

164040 THE JUNCTION



DESIGN AND DEVELOPMENT

The Junction pays homage to Atlanta’s rail history while simultaneously casting a compelling vision for a future as a sustainable neighborhood grounded in a rich transportation network and characterized by lively streets. Innovation meccas, centers of commerce, expanding healthcare communities, and pockets of abundant culture surround the area, laying the appropriate framework for a sustainable mixed-use neighborhood and needed union between Midtown, Downtown, and Georgia Tech. Diverse streets emerge as lively intersections between the public and private realm, reinforcing the urban fabric and creating a stronger, more economically viable community.

The North Avenue MARTA Station, a key juncture between MARTA rail, the Atlanta Streetcar, a number of Metro Atlanta Bus systems, and the prominent Peachtree Street corridor, anchors the Junction Development. Through the acquisition of air rights and the purchase of neighboring parcels, the development team transformed the current MARTA station into one that elicits a grand sense of arrival while providing affordable housing, several restaurant and retail tenants, and a publically accessible rooftop park. The grandeur of the Station, coupled with enhancements and pop-up retailers on the adjacent Bank of America Plaza, creates an arrival experience unlike any other.

In anticipation of the Atlanta Streetcar transfer at the North Avenue Station in the next three to five years, the North Avenue Station is slated to begin in conjunction with its construction schedule, thereby minimizing potential disturbances to MARTA patrons. Student housing and turn key office space propel the development, capitalizing on the growing demand for new student housing and innovative, transitional workspaces. Mixed-use development between Spring Street and West Peachtree provide the necessary mix of services to the neighborhood including affordable multifamily housing, in-demand Class A and medical office space, and abundant retail and restaurant options.

Animated streetlife and strong pedestrian connections lays the framework for the overall success of the neighborhood. Delineation between quiet (residential) and active (commercial) streets is accomplished through tactical streetscaping, public art, and interactive street furniture developed by Georgia Tech students. The reopening the 3rd Street pedestrian tunnel and activation through colorful LED lighting provides a safe, route for students and visitors to ramble between the existing Georgia Tech dormitories, Bobby Dodd Stadium and iconic landmarks including the Varsity and the new development in the Junction. Further connections through the existing pedestrian bridge on 5th, an extended bike network, an expanded Tech Trolley services, and a future pedestrian bridge on North Avenue provide an array of additional routes.

A .2 acre green space adjacent to the 3rd Street Tunnel and iconic Olympic Torch, provides a recreational area and stormwater filtration center. A series of rooftop gardens, bioswale tree pits, and rain gardens mitigate potential flooding natural grading might cause and divert it to a series of cisterns and rain gardens located near the Olympic Torch.

Reinforcing the existing urban fabric and neighborhoods through strategic infill development, a new iconic North Avenue MARTA station, and a dynamic network of streets strengthens the transition between Midtown and Downtown creating a sustainable neighborhood in support of Atlanta’s vision as the center for commerce, culture, and innovation.

FINANCIAL NARRATIVE

The Junction capitalizes on Atlanta’s well-known qualities as both a business and transportation hub, while also building on another Atlanta strength- its diverse neighborhoods. The site is situated at the intersection of several dynamic neighborhoods and only needs a spark to join the rest of the market in growth.

The Junction development will begin Phase 1 with the construction of two student-housing complexes, tech office space, and ample retail/restaurant space. This development will contain 392 housing units, over 190,000 square feet of office space, and nearly 65,000 square feet of retail and restaurant space.

Phase 2 of the development is focused on activating the North Avenue MARTA station to coincide with the construction of the North Avenue Line of the Atlanta Streetcar. While certainly an aesthetic focus of the development, this phase includes a mix of market and affordable multifamily residential and commercial spaces, creating a true transit oriented development. Phase 2 also includes a reimagining of the Bank of America Plaza space to include pop-up retail, public art, and other tactical opportunities to contribute to a strong and active neighborhood. This phase includes 259 market rate units, 28 affordable units (based on 80% of Midtown AMI), and nearly 90,000 square feet of retail and restaurant space.

Phase 3 of the development includes a multi-building mix of affordable & market housing; Class A office space; medical office space; and retail. The geographic center of the site brings a lucrative mix of in-demand assets that, upon completion, will reside in a vibrant, sustainable neighborhood. The third phase includes 288 market rate units, 28 affordable units, 512,000 square feet of office, and almost 40,000 square feet of retail and restaurant space to serve the growing neighborhood and meet the demand of the enlarging medical community situated south of North Avenue.

The recent market in Atlanta, and Midtown specifically, has experienced a surge in multifamily building. Hence, our development primary focus is on student housing- a market that is hot due to the growth of Tech Square to the north and the strength of Georgia Tech to the west. Multifamily units provided in later phases provide a much-needed affordable component and three bedroom options not prevalent in the Midtown area. The confluence of the Streetcar and MARTA will give our multifamily and office developments in the 2nd and 3rd phases an advantage over the market in Midtown, positioning our assets to garner strong demand.

The project will take advantage of a range of financing options. The property is eligible to receive funds from the New Markets Tax Credit program operated by Invest Atlanta through Atlanta Emerging Markets, Inc. and subsidies from the Low Income Housing Tax Credit. Equity also comes from the Partnership and represents approximately 10% of our total funding. We anticipate a site asset value after the 10-year hold of \$1,067,576, and an unleveraged IRR for our investors of 21%. We will also draw funding from three construction loans that roll into permanent loans, totaling about 70 percent of our project costs.

THE JUNCTION

SITE PLAN



TRANSIT PARK
 "Start your Atlanta journey at the MARTA TRANSIT PARK. Connections are the key. But it's given transit a beautiful and visually connective the MARTA green lines and site with each other."
 -MARTA

MULTI FAMILY HOUSING
 "Apartments are currently growing up all over Atlanta, but with affordable three bedroom options and lots of amenities, who wouldn't want to enter the 'NORTH AVE' floor plan?"

TECH-MARTA PATH
 "Connecting TECH SQUARE and the MARTA TRANSIT through landscaped streets and outdoor spaces brings life and activity to the neighborhood."

FUTURE REUSE PARKING
 "Repurposing of an undeveloped historical site will provide interior parking options for the neighborhood. With the added amenities and expected changes in travel behavior, shared parking seems like a better answer."

VISION PLAN
 "In order to achieve North Avenue's history, the Vision Plan suggests the addition of new transit and continued compact, vibrant, sustainable transit-oriented development."

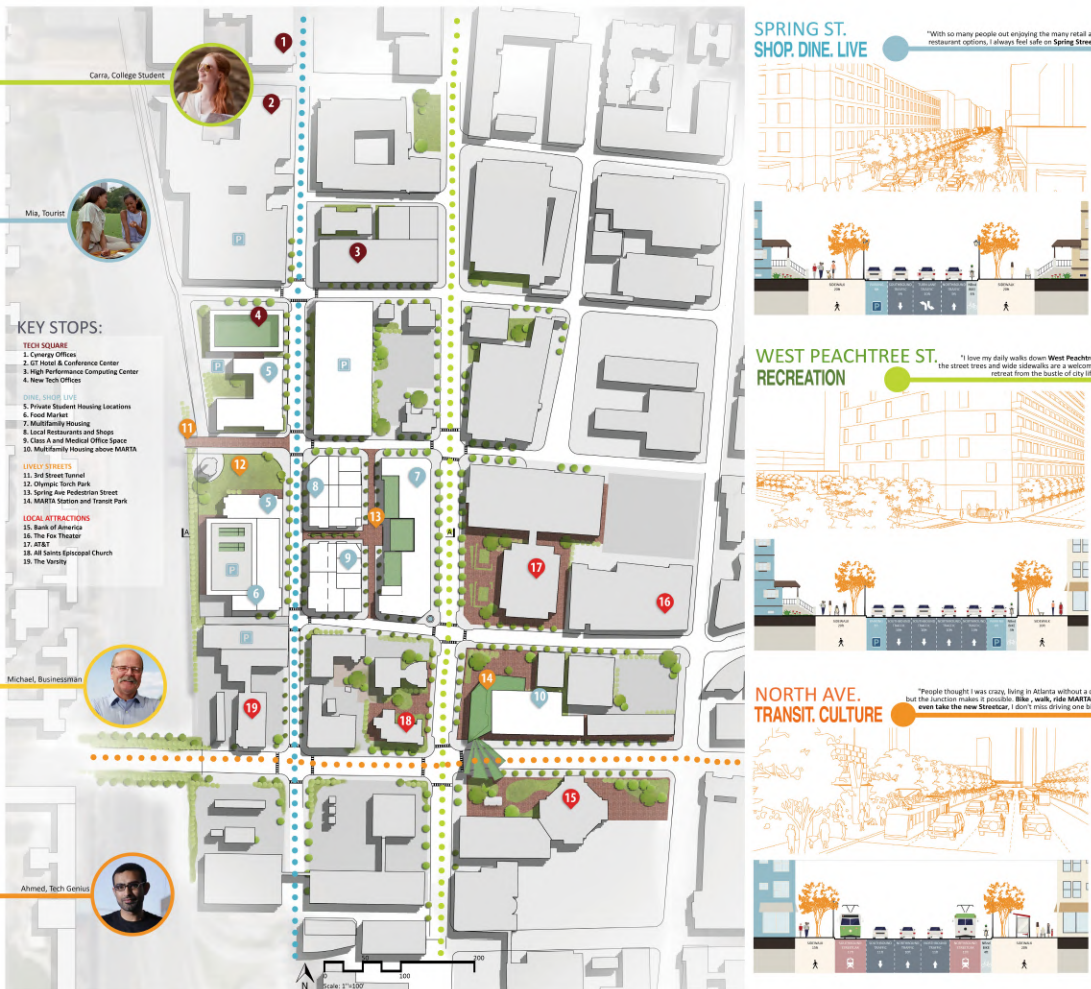
FOOD MARKET
 "The Varsity is a beloved local establishment and local attraction. In expanding this existing space, a new FOOD MARKET will be opening and expanding along with North Avenue creating a delightful destination for residents."

NORTH AVE PEDESTRIAN BRIDGE
 "The North Ave Bridge is a major connection between the Midtown and the North and South-City neighborhoods. Bridge enhancements catered to pedestrians will create a safe, enjoyable path."

STUDENT HOUSING
 "With many students housing, a prime location provided to existing GA Tech students and the first student of the student housing were clear indications that this project was in high demand."

HISTORICAL TORCH PARK
 "The 1900 Olympic Games were a vital turning point for Atlanta redevelopment. The TORCH PARK C.A. also makes the perfect local point for our park and transportation system."

GO JACKET OFFICE
 "TECH-SQUARE 3000 is an ideal location, especially in Tech Square. New innovation with office space is perfect for start-up and recent graduates who want to start their own business. 100,000 sq ft."



The figure consists of five panels illustrating the design of a bioswale:

- Panel 1 (Top Left):** A map of a city block showing building footprints and land use. A dashed circle highlights a specific area of interest.
- Panel 2 (Top Middle):** A map of the same city block showing transportation infrastructure. It includes existing and proposed bike lanes, a proposed tech trolley line, MARTA bus routes, and transit stations. A dashed circle highlights the same area of interest.
- Panel 3 (Top Right):** A map of the same city block showing potential areas for solar panels and collection cisterns. A dashed circle highlights the same area of interest.
- Panel 4 (Bottom Left):** A detailed view of the bioswale structure. It shows a curb cut inlet, a tree guard catch basin, a root barrier, and a bioswale. Labels indicate the curb cut inlet allows runoff to enter the bioswale, the tree guard catch basin is a 2' wide opening, the root barrier is a 2' stone bed, and the bioswale is a 2' wide opening.
- Panel 5 (Bottom Right):** A cross-section diagram of the bioswale. It shows water flowing from the curb cut, through the catch basin, and into the ground for infiltration. Labels include: EVAPOTRANSPIRATION, 6" Broken Stone Buffer Adjacent to Curb, Tree Guard Catch Basin, CURB CUT INLET, CURB CUT OUTLET, INFILTRATION, and BIOSWALE. The curb cut inlet allows runoff to enter the bioswale, and the curb cut outlet allows excess water to exit the bioswale.

[illegible]

ART WALL
Colorful murals brighten the walls of the corridor.

ACTIVE PARKING DECK
Newer Closes are the parking deck provide an active amenity and help reduce heat island effect.

SHOP SPRING ST.
Retail and restaurant spaces flank Spring Street, making it a major destination among students, faculty, and visitors.

PEDESTRIAN PLAZA
A new pedestrian street creates a welcoming outdoor space and meeting spot for people watching.

GREEN ROOFS
A series of green roofs throughout the development help moderate urban "heat island".

ACTIVATED STREETS
Bustling streets welcome all forms of people and activity from retail shops to transportation and performances.

Brownstone tree pits help in stormwater infiltration.

Pervious stripes capture and channel excess stormwater.

Recessed trashroom connected to pile collection system.

Scale: 1"=20'

Summary Pro Forma													Team 164040											
Year 0				Phase I		Phase II		Phase III		2024		2025		2026		2027								
2016-2017				2018		2019		2020		2021		2022		2023		2024		2025		2026		2027		
Net Operating Income																								
	Market-rate	Student Housing			\$0.00		\$2,252,223.75		\$6,959,371.39		\$9,557,536.71		\$9,844,262.81		\$10,139,590.69		\$10,443,778.41		\$10,757,091.76		\$11,079,804.52		11,412,198.65	
		Rental Housing		\$-		\$0.00		\$0.00		\$0.00		\$4,507,257.60		\$6,963,712.99		\$13,627,986.33		\$18,715,767.89		\$18,715,767.89		\$19,277,240.93		19,855,558.15
	Affordable	Rental Housing			\$0.00		\$0.00		\$0.00		\$0.00		\$284,015.32		\$438,803.67		\$858,738.79		\$1,179,334.60		\$1,214,714.64		1,251,156.08	
		Medical/Class A			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$2,574,716.59		\$11,786,480.41		14,416,338.85	
		Tech Office			\$0.00		\$1,773,061.81		\$4,284,835.86		\$4,635,485.19		\$4,764,370.80		\$4,897,122.97		\$5,033,857.71		\$5,174,694.49		\$5,319,756.38		5,469,170.12	
		Restaurant			\$0.00		\$279,840.92		\$576,472.29		\$593,766.46		\$1,198,475.57		\$1,838,932.84		\$1,894,100.82		\$2,213,139.55		\$2,549,615.92		2,626,104.39	
		Market-rate Retail			\$0.00		\$253,072.39		\$521,329.12		\$536,969.00		\$805,477.92		\$1,089,614.11		\$1,122,302.53		\$1,332,903.85		\$1,555,131.17		1,601,785.11	
		Structured Parking			\$973,774.88		\$1,471,049.24		\$1,995,197.55		\$2,055,053.48		\$1,798,008.59		\$1,851,948.84		\$1,907,507.31		\$1,964,732.53		\$2,023,674.50		2,084,384.74	
Total Net Operating Income					\$973,774.88		\$6,029,248.12		\$14,337,206.22		\$17,378,810.84		\$23,201,868.60		\$27,219,726.11		\$34,888,271.90		\$43,912,381.27		\$54,806,418.46		58,716,696.09	
Development Costs																								
	Market-rate	Rental Housing			\$0.00		\$0.00		\$0.00		\$42,453,755.22		\$43,727,367.88		\$0.00		\$46,571,920.31		\$47,782,075.52		\$0.00		0.00	
		Student Housing			\$41,544,121.40		\$44,089,678.40		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		0.00	
	Affordable	Rental Housing																						
		Medical Office/Class AI			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$61,966,138.15		\$148,488,946.42		\$0.00		0.00	
		Retail (ALL)			\$2,426,680.00		\$2,499,480.40		\$0.00		\$2,420,231.12		\$2,492,838.05		\$0.00		\$1,696,581.48		\$1,747,478.92		\$0.00		0.00	
		Restaurant			\$1,735,261.91		\$1,787,319.76		\$0.00		\$3,639,276.48		\$3,748,454.77		\$0.00		\$1,625,969.96		\$1,674,749.06		\$0.00		0.00	
		Tech Office			\$18,226,706.96		\$18,773,508.17																	
		Structured Parking			\$6,489,000.00		\$6,683,670.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		0.00	
		Surface Parking																						
		Other																						
		Land Acquisition	\$14,798,850.00																					
		Total Infrastructure									\$40,000.00						\$1,181,452.50		\$1,216,896.08					
		Indirect costs																						
		Total Phase Cost				\$144,255,427.00					\$98,521,923.52						\$313,952,208.39							
Total Development Costs				\$14,798,850.00	\$70,421,770.27	\$73,833,656.73	\$0.00	\$48,553,262.82	\$49,968,660.70	\$0.00	\$113,042,062.39	\$200,910,146.00	\$0.00	0.00										
Annual Cash Flow																								
		Net Operating Income			\$973,774.88		\$6,029,248.12		\$14,337,206.22		\$17,378,810.84		\$23,201,868.60		\$27,219,726.11		\$34,888,271.90		\$43,912,381.27		\$54,806,418.46		58,716,696.09	
		Total Asset Value	5.50%		\$17,704,997.73		\$109,622,693.04		\$260,676,476.68		\$315,978,378.85		\$421,852,156.44		\$494,904,111.17		\$634,332,216.32		\$798,406,932.16		\$996,480,335.61		1,067,576,292.56	
		Total Costs of Sale	3.00%		\$531,149.93		\$3,288,680.79		\$7,620,294.30		\$9,479,351.37		\$12,655,564.69		\$14,847,123.34		\$19,029,966.49		\$23,952,207.96		\$29,894,410.07		32,027,288.78	
		Total Development Costs																						
Net Cash Flow				-\$14,798,850.00	-\$69,447,995.39	-\$67,804,408.61	-\$14,337,206.22		-\$31,174,451.98		-\$26,766,792.10		\$27,219,726.11		-\$78,153,790.50		-\$156,997,764.73		-\$54,806,418.46		1,126,292,988.65			
Debt Service				\$0.00	\$4,529,437.94	\$9,058,875.87	\$9,058,875.87		\$12,152,339.65		\$15,245,803.42		\$15,245,803.42		\$25,103,505.64		\$34,961,207.86		\$34,961,207.86		\$34,961,207.86			
Debt proceeds					\$50,489,399.45	\$50,489,399.45			\$34,482,673.23		\$34,482,673.23				\$109,883,272.94		\$109,883,272.94							
debt repayment																						\$353,750,084.92		
Leveraged Net Cash Flow				-\$14,798,850.00	-\$14,429,158.01	-\$8,256,133.29	\$23,396,082.09		\$15,460,560.90		\$22,961,684.56		\$42,465,529.54		\$56,832,988.08		-\$12,153,283.93		\$89,767,626.32		807,504,111.59			
Net Present Value				\$367,744,455.70																				
Loan to Value Ratio (LVR)				70.00%																				
Unleveraged IRR Before Taxes				21%					Current Site Value (start of Year 0)					\$63,976,465.00										
Leveraged IRR Before Taxes				56%					Projected Site Value (end of Year 10)					\$1,067,576,292.56										
2. Multiyear Development Program																								
Year-by-Year Cumulative Absorption																								
Total Buildout				2018	2019	2020	2021	2022	2023	2024	2025	2026	2027											
Project Buildout by Development Units																								
	Market-rate	Rental Housing	518	0	0	0	130	259	259	389	518	518	518											
		Student Housing	392	196	392	392	392	392	392	392	392	392	392											
	Affordable	Rental Housing	58	0	0	0	14	29	29	43	58	58	58											
		Office/Commercial	(units)																					
		Hotel	(rooms)																					
		Structured Parking	725																					
		Surface Parking	(spaces)																					
		Other																						
Project Buildout by Area																								
	Market-rate	Rental Housing	518,400	0	0	0	129600	259200	259200	388800	518400	518400	518400											
		Student Housing	343,000	171500	343000	343000	343000	343000	343000	343000	343000	343000	343000											
	Affordable	Rental Housing	57600	0	0	0	14400	28800	28800	43200	57600	57600	57600											
		Class A /Medical	512,095	0	0	0	0	0	0	153629	512095	512095	512095											
		Tech Office	192,346	96173	192346	192346	192346	192346	192346	192346	192346	192346	192346											
		Retail	77,445	15,500	31,000	31,000	45,147	59,294	59,294	68,370	77,445	77,445	77,445											
		Restaurant	126,970	17139.5	34279	34279	67174.5	100070	100070	113520	126970	126970	126970											
		Hotel	(s.f.)																					
		Structured Parking	(s.f.)	550	725	725	725	725	725	725	725	725	725											
		Surface Parking	(s.f.)																					
		Other	(s.f.)																					
		Total	(s.f.)	300863	601350	601350	792393	983435	983435	1303589	1828581	1828581	1828581											
3. Unit Development and Infrastructure Costs													4. Equity and Financing Sources											
Development Costs				Unit Cost		Total Costs		Amount															Percent of Total	
	Market-rate	Rental Housing		\$348,254.47		\$180,535,118.93																		
		Student Housing		\$218,453.57		\$85,633,799.80																		
	Affordable	Rental Housing		\$0.00		\$0.00																		
		For-Sale Housing		(\$ per unit)																				
		Class A/ Medical		\$410.97		\$210,455,084.57																		
		Tech Office		\$192.36		\$37,000,215.13																		
		Retail (ALL)		\$171.52		\$13,283,289.97																		
		Restaurant		\$111.92		\$14,211,031.93																		
		Hotel		(\$ per room)																				
		Structured Parking		\$18,169.20		\$13,172,670.00																		
		Surface Parking		(\$ per space)																				
		Other		(\$ per space)																				
Infrastructure Costs				Public		Private																		
		Roads																						
		Utilities																						
		Other Hardscaping (not incl. surf. pkg.)																						
		Landscaping																						
		Park Space		2,000,000																				
Total Infrastructure Costs						2000000																		
Total Development Costs						\$556,291,210.33																		