



TIOGA PARK

17 NORTH

24 UNIT MIXED-USE DEVELOPMENT

3424-26 N17 ST.

URBAN LAND INSTITUTE: 4th ANNUAL SHARK TANK

Today's Schedule



- **Our Story**
- **Track Record**
- **Sub-market Overview**
- **Project Overview**
- **Financial Overview**
- **Social Impact Initiatives**
- **Shark Attack & Questions**





Our Story

Welcome to Tioga Park



We believe equitable development strengthens the fabric of the neighborhood, its people and its values through collaborative planning, design and responsible development.

Our Tioga Park Development Group General Partners — Justin John, Ani Sanyal & Rahat Kamal (from left to right)



About Us

Tioga Park Real Estate Development Group is a minority owned, vertically integrated real estate company. Under our umbrella, we manage general construction, material sourcing, branding, marketing and leasing.

Our investment concentration borders Philadelphia's Temple University Medical School area known as Nicetown-Tioga. We believe this area exhibits growth potential through expanding infrastructure, economic and demographic growth momentum, and a politically favorable development environment.

TPDG possesses deep understanding of the zoning, financial, and construction processes required to maintain sustainable investment returns.



Vision & Mission

**Looking
to the
future**



We believe in adding value by developing uniquely engineered residential and mixed-use assets within walking distance of major health employers & businesses, public transportation and retail corridors.

As adoption of the urban pedestrian lifestyle grows, we believe there's an opportunity to raise the standards and bring smart living to areas previously underserved.



Meet The Team



General Contractor & Construction Management
Rahat Kamal



Zoning Attorney
Rachael Pritzker



Lead Architecture & Engineering
Brian Corcodilos & Scott Woodruff



Public Relations & Branding
Ani Sanyal



Investor Relations & Accountant
Justin John



General Counsel
Christopher Mazullo





Track Record

Track Record



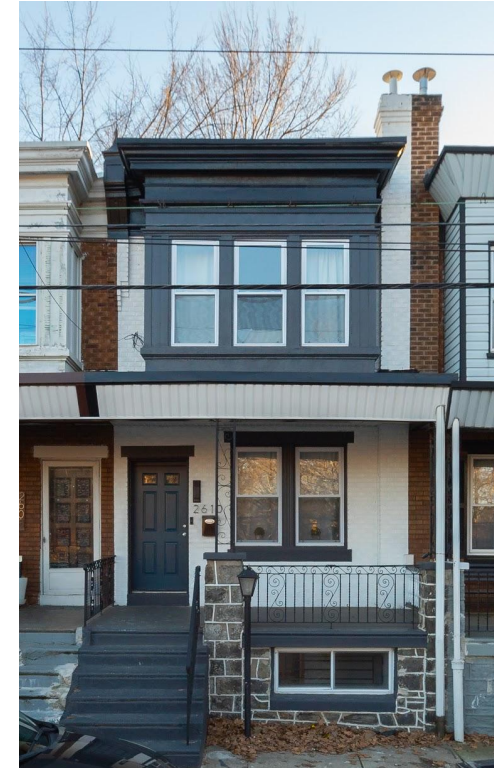
Location: Brooklyn, NY
Year Completed: 2016
Project Type: Multi-Family, Gut Renovation GC, Hold Investment



Location: New York, NY
Year Completed: 2018
Project Type: Mixed Use, New Construction Masonry, Client Contract



Location: West Philly, PA
Year Completed: 2019
Project Type: Mixed-use CMX-2, Gut Renovation GC, Hold Investment



Location: Brewerytown, PA
Year Completed: 2019
Project Type: SFH, Gut Renovation GC, Fix & Flip





Sub-market Overview

Why Nicetown-Tioga?

There's a
lot to
love here

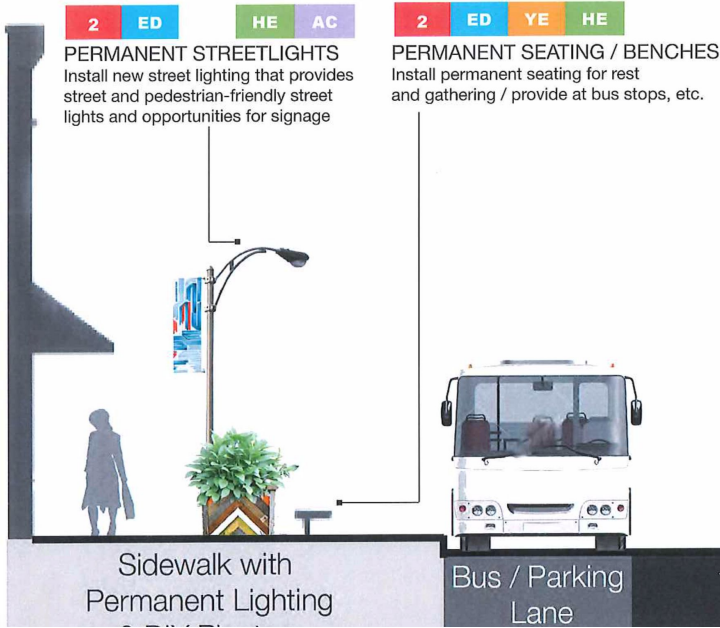


Investment Thesis

- Rich in public transit connections (12-min to Center City)
- Revitalization of the local retail/business corridors & industrial buildings
- Anchor institutionalized development projects
- Young population, diverse and college student retention
- Proximity to Temple University Hospital + Medical School & Cristo Rey Foundation (Private HS)

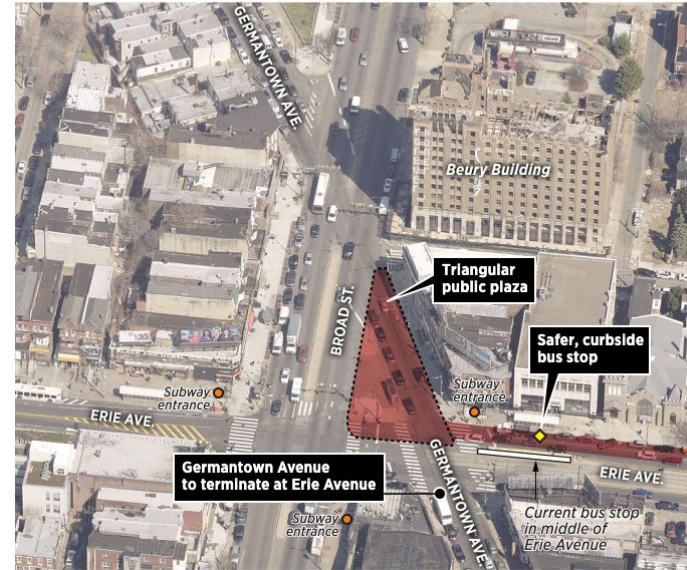


17th St. & Tioga St. looking North



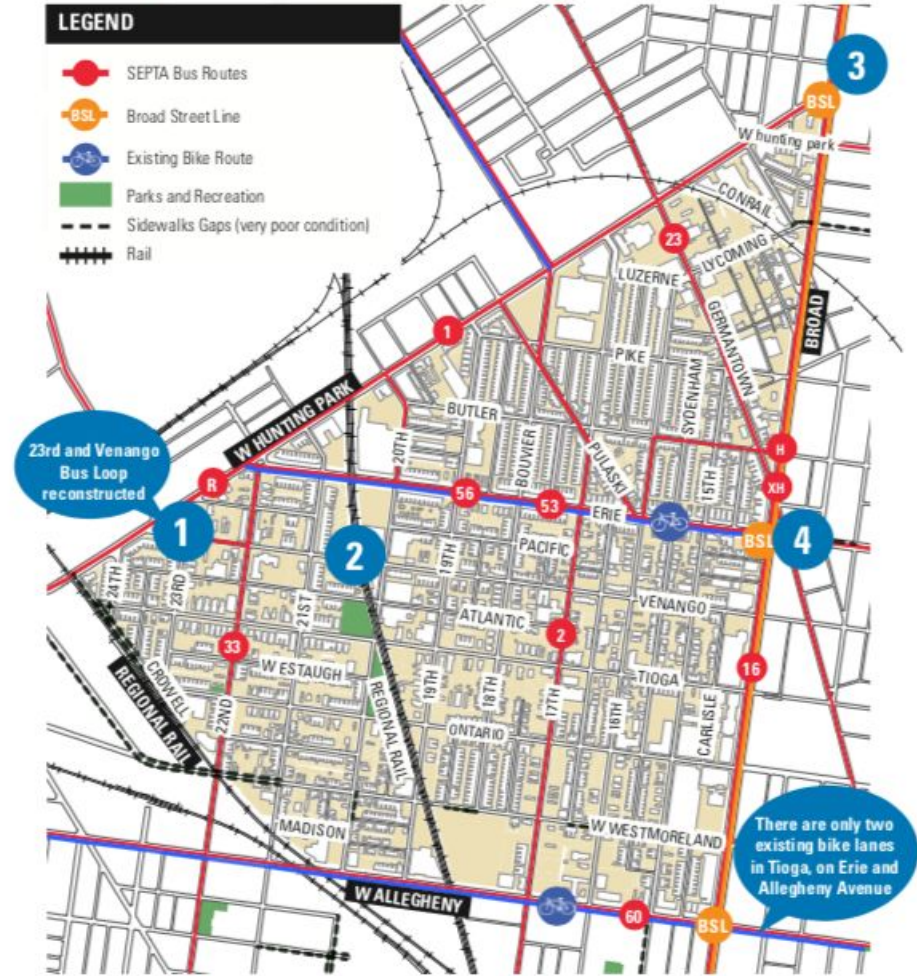
Improving a Tangled North Philadelphia Intersection

Philadelphia officials want to streamline the intersection of North Broad Street, Erie Avenue, and Germantown Avenue. The plan would remove Germantown Avenue from the mix and create a standard, two-street intersection. As a side benefit, it would allow the city to create a triangular public plaza and an improved transit center for bus riders.



SOURCES: Vision Zero, City of Philadelphia; image from Pictometry International JOHN DUCHNESKIE / Staff Artist

Transporation Connections Map



Public Transportation



Corridor Management Program

The City supports the redevelopment of commercial corridors by providing funding to community based organizations to hire corridor management staff. Corridor manager responsibilities generally include providing assistance to businesses, overseeing activities to make the corridor clean and safe and working to attract new businesses to the area.

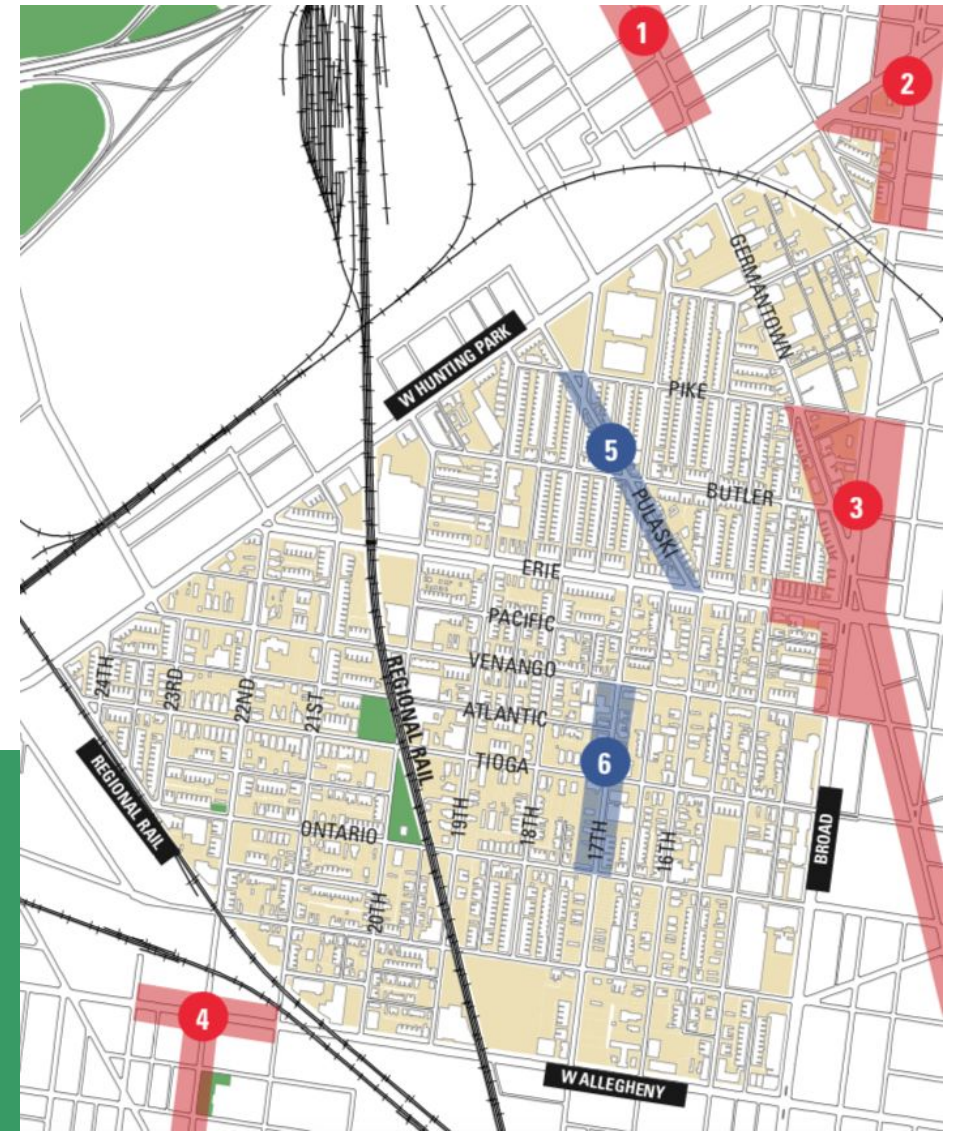
Existing Corridors

- 1 Germantown Avenue -
Between Staub Street and St. Paul
- 2 Broad and Hunting Park
- 3 Broad, Germantown, and Erie
- 4 N 22nd Street/Hope Plaza

Potential Corridors

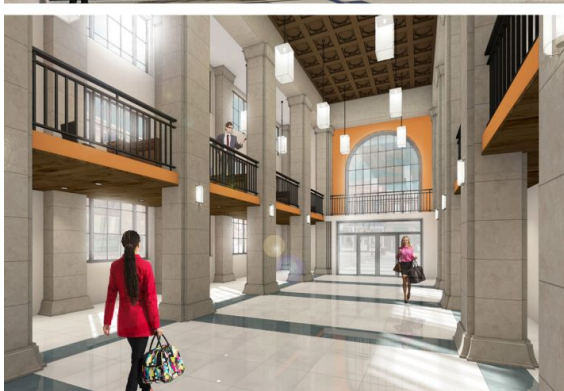
- 5 Pulaski Street
- 6 17th Street

Retail Revitalization



A Marriott on North Broad Street? That and a lot more planned for a 'grossly neglected' part of Philly

Updated: October 31, 2019 - 5:00 AM



Anchor Project: The Beury Building



A venture between HFZ Capital (NY), Amtrak and other partners to redevelop parcels owned by Amtrak into a mixed-use Transit Oriented Development of up to 4 million square feet.



Phase I: By right, 7 stories, 135 market rate dwellings with ground-floor retail



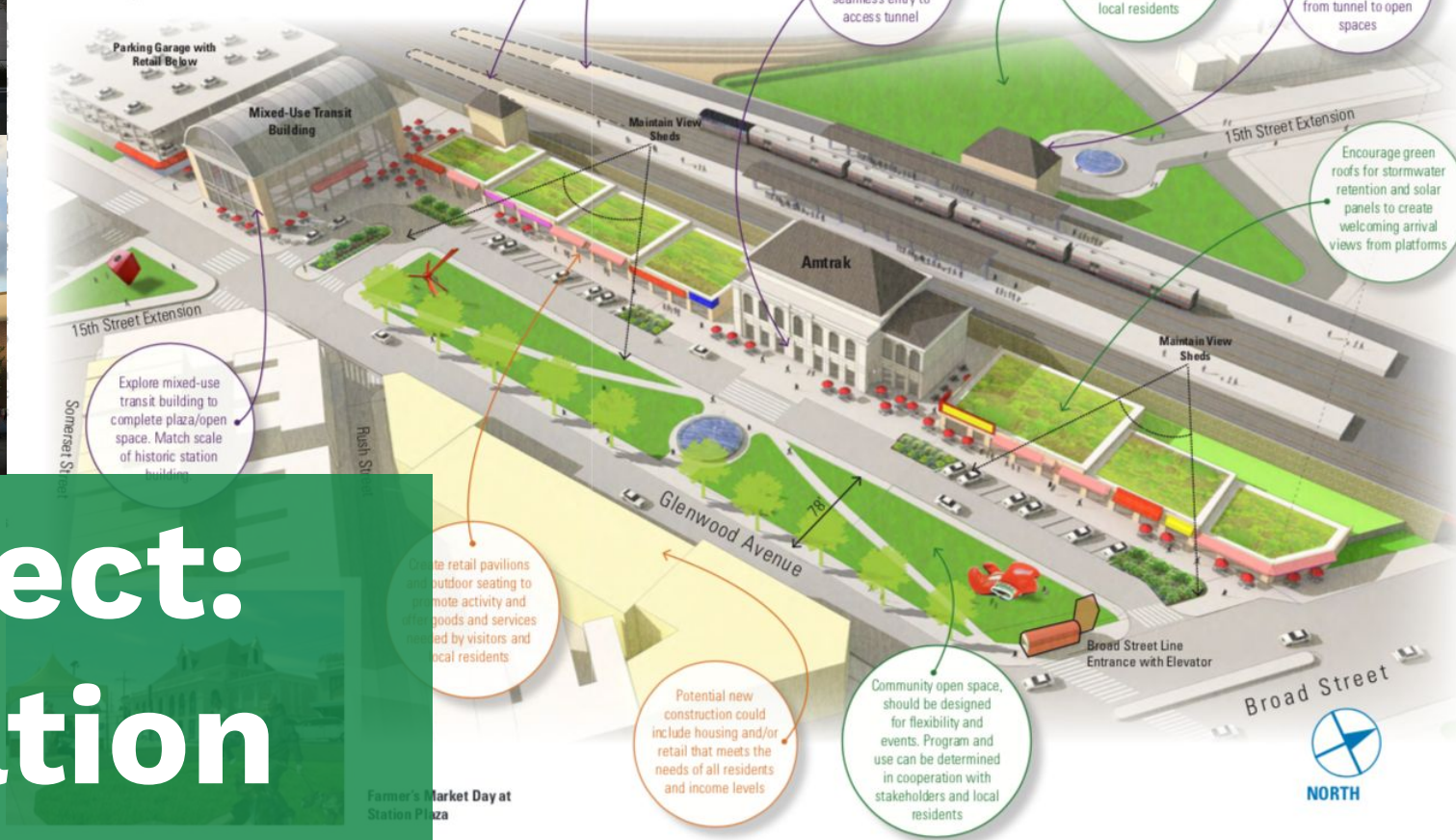
North Philadelphia Station 1939

In the 1930s, the station was renovated to accommodate a lower level that allowed direct access to tunnels serving platforms.



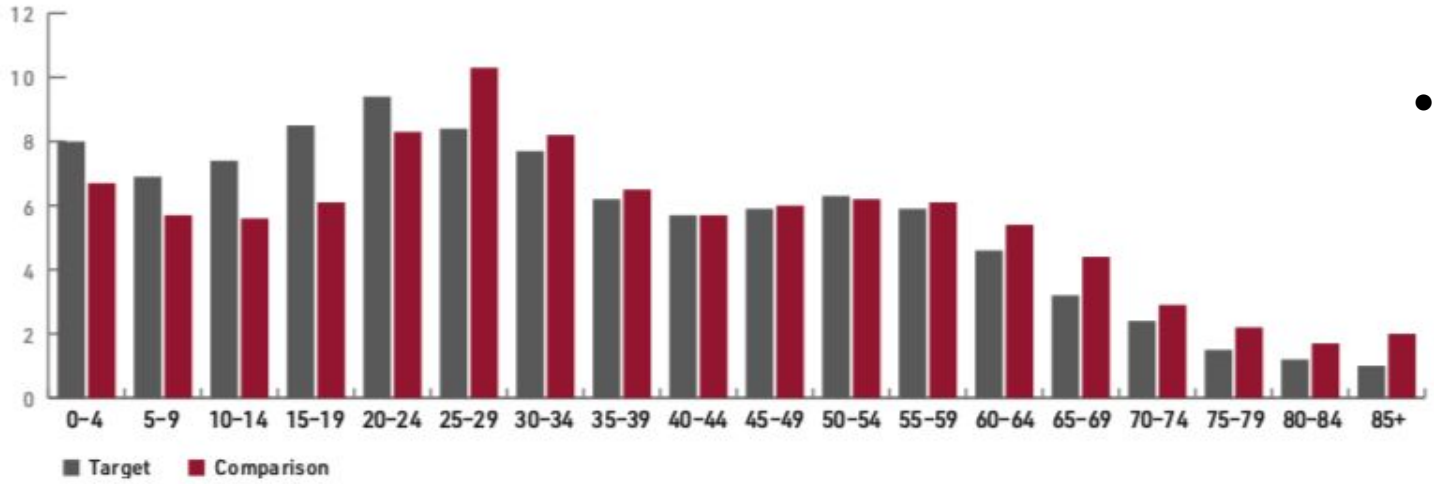
North Philadelphia Station 1995

After the station's lower level was closed, it was surrounded by surface parking at a higher grade. Tunnel access became indirect and less safe.



Anchor Project: 10 North Station

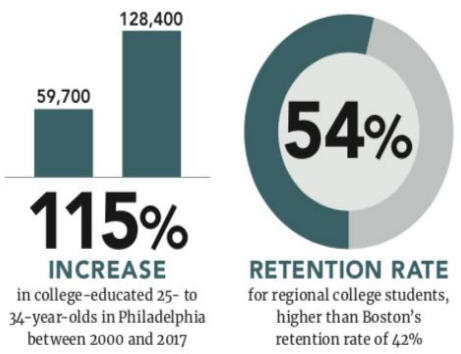




Source: Philadelphia Works analysis of American Community Survey Public Use Microdata Sample 2012-2016

Employable Population

- Youth aged 10 to 25 represent the largest age group in North Philadelphia, accounting for 32% of the population compared to the rest of the city's 20% .
- Population of North Philly is both young and diverse which represents the largest age group, a major asset from economic development and workforce development perspectives.



\$6.4 BILLION
in additional earnings to the region annually

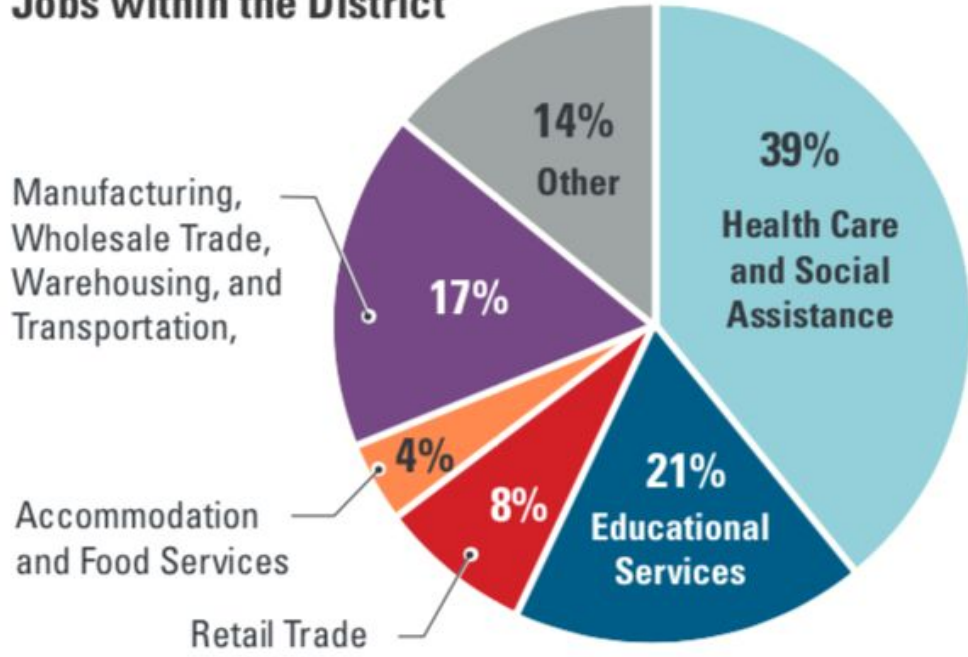
35,600 JOBS

Distribution of Employment Impact from Graduate Retention

Education Services	1,320
Professional Services	1,600
Real Estate	1,710
Administrative	1,610
Finance and Insurance	2,790
Accommodation and Food	3,680
Other Services	3,910
Retail Trade	5,560
Health Care and Social Assistance	8,270
All Other Industries	4,770

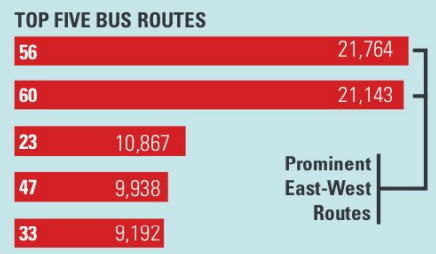


Jobs within the District

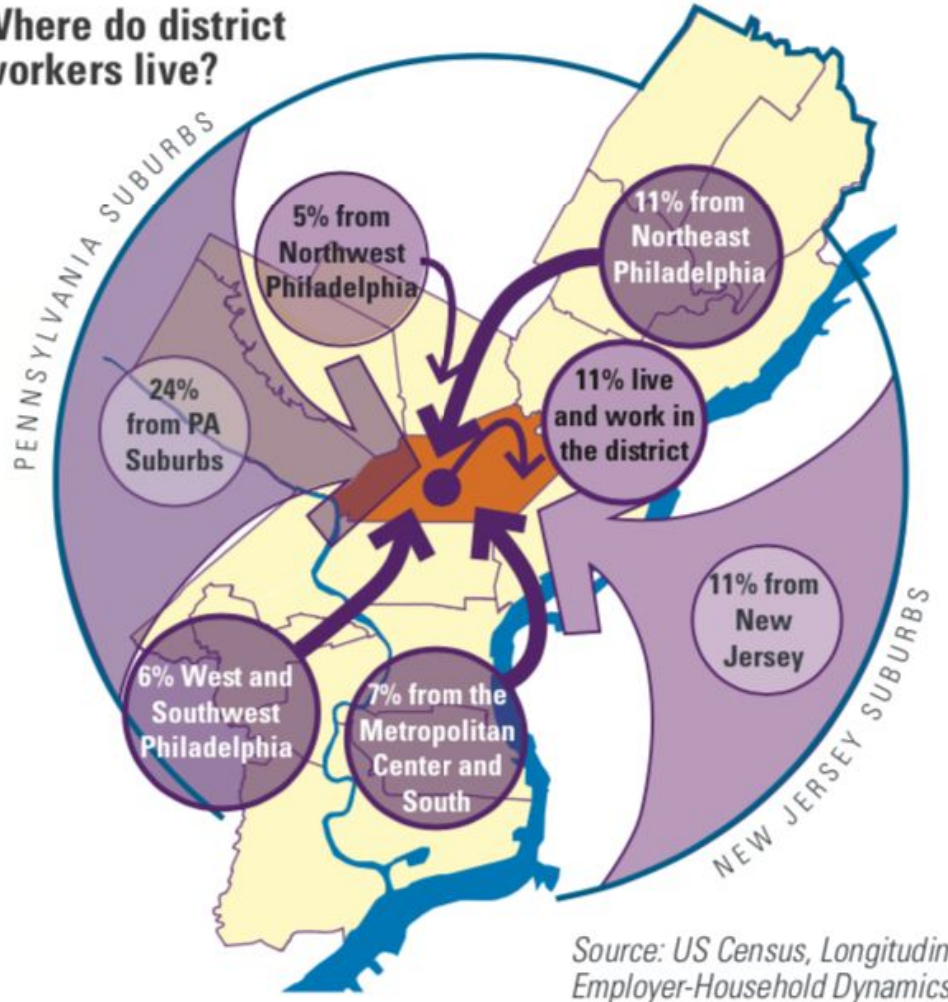


Source: American Community Survey, 5-Year Estimates, 2014

Daily Ridership by Transit Mode



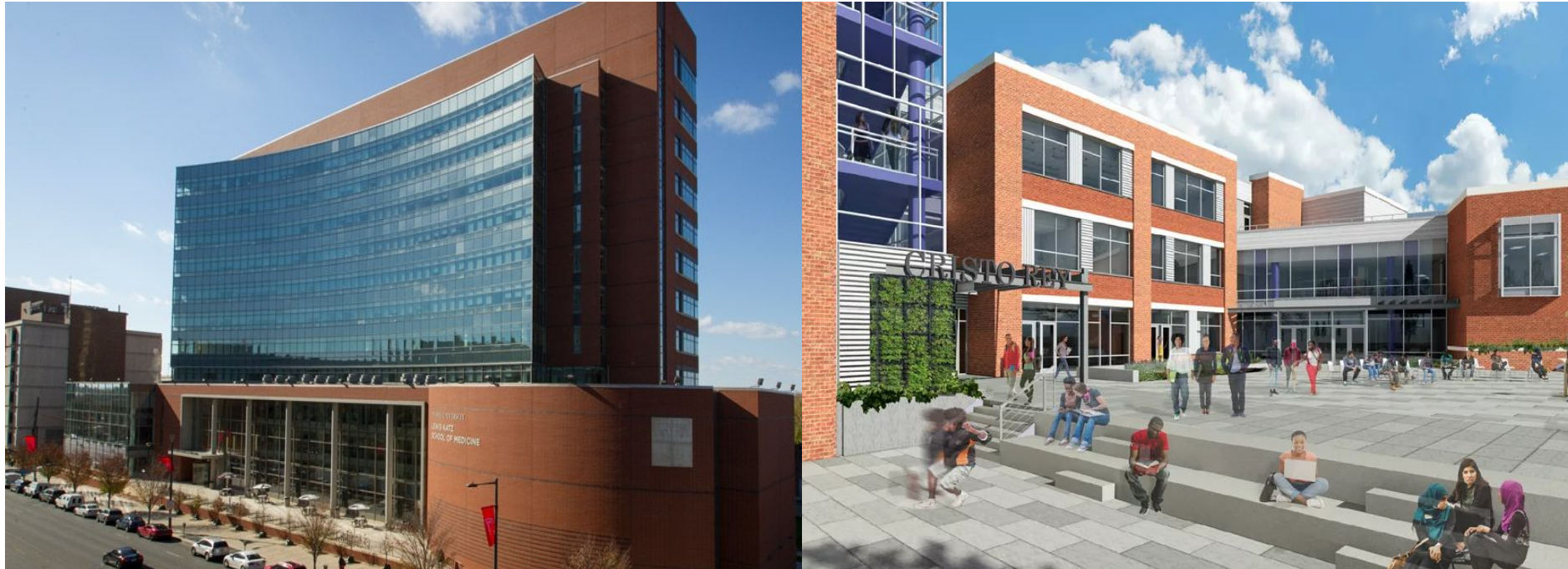
Where do district workers live?



Source: US Census, Longitudinal Employer-Household Dynamics

Employable Population





Proximity to Education

Cristo Rey Philadelphia

Unique Private HS: Partnership of local educators, businesses and universities.

Catholic HS: Top quality, independent, for students of all faiths.

Grades 9-12: Serves children who could not otherwise afford private education.

Temple School of Med.

- **Faculty:** 926
- **Students:** 961
- **Residencies:** 556
- **Out of State:** 53%

100%: Graduates that have been admitted to a 4-year college.





Project Overview



Investment Summary

3424-26 N17 St

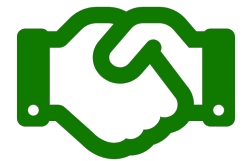
- Total development costs totals \$4.2M, which consists of \$2.65M in construction financing, and \$1.55M equity between TPDG & Investors
- The investment is projected to generate a stabilized NOI of \$292K with a Levered IRR of 13.8-16%



24,000 SF



**ZBA
Approved:
23 Units
over 1
Retail**



**10-Yr Tax Abatement
(Anticipated)**





Investment Summary

3424-26 N17 ST

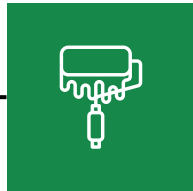
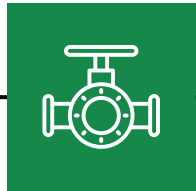
- **Building Amenities:** Green roof terrace, mail package handling, smart technology, 6 off-street parking, bike rack + energy complaint sustainable features
- Located in Qualified Opportunity Zone
- **Mass Transit:** Walking distance to Two SEPTA subway stops. 12-min to Center City.
- Neighborhood currently undergoing \$300M+ planned community & institutionalized developments



Investment Timeline

Summer 2020

Phase II Arch + Eng (pending L&I approvals)



Winter 2020

Construction Starts

Fall 2021

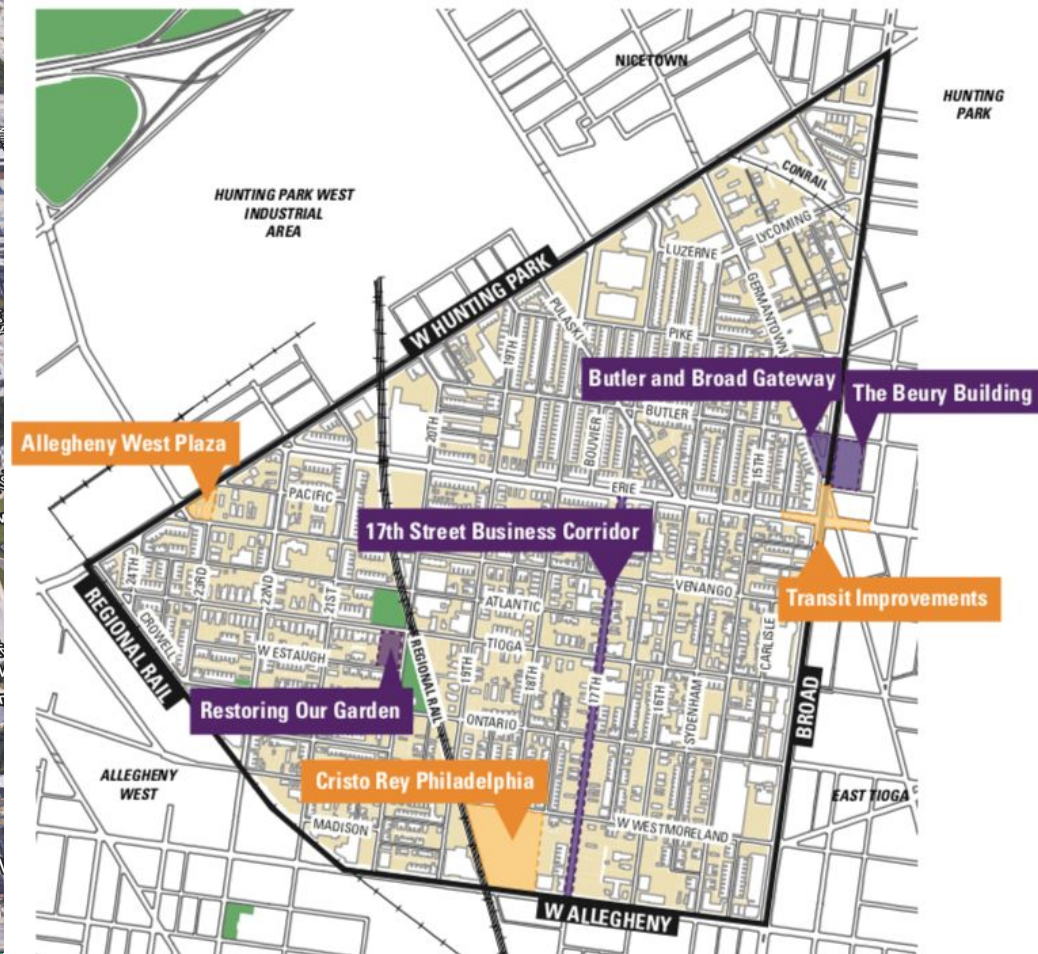
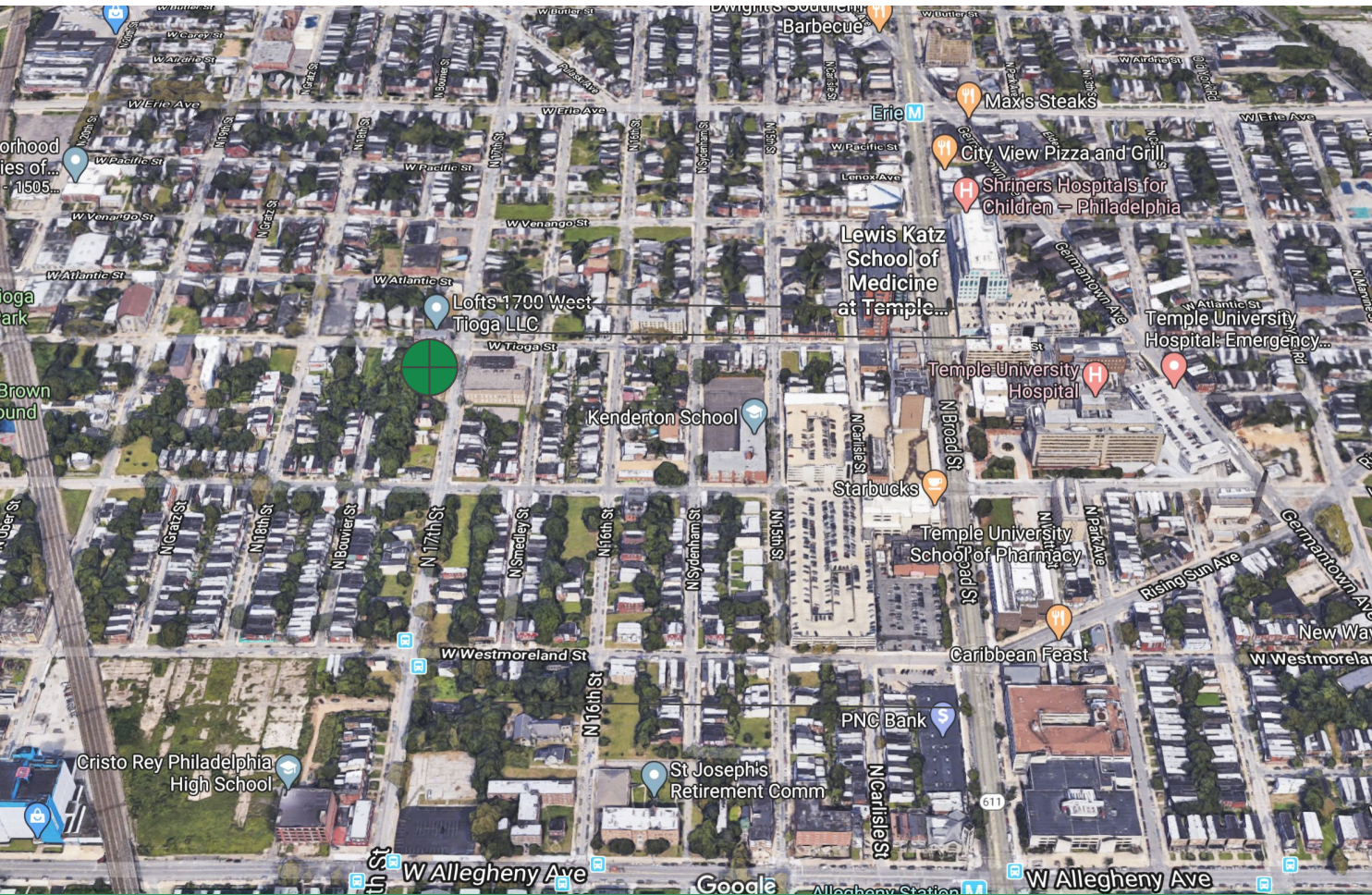
Construction complete



Spring 2022

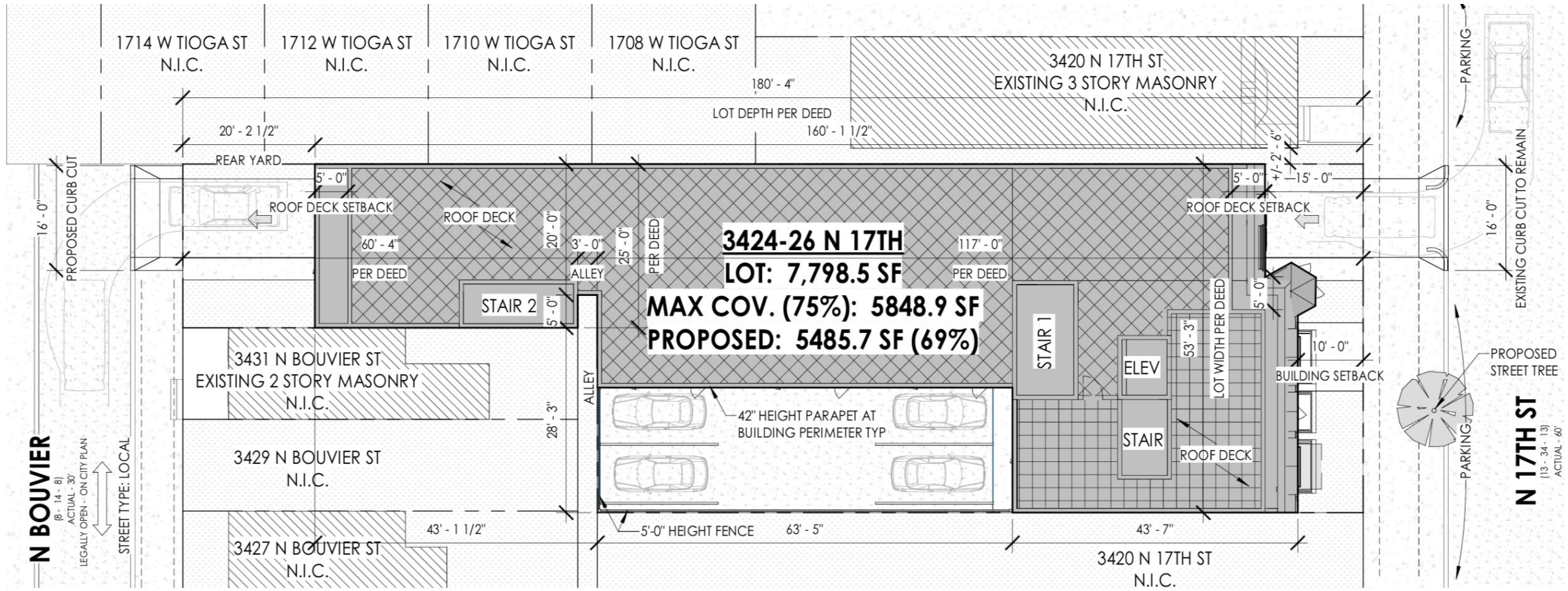
Project Stabilization





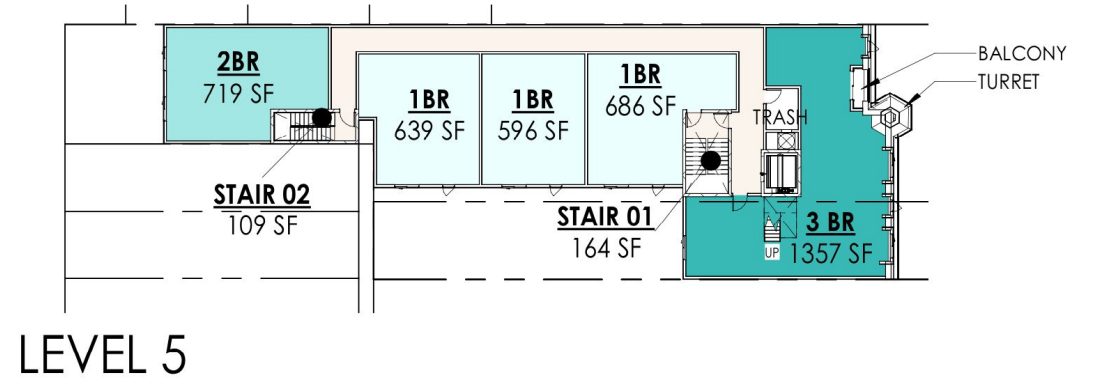
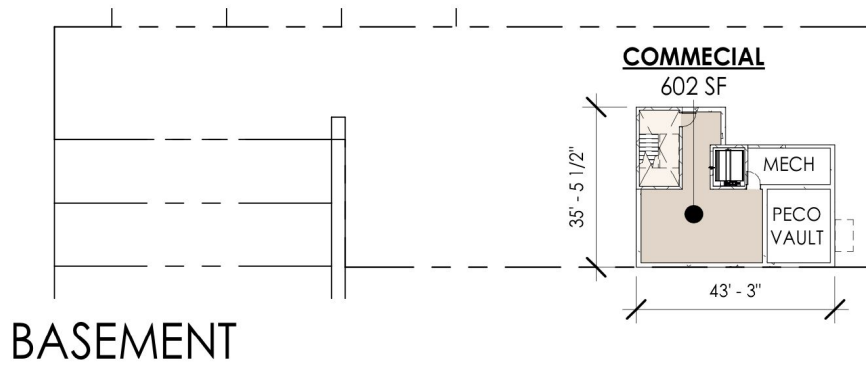
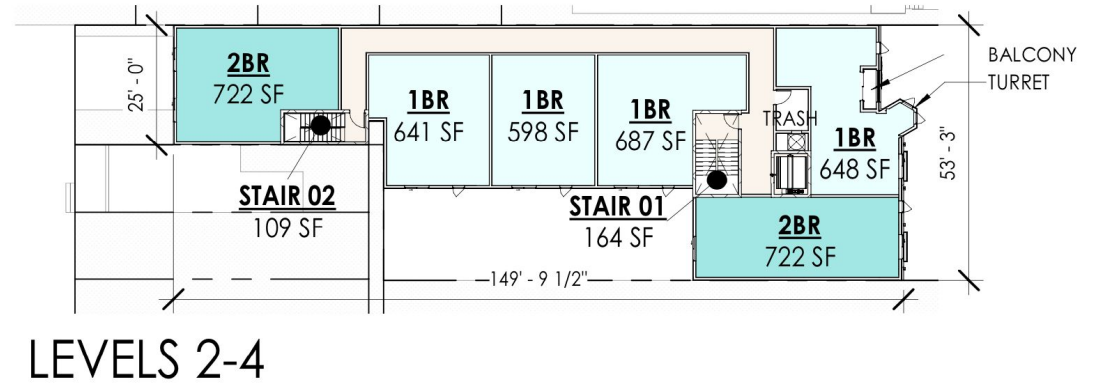
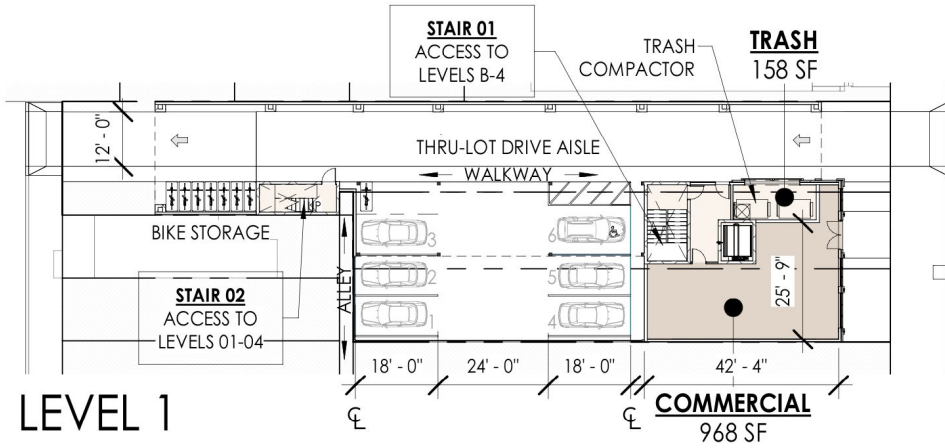
PROPOSED DEVELOPMENT SITE MAP





SITE PLAN





SCHEMATIC OVERVIEW

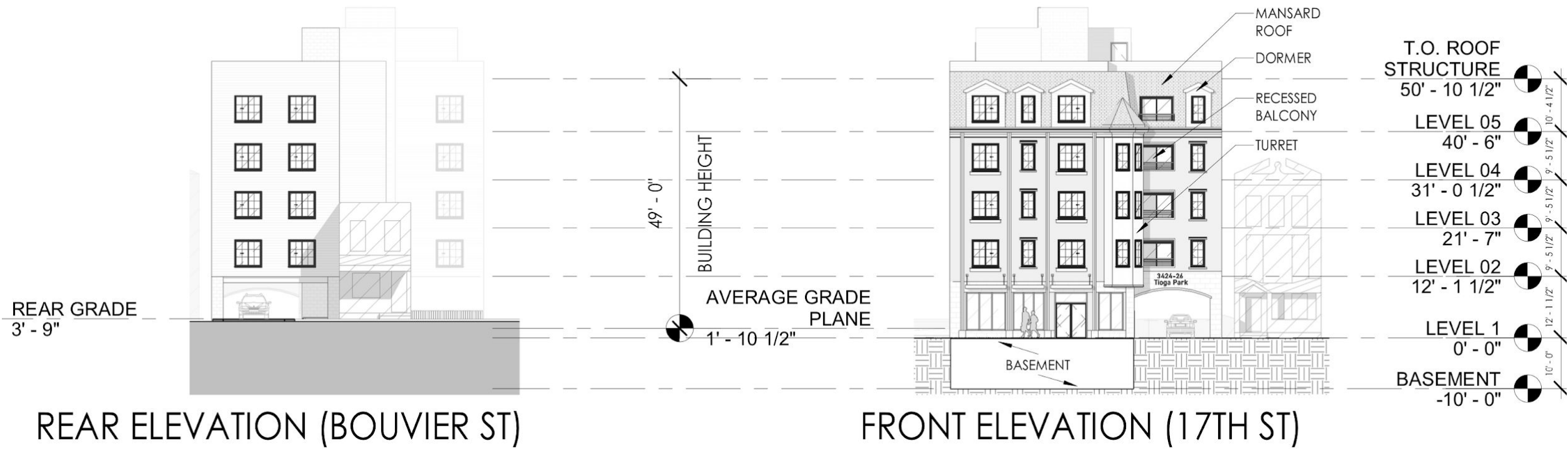




SOUTH ELEVATION

BUILDING ELEVATION





BUILDING ELEVATION





Financial Overview

Sources	\$
Construction Financing	\$2,651,880
Developer and Investor Equity	\$1,549,199
Total Sources	\$4,201,079

Uses	\$
Land Costs	\$100,000
Soft Cost	\$300,051
Hard Cost	\$3,535,840
Interest Reserve + Financing Cost	\$265,188
Total Use of Funds	\$4,201,079

Property Type: Residential Mixed-Use

Loan Type: New Construction/Bridge Financing

Contingency: 10%

Financing: 75% of Hard Costs

Financing Cost: 6% + 1pt

Construction Loan Term: 18 Months

Build Costs: \$140/ SF

Project Costs Sources + Uses

Residential Revenue	# Units	Per Unit Monthly	Average Price Per Sqft	Total Per Month	Total Per Year
Rental Income					
2BR - AVERAGE 780 SQFT	7	\$1,600	\$2.05	\$11,200	\$134,400
1BR - AVERAGE 594 SQFT	8	\$1,100	\$1.85	\$8,800	\$105,600
1BR - AVERAGE 670 SQFT	7	\$1,100	\$1.64	\$7,700	\$92,400
3BR - 1471 SQFT	1	\$2,000	\$1.36	\$2,000	\$24,000
Parking revenue	6	\$100		\$600	\$7,200
Gross Revenue				\$30,300	\$363,600
Bad Debt	2%			\$606	\$7,272
Vacancy	8%			\$2,424	\$29,088
Effective Residential Revenue				\$27,270	\$327,240
Commercial Revenue	1695 sq ft	\$3,017	\$1.78	\$3,017	\$36,205
Vacancy	1%			\$30	\$362.05
Effective Commercial Revenue				\$2,986.93	\$35,843.15
Total Revenues				\$30,257	\$363,083
Expenses				Total Per Month	Total Per Year
Operating Expenses				\$5,846.00	\$70,153
Gross Expenses				\$5,846	\$70,153
<i>Gross Margin</i>				<i>80.68%</i>	<i>80.68%</i>
Net Operating Income				\$24,411	\$292,930

Pro Forma + Rental Comps

Property Name	1BR	2BR	3BR
Philly Temple Lofts			
Located: 1419 W Allegheny Ave, Philadelphia, PA 19132	1100 +	1800+	2400+
Six Story Apartment Building			
54 Units			
Status: Completed and Stabalized			
LaCorte Properties			
Located: 1600 Block of Venango	1BR	2BR	3BR
Modular New Construktur *Triplex	N/A	1350+	N/A
30 Units			
Status: Phase 1: 15 Units: Completed and Stabalized			
Status: Phase 2: 15 Units: In Construktur (70% Completed, leasing and marketing started)			
Private Builder			
Located 1700 W. Tioga Street, Philadelphia, PA 19140	1BR	2BR	3BR
45 Units With Ground Floor Commerical (7 Story Apartment Building	800+	1200+	N/A
Status: In Construction (90% completed, leasing and marketing started)			

PROJECTED SCENARIO (10 YR)

Interest Rate	5.00%
Vacancy	8%
Rental Growth Rate	2%
Leveraged IRR	13.80%
Equity Multiple	3.19
Cap Rate at Sale	5.83%
Average Cash-On-Cash	9%
Average DSCR	1.55

CONSERVATIVE SCENARIO (10 YR)

Interest Rate	6.00%
Vacancy	10%
Rental Growth Rate	1%
Leveraged IRR	4.41%
Equity Multiple	1.63
Cap Rate at Sale	8%
Average Cash-On-Cash	6%
Average DSCR	1.39

OPTIMISTIC SCENARIO (10 YR)

Interest Rate	4.75%
Vacancy	5%
Rental Growth Rate	3.50%
Leveraged IRR	19.62%
Equity Multiple	4.68
Cap Rate at Sale	5%
Average Cash-On-Cash	12%
Average DSCR	1.6

Return Summary



Social Impact Initiatives



Let's Build

Community is a verb.

In addition to creating equitable developments, we want to create real impact in the communities that we develop in.

Our goal is to enrich the lives of the local residents and neighborhoods by providing access to information, resources and mentorship.

Our core focus is on the creative community. The attitudes, perspectives and values of today's creative and entrepreneurial class are responsible for setting trends at a global level.





Our Framework

Our goal is to make the Nicetown-Tioga area the center of art and culture in Philadelphia. Here's our initial framework:

- Create shared spaces that are essential for creators to thrive -- this means coworking areas, galleries, rehearsal rooms, performance spaces, lofts and more.
- Build the infrastructure to support a creative career -- this means hosting educational workshops, conferences, panel discussions, artist grants, legal and tax resources and more.
- Leverage our relationships across art and culture to attract key talent to Nicetown-Tioga and integrate them into our programming. Think: Nipsey Huddle & Vector90 in Los Angeles.





Impact before profit

Other areas where we would like to contribute are:

- **Employment:** Outside of jobs within our buildings, we want to hire locally for our construction and development needs. After stabilization, we want to hire local help to keep our organic footprint in the neighborhood
- **Beautification and clean up:** Monthly neighborhood clean ups, strong recycle policy and education, plants/potters, doggie bags
- **Health and fitness:** Health-food vending machines in lobbies, fitness tracking apps for tenants, programs similar to Heath+
- **Information access:** Access to broadband internet, tablets in lobby buildings with important citywide information (school closings, snow days, etc) and more





Questions?

Contact Us



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