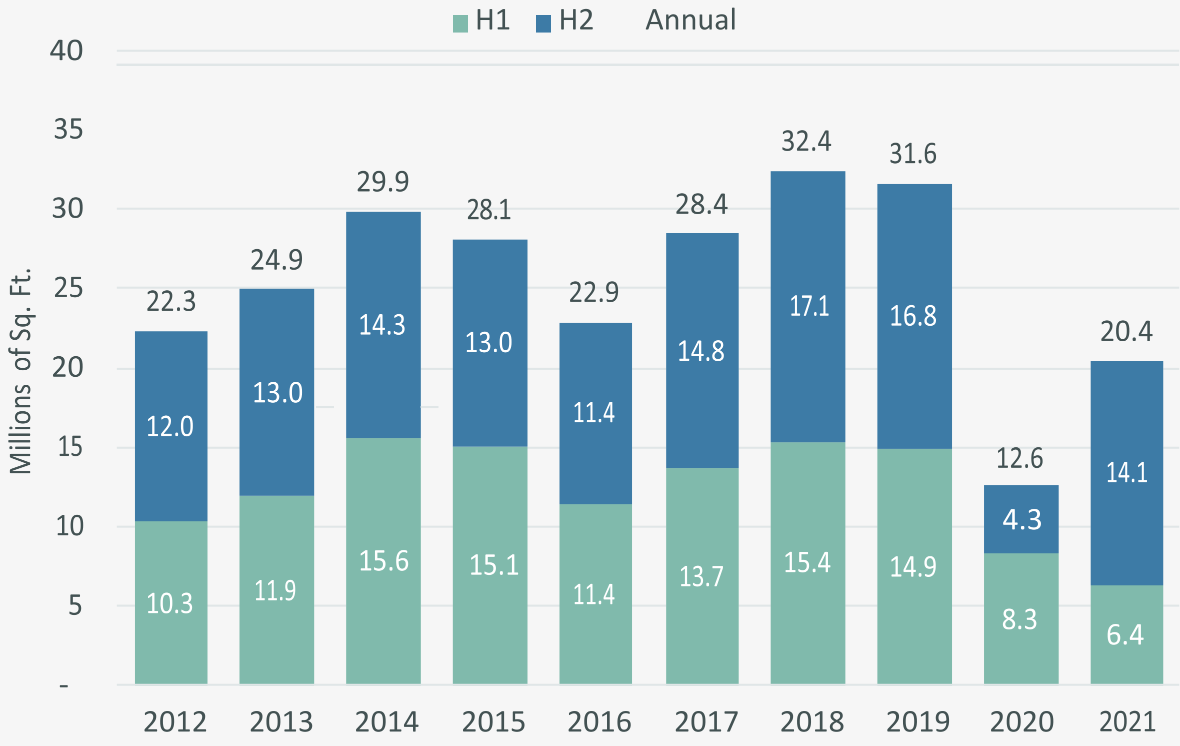
Manhattan Annual Leasing

Annual Rebound Driven by Strong Second Half

63%

ahead of full-year 2020

- Manhattan's annual leasing activity of 20.42 million sq. ft. surpassed 2020's full-year total by 63%
- H2 2021's total was more than double the leasing activity seen in H1 and was on par with the H2 average from 2012 to 2019 of 14.05 million sq. ft.
- Despite the improvement, 2021 still fell short of pre-pandemic levels.



Source: CBRE Research. Data as of January 1, 2022.

Manhattan Total Velocity

Share of Renewals Drops Sharply From 2020

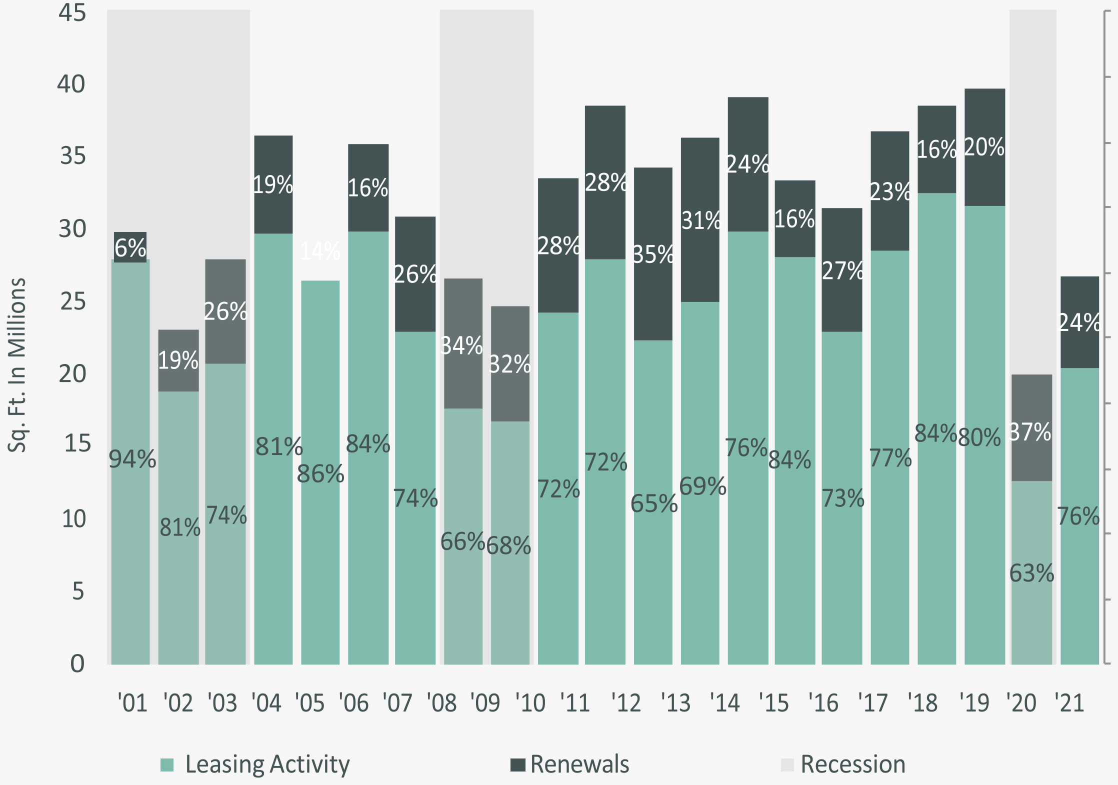
24%

of total velocity in Manhattan was renewals

- During market downturns renewals make up a greater share of total velocity as tenants seek to avoid large capital outlays associated with building out new space.

- From 2010 to 2019, the share of renewals averaged 25% of total velocity, slightly higher than the 2021 level.

- Still, 2021’s share of renewals remains higher than the levels seen during the record-setting years immediately preceding the pandemic.



Source: CBRE Research. Data as of January 1, 2022.

Leasing by Industry

Financial Services Leads the Pack

29%

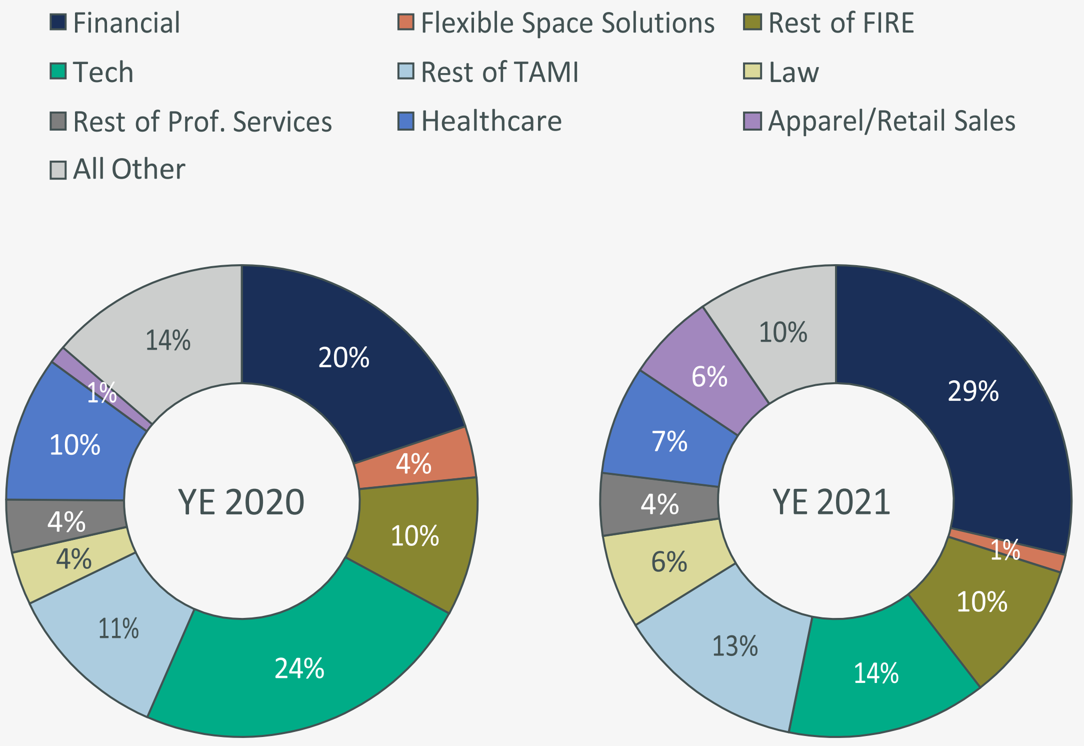
of leasing activity was financial services

– Financial services claimed the largest share of Manhattan's leasing activity for the first time since 2018.

– Tech leasing accounted for the second-largest share with 14% of leasing activity in 2021, down markedly from its share in 2019 (25%) and 2020 (24%).

– Law firms in 2021 made up 6% of leasing, a higher percentage than the 4% they contributed in 2020.

– Healthcare, which includes the life science industry, made up 7% of leasing, down from its share in 2020 (10%).



Source: CBRE Research. Data as of January 1, 2022.

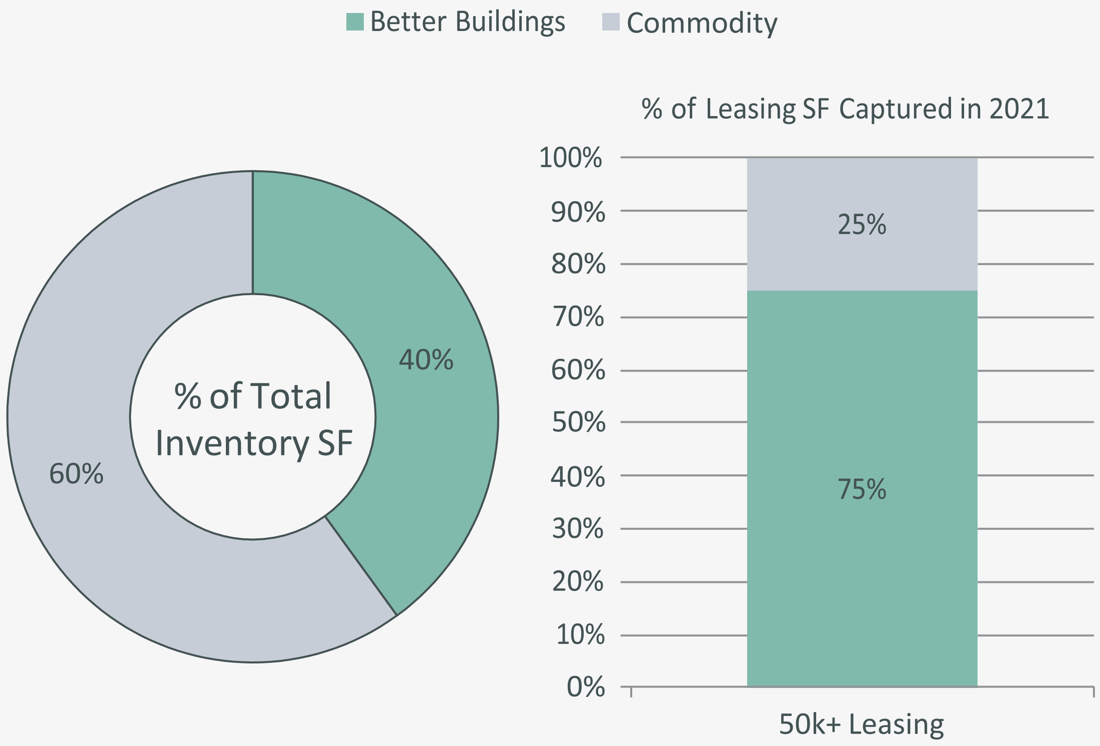
Flight-to-Quality Trend

Better Buildings Take the Lead

75%

of all leasing activity 50k+ sq. ft. was in better buildings

- A "better building" represents high quality assets, including new construction, extensively renovated buildings and other buildings that have fully modernized building systems, desirable locations, superior transit access, abundant light and air, and ample amenities.
- The better buildings in Manhattan are "punching above their weight" considering these assets make up 40% of inventory by square footage and 24% of the inventory by building count.
- Tenants' interest in high-quality assets saw an uptick amid the uncertainty of 2020.
- The flight-to-quality trend is expected to continue as tenants pursue the benefits of new systems and modern amenities that better buildings offer.



Source: CBRE Research. Data as of January 1, 2022.

Notable 2021 Transactions

Tenant	Location	RSF	Quarter	Type	Market	Industry
Blackstone Group	345 Park Avenue	720,000	Q1	Renewal/Expansion	Midtown	Financial Services
Interpublic Group of Companies, Inc.	100 W 33rd Street	513,000	Q3	Renewal	Midtown	Marketing/Public Relations
MSG Holdings, L.P.	2 Penn Plaza	423,411	Q4	Lease	Midtown	Media & Entertainment
Fried, Frank, Harris, Shriver & Jacobson LLP	1 New York Plaza	399,724	Q3	Renewal	Downtown	Law
NBC Universal, Inc.	1221 Avenue of the Americas	339,833	Q3	Renewal	Midtown	Media & Entertainment
City of New York	60 Broad Street	308,769	Q3	Renewal	Downtown	Government
Touro College	3 Times Square	243,305	Q4	Lease	Midtown	Education
Chubb	550 Madison Avenue	241,647	Q4	Lease	Midtown	Insurance
Roku, Inc.	5 Times Square	237,333	Q4	Lease	Midtown	Media & Entertainment
Legal Aid Society	40 Worth Street	198,900	Q2	Renewal/Expansion	Downtown	Non-Profit
Morgan Stanley	55 E 52nd Street	194,466	Q4	Expansion	Midtown	Financial Services
Bloomberg L.P.	919 Third Avenue	191,207	Q4	Expansion	Midtown	Info Services
Brown Brothers Harriman & Co.	140 Broadway	188,059	Q4	Renewal	Downtown	Financial Services
Credit Agricole SA	1301 Avenue of the Americas	167,000	Q3	Lease	Midtown	Financial Services
Icahn School of Medicine at Mount Sinai	787 Eleventh Avenue	165,000	Q1	Lease	Midtown	Health Care

Year-End 2021

Rent & Concessions Trends

Manhattan Office Market

Trends in Manhattan Average Asking, Taking and Net Effective Rents

Net Effective Rent Deteriorates

30%

decline in NER since YE 2019

Asking Rent Down

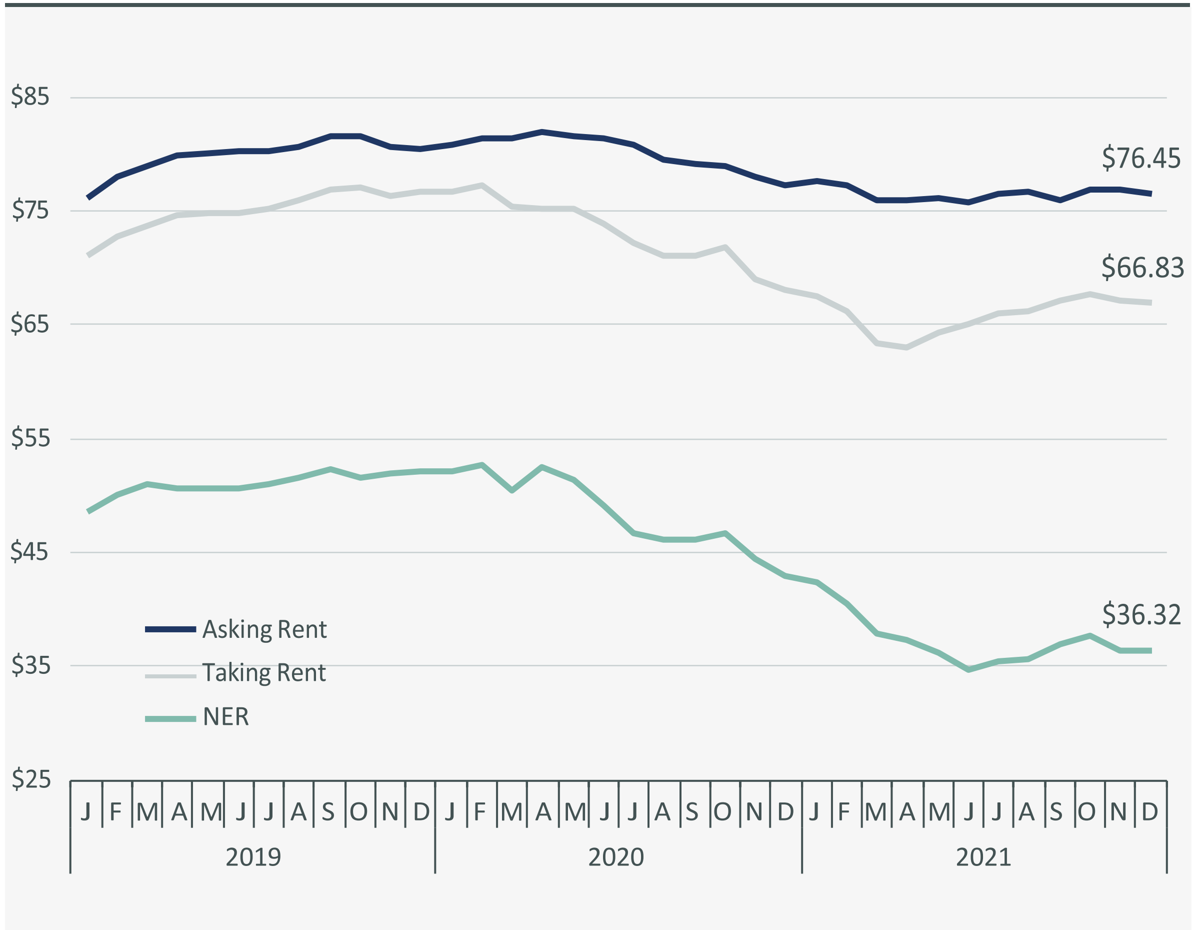
– Since YE 2019: (4.9%)

Taking Rent Down

– Since YE 2019: (12.9%)

Net Effective Rents Down

– Since YE 2019: (30.4%)



Source: CBRE Research. Data as of January 1, 2022.

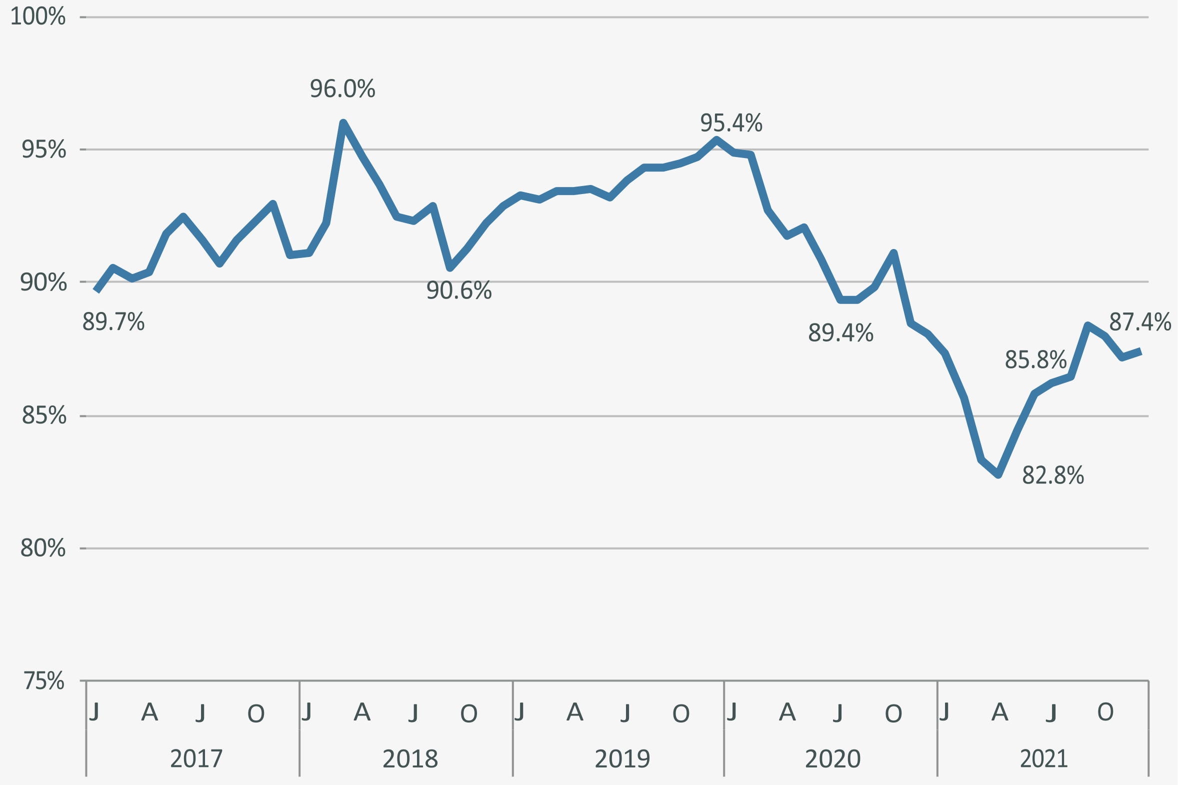
Manhattan Taking Rent

Rebound began in 2021

87%

of asking rent is being achieved

- The taking rent index measures taking rents as a percentage of the asking rent on transactions closed during the year.
- The gap between asking and taking rents has recovered 460 basis points after it reached its widest margin since 2010.
- Pre-COVID the taking rent percentage was solidly in the mid-90% range, but the onset of the pandemic pushed that rate to a low of 82.8%. As of December 2021, the rate has rebounded to 87.4%.



Source: CBRE Research. Data as of January 1, 2022.

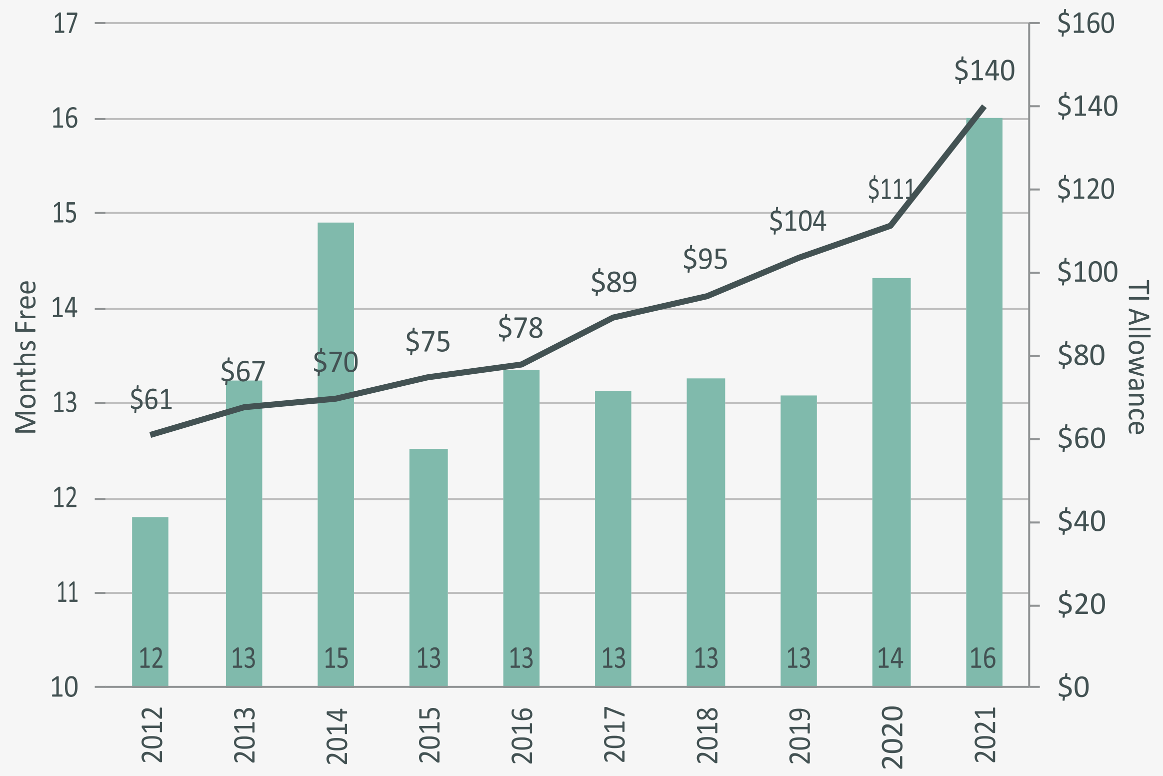
Manhattan Concessions

At Record Highs

35%

increase in average TI value since year-end 2019

- Landlords have been using increased concession packages to incentivize tenants to complete transactions during the pandemic.
- Free rent periods increased from about 13 months in 2019 to an average of 16 months in 2021 on a ten-year direct deal.
- Tenant improvement allowances also moved up, increasing 35% from pre-pandemic levels to close out 2021 at $140 per sq. ft.



Source: CBRE Research. Data as of January 1, 2022.

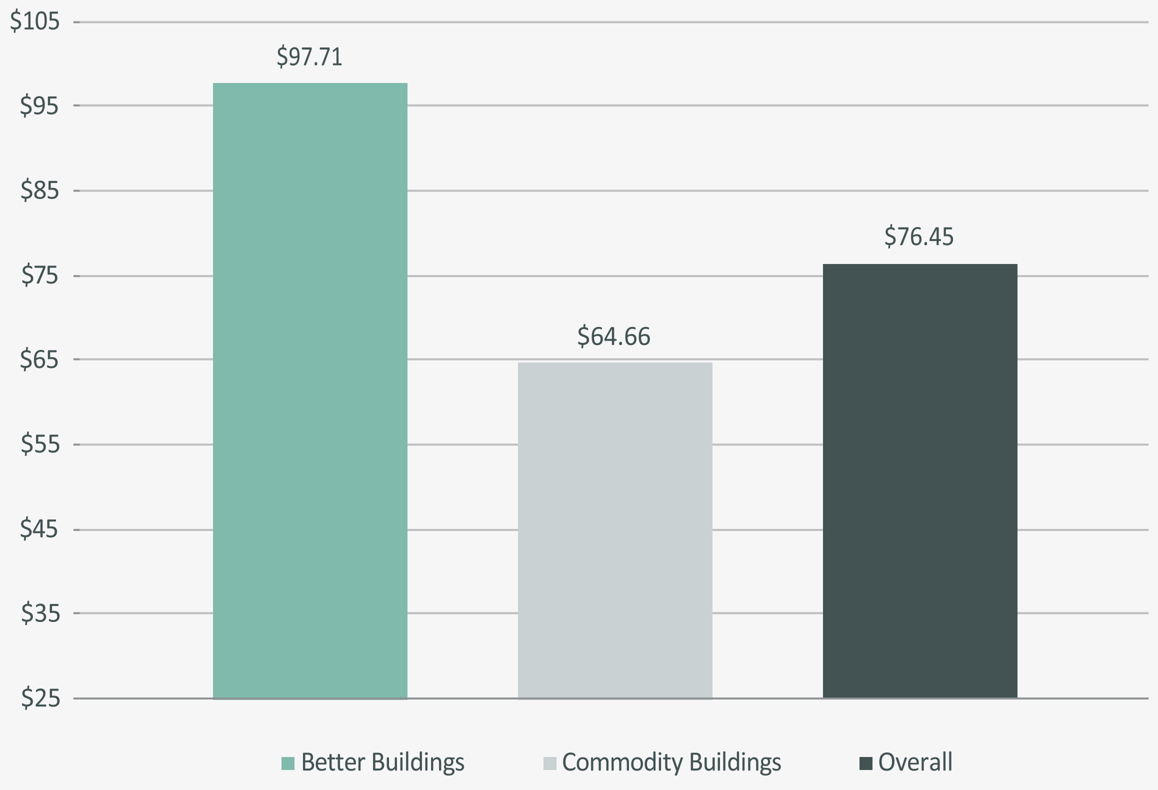
Manhattan Better Buildings

Asking Rents in Better Buildings Still Hold a Significant Premium

51%

premium in asking rents of better buildings compared to lower quality buildings

- Asking rents in better buildings always receive a premium to the overall market and lesser quality buildings.
- As of January 1, 2022, better-quality assets were asking 51% more than lower quality buildings.
- These asking rent differences show that the market is not an even playing field and can move in varied ways.



Source: CBRE Research. Data as of January 1, 2022.

Year-End 2021

Net Absorption & Availability Trends

Manhattan Office Market

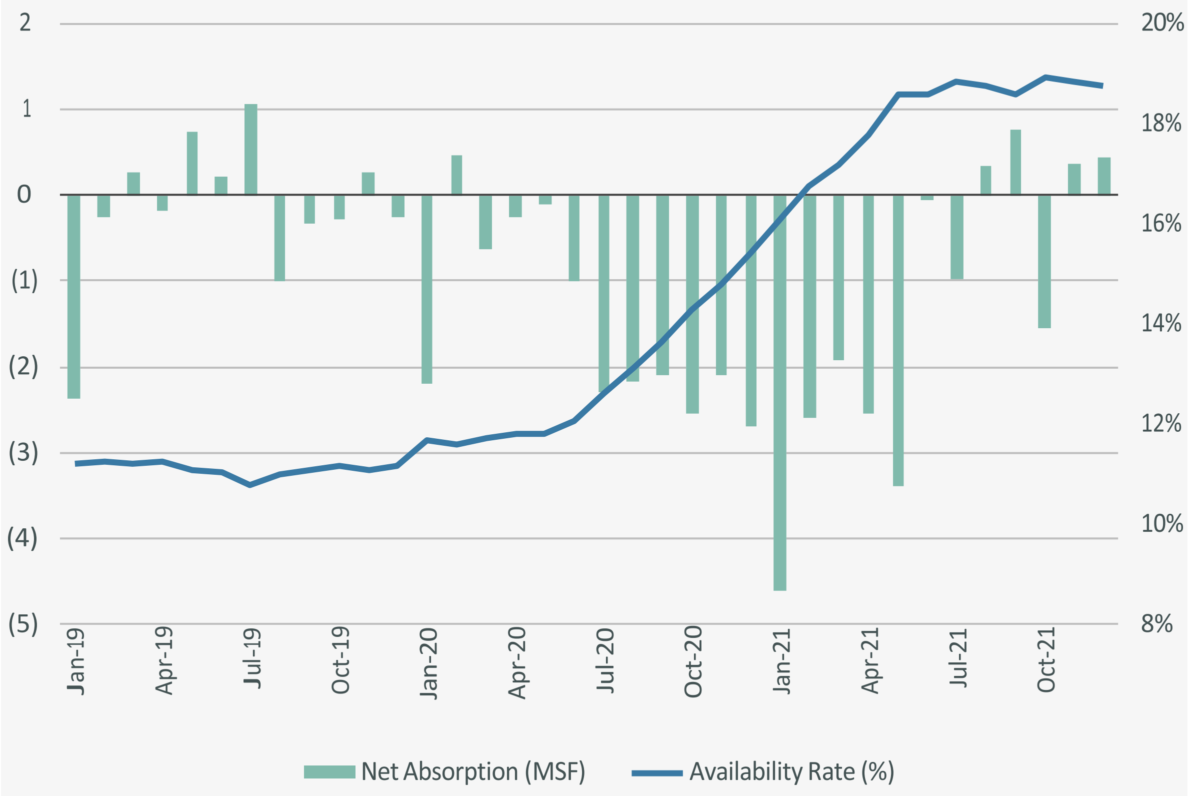
Availability and Net Absorption Trends

Availability Still Elevated but Stable

18.7%

overall availability rate

- Manhattan's availability rate finished 2021 up 750 basis points from year-end 2019, though is down slightly from its 18.9% pandemic high in October 2021.
- Despite positive absorption in four of the last five months of 2021, Manhattan registered negative 15.7 million sq. ft. of absorption for the year, following record low absorption of negative 17.7 million sq. ft. in 2020.
- The availability rate increased as a result of the large volume of sublet space that came to market, in addition to some large blocks of direct space.
- The significantly diminished leasing activity during the early stages of the pandemic kept spaces on the market, allowing supply to accumulate at an above-average rate.



Source: CBRE Research. Data as of January 1, 2022.

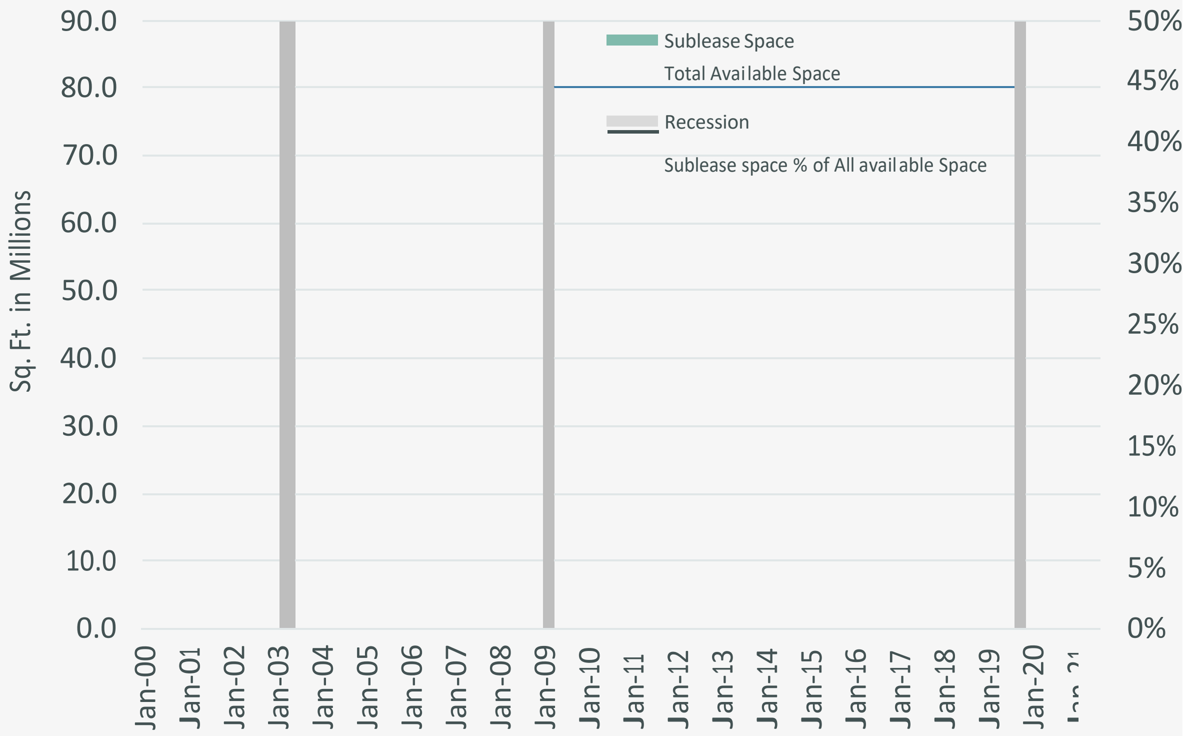
Sublease Space

Volume Trending Down but Remains Elevated

24%

of all available space is sublease space

- Manhattan sublease space as a percentage of all available space is at the lowest level since July 2020.
- Following the past two recessions, sublease space spiked and reached 47% of total available space post-dot.com/9-11 recession and 31% following the Great Financial Crisis.



Source: CBRE Research. Data as of January 1, 2022.

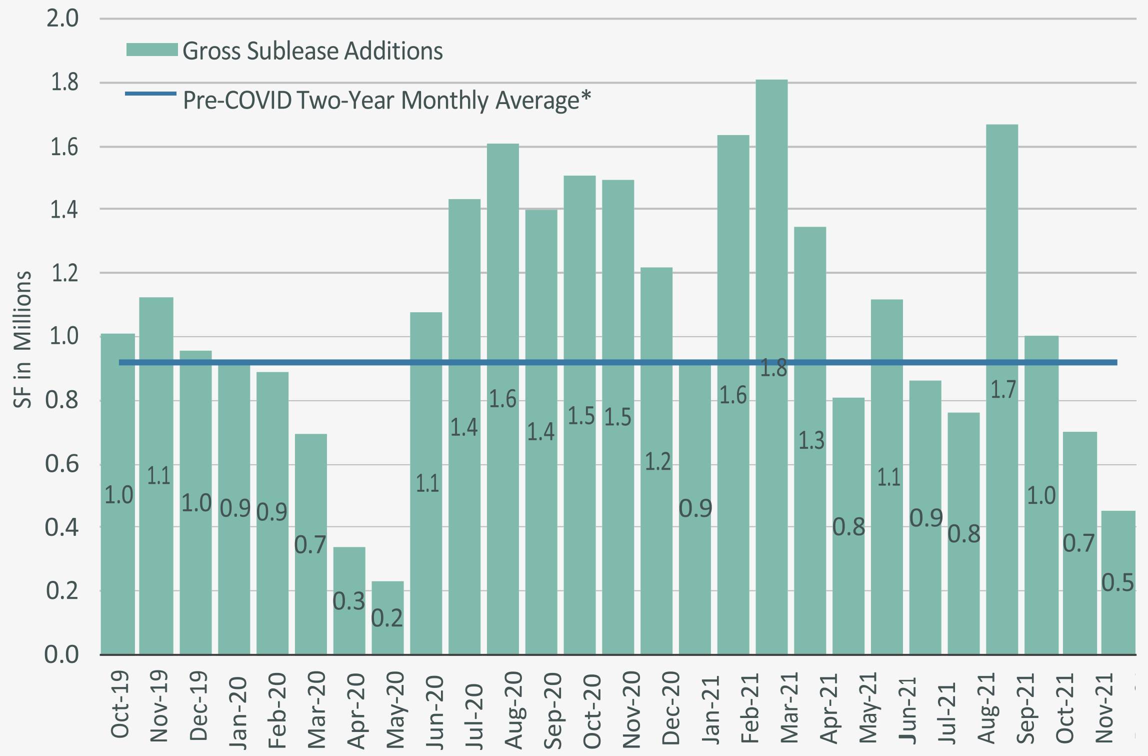
Manhattan Sublease Additions

Monthly Gross Sublease Additions Below Average

908,000 sq. ft.

average sublease additions over past six months

- The pre-Covid two-year monthly average of sublease additions was 918,000 sq. ft.
- December 2021 saw gross sublease space additions reach its lowest monthly total since early 2020. The market has been trending down following a brief spike in September.
- Despite the September spike, the market experienced a net loss of sublease space over the past six months due to strong leasing and the withdrawal of sublease space.
- Over the last six months of 2021, Manhattan's average monthly gross sublease additions were 908,000 sq. ft. which was a 36% reduction from the average seen between June 2020 and March 2021.



*March 2018 through February 2020.

Source: CBRE Research. Data as of January 1, 2022.

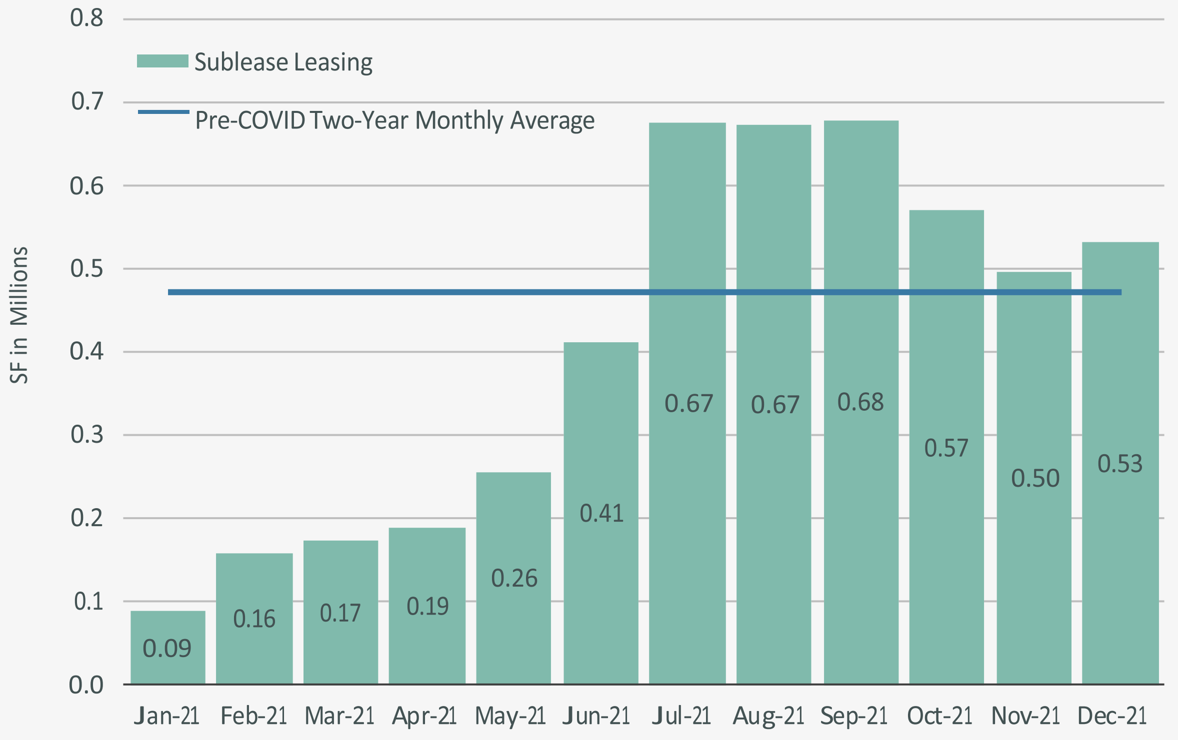
Manhattan Sublease Leasing

Sublease Leasing Has Picked up and Held Firm

531,000 sq. ft.

of sublease leasing occurred in December

- Leasing of sublease space has grown since the start of 2021 as tenants became more confident in making decisions.
- Monthly sublease leasing has exceeded the pre-Covid two-year monthly average over the past six consecutive months.
- Annual sublease leasing in 2021 totaled 4.9 million sq. ft., 41% more than 2020’s full-year total.



Source: CBRE Research. Data as of January 1, 2022.

Removal of Sublease Space

Sublease Withdrawals Surpassed 2020's Full-Year Total

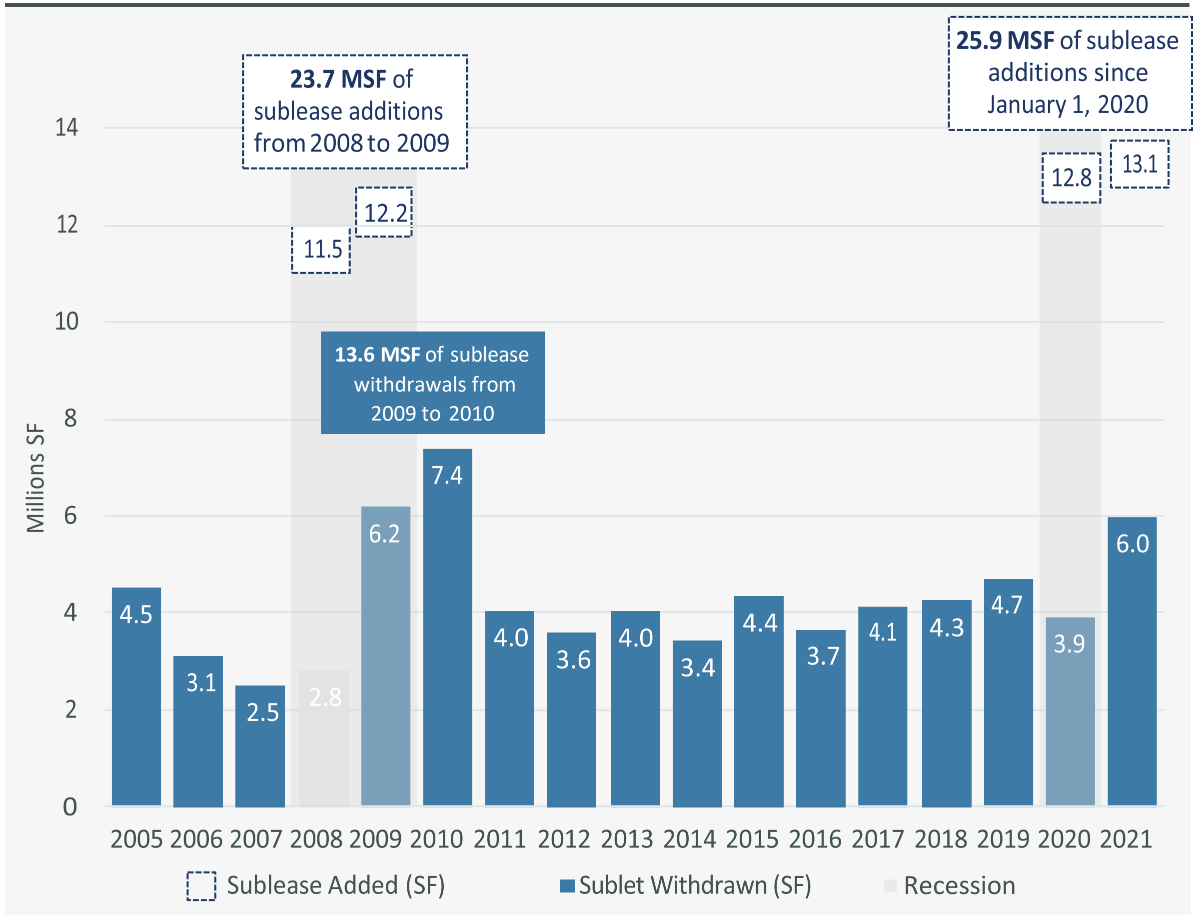
6.0 million sq. ft.

of sublease withdrawals occurred in 2021

- Following the significant additions to the sublease supply in 2008 and 2009 in response to the Great Financial Crisis, there were large scale sublease withdrawals from the market. The 13.6 million sq. ft. of withdrawals in 2009 and 2010 represented 57% of the sublease space that was added during Great Financial Crisis.

- So far in the Covid era, 25.9 million sq. ft. of sublease space has been added to the market, with a total of 9.9 million withdrawn.

- Sublease withdrawals jumped by 53% in 2021 from the prior year.



Source: CBRE Research. Data as of January 1, 2022.

Removal of Sublease Space

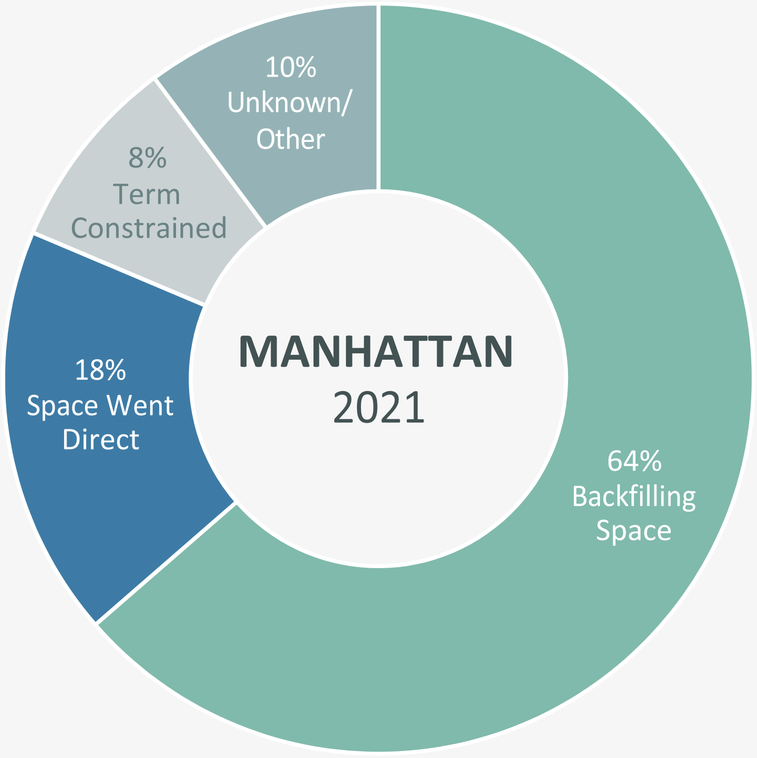
Tenants Pulling Space to Reoccupy

64%

of sublease space withdrawn from the market in 2021 is to be backfilled by tenants

- Most tenants who put sublease space on the market have taken it off with plans to reoccupy.
- Other sublease offerings were removed because they were term-constrained to the point where it was unlikely to find a replacement tenant.
- Some firms are working with owners to get out of their lease agreements and those sublease spaces are coming back to the market as direct offerings.

Reason for Withdrawal: 15,000+ SF Sublease Listings



Source: CBRE Research. Data as of January 1, 2022.

Year-End 2021

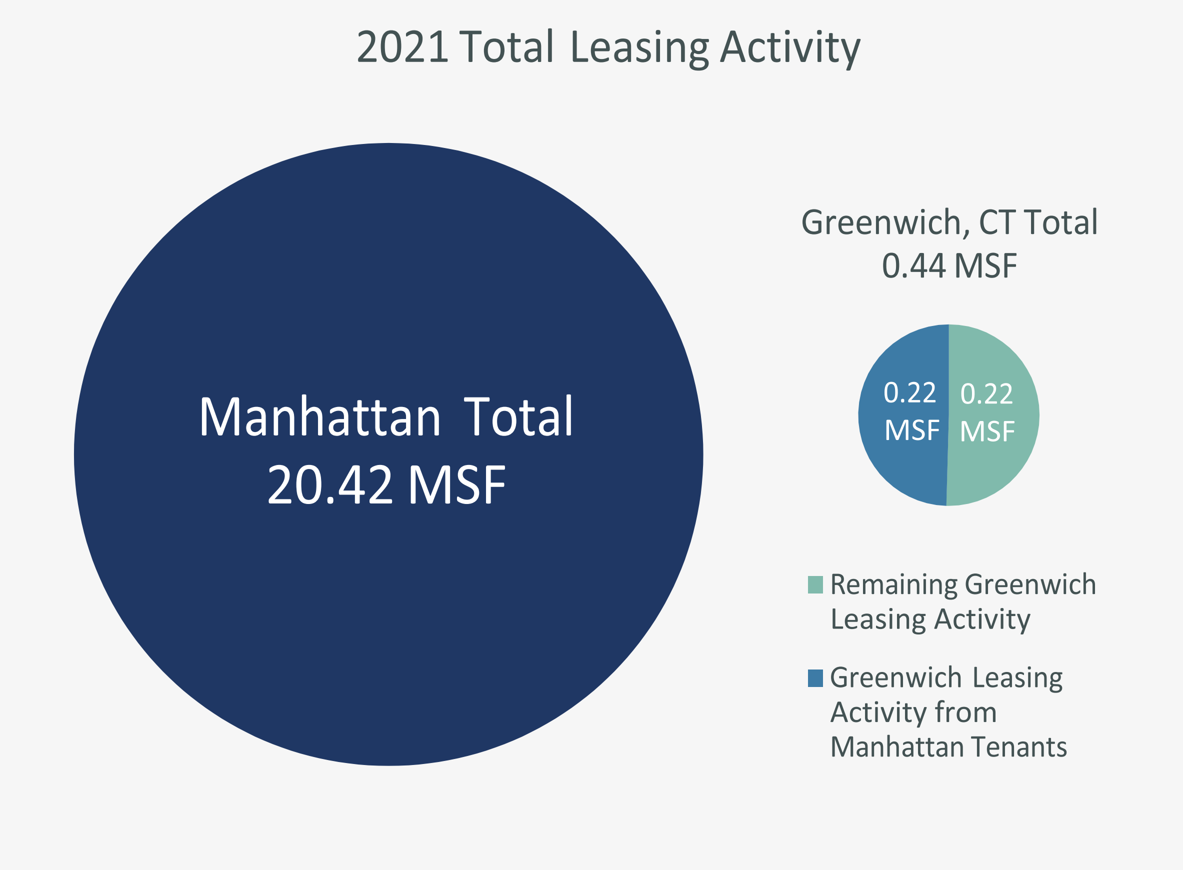
Other Market Factors

Manhattan Office Market

Minimal Exodus to Suburban Office Markets

Minor Manhattan Tenant Relocations to Greenwich, CT

- To date, Manhattan occupiers have not made a flight to the suburbs, as was speculated early in the pandemic.
- The only market that has seen a meaningful influx of leasing from Manhattan-based tenants is Greenwich, CT, which experienced 215,650 sq. ft. of such leasing in 2021, generating nearly 50% of total 2021 leasing in this small market.
- In Manhattan, which had 20.42 million sq. ft. of leasing in 2021, the migration of tenants to Greenwich, CT was a non-event.
- Additionally, residential migration did not cripple the NYC market either. Analysis of USPS change-of-address data reveals that a significant majority of those households that relocated during the pandemic stayed within reasonable commuting distance of NYC office districts. Further, residential vacancy rates, which spiked during the pandemic, have returned to pre-Covid levels.



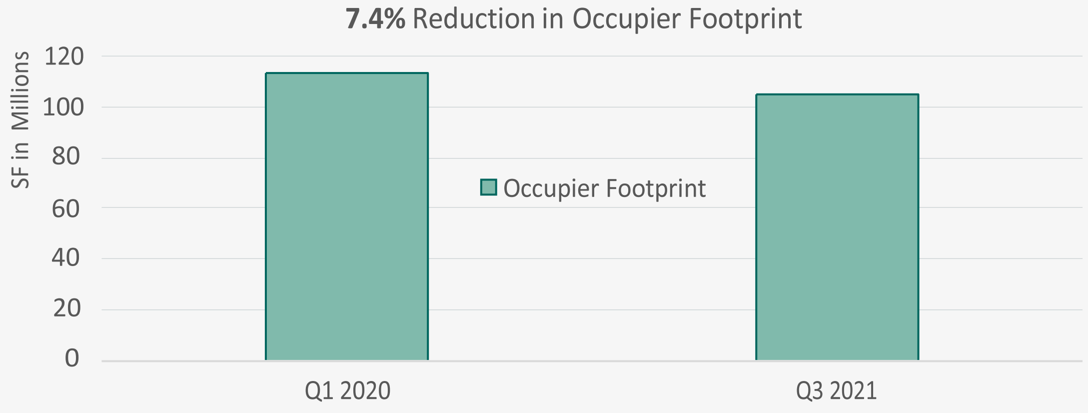
Source: CBRE Research. Data as of January 1, 2022.

Little Contraction as of Q3 2021

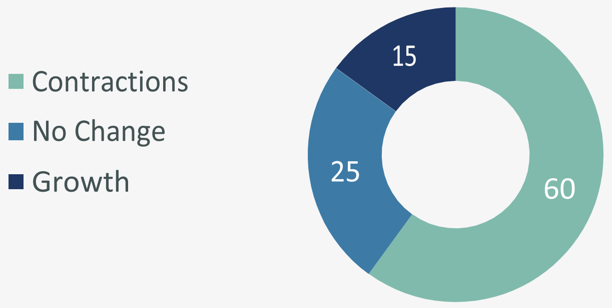
Footprint Analysis for Top 100 Manhattan Occupiers

- Public estimates have ranged from less than 10% to as much as 25% occupancy reductions. A detailed analysis by CBRE Research – the first of its kind – reveals that the 100 largest private-sector occupiers have reduced their footprint by a collective 7.4% since the onset of the pandemic.
- Of the 100 occupiers in the study, 60 contracted, averaging a 16% reduction in space. The top ten largest reductions made up 54% of the total contractions, with the most significant reductions in the apparel/retail, financial, media, and marketing/PR sectors.
- Among the remaining firms, 25 have not changed their footprint, while 15 have grown by an average of 10%. Growing firms included those in tech, financial services, healthcare and law firms.

Top 100 Manhattan Occupier* Footprint Reduction



Top 100 Manhattan Occupier* Actions by Count



The 10 largest contractions account for 54% of the reductions

Source: CBRE Research. Q3 2021.

Contacts

Nicole LaRusso
Senior Director, Research & Analysis
+1 212 984 7188
Nicole.LaRusso@cbre.com

Michael Slattery
Associate Field Research Director
+1 212 656 0583
Michael.Slattery@cbre.com

Philip Stern
Field Research Manager
+1 212 656 0516
Philip.Stern@cbre.com

Definitions

Availability: Space that is being actively marketed and is available for tenant build-out within 12 months. Includes space available for sublease as well as space in buildings under construction.

Asking Rent: Weighted average asking rent.

Concession Values: The combination of rent abatement and T.I. allowance. For new leases for raw space of 25,000 sq. ft. or greater consummated year-to-date, this excludes expansion and renewal deals.

Leasing Activity: Total amount of sq. ft. leased within a specified period of time, including new deals, expansions, and pre-leasing, but excluding renewals.

Leasing Velocity: Total amount of sq. ft. leased within a specified period of time, including new deals, expansions, and pre-leasing and renewals.

Net Absorption: The change in the amount of committed sq. ft. within a specified period of time, as measured by the change in available sq. ft.

Rent Abatement: The time between lease commencement and rent commencement.

Taking Rent: Actual, initial base rent in a lease agreement.

Taking Rent Index: Initial taking rents as a percentage of asking rents.

T.I.: Tenant improvements.

Vacancy: Unoccupied spaceavailable for lease.

Percentage of Leasing by Industry: The percentageof sq. ft. leased by an industry based on transactions in which a tenant and industry have been confirmed.

CBRE

FINANCIAL SUMMARY

Projected Cash Flow

The financial plan is a basic evaluation and represents the best estimates of financial requirements. Assumptions are stated and the detailed projected annual income statement, balance sheet, and cash flow statements for the current year are included in the analysis in order to give greater detail to its operational and financial expectation.

Assumptions include lowering the vacancy rate to a minimum, as per pe COVID years.

A cash management strict policy is instrumented in order to set aside valuable resources. By achieving new Tenant's agreements, the Company is able to recover its cash flow and have a performing commitment with the mortgage.

Budget Control

Most of the costs involved are treated as fixed (e.g. Property Tax, Building Security, Professional fees and Payroll expenses). These could vary with the size of the company but increase modularly (e.g. Utilities related to floors 10th and 11th, at 33 West & 46 Street at time when construction will finish and they are available to rent).

Rental Income

There are three sources of revenue, which could be classified into two categories:

1- Rent
2- Additional rent

Rent:

It is the main income and depends on each Tenant's agreement. Usually, the rent commencement date is the first day of the first calendar month after the Occupancy Date, although sometimes ownership could agree with tenants rent monthly concessions.

(Def: rent concession: a rental concession is a compromise by a landlord made to the original terms of a lease. Concessions are usually some form of rebate that a property owner offers to try to persuade a tenant to move into the residence. They can be monetary compensation, some type of a discount, or a discount, a physical good or service).

Additional rent:

It is a charge that tenants covenants and agrees to pay as additional rent ("Water/Sprinkler/Guard Fee") for each month during the agreement's term.

Payments due under this category are due and payable together with monthly installments of Base Rent. A tax reimbrsment is also collected from tenants at a percentage of occupancy and increase.

Operating expenses

Leasing Commisions:

It is a necessary payment to achieve a tenant's agreement, it is classified into Net Income. Leasing commissions is a brokerage fee that the Company pays every time that an agreement is achieved. The amount of Leasing commissions it the result of applying a rate, which is in a range between 1,5% to 2,5% of the agreement's total value. Leasing commissions are due and payable 50% together with the rent commencement date and the rest, in accordance with brokers. Company must pay de leasing commission of its broker and tenant's broker.

Insurances:

It is Buildings' General Liability Insurance. It is an annual charged paid on January.

Property Management Office

Includes general fees of buildings and offices, such as office Supplies, Office Phone, Bank Fees, Internet & Office Phone, Postage & Handling

Building Cleaning

It is a monthly buildings' disinfection service.

Payroll Expenses

It includes the superintendent's salaries: Jorge del Aguila Perez (33W 46) and Miguel Gatica (20W 37).
Superintendents work from Monday to Friday 40hs per week (from 8 AM to 4 PM)
Usually, they work overtime as a result of extra Works related to tenant's improvements of offices. Overtime rate are paid with a surcharge (50%).

<u>Professional fees</u>

It contains the following fees:

- Payroll Management: It includes Superintendent's Social Security charge, a monthly payment.
- Legal fees: It includes:
- Charles W Weiss (General Lawyer and legal consultant of the company).
- Smith & Krantz, LLP (Tenant's evictions and relationship lawyer)
- Accounting Fees: Annual Tax Property and Financial Statements services. It is an annual service which is due and payable on March.

<u>Repairs and Maintenance</u>

It contains monthly fees as Elevator services (provided by Century), Fire Alarm & Equipment, and other unexpected expenses such as Plumbing Works, Electric Works, Lamping, Radiator Repairs & Supplies, etc.

<u>Utilities</u>

It contains the fees (Electric, Water, Oil) of the building's shared areas which are not charged to tenants by additional rent. It also includes fixed fees of vaccant's floors.

<u>Building Security</u>

It includes a monthly paid Security service supplied by Prosegur at 33W 46 and Alliance at 20W 37.
This service is provided from Monday to Friday 40hs per week (from 9 AM to 5 PM).

<u>Violations</u>

It includes violations collected by Department of Buildings (DOB) of New York City, Fire Department of New York City (FDNYC) and Department of Environmental Protection, (DEP).

<u>Tax Property</u>

It is an annual Tax collected by Department of Finance of New York City, which is paid as a result of applying a rate on building's fiscal value. The average rate is about 10%.
Tax Property is due and payable on January and July.

MANAGEMENT TEAM

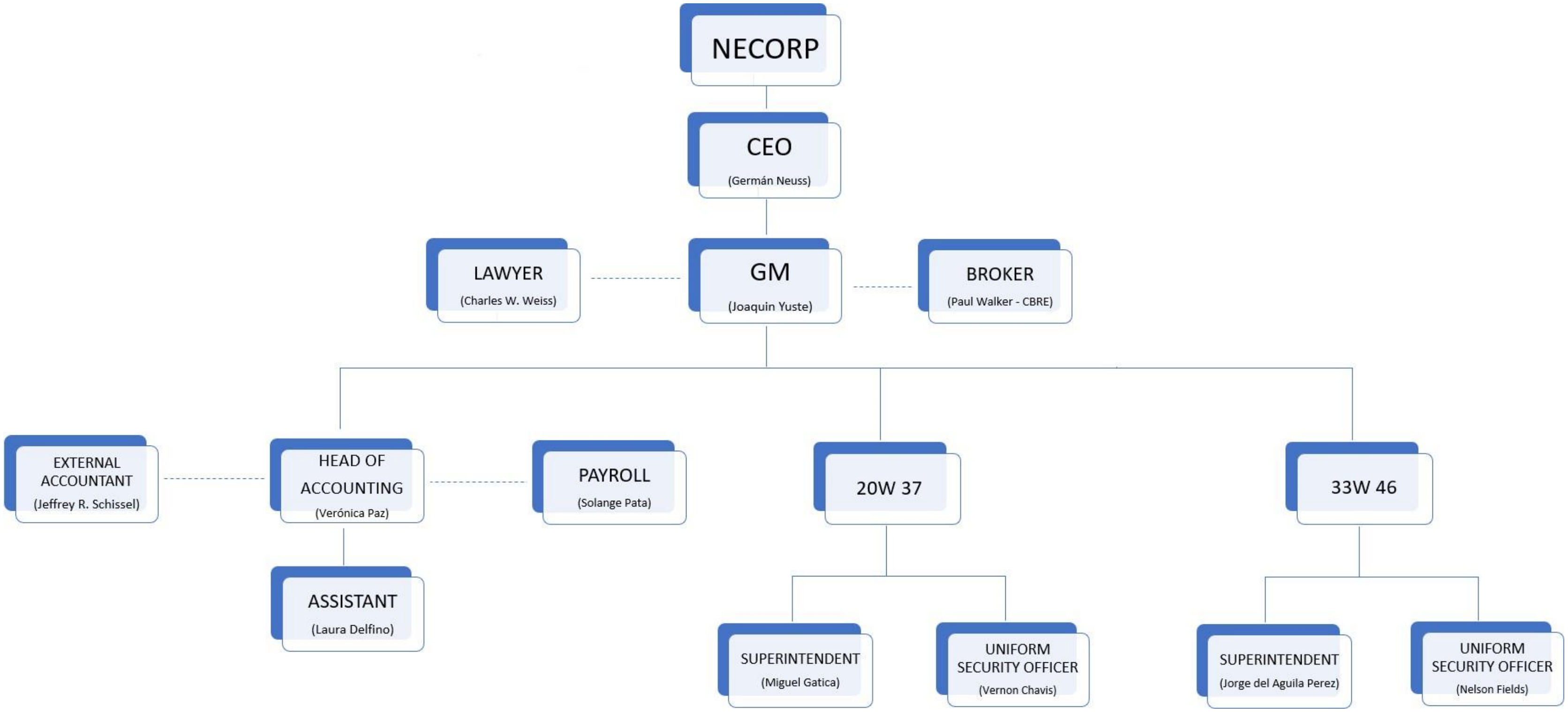
With their exceptional insight, expertise and depth of experience, our people are essential to our success.

Our real estate professionals blend local knowledge and market-driven insights with an international wealth of expertise and experience. Leveraging their creativity, entrepreneurship and innovation, they collaborate across disciplines and borders to consistently create real estate of enduring value.

We feel that what truly makes our company unique is not merely our spirit or business achievements. It's our people, who use their intelligence, innovation and entrepreneurship to help create value every day. We support them by fostering a culture that promotes trust, integrity and respect in our business practices and relationships.

Northern Estates Corporation's struture is presented as shown in the following organization chart.

Role descriptions and responsabailities are detailed in following pages.


NECORP
CEO
(Germán Neuss)
LAWYER
(Charles W. Weiss)
GM
(Joaquin Yuste)
BROKER
(Paul Walker - CBRE)
EXTERNAL ACCOUNTANT
(Jeffrey R. Schissel)
HEAD OF ACCOUNTING
(Verónica Paz)
PAYROLL
(Solange Pata)
20W 37
33W 46
ASSISTANT
(Laura Delfino)
SUPERINTENDENT
(Miguel Gatica)
UNIFORM SECURITY OFFICER
(Vernon Chavis)
SUPERINTENDENT
(Jorge del Aguila Perez)
UNIFORM SECURITY OFFICER
(Nelson Fields)

Management

Northern Estates Corporation's Managment is located in Buenos Aires Argentina. It includes its CEO, Head of accounting and Manager.

CEO

Northern Estates Corporation's Managment is led by German Neuss, who together with Board:

1. Communicates, on behalf of the company, government entities, banks, and others stakeholders.
2. Leads the development of the company's short- and long-term strategy.
3. Evaluates the work of other executive leaders within the company.
4. Maintains awareness of the competitive market landscape, expansion opportunities, industry developments, etc.
5. Assesses risks to the company and ensures they are monitored and minimized
6. Sets strategic goals and makes sure they are measurable and describable

General Manager

This position is led by Joaquin Yuste, who has the following responsabilities and role:

1. Responsible for the operations for 10,000 m2 of commercial and retail offices.
2. Provides comprehensive real estate strategy and excellence in transaction management delivery.
3. Negotiates and structures deals with new clients ensuring seamless communication, consistent follow-up, and timely receipt of all deliverables.
4. Leads a team of 10 employees responsible for Maintenance and Customer Services.
5. Conducts financial analyses related to investments.
6. Monitors P&L and financial statements.

Head of accounting

This position is led by Veronica Paz, who has the following responsabilities and role:

1. Designs the frame-work of cost and financial accounts and prepares reports for routine financial and operational decision-making.

2. Keeps a proper control over External Accontant and Payroll and information prepared by them (Financial Statemts, Annual Tax Property, Salaries, etc.)
3. Prepares forecasting future business and economic events for making future plans, long- term plans, strategic management accounting, formulating corporate strategy, market study etc.
4. Reports for long-term decision-making are forwarded to CEO and Board to take corrective action at the right time.
5. Analyses accounts and prepares reports e.g., standard costs, budgets, variance analysis and interpretation, cash and fund flow analysis, management of liquidity, performance evaluation and responsibility accounting etc. for control.

External Consultants

- Lawyer: Charles W Weiss is the general Lawyer who is responsable for controlling tenant's agreements and others forms of the company. He reports to Manager (Diego Gardey).

- Accountant: Jeffrey R. Schissel is a Certified Public Accountant from Schissel Smallberg LLP, who prepared Financial Statements and Annual Tax Property. He reports to Head of accounting (VeronicaPaz) in order to provide financial and fiscal information.

- Payroll: It is leaded by Solange Pata and its main role is manage payments of suppernintendent's salaries and Superintendent's Social Security charge. She reports to Head of accounting (Veronica Paz) in order to provide necessary information to prepare monhtly forecasting.

- Broker: This position is leaded by Paul Walker, First Vice President in CBRE's NYC office. His main role is based on preparaing and an understanding of how to create value in a negotiation with tenants in order to achieve an agreement. He reports to Manager (Diego Gardey) in order to provide information to control and follow-up.

Operative Estructure

- Superintentdent: The main role of this position is to manage repairs and maintenance of the buildings. They are the first point of contact for tenants. This position is led by Jorge del Aguila Perez at 33W 46 Street and Miguel Gatica at 20W 37Street and report directly to Manager (Diego Gardey).

- Uniformer Security Officer: This position is led by Vernon Chavis (Alliance) at 20W 37Street and Nelson Fields (Prosegur) at 33W 46 Street and. They report to Manager (Diego Gardey). Among its main functions are patrolling property; monitoring surveillance equipment; inspecting buildings, equipment, and access points; permitting entry. Obtains help by sounding alarms. Prevents losses and damage by reporting irregularities; informing violators of policy and procedures; restraining trespassers.

OFFICES

Address: 33 West 46th Street , NY10036 – City of New York
Tel: +1 347 727 6887
Email: info@northernestates.com

Address: Libertador 602– 23th Floor, C1043AAP – City of Buenos Aires
Tel:+5411 3987 0300
Email: info@neusscapital.com