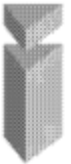


Strategy Drivers and Portfolio Construction



40% Urban Development / Redevelopment

- Acquire sites in up-and-coming urban areas, develop lease-up residential or commercial projects with opportunistic return profile
- Acquire existing property and redevelop under 'substantial improvement' criteria
- Limited re-entitlement and pre-development
- Target Loan-to-cost ratio of 55-65%

Suburban Development / Multi and SF Rental

40%

- Acquire parcels to develop single-family rental subdivisions in larger residential master plans or purpose-built B2R communities
- Develop suburban garden-style multifamily apartments and 'necessity retail'
- Target Loan-to-cost ratio of 55-65%

10% 'Original Use' Acquisitions

- Acquire nearly-complete projects before they are put into service, qualify under 'original use' criteria
- Trading lower initial yield for mitigated development risk and shorter timeline to stabilization
- Target Loan-to-cost ratio of 60-75%

Covered Land / Re-Entitlement

10%

- Acquire sites in up-and-coming locations with re-entitlement potential, install improvements to qualify existing building under "substantial improvement" criteria, and use income for carry costs
- Re-entitle properties over 5-8 year period while cash-flowing, sell to next buyer at substantial gain
- Target Loan-to-cost ratio of 30-40%