



MULTIFAMILY EQUITY PROGRAM TERM SHEET

The Community Development Trust (“CDT”) is a private Real Estate Investment Trust (“REIT”) and the only REIT in the country with the mission to preserve affordable housing. The Program provides equity for the acquisition of both subsidized and market-rate multifamily properties affordable to families earning less than 80% of area median income.

CDT is an efficient source of capital committed to implementing flexible and creative financing solutions and has a proven track record for timely execution.

Eligible Property Type.....Stabilized multifamily housing developments including acquisition/rehabilitation, mixed-income, and mixed-use communities. All properties must satisfy Community Reinvestment Act (CRA) criteria with 20% of the units affordable to households earning no more than 80% of the area median income

Property Size.....Minimum 100 units, although smaller properties may be considered; Individual properties and portfolios

Geographic Area United States

Term of Investment Long-term (Minimum of 5 years)

Investment Range Investments range in size from \$1M to \$5M per transaction. Smaller or larger transactions will be reviewed on a case-by-case basis

Ownership Interest 80% - 90% Limited Partner

Partners..... Experienced multifamily developers, owners, and managers with a strong local presence who invest alongside CDT as 10% - 20% General Partners

Targeted Returns Initial minimum preferred cash-on-cash return: 8% to 10%
Targeted IRR: 12% to 18%
Promote percentage of cash flow for General Partner after targeted IRR is achieved

Closing Timetable 45 to 60 days from date of initial inquiry, notwithstanding receipt of governmental and/or regulatory approvals

Philosophy..... Terms of specific investments are determined based on location, operating history, transaction size, and alignment with CDT’s mission to preserve affordable housing.

As an UPREIT, CDT is capable of offering potential Sellers cash or shares in CDT’s Operating Partnership (“OP Units”). OP Units allow the Seller to defer both the recapture and capital gains taxes due as a result of the sale.

CDT works with both for-profit and non-profit partners throughout the United States. If you are interest in partnering with CDT or selling a property to CDT and one of its existing partners, please contact:

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