

Market Analysis

Riverfront Recapture Hartford/Windsor, CT



Prepared for Riverfront Recapture, Inc,

July 2022



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Recommended Plan of Action

Riverfront Recapture | Hartford, CT

Goman+York conducted a market analysis of the 10-acre parcel available for development which is part of the Riverfront Recapture's plan to additionally create a 50-acre waterfront park on the northern end of the Connecticut River at the Hartford/Windsor line.

It is our opinion that the highest and best use scenario for this 10-acre parcel is a mixed-use development, consisting of multi-family residential and retail/restaurants. While other types of development were explored, it was determined that this type of development would be the most positive addition to the park's use and would be in line with Riverfront Recapture's mission and vision for enhancing the riverfront.



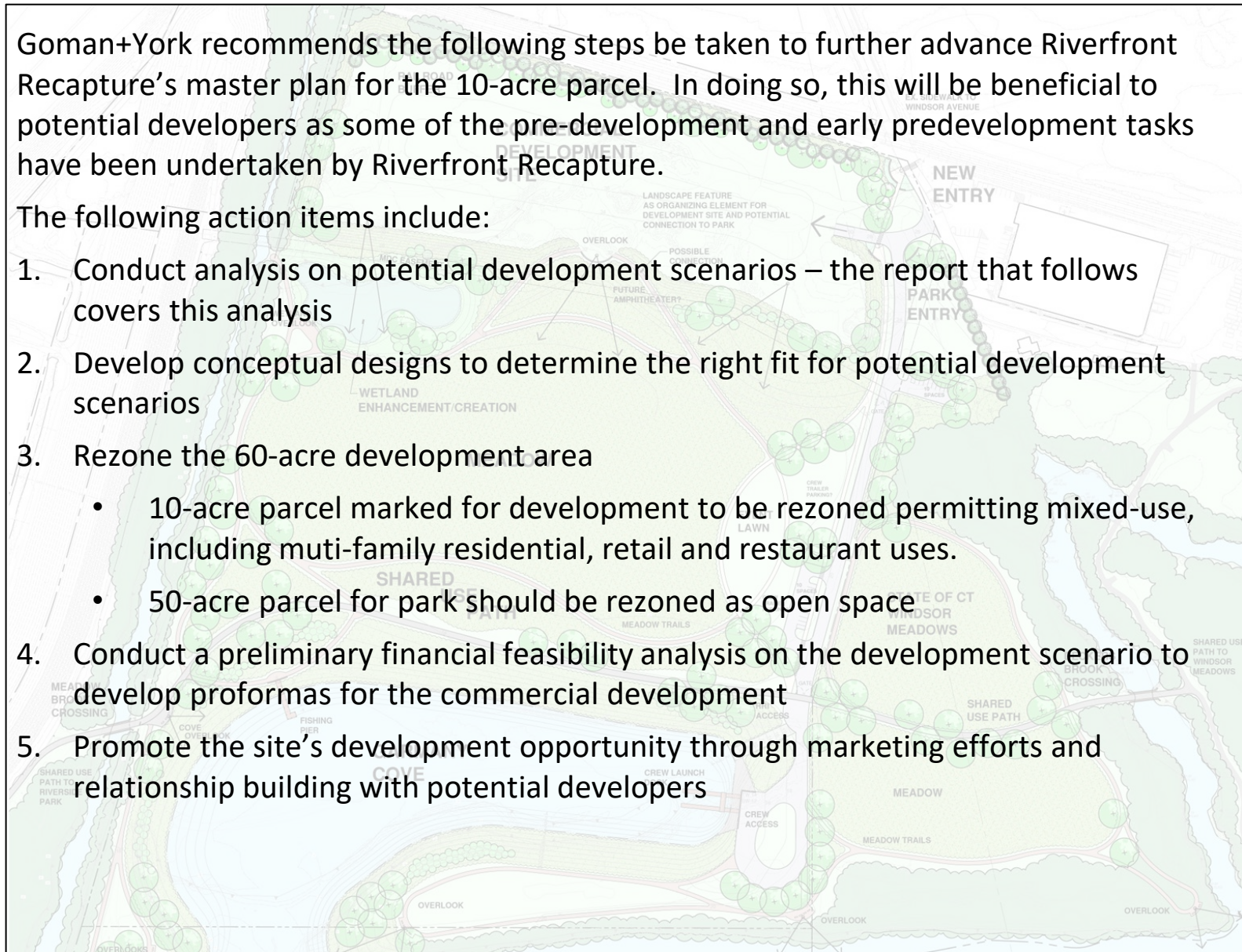
Recommended Plan of Action – Next Steps

Riverfront Recapture | Hartford, CT

Goman+York recommends the following steps be taken to further advance Riverfront Recapture's master plan for the 10-acre parcel. In doing so, this will be beneficial to potential developers as some of the pre-development and early predevelopment tasks have been undertaken by Riverfront Recapture.

The following action items include:

1. Conduct analysis on potential development scenarios – the report that follows covers this analysis
2. Develop conceptual designs to determine the right fit for potential development scenarios
3. Rezone the 60-acre development area
 - 10-acre parcel marked for development to be rezoned permitting mixed-use, including multi-family residential, retail and restaurant uses.
 - 50-acre parcel for park should be rezoned as open space
4. Conduct a preliminary financial feasibility analysis on the development scenario to develop proformas for the commercial development
5. Promote the site's development opportunity through marketing efforts and relationship building with potential developers



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Assignment & Project Overview

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The Assignment

Riverfront Recapture | Hartford, CT

Goman+York was engaged to assess the development potential of roughly 10 acres located on Meadows Road on the border of Hartford & Windsor, CT. As stated in the Scope of Work, our report includes the following:

1. Conduct an evaluation on the current commercial and residential real estate market conditions
2. Identify the commercial and residential trade areas
3. Research and report on commercial and residential development activity within the last five years within the trade areas.
4. Research and produce an overview of the current residential market supply and demand including current expected rental residential rates
5. Compose a comprehensive narrative regarding the characteristics of likely potential commercial tenant types

Professional Team



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Project Overview



The proposed Riverfront Recapture Park represents 60 acres of land, 50 acres of which will be reserved by Riverfront Recapture for open space and a man-made cove for various boating activities, wetland preservation, and green space including event space and multi-modal ADA compliant walking paths connecting the existing Riverfront Park in Hartford up through to the Windsor Meadows State Park in Windsor.

A 10-acre site on the northwest portion of the site is to be parceled off for commercial development, ideally with a use which supports the park. The commercial site is bound to the northwest by rail lines that serve the Hartford Line commuter rail & Amtrak.

Key Facts

- ~60-acre park
- 10-Acre commercial development parcel
- Riverside multi-modal ADA walking path to Hartford Central Business District & Windsor Meadows State Park
- Man-made cove with boat launch
- Event space
- Close proximity to the I-91 Exit 34 on- & off-ramp

To determine the developmental potential of the 10-acre site, Goman+York examined the immediate area as well as convenience drive times of:

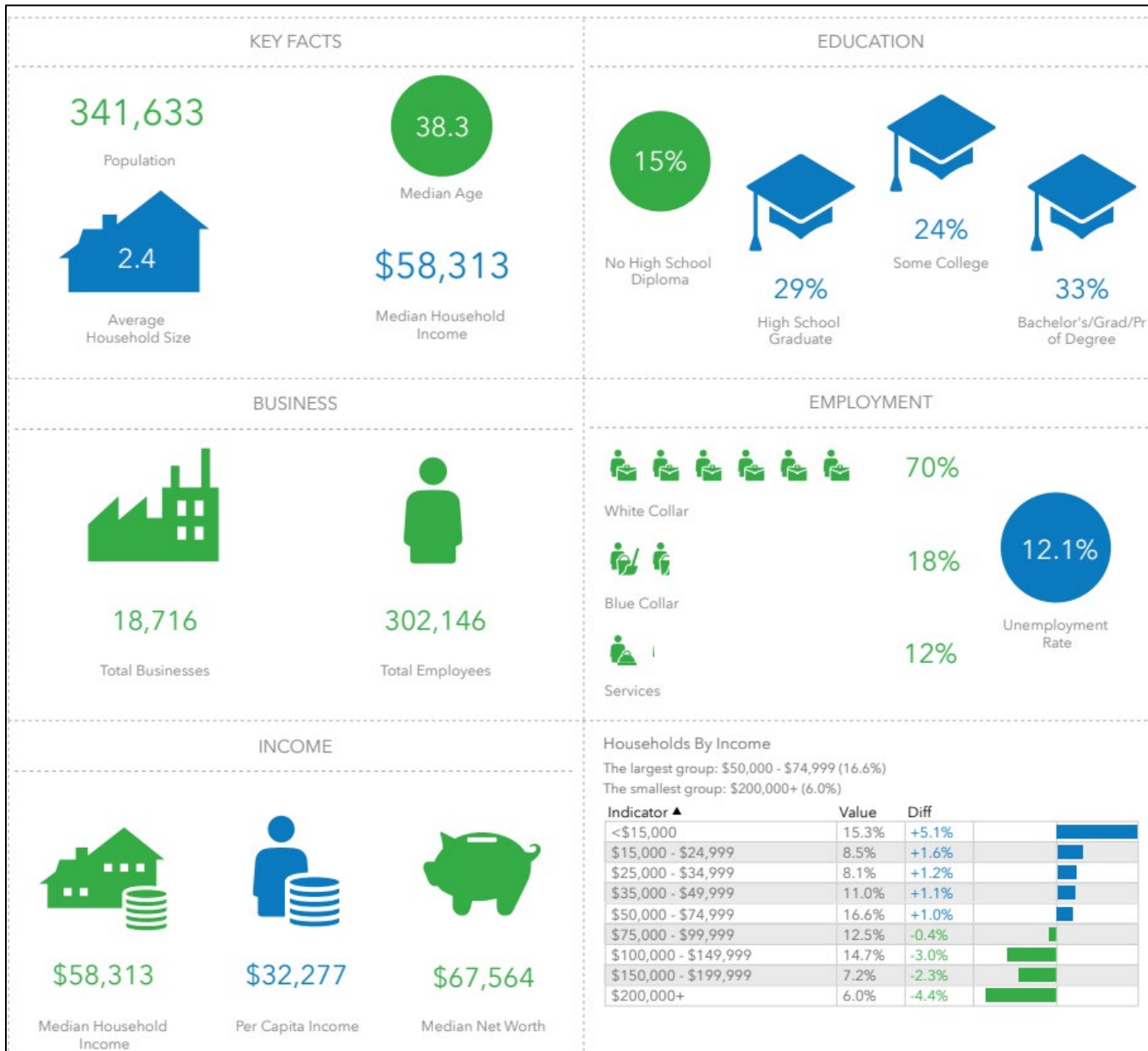
- 15-minutes – For Retail uses
- 30-minutes – For Residential & Office
- 60-minutes – For Industrial/Logistic Uses

Local Area Overview

GOMAN+YORK

Community Profile

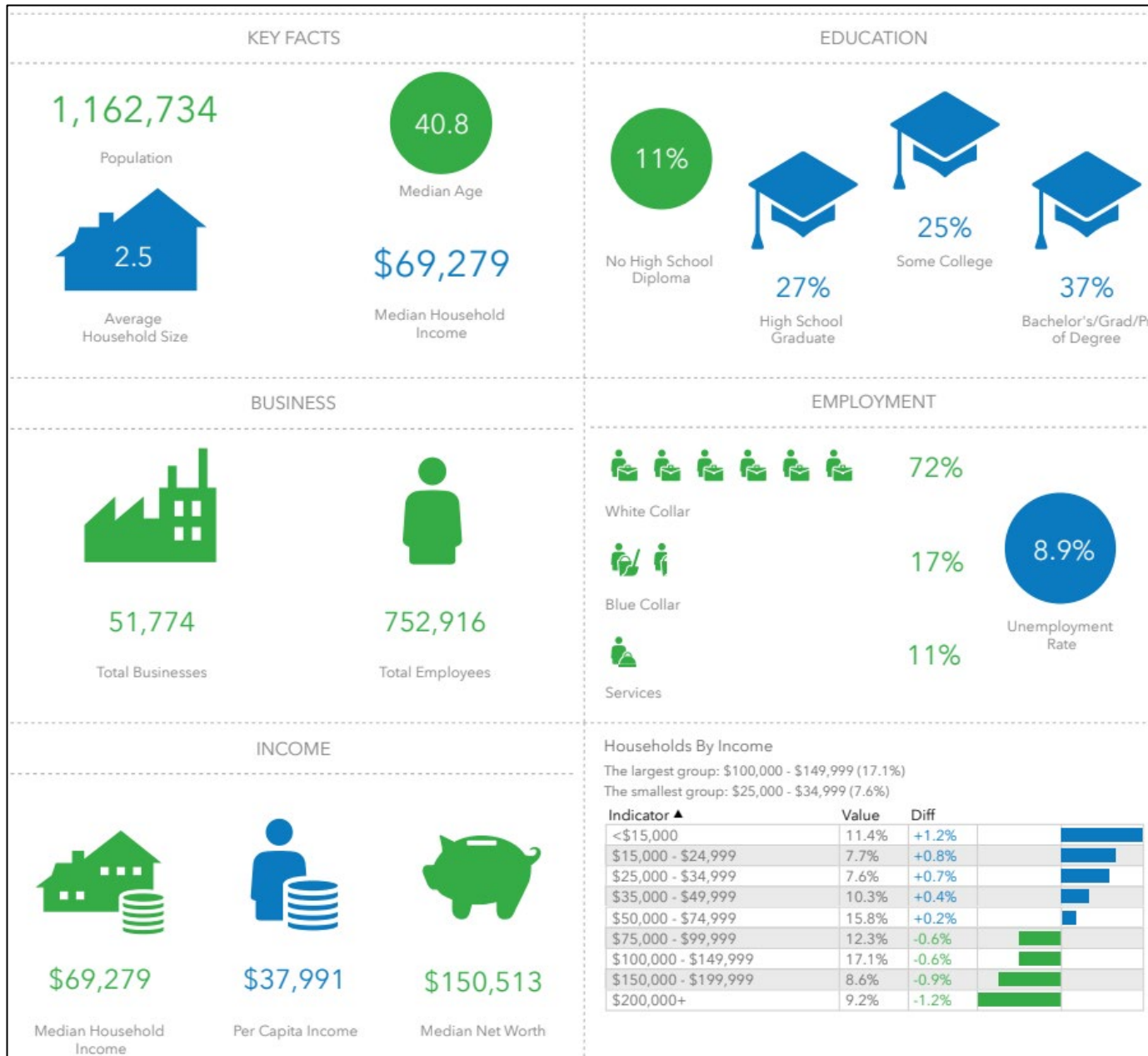
Within a 15-Minute Drive-time



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Community Profile

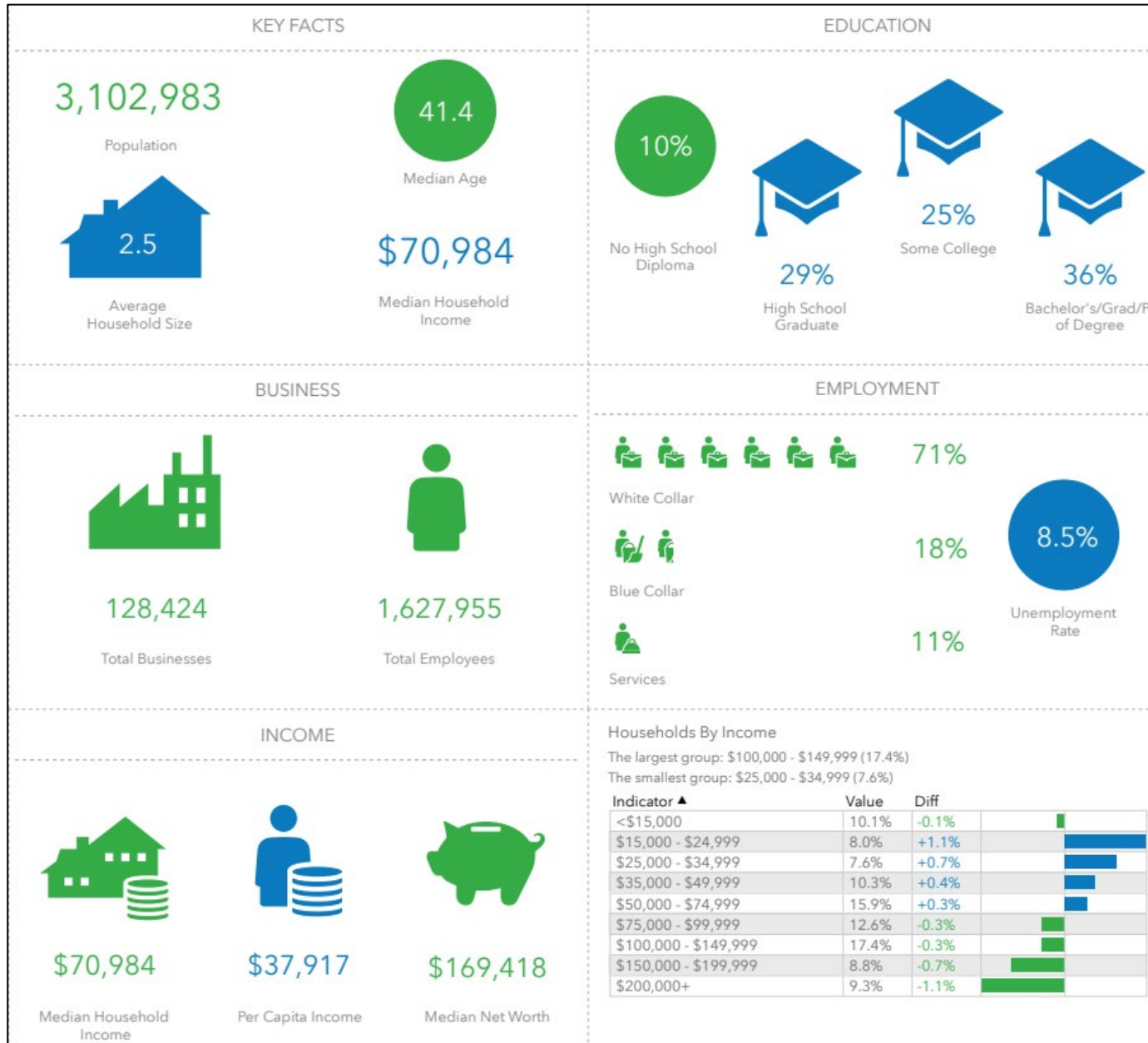
Within a 30-Minute Drive-time



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Community Profile

Within a 60-Minute Drive-time



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Current Zoning & Land Use of Property and Surrounding Area

Source: CRCOG, City of Hartford

Currently, the 60-acre parcel is zoned by the City of Hartford as ID-2 industrial. The area to the north and west of the site is commercial/office or residential.

Given the redevelopment recommendations of the 10-acre site into mixed-use/multi-family and a 50-acre public-use park, rezoning of the entire parcel into two distinct uses is likely the best plan of action.

This zone change should maximize developer interest in the 10-acre site and allow for a more complimentary development to the park.



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Local & Regional Area Overview

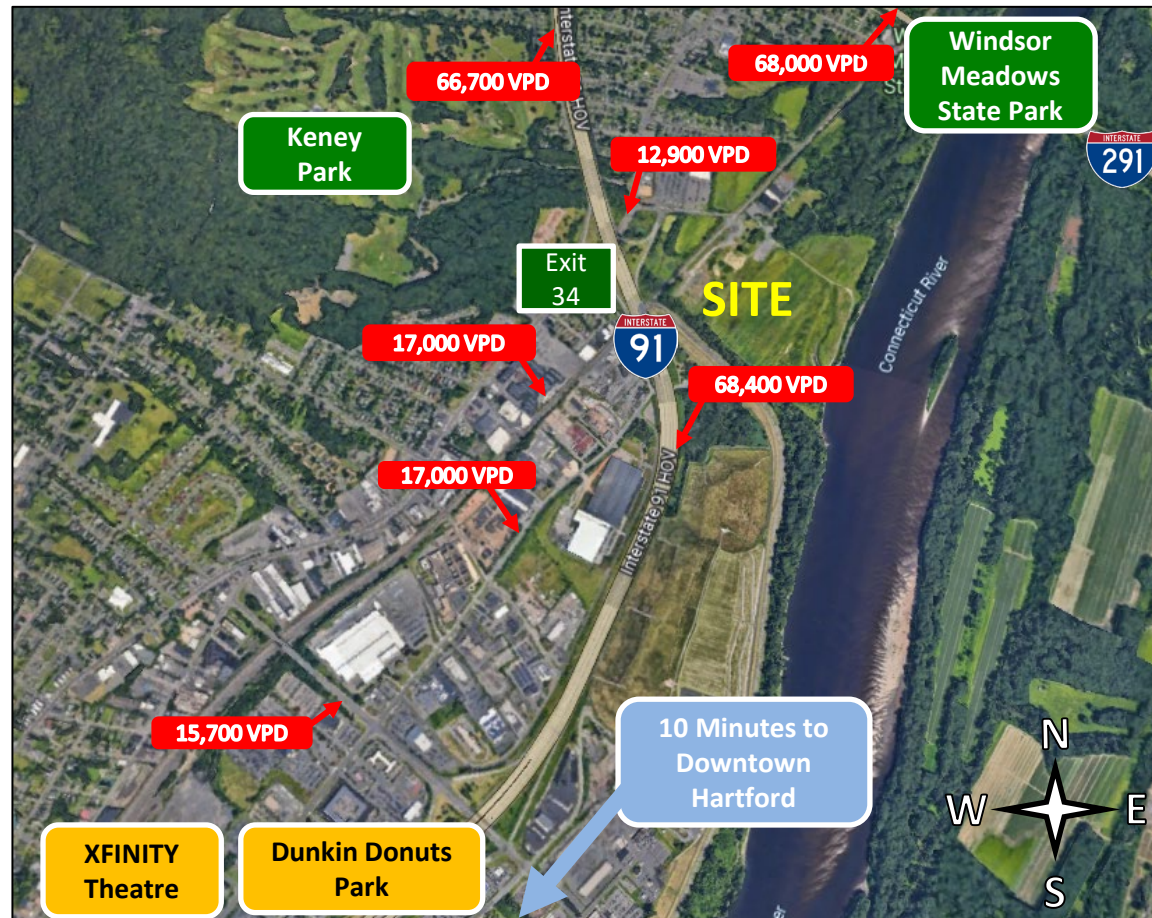
The site is located on the city line between Hartford & Windsor, CT. The site is <0.25 miles from I-91 Exit 34, which separates the industrial / commercial North Meadows neighborhood of Hartford from the more residential Windsor, CT.

The site is located on Meadow Road, from which the northbound off-ramp & southbound on-ramp of Exit 34 are located. The opposite direction ramps are located nearby on the highly trafficked Windsor Ave, with 17,000 vehicles per day (VPD). There is a repurposed retail center housing the CT Department of Social Services and Nadeau's Auction Gallery.

Visibility to the site from the Exit 34 off-ramp is somewhat limited, putting any use dependent on passing traffic unlikely.

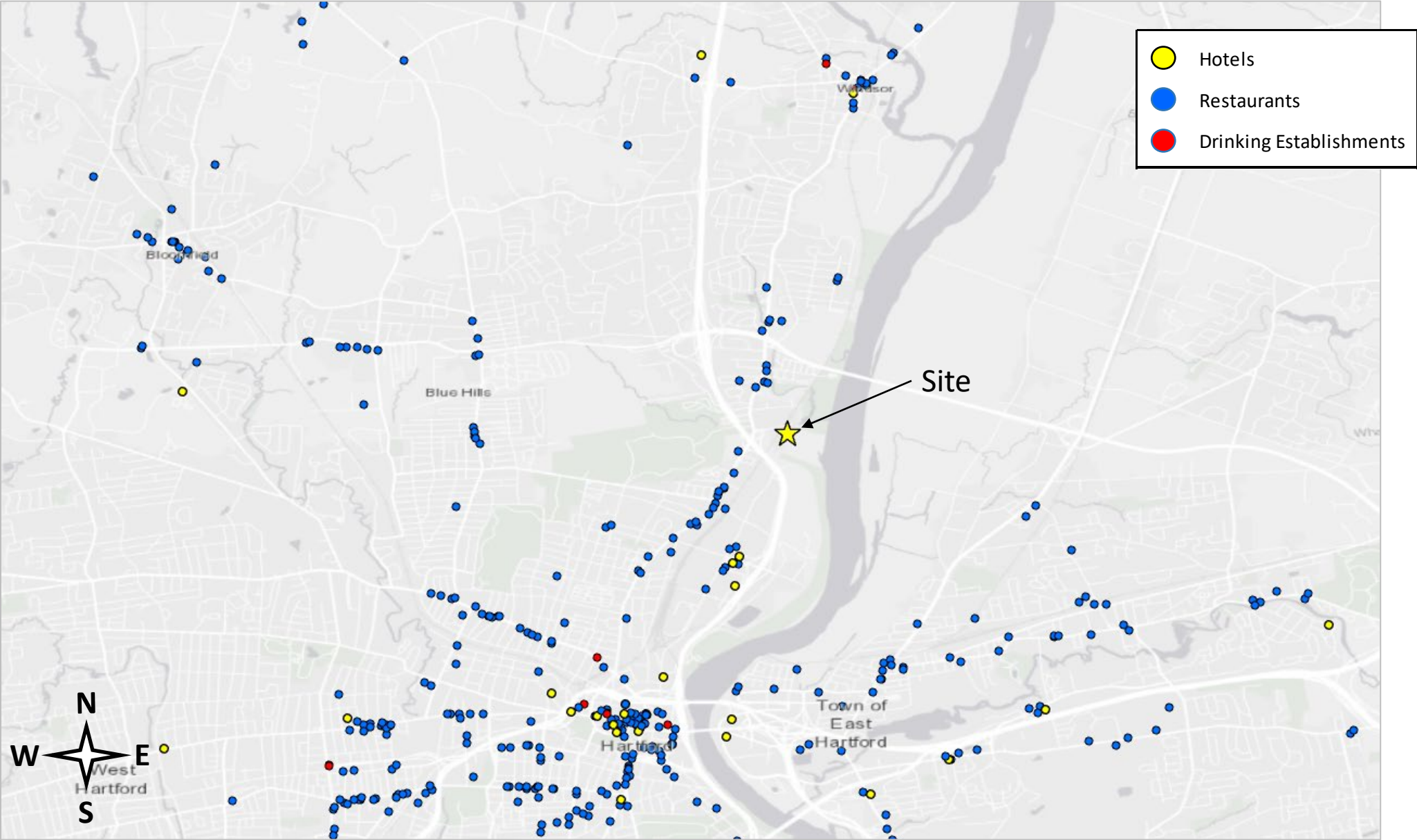
Local amenities include:

- 10-minute drive to Downtown Hartford
- <0.25 miles to the entrance of Keney Park
- Walkable trails up & down the Connecticut River

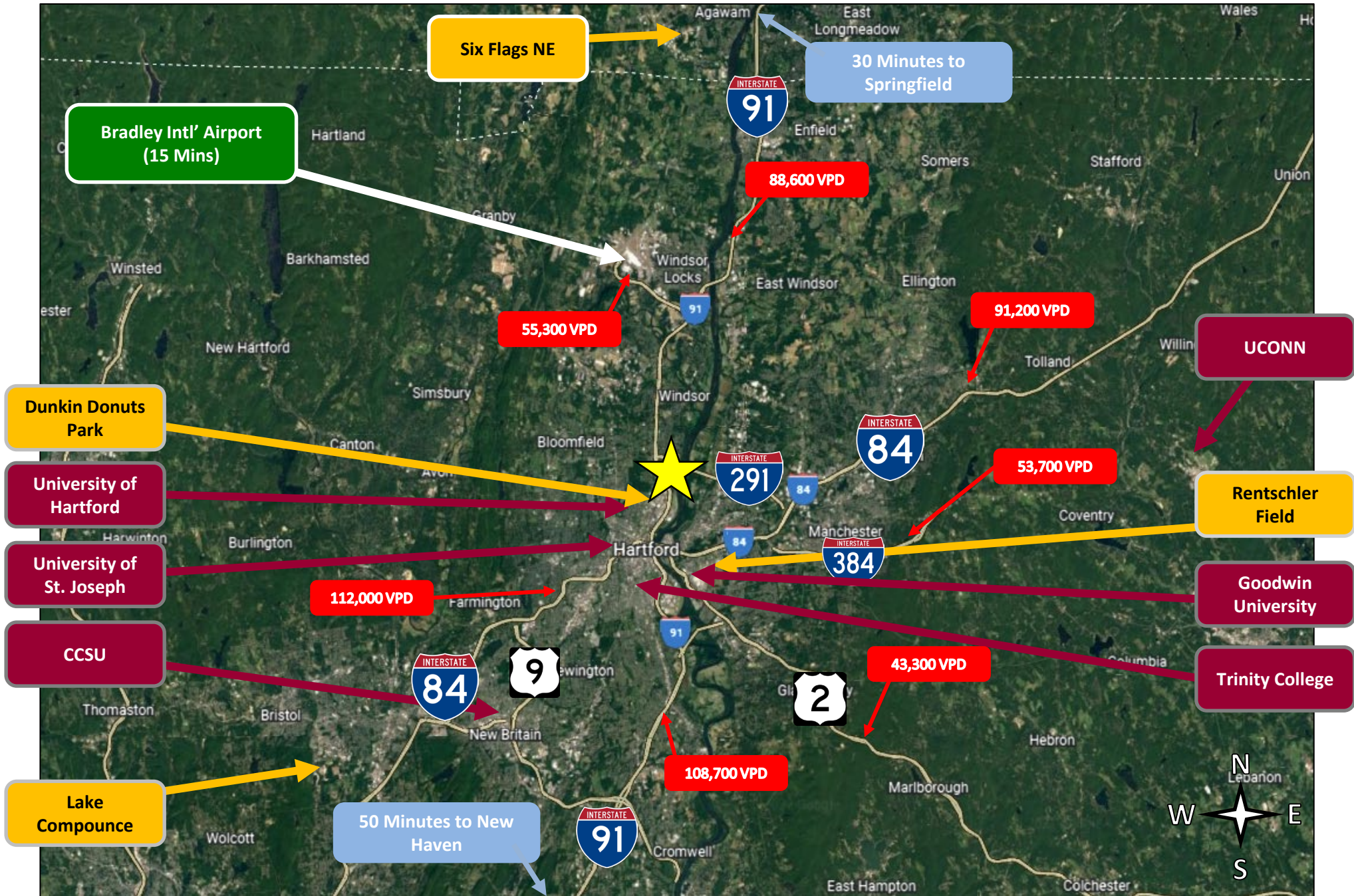


In addition to the local amenities, the close proximity to I-91 provides the site with great access to the I-91 corridor, including connections to I-291 & the I-84 corridor.

Local Hotel and Food & Beverage Amenities



Regional Amenities



Regional Retail Amenities



Employment Summary

Demographic Analysis

The local employment market has grown slightly faster than the county average, with overall employment increasing 4.6% in the surrounding towns compared to 4.0% for Hartford County overall. Employment in the surrounding towns is dominated by Education & Healthcare, with the employment share above county averages in Retail, Transportation, Art & Entertainment, Other Services, and Government. Overall, employment in Transportation is growing the fastest at 68.4% between 2010-2020, which is reflective of the large increase in warehousing and distribution centers in Hartford county, specifically in Bloomfield and Windsor. Information related employment is declining the fastest at -36.6%.

Surrounding Towns, CT	2010	2020	2010-2020	2020
Industry	# of Employees	# of Employees	%	% of Total
Agriculture and Mining	204	149	-27.0%	0.1%
Construction	4,797	5,804	21.0%	4.9%
Manufacturing	10,817	9,611	-11.1%	8.1%
Wholesale Trade	2,788	2,619	-6.1%	2.2%
Retail Trade	12,914	13,985	8.3%	11.8%
Transportation (Logistics)	5,470	9,212	68.4%	7.8%
Information	2,592	1,644	-36.6%	1.4%
Finance & Related	12,640	10,719	-15.2%	9.1%
Professional Services	11,264	11,684	3.7%	9.9%
Education & Healthcare	28,343	31,267	10.3%	26.4%
Arts & Entertainment	10,377	9,601	-7.5%	8.1%
Other Services	5,984	6,211	3.8%	5.3%
Government	4,901	5,779	17.9%	4.9%
Total	113,091	118,285	4.6%	100.0%

Hartford County, CT	2010	2020	2010-2020	2020
Industry	# of Employees	# of Employees	%	% of Total
Agriculture and Mining	1,517	1,084	-28.5%	0.2%
Construction	19,487	23,299	19.6%	5.2%
Manufacturing	46,720	48,120	3.0%	10.7%
Wholesale Trade	10,352	10,518	1.6%	2.3%
Retail Trade	47,056	47,028	-0.1%	10.5%
Transportation (Logistics)	17,932	23,228	29.5%	5.2%
Information	11,177	8,845	-20.9%	2.0%
Finance & Related	50,255	48,256	-4.0%	10.7%
Professional Services	43,906	49,462	12.7%	11.0%
Education & Healthcare	107,623	115,746	7.5%	25.7%
Arts & Entertainment	37,478	33,783	-9.9%	7.5%
Other Services	17,886	20,922	17.0%	4.7%
Government	20,908	19,342	-7.5%	4.3%
Total	432,297	449,633	4.0%	100.0%

Surrounding Towns include: Windsor, Hartford, Bloomfield, South Windsor, East Hartford

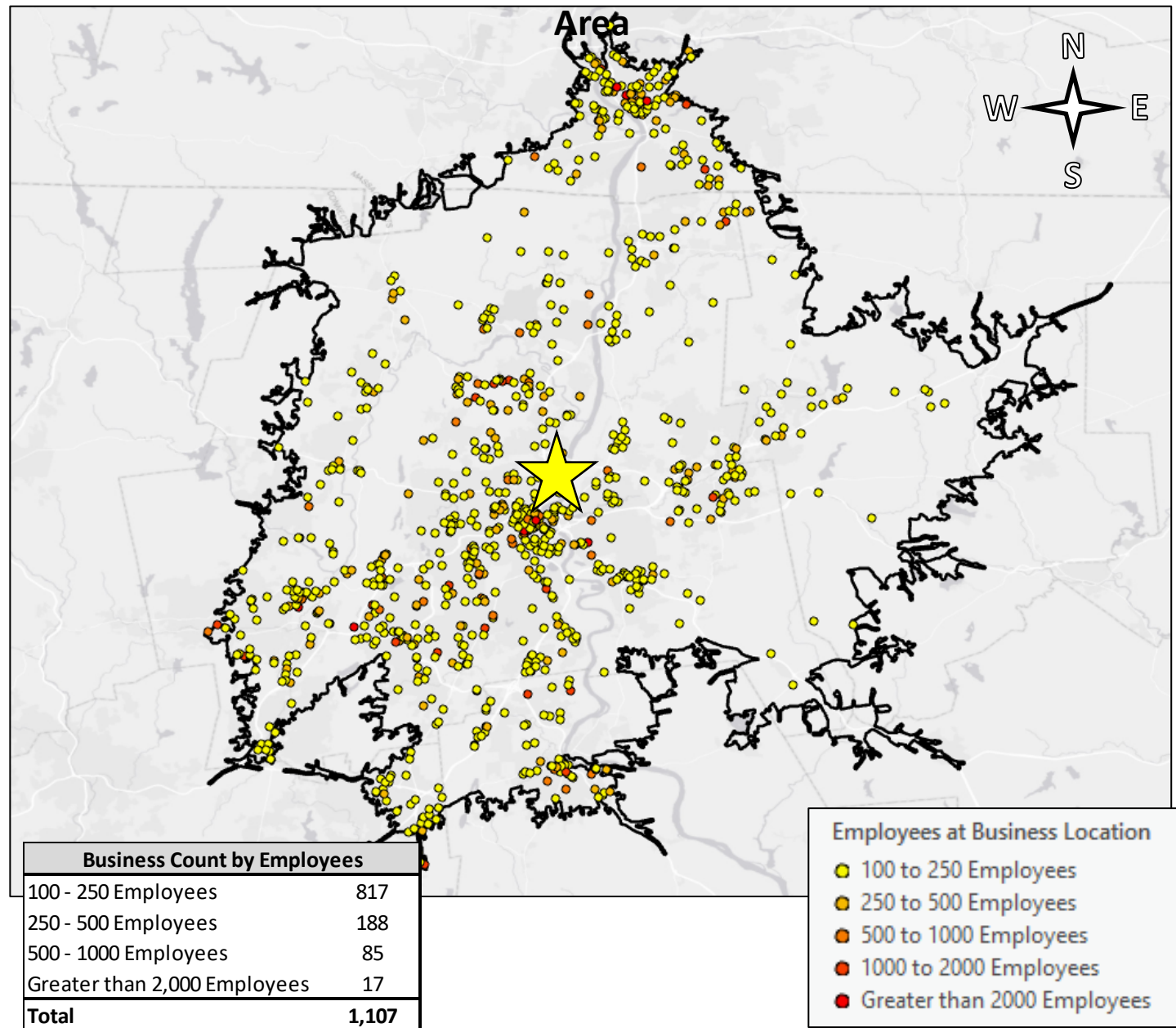
Proximity to Employment Markets

Businesses w/over 100 Employees within 30-minute Drive Time

The site's easy access to I-91 & other surrounding Interstates positions any potential development within commuting distance (<30 minutes) to the Springfield, MA Downtown employment market to the north, as far as Bristol to the west, Storrs to the East, and Middletown to the South.

A total of 1,107 businesses over 100 employees are located within a 30-minute drive.

The accessibility of the site to employment markets makes it a prime candidate for residential development.



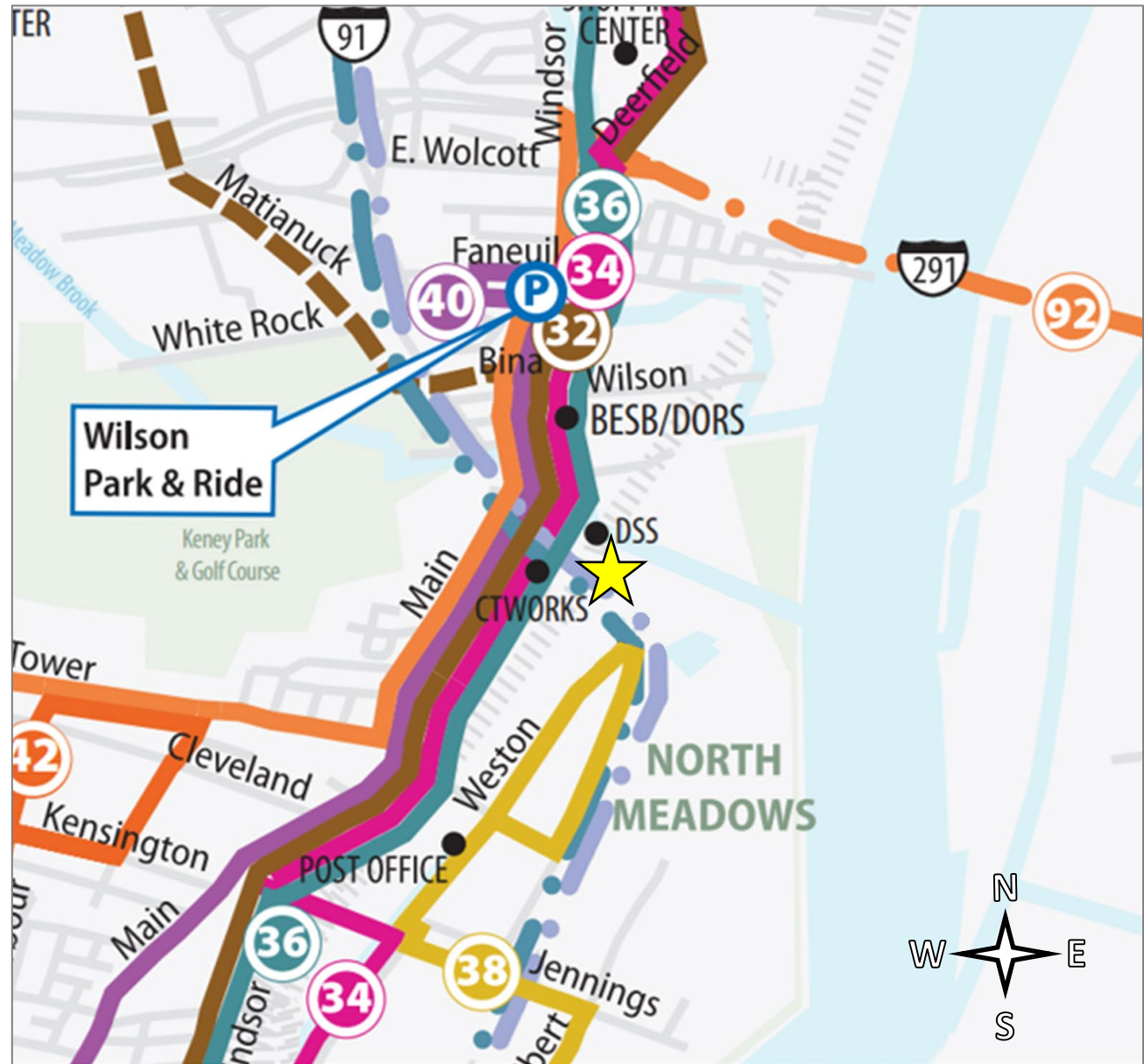
Public Transportation

Source: CT Transit

In addition to the easy access to major Hartford area Interstates, the park includes easy walkable access to several Hartford area bus routes, with multiple routes stopping at the Department of Social Services (DSS) and along Windsor Ave, including routes:

- 32 (Windsor Ave)
- 34 (Kennedy Rd)
- 36 (Windsor – Day Hill Rd)
- 40 (North Main St)
- 42 (Barbour St)
- 92 (Tower Ave Crosstown)

This provides the site easy access to major employment hubs such as Downtown Hartford & Day Hill Rd as well as shopping in Buckland Hills (Manchester) area.



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K-12 Schools in Area

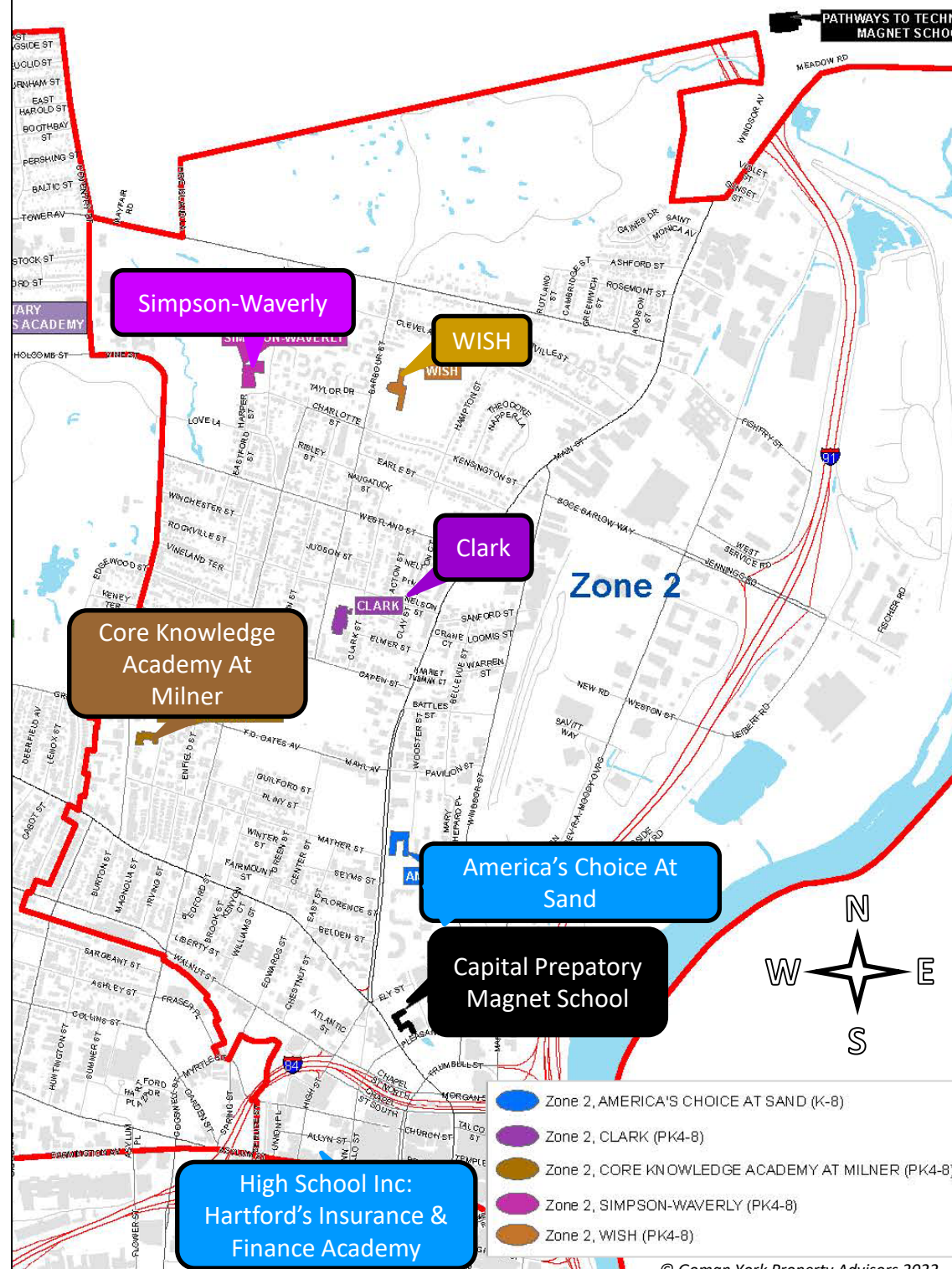
Hartford Public School District – Zone 2

The proposed site sits on the border of the City of Hartford and Town of Windsor with the likely developmental parcel being located primarily in Hartford.

The Hartford Public School District is served by 69 schools in addition to the Capital Region Education Council’s 35 charter schools located across Hartford County. The site is in Zone 2 which includes the Sand School, Clark School, Simpson-Waverly, Wish Museum School, and Milner Middle School.

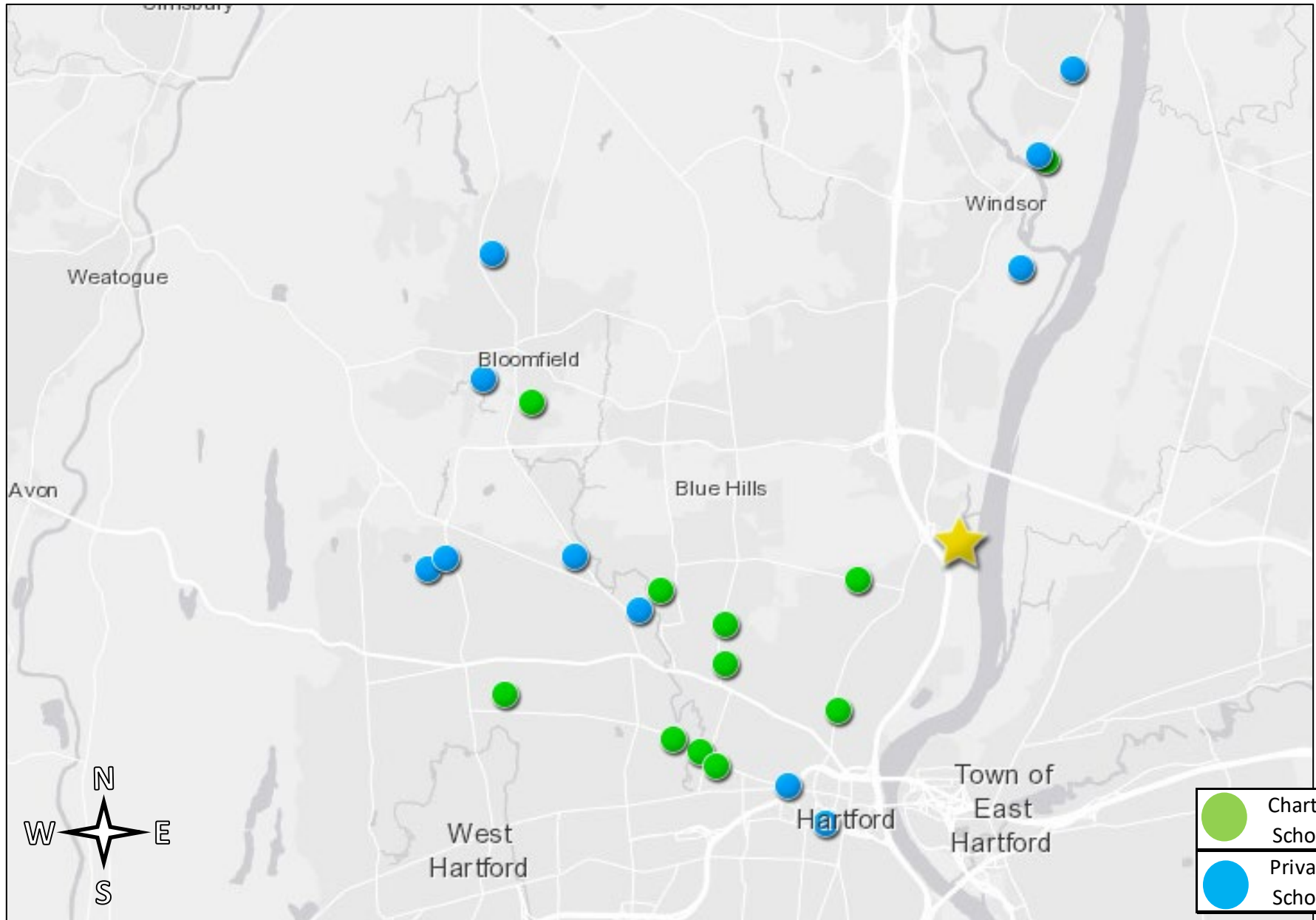
Overall, the Hartford Public School district & CREC district is rated below average, but includes multiple Elementary, Middle, & High Schools ranked above 5/10 by GreatSchools including:

- Annie Fisher School (7/10) - Magnet
- Reggio School of the Arts (6/10) - Magnet
- Museum Academy (6/10) - CREC Magnet
- Academy of Aerospace & Engineering (5/10) – CREC Magnet
- University High School (7/10) - Magnet



K-12 Schools in Area

Private and Charter Schools in the North Hartford, Windsor & Bloomfield Area



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Residential Market Summary

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Housing Summary

Within a 15-Minute, 30-Minute & 60-Minute Drive-Time from the Proposed Site

The area surrounding the Riverfront property has seen a boost in development activity in recent years. Significant projects including Dunkin’ Donuts Park, a boost in the restaurant/entertainment sector, and the addition of UConn Hartford to Downtown. Redevelopment has turned a lot attention to the capitol city, resulting in significant private and public investment.

Although this is the case, overall population growth has been relatively flat, increasing less than 1% over the past 11-years in all drive-time areas. Vacancy rates in the market are relatively high, with vacancy near or above 8% in all areas. Generally, new development is supported when vacancy rates are under 7%, which no drive-time market within the study area achieves. Income data for the local 15-minute drive time area shows that 41.2% of households earn over \$75,000 (a useful threshold to determine market demand for new multi-family units). This metric increases to roughly 50% in the larger 30 & 60-minute areas.

Drive-time and Year	15 Minute Drive-time			30 Minute Drive-time			60 Minute Drive-time		
	2010	2021	11Y Change	2010	2021	11Y Change	2010	2021	11Y Change
Total Population	305,603	308,167	2,564	1,115,302	1,121,221	5,919	3,055,033	3,072,492	17,459
Total Households	120,126	122,198	2,072	438,970	443,509	4,539	1,184,745	1,197,054	12,309
Housing Units	130,678	135,057	4,379	469,749	481,331	11,582	1,276,730	1,307,971	31,241
% Owner Occupied	44.6%	43.0%	-1.6%	58.1%	56.6%	-1.5%	61.0%	59.1%	-1.9%
% Renter Occupied	47.3%	47.4%	0.1%	35.3%	35.5%	0.2%	31.8%	32.4%	0.6%
% Vacant	8.1%	9.5%	1.4%	6.6%	7.9%	1.3%	7.2%	8.5%	1.3%
Drive-time and Year	15 Minute Drive-time			30 Minute Drive-time			60 Minute Drive-time		
	2021	2026	5Y % Δ	2021	2026	5Y % Δ	2021	2026	5Y % Δ
% of HH ≥ \$75,000	38.7%	41.2%	6.5%	47.2%	50.0%	5.9%	48.0%	51.1%	6.5%
Average HH Income	78,017	85,351	9.4%	95,710	104,863	9.6%	96,889	106,646	10.1%
Average Home Value	243,835	257,123	5.4%	286,602	311,680	8.8%	305,388	343,672	12.5%
Median Home Value	212,022	219,379	3.5%	245,195	262,167	6.9%	260,525	288,095	10.6%

Source: Cushman & Wakefield Market Reports
HH - Households

Local Multi-Family Housing Summary

Rental Market Analysis

Overall, multi-family rents in Hartford are lower than the surrounding towns, with rents per square foot (PSF) per month at \$1.37 compared to \$1.85 - \$2.02 \$PSF/month for the surrounding communities. Although the number of renter-occupied units has stayed flat in the past four years, development of apartments and mixed-use projects has increased in Hartford and the surrounding area.

This suggests that much of the older rental unit stock will be replaced by newly developed or renovated units, therefore increasing asking rents although demand is flat.

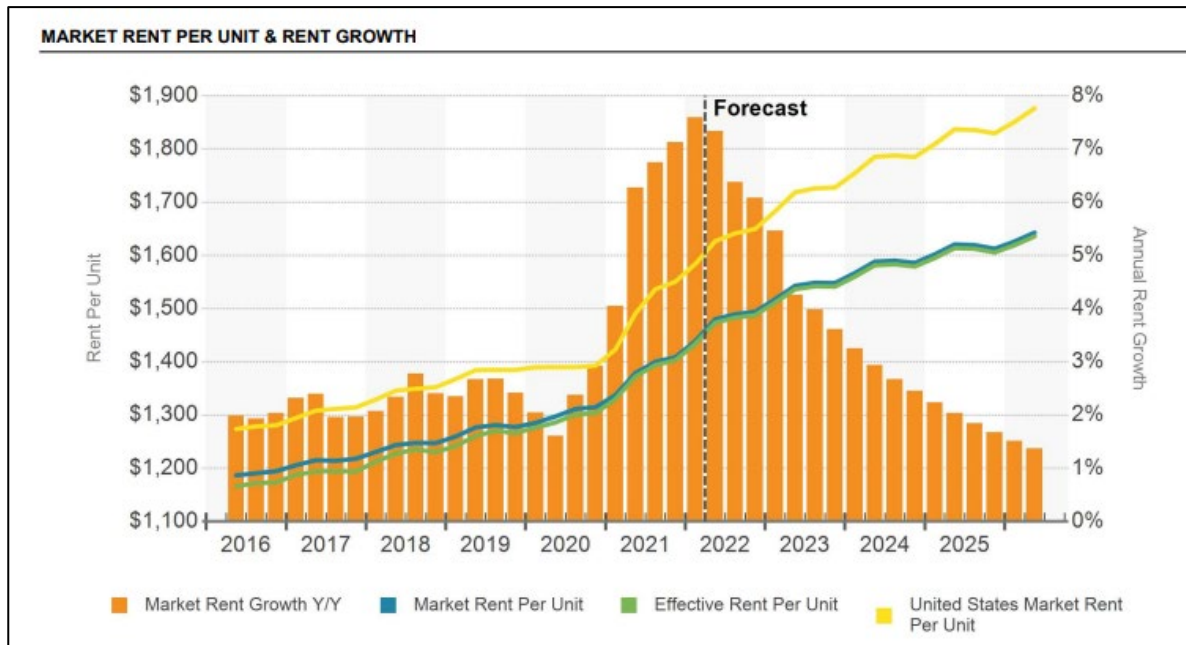
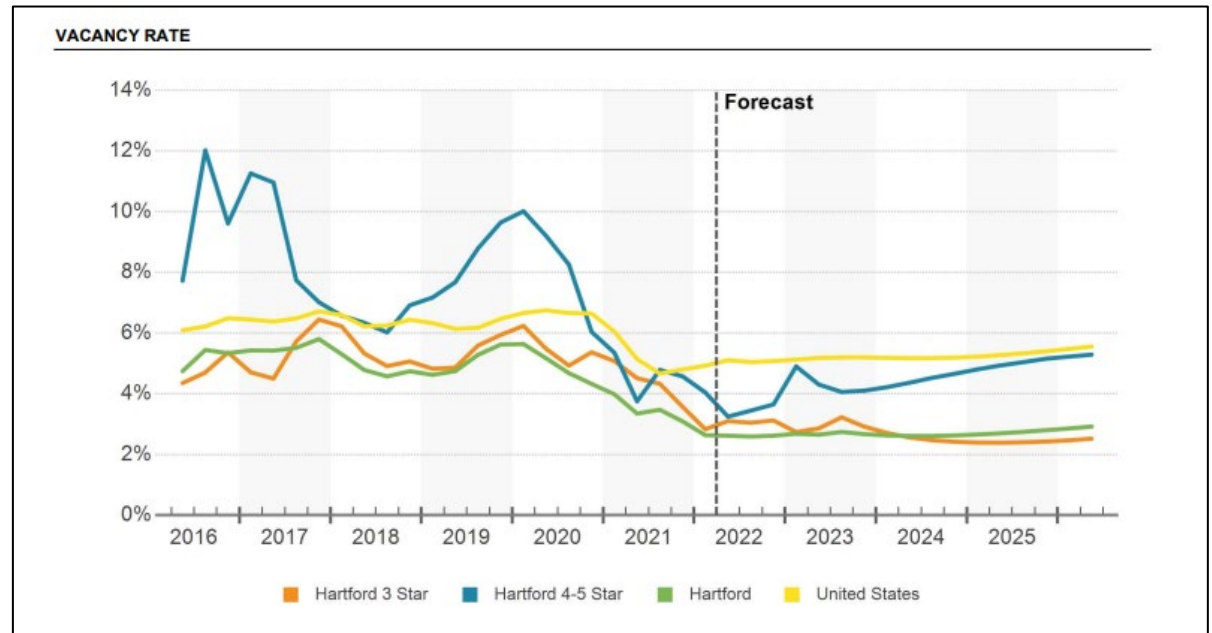
Apartment Breakdown	Windsor			Hartford			South Windsor			Bloomfield			Room Type Avg \$/SF
	Average SF	Average Rent	Average \$/SF	Average SF	Average Rent	Average \$/SF	Average SF	Average Rent	Average \$/SF	Average SF	Average Rent	Average \$/SF	
1 Bedroom	723	\$1,361	\$1.88	654	\$914	\$1.40	889	\$1,850	\$2.08	810	\$1,553	\$1.92	\$1.82
2 Bedroom	968	\$1,580	\$1.63	842	\$1,075	\$1.28	1,213	\$2,387	\$1.97	1,327	\$2,241	\$1.69	\$1.64
3 Bedroom	1,659	\$2,739	\$1.65	1,048	\$1,139	\$1.09	N/A	N/A	N/A	1,732	\$2,716	\$1.57	\$1.44
Studio	622	\$1,675	\$2.69	528	\$884	\$1.67	N/A	N/A	N/A	545	\$1,691	\$3.10	\$2.49
Town Average	993	1,839	\$1.85	725	\$997	\$1.37	1,051	\$2,119	\$2.02	1,104	\$2,050	\$1.86	\$1.77

Source: Apartments.com

Overall Multi-family Leasing & Vacancy Rates

Market Analysis

Looking only at upscale multi-family units, the Hartford area multi-family market looks more attractive as depicted in the chart to the right. Rental vacancy decreases to only 3%, with forecasts showing vacancy slowly increasing as more product comes online.



The chart to the left reflects the past and future rents within the Hartford market area for multi-family apartment units. Forecasts project YoY rent growth to slow in 2022, with continued slower growth in the next four years. While growth slows, market rents will continue a steady increase, but still lagging the national average.

Hartford Area Multifamily Comparable Developments

Rental Market Analysis

Looking at newly built multi-family properties (since 2015), the median rental price is \$2.18 \$PSF/month, with several newer properties such as The Borden in Wethersfield & Windsor Station being able to achieve rents well above that mark at \$2.92 \$PSF. Overall, 2,685 additional units have been built since 2015 representing 1.5% of the overall rental units in the 30-minute drive time area for multi-family and 4.2% of the rental units in the 15-minute drive time area. New multi-family development typically requires rents over \$2.20 \$PSF, which our market research indicates is achievable.

Comparable Properties in Surrounding Area

NAME	STREET	CITY	STATE	ZIP	TOTAL # UNITS	\$/FT2	BUILD YEAR
Mallory Ridge Apartments	95 Filley St	Bloomfield	CT	06002	78	\$1.73	2015
Heirloom Flats	700 Bloomfield Ave	Bloomfield	CT	06002	215	\$2.42	2018
The Arbors at Brighton Park	627 Brighton Park Way	Bloomfield	CT	06002	132	\$2.01	2016
Colt Gateway	140 Huyshope Ave.	Hartford	CT	06106	205	\$2.57	2019
Capewell Lofts	57 Charter Oak Ave.	Hartford	CT	16106	72	\$1.61	2017
The Borden	1160-1178 Silas Dean Hwy	Wethersfield	CT	06109	150	\$2.92	2019
Windsor Station	69 Mechanic St	Windsor	CT	06095	130	\$2.92	2017
The Preserve at Great Pond	100 Lexington St	Windsor	CT	06095	230	\$2.35	2019
The Pointe at Dorset Crossing	55 Dorset Crossing Dr	Simsbury	CT	06070	168	\$1.71	2015
Highcroft Apartments	1100 Highcroft Pl	Simsbury	CT	06070	128	\$1.75	2018
Aspen Green	20 Hopmeadow St	Weatague	CT	06089	181	\$1.57	2019
Tempo Evergreen Walk	50 Andrews Way	South Windsor	CT	06074	200	\$2.33	2017
Spark Bloomfield	2 Francis Way	Bloomfield	CT	06002	246	\$2.17	2004/2016
Trail Run	2 Trail Run	Vernon	CT	06066	312	\$2.23	2019
The Residences at Oakland Road	175 Oakland Rd	South Windsor	CT	06074	78	\$1.73	2018
Montgomery Mill Apartments	25 Canal Bank Rd	Windsor Locks	CT	06096	160	\$2.19	2019

2,685 **\$2.18**

Total # of Units **Median**
\$/FT2

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Hartford Area Apartments in Development

Rental Market Analysis

Currently, over 5,000 additional multi-family units are either under construction, under re-development, or proposed in the immediate market area, which represents significant competition to any new multi-family development.

Of note, 1,109 units are to be built in the North Hartford area which includes the 160 units proposed at the nearby Fuller Brush Building, 802 units under construction and planned at DoNo, and the redevelopment of 273 units at the old Red Lion Hotel.

While this represents competition to any development at the Riverfront, the investment into the area may also trigger a bit of a renaissance in North Hartford, increasing the market potential for new development.

Hartford Area Properties Currently in Development

Development	City	Proposed Units	Construction Type
DoNo	Hartford	802	New Construction
Park and Main	Hartford	39	New Construction
Pearl Street Firehouse	Hartford	41	Redevelopment
55 Elm Street	Hartford	164	Redevelopment
The Millennium	Hartford	273	Redevelopment
One Park Place	West Hartford	294	New Construction
The Pike	Newington	151	New Construction
100 Berlin Road	Cromwell	260	Redevelopment
920 Farmington Ave	West Hartford	48	New Construction
Showcase Cinema Site	East Hartford	360	New Construction
Woodland and Albany	Hartford	75	New Construction
Tellus Bloomfield	Bloomfield	42	New Construction
Bloomfield Center	Bloomfield	150	New Construction
The Residences at Wash Brook	Bloomfield	111	New Construction
Up House	Farmington	224	New Construction
Bushnell South	Hartford	372	Proposed
Fuller Brush Building	Hartford	160	Proposed
UConn Health	Farmington	131	Proposed
Batterson Park	Farmington	200	Proposed
Farmington Ave	Farmington	200	Proposed
Windsor North	Windsor	192	Proposed
Windsor Center Plaza	Windsor	100	Proposed
Oakland Street	Manchester	37	Proposed
Cedar Street	Newington	238	Proposed
Puritan Furniture	West Hartford	131	Proposed
Route 83	Vernon	70	Proposed
Ames Site	Rocky Hill	200	Proposed
Evergreen Walk	South Windsor	165	Proposed
Total		5,230	

Apartment Target Demographics

Rental Market Analysis

The strengths of the Riverfront park commercial development site includes easy access to the Greater Hartford employment market and the amenities of the walkable Riverfront Park system for tenants.

Therefore, the target resident for any potential market rate housing development would target four specific groups:

- Recently Single
- Recently Retired
- Empty Nesters
- Dual-Income No Kids (DINKs)

These are groups representing people with significant disposable income, not looking to maintain a home & yard, and are seeking amenity rich developments.

These types of communities typically require 200 units to support the numerous amenities desired, which Goman+York believes is achievable for this site.

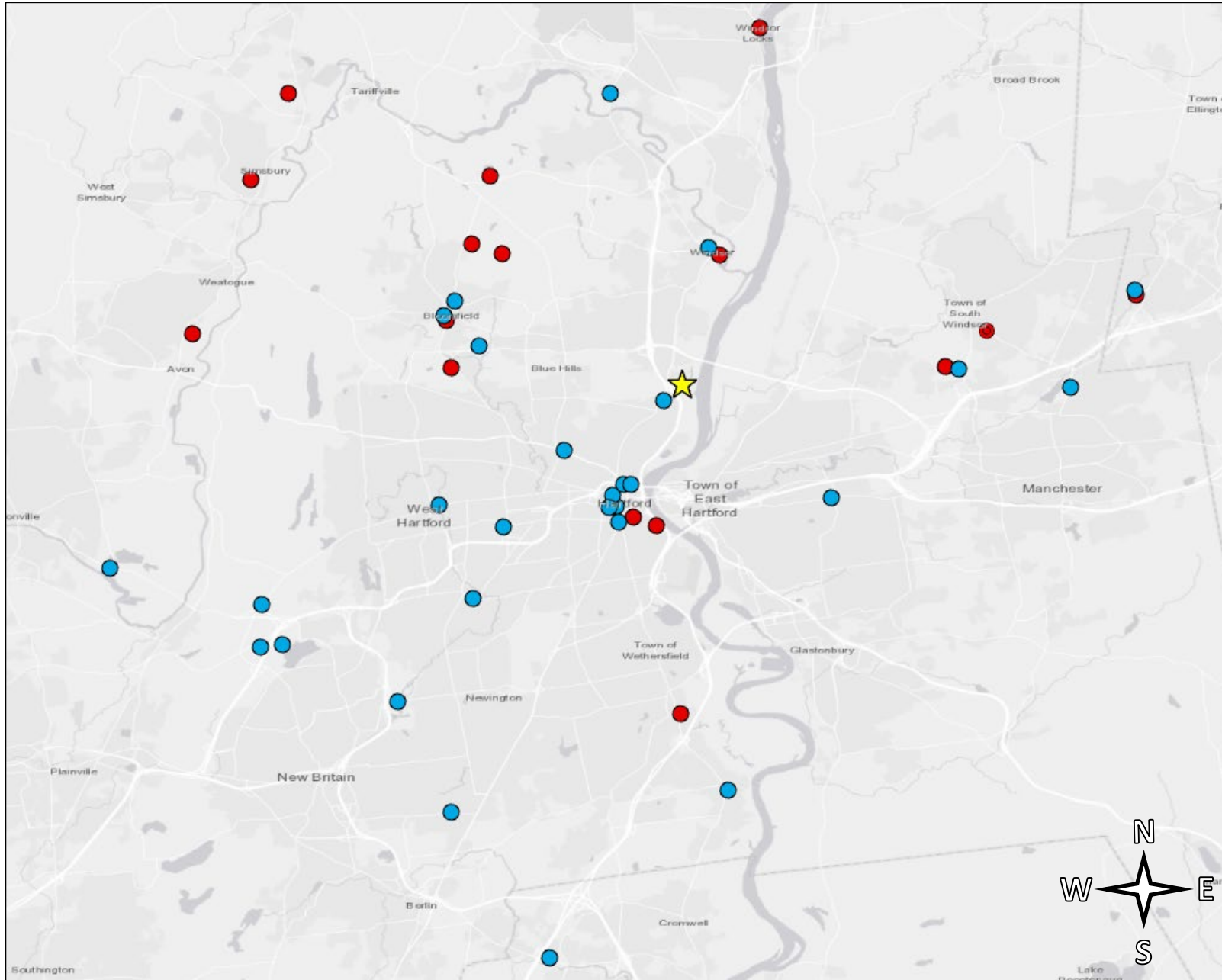
Essential Amenities


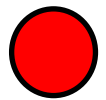
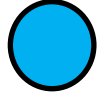
- Bike storage and repair
- Car-sharing service
- Child-care service
- Coffee bar
- Concierge
- Communal kitchen/cooking classes
- Co-working spaces
- Dry cleaning/laundry service
- Entertainment/theater areas
- EV charging stations
- Fitness centers with Peloton™ bicycles
- Free WiFi
- Game room with sports simulators
- Green space
- On-site management/maintenance
- On-site parking
- Package delivery management
- Pet spa, pet social areas, Yappy Hours
- Pool and pool-side cabanas
- Proximity to transportation hubs
- Rooftop lounge with community grills, garden, plush lounge seating, billiards, bocce and bar terraces
- Short-term rentals
- Socialization areas
- Spa/Massage center
- Smart Technology
- Yoga/Wellness classes

Compiled from Building Design+ Construction Magazine, February 2019, GlobeSt.com and various apartment rental sites.

Comparable Developments

Greater Hartford



-  Riverfront Recapture Site
-  Comparable Developments
-  Future Development



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North End Promise Zone – Fuller Brush Building

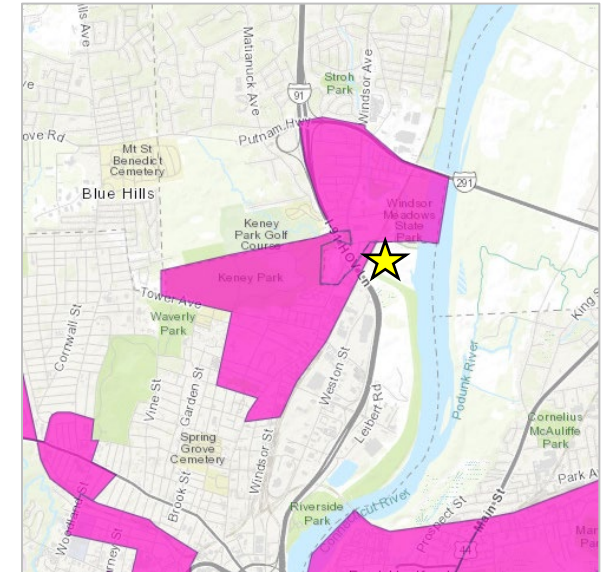
Immediate Impact

As noted, significant investment is either under development or planned in the area between DoNo (Downtown North) and the Hartford/Windsor city line. Part of the catalyst for this investment was the establishment of the HUD Opportunity Zones and the creation of the HUD North End Promise Zone in 2015. Riverfront Recapture’s development within this area may be eligible for support and tax incentives/benefits.

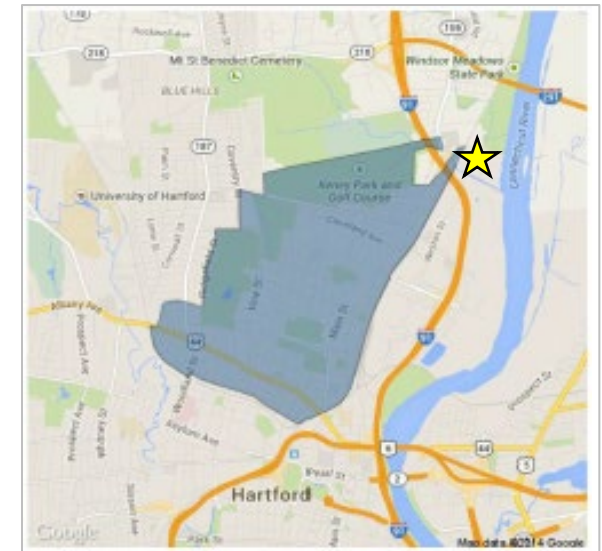
Shelbourne has recently announced the redevelopment of the Fuller Brush Building into a mixed-use campus to include 125,000 SF of Office/Flex/Light Industrial space and 160 multi-family residential units. Located in the North End Promise Zone, a project of this size is estimated to represent over \$55 million dollars in total investment in the area. The Capital Region Development Authority (CDRA) recently committed \$8.5 million in a low-interest loan to the project. Given the proximity (<0.5 miles) to Riverfront’s project, success of this project will likely increase future demand for additional development sites in the local area.



Fuller Brush Building



Federal Opportunity Zones



North End Promise Zone

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Retail Overview

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Retail Market Overview

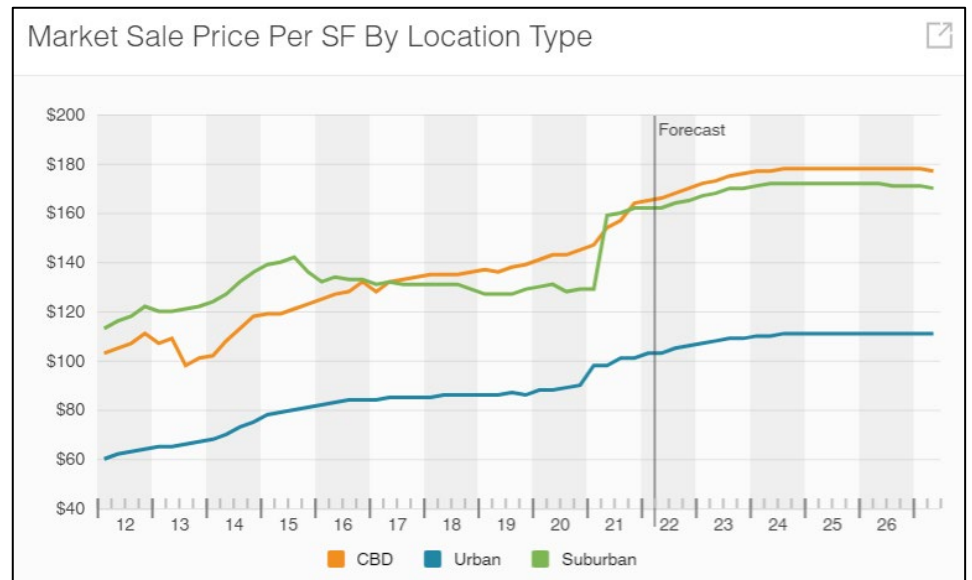
Rental Market Analysis

Q4 2021	Net Absorption (Sq.Ft)	Vacancy (%)	Asking Rents (\$)	Inventory (Sq. Ft)	Under Construction (Sq. Ft)
United States	14,089,570	6.50%	21.71	4,475,368,910	9,722,667
Northeast	1,442,831	6.50%	22.55	617,811,119	848,970
Hartford, CT	4,655	7.20%	18.38	27,889,353	16,000

Source: Cushman & Wakefield Market Reports

Retail rents in the greater Hartford Market follow similar trends as most other real estate asset classes in CT, where vacancy is higher than the national level and rents are lower.

Within the past two years, there has been 113 transactions rated three star or greater. This has resulted in \$211 million in sales volume with the average property being nearly 21,000 square feet in size and the average vacancy rate at the time of sale at 11.2%.



CAP RATE	SALE PRICE/SF	AVERAGE SALE PRICE	SALES VOLUME	SALE VS ASKING PRICE	AVERAGE SF	MONTHS TO SALE
5.7%	\$156	\$2.3M	\$211M	-6.7%	20.9K	8.9

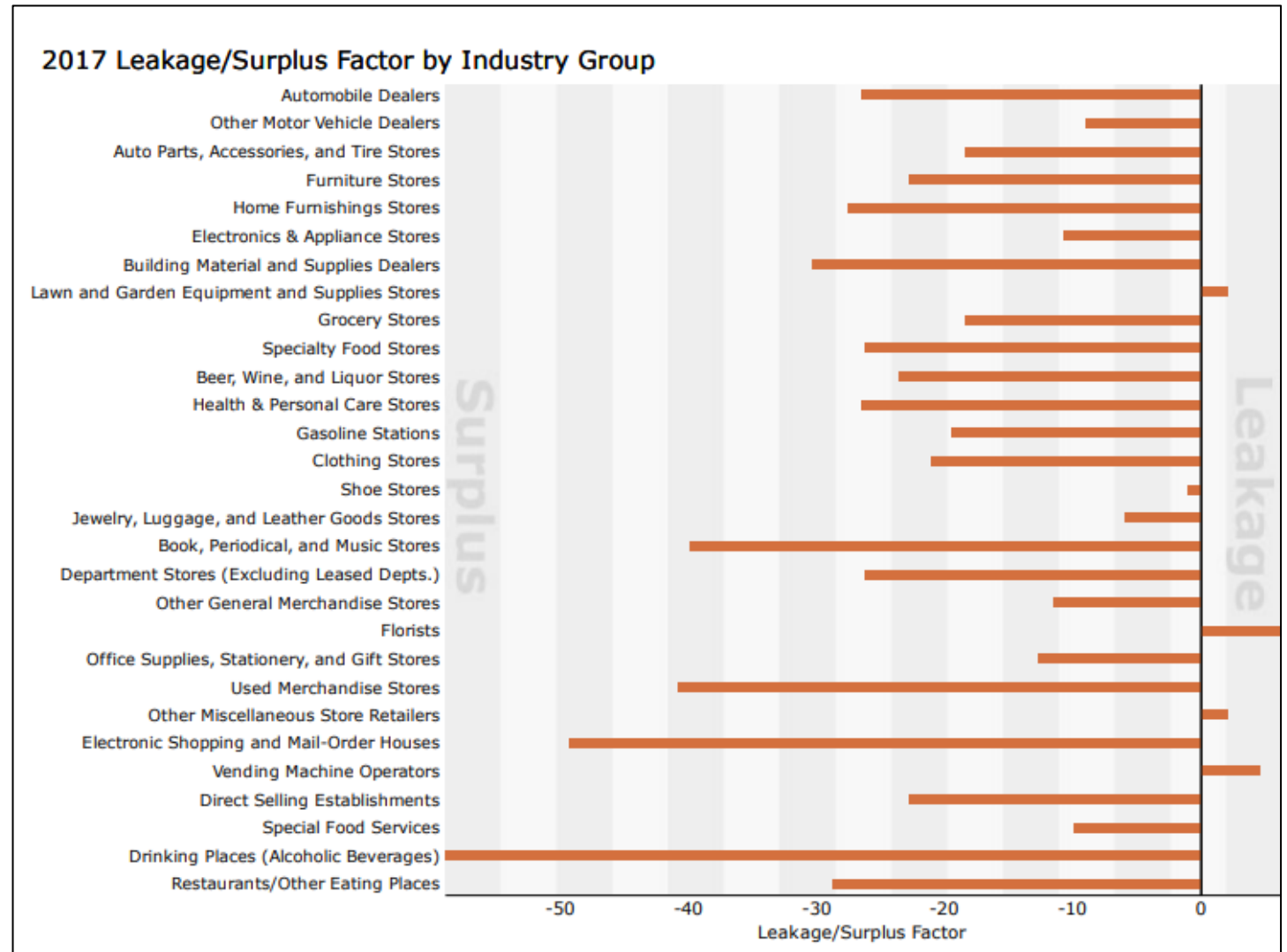
Source: CoStar

Retail Leakage/Surplus Analysis

Rental Market Analysis

Analyzing the latest immediate area (15-minute) surplus/leakage report, which compares available supply of each retail industry group and estimated demand by population.

The majority of the study area is well saturated with retail space. The four industry groups with unmet demand are florists, lawn & garden, vending machines, & other miscellaneous stores. None of those categories have significant enough unmet demand to justify new retail construction nor would they be a likely benefit to the proposed development.



Source: Database USA

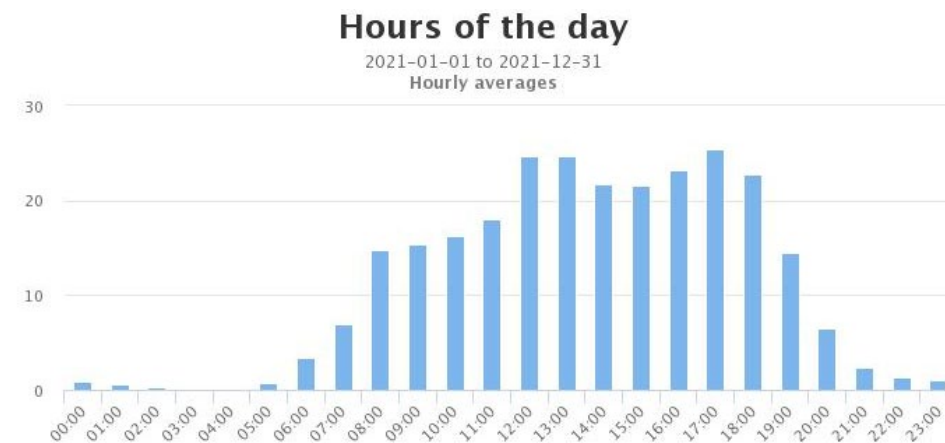
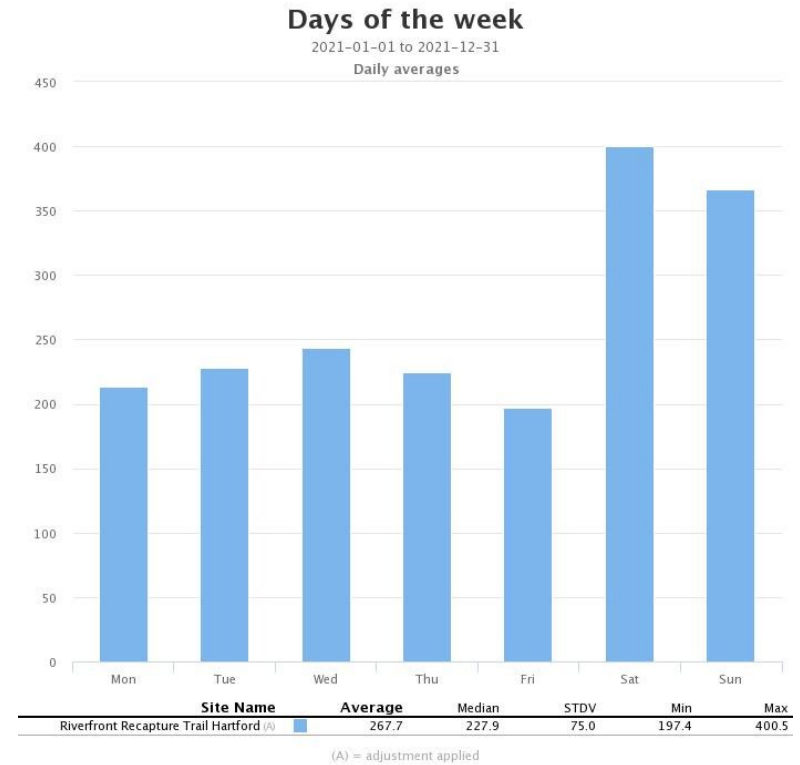
Retail Market Overview

Riverfront Recapture's Park Traffic

Riverfront Recapture's existing park system is highly utilized, with peak hours between Noon – 6 PM reaching over 20 visitors per hour. Weekday traffic averages approximately 200 visitors per day with a significant jump on the weekends of 350 – 400 visitors per day. Special events can elevate traffic counts to 5,000+ visitors per day.

Given the amenities of the proposed park, Goman+York believes that this level of traffic is achievable, with the event space & boating activities planned, providing opportunity for a greater number of peak traffic days.

This development provides an opportunity for specific retail uses which could include water sport and recreation retail, canoe, paddleboard and kayak rentals, and restaurants that would benefit from park visitors. Demand for retail could be additionally generated through the residents and visitors of a new mixed-use development.



Office Overview

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Office Leasing & Vacancy Rates

Current Conditions in the Hartford Area Market

Plagued by COVID-19 and its variants, the US national office market continues its uncertain trajectory. The national office vacancy has risen year over year to 17.4%, with a net negative absorption of -8.6 million square feet. In the Hartford area, the office market is comparatively weaker. There has been a sharp rise in vacancy, currently at 21.40% for Q4 2021, notably higher than the national average and up 0.6% from Q3 2021. Net absorption in Hartford has decreased by 162,240 square feet. Additionally, asking rents are still below pre-pandemic rates.

Hartford Office Space	Q4 2019	Q4 2021
Vacancy	16.70%	21.40%
Net Absorption	14,200	-162,240
Average Asking Rent	\$20.72	\$20.49
Deliveries	0	0

Source: Cushman & Wakefield Market Reports

Windsor Office Market	
Inventory (SF)	4.2M
Under Construction (SF)	0
Vacancy Rate	27.5%
Market Rent/SF	\$19.5
Market Sale/SF	\$124.0

Source: CoStar

The supply side of Hartford's office market has a slightly better outlook. Projections show a decrease in inventory as redevelopment of office space takes square footage out of the market. Over time, this trend should help soften the impact on the sector as companies give up square footage as leases expire, in favor of rightsizing as employees continue to work remotely. These trends should help stabilize the office market nation-wide, and in the Hartford area market.

Q4 2021	Net Absorption (Sq.Ft)	Vacancy (%)	Asking Rents (\$)	Inventory (Sq. Ft)	Under Construction (Sq. Ft)
United States	-8,613,718	17.60%	36.04	5,551,750,243	98,855,549
Northeast	-9,740,676	18.50%	44.16	1,299,850,480	27,895,620
Hartford, CT	-162,240	21.40%	20.49	24,816,590	0

Source: Cushman & Wakefield Market Reports

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Office Transactions

Q4 2019 & Beyond

SUBMARKET	TOTAL INVENTORY BLDGS	(SF)	DIRECT AVAILABLE (SF)	DIRECT AVAILABILITY RATE	TOTAL AVAILABLE (SF)	TOTAL AVAILABILITY RATE	YTD NET ABSORPTION (SF)	YTD CNSTR DELIVERIES (SF)	AVERAGE ASKING RENT	OVERALL AVG ASKING RENT (CLASS A)
Hartford CBD	37	6,865,685	1,225,579	17.9%	1,310,215	19.1%	15,740	0	\$22.40	\$23.51
Periphery	36	1,844,050	258,885	14.0%	260,710	14.1%	43,292	0	\$15.89	\$23.31
Eastern Hartford	58	3,012,973	571,867	19.0%	355,910	11.8%	-63,642	0	\$21.00	\$21.41
Western Hartford	121	6,158,359	1,122,331	18.2%	1,165,943	18.9%	109,376	0	\$19.88	\$22.23
Southern Hartford	66	2,561,305	295,042	11.5%	355,162	13.9%	-85,129	0	\$21.40	\$22.44
North Hartford	54	3,805,784	1,125,269	29.6%	1,303,446	34.2%	-5,402	0	\$19.46	\$20.32
Hartford Totals	372	24248156	4598973	19.0%	4,751,386	19.6%	14,235	0	\$20.72	\$22.23

Source: Cushman & Wakefield Hartford Market Reports

The office real estate market in the greater Hartford has been of concern for some time. The chart above shows availability and absorption rates for Q4 2019. Since this period, net absorption has decreased further and is not expected to improve in the near term. The most negatively impacted market in terms of availability is the North Hartford Market, with a total availability rate of 34.2%, indicating low demand for new office space.

The chart below showcases statistics from office building sales within the past two years. Of the 25 transactions of three-star or higher quality office buildings within Hartford County, 2.4 million square feet was exchanged with the average building being 94,200 SF. At the time of the sale, the average square footage leased was 70.0%.

CAP RATE	SALE PRICE/SF	AVERAGE SALE PRICE	SALES VOLUME	SALE VS ASKING PRICE	AVERAGE SF	MONTHS TO SALE
6.7%	\$70	\$5.2M	\$124M	-10.3%	94.2K	13.0

Source: CoStar

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Hospitality Overview

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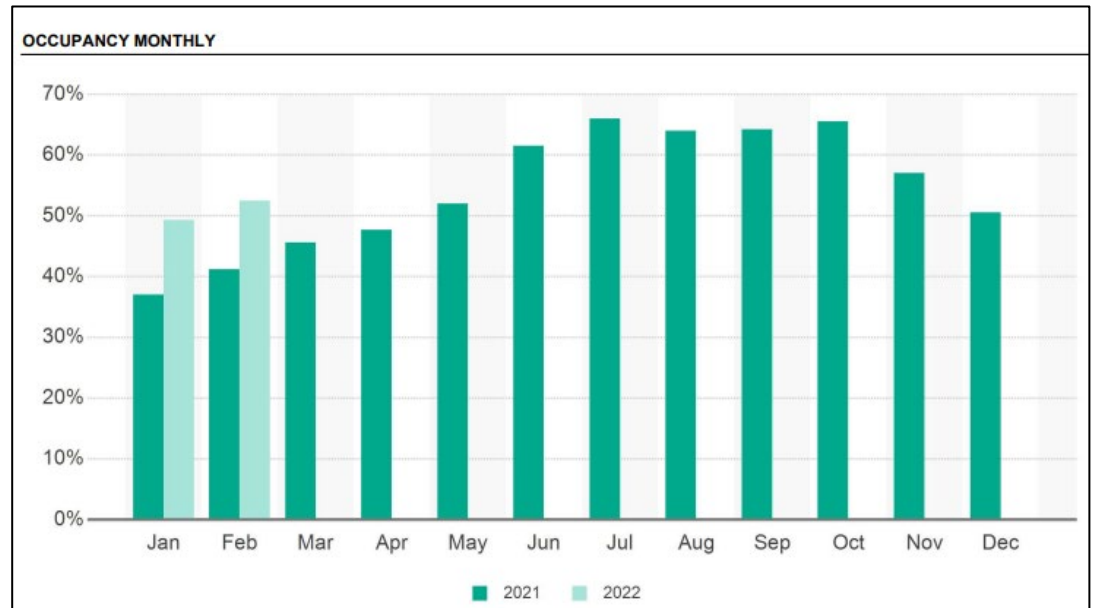
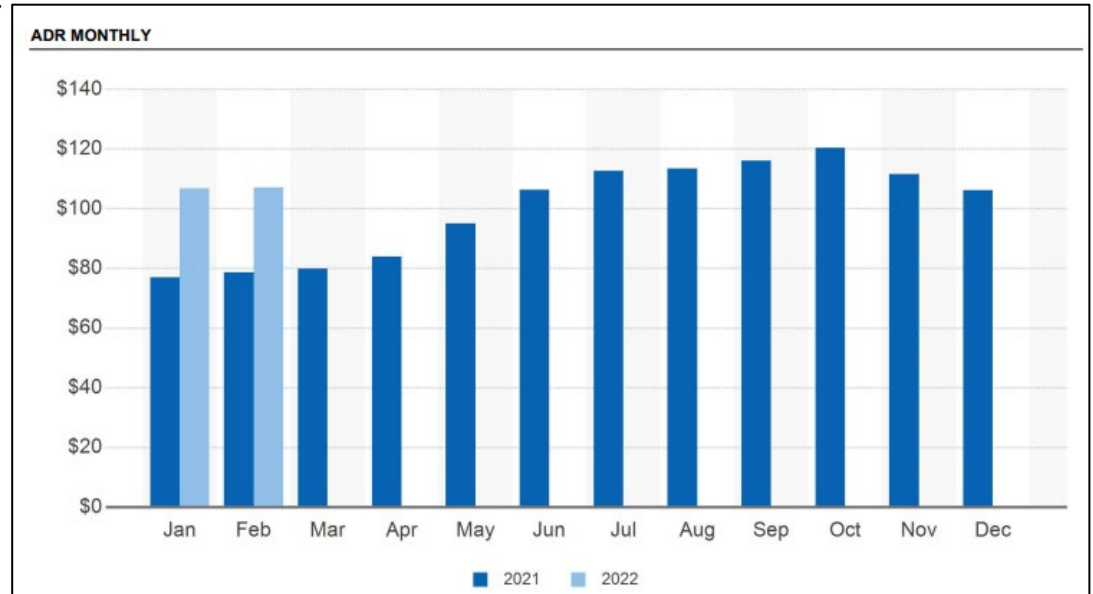
Hospitality Rental & Occupancy Rates

Current Conditions in the Hartford Area Market

North Hartford County Hospitality Snapshot	
Inventory (Units)	6,124
12 MO Occupancy	57.4%
12 MO ADR	\$106.06
12 MO RevPAR	\$60.91

Greater Hartford's hospitality market has been impacted similarly to the office market, as much of the inventory is used for business and not leisure travel. With the decline in business travel around the nation and specifically in Hartford, room occupancy hovered around 40% in early 2021 and peaked in the mid-60% range in the summer months. This trajectory was promising until COVID-19 variants caused a slight reversal in the 4th quarter of 2021. Occupancy rates are expected to trend upwards as former hotels are converted to residential uses

Overall, occupancy below 70% indicates no demand for new hospitality space. Further recovery from the effects of the pandemic is necessary for new hospitality to be feasible.



Source: CoStar – Greater Hartford Market Area

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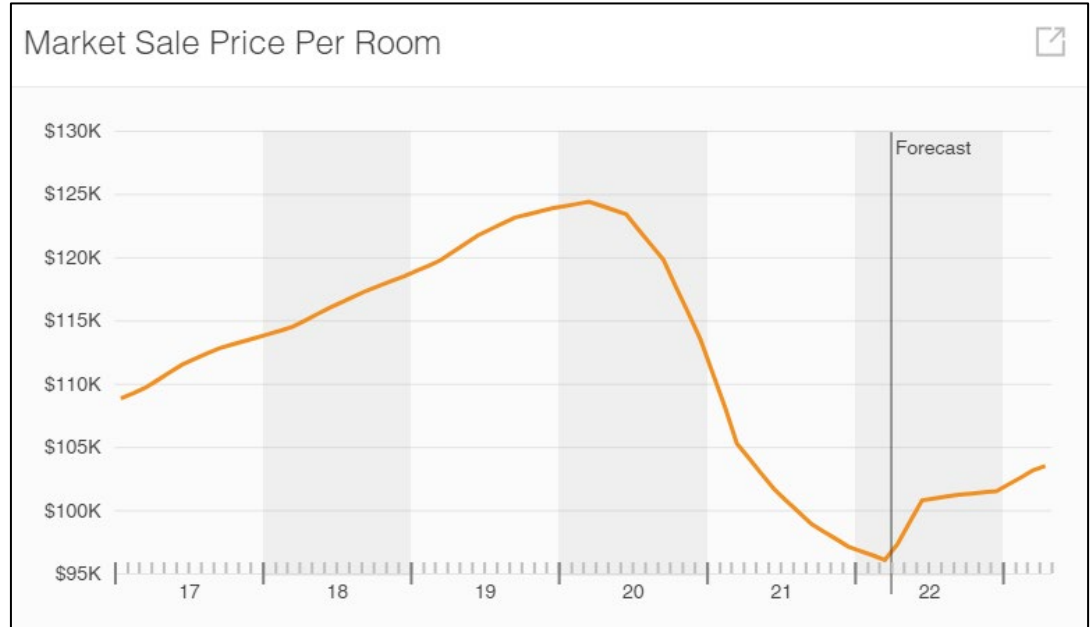
Hospitality Transactions

Recent Sales in Hartford County

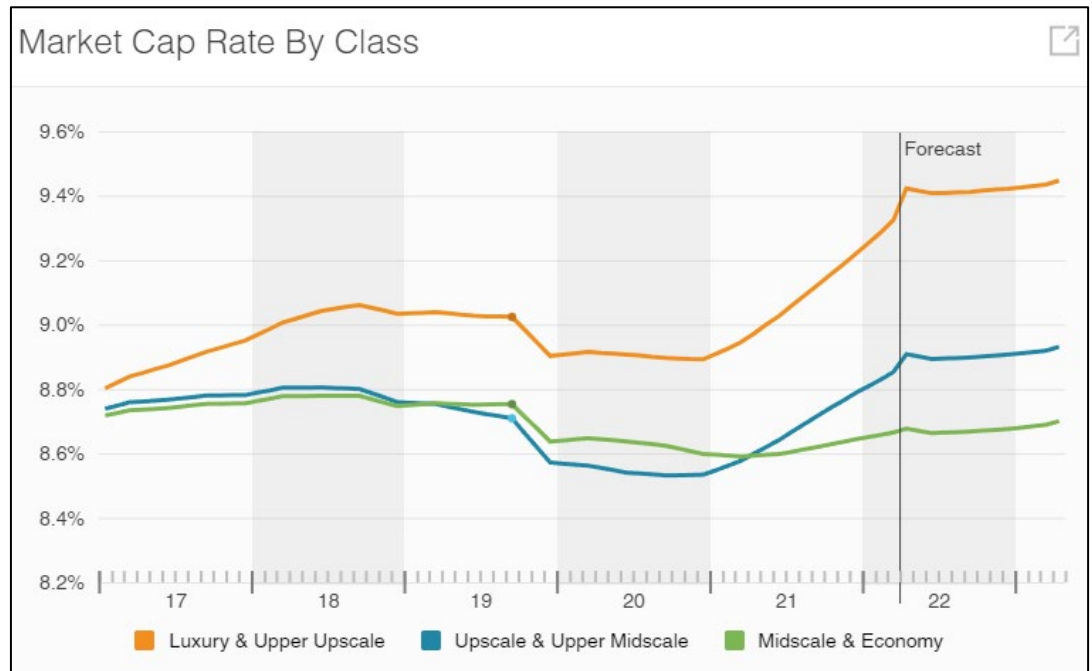
Sales of hotel properties have been few in the past two years. To date, there has been 9 transactions equating to a sales volume of \$35.7M. The average room count of the sold properties is 164.

The buyers of many of these hotel have plans to redevelop the property into apartment complexes, as the Hartford hotel market continues to struggle as a result of low levels of business-related travel.

As mentioned in the previous slide, the data points to a slow recovery in the near term. Like the office market, with lessening inventory, existing hotels in Hartford county will be able to benefit. It is projected that market prices will reverse course sometime in mid-to-late 2022, as forecasted in the top right chart. Market Capitalization rates which rose sharply in 2021 are expected to level out.



Source: CoStar



Riverfront Programming & Hospitality Demand

Current Conditions in the Hartford Area Market

Riverfront Recapture’s plans for the new park includes space for events which would include boating & rowing center activities centered around the new cove. These activities would likely drive demand for new hospitality nights, and as such it should be considered in assessing the market potential for new hospitality at the site.

However, the effects of the pandemic are still being felt in the Hartford hospitality market as business travel, which makes up the largest source of hospitality revenue nationwide, is not expected to fully recover nationwide until 2024 with expected 2022 revenue down 23.1% as compared to 2019. In markets with limited leisure travel appeal such as Hartford, the recovery may take longer as the current recovery has been felt in destination cities such as Las Vegas & Miami as compared to New York or Boston.

While the accessibility of the site to I-91 and therefore the Greater Hartford market would make the existing site a prime site for a new hotel, the Hartford Market currently has excess capacity of hotel rooms, with hotels such as the old Red Lion Inn being converted into new multi-family units. In addition, the lack of walkable amenities such as food & beverage or shopping limit the attractiveness of the site compared to other potential competition in the Greater Hartford region.

With this information in mind, the potential for a new Hotel on the site is currently limited.

MARKET	2019 Business Travel Revenue	2022 Projected Business Travel Revenue	\$ Difference vs. 2019	% Difference vs. 2019
NATIONWIDE	\$89,675,972,260	\$69,002,695,801	\$(20,673,276,459)	-23.1%

Source: American Hotel & Lodging Association

Hospitality Demand – Business Travel Revenue

Source: American Hotel and Lodging Association (AHLA) – Hotel Business Travel Revenue Loss by Market - April 2022

Hotel Business Travel Revenue By Market				
MARKET	2019 Business Travel Revenue	2022 Projected Business Travel Revenue	\$ Difference vs. 2019	% Difference vs. 2019
NATIONWIDE	\$89,675,972,260	\$69,002,695,801	\$(20,673,276,459)	-23.1%
San Francisco, CA	\$2,444,134,842	\$762,413,756	\$(1,681,721,086)	-68.8%
New York, NY	\$4,537,220,914	\$2,029,657,062	\$(2,507,563,852)	-55.3%
Washington, DC Area	\$2,753,490,519	\$1,255,192,517	\$(1,498,298,002)	-54.4%
San Jose, CA	\$1,224,290,715	\$589,896,117	\$(634,394,598)	-51.8%
Chicago, IL	\$2,487,681,421	\$1,275,563,306	\$(1,212,118,115)	-48.7%
Boston, MA	\$1,685,026,985	\$885,127,929	\$(799,899,057)	-47.5%
Oakland, CA	\$481,164,648	\$291,214,090	\$(189,950,558)	-39.5%
Seattle, WA	\$1,218,389,871	\$740,336,834	\$(478,053,037)	-39.2%
Minneapolis, MN	\$698,571,668	\$431,631,561	\$(266,940,107)	-38.2%
Philadelphia, PA	\$895,290,036	\$562,414,132	\$(332,875,904)	-37.2%
Baltimore, MD	\$452,675,391	\$303,259,047	\$(149,416,343)	-33.0%
Raleigh, NC	\$454,937,329	\$307,233,765	\$(147,703,564)	-32.5%
New Orleans, LA	\$729,974,203	\$498,444,506	\$(231,529,697)	-31.7%
Denver, CO	\$1,098,922,601	\$755,842,773	\$(343,079,828)	-31.2%
Portland, OR	\$583,536,910	\$405,379,882	\$(178,157,028)	-30.5%
Austin, TX	\$872,779,265	\$629,272,318	\$(243,506,947)	-27.9%
Sacramento, CA	\$516,464,054	\$373,668,950	\$(142,795,104)	-27.6%
Los Angeles, CA	\$2,663,860,470	\$1,953,090,867	\$(710,769,602)	-26.7%
Houston, TX	\$1,293,612,197	\$954,491,667	\$(339,120,530)	-26.2%
Orlando, FL	\$2,777,481,082	\$2,055,151,452	\$(722,329,630)	-26.0%
Hawaiian Islands, HI	\$1,535,056,253	\$1,143,526,108	\$(391,530,145)	-25.5%
St. Louis, MO	\$567,849,615	\$425,755,228	\$(142,094,387)	-25.0%
Detroit, MI	\$587,099,875	\$445,259,712	\$(141,840,163)	-24.2%
Atlanta, GA	\$1,667,755,839	\$1,281,582,224	\$(386,173,615)	-23.2%

Hotel Business Travel Revenue By Market				
MARKET	2019 Business Travel Revenue	2022 Projected Business Travel Revenue	\$ Difference vs. 2019	% Difference vs. 2019
NATIONWIDE	\$89,675,972,260	\$69,002,695,801	\$(20,673,276,459)	-23.1%
Charlotte, NC	\$583,803,380	\$448,980,474	\$(134,822,907)	-23.1%
San Diego, CA	\$1,554,499,868	\$1,209,659,368	\$(344,840,500)	-22.2%
Dallas, TX	\$1,614,265,052	\$1,260,898,743	\$(353,366,309)	-21.9%
Long Island, NY	\$355,861,868	\$279,115,631	\$(76,746,237)	-21.6%
Anaheim, CA	\$1,160,994,871	\$915,243,339	\$(245,751,532)	-21.2%
Cincinnati, OH	\$423,955,350	\$335,725,719	\$(88,229,631)	-20.8%
West Palm Beach, FL	\$412,764,577	\$327,596,041	\$(85,168,536)	-20.6%
Santa Barbara, CA	\$518,340,003	\$413,462,284	\$(104,877,719)	-20.2%
Phoenix, AZ	\$1,356,063,992	\$1,114,681,615	\$(241,382,377)	-17.8%
San Antonio, TX	\$655,263,968	\$539,235,154	\$(116,028,814)	-17.7%
Indianapolis, IN	\$508,114,741	\$424,696,567	\$(83,418,174)	-16.4%
Salt Lake City, UT	\$381,056,749	\$323,630,358	\$(57,426,391)	-15.1%
Tampa, FL	\$420,906,793	\$361,763,792	\$(59,143,002)	-14.1%
Alaska State Area, AK	\$482,696,430	\$417,567,721	\$(65,128,709)	-13.5%
Virginia Beach, VA	\$476,640,817	\$421,977,155	\$(54,663,662)	-11.5%
Kansas City, MO	\$441,998,302	\$396,358,037	\$(45,640,264)	-10.3%
Fort Lauderdale, FL	\$677,553,636	\$612,543,566	\$(65,010,070)	-9.6%
Nashville, TN	\$971,289,989	\$891,606,277	\$(79,683,712)	-8.2%
Charleston, SC	\$301,669,331	\$285,071,917	\$(16,597,413)	-5.5%
Miami, FL	\$1,314,775,178	\$1,277,429,486	\$(37,345,692)	-2.8%
Fort Worth, TX	\$382,895,684	\$372,081,572	\$(10,814,113)	-2.8%
St. Petersburg, FL	\$338,525,830	\$329,725,095	\$(8,800,735)	-2.6%
Texas East Area, TX	\$390,448,365	\$387,258,659	\$(3,189,706)	-0.8%
San Bernardino, CA	\$333,404,681	\$352,857,613	\$19,452,932	5.8%
Knoxville, TN	\$313,717,777	\$336,625,188	\$22,907,411	7.3%
Las Vegas, NV	\$2,676,946,139	\$3,151,663,774	\$474,717,635	17.7%

Source: Kalibri Labs

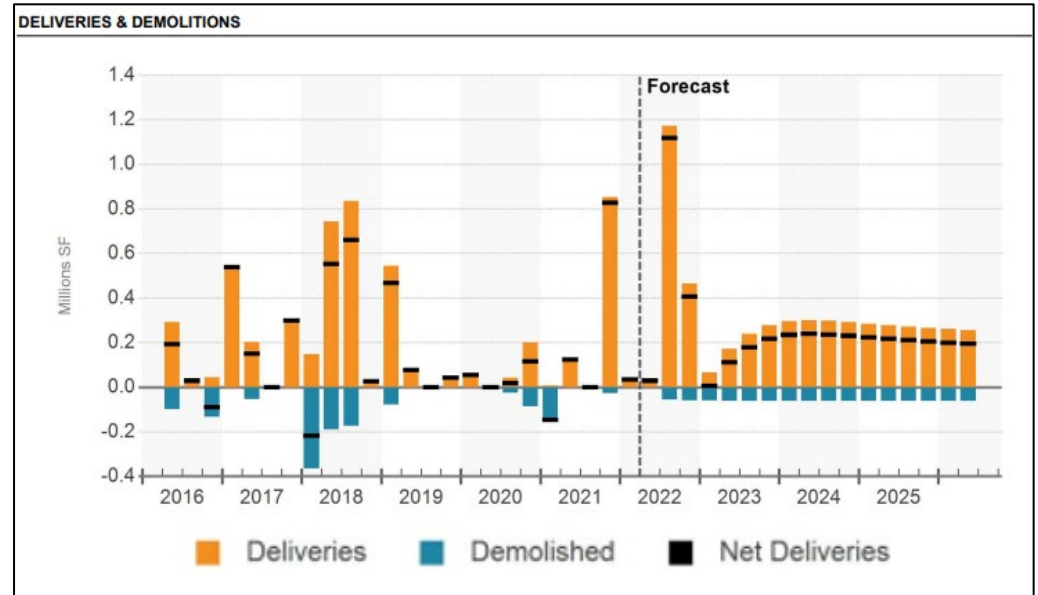
Industrial Overview

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Industrial Rental & Vacancy Rates

Current Conditions in the Hartford Area Market

The industrial real estate market has grown significantly and steadily prior to and since the COVID-19 pandemic. During the past two years, growth has increased markedly across the US and especially here in north central Connecticut. Although lagging behind the country in vacancy rates and asking rents, absorption in the Hartford area market was strong in 2021. This demand has prompted extensive new development in this asset class within the region. Overall, vacancy still exceeds regional and national averages while rents are lower, primarily because of many properties with extensive market and functional obsolescence. Additionally, it is our opinion, that an industrial development would not complement the park use on the adjacent 50-acre site of this development and that any industrial development outcomes would be unfavorable and impractical.



Source: CoStar Hartford Area Market Report

Q1 2022	Net Absorption (Sq.Ft)	Vacancy (%)	Asking Rents (\$)	Inventory (Sq. Ft)	Under Construction (Sq. Ft)
United States	108,722,374	3.30%	7.15	16,081,220,748	660,843,714
Northeast	9,345,647	3.00%	6.83	2,296,251,736	78,814,738
Hartford, CT	-85,161	5.70%	5.53	92,403,246	668,950

Source: Cushman & Wakefield Market Reports

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Conclusions & Development Scenarios

GOMAN+YORK

Market Review & Development Conclusions



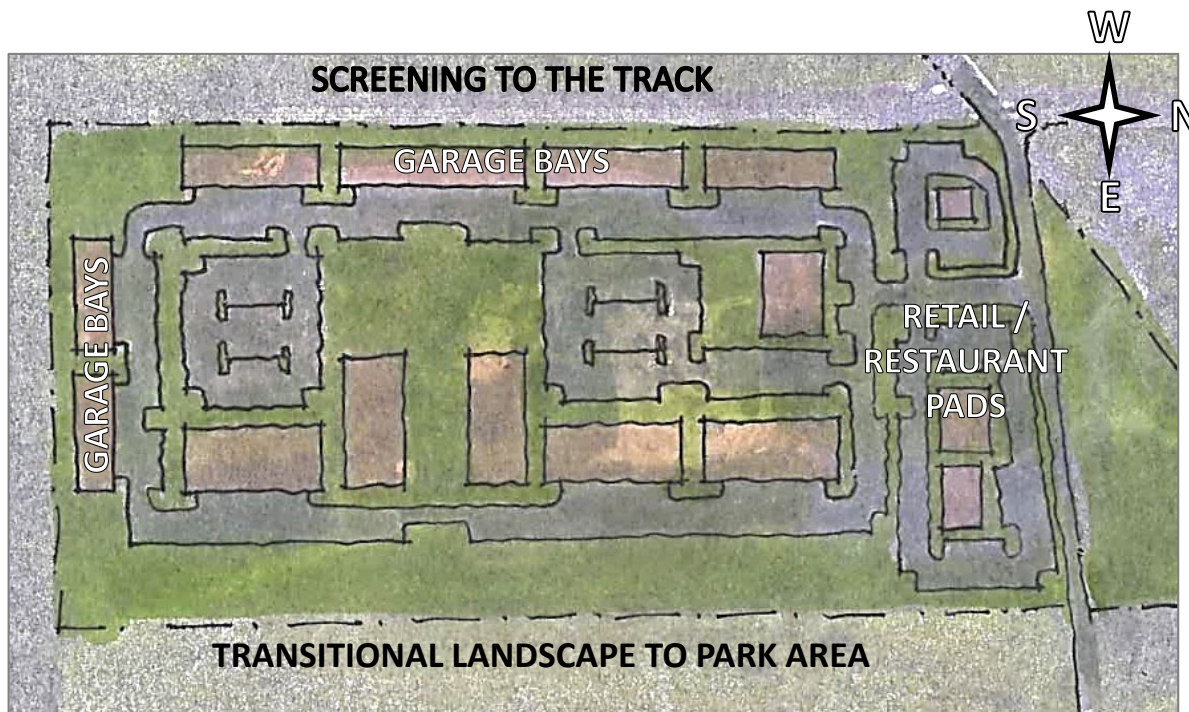
Based upon the current market outlook, the location of the site, and taking into consideration the proposed amenities and improvements for the overall 60-acre riverfront site, Goman+York believes multi-family/mixed-use development currently represents the most favorable development opportunities for this 10-acre parcel.

The 10-acre development site's, unique urban setting, access to the interstate highways, the waterfront park and its visitors make it a prime location for multi-family, and specialized retail/restaurant uses. This combination of multi-family apartments and retail use would align well with Riverfront Recapture's vision and mission for the park and enhance its presence along the riverfront.

Outside of the current market potential, Goman+York believes the significant investment in the North Hartford market provides an opportunity for Riverfront Recapture to expand their long-term visionary plan. By acquiring the surrounding undeveloped land on Meadow Road as well as the underutilized DSS/Nadeau's Auction Gallery shopping center, Riverfront Recapture could connect the park and its paths to the North End Promise Zone and provide walkable amenities such as food & beverage that is currently missing in the immediate area while providing complementary uses such as a river/wildlife interpretive center or rowing museum that would enhance their visitor's experience.

Market Review & Development Conclusions

Multi-family Test Fit



Above: Conceptual Sketch – for discussion purposes only



Multi-family Design Concepts

- Carry up to 5-to-7 4-story, 28-unit buildings**
 - Parking garages underneath on one side
- Secondary parking garages (perimeter)**
- Retail pads to the north**
 - Up to 3 pads
 - Approximately 12,000sf total

The multi-family concept allows for approximately 140 – 200 market rate residential units while allowing for Riverfront Recapture to reserve space for potential future retail/restaurant pad sites. Parking garages & landscaping are placed to provide a sound barrier between the railroad tracks and residential units. Apartments face the park & river to optimize the site’s strength of the views of the riverfront.

Successful retail/restaurant space will likely be destination focused, with the most successful uses being synergistic to the park. Potential uses include brewpub or rowing/boating retail. Retail/Restaurant space can also be structured as temporary space for event food & beverage such as a food truck lot.

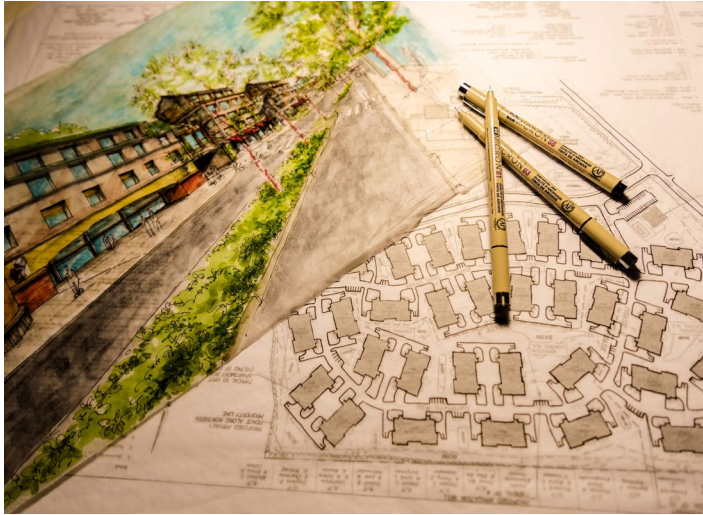
Market Review & Development Conclusions

Financial Review

Goman+York would suggest any potential sale of the land to include deed restrictions to protect Riverfront Recapture's interest. This includes pre-approval for design, construction or any tenant use changes.

Sale of the 10-acre site would likely be the quickest and easiest to accomplish. Land proceeds would amount to \$300,000 - \$400,000/acre for multi-family. For multi-family development, Riverfront Recapture has the option to enter into a joint partnership with a developer, providing the land as an equity stake of the resulting development. This would maximize Riverfront Recapture's return at the cost of pushing returns out for a minimum of 3-5 years.

Use Type	Size (Acres)	Value	Ground Rent	Expected Return
Multi-family	10	\$3,500,000	N/A	12-18%



Thank You!

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