

Saxton Brook Apartments

Executive Summary
Simsbury, CT

2022

Land-Master Planned Mixed Use Development

The Dorsett Crossing Master Plan includes current and proposed uses.

Existing Buildings

- Dorset Crossings Medical Office Building, 30 Dorset Crossings Drive
- Pointe at Dorset Crossing Apartments, 55 Dorset Crossing Drive
- Ojakian Commons, 100 Casterbridge Crossing

Proposed Buildings

- Phase 1-Crown Apartments, 130 Casterbridge Crossing (72-Units)
- Phase 2-Crown Apartments & Townhomes, 40 Dorset Crossings Drive (54-Units)
- Retail or Bank Site

Phase 1: Lot D and Lot G

The City of Simsbury granted density approval for 72-units of multi-family development as part of the master plan. The parcel is located at the end of Casterbridge Crossing off Route 202, with a signalized entrance into the master-planned development. A development road abuts the land parcel with all utilities adjacent to the site. The wooded site includes a stream, dominated by very well drained Merrimac and Hinckley sandy loam soil. Tree retention is a priority in the land planning process.

Municipal Approvals: Phase 1

The Town of Simsbury Conservation Commission/Inland Wetlands and Watercourses Agency approved the Inland Wetland Application in December, 2021. Building and site plans were approved in March 2022.

Construction Closing

Closing and construction are projected to commence in August 2022.

Phase 2: Lot A and Building 2

Municipal approvals are required for the development of this parcel. The developer and owner are in discussions with the Town of Simsbury. Subject to approvals, closing and construction are projected to commence in Quarter 1, 2023.

Project Developer

Crown Equities is a national developer and owner of affordable and multifamily market rate housing to include both adaptive reuse and new construction. Principals have completed the development of many apartment and townhomes rental projects using HUD financing programs.

Rental Market-Costar

According to CoStar, "the vacancy rate in the Simsbury/Granby Submarket has compressed substantially over the past four quarters, and at 0.8%, is significantly below the long-term average. While the submarket's inventory has expanded materially over the past five years, it has been essentially unchanged over the past year. New supply will remain minimal in the near-term as nothing is currently underway. Rents have increased by an impressive 8.5% over the past year, which is the strongest annual performance recorded here in more than 10 years." Competitive rental projects in the primary market area are approximately 98% occupied. Three-bedroom rentals in the primary market area are essentially fully occupied. The adjacent Pointe Apartments is comprised of 1-2-bedroom apartments is 100% occupied.

Market Feasibility

JLL Valuation Advisor completed a Market Feasibility Study in May 2022.

SUMMARY OF CONCLUSIONS

“Based upon our analysis, we conclude there to be sufficient demand to support the development of the subject as proposed with 72 multifamily rental units. Note that the submarket is primarily built-out with relatively high barriers to entry due to expensive land, limited availability of developable sites, and difficulty in obtaining zoning approval and entitlements.

Multifamily occupancies have been stable throughout the period examined (2000 to 2020), with an overall average figure of 92.9%. Over the past three years, the average occupancy has been stronger at 94.0%. And most recently, as of the 3rd quarter 2021, the submarket is at historically high levels with an occupancy figure of 97.2%.

Current year achievable effective rental rates range from \$3,300 to \$3,600 per month or \$2.10 to \$2.20 per square foot, with an overall average of \$3,500 per month or \$2.17 per square foot. Assuming the community is delivered in November 2022, the overall effective rent is projected at \$3,624 per month or \$2.24 per square foot. Development should proceed as planned.”

Land Appraisal

JLL completed a land appraisal in May, 2022 based on procurement of all municipal entitlements . Appraised land value is \$3,740,000.

Property Manager

LaSalle Management, LLC is an approved HUD manager.

Crown Property Holdings, LLC

Crown Property Holdings, LLC will provide pre-development funding to include coordinating the completion of architectural, mechanical, structural, and electrical plans. Crown will coordinate all third-party reports required.

Simsbury, Ct Demographics And Safety

- Simsbury is Connecticut's safest medium-sized city
- Owner occupied households equate to 83% of the population
- Single family homes represent 81% of the total housing type
- 60% of the population have college or advanced degrees
- Average home value exceeds \$380,000
- Simsbury is considered an affluent community approximately 10 miles from downtown Hartford

Recently, Simsbury was listed by NY Rent Own Sell as the top place to live in Connecticut:

‘One of the best places to live in Connecticut is Simsbury. It lies on the outskirts of Connecticut’s state capital, Hartford. Simsbury is home to 23,844 people, and there are several neighborhoods in the area, most of which are classic New England-style homes. It’s fairly expensive to live here as the median home value in Simsbury is \$383,092. So, be prepared to invest should you choose to call Simsbury home.’

<https://www.nyrentownsell.com/blog/best-places-to-live-in-connecticut>

Proposed Financing and Equity

Crown will provide pre-development funding to include coordinating the completion of architectural, mechanical, structural, and electrical plans. The company will coordinate all third-party reports required for construction permits and financing. Proposed financing is a construction loan to build and stabilize the development. Upon stabilization, the owners will seek a HUD 223f or Fannie Mae permanent loan. A HUD-Fannie Mae lender will underwrite the project for conversion to permanent financing prior to the commencement of construction to insure the property meets all lender standards.

Energy Efficiency

Crown Equities, LLC is an integration of real estate companies involved in the ownership, management, development and financing of sustainable market rate and affordable multifamily housing. The company is also developing mixed-use projects that may include market rate rental, affordable and senior housing with various commercial components. All rental developments seek certification based on the National Green Building Standard (NGBS):

- Energy efficiency
- Water efficiency
- Indoor environmental quality
- Building operations and maintenance

Solar and TPO roofs are utilized in the majority of developments to enhance energy efficiency. Utility use is continually analyzed to verify project energy savings.

All new construction projects qualify for the HUD Green Program, which substantially decreases the HUD Mortgage Insurance Premium. Both Fannie Mae and Freddie Mac also offer incentives for NGBS certified multifamily projects.

Net Zero Energy

The combination of solar installation and NGBS components creates extremely efficient buildings, which can reduce energy to Net Zero. Crown is attempting to achieve Net Zero Energy certifications on all developed projects. Connecticut offers numerous incentives for the development of energy efficient multifamily housing through Energize Connecticut.

Ownership

Crown Simsbury SCT, LLC is the project owner to be formed as a single asset Delaware limited liability company.

Building and Unit Amenities

- Conventional and penthouse flats
- Penthouses with 10' ceilings
- Underground parking and exterior garages (parking & storage)
- Dedicated laundry with washer and dryer in each unit
- Central air conditioning
- Large balconies for each unit
- Nine-foot ceilings
- Fireplaces
- Simulated hardwood floors
- WiFi and security systems
- Electronically controlled access
- EV outlet for each garage space
- Traditional New England lap siding and stone exterior

Exterior Features

- Central green spaces
- Playground
- Walking paths and sitting areas
- Gated secure front yard
- Mature trees surround all buildings

Utilities and Operating Costs

All utilities, internet and cable or satellite are tenant paid. The cable or satellite system will allow an immediate connection upon occupancy.

Accounting, Operations and Marketing

Management utilizes the integrated multifamily property management Yardi software for the following functions:

- Yardi Multifamily Suite
- Property Management & Accounting
- Asset Management
- Digital Marketing Agency
- Leasing & Resident Services
- CRM
- Call Center
- Payment Processing
- Renters Insurance & Deposit
- Resident Screening
- Revenue Management
- Utility Billing
- Procure to Pay
- Construction Management
- Budgeting & Forecasting
- Market Data
- Document Management
- Learning Management

Crown Townhomes at Simsbury Development Team

Developer	Crown Equities, LLC	www.CrownEq.com
Manager	Tapestry Management	www.TapestryCompanies.com
Architect	Distyle Design, Inc.	www.distyledesign.com
Civil Engineers	F. A. Hesketh & Associates, Inc	www.fahesketh.com
Land Planners	F. A. Hesketh & Associates, Inc	www.fahesketh.com
Appraisal	JLL Valuation	www.us.jll.com
Feasibility Company	JLL Valuation	www.us.jll.com
Construction Monitoring	Zum Brunnen	www.zumbrunnen.com
HUD Energy-Sustainability	AEI	www.aeiconsultants.com
Legal/Municipal	Fahey & Landolina, LLC	www.faheyland.com
Property Insurance	Willis Towers Watson	www.willis.com
Property Tax Forecasts	CBRE	www.cbre.com
Geotechnical Reports	Welti Clarence Associates, Inc.	www.clarenceweltiassociates.com
Environmental Report	GeoQuest	www.siteassess.com
Builder	LaRosa Building Group, LLC	www.LaRosaBG.com
CPACE Lender	TBD	
HUD Lender	TBD	
Construction Lender	TBD	

RESOURCES

Pointe at Dorset Crossing Apartments (3 story walk-up)
csregroup.com/the-pointe-at-dorset-crossing

Point at Dorset Crossing Apartments Offering Memorandum
See Offering Memorandum

Ojakian Commons

regandevlopment.com/ojakian-commons

Simsbury Safety and Demographics

valuepenguin.com/safest-cities-connecticut
city-data.com/city/Simsbury





