JULIA HOAGLAND TEAM

85 LIVINGSTON BOARD PRESENTATION

October 12th, 2021 | 7:00 PM

Julia Hoagland
jhoagland@compass.com

COMPASS

The Julia Hoagland Team

With an acclaimed business approach, we are known for innovative and creative thinking and for bringing transparency to the market through comprehensive data collection and analysis, market research, and a gift for interpretation. We differentiate ourselves by the **analytical approach** we take, derived from my background in electrical engineering and structured credit underwriting. We work to **maximize value** on both buy- and sell-side deals through strategic positioning and implementing a systematic and methodical approach to ensure all aspects of client deals are attended to in a timely fashion.



JHT by the numbers

» $800M in sales

» 50-60 transactions per year

» Nationally ranked in the top 1% of residential teams by Wall Street Journal RealTrends.

» Consistently ranking in the top 5% in the office (Manhattan & Western Brooklyn)

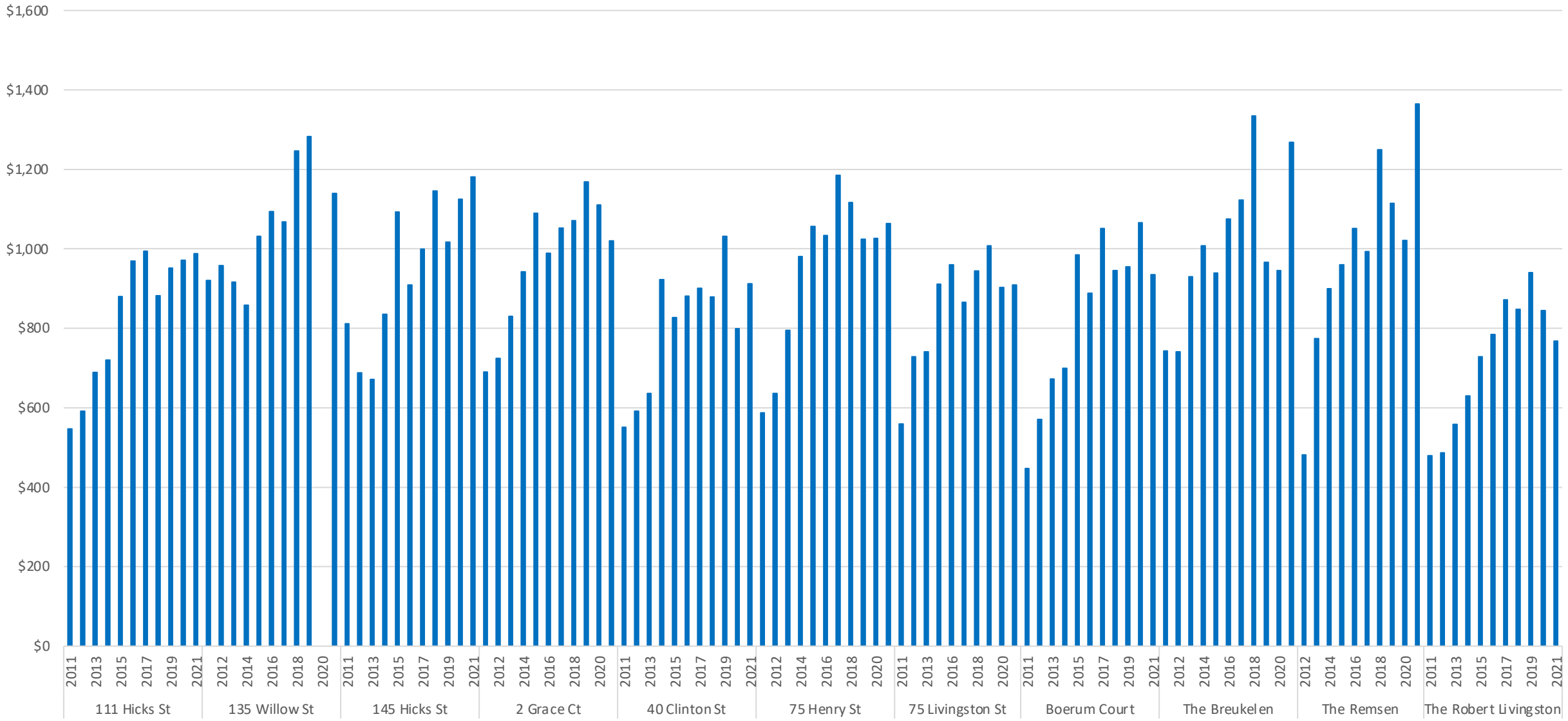
Microeconomics 101 : Value → Supply vs. Demand

Limit supply.

Create demand.

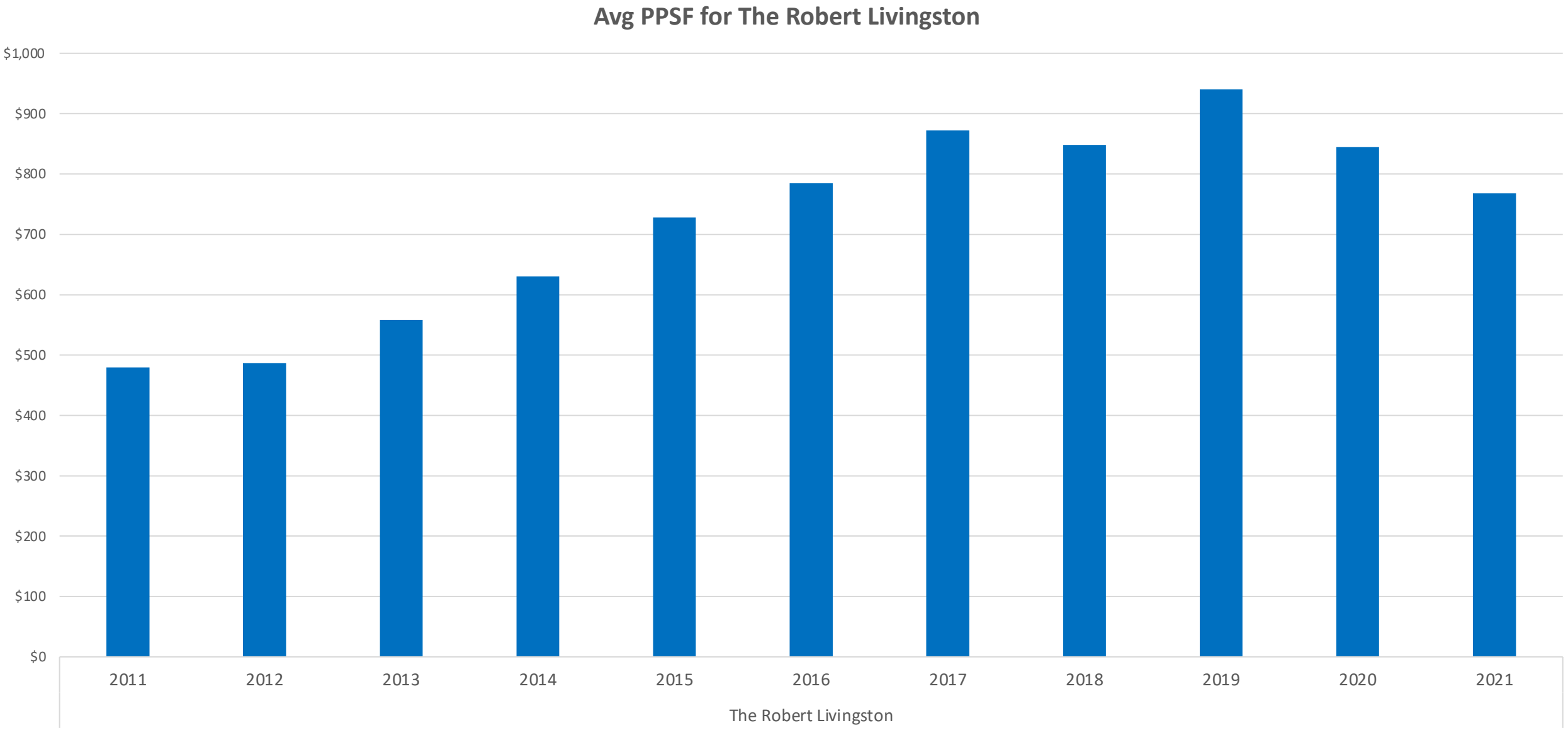
REALITY: QUANTITATIVE

Avg PPSF for 100+ Unit Co-ops In Brooklyn Heights/to Brooklyn Bridge Last Ten Years



Julia Hoagland | www.juliahoaglandteam.com | jhoagland@compass.com | +1 646.696.1372

COMPASS


Avg PPSF for The Robert Livingston
$1,000
$900
$800
$700
$600
$500
$400
$300
$200
$100
$0
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
The Robert Livingston

AVERAGE OF MT/SF												
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Grand Total
111 Hicks St	$1.61	$1.54	$1.70	$1.97	$1.68	$1.73	$1.75	$1.72	$1.87	$1.76	$2.09	**$1.73**
135 Willow St	$1.70	$1.69	$1.65	$1.12	$1.27	$1.47	$1.40	$1.41	$1.58		$1.57	**$1.49**
145 Hicks St	$1.00	$1.29	$1.32	$1.23	$1.84	$1.53	$1.29	$1.45	$1.54	$1.69	$1.95	**$1.48**
2 Grace Ct	$0.88	$1.37	$1.09	$1.14	$1.16	$1.31	$1.38	$1.45	$1.53	$1.51	$1.58	**$1.35**
40 Clinton St	$1.25	$1.44	$1.46	$1.53	$1.35	$1.30	$1.48	$1.44	$1.67	$1.80	$1.63	**$1.47**
75 Henry St	$0.99	$1.03	$1.02	$1.00	$0.98	$0.98	$1.00	$1.11	$1.10	$1.01	$1.18	**$1.04**
75 Livingston St	$1.06	$1.41	$1.25	$1.34		$1.24	$1.22	$1.31	$1.44	$1.37	$1.57	**$1.30**
Boerum Court	$1.67	$1.46	$1.40	$1.76	$1.50	$1.55	$1.75	$1.64	$1.71	$1.97	$1.86	**$1.65**
The Breukelen	$1.23	$1.05	$1.20	$1.10	$1.00	$1.34	$1.20	$1.12	$1.44	$0.87	$2.20	**$1.21**
The Remsen		$1.72	$2.20	$1.99	$1.98	$2.29	$2.18	$2.27	$2.31	$2.54	$2.00	**$2.15**
The Robert Livingston	$1.29	$1.27	$1.31	$1.30	$1.48	$1.43	$1.46	$1.44	$1.68	$1.80	$1.80	**$1.46**
Grand Total	**$1.31**	**$1.39**	**$1.45**	**$1.33**	**$1.44**	**$1.46**	**$1.44**	**$1.51**	**$1.58**	**$1.70**	**$1.64**	**$1.47**

CONFIGURATION								
	1	2	3	4	Alcove	Studio	(blank)	Grand Total
111 Hicks St	57	27	11		4	35	40	174
135 Willow St	13	16			2	7	6	44
145 Hicks St	21	1	1		3	5	2	33
2 Grace Ct	36	31	4	1			4	76
40 Clinton St	40	8			6	20	14	88
75 Henry St	60	28	6	2	7	30	19	152
75 Livingston St	10	23	2			3	2	40
Boerum Court	40	18	1		1	13	10	83
The Breukelen	19	7	1			24	9	60
The Remsen	24	9				33	6	72
The Robert Livingston	56	4	3		16	39	20	138
Grand Total	**376**	**172**	**29**	**3**	**39**	**209**	**132**	**960**

REALITY: QUALITATIVE
Wow Factor Drives Value

WHAT YOU'RE DOING RIGHT → Demand Drivers

- Discounted garage rate
- Flip tax – revenue source besides maintenance
- Prudent financial management
  - 1.28 Asset-Liability Ratio
  - 3.9 months of cash vs. mt.: Reserve fund is key
  - Diversified income streams
  - Undrawn LOC
- Natural gas conversion, elevator modernization complete
- AKAM | Staff hospitality training/consultant

THINGS YOU CAN’T CHANGE

Location | Downtown Brooklyn

Post war | ceiling height

OPPORTUNITIES : Supply vs. Demand

Limit supply: Keep people in the building longer

- Encourage combinations by keeping maintenance low
- Ensure alteration process is not too onerous/expensive

OPPORTUNITIES : Supply vs. Demand

Create demand

- Lower maintenance: one can pay a mortgage off, but monthlies tend to only go up
  - Submetering to take utilities out
  - Pay-to-play sublet policy
  - Flip tax, assessments take pressure off maintenance and are also tax efficient to shareholders
  - → Even more important given interest rates are likely rising next year
- Less restrictions—PAT, broad W/D, more flexible sublet policy, allow trusts/LLCs/etc.
- Improve curb appeal: Awning, lobby are accessories of the building—stage it
- Look good on paper
  - Clear violations (16 currently)
  - Beautify minutes—disclose but don't over-disclose
  - Copywriter for SE description; more media, no Synergy
- Encourage brokers/shareholders to use Brooklyn Heights for SEO

EXTRA INPUT

- “Brokers recommended attending to the urban version of curb appeal first.”
- “When it comes to roof decks, it appears that Manhattanites would rather work out than chill out.”
- “The most popular amenity — measured in use by residents and demand by buyers — is a gym.”
- “A rooftop terrace exerts an almost gravitational pull for buyers who can’t afford private terraces or who never had the opportunity to underutilize a roof deck.”
- “There are also some measures a building can take to increase resale values without spending a dime, including liberalizing house rules to allow washer/dryers in apartments, permitting pets, allowing strollers to be parked outside front doors and easing down-payment restrictions from 50 or even 100 percent to a more standard 20 or 25 percent. But the most overlooked cheap fix of all may be teaching staff members to be nice to others.”
- “A distinctive canopy can say a lot about a building’s style and aspirations…It is the building’s calling card on the street.”

Source: New York Times

JULIA HOAGLAND TEAM

85 LIVINGSTON BOARD PRESENTATION

October 12th, 2021 | 7:00 PM

Julia Hoagland
jhoagland@compass.com

COMPASS