

COLUMBIA MSRED CAPSTONE PROJECT

B4

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B4: TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
WHY PACIFIC PARK?	4
CONTEXT	7
SITE	8
PROJECT	10
MARKET	18
MARKETING STRATEGY	22
FINANCIAL SUMMARY	23
UNDERWRITING	24
CLOSING STATEMENT	29
APPENDIX	30

B4: EXECUTIVE SUMMARY

The B4 development represents a new pinnacle of living.

Located at Pacific Park's gateway adjacent to the Barclays Center Arena, B4 will be the tallest building in the vicinity. With the Arena protecting it from obstruction, B4 will rise to be an icon for Pacific Park and Brooklyn from the skyline and the street level alike. 580 units will offer unique and plentiful "ultra" amenities, unparalleled activities and hotel-like comforts.

It presents an unmissable opportunity to create both a high quality of life for its future inhabitants, economic vitality to the community, and high returns for its investors. B4 is seeking a 95% equity position from an qualified and seasoned limited partner. This will represent a \$212,589,304 investment with expected returns 20.00% in 8 years.

This is an extraordinary opportunity to not only achieve solid financial returns, but also create long-term value and a building/experience to remember.

- B4 Team

B4: WHY PACIFIC PARK?

OVERVIEW

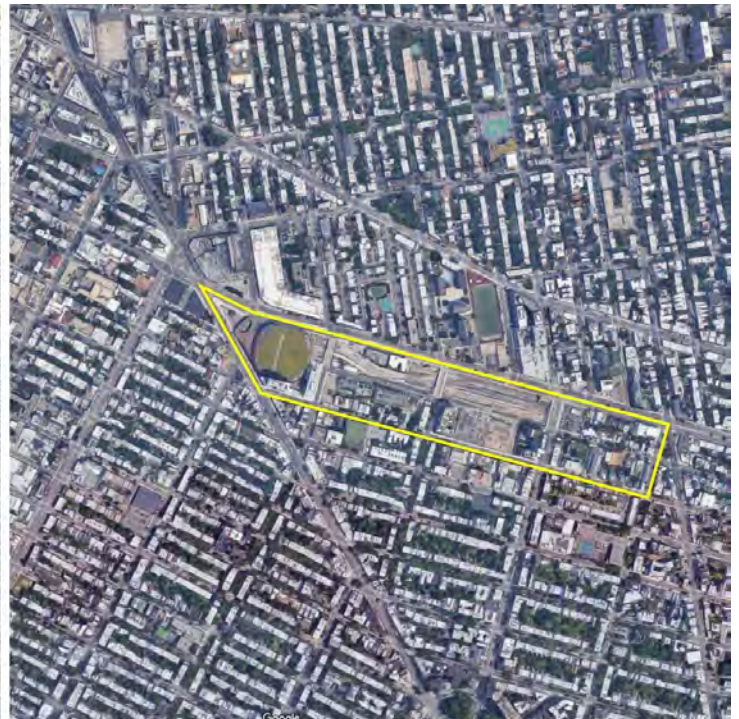
Pacific Park is a premier megaproject that has been giving rise to a new, recreated neighborhood at the heart of culture, art, and nightlife in Brooklyn. Since 2012, the entire 22-acre stretch of land at the South East corner of Brooklyn's two major thoroughways, Flatbush Avenue and Atlantic Avenue, has been appropriated and reimagined. As a result, it has grown to be one of the most sought-after neighborhoods in New York City.

The success of Pacific Park thus far is not only an outcome of the already-established cultural milieu in which it emerged, but also due to the thoughtful master planning facilitated by the Empire State Development Corporation (ESD). Such expert planning ensures the long-term value of the site and the appropriate mixture of uses around the project. Furthermore, given that the ESD zoning has already been settled and discussions about use/bulk have already gone through the appropriate community and administrative procedures, we can expect a hurdle-less pre-development and development process when compared n to a similar project of scale and complexity outside the bounds of the Pacific Park.

Only part-way through completion, Pacific Park has already brought thousands of desirable rental units, both market-rate and affordable, as well as luxury condos, cultural attractions, retail, fitness centers, public spaces, medical centers, and schools. The "jewel" of Pacific Park is the world-class Barclay's Center Arena which abuts the B4 site on the west. The area immediately North and West of the Barclay's Center (and Pacific Park as a whole) has become a major hub for transportation, shopping, and art. Nestled between Barclays Center and the rest of Pacific Park, the B4 site in the ideal location to take advantage of the direct access to world-class entertainment, retail, and culture as well as the residential community amenities and activities provided by the rest of Pacific Park.

QUICK FACTS

- 22-Acre Master Plan Site
- 15 Buildings (completed and in planning)
- 8 Acres of Park (completed and in planning)
- 6430 Apartments (completed and in planning)
- 247,000 SF of retail space (completed and in planning)
- 336,000 SF of office space (completed and in planning)
- 12 Train Lines
- 2006: initial approval
- 2035: slated completion year



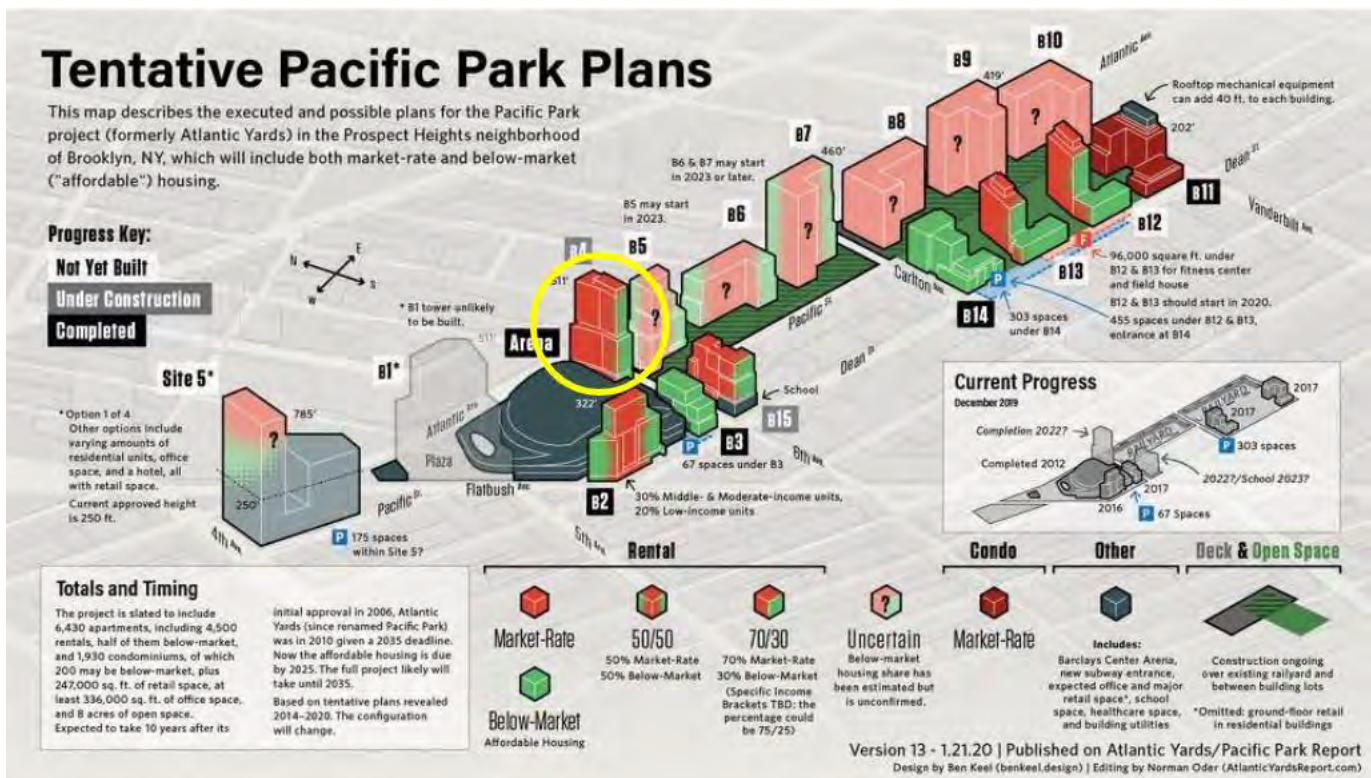
B4: WHY PACIFIC PARK?

PACIFIC PARK MASTERPLAN

The Pacific Park Master Plan includes 15 buildings, including 6,430 apartments, 1,193 of which will be condominiums, 247,000 SF of retail space, 336,000 SF of office space, and 8 acres of green parks. Thus far, 5 residential buildings have been constructed, and the pace of construction is expected to accelerate drastically in 2020. Greenland City Forest City Partners controls development rights on the building sites along the Atlantic Avenue corridor – they are slated to start construction on the platform over the sunken LIRR tracks in 2020. The platform will serve as the foundation for 6 sites along Atlantic Avenue and will hit the fast-track button on development around the B4 site, ramping up value through greater pedestrian traffic, more community amenities, and elevated buzz about the neighborhood.

WHAT PEOPLE ARE SAYING ABOUT PACIFIC PARK

- “Brooklyn’s Pacific Park...finally hit the fast track” – NYPOST Sept. 2019
- “The resulting relationship between landscape and architecture make 550 Vanderbilt a fitting transition between the streetscape and the new park, designed to pull in nature at all scales for the health and well-being of its residents.” – ArchDaily May 2019
- “A new outpost of Chelsea Piers...will be built, bringing youth classes and facilities to the (Pacific Park) neighborhood” – NY Curbed Nov.2019



B4: WHY PACIFIC PARK?

PACIFIC PARK IN THE MAKING



Right to left, top to bottom: Barclays Center designed by Shop Architects houses Brooklyn Nets and world class entertainment acts. 550 Vanderbilt designed by CookFox is a practice in biophilic design, B2 is the tallest modular residential construction in the world, 535 Carlton is a 100% affordable residential building by CookFox.

B4: THE CONTEXT

NEIGHBORHOOD ACCESS: BEST IN BROOKLYN

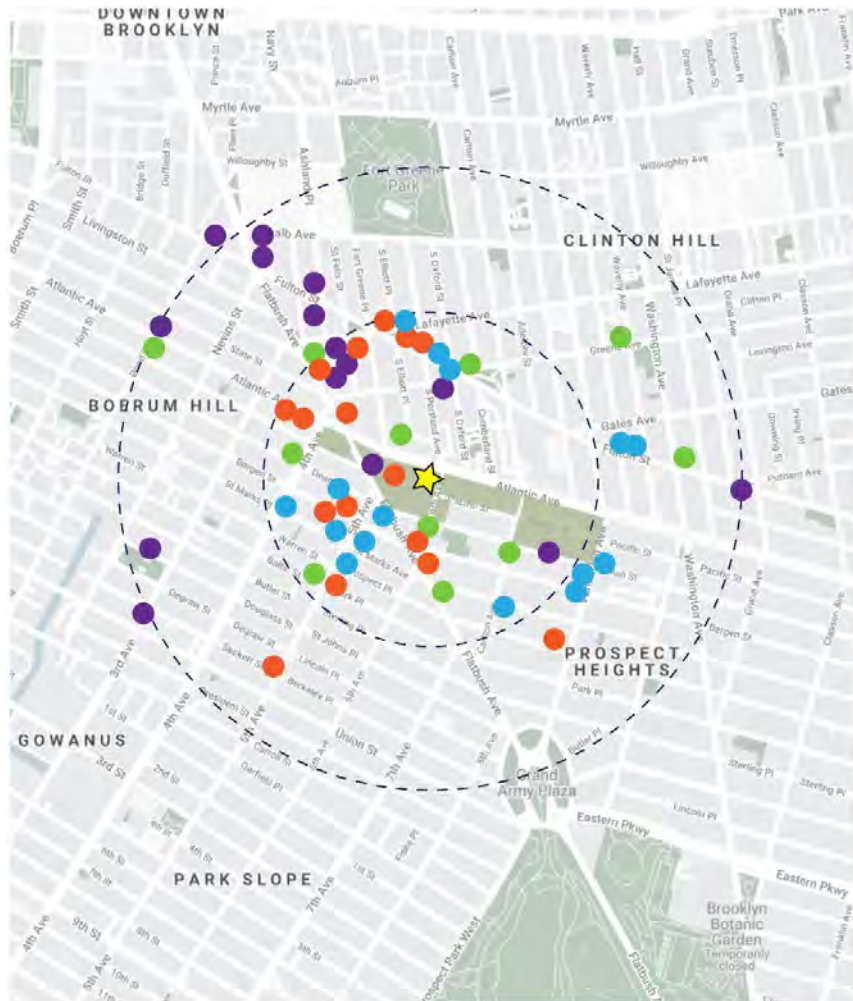
B4 is at the convergence point for two of Brooklyn’s Primary gateways – Flatbush Avenue and Atlantic Avenue. It is also located directly above the third largest transit station in NYC which means that residents who work in all parts of Brooklyn and Manhattan will feel compelled to live here. Envision this as a destination for residential lookers.



QUICK FACTS

- 25-minute drive to Lower Manhattan
- 15-minute subway ride to Lower Manhattan
- 30-minute subway ride to Midtown
- 10-minute subway ride to Brooklyn Bridge Park
- Single-line access to Financial District, West Village, Soho, Tribeca, Union Square, Battery Park City, Midtown Manhattan, Grand Central Terminal, Downtown Brooklyn

NEIGHBORHOOD AMENITIES: BEST IN BROOKLYN



● Culture/Entertainment:

- Barclays Center
- Brooklyn Academy of Music
- BAM Fisher Stage
- Theater for a New Audience
- BAM Strong
- Brooklyn Paramount Theater
- Kumle Theater
- Alamo Drafthouse Cinema
- MITU580
- Letter of Marque Theater
- Gold No Trade Theater
- Jack Performing Arts
- VIBE Theater Experience

● Grocery:

- Whole Foods
- Stop & Shop
- Dean Organic Market
- The Market Place
- Key Food Supermarket
- Stop II Organiz Grocery
- 44 Grocery
- Green Ave. Market
- Waverly Gourmet
- Mr. Melon
- Apple Gourmet

● Bar/Restaurant:

- Broccolino
- Black Forest
- DSK Brooklyn Beer Garden
- The James
- MokBar BK
- Habana Outpost
- Emily
- Osteria
- Chuko
- Cataldos
- Alta Calidad
- Alchemy
- Miriam
- McMohans Public House
- Cherry Tree Bar

● Café:

- Starbucks (2)
- The Chocolate Room
- Milk Bar
- Konditori
- Orwell Café
- Hungry Ghost
- Clever Blend Café
- Gorilla Coffee
- Companion Café
- Green Grape Annex
- Brooklyn Moon Café
- Baba cool
- Diker Gallery Café
- Dunkin Donuts
- Squarrel Café

* 5 and 10 minute walking radii

B4: THE SITE

PROPERTY OVERVIEW

B4 presents an extraordinary opportunity to develop on the last open parcel on the prominent Arena block. Anchored between the cultural/shopping districts to the northwest and Pacific Park to the southeast, the B4 site serves as a gateway to the Pacific Park promenade and the neighborhood as a whole.

Located directly east of the Arena, the B4 site is the only Pacific Park parcel to offer unprecedented, sweeping views of Lower Manhattan, the Hudson River, the Statue of Liberty, and Downtown Brooklyn. The adjacent Arena ensures that these views will go unobstructed in the coming years

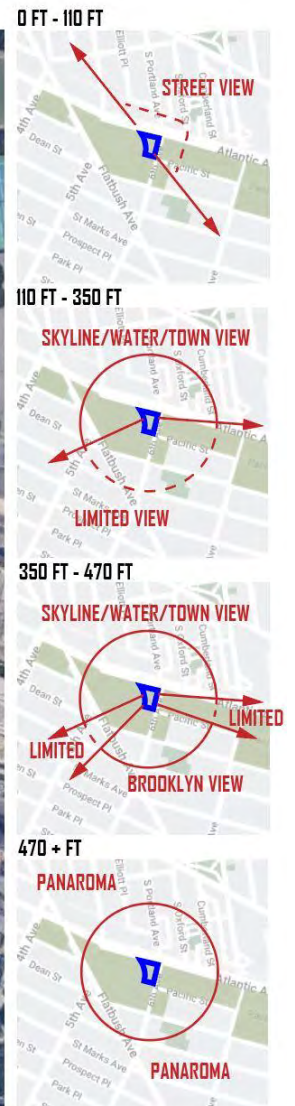
The site is 31,906 SF with street frontage on both Atlantic Avenue and 6th Avenue. With 182 FT on Atlantic Avenue and 227 FT on 6th Avenue, the site brings a total of 409 ft of potential retail and residential lobby frontage. At street level B4 will respond to the pedestrian context, and as a high-rise it will become an iconic representation of the energy and vitality of the greater development.

SITE AND VIEWS



QUICK FACTS

- 31,906 SF lot
- 409 FT total street frontage
- 40 residential floors will have unobstructed access to west facing sunlight
- 36 residential floors have unobstructed views of Downtown Brooklyn and hints of Lower Manhattan
- 31 residential floors also have views of the Hudson River and the Statue of Liberty
- 5 residential floors have unobstructed views of Lower Manhattan.

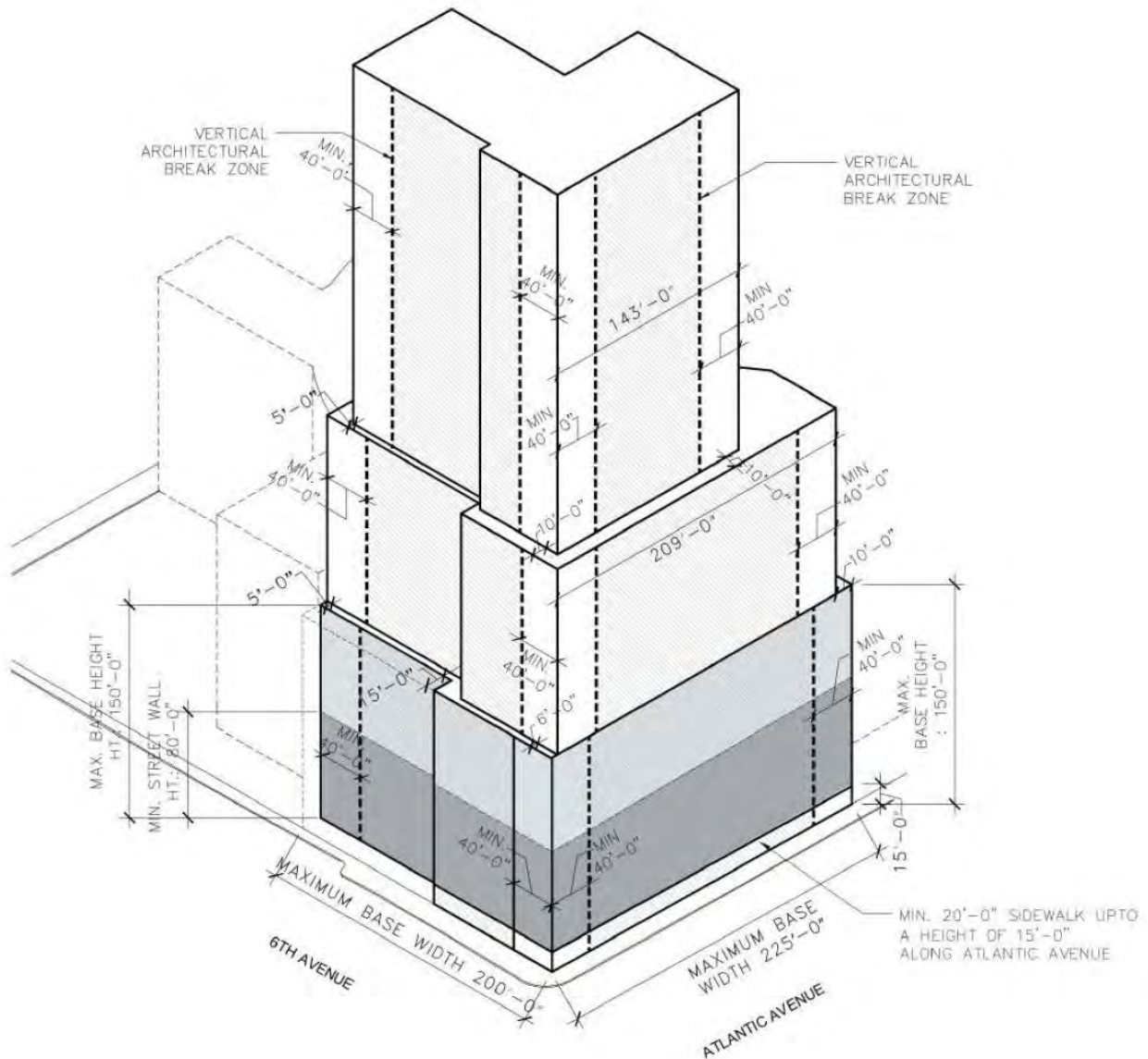


B4: THE SITE

ZONING

B4 must be built in accordance with the General Project Plan for Pacific Park created and modified by the Empire State Development Corporation, a public benefit corporation of the State of New York ("ESD"), in accordance with the New York State Urban Development Corporation Act. For this reason, the B4 site, along with all sites in Pacific Park must adhere to a specific set of bulk regulations and design guidelines rather than the typical zoning rules set by New York Department of Urban Planning. The Design Guidelines of the master plan include limits on height, footprint, setbacks, street walls, and sidewalk, etc., and specific requirements for each parcel. Given these guidelines, the B4 site is developable "as-of-right" (does not require a zoning variance).

The design of the B4 building has taken these factors into account and is well within the bounds of the bulk regulation set forth by the ESD. It is important to note that The B4 site is adjacent to the 6th Ave Bridge on the eastside. The site is already at an elevation about 15 ft below street level. The design takes this factor into account by incorporating only cellar level and minimizing further excavation in this delicate area above the LIRR tracks.



B4: THE PROJECT

INTRODUCTION:

As the 6th Avenue gateway to Brooklyn's Pacific Park, B4 will be both the anchor building and the tallest structure on the Arena site. With all facades of the tower being evident from the surrounding area and an iconic architectural design, B4 will become a highly visible landmark – announcing itself on the skyline and becoming an emblem of the greater Pacific Park development and Brooklyn as a whole.

Nowhere else in New York City can you be nestled between a world-class cultural district and picturesque quaint brownstone Brooklyn while sitting on top of one of the largest transit hubs in the metro area. The B4 project will take advantage of this unbeatable location to create an unbeatable residential and retail level experience. The project consists of:

1. **B4 Private Residences:** *Best-in-Class Luxury Residential Experience*

A high-end contemporary residential experience with a full suite of hotel-like amenities and services, harnessing the ultimate *staycation*.

2. **NBPA Headquarters:** *Build-to-suit new National Basketball Players Association headquarters and Recreational Center*

Three floors of basketball courts and fitness facilities to house the NBPA headquarters, professional training facility, court rentals/programming, events, and meet & greets with all-star players.

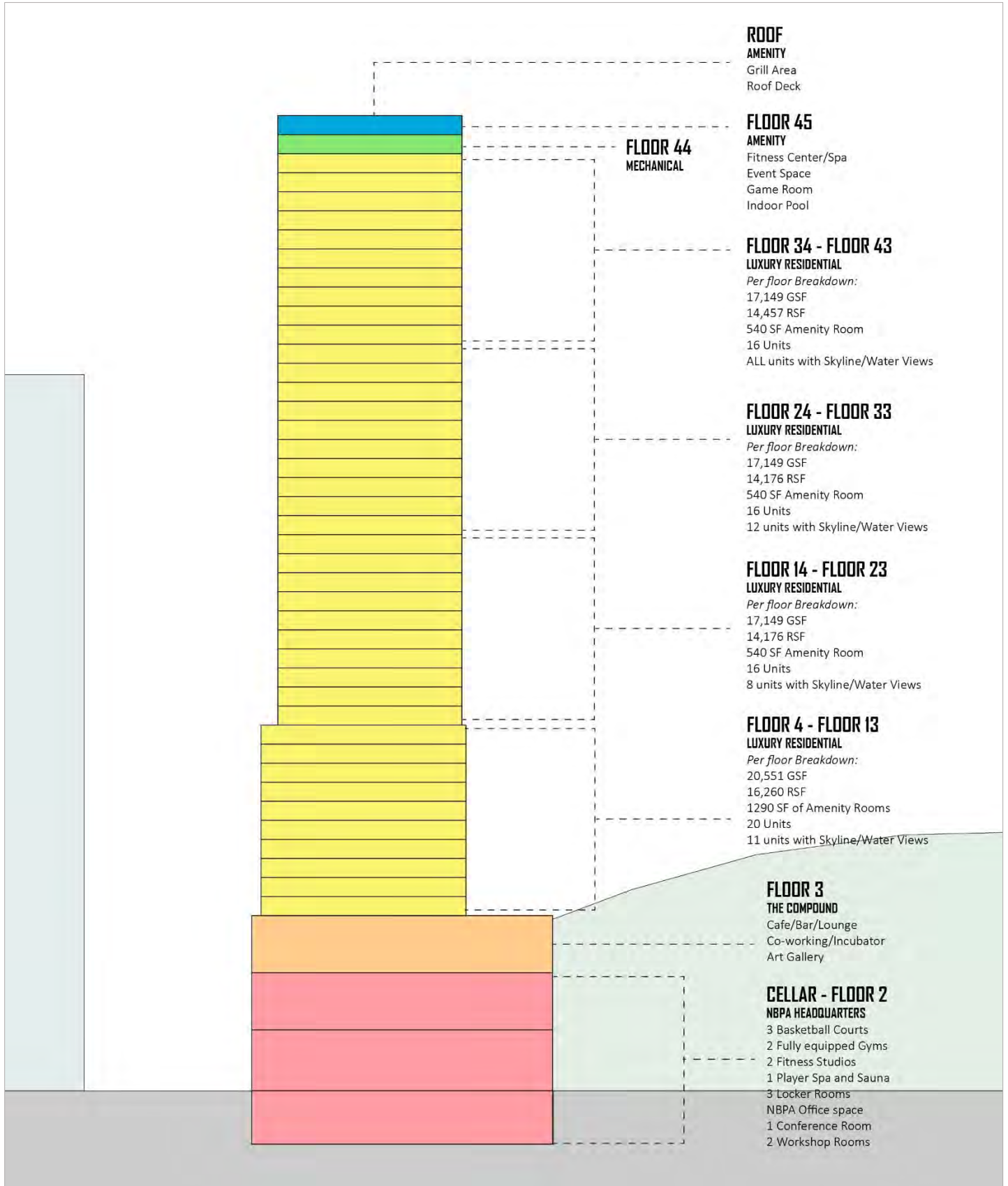
3. **The Compound:** *Opt-in private social club and incubator space developed in partnership with the Soho House brand*

Members-only creative club equipped with restaurant/cafe/lounge, spa, co-working space, arts facilities and gallery.



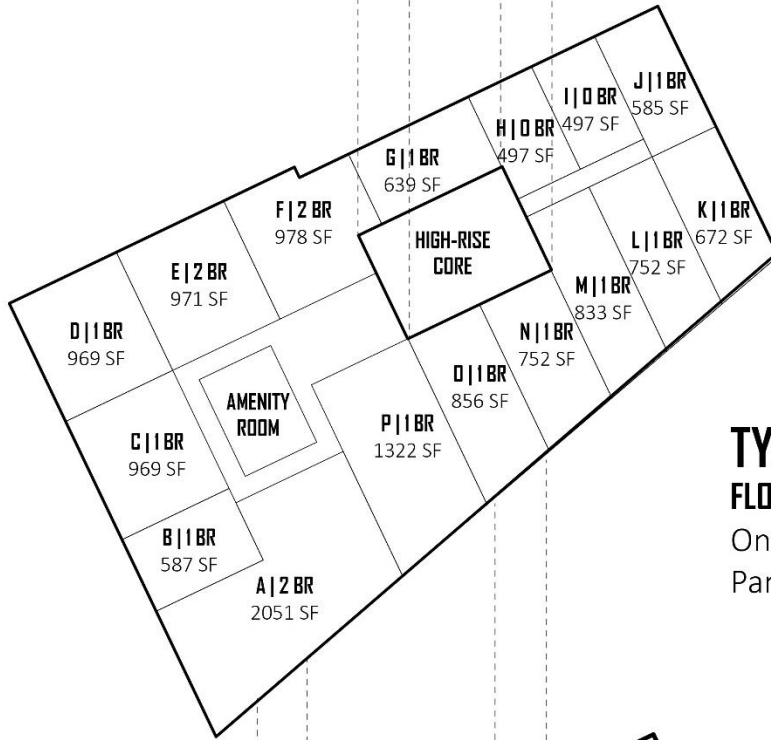
B4: THE PROJECT

STACKING PLAN



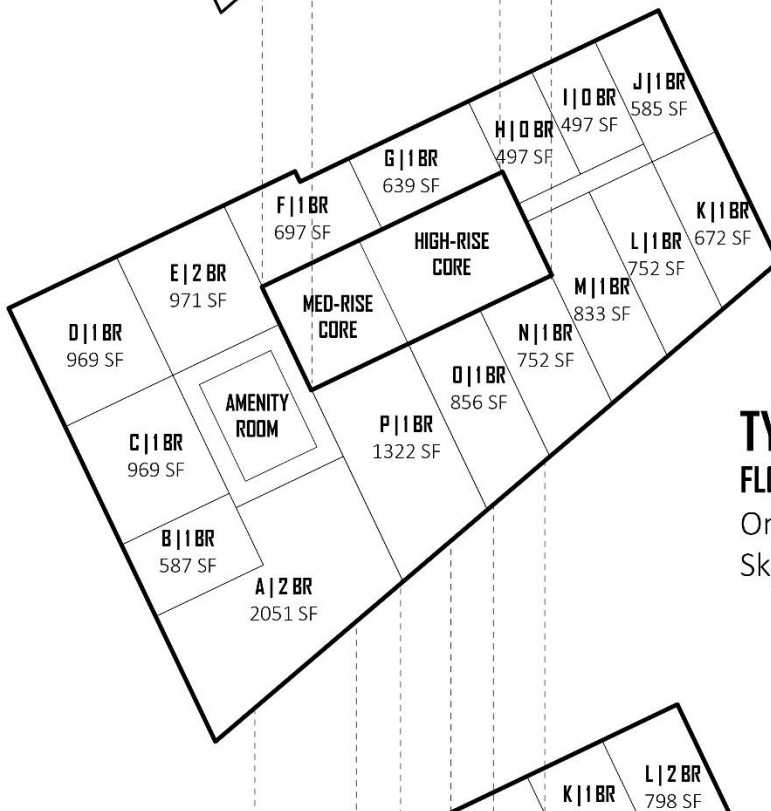
B4: THE PROJECT

TYPICAL FLOOR PLANS: TOP TO BOTTOM



TYPICAL RESIDENTIAL FLOOR FLOOR 34 - FLOOR 43

One amenity rooms per floor
Panorama views for all units

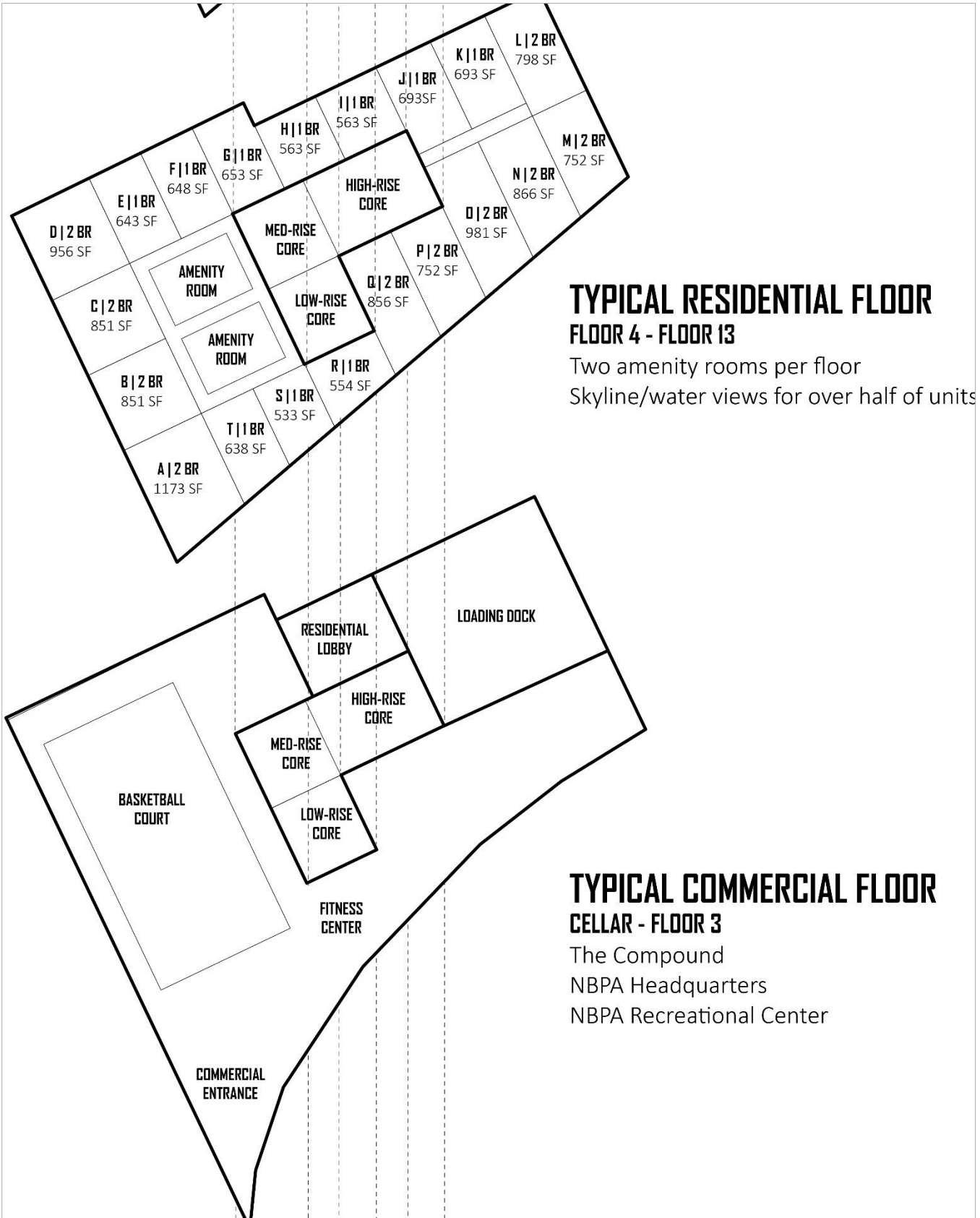


TYPICAL RESIDENTIAL FLOOR FLOOR 14 - FLOOR 33

One amenity rooms per floor
Skyline/water views for 2/3 of units

B4: THE PROJECT

TYPICAL FLOOR PLANS: TOP TO BOTTOM



TYPICAL RESIDENTIAL FLOOR FLOOR 4 - FLOOR 13

Two amenity rooms per floor
Skyline/water views for over half of units

TYPICAL COMMERCIAL FLOOR CELLAR - FLOOR 3

The Compound
NBPA Headquarters
NBPA Recreational Center

B4: THE PROJECT

B4 RESIDENCES

The layout and design of the residential units respond to an untapped demand in the local market for spacious, modern urban homes for young professionals and creatives. Units will have the look and feel of a modern Brooklyn art gallery – minimalist, raw, and spacious. Contrasting natural materials, such as exposed concrete and durable wood millwork will pay tribute to Brooklyn’s industrial past and creative vibe combined with higher end “soft” materials to reinforce the comfort and ease of the residential experience. B4 interiors will bring the rawness of loft-spaces along with the comfort, space, and quality of modern living. Exposed ceilings, and raw yet durable materials will keep construction expenses low while raising the creative/authentic caliber of the spaces with 11-foot-high ceilings and a “blank slate” for tenants to express themselves through furniture, art, and decoration.

MARKET RATE DISTRIBUTION				
	% TOTAL RSF	AVE SF/UNIT	# UNITS	RSF
0 BR	5%	497	42	20,854
1 BR	46%	713	252	179,615
2 BR	49%	1061	182	193,043
3 BR	0%	0	0	0
TOTAL	100%	827	476	393,513

AFFORDABLE DISTRIBUTION				
	% TOTAL RSF	AVE SF/UNIT	# UNITS	RSF
0 BR	5%	497	18	8,937
1 BR	42%	713	108	76,978
2 BR	19%	1061	78	82,733
3 BR	0%	0	0	0
TOTAL	66%	827	204	168,648

AFFORDABLE VS MARKET MIX	
Market Rate	70%
Affordable	30%
TOTAL	100%



*Visuals are to give an indication of “look and feel” of B4 interiors

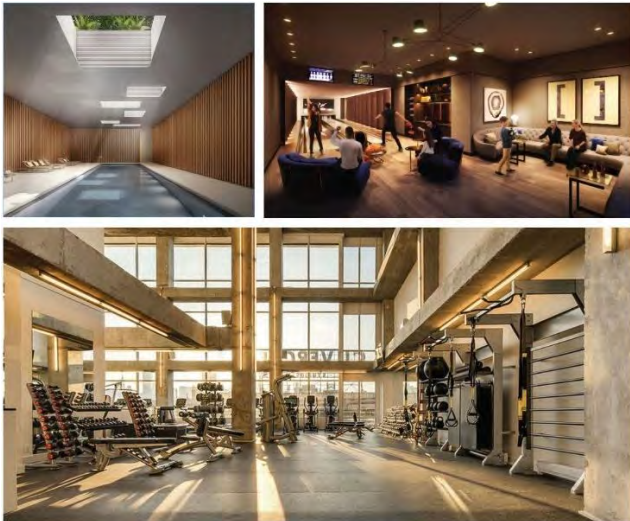
+B4: THE PROJECT

“STAYCATION” HOTEL AMENITIES FOR RESIDENCES

The inclusive amenity package and breathtaking spaces are expected to be the largest tenant attractor and rent premium booster. Over the past several years, New York City developers have been in an amenity race – tenants expect amenities and will stop nothing short of it. B4 will take amenities to a level not seen yet in downtown Brooklyn. B4’s location, iconic architecture, and proximity to Brooklyn’s culture/entertainment district will give it a competitive edge on Manhattan luxury rentals and will meet an untapped demand in the Brooklyn market.

Amenities are such an important part of the B4 residential package that the entire 22,090 SF top floor of the building will be dedicated to a state-of-the-art fitness facility, pool, game-room, and lounge. Views from the amenity floor will make it a desirable place for residents to spend time, convene, socialize, and invite guests. Furthermore, each residential floor is equipped with an Amenity Room. Each amenity room contains a different use, catering to the many interests and choices of comfort for a diverse tenant base. While all Amenity Rooms will have services that are included in the rent, each will have in-room purchases. For example, use of the spa room is included in the rent but a massage, use of oils, extra heat, etc. will require purchase through an easy one-click smart-phone app.

PANORAMA AMENITY FLOOR



Sky Pool, Game Room, State-of-the-art gym with a view

AMENITY ROOMS ON EACH FLOOR



Massage, monochromatic therapy, meditation, ice room

LIST OF AMENITIES AVAILABLE

- Massage Room
- Sauna
- Ice Bath
- Meditation Room
- Arcade
- Pilates Room
- Acupuncture Room
- Game Room
- Event Space with Kitchen
- Pet Spa
- Pet walking
- Craft Classes
- Fitness Classes
- Wine Tasting
- Library
- Two-lane bowling alley
- Pool
- Jacuzzi
- Aromatherapy
- Music/Instrument Room
- Monochromatic Therapy
- Art Studio
- Small movie theater
- Yoga Room
- Package Service
- Bike Room
- Virtual Reality Room

B4: THE PROJECT

STREET-LEVEL PRESENCE

While B4 will play a determining role in the look-and-feel of the larger neighborhood, it is still the first building to be constructed along the Pacific Park Atlantic Avenue corridor. It is thus, necessary to create an engaging street-level presence. In its current state, Atlantic Avenue is an unwelcoming pedestrian experience. Given the lack of development and transportation nodes east of the Arena, pedestrians often stop short of walking in the B4 direction along Atlantic Avenue. As the beacon of the Atlantic Avenue corridor, B4 has the responsibility to not just engage the street but CREATE the pedestrian presence. The commercial component cannot simply take advantage of passers-by, but rather, it must be the destination that brings street-life to the block. The B4 team has found the ideal tenant to expand upon the vibe of the neighborhood and to surely bring further visitors from near and far:

NBPA HEADQUARTERS

The National Basketball Players Association (NBPA), the union for current players of the National Basketball Association, has been looking for a new headquarters to house their training facility, club, offices, union activities, and outreach initiatives. They have found their future home on three floors of B4 where the NBPA can take advantage of (1) being at the heart of buzz-worthy Brooklyn, (2) adjacency to Barclay's center for player convenience, (3) access to a major transit hub which brings convenience to players as well as attendees of their outreach basketball camps and activities, (4) abundance of space with a total of three levels of basketball courts, (5) location in a soon-to-be iconic Brooklyn building, and (6) street exposure at major thoroughway that already see millions of basketball fans every year as well as potential for a private player enclave on the third floor.

Having secured the NBPA as a tenant during the pre-development phase, B4 will create a build-to-suit state-of-the-art facility to house their new headquarters for years to come. The B4 team is working hand-in-hand with the NBPA to make sure that the interiors of the space and architectural design of the building as a whole respond to this exciting tenant presence.



NBPA HQ BREAKDOWN BY FLOOR

- Floor 2: NBPA member-only floor (37 ft slab to slab) where players can participate in career-development activities, meet with agents, spend time on the court, work-out, etc.
 - Basketball court
 - Office/conference rooms
 - Fitness center
 - Expansive player lounge
 - Media room
 - Player Spa/locker room
- Floor 1: Street-level basketball center (37 ft slab-to-slab)
 - Basketball court
 - Health cafe
 - Waiting areas/lounges
 - Lobby
 - Potential for rental event space
- Cellar Level: Basketball/fitness center
 - Basketball court
 - Locker rooms
 - Gym
 - Fitness rooms

B4: THE PROJECT

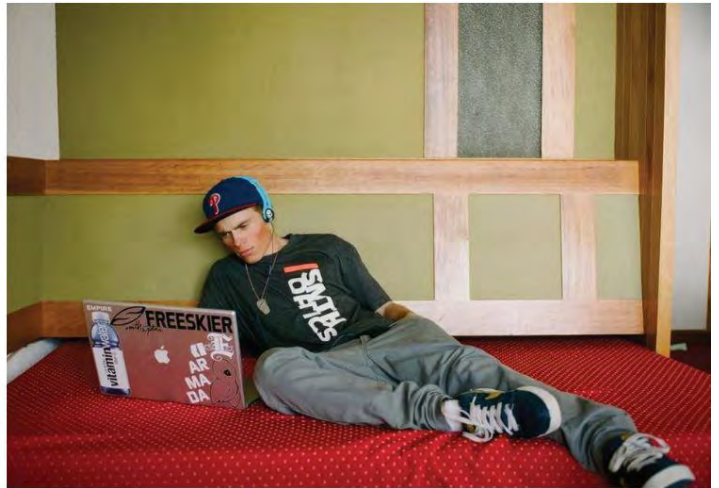
THE COMPOUND

B4's entire third floor will be dedicated to The Compound, an members-only club managed in partnership with famed boutique hotelier Jeff Klein. The Compound will serve as an exclusive urban get-away and incubator space for young creatives. Jeff Klein, who has already successfully created and run uber-private clubs in LA, such as the San Vicente Bungalows, which has attracted some of the top power brokers and celebrities in Hollywood and Silicon Valley willing to pay \$4200 per year in fees

"We offer an elevated experience with superior design, superior food and drink and superior service that you can't find in a hotel restaurant open to the public. Here, the bartender will remember your favorite drink and just how you like it so the drink arrives before you sit at the bar, and you will be surrounded by interesting and diverse crew of other members."

- Jeff Klein, 2019

The Compound will complement and benefit from the NBPA headquarters directly below, adding to the sense of exclusivity and attraction. Basketball is becoming an increasingly important part of American culture with the NBA continuously more and more intertwined in high-end fashion, hip-hop, film, and art. The Compound will be fueled by the energetic cultural that the basketball world is generating. It will offer a members only high-quality cocktail bar, café/lounge, incubator space, spa and relaxation rooms, artist studios/music/film studios, and gallery space. Most importantly, The Compound along with the NBPA headquarters will create the energetic buzz that will benefit residential rents.



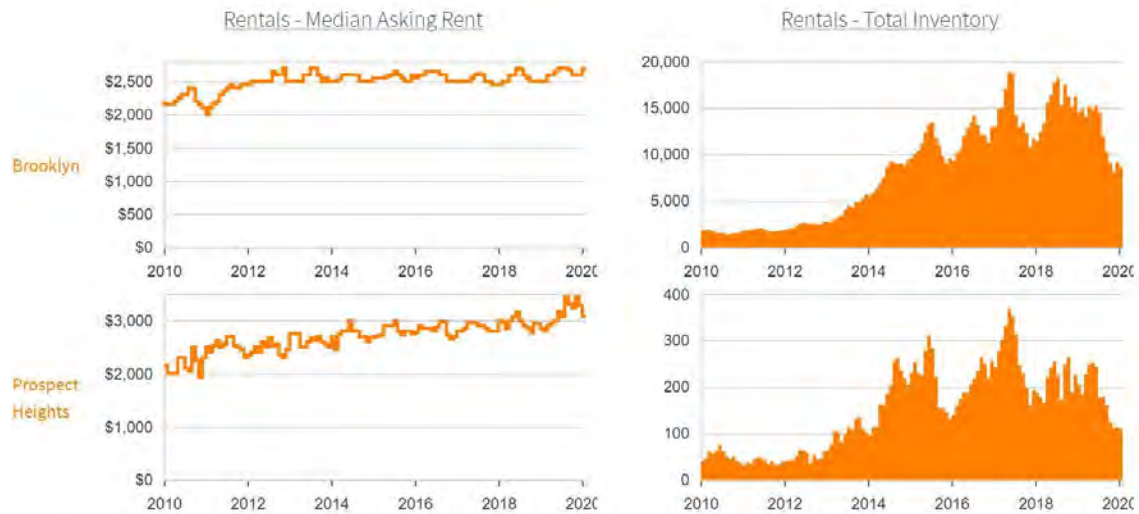
B4: THE MARKET

MARKET OVERVIEW

Prospect Heights rental market is booming and there is still plenty of potential to meet an untapped demand for true luxury rental housing. This is the right time for the rental market in Prospect Height as the neighborhood is gaining significant traction as a high-end residential destination, and it is outperforming an already impressive growth trend in the residential market of Brooklyn as a whole.

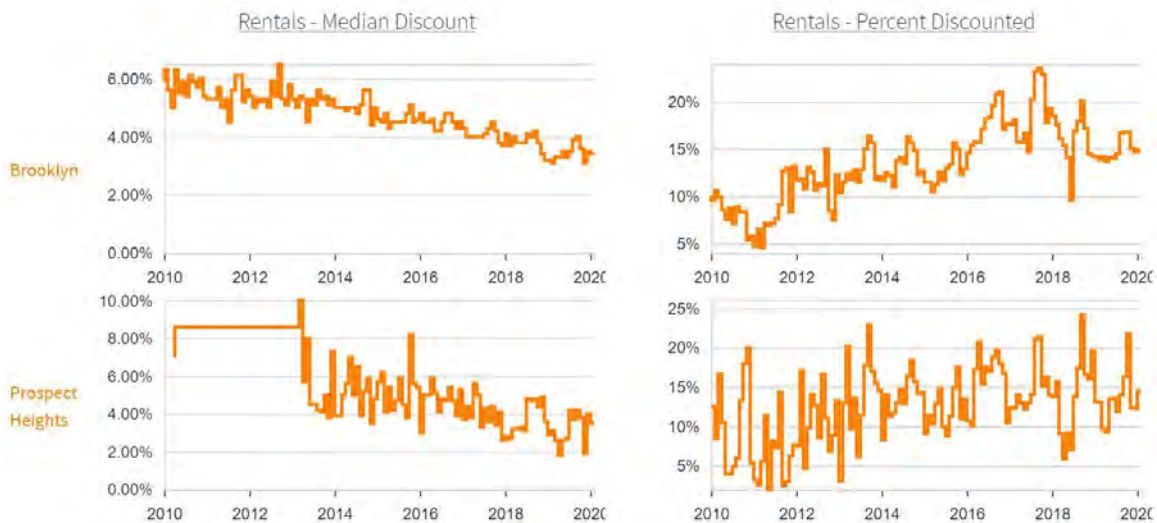
PROSPECT HEIGHTS RENTAL ANALYSIS

Demand and market rates are rising steadily at the same time that total inventory is declining significantly. B4 is in a position to not just ride the wave of this advantageous trend, but also stand out among its competitors with its location, amenities, design, and buzz-worthy commercial spaces which will amplify demand and rental prices above and beyond the curve.



Source: One Block Over by Street Easy

In the midst of the rental rate growth trajectory, it is important to understand the simultaneous rental discount trends. The percentage of units that have been discounted is following the Brooklyn curve. While the percentage of units discounted has seen some volatility over the past several years, the overall median discount rate has declined significantly. Overall, this shows positive signs for B4's future rental rates.



Source: One Block Over by Street Easy

B4: THE MARKET

TANGENTIAL YET SIGNIFICANT TRENDS IN THE PROSPECT HEIGHTS HOUSING MARKET

Prospect Heights is one of the three neighborhoods in Brooklyn, along with Williamsburg and Brooklyn Heights, to record \$1 million-dollar median residential sales prices since 2015. Its \$1,160,000 median price tag in 2019 makes it's the costliest of the three Brooklyn millionaire neighborhoods. This is an indication that Prospect Heights is entering premier neighborhood status, and that high-end rental rates will only continue to rise with the condo trend.

New Million-Dollar Neighborhoods in NYC Since 2015		
Neighborhood	Borough	Median Recorded Sales Price in 2019
Brooklyn Heights	Brooklyn	\$1,010,000
East Village	Manhattan	\$1,071,000
Gramercy Park	Manhattan	\$1,405,185
Lower East Side	Manhattan	\$1,371,587
Prospect Heights	Brooklyn	\$1,160,000
Williamsburg	Brooklyn	\$1,038,863

Source: One Block Over by Street Easy

Furthermore, according to Douglas Elliman, Brooklyn leases surged in 2019 Brooklyn as a whole, as would-be home buyers, turned off by high asking prices and lacking commitment, are choosing to “camp out” in the rental market. This can mean only one thing for the rental market: higher demand for luxury housing and higher prices.

BROOKLYN AS A WHOLE

Given that B4 will be destination residential location, it will compete not only with the local market but also Brooklyn as a whole, thus Brooklyn trends can also give clues into how B4 will perform. Brooklyn is seeing significant YoY growth in luxury rental prices and entry thresholds. The Brooklyn rental market as a whole is seeing the largest YoY median rent rise in 6 years across all apartment sizes.

Brooklyn Rental Market by Type	DEC-19	%Δ (MO)	NOV-19	%Δ (YR)	DEC-18
Luxury (Top 10%) - Median Rental Price	\$6,000	-8.4%	\$6,550	4.2%	\$5,760
Luxury (Top 10%) - Entry Threshold	\$5,000	-4.4%	\$5,228	6.5%	\$4,695



Source: Douglas Elliman 2019 Q4 Report

B4: THE MARKET

NEIGHBORHOOD COMPS

B4 will be best-in-class in its neighborhood. While there are a handful of new developments nearby, none are comparable to B4 in terms of unobstructed views, height, and amenities. No other development fully embraces a “staycation” amenity package. No other development in the vicinity has the sense of exclusivity and authenticity that the architecture, private social club, and NBPA headquarters brings with it. B4 is truly one-of-a-kind and its rents will reflect a premium on neighborhood comps while staying on-par with other ultra-luxury developments around Brooklyn.

LOCAL COMPARABLE NEW DEVELOPMENTS							
	ADDRESS	FLOORS	# OF UNITS	BASIC AMENITIES	EXTRA AMENITIES	ULTRA AMENITIES	NOTES
1	280 Ashland Place	12	123	X			Energy efficiency, water conservation.
2	475 Clermont Avenue	12	364	X	X		Game room, bocce ball, billiards, media room
3	461 Dean Street	33	363	X			
4	300 Ashland Place	35	379	X			
5	1 Flatbush Avenue	18	183	X			
6	250 Ashland Place	53	586	X	X		Fleet of Spinola Bikes, billiard room, screening room, discount to Whole Foods
7	66 Rockwell Place	42	326	X	X		Opt-in club (\$85 per person) gives access to fitness center, coffee lounge, arcade, lounge, outdoor grill, weekly classes
8	80 Dekalb Street	36	369	X			
9	33 Bond Street	25	714	X	X		Golf putting green, Chelsea Piers Gym
B4		45	680	X	X	X	Sky lounge, pool, discounted access to The Compound, over 20 different amenity rooms on each floor, Staycation services, bowling alley, screening room, and so much more

*Basic Amenities include roof deck, bike room, gym, concierge, laundry, and lounge

2-BEDROOM									
	ADDRESS	YEAR BUILT	DATE	NET EFFECTIVE RENT*	ACTUAL RENT	\$ / ROOM	BED / BTH	AVE SF	\$ / SF / YR
1	280 Ashland	2017	1/16/2020	\$4,358	\$4,754	\$1,698	2 / 2	800	65.37
2	475 Clermont	2019	2/27/2020	\$5,995	\$6,540	\$2,120	2 / 2	850	84.64
3	461 Dean Street	2016	2/26/2020	\$5,344	\$5,830	\$1,709	2 / 2	1086	59.05
4	300 Ashland	2016	2/19/2020	\$5,801	\$6,328	\$2,175	2 / 2	860	80.94
5	1 Flatbush	2018	3/4/2020	\$4,477	\$4,884	\$1,927	2 / 2	900	59.69
6	250 Ashland	2016	12/27/2019	\$5,104	\$5,568	\$1,872	2 / 1	1000	61.25
7	66 Rockwell	2013	2/14/2020	\$4,638	\$5,060	\$1,765	2 / 2	980	56.79
8	80 Dekalb Street	2007	1/21/2020	\$4,580	\$4,996	\$1,660	2 / 2	1000	54.96
9	33 Bond Street	2017	3/10/2020	\$4,850	\$5,291	\$1,756	2 / 1	1000	58.20
10	550 Vanderbilt	2017	2/19/2020	\$5,300	\$5,782	\$1,745	2 / 2	969	65.63
	Average			\$5,045	\$5,503	\$1,843	2 / 2	945	64.09
	Median			\$4,977	\$5,429	\$1,760	2 / 2	975	61.29
B4				\$6,156	\$6,716	\$1,804	2 / 2	1,061	69.65

1-BEDROOM									
	ADDRESS	YEAR BUILT	DATE	NET EFFECTIVE RENT*	ACTUAL RENT	\$ / ROOM	BED / BTH	AVE SF	\$ / SF / YR
1	280 Ashland	2017	3/9/2020	\$3,396	\$3,705	\$2,718	1 / 1	620	65.73
2	475 Clermont	2019	3/5/2020	\$4,240	\$4,625	\$2,905	1 / 1	650	78.28
3	461 Dean Street	2016	2/5/2020	\$3,418	\$3,729	\$2,473	1 / 1	670	61.22
4	300 Ashland	2016	3/10/2020	\$4,350	\$4,745	\$2,796	1 / 1	657	79.45
5	1 Flatbush	2018	3/9/2020	\$3,854	\$4,204	\$2,538	1 / 1	680	68.01
6	250 Ashland	2016	3/9/2020	\$3,744	\$4,084	\$2,968	*	640	70.20
7	66 Rockwell	2013	2/22/2020	\$3,529	\$3,850	\$3,085	1 / 1	680	62.28
8	80 Dekalb Street	2007	1/21/2020	\$3,320	\$3,622	\$2,520	1 / 1	650	61.29
9	33 Bond Street	2017	3/10/2020	\$3,511	\$3,830	\$2,851	1 / 1	700	60.19
10	550 Vanderbilt	2017	3/3/2020	\$3,490	\$3,807	\$833	3 / 1	789	53.08
	Average			\$3,685	\$4,020	\$2,569	1 / 1	674	65.65
	Median			\$3,520	\$3,840	\$2,757	1 / 1	663.5	63.66
B4				\$4,118	\$4,492	\$3,431	1 / 1	713	69.33

STUDIO									
	ADDRESS	YEAR BUILT	DATE	NET EFFECTIVE RENT*	ACTUAL RENT	\$ / ROOM	BED / BTH	AVE SF	\$ / SF / YR
1	280 Ashland	2017	3/9/2020	\$2,718	\$2,965	N/A	N/A	430	75.85
2	475 Clermont	2019	2/27/2020	\$2,905	\$3,169	N/A	N/A	490	71.14
3	461 Dean Street	2016	2/6/2020	\$2,473	\$2,698	N/A	N/A	435	68.22
4	300 Ashland	2016	3/1/2020	\$2,796	\$3,050	\$2,796	1 / 1	470	71.39
5	1 Flatbush	2018	3/10/2020	\$2,538	\$2,769	N/A	N/A	480	63.45
6	250 Ashland	2016	3/4/2020	\$2,968	\$3,238	N/A	N/A	490	72.69
7	66 Rockwell	2013	3/8/2020	\$3,085	\$3,365	\$3,085	1 / 1	516	71.74
8	80 Dekalb Street	2007	2/20/2020	\$2,520	\$2,749	N/A	N/A	459	65.88
9	33 Bond Street	2017	2/28/2020	\$2,851	\$3,110	\$2,851	1 / 1	518	66.05
10	550 Vanderbilt	2017	1/16/2020	\$2,500	\$2,727	\$2,500	1 / 1	461	65.08
	Average			\$2,735	\$2,984	\$2,735	1 / 1	475	69.12
	Median			\$2,757	\$3,008	\$2,757	1 / 1	475	69.65
B4				\$3,418	\$3,729	\$3,418	1 / 1	497	82.62

*Net Effective Rent assumes one month of free rent. This trend was observed in conversation with several brokers who are currently leasing the units listed above

B4: THE MARKET

COMPETITIVE SET

It is the B4 team's belief that the target tenant will be looking for the ultra-amenity package. With ultra-amenities as the baseline requirement, these tenants are likely not looking in a single neighborhood but rather scoping out competitive hip/luxury properties around Brooklyn. The B4 team has analyzed potential competitors around the borough of Brooklyn as a gauge for rents and amenities. While B4's rents are in line with these luxury properties, it still offers more: unbeatable transit, unbeatable views, adjacency to Barclay's Center and the Cultural District, exclusive access to the Compound members-only club, and a commercial space on the lower floors that will see the likes of James Harden, LeBron James, and Russell Westbrook.

	ADDRESS	FLOORS	# OF UNITS	BASIC AMENITIES	EXTRA AMENITIES	ULTRA AMENITIES
1	1 South First	45	332	X	X	X
2	22 North 6th Street	15	360	X	X	X
3	363 Bond Street	12	270	X	X	X
4	30 Washington Street	7	94	X	X	X
5	The Offerman House	7	121	X	X	X
	B4	45	580	X	X	X

2- BEDROOM								
	ADDRESS	YEAR BUILT	NET EFFECTIVE RENT*	ACTUAL RENT	\$ / ROOM	BED / BTH	AVE SF	\$ / SF / YR
1	1 South First, Williamsburg		\$7,984	\$9,125	\$4,563	2 / 2	800	119.76
2	41 Blue Slip, Greenpoint		\$6,452	\$7,039	\$3,519	2 / 2	850	91.09
3	363 Bond Street, Gowanus		\$6,395	\$6,976	\$3,488	2 / 2	1086	70.66
4	30 Washington Street, DUMBO		\$6,180	\$6,742	\$3,371	2 / 2	860	86.23
5	The Offerman House, Downtown		\$6,572	\$7,169	\$3,585	2 / 2	900	-
	Average		\$6,717	\$7,410	\$3,705	2 / 2	945	85.34
	Median		\$6,452	\$7,039	\$3,519	2 / 2	975	79.45
	B4		\$6,156	\$6,716	\$3,519	2 / 2	0	-

1- BEDROOM									
	ADDRESS	YEAR BUILT	DATE	NET EFFECTIVE RENT*	ACTUAL RENT	\$ / ROOM	BED / BTH	AVE SF	\$ / SF / YR
1	1 South First, Williamsburg			\$5,718	\$6,535	\$6,535	1 / 1	800	85.77
2	41 Blue Slip, Greenpoint			\$4,518	\$4,929	\$4,929	1 / 1	650	83.41
3	363 Bond Street, Gowanus			\$4,150	\$3,775	\$3,775	1 / 1	670	74.33
4	30 Washington Street, DUMBO			\$4,575	\$4,991	\$4,991	1 / 1	657	83.56
5	The Offerman House, Downtown			\$4,896	\$5,341	\$5,341	1 / 1	680	115.98
	Average			\$4,771	\$5,114	\$5,114	1 / 1	692	82.79
	Median			\$4,575	\$4,991	\$4,991	1 / 1	675	81.33
	B4			\$4,118	\$4,492	\$3,431	1 / 1	0	-

STUDIO									
	ADDRESS	YEAR BUILT	DATE	NET EFFECTIVE RENT*	ACTUAL RENT	\$ / ROOM	BED / BTH	AVE SF	\$ / SF / YR
1	1 South First, Williamsburg			\$3,146	\$3,775	\$3,775	N/A	430	87.80
2	41 Blue Slip, Greenpoint			\$3,389	\$3,697	\$3,697	N/A	490	83.00
3	363 Bond Street, Gowanus			\$2,810	\$3,065	\$3,065	N/A	435	77.52
4	30 Washington Street, DUMBO			\$3,700	\$4,036	\$4,036	1 / 1	470	94.47
5	The Offerman House, Downtown			\$3,746	\$4,087	\$4,087	N/A	480	93.65
	Average			\$3,358	\$3,732	\$3,358	1 / 1	475	84.86
	Median			\$3,389	\$3,775	\$3,389	1 / 1	475	85.62
	B4			\$3,418	\$3,729	\$3,418	1 / 1	0	-

*Net Effective Rent assumes one or two months of free rent depending on the individual building.

B4: THE MARKETING STRATEGY

B4 will be hands-down the most buzz worthy residential building in Brooklyn. A mix of basketball, culture, and the arts along with exclusivity, minimalist design, and ultra-amenities, B4 will attract affluent young creatives who want the creative lifestyle and cultural access along with luxury and comfort.

TARGET TENANTS

B4 is working with top marketers/brokers on a marketing campaign that will cater to affluent young creatives.



Target Tenant 1: Alexa founded a wildly successful tech start-up with her brother in 2012. They recently expanded and moved their offices to the financial district and she is looking for a quick commute to work in a place where she can still be close to her friends in Downtown Brooklyn. She wants a place that speaks to her creative energy and where she can find activities and relaxation away from the non-stop start-up lifestyle.

Target Tenant 2: Heidi recently moved from LA to continue to pursue her art career. She graduated from California Institute of the Arts with a degree in Fine Art and Performance Art and got signed with a major gallery during her final thesis show. She is looking to expand her base, find new inspirations, and roll with an exclusive crowd.

Target Tenant 3: John just got promoted in the fashion industry. He is looking to buy more art and spend money on the finer things in life.

B4: FINANCIAL SUMMARY

The B4 team invites you to invest \$212,589,304 for a 95% Limited Partner equity position in the B4 Development. The B4 team has undertaken a conservative financial analysis, through which the Limited Partner is expected to achieve a 20.00% IRR and a 3.07x Gross Equity Multiple.

LP INVESTMENT:

\$212,589,304

LP EQUITY POSITION:

95%

EXIT YEAR:

8

LP IRR:

20.00%

LP CASH EQUITY MULTIPLE:

3.07x

B4: UNDERWRITING

DEVELOPMENT BUDGET

ACQUISITION COST	TOTAL
Purchase	194,000,000
Closing Costs	2,619,000
Total Acquisition Cost	196,619,000
FINANCING COST	
Construction Loan Fees	7,272,792
Mortgage Recording Tax	11,636,467
Capitalized Construction Loan Interest	47,735,176
Total Financing Cost	66,644,435
SOFT COST	
POPS	2,000,000
Architecture & Engineering	6,416,984
Permits and Expediting	1,425,996
MEP & Structural Engineers	2,851,993
Gym/Amenity FF&E	1,425,996
Soft Cost Contingency	837,047
Developer Fee	12,653,188
PreDevelopment Fee	1,200,000
Total Soft Cost	20,394,222
HARD COST	
Residential	210,876,120
Commercial	30,938,600
Commercial TI's	7,513,660
Parking	0
Mech/BOH	2,209,900
General Conditions	20,123,062
Subguard	3,773,074
Insurance	20,123,062
Fee	7,546,148
GC Contingency	12,124,145
Utilities	240,000
Owner Contingency	22,082,744
Total Hard Cost	337,550,517
PROJECT CARRYING COSTS	
Taxes/insurance/break even through stabilization	875
General Liability Insurance	426,812
General Legal	1,425,996
Environmental Insurance	2,134,062
Delayed Start Insurance	137,066
Total Project Carrying Cost	4,124,812
MARKETING	
Marketing - Market Rate	3,332,000
Marketing - Affordable	816,000
Marketing - Commercial	441,980
Marketing - Member Enrollment "The Compound"	30,000
Total Marketing	4,619,980
CONTINGENCY	
Development Contingency	9,413,345
Total Contingency	9,413,345
TOTAL DEVELOPMENT BUDGET	639,366,310

The development budget has been conservatively estimated to be \$639,366,310 with 65% of it funded by construction debt financing at the estimated floating interest rate at 350 basis points above the 1 Year Forward LIBOR rate. LIBOR rate 1 Year Forward projections are currently at all-time low resulting in a starting all-in interest rate of 3.73%,

The cost of land has been predetermined by the ESD and is non-negotiable. Hard costs have been determined based on developments of similar size and complexity that the B4 team has undertaken in the past. Soft costs and marketing costs have been appropriately priced based on the scale, complexity, and high-caliber nature of the project.

SOURCES AND USES

SOURCES	TOTAL	PGSF	PRSF
Construction Loan	415,588,102	492.34	613.55
Total Equity	223,778,214	265.10	330.37
LP Equity	212,589,304	251.85	313.85
GP Equity	10,629,465	12.59	15.69
TOTAL SOURCES	639,366,316	757.44	943.92

USES	TOTAL	PGSF	PRSF
Purchase Price	194,000,000	229.83	286.41
Closing Costs	2,619,000	3.10	3.87
Financing Cost	66,644,435	78.95	98.39
Soft Cost	20,394,222	24.16	30.11
Hard Cost	337,550,517	399.89	498.34
Project Carrying Cost	4,124,812	4.89	6.09
Marketing	4,619,980	5.47	6.82
Additional Fees	0	0.00	0.00
Development Contingency	9,413,345	11.15	13.90
TOTAL USES	639,366,310	757.44	943.92

DEVELOPMENT SCHEDULE

SCHEDULE AND MILESTONES	START PERIOD	DATE/MONTH	DURATION
Acquisition	0	6/1/2020	0
Pre-dev Start	0	6/1/2020	12
Pre-dev End	12	6/1/2021	0
Construction start	12	6/1/2021	24
Construction End	36	6/1/2023	0
Stabilization Start	36	6/1/2023	24
Stabilization Acheived	60	6/1/2025	36
Sale	96	6/1/2028	

*See Appendix for full construction-draw timing assumptions

B4: UNDERWRITING

RESIDENTIAL REVENUE ASSUMPTION DASHBOARD

Market rents were determined based on a detailed analysis of comparable properties in the neighborhood and a competitive set of properties around Brooklyn. Each unit was priced according to height, views, layout, square footage, and window coverage. The price indicated in the Dashboard below is simply an average based on all 580 individually priced units (live Excel model is available upon request). The vacancy rate for market rate units was determined based on market reports and discussions with brokers, as was the absorption schedule.

Affordable rents are distributed between two income Bands: 130% AMI (20% of total units) and 70% AMI (10% of total units). Currently AMI is \$106,700 and rent is required to be 30% of income for affordable units. However, the HDC mandates that a "Household Factor" be applied to the pricing of each unit based on the number of bedrooms. As so, most affordable units are actually priced *below* 30% of AMI.

MARKET RENT	
Average Market Rent/SF/YR*	\$81
Free Rent	1 months
Net Rent	\$75.23

MARKET LEASE-UP	
Opening Month	36
Lease-up Months	24
Vacancy	5%

OTHER REVENUE

REVENUE	
Amenity Purchases/MR unit/month	\$200.00

BLENDED ASSUMPTIONS

BLENDED	
Blended RESI Vacancy	3.90%
Blended Total Vacancy	3.40%

* Average is based on unit by unit pricing. Each unit is priced based on size, view, height, and layout.

AFFORDABLE RENT	
AMI	\$106,700
% of Income	30%
Blended Rent	\$33.82

AFFORDABLE LEASE-UP	
Opening Quarter	36
Lease-up Months	6
Vacancy	2%

HOUSEHOLD FACTOR CALC	
0 BR	60%
1 BR	75%
2 BR	90%
3 BR	104%
<i>According to HDC ^</i>	
Blended HH Factor	79.41%

AMI BANDS		% of ANY units
Band 1	70% AMI	10%
Band 2	130% AMI	20%
Band 3		0%
TOTAL		30%

B4: UNDERWRITING

COMMERCIAL REVENUE ASSUMPTION DASHBOARD

B4 will build out both commercial uses, the NBPA headquarters and The Compound, as build-to-suit. NBPA will take part in the design decisions along the way which has been part of the agreement which involves a \$85 per square foot per year rent with TI's at \$85. Leasing commissions will be granted upon completion. The Compound, a partnership between B4's asset management team and famed boutique hotelier Jeff Klein, will take up the remaining commercial space on the third floor. As mentioned above, Jeff Klein will manage the property for a fee. The income generated from this space will be 80% of net effective income.

COMMERCIAL RENT				
	SF	Rent /SF	Rent \$	Lease (YRS)
Tenant 1: NBPA	44,198	\$85	3,756,830	10
Tenant 2: The Compound	22,099	\$0	-	10
Blended Rent	44,198	\$85.00	3,756,830	

COMMERCIAL TIMING + CONCESSIONS	
Qtr start	36
LC / sf	\$34.00
TI / sf	\$85.00
Cap-ex reserves	10%

VACANCY AND RE-LEASING	
Re-lease likelihood	60%
Vacancy upon leaseup	15%

"THE COMPOUND" INCOME	
Starting Members	100
Sign-ups per month	50
Max members	3,000
Fees per member	4,200
Mgmt Partnership fee %	20%

RENTAL REVENUE SUMMARY

REVENUE SUMMARY							REVENUE	
TYPE	% AMI	% RENTAL	RSF	UNITS	RSF/UNIT	MONTHLY RENT	TOTAL REVENUE	REVENUE PSF
MARKET								
Studio		3.7%	20,854	42	497	\$3,372	\$1,699,522	\$81.50
1 bedroom		32.0%	179,615	252	713	4,841	\$14,638,095	81.50
2 bedroom		34.3%	193,043	182	1,061	7,203	\$15,732,440	81.50
3 bedroom		0.0%	0	0	0	0	\$0	81.50
Subtotal / avg.		70.0%	393,513	476	827	\$5,615	\$32,070,056	\$81.50
AFFORDABLE								
Band 1	70% AMI	10.0%	56,216	68	827	1,483	1,209,978	21.52
Band 2	130% AMI	20.0%	112,432	136	827	2,754	4,494,204	39.97
Band 3	0% AMI	0.0%	0	0	0	0	0	0.00
Subtotal/ avg.		30.0%	168,648	204	827	\$2,330	\$5,704,182	\$33.82
TOTAL RESI RENT REVENUE								
Total / avg. rental		100.0%	562,161	680	827	\$4,629	\$37,774,238	\$67.19
COMMERCIAL AND PARKING								
Retail			86,663			\$613,861	7,366,333	85.00
TOTAL RENTAL REVENUE								
Total RSF			648,824				\$45,140,571	\$69.57

B4: UNDERWRITING

EXPENSE ASSUMPTIONS

TOTAL EXPENSES	
TOTAL Opex/SF	\$16.30
Opex/Unit	\$13,475.33
MGMT % EGR	3.00%
Replacement Reserves/unit	500

TAXES	
421-A?	YES
Mini-tax	\$175
Market Tax % EGR	23%
Market TAX	\$10,029,047

Mini-tax according to NYC Dep. Of Finance Tax Records

TOTAL EXPENSES	
Base Opex/SF	\$10.00
Base Opex/Unit	\$8,267.07
Amenity Opex/SF (Market Rate Ur	\$9.00
Amenit Opex/SF/Market Rate	\$7,440.37

ESD MANDATED EXPENSES	
POP Annual cost	400,000

Total operating expenses are based on two calculations: (1) a base-level op-ex that applies to all units and (2) an amenity op-ex that applies to the market rate units. Note that amenity spaces will be available to all tenants included in the rent, however services such as dog-walking concierge will be only be included in the market-rate rent. Furthermore, higher -end appliances in market rate rooms will require higher operating expenses in terms of repairs and maintenance.

Given that the B4 project will contain the required number of affordable units to attain an Affordable New York tax abatement (formerly called 421-A), tax expenses will remain at their current rate which is an astonishing \$175 per year.

As mandated by the ESD, a \$400,000 annual fee is required to maintain the Privately Owned Public Space (POP) of the Pacific Park development.

CONSTRUCTION LOAN TO PERMANENT LOAN

The B4 Development Strategy involves a construction loan take-out at month 60 (year 5) when stabilization is expected to be achieved. See loan sizing below:

CONSTRUCTION LOAN	
Origination	6/1/2021
Floating/Fixed	Floating
Rate Index	LIBOR
Year 1 Forward Libor Rate	0.23%
Spread Over Index	350 bps
Initial All-in Rate	3.73%
Origination Fee, Broker Fee	1.75%
Fee Timing	12 Months
Project Cost	\$639,366,310
Loan to Cost %	65.0%
Construction Loan Amount	\$415,588,102
Capitalized Interest	\$47,735,182

PERMANENT LOAN			
REFINANCE?	YES		
Origination	6/1/2025		
Floating/Fixed	Fixed		
All-in Rate	3.25%		
Term (Years)	30		
Origination Fee	0.50%		
Fee Timing	60 Months		
Net Operating Income	\$45,688,605		
Valuation / Debt Yield	7.00%	\$652,694,355	
Valuation / DSCR	1.20	\$38,073,837	\$722,714,436
Valuation / Cap Rate	70.0%	5.00%	\$639,640,468
Loan Sizing			\$639,640,468

B4: UNDERWRITING

EXIT STRATEGY

EXIT ASSUMPTIONS	
Year of Exit	8.00
Exit NOI	\$49,192,890
Exit Cap Rate	5.00%
Cost of Sale	3.50%
Gross Sales Price	983,857,795
Selling Costs	\$34,435,023
Net Proceeds	949,422,772

The B4 team has determined that an exit in Year 8, 36 months after stabilization has been achieved, will yield the highest returns for our investors. B4 has conservatively estimated a 5% Cap Rate on NOI, however an analysis of the net present value of future taxes abated through the ANY program will likely yield a much higher return. (Live Excel model with the ANY net present value calculation is available upon request and can be added to the purchase price as seen here).

EXIT SENSITIVITIES

An exit in month 96 (Year 8) yields the greatest IRR and cash equity multiple. The B4 conservatively underwrote to a 5.00% exit cap rate, although we expect lower cap rates as Pacific Park development hits the ground running the coming years.

EXIT MONTH SENSITIVITY

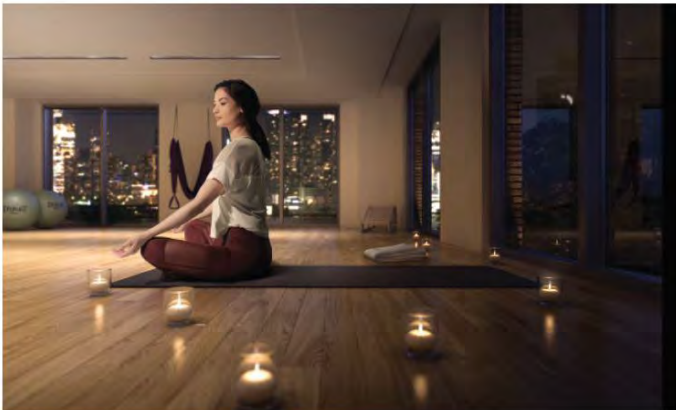
EXIT MONTH	IRR	CFx
	21.42%	3.42x
72	20.91%	2.68x
78	20.89%	2.82x
84	21.39%	3.05x
90	21.19%	3.18x
96	21.42%	3.42x
102	21.13%	3.55x
108	21.21%	3.79x
114	20.89%	3.92x
120	20.88%	4.16x
126	20.57%	4.30x

EXIT CAP RATE SENSITIVITY

CAP RATE	IRR	CFx
	21.42%	3.42x
6.25%		
6.00%	16.29%	2.68x
5.75%	17.48%	2.84x
5.50%	18.72%	3.01x
5.25%	20.04%	3.21x
5.00%	21.42%	3.41x
4.75%	22.55%	3.65x
4.50%	23.53%	3.90x
4.25%	24.54%	4.17x
4.00%	25.61%	4.48x
3.75%	26.74%	4.84x

B4: CLOSING STATEMENT

B4 is an opportunity to be part of something unlike any other in Brooklyn. Best-in-class amenities combined with an exclusive cultural club and the NBPA headquarters, B4 will certainly set a new standard for mixed use and residential development in downtown Brooklyn.



B4



B4: APPENDIX

CONSTRUCTION DRAW ASSUMPTIONS

COST DESCRIPTION	TOTAL	DRAWS DURING PRE-DEVELOPMENT			DRAWS DURING CONSTRUCTION		
		% SPENT	TART	MCEND MO.	% SPENT	TART	MCEND MO.
GSF	712,998						
% GSF	100%						
ACQUISITION COST	TOTAL						
Purchase	194,000,000						
Closing Costs	2,619,000						
Total Acquisition Cost	196,619,000						
FINANCING COST							
Construction Loan Fees	7,272,792	0%			100%		
Mortgage Recording Tax	11,636,467	0%			100%		
Capitalized Construction Loan Interest	47,735,176	0%			100%		
Total Financing Cost	66,644,435	0%			100%		
SOFT COST							
POPS	2,000,000	20%	0	12	80%	12	36
Architecture & Engineering	6,416,984	50%	0	12	50%	12	36
Permits and Expediting	1,425,996	50%	0	12	50%	12	36
MEP & Structural Engineers	2,851,993	50%	0	12	50%	12	36
Gym/Amenity FF&E	1,425,996	0%	0	12	100%	12	36
Soft Cost Contingency	837,047	0%	0	12	100%	12	36
Developer Fee	12,653,188	0%	0	12	100%	12	36
PreDevelopment Fee	1,200,000	100%	0	12	0%	12	36
Total Soft Cost	20,394,222	32%			68%		
HARD COST							
Residential	210,876,120	0%			100%	12	36
Commercial	30,938,600	0%			100%	12	36
Commercial TI's	7,513,660	0%			100%	12	36
Parking	0	0%			100%	12	36
Mech/BOH	2,209,900	0%			100%	12	36
General Conditions	20,123,062	0%			100%	12	36
Subguard	3,773,074	0%			100%	12	36
Insurance	20,123,062	0%			100%	12	36
Fee	7,546,148	0%			100%	12	36
GC Contingency	12,124,145	0%			100%	12	36
Utilities	240,000	0%			100%	12	36
Owner Contingency	22,082,744	0%			100%	12	36
Total Hard Cost	337,550,517	0%			100%		
PROJECT CARRYING COSTS							
Taxes/insurance/break even through stabiliz	875						
General Liability Insurance	426,812	20%	0	12	80%	12	60
General Legal	1,425,996	20%	0	12	80%	12	60
Environmental Insurance	2,134,062	20%	0	12	80%	12	60
Delayed Start Insurance	137,066	100%	0	12	0%		
Total Project Carrying Cost	4,124,812	23%			77%		
MARKETING							
Marketing - Market Rate	3,332,000	50%	9	12	50%	12	60
Marketing - Affordable	816,000	50%	9	12	50%	12	60
Marketing - Commercial	441,980	50%	6	12	50%	12	60
Marketing - Member Enrollment "The Comp	30,000	0%			100%	54	60
Total Marketing	4,619,980	50%			50%		
CONTINGENCY							
Development Contingency	9,413,345	0%			100%	12	60
Total Contingency	9,413,345	0%			100%		
TOTAL DEVELOPMENT BUDGET	639,366,310						

B4: APPENDIX

ANNUAL CASH FLOW

	YEAR PERIOD YEAR	0	1	2	3	4	5	6	7	8	9	10	11	
		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
		DATE	6/1/2020	6/1/2021	6/1/2022	6/1/2023	6/1/2024	6/1/2025	6/1/2026	6/1/2027	6/1/2028	6/1/2029	6/1/2030	6/1/2031
OPERATING CASH FLOW														
		STABILIZED	TOTAL											
POTENTIAL REVENUE														
Market Rent		252,274,351	0	0	0	8,545,781	24,935,023	33,318,582	34,318,139	35,347,683	36,408,114	37,500,357	38,625,368	3,315,344
Affordable Rent		50,279,820	0	0	0	4,698,250	6,053,324	6,174,390	6,297,878	6,423,835	6,552,312	6,683,358	6,817,026	579,447
Commercial Rent		59,544,528	0	0	0	7,366,333	7,366,333	7,366,333	7,366,333	7,366,333	7,366,333	7,366,333	7,366,333	613,861
Parking Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
Other Revenue		33,907,713	0	0	0	468,518	1,374,651	1,836,830	1,891,335	1,946,693	2,007,154	2,067,369	2,127,390	182,773
TOTAL POTENTIAL GROSS REVENUE		376,006,412	0	0	0	21,039,281	39,729,330	46,696,136	49,874,286	51,086,545	52,333,914	53,617,418	54,938,117	4,691,425
EFFECTIVE REVENUE														
Market Rent		235,660,672	0	0	0	6,080,492	23,688,272	31,652,653	32,602,232	33,580,299	34,587,708	35,625,339	36,694,100	3,149,577
Affordable Rent		49,274,223	0	0	0	4,604,285	5,992,257	6,050,902	6,171,920	6,295,359	6,421,266	6,549,691	6,680,685	567,858
Commercial Rent		50,612,849	0	0	0	6,261,383	6,261,383	6,261,383	6,261,383	6,261,383	6,261,383	6,261,383	6,261,383	521,782
Parking Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
Other Revenue		33,385,036	0	0	0	430,611	1,312,612	1,765,158	1,818,112	1,872,656	1,928,635	1,986,700	2,046,301	175,641
TOTAL EFFECTIVE GROSS INCOME		352,932,779	0	0	0	19,396,780	37,202,924	45,730,096	46,853,648	48,009,697	49,199,193	50,429,258	51,701,436	4,417,539
EXPENSES														
Operating Expenses		(91,909,925)	0	0	0	(10,214,597)	(10,521,035)	(10,826,666)	(11,161,766)	(11,496,619)	(11,841,518)	(12,196,763)	(12,562,666)	(1,078,295)
MGMT Fee		(1,182,977)	0	0	0	(81,910)	(127,428)	(149,779)	(153,651)	(157,637)	(161,739)	(165,961)	(170,307)	(14,565)
Real Estate Taxes Normal		0	0	0	0	0	0	0	0	0	0	0	0	0
Mini-tax		(1,940)	(175)	(175)	(175)	(175)	(175)	(175)	(175)	(175)	(175)	(175)	(175)	(15)
TOTAL EXPENSES		(93,094,842)	(175)	(175)	(175)	(10,296,682)	(10,648,638)	(10,986,620)	(11,315,592)	(11,654,431)	(12,003,432)	(12,362,899)	(12,733,148)	(1,092,875)
NET OPERATING INCOME			(175)	(175)	(175)	19,393,970	37,168,974	45,688,605	46,823,539	47,991,313	49,192,800	50,429,258	51,701,436	4,417,539
UNLEVERAGED CASH FLOW														
DEVELOPMENT COSTS														
Total Acquisition Cost		(196,619,000)	(196,619,000)	0	0	0	0	0	0	0	0	0	0	0
Total Soft Cost		(28,811,206)	(6,947,487)	(10,931,859)	(10,931,859)	0	0	0	0	0	0	0	0	0
Total Hard Cost		(337,550,517)	0	(368,775,238)	(368,775,238)	0	0	0	0	0	0	0	0	0
Total Project Carrying Cost		(4,124,812)	(934,615)	(797,549)	(797,549)	(797,549)	(797,549)	(797,549)	(797,549)	(797,549)	(797,549)	(797,549)	(797,549)	(797,549)
Total Marketing		(4,619,980)	(2,294,990)	(573,748)	(573,748)	(573,748)	(573,748)	(573,748)	(573,748)	(573,748)	(573,748)	(573,748)	(573,748)	(573,748)
Total Additional Fees		0	0	0	0	0	0	0	0	0	0	0	0	0
Total Contingency		(9,413,345)	0	(2,353,336)	(2,353,336)	(2,353,336)	(2,353,336)	(2,353,336)	(2,353,336)	(2,353,336)	(2,353,336)	(2,353,336)	(2,353,336)	(2,353,336)
TOTAL DEVELOPMENT COSTS		(581,138,859)	(206,796,092)	(183,431,751)	(183,431,751)	(183,431,751)	(183,431,751)	(183,431,751)	(183,431,751)	(183,431,751)	(183,431,751)	(183,431,751)	(183,431,751)	(183,431,751)
CASH FLOW AND SALES PROCEEDS														
Operating Cash Flow		197,065,875	(175)	(175)	(175)	19,393,970	37,168,974	45,688,605	46,823,539	47,991,313	49,192,800	50,429,258	51,701,436	4,417,539
Net Sales Proceeds		949,422,772	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CF AND SALES PROCEEDS		1,146,488,647	(175)	(175)	(175)	19,393,970	37,168,974	45,688,605	46,823,539	47,991,313	49,192,800	50,429,258	51,701,436	4,417,539
RESERVES														
Res. Replacement Reserves		(17,408,000)	0	0	0	(1,742,500)	(3,425,500)	(4,080,000)	(4,080,000)	(4,080,000)	(4,080,000)	(4,080,000)	(4,080,000)	(4,080,000)
Commercial Cap Ex Reserves		(8,921,870)	0	0	0	(1,337,359)	(1,195,876)	(1,192,174)	(1,192,174)	(1,192,882)	(1,193,379)	(1,193,379)	(1,193,379)	(1,193,379)
TOTAL RESERVES		(26,329,870)	0	0	0	(3,079,859)	(4,621,376)	(5,272,174)	(5,272,174)	(5,272,882)	(5,273,759)	(5,273,759)	(5,273,759)	(5,273,759)
UNLEVERAGED CASH FLOW			(206,796,092)	(183,431,751)	(183,431,751)	12,589,653	28,793,340	40,416,431	41,580,657	42,747,734	43,949,422,772	45,119,258	46,288,675	47,458,214
Unlevered IRR		10.87%												
Unlevered Ctx		1.94x												
Unlevered Nominal Profit		541,920,993												
LEVERAGED CASH FLOW														
CONSTRUCTION LOAN FINANCING COSTS														
Construction Loan Fees		0	0	0	0	0	0	0	0	0	0	0	0	0
Mortgage Recording Tax		0	0	0	0	0	0	0	0	0	0	0	0	0
Capitalized Construction Loan Interest		(44,426,015)	0	(3,212,220)	(11,652,450)	(16,259,178)	(19,302,162)	0	0	0	0	0	0	0
Total Financing Cost		(44,426,015)	0	(3,212,220)	(11,652,450)	(16,259,178)	(19,302,162)	0	0	0	0	0	0	0
FINANCING														
Equity Funding		223,778,217	206,796,092	16,982,124	0	0	0	0	0	0	0	0	0	0
Construction loan borrowing		405,095,824	0	169,110,716	353,744,291	19,502,770	21,278,409	1,509,634	0	0	0	0	0	0
CONSTRUCTION LOAN SUMMARY														
Proceeds		0	169,110,716	353,744,291	19,502,770	3,077,082	0	0	0	0	0	0	0	0
Payoff		0	0	0	0	0	(433,171,743)	0	0	0	0	0	0	0
PERMANENT LOAN SUMMARY														
Permanent loan fees		0	0	0	0	0	(3,180,202)	0	0	0	0	0	0	0
Proceeds		0	0	0	0	0	639,840,468	0	0	0	0	0	0	0
Debt Service		0	0	0	0	0	(30,621,513)	(33,405,069)	(33,405,069)	(33,405,069)	(33,405,069)	(33,405,069)	(33,405,069)	(33,405,069)
Payoff		0	0	0	0	0	0	0	0	(491,801,303)	0	0	0	0
LEVERED CASH FLOW			(206,796,092)	(14,221,035)	10,332,541	32,092,422	11,876,422	213,095,640	8,175,588	9,342,665	457,621,466	0	0	0
Levered IRR		21.42%												
Levered Ctx		1.42x												
Levered Nominal Profit		541,393,621												

B4: APPENDIX

WATERFALL

JV WATERFALL				
	IRR	Equity Multiple	JV Members	Promote Member
Pre-hurdle			100%	0%
Hurdle 1	12%	N/A	80%	20%
Hurdle 2	18%	N/A	70%	30%
Hurdle 3	22%	2.50x	60%	40%

JV MEMBERS	
LP	95%
GP	5%

LP CASH FLOW										
LP BREAKDOWN										
Before 1st Hurdle	171,437,129	(196,456,287)	(13,604,983)	9,796,914	30,487,801	30,276,901	202,440,858	7,766,808	8,875,532	91,853,820
Before 2nd Hurdle	181,569,614	0	0	0	0	0	0	0	0	181,569,677
Before 3rd Hurdle	81,147,381	0	0	0	0	0	0	0	0	81,147,136
After 3rd Hurdle	0	0	0	0	0	0	0	0	0	0
Total LP Cash Flow	434,154,124	(196,456,287)	(13,604,983)	9,796,914	30,487,801	30,276,901	202,440,858	7,766,808	8,875,532	354,570,633
Projected Gross Multiple	3.07x									
Projected IRR	20.00%									