### **The WNY Makers Model: Partners Guide** for proposed 2829 **Niagara St. Project**

The **WNY Makers Model (WNYMM)** revolutionizes real estate development with the **2829 Niagara St. project**—a cooperative venture with over $35M in projected revenue. Our model aligns your professional expertise directly with project success, turning your contributions into equity.

### **Core Partnership Model**

* **Equitable In-Kind Investment:** Instead of traditional fees, your professional expertise, services, or materials are valued at market rates and treated as a direct equity investment in the project.
* **Profit Distribution Waterfall:** Your investment pays off through a clear, three-tier waterfall structure designed for fairness and performance:
  + **Tier 1: Return of Capital:** The first profits from the sale are used to repay all partners their initial contribution value (both cash and in-kind).
  + **Tier 2: Time-Weighted Preferred Return:** After capital is returned, partners receive an 8% annualized preferred return on their contributions, rewarding early participation and higher risk exposure.
  + **Tier 3: Pro-Rata Split:** All remaining profits are distributed to all partners according to their initial ownership percentage.

### **Key Financial Advantages**

* **Radically Reduced Risk: A Debt-Free Structure:** The model operates without traditional bank loans, which significantly reduces financial risk, eliminates lender pressure, and enhances resilience to economic volatility. This allows for strategic market timing to capitalize on optimal conditions rather than being forced to sell.
* **Reduced Construction Costs:** By avoiding lender delays and interest payments, the model aims to cut construction costs by up to **20% per square foot**.
* **Enhanced Sales Advantage:** The debt-free structure enables the partnership to offer competitive **self-financing options** to buyers, creating a unique market advantage and an additional potential revenue stream for partners.
* **Favorable Bridge Financing:** Should a short-term loan be necessary, the project's strong equity position provides a significant negotiating advantage for favorable rates and terms.

### **Wealth Building & Partner Perks**

* **Transparent, Milestone-Driven Distributions:** Profits are distributed quarterly, beginning as early as Month 18, and are triggered by sales exceeding 20% increments of the total salable area.
* **Perpetual Residual Income:** Partners can elect to convert their earned profit into direct ownership of fully-furnished hospitality suites. These Short-Term Rental (STR) units are professionally managed, providing a passive, long-term cash flow, asset appreciation, and significant tax benefits like depreciation.
* **Exclusive Benefits & Tax Advantages:** Gain access to exclusive, partner-only pricing on units and benefit from transferred depreciation. You can also roll profits into future WNYMM developments via **1031 exchanges**, deferring capital gains taxes and seamlessly scaling your investment portfolio.

### **Operational & Strategic Advantages**

* **Accelerated Timelines & Execution:** The assembly of an integrated team of in-kind contributors from the project's inception streamlines the decision-making process. By circumventing traditional financing hurdles, this model can significantly reduce the overall development timeline by an estimated 6 to 12 months.
* **Active Deal-Making Role:** Beyond your primary contribution, you have the opportunity to actively participate in marketing and meeting with potential in-kind partners, leveraging your network for mutual benefit.
* **Scalability and Network Effects:** This project builds a reusable ecosystem. Successful partnerships create long-term alliances that reduce onboarding costs and accelerate future projects.

In essence, you become a vested partner, building equity and sharing in the success of a community-focused, wealth-building project.