

CONFIDENTIAL
OFFERING MEMORANDUM



MULTI-FAMILY DEVELOPMENT

2101-09 E Westmoreland Street, Philadelphia, PA



DISCLAIMER

The information contained in this Offering Memorandum is proprietary and strictly confidential. It is furnished solely for the purpose of review by a prospective purchaser of the Subject Property and is not to be used for any other purposes or made available to any person without the expressed written consent of the Seller or Binswanger.

The information in this prospectus has been compiled from sources deemed to be reliable. However, neither the information nor the reliability of their sources are guaranteed by Binswanger or the Seller. Neither Binswanger nor the Seller have verified, and will not verify, any of the information contained herein. Neither Binswanger nor the Seller makes any representation or warranty whatsoever regarding the accuracy or completeness of the information provided herein.

A prospective purchaser must make its own independent investigations, projections, and conclusions regarding the acquisition of the Property without reliance on this or any other confidential information, written or verbal, from Binswanger or the Seller.

This Confidential Offering Memorandum does not constitute an offer to accept any investment proposal but is merely a solicitation of interest with respect to the investment described herein. This Confidential Offering Memorandum does not constitute an offer of security.

Prospective purchasers are recommended to seek professional advice. This includes legal, tax, environmental, engineering and others as deemed necessary relative to a purchase of this Property. All the information is also subject to market conditions and the state of the economy, especially the economy as it relates to real estate is subject to volatility. The Owner (Seller) expressly reserves the right, at its sole discretion, to reject any offer to purchase the Property or to terminate any negotiations with any party, at any time, with or without written notice. The Seller and Binswanger reserve the right to negotiate with one or more prospective purchasers at any time.

Only a fully executed Real Estate Purchase Agreement, approved by the Seller, shall bind the property. A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or the information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in a fully-executed Real Estate Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against the Seller or Binswanger or any of their affiliates, officers, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

Each prospective purchaser and/or broker proceeds at their own risk.



TABLE OF CONTENTS

Investment Highlights	4
Market Overview.....	5
Property Overview	10
Bid Instructions	32
Contact	33



INVESTMENT HIGHLIGHTS

Approvals and Plans

- Developer has secured all necessary civil engineering and architectural plan approvals to commence construction for 59-units. Geotechnical and environment reports available.

Tax Abatement

- 24-Month Builder Abatement Remaining
- 10-year Tax Abatement in Place (100% for 10 years)

Gentrifying Area

- Development is continuing to push further north from Northern Liberties, Fishtown and Olde Kensington, into Harrowgate.

INVESTMENT OVERVIEW

- Binswanger is pleased to offer the opportunity to acquire 2101-09 E Westmoreland. The Property is comprised of 19,166 SF of ground zoned ICMX in the Harrowgate neighborhood of Philadelphia.
- Approvals are in place for two buildings that form the Project.
- Building #1: +/- 42,825 SF of 48 market rate units and 18 parking spaces
Building #1 Leasable SF: 33,519 SF
- Building #2: +/- 12,033 SF of 11 market rate units
Building #2 Leasable SF: 9,137 SF

The Project presents new ownership with a significant opportunity to develop a Class “A” apartment building in the Harrowgate neighborhood. This area is characterized by its proximity to Interstate-95, Center City, and New Jersey.

2101-09 E Westmoreland represents a rare opportunity to develop a marquee Project in a gentrifying neighborhood. The Project is offered with all zoning and plans in place allowing new ownership to commence construction obtaining Philadelphia’s attractive 10-year tax abatement while taking advantage of the 24-month builder abatement.

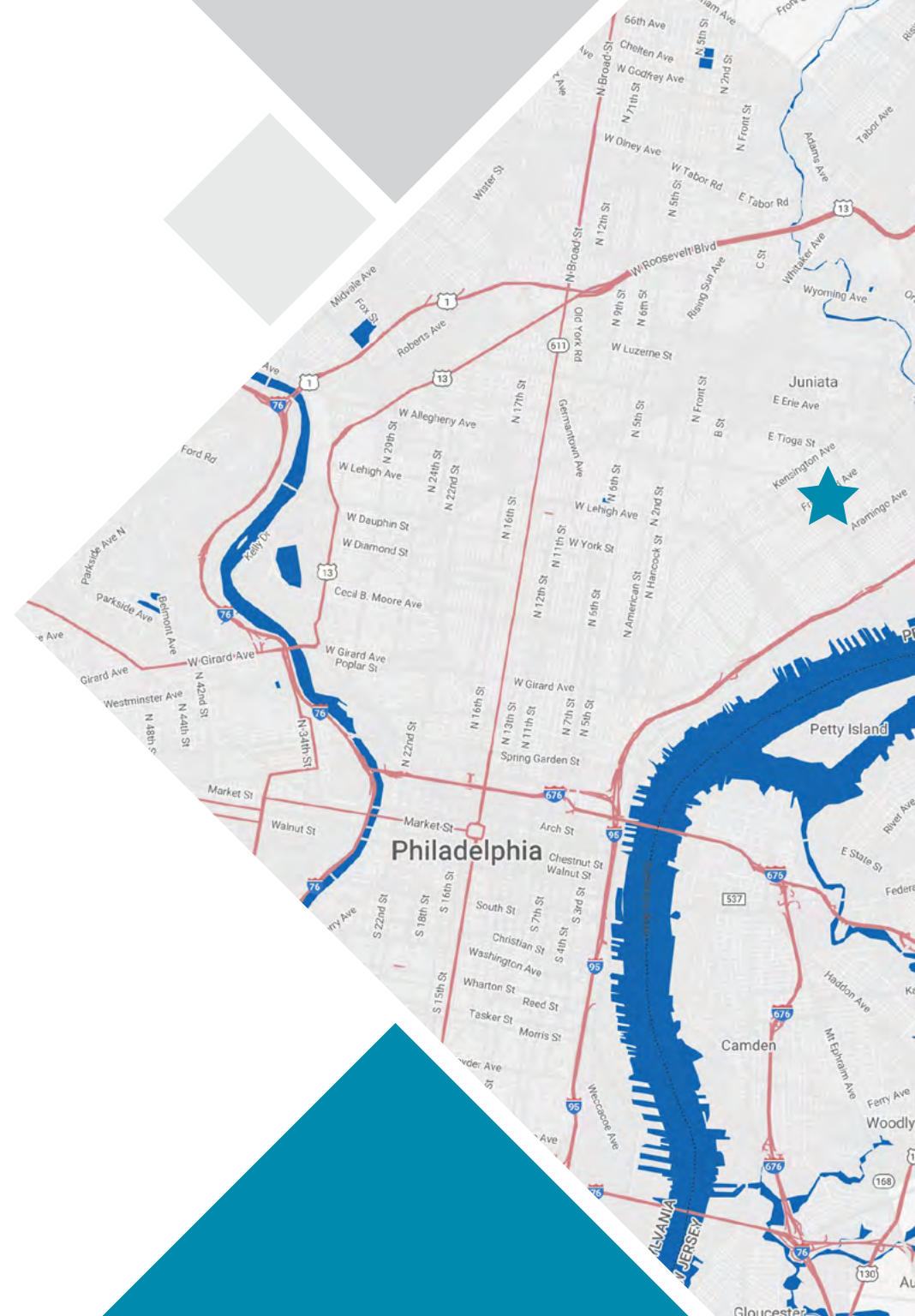
PROPERTY ACCESS

HIGHWAYS

E Westmoreland Street has prompt access to:

- **I-95 (Delaware Expressway)** is the primary north-south artery extending along the East Coast.
- **I-676 (Vine Street Expressway)** is a connector highway through Center City Philadelphia connecting I-76 with I-95 and the Ben Franklin Bridge.
- **I-76 (Schuylkill Expressway)** is an east-west highway connecting Center City/Southwest Philadelphia with the northwestern suburbs out to King of Prussia.
- **New Jersey Turnpike** is a north-south toll road traversing the State connecting highways in New York to the north and Wilmington to the south.
- **I-476 (Blue Route)** is a western suburban beltway connecting I-95 and I-76, and it also serves as the Northeast Extension of the Pennsylvania Turnpike.
- **I-276 (Pennsylvania Turnpike)** is an east-west toll road traversing the State connecting highways in New Jersey to the east and Ohio to the west.

Cross-state access between Pennsylvania and New Jersey in the Philadelphia area includes the Walt Whitman Bridge, Benjamin Franklin Bridge, Tacony-Palmyra Bridge, Burlington-Bristol Bridge, Commodore Barry Bridge, and the Betsy Ross Bridge. All of the bridges provide convenient access to I-95 and I-295 (the NJ Turnpike) in the Philadelphia area and to destinations in Southern New Jersey.





HARROWGATE OVERVIEW

Harrowgate is an up-and-coming artistic neighborhood in Philadelphia that offers unique rentals, partially due to the spacious studio and loft apartments available. There are also several affordable and modern projects for rent in town that attract young families and young professionals. You'll find locals heading down Frankford Avenue to the artistic Fishtown neighborhood which is full of craft breweries and charming pubs. Check out Philadelphia Brewing Company or Memphis Taproom for some local brews. Try a cheese pie at Pizza Brain, which doubles as the nation's only pizza museum, or chow down on bratwurst at Frankford Hall, a large, indoor German beer garden.

There are several stops on the area's commuter rail line leading into Harrowgate, as well as plenty of bus routes to get to Center City, making this neighborhood a more affordable yet convenient option for in-city living.



Population
27,071



Median
Home Value
\$187,436



Median Rent
\$1,700



WalkScore
80 out of 100



Transit Score
60 out of 100



Bike Score
74 out of 100

NORTH PHILADELPHIA OVERVIEW

North Philadelphia is a large, bustling district of Philadelphia, Pennsylvania. Friendly for all ages, North Philly offers a multitude of incredible amenities and close proximity to City Center, the University of Pennsylvania, and the Philadelphia International Airport. On the coast of the Delaware River, North Philly is next door to Fairmount Park, a massive, historic park with walking trails, sports fields, gardens, reservoir, and more.

More affordable than downtown Philadelphia, North Philly offers great apartments and condos for rent with a variety of options to choose from. This neighborhood is zoned into the School District of Philadelphia for public schools and houses Temple University.

Entertainment venues and local restaurants thrive in North Philly. Check out Brewerytown Taproom on North 32nd Street for American eats paired with small batch beers from local breweries. Enjoy fire pits, outdoor seating, indoor bar, bar games, and the perfect place to get together with friends at Frankford Hall, a German Beer Garden that's both edgy and charming. Visit the Fillmore Philly, an iconic music venue with great shows, or Rivers Casino complete with 24/7 slots, live shows, restaurants, and bars.



REGIONAL OVERVIEW

ABOUT THE REGION

Philadelphia is the sixth-largest city nationwide. Philadelphia encompasses 135.1 square miles at the confluence of the Delaware and Schuylkill Rivers and is located 100 miles south of New York and 110 miles north of Washington, D.C. The Philadelphia Metropolitan Statistical Area (MSA) consists of the City of Philadelphia and the eight surrounding counties of Bucks, Chester, Delaware, and Montgomery in Pennsylvania and Burlington, Camden, and Gloucester Counties in New Jersey. As an urban region, the Philadelphia Metropolitan Statistical Area has the nation's fourth-largest GDP, at \$432 billion.

It is also the third most populous downtown among all U.S. cities. As one of the most visited U.S. cities in the country - in 2019 a record 46 million people visited the seven-county region. Home to world-renowned museums, parks and historic landmarks, and virtually unlimited theater, arts and entertainment options, there is no shortage of reasons why Philadelphia is thriving.



5,400,000

Philadelphia Region
Population



4th Largest

Metro GDP in the Nation



3rd Most

Populous Downtown



AERIAL VIEW

Harrowgate

★ **Property**

Port Richmond

Betsy Ross Bridge



North Philadelphia



THE PIAZZA



OTHER HALF

Penn Treaty Park



University City

Center City

Ben Franklin Bridge

Pennsauken

PROPERTY OVERVIEW

PARCEL SIZE

- 19,166 SF

SUBMARKET

- Harrowgate

SCHOOL DISTRICT

- City of Philadelphia

TAX PARCEL

- 884201435

ZONING

- ICMX (Industrial Commercial Mixed-Use)

DESCRIPTION

- Industrial/Light Manufacturing Facility

NUMBER OF BUILDINGS

- 2

IMPROVEMENT AREA

- +/- 20,896 SF

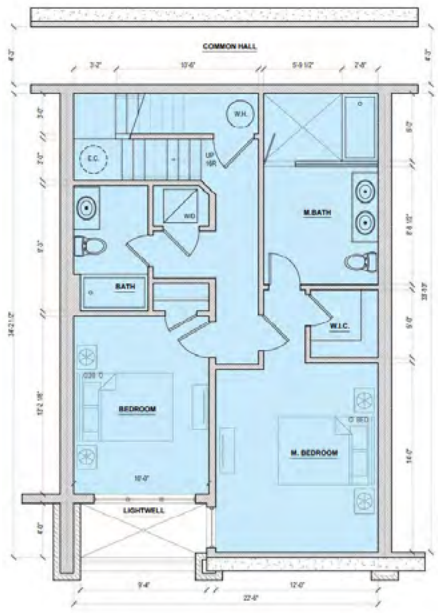
NUMBER OF STORIES

- 4

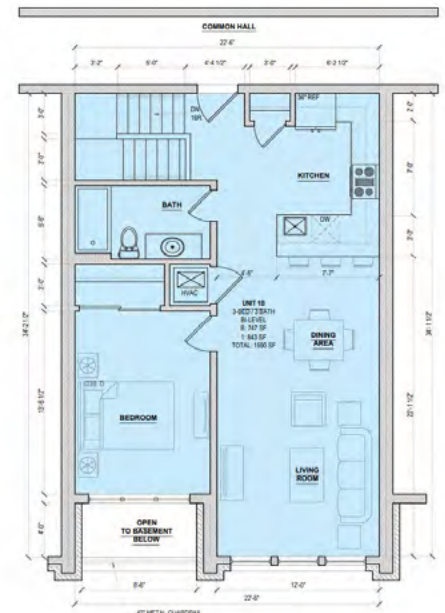


PROPOSED FLOOR PLANS

BUILDING 1



1 UNIT 10, LOWER
134' x 120'



2 UNIT 10, UPPER
134' x 120'



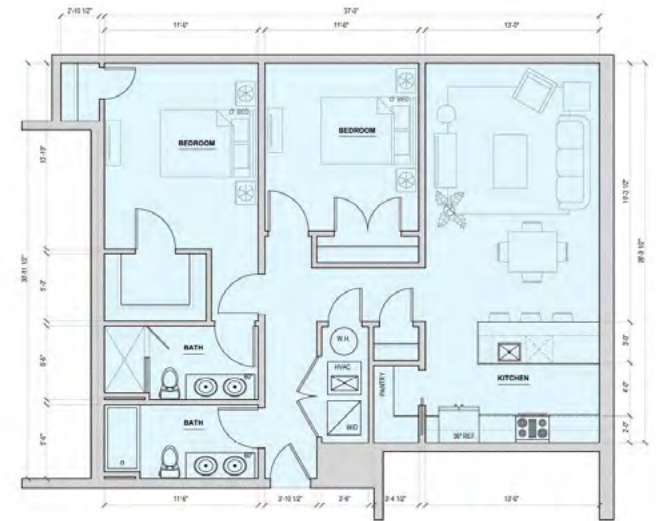
3 UNIT 5A
114' x 120'



4 UNIT 5B
134' x 120'

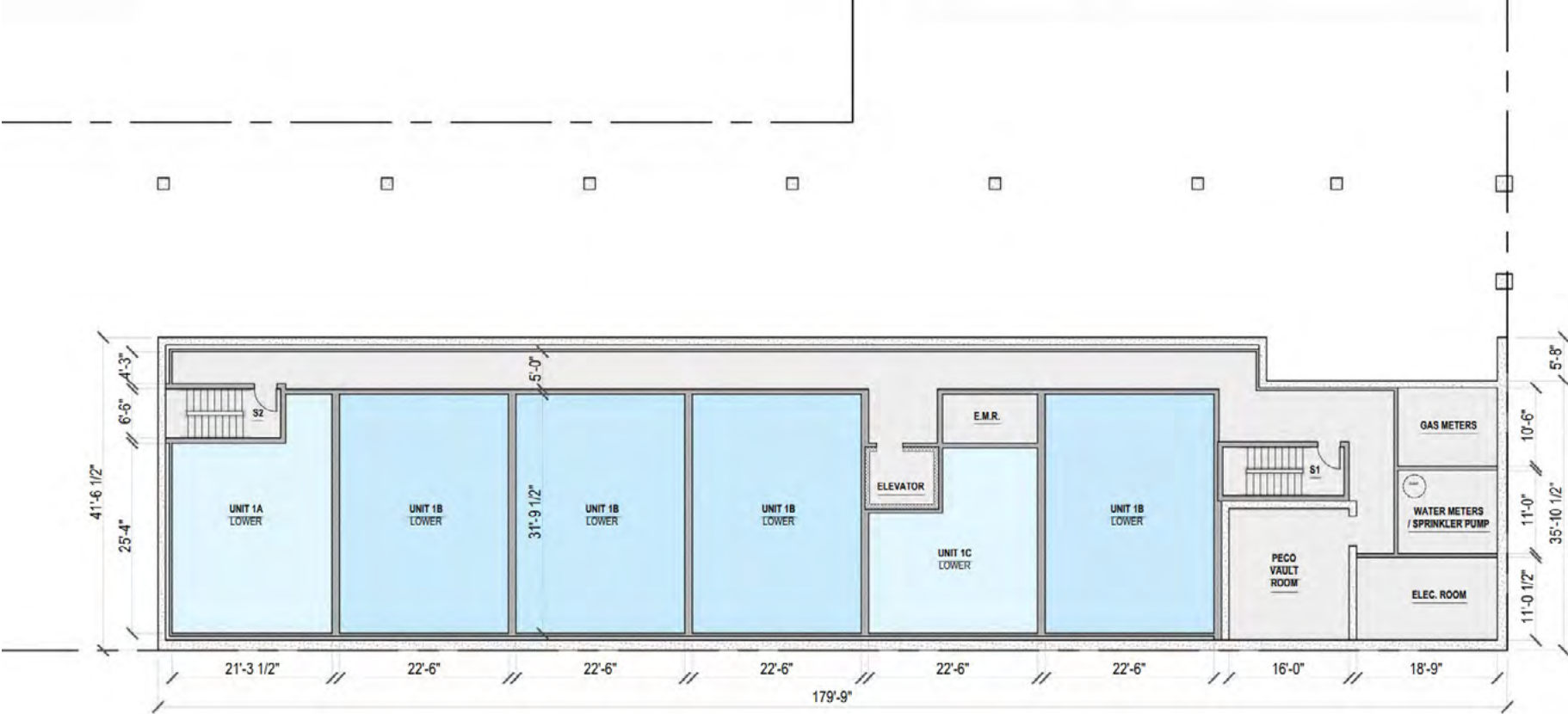
PROPOSED FLOOR PLANS

BUILDING 1



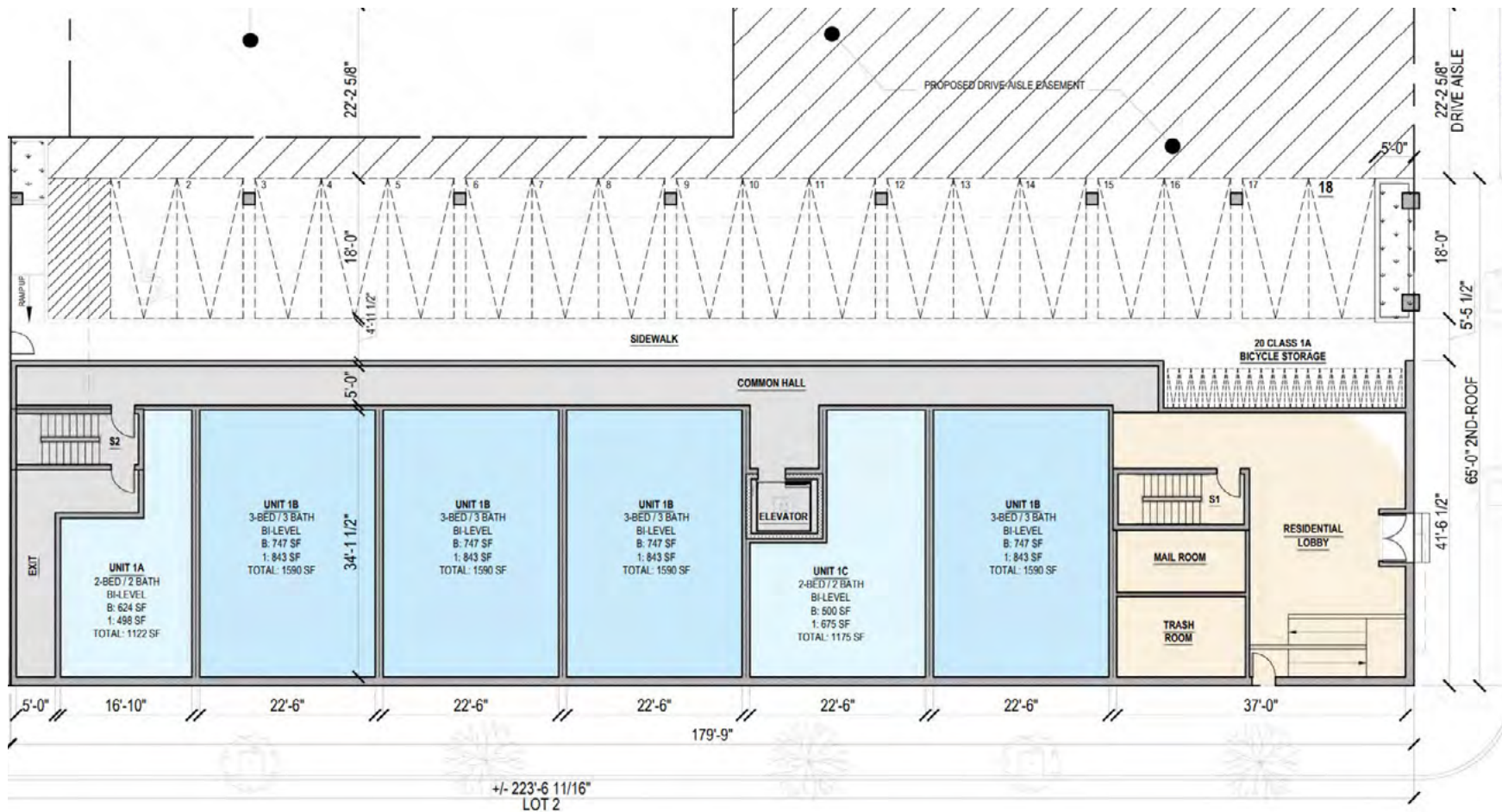
PROPOSED FLOOR PLANS

BUILDING 1



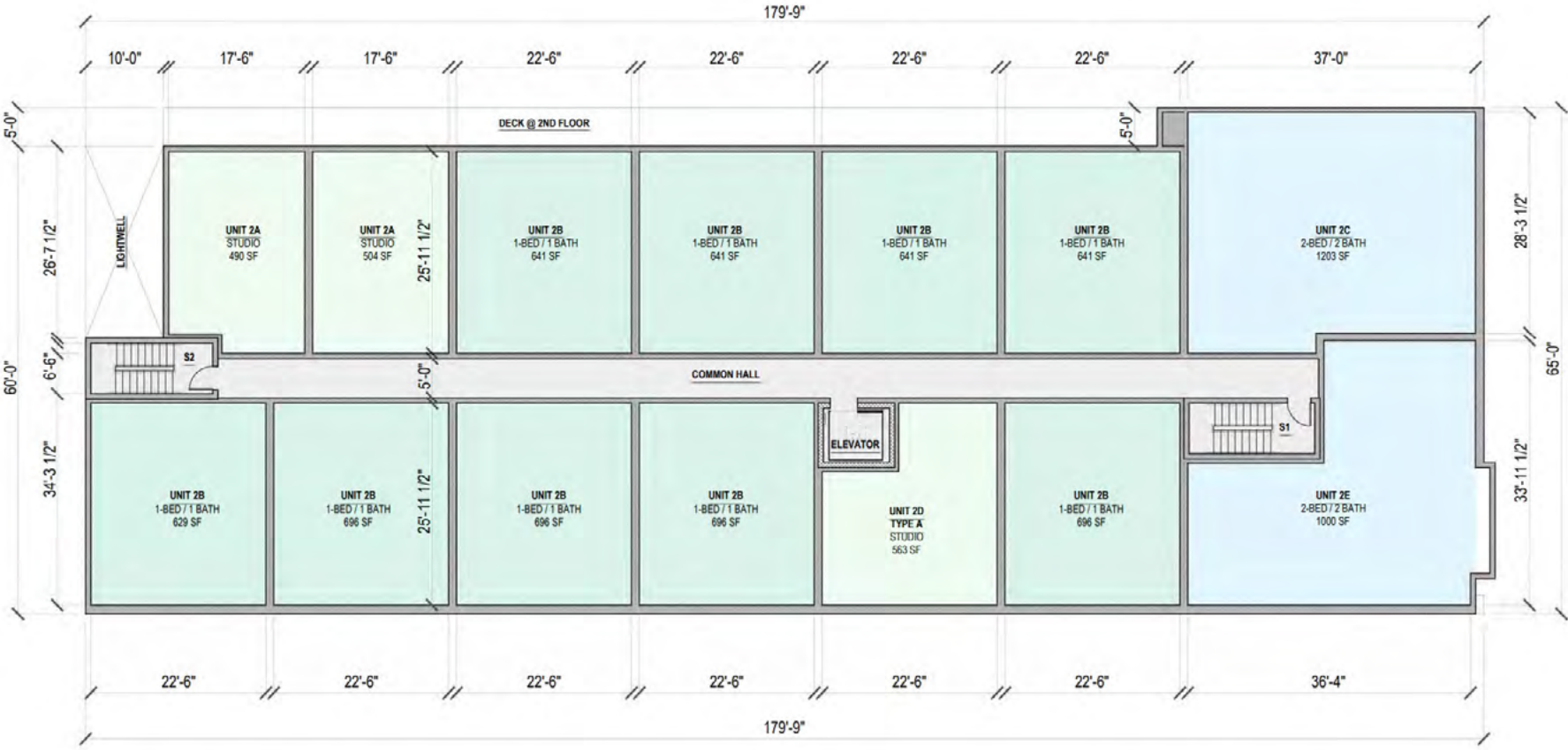
PROPOSED FLOOR PLANS

BUILDING 1



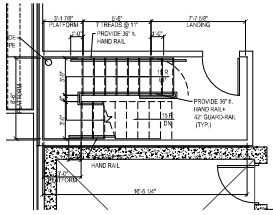
PROPOSED FLOOR PLANS

BUILDING 1

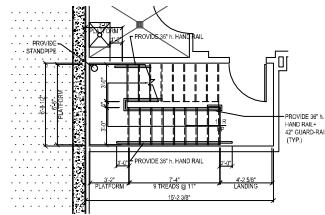


PROPOSED FLOOR PLANS

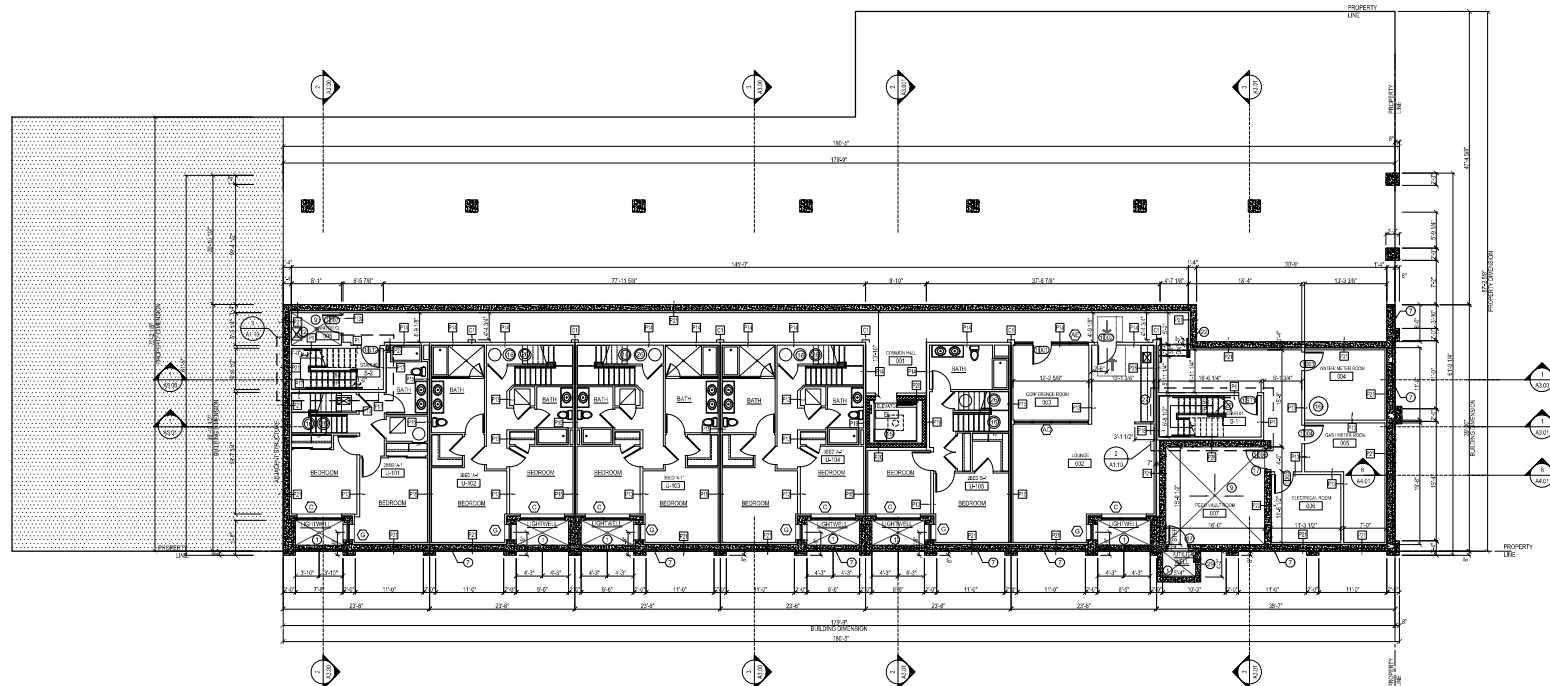
BUILDING 1



2 BASEMENT - STAIR #1 ENLARGEMENT
A1.10 1/4" = 1'-0"



3 BASEMENT - STAIR #2 ENLARGEMENT
A1.10 1/4" = 1'-0"

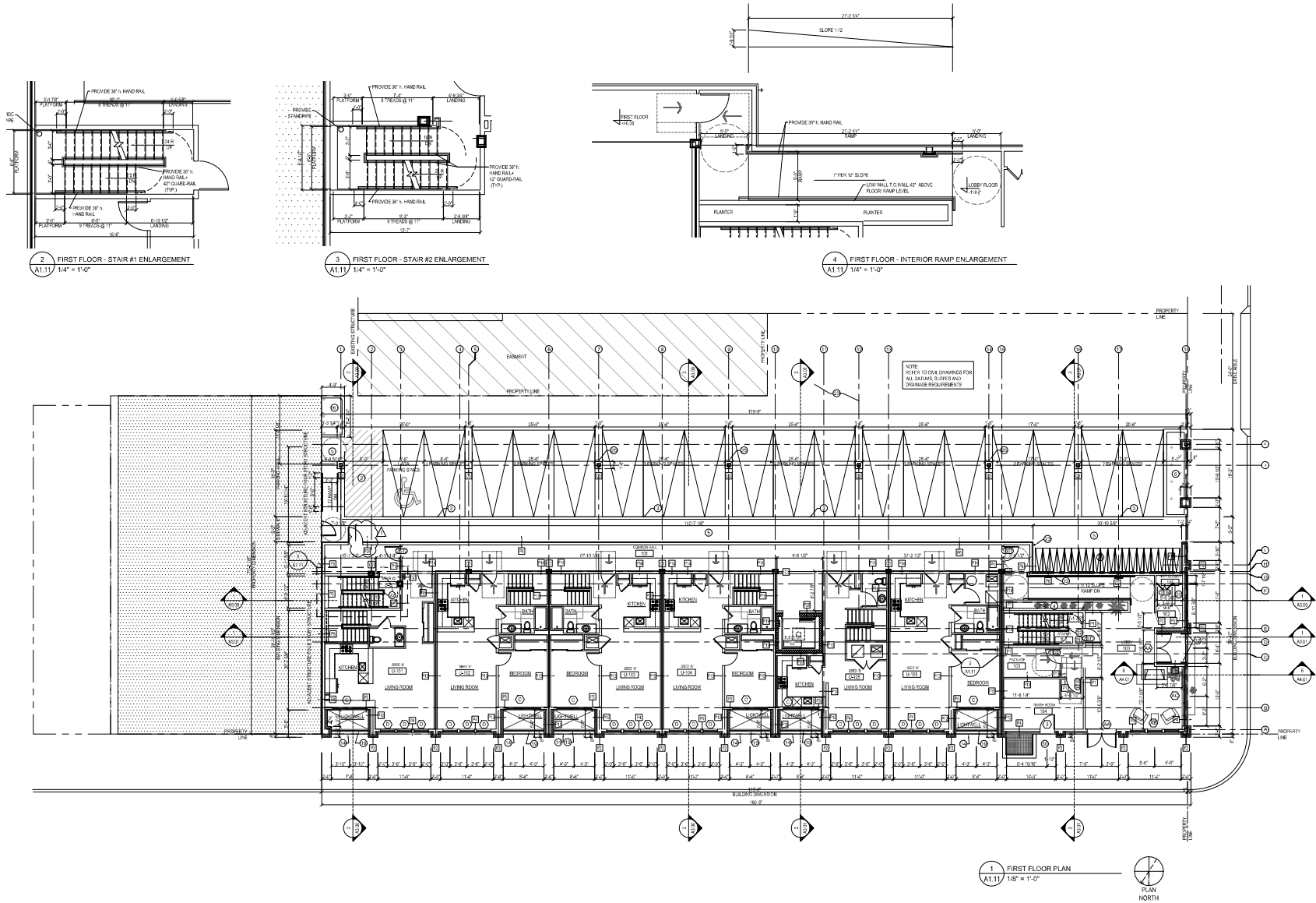


1 BASEMENT FLOOR PLAN
A1.10 1/8" = 1'-0"



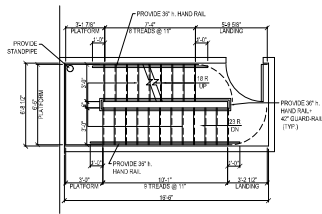
PROPOSED FLOOR PLANS

BUILDING 1

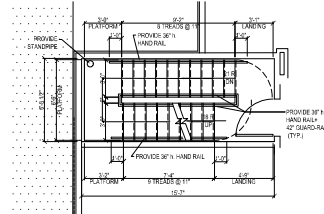


PROPOSED FLOOR PLANS

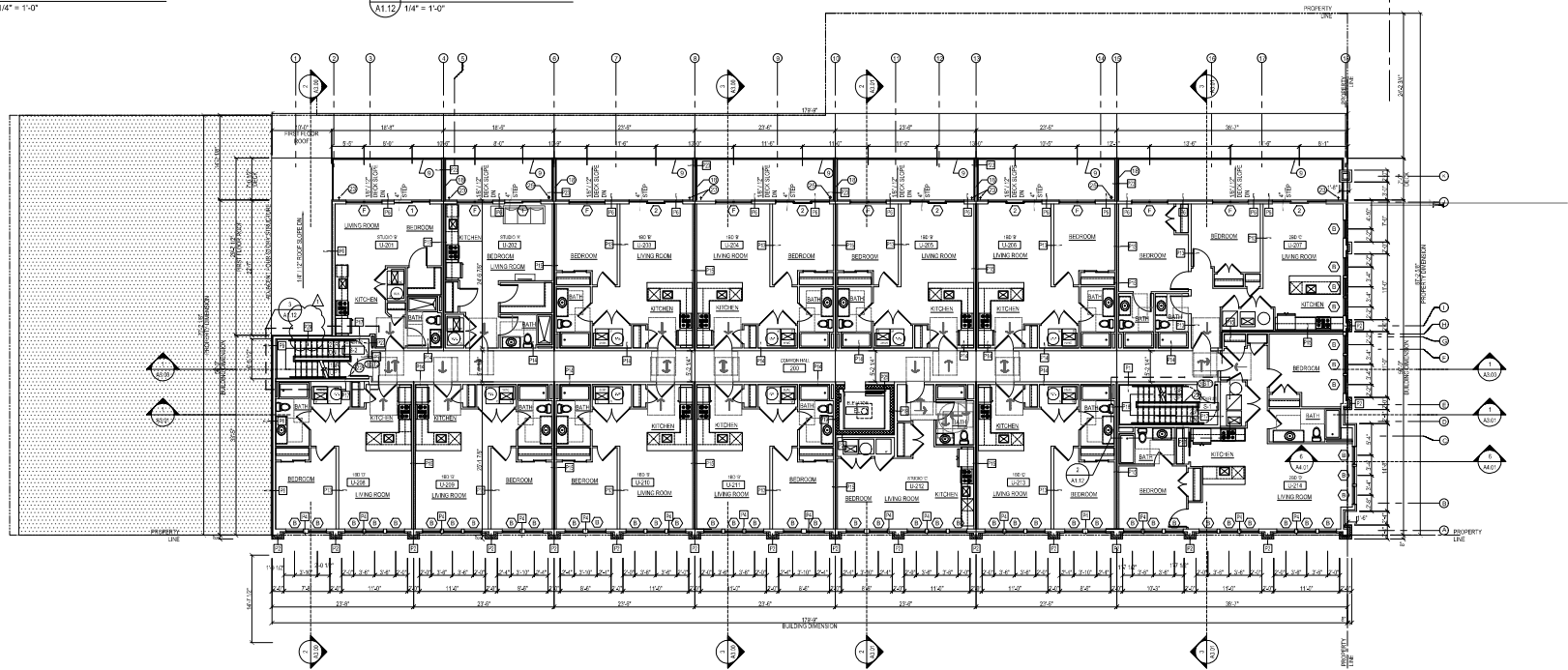
BUILDING 1



2 SECOND FLOOR - STAIR #1 ENLARGEMENT
A1.12 1/4" = 1'-0"



3 SECOND FLOOR - STAIR #2 ENLARGEMENT
A1.12 1/4" = 1'-0"

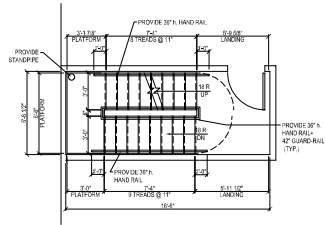


1 SECOND FLOOR PLAN
A1.12 1/8" = 1'-0"

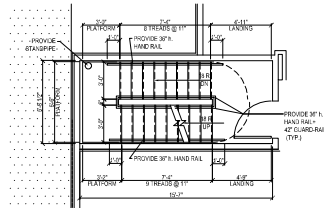


PROPOSED FLOOR PLANS

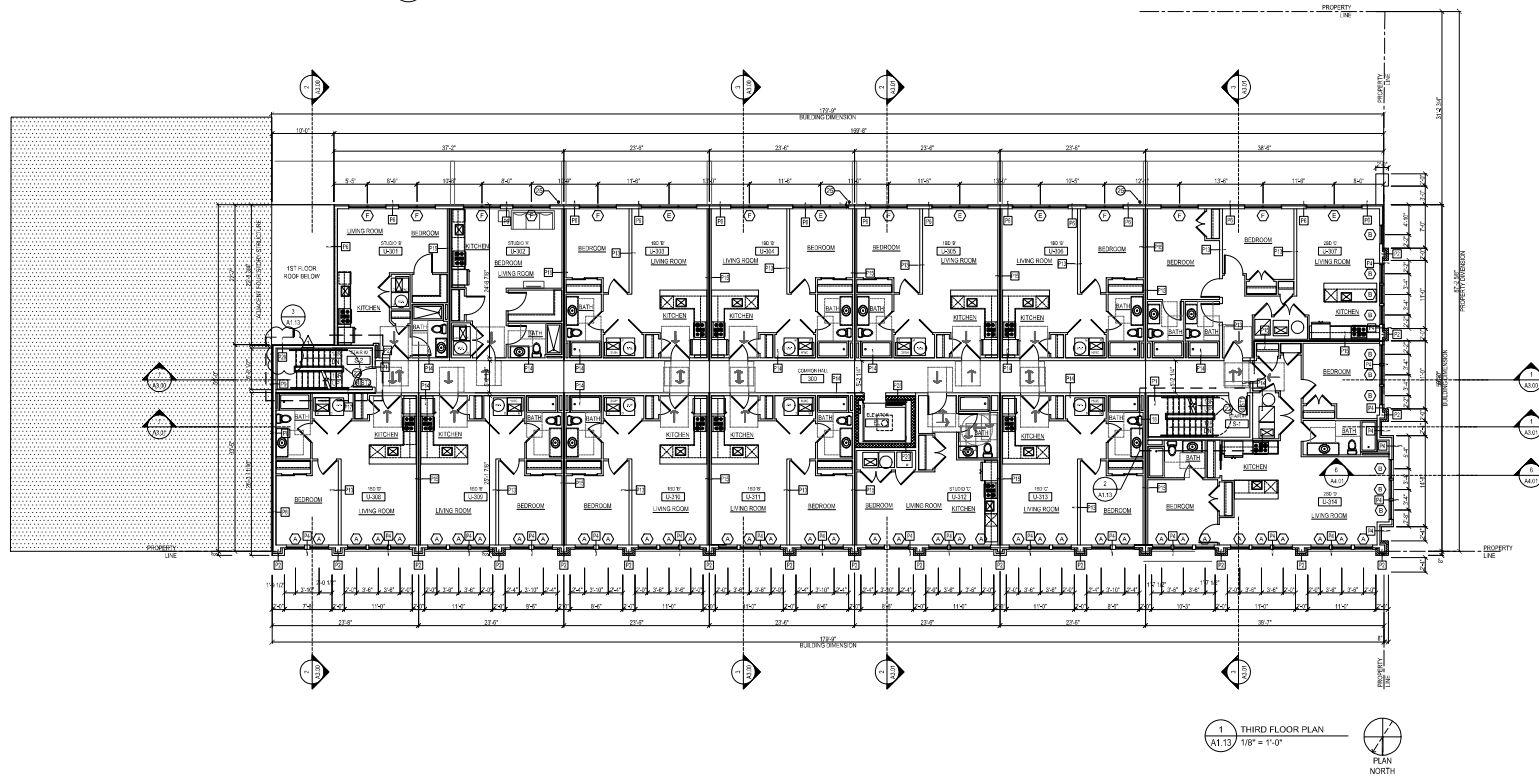
BUILDING 1



2 THIRD FLOOR - STAIR #1 ENLARGEMENT
AT.13 1/4" = 1'-0"

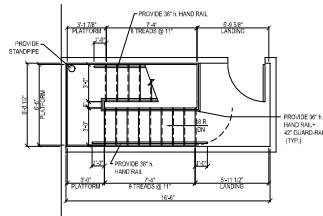


3 THIRD FLOOR - STAIR #2 ENLARGEMENT
AT.13 1/4" = 1'-0"

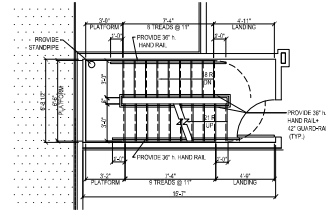


PROPOSED FLOOR PLANS

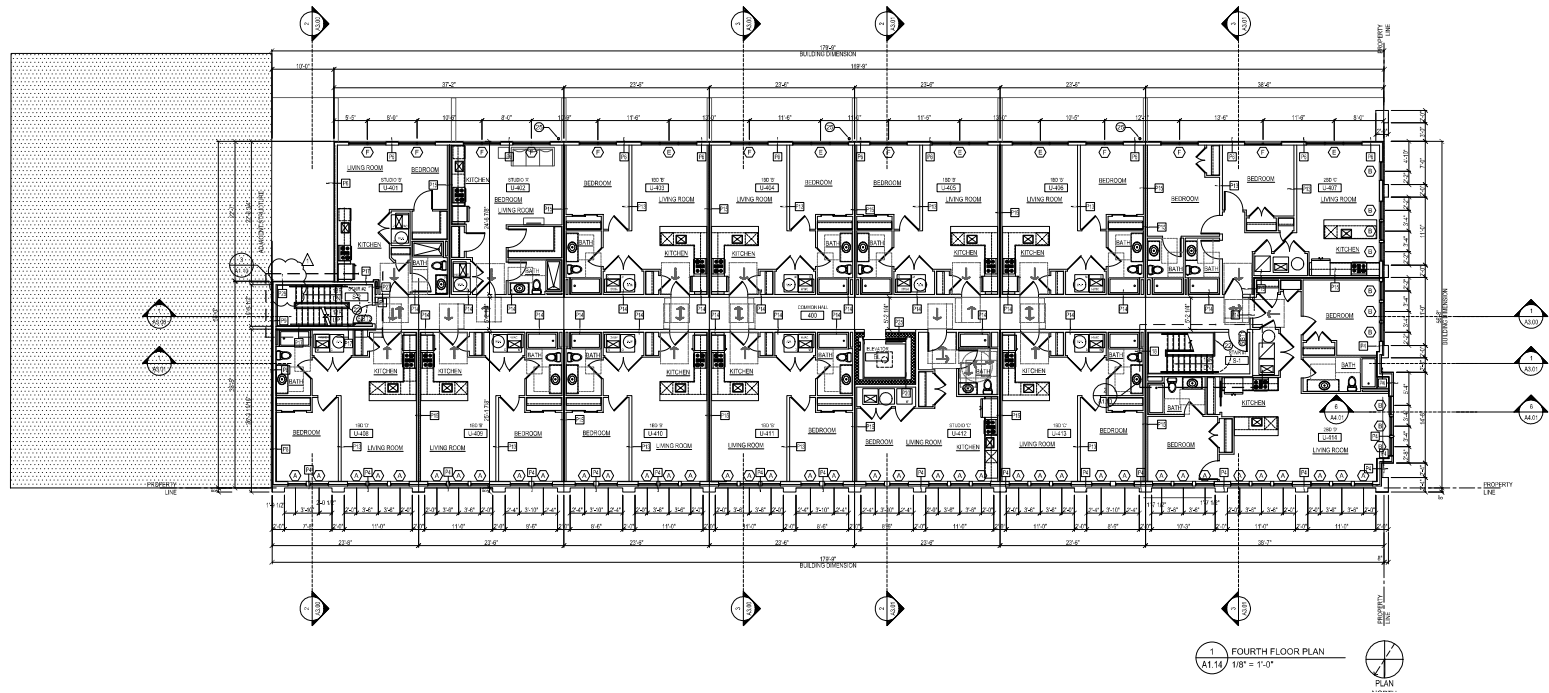
BUILDING 1



2 FOURTH FLOOR - STAIR #1 ENLARGEMENT
A1.14 1/4" = 1'-0"

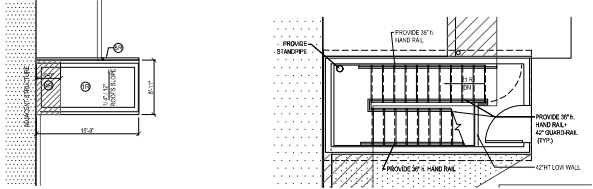


3 FOURTH FLOOR - STAIR #2 ENLARGEMENT
A1.14 1/4" = 1'-0"



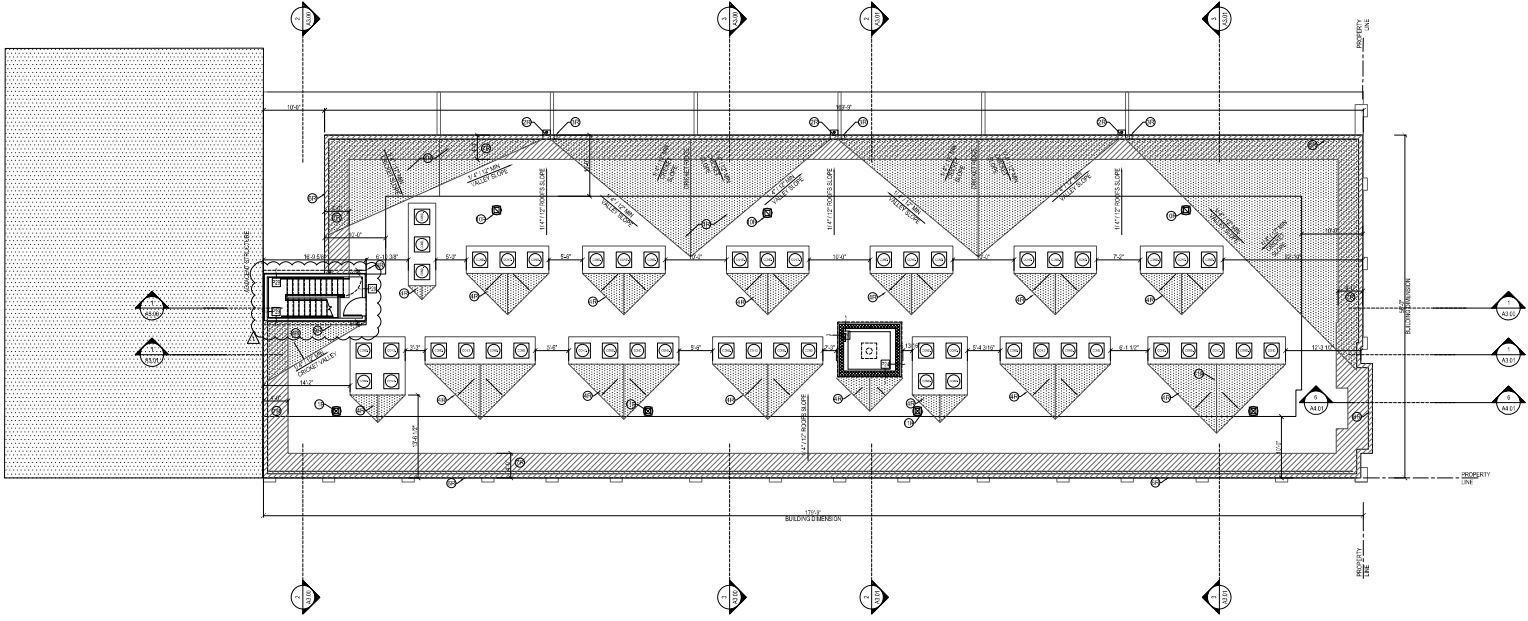
PROPOSED FLOOR PLANS

BUILDING 1



2 PILOT HOUSE ROOF PLAN
A1.15 1/8" = 1'-0"

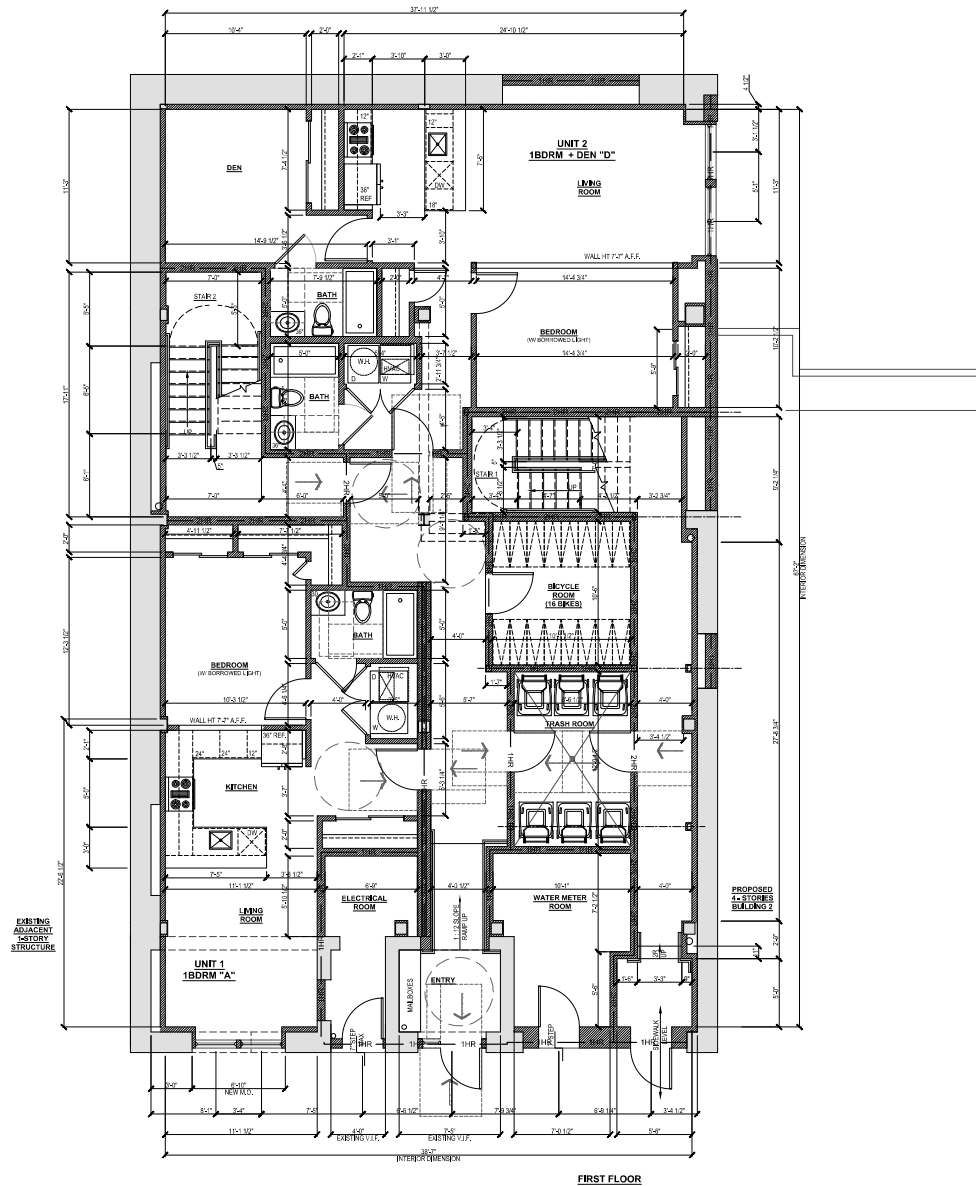
3 PILOT HOUSE - STAIR #1 ENLARGEMENT
A1.15 1/4" = 1'-0"



1 ROOF PLAN
A1.15 1/8" = 1'-0"
PLAN NORTH

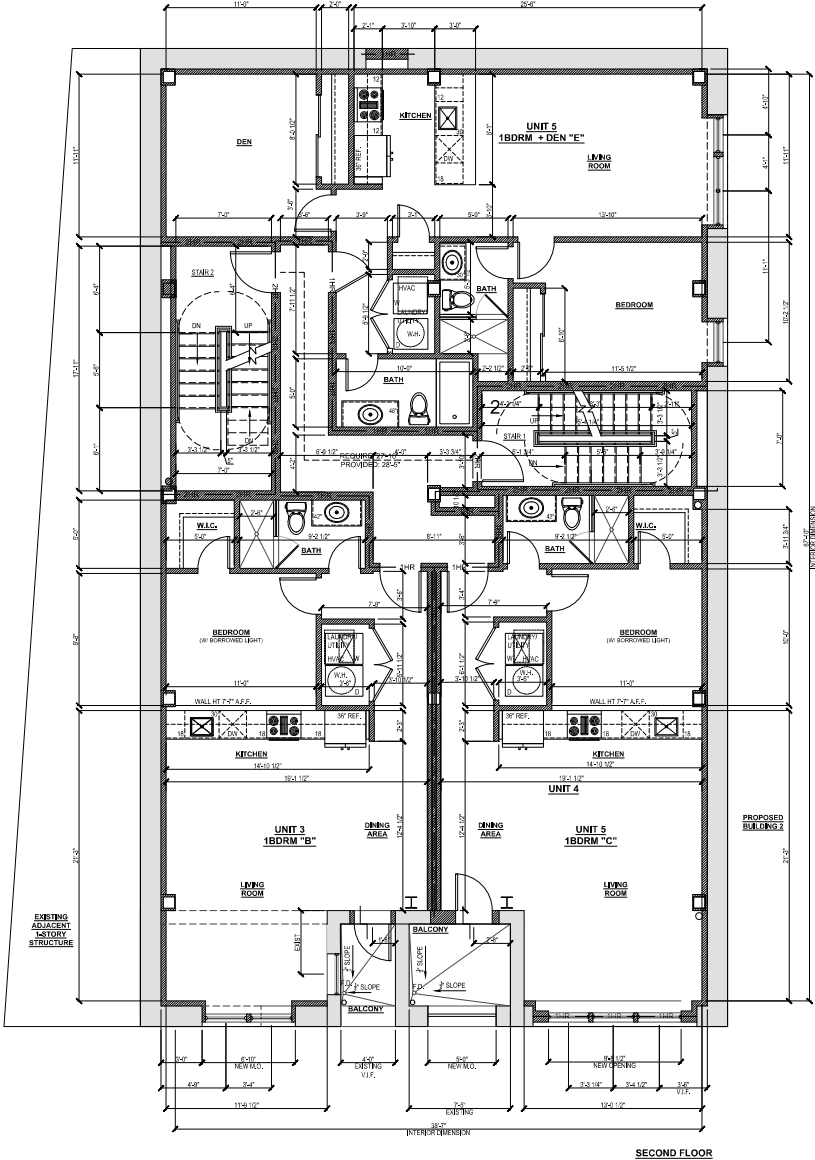
PROPOSED FLOOR PLANS

BUILDING 2



PROPOSED FLOOR PLANS

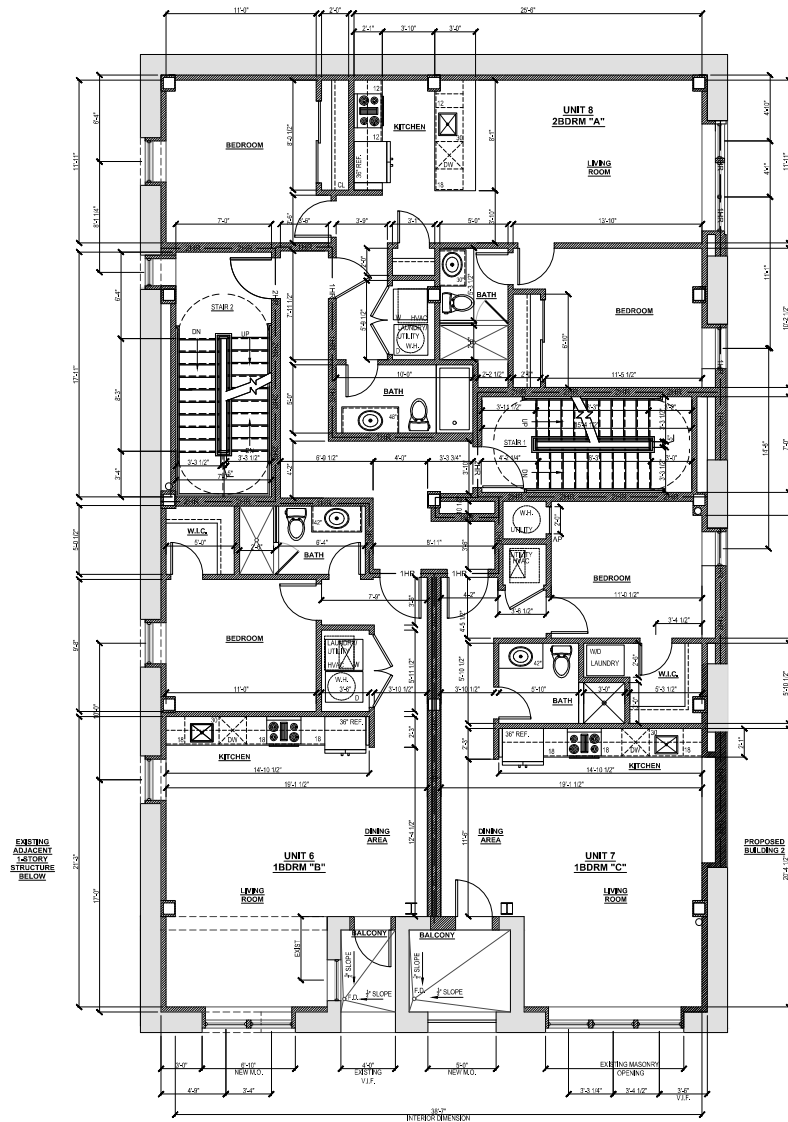
BUILDING 2



SECOND FLOOR

PROPOSED FLOOR PLANS

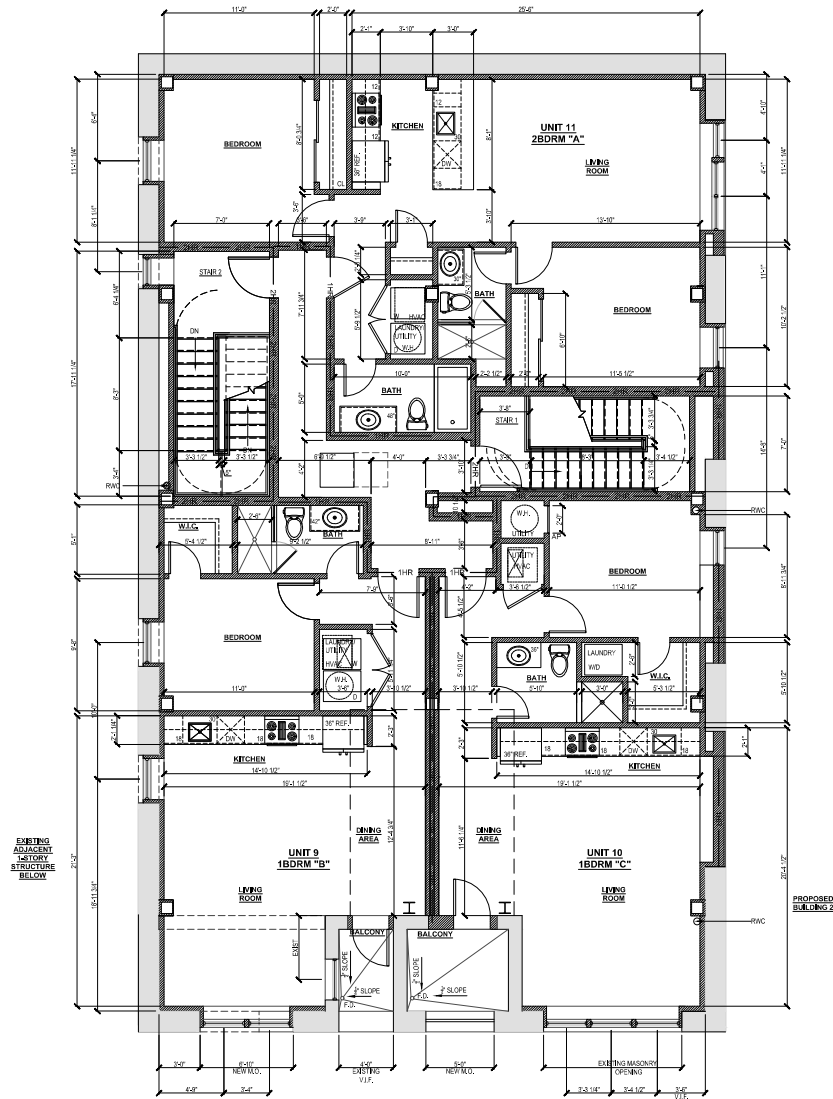
BUILDING 2



THIRD FLOOR

PROPOSED FLOOR PLANS

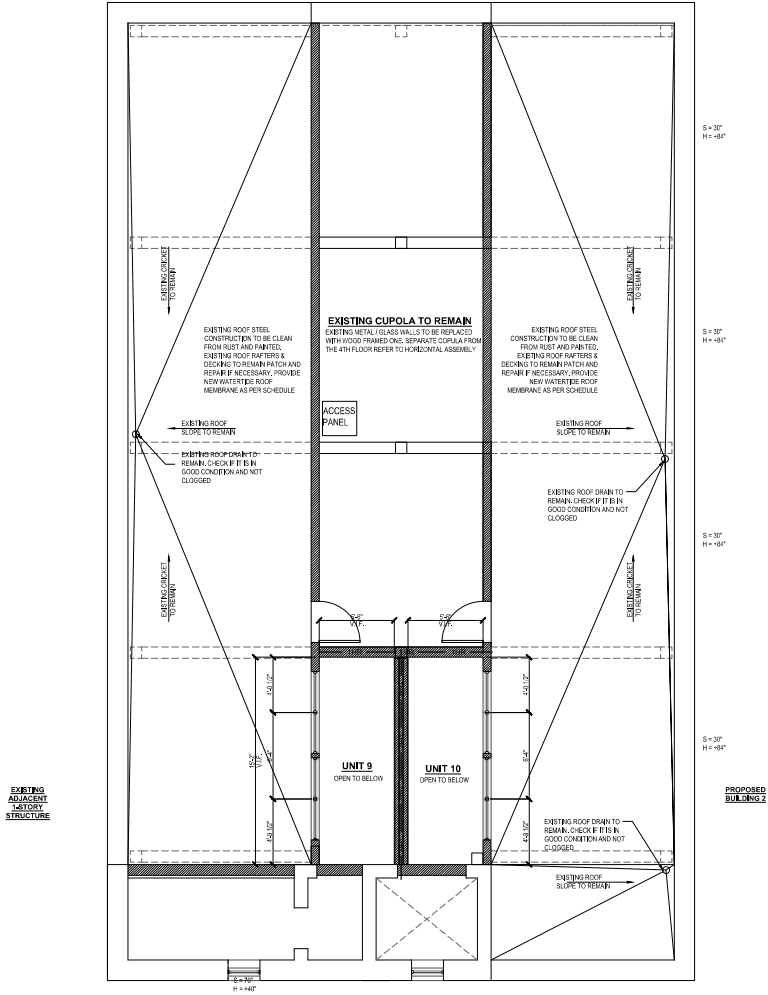
BUILDING 2



FOURTH FLOOR

PROPOSED FLOOR PLANS

BUILDING 2



ROOF

UNIT MATRIX

Unit Type	Count	%	Average SF
Studio	9	15%	475
1 BR 1 BA	35	59%	635
1 BR 1 BA + Den	2	3%	959
2 BR 1.5 BA Bi-Level	2	3%	1,116
2 BR 2 BA	8	14%	970
3 BR 3 BA Bi-Level	3	5%	1,416
Total	59	100%	723

RENTAL MARKET SURVEY

Property Name / Address	# of Units	Year Built	Studio			One Bedroom				Two Bedroom				Three Bedroom			
			Rent	Unit SF	Rent/SF	Rent	BA	Unit SF	Rent/SF	Rent	BA	Unit SF	Rent/SF	Rent	BA	Unit SF	Rent/SF
KC Flats 2037 E Lehigh Ave Philadelphia, PA 19125	75	2021								\$1,895	2	918	\$2.06				
Westmoreland Lofts 2000 E Westmoreland St Philadelphia, PA 19134	54	2021				\$1,434	1	526	\$2.73								
						\$1,515	1	403	\$3.76								
East Tioga Lofts 2215 E Tioga St Philadelphia, PA 19134	45	2022				\$1,239	1	489	\$2.53	\$1,626	2	825	\$1.97	\$2,260	2	1,185	\$1.91
						\$1,320	1	500	\$2.64								
J Central 3400 J St Philadelphia, PA 19134	116	2021	\$1,110	653	\$1.70	\$1,500	1	884	\$1.70								
						\$1,550	1	989	\$1.57								
Hagert and York 1929-1945 E York St Philadelphia, 19125	297	2022	\$1,550	458	\$3.38	\$1,850	1	661	\$2.80	\$2,300	1	757	\$3.04				
			\$1,675	458	\$3.66	\$2,050	1	661	\$3.10	\$2,200	1	757	\$2.91				
Average			\$1,445	523	\$2.91	\$1,557		639	\$2.60	\$2,005		814	\$2.49	\$2,260		1185	\$1.91

MULTI-FAMILY MARKET

NORTH PHILADELPHIA OVERVIEW

North Philadelphia spans a range of different neighborhoods, including some of the lowest-income pockets of Philadelphia, such as Strawberry Mansion (on the north side of this submarket), and rapidly gentrifying neighborhoods on the southern end including Brewerytown, Francisville, Fishtown, Harrowgate, and Kensington. The latter group tends to attract similar profiles of renters, namely young professionals looking to live close to nightlife while paying lower rents than those found in Center City. Temple undergraduates and graduate students also drive leasing in many parts of this submarket. The university has an off-campus enrollment totaling more than 32,000.

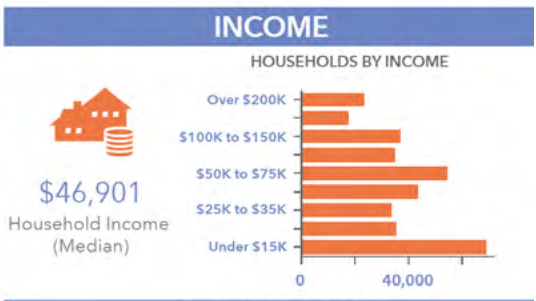
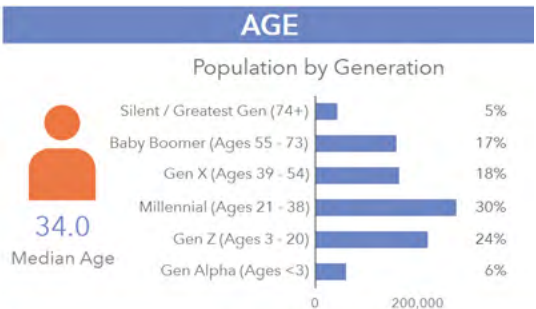
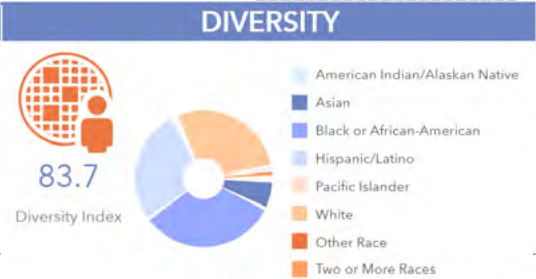
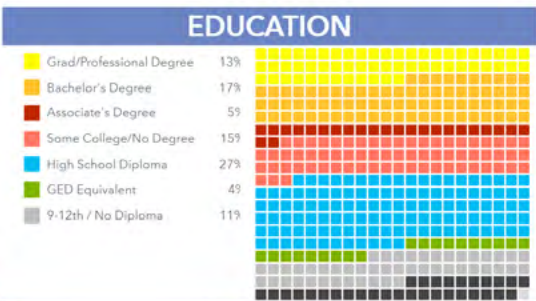
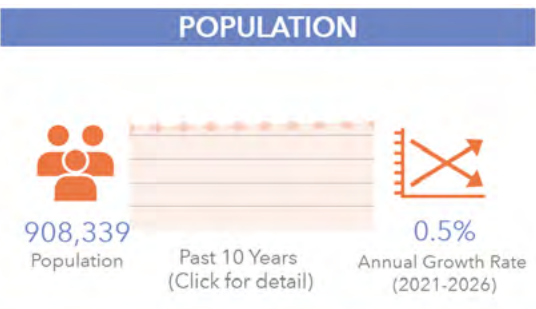
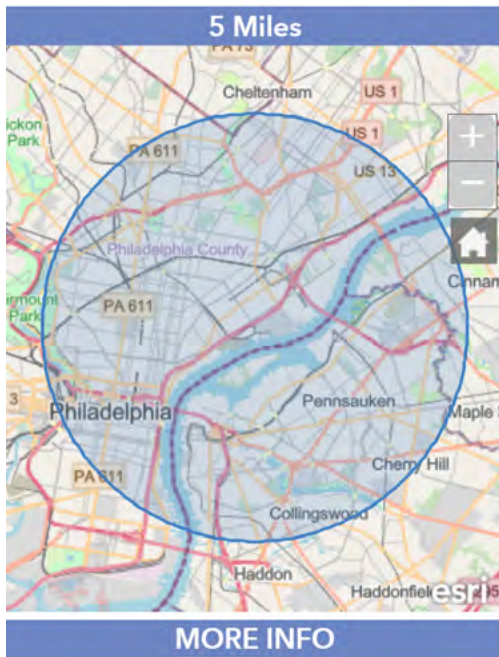
Rising land and labor costs for high-rise Center City apartment towers has pushed development north and into this submarket over the past few years as developers are aggressively buying up low-cost land on former industrial lots to build large residential projects. The inventory of luxury units has more than doubled here, growing from 1,050 at the end of 2017 to 3,800 as of 2022 Q2, and another 2,900 units remain on track to deliver by late 2023.

PHILADELPHIA OVERVIEW

Thanks to its affordability and its slow-growing, healthcare-driven economy, Philadelphia has long been known as one of the U.S.' most stable major apartment markets. Due to the shortage of for-sale housing, combined with unprecedented levels of federal stimulus directed to low- and middle-income households, rent growth is expected to exceed 9% through 2022. Occupancy rates are steadying around 95% for stabilized properties, largely due to local universities (Drexel, Temple, and Penn) resuming on-campus learning. This has caused rental rates to recover from their pandemic losses.

Furthermore, construction volumes within the city's core remain near all-time highs, as developers rushed to get their projects permitted and underway before the city began a gradual phase out of the tax abatement program on new construction for projects that received their construction permits after year end 2021.

DEMOGRAPHICS WITHIN 5 MILE RADIUS



Want access to thousands of datasets about future trends, psychographics, consumer behavior, business, and analytics?

v1.0

EMPLOYMENT IN PHILADELPHIA

EDS & MEDS



421,000

Eds & Meds Jobs



841,000

Jobs Supported by Eds
& Meds



40.6%

Of Regional Jobs

The Philadelphia Region's eds and meds sector is typically a source of stability in trying economic times. Directly, the sector supports more than 421,000 direct jobs, and indirectly, the sector supports more than 841,000 of the region's 3.1 million jobs, or almost 41 percent.

MAJOR COMPANIES IN PHILADELPHIA



SUMMARY OF OFFER PROCESS

Binswanger is advising Ownership regarding the disposition of the properties located at 2101-09 E Westmoreland Street in Philadelphia, PA.

This Property is being offered to prospective purchasers through an offer process. The Property will be sold “as is, where is.” The Owner will consider all offers that comply with this Offering Procedure.

The Owner is under no obligation to accept the highest offer or any offer. To qualify for review of this offer, buyers must follow the provisions, requirements, terms, and conditions of this Offering Memorandum, including these instructions.

TERMS AND CONDITIONS

The Property will be sold based on a structured bid process. No asking price has been established, however, ownership reserves the sole and absolute right to accept or reject any and all bids. The successful offer will be selected based on a variety of criteria including, but not limited to; the offer price; contingencies and due diligence criteria, timeline to closing, deposit funds, including “at risk” deposit at contract execution, proven ability and prior success in closing on a transaction of this size.

This investment opportunity is being made to principals only and the offering price should be presented net of all transaction costs.

OFFERING PROCEDURE

All submissions must be in electronic form submitted to cpennington@binswanger.com.

Offers should be submitted in the form of a non-binding letter of intent and should specify the following:

- Offering Price
- Study Period (if any)
- Earnest Money Deposit
- Contingencies (if any)
- References
- Documentation of previously completed transactions
- Sources of Funds (Equity and Debt)
- Consents and/or approvals needed (if any)
- Any other information having a direct bearing on the buyer’s ability to close the proposed transaction

Property inspections will be made by appointment only and arranged through Binswanger.

PRIMARY CONTACTS



Chris Pennington

Partner and Senior Vice President
215-448-6053
cpennington@binswanger.com



Nick Maras

Associate
215-448-6024
nmaras@binswanger.com

Binswanger
3 Logan Square,
1717 Arch Street, Suite 5100
Philadelphia, PA 19103
www.binswanger.com