

The Loisa

FORMER PS64

EXECUTIVE SUMMARY

Wood Capital presents the opportunity to participate in an adaptive re-use multifamily investment located in the Lower East Side. The target property consists of an existing abandoned building, the former PS64, which is currently facing foreclosure from its lender, Madison Realty Capital. The property is an H shape 5 story building that was designated as a Landmark in 2006.

Our strategy is to restore the existing building through an extensive renovation project and add 8 stories on top for a total construction cost of \$60m. The total development time is 63 months and we plan to exit the deal in year 7. Our Equity ask is \$23,000,000.



HISTORY

PUBLIC SCHOOL	1905
COMMUNITY	1970 – 1998
GREGG SINGER	1999 – 2022
LANDMARK	2006
FORECLOSURE	2022

UNLEVERED

PROJECT IRR	13%
PROJECT EM	1.76x

RETURN METRICS

Type	Multifamily
Number of Units	130
Acquisition Price	\$28,000,000
Acquisition per SF	\$300 PSF
	(of existing structure)
Renovation	\$25,000,000
Addition	\$35,000,000
Total Construction	\$60,000,000
Other Costs	\$22,000,000
Total Development Cost	\$110,000,000

LEVERED

PROJECT IRR	20%
PROJECT EM	2.62x

The Loisa

THE PROPERTY

EXISTING CONDITIONS

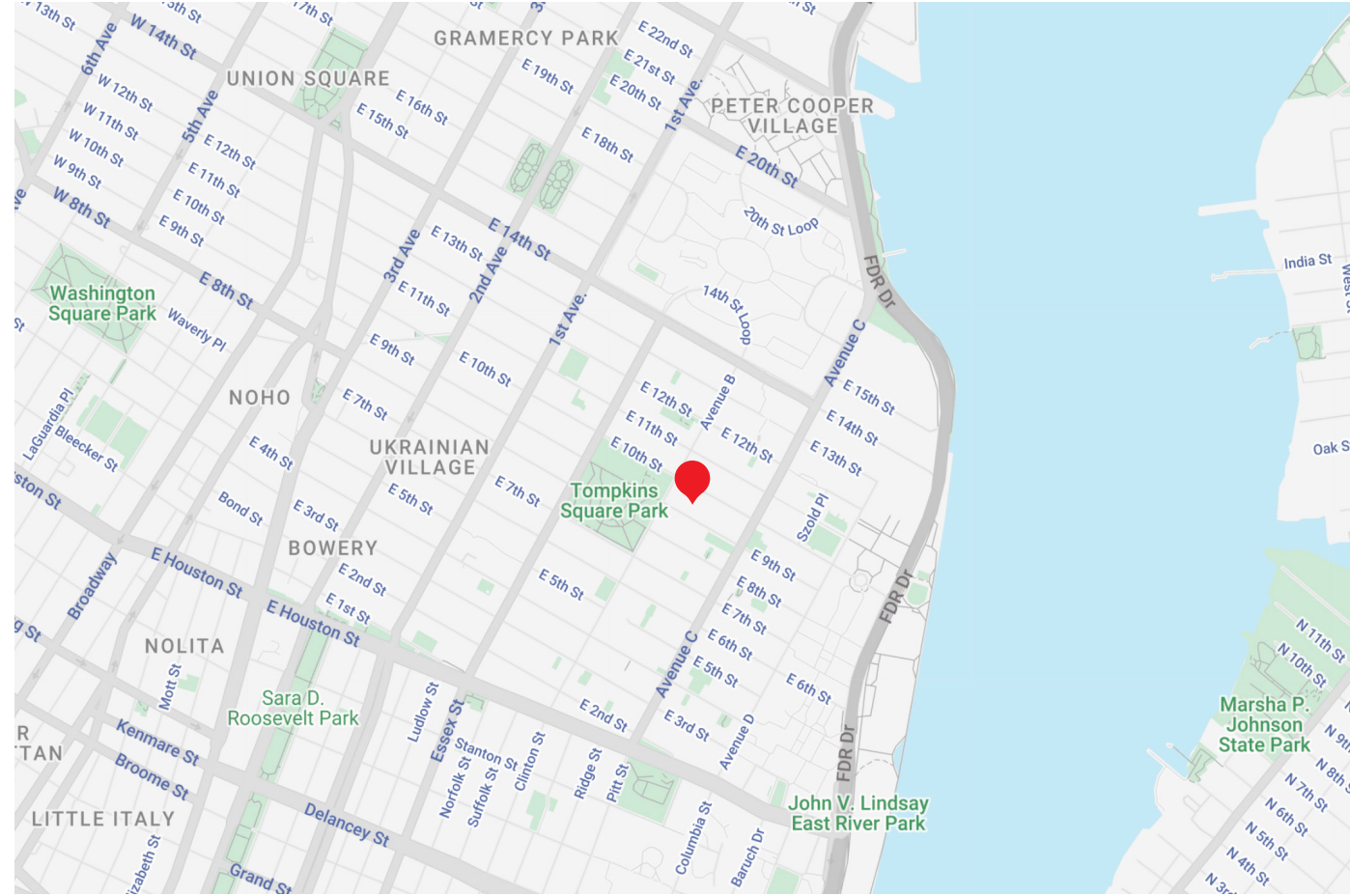


GREAT BONES

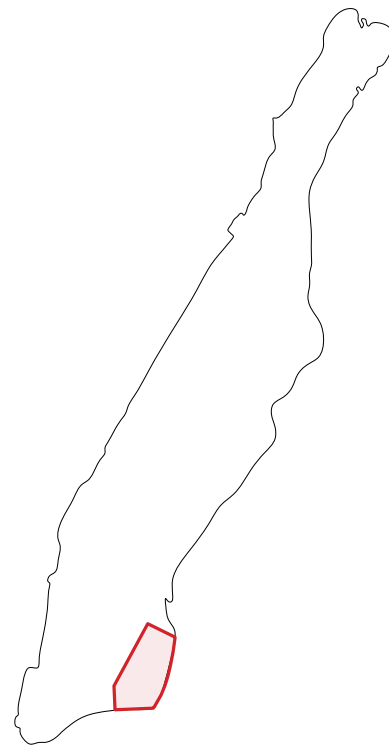
The current building is an "H" shape building with great bones and useful floorplate depth dimensions. The sides of the building are great for single loaded corridors and the middle for double loaded corridors. Also, it has very tall ceilings, 16' floor to floor!



SITE & ZONING



LOWER EAST SIDE



The Loisa

The local spanish community calls the Lower East Side “**Loisaida**”. Many non for profit organizations in the area are named after it. Therefore, the building’s name is a shorter version of the term, “**The Loisa**”.

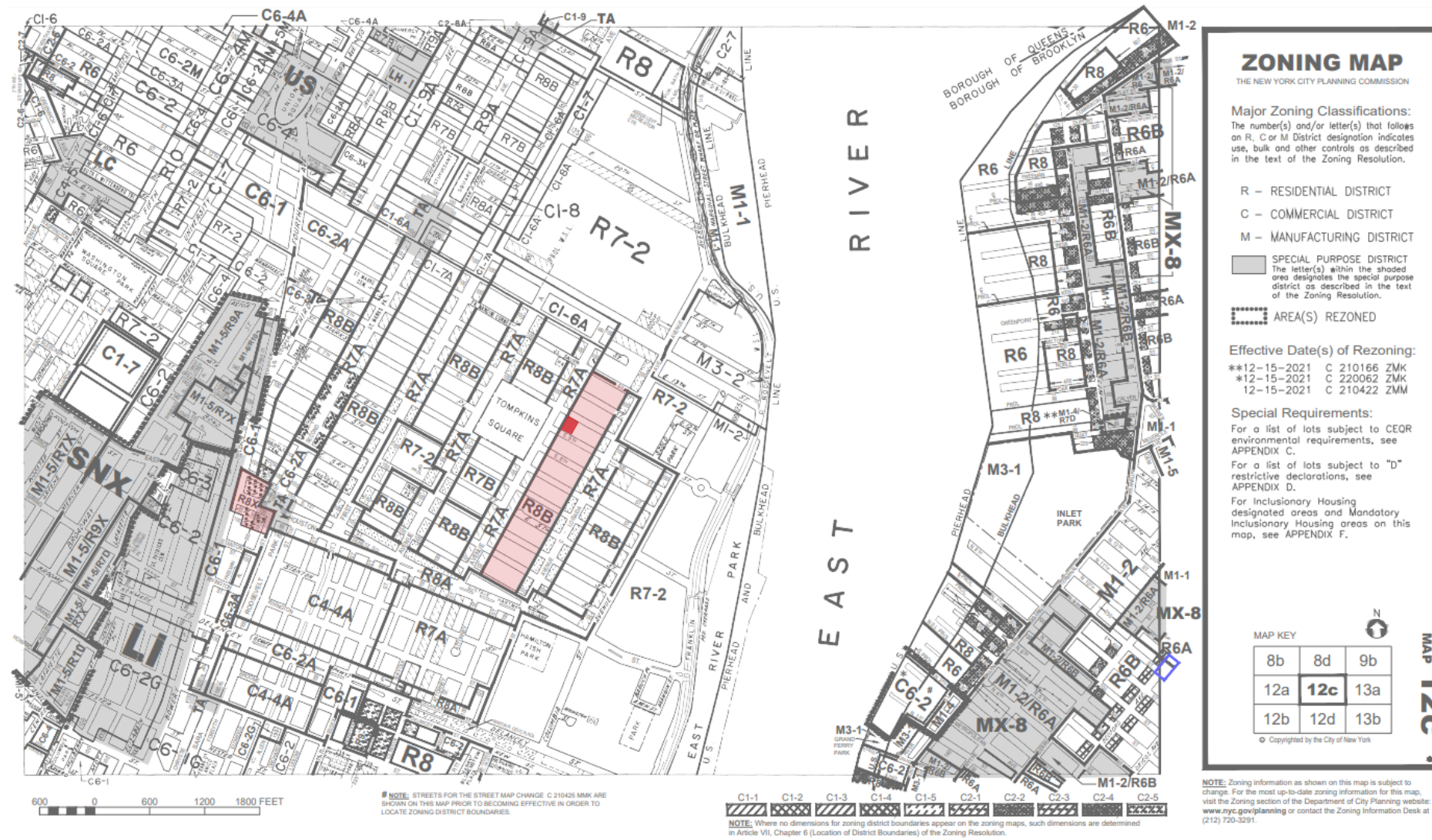
THE LOCATION

The property is located in a great neighborhood, the Lower East Side, in Manhattan and it is very close to Tompkins Square Park, Washington Square Park, Union Square and NYU. The property’s address is **350 East 10th Street / 605 East 9th Street** and the existing building, the former PS64, is an iconic East Village piece of architecture.

ZONING CONSIDERATIONS

- Fresh Zone
- Coastal and Flood Zone
- Landmark Designation

ZONING STRATEGY



UPZONE from R8B to R8X

SITE & ZONING

ULURP

	R8B	R8X
FAR	4.00	7.20
HEIGHT	75'	175'
ZFA	110,700	199,300
GSF	127,300	229,200

	EXISTING	LOISA
FAR	3.37	6.00
HEIGHT	90'	175'
ZFA	NA	141,600
GSF	93,400	166,600
UNDER-BUILT		57,700

EXISTING



LOUISA

MARKET ANALYSIS

COMPS

EVGB

	STUDIO	1 BED	2 BED
RENT UNIT	5,000	6,175	9,200
RENT PSF	\$136	\$103	\$100

THE ARTISAN

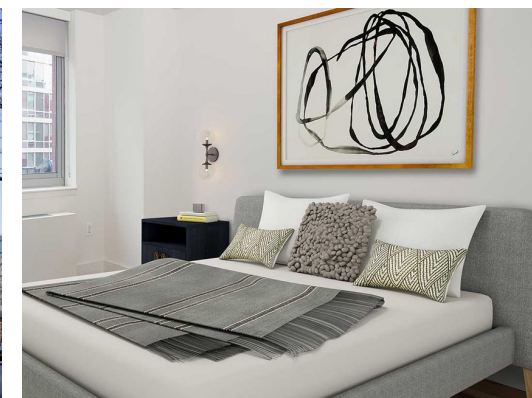
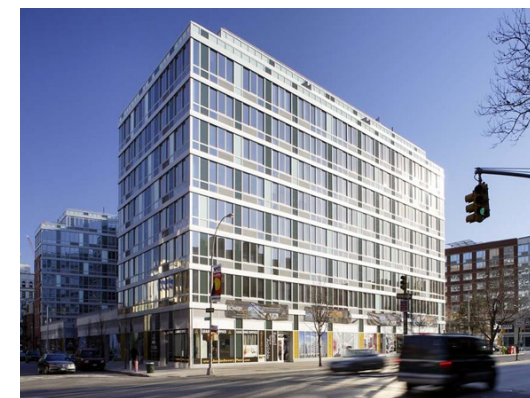
	STUDIO	1 BED	2 BED
RENT UNIT	4,000	5,600	7,300
RENT PSF	\$109	\$93	\$80

AVALON

	STUDIO	1 BED	2 BED
RENT UNIT	4,350	6,800	8,300
RENT PSF	\$119	\$113	\$91

AVERAGE

	STUDIO	1 BED	2 BED
RENT UNIT	4,450	6,200	8,250
RENT PSF	\$116	\$105	\$96



LOISA

	MICRO	STUDIO	1 BED	1 BED	2 BED
RENT UNIT	3,700	4,050	5,650	6,000	8,000
RENT PSF	\$117	\$108	\$104	\$96	\$91

PROGRAM & CONCEPT

RENDERS

FRONT 9TH STREET

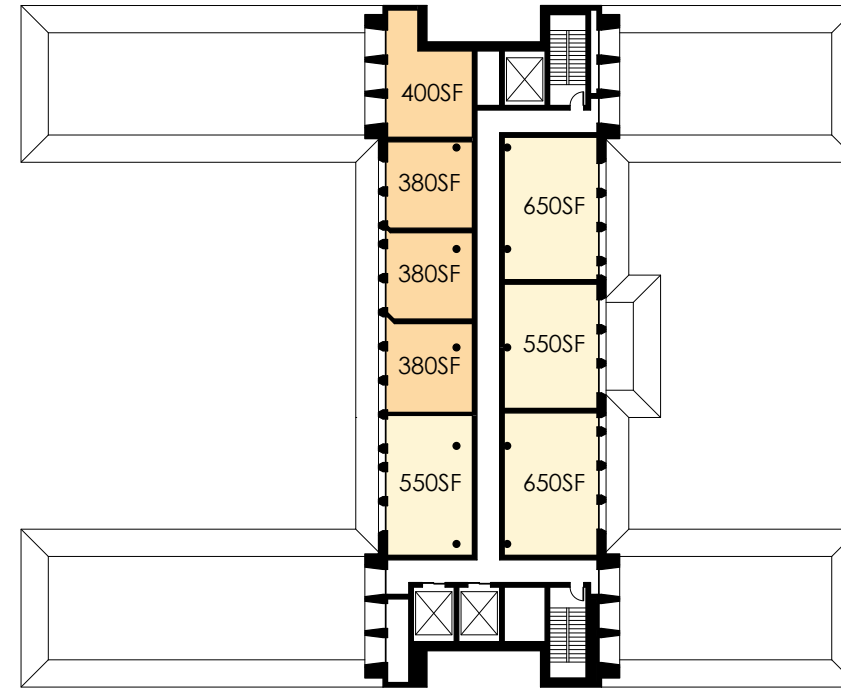


CHARAS EL BOHIO AMPHITHEATER

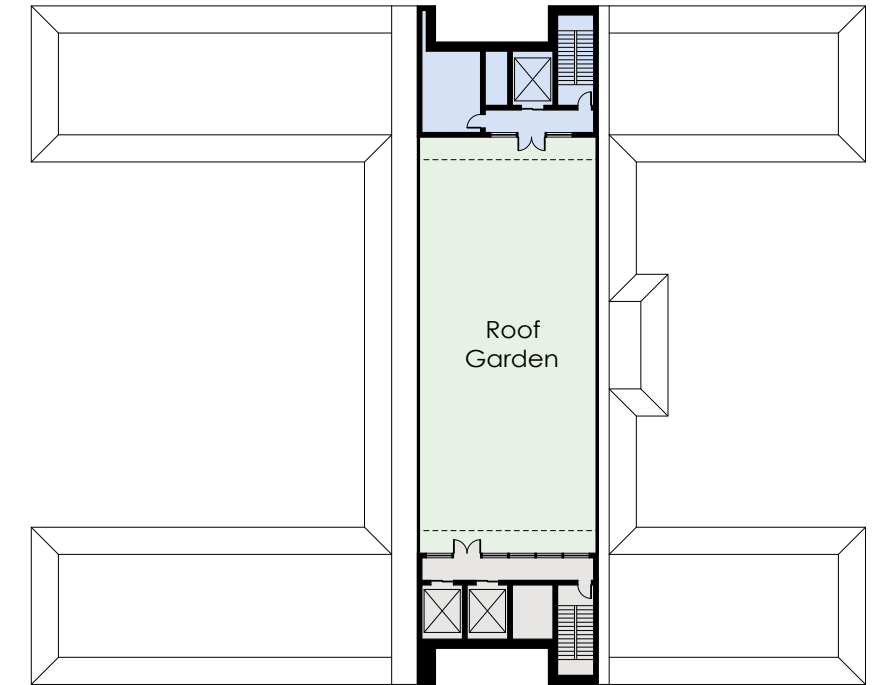
PROGRAM & CONCEPT



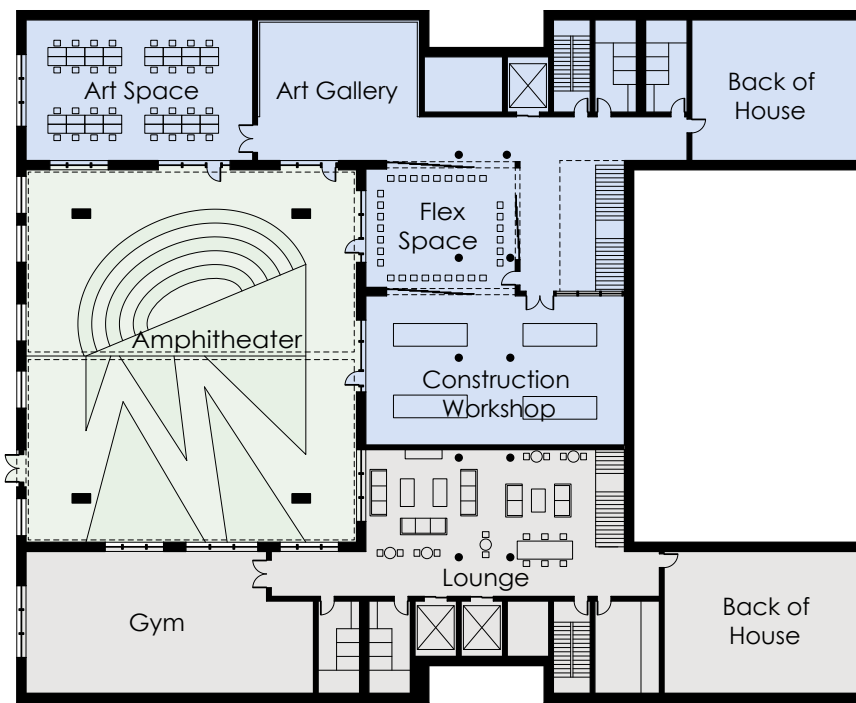
2nd - 5th Floors



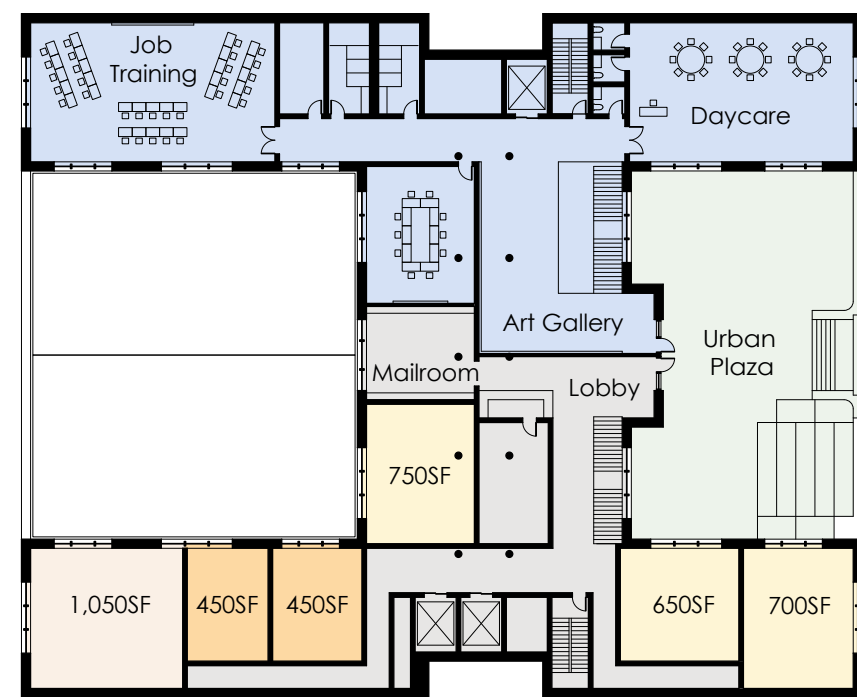
6th - 13th Floors



14th Floor



Basement



1st Floor

- Community Space ■
- Residential Amenities ■
- Studio ■
- 1 Bed ■
- 2 Bed ■
- Outdoor Space ■

FLOOR PLANS

PROGRAM & CONCEPT

Micro 380 SF

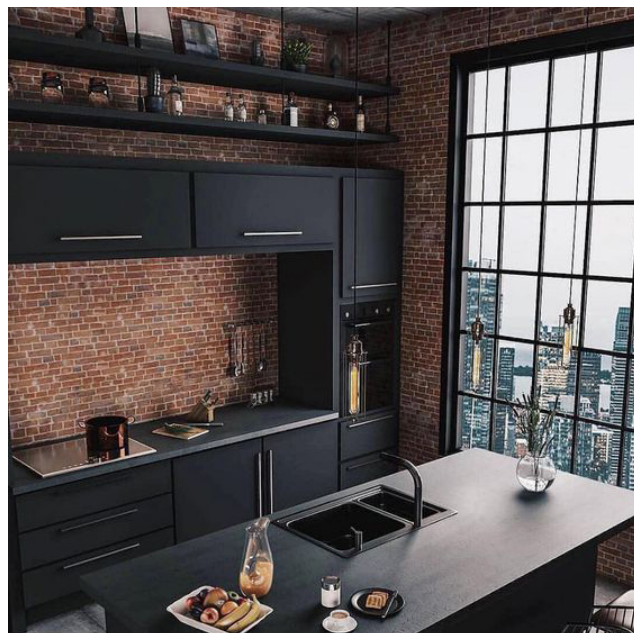
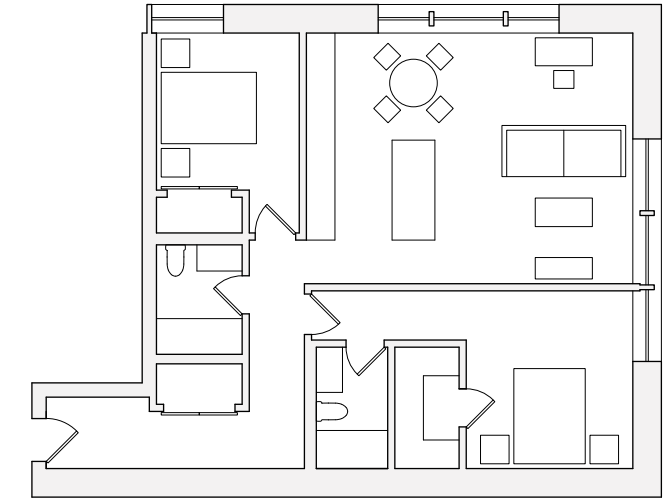
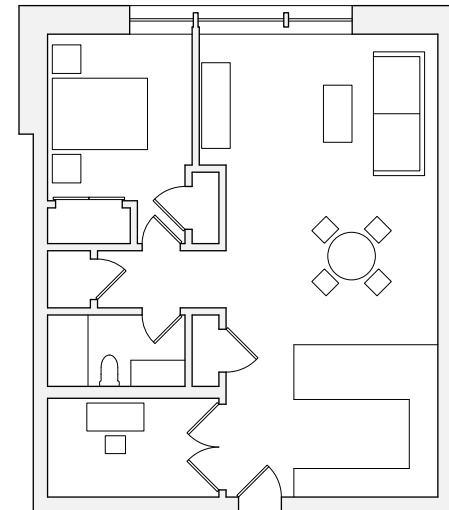
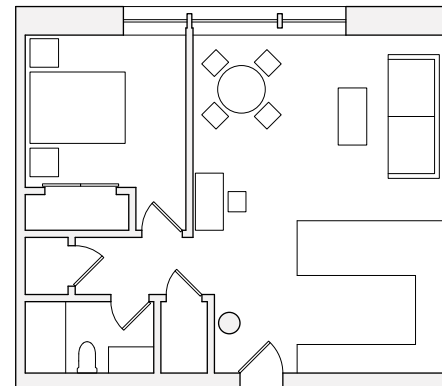
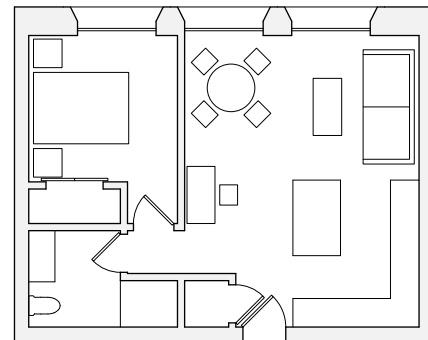
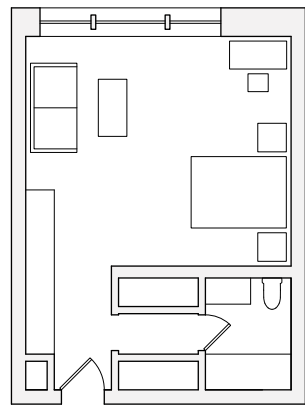
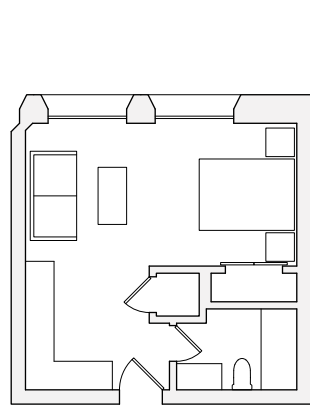
Studio 450 SF

1 Bed 550 SF

1 Bed 700 SF

1 Bed 850 SF

2 Bed 1,050 SF



UNIT LAYOUTS

TARGET TENANTS



Young Professional

Baby Maybe

NYU Student

Just Married

Dog Lover

Retired Couple

Just moved to NYC

Empty Nester

Urban Elder

Bohemians

Grad Student

Aspiring A-Listers

PROGRAM & CONCEPT

ROOF GARDEN



COMMUNITY

FINANCIAL ANALYSIS

ZONING ANALYSIS

Lot Area	27,681	
Existing GSF	93,420	
FAR as Built	3.37	
Existing Height	90	
	Allowed	Proposed
Zoning	R8B	R8X
FAR	4.00	7.20
Max Height	75	175
ZFA	110,724	199,303
GSF	127,333	229,199
RSF	101,866	183,359
Load Factor	20%	
Basement GSF	23,170	
Lower Floor GSF	17,430	
Upper Floor GSF	6,800	
Roof GSF	1,920	
	# of Stories	SF
Renovation GSF	5	110,320
Addition GSF	8	56,320
Project GSF	13	166,640

FINANCING

Construction Loan

LTC	65%
Libor	3.00%
Spread	2.50%
Interest Rate	5.50%
Construction Loan	\$70,850,000

Permanent Loan

LTV	70%
DSCR	1.20
DY	6.50%
Libor	3.00%
Spread	1.50%
Interest Rate	4.50%
Perm Loan	\$73,613,691

SOURCES & USES

Sources	%	Amount	Uses	%	\$ PSF	Amount
Senior	64%	\$70,850,000	Acquisition Price		\$168	\$28,000,000
Equity	21%	\$23,047,805	Closing Costs	3%	\$5	\$840,000
LITCH Equity	8%	\$8,433,036	Soft Costs		\$80	\$13,331,200
Historic Equity	6%	\$6,588,794	Hard Costs (Reno)		\$165	\$18,202,800
Affordable Portion	1%	\$1,000,000	Hard Costs (New)		\$500	\$28,160,000
			Interest Reserve		\$54	\$9,000,000
			Developer Fee	4%	\$14	\$2,387,760
			Financing Fees	2%	\$20	\$3,400,800
			LITHC Developer Fee	12%	\$40	\$6,597,076
Total Sources		\$109,919,636	Total Uses			\$109,919,636

OPERATING ASSUMPTIONS

General Assumptions	Residential Rent	Affordable	Market Rate
Discount Rate		\$780	\$3,700
Going in Cap Rate		\$780	\$4,050
Going out Cap Rate		\$980	\$5,650
MGMT		\$980	\$6,000
Capex Reserve		\$1,170	\$8,000
Market Rate Rent Growth		\$13	\$74
Affordable Rent Growth			
Community Rent Growth			
Vacancy Market Rate			
Vacancy Affordable & Community			
	Community Rent		Annual Rent PSF
	Community Charas		\$15

PROJECT TIMELINE

Timeline Assumptions	Timeline	Months	Years	Start Date	End Date
Start Date	Deposit	0	-	4/30/2022	-
Exit Year	Acquisition	12	-	4/30/2023	-
	ULURP & Design	24	2	5/31/2022	4/30/2024
	Construction	30	2.5	5/31/2024	10/31/2026
	Lease Up	9	0.75	11/30/2026	7/31/2027
	Operation	21	1.8	8/31/2027	4/30/2029
	Total	84	7		

Lease Up Assumptions

Lease Up Velocity	11.11%
Number of Units	130
Units leased / month	14

STRUCTURE

Participation	
GP	10%
LP	90%
Pref (Hurdle 1)	12%
Promote	20%
GP Split	10%

RETURN METRICS

Deal	
Unlevered IRR	13%
Unlevered EM	1.76x
Levered IRR	20%
Levered EM	2.62x
Partnership	
GP IRR	35%
GP EM	5.27x
LP IRR	18%
LP EM	2.38x

OTHER ASSUMPTIONS

Deposit	10%
Acquisition Month	12
Deposit Amount	\$2,800,000
Acquisition at Closing	\$25,200,000

FINANCIAL ANALYSIS

CAP RATE & EXIT YEAR					
	3.50%	4.00%	4.50%	5.00%	5.50%
6.00	30%	23%	17%	11%	4%
6.50	28%	22%	16%	11%	5%
7.00	26%	21%	16%	11%	6%
8.00	23%	19%	15%	12%	8%
9.00	21%	18%	15%	12%	8%

SOFT & HARD COSTS					
	\$115.00	\$140.00	\$165.00	\$190.00	\$215.00
\$400.00	22%	20%	19%	17%	16%
\$450.00	20%	19%	17%	16%	15%
\$500.00	19%	17%	16%	15%	13%
\$550.00	17%	16%	14%	13%	12%
\$600.00	16%	14%	13%	12%	10%

ULURP & LEASE UP					
	12	18	24	30	36
3	17%	17%	17%	17%	17%
6	17%	17%	17%	16%	16%
9	16%	16%	16%	16%	15%
12	16%	16%	15%	15%	15%
15	15%	15%	15%	15%	14%

FINANCING					
	2.00%	2.25%	2.50%	3.00%	3.50%
1.00%	19%	18%	18%	18%	17%
1.25%	19%	18%	18%	17%	17%
1.50%	18%	18%	18%	17%	17%
2.00%	18%	17%	17%	16%	16%
2.50%	17%	17%	16%	16%	15%

PROJECT DCF								
	Deposit	ULURP & Design		Construction		Lease Up	Operation	Sale
Year	0	1	2	3	4	5	6	7
Date	4/30/2022	4/30/2023	4/30/2024	4/30/2025	4/30/2026	4/30/2027	4/30/2028	4/30/2029
True Year	2022	2023	2024	2025	2026	2027	2028	2029
Total Development Cost	\$2,800,000	\$32,705,600	\$6,665,600	\$18,545,120	\$18,545,120	\$9,272,560	\$0	\$0
Other Equity	\$0	\$0	\$0	\$0	\$0	\$15,021,831	\$0	\$0
Total PGI	\$0	\$0	\$0	\$0	\$0	\$4,081,843	\$8,402,438	\$8,648,228
Total Vacancy	\$0	\$0	\$0	\$0	\$0	\$2,312,417	\$552,439	\$413,187
EGI	\$0	\$0	\$0	\$0	\$0	\$1,769,426	\$7,849,999	\$8,235,041
Total Opex	\$0	\$0	\$0	\$0	\$0	\$1,232,579	\$2,664,317	\$2,747,767
NOI Operating	\$0	\$0	\$0	\$0	\$0	\$536,847	\$5,185,682	\$5,487,275
Capex	\$0	\$0	\$0	\$0	\$0	\$0	\$199,962	\$274,364
NOI Property	\$0	\$0	\$0	\$0	\$0	\$536,847	\$4,985,720	\$5,212,911
Sale Price	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,484,137
Cost of Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,509,683
Sale Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$122,974,455
Unlevered Cash Flows	(\$2,800,000)	(\$32,705,600)	(\$6,665,600)	(\$18,545,120)	(\$18,545,120)	\$6,286,117	\$4,985,720	\$128,187,366
Unlevered Profit	\$60,197,763							
Unlevered IRR	12.64%							
Unlevered EM	1.76x							
Construction Loan								
Draw	\$0	\$12,457,795	\$6,665,600	\$18,545,120	\$18,545,120	\$9,272,560	\$0	\$0
Interest	\$0	\$0	\$853,207	\$1,519,278	\$2,539,260	\$3,452,993	\$900,435	\$0
Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$65,486,195	\$0
Permanent Loan								
Draw	\$0	\$0	\$0	\$0	\$0	\$0	\$73,613,691	\$0
PMT	\$0	\$0	\$0	\$0	\$0	\$0	\$3,729,898	\$4,475,877
Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$71,096,311
Levered Cash Flows	(\$2,800,000)	(\$20,247,805)	(\$853,207)	(\$1,519,278)	(\$2,539,260)	\$12,105,684	\$8,482,884	\$52,615,178
Levered Profit	\$45,244,195							
Levered IRR	20.00%							
Levered EM	2.62x							

FINANCIAL ANALYSIS

PROGRAM		
Floor	Program	% of Floor
14	Roof Garden	100%
13	Residential	100%
12	Residential	100%
11	Residential	100%
10	Residential	100%
9	Residential	100%
8	Residential	100%
7	Residential	100%
6	Residential	100%
5	Residential	100%
4	Residential	100%
3	Residential	100%
2	Residential	100%
1	Comm + Resi	50% 50%
Basement	Comm + Resi	70% 30%

SQUARE FOOTAGE		
SF per floor plate		
Basement GSF		23,170
Lower Floor GSF		17,430
Upper Floor GSF		6,800
Roof GSF		1,920
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Community GSF	15%	24,934
Residential GSF	85%	141,706
Project GSF		166,640
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Community RSF		18,500
Residential RSF		113,365
Project RSF		131,865

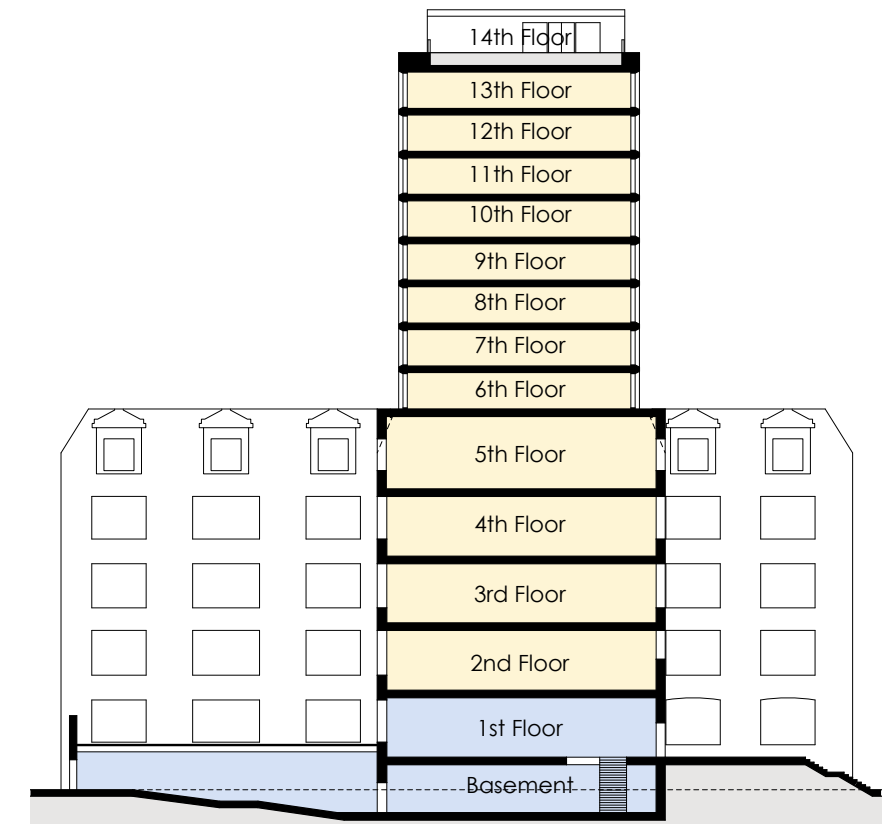
UNIT MIX						
	SF	% of Total	Number of units			Total
			Floor 1	Floor 2 - 5	Floor 6 - 13	
Micro	350-400	32%	0	0	4	32
Studio	450		2	2	0	10
1 Bed	550-650	58%	1	2	4	41
1 Bed + Den	700-850		2	8	0	34
2 Bed	1,050	10%	1	3	0	13
Total			6	15	8	130

AFFORDABLE vs MARKET RATE			
	Affordable	Market Rate	Total
	20%	80%	
Micro	6	26	32
Studio	2	8	10
1 Bed	8	33	41
1 Bed + Den	7	27	34
2 Bed	3	10	13
Total	26	104	130

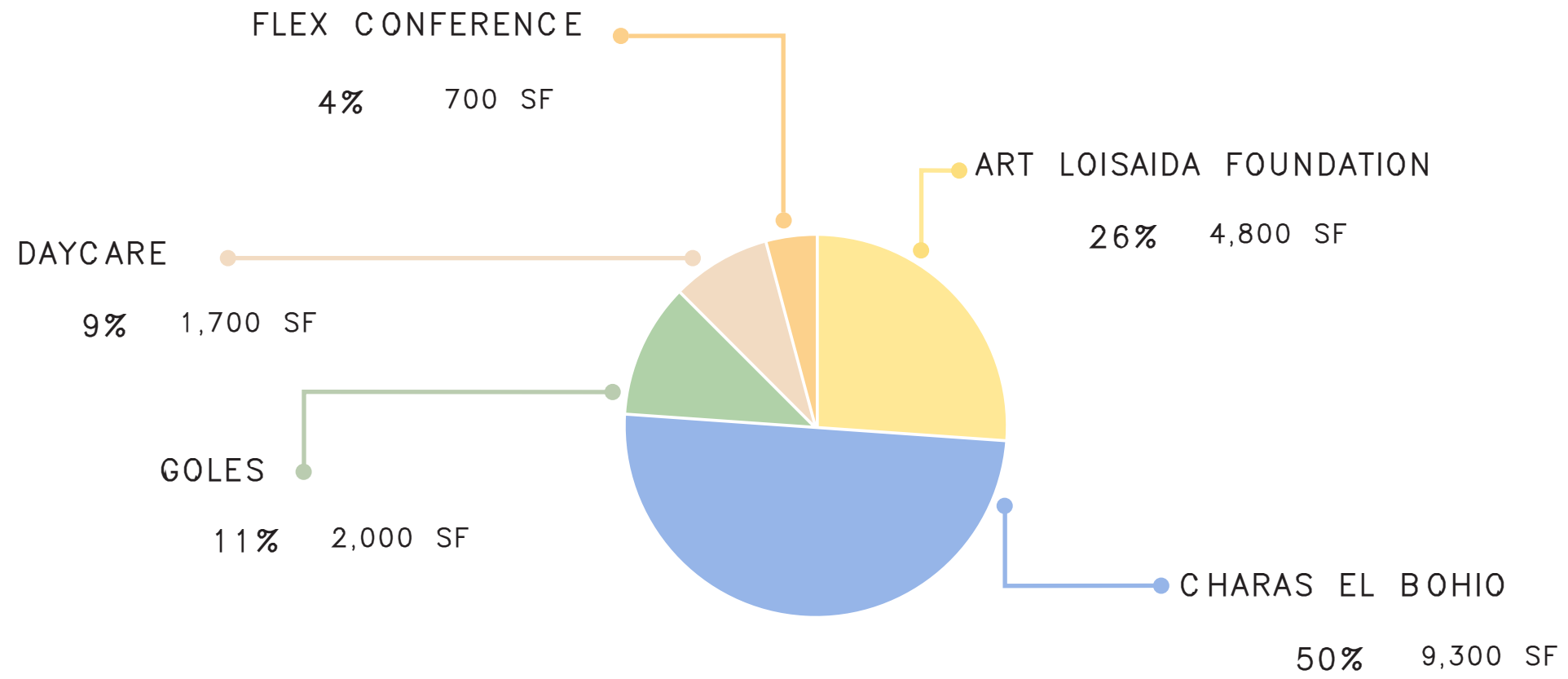
RESIDENTIAL REVENUE					
	Affordable		Market Rate		Combined
	\$ / Unit	Revenue	\$ / Unit	Revenue	Revenue
Micro	\$780	\$4,992	\$3,700	\$94,720	\$99,712
Studio	\$780	\$1,560	\$4,050	\$32,400	\$33,960
1 Bed	\$980	\$8,036	\$5,650	\$185,320	\$193,356
1 Bed + Den	\$980	\$6,664	\$6,000	\$163,200	\$169,864
2 Bed	\$1,170	\$3,042	\$8,000	\$83,200	\$86,242
Total		\$24,294		\$558,840	\$583,134
PSF Annual Rent		\$13		\$74	\$62

COMMUNITY REVENUE				
	SF	\$ / SF	Annual Rent	Monthly Rent
Charas El Bohio	18,500	\$15.00	\$277,500	\$23,125

HOUSEHOLD INCOME			
	Monthly rent	Annual Rent	Income
Micro	\$3,700	\$44,400	\$111,000
Studio	\$4,050	\$48,600	\$121,500
1 Bed	\$5,650	\$67,800	\$169,500
1 Bed + Den	\$6,000	\$72,000	\$180,000
2 Bed	\$8,000	\$96,000	\$240,000



COMMUNITY RELATIONS



25,000 GSF

18,500 RSF



INVESTMENT HIGHLIGHTS

The Loisa

PROJECT SCOPE	PROJECT TYPE	DEVELOPMENT PERIOD
166,00 SF	MULTI ADAPTIVE REUSE	63 MONTHS
PURCHASE PRICE	STABILIZED VALUATION	LP CONTRIBUTION
\$28M	\$120M	\$23M
HISTORIC & LITCH EQUITY	PROJECT IRR	PROJECT EM
\$15M	20%	2.62x

BRINGING BACK TO LIFE THE FORMER
PUBLIC SCHOOL 64

The Loisa

