



Manhattan Real Estate Investment Program

“The investment that never sleeps”
New York City



Our Mission

- Generate **significant financial returns** for our investors through investments in New York City real estate.
- Acquire, own, operate and sell **unique and selected** residential and commercial income producing properties in Manhattan.

Our Expertise and Value Added

- With our architectural knowledge we envision the property with **the transformation and renovation** that will enhance **its style and multiply its value**.
- We focus on **up-and-coming locations**, unknown “pocket” areas.
- Reliable internet tools to locate and track THE opportunity (RLS, OLR)
- We are a “radar of opportunities” thanks to our selected professionals exclusive network (REBNY, Real Estate Board of NY)
- Our search tools detect and alert us on any “price accident”

Investment Objectives

For YOU investors, we

- Build hard asset growth while remaining safe (minimal-risk condition)
- Generate substantial profit on sale of property
- Create value and growth through investments that generate high returns
- Preserve and generate income on your capital contribution
 - through properties with stable occupancy, by offering exceptional cost vs. value products to our residents
 - from rental revenue

Our Investment Strategy

- We exploit a niche on the market of Upper Manhattan. In fast socio-economic and cultural developing neighborhoods:
 - Manhattanville, Hamilton Heights
 - West & Central Harlem
- We focus on:
 - Upcoming gentrifying and emerging blocks
 - Apartments in pre-war buildings (19th, early 20th)
 - Brownstone townhouses, single & multi-family housing
 - Multi-tenants commercial buildings (office, retail)
- We favor quality over quantity, profit over volume

Why West Harlem?

- New economical and housing policy from the NYC Department of City Planning.
 - Low or no RE tax
 - 125th Street corridor development project (River to River Project)
 - New zoning to attract developers, offices, hotels, businesses, arts, retailers, residents
- Faster gentrification (Columbia Univ., City College, Bill Clinton's office)
- Quality of neighborhood and buildings (more brownstone houses than anywhere else in Manhattan)

The 125th Street corridor



125th Inauguration



Bill Clinton's Office



Train Subway



Apollo Theater

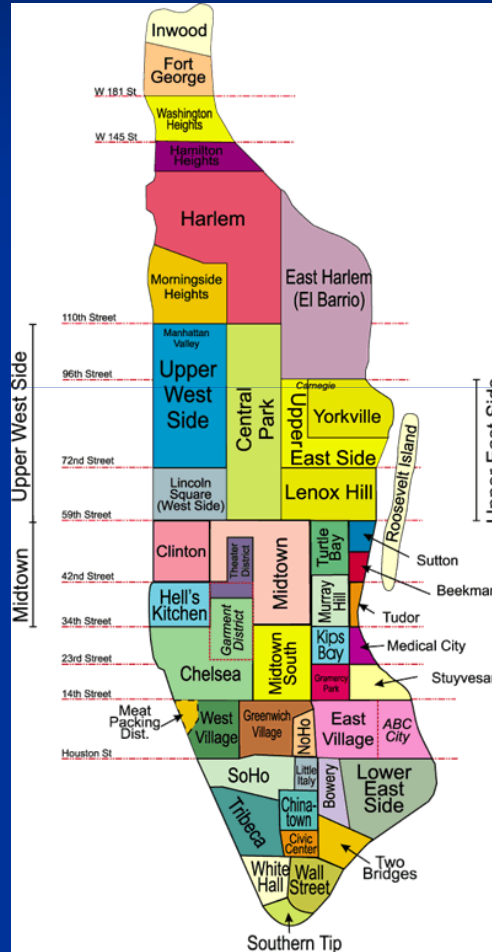


Brownstone on 125th

Districts and Neighborhoods of Manhattan



New York State Seal



New York City Flag

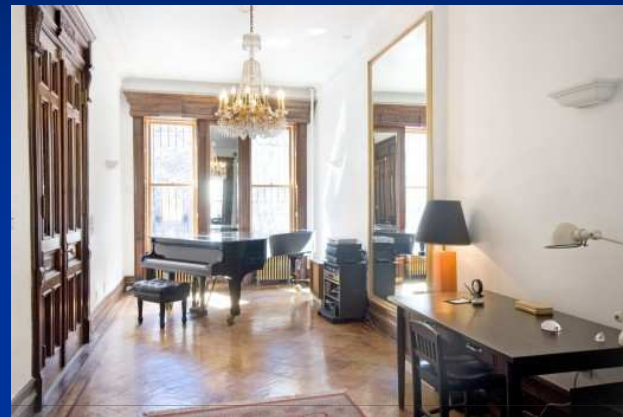


New York City Seal

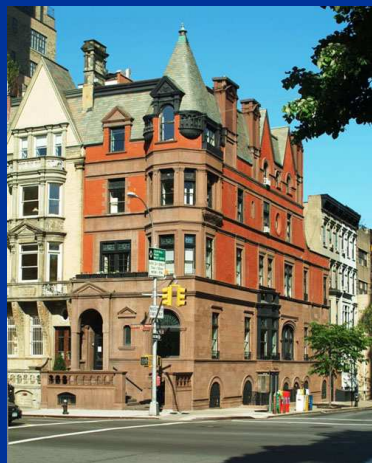
Townhouses in Upper Manhattan



Ansonia
2107 Broadway Upper West



Prewar apartment in West Harlem



Brownstone Townhouse



Prewar townhouse in Upper West

Manhattan Sky Partners LLC

New York Market Trends

New York Market Overview (Aug 09)

- Average price per square foot for New York NY was \$1,193, a decrease of 39.7% compared to the same period last year. The median sales price for homes in New York NY for Jun 09 to Aug 09 was \$980,000 based on 878 home sales. Compared to the same period one year ago, the median home sales price decreased 18.3%, or \$220,000, and the number of home sales decreased 20.3%.
- There are currently 11,268 resale and new homes in New York on Trulia, including 300 open houses, as well as 55 homes in the pre-foreclosure, auction, or bank-owned stages of the foreclosure process. The average listing price for homes for sale in New York NY was \$2,011,804 for the week ending Sep 16, which represents a decrease of 0.4%, or \$8,821, compared to the prior week. Popular neighborhoods in New York include Upper East Side and Upper West Side, with average listing prices of \$2,734,777 and \$2,017,959.

Harlem Market Overview (Aug 09)

- The median sales price for homes in Harlem, New York for Jun 09 to Aug 09 was \$1,040,000 based on 19 sales. Compared to the same period one year ago, the median sales price increased 22%, or \$187,500, and the number of sales decreased 20.8%. Average price per square foot for Harlem was \$403, a decrease of 21.4% compared to the same period last year.
- There are currently 449 resale and new homes in New York on Trulia, including 42 open houses, as well as 19 homes in the pre-foreclosure, auction, or bank-owned stages of the foreclosure process. The average listing price for homes for sale in Harlem was \$775,147 for the week ending Sep 16, which represents a decrease of 0.4%, or \$2,850, compared to the prior week.

Our Selection Criteria

- Condos (no Coops, no Condops)
- Location, Location, Location
- Under valued properties (pre-foreclosures, bank-owned, auctions)
- High potential ROI at sale of the property
- Low amenities charges
- Up-and-coming blocks (social, culture)
- Buildings with character (historical, architecture)
- Unique property (non-duplicable, pre-war)

Return On Investment

- ROI projection is minimum 50%
- Cash on Cash Return annual Projection is 5-8%
- Hold Period 2 to 10 years.
- Allocation and distribution of profits
 1. 100% priority pay back to investors of their initial contribution
 2. 40% to Managers
 3. Distribution to Investors at pro rata of their share
- Decision to sell will be determined by the Fund Managers according to the market and profit opportunity.

Advantages for Investors

“Why should I invest in your program?” □

- High potential of profitability
- Opportunity to invest in Manhattan Real Estate through a partnership
- As a member of the LLC
 - Direct contact with Fund Manager
 - Monthly financial reports
 - Decisions and operations are governed by the LLC Operating Agreement
 - Separate Capital Account for each Member
- Partnership with one of the most successful real estate professional in Manhattan (member of REBNY)
- Single tax pass-through to the investor/member (LLC) for US residents
- Possibility to use your IRA to invest in Real Estate
- Possibility for foreign investors to participate through a Corporation or LLC

□ *Why now?* □

- Buyer's Market
- Exchange currency, strength of the Euro (European investors)
- Weak US housing market; owners, developers and institutions are struggling and are willing to sell, therefore huge opportunities to seize
- NYC will be one of the first cities to quickly recover from the economic crisis
- Continuous high demands from international and domestic buyers for Real Estate in Manhattan

Profile of Investors

- Individual, family trust
- Be willing to diversify his investment portfolio
- Be willing to invest in Real Estate in USA
- Accredited Investors (US residents)
 - Have a net worth individually or jointly exceeding \$1,000,000 (800,000€) or
 - Have an individual income in excess of \$200,000 (153,000€) or \$300,000 (240,000€) in joint income
- Experienced investor who can afford a loss
- Own more than one investment property

Investment requirements

- The size of the offering depends on the price of the property (\$1,000,000 to \$5,000,000)
- Minimum investment is \$100,000 (75,000€)
- No additional contribution required

Investment Fund Structure

- Limited Liability Company (LLC)
- Limited Liability – no personal financial recourse to member
- Transparency, an LLC is formed for each investment
- Limited Life of the LLC – LLC is dissolved upon resale of the property
- Transferability of Interest – Subject to partner and lender approval, the partner can either sell or transfer ownership interest
- No property management participation required from investors.

Investment Funds Structure



- Initial investors contributions are held in an escrow account until closing of Offering
- An LLC is formed for each individual real estate property.
- Manhattan Sky Partners LLC manages each individual LLC
- The independent LLC holding the real estate is dissolved after sale of the property
- Straight forward and easily understandable business model



Legal Information

- LLC Operating Agreement reviewed by lawyer
- Each individual LLC will be registered in Delaware
- Member's contribution is transferred in an escrow account until closing of the offering.
- Each Member's investment is listed in the LLC
- Each RE transaction is reviewed by lawyer
- Annual financial statements & reports reviewed by CPA

Participation Process

1. Qualification of investors (Accredited Investors under Reg. D, Security Act 1933)
Questionnaire for Offerees doc.
2. Review and approval on the LLC Operating Agreement
Operating Agreement & Subscription docs.
3. Financial commitment on the contribution
4. Presentation of the offering (economic, financials data)
5. Approval and remittance of contribution
6. Setting up the LLC



The Fund Managers



- **Michel Madie**

Michel boasts 24 years of proven real estate expertise in Manhattan's Upper West, Upper East, and Downtown markets. Michel has the talent, experience and vision for discovering exceptional locations and properties. His knowledge of architecture, design, renovation and new construction allow him to bring carefully chosen properties to their maximum value, and to target non-duplicable properties, enhancing the safety of an investment.

Prior to founding Manhattan Sky Partners, Michel gained industry expertise as the president of Michel Madie Real Estate, a leading New York-based real estate firm. Here he was responsible for the ongoing management of the firm, its service providers, employees, brokers, and their portfolios. During his tenure, the firm attracted and retained famous clients, purchased and sold noteworthy properties, and discovered and facilitated truly outstanding real estate transformations.

And prior to launching his own real estate firm, Michel was a broker at Douglas Elliman. During his first year there, he was awarded the # 1 broker and among the Top Five brokers for 10 years.

The market value of his portfolio accumulated during the last 10 years demonstrates his skill in the investment property market. Michel has been a Manhattan resident for 26 years. He is a licensed Real Estate Broker, a licensed Contractor, and a member of REBNY.

- **Rene Fauchet**

An entrepreneur at heart, Rene has traveled the world for 25+ years assisting companies with their sales, marketing and business development initiatives in locations including Algeria, North Africa, Germany, France, the United Kingdom and for the last 10 years, the United States.

In 1986, after securing his position as a well respected thought leader in the electronics space, Rene took advantage of the booming IT market and founded one of the first service computer businesses in the innovative market of remanufactured computers. The company quickly took off and in just five years grew to become a multi-services IT Group offering recruitment, engineering, rental and leasing to leading corporations worldwide.

A native of France, Rene moved to the United States ten years ago to create a successful new company focused on selling high performance computing equipment. Here, he quickly established a large percentage of marquee European-based customers and top-notch industry partnerships.

Manhattan Sky Partners LLC
Rene's strong experience in international sales & business management coupled with his passion for New York City real estate make him a proven leader as a real estate investment entrepreneur. Rene is also a

Harlem



City Univ. of New York



Brownstone townhouse



225 MalcomX Blvd

- Despite the rough days of the previous few decades, Harlem is presently experiencing a new renaissance. Unlike the cultural and literary renaissance of the 1920's, the current rebirth is based in economic development and cultural preservation. A brief walk through any section of the community will reveal the sights and sounds of construction crews at work developing properties. Ex-President Bill Clinton could have established his office anywhere in the USA, but chose Harlem. Tourists from around the world are visiting in record numbers, to absorb the beautiful multi-ethnic culture of the Black capital of America.
- Harlem is known throughout the world as the center of African-American history and culture in the United States. At the end of the nineteenth century, Harlem was an enclave of the upper bourgeoisie, and in the beginning of the twentieth century, it absorbed a great number of new inhabitants displaced from midtown. This era saw the Harlem Renaissance, in which a group of artists, writers, and jazz musicians had an important role in influencing world popular culture. The same period saw a flourishing of architecture and design in beautiful houses, churches, apartment buildings, theaters, and commercial buildings. After a period of decline, largely due to state and federal neglect, Harlem is once again experiencing a revival.

Harlem Architecture



31 Mount Moris Park
Neo renaissance



Abyssinian Baptist Church



Columbia University



Townhouse door



Medieval French
The Cluster



Fire Escape

Listing



■ Description

Price: \$1,950,000

Address: West Harlem

Lot Size: 15'x80'

City: New York

Built: 15'x56' State, Zip: NY, 10027

Extension: N/A

Neighborhood: West Harlem

Type: Multi-Family

Cross Street: West 122nd Street

Floors: 4

Cross Street: West 123rd Street

Units: 2

Block / Lot: 1949 / 16

Vacant Units: N/A

Zoning: Year Built: 1899

Building Features Voice Intercom

Layout

This classic architectural brownstone comes with tons of original details. > This four floors townhouse is configured as two family. On the garden apartment there is large bedroom with a spacious living and decorative fireplace. > On the three floors above you will find a splendor of an era bygone. > There are five bedrooms three baths - woodwork, French doors, high ceilings, This formidable property is sunny in every angle, it is a must see. > Located on the hills of Columbia University, steps to Morningside Park, two blocks to major subway station: trains A,B, C and D.

Listing



- **Description**
Price: \$2,950,000
Address: Upper West Side
Lot Size: 14 x 100'
City: New York
Built: 14' x 70' State, Zip: NY, 10025
Extension: N/A
Neighborhood: Upper West Side
Type: Multi-Family
Cross Street: Broadway
Floors: 4
Cross Street: West End Avenue
Units: 4
Block / Lot: 1871 / 8
Vacant Units: N/A
Zoning: R8B
Year Built: N/A

Layout

> 4 story townhouse in a terrific neighborhood. > Presently the building has 4 apartments, 1 per floor. > There is 1 rent controlled tenant on the 4th (top) floor paying approximately \$767.00 per month. > All other units will be delivered vacant. > The 1st floor apartment is a duplex to the ground floor level and has 2 BR with 1.5 baths. > Floors 2,3,4 each are full floor 1BR + 1 bath apartments. > Built 14 x 67 (including the extension), the lot extends to 100 feet creating a beautiful garden off the 1st floor. > The monthly rental per vacant units range from \$2,600 to \$3,500 and the annual R.E. > Taxes are presently \$14,520. > Gas heat and electricity average approximately \$8,000 per year. > The building has no air rights remaining and has been built to its maximum FAR. > Ground floor : North part is the lower level of the duplex apt. from 1st floor. > Large Bedroom with half bath (can be made to full bath) , washer dryer and internal stairway to upper level. > South part has an under stoop - street entrance and buildings mechanicals.

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