

פעשיא עליאס ביקור חולים ד'באבוב
PESHA ELIAS BIKUR CHOLIM D'BOBOV

Yitzchok J. Fleischer
 Executive Director

Founders - I. Tauber - I. Davidowetz - J. Folger - U. Weiss

Trustees - M. Fasten - P. Greenberg - A. M. Grodzinsky - M. Leifer - Ch. S. Miller
 N. Reiner - Av. Reinhold - H. Stengel - YS. Wallzer

בס"ד

April 1, 2004

Hon. Judah Gribetz,
 Special Master
 Holocaust Victims Assets Litigation
 Case No. CV 96-4849
 399 Park Avenue
 New York, NY 10022

Re: Holocaust Victims Assets Litigation:
 "Establishing a Residential Community for Holocaust Survivors"

Dear Mr. Gribetz:

This is in response to your letter of March 23, 2004, in which you requested clarification on a number of issues pertaining to our submission of the above proposal.

We are pleased to provide you with the response that you requested and to offer further clarification about the concept of the grant.

1. Peshah Elias will serve 1100 needy clients in 2004.
2. 200 of the clients to be served in 2004 are Nazi victims
3. The total program cost of serving the Nazi victims in 2004 will be \$50,000.
4. The average cost per person (Nazi victim) served in calendar year 2004 will be \$250

Based on the questions raised at our meeting of March 23rd and your subsequent letter, we are pleased to use this opportunity to clarify a number of issues with respect to our proposal.

Although our original proposal included a fixed dollar amount and the number of people to be served, it was our intent to establish the urgent need once again in the hope of facilitating a dialogue on the best way to ultimately develop and build this project. Both the grant request and the number of people to be served require further explanation.

1421 52nd St. - Brooklyn, New York 11219
 Phone 718-871-8606 · 212-575-0008 · Fax 718-435-5047 · 212-719-1996

ביקור חולים מביא טובה לעולם (אדר"ג פ"ל)

Honorary President
Rebetzin Frieda Halberstam
 Bobover Rebetzin

Honorary Vice President
Rebetzin Hessie Halberstam

Presidium
 Shyfra Scharf
 Rachel Tauber
 Frieda Zwiebel

Vice Presidents
 Tania Einhorn
 Blimie Fishman
 Chaya Friedman
 Rochmie Halberstam
 Yehudis Obstfeld
 Esther Rosengarten

Secretaries
 Machi Blau
 Necha Tauber
 Yitty Teitelbaum

Treasurers
 Faigie Elias
 Malkie Fasten
 Idy Kaufman

Board of Directors
 Reb. Chumie Tauber

Leah Beck
 Estie Beigel
 Rivkie Bornfreund
 Sara Cohen
 Reizie Deutsch
 Rivkie Eisenbach
 Surie Elias
 Devora Friedman
 Sonia Kornreich
 Cookie Landau
 Rose Lefkowitz
 Gitu Lesser
 Faigie Reinhold
 Izirie Reinhold
 Devorie Scharf
 Naomi Singer
 Mala Wachsman
 Gull Weinfeld

Our professionals working on this project tell us that a grant of \$6,000,000 - \$10,000,000 would be sufficient to trigger additional funding to build the proposed project. It would enable the community to build a multi-faceted facility of approximately 210,000 square feet above ground, with underground parking provided on one to two levels. The gross square footage should yield:

150 independent living units -	(750 square ft. per unit)
40 assisted living units -	(450 square ft. per unit)
20 Alzheimer's units -	(300 square ft. per unit)

The balance of the building would include a wide range of ancillary services and amenities, including medical and therapy offices as part of the Health and Wellness Center.

Most of the grant will be used to get the land under contract and do the necessary predevelopment work while we secure tax-free bond financing. We are confident that we can get at least 90% of the project cost financed through such a bond issue, with initial debt service of approximately 1% - interest only. Through aggressive fundraising and grant seeking during the predevelopment and development phases, we anticipate bringing the debt down to a very manageable level.

The grant request takes into account that the project could be built by early 2006. It also includes \$1 million to be used in 2004 and 2005 to immediately help survivors with their service and housing needs. A sum of \$200,000 would be used in each of the two years to significantly upgrade the social and medical services to the 200 - 250 Nazi victims under our care. The balance would be used to defray part of the cost of placing 100 people in commercially operated assisted living facilities. These are needy people who may require either short-term rehabilitation or just enough funds to be accepted by the facility on a longer-term basis.

Most importantly, it was never our intention to build a facility for 210 people alone. As was emphasized in our earlier submission to you nearly 6 years ago, our concept was to use such a facility to serve as a nerve center for services to well over 5,000 survivors a year through offsite services, home assistance, and day care programming.

Nor was the 150 ever intended to be a finite figure. With life expectancy factored in, the project in its first 3 years of existence will potentially serve more than 500 Nazi victims, including a large percentage of aging survivors from the former Soviet Union.

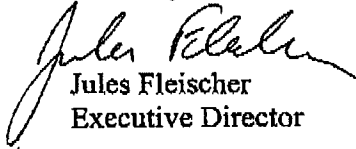
What is most intriguing about this project is that in addition to serving thousands of Nazi survivors, including addressing their most pressing housing and social needs, the one-time funding establishes a structure that will help needy Jews for years to come, including children of the survivors, whose unique physical and emotional needs are by now well documented. Although not its main intent, the construction of such a facility will not only be a practical response for many needy; it will give the Nazi victims the

peace of mind that funds intended to reimburse them for their suffering will serve their needy heirs and others for years to come.

We very much appreciate the difficult and challenging mission that has been cast on Judge Edward Korman and you in your role as special master. We understand the heavy responsibilities that you carry in implementing the terms of the Swiss Settlement Fund. We also know that you are faced with complex choices. However, we appeal to your reputation of fairness and compassion to probe deeply into what is a window of opportunity to do justice for those who have suffered the most as a result of Nazi oppression and brutality.

It is our fervent hope that you will afford us the opportunity to leverage a relatively small amount of money for the direct benefit of thousands of Nazi victims.

Sincerely,



Jules Fleischer
Executive Director