



4011 Market Street  
Multifamily Development Opportunity  
**Opportunity Zone Eligible**

Equity Investment Summary  
January 2026



Great Investments **That Matter**

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# Project Highlights

In a supply-constrained submarket with strong anchor employment, consistent occupancy and rent growth fundamentals, QuakerLane (“QLC”, “Sponsor”) offers a 100% market rate multifamily development opportunity in the heart of University City, with submarket employment of 84,000 (90% more jobs than East Cambridge, MA) and 75%+ concentration in academic and healthcare jobs.

More importantly, University City has **84% resident concentration** of workers who live in the neighborhood, including average income of \$92,000 for workers at Penn Medicine.

The Project offers naturally occurring, non-restricted, workforce rents at or below 120% of area median income (“AMI”) for 30% of the units, and an unparalleled offering of amenities and access.

With grandfathered 100% market permits and a **real estate tax abatement**, 4011 Market brings certainty and security with this unique LEED Platinum multifamily offering.



**Opportunity Zone Eligible  
Federal Tax Incentive**

*\*OZ 1.0 designated + OZ 2.0 eligible tract*



**Equity Investment  
Opportunity**

Value Creation Through  
Development



**84,000 Local Employment**

84% Resident/Workers

75% Academic/Medical Employment



**5 Minute Walk to:**

UPenn, Drexel, Penn Medical



**100% Market Rate Permits\***

*\*new projects req 20% affordable*



**Naturally Occurring  
Workforce Housing**

30% at 120% AMI or lower



# Project Team Introduction



Sponsorship has assembled a best-in-class team to execute on the construction and development the Project. These key project stakeholders are an integral part of the team and deal execution, and bring years of strong track record and institutional experience.

Sponsor:  
**QuakerLane Capital**

\$22B+ Investment and Financing Transactions  
\$400M+ GAV of Assets Owned and Controlled



Multifamily Predevelopment Advisor:  
**Greystar**

800,000 Residential Units Managed



General Contractor:  
**Hunter Roberts Construction Group**

\$5.6 Billion in Philadelphia Construction



Architect & LEED Consultant:  
**Nelson**

10,000 Residential Units Designed/Built  
in last 5 years



**Carlos Febres-Mazzei**  
Managing Principal, Founder

- 25 years experience
- Managed and expanded real estate investment banking platforms at Eastdil Secured and CBRE
- 68 structured transactions totaling over \$20B, including
  - \$1.35B+ residential deals
  - \$8.95B+ commercial deals
  - \$10B+ in distressed advisory transactions



**Puja Suneja Peruto**  
Principal

- 21 years experience
- Established Asset Management and Operations platform for \$500M+ private equity fund
- Over \$85M in commercial value-add execution
- Co-managed Philadelphia office for EY Transaction Real Estate Services



**Kate Stillings, LEED AP**  
Senior Director, Construction & Project Management

- 40 years experience
- 89 construction projects totaling \$1.32B, including
  - \$772M residential / \$548M commercial
  - 3.7M SF in ground-up projects
  - 2.8M SF in renovation projects

# Executive Summary



## The Opportunity

**QuakerLane Capital** (“QLC”, and “Sponsor”) is seeking investment partners to **complete development** of an opportunity-zone eligible multifamily project with **up to 350 units** adjacent to the University of Pennsylvania and Drexel University. The Project is as-of-right and has zoning permits from the City of Philadelphia.

**This is an opportunity for Equity Investors to invest in the Project and participate in the value creation from construction and lease up of a new Class A apartment community. This opportunity offers maximum tax efficiency from short- and long-term deferral benefits, including the potential for an opportunity zone-compliant structure.**

The Project, as currently designed by QLC, is a best-in-class **323-unit multifamily TOD project** (“40<sup>th</sup> & Market”, “the Property”, “the Project”) in University City, Philadelphia, one of the nation’s leading life science and medical research and treatment submarkets. The Project is located on Market Street, University City’s primary commercial corridor, directly adjacent to 40th Street Station. The location is a few blocks to the campuses of UPENN and Drexel University, and the commercial activity in University City, making it an **irreplaceable TOD site**.

40th & Market is **one of the last projects to be permitted in the University City Neighborhood with 100% market rate units** plus the modified 10-year tax abatement, adding millions in asset value from incentives that are no longer available. Any project submitted for permits following the July 18, 2022 deadline is subject to a 20% affordable unit requirement at 40% of area median income (AMI), which will eliminate competitive supply in the marketplace.

## Dynamic Market

Philadelphia’s University City is home to some of the **most highly-acclaimed educational facilities and hospitals in the world** – the University of Pennsylvania, Drexel University, the Hospital of University of Pennsylvania, and Children’s Hospital of Philadelphia (“CHoP”). As a result, University City has seen an influx of institutional landlords and developers including Baupost Group, KKR, GIC, EQT/Exeter, Carlyle, Blackstone, and Silverstein Properties. Anchored by world class institutions, University City is **one of the fastest growing submarkets in the United States**, driven by rapid growth in life science and medical research, driving increases in employment, discretionary income, and educated population.

University City accounts for approximately 12% of all jobs within Philadelphia, despite representing only 2% of the city’s total footprint, and is poised to be the site of major job creation in the years to come due to the rapid growth in medical and educational institutions and private firms.

As a result of this market growth and its maturity, multifamily demand has significantly outpaced supply in University City, resulting in more rent growth than any other Philadelphia neighborhood. The two most recent deliveries in University City – ANOVA University City and Solo 4233 (frmlly. Next LVL) – **leased from delivery to stabilization at rates of 38 units per month and 22 units per month**, respectively. This acute supply/demand imbalance will continue as University City’s life science market continues its rapid growth and the new multifamily development regulations are in effect.

## Project Overview

The Project is situated on 0.58 acres located directly adjacent to the Market-Frankford Subway Line 40<sup>th</sup> Street Station. Current plans contemplate a **270,000 SF building** with one floor of sub-grade parking, inclusive of **323 apartment units** and 3,000 SF of ground-floor retail. The building will stand 12 stories tall with 9’ clear ceilings in the apartment units and soaring 18’ clear ceilings for the ground floor residential lobby, retail, and amenity space.

One of the Project’s competitive advantages is its location. The Project is located at a major transit station which provides unparalleled ease of access to University City, Center City, Fishtown, and other desirable locations via subway. Within University City, the Project is located only steps from Penn Presbyterian Hospital, UPENN, Drexel, and the epicenter of the commercial and retail attractions along Market Street.



# Executive Summary



**Sponsor is raising up to \$46M in equity for 40<sup>th</sup> & Market, a permitted 350-unit, 100% market rate, TOD multifamily development project located adjacent to UPENN and Drexel University.**

## Business Plan Summary

The land at 4011 Market St is already owned. Design work is anticipated to continue for the next 4-6 months to get the project to a “shovel-ready” state. The building permit application will be submitted in Q1 2026. After permits are granted, final design and pricing will occur. At that point, the project will finalize the capital stack and be prepared to break ground.

The scope of the project entails the construction and lease-up of a Class A apartment building in University City, Philadelphia. The project benefits from direct rapid transit access and immediate proximity to multiple medical and academic research institutions.

After a successful lease up of the property, QLC intends to refinance the construction loan proceeds with longer duration permanent financing (agency, HUD, etc.).

## Transaction Timeline

- Jul 11, 2023: Zoning Process Complete
- Nov 8, 2023: Zoning Permits Issued
- Jan 31, 2024: Land Acquisition
- Jan - Mar 2026: Building Permits Submitted
- Apr - May 2026: Construction Drawings / GMP Finalized
- Apr - May 2026: Equity Closing / Funding Date
- May 31, 2026: Vertical Capitalization / Groundbreaking
- May 31, 2029: Permanent Debt Cash Out Refinancing (*or exit if non-OZ*)
- May 31, 2036: Exit (*for OZ-compliant hold period*)

## Request Summary

**QLC is requesting up to \$46M in development equity for 4011 Market.** Equity will be used for the construction and development of the 323-unit project planned at 4011 Market.

Both conventional LP equity and equity under the Opportunity Zone structure will be considered for this investment opportunity. With OZ funds, the investment will be structured to comply with Opportunity Zone regulations to provide maximum tax benefits to investors.

Total Equity Request:	\$46,300,000
Pre-Development / GP Equity:	\$6,300,000 (14%)
<b>Construction / LP or OZ Equity:</b>	<b>\$40,000,000 (86%)</b>

## Deal Returns

6.0%	6.9%
Untrended	Trended
Yield on Cost	Yield on Cost
7.9%	10.4%
Un-Levered	Gross Equity
Cash on Cash Yield	Cash on Cash Yield
(10-Yr Avg)	(10-Yr Avg)
17% / 24%	3.5x / 1.9x
Gross Equity	Gross Equity
IRR	Multiple
(10-Yr Hold/ 3-Yr Hold)	(10-Yr Hold/ 3-Yr Hold)

# Sources & Uses



Sponsor and investors have invested significant equity in the project through pre-development. Sponsor has engaged the market for initial debt guidance and can tailor the capital stack to the needs of investors.

Sources	Total	Per Unit - Allocated	Per GSF	% of Cost
Construction Financing	\$108,000,000	\$328,000	\$399	70%
Equity	\$46,300,000	\$141,000	\$171	30%
<b>Construction Equity / LP or OZ Equity</b>	<b>\$40,000,000</b>	<b>\$122,000</b>	<b>\$148</b>	<b>86%</b>
Pre-Development Equity / GP Equity	\$6,300,000	\$19,000	\$23	14%
<b>TOTAL</b>	<b>\$154,300,000</b>	<b>\$469,000</b>	<b>\$570</b>	<b>100%</b>

Uses	Total	Per Unit - Allocated	Per GSF	% of Cost
Land Acq. Costs	\$18,750,000	\$57,000	\$69	12%
Hard Costs	\$108,250,000	\$330,000	\$400	70%
Soft Costs	\$17,300,000	\$52,000	\$64	11%
Financing Costs	\$10,000,000	\$30,000	\$37	6%
<b>TOTAL</b>	<b>\$154,300,000</b>	<b>\$469,000</b>	<b>\$570</b>	<b>100%</b>

Summary of Gross Yields on Cost	Untrended YOC	Trended YOC
<b>Senior Debt</b>	8.5%	9.9%
<b>Total Basis</b>	6.0%	6.9%

Note: Vertical Capitalization assumptions based upon DD design & GC estimates

# Development Budget & Pro-Forma



## Vertical Development Budget

Total Project Budget	Total	Per GSF	Per Unit
<b>LAND</b>			
Land	\$18,755,000	\$69	\$57,164
<b>Total Land</b>	<b>\$18,755,000</b>	<b>\$69</b>	<b>\$57,164</b>
<b>HARD COSTS</b>			
Hard Costs (incl. soil)	\$103,109,000	\$381	\$314,266
Hard Costs Contingency	\$5,155,000	\$19	\$15,713
<b>Total Hard Costs</b>	<b>\$108,264,000</b>	<b>\$400</b>	<b>\$329,980</b>
<b>SOFT COSTS</b>			
A&E	\$3,576,000	\$13	\$10,899
Legal - Project & Closing	\$829,000	\$3	\$2,527
Permitting & Permit Fees	\$1,853,000	\$7	\$5,646
3rd Party Closing & Due Diligence (Title, etc.)	\$275,000	\$1	\$838
Apt. & Retail Leasing Costs & Marketing	\$592,000	\$2	\$810
Developer Fees & Staffing / Overhead	\$6,488,000	\$24	\$19,775
Carry Costs During Construction & Lease Up	\$723,000	\$3	\$2,204
FF&E	\$750,000	\$3	\$2,322
Builder's Risk Insurance	\$1,083,000	\$4	\$3,300
Other Soft Costs	\$800,000	\$3	\$2,438
Soft Costs Contingency	\$317,000	\$1	\$996
<b>Total Soft Costs</b>	<b>\$17,285,000</b>	<b>\$64</b>	<b>\$51,755</b>
<b>FINANCING COSTS</b>			
Loan Closing Costs & Fees	\$1,080,000	\$4	\$3,285
Loan Ongoing Costs & Fees	\$335,000	\$1	\$1,020
Guarantee Fees	\$514,000	\$2	\$1,567
Interest Rate Protection	\$250,000	\$1	\$762
Interest Carry During Development	\$7,839,000	\$29	\$23,842
<b>Total Financing Costs</b>	<b>\$10,018,000</b>	<b>\$37</b>	<b>\$30,476</b>
<b>TOTAL BUDGET</b>	<b>\$154,322,000</b>	<b>\$570</b>	<b>\$469,374</b>

## Stabilized Operating Budget

Stabilized Operating Budget	Total	Per Unit
<b>INCOME</b>		
<b>Residential Income</b>		
<b>EFFECTIVE GROSS RESIDENTIAL INCOME</b>	<b>\$12,782,133</b>	<b>\$39,573</b>
<b>Retail Income</b>		
<b>NET RETAIL INCOME</b>	<b>\$170,984</b>	<b>\$529</b>
<b>TOTAL INCOME</b>	<b>\$12,953,117</b>	<b>\$40,103</b>
<b>EXPENSES</b>		
<b>Controllable Expenses</b>		
Payroll & Benefits	547,387	1,695
Repairs and Maintenance	87,951	272
Make-Ready	79,156	245
Recreational Amenities	8,795	27
Advertising / Marketing / Promo	167,107	517
Office Expenses	26,385	82
General & Administrative	105,541	327
Utilities	123,131	381
Insurance	263,853	817
<b>Total Controllable Expenses</b>	<b>\$1,409,306</b>	<b>\$4,363</b>
<b>Non-Controllable Expenses</b>		
Management Fee	319,553	989
Contract Services	193,492	599
Real Estate Taxes	275,440	853
<b>Total Non-Controllable Expenses</b>	<b>\$788,486</b>	<b>\$2,441</b>
<b>TOTAL EXPENSES</b>	<b>\$2,197,791</b>	<b>\$6,804</b>
Operating Expense Ratio (Abated Taxes)	17%	
Operating Expense Ratio (Unabated Taxes)	25%	
<b>NET OPERATING INCOME</b>	<b>\$10,755,326</b>	<b>\$33,298</b>

Note: Vertical Capitalization assumptions based upon DD design & GC estimates

# Development Summary



## Site Facts

Addresses	4011-19 Market Street & 18 N 40 <sup>th</sup> Street
Site Size	4011-19 Market Street – 17,737 SF (0.4 acres) 18 N 40 <sup>th</sup> Street – 7,533 SF (0.2 acres) Total – 25,412 SF (0.6 acres)
Zoning	CMX-4
FAR	5.0x + Density Bonuses

## Development Summary

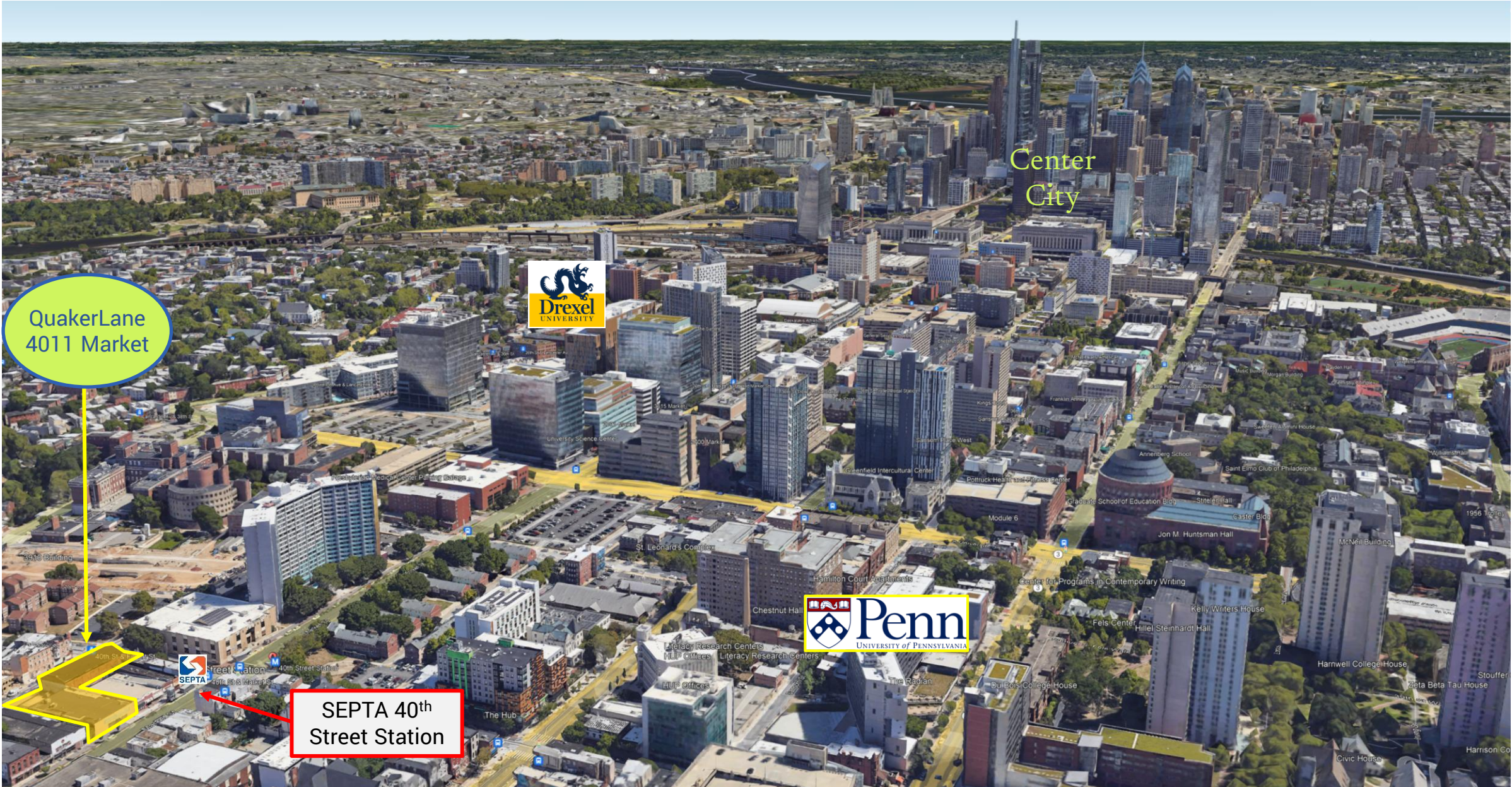
Construction Type	Steel/Concrete
Total Stories	12 + Roof Deck
# of Units (% Market Rate)	323 (100%)
Parking	54 Spaces
Average Unit Size	578 SF

## Event Timing

Ant. Construction Financing Closing	May 2026
Month Count:	
Pre-Development	6 mo
Construction	24 mo
Lease-up	11 mo
Stabilized Hold	85 mo
<b>Total Development Period</b>	<b>120 mo</b>



# Aerial View of Submarket



# University City Metrics



## Anchor Research Institutions

University City is home to 4 key academic and medical institutions



## Efficient Infrastructure



**3<sup>rd</sup>**  
Busiest Train Station

In US, 30<sup>th</sup> Street Station

**180K**  
Avg Weekday Riders

Busiest Septa route, Market-Frankford Line



## Venture Capital and Innovation Hub

NIH Funding in Philadelphia is growing 2x over Boston

**4<sup>th</sup>**  
Largest NIH Recipient

University of Pennsylvania



National Institutes of Health

**6<sup>th</sup>**  
Most NIH funding

Philadelphia, among all US cities

## Human Capital

**85k**  
Jobs in University City

**\$95K**  
Average R&D Salary

**63%**  
Residents with Bachelors Degree

# University City Overview



# Transit Access



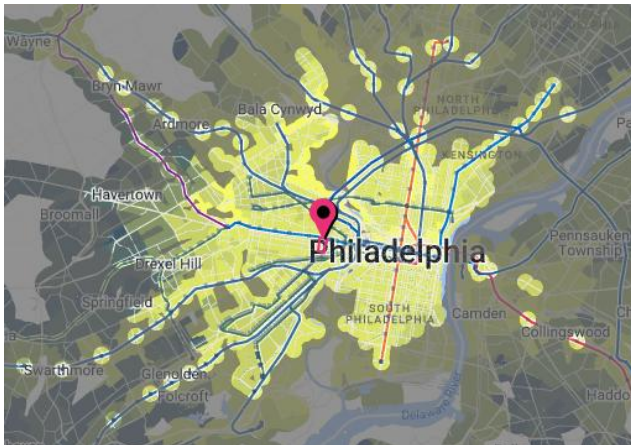
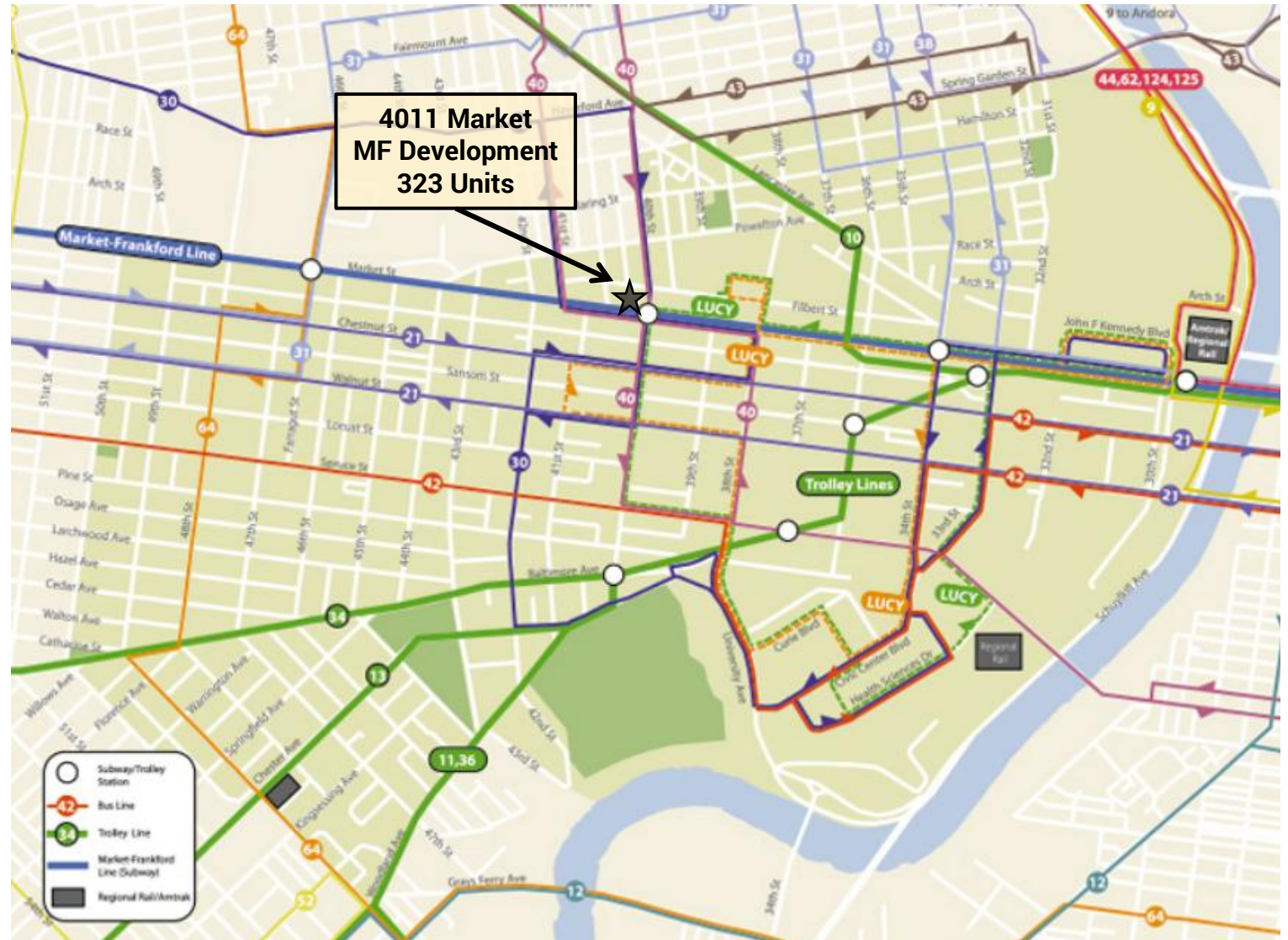
4011 Market provides seamless access to SEPTA's primary east/west subway line, the Market-Frankford Line.

SEPTA is Philadelphia's regional public transportation authority which operates subway, bus, commuter rail and electric trolleys with nearly 4M people utilizing its service.

4011 Market is located on top of the 40<sup>th</sup> Street Station.

From 40<sup>th</sup> Street Station, one can reach the following via subway on the Market-Frankford Line (MFL):

- All stops in University City: < 3 min
- City Center: 5 min
- Fishtown: 14 minutes
  - Fishtown is the far east side of the city and is Philadelphia's popular arts/culinary hub



Number of jobs accessible within a 30 minute transit commute on average for households.

< 50,000 Jobs	50,000-100,000 Jobs	100,000-150,000 Jobs	150,000-225,000 Jobs	225,000-300,000 Jobs
300,000-450,000 Jobs	450,000-600,000 Jobs	600,000 Jobs+		

Source: AllTransit



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