

2. Citrin Cooperman was retained by Tamara Pewzner, to prepare a Closing Statement and Report on the proceeds from a transaction of merger occurring in August of 2016, involving the limited partnerships, Royal CP Hotel Holdings LP and Royal HI Hotel Holdings LP, (the “LPs”) which we did using information supplied by counsel who conducted the merger for the LPs, Ira Nesenoff Esq. of Nesenoff and Miltenberg, from the bookkeeper for the LPs and LLCs, Brenda Whitacre, Tamar Pewzner and Esma Elberg. We were not engaged to audit, verify, or perform any attest procedures on any of the information contained in our report.

3. Based solely on the information provided to us, and as reflected on the attached Closing Statement and Report, this transaction included a total of approximately \$36 million of total consideration, approximately \$9 million of which was attributable to the assumption of liabilities and the payment of funds to the Class “B” limited partner Crabapple, in consideration of its interests.

4. \$27 million of this consideration was paid in cash. Out of that \$27 million, real estate transfer taxes accounted for over \$1.1 million and income taxes accounted for over \$4.1 million.

5. Of the remaining approximate \$21.7 million, over \$4.4 million paid off a note and cleared a mortgage on the LLC’s property held by Shefa Funding

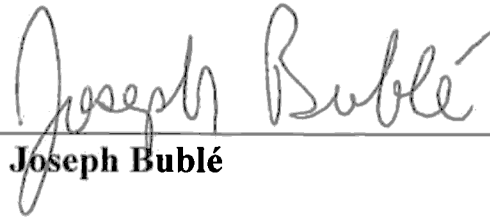
LLC and approximately \$11.4 million went to the repayment of other loans made to these real estate ventures.

6. From the remaining proceeds of approximately \$6 million of cash, payments were made for outstanding obligations to professionals including architects, engineers, accountants, lawyers, expenses of sale, other unpaid expenses that were incurred prior to the sale and expense reserves, leaving approximately \$4.9 million.

7. We prepared federal, New York State and New York City corporate income tax returns for the entities for which the tax payments were made which resulted in federal, state and city tax refunds of approximately \$1.2 million. The refunds were received over year later when the tax returns for 2016 were timely filed and processed by the tax authorities.

8. As a result, the net proceeds from this merger transaction, after payment of taxes, loans and expenses as delineated on the attached Report, is \$6.038 million.

9. This affidavit and the attached Statement and Report are based solely on representations and information supplied this accounting firm by Ms. Pewzner, Ms. Esma Elberg, Brenda K Whitacre, and Ira Nesenoff of Nesenoff and Miltenberg, LLP.



Joseph Bubl 

Sworn to before me this 26 day
of July, 2022



Notary Public

ANDREW ROTTER
Notary Public, State of New York
Reg. No. 02RO5030734
Qualified in Westchester County
My Commission Expires July 18, 2026

**Citrin Cooperman Advisors, LLC**

50 Rockefeller Plaza
New York, NY 10020
T 212.697.1000 F 212.202.5107
citrincooperman.com

July 14, 2022

Tamar Pewzner
23 Waverly Place
Lawrence, NY 11559

Dear Tamar,

Pursuant to our engagement letter with you dated June 3, 2022 (the "Engagement Letter") we have prepared a Summary of the Closing Statement and Report regarding Royal CP Hotel Holdings, L.P. and Royal HI Holdings, L.P. Merger Agreement With Royal One Real Estate II LLC. (the "Summary"). The Summary is based solely on representations and information supplied to us by you, Esma Elberg, Brenda K. Whitacre, and Ira Nesenoff, Esq. of Nesenoff and Miltenberg, LLP. As set forth in the Engagement Letter, we have not audited, verified, or performed any attest procedures on any of the information contained in our report.

The Summary contains two columns.

The first column contains the cash and non-cash sources and uses of proceeds on the closing date of the Merger Agreement for the Remainder Interest and the Class B interest.

The second column contains just the cash sources and uses as of the Merger Date for the remainder interest, excludes payments to the three escrow accounts, and then adds the various income tax refunds that were received post-closing, adds the amounts paid at closing to the three escrow accounts and subtracts the post-closing disbursement from the Environmental Escrow Account paid to Royal One Real Estate II LLC.

Sincerely,

A handwritten signature in cursive script that reads "Citrin Cooperman Advisors LLC".

Citrin Cooperman Advisors LLC

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. Citrin Cooperman is an independent member of Moore North America, which is itself a regional member of Moore Global Network Limited (MGNI).

SUMMARY of CLOSING STATEMENT AND REPORT
 re: ROYAL CP HOTEL HOLDINGS, L.P. AND
 ROYAL HI HOTEL HOLDINGS, L.P.
 MERGER AGREEMENT WITH ROYAL ONE REAL ESTATE II LLC

	Sources of Funds Including Non-Cash Items	Cash Proceeds at Closing Paid to Remainder Interest Only
Remainder Interest Purchase Price	27,000,000.00	27,000,000.00
Class B Consideration	800,000.00	
Rosenthal Mortgage Assumed by Buyer (as of 8/25/16)	4,334,587.29	
Loans Payable to Class A Investors in Royal HI Hotel Holdings LP Assumed by Buyer	2,030,000.00	
Loans Payable to Class A Investors in Royal CP Hotel Holdings LP Assumed by Buyer	2,020,000.00	
Total Sources -- Gross Proceeds	36,184,587.29	27,000,000.00

	Uses of Funds Including Non-Cash Items	Costs and Expenses Paid Out At Closing Excluding Amounts Paid to Escrow Accounts Remainder Interest Only
Class B Consideration (Net of Transfer Tax of \$24,200 paid to CT&T Includ	775,800.00	
Loss Indemnification Escrow account	2,700,000.00	
Environmental Escrow Account	50,000.00	
Purchase Price Escrow Account	2,124,045.66	
Payoff of Mortgages by Buyer (as of 8/25/16)	4,334,587.29	
Cash in Royal HI Hotel Holdings LP's Bank Account required to be Turned	1,789,304.00	
Cash in Royal CP Hotel Holdings LP's Bank Account required to be Turned C	913.00	
Loans Payable to Class A Investors in Royal HI Hotel Holdings LP and Royal CP Hotel Holdings LP Assumed by Buyer in Excess of Cash in Bank	2,259,783.00	
Total NYC Real Property Transfer Tax	923,781.05	899,581.05
Total NYS Real Property Transfer Tax	140,770.00	140,770.00
Accrued Real Estate Taxes	79,205.74	79,205.74
Total Paid to CT&T -- Title Company	1,143,756.79	1,119,556.79

* Excludes \$24,200 of Transfer Taxes Paid on Behalf of Class B Units

Royal One Real Estate LLC		
Federal Corporate Income Tax Payment	2,350,000.00	2,350,000.00
NYS Corporate Income Tax Payment	750,000.00	750,000.00
NYC Corporate Income Tax Payment	800,000.00	800,000.00
Royal Real Estate Management		

UNAUDITED

Based solely on representations and information received from Tamar Pewzner, Ira Nesenoff, Esq., of Nesenoff and Miltenberg, LLP. and Brenda K. Whitacre.

SUMMARY of CLOSING STATEMENT AND REPORT
 re: ROYAL CP HOTEL HOLDINGS, L.P. AND
 ROYAL HI HOTEL HOLDINGS, L.P.
 MERGER AGREEMENT WITH ROYAL ONE REAL ESTATE II LLC

NYS Corporate Income Tax Payment	3,000.00	3,000.00
NYC Corporate Income Tax Payment	227,000.00	227,000.00
Accounting Fees Citrin Cooperman & Co. LLP	181,501.00	181,501.00
Legal Fees Nesenoff & Miltenberg, LLP	73,140.00	73,140.00
Legal Fees Andrew Tulloch, Esq.	28,628.00	28,628.00
Legal Fees Johnson Liebman, LLP	77,142.00	77,142.00
Escrow for Additional Attorney's Fees	300,000.00	300,000.00
Agreed Contribution to Title Fees, Chicago Title Insurance Co.	54,000.00	54,000.00
Shefa Funding Loan Repayment	4,415,409.60	4,415,409.60
Loan Payable Esma Elberg- Advances for Operating Expenses	357,055.00	357,055.00
Loan Payable Tamar Pewzner - Advances for Operating Expenses	90,945.00	90,945.00
Loan Payable JEB Management (now Estate of Jacob Elberg) - Advances for	365,408.00	365,408.00
Accrued Expenses (See Schedule Below)	187,781.76	187,781.76
Royal One Real Estate LLC - Future Operating Expenses	178,000.00	178,000.00
Royal Real Estate Management LLC - Future Operating Expenses	22,000.00	22,000.00
Repayment of Various Advances Made to Real Estate Ventures		
Loan Payable Estate of Jacob Elberg	10,071,582.00	10,071,582.00
Royal Hotels (now Estate of Jacob Elberg)	(1,000.10)	(1,000.10)
Royal Two (now Estate of Jacob Elberg)	474,805.29	474,805.29
Royal One	509,787.98	509,787.98
	-	-
Royal CP Holdings	(160,257.92)	(160,257.92)
Royal Real Estate Management	(349,530.06)	(349,530.06)
	-	-
Due From Menue 26 -- Rueben Elberg	(97,600.00)	(97,600.00)
Outstanding Receivables not collectible at closing	97,600.00	97,600.00
Totals	<u>36,184,587.29</u>	<u>22,125,954.34</u>
Cash Proceeds Received at Closing in Excess of All Costs and Expenses Paid at Closing Excluding Amounts Paid to Escrow Accounts		<u>4,874,045.66</u>
Loss Indemnification Escrow account		2,700,000.00
Environmental Escrow Account		50,000.00
Purchase Price Escrow Account		2,124,045.66
Cash Proceeds Received at Closing in Excess of All Costs and Expenses Paid at Closing Excluding Amounts Paid to Escrow Accounts		<u>4,874,045.66</u>
Income Tax Refunds Received		
Federal		646,447.00

UNAUDITED

Based solely on representations and information received from Tamar Pewzner, Ira Nesenoff, Esq., of Nesenoff and Miltenberg, LLP. and Brenda K. Whitacre.

SUMMARY of CLOSING STATEMENT AND REPORT
re: ROYAL CP HOTEL HOLDINGS, L.P. AND
ROYAL HI HOTEL HOLDINGS, L.P.
MERGER AGREEMENT WITH ROYAL ONE REAL ESTATE II LLC

New York State	250,264.00
New York City	281,807.61
Prncipal of Environmental Escrow Account Paid to Royal One Real Estate II LLC	(14,800.00)
Cash Proceeds Received at Closing In Excess of All Costs and Expenses Paid at Closing Excluding Amounts Paid to Escrow Accounts Plus Income Tax Refunds Received Less Principal of Enviornmental Escrow Account	<u>6,037,764.27</u>

Schedule of Accrued Expenses

Lauterbach Garfinkle Damast & Hollander LLP	20,132.50
Goldfarb & Fleece LLP	4,279.00
Consultant - SMC Group Inc.	5,700.00
McElroy Deutsch Mulvaney & Carpenter, LLP	7,335.00
Zambrano Architectural Design LLC	3,450.00
Internal Revenue Service	23,800.00
Nobutaka Ashihara Architect PC	52,875.30
Clevenger Frable LaVallee	1,361.18
Athwal Engineering PC	28,185.37
AxIs Design Group International LLC	21,698.57
P Wolfe Consultants Inc. (negotiated)	5,000.00
Stamatios P. Lykos	2,275.00
Best Buy Demo Inc.	5,350.00
Environetics	1,339.84
Brenda Whitacre	5,000.00
Total Accrued Expenses	<u>187,781.76</u>

UNAUDITED

Based solely on representations and information received from Tamar Pewzner, Ira Nesenoff, Esq., of Nesenoff and Miltenberg, LLP, and Brenda K. Whitacre.