

Fully-Entitled 279-Unit Transit-Oriented Development Opportunity - Readville Station, Hyde Park, Boston MA



1717-1725 Hyde Park Avenue
Boston, MA

August 2023

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Investment Opportunity:

The 1717-1725 Hyde Park Avenue (the “Project”, “Site”) offers investors the opportunity to purchase or joint venture in a transformative transit-oriented development of scale within Boston’s city limits. The Project consists of 279 rental units, ground floor retail, structured parking, and significant amenity space including a pool and pocket park, all directly abutting the Readville MBTA station. Residents of the Project will benefit from direct access to Downtown Boston, a self-contained, amenity-rich community, a Boston address, and new construction quality – all at a price point more attainable than competitive properties closer to the urban core.

Project Overview	
Project Name	Residences at Readville
Address	1717-1725 Hyde Park Avenue
Rental Units	279
Affordable	16.5% (46 units)
Retail RSF	3,617
Parking Spaces	Up to 279

Building Gross Square Footage	
Floor	
5th Floor	60,685
4th Floor	61,756
3rd Floor	61,756
2nd Floor	61,756
1st Floor	70,506
Parking	78,292

Total Residential GSF	316,459
Total Building GSF (Inc. Parking)	394,751
Approx. Site Area	119,626
FAR	2.65
Total Usable Open Space	49,045
Usable Open Space per Unit	176
Parking Spaces	Up to 279
Parking Ratio	1.00

Project Overview

Investment Highlights:

- Fully-Entitled Development Site of Scale
- In-Demand Multifamily Product in Top Gateway Market
- Transit-Oriented Location, with direct access to the Readville MBTA Stop
- Strong Market Position and End User Value Proposition Relative to Competitive Boston Properties
- Favorable Rental Market Dynamics

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Sources + Uses		
<i>Uses:</i>		
Land Value		19,000,000
Construction Costs		86,181,759
Softs Costs		20,929,776
Total Development Costs		126,111,535
<i>Sources:</i>		
Equity	29%	37,057,834
Construction Loan	71%	89,053,701
Total Sources	100%	126,111,535

Project Profitability	
Total Project Costs	\$126,111,535
Total Equity Into Project	\$37,057,834
Total Project Cash Flow from Operations	\$5,082,123
Total Refi Net Proceeds	\$0
Total Sale Net Proceeds	\$90,585,279
Total Net Revenue	\$95,667,403
Total Profit	\$58,609,569
IRR	13.7%
Leveraged IRR	27.6%
Equity Multiple	2.58x
ROC	6.10%

Project Overview

Rental Pricing:

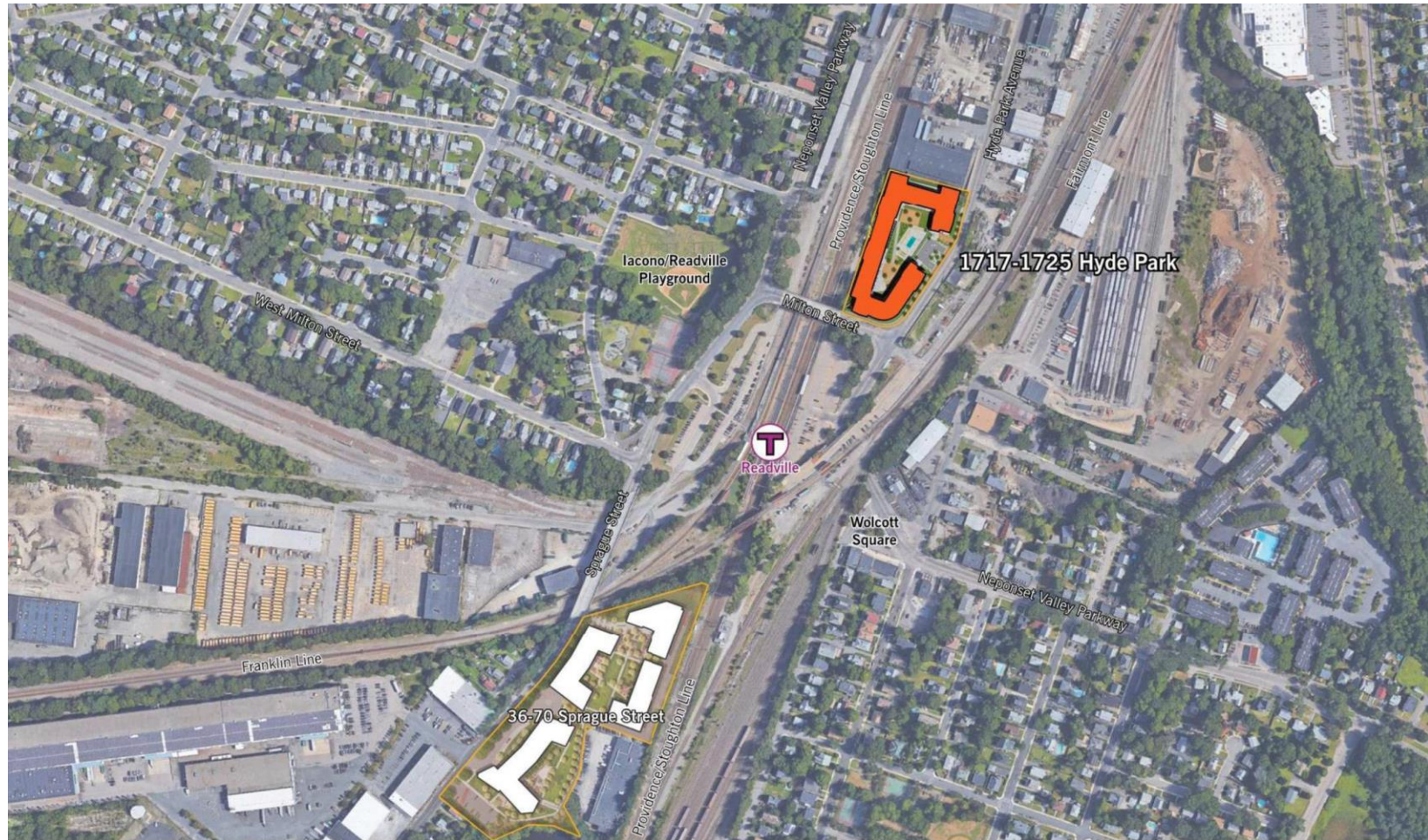
Bed/Bath	# of Units	% Total	Avg. SF	Market Rent	Rent/SF	Total \$/Mo	Total SF
Studio	14	5%	508	\$2,342	\$4.61	\$32,784	7,111
Studio - AFF	3	1%	518	\$1,523	\$2.94	\$4,568	1,555
1 Bed	154	55%	758	\$3,175	\$4.19	\$489,022	116,765
1 Bed AFF	29	10%	731	\$1,761	\$2.41	\$51,065	21,203
2 Bed	57	20%	1,022	\$3,733	\$3.65	\$212,781	58,268
2 Bed AFF	12	4%	1,019	\$2,095	\$2.06	\$25,136	12,225
3 Bed	8	3%	1,335	\$4,264	\$3.20	\$34,116	10,677
3 Bed AFF	2	1%	1,393	\$2,812	\$2.02	\$5,624	2,786
Total/Average	279	100%	826	\$3,065	\$3.71	\$855,097	230,590
Affordable - Total/Average	46	16.49%	821	1,916	\$2.33	\$86,394	37,768
Market - Total/Average	233	83.51%	828	3,350	\$4.05	\$768,702	192,822

Pricing Assumptions:

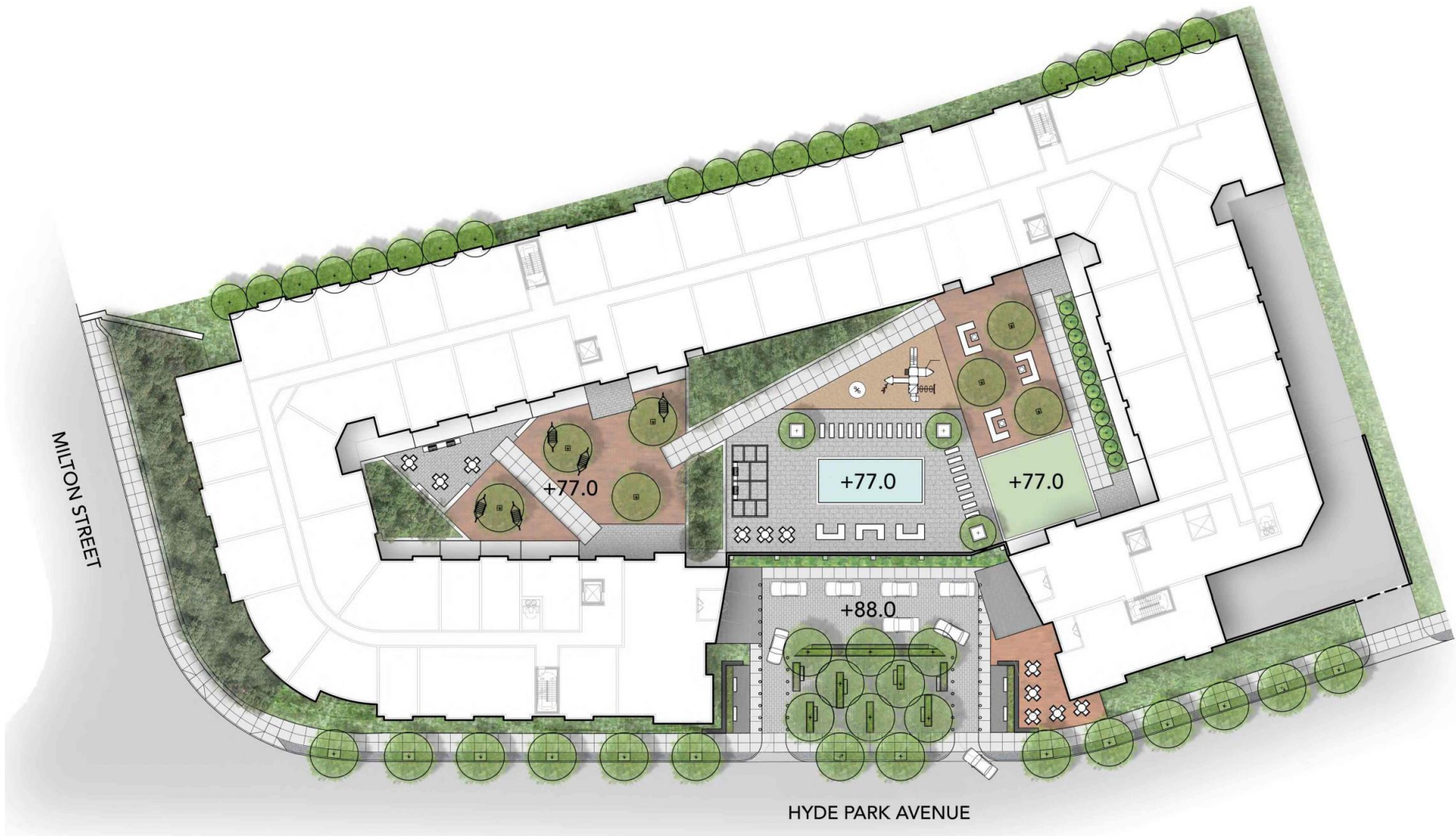
- Pricing does not include parking

Source: The Collaborative Companies

Proposed Pricing



Aerial View - Map



Site Plan



View Along Hyde Park Avenue of Pocket Park



View Along Hyde Park Ave. of Pocket Park and Upper Courtyard

Boston

Boston, the capital of Massachusetts and the largest city in New England, is the financial, educational, and cultural hub of the Northeast. Boston is one of the most attractive and vibrant real estate investment markets in the country, considered to be a “Gateway Market”, along with NYC, San Francisco, Los Angeles, and Washington D.C. Capital sources, both domestic and foreign, continually view the city as a safe-haven for investment due to its diversified and broad corporations, world class hospitals and higher education institutions, rich cultural history, and overall quality of life. These attributes, along with a diminutive land mass protected by the Atlantic Ocean, lack of developable land, and rigorous entitlement process make Boston an incredibly coveted investment market that is insulated from overbuilding.

Greater Boston, home to 4.8 million people, is characterized by a resilient economy and an unemployment rate consistently below the national average, while the city’s urban core continually holds its position as one of the strongest and tightest markets in the country.



Boston Market Overview

Corporate Tenancy

Boston has historically had a strong office market due to FIRE (Financial, Insurance, Real Estate, Legal) tenants. While this subset of employers still lay the foundation to Boston's booming office market, over the last decade or so Boston, Cambridge, and surrounding areas have become a hot spot for TAMI (Technology, Advertising, Media, and Information) tenants, in addition to an exploding life sciences and biotech scene. This concentration of highly skilled and forward-thinking employer's positions Boston as a global hub of innovation.

Higher Education

Greater Boston is home to over 70 colleges and universities, including world renowned institutions like Harvard and MIT. With over 40% of the Greater Boston college population staying Massachusetts after graduation, top companies elect to have a presence in the city in order to attract candidates from a deep and consistent talent pool.

Globally Renowned Medical Hub

Boston is widely recognized as a medical hub, playing host to some of the top hospitals, research facilities, and medical schools in the country. Mass General, Beth Israel, Tufts Medical Center, Brigham and Women's and Dana Farber are all leading institutions, attracting some of the brightest minds in medicine.



Boston Market Overview

Jan Steenbrugge – President & CEO

Ad Meliora's President & Chief Executive Officer, Jan Steenbrugge, is responsible for overseeing the management of the business. With 17 years of experience in owning and developing real estate, Jan has led complex real estate development projects both here in the US, and in Europe. Today, Ad Meliora's real estate portfolio is valued at over \$150 million, spanning mixed-use, multifamily rental, condominium, land, and townhouse products.

Jan holds a Law Degree from the University of Ghent.

Paul Soughley – Senior Vice President, Construction & Development

Paul is a seasoned construction professional with over 35 years' experience in real estate development and construction. His experience includes site acquisition, permitting, and construction. Paul has worked for major residential developers in the Northeast such as The Green Company, AvalonBay, Roseland Property Company, The Stabile Companies, and Abbott Development.

Paul is a graduate of the Dublin Institute of Technology, Dublin Ireland.

Steven Phu – Chief Financial Officer

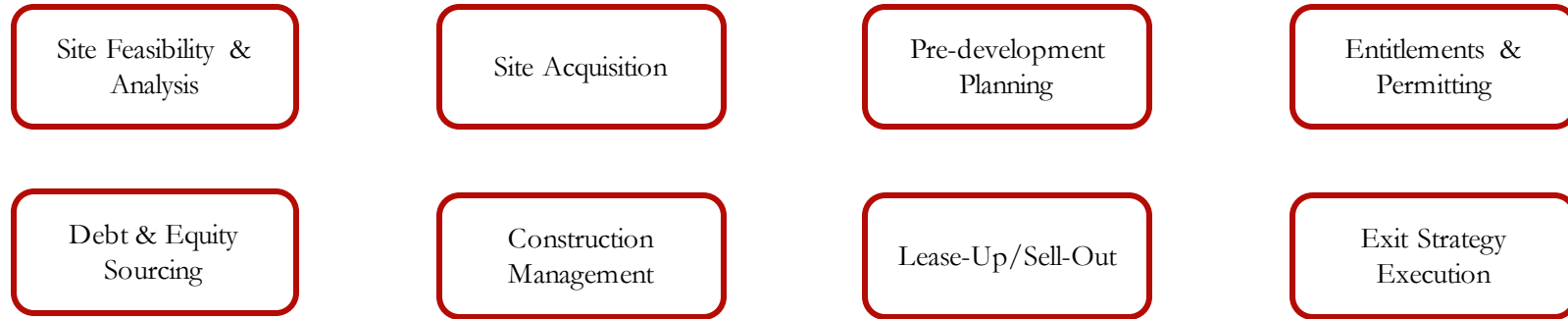
Steven joined Ad Meliora in 2012 and currently is the head of company's finance arm. Steven directs all aspects of accounting operations, oversees all financial activities related to general ledger, AR, AP, bank financing, and provides strategic guidance around capital financing options to support company growth needs. Steven also assists company CEO in financial planning and results management and manages all tax planning and compliance with all required federal, state, local, payroll, property and other applicable taxes.

Steven graduated from the University of Bremen in Germany with a masters and Ph.D. in Geophysics. He speaks Mandarin, English and basic German and is a licensed Broker for both residential and commercial real estate transactions in Massachusetts.

Geoff Evans – Director, Capital Markets

Geoff joined Ad Meliora in 2021 and works with the leadership team to raise and structure debt and equity capital, provide investor relations services, and assist in the acquisition and execution of projects. Geoff comes to us after five years with CBRE, where he worked on investment sale transactions focused on hotels across New England.

Geoff is a graduate of the University of Massachusetts Amherst, where he studied finance.



Ad Meliora is a full-service, vertically-integrated developer, involved in the project from inception all the way through until the property is stabilized and/or sold.

Sourcing & Structuring – Through a deep and broad network of brokers, lenders, developers, and industry participants, Ad Meliora has cultivated a steady pipeline of opportunities. Getting this access to deal flow not only allows for “first looks” at deals, but also provides us with real-time data on construction pricing, land pricing, market rents/prices, and cap rates in the markets we operate.

Planning Phases – Ad Meliora methodically navigates the predevelopment process. From determining highest and best use and product programming to selecting and managing 3rd party consultants, our team stays hand on and ensures what we are building what is right for both the market and the site.

Construction Phase - As our own General Contractor, we are able to meticulously control and influence the construction process. Our team is highly skilled in managing vendors & subcontractors, and ensuring we stay on schedule and within our budget.

Project Stabilization & Exit Strategy – While we do not provide brokerage or property management services, we certainly consider the proper selection and management of these third-party vendors a skill that we possess. We make sure to hire the right team to sell or lease our projects – each deal is different and selecting the right team to monetize our hard work is a crucial step in the process. This also applies for any exit events (refinancings or sales of whole assets) – we have a stable of brokers and lenders that we talk to regularly to ensure we are going to market under favorable circumstances. When going to market, we make sure to hire the group that is best suited to maximize proceeds and certainty of closure for that particular deal.

Fully-Entitled 273-Unit Mixed Use Transit-Oriented Development Opportunity - Readville Station, Hyde Park, MA

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August

2022