

[00:00.000 --> 00:06.640] what I mean. This building is incredible at over 1 million square feet, containing,
[00:06.960 --> 00:14.640] we go to the next slide, about 761 apartments, including retail uses at the base. It was
[00:14.640 --> 00:22.000] capitalized with about \$660 million through outpost, as I mentioned earlier, AIG, Mass
[00:22.000 --> 00:28.500] Mutual, and Apollo SL Green, twin towers connected by a sky bridge. As I mentioned,
[00:28.500 --> 00:34.260] this is the first sky bridge built in New York City in 80 years and is suspended 300 feet above
[00:34.260 --> 00:41.140] the ground. This sky bridge not only is very cool and beautiful with great amenities, it also serves
[00:41.140 --> 00:47.940] a useful purpose as it has a mechanical connection that eliminated an entire set of mechanical systems
[00:47.940 --> 00:52.820] from one of the two buildings. And I can easily say this is the only building in New York City that
[00:52.820 --> 00:59.860] you could swim from one tower to the other, with that 75 foot lot pool down on the lower right with
[00:59.860 --> 01:06.420] amazing views. These amenities and features pushed rental pricing to the strongest in the city at the
[01:06.420 --> 01:14.420] time, despite its somewhat secondary location on the far east side of Manhattan. And with that,
[01:14.420 --> 01:22.180] you can see the real world skyline impact that this building had as we run through. And this building,
[01:22.180 --> 01:30.100] just to give you some stats, we bought the land in 2013. We had first occupancy by the end of 2016,
[01:30.100 --> 01:36.820] with construction completed in 2017. So a very efficient construction process. We sold the property in
[01:36.820 --> 01:43.540] December of 2021 for just over 850 million to private investors. And this was the highest performing
[01:43.540 --> 01:50.020] rental building in New York, outperforming the sub market by more than 25%. And we were very proud of
[01:50.020 --> 01:56.740] the landmark scale at the time, which showed the investor confidence in the large scale type of

[01:56.740 --> 02:04.020] development that we deliver. And with that, I will swing to Marcy to give you another case study.

[02:07.140 --> 02:14.980] Thank you, Michael. So this is Walker Tower, a very different typology, but certainly illustrates

[02:14.980 --> 02:20.340] much of our expertise as a development company. This is Walker Tower, an adaptive reuse project where

[02:20.340 --> 02:28.100] we converted a historic telecommunications building from the 1920s into 47 luxury condominium residences.

[02:28.100 --> 02:33.220] The really shattered market records for the West Chelsea neighborhood, where the neighborhood averaged

[02:33.220 --> 02:39.540] \$1,600 per square foot, and our sponsor units averaged over \$4,000 per square foot in sales.

[02:39.540 --> 02:44.660] A lot of people toured this building and they could not understand how to make this building work

[02:44.660 --> 02:51.700] as a residential one, but the bones were great. The view corridors were fantastic for this concrete encased,

[02:51.700 --> 02:58.580] heavy steel frame structure. And so we undertook a very complex and intricate conversion of the historic

[02:58.580 --> 03:06.500] tower, including an enlargement. We relocated the stairs from the core. We enlarged the windows and

[03:06.500 --> 03:12.340] completely reskinned the facade. The construction loan for this project was provided by Wells Fargo,

[03:12.340 --> 03:18.580] and the development was executed in partnership with Starwood Capital Group. We also unlocked an

[03:18.580 --> 03:24.900] additional 50,000 square feet for development of premier penthouses, all within a landmark district.

[03:24.900 --> 03:30.100] And this was within the existing telecommunication infrastructure that we had to work around,

[03:30.100 --> 03:36.740] including maintaining a live data center for Verizon all throughout construction. We also had to overcome

[03:36.740 --> 03:42.260] market perception to convince individuals to pay top dollar for a residential experience within

[03:42.260 --> 03:47.540] a previously commercial building. This was not in deep Brooklyn, right? This was Chelsea.

[03:47.540 --> 03:52.100] And therefore, we revived the legacy of an accomplished, though forgotten architect,
[03:52.100 --> 03:58.020] Ralph Walker, through archival research and a historic exhibit. With ultra luxury buyers,
[03:58.020 --> 04:06.500] there was really little room for error. But our sellout was over \$600 million. And we broke the record
[04:06.500 --> 04:11.780] for selling the most expensive condo downtown at approximately \$50 million at the time.
[04:12.260 --> 04:17.540] And the entire building sold out prior to completion. We're very proud of the exceptional ROI
[04:17.540 --> 04:23.060] that was delivered with over \$400 million of profit distributions. And the project really did reset
[04:23.060 --> 04:27.700] the bar for quality construction and craftsmanship in new development in Manhattan.
[04:29.540 --> 04:36.580] Great. Thank you, Marcy. So we covered a very iconic new construction building on the east side of
[04:36.580 --> 04:43.140] Manhattan at a large scale. We covered an iconic Art Deco conversion also in Manhattan. And now we're going
[04:43.140 --> 04:48.500] to shift gears to talk about another type of project that we really like doing, which are branded real
[04:48.500 --> 04:54.980] estate projects. So we are proud to be doing the first branded real estate projects with two global iconic
[04:54.980 --> 05:02.180] brands in Miami right now. Branded residences in general add value by taking advantage of tremendous reach
[05:02.180 --> 05:08.420] and built-in brand equity. This leads to faster and stronger sellouts by instilling early confidence
[05:08.420 --> 05:14.100] in buyers who are already familiar with and attracted to the ethos of the brands and know their stories
[05:14.100 --> 05:21.780] and are excited to follow that brand into a new vertical with us. So first, 888-BRICKLE, Dolce & Gabbana, Miami.
[05:21.780 --> 05:31.460] We'll show you a brief film.
[05:52.740 --> 05:54.140] Wait.
[05:54.140 --> 05:55.460] Joc?
[05:55.460 --> 05:56.260] 1
[05:56.260 --> 05:56.920] 2

[05:56.920 --> 05:57.620]	1
[05:57.620 --> 05:58.160]	2
[05:58.160 --> 05:59.220]	2
[05:59.220 --> 06:01.180]	2
[06:01.180 --> 06:01.600]	1
[06:01.600 --> 06:02.720]	3
[06:02.720 --> 06:03.700]	2
[06:03.700 --> 06:05.600]	3
[06:05.600 --> 06:07.660]	2
[06:08.540 --> 06:11.620]	3
[06:11.620 --> 06:12.680]	4
[06:19.240 --> 06:19.780]	4
[06:19.780 --> 06:32.400]	Great. So this project will be the tallest building in Miami upon its completion.
[06:33.220 --> 06:38.800]	It has 259 residences and will feature the first Dolce & Gabbana hotel and residences
[06:38.800 --> 06:44.540]	in North America. We'll also have an incredible food and beverage program with a great national
[06:44.540 --> 06:49.640]	partner with three on-site restaurants and a private club. And next, we're going to show you
[06:49.640 --> 06:55.600]	a quick film on Mercedes-Benz Places, which is under construction. And here we go.
[06:57.020 --> 07:07.460]	With timeless design inspired by Miami, a new era of urban living awaits. This is a first.
[07:08.820 --> 07:15.280]	Moving beyond the mobility of connecting places to actually creating them.
[07:15.280 --> 07:23.600]	This is a collection of homes of the highest quality standards, where innovative architecture
[07:23.600 --> 07:34.060]	meets elegance and a holistic, intelligent living experience. Live in Mercedes-Benz Places in Miami.
[07:34.060 --> 07:41.920]	Great. So this project, which, as I mentioned, is fully entitled, under construction, is about
[07:41.920 --> 07:47.900]	two and a half million square feet of residential, commercial, and hospitality uses, including
[07:47.900 --> 07:53.740]	a treehouse by one hotel, which we partnered with Starwood Capital Group on. And this is

[07:53.740 --> 07:58.800] an incredibly rare full city block assemblage. It's actually the largest development site in
[07:58.800 --> 08:04.120] all of Brickell. And it is already going vertical. So we're very excited about this project.
[08:07.180 --> 08:14.260] Thank you, Michael. Both 888 Brickell, Dolce & Gabbana, Miami, and Mercedes-Benz Places are located
[08:14.260 --> 08:19.160] in the Brickell neighborhood of Miami, which is really the capital magnet of Miami's future.
[08:19.820 --> 08:25.280] Brickell has rapidly emerged as one of America's fastest growing urban hubs, drawing global capital,
[08:25.280 --> 08:30.960] high-end development, and a new era of lifestyle-driven living. With billions in active
[08:30.960 --> 08:36.380] construction and record-setting condo sales, we are well-positioned to capitalize on long-term
[08:36.380 --> 08:42.620] demand here. Both sites are very transit-oriented, with incredible walkability to shopping, restaurants,
[08:42.760 --> 08:47.680] and nightlife. And it's one of the fastest-growing submarkets in the state, nearly tripling in
[08:47.680 --> 08:54.800] population between 2000 and 2018. And it is now the second most dense neighborhood in the United States.
[08:55.280 --> 09:01.300] South Florida's financial district and core of, and it is the core historically and certainly in the
[09:01.300 --> 09:07.020] future for Miami's banking and financial sectors. And we're now witnessing another South Florida
[09:07.020 --> 09:13.060] business boom in the post-pandemic era, with this mass exodus of professionals and companies from
[09:13.060 --> 09:18.900] throughout the United States to Miami, companies like Citadel, real market makers and movers who have
[09:18.900 --> 09:24.140] chosen Brickell as their new headquarters. And what is driving this massive relocation is really
[09:24.140 --> 09:28.900] the South Florida's quality of life, of course, the lack of state income taxes, and the business-friendly
[09:28.900 --> 09:30.320] government policies.
[09:32.100 --> 09:37.500] Thank you, Marcy. And picking up on that theme, we are focused on identifying opportunities

[09:37.500 --> 09:44.560] in areas where we see growth. And those areas need to have macroeconomic and political factors

[09:44.560 --> 09:51.380] that are in our favor. We will shortly be announcing new projects in Nevada and Tennessee over the coming

[09:51.380 --> 09:58.180] months, and have a unique advantage having developed in the most complex markets in the U.S. as we enter

[09:58.180 --> 10:03.840] regional markets that have lower barriers to entry than some of the markets we typically play in.

[10:03.840 --> 10:09.300] We are excited to be amongst the first to bring world-class design and execution, including

[10:09.300 --> 10:14.980] branded residences to these markets that are primed for explosive growth, taking advantage of these

[10:14.980 --> 10:21.520] population shifts post-COVID. We continue to see a more mobile workforce that has options and

[10:21.520 --> 10:26.580] flexibility to work anywhere they want, and they are increasingly choosing cities with higher quality

[10:26.580 --> 10:32.060] of life and lower cost of living, but still want the type of quality and amenities that they're used to

[10:32.060 --> 10:34.900] in the larger urban areas. Michael?

[10:37.120 --> 10:43.960] No. So let me step in here, but before I do, I just wanted to say to you, Michael and Marcy,

[10:44.060 --> 10:50.640] it's incredible what you just showed, and it's not often that I'm involved in a webinar where someone

[10:50.640 --> 10:58.340] just keeps rattling off the tallest, the most successful, the biggest. So just congratulations to

[10:58.340 --> 11:02.220] both of you and to JDS, what you guys have accomplished, and I'm going to use that as a

[11:02.220 --> 11:08.380] segue to start talking about SkyGate, right? That's why everyone joined here today to a little bit more

[11:08.380 --> 11:13.960] about SkyGate, and I think it's appropriate for me to share a little bit of an overview, and then I

[11:13.960 --> 11:18.020] know we're going to already see a bunch of questions popping up. I don't know how much time we'll have for

[11:18.020 --> 11:25.060] all the questions, but I know Marcy and Michael, you'll be very busy with them coming up. So we're

[11:25.060 --> 11:30.680] here for SkyGate, SkyGate Growth Strategies. What is SkyGate? SkyGate Growth Strategies is a private
[11:30.680 --> 11:36.240] investment vehicle. It gives accredited investors the opportunity to directly invest alongside
[11:36.240 --> 11:44.780] major developers, and obviously JDS[11:36.240 --> 11:44.780] major developers, and obviously JDS is the one that is available right now. And not only invest
[11:44.780 --> 11:51.740] directly alongside them, but do so with some of their best deals, right? So I really like the
[11:51.740 --> 11:56.800] quote we threw in here, right? You're just not watching these record deals happening. You're not
[11:56.800 --> 12:01.780] wondering who was in the room. You're not wondering who was invited. You're actually participating in
[12:01.780 --> 12:07.080] them. And I think that's what's really important about what SkyGate represents, which is a different
[12:07.080 --> 12:13.240] approach to give more direct access to accredited investors into the deals that only the super
[12:13.240 --> 12:21.840] wealthy used to have access to. Next slide. Great. So with SkyGate Growth Strategies, simply put,
[12:22.200 --> 12:30.340] investors in SkyGate Growth Strategies are co-investing alongside JDS in their role as developer.
[12:30.340 --> 12:38.660] We're skipping the platforms, no brokers, no marketplaces, no management teams, direct co-investment
[12:38.660 --> 12:44.320] alongside. So, you know, with this, what happens is, actually, we've listed some of the things here.
[12:45.400 --> 12:51.200] It's not a REIT. It's not crowdfunding. It's not blind funds. So when I always want people to
[12:51.200 --> 12:56.940] understand, from my perspective as a third-party administrator, that's responsible for ensuring
[12:56.940 --> 13:02.420] that, you know, what is shared with investors is accurate, all investors should be aware of.
[13:02.420 --> 13:10.120] When you invest in SkyGate, you are directing alongside JDS. So it's not a REIT where you may
[13:10.120 --> 13:14.680] be diluted because more and more people come in. This is a fixed amount of capital that's

[13:14.680 --> 13:20.840] available to invest alongside. It's not crowdfunding. What crowdfunding really is, is anyone who has an
[13:20.840 --> 13:26.360] idea, putting up a website, and attracting anyone that may be willing to put the money into the deal
[13:26.360 --> 13:31.040] through the website, there's a place for crowdfunding, right? And there's a role for it
[13:31.040 --> 13:37.240] in the ecosystem. That's not what this is, right? This is institutional quality deals with institutional
[13:37.240 --> 13:43.120] quality diligence. Each one of these deals are years and years in the making before any investors
[13:43.120 --> 13:49.060] even have access to be able to potentially invest in these deals. And I think that that's the big
[13:49.060 --> 13:54.780] difference. So I always want to make sure that people understand the difference between great
[13:54.780 --> 14:01.600] investments that are efficient and simple. So they feel like it's something new, kind of like a
[14:01.600 --> 14:06.120] crowdfunding versus crowdfunding, which is a totally different animal for totally different types of
[14:06.120 --> 14:11.300] opportunities. And lastly, there's not a blind fund. I think as Michael and Marcy went through
[14:11.300 --> 14:19.020] specifically, anyone investing in SkyGate will be investing into the two deals that Michael mentioned
[14:19.020 --> 14:25.380] in Miami right now. This is not a situation where investors are giving money to something,
[14:25.500 --> 14:32.000] hoping the manager can potentially find something that possibly could deliver on what was discussed
[14:32.000 --> 14:38.660] or presented. No, instead, this is an investment in two specific properties. These two properties not
[14:38.660 --> 14:44.480] only are easy to show, but as Michael pointed out, one of them has already started going vertical
[14:44.480 --> 14:49.360] and the other one is not too far behind. So let's just go over some of the quick terms where I have
[14:49.360 --> 14:55.740] the slide up here before the next slide. First, minimum investment is \$25,000. This, as anyone who's

[14:55.740 --> 15:02.100] invested in deals, especially deals like this, this is not only low, but it was specifically set to be low

[15:02.100 --> 15:09.080] to be even more accessible. There's no reason that any credit investor can now not find a way to

[15:09.080 --> 15:17.500] participate. Two, all investors will be receiving a preferred return. It's 8% annualized, but it's paid

[15:17.500 --> 15:24.320] monthly, 12 equal monthly payments. The payments are on auto deposit. So as investors invest from the day

[15:24.320 --> 15:31.260] they invest, they will start to receive payments and that payment will be deposited automatically in

[15:31.260 --> 15:38.120] their account every single month, like clockwork. Next, target performance, strong target performance.

[15:38.120 --> 15:44.180] Obviously, as everyone can see below, you know, historical performance is not a guarantee for

[15:44.180 --> 15:51.000] future results. I always like to make sure people know that. However, this target performance is 23 IRR,

[15:51.180 --> 15:56.800] represents a two and a half equity multiple. And this is, these are numbers that not only are,

[15:57.320 --> 16:04.480] you know, not only are projected, but actually represent historically what many of the JDS projects

[16:04.480 --> 16:10.740] deliver, have delivered. And the target term is four years. So at the end of four years,

[16:10.900 --> 16:17.420] there will be an exit, which will occur through refinancings, through sales. And that will be for

[16:17.420 --> 16:23.760] both, both projects. So investors who go in today, hypothetically, will start receiving their 8%

[16:23.760 --> 16:30.020] preferred return. As of today, they'll get monthly payments for the next four years. And in four years,

[16:30.020 --> 16:34.920] everything will have its exit and investors will look to get the total return back at that time.

[16:35.240 --> 16:41.500] Let's go to the next slide. Great. This is something that's really unique. I've never seen

[16:41.500 --> 16:47.860] this before personally. So when we were going through this, I actually asked the team that was

[16:47.860 --> 16:52.380] making the deck to actually put this in here. It's something very unique. And I think everyone should
[16:52.380 --> 16:58.700] take a look at it. When you typically invest in real estate, all of us know we can invest on the equity
[16:58.700 --> 17:04.480] side. Maybe you have an opportunity to invest on the debt side. And some people who are a little
[17:04.480 --> 17:09.860] more sophisticated may even have an opportunity to participate on the MES side. These are different
[17:09.860 --> 17:14.460] parts of the capital stack, right? Structured debt, senior debt, preferred equity, common equity.
[17:14.460 --> 17:22.680] In this particular, you know, offering from Skygate, anyone who invests through Skygate will be
[17:22.680 --> 17:29.980] investing, again, alongside JDS. And that means alongside JDS and all four components of the cap
[17:29.980 --> 17:36.160] stack. So, you know, anyone who invests will participate in the debt, will participate in the
[17:36.160 --> 17:44.740] senior debt, the preferred equity, and the common equity. So that means that not only is the investments
[17:44.740 --> 17:52.340] being allocated across two different projects, which always helps for risk management, but it's also
[17:52.340 --> 17:59.320] your capital is being allocated across, from top to bottom, all different components of the cap stack.
[17:59.660 --> 18:06.240] Again, this is simply designed to help reduce risk. Yet the returns that are, you know, that are
[18:06.240 --> 18:13.720] projected, targeted returns represents the results of having all that together. Next, this is a slide I
[18:13.720 --> 18:20.960] asked them to put in. This is not a typical slide that, you know, when you see these types of webinars,
[18:20.960 --> 18:26.020] you're going to see, but I think it's really important to understand perspective. In today's
[18:26.020 --> 18:31.500] world where, you know, advertising of deals has become more commonplace and it's easier to find
[18:31.500 --> 18:37.520] and hear about more things that are occurring, sometimes we lose perspective. And having the

[18:37.520 --> 18:42.740] perspective is what differentiates understanding what's a good deal from something that may not be
[18:42.740 --> 18:48.860] as good, right? And for you. So historically speaking, I always liked my benchmarks, the S&P 500.
[18:49.080 --> 18:57.040] 1957, the S&P 500 index was created. It was created to represent a broad basket of the U.S. companies,
[18:57.300 --> 19:03.680] right? So it was these, the top 500 publicly traded companies in America. This has changed and rebalanced
[19:03.680 --> 19:11.860] every single year. Historically speaking, the S&P 500 has delivered somewhere between an 8 to 10%
[19:11.860 --> 19:19.080] return. The actual return is 10.5% if you've reinvested all dividends, being the best of the
[19:19.080 --> 19:25.740] best you could ever get in the S&P 500 by owning the best companies in America, the best country out
[19:25.740 --> 19:32.860] there in terms of economic performance. Real estate in general, 12 to 15%. That's just better. You know,
[19:32.860 --> 19:37.600] it's historically always been better, which is why super wealthy people invest in real estate.
[19:38.340 --> 19:44.840] The Skygate, again, these are projections. Please, you know, take this in the vein of which is being
[19:44.840 --> 19:52.220] shared. But Skygate and its target returns, 23% IRR. We're talking about something significantly
[19:52.220 --> 19:58.020] higher than the S&P, obviously, but also significantly higher than traditional real estate. And why
[19:58.020 --> 20:03.140] exactly, you know, the reason for it is the underwriting and the way that the capital is
[20:03.140 --> 20:09.460] allocated across projects and up and down the capital stack. And that can provide a blended return
[20:09.460 --> 20:16.680] that generates the yield, the income in real time, but it also generates the total return in a tax
[20:16.680 --> 20:20.420] efficient manner from there. Let's go to the next slide, if you could, please.
[20:20.420 --> 20:27.680] So, for those of us that were on this webinar today, I know many of us, and I'm seeing a bunch
[20:27.680 --> 20:32.640] of these messages already popping up, at least on my screen, asking about, you know, how do we get

[20:32.640 --> 20:38.400] started? What is the process? That's, let me go through that in a little bit more detail for you.

[20:38.480 --> 20:45.340] So, number one, anyone that wants to invest in Skygate will be investing electronically. Skygate

[20:45.340 --> 20:51.860] has incorporated and utilizing fully encrypted, secure technology to not only make it simple

[20:51.860 --> 20:55.340] and easy for anyone to invest, but also to...