

# LORMAX STERN DEVELOPMENT COMPANY

 LORMAX STERN



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# COMPANY INFORMATION



# COMPANY OVERVIEW

## OPERATING PARTNER

Lormax Stern Development Company, LLC is a fully integrated commercial real estate firm specializing in the acquisition, development, and operational oversight of Commercial Properties throughout the continental U.S. Lormax Stern is a value-centric investor, specializing in assets where value is created through superior market knowledge, asset expertise, detailed analysis, project specific business plans and methodical execution as an experienced investment sponsor. As a fully-integrated Commercial Real Estate Firm, Lormax Stern provides expert-level oversight to each component of the investment process, including an in-house acquisition and development team, leasing specialists, property and asset managers, and legal counsel

Our Principals have supervised the acquisition and development of more than 50 commercial properties across the country, with an aggregate GLA exceeding 30 million square feet.

Lormax Stern's experienced team repeatedly demonstrates capacity and vision as an active purchaser of commercial sites and existing properties for long-term value creation.

- **Fully Integrated:** Ground-up development, leasing management, acquisitions & financing
- **Founded by** Christopher Brochert and Daniel Stern in 1992
- Extensive, **long-standing** tenant and broker relationships
- **Strong team** of real estate professionals
- First **ground-up development** was 1994 in metro Detroit
- Current holdings consist of **more than 30 properties**, totaling over 7.5 million square feet



# THE LORMAX STERN TEAM

## Head Executives:



### **Christopher G. Brochert | Partner & Principal. 35 Years Retail Experience**

Having been involved in the commercial real estate industry for over 35 years Chris is experienced in every aspect of development and re-development/re-positioning of assets. With over 30 million square feet of projects, Chris has created longstanding relationships with several national retailers and his expertise ensures optimal tenant mix. Chris also oversees all Lormax Stern construction and has completed high-quality, cost-effective developments on a consistent basis during his distinguished career.



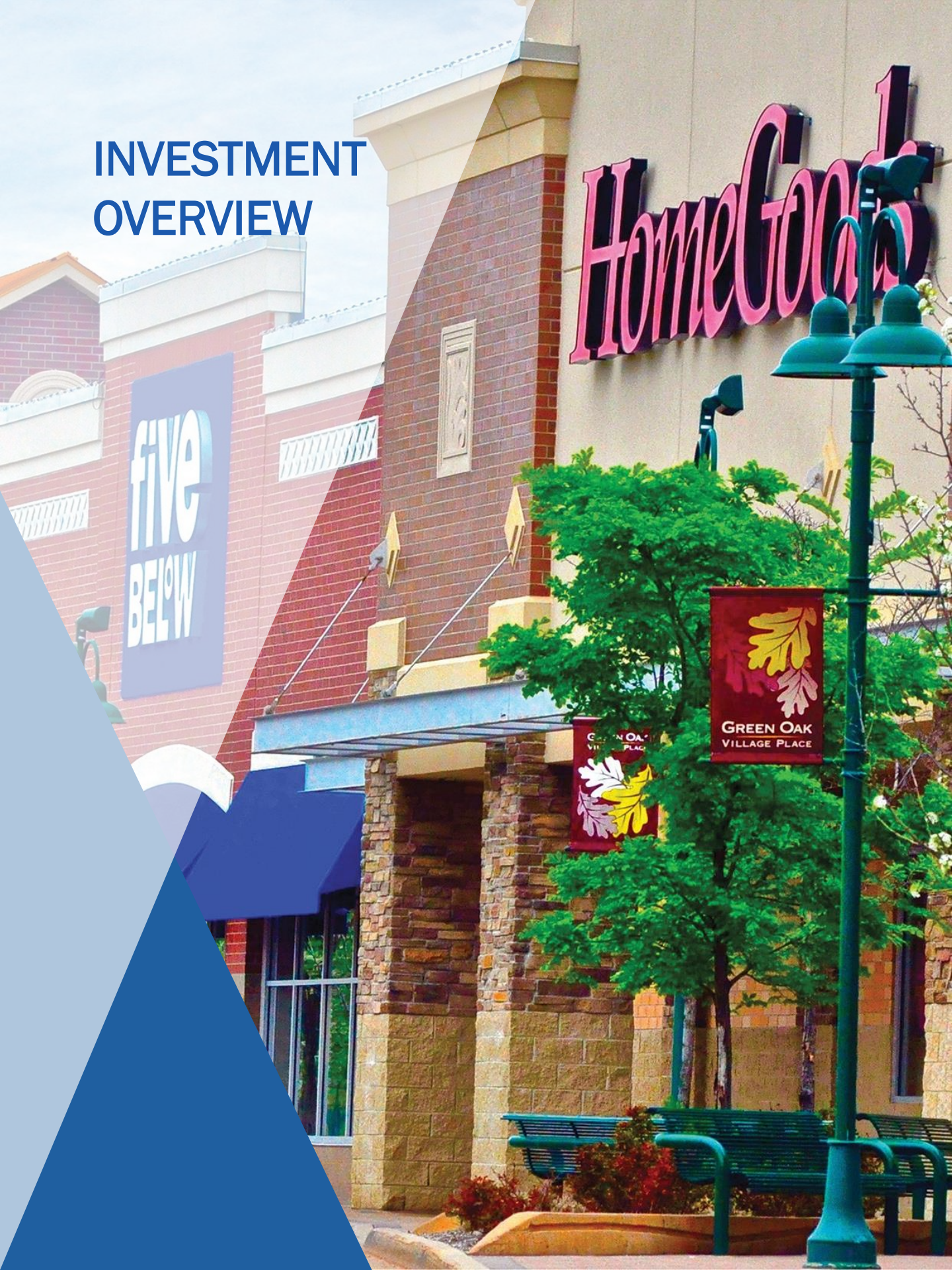
### **Daniel L. Stern | Partner & Principal. 25 Years Retail Experience**

As a partner of Lormax Stern Development Company, Daniel is responsible for overseeing the operations of the business and managing a portfolio of approximately 7.5 million square feet. Daniel has completed over \$4 billion of financing with balance sheet, CMBS and life insurance companies. Daniel was the former State Director, and still an active member of the International Council of Shopping Centers (ICSC), and the Chairman of the Michigan Commercial Real Estate PAC.

## Key Personnel:

Jason Horton	Esq., Senior Project Manager
Andrew Bell	Managing Director of Acquisitions & Dispositions
Matt Drozd	Director of Property Management
Nichole Sleiman	Director of Operations
Mark Franchini	Director of Accounting

# INVESTMENT OVERVIEW





# INVESTMENT STRATEGY

## OVERVIEW

Lormax Stern actively acquires value-add and distressed commercial projects from lenders, special servicers, private equity funds, REITs, and private investors across the United States.

Lormax Stern searches out Value-Add Opportunities & Development Opportunities with vacant anchor spaces and/or expansion opportunities.

Target markets will be among the top-300 MSA's east of the Rocky Mountains, including the southwest, mid west and gulf coast.

Overall project size is expected to range from \$1 million to \$100 million, with equity investments sized accordingly.



# SAMPLE OF PROPERTIES

Project Name	Year	Size (SF)	Description	Project Cost	Sales Price/ Current Value	Year Sold
Baldwin Commons	2002	400,000	Ground Up Power Center Development	\$ 45,000,000	\$ 64,000,000	N/A
Bay City Mall	2013	526,523	Acquisition/Repositioning	\$ 13,000,000	\$ 15,000,000	N/A
Bay Mall	2014	116,000	Acquisition/Lease up	\$ 6,500,000	\$ 10,000,000	N/A
Bloomfield K-mart	2016	100,000	Acquisition/Lease up to At Home	\$ 8,000,000	\$ 11,000,000	N/A
Centerpointe Mall	2012	750,000 525,000	De-Malling and Repositioning as Power Retail Center	\$ 38,000,000	\$ 70,000,000	2014
Crossroads Village	2008	300,000	Ground Up Power Center Development	\$ 15,000,000	\$ 22,000,000	N/A
Evergreen Plaza	2015	400,000	Ground Up Power Center Development	\$ 95,000,000	\$ 105,000,000	N/A
Fallschase Village Center	2013	400,000	Acquisiton/Land Development. Sold Costco, Walmart, Bass Pro	\$ 40,000,000	\$ 55,000,000	2013-19
Fairlane Green	2009	325,000	Acquisition for Repositioning and Resale	\$ 29,500,000	\$ 48,000,000	2012
Fairlane Green II	2016	120,000	Acquisition for Repositioning and Resale	\$ 22,000,000	\$ 30,000,000	2017-18
Frاندor Mall	1999	450,000	De-Malled and Repositioned as a Power Retail Center	\$ 38,000,000	\$ 60,000,000	N/A
Green Oak Village Place I	2007	450,000	Town Center; Phase II Developed	\$ 45,000,000	\$ 75,000,000	N/A
Green Oak Village Place II	2011	150,000	Acquisition/Lease Up	\$ 10,500,000	\$ 15,000,000	N/A
Holland	2010	95,000	Acquisition/Lease up	\$ 700,000	\$ 1,300,000	2012
Independence Marketplace	2004	300,000	Ground Up Power Center Development	\$ 36,000,000	\$ 47,000,000	N/A
Kercheval Place	2013	76,000	Acquisition/Lease Up	\$ 7,500,000	\$ 12,000,000	2014
Knapp's Crossing	2014	350,000	Ground Up Power Center Development	\$ 28,000,000	\$ 36,000,000	N/A
Livonia Marketplace I	2010	800,000	De-Malled and Repositioned as a Power Retail Center	\$ 15,000,000	\$ 20,000,000	2019
Livonia Marketplace II	2010	120,000	De-Malled and Repositioned as a Power Retail Center	\$ 5,000,000	\$ 8,000,000	2019
Macomb Mall	2013	920,766	Acquisition/Repositioning/ Redevelopment/New Partnership	\$ 40,000,000	\$ 55,000,000	2018
Minges Brook Mall	1989	85,000	Purchased as Developed	\$ 7,000,000	\$ 11,000,000	N/A
North Kent Mall	2001	250,000	De-Malled and Repositioned as Power Retail Center	\$ 6,000,000	\$ 11,000,000	N/A
Northville Retail	1994	300,000	Ground Up Grocery Anchored Development	\$ 30,000,000	\$ 50,000,000	N/A
Orion Commons	2012	348,480	Development and Sale to Home Builder	\$ 1,300,000	\$ 4,000,000	2014-16
Orchard Plaza	2002	270,000	Acquisition for Resale	\$ 10,900,000	\$ 12,900,000	2006
Redford Marketplace	2015	10,000	Acquisition for Resale	\$ 2,000,000	\$ 3,000,000	2015
Shelby Creek	2004	400,000	Ground Up Power Center Development	\$ 10,000,000	\$ 16,000,000	N/A
South Lyon	2010	90,000	Acquisition for Resale	\$ 1,600,000	\$ 2,700,000	2011 (Kroger)
Acme Kmart	2019	88,000	Acquisition and Redevelopment	\$ 1,800,000	\$ 2,600,000	N/A
Baldwin Commons II	2018	30,000	Acquisition and Lease Up to Ashley Homestore	\$ 2,500,000	\$ 4,500,000	N/A
4580 Miller Rd	2017	8,000	Acquisition, Redevelopment, Sale	\$ 2,200,000	\$ 2,850,000	2020
Lakeside TRU	2019	45,000	Acquisition and Lease Up to Ashley Homestore	\$ 5,500,000	\$ 8,000,000	N/A
Orland Ridge Apartments	2019	294 units	Ground Up Multifamily Development	\$ 67,000,000	\$ 92,000,000	N/A
Northport Marina	2019	150,000	Acquisition	\$ 5,800,000	\$ 7,000,000	N/A



# COMPANY FEATURES



# COMPANY FEATURES

## LEASING AND MANAGEMENT

Lormax Stern's thorough understanding of commercial real estate trends and consumer demographics surrounding the properties it operates ensures an outstanding tenant mix for sustained demand. The multi-disciplinary property management team is experienced in commercial real estate management, operations, leasing, marketing, and tenant relations.

## LAND & ASSET ACQUISITIONS

In commercial real estate development, the optimal location is imperative. By utilizing its broad network of contacts and first-hand market expertise, Lormax Stern acquires the most promising development parcels and build-to-suit opportunities. Exceptional internal research, proven transactional capability, and extensive financial resources enable the Company to act decisively in closing acquisition opportunities.

## ASSET ADVISORS

Lormax Stern Asset Advisors believe that lenders, special servicers and owners of troubled commercial properties can benefit from the experience and insight of a successful owner/developer. Unlike traditional third-party broker/property managers, Lormax Stern does not believe in a "one real estate asset management sized shoe fits all" approach.

Asset advisory services may include some or all of the following: property condition and inspection services; analysis of leases, tenant mix and vacancies; review of tenant retention policies; review of current leasing and marketing efforts; review of project operating costs, taxes and insurance; identification of existing loan provision impacts and refinancing possibilities; and confidential evaluation of current management.



# DESIGN/ ARCHITECTURE/ COMMUNITY APPROVAL



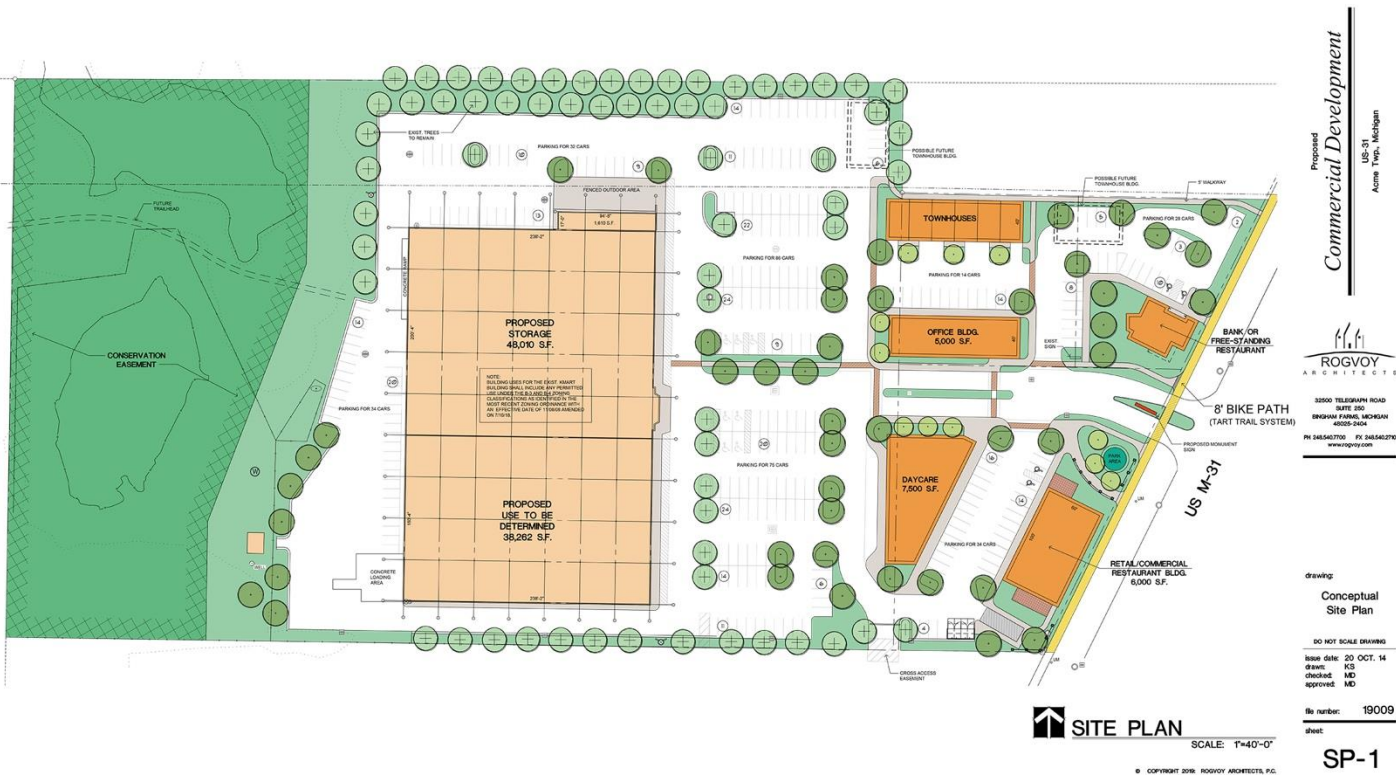


# OVERVIEW

## DESIGN/ARCHITECTURE/COMMUNITY APPROVAL

Coupling its extensive data base of past accomplishments with an intense focus on the future commercial real estate trends, the Lormax Stern team and its architects, planners, and consultants are past masters of the development process. The company's design approach maximizes the utilization of the site without compromising the property's potential for future occupants and their customers.

Once a property is selected, the Lormax Stern team is experienced in shepherding the development through required community approvals, working cooperatively with the municipality to design a quality product appealing to residents, retailers, and the owner communities to assure municipalities that its developments will be first class.



# EXAMPLES OF PROJECTS





# EXAMPLE PROJECT

## ORLAND RIDGE

Orland Ridge is a 294 unit ground up multifamily residential development, designed to meet the goals of the Regional Core Planning District as outlined in the Comprehensive Land Use Plan for Orland Park. Located on a 57.72 acre site along the east side of LaGrange Road north of 171<sup>st</sup> Street, the site establishes the southern border of the Village.

With 2,113 feet of frontage on LaGrange Road, open spaces and natural features provide a buffer to the senior-targeted ranch villa apartments and multi-level townhomes. The master plan for the development is pedestrian friendly with excellent connectivity between the various components, offering numerous gathering places for residents.





# EXAMPLE PROJECT

## NORTHPORT BOAT YARD

Northport Boat Yard is the largest full-service dry storage marina and boat yard located in Grand Traverse Bay. The property is approximately 39.45 acres large with 22 buildings totaling 133,044 square feet. Northport Boat Yard offers 81,000 square feet of indoor heated storage and 40,600 square feet of indoor cold storage with ample outdoor storage space available.

There are 11 service/transient docks and 18 off-shore moorings, as well as three boat wells. The full-service facility offers everything from hull painting to fiberglass repairs in multiple heated workshops.





# EXAMPLE PROJECT

## MACOMB MALL

Conveniently located off of I-94 in the Detroit suburb of Roseville the iconic Macomb Mall has served shoppers for well over 50 years. This regional mall is located at the intersection of Gratiot Avenue and Masonic Boulevard. The Mall is currently anchored by Kohl's, Dick's Sporting Goods, Hobby Lobby and At Home. Renovated and redeveloped in 2014 Macomb Mall now boasts an enhanced retail mix including Michaels, Five Below, H&M, Forever 21, Ulta Beauty, Victoria's Secret, Old Navy, Bath & Body Works, White Barn, Torrid, DXL, Zales, and Kay Jewelers.





# EXAMPLE PROJECT

## GREEN OAK VILLAGE PLACE

Green Oak Village Place is a cross between a power center and a lifestyle center creating a community hybrid center. Located in Green Oak Township, Green Oak Village Place serves the Brighton, northern Ann Arbor, Howell, and Fenton Markets. The \$100 million Center opened in stages between 2006 and 2008. The Center includes six anchor stores (Barnes & Noble, Dick's Sporting Goods, DSW, HomeGoods, JCPenney, Old Navy) and more than 70 inline small shop tenants. The development plan was spurred by the rapid residential growth of Livingston County. Traffic along the US-23 corridor increased so much the Michigan Department of Transportation constructed one of the first roundabouts in the state to ease traffic at Lee Road.





# EXAMPLE PROJECT

## EVERGREEN PLAZA

Evergreen Plaza is a re-development of the Evergreen Mall that was built in 1964. Traditionally the Evergreen Plaza Mall has served the community of Evergreen Park and the area known as Beverly in South Chicago. In 2015 redevelopment began for the new 386,000 square foot Evergreen Plaza. The \$95MM project has newly constructed inline buildings that host national retailers such as Whole Foods, Burlington, TJ Maxx, Petco, DSW, Five Below and Ulta Beauty. There are also brand new outlots constructed along South Western Avenue with tenants including Starbucks, Raising Cane's Mod Pizza, Kay Jewelers and more.

