



Mark S. Weiss
Executive Vice Chairman
1290 Avenue of the Americas
New York, NY 10104
Direct +1 212 841 7871
Fax +1 212 729 2570
mark.weiss@cushwake.com
cushmanwakefield.com

April 18, 2019

Mr. Peter Lyons
Partner & Chief Financial Officer
Leeds Equity Partners, LLC
590 Madison Avenue
New York, NY 10022

Dear Peter:

The attached pdf file (and connected weblink if you are reading on a tablet) contains the following items:

- The three most recent proposals and counter proposals between us and your landlord.
- A negotiation trail that shows the key financial elements.
- A short spreadsheet that contrasts the effective rents from both the landlord and tenant perspective of our proposals and the final Crestview terms.
- Thumbnail photos with bullet point summaries of the buildings you and I recently inspected.

The net result is that Jacque's strong pushback to landlord's last proposal combined with our forceful messaging and market activity has materially improved the financial results for Leeds Equity. We've been able to reduce the rent and increase the concessions while still getting the landlord to give us the corner portion of the floor.

It is worth noting that if Leeds considers that it could get all of its required work done within the confines of the leasehold improvement allowance and Crestview could only get about half of their work done with their allowance, then the Leeds' proposal we just received is materially favorable to the Crestview transaction from the tenant's perspective.

Sincerely,

A handwritten signature in black ink that reads "Mark S. Weiss".

Mark S. Weiss

Real Estate Report

April 18, 2019

Prepared by:

Mark S. Weiss
Executive Vice Chairman
+1 212 841 7871
mark.weiss@cushwake.com

Table of Contents

Section I:	Proposals
Section II:	Negotiation Trail
Section III:	NER Calculation
Section IV:	Space Tours



Section I: Proposals

Edward J. Minskoff Equities, Inc.
1325 Avenue of the Americas
New York, New York 10019
Tel. (212) 554-0500
Fax. (212) 554-0501

February 12, 2019

Mr. Mark S. Weiss
Executive Vice Chairman
Cushman & Wakefield, Inc.
1290 Avenue of the Americas, 7th Floor
New York, NY 10104

**Re: Leeds Equity Advisors, Inc.
590 Madison Avenue**

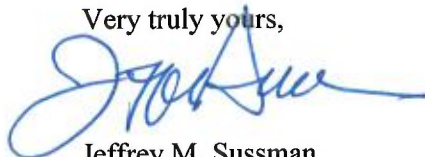
Dear Mark:

We are pleased to provide the following agreed upon terms and conditions for Leeds Equity Advisors, Inc. to expand and extend its current lease on the 41st floor at 590 Madison Avenue.

- | | | | | |
|----|---------------------------------------------------|----------------------------------------------------------------------------------------------------|-------------------|------------|
| 1. | PREMISES: | Portion 41 st Floor | Existing Premises | 12,856 rsf |
| | | | New Premises | 1,822 rsf |
| 2. | RENT CONCESSIONS: | Existing Premises – 8 months
New Premises – 10 months | | |
| 3. | LEASE TERM: | Ten (10) years, (8 months from October 1, 2021). | | |
| 4. | RENTAL RATE: | Years 1-5 | \$145.00 per rsf | |
| | | Years 6-10 | \$155.00 per rsf | |
| 5. | TENANT ALLOWANCE: | Existing Premises | \$ 50.00 per rsf | |
| | | New Premises | \$110.00 per rsf | |
| 6. | OPERATING EXPENSES/
REAL ESTATE TAXES: | 2021 Base Years | | |
| 7. | EXISTING LEASE: | All other matters shall be as per the existing Lease. | | |
| 8. | SECURITY DEPOSIT | To be discussed. Please provide financial statement for Tenant. | | |
| 9. | COMMISSION: | A full commission shall be payable to Cushman & Wakefield, Inc., pursuant to a separate agreement. | | |

Please let me know if you have any questions. We look forward to moving quickly.

Very truly yours,



Jeffrey M. Sussman



Mark S. Weiss
Executive Vice Chairman
1290 Avenue of the Americas
New York, NY 10104
Direct +1 212 841 7871
Fax +1 212 729 2570
mark.weiss@cushwake.com
cushmanwakefield.com

March 26, 2019

Mr. Jeffrey M. Sussman
Executive Vice President
Edward J. Minskoff Equities, Inc.
1325 Avenue of the Americas
New York, NY 10019

Re: 590 Madison Avenue, Partial 41st Floor

Dear Jeff:

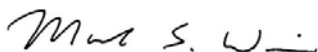
We appreciate your efforts with Leeds Equity Advisors, Inc. ("Leeds"), and have been authorized to counter your February 12, 2019 letter with the following terms under which Leeds would transact:

- 1) **BUILDING:** 590 Madison Avenue
- 2) **TENANT:** Leeds Equity Advisors, Inc.
- 3) **LANDLORD:** 590 Madison Avenue Associates, L.P.
- 4) **PREMISES:** Partial 41st Floor: 14,678 RSF (Existing Premises
12,856 RSF plus New Premises, 1,822 RSF)
- 5) **USE:** Executive, general and administrative offices
- 6) **LEASE TERM:** Ten years from November 1, 2021
- 7) **BASE RENT:** Years 1-5: \$129.00 per RSF
Years 6-10: \$139.00 per RSF
- 8) **RENT ABATEMENT:** For the New Premises: Ten (10) months immediately
following lease execution.
For the Existing Premises: Ten (10) months commencing
November 1, 2021.
- 9) **LEASEHOLD IMPROVEMENT
ALLOWANCE:** Landlord will contribute a leasehold improvement
allowance of \$70.00 per Rentable Square Foot which
could be used for both hard and soft costs.

- 10) **ELECTRICITY:** As per the current lease
- 11) **OPERATING EXPENSE ESCALATION BASE YEAR:** Calendar 2021 Base Year
- 12) **REAL ESTATE TAX ESCALATION BASE YEAR:** Fiscal 2021/2022 Base Year
- 13) **DELIVERY CONDITIONS:** Landlord shall add the New Premises, 1,822 RSF to Tenant's space.
- 14) **EXPANSION OPTION:** Tenant to have the option to expand onto the balance of the floor whenever those units shall become available after Landlord's initial leasing. The rate shall be Fair Market Value taking all relevant factors into account. FMV to be determined using Baseball Arbitration.
- 15) **SECURITY DEPOSIT:** We will provide Leeds' financial statement under a separate cover.
- 16) **BROKERAGE:** Cushman & Wakefield, Inc.
- 17) **CONFIDENTIALITY:** This proposal and all discussions related thereto shall be held in confidence by Landlord and Tenant and will not be discussed with third parties except on an "as needed" basis (e.g., attorneys).
- 18) **NON-BINDING:** This proposal shall not be binding upon either party until a Lease and required consents are executed by all required parties. This proposal may be modified or withdrawn at any time without prior notice.

We look forward to closing this transaction with you very quickly.

Sincerely,



Mark S. Weiss
Executive Vice Chairman

cc: Peter Lyons, Leeds Equity

Edward J. Minskoff Equities, Inc.
1325 Avenue of the Americas
23rd Floor
New York, New York 10019
Tel. (212) 554-0500
Fax. (212) 554-0501

April 17, 2019

Mr. Mark S. Weiss
Executive Vice Chairman
Cushman & Wakefield, Inc.
1290 Avenue of the Americas, 7th Floor
New York, NY 10104

**Re: Leeds Equity Advisors, Inc.
590 Madison Avenue**

Dear Mark:

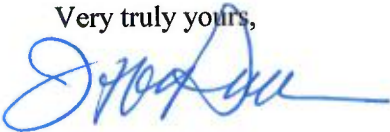
We are pleased to provide the following agreed upon terms and conditions for Leeds Equity Advisors, Inc. to expand and extend its current lease on the 41st floor at 590 Madison Avenue.

1. BUILDING: 590 Madison Avenue
2. TENANT: Leeds Equity Advisors, Inc.
3. LANDLORD: 590 Madison Avenue Associates, L.P.
4. PREMISES: Partial 41st Floor: 14,678 RSF (Existing Premises
12,856 RSF plus New Premises, 1,822 RSF)
5. USE: Executive, general and administrative offices
6. LEASE TERM: Ten years from October 1, 2021
7. BASE RENT: Years 1-5: \$137.00 per RSF
Years 6-10: \$147.00 per RSF
8. RENT ABATEMENT: For the New Premises: Ten (10) months
immediately following lease execution.
For the Existing Premises: Ten (10) months
commencing October 1, 2021.
9. LEASEHOLD IMPROVEMENT
ALLOWANCE: Landlord will contribute a leasehold improvement
allowance of \$70.00 per Rentable Square Foot
which can be used for both hard and soft costs,
which can be used upon Commencement Date.
10. ELECTRIC: As per the current lease

11. OPERATING EXPENSE
ESCALATION BASE YEAR: Calendar 2021 Base Year
12. REAL ESTATE TAX
ESCALATION BASE YEAR: Fiscal 2021/2022 Base Year
13. DELIVERY CONDITIONS: Landlord shall add the New Premises, 1,822 RSF to Tenant's space.
14. EXPANSION OPTION: Tenant to have the option to expand onto the balance of the floor whenever those units shall become available after Landlord's initial leasing. The rate shall be Fair Market Value taking all relevant factors into account. FMV to be determined using Baseball Arbitration.
15. SECURITY DEPOSIT: TBD, please provide Leeds' financial statement
16. BROKERAGE: Cushman & Wakefield, Inc.
17. CONFIDENTIALITY: This proposal and all discussions related thereto shall be held in confidence by Landlord and Tenant and will not be discussed with third parties except on an "as needed" basis (e.g., attorneys).
18. NON-BINDING: This proposal shall not be binding upon either party until a Lease and required consent are executed by all required parties. This proposal may be modified or withdrawn at any time without prior notice.

We look forward to closing this transaction with you very quickly.

Very truly yours,




Jeffrey M. Sussman
Executive Vice President

JMS/hs



Section II: Negotiation Trail

	Edward J. Minskoff Proposal February 12, 2019	C&W Proposal March 26, 2019	Edward J. Minskoff Proposal April 17, 2019
Premises	Partial 41 st Floor – 14,678 RSF (Existing Premises: 12,856 RSF + New Premises: 1,822 RSF)	Partial 41 st Floor – 14,678 RSF (Existing Premises: 12,856 RSF + New Premises: 1,822 RSF)	Partial 41 st Floor – 14,678 RSF (Existing Premises: 12,856 RSF + New Premises: 1,822 RSF)
Term	Ten (10) Years from October 1, 2021	Ten (10) Years from October 1, 2021	Ten (10) Years from October 1, 2021
Base Rent	Years 1-5: \$145.00 per RSF Years 6-10: \$155.00 per RSF	Years 1-5: \$129.00 per RSF Years 6-10: \$139.00 per RSF	Years 1-5: \$137.00 per RSF Years 6-10: \$147.00 per RSF
Rent Abatement	Existing Premises: Eight (8) months New Premises: Ten (10) months	Existing Premises: Ten (10) months New Premises: Ten (10) months	Existing Premises: Ten (10) months New Premises: Ten (10) months
Landlord's Work Allowance	\$63.65 per RSF	\$70.00 per RSF	\$70.00 per RSF
Escalation Base Years	<u>Operating Expense:</u> 2021 Base Year <u>Real Estate Taxes:</u> 2021 Base Year	<u>Operating Expense:</u> Calendar 2021 Base Year <u>Real Estate Taxes:</u> Fiscal 2021/2022 Base Year	<u>Operating Expense:</u> Calendar 2021 Base Year <u>Real Estate Taxes:</u> Fiscal 2021/2022 Base Year



Section III: NER Calculation

Net Effective Rents - 590 Madison Avenue

Perspective:	Landlord		Landlord		Landlord		Landlord		Tenant		Tenant		Tenant		Tenant	
Broker:	Studley		C&W		C&W		C&W		Studley		C&W		C&W		C&W	
Tenant:	Crestview		Leeds Deal 1		Leeds Deal 2		Leeds Deal 3		Crestview		Leeds Deal 1		Leeds Deal 2		Leeds Deal 3	
RSF:	25,499 RSF		12,856 RSF		14,678 RSF		14,678 RSF		25,499 RSF		12,856 RSF		14,678 RSF		14,678 RSF	
Base Rent:																
Tranche 1	60 Mos	\$139.00	60 Mos	\$145.00	60 Mos	\$145.00	60 Mos	\$137.00	60 Mos	\$139.00	60 Mos	\$145.00	60 Mos	\$145.00	60 Mos	\$137.00
Tranche 2	60 Mos	\$149.00	60 Mos	\$155.00	60 Mos	\$155.00	60 Mos	\$147.00	60 Mos	\$149.00	60 Mos	\$155.00	60 Mos	\$155.00	60 Mos	\$147.00
Tranche 3	60 Mos	\$159.00							60 Mos	\$159.00						
Weighted Avg. Base Rent	180 Mos	\$149.00	120 Mos	\$150.00	120 Mos	\$150.00	120 Mos	\$142.00	180 Mos	\$149.00	120 Mos	\$150.00	120 Mos	\$150.00	120 Mos	\$142.00
LL Work Contribution:		\$160.00		\$50.00		\$56.20		\$61.65		\$160.00		\$50.00		\$56.20		\$61.65
TT Capital Needed:		(\$320.00)		(\$51.65)		(\$60.50)		(\$60.50)		(\$320.00)		(\$51.65)		(\$60.50)		(\$60.50)
TT NET Capital:		(\$160.00)		(\$1.65)		(\$4.30)		\$1.15		(\$160.00)		(\$1.65)		(\$4.30)		\$1.15
Free Rent:		14.00 Mos		8.00 Mos		8.25 Mos		10.00 Mos		14.00 Mos		8.00 Mos		8.25 Mos		10.00 Mos
TI Allowance		\$160.00		\$50.00		\$56.20		\$61.65		\$160.00 *		\$318.35 *		\$315.70 *		\$321.15 *
*Implied value of \$320/RSF for current Leeds space																
Effective Rent:		\$112.81		\$129.09		\$127.83		\$117.19		\$112.81		\$91.92		\$91.88		\$81.24



Section IV: Space Tours

Space Tours



550 Madison Avenue

- Club/hotel atmosphere
- Solid views
- High price point



65 East 55th Street

- Building largely leased
- Solid alternative
- Efficient floors



767 Fifth Avenue

- Awesome views
- Long term sublease
- Mid \$130's per RSF



520 Madison Avenue

- Very strong building
- Good views
- Slightly less expensive than 590 Madison Avenue



400 Park Avenue

- Solid building
- No amenities
- Moderately priced



425 Park Avenue

- Top building on Park Avenue
- Expansive views
- Efficient floor plate



399 Park Avenue

- Mid/high building
- Efficient floor plate
- Would have to share a floor



900 Third Avenue

- Moderately priced
- Solid building
- Good views