

RISE Harlem



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Executive Summary

RISE Harlem is a mission-driven redevelopment project located at 88 St. Nicholas Avenue, aimed at revitalizing the historic All Souls Church site. The project will deliver 76 residential units, including 15 affordable homes, alongside over 19,000 square feet of community facilities such as a YMCA, green roof, and restored sanctuary. Through adaptive reuse and new construction, RISE Harlem responds to Harlem's shifting demographics and increasing demand for affordable, purpose-driven housing.

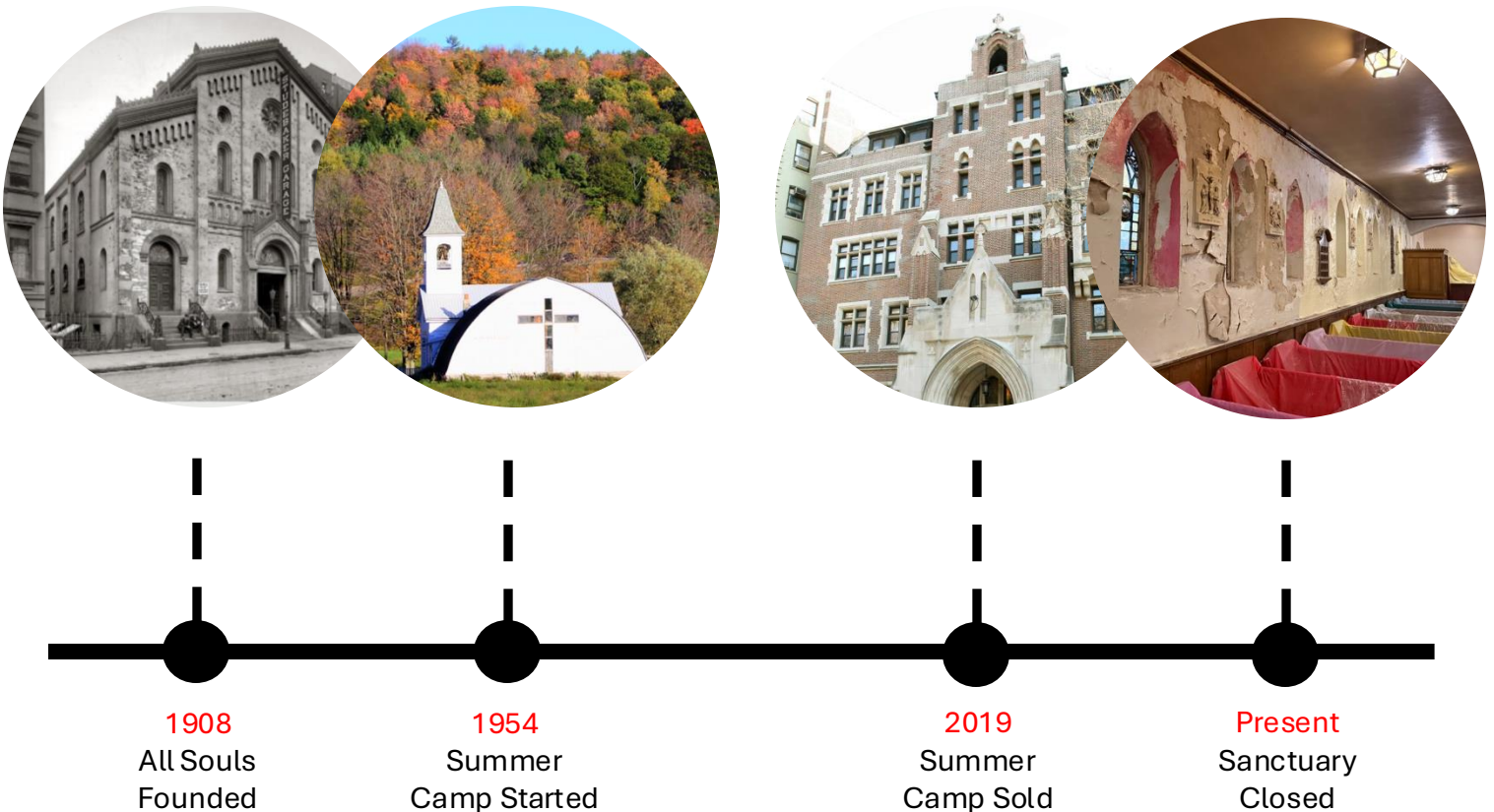
The development leverages underutilized zoning potential via the City of Yes initiative and air rights acquisition from the adjacent First Corinthian Baptist Church. This framework allows us to maximize the building envelope while preserving the landmarked facade, positioning the project as a catalyst for neighborhood reinvestment.

RISE Harlem reflects a deep commitment to preserving the cultural heritage of Harlem while addressing its modern housing needs. As neighborhoods evolve, this development stands as a model of how adaptive reuse, thoughtful programming, and inclusive financing can converge to produce long-term, community-centered value. The project is not only a real estate investment, but also a statement of how faith-based institutions and private capital can partner to support neighborhood growth in a sustainable and equitable way.



All Souls Church History

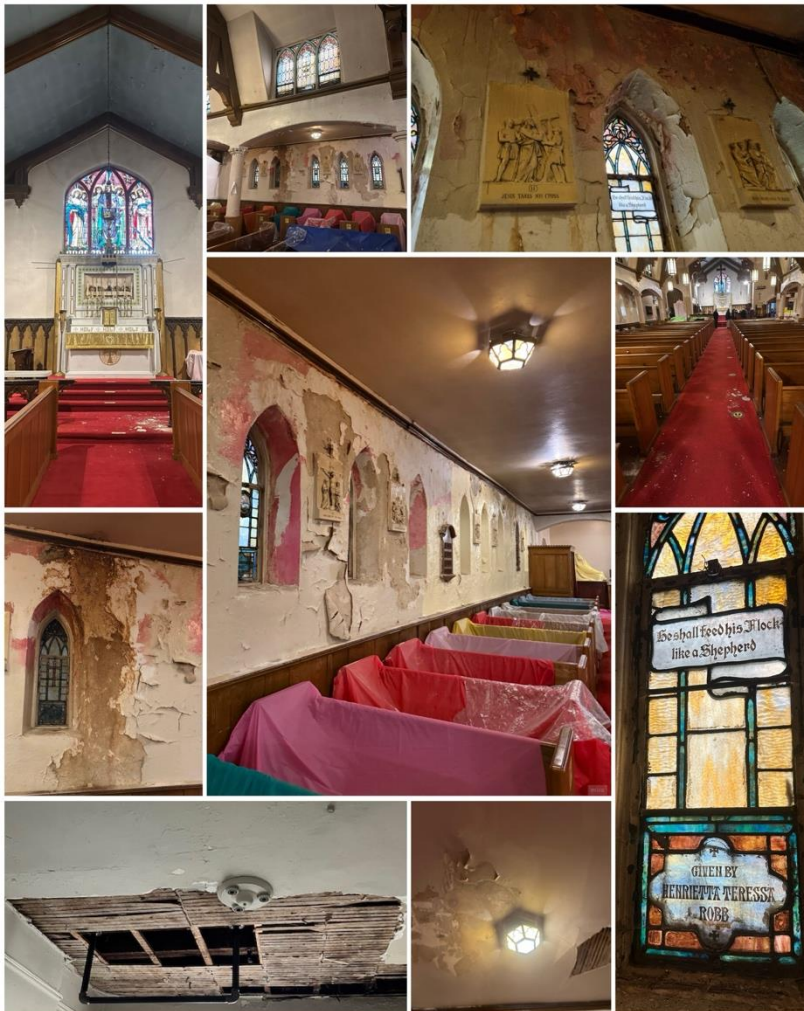
For over 114 years, All Souls Church has stood as a spiritual and social anchor in South Harlem. Founded in 1908, the church expanded its community impact in 1954 with the creation of a summer camp that became a cherished part of its mission. In recent years, however, the church has faced mounting challenges. After selling its camp in 2019, the sanctuary was severely damaged by extreme weather, and the congregation, already impacted by COVID-19, has dwindled to fewer than 20 members.



Current Structural Condition

With its sanctuary now closed and community programs on pause, All Souls stands at a turning point. The RISE Harlem proposal offers a path forward to preserve its legacy, restore its mission, and reestablish All Souls as a pillar of service, faith, and hope for the next century.

Extensive assessments of the church's current condition revealed significant structural damage caused by years of deferred maintenance and recent extreme weather. Repairing the sanctuary to modern safety and accessibility standards would cost more than rebuilding entirely. After careful evaluation with architects, engineers, and preservation consultants, the development team and congregation determined that restoration through redevelopment offers the most viable and responsible path forward. This approach honors the spirit of the church while unlocking a new future for the site and surrounding community.



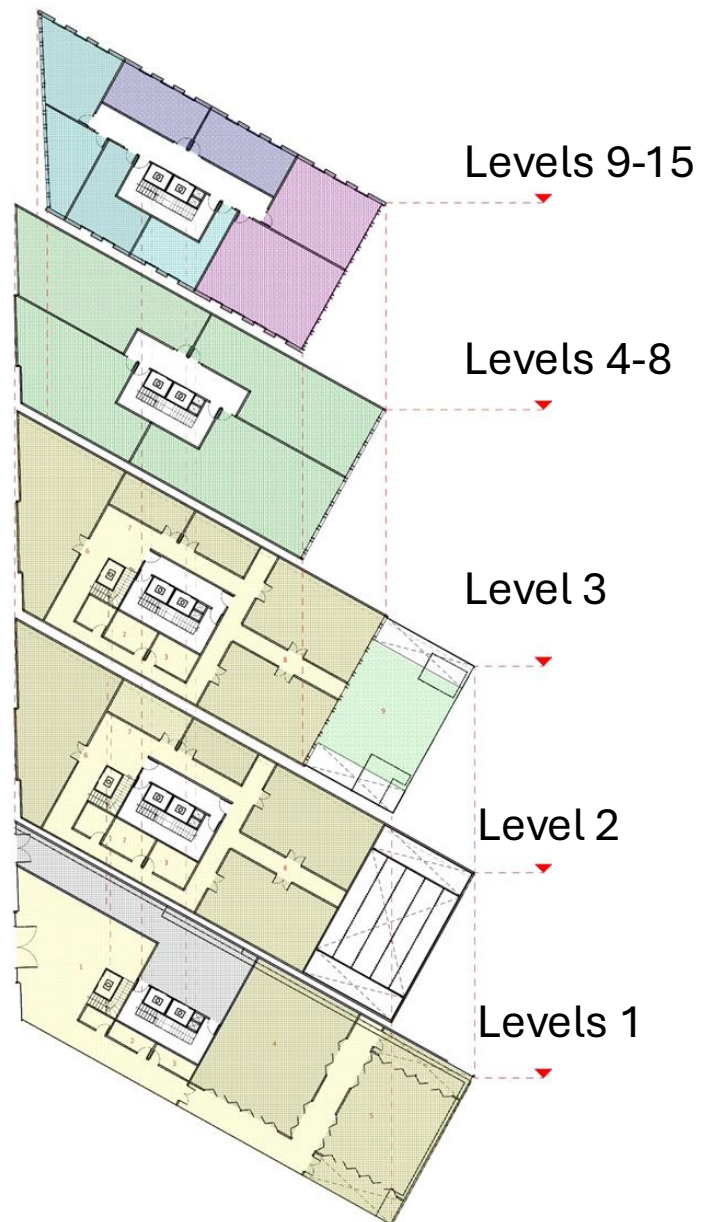
Program

The residential program includes a well-balanced unit mix:

- Studios: 28 units
- 1-Bedrooms: 14 units
- 2-Bedrooms: 14 units
- 3-Bedrooms: 20 units

All Souls Church will retain presence on site through its restored sanctuary, while the YMCA will offer essential youth and wellness programming. The green roof will serve as a shared amenity for residents and neighbors alike, fostering both sustainability and social connection.

Each residential floor is designed with flexibility and livability in mind, supporting a diverse tenant base that includes singles, young families, and multi-generational households. Unit layouts are efficient but spacious, with high ceilings and abundant natural light. Shared amenities like bike storage and access to the green roof promote healthy, transit-oriented lifestyles.



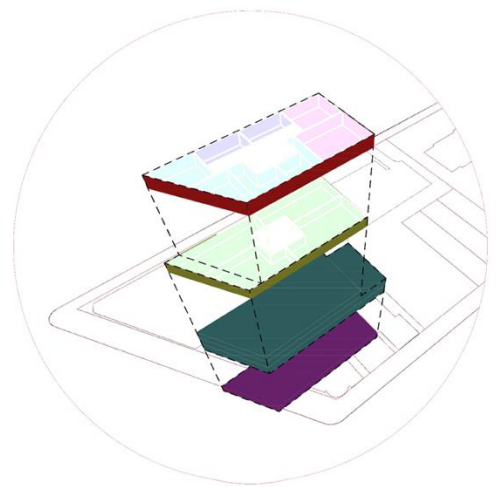
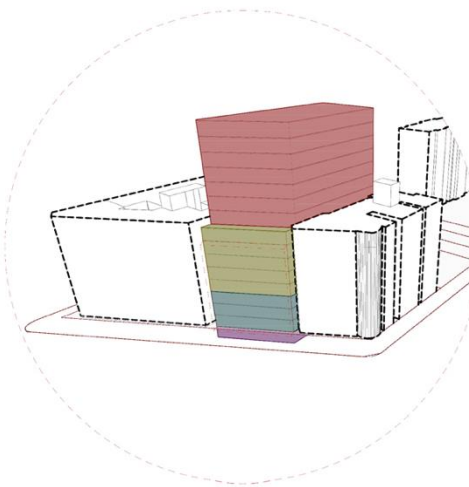
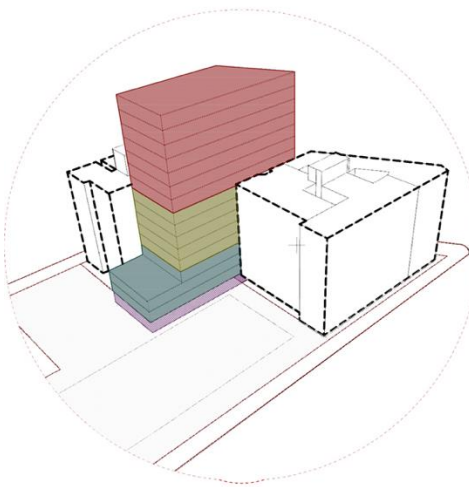
Design Vision

The project respects and enhances the existing architectural context through sustainable adaptive reuse. The street-facing facade of the church is preserved, allowing the new massing to rise behind it with sensitivity to the historic scale. Inside, natural light and open plan configurations will create healthy and efficient living spaces.

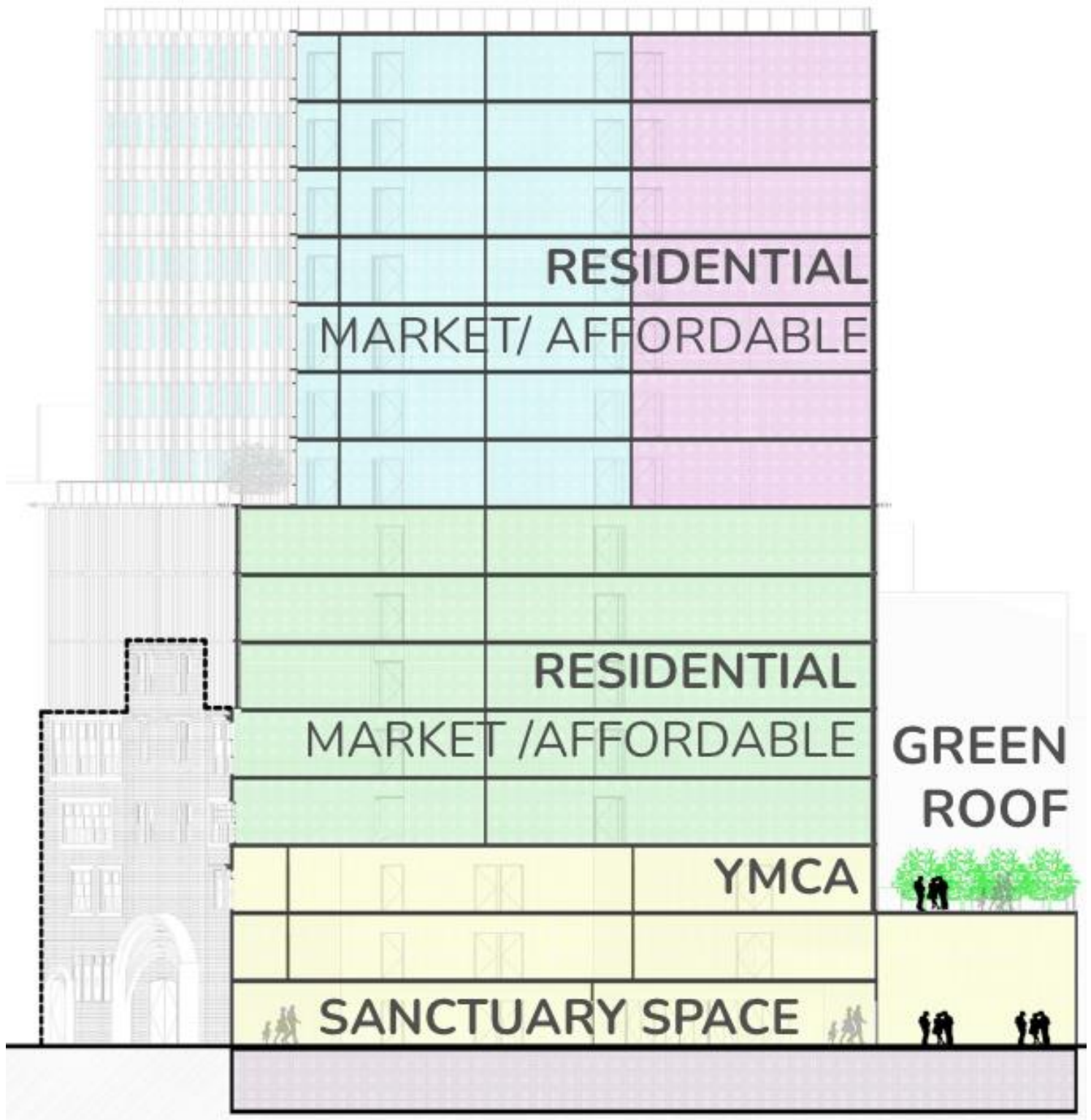
Community areas such as the YMCA and sanctuary will be accessible and inviting, designed to foster programming and activity throughout the day. These public-facing spaces are designed with dignity, transparency, and warmth, reflecting the legacy of All Souls while welcoming the next generation.

The design process emphasized intentional integration of historic and modern elements, with brickwork, arches, and window details retained wherever feasible. Materials were selected not only for their durability and aesthetics but also for their alignment with passive environmental strategies. The resulting structure is both iconic and approachable. It is a statement piece that remains grounded in community identity.

- Residential above the setback
- Residential below the setback
- Community
- Basement & services



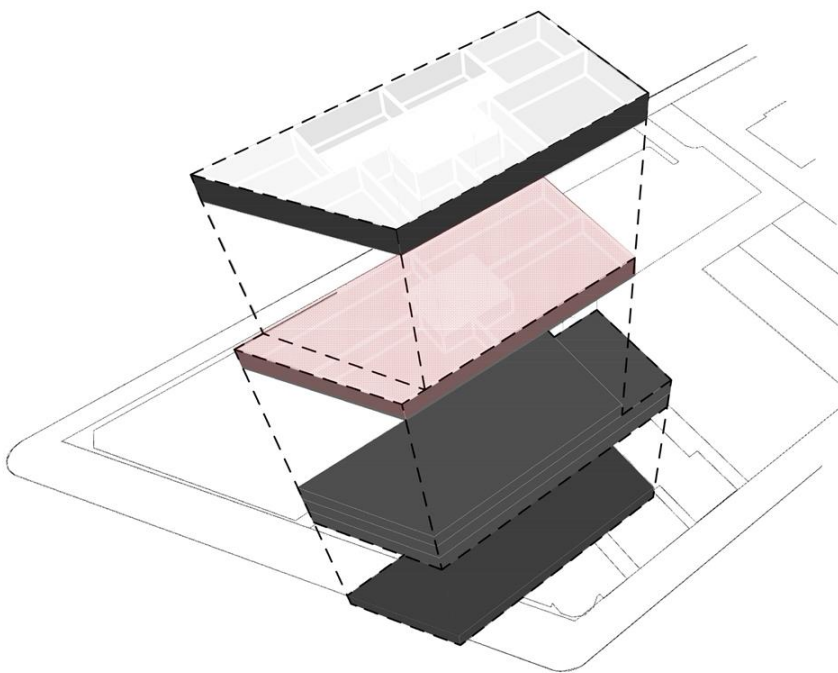
Massing



Below Setback & Above Setback

Above Setback:

3-Bedroom Apartments

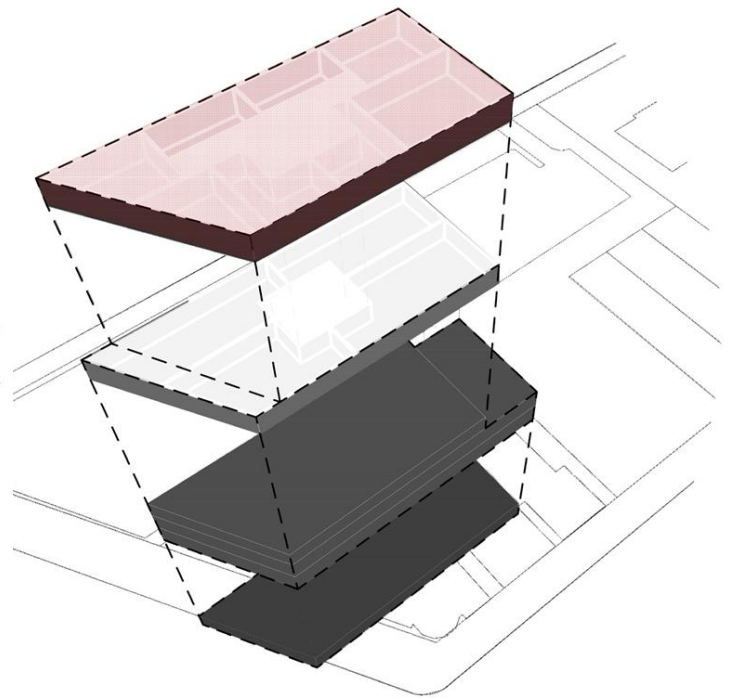


Below Setback:

Studio Apartments: 28 Units

1-Bedroom Apartments: 14 Units

2-Bedroom Apartments: 14 Units



Unit Mix

The unit mix at RISE Harlem is intentionally designed to meet the needs of a diverse tenant base, with a particular focus on larger households. It is increasingly rare in New York City to find new developments offering such a high proportion of 2- and 3-bedroom units. By prioritizing family-sized layouts, the project is positioned to capture a growing segment of demand that is often underserved in the market.

Unit Type	# of Units	Square Footage	Target Market
Studio	28	360	Singles, students
1BR	14	400	Young couples
2BR	14	680-950	Small families
3BR	20	1,000-1,310	Large families



Location

The project is situated within the heart of Central Harlem, steps from multiple subway lines (B, C, 2, 3) and near Morningside Park, Columbia University, and Central Park North.

In addition to its access to transportation, the site benefits from adjacency to educational institutions, healthcare facilities, and local small businesses. This prime location supports long-term tenant demand while ensuring residents have access to essential services within walking distance. As Central Harlem continues to attract new investment, RISE Harlem is positioned at the nexus of cultural heritage and economic momentum.



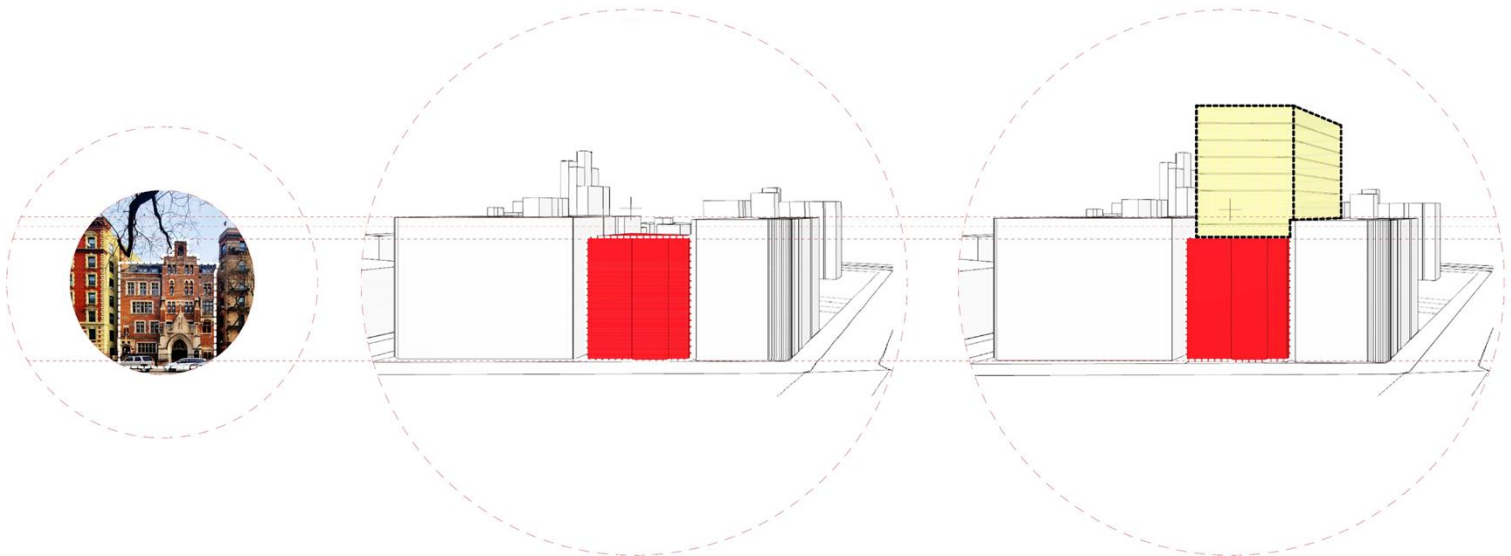
Zoning

The lot is zoned R7-2 with a C2-4 commercial overlay and benefits from Universal Affordability Preference (UAP), which raises allowable residential FAR to 5.01. The project additionally capitalizes on 17,000 SF of adjacent air rights under City of Yes, enabling a total buildable ZFA of over 51,900 SF for residential use.

Zoning Resolution Section 23-434 states that an R7-2 lot with an interior depth greater than or equal to 115 feet has a modified maximum height of 155 feet.

The zoning strategy also leverages the flexibility introduced by the City of Yes initiative, enabling creative land use through air rights transfers and maximized FAR. This regulatory approach not only increases density but also enhances financial feasibility without requiring a rezoning. By preserving the existing envelope and integrating community priorities, the zoning plan supports both preservation and progress.

- — Existing buildout
- — Zoning envelope



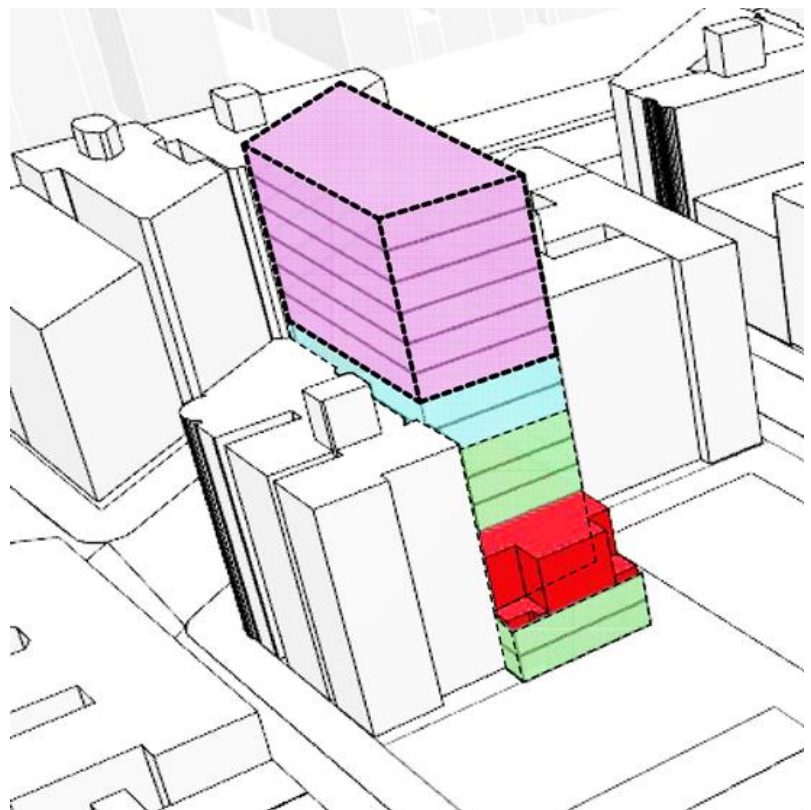
Envelope & Air Rights Acquisition

To maximize the development potential of the site, we are acquiring 17,000 square feet of residential air rights from the adjacent First Corinthian Baptist Church. This is made possible through the City of Yes zoning initiative, which allows air rights transfers between adjacent lots to promote more efficient land use and housing delivery.

We are underwriting the air rights at a conservative \$250 per square foot, a premium above recent comparable transactions in Central Harlem, to ensure the financial model remains robust under market pressure. In addition to the air rights acquisition, the project benefits from the Universal Affordability Preference, which raises the allowable residential FAR to 5.01.

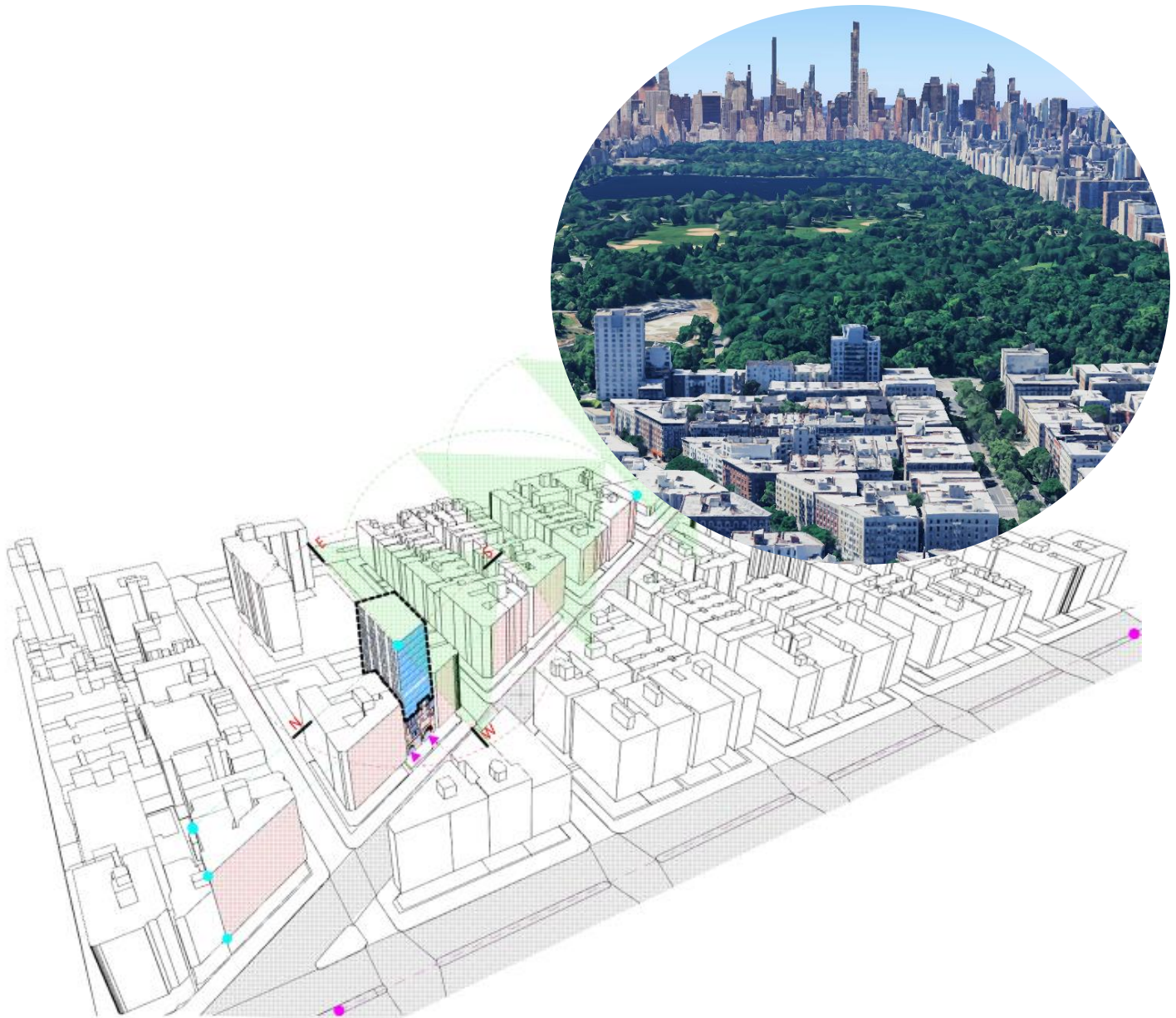
Lot Area	6,980 Sq Ft
Residential FAR (UAP)	5.01
Allowable Residential	34,969 Sq Ft
Additional Air Rights	17,000 Sq Ft
Total Residential ZFA	51,969 Sq Ft

- — Existing buildout
- — Current allowable FAR
- — Universal Affordability Preference
- — Air rights addition



Central Park Views with Acquired Air Rights

By acquiring adjacent air rights and leveraging the increased allowable FAR, the project can rise above the surrounding building heights. This elevation provides unobstructed, breathtaking views of Central Park North. The site's close proximity to the park not only enhances the quality of life for future residents but also significantly elevates the long-term value and desirability of the units.



Investment Highlights

RISE Harlem delivers compelling financial and social returns, with a projected deal-level IRR of 23.63% and an equity multiple of 2.02x over a five-year hold.

The capital stack is conservatively structured, featuring 65% loan-to-cost senior debt, \$17.1 million in equity contributions, and a \$200,000 grant from Trinity Church.

Extensive sensitivity analysis confirms strong return profiles even under conservative assumptions, reinforcing the project’s financial resilience and long-term viability.

These financial outcomes are not only attractive on a standalone basis, but also reflect the underlying strength of the Harlem rental market and the project’s unique blend of community-forward programming and scalable design. The strategic partnership with All Souls Church further enhances the investment profile, ensuring long-term stewardship of the asset and ongoing alignment between financial returns and social outcomes.

-\$2.28M
in land value

+\$210k
of cash flow

+\$1.75M
in proceeds

+94 yrs
in remaining
ground lease

\$100K Annually

16% IRR and **1.56x EM** on land contribution

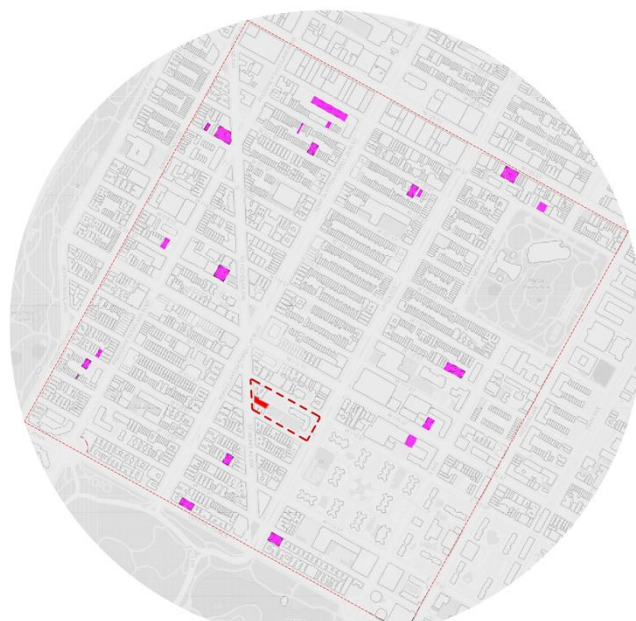
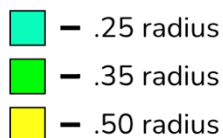
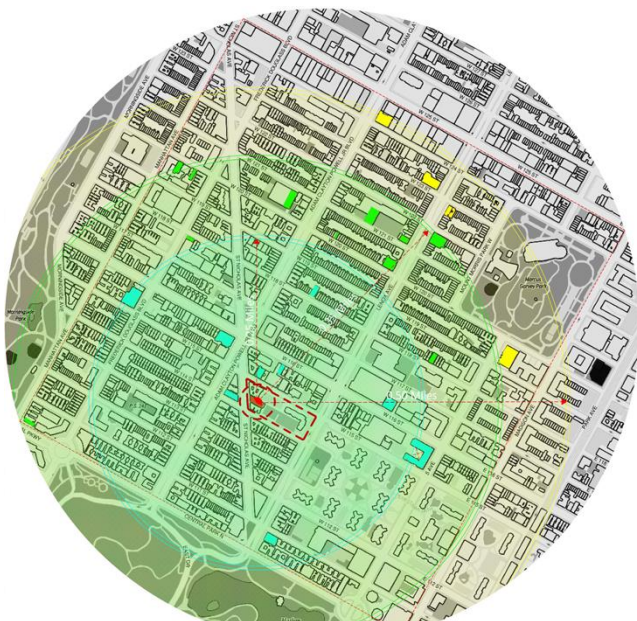
Market Analysis

Demand Drivers

Central Harlem's population has shifted dramatically over the past decade. Rising housing costs have outpaced local income growth by 19.2%, creating a widening affordability gap. RISE Harlem directly responds to this demand for stable, mixed-income housing.

Supply

Since 2010, nearly 2,000 new units have been delivered in Central Harlem, but the pipeline of truly affordable and mission-aligned development remains limited. RISE Harlem provides both critical housing and essential services, positioning it as a differentiated, high-impact asset.



Financial Analysis

The total development cost for is \$38.2 million. The project is financed with senior debt and equity, with a construction loan of \$20.9 million at 65% LTC. The remaining capital is funded through \$17.1 million in equity contributions, including a \$2.3 million land value contribution from All Souls Church, which participates as a limited partner. Additionally, the project benefits from a \$200,000 grant from Trinity Church to support its mission-aligned community programming.

The investment is projected to generate a levered IRR of 23.63 percent and an equity multiple of 2.02x over a five-year hold. These returns are based on conservative assumptions regarding lease-up, rent growth, and exit cap rates. The capital structure is designed to balance risk and reward across stakeholders, with All Souls retaining long-term value through both equity participation and a 99-year ground lease.

The preferred exit strategy is a sale at stabilization in Year 5, capturing the full value of a fully leased, income-generating asset. Alternatively, a refinance strategy at stabilization would allow the partnership to return a significant portion of equity while continuing to generate long-term cash flow through operations.



Sources & Uses

Acquisition Structure:

Ground lease structure with All Souls contributing land as equity

No traditional acquisition price; land value estimated at \$2.28M

Total Development Budget: \$38.2M

Hard Costs: \$24.3M

Soft Costs: \$2.3M

Air Rights: \$3.4M

Other Development/Financing Fees: \$8.2M

Capital Stack:

Construction Loan: \$20.9M (65% LTC)

Equity: \$17.1M

GP Equity (Sacra Terra): \$1.5M

LP Equity: \$13.3M

All Souls Land Contribution: \$2.3M

Trinity Church Grant: \$200K

Sources		Uses	
Loan Amount	\$20,895,335	Demolition	\$243,075
Equity	\$17,107,951	Origination Fee	\$135,820
All Souls Grant	\$200,000	Mortgage Recording Tax	\$198,506
		Capital Markets Broker Fee	\$177,610
		Other Pursuit Costs	\$500,000
		Light and Air Easment	\$669,900
		Land Lease during Construction period	\$200,000
		Hard Costs	\$24,307,500
		Soft Costs	\$6,076,875
		Total Purchase Price	\$5,694,000
Total Sources	\$38,203,286	Total Uses	\$38,203,286

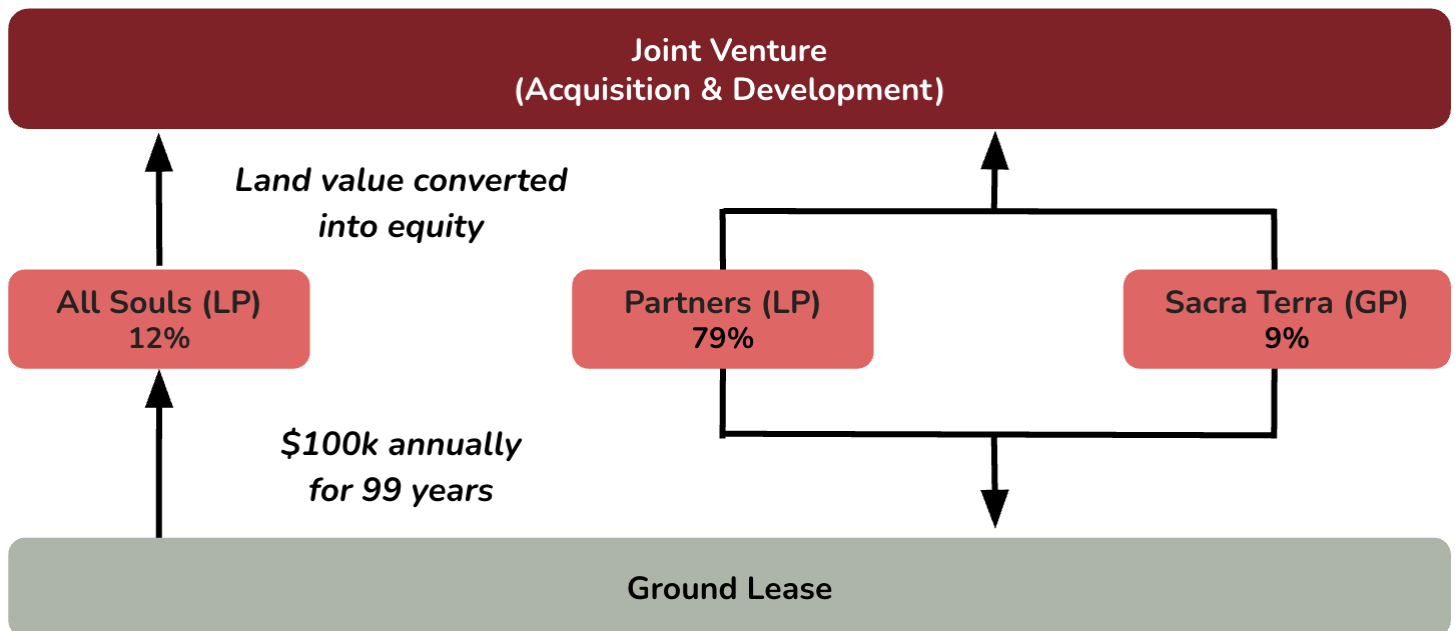
Partnership Structure

Sacra Terra (GP): Active developer and manager; earns promote above preferred return

All Souls Church (LP): Land contribution earns preferred return and profit share

LP Equity Investors: Contribute majority of equity capital; earn preferred return and profit participation

This structure ensures aligned incentives across all stakeholders. Sacra Terra, as the GP, manages day-to-day development execution and is incentivized through a promote structure tied to investor performance. All Souls Church maintains a long-term economic interest in the site while upholding its mission and presence. LP investors benefit from transparency, stability, and the opportunity to deploy capital in a high-impact, de-risked project with a proven team.



Sensitivity Analysis

To assess the financial resilience of RISE Harlem, we tested three key variables across a range of exit cap rates: land price, hold period, and rent growth.

Land Price Sensitivity (IRR):

Land costs ranging from \$1.29M to \$3.29M show IRRs between 26.09% and 21.47% at a 5.40% cap rate. Returns remain strong even under higher acquisition costs.

Hold Period Sensitivity (Equity Multiple):

Across hold periods of 3 to 7 years, equity multiples range from 0.61x to 0.73x, with the optimal 2.02x multiple occurring at a 5-year hold.

Rent Growth Sensitivity (IRR):

With rent growth between 4.0% and 6.0%, IRRs range from 21.83% to 25.44%. Revenue performance has a significant impact on return profiles.

Levered IRR Sensitivity Table						
Exit Cap Rate	Land Price					
		\$1,288,000	\$1,788,000	\$2,288,000	\$2,788,000	\$3,288,000
	5.00%	30.53%	29.18%	27.91%	26.71%	25.56%
	5.20%	28.26%	26.96%	25.73%	24.57%	23.46%
	5.40%	26.09%	24.84%	23.66%	22.54%	21.47%
	5.60%	24.04%	22.83%	21.69%	20.60%	19.57%
	5.80%	22.08%	20.91%	19.81%	18.76%	17.76%

Levered IRR Sensitivity Table						
Exit Cap Rate	Hold Period					
		36	48	60	72	84
	5.00%	0.77x	2.01x	2.27x	0.87x	0.87x
	5.20%	0.69x	1.89x	2.14x	0.80x	0.80x
	5.40%	0.61x	1.77x	2.02x	0.73x	0.73x
	5.60%	0.54x	1.67x	1.91x	0.67x	0.67x
	5.80%	0.48x	1.57x	1.81x	0.61x	0.61x

Levered IRR Sensitivity Table						
Exit Cap Rate	Rent Growth					
		4.0%	4.5%	5.0%	5.5%	6.0%
	5.00%	26.09%	27.01%	27.91%	28.80%	29.69%
	5.20%	23.91%	24.82%	25.73%	26.62%	27.51%
	5.40%	21.83%	22.75%	23.66%	24.55%	25.44%
	5.60%	19.86%	20.78%	21.69%	22.58%	23.47%
	5.80%	17.98%	18.90%	19.81%	20.71%	21.60%

Risks & Mitigants

Air Rights Acquisition

Risk: Failure to finalize purchase from First Corinthian Baptist Church

Mitigation: Term sheet under negotiation. Project remains viable with a downsized design if necessary

Market Volatility

Risk: Cap rate expansion or softening of rent growth

Mitigation: Exit flexibility via refinance, conservative underwriting, and robust interest coverage ratios

Regulatory Delays

Risk: Complexity in LPC approvals and community board review

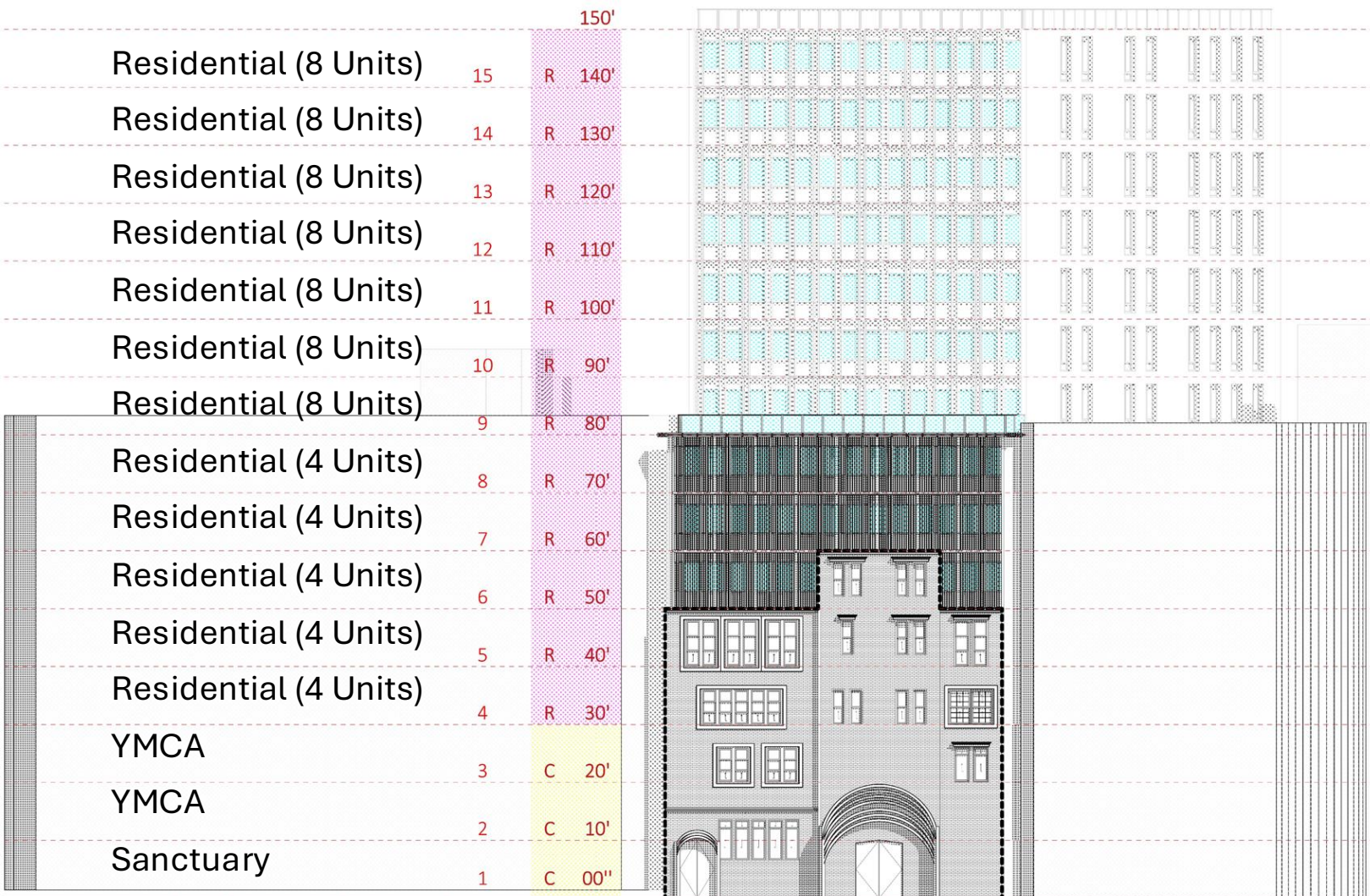
Mitigation: Early engagement, alignment with City of Yes reforms, and mission-consistent messaging

While every development carries uncertainty, RISE Harlem has been deliberately structured to minimize exposure to common pitfalls. The team has incorporated flexibility into the design and phasing plan, proactively engaged legal and community stakeholders, and underwritten financials with conservative assumptions. With multiple exit pathways and a strong capital stack, the project is built to weather headwinds and deliver on its commitments.



Stacking Diagram

The building is strategically stacked to optimize both efficiency and compliance. Larger three-bedroom units are located on the lower floors to reduce the need for deeper light and air requirements, which would otherwise be triggered by the proximity of neighboring buildings. This approach allows us to avoid the cost and complexity of acquiring a light and air easement while preserving livability and maximizing the use of the allowable building envelope.

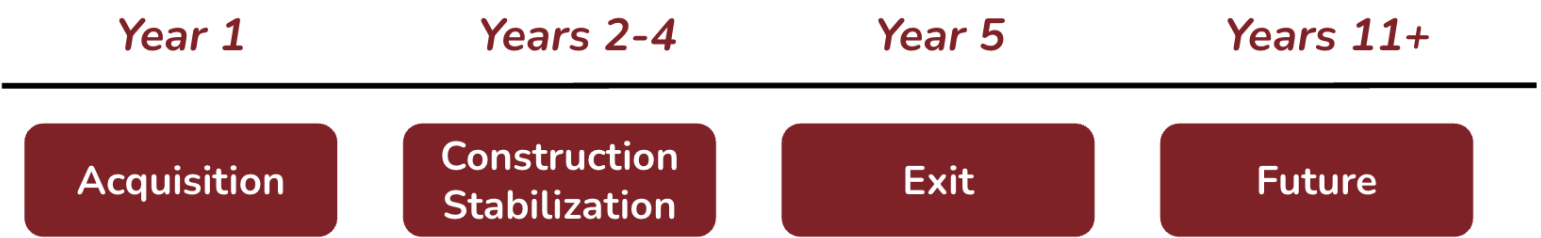


Exit Strategy & Impact

The preferred strategy is a sale at stabilization in Year 5, allowing stakeholders to capture appreciation post-lease-up. An alternative exit via refinancing preserves ownership while returning a substantial portion of invested equity, offering flexibility amid changing market conditions.

RISE Harlem is more than a development. It’s a partnership between community, faith, and capital. By aligning long-term financial goals with social impact, the project aims to serve Harlem’s evolving needs while preserving its historic character and strengthening its future.

This dual-path exit approach allows the development team to remain responsive to future market conditions while maintaining the flexibility to preserve ownership and generate ongoing yield if a sale proves less favorable. More importantly, the impact of this project extends beyond returns. It sets a precedent for how faith-based institutions can co-develop mission-aligned real estate in partnership with private capital, addressing pressing housing and service needs with integrity and vision.



Conclusion

RISE Harlem presents a rare opportunity to invest in a mission-aligned, mixed-use development that delivers strong financial returns and lasting community impact. With a total development cost of \$38.2 million, the project is capitalized through \$20.9 million in senior debt, \$17.1 million in equity, and a \$200,000 mission grant. The investment is projected to deliver a 23.63% IRR and 2.02x equity multiple over a five-year hold.

With a clear exit strategy, robust downside protection, and a well-structured public-private partnership, RISE Harlem is poised to become a catalytic asset in Central Harlem. We are seeking \$17.1 million in equity capital to fund this transformative project and invite you to join us in delivering on its vision: to Restore, Inspire, Serve, and Elevate.

Beyond the numbers, RISE Harlem represents a blueprint for equitable urban development. It is deeply rooted in community partnerships, architectural integrity, and inclusive economic growth. It brings together timeless values with forward-looking execution, offering investors the chance to participate in something meaningful, enduring, and profitable.



RISE Harlem

ELEVATE

SERVE

INSPIRE

RESTORE



