

Portfolio Assessment and Strategies

Today's Speakers



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Developer and Investor Roundtable

INVEST or DIVEST

Assess properties with high cap ex and/or operational issues, and evaluate their potential as a long-term asset

- » **Quantify deferred maintenance/cap needs.** Cost to solve operation issues (if any) – unit turns, legal, cash for keys, etc.
- » **Evaluate real estate market -** Historic performance, projected economic performance (jobs, population, incomes), supply/demand
- » **Regulatory implications** – e.g. expiring restrictions.
- » **Local funds:** PILOTs, town, county etc.
- » **Evaluate options:**
 - 5+ year hold,
 - Immediate sale,
 - Minimal fix and sale in 12-18 months.

*Can we deliver the **Conifer** experience and get a return on investment?*

New Acquisitions at Year 15

How do you assess the acquisition of new properties at Year 15?

What is your decision-making process?

How have changes in the capital markets affected acquisitions?

Who are the Key Parties?

How do you decide whether to keep the existing investor in the deal (do you have a choice)?

How does resyndication as an opportunity play in? How do you approach new investors?

If a sale, how do you identify buyers? Do you use a broker?

When do you involve lawyers and accountants in the process?



Determining Value

How do you optimize value? Do you rely on an appraisal or broker opinion of value (BOV) to determine value? How does the value of the real estate factor in?

What factors determine the exit price?

Types of execution?



Timing considerations

Do developers or investors typically initiate negotiations regarding Year 15? How do you optimize timing?

When do you consider exits before Year 15? What should developers and investors know about an early exit?
(capital accounts, cadence of the fund)

Capital Accounts in Practice

How have capital accounts affected your exit strategies?

How do you manage capital account issues?



Exercising the exit

How do the legal documents from the initial closing impact the exit? (Forced Sales, Puts, ROFRs)

How have documents changed over the years?

Have you had experiences where the documents are silent?

What should be done upfront to better prepare for Year 15?



Advice

What is your best advice for developers and investors who may be facing year 15 for the first time?

Developers, is there anything you want to share with investors to help them better understand the developer's perspective at Year 15?

Investors, is there anything you want to share with developers to help them better understand the investor's perspective at Year 15?



Thank you!

Questions?



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