

An aerial architectural rendering of a modern high-rise residential complex. The image shows several tall, glass-clad buildings with distinctive white, stepped balconies and green roofs. The surrounding area includes landscaped grounds with trees, walking paths, and smaller, lower-rise buildings. The overall scene is bright and sunny, suggesting a clear day.

Beyond Living Fort Greene

2025 Capstone Deal Book

Ellie Kim
(LK2930)

Important Notice

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※ Should you have any inquiries relating to the Project or the Property, please kindly contact the persons shown below.

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Executive Summary

Project Vision and Purpose

- The site on 121 Dekalb Avenue owned by The Brooklyn Hospital Clinic will be redeveloped partnered with the hospital and existing developer on 240 Willoughby St to form a new residential and leisure community with upper upscale hotel, rental apartment, serviced residence, retail podium.
- The project will not only add needed residential supplies, a luxury hotel and service residence that the Brooklyn community lacks, but also link the park to the open-space plaza and retail podiums for the residents in the neighborhood, creating a community hub.
- *The project will also become the hub for cultural experience with its proximity to BAM, Pratt, Barclays Center, provide accommodations for schools in the area, and be a well-being luxury leisure destination with the park view for both the visitors to schools or the hospital and the above average paid residents.*

Key Project Components

- “4 Residential, 1 hotel, 1 hospital, and retail plaza”
- While the two rental towers T1 and T2 owned by Rabsky Group and the Emergency Dept building will be remaining as it is, the old hospital building facing the park will be demolished and rebuilt to a 30F bldg with retail on 1F, service residential 2~14F, hotel 15~30F
- The hospital building facing LIU will be renovated with minimal structural changes and a see-through bridge building will link to ER.
- The central plaza will be connecting to the park, with retail shops both on the plaza and in the ground floor podiums of the residenceals



Address	121 Dekalb Ave, Brooklyn, NY
Construction Period	2025 2H ~2029
Development Costs	\$590m
Lot area	247,000 sf
Proposed ZFA	1,930,774 sf
Residential units	920 market rate; 306 affordable
Hotel Keys	360

Project Site and Development Strategy

Site for Tower 1 + Tower 2



- Address: 240 Willoughby St
- Lot area: 30,744 sf
- Current GFA: 379,683 sf
- Existing building: Resi 1, 2
- Deed ownership: developer (Rabsky Group / MSP Capital)
- Strategy: either Lease land + bldg 1 2 OR leave it as-is

Site for Tower 3



- Address: 147 Ashland Place
- Lot area: 44,904 sf
- Current GFA: 84,350 sf
- Existing building: 2fl Parking lot
- Ownership: Brooklyn Hospital
- Strategy: ground lease land + groundwork on top of existing garage and build building above

Site for Tower 4, Hotel, Hospital



- Address: 117 Dekalb Avenue
- Lot area: 172,074 sf
- Current GFA: 335,000 sf
- Existing building:
- Hospital building / ER Center
- Ownership: Brooklyn Hospital
- Strategy: ground lease land; demolish 4 5, renovate 6

Investment Highlights

Only Upper Upscale hotel in Brooklyn

Location at center of Education + healthcare

High income + education level residents

Gigantic park, Barclays Center, vibrant F&B, festive scenes

Easy access to MTA, new apartment clusters

IRR 28% expected for 15 yr holding period

Value Proposition

Value Proposition: Vision and Concept

Vision and Concept – Well-being, experience, and luxury

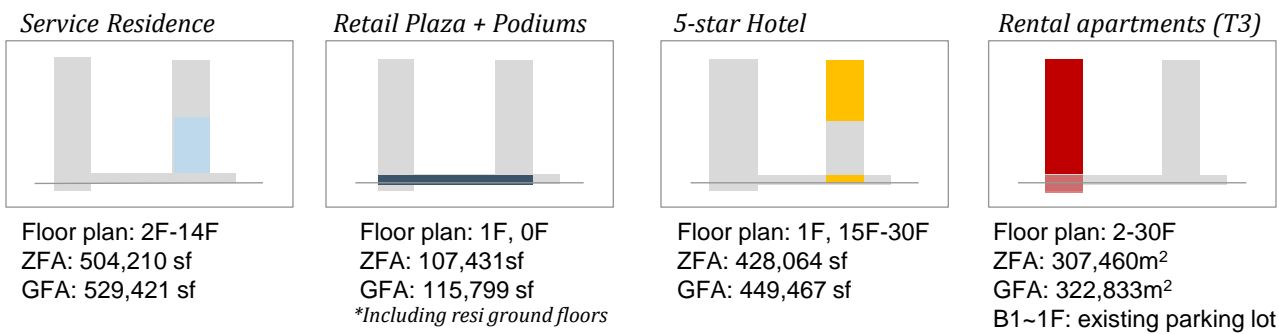
“Creating an urban well-being and culturally enriching living community in the artistic neighborhood”

- While there are many residential developments going on in Brooklyn and Fort Greene, there are limited luxury residentials that provide leisure fulfillments or enjoy serviced ‘experiences’; furthermore, the district lacks upper scale accommodations for visitors or residents
- Considering the district’s above average wage levels, proximities to schools, high percentage of young artist population along with elders in the hospital and senior housing in vicinities, *Beyond Living* aims to provide residentials and hotel that can provide Fort Greene an upper-scale experience
- On the other hand, adjacencies to Brooklyn Hospital and Fort Greene Park will foster the element of ‘well-being’; open-space of the plaza and events to be held in the space will benefit the community

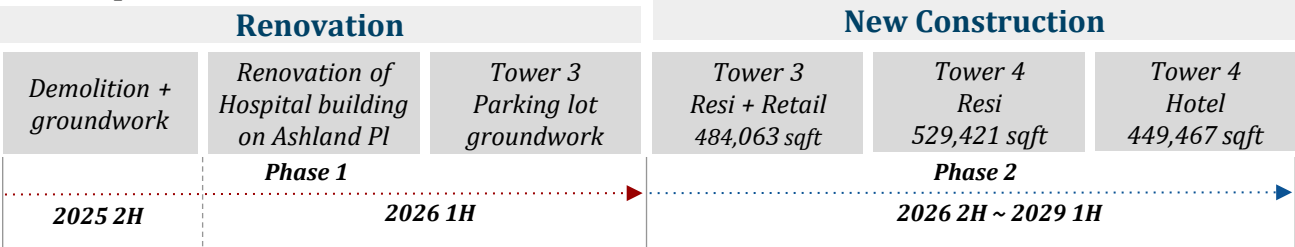
Development Strategy: Win-Win with The Brooklyn Hospital Clinic + Fort Greene Park

- While the hospital s accumulating deficits, it intends to raise capital through ground lease of its land to upgrade its equipment and renovate the outdated buildings: the project intends to ground-lease the hospital’s site and have the hospital do sales-and-lease back for Ashland Pl block + ER addendum
- As Fort Greene Park is another important stakeholder to the site, the project intends to link the retail open plaza to the park to facilitate community usage; the park’s renovation project may benefit from it

New Development Components

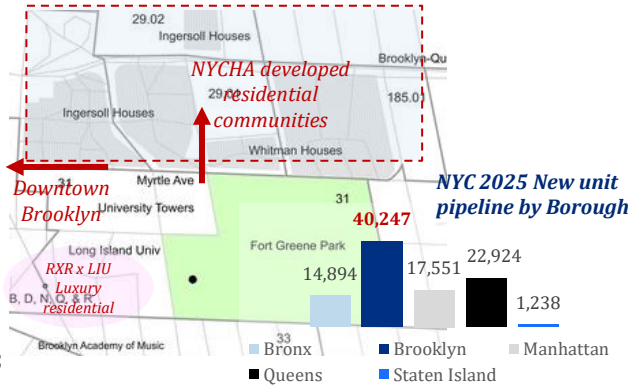


Development Phases and Timeline



The Area’s Evolving Neighborhood

- The Project site 121 Dekalb Avenue is located adjacent to Fort Greene Park, within City of Brooklyn’s Fort Greene Neighborhood or Brooklyn Community District 2 defined by NYC government’s Planning; the site is also in proximity to Downtown
- Numerous development projects were done or are being done in Brooklyn with continued migration from Manhattan; the project may benefit from neighboring infrastructure of adjacent communities



Contextual Understandings

Contextual Understanding of Fort Greene Site

Physical Characteristics

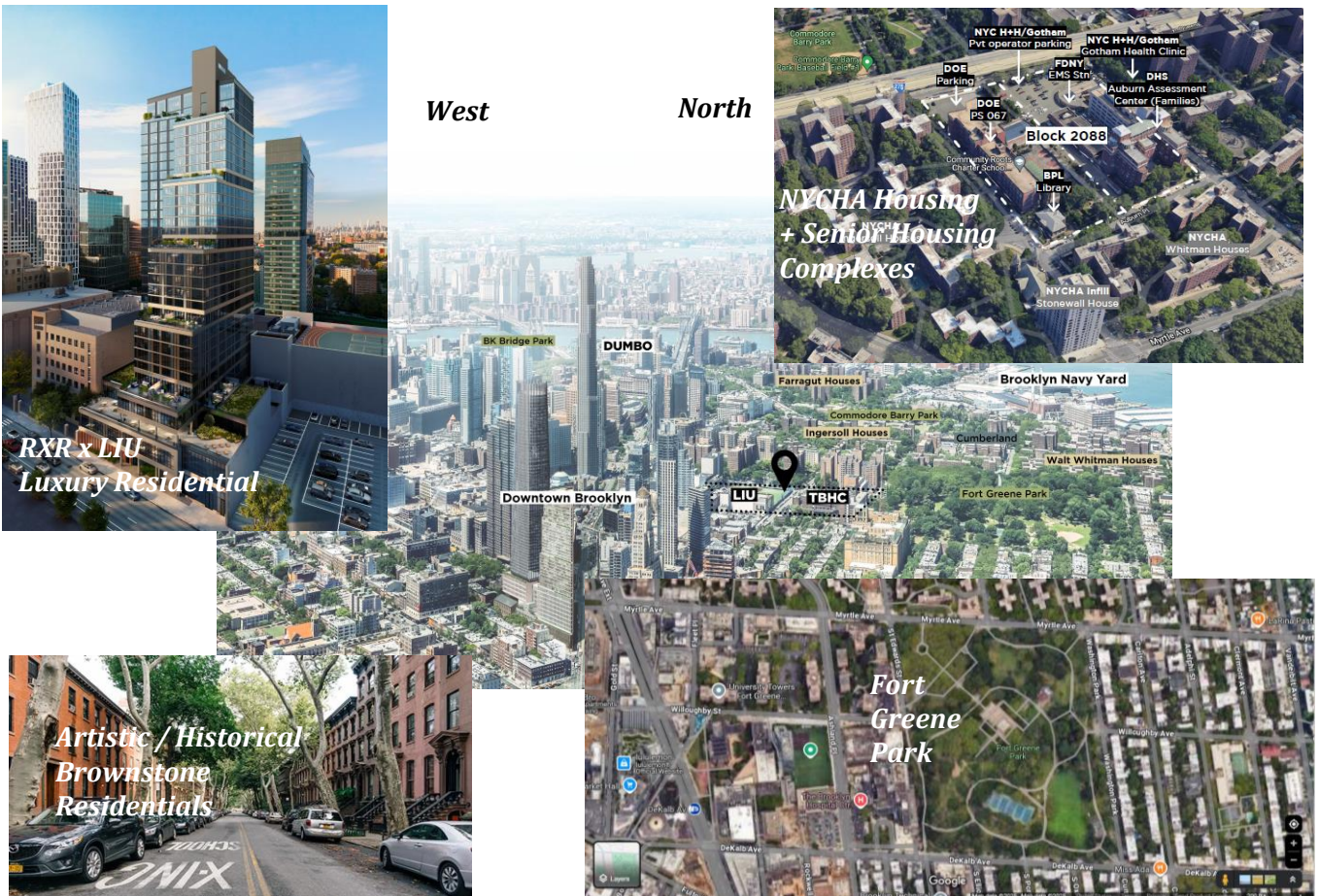
Location Overview

- Centrally located in western Brooklyn
- Well-connected by public transportation (multiple subway lines, buses, LIRR)
- Proximity to Downtown Brooklyn, Brooklyn Navy Yard, and Atlantic Terminal



Existing Surroundings

- The site has unique surrounding communities / features on all 4 sides: West has Highrise residentials + LIU, North has NYCHA Housing and Senior housing, South has brownstones, and East has 30 acres of Fort Greene Park adjacent to the site making slight uphill towards East



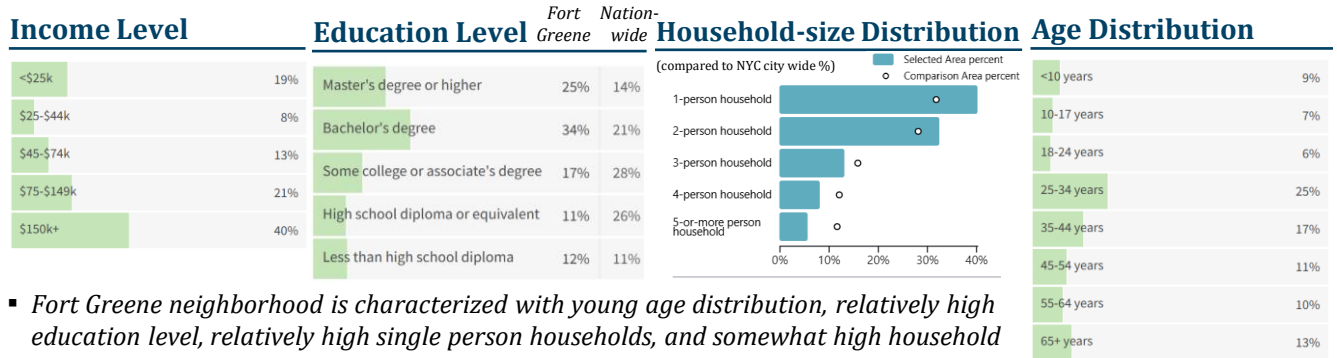
South

East

Contextual Understanding of Fort Greene

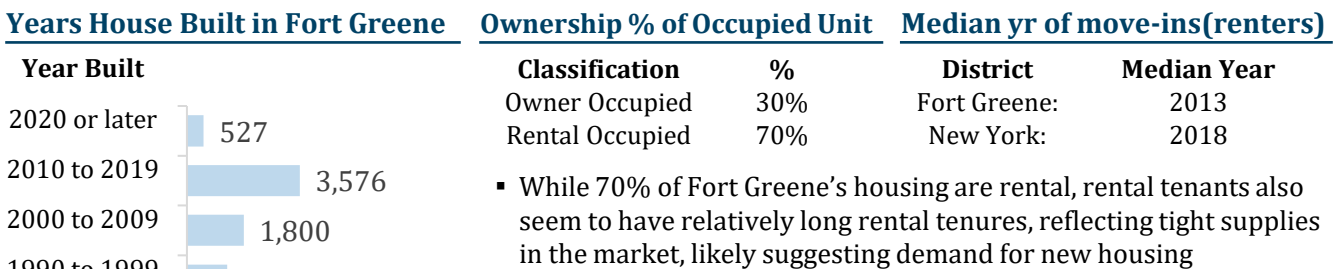
The Market – Fort Greene Neighborhood

Demographics

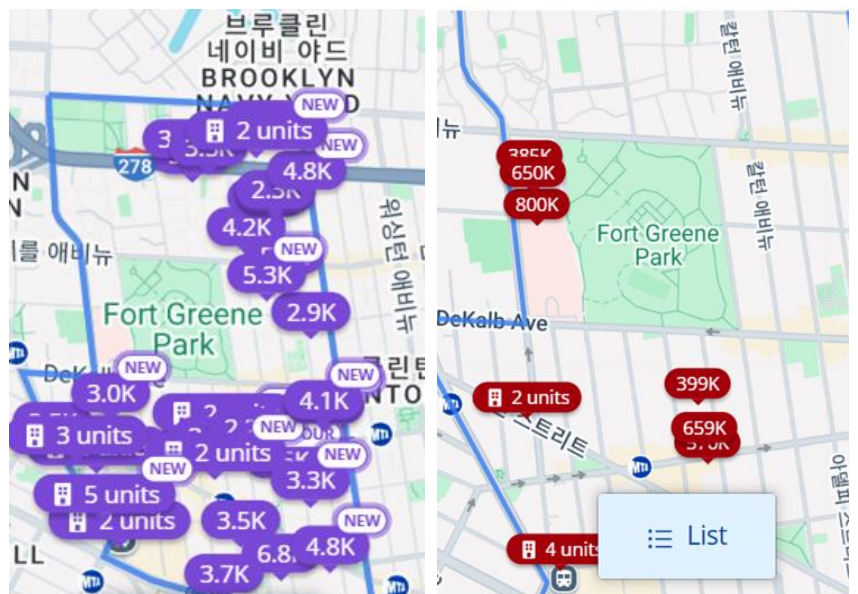


- Fort Greene neighborhood is characterized with young age distribution, relatively high education level, relatively high single person households, and somewhat high household income compared to national level
- Population: 25,893 / Gender: 45.5% male, 54.5% females / Median age: 33.2 (M) / 38.8 (F)

Characteristics of Residences



Existing Rent Market vs For Sale Market



- Designated as 'historical' district, Fort Greene contains many mid 19 century Italian style low-rise brownstone buildings and c.40% of the housing are built 80 yrs ago
- While the district acted as a fort during the Revolutionary War in the late 18th century, African American became the major residents as the troops left the fort in 19th century; the arts and music scene of the district was created since then

- While Fort Greene has many rental units available (RHS), the district lacks supply of units for sale

Contextual Understanding of Fort Greene

The Market – Residential Market

Residential Market Demand and Supply

Vacancy, Absorption, Rent Growth

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
Submarket	27,553	3.5%	\$4,689	\$4,660	27	0	3,425
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	-0.1% (YOY)	4.6%	3.9%	11.3%	2017 Q1	2.7%	2000 Q4
Absorption Units	1,520	624	949	3,219	2017 Q4	(430)	2020 Q4
Delivered Units	1,557	659	982	3,443	2017 Q3	0	2020 Q4
Demolished Units	0	7	6	60	2015 Q3	0	2024 Q4
Asking Rent Growth	2.2%	1.7%	2.2%	6.7%	2022 Q1	-10.7%	2009 Q4
Effective Rent Growth	2.3%	1.7%	2.3%	8.2%	2021 Q4	-10.7%	2009 Q4
Sales Volume	\$779M	\$187.4M	N/A	\$907M	2023 Q1	\$15.5M	2009 Q2

Rent Trends, Market Demands

OVERALL VACANCY & RENT

Year	Vacancy			Market Rent				Effective Rents	
	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Units	Per SF
2029	1,122	3.5%	(0.4)	\$5,210	\$7.19	1.9%	(0.2)	\$5,178	\$7.16
2028	1,210	3.9%	0	\$5,112	\$7.05	2.2%	0	\$5,081	\$7.02
2027	1,174	3.9%	1.0	\$5,004	\$6.90	2.1%	(0.3)	\$4,974	\$6.87
2026	844	2.9%	(1.7)	\$4,901	\$6.76	2.4%	0.1	\$4,871	\$6.73
2025	1,354	4.6%	1.0	\$4,786	\$6.59	2.3%	0.2	\$4,757	\$6.57
YTD	975	3.5%	(0.1)	\$4,689	\$5.86	2.2%	0.1	\$4,660	\$5.83
2024	1,002	3.6%	0	\$4,677	\$5.84	2.2%	(0.1)	\$4,638	\$5.82
2023	955	3.7%	(0.7)	\$4,578	\$5.72	2.3%	(1.6)	\$4,548	\$5.69
2022	1,101	4.4%	0.5	\$4,475	\$5.60	3.9%	(2.5)	\$4,436	\$5.56

Residential Market Existing and New Supply Pipelines

Recently Delivered Supplies



1 Willoughby Sq



1 Flatbush



98 Dekalb Ave



19 Rockwell Pl



196 Willoughby St



240 Willoughby St



89 Dekalb Ave



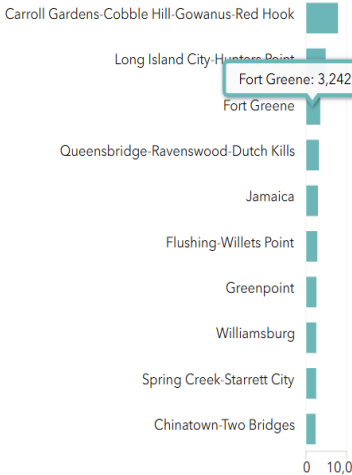
589 Fulton St

- Numerous luxury residential projects had been delivered or are scheduled to be delivered in the neighborhood with 25~30% affordable units under 421-A
- Likewise, NYC Dept of Planning reported that Fort Greene has 3242 units in pipeline to be delivered soon as of Dec 31, 2024

Under Construction Supplies

Housing Units in Pipeline as of 12/31/2024, by Neighborhood

All units in permitted new buildings that are not yet complete



Contextual Understanding of Fort Greene

The Market – Lodging Market

Residential Market Demand and Supply

Vacancy, Absorption, Rent Growth

KEY INDICATORS

Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	3,317	81.0%	\$334.49	\$270.95	0	406
Upscale & Upper Midscale	5,610	83.6%	\$225.30	\$188.36	447	1,364
Midscale & Economy	1,627	60.5%	\$223.73	\$135.25	101	144
Total	10,554	82.8%	\$260.84	\$215.93	548	1,914

Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	84.3%	85.0%	82.8%	82.8%	73.1%	87.3%
Occupancy Change	0%	0.3%	4.1%	4.1%	-0.1%	1.8%
ADR	\$312.06	\$298.93	\$260.84	\$260.84	\$209.87	\$291.59
ADR Change	8.4%	5.3%	7.4%	7.4%	7.0%	3.5%
RevPAR	\$262.98	\$254.18	\$215.93	\$215.93	\$153.48	\$254.43
RevPAR Change	8.4%	5.5%	11.8%	11.8%	6.8%	5.3%

Rent Trends, Market Demands

OVERALL PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	90.0%	0.2%	\$302.26	3.2%	\$271.91	3.4%
2027	89.8%	4.2%	\$292.87	4.0%	\$262.90	8.5%
2026	86.1%	7.9%	\$281.51	4.9%	\$242.41	13.2%
2025	79.8%	-3.7%	\$268.40	2.9%	\$214.10	-0.9%
2024	82.8%	4.2%	\$260.90	7.4%	\$216.08	11.9%
YTD	82.8%	4.2%	\$260.90	7.4%	\$216.08	11.9%
2023	79.5%	3.3%	\$242.91	13.1%	\$193.12	16.9%
2022	76.9%	12.0%	\$214.80	28.1%	\$165.24	43.4%

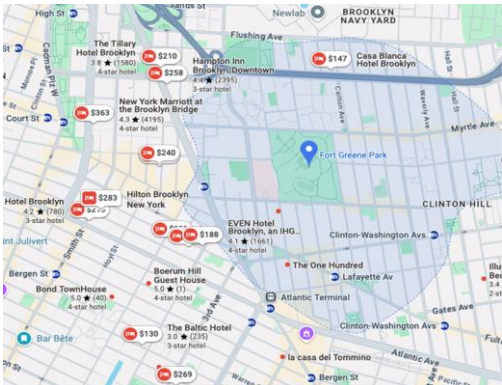
HOSPITALITY		
40%	6%	17%
Inc in stay lengths (8-31 days)	Growth in local authentic exp	Rise in wellness, nature, food travel
7%	13%	83%
of NYC's total hotel inventories	YTD increase in RevPar	Occ % but no luxury options

- The East River-Queens/Brooklyn West submarket holds 7% of NYC's hotel inventory, with over 8,000 rooms and the highest RevPAR outside Manhattan.
- Year-to-date through September 2024, RevPAR increased 13.6%, driven by the closure of 2,500+ rooms for housing migrants and the unhoused, reducing effective supply by 4% despite new additions.
- This trend is expected to reverse in Q4 2024 and 2025, as new supply pressures occupancy rates.
- The total retail inventory is 6.7 million SF, and market rents are \$91/SF, reflecting a -0.8% decline YoY, compared to -0.5% across New York.
- This contrasts with the submarket's five-year average rent growth of 1.2% and 10-year average of 1.8%, indicating a softening retail market.

12 Mo Occupancy	12 Mo ADR	12 Mo RevPAR	12 Mo Supply	12 Mo Demand
82.8%	\$260.84	\$215.93	3.1M	2.6M

Hotel Market Trend

Hotels near Fort Greene Park



- 10+ Hotels in 1 mile radius of Fort Greene Park
- Mostly Midscale, some Upscale, and no Luxury Price Ranged from \$150-\$300 as of May 2025
- Notable Hotel Chain Brands:
 - Hilton, Marriott, Sheraton

Hotels Pipeline in Brooklyn and Queens



Property Name/Address	Class	Rooms	Stories
1 Navy Yard Hotel 29 Ryerson Street	Upscale	368	7
2 Kimpton Hotel Bossert 98 Montague St	Upper Upscale	282	12
3 DoubleTree by Hilton Long Island City 38-15 9th St	Upscale	247	10
4 Hotel Nedia, BW Signature Collection 38-04 11th St	Upper Midscale	180	13
5 Hampton by Hilton Long Island City 38-04 11th St	Upper Midscale	179	13
6 YOTEL Long Island City 38-75 11th St	Upscale	178	11
7 Hawthorn Suites by Wyndham Long Island City 38-04 11th St	Midscale	144	13

- 12 Properties under construction in Queens, Brooklyn
- Mostly business hotels and limited full service hotels
- Historically been more boutique and mid range
- Lack of high end hospitality infrastructure

Contextual Understanding of Fort Greene

Fort Greene Community and Stakeholders

The Brooklyn Hospital Clinic and Background on Land (deed) Sale

- The Project site lies across 3 different parcels, which belonged to The Brooklyn Hospital Clinic (“TBHC”) originally. As TBHC faced continued net losses from their business, TBHC sold 240 Willoughby St parcel deed to Rabsky Group’s Simon Dushinsky in 2019. TBHC intended to sell 147 Ashland Place parcel too.
- While TBHC is accumulating deficits, the hospital intends to raise capital through land sale to upgrade its equipment and renovate the outdated building. In fact, TBHC newly built its Emergency Dept block from 2H 2019 to mid 2022 using part of its sale proceeds of Willoughby parcel and government grants.
- The Project will enable TBHC to enjoy massive ground lease profit that can be used to finance the renovation or relocation of the hospital; as the Emergency Dept received grants for developments, TBHC operations and redevelopment expenses should be expensed by TBHC and relevant institutions
- If TBHC ground lease the land its facilities continue to sit on, Beyond Living will receive rent from TBHC
- In addition, visitors of the patients or visitors of healthcare seminars may find lodging offering beneficial

The Fort Greene Park and Department of Parks and Recreation

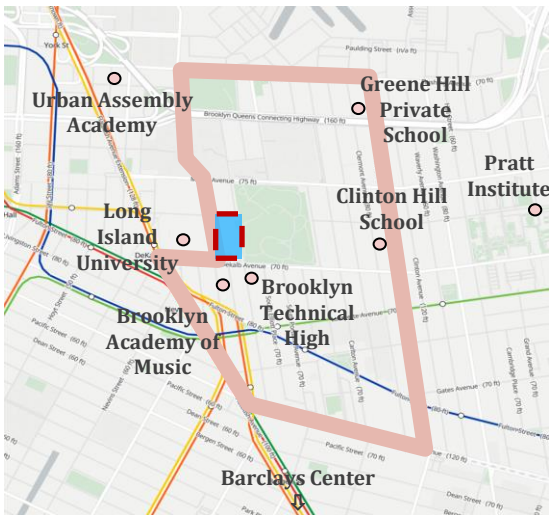
- Designated as City of Brooklyn’s second national park, the 150+ years old Fort Greene Park provides massive green space of 30 acres to the community and possess a symbolic memorial monument
- While the Park is operated by NYC Department of Parks, non-profit organizations as the Fort Green Park Conservancy are putting effort to facilitate and renovate the park and conserve its nature
- Development of 30-story hotel adjacent to the park may face opposes from the Park Conservancy; however, due to the large size of the park, the hotel is expected to have limited shadow influences
- Furthermore, the development project’s open plaza space will make connection pathway to the park, providing more accessibility to the community, facilitating residents’ visits to the park

NYC Housing Authority

- As three large residential communities stand north to the site, partnerships and collaborations with NYCHA in sharing community infrastructures among residents will benefit both communities
- Opening passageway toward Whitman Houses, Ingersol Houses, Farragut Houses will create synergy

Brooklyn Community Board 2

- Fort Greene belongs to Community District 2, which includes Downtown, Dumbo, Boerum Hill etc.
- Providing connectivity, open space, community events etc. may help CB2 to support the upzoning



LIU and Other Institutions in the Area

- The area also enjoys access to numerous high schools, colleges, hospitals, and arts festivals.
- Proximity to LIU, Brooklyn Arts Center, Barclays Center, Pratt Institute, and MTA stations, along with the green environment adjacent to the park, the site is a perfect lodging location for those who want to enjoy art, sports, green space, or visit schools and hospitals for purposes
- The universities often hold sports games, graduation, presentation, seminar and more and accommodations are needed; the area lacks good quality lodging
- While Barclays Center has Holiday Inn and Hilton in vicinity, there are no 5-star hotels nearby; the Aman hotel in the area may attract musicians and sports players performing in Barclays Center for lodging

Design Proposition

Design Proposition

Current Zoning and Upzoning Plan

Lot Location and Area



LOT #	4	25	30	Total
Address	117 Dekalb Ave	240 Willoughby St	147 Ashland Pl	
Lot Area	172,074 sf	30,744 sf	44,904 sf	247,722sf

As of Rights: FAR

Types	Residential	Qualified Affordable / Senior Housing	City of Yes (UAP)	City of Yes (UAP) Bonus Area + Height
FAR	3.0	3.9	3.9	+222,950 sf for perm affordable at 60% AMI
Max FA	743,166 sf	996,116 sf	996,116 sf	Height limit: 75' → 90'

As-of-Rights under Current Zoning (R6)

Project Snapshot	
Block Lot	2088 4, 25, 30
Zoning District:	R6
Zoning Map:	16C
Community District:	Brooklyn Community District 2
Inclusionary Housing zone	N
Transit Zone (Y/N)	Y
FRESH Zone (Y/N)	Y
Type	Corner Lot
Street Types	Wide: Ashland; Narrow: Dekalb & Willoughby

Parking Requirements	As-Of-Right
Min. Required Off-Street Parking	Parking waived (UAP)

As-of-Rights under Current Zoning (R6)

Density / Floor Area Ratio & Zoning Floor Area	Zoning C6-2/R8
Lot Area SF	247,722
Lot Coverage	100%
Allowable Residential FAR	3.0
Allowable Residential ZFA	743,166
Allowable Residential FAR (UAP)	3.90
Allowable Residential ZFA (UAP)	966,116
Dwelling Factor	680.00
Dwelling Units Allowed	1,421
Required Recreation Space (3% of Resi ZFA)	28,983
Remaining Residential ZFA for Apartments	937,132
Allowable Commercial & Community FAR	4.80
Allowable Commercial & Community ZFA	11,189,066
Air rights purchased	NA
Total available ZFA	1,189,066

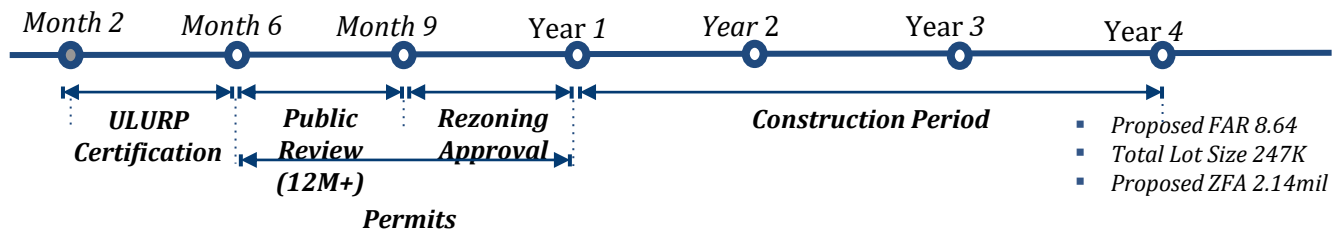
Upzoning to C6-2 / R8

Density / Floor Area Ratio & Zoning Floor Area	Zoning C6-2/R8
Lot Area SF	247,722
Lot Coverage	100%
Allowable Residential FAR	7.20
Allowable Residential ZFA	1,783,598
Allowable Residential FAR (UAP)	8.64
Allowable Residential ZFA (UAP)	2,140,318
Dwelling Factor	680.00
Dwelling Units Allowed	3,148
Required Recreation Space (3% of Resi ZFA)	64,210
Remaining Residential ZFA for Apartments	2,076,109
Allowable Commercial & Community FAR	6.00
Allowable Commercial & Community ZFA	1,486,332
Air rights purchased	NA
Total available ZFA	2,140,318

Height and Setback Requirements	As-Of-Right
Min. Street Wall Setback Above Base	10' / 15'
Min. Base Height	30'
Max. Base Height	45'
Max. Building Height	55'
Max. # of Stories	7

Height and Setback Requirements	As-Of-Right
Min. Street Wall Setback Above Base	10' / 15'
Min. Base Height	60'
Max. Base Height	95' / 85'
Max. Building Height	130' / 115'
Max. # of Stories	13

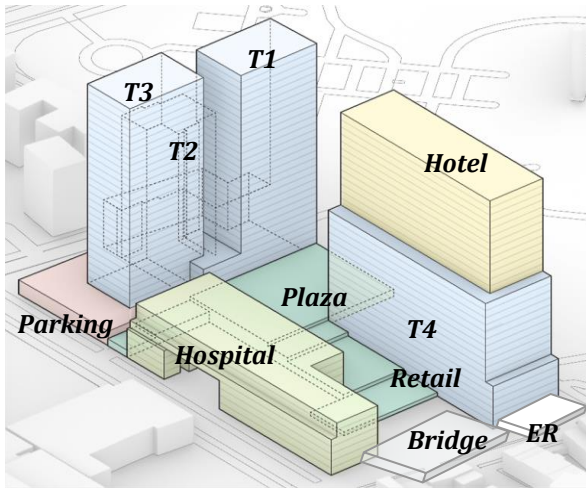
Expected ULURP Process for Upzoning



Design Proposition

Layout Plan, Circulation, Open Space

Layout Plan



Residential

Tower 1: 228,000 sf
(30 Floors)
Tower 2: 161,500 sf
(20 Floors)
Tower 3: 321,027 sf
(1 Retail
+ 29 Resi Floors)

Parking

44,904 sf

Plaza / Retail

65,924 sf

Hospital

195,437 sf

Hotel

449,467 sf
(15 Floors)

Residential

529,421 sf
(1 Retail
+ 14 Resi Floors)

ER

11,000 sf

Bridge to ER

22,000 sf

Residential

- Tower 1 and 2 were recently completed and includes luxury amenities and common spaces for residents.
- Thus, the towers will not be redeveloped or renovated
- Tower 3 will be built on top of the existing parking lot with grass and garden build on top of the roof of the parking garage to extend the green space plaza
- Tower 4 will be built after the old hospital building facing the park be demolished; however, ER will remain beside
- Tower 4 will be a serviced residential with both short term and long-term stay; students or patients may find demand

Hotel

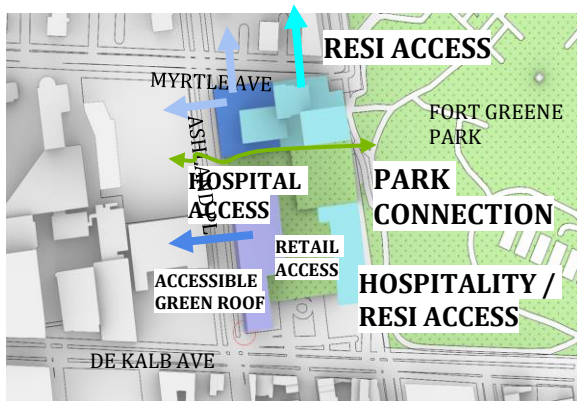
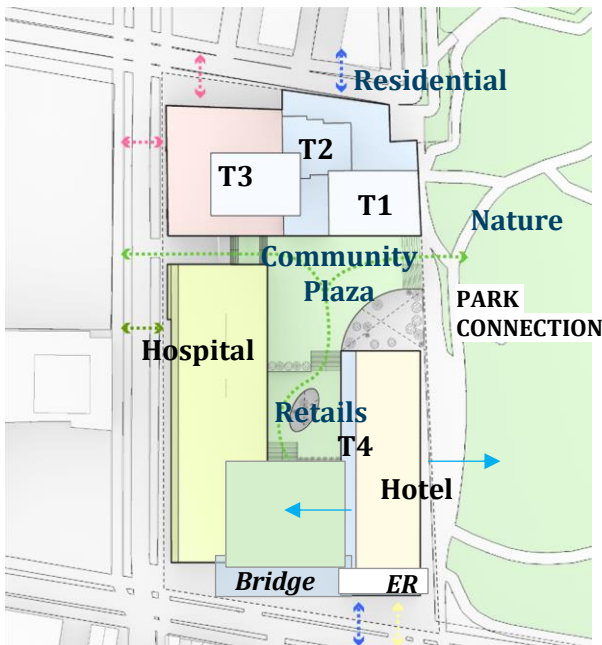
- Tower 4's upper levels will be the 5 star luxury hotel
- Guests will either enjoy park view or green plaza view
- Ground floor of the building will be retail space with residence lobby, café, lounge, that have direct access to both the plaza and the park through folding doors

Plaza and Retail

- Ground floor of Tower 3 and Tower 4 will be retail space with café, F&B, shops, grocery etc., and will all be open to the central plaza through floor to ceiling windows and folding doors that opens to outside
- The Plaza will also have small shops at the outside of the building; there will be benches and parasols for public use; the plaza will also have direct bridge linking to the park
- The plaza will link to main roads through stairs between T3 and the hospital and stair between Hospital and bridge

Link to Fort Greene Park

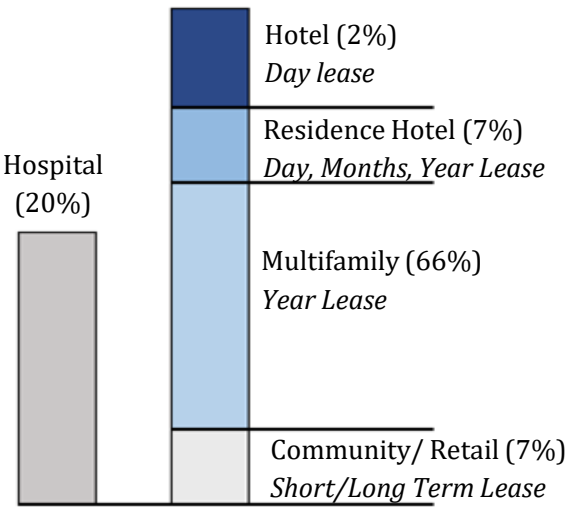
- Current park lacks access to Dekalb Ave at west corner, and lacks access to Ashland Place; this will be solved through the plaza, as elevated floor of plaza with directly link to the park and connect the park to Ashland Place wide road



Design Proposition

Stack Plan and Floor Plans

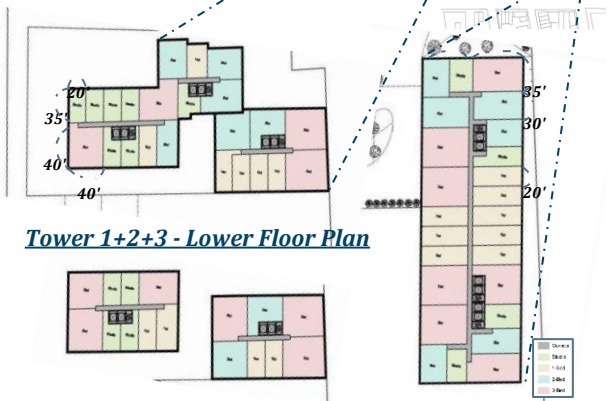
Program Stack Plan Overview



Program Floor Plan - Residential

Unit Types	SF	Tower 1	Tower 2	Tower 3	Tower 4
Studio	500	56	57	87	182
1B	600	150	76	87	210
2B	1,000	87	57	87	84
3B	1,800	0	0	58	42
Total		293	190	319	518

Note: Tower 1, 2 are not part of the development



Tower 1+2+3 - Lower Floor Plan

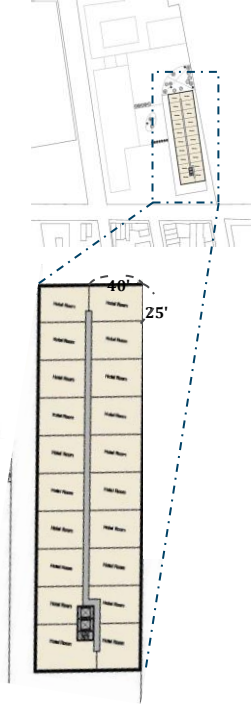
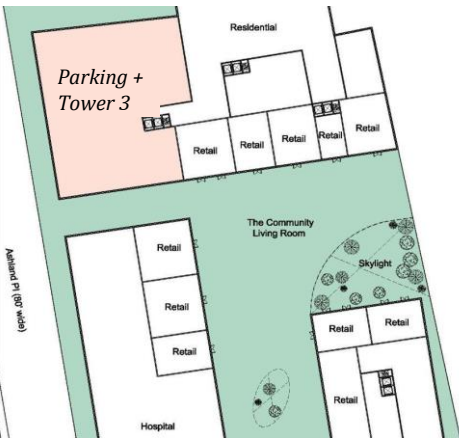
Tower 1+2+3 - Upper Floor Plan

Tower 4 - Typical Floor Plan

All Program Ground Floor Plan

Program Floor Plan - Retail

Program Floor Plan - Hotel



Design Proposition

Specific Program Illustrations

Serviced Residence + Hotel Common Amenities



Indoor /Outdoor
(rooftop) pools

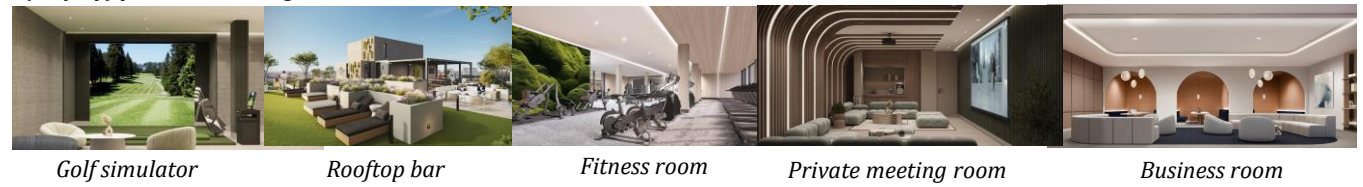
Member executive
lounge on 16th Fl

Private bar on 30th Fl

Dining on 30th Fl

Fitness / Yoga on 15th Fl

The Serviced Residence and Hotel guests will share swimming pools, executive lounge, fitness / Yoga, Continental breakfast lounge, rooftop bar, Spa, golf simulator etc..



Golf simulator

Rooftop bar

Fitness room

Private meeting room

Business room

Rental Apartments (Tower 1, 2, 3) Amenities

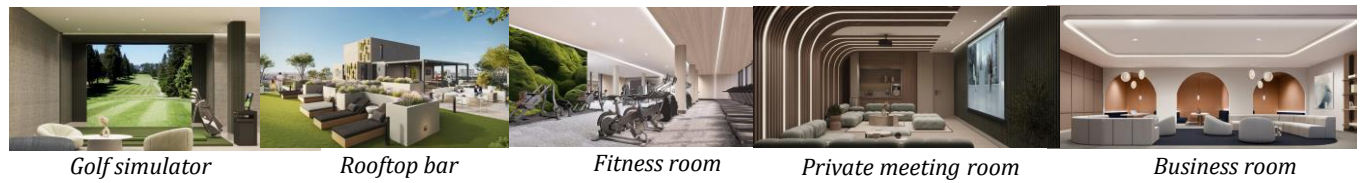


Rooftop garden

Pilates / Yoga room

Business lounge

Penthouse



Golf simulator

Rooftop bar

Fitness room

Private meeting room

Business room



Laundry room

Game room

Kids cafe

Meeting room

Rooftop lounge (21st Floor)



Penthouse kitchen

Game room2

Game room3

Pet room

Design Proposition

Renderings



Investment Structure and Financials

Investment Structure

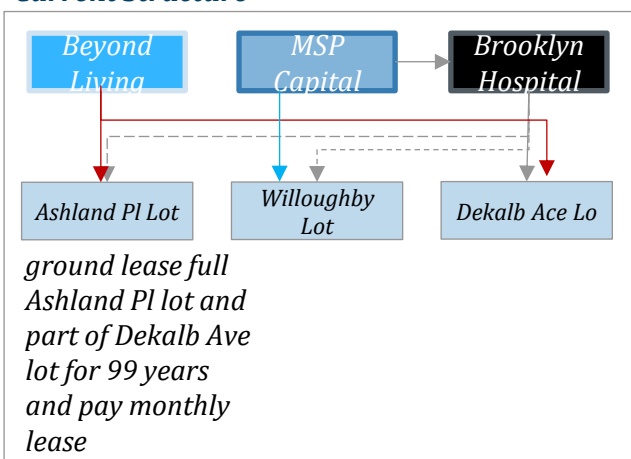
Capital Structure and Potential Partnerships

	Residential	Hotel	Overall Project
Capital Stack	<ul style="list-style-type: none"> Construction Loan LTC: 60%, \$359M Perm Loan LTV: 65% ✓ <u>Strategy:</u> Leverage LITHC to designate 25% affordable housing to optimize financing, and enhance community integration <div> <div>Loan 64.7% \$246m</div> <div>Equity 32.1% \$122m</div> <div>LITHC 3.1% \$12m</div> </div>	<ul style="list-style-type: none"> Construction Loan LTC: 50%, \$137M Hotel construction cost psf: \$390/psf ✓ <u>Strategy:</u> Develop a full-service luxury upper upscale hotel with high ADR and high occ. % ✓ Low leverage required with high REVPAR <div> <div>Loan 57.2% \$137m</div> <div>Equity 42.8% \$103m</div> </div>	<p>Capital Structure</p> <div> <div>Debt 61.8%</div> <div>Equity 36.3%</div> </div> <div> <div>Construction Loan \$383M</div> <div>LP 90% \$175m GP 10% \$19.5m Gap funding 1.9% \$12m</div> </div> <p>Overall IRR 28% Pref 13% Promote 20%</p>
	<p>Expected Return</p> <p>Hold Period: 15 Years Levered IRR: 16%</p>	<p>Hold Period: 5 Years Levered IRR: 52%</p>	<p>Hold Period: 15 Years Levered IRR: 28%</p>

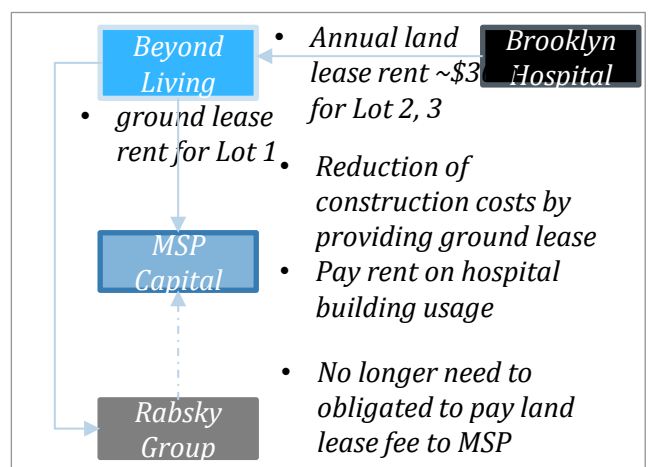
Hospital redevelopment funding not included as part of GP Investment

- The hospital's redevelopment and operations will be done by the TBHC's own funds and gov't grants; the project will include to receive ground lease payments from the hospital if the developer (GP) will be ground leasing the entire site

Current Structure



Alternative Structure



Note: Rent basis is on U.S. Treasury Rate 4.31% based on Land Value

Investment Structure

Risks and Mitigants and Alternative Structures

Risks

	Large size and costly funding for redevelopment of entire lot	Lack of Funding knowhows for Hospitals	Current ownership structure for Willoughby St Lot
Risks	<ul style="list-style-type: none"> The entire lot is massive requiring large size of investment It may be time consuming and complex to get approvals for ULURP process if the city or community is not involved 	<ul style="list-style-type: none"> Community hospital is a nonprofit organization largely funded by medicaid and other government funds Private equity's hospital development may be complicated to fund 	<ul style="list-style-type: none"> Rasky Group had recently completed new ground up development of Tower 1 and renovation of Tower 2 and may not be willing to sell those properties
Mitigants	<ul style="list-style-type: none"> Partner with TBHC and Rabsky Group to each own deeds for the three lots separately Collaboration of three parties may expedite ULURP process 	<ul style="list-style-type: none"> TBHC fund for hospital renovation directly from government grants as it did for Cancer Center or Emergency Room in recent years 	<ul style="list-style-type: none"> Leave Tower 1 and 2 as they are and let Rabsky Group continue to own and operate Partner up with them to share facilities, work together to create a wholesome community

Alterations of Investment Structures

	• Minimum investment case	• + Entire Dekalb Ave Lot	• + Willoughby Lot
Scope of investment	<ul style="list-style-type: none"> Tower 3 Tower 4 Tower 4 Hotel part Open Plaza Preserve Tower 1+2, ER, Parking garage 	<ul style="list-style-type: none"> Tower 3 Tower 4 Tower 4 Hotel part Open Plaza Hospital Preserve Tower 1+2, ER, Parking garage 	<ul style="list-style-type: none"> Tower 3 Tower 4 Tower 4 Hotel part Open Plaza Hospital Acquire Tower 1, 2
Remark	<ul style="list-style-type: none"> TBHC fund for hospital renovation 	<ul style="list-style-type: none"> Acquire entire Dekalb Ave lot and include hospital renovation in the project TBHC will pay rent to GP 	<ul style="list-style-type: none"> Acquire Tower 1, 2 and either have GP operate the rental apt or let Rabsky Group lease back and pay rent to GP
Pro / Con	<ul style="list-style-type: none"> Pro: Minimum investment needed Con: ground lease may be difficult to be calculated in terms of land for TBHC 	<ul style="list-style-type: none"> Pro: ground lease calculation be simple Con: Hospital operation need expertise; receiving grants need expertise 	<ul style="list-style-type: none"> Pro: May seek additional profits through synergies with other towers Con: Acquiring entire land + towers may be costly for GP

Financials

Sources and Uses and Assumptions Used

Sources and Uses

Entire Project

Sources			Uses		
Equity	36.3%	\$224,878,114	Ground Lease	1.0%	\$5,928,856
GP	10%	\$22,487,811	Construction Costs	91.8%	\$568,869,937
LP	90%	\$202,390,303	Loan Origination fee	1.1%	\$6,760,609
Construction Loan	61.8%	\$383,003,120	Capitalized Interest	6.2%	\$38,212,050
Gap Funding	1.9%	\$11,890,219			
Total Sources	100%	\$619,771,453	Total Uses	100%	\$619,771,453

General Assumptions Used

General Assumptions - Residential

# of Units (T3, T4)	810
Square Footage	850,448
Purchase Date	2025-05-15
Total Hold Period	15 Years
Sale Date	2040-05-15

Revenue Assumptions

Vacancy	10%
Potential Gross Income	\$6,660,527

Operating Expenses Assumptions

Taxes	1.00%
Insurance	1.50%
Utilities	1.00%
Repairs & Maintenance	7.00%
Management Fees (% of EGI)	5.00%
Building Staff	2.00%
Marketing and Leasing	\$30
Legal and Accounting	75,000
Expense Growth	2.00%
Real Estate Tax Growth	1.00%

Ground Lease

Interest rate (U.S. Treasury)	4.31%
Land Value	\$90,694,598

Acquisition + Construction Loan

Loan Amount	\$206,806,045
Total term	3 Years
Interest rate	6.5%
Annual Payment (I/O)	13,442,393
LTC	60%
Origination Fee	1.5%

Perm Loan

Loan Amount	\$76,812,005
Total term	15 Years
Amortization Schedule	30 Years
Interest rate	5.50%
Stabilized NOI	\$7,090,339
Annual Payment	\$5,233,561.41
Origination Fee	1.5%

Exit Assumptions

Exit Cap Rate	6%
Sale Price	\$118,172,316

Hard Costs Assumptions

Construction Schedule	3 Years
Total Construction Expense	\$318,163,147
Tower 1 PSF	
Tower 2 PSF	
Tower 3 PSF (New Ground Up)	\$293.31
Tower 4 PSF (Repositioning)	\$363.71

Schedule

Project Start	May-25
Construction Close	May-29
Loan Draw (Y)	1
Land Acquisition (M)	2
Predevelopment Period (M)	12
Construction Period (M)	24
Completed Construction	100%
Construction Start	14
Total Development Period (M)	36
Closing (M)	38
Pre - Leasing Period (M)	12
Stabilization Period (M)	12
Income Starts (M)	38

Revenue Driver Assumptions

Rental Assumptions - Multifamily

Unit Types	Unit Size	Price PSF (Y)	Price PSF (M)	Rent (M)	Rent AMI	% of AMI
Studio	500	\$120.00	\$10.00	\$5,000	\$1,630	60%
1B	600	\$130.00	\$10.83	\$6,500	\$1,747	60%
2B	1,000	\$120.00	\$10.00	\$10,000	\$2,097	60%
3B	1,800	\$93.33	\$7.78	\$14,000	\$2,422	60%

Rental Assumptions - Service Residence

Unit Types	Unit Size	Price PSF (Y)	Price PSF (M)	Rent (M)	Rent AMI	% of AMI
Studio	500	\$150.00	\$12.50	\$6,250	\$1,630	60%
1B	600	\$162.50	\$13.54	\$8,125	\$1,747	60%
2B	1,000	\$150.00	\$12.50	\$12,500	\$2,097	60%
3B	1,800	\$116.67	\$9.72	\$17,500	\$2,422	60%

Rental Assumptions - Hotel

# of Keys	360
Square Footage	192,628
Available Room(Y)	131,400
Occupied Rooms (Y)	118,260
Revpar	\$400
Occupancy	90%
ADR	\$444.44

Total Resi Calculation

Unit Types	SF	Tower 1	Tower 2	Tower 3	Tower 4
Studio	500	56	57	87	182
1B	600	150	76	87	210
2B	1,000	87	52	87	84
3B	1,800	0	0	58	42
Total		293	190	319	518
Gross Income					
Total Income	\$6,660,527	\$2,125,000	\$1,348,000	\$2,682,500	\$4,628,750

Market Rate Resi Calculation

Unit Types	SF	69%	69%	69%	69%	100%
Studio	500	38	39	60	182	
1B	600	103	52	60	210	
2B	1,000	60	39	60	84	
3B	1,800	0	0	40	42	
Total		201	190	219	518	
Gross Income						
Total Income	\$6,466,263	\$1,455,625	\$924,065	\$1,837,513	\$4,628,750	

Affordable Resi Calculation

Unit Types	SF	32%	32%	32%	32%	0%
Studio	500	18	18	27	0	
1B	600	47	24	27	0	
2B	1,000	27	18	27	0	
3B	1,800	0	0	18	0	
Total		92	60	100	0	
Total Income	\$194,265	\$168,767	\$108,744	\$194,265	\$0	

Financials

Project Returns and GP/LP Waterfall

Sources and Uses

Consolidated CF (after debt service)

USD M	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16
Unlevered CF	(\$185.0)	(\$185.0)	(\$185.0)	\$22.9	\$448.6	\$1.3	\$1.4	\$1.6	\$1.8	\$2.0	\$2.1	\$2.3	\$2.5	\$2.8	\$121.1	\$0.0
Unlevered CF IRR	2%															
Levered CF	(\$110.0)	(\$24.0)	(\$319.4)	\$89.4	\$515.0	\$66.4	\$65.2	\$63.9	\$62.6	\$61.2	\$59.7	\$58.1	\$56.4	\$54.6	\$120.6	\$0.0
Levered CF	27%															
Developers fee	\$14.8															

All Programs – GP / LP Distribution Waterfall

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
NCFADS	(\$110.0)	(\$24.0)	(\$319.4)	\$89.4	\$515.0	\$66.4	\$65.2	\$63.9	\$62.6	\$61.2	\$59.7	\$58.1	\$56.4	\$54.6	\$120.6	
Beg Balance		\$110.0	\$148.3	\$487.0	\$460.9	\$5.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Pref Return		\$14.3	\$19.3	\$63.3	\$59.9	\$0.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Distribution	\$110.0	\$24.0	\$319.4	(\$89.4)	(\$515.0)	(\$6.6)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
End Balance	\$110.0	\$148.3	\$487.0	\$460.9	\$5.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
CF After 1st Hurdle	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$59.8	\$65.2	\$63.9	\$62.6	\$61.2	\$59.7	\$58.1	\$56.4	\$54.6	\$120.6	
Promote	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$12.0	\$13.0	\$12.8	\$12.5	\$12.2	\$11.9	\$11.6	\$11.3	\$10.9	\$24.1	
CF After Promote	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$47.8	\$52.1	\$51.1	\$50.1	\$48.9	\$47.7	\$46.5	\$45.1	\$43.7	\$96.5	
GP Total CF	(\$11.0)	(\$2.4)	(\$31.9)	\$8.9	\$51.5	\$17.4	\$18.3	\$17.9	\$17.5	\$17.1	\$16.7	\$16.3	\$15.8	\$15.3	\$33.8	
GP IRR	39%															
Profit	\$201.1															
Equity	\$18.6															
EM	10.82															
LP Total CF	(\$99.0)	(\$21.6)	(\$287.5)	\$80.5	\$463.5	\$49.0	\$46.9	\$46.0	\$45.1	\$44.0	\$43.0	\$41.8	\$40.6	\$39.3	\$86.8	
LP IRR	25%															
Profit	\$618.4															
Equity	\$167.2															
EM	3.70															

Financials

Operating Proforma

Residential Proforma

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11	Y12	Y13	Y14	Y15	Y16
Residential Revenue																
Potential Gross Income				\$6.7	\$6.9	\$7.1	\$7.3	\$7.5	\$7.7	\$8.0	\$8.2	\$8.4	\$8.7	\$9.0	\$9.2	\$9.5
Vacancy				(\$0.7)	(\$0.7)	(\$0.7)	(\$0.7)	(\$0.7)	(\$0.8)	(\$0.8)	(\$0.8)	(\$0.8)	(\$0.9)	(\$0.9)	(\$0.9)	(\$0.9)
Effective Gross Income				\$6.0	\$6.2	\$6.4	\$6.6	\$6.7	\$6.9	\$7.2	\$7.4	\$7.6	\$7.8	\$8.1	\$8.3	\$8.5
Operating Expenses																
Taxes				\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Insurance				\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Utilities				\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Repairs & Maintenance				\$0.4	\$0.4	\$0.4	\$0.4	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Management Fees				\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4
Building Staff				\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2
Marketing & Leasing				\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Legal & Accounting				\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Total Operating Expenses				\$1.1	\$1.2	\$1.2	\$1.2	\$1.2	\$1.3	\$1.3	\$1.3	\$1.3	\$1.4	\$1.4	\$1.4	\$1.5
NOI				\$4.8	\$5.0	\$5.2	\$5.3	\$5.5	\$5.7	\$5.9	\$6.1	\$6.2	\$6.4	\$6.7	\$6.9	\$7.1
Total Development Costs																
Demolition Schedule	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Development Costs	\$116.5	\$116.5	\$116.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Development Costs	\$116.5	\$116.5	\$116.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Unlevered Analysis																
Ground Lease Rent	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	(\$3.9)	\$0.0
Unlevered Cashflow	(\$116.5)	(\$116.5)	(\$116.5)	\$4.8	\$5.0	\$5.2	\$5.3	\$5.5	\$5.7	\$5.9	\$6.1	\$6.2	\$6.4	\$6.7	\$6.9	\$0.0
Sale Price	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$118.2	\$0.0
Total Unlevered CF	(\$120.4)	(\$120.4)	(\$120.4)	\$1.0	\$1.1	\$1.3	\$1.5	\$1.6	\$1.8	\$2.0	\$2.2	\$2.4	\$2.6	\$2.8	\$121.2	\$0.0

Hotel Proforma

Hotel Revenue																
Potential Gross Income				\$75.1	\$77.3	\$79.7	\$82.0	\$84.5	\$87.0	\$89.7	\$92.3	\$95.1	\$98.0	\$100.9	\$103.9	
Effective Gross Income				\$75.1	\$77.3	\$79.7	\$82.0	\$84.5	\$87.0	\$89.7	\$92.3	\$95.1	\$98.0	\$100.9	\$103.9	
Operating Expenses																
General & Administrative				\$9.0	\$9.3	\$9.6	\$9.8	\$10.1	\$10.4	\$10.8	\$11.1	\$11.4	\$11.8	\$12.1	\$12.5	
Sales & Marketing				\$7.5	\$7.7	\$8.0	\$8.2	\$8.5	\$8.7	\$9.0	\$9.2	\$9.5	\$9.8	\$10.1	\$10.4	
Property Operation & Maintenance				\$18.8	\$19.3	\$19.9	\$20.5	\$21.1	\$21.8	\$22.4	\$23.1	\$23.8	\$24.5	\$25.2	\$26.0	
Insurance				\$0.8	\$0.8	\$0.8	\$0.8	\$0.8	\$0.9	\$0.9	\$0.9	\$1.0	\$1.0	\$1.0	\$1.0	
FF&E				\$2.3	\$2.3	\$2.4	\$2.5	\$2.5	\$2.6	\$2.7	\$2.8	\$2.9	\$2.9	\$3.0	\$3.1	
Total Opex				\$38.3	\$39.4	\$40.6	\$41.8	\$43.1	\$44.4	\$45.7	\$47.1	\$48.5	\$50.0	\$51.5	\$53.0	
Management Fees				\$3.8	\$3.9	\$4.0	\$4.1	\$4.2	\$4.4	\$4.5	\$4.6	\$4.8	\$4.9	\$5.0	\$5.2	
Franchise Fees				\$7.5	\$7.7	\$8.0	\$8.2	\$8.5	\$8.7	\$9.0	\$9.2	\$9.5	\$9.8	\$10.1	\$10.4	
Total Fees				\$11.3	\$11.6	\$11.9	\$12.3	\$12.7	\$13.1	\$13.4	\$13.9	\$14.3	\$14.7	\$15.1	\$15.6	
RE Taxes				\$1.5	\$1.5	\$1.6	\$1.6	\$1.7	\$1.7	\$1.8	\$1.8	\$1.9	\$2.0	\$2.0	\$2.1	
Total Operating Expenses				\$51.1	\$52.6	\$54.2	\$55.8	\$57.5	\$59.2	\$61.0	\$62.8	\$64.7	\$66.6	\$68.6	\$70.7	
Opex %				\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
NOI				\$24.0	\$24.7	\$25.5	\$26.3	\$27.0	\$27.9	\$28.7	\$29.6	\$30.4	\$31.4	\$32.3	\$33.3	
FF&E				\$2.3	\$2.3	\$2.4	\$2.5	\$2.5	\$2.6	\$2.7	\$2.8	\$2.9	\$2.9	\$3.0	\$3.1	
Adj. NOI after Reserve				\$21.8	\$22.4	\$23.1	\$23.8	\$24.5	\$25.2	\$26.0	\$26.8	\$27.6	\$28.4	\$29.3	\$30.1	
Construction																
Hard Cost + Soft Cost																
Construction Schedule	\$74.3	\$74.3	\$74.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
Construction costs	\$74.3	\$74.3	\$74.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
Unlevered Analysis																
Ground Lease Rent	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)	(\$2.1)
Unlevered Cashflow	(\$74.3)	(\$74.3)	(\$74.3)	\$24.0	\$24.7	\$25.5	\$26.3	\$27.0	\$27.9	\$28.7	\$29.6	\$30.4	\$31.4	\$32.3	\$33.3	
Sale Price	\$0.0	\$0.0	\$0.0	\$0.0	\$424.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Unlevered CF	(\$76.4)	(\$76.4)	(\$76.4)	\$22.0	\$447.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

Conclusion

Conclusion

Investment Objectives

- ✓ Better positioning TBHC to the community
- ✓ Connecting Fort Greene Park better to the community
- ✓ Providing neighborhood an open community space
- ✓ Delivering luxury lodging Option Brooklyn is missing



Unique Element

- ✓ Partnering with The Brooklyn Hospital Clinic, The Rabsky Group for maximum efficiency
- ✓ Linking Fort Greene Park to Plaza to provide Fort Greene Park access to wide street of Ashland Place
- ✓ Providing upper upscale hotel and serviced residence that students, patients, their families may need
- ✓ Providing upper upscale lodging option for visitors of vibrant Brooklyn music, sports scene in vicinity
- ✓ Leveraging partnerships with community and institutions in vicinity to expedite ULURP process

Partners

- ✓ Partnering with The Brooklyn Hospital Clinic to provide funding the hospital needs for facility upgrades
- ✓ Providing TBHC and Rabsky Group's residential residents access to community facilities
- ✓ Further potential partnerships with Fort Greene Park Conservancy group, LIU, Pratt Institute, Barclays Center for events

Target Delivery

- ✓ Target construction commencement from 2Q 2026 and end by 2Q 2029
- ✓ Phase I will do preparation and demolition; Phase II will do actual construction

Investment Financial Highlights

**IRR after 15-year
hold
28%**

- Levered IRR of **28%**
- Exit Cap Rate of **5-6%**
- Projected **\$425M** of Hotel Sale in **Year 5**
- Projected **\$121M** of Resi+Retail Sale in **Year 15**
- Fast partial cashout option from Hotel sale expected

**High Investment
Returns for Both
GP and LP**

- GP IRR **40%** in 15 Yr Holding Period
- LP IRR **26%** in 15 Yr Holding Period

End of Document



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