

# 322 & 324 Shepherd Ave

**a new opportunity**

Market-Rate and Affordable Housing in  
a Rezoned Brooklyn Neighborhood.



plan version 3.0 dated 11/1/23

M1-4/R6

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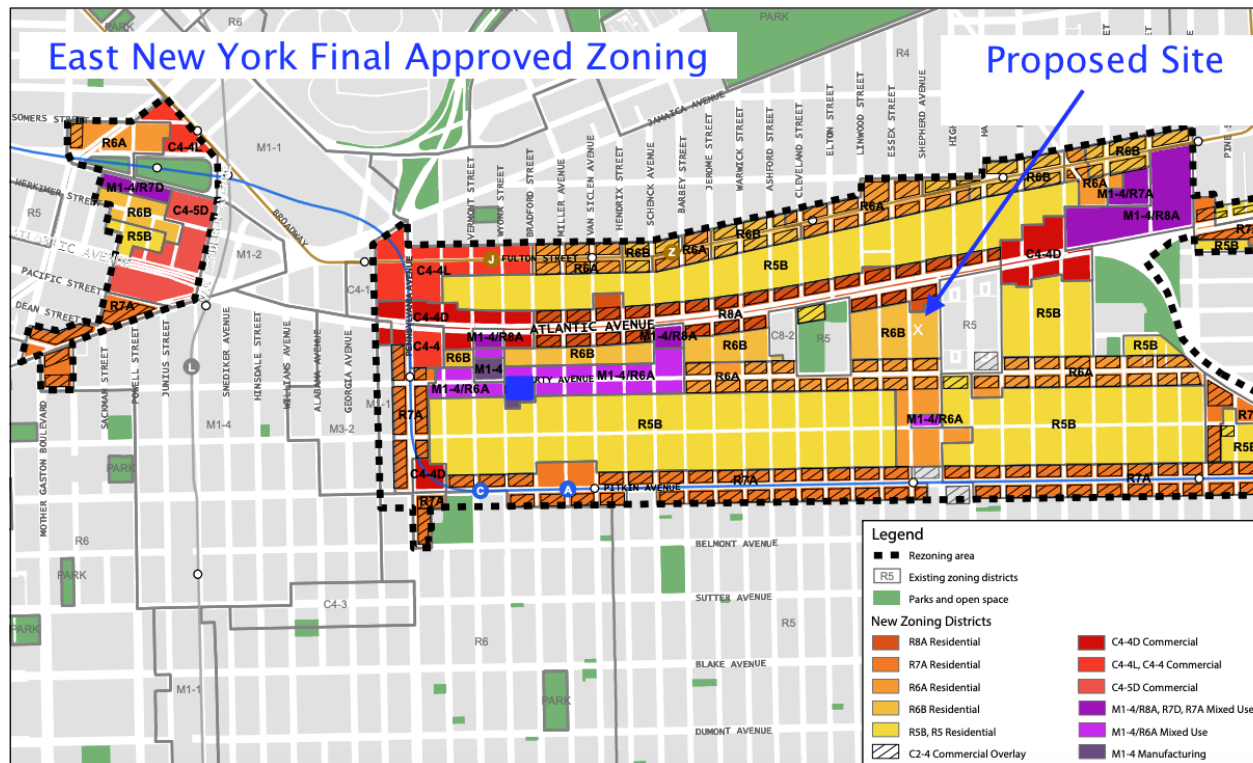
# Value

We have identified a prime opportunity in an emerging neighborhood in Brooklyn, NY. 322 & 324 Shepherd Ave are twin adjoining sites, recently for sale, in Cypress Hill, East New York.

With rezoning to R6B on this street, the City of New York is encouraging the development of housing in this area. A neighborhood of two story structures is now rezoned to be able to build up five stories.

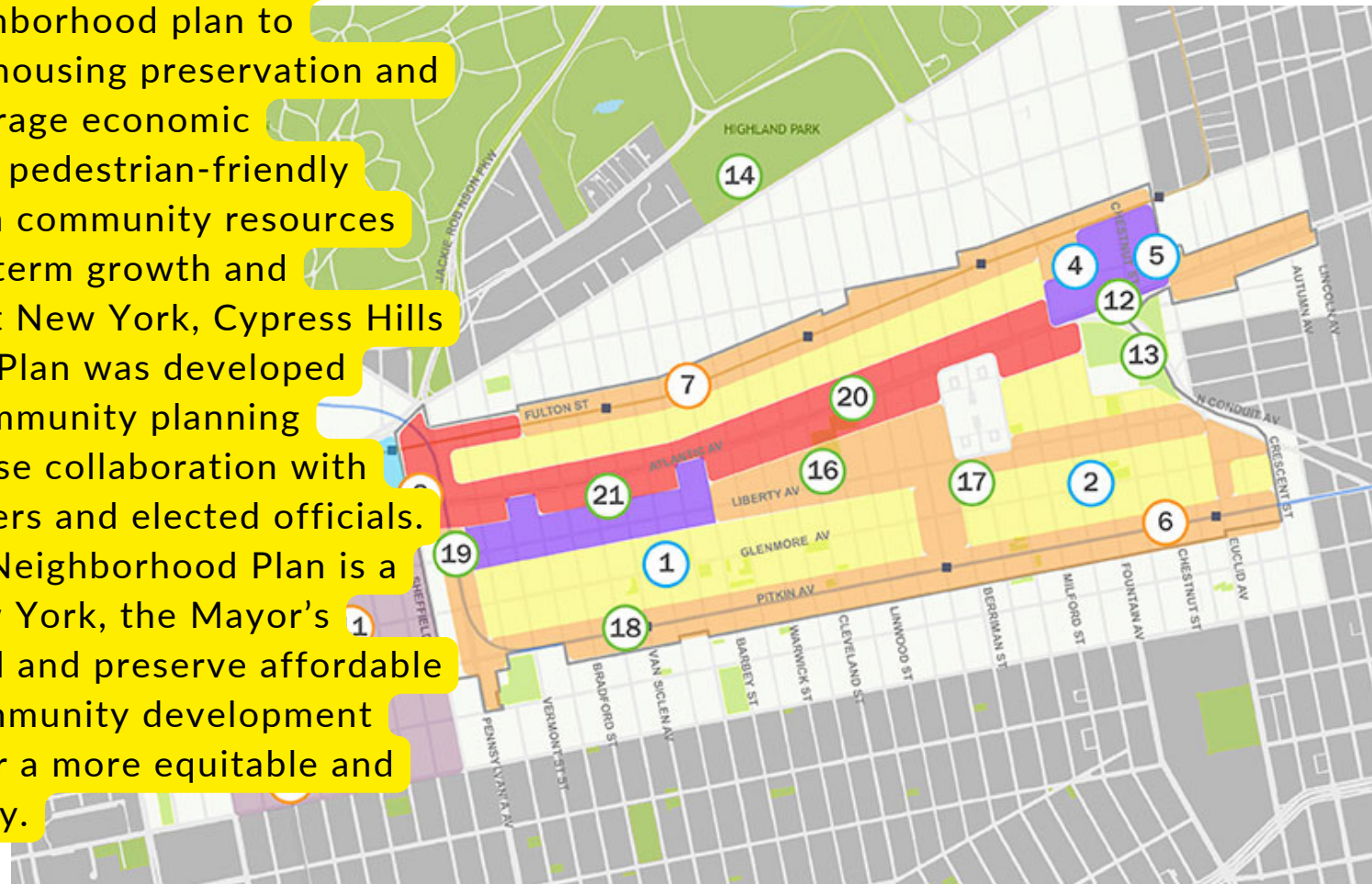
# Value Proposition

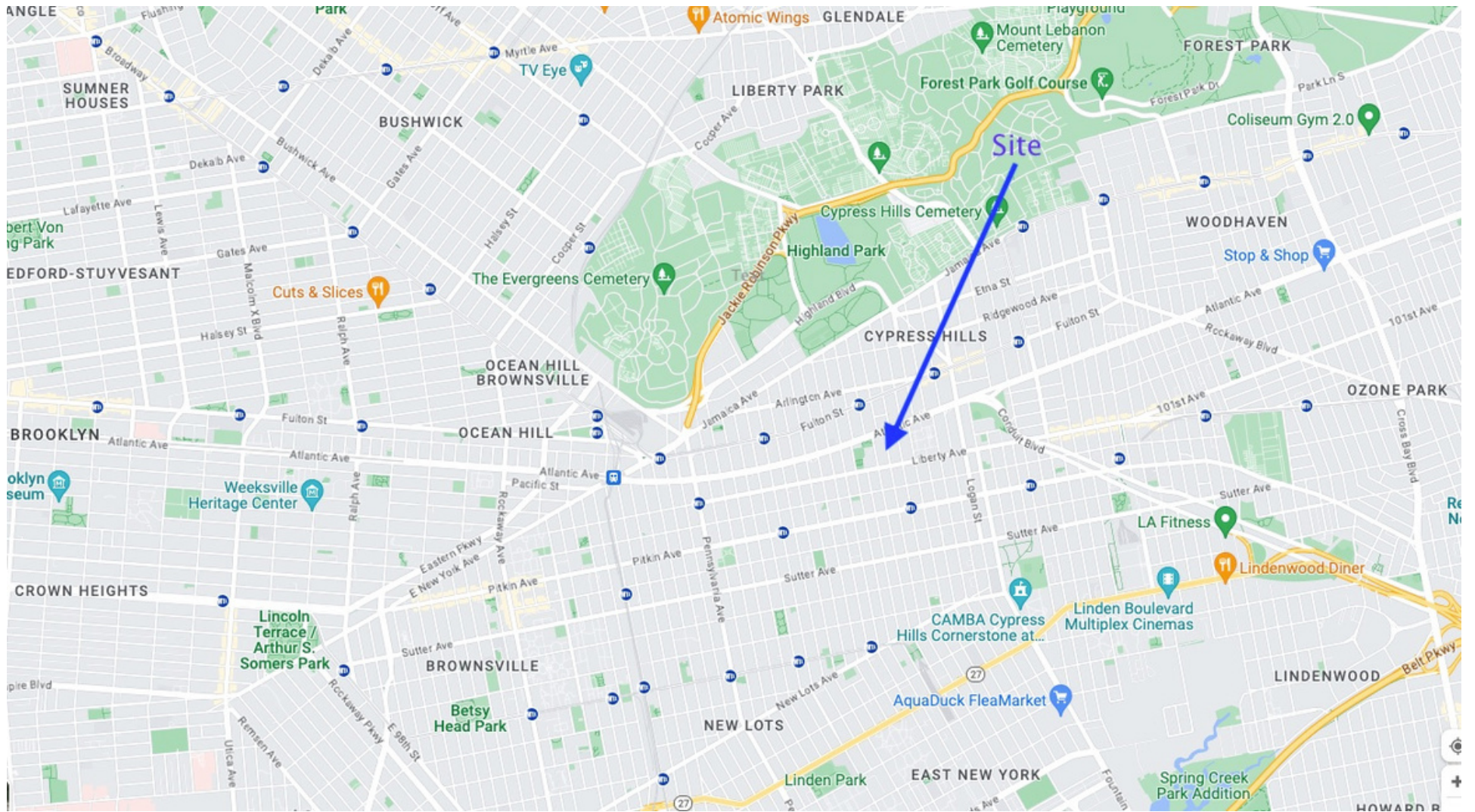
This plan shows a potential \$2.25 million profitability for a short-term “build and flip” model. We are planning market-rate, plus a percentage of affordable housing, which will help us maximize the FAR. Housing could be sold or rented. A “build and hold” model would generate much more value over time.



# What is the East New York Neighborhood Plan?

The East New York Neighborhood Plan is a comprehensive neighborhood plan to promote affordable housing preservation and development, encourage economic development, create pedestrian-friendly streets, and invest in community resources to support the long-term growth and sustainability of East New York, Cypress Hills and Ocean Hill. The Plan was developed through a robust community planning process, through close collaboration with residents, stakeholders and elected officials. The East New York Neighborhood Plan is a part of Housing New York, the Mayor's housing plan to build and preserve affordable housing through community development initiatives that foster a more equitable and livable New York City.

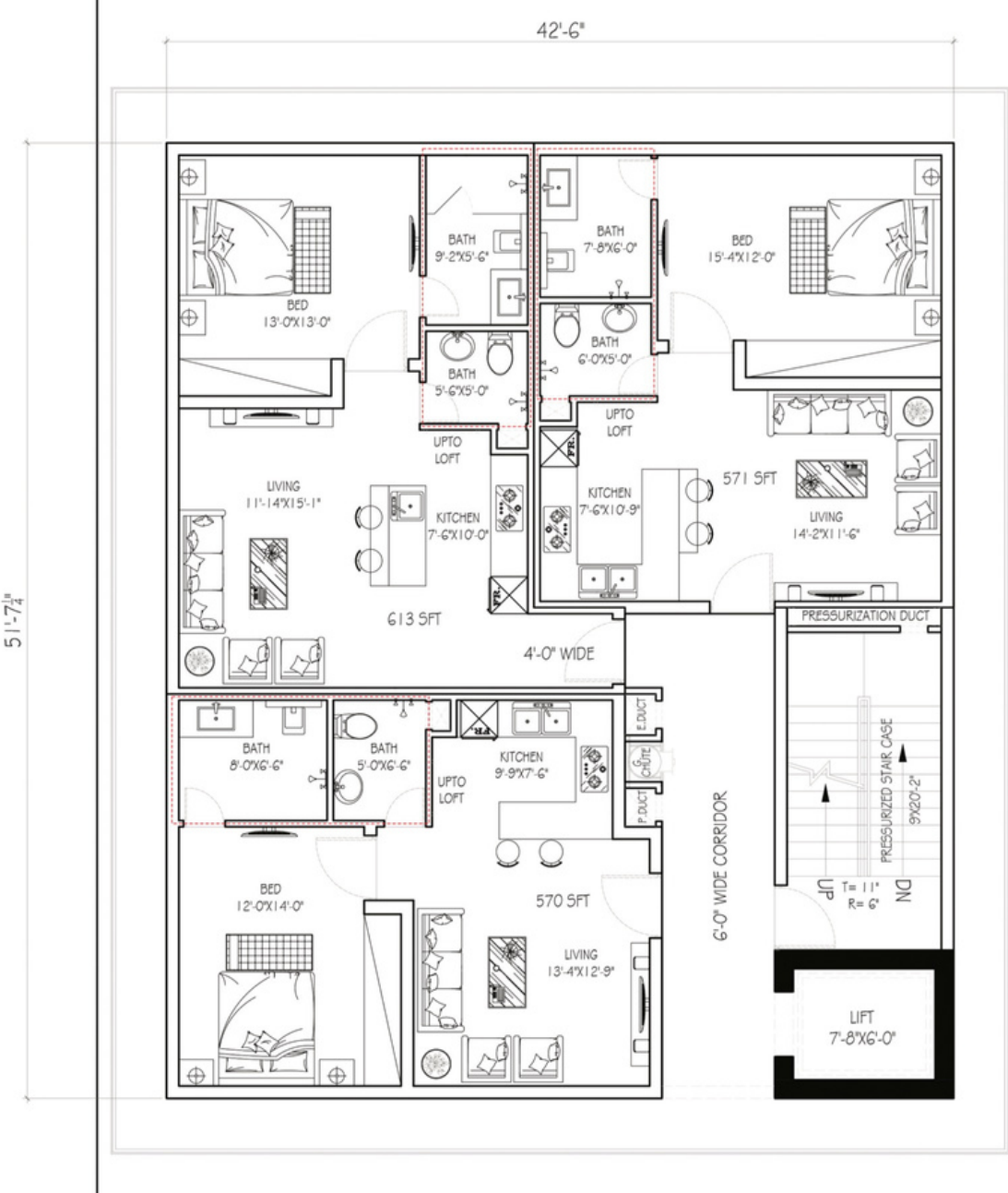




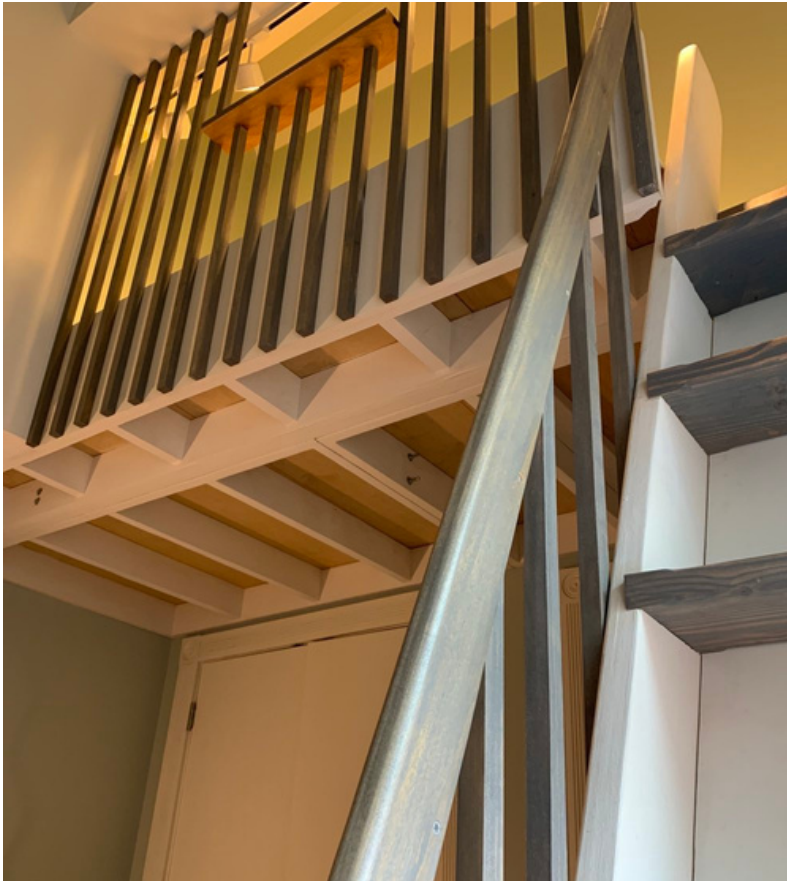
# Floorplan

Our current design is for 15 units. 3 sizable 1 BR on each floor, with elevator and staircase.

Each unit will also have a built-in loft.



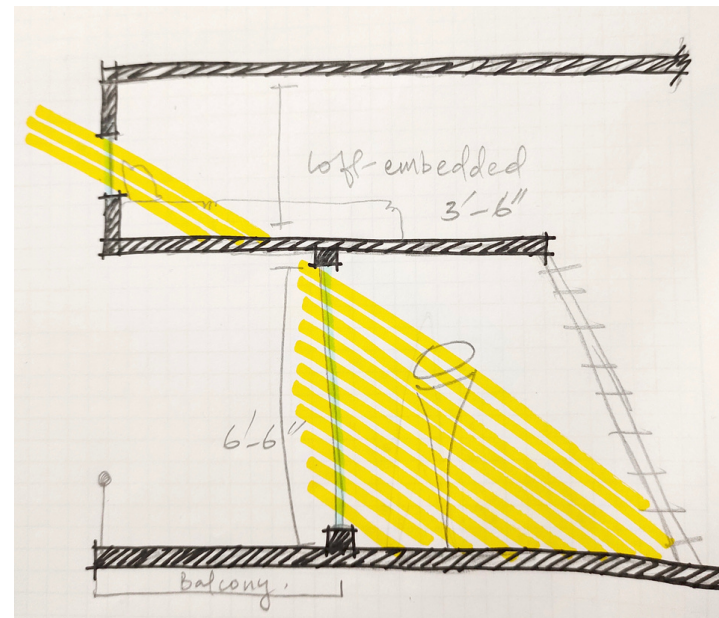
# Zen Innovative Construction: Lofts



Lofts in apartments are built-in space maximizers!

Each apartment in this project will have outdoor space, in the form of a balcony, or access to ground floor outdoor areas.

Each apartment will also have a built in sleeping or storage loft, to maximize NYC residential space. This proposed sketch shows how the loft will be nestled into the space above the entrance to the balcony.



# Zen Innovative Construction: ICFs

ICFs help builders expedite construction by combating labor and lumber shortages - which can destroy a project's timeline and budget. Lightweight, durable, and temperature-resistant ICFs install easily and quickly allow both the builder and subcontractors to complete their jobs on time and on budget.





Why is Shepherd Ave  
also called

# Peyton Ave?



Monsignor John Peyton was a local priest who cared about affordable housing. In the 1980's he was a part of a group of East New York religious leaders who banded together to create affordable homes that working people could buy. It was a community response to the abandoned city blocks and the rubble and decay. Working with an innovative developer, they developed block-wide developments of simple, brick, two story rowhouses. They were called the Nehemiah Houses, named for the prophet who rebuilt Jerusalem.

In honor of Father Peyton, we will have a portion of our project be affordable housing. His old church, St. Rita's is our neighbor, up the street.

# Preliminary Assumptions

Lot is : 51.66 wide at street x 100.83 deep

Zoning: R6B

We Propose:

Zoning will allow 5 stories at 11' per floor

Building = 55' tall maximum

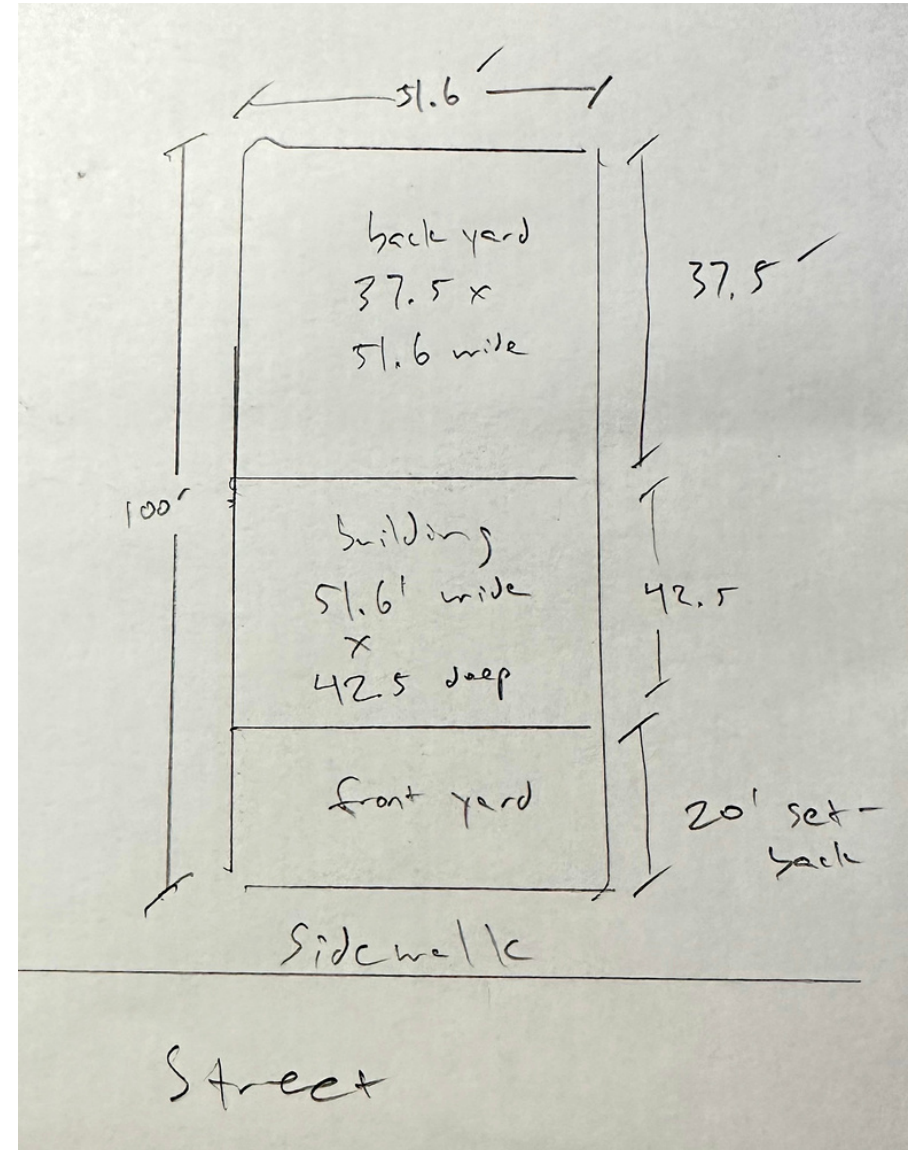
Building footprint is 51.6 wide x 42.5

Large backyard - Common Area:

57.5' deep x 51.6 wide

Design it as a large park - with trees and pond, etc. perhaps

11,000 Buildable SF



## Preliminary Assumptions Cont.

Price of Land:  
**\$1,450,000**

Soft Costs/Closing Costs:  
\$145,000

Cost of Construction:  
NYC Average - \$362  
Savvy NYC company can build likely at  
\$280 per SF  
i.e.  
\$3,800,000 in raw construction costs.  
(See our detailed construction estimate,  
it's a separate enclosure.)

Regarding Sellable Space:  
Subtract this Factor:  
15% common areas  
1650 SF

Therefore, Sellable SF =  
9350 SF

The median home sale price in Brooklyn as of August was \$784K, down 7.8% year-over-year. A total of 1667 assets were sold, representing a 59.8% growth compared to August last year. The median price per square foot was \$815, a -13.4% YoY change.  
(Cypress Hills median was \$790K)

Potential Gross Sales using Brooklyn  
Media sale price:  
\$7,620,250

## Preliminary Assumptions Cont.

Potential Profit/Earnings (not including cost of capital)=

Potential Gross Sales, minus  
Land hard and soft costs,  
Minus cost of construction  
(Not including development fees or miscellaneous costs)  
=  
\$2.225 Million Earnings

# Our Team



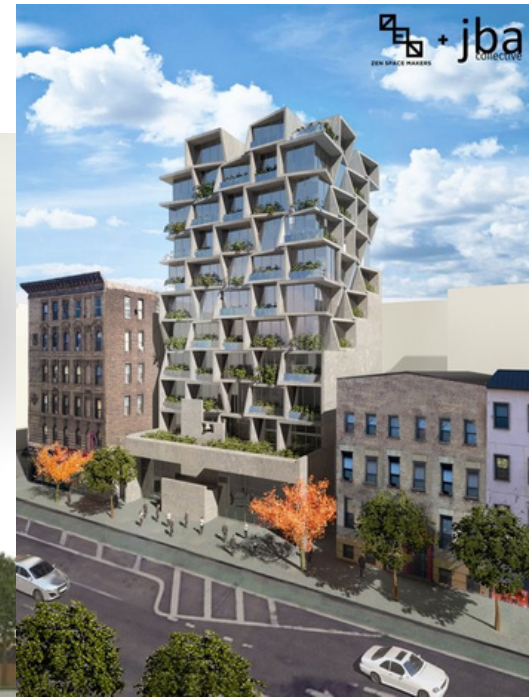
**Sander Hicks** is an award-winning, licensed NYC builder. He is well-known as the founder of Soft Skull Press, Vox Pop Inc. and Zen Space Makers, Inc. Hicks is a natural-born leader. Hicks has managed both commercial construction and residential renovation projects. Zen Space Makers holds an A+ rating from the Better Business Bureau, and has five stars on Google.



**Wilken Ratz** serves as a Financial Advisor and fractional CFO for Zen Space Makers. As a consultant for EY's Real Estate Group, he advised real estate investors across asset classes and geographies. Wilken has managed and underwrote transactions with a combined value of \$15 BN. He serves as a partner to investment funds, owners, and NHWIs seeking to enhance real estate investments.

# Previous Projects

We provided concepts, ideas and plans for developments at 32 Hickory, NJ and 35 2nd Ave in Manhattan.



# Previous Projects

Zen Space Makers has been licensed in NYC for ten years as an award-winning builder. We have an A+ rating from the Better Business Bureau, and a straight five star rating on Google.



# Contact Us

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**Website: [www.zenspacemakers.com](http://www.zenspacemakers.com)**

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