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Ravada Hill II Apartments

4810 - 4816 Buckley Road,
Liverpool (Syracuse), New York 13088

Financing Request: \$4,000,000



RHG

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Commercial Finance and Advisory Services

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Ravada Hill II Apartments

Deal Points

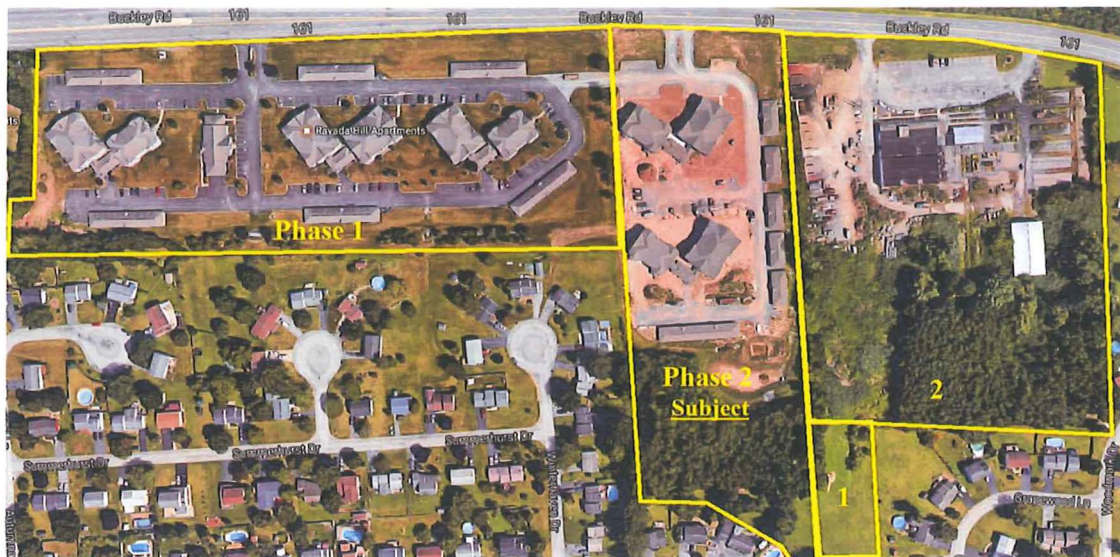
PROJECT:

The Borrower is requesting financing in the amount of \$4,000,000 for of a forty-eight (48) Unit Multi-Family Property located at 4810 - 4816 Buckley Road in Liverpool (Syracuse), New York. The property includes four (4) three-story apartment buildings and six (6) multi-bay garage structures. The Project was constructed throughout 2015 and 2016 and the land was purchased in 2011.

This Project can be seen as a continuation of the Ravada Hill Apartments, a Borrower owned and operated, Multi-Family complex located directly west of the Subject. The original Ravada Hill Apartments feature 72 units and are not part of the collateral for this loan request. Please note, these adjacent properties are situated on separate tax parcels and are owned by separate Limited Liability Companies. Additionally, each property is benefited by its own dedicated point of ingress / egress.

Tenants from both the Subject Property and the adjacent property are permitted access, via a Grant of Mutual Easements (March, 2015), to both points of ingress / egress on Buckley Road, the connecting pavement and all common areas (Leasing Office, Fitness Center, Picnic Area, Parking Lot). Maintenance for all easement areas, including the common areas, is paid for by the adjacent property. The Subject then reimburses 40% of the costs associated with the maintenance.

See Attachment "A" and the picture below for more information.



At the time of construction, the Borrower received Building Permits for 48 units which were contingent on the successful acquisition of the adjacent (1) parcel. During Construction; however, the parcel (1) became caught up in the foreclosure process as it has the same owner as parcel (2). The Borrower is currently in the process of working with the lender in an effort to acquire both parcels.

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Upon successful acquisition, the smaller parcel (shown as “1” above, adjacent to the southwest corner of the Subject Parcel) will be deeded to the permanent lender of Ravada Hill II. As such, forty-five (45) of the Subject’s forty-eight (48) units can be considered “leasable”, as the remaining three (3) units have not yet received a Certificate of Occupancy due to the density issue.

As of March 1, 2017, all forty-five (45) leasable units were occupied. The three (3) “non-leasable units” are being utilized as model units. This Presentation reflects 45 units for income purposes and 48 units for expense purposes.

LOAN REQUEST:	Loan Amount:	\$4,000,000
	Term:	10-Year
	Amortization:	30-Year
	Rate:	Best Available
	LTV:	70% utilizing a Capitalization Rate of 6.25%
	DSCR:	1.49x utilizing a 4.30% interest rate and 30-year amortization
	Recourse:	Non-Recourse; Standard Carve outs to be signed by Messrs. Angelo Alberici, Anthony Alberici, David Alberici and Vincent Alberici.

BORROWER: **The borrowing entity will be Ravada Hills Apartments II, LLC, a Single Asset New York State Limited Liability Company.**

The Alberici Family has been in the commercial and residential real estate industry for several decades, with sons Anthony and Angelo beginning construction on single-family homes in 1989. Since that time, Alberici General Contractors has constructed over 350 single-family, residential homes and over 470 multi-family units. (See Below) The family’s Alberici Property Management handles the management of all 470 multi-family units.

Directly adjacent to the Subject, is the Ravada Hill Apartments, a Borrower owned and operated Multi-Family Complex with 72 units. As mentioned throughout this package, this property is not included within this Financing Request. According to the Borrower, original Ravada Hill Apartments have performed exceptionally well, with occupancy rates at or near 100% since completion in 2004. Furthermore, the Borrower also owns and operates the Clayton Manor Apartments, which are located 2.3 miles south of the Subject. The 300-unit complex has been over 95% occupied for over a decade. Additionally, the Father owns the Kellars Lane apartments which is a 57 unit apartment complex located approximately 4.8 miles south of the Subject.



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PROPERTY:

The Property (herein known as “The Subject”) consists of the second phase of a Multi-Family housing complex in Liverpool (Syracuse), New York. The 6.48 acre parcel has a Tax Identification Number of 096.-11-03.0.

Included in this second phase are four, three-story apartment buildings which total 48 units. Three (3) of the aforementioned units have not received a Certificate of Occupancy due to the Property not having a large enough parcel for density, pursuant to the Building Code. The Borrower is currently in the process of acquiring a foreclosed, adjacent parcel to eliminate the density issue. As such, the Property currently offers 45 market rate apartments and is 100% leased. The three (3) “vacant” units are being utilized as model units. Please see below for the Subject’s unit mix:

Unit Mix		
Unit Type	Unit SF	# of Units
1 Bedroom	900	22
2 Bedroom	1,100	23
<i>Total Leasable Units:</i>		45
1 bedroom (No CO)	900	2
2 Bedroom (No CO)	1,100	1
<i>Total Non-Leaseable Units:</i>		3
Total Units:		48

Units feature in-floor heating systems and A/C units. Gas fireplaces can be found in 12 of 16 one-bedroom units and 12 of 24 two-bedroom units. The living areas and bedrooms are carpeted, while foyers, dinettes, kitchens and bathrooms have either tile or hardwood flooring. Kitchens in each unit include a dishwasher, refrigerator, electric stove, microwave, garbage disposal and granite countertops. Bathrooms feature a toilet, vanity with sink, tub/shower unit, mirror and shower rod.

Additionally, the Subject offers 33 garage spaces, available to tenants for a monthly fee. Monthly rental payments include heat, hot water, standard cable television and high speed internet. The Site also offers 88 exposed parking spaces.

As previously mentioned in the Borrower Section of this package, the Borrower also owns the Ravada Hill Apartments, which are located adjacent and to the west of the Subject. These 72 units were completed in 2004 and are not part of the collateral for this loan request. The Ravada Hill Apartments features fitness center and the Alberici leasing office can be accessed by the Subject’s tenants via reciprocal easement agreement.

The Subject can be accessed by a dedicated point of ingress / egress that opens north to Buckley Road. Additionally, the Subject benefits from a reciprocal easement agreement with neighboring property (also Borrower owned and operated).



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Please see below for a breakdown of the Project's Construction Costs. Construction on the Property took place during 2015 & 2016 with the land being purchased in 2011.

Ravada Hill II Apartments	
Construction Costs	
Hard Costs	\$ 3,512,506
Appliances	\$ 101,675
Cabinets & Countertops	\$ 179,526
Flooring	\$ 91,300
Lawn & Plantings	\$ 21,978
Road & Walks	\$ 212,642
Land Improvements	\$ 101,104
General Requirements	\$ 367,670
Land	\$ 292,380
Soft Costs	\$ 119,219
Total	\$ 5,000,000

LOCATION:

The Subject is located at 4810 - 4816 Buckley Road, in the Liverpool, New York. Liverpool is a suburban area approximately 8 miles north of Syracuse, New York's Central Business District. Buckley Road is an east and west traversing thoroughfares with a single lane in each direction. Additionally, the Subject is less than 0.25 mile(s) east of the signalized intersection of Buckley Road and Henry Clay Blvd.

Liverpool, New York is a highly industrialized town, as there are dozens of manufacturing, production and distribution facilities within 3 miles of the Subject. The largest of these facilities belongs to Lockheed Martin, a global security and aerospace company that employs approximately 97,000 people worldwide. Additional notable companies include Raymour & Flanigan Furniture, PODS Moving & Storage and Rite Aid, among other regional and local facilities.

According to CoStar, Buckley Road an Average Daily Traffic Count of 17,197 vehicles per day, just south of the Subject.

The Subject's immediate neighborhood is largely residential and industrial in nature. South of the Subject is marked primarily by neighborhoods of single-family residential homes. Directly adjacent and west of the Subject, is Ravada Hill Apartments; a Borrower owned and operated property. Approximately 0.4 miles west of the Subject are several industrial facilities located along Henry Clay Boulevard. East of the Subject is Gravina Gardens & Ace Hardware, while north of the Subject are several additional single-family homes. Approximately 0.4 miles west of the Subject are several industrial facilities located along Henry Clay



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Boulevard. Additionally, the Subject is less than 1 mile north of the Wegmans on West Taft Road and less than 1 mile south of YMCA on Wetzel Road.

Furthermore, the Subject has adequate access to Interstates 81 and 90. Interstate-80 is approximately 3.7 miles east of the Subject and runs north and south through New York State. Interstate-90 is the second longest road the country and connects Syracuse to Albany in the east and Buffalo and Rochester in the west. The thoroughfare is approximately 5.7 miles south of the Subject.

Approximately 3.7 miles east of the Subject is Brewerton Road (North Main Street). Brewerton Road is the commercial corridor of the area and is lined with several regional and national brands. Tenants on (or near) Brewerton Road include:

- The Home Depot
- Lowe's Home Improvement
- The UPS Store
- ALDI
- Price Chopper
- Wegmans
- Rite Aid
- AutoZone
- Target
- Walmart Supercenter
- McDonald's
- Marshall's
- Lowe's Home Improvement

The Subject is also located just over 6 miles south of an additional retail corridor, located on Highway 31. The Great Northern Mall is located on this corridor and includes tenants such as Macy's, Dick's Sporting Goods, Toys 'R' Us and Regal Cinemas among others. Other National and Regional brands located on Highway 31

- The Home Depot
- Jo-Ann Fabrics and Crafts
- Bed Bath & Beyond
- T.J. Maxx
- Burlington Coat Factory
- Wegmans
- Kohl's
- Best Buy
- Barnes & Noble
- Walmart Supercenter
- Staples
- Hobby Lobby
- Lowe's Home Improvement
- Tops Friendly Markets

Additional Locational Highlights Include:

- 4.6 miles west of the Syracuse Hancock International Airport
- 2.7 miles north of Lockheed Martin
- 2.1 miles north of St. Joseph's Health Center



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DEMOGRAPHICS:

The chart below illustrates the 1, 3, 5 mile demographics for the Subject

Description	1-Mile(s)	3-Miles	5-Miles
Population (1/1/2010)	5,190	63,656	116,017
Population (1/1/2016)	5,213	64,056	116,017
Median Household Income (\$)	73,177	64,736	61,179
Average Household Income (\$)	83,924	75,235	71,605

Source: Easi Demographics

The chart below illustrates the 5, 10, 15 mile demographics for the Subject

Description	5-Miles	10-Miles	15-Miles
Population (1/1/2010)	115,737	375,790	465,446
Population (1/1/2016)	116,017	382,556	473,691
Median Household Income (\$)	61,179	51,746	55,036
Average Household Income (\$)	71,605	66,844	70,620

Source: Easi Demographics

REGIONAL ECONOMY:

The Subject is located Syracuse MSA. The Syracuse Metropolitan Statistical Area (MSA) is located in central New York. The MSA consists of three counties: Oswego, Onondaga and Madison. Onondaga County is the most populous of the three counties, containing over 70.0 percent of the MSA's population.

The MSA is also a transport hub due to its central location on Interstate 90 and Interstate 81. Syracuse is the economic and educational hub of Central New York, a region with over 1 million inhabitants. Syracuse holds the annual Great New York State Fair and is a center for conventions in New York State which attracts 1,000,000 visitors a year. Syracuse is also a center of learning with Syracuse University being a Tier 1 research institute, also the presence of the Upstate Medical University and State hospital make Syracuse a center of medical learning.

Syracuse could benefit from a computer chip fab in nearby Utica. In August 2015, Governor Andrew Cuomo announced that a computer chip manufacturing plant and a power electronics research facility will be built at the Marcy Nanocenter in Utica. ams AG, an Austrian computer manufacturer, will invest \$2.0 billion to build a new manufacturing plant that is expected to create 1,000 jobs. The plant is expected to be up and running by the end of 2017. Meanwhile, GE Global Research and the SUNY Polytechnic Institute will work collaboratively to develop a power electronics facility in Utica, which will create 1,470 jobs, 470 of which will be for GE. Syracuse's well-educated residents and its close proximity to Utica will



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position the MSA at the front of the line when demand for skilled workers increases.

Furthermore, in early June 2015, Germany announced that it would select Lockheed Martin to develop the Medium Extended Air Defense System (MEADS) missile defense system in a deal valued at up to \$4.5 billion. While Lockheed has not yet determined when full-scale engineering and production work on MEADS will begin, or how it might affect employment at its plant at Electronics Park in Salina, it is clear that the Salina's operations will play a key role as the sole developer of the MEADS surveillance radar. Additionally, the U.S. Navy recently awarded Lockheed Martin a \$59.0 million contract to improve its sonar detection systems. The Salina plant will be responsible for about 82.0 percent of the work on the contract.

In addition to large corporations such as Lockheed Martin, Syracuse has become a hub of smaller companies, especially medical companies due to its central role in medical research. Syracuse is well above the national average in education / health services employment. The sector employs 18.7 percent of the metro-areas workforce, compares to 15.3 percent for the nation. The government sector also has a large presence in the metro-areas employment distribution. The sector constitutes 19.1 percent of the workforce. Syracuse's public sector is one of a few in the state that has been growing.

The largest employer in the area is the University Upstate Health System. The second largest employer in Syracuse is Lockheed Martin, the company has grown its presence significantly in recent years despite the reduction in national defense contracts.

Additional Highlights include:

- In June 2016, Governor Cuomo announced that Terakeet and TCG/Ascension Gaming will expand their offices in downtown Syracuse. The two firms expect to create a total of 242 high-tech jobs and retain 219 jobs. Many of these jobs will be in digital marketing, account management, sales, data analysis, web analytics and software engineering.
- Syracuse University is currently undergoing a series of construction projects to aggressively transform its campus into the 21st Century. Short-term plan includes construction of a campus promenade, which is already underway. In the long term, the school will use its Campus Framework plan to guide the development of the campus over the next 20 years, including phasing out South Campus and making main campus more "walkable."

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Syracuse, New York – Largest Employers

According to The Onondaga County Office of Economic Development, the largest employers in the Syracuse Area in 2015 were as follows:

Industry	# of Employees
Upstate University Health System	9,525
Syracuse University	4,621
St. Joseph's Hospital Health Center	3,745
Wegmans Food Markets	3,713
Crouse Hospital	2,700
Loretto	2,476
Lockheed Martin	2,250
National Grid	2,000
Time Warner Club	1,800
Raymour & Flanigan	1,400
Syracuse VA Medical Center	1,400
Carrier Corporation	1,300

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4816 Buckley Rd. (Tax Parcel I.D. - 096-11-03.0; Assesed Value \$1,939,110)
Liverpool (Syracuse), NY 13088

Multi-Family Apartments

Stabilized Economic Analysis

INCOME: (1)	Average Unit Size	# of Units	Monthly Rental Rate	Rent PSF
One Bedroom / One Bath	900	22	\$ 1,011.00	\$ 1.12
Two Bedroom / One Bath	1,100	23	\$ 1,094.00	\$ 0.99
Gross Potential Rental Income - 2 one-br units - No CoFO	900	2	\$ -	\$ -
Gross Potential Rental Income - 1 two-br unit - No CoFO	1,100	1	\$ -	\$ -
Garage Income (33 garages @ \$90 / month)		33		
Additional Income (Laundry / Fees)				
TOTAL GROSS RENTAL INCOME		48		

TOTAL GROSS POTENTIAL INCOME:

Less: Vacancy:

5.00%

EFFECTIVE GROSS INCOME:

EXPENSES: (2)

- 1 Real Estate Taxes (actual 2016 / 17 bills)
- 2 Insurance
- 3 Utilities
- 4 Payroll
- 5 Maintenance Expense
- 6 Professional Services
- 7 Office Expense
- 8 Advertising / Miscellaneous
- 9 Management Expense
- 10 Reserve for Replacement

(3)

3.00%

\$ 250.00

TOTAL EXPENSES:

NET OPERATING INCOME:

Rent Per Unit	Annual Rent
\$ 12,131	\$ 266,880
\$ 13,132	\$ 302,040
\$ -	\$ -
\$ -	\$ -
\$ 1,080	\$ 35,640
\$ 188	\$ 9,000
\$ 12,782.50	\$ 613,560
\$ 12,782.50	\$ 613,560
\$ (639.13)	\$ (30,678)
\$ 12,143.38	\$ 582,882

\$ (1,701.04)	\$ (81,650)
\$ (312.35)	\$ (14,993)
\$ (615.17)	\$ (29,528)
\$ (700.00)	\$ (33,600)
\$ (567.48)	\$ (27,239)
\$ (120.98)	\$ (5,807)
\$ (20.83)	\$ (1,000)
\$ (131.10)	\$ (6,293)
\$ (364.30)	\$ (17,486)
\$ (250.00)	\$ (12,000)
\$ (4,783.26)	\$ (229,596)
\$ 7,360.12	\$ 353,286

INCOME VALUE ESTIMATE UTILIZING A CAPITALIZATION RATE OF (Rounded):

VALUE PER UNIT:

LOAN AMOUNT:

LOAN PER UNIT:

LOAN TO VALUE:

DEBT SERVICE:

Rate: 4.30%

Term: 10

Amortization: 30

DEBT SERVICE COVERAGE RATIO:

6.25%	\$ 5,700,000
	\$ 118,750
	\$ 4,000,000
	\$ 83,333
	70%
	\$ 237,538
	1.49x

Notes:

- (1) One and Two bedroom rent is based on Borrower Provided Rent Roll dated 12/5/2016. Garage and Other Income are based on stabilized underswriting. Four Buildings - Building 1 came online in October 2015, Building 2 came online in December 2015, and Building 3 in May 2016 and Building 4 in July 2016.
- (2) Expenses are calculated as 2016 expenses plus 3.0% with the exception of Real Estate Taxes and Administrative Payroll and Taxes. Real Estate Taxes are based upon actual 2016/2017 Tax Bills. Administrative Payroll and Taxes have been normalized to \$700/unit.
- (3) The Property is self-managed.

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Maps & Aerials

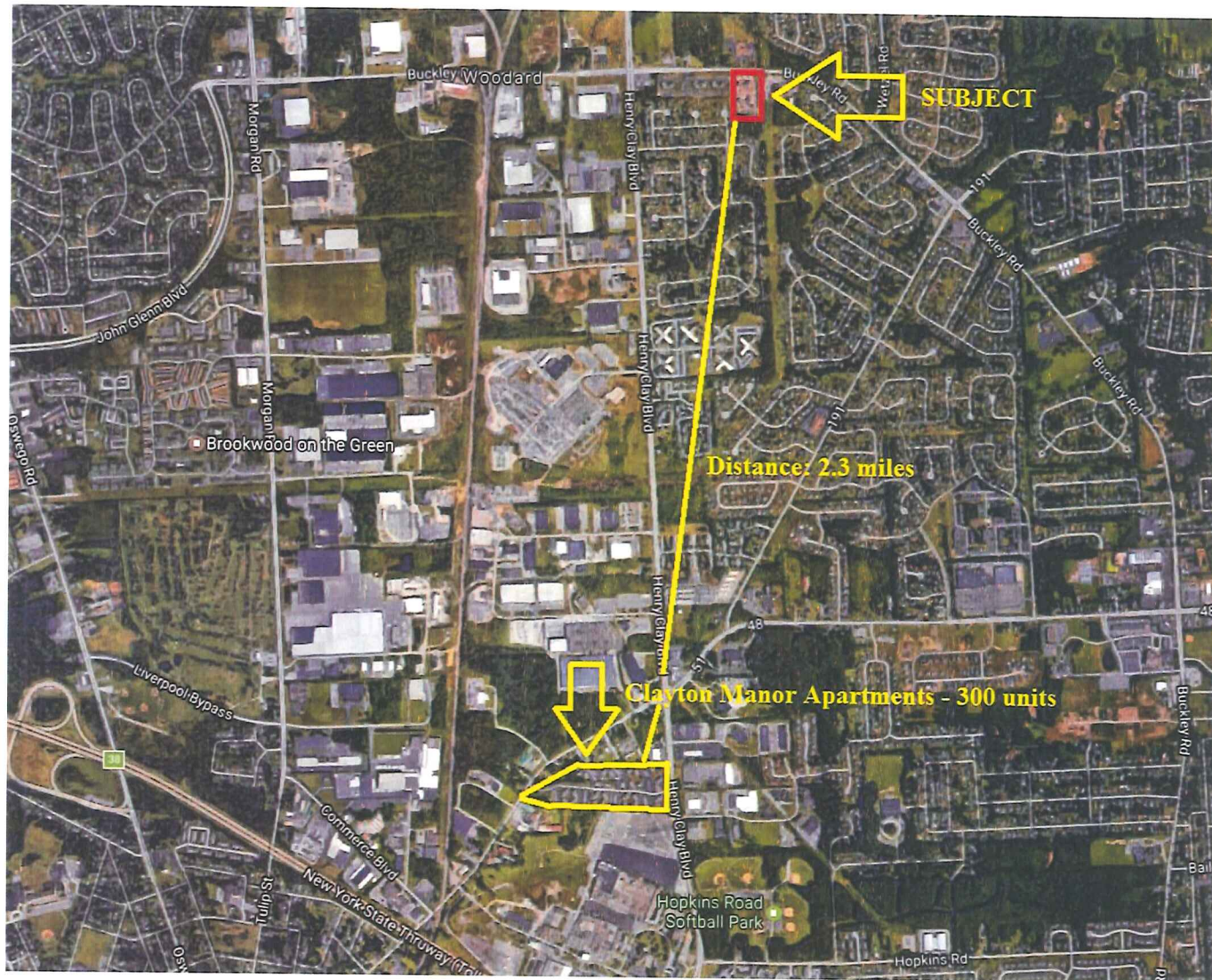


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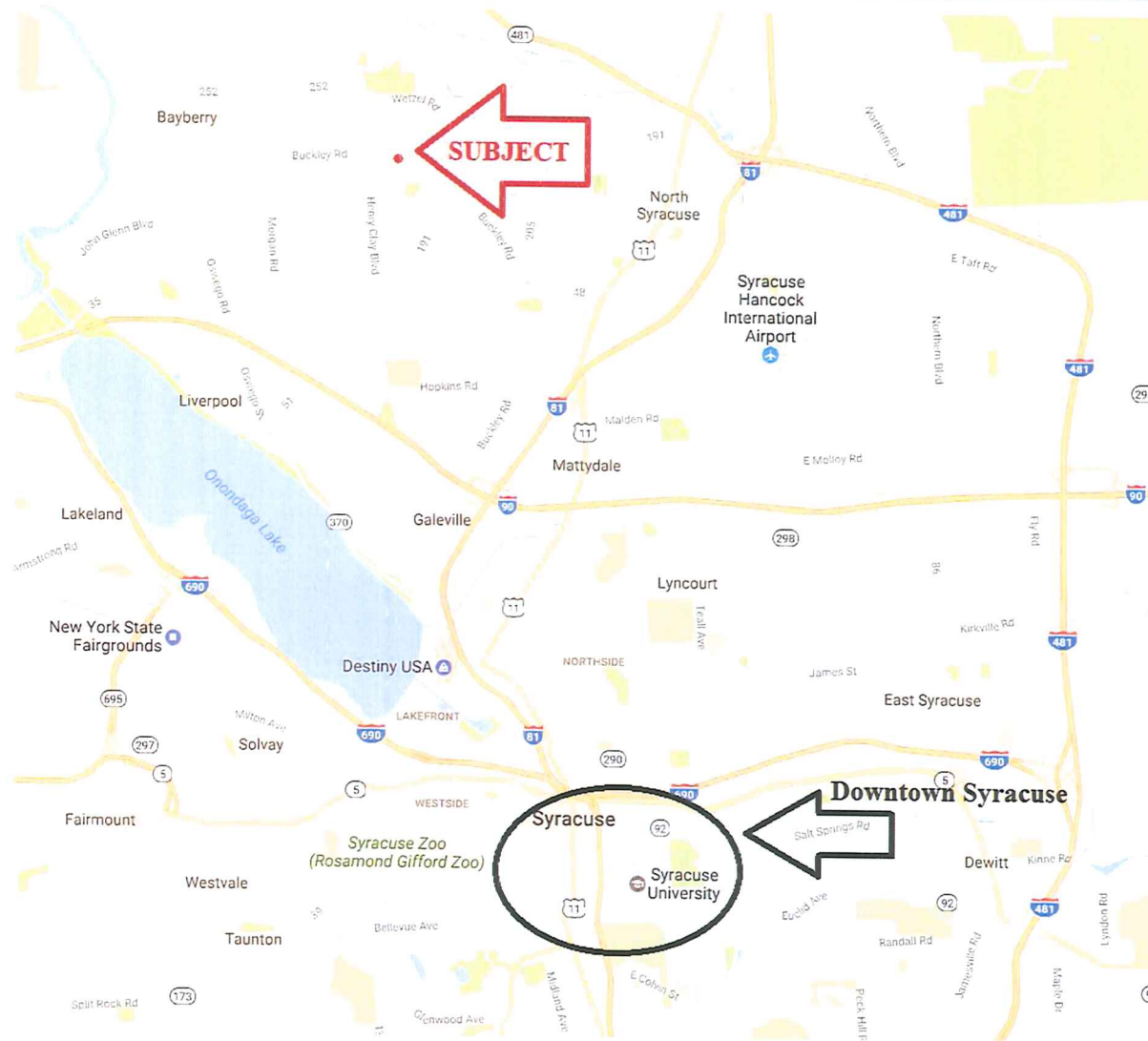


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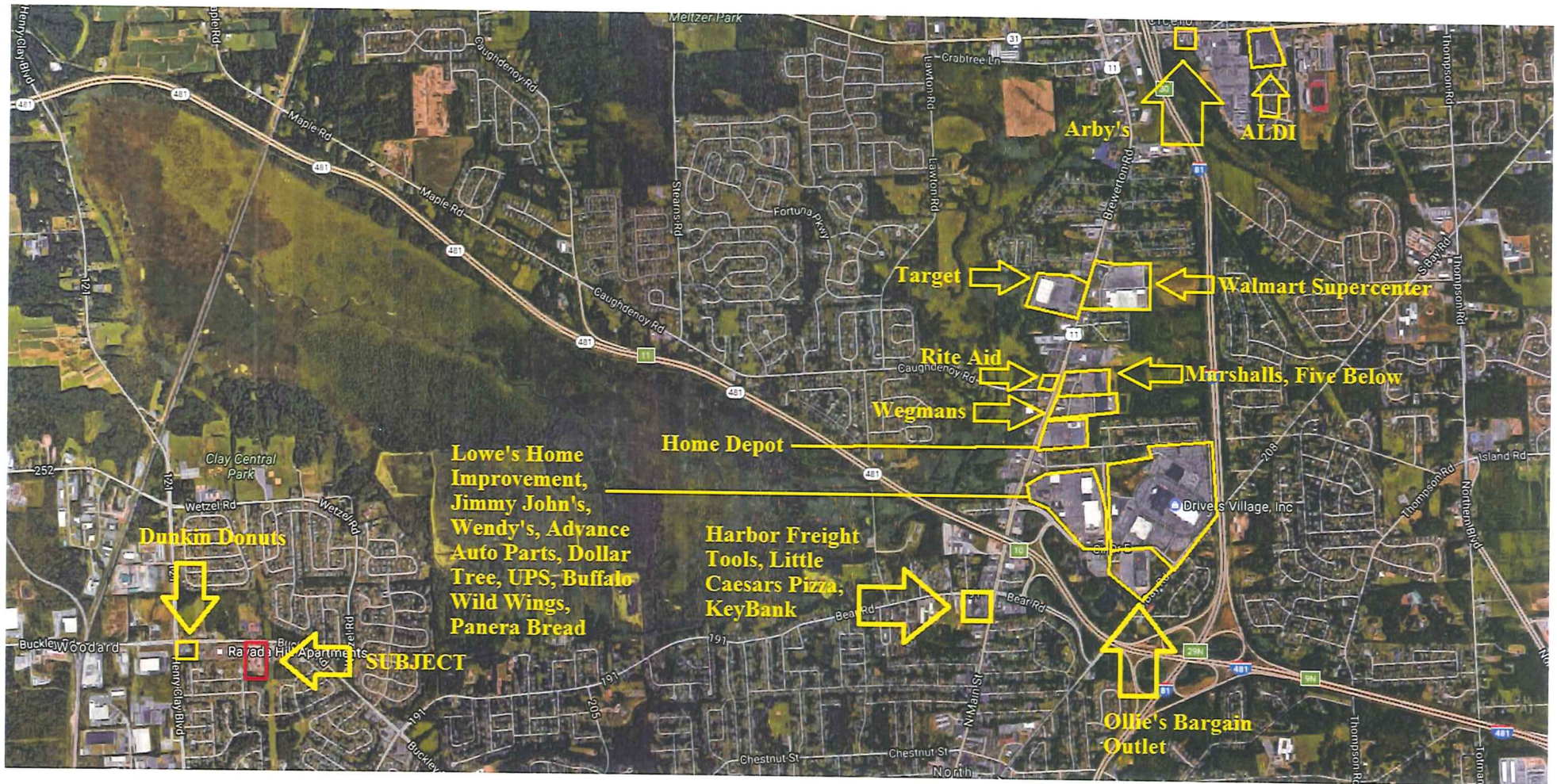


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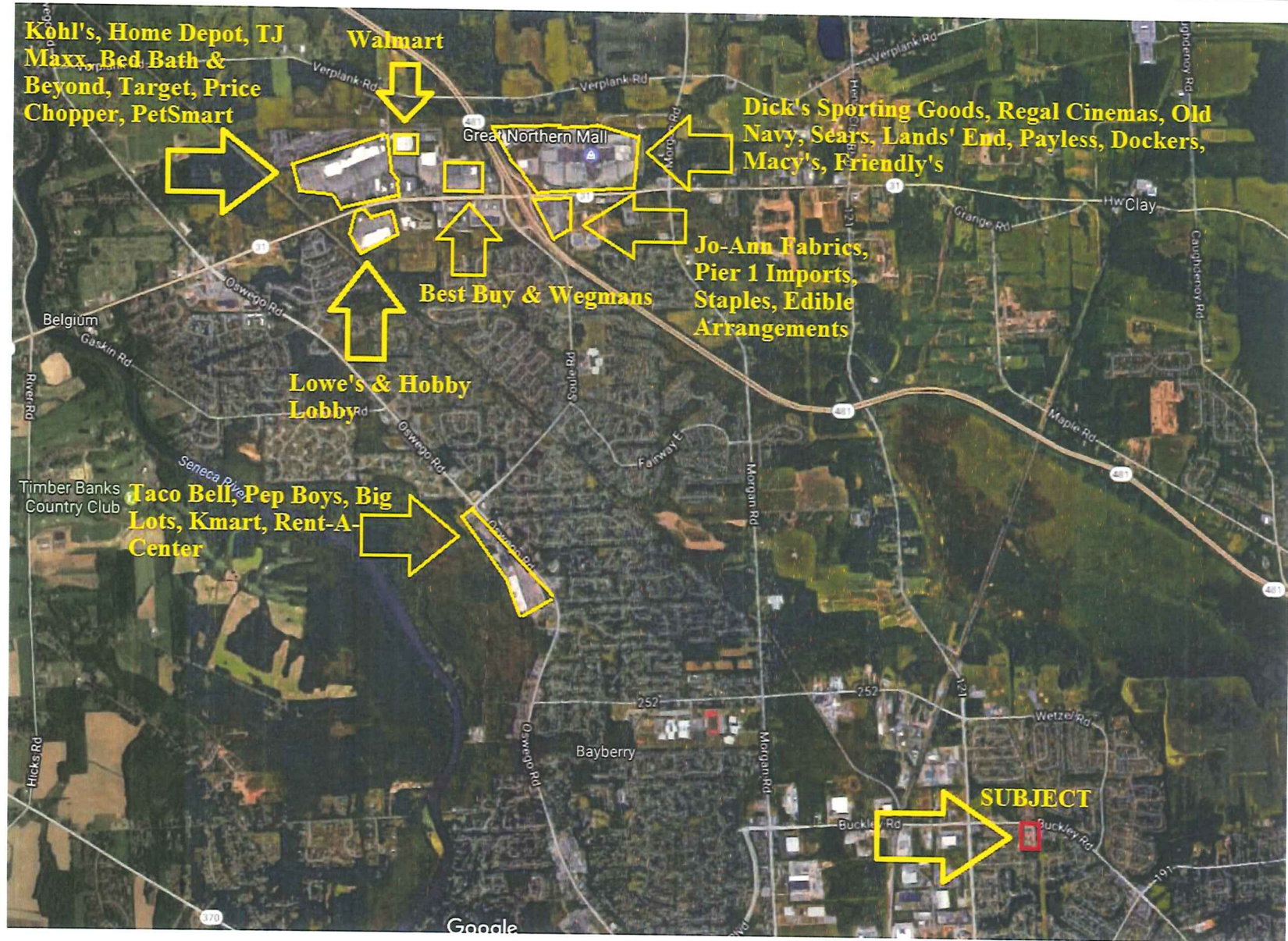
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