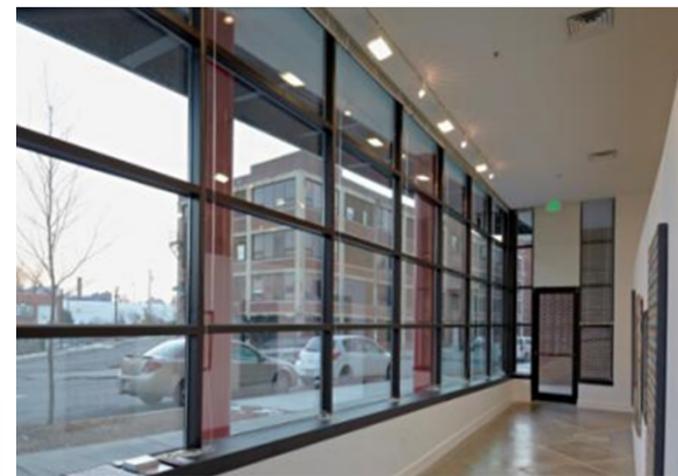
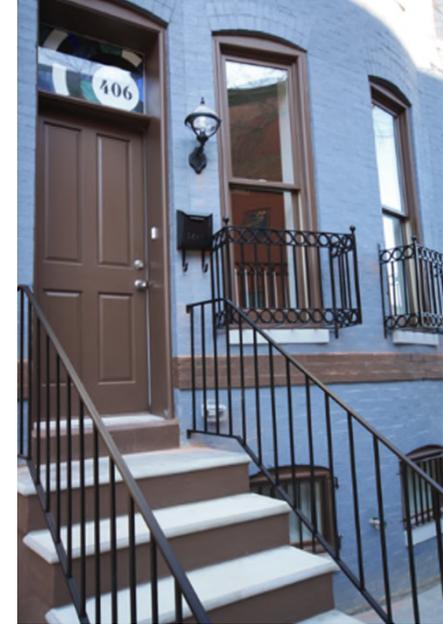


Choice Neighborhoods Conference March 17, 2016

Understanding Housing Markets



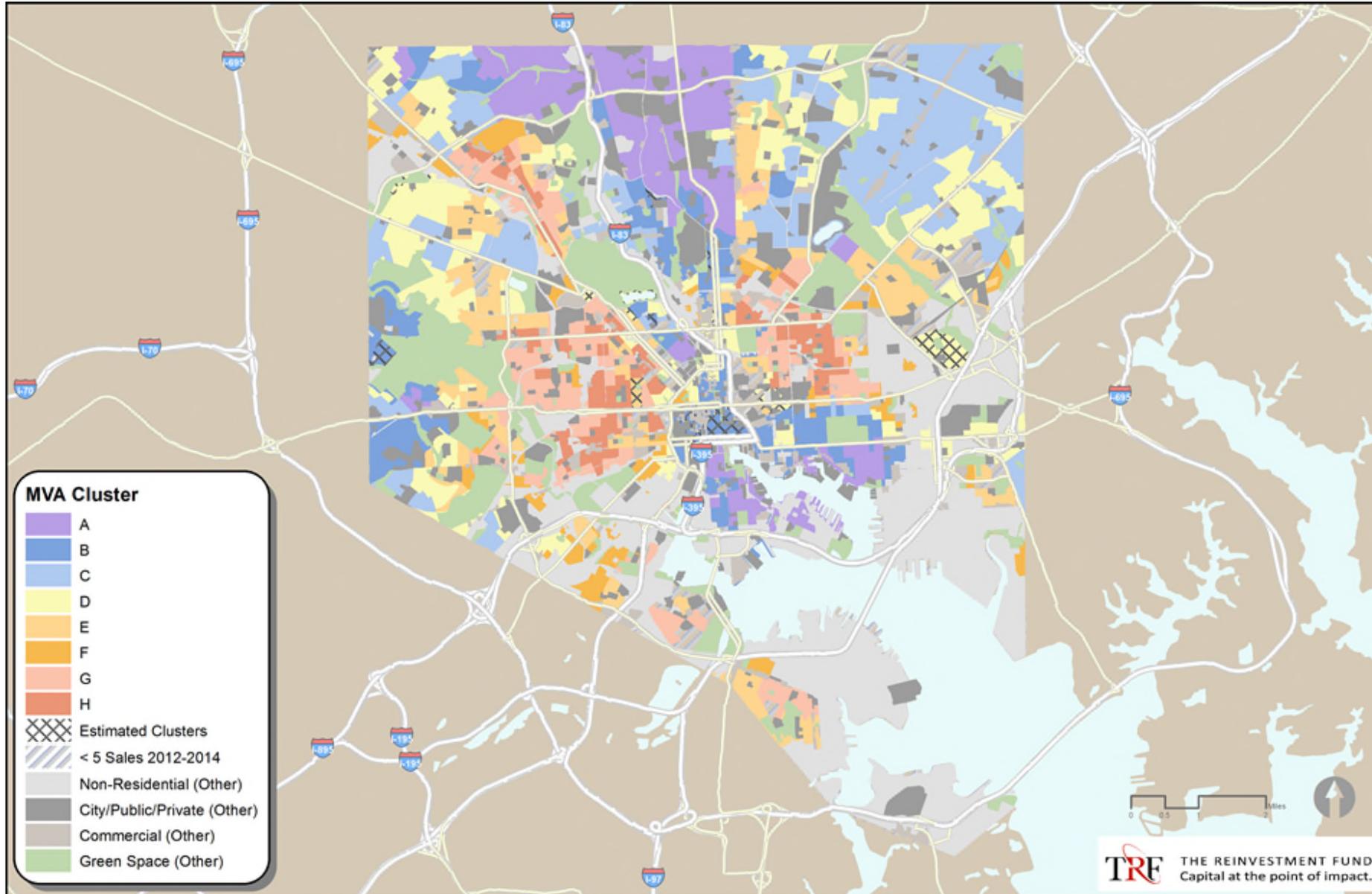
Development Partners Approach: BUILD FROM STRENGTH

Goal: use targeted housing investments to change the market conditions and attract private sector capital into previously disinvested neighborhoods

Strategy: identify distressed areas that are near regional assets or market strength and leverage the existing asset by investing significant funding in the housing stock in the weaker area.

Requirements: Organized People, Data & Capital

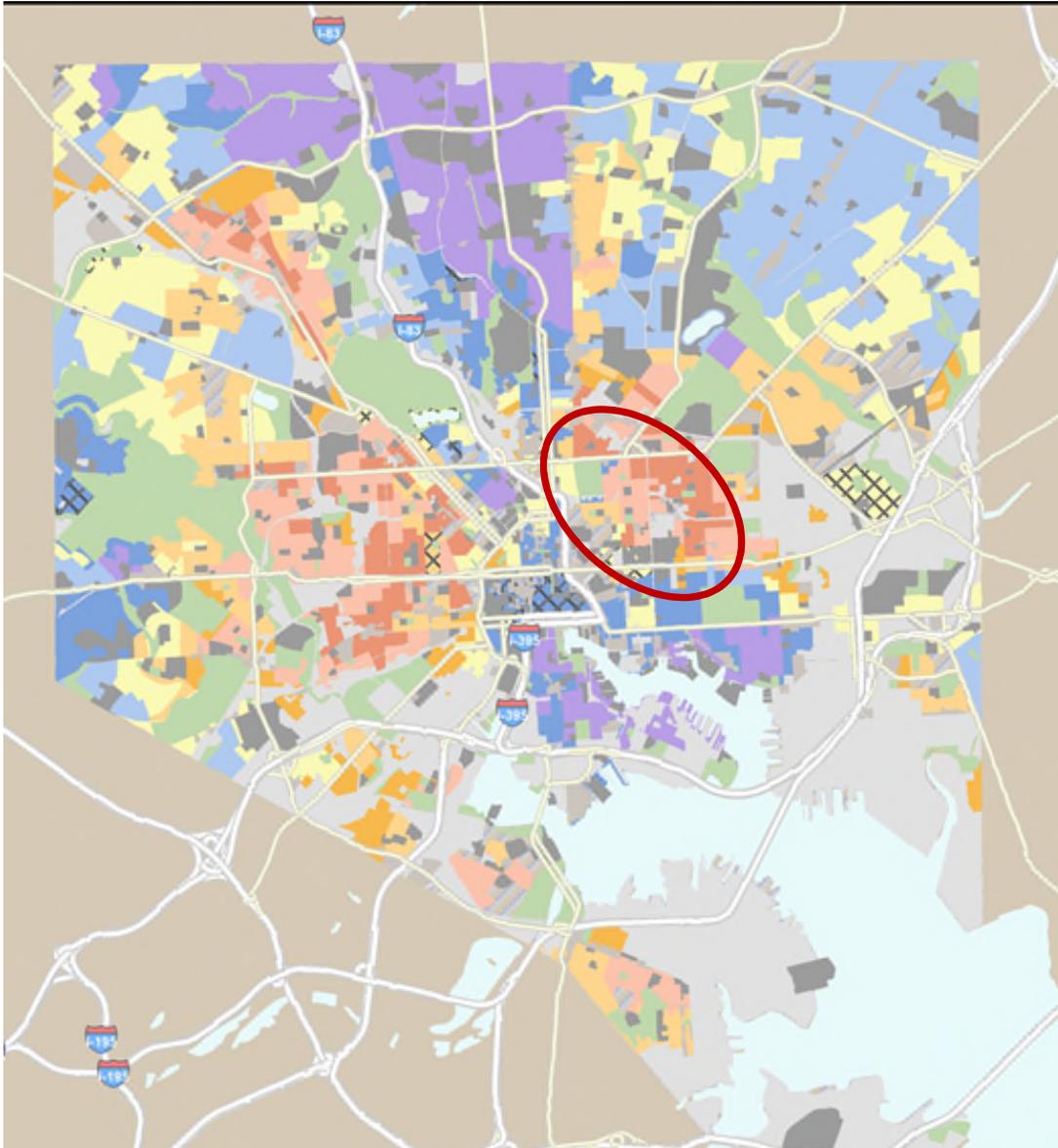
Using Market Value Analysis to Understanding Baltimore City Housing Market



MVA DATA SETS

- Price
- Vacancy
- Foreclosure
- Tenure
- Building Permits
- Mixed Use
- Public & Subsidized

Using Market Value Analysis to Understanding Baltimore City Housing Market



Investment Process

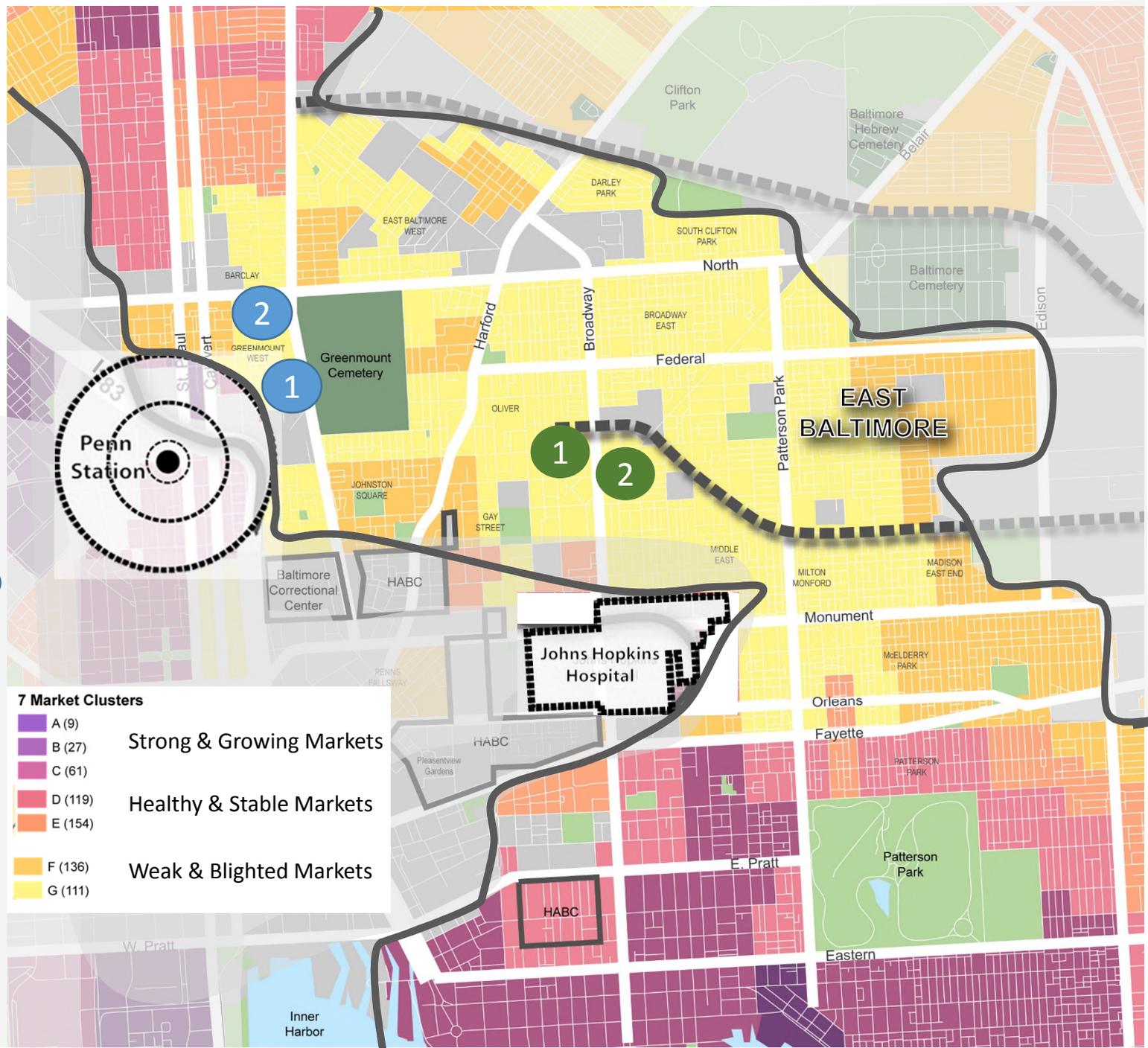
- Understand the Market
- Scale and Sequence Investments
- Build from Strength
- Balance Growth & Affordability

TRF Development Partners Build from Strength Investment Sequence

- 1 1 Initial Investments in East Baltimore (implementation 3-5 years)
- 2 2 Second phase of investments in East Baltimore designed to reinforce initial investment (implementation 2-4 years)

2015 Status: Phases 1 & 2 Complete

Outcomes: Vacancy has dropped 68% in area ● and 37% in area ●



TRF Development Partners Build from Strength Investment Sequence

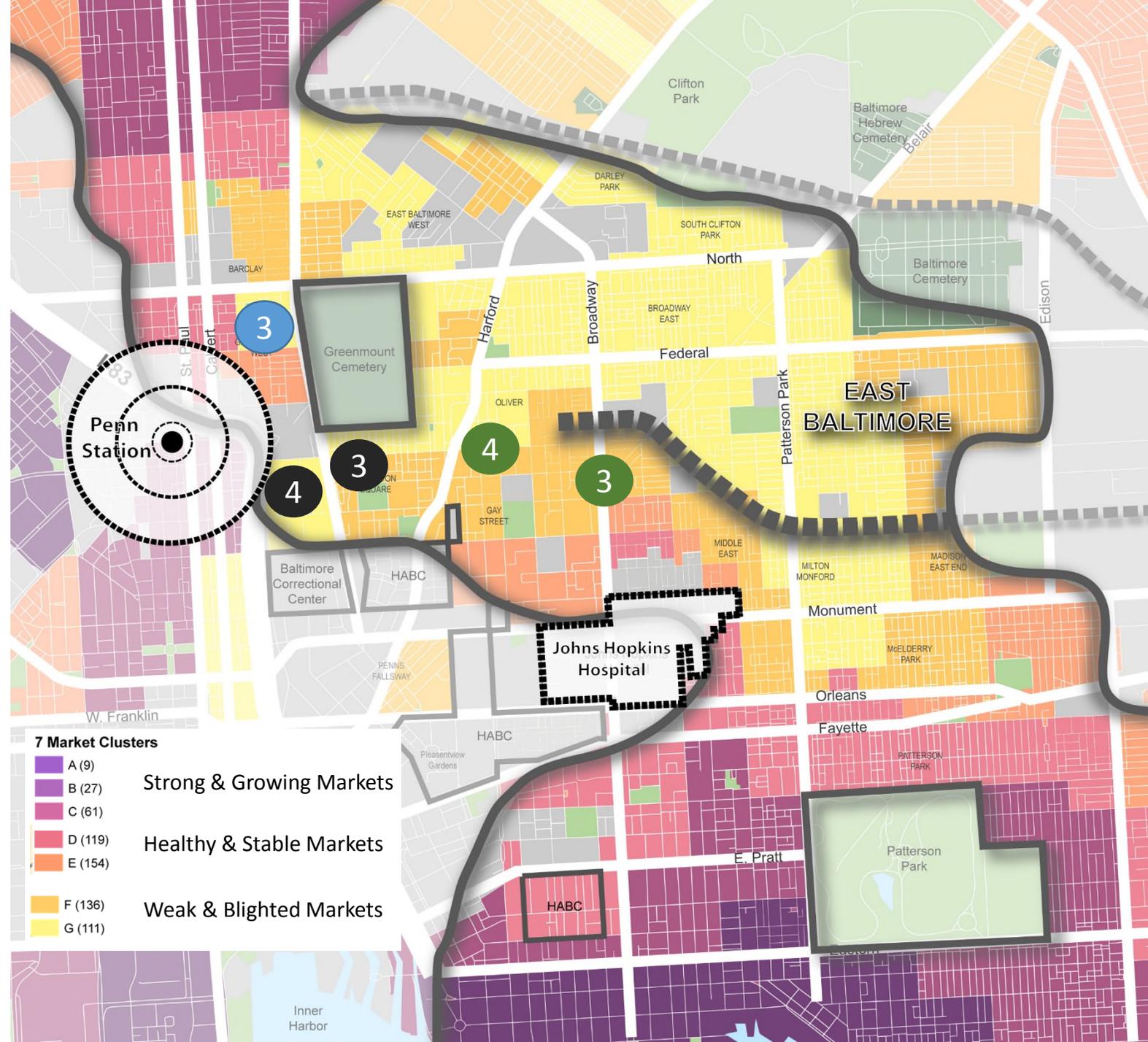
3 **3** **3** Third phase of investments in East Baltimore, designed to expand area and reinforce previous investments
(implementation 2-4 years)

4 **4** Fourth phase of investments in East Baltimore designed to reinforce previous investment and set stage for future expansion
(implementation 2-4 years)

2015 Status: Phase 3 In progress

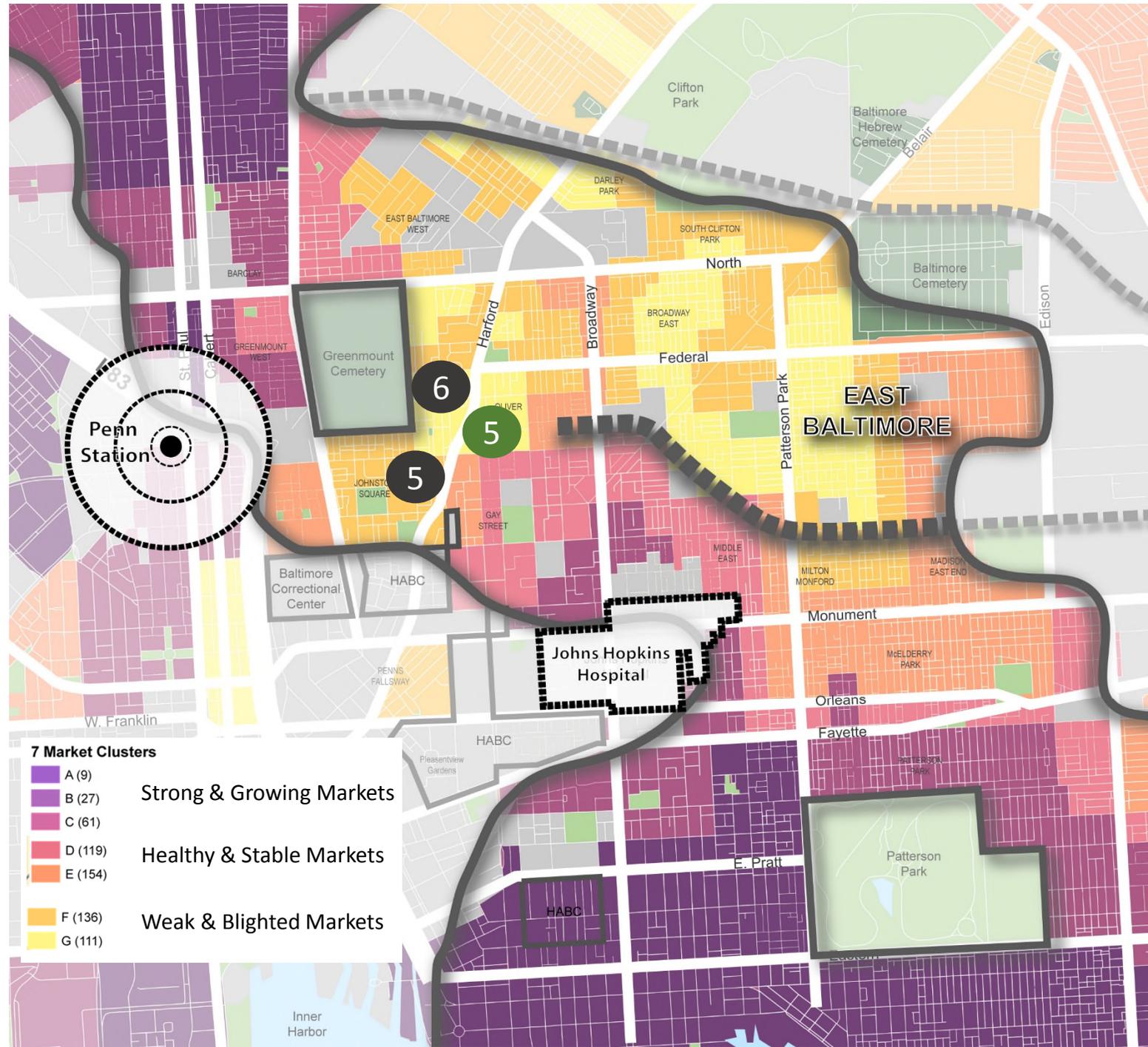
Outcomes

1. Construction has commence on final project in area **3**
2. Established site control for 75 residential units in area **3**
3. Site control for over 150 residential units in area **3**



TRF Development Partners Build from Strength Investment Sequence

- 5 5 Fifth phase of investments in East Baltimore, designed to expand area and reinforce previous investments (implementation 2-4 years)
- 6 6 Final phase of investments in East Baltimore designed to reinforce previous investment and maintain market stability (implementation 2-4 years)



TRF DP has secured site control over more than 400 abandoned lots and homes



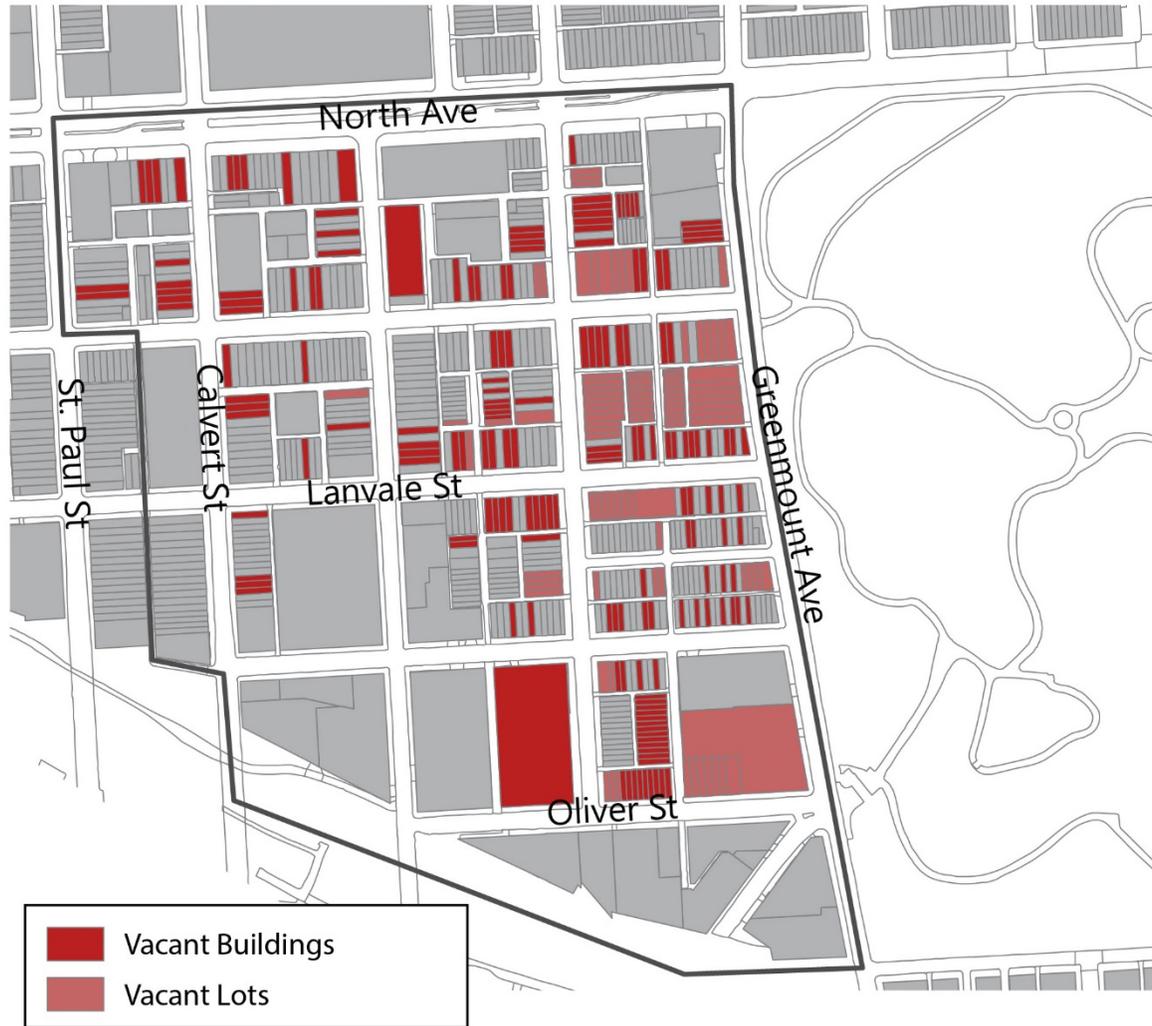
Source: TRF DP

TRF DP has developed over 150 homes and consolidated over 125 vacant lots



Source: TRF DP

Greenmount West- City Arts Investment Area
TRF DP and its partners purchased over 70 vacant properties

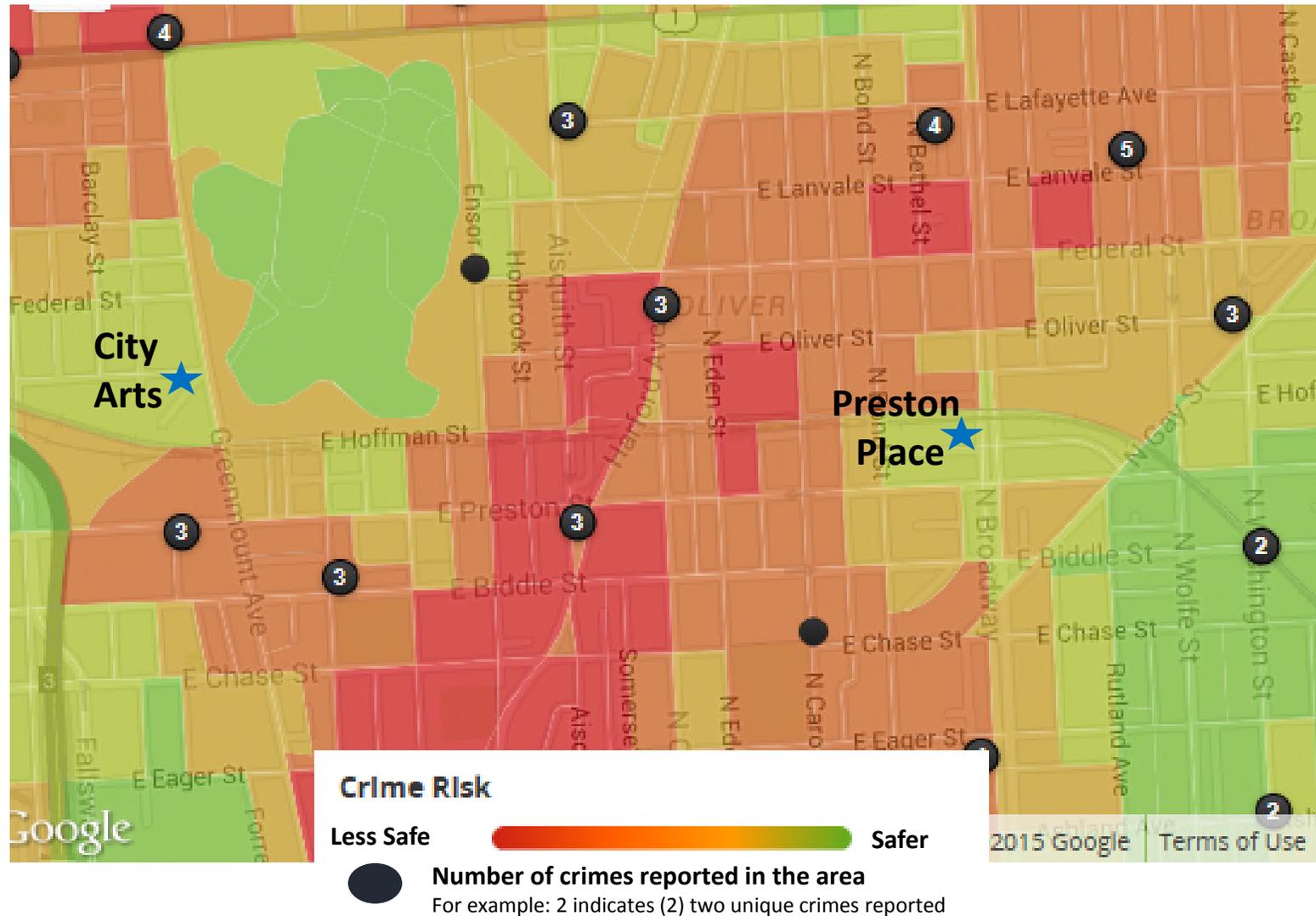


Greenmount West- City Arts Investment Area

TRF DP and its partners are constructing or have completed over 150 residential units



Eliminating Blight Improving Neighborhood Safety



Data by spotcrime.com and crimereports.com

Resuscitating the Oliver Market

Median Sales Price in Oliver

i

Baltimore Oliver

1 YR 5 YR MAX

Median Sales Price

Oliver | All years



TRF DP starts investing in Oliver

East Baltimore- Oliver Target Area	2006	2014	% Change
Total sales above \$150,000	1	32	3100%
Total building permits above \$25,000	18	113	528%
Total vacant buildings	623	392	-37%
Median sales price of top quartile	\$52,000	\$185,000	256%
Total range in sales prices	\$3,000 - \$210,000	\$2,500 - \$270,900	

Key Lessons:

- Redevelopment requires community organizing
- Predictable site control is critical
- Reinvestment is more important than tenure type
- Significant long-term capital is necessary
- Rebuilding markets requires investment by more than one developer