



THE HUDSON AT GEORGIA'S LANDING

**BUILT-FOR-RENT TOWNHOMES
GARNER, NC**

WEBINAR FEBRUARY 13, 2023



**HUDSON
CAPITAL
PROPERTIES**

Executive Summary

New Opportunity Zone Build-for-Rent townhome development in Garner, just south of downtown Raleigh, NC, one of the fastest growing markets in the country.

 RARE IN-DEMAND PRODUCT

 STRONG MARKET

 FUNDAMENTALS
COST-OVERRUN PROTECTION

 LOCAL EXPERTISE



Minimum Investment
\$25,000

Targeted Term (OZ)
10 Years

Targeted IRR/EM
12.2% / 2.5x

Sponsor Co-Invest
44.1%

Today's Speakers



**EDWARD B.
VINSON**
MANAGING DIRECTOR



**MATHIAS G.
LINDEN**
MANAGING DIRECTOR



**CHARLOTTE
WOLD**
DIRECTOR, INVESTOR
RELATIONS

Hudson Capital Properties



2009

Founded



NYC / Raleigh

Headquarters



+2B

Total Transaction Volume

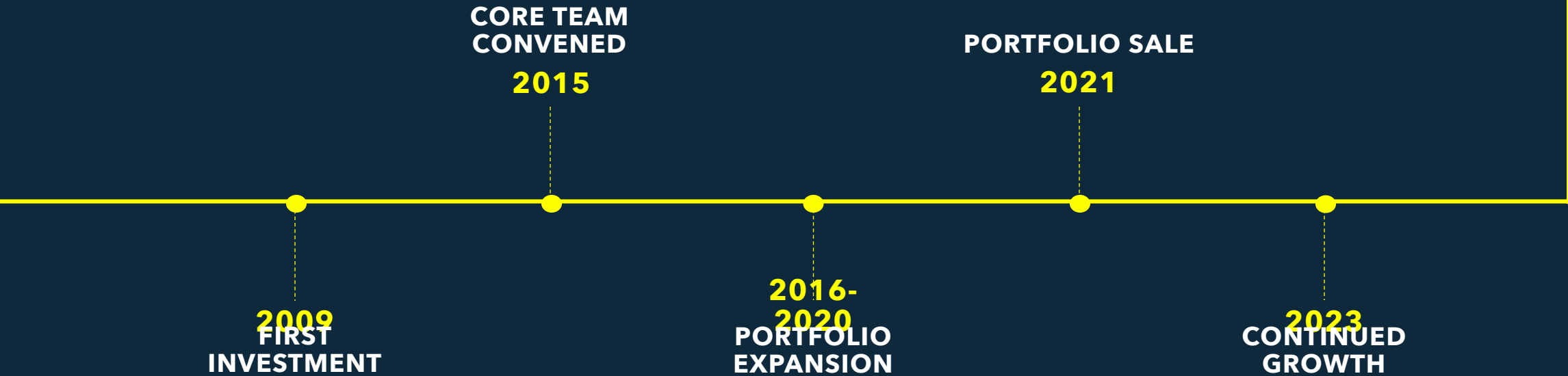


10,352

Total Units Developed/Owned



OUR HISTORY



Track Record At-A-Glance



21.6%

Average Net
IRR



3x

Average Net
Equity Multiple



63.2%

Average
Co-Invest



11+32

Total Current & Sold
Deals



Case Study: Hudson Ridge

Hold Period	4 Years
Units	434 (100 TH)
Market	Atlanta, GA
Strategy	Value-Add
Projected IRR/EM	12.39% / 1.69x
Realized IRR/EM	19.13% / 2.93x
Catalyst	Development of SunTrust Park



Case Study: Inspire at CG

Hold Period	2 Years
Units	194
Market	Myrtle Beach, SC
Strategy	Development
Projected IRR/EM	14.60% / 1.94x
Realized IRR/EM	26.08% / 1.57x
Catalyst	Active Adult Market Need



Market Overview

- Raleigh-Durham #6 Overall Real Estate Prospect in 2023 by ULI
- Corporate expansion and new business growth is fueled by a friendly business environment and a highly educated workforce
- Stable economic drivers:
 - State Capital
 - Three Nationally Ranked Universities
 - UNC Chapel Hill, Duke University, NC State
- Research Triangle Park
 - +250 businesses



93,204

3-Mile Population



14.2%

Projected 5-Year Population Growth



\$77,947

3-Mile Median Household Income



\$256,340

3-Mile Median Home Value



New to Market
3,000 new jobs
RTP/I-40 Corridor



New to Market
1,000 new jobs
Downtown Durham



Expansion
1,700 new jobs
RTP/I-40 Corridor



New to Market
725 new jobs
Southwest Wake County



New to Market
7,500 new jobs
Chatham County



New to Market
650 new jobs
RTP/I-40 Corridor



Expansion
500 new jobs
Downtown Raleigh



Expansion
500 new jobs
Garner



Expansion
235 new jobs
Lee County



Expansion
300 new jobs
RTP/I-40 Corridor



New to Market
374 new jobs
RTP/I-40 Corridor



Expansion
400 new jobs
Cary



New to Market
275 new jobs
Six Forks



New to Market
200 new jobs
RTP/I-40 Corridor



Expansion
100 new jobs
RTP/I-40 Corridor



New to Market
460 new jobs
RTP/I-40 Corridor



New to Market
335 new jobs
Holly Springs



New to Market
200 new jobs
Durham



New to Market
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New to Market
250 new jobs
Morrisville



Expansion
870 new jobs
RTP/I-40 Corridor



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590 new jobs
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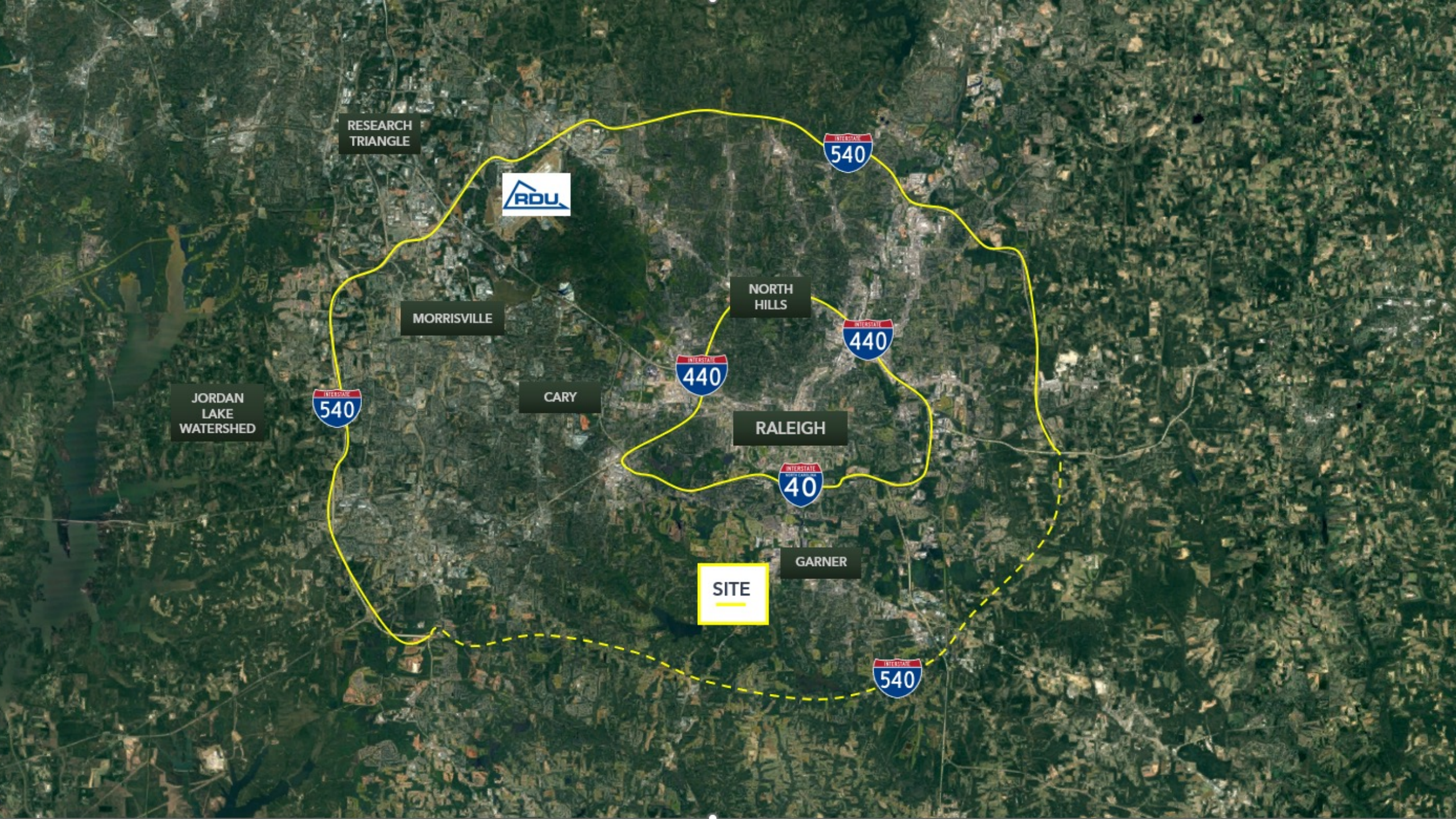
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RESEARCH TRIANGLE



MORRISVILLE

NORTH HILLS



JORDAN LAKE WATERSHED



CARY



RALEIGH



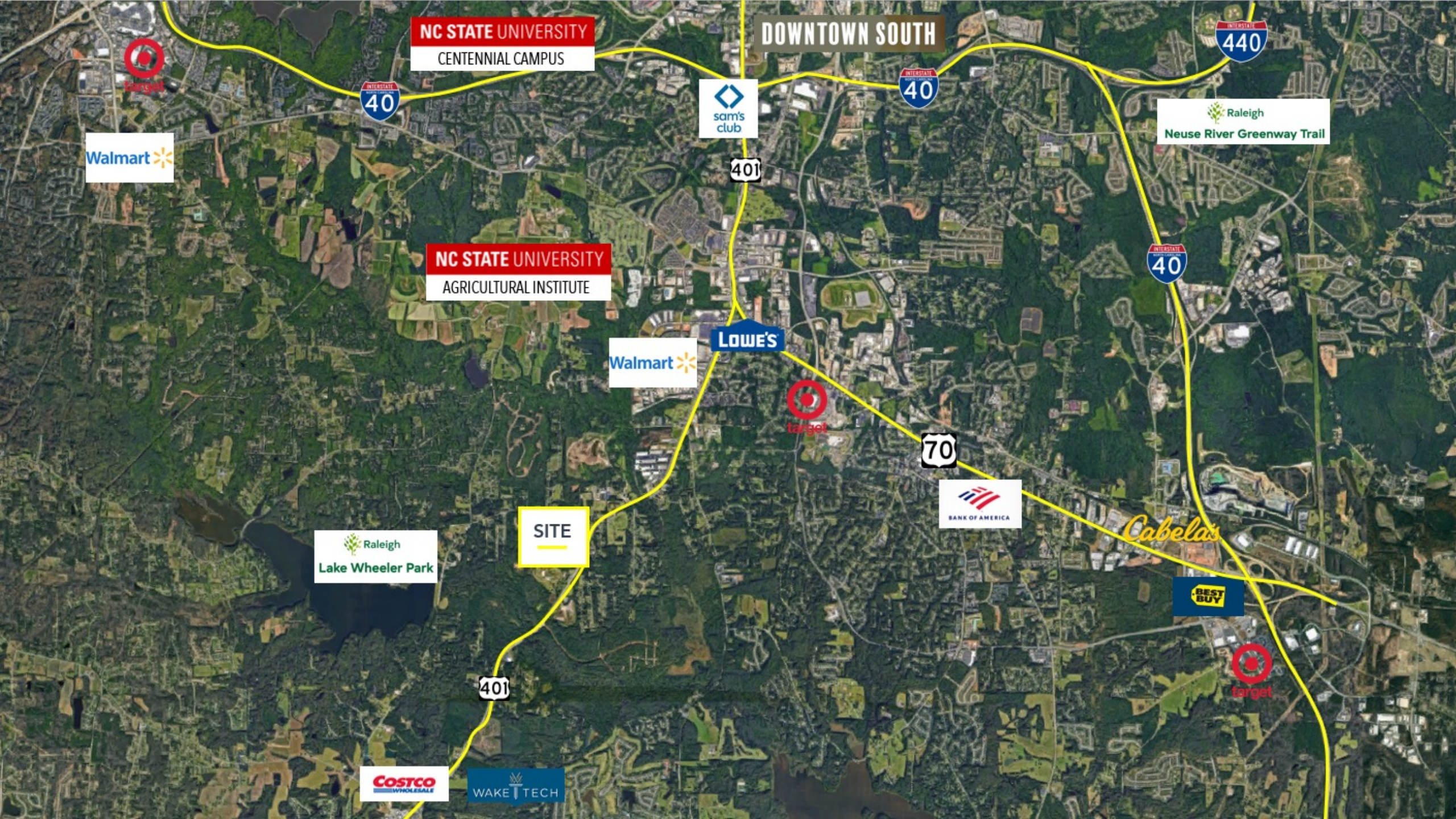
SITE

GARNER



Prime Location

- **The Town of Garner**
- **Great Connectivity**
- **Within the outer beltline of I-540 when complete**
- **Downtown South**
- **Lake Wheeler Park**
 - **Less than 2 miles away**
 - **Fishing, Sailing, Kayaking, Rowing, etc.**



NC STATE UNIVERSITY
CENTENNIAL CAMPUS

DOWNTOWN SOUTH



Raleigh
Neuse River Greenway Trail

Walmart

sam's club

NC STATE UNIVERSITY
AGRICULTURAL INSTITUTE

LOWE'S

Walmart



BANK OF AMERICA

Cabela's

SITE

Raleigh
Lake Wheeler Park

BEST BUY



COSTCO WHOLESALE

WAKE TECH

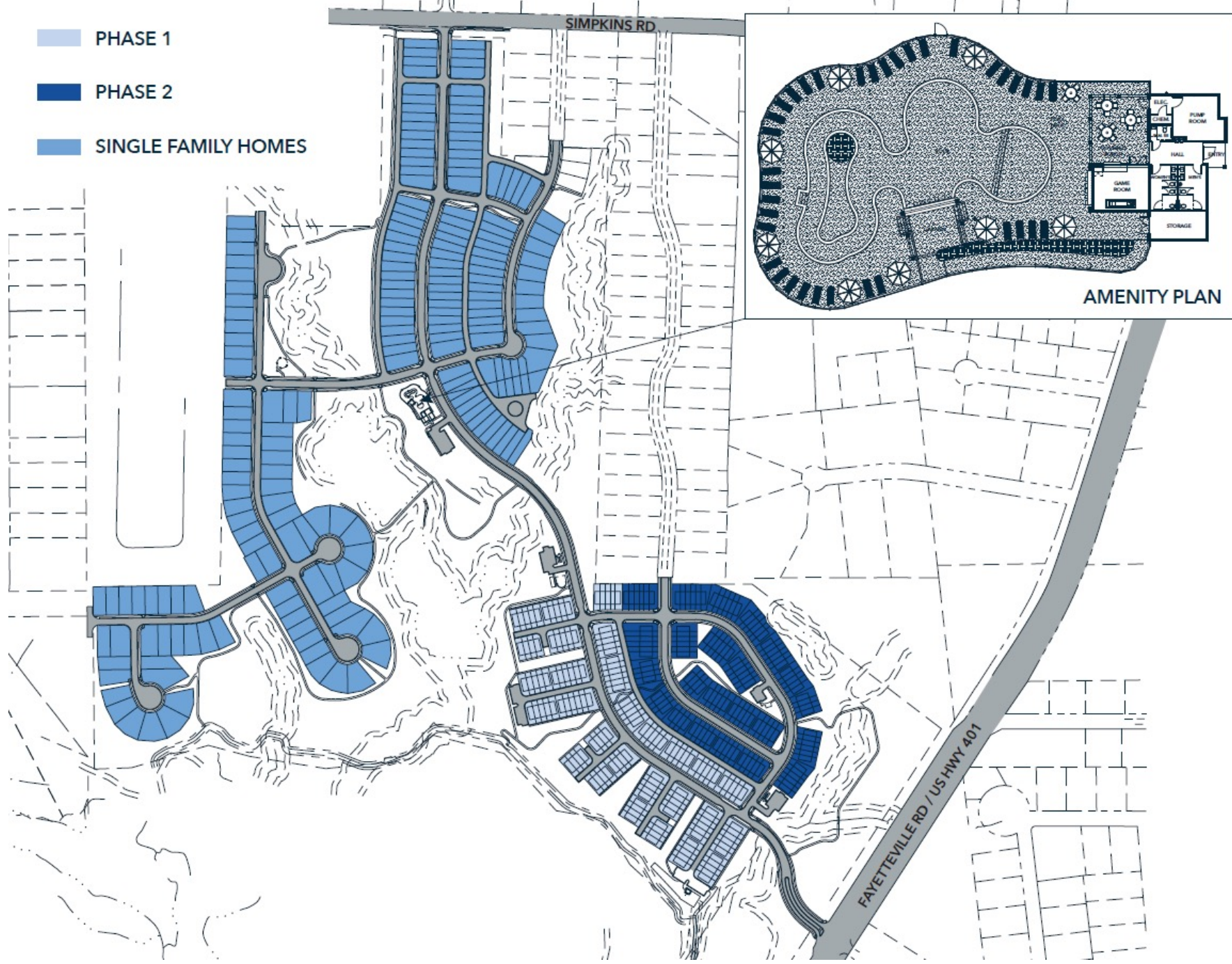
Project Details

- Sourced through long-term business relationships
 - Market fundamentals and micro location
 - Rare product type
 - Benefit of Master-Planned community
 - Two significant economic catalysts:
 - Construction of I-540 & Major job growth

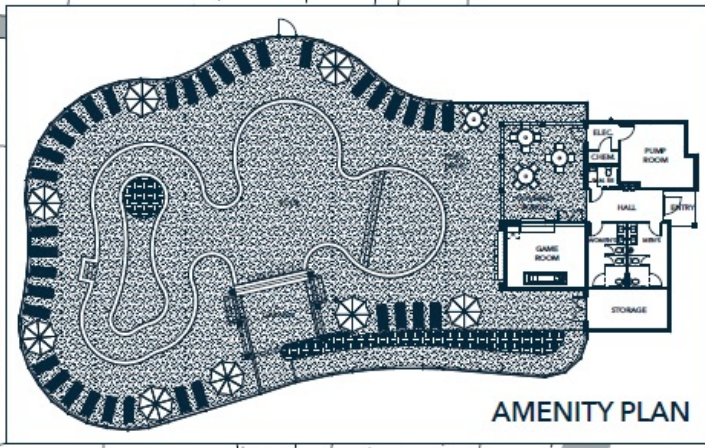
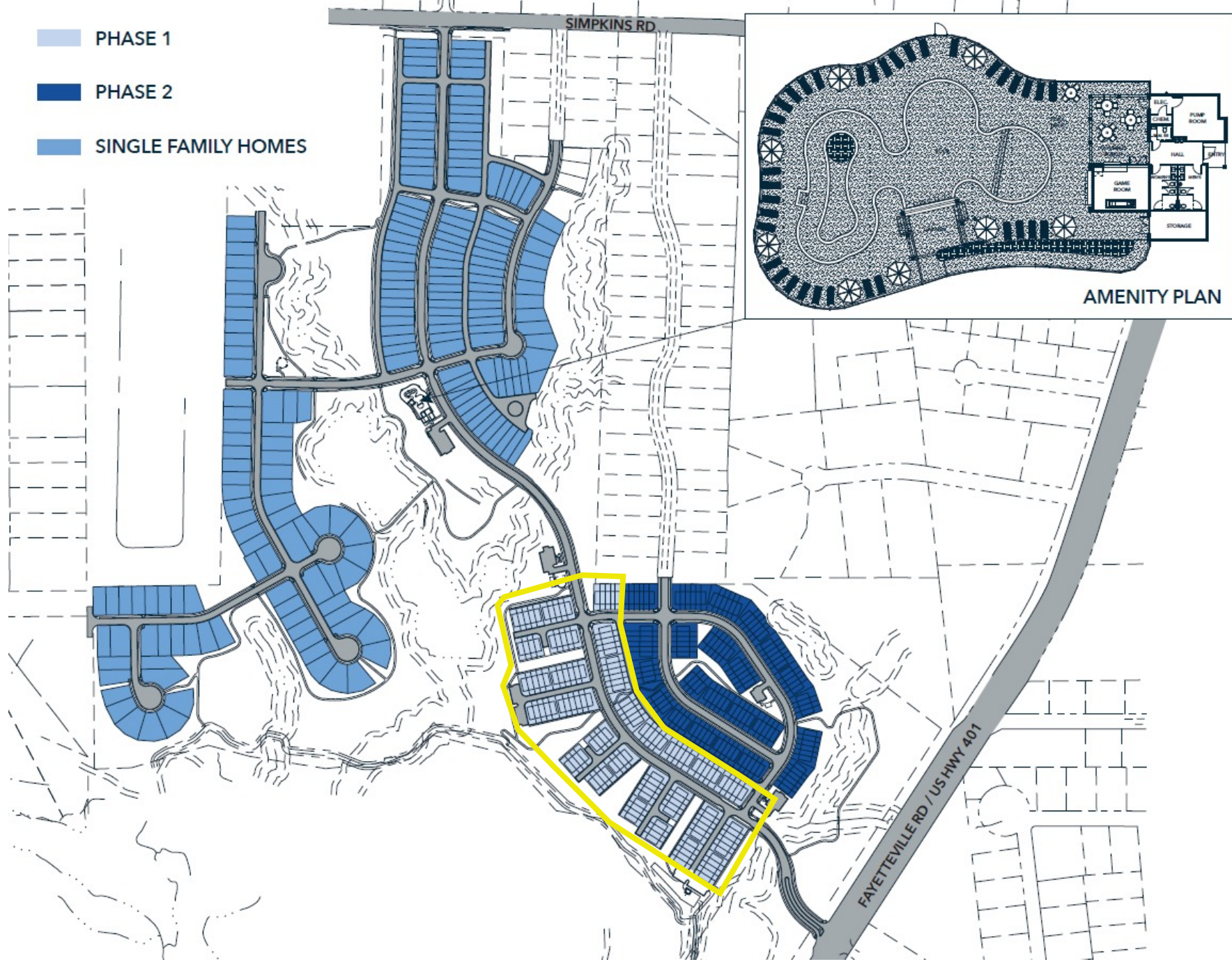
Units	138 Townhomes
Hold Period	10 Years
Market	Raleigh, NC
Construction Completion	2024



- PHASE 1
- PHASE 2
- SINGLE FAMILY HOMES



- PHASE 1
- PHASE 2
- SINGLE FAMILY HOMES





Unit Features

- 9 FT Ceilings
- Granite Countertops
- Stainless Steel Appliances
- Kitchen Cabinets w/Crown Molding
- Washer/Dryer
- LVP Flooring
- Garages w/Automatic Openers
- Fully Landscaped Lawns



Amenity Package

- **Clubhouse Featuring:**

- **Game Room**

- **Pool area Featuring:**

- **Lazy River**
- **Sunken Cabana with Built-In Swim-Up Seating**
- **Tanning Ledge**

- **Mini Parks On-Site Featuring:**

- **Dog Park**
- **Outdoor Fitness Pod**
- **Playground**
- **Trail System**













Underwriting Assumptions

	Hudson at Georgia's Landing	Competitors	Georgia's Landing Masterplan
Rent	\$2,711 Average Projected Rents	\$2,592 Average Rent Comps	\$3,874 Projected Ownership Payment
Sale	\$550,735 Projected Exit 2033	\$563,948 Average TH Comps Exit 2023	\$550,000 Projected Purchase Price 2024

Targeted Net IRR: 12.2%

Targeted Average CoC: 6.7%

Targeted Equity Multiple: 2.5x

Lease Comp: The Alston



	Georgia's Landing	The Alston
Asking Rents	\$2,711	\$2,628
Vintage	2024	2021
Location	Garner, NC	Fuquay-Varina, NC
Amenities	Pool with a lazy river, a tanning ledge and a sunken cabana with built-in swim-up seating; clubhouse with game room; dog park, outdoor fitness pod, playground and trail system	Pet friendly grounds and mail kiosks

Lease Comp: Bradford Apt. & TH

	Georgia's Landing	Bradford
Asking Rents	\$2,711	\$3,200
Vintage	2024	2014
Location	Garner, NC	Cary, NC
Amenities	Pool with a lazy river, a tanning ledge and a sunken cabana with built-in swim-up seating; clubhouse with game room; dog park, outdoor fitness pod, playground and trail system	Pool, Dog park, dog wash and bike storage, access to multifamily amenities



Sources & Uses

Uses	Amount	% of Total
Senior Debt	\$29,550,000	57.9%
Investor Equity	\$12,000,021	23.5%
Sponsor Equity	\$9,478,403	18.6%
Total Uses	\$51,028,424	100.0%

Uses	Amount	\$/Unit
Land	\$7,992,278	\$57,915
Closing Costs	\$650,000	\$4,710
Hard Costs	\$38,802,154	\$281,175
Soft Costs	\$2,638,222	\$19,052
Debt Financing Costs	\$292,075	\$2,116
Interest Reserves	\$136,606	\$990
Operating Shortfall	\$526,090	\$3,812
Total Uses	\$51,028,424	\$369,771

Distribution Waterfall

Tier	Hurdle Rate	Type	Investor	Sponsor
1	8%	IRR	100%	0%
2	14%	IRR	80%	20%
3	20%	IRR	70%	30%
4	+20%	IRR	50%	50%

*Sponsor will have a one-time option to calculate and crystalize the promote at the time of refinance based on the valuation determined by the lender

Investing Post-COVID

- **Hudson Owned & Operated Assets Through:**
 - **The Great Recession**
 - **COVID-19 Pandemic**
- **Raleigh's Recession Resilience**
 - **State Capital**
 - **Hospital Systems**
 - **University Systems**
- **BTR Viable Alternative to Both MF and SF**



Investment Highlights



RARE IN-DEMAND PRODUCT



STRONG MARKET



FUNDAMENTALS
COST-OVERRUN PROTECTION



LOCAL EXPERTISE



TAX ADVANTAGED

OPPORTUNITY ZONE



SPONSOR CO-INVEST: 44.1%



MAJOR ECONOMIC CATALYSTS



SITE WORK IS 98% COMPLETE

THE HUDSON AT GEORGIA'S LANDING

QUESTIONS?



HUDSON
CAPITAL
PROPERTIES

