

Partnership Overview



ALCHEMY - ABR
INVESTMENT PARTNERS



ALCHEMY
PROPERTIES

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From an investment perspective, our approach has emphasized capital preservation over assuming unmanageable risks to chase out-sized returns; and thus we have eschewed overheated markets where fundamentals, in our estimation, did not pencil out.

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An aerial night photograph of the Chrysler Building in New York City. The building's Art Deco architecture is highlighted with warm white lights, while the surrounding city is bathed in a cool blue light. A semi-transparent blue geometric shape is overlaid on the right side of the image, containing the text.

TRIED AND TESTED EXPERIENCE TOWARDS FUTURE INVESTMENT

Our investment history is one of successfully anticipating trends while navigating multiple market cycles. We have been able to deliver very favorable returns based on a very hands-on, opportunistic approach.

GUIDING PRINCIPLES

Create value, founded in integrity, through every step of the investment process.

Our dynamic corporate structure allows us to create extraordinary value for our investors and partners. Above all else, execution, teamwork, and respect to all parties involved in our business and strategy implementation are the essence of our organization's culture. As an opportunistic, hands-on real estate developer and investor, we are considered best-in-class partners with a variety of institutional, family foundation and high net worth individuals who are long-term investors in multiple projects. We invest alongside our partners in each deal so that our interests are always aligned. Preservation of capital, first and foremost, is emphasized at every point in each asset's investment cycle.



ALCHEMY-ABR
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ALCHEMY
PROPERTIES

Creativity

Passion and creative thinking are the foundation of our company. We imbue a distinctive quality and design to our buildings, creating a finished product of which all stakeholders can be proud of. Creating solutions to complex circumstances is a collaborative effort, and a core value by which we are able to separate ourselves.

Integrity

No matter how complex a transaction, transparency and honesty eclipse all other factors. We understand that relationships are the backbone of our industry and we honor our word, whether in writing or a simple handshake. Our investors, partners, and clients deserve this respect, and a mutual trust is our bond.

Teamwork

Over 25 real estate professionals strong, the actions and ideas of each and every one of us come together to create a team that yields much more than the sum of the parts.

Our Mission.

We are, first and foremost, focused on the preservation and return of our investors' capital. This risk-management and "downside" awareness has served us well in all market cycles and across various property types. Our reputation and track record are the essence of our brand.

ABOUT US



Alchemy Properties, Inc. (“Alchemy”), founded in 1990 by Kenneth Horn, is a privately held, New York City based real estate development and investment firm, actively engaged in acquisitions, development, financing, construction management, repositioning, marketing, leasing and sales for our own accounts. Our cycle-tested experience evidences our philosophy that entrepreneurial real estate companies must succeed regardless of market fluctuations.

Grounded in a deep knowledge of real estate markets and process, our more than a quarter-century of success lies in our control of all facets of a project from acquisition to lease up or sale. This, coupled with strong ties to debt and equity sources, reduces the inherent risk of real estate ventures and increases the certainty of execution.

From our Manhattan headquarters our vertically-integrated person staff develops and directs a diverse New York metro area portfolio. Since the firm’s inception in 1990 we have delivered over two million square feet of multifamily and condominium residences with a sellout value in excess of \$2 billion and over 32 residential buildings featuring both historic rehabilitations and repositionings and ground up construction.

With much fine-tuning, we have built a cohesive team environment that rewards hard work, results and passion – an approach that has fostered innovation and improvement while challenging individuals to take calculated risks to improve and evolve. We manage these risks with our team orientation and organizational redundancies to reduce development and construction risk.





ALCHEMY-ABR
INVESTMENT PARTNERS

Alchemy-ABR Investment Partners (“Alchemy-ABR”) is the partnership of Alchemy Properties and ABR Partners, a New York-based real estate investment and development company led by Brian Ray. The company, founded in 2015, is a vertically-integrated real estate developer, operating company, and asset management platform harnessing the experience and insight of its individual partners to add value at each step of the investment process throughout the portfolio.

Alchemy-ABR acquires, develops and repositions unique, value-add and cash flowing office, multifamily, retail, industrial and mixed-use investment properties in New York City and its metropolitan area as well as other select gateway markets, such as South Florida. By leveraging its broad, existing local and national relationships with brokers, developers, owners, investors, attorneys and lenders, Alchemy-ABR seeks to create value by investing in core, core-plus, value-add and underperforming assets or distressed debt with a vigorous hands-on approach.



CORPORATE HISTORY

**Over a century of direct,
principal experience.**

A collective career set that has acquired, developed, and operated assets totaling in excess of 10 million square feet and more than \$5 billion in value.



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- 1990** **Alchemy Properties is formed**
Alchemy Properties' initial focus consisted of consulting major financial institutions throughout complex work-outs of defaulted projects.
- Mid 1990's** **Focus moves towards adaptive re-use**
Shift to opportunistic purchases of defaulted commercial loans and REO properties to redevelop commercial buildings into residential condominiums and retail uses.
- 2001** **Ground-Up Development**
Alchemy's first ground-up condominium development (Bond Street Lofts) breaks ground.
- Early 2000's-
Mid 2010's** **Continued Ground-Up Condo Developments**
Alchemy establishes itself as one of the preeminent condominium developers in New York City, completing nearly 30 developments with a total sell-out in excess of \$2 billion, partnering with blue-chip equity partners.
- 2006-Mid
2010's** **ABR Partners is formed**
A vertically-integrated real estate investment company, founded by Brian Ray, leveraging more than a decade of experience at Tishman Speyer and RFR Holdings. During this time, select projects include: 429 East 75th Street, LI City Lofts, 287 Park Avenue, and Bacalar Beach Resort.
- Mid 2010's** **35XV and The Woolworth Tower Residences**
Alchemy begins developing what would become the nationally awarded and acclaimed 35XV condominiums and commences the conversion of tower of the historic Woolworth Building into condominium units.
- 2015** **Alchemy-ABR Investment Partners is formed**
Created to leverage the existing platforms of both Alchemy and ABR Partners to capitalize on the combined experience, relationships and execution capabilities of the partners. To date, Alchemy-ABR has purchased 211 East 43rd Street, a 211,000 square foot (sf) office building located in Manhattan, 4200-4400 Northcorp Parkway in Palm Beach Gardens, Florida, and has several projects undergoing pre-development.

INVESTMENT APPROACH

As opportunistic investors and developers, we seek to leverage our experience, infrastructure and decisiveness to act quickly to continue our successful history of anticipating trends while creatively navigating market cycles. Our in-house capabilities and industry-wide sterling reputation make us particularly adept at developing, re-positioning and/or “fixing” defaulted projects.

We primarily target New York City and its surrounding area, as well as South Florida, for unique cash-flowing, value-add, and opportunistic investment and development opportunities in high quality office, residential and mixed-use properties, while also potentially considering unique opportunities in other select gateway markets on the east coast where we have key relationships to execute.

Applying a disciplined approach to underwriting, acquiring, and executing on a diverse range of investment classes, we seek to add value in each step of the investment process through our vertically-integrated real estate and asset management platform. By harnessing our broad national and local community of relationships, including leading brokerages, owners, investors, attorneys and lenders, we are able to utilize our experience to swiftly, and conscientiously, act on potential investments.

With extensive hands-on experience, working in a diverse range of real estate disciplines, we are well positioned to creatively invest, source, and execute on opportunities with upside potential. This is possible through employing a sophisticated team and infrastructure, combined with an entrepreneurial spirit, to meet the needs of a fluid investment market.



ACQUISITION AND ASSET MANAGEMENT STRATEGY

- Acquire and redevelop well-located assets, subject to rigorous underwriting, within a 50 mile radius of New York City, South Florida, and off-market opportunities in gateway markets, while actively repositioning and hands on asset management to increase property cash flow as well as value.
- Improve upon an asset's tenant profile while upgrading the property through selective capital expenditures and other strategic initiatives.
- Consistently identify and orchestrate timely and high-quality investment opportunities to create long-term value.
- Implement an investment philosophy emphasizing both the financial enhancement and design quality of each property.

BUSINESS PLAN EXECUTION

Buy Opportunistically

- Seek under-performing, well-located assets within targeted markets and submarkets.
- Pursue assets that are available at a discount to replacement cost, characterized as in-fill locations situated within target markets as an opportunistic investment.
- Utilize in-house, real time market data and knowledge to capitalize on cyclical opportunities.

Create Value

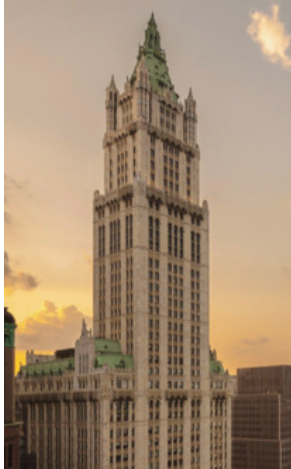
- Formulate and implement a unique business plan for each asset to optimize its value and exit opportunity.
- Renovate and reposition through curing deferred maintenance, rectifying mismanagement, and upgrading functional, but under-improved, property features.
- Value creation by re-tenanting under-market leases, diversifying the tenant profile and lease expiration schedule, re-branding, aggressive marketing and leasing campaigns, and cost reduction programs through highly focused asset management.
- Utilize broad industry-wide contacts and market insight to fully implement business strategy.

Sell or Recapitalize to Maximize Returns

- With careful review of the underlying market trends, accurately time exits, or recapitalizations, to optimize investor returns.
- Through sound investment strategies, ensure liquidity is available throughout the capital structure to capitalize on optimal exit conditions; also consider appropriate long term hold opportunities under a restructured capital stack.

SELECT PROJECTS

Since our inception, we have acquired, developed, repositioned, leased, managed and sold a wide variety of residential, office and retail properties. Historically, our projects have resulted in an average property-level IRR of over 20%. Our portfolio includes, amongst others:



The Woolworth Tower Residences

Address: 2 Park Place, New York

Acquisition: 2012

Project Size: 150,000 sf

Partner: BlackRock

Lender: United Overseas Bank

Project Type: Residential Condo Conversion



THE WOOLWORTH
♦ TOWER RESIDENCES ♦



Two Fifty West 81st Street



Address: 250 West 81st Street, New York

Acquisition: 2016

Project Size: 110,000 sf

Partner: Carlyle

Lender: Israel Discount Bank / Bank of the Ozarks

Project Type: Ground-Up Residential Condo

TWO FIFTY WEST 81ST

Corporate Center at the Gardens

Address: 4200-4400 Northcorp Parkway, Palm Beach Gardens

Acquisition: 2016

Project Size: 120,000 sf

Partner: Breakers Capital Partners / W Financial

Lender: RGA Insurance

Project Type: Core-Plus Office



 **CORPORATE CENTER
AT THE GARDENS**

211 East 43rd Street at Third Ave

Address: 211 East 43rd Street, New York

Acquisition: 2015

Project Size: 215,000 sf

Partner: Clarion Partners

Lender: Signature Bank

Project Type: Value-Add Office & Retail

211 | **E43**
AT THIRD AVE



The NOMA



Address: 50 West 30th Street, New York

Acquisition: 2014

Project Size: 104,000 sf

Partner: Carlyle

Lender: M&T Bank

Project Type: Ground-Up Residential Condo

the
noma
50 W 30

35 XV

35 XV
THIRTY FIVE WEST FIFTEENTH STREET, NYC

Address: 35 West 15th Street, New York

Acquisition: 2010

Project Size: 170,000 sf

Partner: Angelo-Gordon

Lender: M&T Bank / Capital One

Project Type: Ground-Up Residential Condo



429 East 75th Street



Address: 429 East 75th Street, New York

Acquisition: 2007

Project Size: 30,000 sf

Partner: Taconic Investment Partners

Lender: Bank of America

Project Type: Medical Office Development

429
EAST 75TH STREET

Sackett Union



Address: 340 Court Street, Brooklyn

Acquisition: 2011

Project Size: 150,000 sf

Partner: Prudential / Davis Companies

Lender: Capital One

Project Type: Ground-Up Residential Condo



Griffin Court Condominium



GRIFFIN COURT
 CONDOMINIUM
 454 WEST 54TH ST, NYC

Address: 454 West 54th Street, New York

Acquisition: 2007

Project Size: 160,000 sf

Partner: Jamestown Properties

Lender: Bank of America / Helaba

Project Type: Ground-Up Residential Condo



Hudson Hill Condominium



Address: 462 West 58th Street, New York

Acquisition: 2006

Project Size: 93,000 sf

Partner: AEW Capital Management

Lender: HSBC

Project Type: Ground-Up Residential Condo



HUDSON HILL
 CONDOMINIUM
 462 WEST 58TH - NYC 10019

OUR PARTNERS

THE CARLYLE GROUP

CREDIT SUISSE 

ING 

ALCION
VENTURES

AG & CO ANGELO,
GORDON
& CO.

 AEW

DLJ
REAL ESTATE
CAPITAL PARTNERS

JAMESTOWN

CP CLARION PARTNERS

W
FINANCIAL


Prudential

TACONIC
INVESTMENT PARTNERS LLC

BLACKROCK

OUR LENDERS



EXECUTIVE TEAM



KENNETH HORN

*Founder & President, Alchemy Properties, Inc.
Co-Founder & Partner, Alchemy-ABR Investment Partners*

Kenneth Horn has been actively involved in development in the New York metro area for more than 25 years. During his tenure at Alchemy, Kenneth has been directly responsible for the acquisition, strategic development, financing, construction, renovation, marketing and conversion of over 3,000 apartments. This has included the ground-up or rehabilitation development of more than 30 residential and retail buildings, resulting in sales of over \$2 Billion. Alchemy's vertically-integrated staff currently develops and directs a diverse New York metro area real estate portfolio, including the Woolworth Tower Residences and 35XV, 250 West 81st Street and 50 West 30th Street.



JOEL BREITKOPF

*Principal, Alchemy Properties, Inc.
Co-Founder & Partner, Alchemy-ABR Investment Partners*

Joel Breitkopf has more than 30 years of experience in the real estate industry. Before joining Alchemy in 1993, he was an executive at Commercial Bank of New York and Chemical Bank Realty as well as Vice President of Acquisitions and Finance for Himmel + Meringoff Properties where he focused on acquiring value-add office buildings. Over the course of his career, Joel has financed well over \$2 Billion worth of real estate transactions, and has acquired over 3 Million square feet of real estate.



BRIAN RAY

Founder & Managing Partner, ABR Partners, LLC

Co-Founder & Managing Partner, Alchemy-ABR Investment Partners

Brian Ray is responsible for sourcing, equity raising, financing, deal structuring, and asset oversight for the company's acquisition and development activities. Throughout his 20 year career, Brian has acquired, developed, and managed properties with a value exceeding \$3 Billion. Notable projects include 211 East 43rd Street, 429 East 75th Street, Co-Op City Retail, 4200 Northcorp Parkway, and Bacalar Beach Resort in Belize. Prior to founding ABR Partners in 2006, Brian spent over a decade working with New York City real estate companies including RFR Holdings, Tishman Speyer, and Inlet Capital.



ALEXANDER J. SALTZMAN

Partner, Alchemy Properties, Inc.

Partner, Alchemy-ABR Investment Partners

Alex Saltzman directs the development and redevelopment of residential and commercial real estate for the company. During his career, Alex has developed over one million square feet spanning diverse projects in both urban and suburban markets. Prior to joining Alchemy in 2007, he managed developments at HK Organization in Brooklyn where he focused on adaptive reuse pre-development and entitlements. Alex also served as a project manager at Toll Brothers in Philadelphia where he oversaw the development of its largest urban project as well as numerous residential and commercial properties.



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