AGENDA

Meet the Team
Project Background
Site Selection
Project Specs
Development Budget
Development Timeline
Design Intent
Third-Party Partnerships
Financial Analysis

MEET THE TEAM

Nick Szuch
Acquisitions, Asset and Portfolio Management
Hometown: Morris Township, NJ

Sam Mitrani
Budgeting, Design and Development
Hometown: Miami, FL

Jessica Rosner
Design, Development and Entrepreneurship
Hometown: Merrick, NY

Albert Kao
Corporate Finance and Development
Hometown: Piscataway, NJ

John Bae
Acquisitions and Development
Hometown: Seoul, South Korea
Project Background: COVID-19 in New York City

- Target market disproportionately negatively impacted by COVID-19
- More than half of NYS' COVID-19 cases located in NYC
- NYC cases predominantly in the outer boroughs
- Black and Brown communities account for 56% of cases but 64% of deaths
Project Background: "Bed-Stuy," Brooklyn
Project Background: Housing Insecurity in NYC

- **50+%**: proportion of Bed-Stuy residents classified as low or extremely low income
- **34% Lower**: Bed-Stuy's Median Income vs. Greater NYC
- **23% Lower**: Bed-Stuy's Median Income vs. Greater Brooklyn
- **40% Higher**: Bed-Stuy’s 10-year price change for 1-bedroom home sales
- **56% Higher**: Bed Stuy’s 10-year price change for 1-bedroom rentals

Picture taken from Patch.com Article, New Map Charts Bed-Stuy Evictions Block by Block
Project Background: The RFP

Program the development of two NYC-owned lots to:

• Support **household wealth creation** and;
• Promote **wellness** and **healing**

The Stoop's Impact in Bed-Stuy:

• **Homeownership** in high barrier to entry market
• Critical mass of **affordable rentals**
• Diverse **retail** targeted at family/professional needs
• Community **amenities** focused on the environment and physical fitness
• Significant **public green space**
Site Selection

Access to the following bus lines: B7, B25, B26, B47
Site Selection

Site 1

Site 2
Project Specs: Site 1, Fulton-Howard East Site

Goal of RFP: Homeownership

Site Details:
• Fulton Street between Howard and Saratoga Avenues
• Lot Area: 8,000 sf

Zoning:
• R7D, Inclusionary Housing Program
• Max FAR: 5.60
• Max GSF: 44,800 sf
Project Specs: Site 1, Fulton-Howard East Site

For-Sale Cooperative Apartments
44,464 sf mixed-use building

Residential:
• 48 affordable units
• 750 sf resident lounge
• 2,360 sf private garden
• 4,000 sf rooftop terrace

Commercial:
• 2,950 sf credit union
Project Specs: Site 1, Fulton-Howard East Site

**Unit Mix and Pricing**

- 48 total units
  - 8 studios
  - 16 one-bedrooms
  - 24 two-bedrooms
- Utilizes NYC Housing Preservation and Development ("HPD") Open Door Term Sheet
- Target those with incomes ranging from 90% to 130% of Area Median Income ("AMI")
- Average sale price of $454,136
Site 1 – Fulton-Howard East Site

Comparable Properties

Site 1
- 48 units | 90%-130% AMI

Site 2
- Mother Gaston Hinsdale Homes
  - 15 units | 90%-120% AMI
Project Specs: Site 2, Fulton-Saratoga Site

Goal of RFP: Wellness and Healing

Site Details:
• Southwest corner of Fulton Street and Saratoga Avenue
• Lot Area: 36,000 sf

Zoning:
• R7D, Inclusionary Housing Program
• Utilizes FRESH Program*
• Max FAR: 5.60
• Max GSF: 216,850 sf

*FRESH Program: Food Retail Expansion to Support Health Program
Project Specs: Site 2, Fulton-Saratoga Site

Affordable Multifamily and Senior Housing Apartments
216,040 sf mixed-use building

Residential
• 222 affordable units
• 700 sf apiary
• 2,400 sf resident lounges
• 3,250 sf resident gyms
• 4,400 sf recreation rooms
• 4,700 sf private gardens
• 7,150 sf communal terraces
**Project Specs: Site 2, Fulton-Saratoga Site**

**Affordable Multifamily and Senior Housing Apartments**
- 216,040 sf mixed-use building

**Commercial**
- 1,000 sf healthy QSR
- 1,600 sf shipping center
- 4,500 sf urgent care
- 5,800 sf daycare
- 7,200 sf community plaza
- 15,250 sf grocery store
Project Specs: Site 2, Fulton-Saratoga Site

Affordable Senior Housing ("SH")
Unit Mix and Pricing

- 81 total units
  - 27 studios
  - 54 one-bedrooms
  - Includes 25 units reserved for homeless seniors
- Utilizes HPD Senior Affordable Rental Apartments ("SARA") term sheet
- Target those with incomes up to 60% of AMI
- Average monthly rent of $562
Project Specs: Site 2, Fulton-Saratoga Site

Affordable Multifamily Apartments ("MF") Unit Mix and Pricing

• 141 total units
  • 14 studios
  • 46 one-bedrooms
  • 70 two-bedrooms
  • 11 three-bedrooms
• Target those with incomes ranging from 50% to 100% of AMI
• Average monthly rent of $1,555
Site 2 – Fulton Saratoga Site

Comparable Properties

- Debevoise Senior Housing
  SH: 44 units | 50% AMI

- The Garnet
  MF: 94 units | 50%-150% AMI

- The Astra
  MF: 89 units | 40%-130% AMI

- Site 2
  SH: 81 units | up to 60% AMI
  MF: 141 units | 50%-100% AMI

- Harry T. Nance Apartments
  MF: 55 units | 30%-60% AMI

- Ebenezer Plaza Phase I North
  MF: 106 units | 30%-80% AMI
# Development Budget

## The Stoop

<table>
<thead>
<tr>
<th>Item</th>
<th>Site 1</th>
<th>Site 2</th>
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</thead>
<tbody>
<tr>
<td>Hard Costs</td>
<td>$22,249,733</td>
<td>$74,193,639</td>
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<tr>
<td>Soft Costs</td>
<td>$397,111</td>
<td>$2,084,524</td>
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<tr>
<td>FFE Allowance</td>
<td>$222,320</td>
<td>$1,080,200</td>
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<tr>
<td>Low Voltage</td>
<td>$333,480</td>
<td>$1,620,300</td>
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<tr>
<td>Total Cost</td>
<td>$23,202,644</td>
<td>$78,978,664</td>
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<tr>
<td><strong>Total Cost + Contingency (5%)</strong></td>
<td><strong>$24,362,776</strong></td>
<td><strong>$82,927,597</strong></td>
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</tbody>
</table>

$/psf:
- Site 1: $439
- Site 2: $343
- $/psf:
- Site 1: $9
- Site 2: $10
- $/psf:
- Site 1: $5
- Site 2: $5
- $/psf:
- Site 1: $8
- Site 2: $8
- $/psf:
- Site 1: $460
- Site 2: $366
# Development Timeline

## The Stoop - Development Timeline

<table>
<thead>
<tr>
<th>Task</th>
<th>Start</th>
<th>End</th>
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</thead>
<tbody>
<tr>
<td>Project Kickoff</td>
<td>11/20/2020</td>
<td>11/20/2020</td>
</tr>
<tr>
<td>Respond to RFP</td>
<td>11/20/2020</td>
<td>12/20/2020</td>
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<tr>
<td>Design</td>
<td>11/20/2020</td>
<td>1/19/2021</td>
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<tr>
<td>100% DD</td>
<td>1/19/2021</td>
<td>4/19/2021</td>
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<tr>
<td>100% CD</td>
<td>4/19/2021</td>
<td>7/18/2021</td>
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<tr>
<td>Construction</td>
<td>4/19/2021</td>
<td>7/18/2021</td>
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<tr>
<td>Preliminary GC Bids</td>
<td>4/19/2021</td>
<td>7/18/2021</td>
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<tr>
<td>Bid Award - Notice to Proceed</td>
<td>7/18/2021</td>
<td>8/17/2021</td>
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<tr>
<td>Finishes - Site 1</td>
<td>2/23/2022</td>
<td>12/20/2022</td>
</tr>
<tr>
<td>Project Opening - Site 1</td>
<td>12/20/2022</td>
<td>6/18/2023</td>
</tr>
<tr>
<td>Foundation &amp; Structure - Site 2</td>
<td>8/17/2021</td>
<td>7/28/2022</td>
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<tr>
<td>Finishes - Site 2</td>
<td>6/28/2022</td>
<td>6/8/2023</td>
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<tr>
<td>Project Opening - Site 2</td>
<td>6/8/2023</td>
<td>11/5/2023</td>
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<tr>
<td>Permitting</td>
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<tr>
<td>Issue Documents for Permit</td>
<td>4/19/2021</td>
<td>5/19/2021</td>
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<tr>
<td>Permit Approval</td>
<td>5/19/2021</td>
<td>6/18/2021</td>
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<tr>
<td>Sign Off &amp; Final Inspections</td>
<td>11/5/2023</td>
<td>12/5/2023</td>
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<tr>
<td>Project Completion</td>
<td>12/5/2023</td>
<td>12/5/2023</td>
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Design Intent
Respect Vernacular Architecture
Design Intent
Respect Vernacular Architecture
Design Intent
Spur Community Gathering
Design Intent
Spur Community Gathering
Design Intent
Promote Health and Wellness
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Promote Health and Wellness
Design Intent:
Promote Health and Wellness
Third-Party Partnerships
Our development and management team will be comprised solely of MBEs/WBEs:
# Financial Analysis: Site 1

<table>
<thead>
<tr>
<th>Metric</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Levered IRR/Equity Multiple</td>
<td>11.2%/1.2x • 43-month hold period</td>
</tr>
<tr>
<td>Deal Capitalization</td>
<td>Equity: 6.9% Debt: 93.1% Total: 100% • 34.8% from NYC Open Door Subsidy (0.25% fixed interest rate, 20-year term) • 65.2% market loan (L+400, five-year term)</td>
</tr>
<tr>
<td>Wtd. Avg. Condo Price</td>
<td>$454,136 • 8 studios, 16 1-beds, 24 2-beds • Pricing based on capping total housing costs at 33% of total income • Sale process run by NYC HPD lottery</td>
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<tr>
<td>Total Co-Op Sale Proceeds</td>
<td>$23.9 mm • 12-month period assumed to collect proceeds</td>
</tr>
<tr>
<td>Total Retail Sale Proceeds</td>
<td>$1.8 mm • Single-tenant retail lease, 6.5% exit cap rate</td>
</tr>
</tbody>
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## Financial Analysis: Site 2

<table>
<thead>
<tr>
<th>Metric</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Levered IRR/Equity Multiple</td>
<td>• 60-month hold period</td>
</tr>
</tbody>
</table>
| Deal Capitalization                         | • 27.9% from SARA term sheet (1.25% fixed interest rate, 30-year term)  
|                                             | • 72.1% market loan (4.5% fixed, five-year term)  |
| Multifamily Wtd. Avg. Rent                  | • 27 studios, 54 1-beds                   |
| Senior Housing Wtd. Avg. Rent               | • 14 studios, 46 1-beds, 70 2-beds, 11 3-beds  
|                                             | • Pricing based on capping rent at 30% of total income  |
| Stabilized NOI (Site-level)                 | • Multifamily: $2.3 mm                     |
|                                             | • Senior Housing: $1.0 mm                  |
| Exit Cap Rate                               | • Sale comp analysis (RCA) yielded a weighted average cap rate of 5.15%  
|                                             | • Given cash flow profile of senior housing, 35 bp premium was applied  |
| Total Sale Proceeds                         |                                            |
**SWOT Analysis**

**Strengths**
- Contributes **270 for-sale and rental homes** to a community that has been greatly harmed impacted by COVID-19, and has experienced rapidly escalating housing costs over the past decade
- Contributes **lacking retail and green space amenities** at scale

**Weaknesses**
- Financial viability of the project is **substantially reliant** on receiving support from NYC HPD
SWOT Analysis

Opportunities
• Obtain additional funding from NYC in form of tax credits and city bonds to limit equity contribution
• Pursue LEED certification
• Implement sustainability curriculum for residents in conjunction with Diamond Mine Real Estate

Threats
• Affordability profile of Site 2 assets may make it difficult to obtain long-term financing