

ATTORNEY GENERAL OF THE STATE OF NEW YORK
NEW YORK COUNTY

In the Matter of the Application of Corlears School

OAG No.: NYC-2026-909

**ATTORNEY GENERAL
APPROVAL**

For Approval to Sell All or Substantially All
of Its Assets Under Sections 510 and 511-a
of the Not-for-Profit Corporation Law

By Petition verified on April 7, 2026 (“Petition”), Corlears School (“Petitioner”) applied for approval to the New York State Attorney General (“Attorney General”) to dispose of “all or substantially all of its assets” pursuant to Sections 510 and 511-a of the New York Not-for-Profit Corporation Law.

1. The asset that is the subject of the Petition is the real property owned by Petitioner located at 322-324 West 15th Street, New York, NY 10011 (Block 738 and Lot 54) (the “Property”). The Property is improved with a school building.

2. Petitioner resolved to sell the Property to 324 West 15th Street LLC (“Purchaser”) pursuant to the terms of the transaction identified in the Purchase and Sale Agreement between Petitioner and Purchaser, dated September 25, 2025 (“Agreement”), for the purchase price of \$19,000,000.00 (“Purchase Price”). Purchaser represented in the Agreement that (a) Purchaser is a New York limited liability company, owned by the sole member, 324 West 15th Street Members LLC and (b) the controlling members, directly or indirectly of 324 West 15th Street Members LLC are Gabriel Saffayeh, Robert Saffayeh and Elie Fouerti.

3. The terms of sale of the Property include: (i) the sale is “as-is”, (ii) the deposit was released to Petitioner prior to closing of the transaction, (iii) there is an ability for Petitioner to remain in the building after closing if necessary, (iv) there is a short closing period upon receipt of the required approvals, and (v) there is no financing contingency or other Purchaser contingencies. The Purchase Price exceeds the appraised value of the Property.

4. The sale will enable Petitioner to eliminate all outstanding debt, relocate and lease a smaller less expensive site and to fund strategic initiatives necessary for the school’s successful relocation and continued mission (including but not limited to funding new programs, hiring consultants to support financial strategy, communications, marketing, and fundraising) in accordance with the below use of net proceeds.

5. The approximate closing costs include transfer tax (\$123,500.00), title fees (\$1,100), violations (\$10,000), broker fee (\$855,000.00), and legal fees (\$60,000.00), for a total closing costs of \$1,049,600.00 (“Closing Costs”).

6. The remaining proceeds after the payment of Closing Costs (“Net Proceeds”) will be used as follows:

\$11,000,000.00	Payoff 1st Mortgage
\$88,847.70	Payoff 2nd Mortgage
\$2,500,000.00	3rd Mortgage (Deposit)
\$50,000.00	Payoff interest estimated on the three mortgages (in the event that the sale doesn't close within 6 months from the payoff date)
\$1,820,000.00	Payoff Community Loans
\$1,800,000.00	Funds for new leased space. *Funds to be held in the Restricted Fund at closing.*
\$20,000.00	Moving Expenses
\$250,000.00	Security pursuant to License Agreement (amount to be paid back to Corlears after moveout)
\$72,661.44	Estimated license fee payment from Closing-September 1, 2026
\$272,661.44	License fee from September 1, 2026-December 31, 2026
\$98,051.00	Balance due to Metric Marketing for service to be provided
\$60,000.00	Legal Fees for the negotiation of the Lease
\$17,912,221.58	Total

7. \$1,800,000.00 of the Net Proceeds will be deposited in a segregated Board-designated restricted fund created by the Board of Trustees of Petitioner (the “Restricted Fund”), which sum will be applied in the future towards payments or costs associated with an agreement in connection a relocation site for Petitioner. Any release of funds from the Restricted Fund will be subject to the written approval of the Attorney General upon the review of an executed agreement in connection with a relocation site for Petitioner.

8. Based on a review of the Petition and the exhibits thereto (and the additional documents and information requested by the Attorney General), and the verification of David Egolf, as Head of School of Petitioner, that Petitioner has complied with the provisions of Section 510 and 511-a of the Not-for-Profit Corporation Law applicable to this transaction, and neither the Petitioner nor any third party having raised with the Attorney General any objections to the proposed transaction, the transaction is approved.

9. None of the terms or parties referenced in this Attorney General Approval may be altered without further written approval of the Attorney General.

10. Petitioner shall provide the Attorney General with a copy of the closing statement within 30 days from the closing of the transaction, and written confirmation of the creation of the Restricted Fund and deposit of Net Proceeds pursuant to Paragraph 7 hereof.

11. Petitioner will give the Attorney General written notification that the transaction is closed, abandoned, or still pending after 90 days of the date of this approval.

12. This approval by the New York State Attorney General only applies to the terms and parties set forth herein.

13. For the purposes of this transaction, the Assistant Attorney General's facsimile or electronic signature shall be deemed the equivalent of an original signature.

Letitia James
Attorney General of the State of New York

By: *Anthe Maria Bova*
Anthe Maria Bova
Assistant Attorney General

Date: April 13, 2026