



Our plans for the 229 W 36 premises include:

- 1st floor and the mezzanine - A halal food court, which would house 8-10 different food concepts on the ground floor.
- 2nd & 3rd floor would house the main masjid. The floor plate of the building is around 11k sqft, so it will provide around 22k Sq' of prayer space.
- 4th & 5th floors, a total of 22k sqft for an office incubator. This space is fully furnished, and was previously used by WE WORK, which went bankrupt recently.
- 6th floor is currently rented to Nordstrom and the current lease expires in 01/2027
- 8th floor is currently rented to Record Press and the current lease expires in 05/2027

- 9th floor is currently partially rented to DS Simon Productions and the current lease expires in 04/2027
- 10th floor is currently rented to Mobile Health Management and the current lease expires in 07/2030
- 7th floor to be sold to MCN for \$5m
- partial 9th, 11th and 12th floors are being planned for conversion to hostel space.

We have the following probable exit strategies:

- Revival of the project encompassing the sale of 13 & 15 West 29 Street — depending on market conditions, the developer will revive the project, and hence would need to buy our premises. This may take around 2-3 years, and the cash from that transaction is anticipated to be between \$40-50m.
- Refinance the acquisition loan after stabilization. The expected timeline is about 3 years. Since we are buying the building at a price way below even the current market, it is expected to be valued between \$50-\$70m.



Masjid Ar-Rahman

Ar-Rahman Foundation Inc is a NY not-for-profit organization, and commonly known as “Masjid Ar-Rahman”.

The members started to undertake the Friday congregational prayers in the late 1980s. Formally organized as a foundation in 1992, until 2001, it used rented spaces for such congregational prayers. In early 2001, it purchased its own premises located at 13 & 15 West 29th Street, NYC. Since then, it has operated as a Musallah for the business community, holding five daily prayers, as well as the Friday and Eid prayers. It has also offered iftaar dinners to around 500-800 people every night in the month of Ramadan since then.

Over the years, its premises have outgrown the Muslim demand, and it is currently holding three Friday prayers, even with that the congregation spills over to the sidewalks.

In 2018, Masjid AR Rahman had entered into a contract for the next-door project with HFZ. The deal provided that the Masjid will receive \$23m in cash, a standalone condo space of around 16k sq' for the Masjid.



As the organization is a non-profit entity, such transaction required approval from the NY Office of the Attorney General.

While an application for approval from NY OAG was in the works, HFZ went bankrupt, and the project was foreclosed during the pandemic and the deal fell apart.

In 2022, Vanbarton, the lender which had foreclosed on the project started negotiations and we entered into an amendment which provided that the Masjid would receive \$43M for a vacant delivery of the premises and that the Masjid would relocate to a different location on its own. Based on a recent building appraisal in 04/2023, its premises are valued at \$17.5m. The reason for the premium over this valuation was due to the importance of the location and its available air-rights (buildable square footage).

We reopened the application for the consent from the NY OAG. For our relocation, we entered into an agreement to purchase 229 W. 36 Street, NYC, for \$35m.

Due to the delays at the NY OAG, we mutually extended our PSA with Vanbarton a few times. While such an application is still pending, and while we were working on extending the contract further, Vanbarton has communicated that it will not extend the contract, citing the market downturn and capitalization issues.

We are working on funding to close on our purchase of 229 w 36 building. But since the sales proceeds from the sale of 13-15 w 29 are not available any longer, we are looking for alternative sources to fund it.

229 w 36 Street is a 150000 rentable Sq feet building. The contract price is \$35m, which comes to roughly \$233/sq', and is considerably cheaper as compared to other buildings in the market which are going for over \$400/sqft, even during this soft market.

We need an additional **\$3.5M** to renovate and repurpose the building. So, we need a total of **\$38.5M**

Out of the **\$38.5M** fund requirement, we have already received a term-sheet from a shariah compliant lender, which is willing to lend **\$20M**, if we come up with an equity of **\$18.5M**.

