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EXECUTIVE SUMMARY

Y ^ A ^ A currently developing 37-47 High Street: five adjacent multi-family properties in the up-and-coming neighborhood of Journal Square in Jersey City, New Jersey. Combined, the properties have the zoning rights for nearly 78,065 square feet of residential development. Titanium plans to construct new rental residential units consisting of studios, one-bedroom and two-bedroom units. Each unit will have its own washer and dryer, while offering residents with a communal gym space, amenity lounge, as well as accessible outdoor decks.

Y ^ A ^ A obtained all entitlements on the property and the project is shovel ready. The properties are valued at \$6,980,000 excluding closing costs and fees. Titanium is looking for equity partner(s) to invest \$8,900,000 covering 32% of the total project costs.

Total project costs are estimated at \$28,200,000. In the preferred rental scenario, with projected average annual rental rates of \$45.60 per square foot, 37-47 High St. has an anticipated levered IRR of 25.3%, projected equity multiple of 2.1X and an anticipated Untrended Yield to Cost of 7.2% at stabilization.

Being located merely two blocks from Journal Square Plaza, the building will have excellent pedestrian proximity to the heart and central business district of the neighborhood, one which is going through a significant rapid transition.

The Journal Square 2060 Redevelopment Plan, adopted in 2010, has brought unparalleled attention to Jersey City's interior and has five large-scale and much-anticipated projects underway. With great proximity to transit, the Journal Square PATH station and the Pulaski Skyway, this property presents prospective tenants with the mobility options needed to work and play in Downtown Jersey City and Manhattan, while providing them with non-Manhattan prices for housing.

Y ^ A ^ A over eight years of experience and knowledge of the Jersey City and Journal Square development market. With Manhattan and Brooklyn rental rates continuing to exceed affordability for residents of the Tri-State Area, Y ^ A ^ A understands that Journal Square's accessibility and affordability are the next destination for Tri-State renters seeking an efficient and affordable location to live outside of New York City.



RENDERING



SUMMARY

| GENERAL | |
|------------------|---------------------------------|
| Location | Jersey City |
| Neighborhood | Journal Square |
| Development Type | Residential |
| Zone | Zone 4 - Neighborhood Mixed-Use |
| Lot Area | 15,000 SF |

| EXISTING LOT | |
|-------------------|--|
| Property Use Type | 3 Multi-Family Homes, parking lot Parking Rentals |

| PLANNED CONSTRUCTION | |
|----------------------|--------------|
| Buildable SF | 78,065 SF |
| Max Height | 6 stories |
| Allowable Use | Res. / Comm. |
| Unit Count | 83 |

| ACQUISITION & DEVELOPMENT | |
|-------------------------------|----------------------|
| Acquisition Price | \$ 6,980,000 |
| Price per Buildable SF | \$ 89.41 |
| Project Development Cost | \$ 18,934,666 |
| TOTAL DEVELOPMENT COST | \$ 28,197,932 |

| INVESTMENT & PROJECTED RETURNS | |
|----------------------------------|---------------------|
| Investment Type | Develop, Hold, Sell |
| Investment Period | 5 years |
| Projected IRR | 25.3% |
| Projected Equity Multiple | 2.09x |
| Projected Yield to Cost | 7.18% |

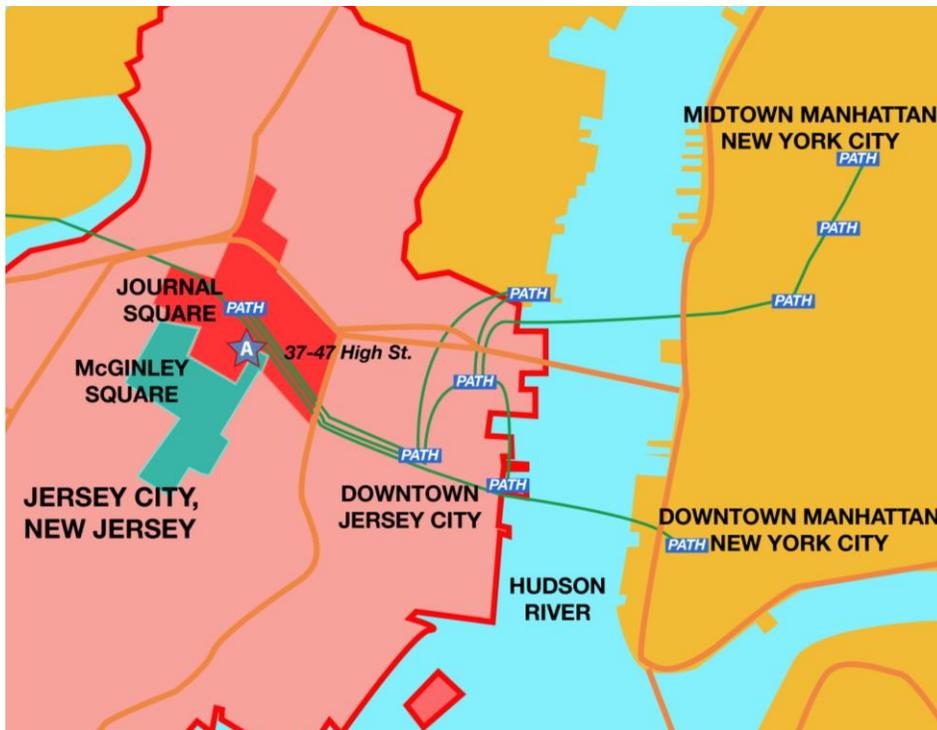
| SOURCES | | |
|----------------------|----------------------|----------------|
| Debt | \$ 18,328,656 | 65.00% |
| Equity | \$ 9,869,276 | 35.00% |
| Total Sources | \$ 28,197,932 | 100.00% |

| USES | | |
|--------------------------------|----------------------|----------------|
| Shovel Ready Land | \$ 7,398,800 | 26.24% |
| Hard Costs | \$ 16,393,650 | 58.14% |
| Soft Costs | \$ 780,650 | 2.77% |
| Development Fee | \$ 858,715 | 3.05% |
| Debt Service / Loan Commitment | \$ 1,864,466 | 6.61% |
| Owner's Contingency | \$ 901,651 | 3.20% |
| Total Uses | \$ 28,197,932 | 100.00% |

| PRICE PER SF. | | |
|---------------|----|--------|
| Buildable | \$ | 361.21 |
| Rentable | \$ | 494.81 |

THE NIEGHOORHOOD: JOURNAL SQUARE

37-47 High Street is located in the neighborhood of Journal Square's Central Business District (CBD). In recent years, this neighborhood has seen significant interest from both the City, developers, and incoming residents due to the fact that it hosts one of the only three 24-hour subway services - the New York-New Jersey PATH Train (the other two are New York's MTA, and Chicago's CTA). The Journal Square PATH station a five-minute walk from the subject property, Downtown Jersey City is 10 minutes away and the World Trade Center in Manhattan is 15 minutes away. Newark International Airport is an approximate 20-minute drive or 20-minute train ride from the property. Such accessibility options greatly reduce the need for an automobile, an ever-increasing demand of Greater Tri-State buyers and renters.



In total, the redevelopment area is comprised of approximately 211 acres, 57 city blocks, and approximately 1700 individual parcels.

“The purpose of the Journal Square 2060 Plan is to foster the redevelopment Journal Square, Jersey City’s central business district, by providing for transit-oriented development of new commercial, and public open spaces within walking distance to the Square and transit facilities, returning Journal Square to a flourishing central business and shopping destination.”

- Journal Square Redevelopment Plan 2060

In similar fashion to Downtown Jersey City's Grove Street redevelopment, the Journal Square Redevelopment Plan's impact has already, and will continue to greatly benefit the neighborhood. Currently, various local amenities for residents are gradually been built within close proximity to the PATH station which include grocery stores, convenience stores, banks, restaurants (both traditional and fast-food), service offices, and entertainment establishments.

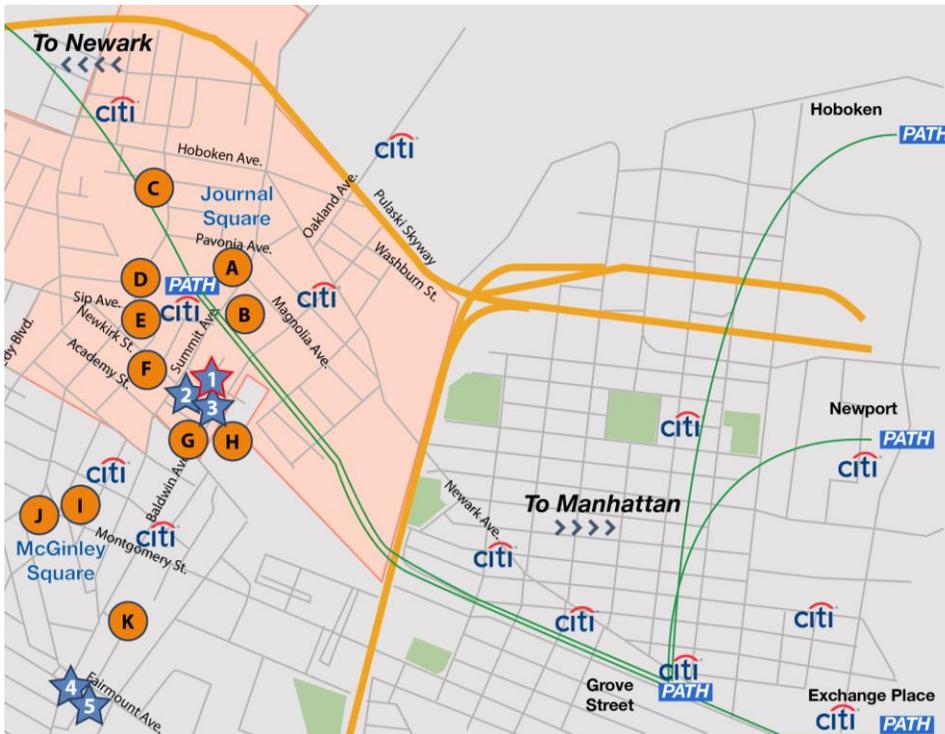
INFLUENCE OF INCOMING DEVELOPMENT

Journal Square

The redevelopment of the Journal Square neighborhood is in full swing, with multiple major developments either recently broke ground, in the planning phases, or been built. In immediate proximity to the PATH, *Journal Squared* by Kushner Real Estate Group has completed the first tower and currently fully occupied. This project is widely known as the catalyst for Journal Square's development boom. Other major neighboring developments are following suit, providing housing units, accompanied by commercial and retail spaces. More specifically, the location of 37-47 High Street (as seen on the map below) will see a large transformation in the coming years with two Titanium projects planned, along with the recently announced Baldwin Place and recently constructed Kennedy Lofts.

McGinley Square

The McGinley Square neighborhood, an approximate 10-minute walk from Journal Square's CBD, has seen, and is expected to see large transformation in the next several years. Recently, this neighborhood has seen significant investment from both the Jersey City government and Saint Peter's University, who seek to revitalize the center of the neighborhood to bring in both permanent residents and students alike. The first major development, from Sora Development, is in the predevelopment stages, and will see the construction of 300 beds for students attending Saint Peter's University, with an additional 375 market-rate apartments as well. The development will include amenities such as a movie theater, a bank, and retail shops.



Titanium Realty Group Developments

1 - 37-47 High Street

- 2 - Newkirk I
- 3 - Newkirk II
- 4 - 345 Baldwin Avenue
- 5 - 413 Summit Avenue
- 6 - 75 Jordan Avenue

Developments By Others

- A - Journal Squared: Kushner Real Estate Group
- B - HAP Tower: HAP Investments
- C - 3 Journal Square: Hartz Mountain
- D - 1 Journal Square: Kushner Companies & KABR Grp.
- E - 30 Journal Square: Kushner Companies & KABR Grp.
- F - Kennedy Lofts: Hopkins Group LLC
- G - 19 Rock St. Condos: Tovaste
- H - Baldwin Place: Argent Ventures
- I - St. Peter's Development: Sora Development Group
- J - 711 Montgomery: Rescore Development LLC
- K - Beacon Condominiums: Building Land Technologies

While the two neighborhoods have begun to attract large amount of potential renters, Titanium is confident that the incoming development will only benefit from such competition. The property values will continue to benefit from both the current and potential externalities that these larger developments may create. Offering a range of mixed-use buildings, the nearby developments have already begun to deliver services and uses that will act as major force to attract perspective renters, not just to those specific development sites, but the neighborhood as a whole. In addition, the increase of pedestrian traffic that will be created within Journal Square is an additional benefit to the development of 39 High Street project, as the neighborhood will become increasingly more walkable.



JOURNAL SQUARE - DEVELOPMENTS



JERSEY CITY DEMOGRAPHICS

The Sixth Borough – A Young & Professional Demographic

Jersey City reinforces its recent title of “The Sixth Borough” of New York as a result of population growth and the following

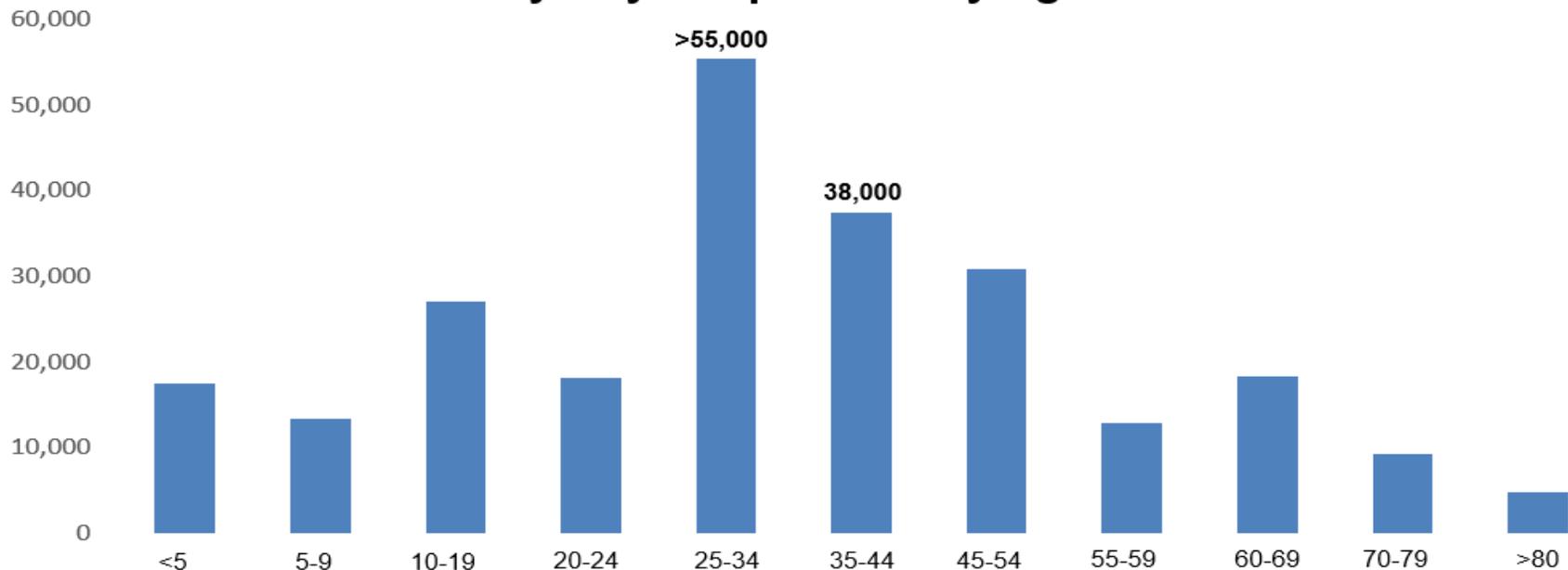
- Immigration
- Commercial Redevelopment
- Residential Construction
- Spillover from New York City

Note: Millennials account for 27.2% of population in Hudson County, the highest concentration of Millennials in the state

Resident Profile

- Young, educated, urban professionals between the age of 25-44 year old – this demographic is the key renters group, they understand the importance of efficient resource allocation, they select strategic locations as their place of residency to suit their urban lifestyle with ease of commute to work
- Due to the sharp decrease in affordability in Manhattan, renters are now eyeing on Jersey City as an affordable, fun and efficient location to live

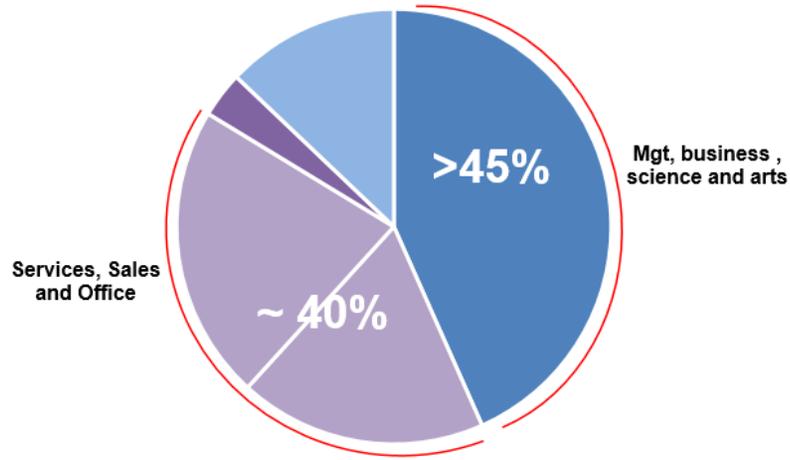
Jersey City - Population By Age 2016



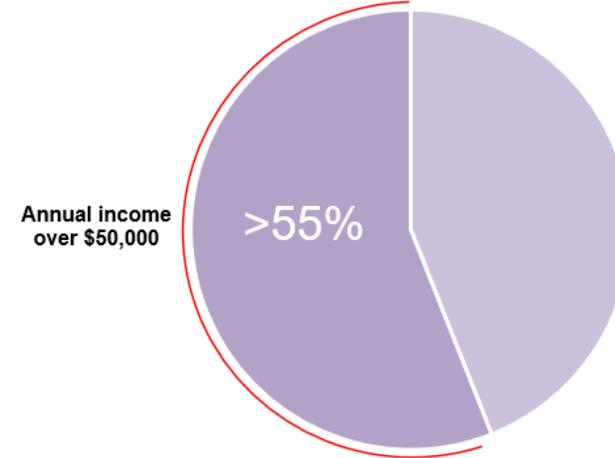
Note: Over 40% residents are between age 25-44, median age at 33.4 years old

COMPOSITION OF JERSEY CITY RESIDENT OCCUPATION

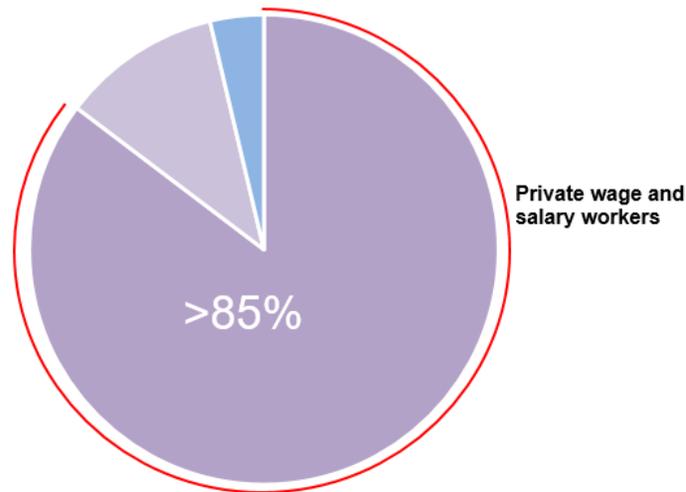
Jersey City Occupation 2015



Jersey City Annual Household Income 2015



Class of Worker 2015



AMENITIES IN THE NEIGHBORHOOD

Thriving retail scene with superior art culture, incredibly diverse eateries and vibrant atmosphere

Chipotle Inks Lease in Journal Square

- The restaurant franchise inked a lease for 2,300 square feet recently at 26 Journal Square

India Square

- Also known as Little India, Jersey City's Newark Avenue, just north of Journal Square has dozens of businesses cater to the culinary and cultural needs of Journal Square's residents, including grocery stores and gourmet restaurants.

The Warehouse Café

- Just like every major urban enclave across the country, Jersey City is drowning in specialty coffee. Warehouse Café provides comfortable settings for laptop workers, coffee and tea drinkers

New Park Tavern

- New Park Tavern is a local Jersey City watering hole, known for its burgers and welcoming crowd

Third And Vine

- An intimate, attractive wine and cheese bar

Mana Contemporary

- Home to one of the premier art destinations in the Tri-State Area with artist studios and exhibition spaces housed in an old tobaccos warehouse

And Many More.....

- **Moloney's Meat Market, The Archer, Union Republic, Talde, New Thanh Hoai and many more.....**

DEVELOPMENT ASSUMPTIONS

| Acquisition & Development | | | |
|--|------------------------|----------------------|--------------------------------|
| Acquisition | | | |
| Timing | | | |
| Acquisition Date | | Q4 2015 | |
| Pre-Development Period | | 4 Quarters | 1.00 Years |
| Construction Period | | 6 Quarters | 1.50 Years |
| Marketing | | 6 Quarters | 1.50 Years |
| Stabilization Date | | Year 3 Operation | |
| Purchase Price - Shovel Ready Project | | \$ 6,980,000 | \$89.41 / buildable sf |
| Closing Costs | 2.50% | \$ 174,500 | |
| Equity Placement Agent Fee | 2.50% | \$ 174,500 | |
| Acquisition Fee | 1.00% | \$ 69,800 | |
| Brokers Fee | 0.00% | \$ - | |
| Total Acquisition Cost | | \$ 7,398,800 | \$94.78 / buildable sf |
| Development Costs | | | |
| Hard Costs (PSF) | | \$ 16,393,650 | \$210.00 / buildable sf |
| Soft Costs: Profs, Insurance, RE Taxes, Permits and Fees, etc. | | \$ 780,650 | \$10.00 / buildable sf |
| Development Overhead | 5.00% | \$ 858,715 | |
| Owner's Contingency | 5.00% development cost | \$ 901,651 | |
| Total Soft Costs without Debt Service | | \$ 2,541,016 | \$32.55 / buildable sf |
| Total Development Cost | | \$ 18,934,666 | |
| TOTAL DEVELOPMENT COSTS + LAND | | \$ 26,333,466 | \$337.33 / buildable sf |
| Construction Debt Service / Loan Commitment | | \$ 1,864,466 | |
| TOTAL PROJECT COSTS | | \$ 28,197,932 | \$361.21 / buildable sf |
| TOTAL PROJECT COSTS/TOTAL RENTABLE SF | | | \$494.81 / rentable sf |

DEVELOPMENT ASSUMPTIONS CONTINUED

| Capital Structure | % of Development Costs | 6 Stories |
|----------------------------------|------------------------|-------------------|
| Debt | 65.0% \$ | 18,328,656 |
| Equity | 35.0% \$ | 9,869,276 |
| Total Development Funding | 100.0% \$ | 28,197,932 |

| Loan Assumptions | | |
|--|-------------------|-----------------|
| Construction Loan | | |
| Construction Loan Amount | 65% LTC \$ | 18,328,656 |
| Construction Period | | 1.5 years |
| Draw Priority | | Equity Up-Front |
| Rate | | 6.25% |
| Payment Type | | Interest Only |
| Estimated Construction Loan Fees | | |
| Anticipated Construction Loan Interest Accrued | \$ | 1,406,250 |
| Debt Origination & Broker Fee | 2.50% \$ | 458,216 |
| Permanent Loan | | |
| NOI After 3 Years of Operation | \$ | 2,025,300 |
| Assumable Market Value after 3 Ye | 5.00% Cap Rate \$ | 40,505,994 |
| Loan to Value | | 65% |
| Loan Amount | \$ | 26,328,896 |
| Equity Remaining in the Deal | \$ | 1,869,036 |
| Rate | | 5.00% |
| Term | | 30 |
| Annual Payment | \$ | (1,696,070) |

DEVELOPMENT ASSUMPTIONS CONTINUED

| Sources and Uses | | |
|--------------------------------|----------------------|----------------|
| USES | | |
| | | % |
| Shovel Ready Land | \$ 7,398,800 | 26.24% |
| Hard Costs | \$ 16,393,650 | 58.14% |
| Soft Costs | \$ 780,650 | 2.77% |
| Development Fee | \$ 858,715 | 3.05% |
| Debt Service / Loan Commitment | \$ 1,864,466 | 6.61% |
| Owner's Contingency | \$ 901,651 | 3.20% |
| Total Costs | \$ 28,197,932 | 100.00% |
| SOURCES | | |
| Debt | \$ 18,328,656 | 65.00% |
| Equity | \$ 9,869,276 | 35.00% |
| Total Sources | \$ 28,197,932 | 100.00% |

| Rental Assumptions | Monthly | Annual | Total |
|----------------------------|------------------------|------------------------|------------------------|
| Residential | | | |
| Gross Apartment Rents | \$3.80 Average | \$45.60 Average | \$ 2,598,628 |
| Operating Expenses | | \$ 3.30 | \$ 257,615 |
| Real Estate Tax - % of EGI | | | 14.00% of EGI |
| Parking Rent | \$ 290.00 | \$ 3,480.00 | \$ 62,640 |
| Management Fee | | 2.50% | |
| Vacancy | 5.00% 1 Year Operation | 5.00% at stabilization | 5.00% at stabilization |
| Rental Appreciation | | 3.00% | |
| Cap Rate | 5.00% | | |
| Sales Costs | 3.50% | | |

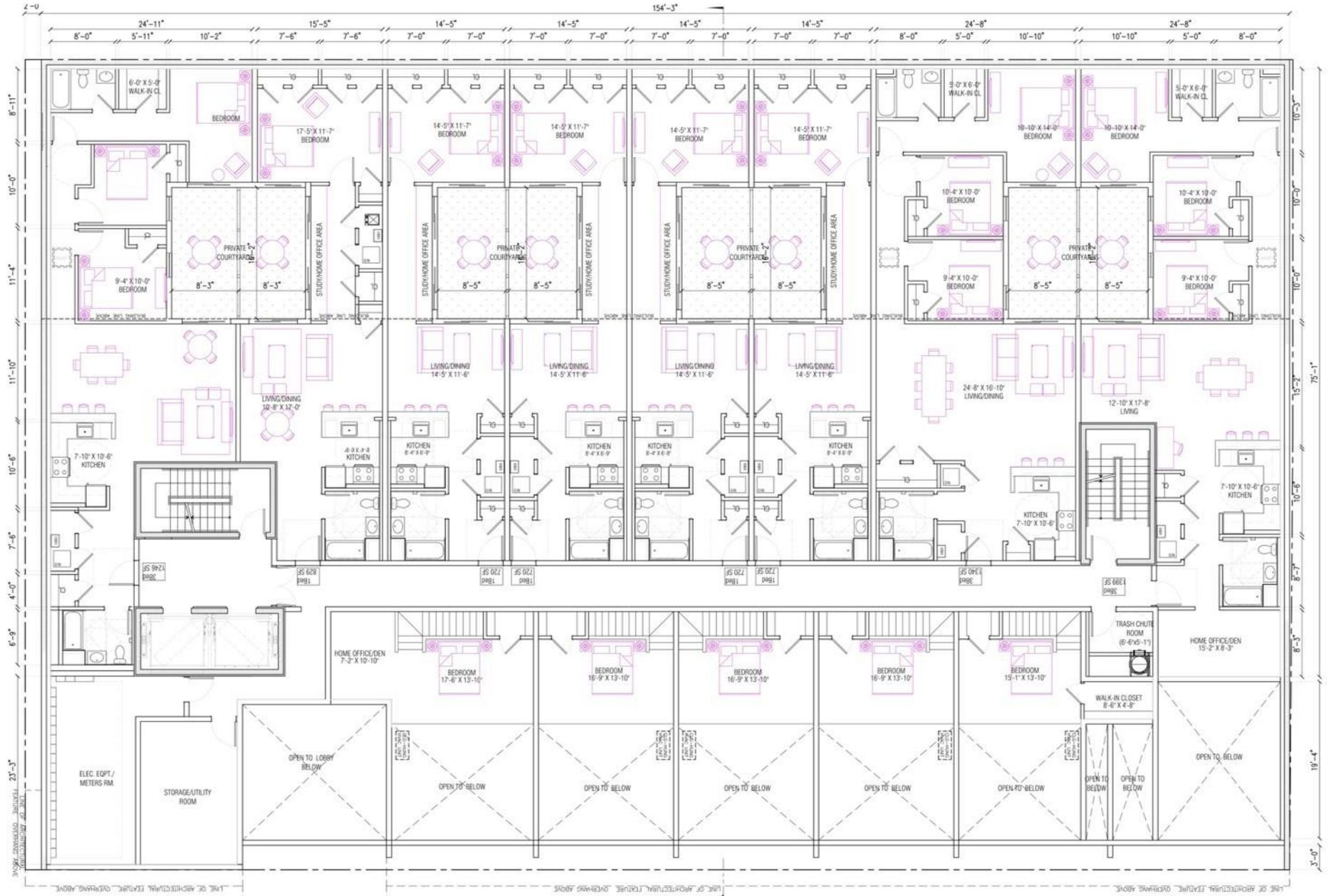
JSQ RENTAL COMPARABLES

| Address | Floor | Unit | Type | Interior SQF | Annual Rent /SQF | Monthly Rent/SF | Monthly Rent | Tot. Annual Income |
|--|-------|------|-------------------|--------------|------------------|-----------------|--------------|--------------------|
| Journal Squared | 15 | 1513 | Studio | 400 | \$ 58.35 | \$ 4.86 | \$ 1,945.00 | \$ 23,340.00 |
| Journal Squared | 12 | 1213 | Studio | 400 | \$ 61.62 | \$ 5.14 | \$ 2,054.00 | \$ 24,648.00 |
| Journal Squared | 14 | 1414 | Studio | 479 | \$ 52.53 | \$ 4.38 | \$ 2,097.00 | \$ 25,164.00 |
| Journal Squared | 17 | 1713 | Studio | 400 | \$ 63.36 | \$ 5.28 | \$ 2,112.00 | \$ 25,344.00 |
| Journal Squared | 9 | 901 | Studio | 488 | \$ 52.06 | \$ 4.34 | \$ 2,117.00 | \$ 25,404.00 |
| Journal Squared | 22 | 2206 | 1 bed 1 bath | 728 | \$ 42.77 | \$ 3.56 | \$ 2,595.00 | \$ 31,140.00 |
| Journal Squared | 25 | 2501 | 1 bed 1 bath | 631 | \$ 46.02 | \$ 3.84 | \$ 2,420.00 | \$ 29,040.00 |
| Journal Squared | 42 | 4205 | 1 bed 1 bath | 736 | \$ 46.30 | \$ 3.86 | \$ 2,840.00 | \$ 34,080.00 |
| Journal Squared | 11 | 1102 | 1 bed 1 bath | 591 | \$ 50.92 | \$ 4.24 | \$ 2,508.00 | \$ 30,096.00 |
| Journal Squared | 21 | 2103 | 1 bed 1 bath | 652 | \$ 45.09 | \$ 3.76 | \$ 2,450.00 | \$ 29,400.00 |
| Journal Squared | 19 | 1909 | 1 bed 1 bath | 654 | \$ 47.43 | \$ 3.95 | \$ 2,585.00 | \$ 31,020.00 |
| Journal Squared | 19 | 1910 | 1 bed 1 bath | 633 | \$ 49.00 | \$ 4.08 | \$ 2,585.00 | \$ 31,020.00 |
| Journal Squared | 33 | 3307 | 2 bed 2 bath | 1071 | \$ 38.83 | \$ 3.24 | \$ 3,466.00 | \$ 41,592.00 |
| Journal Squared | 44 | 4410 | 2 bed 2 bath | 1048 | \$ 39.39 | \$ 3.28 | \$ 3,440.00 | \$ 41,280.00 |
| Journal Squared | 10 | 1010 | 1 bed 1 bath plus | 827 | \$ 39.69 | \$ 3.31 | \$ 2,735.00 | \$ 32,820.00 |
| Journal Squared | 10 | 1009 | 1 bed 1 bath plus | 936 | \$ 36.67 | \$ 3.06 | \$ 2,860.00 | \$ 34,320.00 |
| 3 Journal Square | 10 | 1019 | Studio | 496 | \$ 49.23 | \$ 4.10 | \$ 2,035.00 | \$ 24,420.00 |
| 3 Journal Square | | | Studio | 496 | \$ 48.51 | \$ 4.04 | \$ 2,005.00 | \$ 24,060.00 |
| 3 Journal Square | 3 | 301 | 1 bed 1 bath | 687 | \$ 41.75 | \$ 3.48 | \$ 2,390.00 | \$ 28,680.00 |
| 3 Journal Square | 6 | 601 | 1 bed 1 bath | 687 | \$ 41.92 | \$ 3.49 | \$ 2,400.00 | \$ 28,800.00 |
| 3 Journal Square | | | 1 bed 1 bath | 704 | \$ 36.65 | \$ 3.05 | \$ 2,150.00 | \$ 25,800.00 |
| 3 Journal Square | | | 1 bed 1 bath | 726 | \$ 38.43 | \$ 3.20 | \$ 2,325.00 | \$ 27,900.00 |
| 3 Journal Square | | | 1 bed 1 bath | 752 | \$ 39.73 | \$ 3.31 | \$ 2,490.00 | \$ 29,880.00 |
| 3 Journal Square | | | 2 bed 2 bath | 1052 | \$ 35.36 | \$ 2.95 | \$ 3,100.00 | \$ 37,200.00 |
| 3 Journal Square | | | 2 bed 2 bath | 1156 | \$ 33.74 | \$ 2.81 | \$ 3,250.00 | \$ 39,000.00 |
| 3 Journal Square | | | 3 bed 2 bath | 1260 | \$ 37.14 | \$ 3.10 | \$ 3,900.00 | \$ 46,800.00 |
| | | | | | \$ 45.10 | \$ 3.76 | | |
| Estimated Gross Rent (2 years from now) | | | | | | \$ 3.80 | | |

RENT AND HOLD - 5 Years

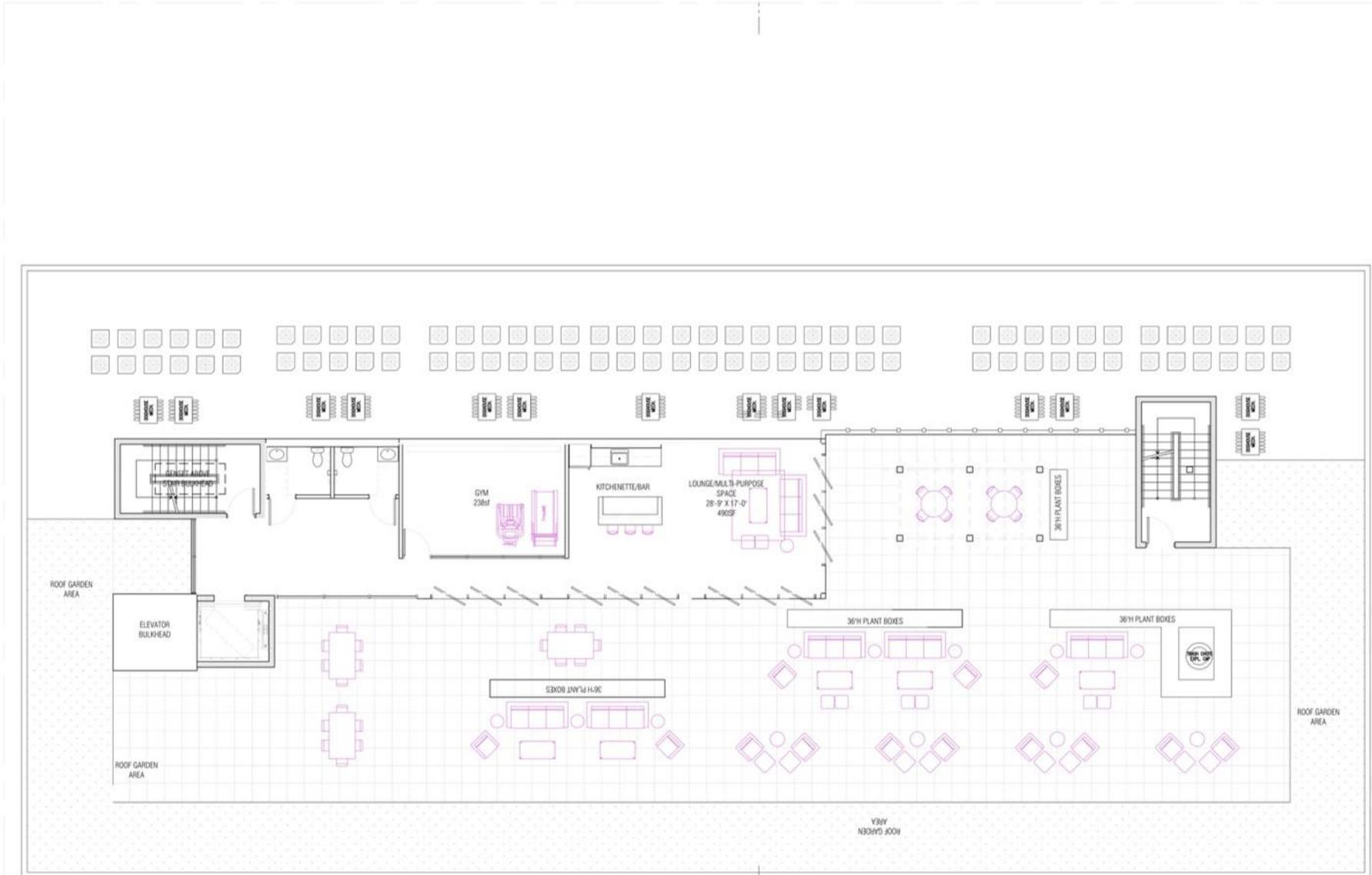
| | Year | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------------------------------|------------------|----------------------|---------------------------|--|------------------|-------------------|
| CONSTRUCTION PERIOD | Acquisition | Const. Start Q3 2018 | Const. Completion Q4 2019 | Operation Q1 2020 Stabilization Q3 2020 Permanent Loan | | Sale |
| Property Acquisition | | (7,398,800) | - | - | - | - |
| Hard Costs | - | (5,464,550) | (10,929,100) | - | - | - |
| Soft Costs | (585,488) | (117,098) | (78,065) | - | - | - |
| Development Fee | - | (429,358) | (429,358) | - | - | - |
| Owner's Contingency | - | (90,165) | (811,486) | - | - | - |
| Debt Funding / Repayment | - | 4,868,745 | 12,248,008 | (18,328,656) | - | - |
| Debt Interest | - | (1,406,250) | - | - | - | - |
| Mezzanine Loan | - | - | - | - | - | - |
| Construction Loan Commitment | - | (458,216) | - | - | - | - |
| Permanent Loan | - | - | - | 26,328,896 | - | - |
| RESIDENTIAL RENT ROLL | | | | | | |
| PGI | | | | 2,676,587 | 2,756,884 | 2,839,591 |
| Parking Rent | | | | 64,519 | 66,455 | 68,448 |
| One month Free Rent | | | | (223,049) | | |
| Vacancy (Unit Rent and Parking Rent) | | | | (137,055) | (141,167) | (145,402) |
| EGI | | | | 2,381,002 | 2,682,172 | 2,762,637 |
| Operating Expenses | | | | (265,343) | (273,303) | (281,502) |
| PILOT (% of EGI) | | | - | (333,340) | (375,504) | (386,769) |
| Resi Broker Commission | | | | (223,049) | | |
| Management Fee | | | - | (59,525) | (67,054) | (69,066) |
| Total Expenses | | | - | (881,257) | (715,862) | (737,337) |
| <i>Residential NOI</i> | | | - | 1,499,745 | 1,966,310 | 2,025,300 |
| Total NOI | (585,488) | (10,495,692) | (0) | 9,499,985 | 1,966,310 | 2,025,300 |
| Debt Service | | | - | (1,696,070) | (1,696,070) | (1,696,070) |
| <i>DSCR</i> | | | | (5.60) | (1.16) | (1.19) |
| Cash Flow ADS | (585,488) | (10,495,692) | | 7,803,914 | 270,240 | 329,229 |
| Reversion Value | - | - | - | - | - | 41,721,174 |
| Sales Costs | - | - | - | - | - | (1,460,241) |
| Debt Balance | - | - | - | - | - | (25,532,127) |
| Net Cash Flow | (585,488) | (10,495,692) | (0) | 7,803,914 | 270,240 | 15,058,034 |
| Leveraged IRR | 25.3% | | | | | |
| EM | 2.09x | | | | | |
| Yield to Cost at Stabilization | 7.18% | | | | | |

AREA DISTRIBUTION



1 UPPER FIRST FLOOR & LOFT MEZZANINE PLAN
SCALE: 1/8" = 1'-0"

AREA DISTRIBUTION



ROOFDECK RECREATION AREA = 5,001SF @ 32% LOT AREA
 ENCLOSED AREA = 1,000SF @ 20% REC. AREA

OTHER DEVELOPMENTS

Newkirk I



Jordan Avenue



Newkirk II



Baldwin Avenue

