

LandProtect™

LAND PROTECT CAPITAL, LLC ("LANDPROTECT™")

# LANDPROTECT™ 100 YEAR GROUND LEASE an efficient financing solution

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# MULTIPLE REASONS TO USE A LandProtect™ GROUND LEASE

## ACQUISITION

**ACQUIRE** an asset and lower the equity needed to close by up to 35%\* in conjunction with leasehold financing

## REFINANCE

**REFINANCE** by using an efficient solution that limits interest rate risk and eliminates future re-finance costs and fees

## THE 100 YEAR LandProtect™ GROUND LEASE

- ✓ No FMV reset and no percentage rent
- ✓ Full ability to finance, sell, develop and renovate the leasehold
- ✓ Maintain control of the building
- ✓ Limit interest rate risk
- ✓ Reduce friction costs and fees
- ✓ Maximize tax benefits by bifurcating the land and building
- ✓ Lower equity at closing or pull equity out via a refinance
- ✓ Owner/Users can execute sale/leasebacks to finance their operations at a lower cost of capital than conventional sale/leasebacks

## DEVELOPMENT CAPITAL

**FUND** TI/LC or ground up development – use a ground lease to capitalize construction costs in a more permanent way

## TAX EFFICIENT

**LOWER** potential tax liabilities by fully depreciating the leasehold asset. Create liquidity tax efficiently

\*Backup model available

## THE 100 YEAR GROUND LEASE

# WHY SELL?

"Separate the land from the building to create an efficient, low cost source of permanent capital."

—BRETT MUFSON

Board Member, Investment Committee

IMPROVEMENTS

**HIGHER YIELDING** asset where capital should be focused to maximize returns



### EFFICIENT LIQUIDITY

- + Generate efficient, low cost and tax advantageous liquidity without issuing equity or debt

### MAINTAIN FULL CONTROL

- + Leasehold owner continues to have full control to sell, lease, finance, develop and improve

### REDUCE RISK

- + Lock in permanent capital - no maturity risk, no long term interest rate risk, no re-finance risk

### STRATEGIC CAPITAL ALLOCATION

- + Land is a low return asset class - sell the land and re-allocate capital into higher yielding assets

### LIQUIDITY + CASHFLOW

- + Gain long term liquidity without selling the asset - maintain 2/3 (+-) of NOI while creating a capital event

LAND

**LOWER YIELDING** asset that should be sold or financed to maximize returns, reduce risk and create a more efficient capital stack

# LANDPROTECT™ BRINGS A CURRENT VIEW TO AN OLD BUSINESS

A LandProtect™ ground lease is an up-to-date financing instrument similar to a sale/leaseback that provides leasehold owners with the flexibility to sell, lease, finance and develop.

## GROUND LEASE TERMS

		ASSET TYPES	All – Hotel, Retail, Office, Multi, Manufactured, Medical
TERM / TYPE	A 100+ year unsubordinated ground lease with extension options	INCREASES	Deal Dependent – Appr. 2.00% to 2.50% per year
DEAL SIZE	\$10,000,000 to \$100,000,000++	MARKETS	Primary and Strong Secondary
LEASEHOLD FINANCING	Yes – Permitted & Encouraged	1ST YEAR RENT DEFERRAL	Yes – Via an ‘interest reserve’ at closing
RATE OF RETURN (CAP)	4.00% to 5.00%+ dependent on asset and market	TRANSACTION STRUCTURES	Sale, Partial Sale, Development, Re-finance & sale/leaseback
VALUE / PROCEEDS	30% to 50%+ of the stabilized asset value	MULTIPLE PROP. PORTFOLIOS	Yes – Preferred

## LANDPROTECT™ 100 YEAR GROUND LEASE

- EFFICIENT CAPITAL

MAXIMIZE RETURNS

MITIGATE RISK
- MAINTAIN CONTROL

CREATE LIQUIDITY







## ROY LAPIDUS

BOARD MEMBER, ADVISOR,  
INVESTMENT COMMITTEE

- + Founder of Stonetown, an opportunistic, high-yielding real estate investment company.
- + Prior to Stonetown, Roy spent 16 years at Goldman Sachs in the Real Estate Principal Investment Area of its Merchant Bank, most recently as a Managing Director responsible for acquisitions in the United States, the Caribbean and Latin America.
- + Beginning in the RTC era, Roy has invested in distressed notes and assets, cash flowing assets, value add strategies and development transactions. His investment experience includes common equity, mezzanine and preferred equity across a variety of property types including manufactured housing, hospitality, multi-family, office, industrial, retail, land, residential and medical office properties.
- + Graduated Magna Cum Laude from Princeton University, and received an MBA from Stanford University.



## CARRINGTON GUY

BOARD MEMBER, ADVISOR,  
INVESTMENT COMMITTEE

- + Co-founder and managing partner of Jera Partners, a commercial real estate investment management firm focused on single-tenant, net-leased industrial assets
- + Mr. Guy has been involved in over \$20 billion of real estate transactions ranging from granular, one-off purchases to portfolio transactions to M&A deals.
- + Co-founder and head of the net lease platform at Biproxi, a one-stop shop for commercial real estate sales and leasing. Biproxi empowers brokers to find more buyers and sell properties faster and is powered by the data on 32 million commercial real estate properties.
- + Executive Vice President of Real Estate at VEREIT, Inc. (NYSE: VER),

formerly known as American Realty Capital Properties. Responsibilities included originating, underwriting and evaluating single-tenant, freestanding, long-term net-leased, investment grade or creditworthy opportunities. Participated in every step of the acquisitions process from property identification to transaction negotiation to due diligence to closing. Served on VEREIT's Investment Committee, which reviewed each asset to be acquired or disposed to ensure alignment with the company's investment objectives.

- + Carrington earned a Bachelor of Arts in history from the University of Virginia and a Master of Business Administration with a concentration in finance from New York University Stern School of Business.



**SCOTT TARBET**

CEO

- + 13+ years of institutional real estate investment experience across multiple asset classes with significant sale/leaseback, single tenant, workforce housing and office experience.
- + Has led the acquisition, disposition and restructuring of \$800,000,000+ transactions across the country.
- + Prior to founding Gibson in 2017, Scott held senior roles at a leading retail investment platform based in Atlanta as well as at their parent company, Argonne Capital Group, a middle market private equity firm where he focused on single tenant financing, acquisitions and dispositions in conjunction with Leveraged Buyouts (LBO's).
- + Graduated from the University of Georgia with a Major in Finance.



**BRETT MUFSON**

BOARD MEMBER, ADVISOR,  
HEAD OF INVESTMENT COMMITTEE

- + Currently serves as President and Chief Investment Officer of Fontainebleau Development as well as the Soffer Family Office, and oversees the firm's investment strategy, financings, and operations including LandProtect™
- + Formerly Head of Acquisitions for Witkoff where he led \$7 billion in development and property transactions in hospitality, residential, and office throughout the U.S.
- + Prior to joining Witkoff, Brett worked at Bear Stearns in their mortgage structured products group and LoanCore Capital, a \$1.5 billion commercial real estate debt fund, where he was responsible for originating, structuring, and underwriting commercial real estate loans across all asset classes.
- + Graduated from the University of Pennsylvania with a Major in economics.



## SCOTT TARBET

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