

Cocoa Grand Apartments SCRE Florida Value Add Fund I, LLC

Investor Summary



Sinatra & Co.



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Disclosure

The information contained herein is intended for informational purposes only and does not constitute legal, tax, business or financial advice and should not be construed as a recommendation of any kind. You should consult your own legal, tax, business and financial advisors with respect to your review of and any questions you may have regarding the information contained herein. Further, the information contained herein is neither an offer to sell, nor a solicitation of an offer to buy, any interest in SCRE Value Add Florida Fund I, LLC (the "Fund" exclusively for Cocoa Grand Apartments) or any other entity.

Any offering of interests in the Fund would be made only to "accredited investors" pursuant to an exemption from the registration or qualification requirements of the Securities Act of 1933, as amended, and certain state securities laws. Furthermore, the specific terms of any such proposed offering would be made pursuant to terms specifically set forth in the confidential private placement memorandum (the "Offering Materials"), which are prepared by the Fund specifically for such purposes.

The information contained herein is current only as of the date hereof and may change after such date, without notice from the Fund. We undertake no obligation to update these statements except as may be required by applicable securities laws.

This information may also include "**forward-looking statements**" within the meaning of the federal securities laws. Such forward-looking statements can be identified by the use of words such as "will," "may," "should," "intend," "believe," "expect," "could," "target," "estimates," "projects" or other comparable terminology. You should not rely upon forward-looking statements as predictions of future events. These statements involve known and unknown risks, uncertainties, and other factors that may cause the investment's actual results, levels of activity, performance, or achievements to be materially and adversely different from any future results, levels of activity, performance, or achievements expressed or implied by such forward-looking statements. You should be aware that a number of important factors, including but not limited to, the factors in the Offering Materials, could cause the investment's actual results to differ materially from those in the forward-looking statements.

Projections and forecasts that may be included in this informational summary constitute forward-looking statements and have been prepared on the basis of assumptions stated therein. Future results are impossible to predict, and no representation of any kind is made respecting the future accuracy or completeness of any financial projections and forecasts. Accordingly, any projected financial information is for illustrative purposes only and you should not rely on any such projections in making an investment decision to purchase interests in the Fund.

Neither the U.S. Securities and Exchange Commission, nor any state securities commission or regulatory authority has approved, passed upon or endorsed the information contained herein or in the Offering Materials, or assessed the merits of any investment in the Fund.

Past Performance does not guarantee future results. There can be no assurance that the investment will be profitable or will not incur losses in the future. There are substantial risks associated with the investment's ability to achieve its prospects. Real estate investments are speculative, illiquid and risk total loss of capital.

Pictures are presented for illustrative purposes only. An investment in the Fund is not an investment in any of these properties unless explicitly designated as an existing investment of the Fund and not Sinatra & Co. or other funds or properties Sinatra & Co. may operate.

Confidential Information

Recipient acknowledges that this presentation contains confidential information and agrees not disclose such confidential information other than to its employees, officers, directors, attorneys, accountants and financial advisors as necessary for purposes of evaluating a potential investment.

Additional Risk Disclosure

Real estate values are affected by a number of factors, including changes in the general economic climate, local conditions, zoning laws and other governmental rules, uninsured losses, acts of God, acts of terrorism, energy and supply shortages, the quality and philosophy of management, competition based on rental rates, attractiveness and location of the properties, physical condition of the properties, financial condition of buyers and sellers of properties, quality of maintenance, insurance and management services, and changes in operating costs and other factors beyond the control of the General Partner. If investments do not generate sufficient revenues to meet their operating expenses, including debt service and capital expenditures, the Company's cash flow and ability to pay distributions to the Limited Partners will be adversely affected. In addition, in certain circumstances, the Company may be required to drawdown additional capital from the Limited Partners to pay Company expenses. Certain significant expenditures associated with each equity investment (such as mortgage payments, real estate taxes, lease obligations and insurance and maintenance costs) are generally not reduced when circumstances cause a reduction in income from such investment. Real estate values are also affected by such factors as government regulations (including those governing usage, improvements, zoning and taxes), interest rate levels, the availability of financing, participation by other investors in the financial markets, and potential liability under changing laws.

Any construction difficulties or delays are likely to have an adverse effect on the Project, and consequently on the Project's profitability. For the Project to meet its financial performance plan, it will need to develop the multifamily units at particular cost levels and within particular time frames. The Project's ability to complete the development will depend upon a variety of factors, most of which will be outside the Project's control. These factors include, but are not limited to: difficulties or delays in obtaining building, occupancy, licensing, and other required governmental permits and approvals; failure to complete development of the multifamily units on budget and on schedule; unforeseen engineering, environmental or geological problems; failure of third-party contractors and subcontractors to perform under their contracts; shortages of labor or materials that could delay the project or make it more expensive than budgeted; adverse weather conditions that could delay development and any related construction; force majeure events or other acts of God; increased costs resulting from changes in general economic conditions or increases in the costs of materials; and increased costs as a result of addressing changes in laws and regulations or how existing laws and regulations are applied.

The real estate industry is extensively regulated and subject to frequent regulatory changes. The adoption of new legislation or changes in existing laws or new interpretations of existing laws can have a significant impact on methods and cost of doing business. The real estate industry is and will continue to be subject to varying degrees of regulation and licensing by federal, state, and local regulatory authorities in various states and localities. Federal, state, and/or local governmental agencies may impose unforeseen restrictions on the Project that adversely affect the ability to market, lease, and/or sell multifamily properties. These restrictions may include changes to building codes, moratoriums prohibiting the development, restrictions on materials and labor that may be used in construction, and environmental issues relating to development.

Construction activities involve the risk that construction may not be completed within budget or on schedule because of cost overruns, work stoppages, shortages of building materials, the inability of contractors to perform their obligations under construction contracts, and defects in plans and specifications, or other factors. Any such construction budget and/or construction schedule is merely an estimate and projection and thus, cannot be relied upon as to the final cost and time to complete the Project. There can be no assurance that the project will be successfully developed and will be sold in a timely manner and in accordance with the business plan so that the Project can meet its financial goals. There can be no assurance that the market for the Project will be positive. To the extent that the Project cannot be sold at the Project's target prices the financial results of the Project will be negatively impacted.

Cocoa Grand: Property Summary

Highlights

- 268-unit Class A, lake view, garden style, new construction, built 2023 by a luxury homebuilder
- Acquired as an opportunistic asset in July 2024
- Located in Space Coast market with strong professional jobs and population growth

Property Advantages

- Massive unit sizes 68% larger than competitors averaging 1,680 sf, a significant driver for high tenant retention
- Spacious two- and three-bedroom units make up 91% of unit mix
- Property located more inland, less affected by hurricanes, built to current hurricane resistant standards
- No water damage from 2024 hurricanes, just some roof shingles were replaced
- Beautifully designed and constructed with a luxury clubhouse and lake views far superior to competitors



Cocoa Grand: Fund Raising

Sinatra and Co. has successfully acquired Cocoa Grand Apartments as of July 2024 and anticipating a \$22M Single Asset Fund Targeting 16-18% IRR (net to investor)¹ over a 3-4 Year Term Including a *6% Current Yield*. Additionally, Sinatra and Co. has secured \$16M for the fund.

REMAINING RAISE WILL PAY DOWN \$6 MILLION SPONSOR BRIDGE PROVIDED AT CLOSING OF COCOA GRAND

¹Returns may vary based on the Class A and Class B units, please refer the Three-Year Projection for further information.

Cocoa Grand: Three Year Projection

Sources and Uses

Sources:

New Debt	\$46,900	63.1%
JV Pref. Equity	5,500	7.4%
Total Debt	\$52,400	70.5%
Sinatra & Co. Equity	\$3,633	4.9%
JV Common Equity	18,258	24.6%
Total Equity	\$21,890	29.5%

Uses:

Total Purchase Price	\$64,300	86.55%
Capex & Insurance Escrow	1,270	1.71%
Closing Costs (% of PP)	1,767	2.38%
Fin. Fee (% of Debt)	229	0.31%
Escrows (RE Tax, Ins., RR)	764	1.03%
Acq. Fee (% of PP)	643	0.87%
Placement Fee (% of Equity)	220	0.30%
Capital Escrow	3,425	4.61%
Pref. Equity Reserve	500	0.67%
Rate Buy Down	1,173	1.58%

Total Sources	\$74,290	100.0%	Total Uses	\$74,290	100.00%
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*All values are in thousands in the left table.

¹**Class A Units:** Minimum Investment of \$500,000. Class A members will be paid 6% per annum paid quarterly and a preferred return of 12%, and cashflow above that will be distributed 50% to the investors on pro rata basis and 50% to the manager.

²**Class B Units:** Minimum Investment of \$25,000. Class B members will be paid 6% per annum paid quarterly and a preferred return of 10%, and cashflow above that will be distributed 50% to the investors on pro rata basis and 50% to the manager.

Sales Projection

Going-in Cap Rate	4.89%
Exit Cap Rate	5.00%
Exit Sale Price	\$89,312,000
Exit Sale Price Per Unit	\$333,250
Investor - IRR / MOIC	15.8% / 1.52x
Class A Units – IRR Projection ¹	16-18%
Class B Units – IRR Projection ²	14-16%

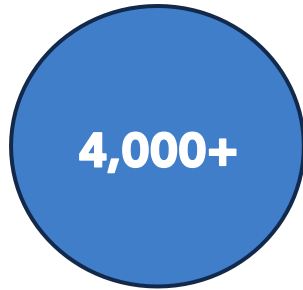
Cocoa Grand: Debt Summary

Debt Summary

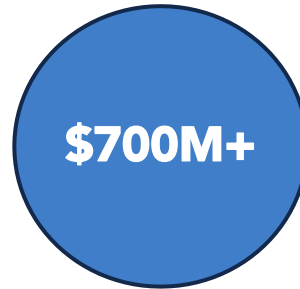
Loan Issuer	Citi Bank
Loan Type	CMBS
Loan Proceeds	\$46,900,000
Loan to Value (LTV)	73%
Fixed Interest Rate (%)	6.56%
Loan Term	5 years IO

Sinatra & Co. – Multifamily Operator

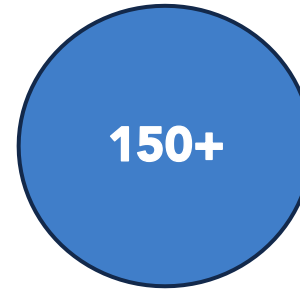
Current
Statistics



Multifamily Units



Portfolio Asset Value



Team Members

Exited ~3,000 units
over past 7 years,
realizing an average 21% IRR

Sinatra & Co., the Sponsor, is a leading “full-service,” vertically-integrated manager of multifamily and mixed-use assets in Western New York, Florida and Chicagoland.

Founded in 2009, the Sponsor is rooted in ***putting people first.*** We strive to make a positive impact in our community and to improve the lives of the people we touch. Our company’s goal is to grow through shared sustainability with our projects, our people, and our communities.

Sponsor Company Mission

Sinatra & Co. is a family-owned business striving to operate in excellence by aligning the interests of our people, residents, investors, and communities.

One Team, One Direction.

Note: Company information as of 12/31/2023. Portfolio Asset Value based on a Broker Opinion of Value prepared by CBRE Upstate NY as of 4/30/2024. Past performance does not guarantee future results.

Residential Sale Track Record - Sold

Project/Asset Name	State	Units	Acquisition		Sale Price	Project IRR
			Date			
Better Buffalo Properties	NY	386	Various	\$	25,730,076	17.7%
618 Elmwood Ave	NY	32	Dec-11	\$	4,000,000	40.5%
Wayne Waldorf Apartments	NY	32	May-12	\$	4,000,000	11.6%
Orchard Village Apartments	IL	272	Nov-15	\$	48,500,000	29.2%
Sinatra Apartment Group	NY	219	Various	\$	16,899,374	21.7%
Sinatra Redevelopment	NY	100	Various	\$	7,971,740	15.4%
2000 Delaware Ave Apartments	NY	110	Dec-15	\$	12,750,000	14.9%
Amherst Rental Group	NY	34	Aug-11	\$	4,210,000	58.9%
West Seneca Apartment Group	NY	104	Aug-17	\$	11,020,408	18.9%
945 West Ferry	NY	38	Nov-11	\$	7,300,000	15.2%
Pleasant Creek Apartments	TX	159	Jan-19	\$	23,250,000	25.3%
Linda Lane Apartments	NY	156	Nov-16	\$	10,280,000	17.0%
Renaissance at Carol Stream	IL	293	Oct-17	\$	37,570,000	7.0%
La Jolla Terrace	TX	339	Jul-20	\$	39,300,000	16.0%
Fox Valley	IL	420	Dec-16	\$	72,000,000	9.0%
Elmwood KT Apartments	NY	56	Jan-16	\$	3,300,000	21.8%
Patio Village Apartments	CA	50	Dec-14	\$	10,800,000	16.1%
Patio Village Apartments II	CA	4	Dec-14	\$	1,050,000	21.3%
Grossmont Village Apartments	CA	27	Aug-15	\$	6,125,000	14.2%
Grossmont Village Apartments II	CA	18	Aug-15	\$	2,275,000	19.4%
		2,849			\$348,331,598	20.6%

~3000
units exited

21% IRR
average

20 Projects

~\$350 M
assets sold

Note: Past performance does not guarantee future results. There can be no assurance that the investment will achieve its prospects, actual results may differ materially. The XIRR function in Microsoft Excel was used to calculate the Internal Rate of Return figures. See full offering documents for detailed information.

Advantages, Risks and Mitigants

Pros	Description
Market Timing	High interest rates with billions of dollars in multifamily loans coming due in 2024-2025 have already started buying opportunities
Acquisition Completed	The Cocoa Grand property has already been successfully acquired
Market Leader	Experts in local Florida market with local office infrastructure in place

Cons / Risks	Mitigants
Market Risk	Florida continues to have one of the fastest growing economies in the U.S. with 225,000-275,000 net new residents forecasted for 2024; Business-friendly government policies and desirable climate will continue to create jobs and drive growth during the investment horizon
Management Execution Risk	Experienced management team with over 160+ years combined experience and track record including 20 successful exits
Competitive Risk	Market leader in a niche, granular market that has fewer competitors at this price point; strong reputation for quick closings and delivering results in the marketplace
Interest Rate Risk	Fixed rate loan is secured for this property.
Property Insurance Risk	The property is built with hurricane construction standards and is inland location reducing the insurance costs. Moreover, working with our insurance broker, USI Insurance Services, to procure a master property portfolio for Florida assets

The Team: Principals

Nick Sinatra Founder and CEO



Founder of Sinatra & Co. Real Estate in 2009, the investment firm is **focused on Western New York and Florida**. The entrepreneurial company invests in distressed multi-family and mixed-use structures. Since inception, it has **acquired, built, and sold over 7,000 apartment units**.

In total Sinatra & Co. Real Estate (and its affiliates) have **over \$700 million in real estate assets under management in Upstate New York, Florida and Illinois**. The firm has a diverse investor base including institutional capital backing from Stolar Capital, Oaktree Capital, Pensam Capital, Pearlmark Real Estate, Auerbach Opportunity Funds, and many Family Offices.

Going into its **14th year**, Sinatra & Co. Real Estate is a **family-owned business** striving to operate in excellence by **aligning the interests of our people, residents, investors, and communities**.

Prior to founding Sinatra & Co. Real Estate, Nick Sinatra served as Associate Political Director at the White House, where he managed President Bush's Political Affairs in the Northeastern part of the United States.

Before joining the Bush administration in April 2005, Nick worked in Governor George Pataki's economic development agency in Buffalo, NY, The Empire State Development Agency. There, Nick was involved in the development deal that brought Geico's 2,300 job call center to Amherst, NY.

A **graduate of Yale University**, Nick also received his **MBA with a concentration in Real Estate Finance at the Wharton School of Business at the University of Pennsylvania**. Nick and his wife, Courtney, have a young son named Henry, and reside in Buffalo, NY and Tampa, FL.



The Team: Principals

Anthony Nanula Chief Investment Officer



Anthony Nanula is Chief Investment Officer at Sinatra & Co.

His **family office** is a **co-owner and actively invests** in Sinatra & Co. projects. The Nanula Family has been active in business for **more than 70 years across three generations** and has a legacy of success building operationally intensive businesses.

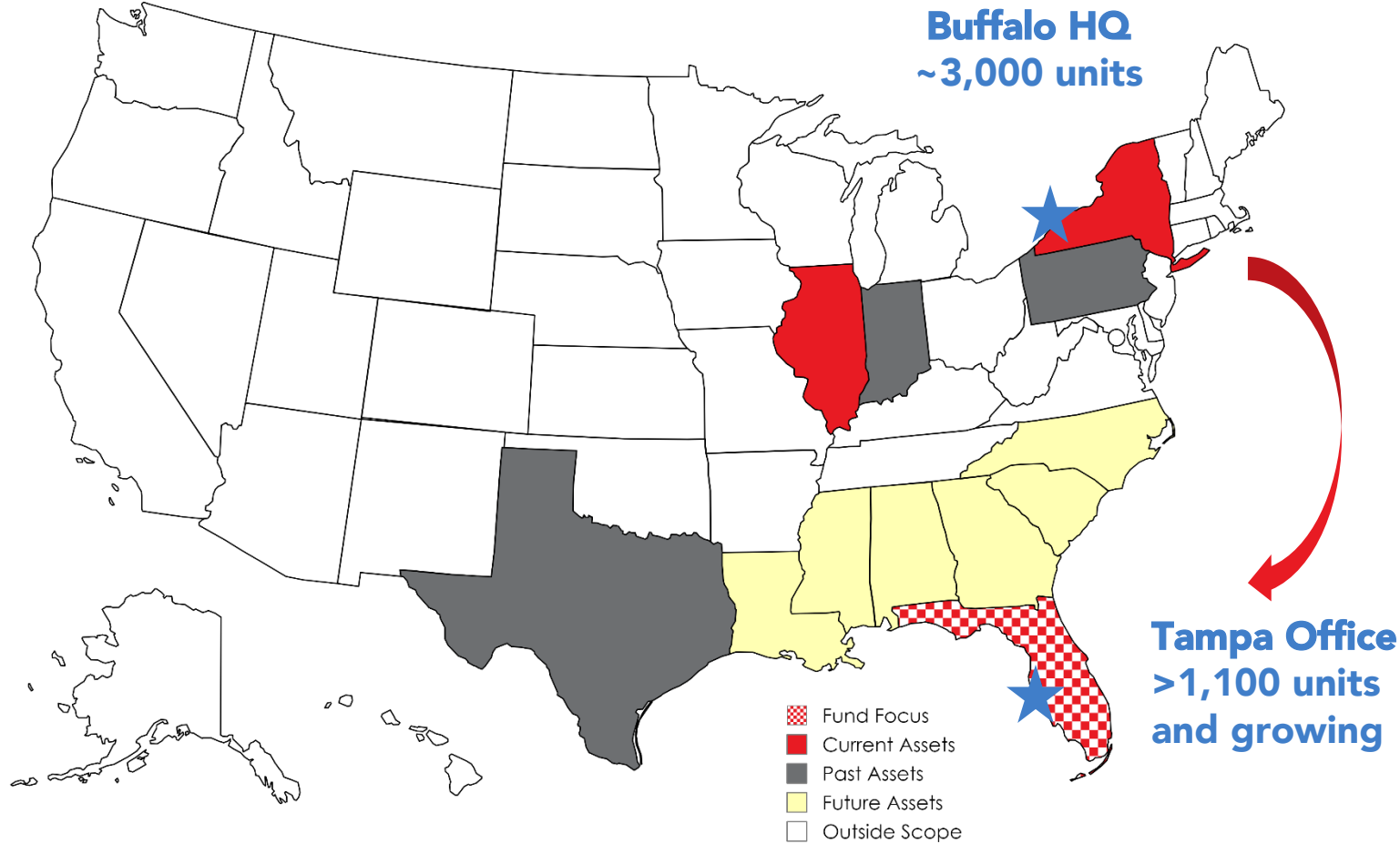
Anthony is a financier and serial entrepreneur who brings diverse experience to Sinatra & Co.. In addition to **co-founding Chalice Financial Network and Niagara International Capital**, he **co-founded Essex Homes of WNY, Inc.**, a leading Western NY regional homebuilder.

He has served as President of Nanco Enterprises Inc., a New York based commercial and industrial park operator and developer. He also assisted his brother Paul to successfully lead a leveraged buyout of **Wilson Farms, a subsidiary of Tops Friendly Markets**, consisting of approximately 200 convenience stores, which was sold to 7-Eleven in 2011.

Anthony also holds **extensive experience in public service**. In 1994, he was **elected to the New York State Senate** and **re-elected twice** in 1996 and 1998. At age 28, he was one of the youngest state senators ever elected in New York's history. Widely respected for his strengths in fiscal policy, Anthony was **elected Comptroller for the City of Buffalo** in 1999. In 2002, he was **appointed as Deputy Comptroller for the State of New York**.

Anthony is a **graduate of Syracuse University Whitman School of Management**. He currently serves on the Buffalo State University Foundation Board.

Sinatra & Co.: Growth in Florida Office



- ~40 team members locally in Florida and growing
- CEO Nick Sinatra spends a majority of his time in Florida
- Acquisitions team based in Tampa

The Team: Key Management for 120+ Staff



Mark Campanella
Vice President

15 years in real estate. Has been integral to the Sponsor since its inception in 2009. Oversees sales and commercial property leasing for the Sponsor's Western NY portfolio.



Lori Krull
EVP Operations

35 years in multifamily property management. Grew her last company from startup to 18,000+ units across multiple states. Former President of Tampa Bay Area Apartment Association.



Jeremy Chopra
Dir Acquisitions & Finance

10 years in real estate finance with 7 years at the Sponsor; completed acquisitions of approximately 3,500+ units (\$400M+), sales of 1,500+ units (\$150M+), and debt closings of \$355M+. Jeremy is a CPA.



Robert Carbone
General Counsel

12 years as an attorney. Experienced in private equity, corporate transactions and commercial litigation at law firms and in-house. Former partner at Duke Holzman Photiadis and Gresens, LLP.



Cole Hatley
VP Construction Mgmt

32 years in construction management. Co-founded Sinatra Development Co. 10+ years ago with Nick Sinatra. Has overseen small and large construction projects across 6 states.



Matt Connors
VP Development

15 years in development with 12 years at the Sponsor. Oversees all projects during the pre-development phase and adept at tapping multiple public funding sources to augment project returns.



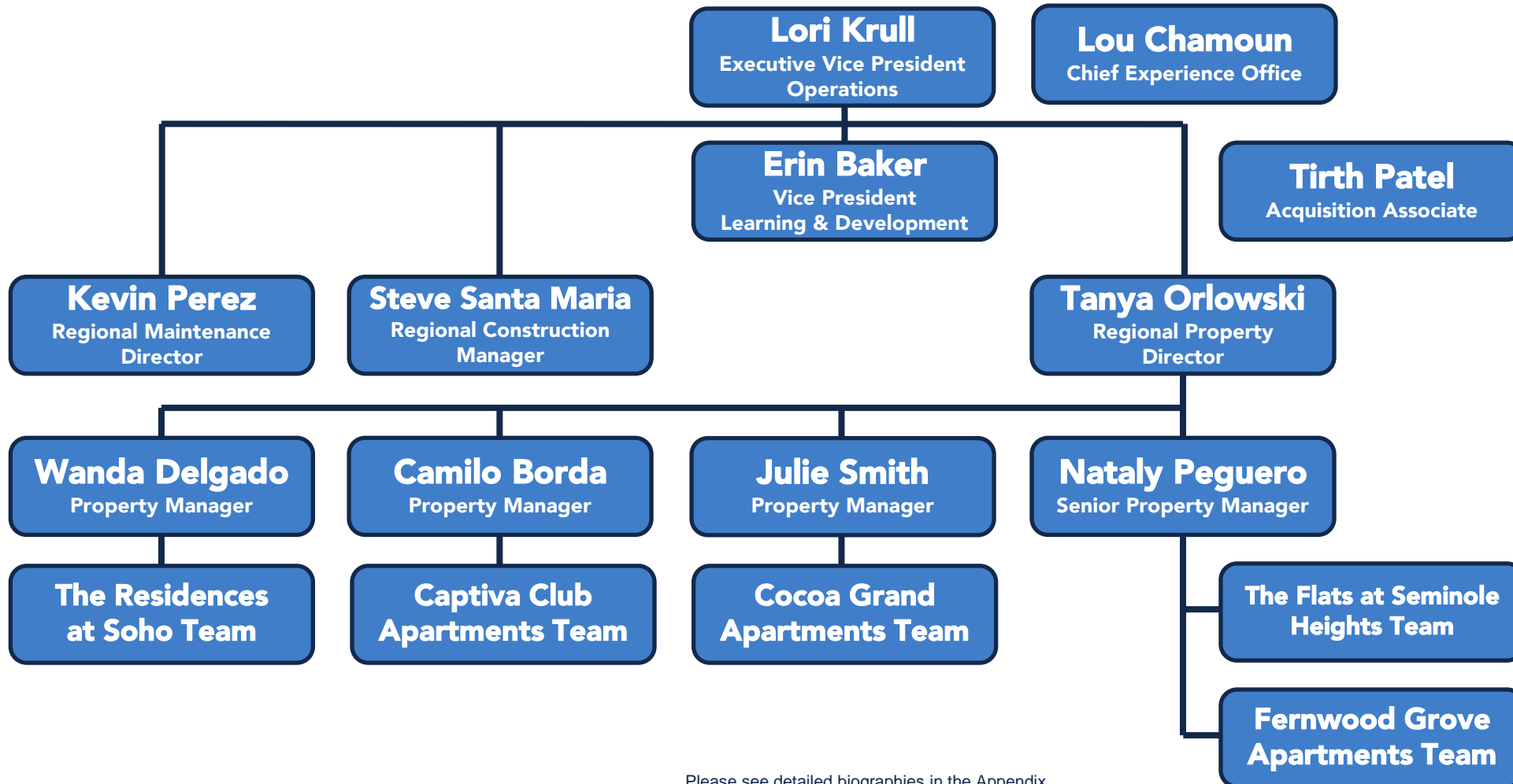
Strong infrastructure led by seasoned professionals across each vertical generates alpha for stakeholders:

- **Acquisitions**
- **Construction**
- **Property Management**

Senior management has 160+ years of industry experience

Florida Office Organizational Chart

Sinatra & Co. now has ~40 team members in its Tampa regional headquarters to support Florida operations



Please see detailed biographies in the Appendix.

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Third-Party Advisors

Sinatra & Co. has partnered with experienced industry leaders for legal and financial advice

 ANCHORVEST

BERKADIA[®]

troutman
pepper

THE BONADIO GROUP
CPAs, Consultants & More

Strategic Partner: Berkadia

Berkadia is a joint venture of Berkshire Hathaway and Leucadia National Corporation (now Jefferies Financial Group)
In 2023, Berkadia was named #1 Freddie Mac lender, #2 Fannie Mae DUS lender and #1 HUD lender

We have a longstanding relationship with Berkadia as our lending partner:

- Preapproved in-place line to enable 30-day closings and increase odds of winning properties during the bidding process
- Credit facility allows for property addition, property release, property substitution and borrow-up capabilities
- Allows for moderate leverage of 75% Loan To Value and DSCR 1.25 with flexible terms
- Can ladder maturities with multiple tranches of fixed and/or variable debt to mitigate interest rate risk while maximizing return on equity
- No loan size limitation

Sponsor has borrowed ~\$250 million across 9 projects from Berkadia to date

Advantages of Vertical Integration

Sinatra & Co. believes vertical integration generates alpha and drives higher investor returns

Acquisitions and Investment

- \$700+ million of multifamily and mixed-use assets owned and under management
- A leader in local investment activity
- Deep strategic relationship network:
 - Institutional and local equity partners
 - Agency lenders
 - Local and regional banks

10 Team Members

Construction and Development

- Successful three-pronged development strategy:
 - Value-add rehabilitation
 - Adaptive reuse
 - Urban infill
- Active developer of residential assets in Western New York:
 - \$185 million of projects completed to date
 - \$319 million in progress, across 11 projects

12 Team Members

Property Management

- One of the largest owner and operator of apartment homes in Western New York:
 - 4,000 + multi-family units nationwide
- Best-in-class property level service:
 - Focused on creating positive customer experience and public perception

100+ Team Members

Note: The prior performance of entities and funds affiliated with Sinatra & Co. may not be a good measure of the investment's future results.

Florida Capex Track Record in Tampa

Sinatra & Co. has consistently performed both under budget and ahead of schedule

	Flats at Seminole Heights	Fernwood Grove	Residences at Soho	Captiva Club	TOTAL
Total Units	165	128	218	361	872
Units Renovated in Capex Program	36	45	133	211	425
Capex Cost per Unit	\$10,984	\$12,250	\$15,246	\$15,730	\$14,808
Amenity/Non-Amenity	\$592,072	\$63,060	\$405,322	\$1,045,000	\$2,105,454
Budget for Capex	\$1,423,444	\$776,655	\$2,664,145	\$6,278,804	\$11,143,048
Actual Spend	\$1,210,628	\$687,234	\$2,664,809	\$4,758,506	\$9,321,177
Performance	15% Under	12% Under	On budget	24% Under	16% Under



Flats at Seminole Heights



Fernwood Grove



Residences at Soho



Captiva Club

Note: The prior performance of entities and funds affiliated with Sinatra & Co. may not be a good measure of the investment's future results.

Operational Excellence after Hurricanes

Sinatra & Co. has built up **operational excellence** to quickly and efficiently recover after hurricanes, creating a **competitive advantage**

- Maintains tenant satisfaction and retention
- Positions properties to take in tenants displaced by poorly managed competitors
- Increases NOI by minimizing lapses in occupancy

I spent 15 years in the multifamily housing industry ending my career as Director of Operations. I can honestly say that the Sinatra team is operating above and beyond. It is very impressive to see the response your teams are making following this catastrophic event. This being from the management and construction side of the company. We (Apex) have dealt with many of these losses and no other company has been as involved and supportive of the recovery efforts for both the people and the asset as we have witnessed with Sinatra & Co.

- Kyle Collins, VP Multifamily, Apex Restoration

Right: Cole Hatley,
VP Construction
Sinatra Development Co.

Personally assisting post-hurricane cleanup efforts at Captiva Club Apartments Tampa, 2024



Strong Workforce Housing Fundamentals

Workforce Housing has traditionally performed well during past market corrections⁴



Demand is on the Rise

- Declining homeowner-ship due to higher rates have led to more renters
- Gen Z and Gen Y are more inclined to rent
- Renter households are expected to increase over the next 2-5 years
- Interstate migration increases general demand



Florida Supply is Constrained

- Population growth is outpacing housing unit adds in Florida¹
- New supply of Workforce Housing has been constrained – development donut hole



Lower Volatility

- Multifamily rents are less volatile than rents for other commercial property types²
- Workforce housing rents see fewer wild swings³



Favorable Financial Mechanics

- Shorter depreciation schedule for multifamily properties can generate higher after-tax yields

Source: 1. US Census 12/22/2022. 2. CBRE Research 9/25/2023. 3. GlobeSt 11/8/2023. 4. ArborCrowd 5/20/2020.



Why Florida: Workforce Migration

Migration of Companies, Jobs and Workers



Recently released population and income migration data shows steadying, but strong growth projections for 2024: Florida expects 225,000 – 275,000 net new residents in 2024¹

NY, CA and IL → FL²



Employees and jobs are more mobile than ever
Ex: Work for a Silicon Valley tech company while living in Tampa



- Business-Friendly Policy Wins
- **NO STATE INCOME TAX.** Entrepreneurs, corporations and employees are relocating to these regions for tax savings
 - **NO RENT CONTROL.** A 2023 Florida law prohibits rent control statewide and provides for tenant housing assistance

We believe this migration leads to more demand for workforce housing in Florida



Source: 1. Florida Chamber Foundation 2024; 2. US Census July 2021-2022.

Florida Space Coast: Jobs & Lifestyle

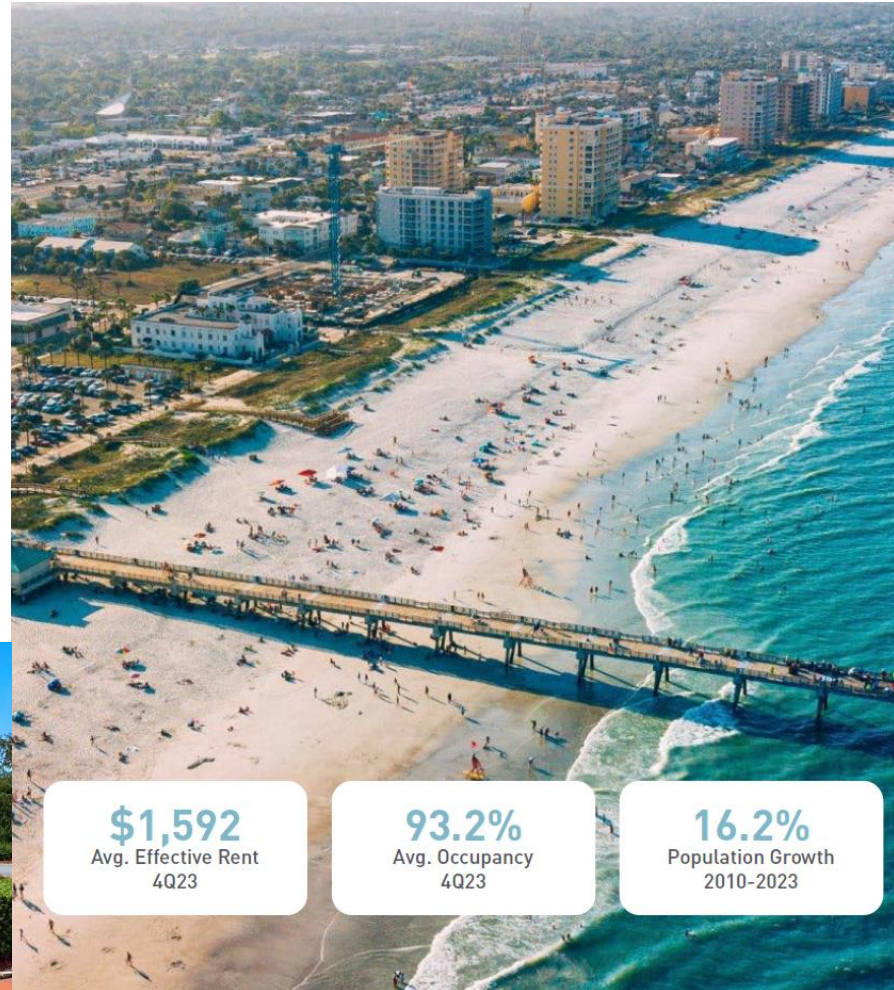
The **Florida Space Coast** is located Brevard County, just 40 minutes east of Orlando on the Atlantic coastline.

Brevard County cites a **strong employment forecast**, with **SpaceX, Blue Origin, United Launch Alliance, OneWeb**, and other space-industry companies priming **Florida's Space Coast** for take off. Additionally, in 2019, **The Boeing Company** chose **Titusville** to relocate its **Space and Launch division headquarters**. **L3Harris** is also planning a **potential expansion** to its **Palm Bay campus** that would result in **200 new high-paying jobs**.

Driven by a **booming tech sector** and an **affordable cost of living**, a recent study revealed that the Space Coast of Florida **leads the nation** in the **percentage of workers with living-wage jobs**.

AWARDS & ACCOLADES

- #1 **Fastest Growing Tech Sector** in Florida (Space Coast Daily, 2023)
- #1 **Percentage of Workers with Living Wage Jobs** in U.S. (Ludwig Institute for Shared Economic Prosperity, 2023)
- #1 **Busiest Cruise Port** in the **World** (Port Canaveral, 2023)
- #2 **Best City for Millennial Job Seekers** in Florida (NerdWallet, 2023)
- #15 **Best Places to Live** in U.S. (U.S. News and World Report, 2023)



\$1,592
Avg. Effective Rent
4Q23

93.2%
Avg. Occupancy
4Q23

16.2%
Population Growth
2010-2023

ECONOMIC SNAPSHOT

- 631,503 People in Palm Bay MSA
- 1% Annual Increase in Jobs
- 34,700 Projected Net Migration in Five Years
- \$65,626 Median Household Income
- \$365,000 Median Home Price
- 2,300 Jobs Created MSA Wide YoY
- 3.1% Unemployment Rate 2Q23
- 67% Workers in White Collar Positions
- 90% Workforce with Living Wage Jobs

Cocoa Grand

Cocoa, Florida - Acquisition Completed July 2024

Unit Count: 268 Units
Acquisition Price: \$64.3 million
Price per Unit: \$240,000
Cap Rate: 4.89%
Year Built: 2023
Current Occupancy: 94%

Capex Budget: \$1.2 million
Est. Exit Cap Rate: 5.0%
Est. Exit Year: 2027
Unlevered IRR: 10.7%
Levered IRR: 19.3%
Levered MOIC: 1.7x

Opportunistic Acquisition:

Newly constructed garden style apartment community acquired July 2024 at a price point below replacement cost. Seller was a developer that ran out of funds to complete landscaping and tenant amenities, plus under lender pressure to reduce loan exposure. Property was appraised at \$68 million prior to closing, yielding a 20% return on equity bump on day 1.



Note: The above projections are based on deal-level returns.

Cocoa Grand Capex Plan: Amenity Boost

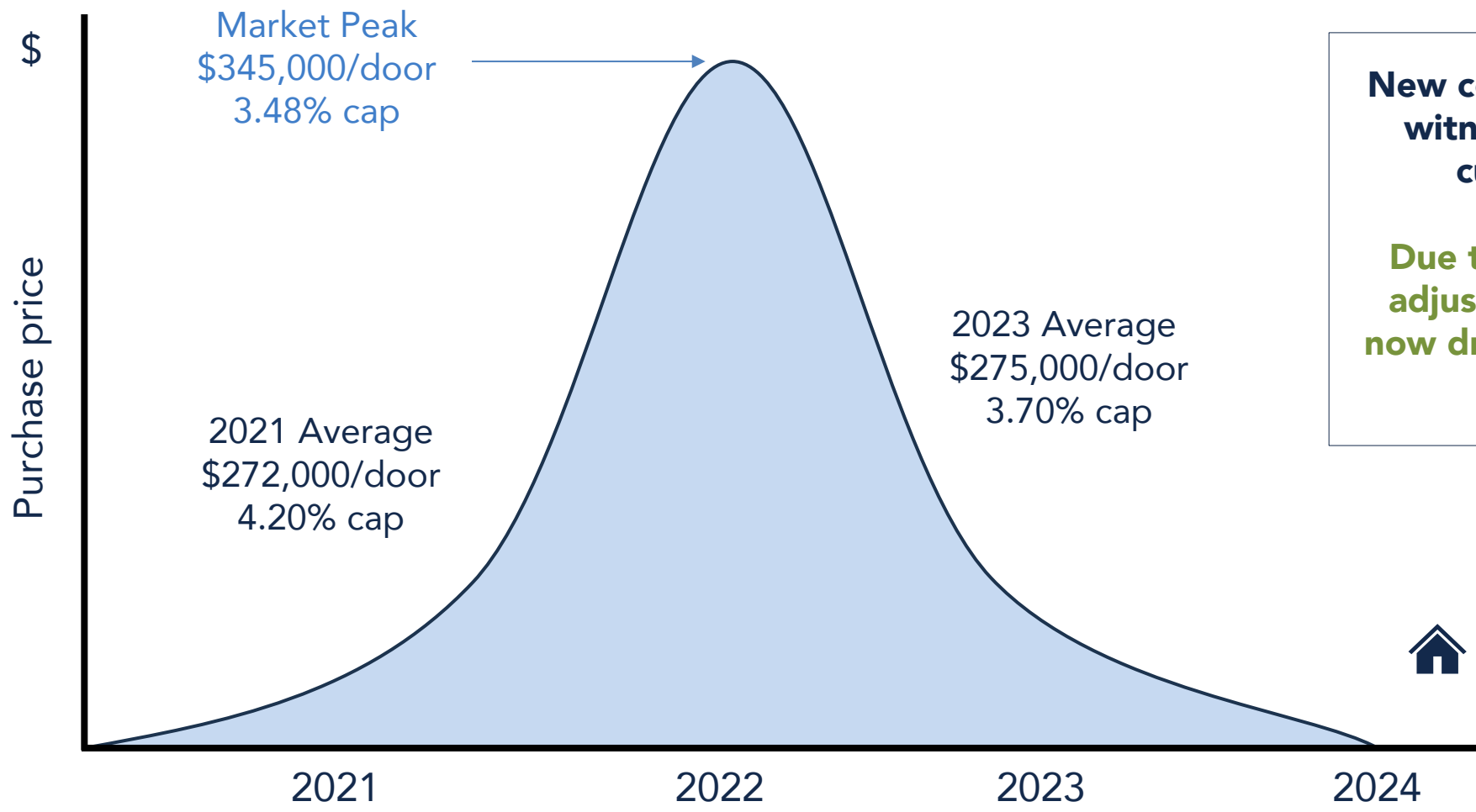
Capex Program Budget

General common area improvements & reserves	250,000
Dog wash station within the community center	25,000
Fenced-in dog park	14,000
Car wash station by maintenance garage	10,000
Outdoor kitchen with grill station at pool	15,000
Dock and shelter overlooking the pond	50,000
Gazebo grilling/picnic areas	45,000
Entry gate with cultured stone monuments	120,000
Porch screen enclosures	402,000
Complete walkway around pond	12,000
Reserved parking striping and speed bumps	5,360
Landscape	50,000
Pond fountain w/ light	10,000
Back racks w/ pads	48,000
Package pick-up center	30,000
Contingency (5%)	54,318
General Conditions (5%)	57,034
Insurance (1%)	11,977
CM Fee (5%)	60,484
TOTALS	1,270,173



Since Cocoa Grand was recently built, the \$1.2 million capex program will focus on tenant amenities to attract tenants and drive retention

Opportunistic New Construction Strategy



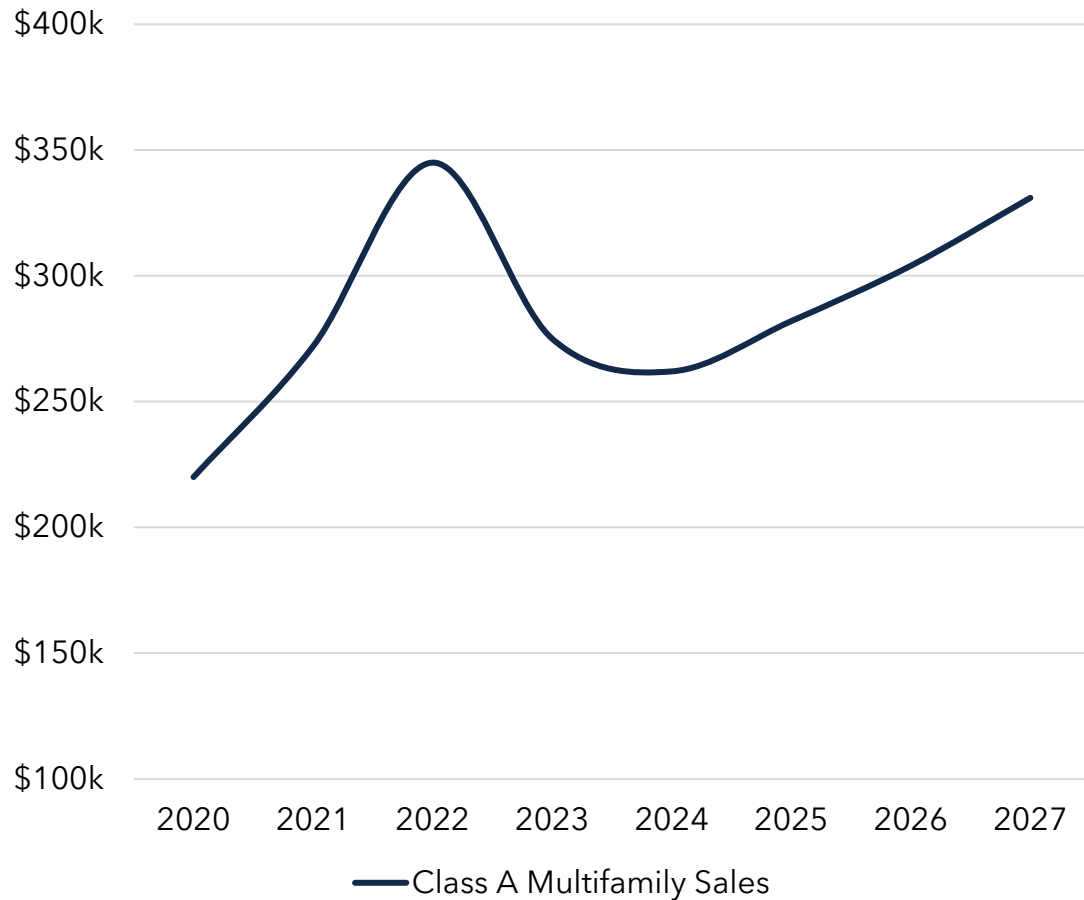
New construction Class A properties witnessed similar historical price curve as value-add market

Due to cash crunches and looming adjustable mortgages, lenders are now driving Class A owners to sell at very attractive prices

Cocoa Grand
\$240,000/door
4.89% cap

Florida Looking Forward: Price Growth

Purchase Price per Multifamily Unit



We believe the Florida market should see major growth in the next 3 years

- Multifamily segment has historically achieved a minimum 8.3% CAGR over any 10-year period¹
- Strategic acquisition at opportunistic prices coupled with value-add improvements can boost exit price beyond average CAGR
- Market peak of \$350,000 per unit for Class A property in 2022 was the high-water max during the recent cycle¹
- We forecast a new high-water peak of \$335,000 per unit for Class A property given positive investor interest in Florida that should drive prices higher as the rest of the country lags²
- We believe those who can organize capital and execute quickly can capture this 12–18-month opportunity

Source: 1. Linneman Letter Fall 2021, April 2024; 2. Sinatra & Co. research for Tampa and Orlando based on CoStar.

First Mover Advantage – Short Term Window of Opportunity



**We anticipate a
12-18 month
window of
opportunity
for attractive deals
in Florida.**

Market on the Cusp

- We believe the multifamily market correction has just begun given recent 2024 rate drops
- Forecasted avalanche of adjustable mortgages coming due soon
- \$84B+ dry powder capital patiently waiting on the sidelines for value-add deals

Active Pipeline

- Targeting poorly managed, potentially distressed properties located in solid working-class locations
- Already completed acquisition of Cocoa Grand and actively underwriting other properties for 2025

Geographic Focus

- Florida: Northeast, Central, Southeast and Southwest regions
- Will also evaluate selective opportunities throughout the Sunbelt

Source: CoStar data 12/20/2023.

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