

Lincoln Property Company Development Partner

Lincoln is an international commercial real estate company, and one of the largest privately held in the US. With over 3,200 employees and 35 global offices, Lincoln boasts of over \$25 Billion of AUM and over \$20 Billion of projects currently under construction and development.

Lincoln has completed over 150 million SF of commercial real estate development and brings both development and construction management expertise to the project.

GreenTrust Partners, LLC Sponsor Partner

GreenTrust is the general partner of the \$2.5 Billion ESG-oriented Sun Belt Growth Fund, L.P. The Fund is an innovative and forward-thinking commercial real estate investment fund seeking to take advantage of current economic headwinds. Focused development includes affordable workforce housing across the Sun Belt region.

GreenTrust leadership includes Eileen Murray among other nationally recognized leaders from the real estate and financial markets.

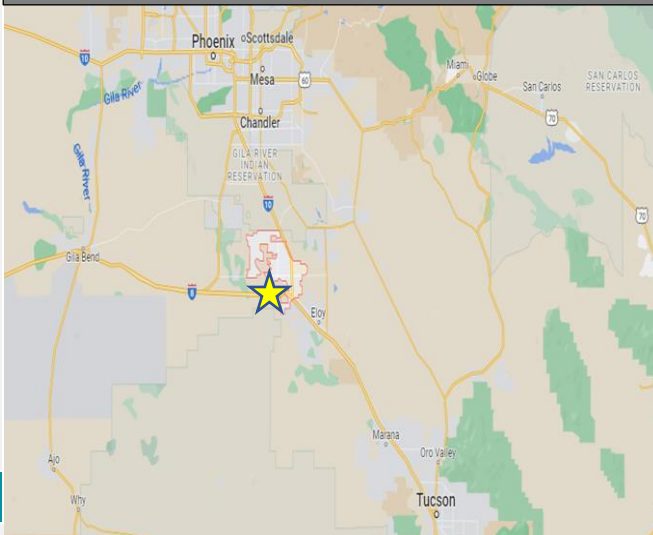
FINANCIAL HIGHLIGHTS

PROJECT COST	\$73.8 Million
DEBT	\$33.2 Million
EB-5 PEF EQUITY	\$20.0 Million
EQUITY	\$20.6 Million
HOLD PERIOD	5 Years
PROJECTED IRR	+34.0%

Unique Financing Proposition: Nysa Capital, LLC ("Nysa") has been engaged as the exclusive financial advisor to arrange both debt and EB-5 Pref Equity financing **for the construction and development** of a 238-unit "build-to-rent" residential community located in the Phoenix/Tucson submarket of Casa Grande, Arizona.



Innovative design uniquely provides residents with garage, fenced private backyard, and private patio.



Located conveniently between Phoenix and Tucson in the center of the Arizona Innovation and Technology Corridor.



Property Overview:

- The property is a 20-acre site located within the heart of the rapidly growing Arizona Innovation and Technology Corridor. Major new **employers include LucidF Motors, Abbot Labs, Kohler,F Kanto Semiconductor, Frito-Lay,F Walmart, and Tractor Supply Co.**
- The **highly amenitized gated community** offers residents ample security, green space, dog walks, luxury pool w/ spa, fitness center, and community clubhouse w/ lounge and coworking space.
- Today there are **25,000 activeF jobs in Casa Grande** and forecast to continue to grow at greater than 6% per year. The City estimates that more than 9,000 new homes are needed over the next five (5) years.
- The Phoenix MSA is among **theF fastest growing populations inF the U.S.** with a current growth rate of 4.35%.
- Site is **accessible to both I-8 and I-10** and within one (1) hour **off three (3) international airports.**

Risk Mitigation Attributes:

- Supply-constrained market for affordable workforce housing with limited competitive product largely comprised of outdated, older, less desirable facilities.
- Project has been provided a 100-year "Will Serve" letter from the Arizona Water Company to guarantee water for the community.

For Information Contact:

NYSA CAPITAL
Monarch Plaza
3414 Peachtree Road NE
Suite 300
Atlanta, GA 30326
ProjectTeam@NysaCapital.com
Phone: (404) 239-2222

ENHANCED INVESTOR SECURITY:

- **Operating Reserve:** A portion of annual operating revenues will be set aside as a reserve for EB-5 investor repayment in full.
- **Fully Funded Project:** The Project's successful development does not rely on any EB-5 capital. Any shortfall in EB-5 fundraising will be replaced by additional equity from the Sponsors.
- **Completion Guarantee:** Project sponsors are providing Completion Guarantees to guarantee completion of the Project and to mitigate construction completion risk.
- **I-526/I-829 Denial Refund:** In the event of an I-526 or I-829 denial, a portion of the Project's operating cash flow will be set aside as a reserve to reimburse the EB-5 investor.
- **Sponsor Equity Pledge:** As additional collateral, Project sponsors are pledging 100% of their equity in the Project to ensure timely repayment of all EB-5 investors within 5 years from date of their initial investment.
- **Investor Preferred Equity Priority:** All EB-5 investments are made as Preferred Equity, which is subordinate only to the senior construction debt. This means that distributions cannot be made to any LP or GP equity shareholders until such time as all required payments are made to these Preferred Equity EB-5 shareholders.
- **Comparison to Mezzanine Debt:** Preferred equity is generally similar to mezzanine debt in terms of its intended priority of repayment whereby both mezzanine debt and preferred equity are subordinate only to senior debt. However, in the wake of the Great Financial Recession, many senior lenders now dilute the intended value/benefit of mezzanine debt by restricting and/or negating the intended benefit through restrictive covenants of the Intercreditor Agreement. Preferred equity, paired with the Sponsors' pledge, serves to provide the most protection for EB-5 investors.
- **Equity Repurchase:** Sponsor has agreed to repurchase 100% of the NCE investment in the JCE, which in turn will enable NCE to redeem all EB-5 investments.
- **Bridge Funding Commitment** GreenTrust Partners has committed to providing bridge financing if needed to complete the Project on time. Upon raising the EB-5 capital, proceeds would be used to pay down any bridge financing as needed.

OPERATIONS RISK MITIGATION:

When evaluating an investment in the Project, it is imperative to understand and emphasize the importance of Lincoln Property Company ("LPC") to the overall success of the Project – including the various roles they will provide over the Project's lifecycle through exit. LPC will provide development, construction management, leasing, property management, and asset management functions for the Project.. This also includes all Project accounting and financial reporting on behalf of the Sponsors and shareholders.

LPC has developed and managed over 209,000 multi-family residential rental units and has over 50 years of global real estate experience. LPC is one of the largest diversified private real estate firms in the U.S. and is the only national real estate company to rank concurrently in the Top 10 lists of Management/Ownership of Multi-family, Office, Mixed-Use, Retail, and Industrial assets.



INTEREST RATE RISK MITIGATION:

The Project seeks to take advantage of bringing much needed affordable workforce housing rental units online to a supply-constrained market notwithstanding the current economic headwinds in the construction debt markets where elevated interest rates and compressed leveraged have left many projects on hold. As such, the Project sponsors have elected to postpone securing construction debt until the debt markets begin to stabilize – both in terms of interest rate and leverage ratios. However, the Project sponsors are prepared and **have committed to fund up to 100% of the unlevered project costs of \$69,135,856** and will seek to refinance any amounts in excess of 40% of the total project costs with senior construction debt when debt markets become more favorable. This serves to further enhance investor returns using a lower cost of debt and higher leverage for the term of the senior construction loan.

SIDECAR INVESTMENT OPPORTUNITY

A further benefit of this offering is the sponsors' willingness to offer EB-5 investors the unique ability to independently make an additional limited partnership ("LP") investment in *The Element* via a "sidecar". This sidecar investment represents a strategic opportunity for EB-5 investors to enhance the value of their investment and participate more directly in the project's overall profitability. With a forecast return on investment of **21.2% for LP investors**, this sidecar investment will allow an EB-5 investor the distinct possibility of achieving significantly higher returns compared to their initial preferred equity EB-5 investment in the project. As such, the combined return on investment could be measurably enhanced. For example, based on the assumptions set forth in the table above, a sidecar investment of \$1 Million (when paired with the EB-5 investment of \$800,000) could generate a **blended IRR of 16.9% and EQM of 1.8x**. Thus, the sidecar investment is clearly advantageous to EB-5 investors seeking to enhance their investment return in a solid US commercial real estate development opportunity.