

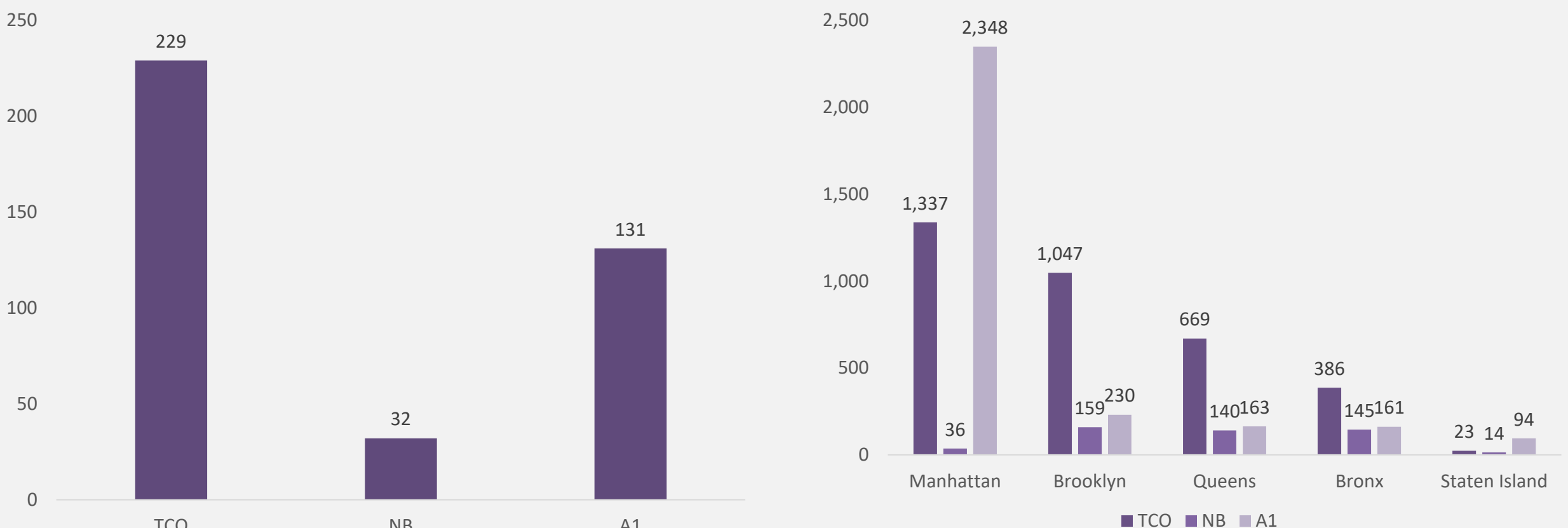
As we're moving through the Summer months, the theme remains the same, banks are still on a lending hiatus and debt funds are inundated with requests. While the consensus was that the Fed would press pause on future rate hikes, it seems that we should be bracing ourselves for more increases as employment and wages are persistently higher than expected. Despite the road ahead looking bumpy for CRE, we continue to be optimistic as both debt (non-traditional) and equity are aggressively looking to transact as more opportunities arise.

- For the month of June, 229 unique TCO applications were filed with NYC's Department of Buildings (DOB), compared to 298 the previous year. There were 42 new building (NB) and 131 major alteration type 1 (A1) applications filed for the same period; NB and A1 applications for the same period during the previous year were 42 and 91, respectively.
- According to the U.S. Census Bureau, construction spending during May 2023 was estimated at a seasonally adjusted annual rate of \$1,925.6 billion, 0.9 percent (± 0.5 percent) above the revised April estimate of \$1,909.0 billion.
- According to the US Bureau of Labor Statistics, total nonfarm payroll employment increased by 339,000 in May, and the unemployment rate rose by 0.3 percentage point to 3.7 percent.
- According to the U.S. Census Bureau, privately-owned housing units authorized by building permits in May were at a seasonally adjusted annual rate of 1,491,000.
- According to the Federal Reserve, industrial production edged down 0.2 percent in May following two consecutive months of increases.
- According to the Census Bureau, national vacancy rates in the first quarter 2023 were 6.4 percent for rental housing and 0.8 percent for homeowner housing.
- According to the Census Bureau, the homeownership rate of 66.0 percent was not statistically different from the rate in the first quarter 2022 (65.4 percent) and not statistically different from the rate in the fourth quarter 2022 (65.9 percent).
- According to the Census Bureau, advance estimates of U.S. retail and food services sales for May 2023, adjusted for seasonal variation and holiday and trading-day differences.
- The 10y treasury registered at 3.95%, as of 07/05/23, 41 bps higher than the TTM average of 3.54%. It's also approx. 135 bps higher than the TTM low of 2.60%.

MONTHLY DEPARTMENT OF BUILDINGS ACTIVITY, JUNE 2023 | NYC

For the month of June, 229 unique TCO applications were filed with NYC's Department of Buildings (DOB), compared to 298 the previous year. There were 42 new building (NB) and 131 major alteration type 1 (A1) applications filed for the same period; NB and A1 applications for the same period during the previous year were 42 and 91, respectively.

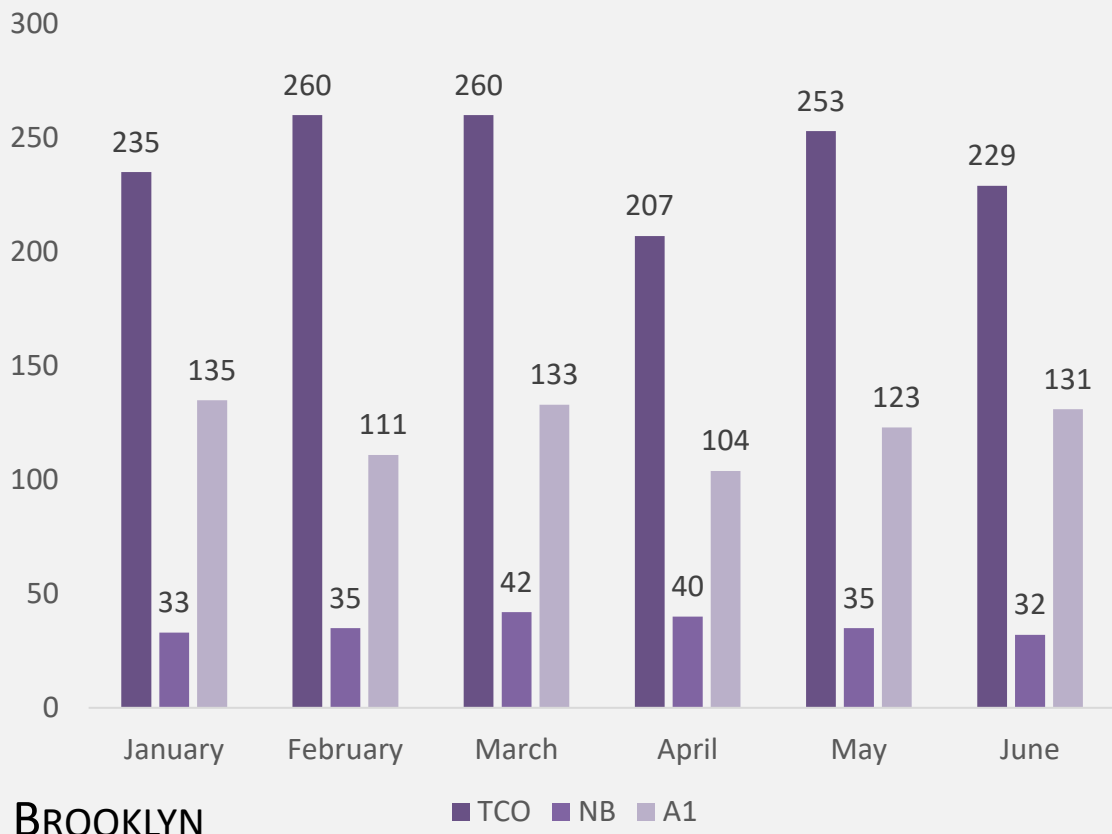
In addition, TCO applications represented 3,462 projected dwelling units across all boroughs – not all applications disclosed the proposed unit count. The majority of the units were located in Manhattan (1,337), while Brooklyn (1,047) came in second, Queens third (669), the Bronx fourth (386) and finally Staten Island with (23).



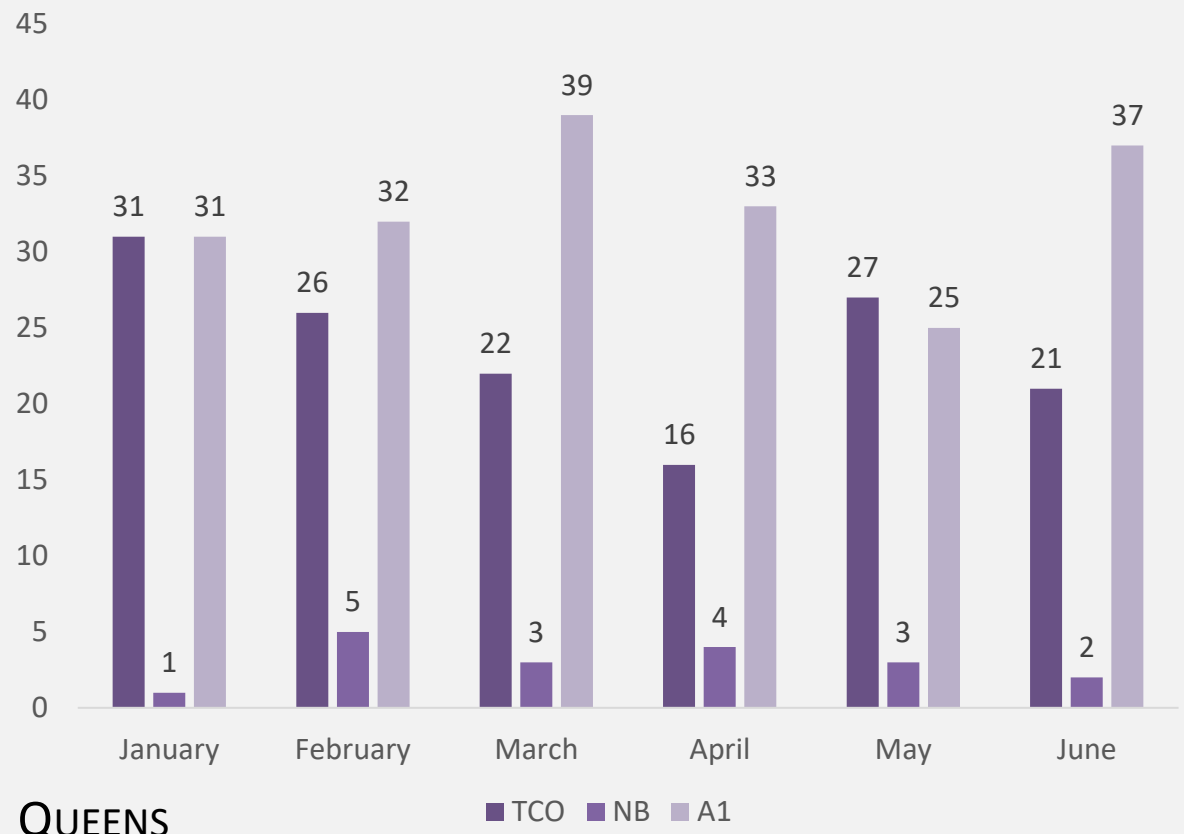
Source: NYC, Opendata

MONTHLY BUILDING APPLICATIONS, YTD | NYC

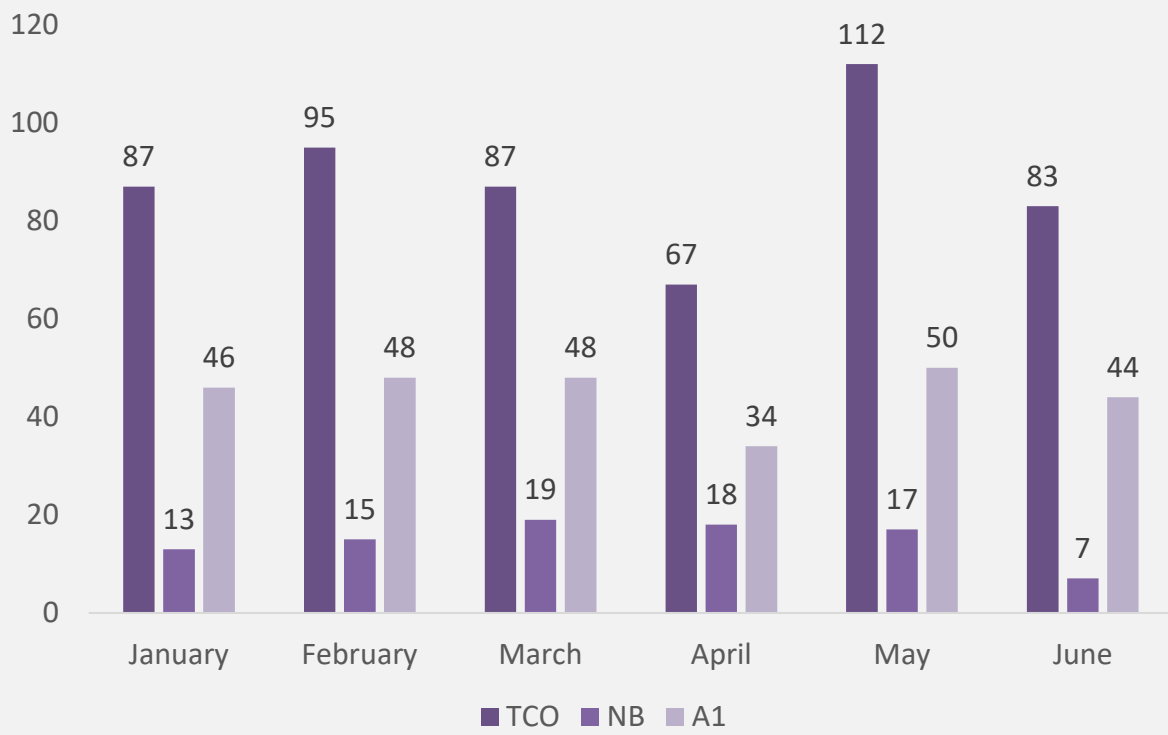
NEW YORK CITY



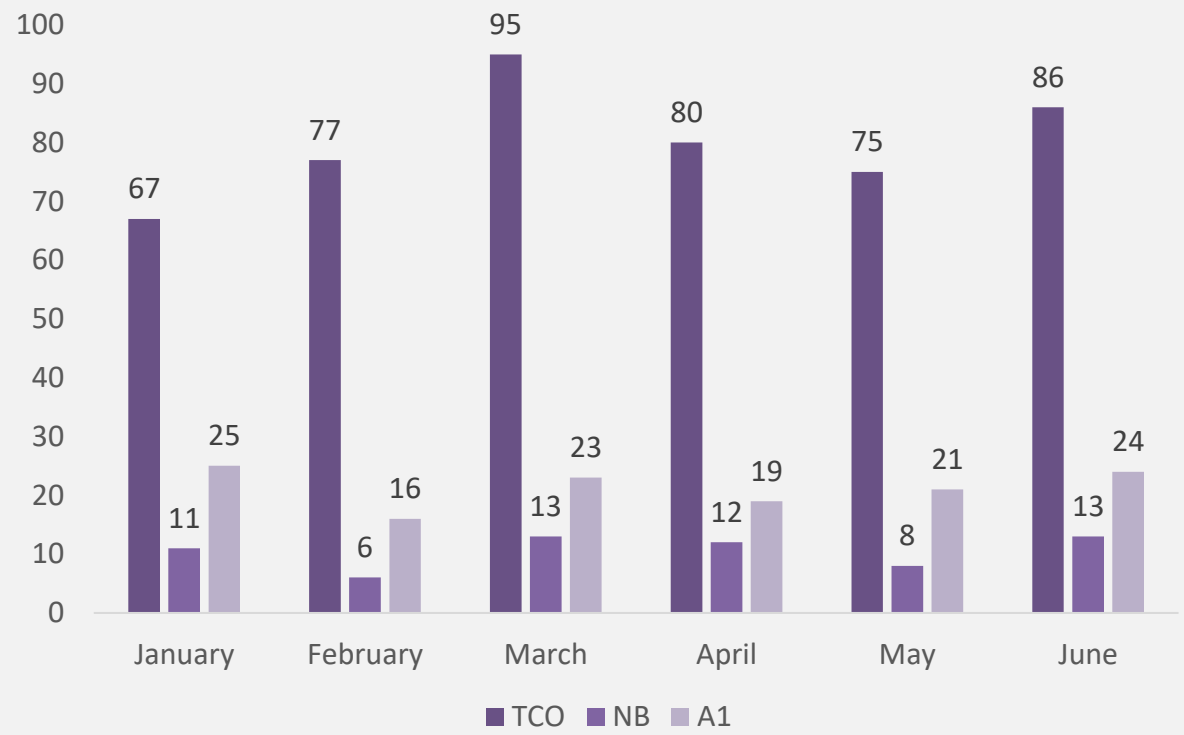
MANHATTAN



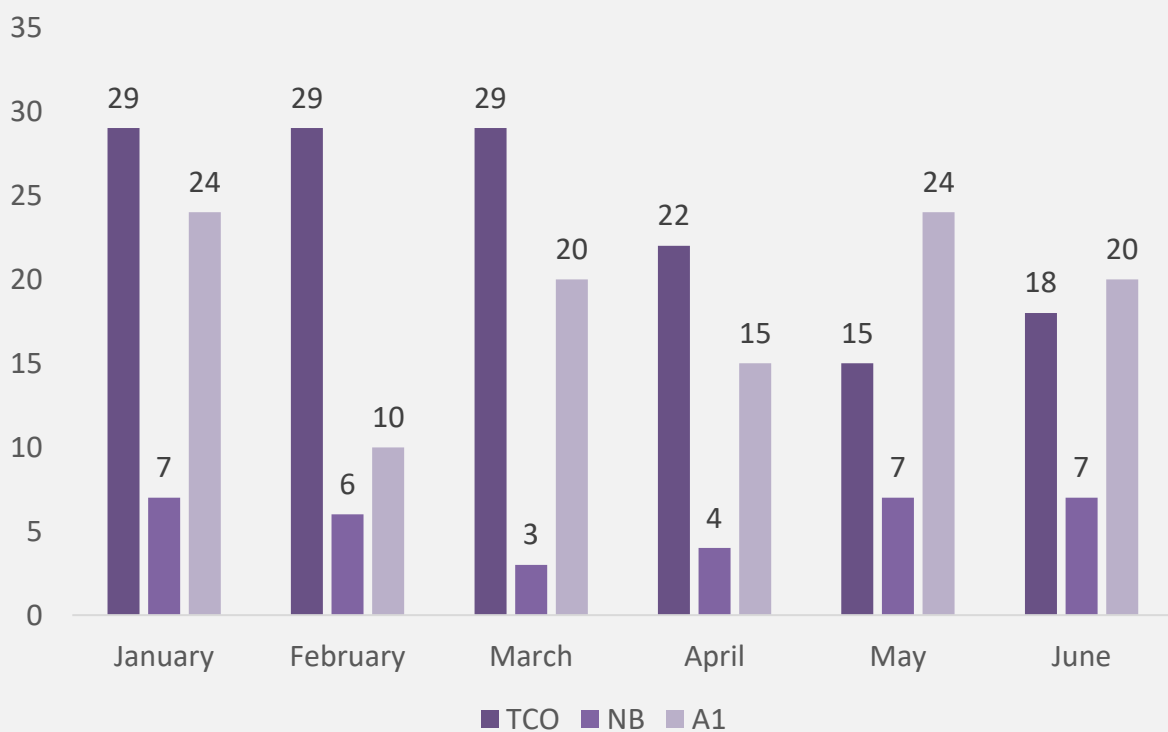
BROOKLYN



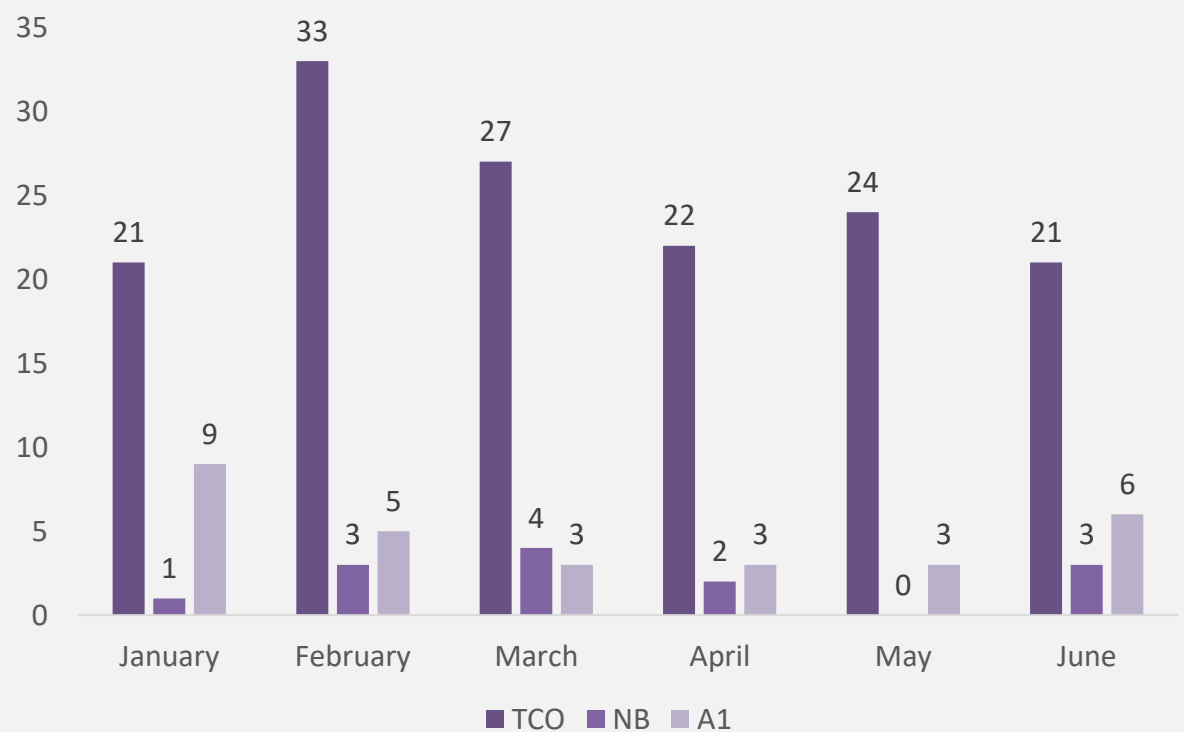
QUEENS



BRONX

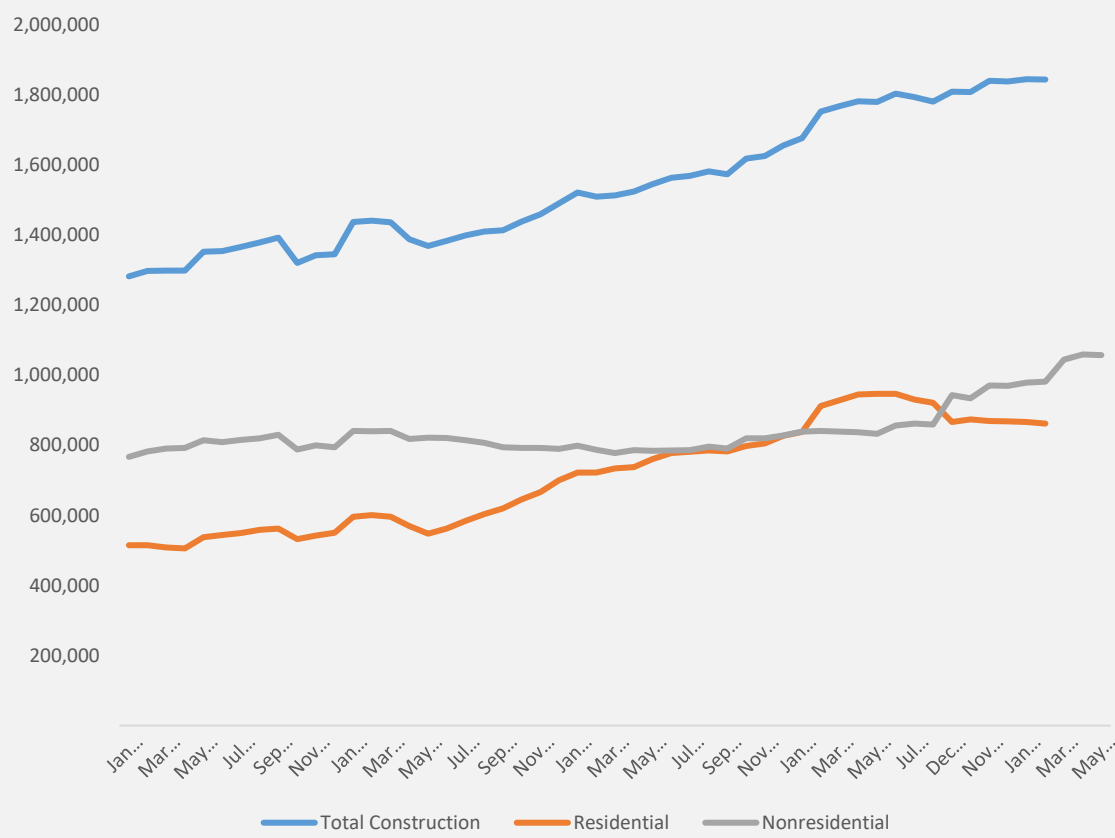


STATEN ISLAND



Source: DOB Now

MONTHLY CONSTRUCTION SPENDING | US

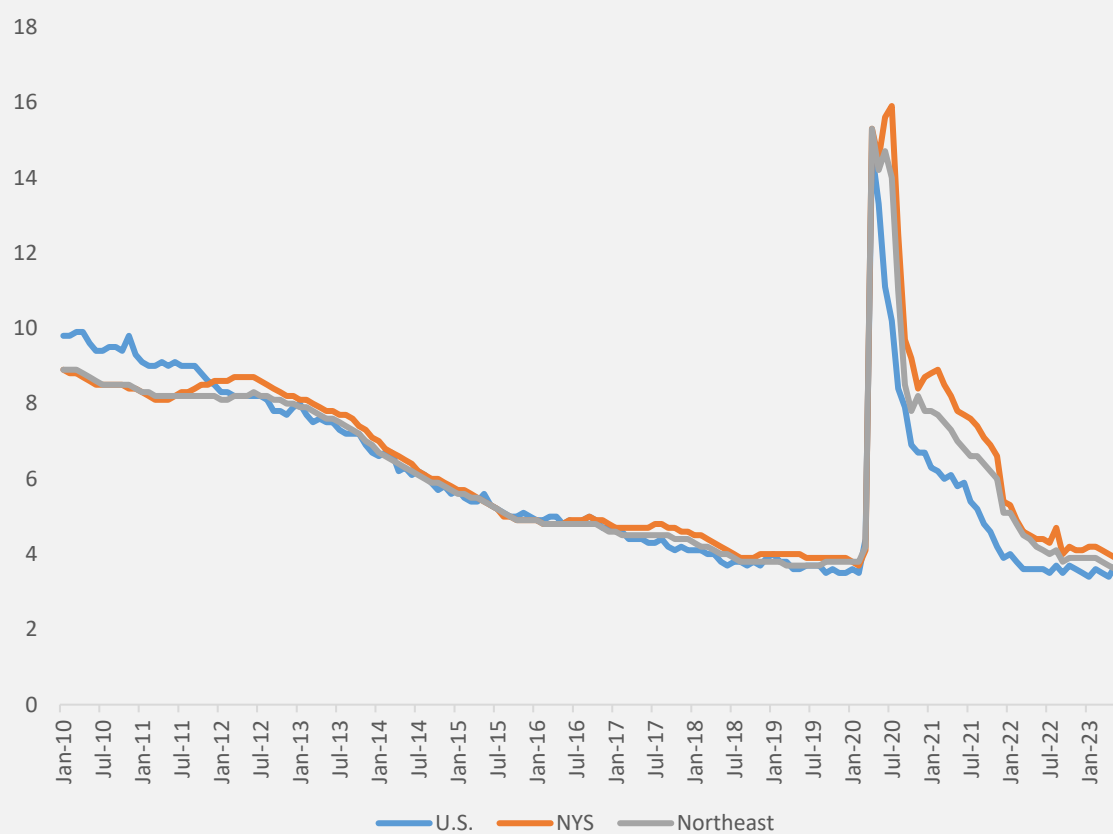


According to the U.S. Census Bureau, construction spending during May 2023 was estimated at a seasonally adjusted annual rate of \$1,925.6 billion, 0.9 percent (± 0.5 percent) above the revised April estimate of \$1,909.0 billion. The May figure is 2.4 percent (± 1.2 percent) above the May 2022 estimate of \$1,880.9 billion. During the first five months of this year, construction spending amounted to \$740.8 billion, 2.9 percent (± 1.0 percent) above the \$719.6 billion for the same period in 2022.

Spending on private construction was at a seasonally adjusted annual rate of \$1,513.2 billion, 1.1 percent (± 0.3 percent) above the revised April estimate of \$1,497.2 billion. Residential construction was at a seasonally adjusted annual rate of \$857.4 billion in May, 2.2 percent (± 1.3 percent) above the revised April estimate of \$839.4 billion. Nonresidential construction was at a seasonally adjusted annual rate of \$655.8 billion in May, 0.3 percent (± 0.3 percent)* below the revised April estimate of \$657.8 billion.

Source: US Census Bureau

UNEMPLOYMENT INSURANCE CLAIMS | US, NYS, NORTHEAST

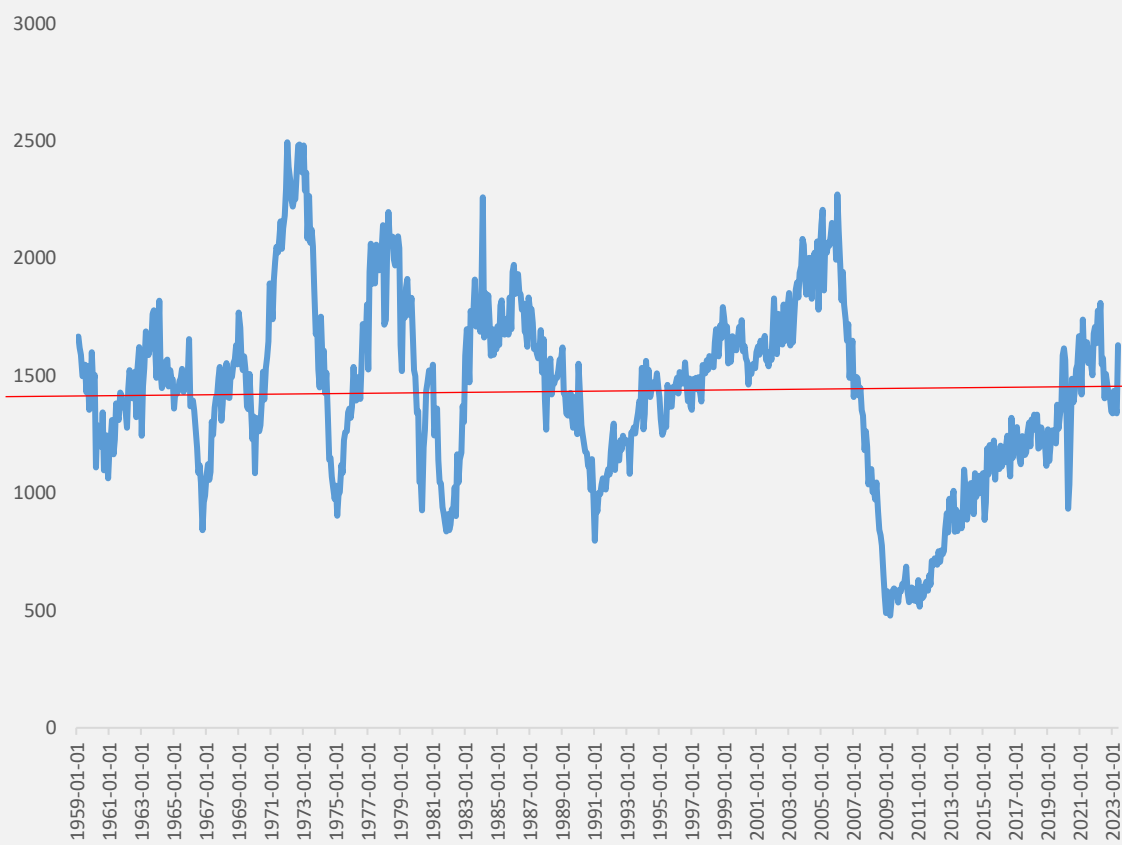


According to the US Bureau of Labor Statistics, total nonfarm payroll employment increased by 339,000 in May, and the unemployment rate rose by 0.3 percentage point to 3.7 percent. Job gains occurred in professional and business services, government, health care, construction, transportation and warehousing, and social assistance.

As of May 2023, NYS and the Northeast registered 3.9% and 3.6%, respectively. An improvement compared to previous months.

Source: US Bureau of Labor Statistics, NYS, Department of Labor Weekly UI Claims Report

MONTHLY NEW RESIDENTIAL CONSTRUCTION | US

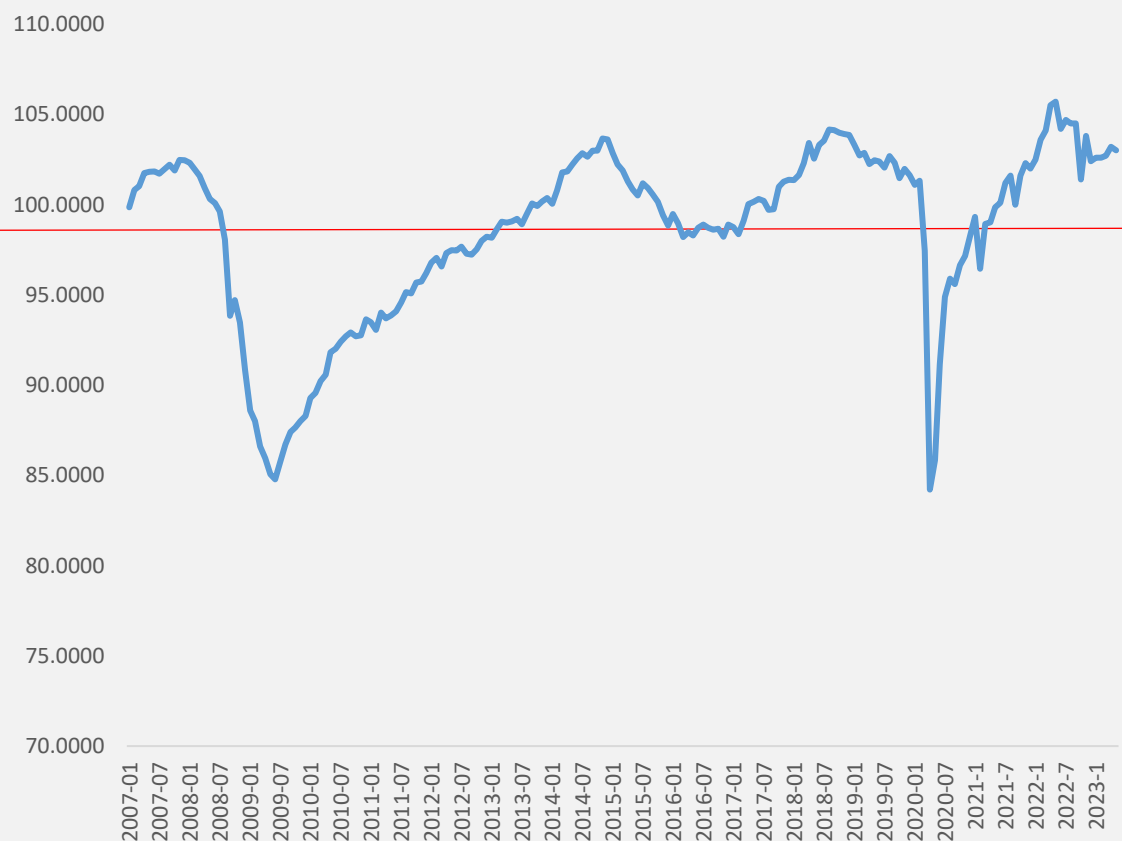


According to the U.S. Census Bureau, privately-owned housing units authorized by building permits in May were at a seasonally adjusted annual rate of 1,491,000. This is 5.2 percent above the revised April rate of 1,417,000, but is 12.7 percent below the May 2022 rate of 1,708,000. Single-family authorizations in May were at a rate of 897,000; this is 4.8 percent above the revised April figure of 856,000. Authorizations of units in buildings with five units or more were at a rate of 542,000 in May.

Privately-owned housing completions in May were at a seasonally adjusted annual rate of 1,518,000. This is 9.5 percent (± 12.3 percent)* above the revised April estimate of 1,386,000 and is 5.0 percent (± 13.0 percent) above the May 2022 rate of 1,446,000. Single-family housing completions in May were at a rate of 1,009,000; this is 3.9 percent (± 13.9 percent)* above the revised April rate of 971,000. The May rate for units in buildings with five units or more was 493,000.

Source: US Census Bureau

MONTHLY INDUSTRIAL PRODUCTION | US

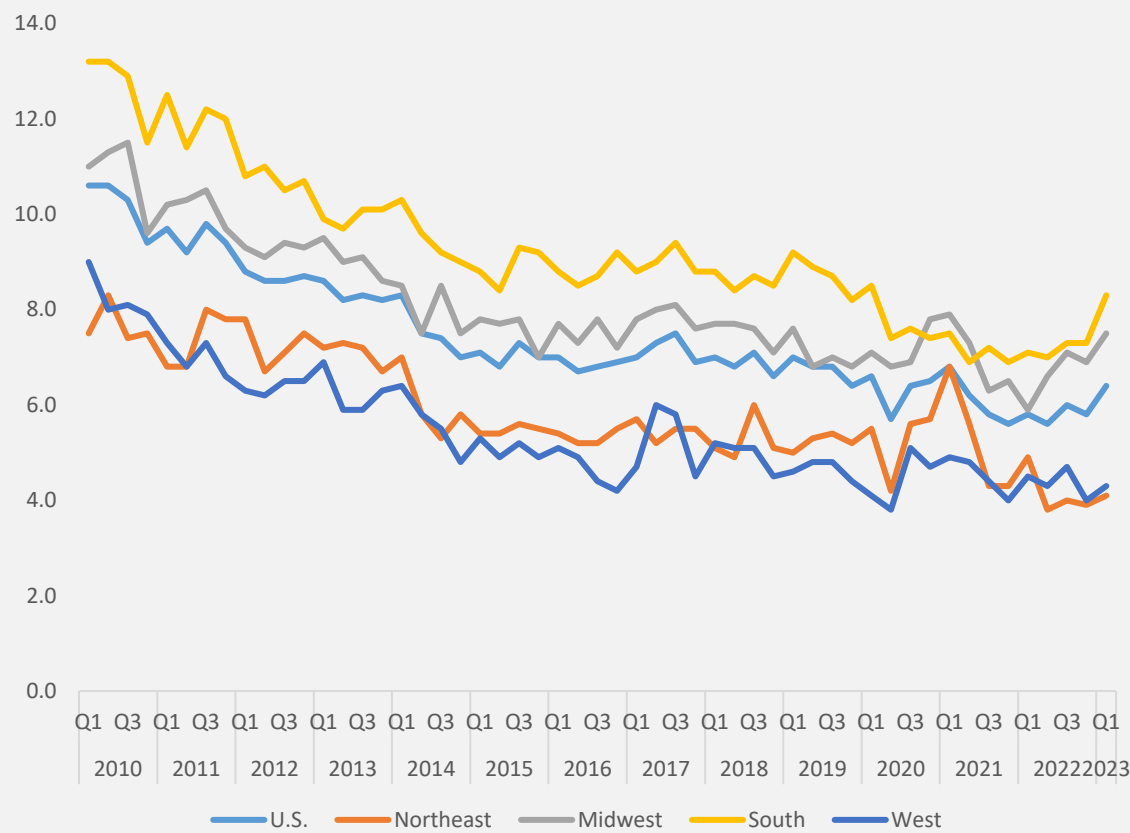


According to the Federal Reserve, industrial production edged down 0.2 percent in May following two consecutive months of increases. In May, the index for manufacturing ticked up 0.1 percent, while the indexes for mining and utilities fell 0.4 and 1.8 percent, respectively.

At 103.0 percent of its 2017 average, total industrial production in May was 0.2 percent above its year-earlier level. Capacity utilization moved down to 79.6 percent in May, a rate that is 0.1 percentage point below its long-run (1972–2022) average.

Source: Federal Reserve

QUARTERLY RESIDENTIAL VACANCY, Q1 23 | US

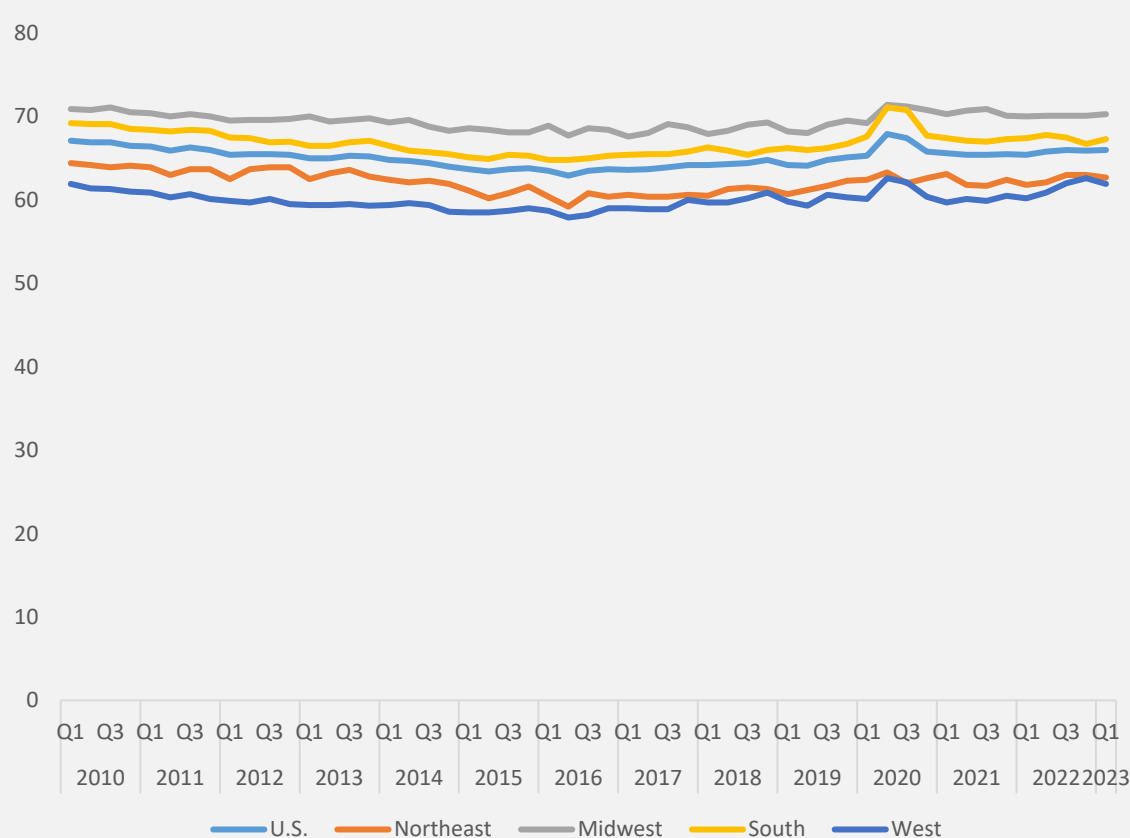


According to the Census Bureau, national vacancy rates in the first quarter 2023 were 6.4 percent for rental housing and 0.8 percent for homeowner housing. The rental vacancy rate was higher than the rate in the first quarter 2022 (5.8 percent) and higher than the rate in the fourth quarter 2022 (5.8 percent).

The homeowner vacancy rate of 0.8 percent was virtually the same as the rate in the first quarter 2022 (0.8 percent) and virtually the same as the rate in the fourth quarter 2022 (0.8 percent).

Source: US Census Bureau

QUARTERLY HOMEOWNERSHIP RATE, Q1 23 | US

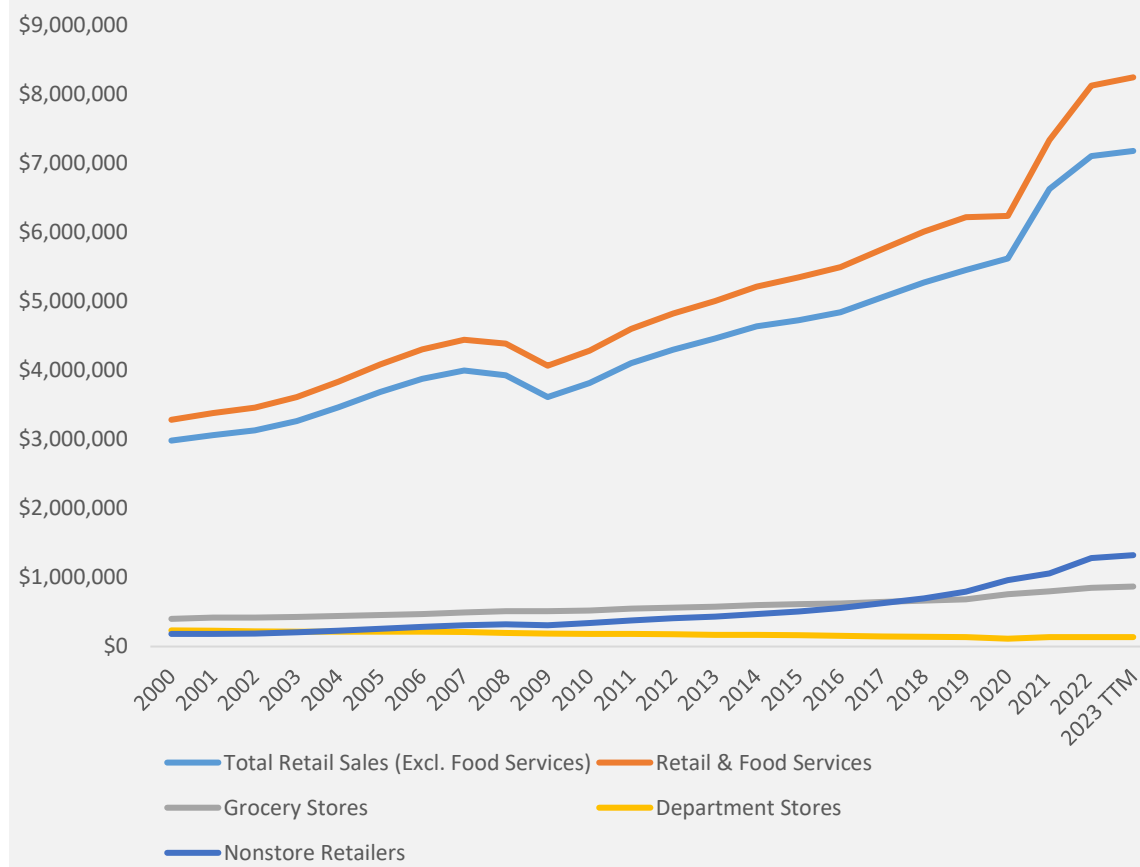


According to the Census Bureau, the homeownership rate of 66.0 percent was not statistically different from the rate in the first quarter 2022 (65.4 percent) and not statistically different from the rate in the fourth quarter 2022 (65.9 percent).

The first quarter 2023 homeownership rate was highest in the Midwest (70.3 percent), followed by the South (67.3 percent), then the Northeast (62.7 percent) and West (61.9 percent); the rates in the Northeast and West were not statistically different from each other. The homeownership rates, compared to the first quarter 2022, were higher in the West and not statistically different in the Northeast, Midwest, and South.

Source: US Census Bureau

MONTHLY RETAIL SALES | US

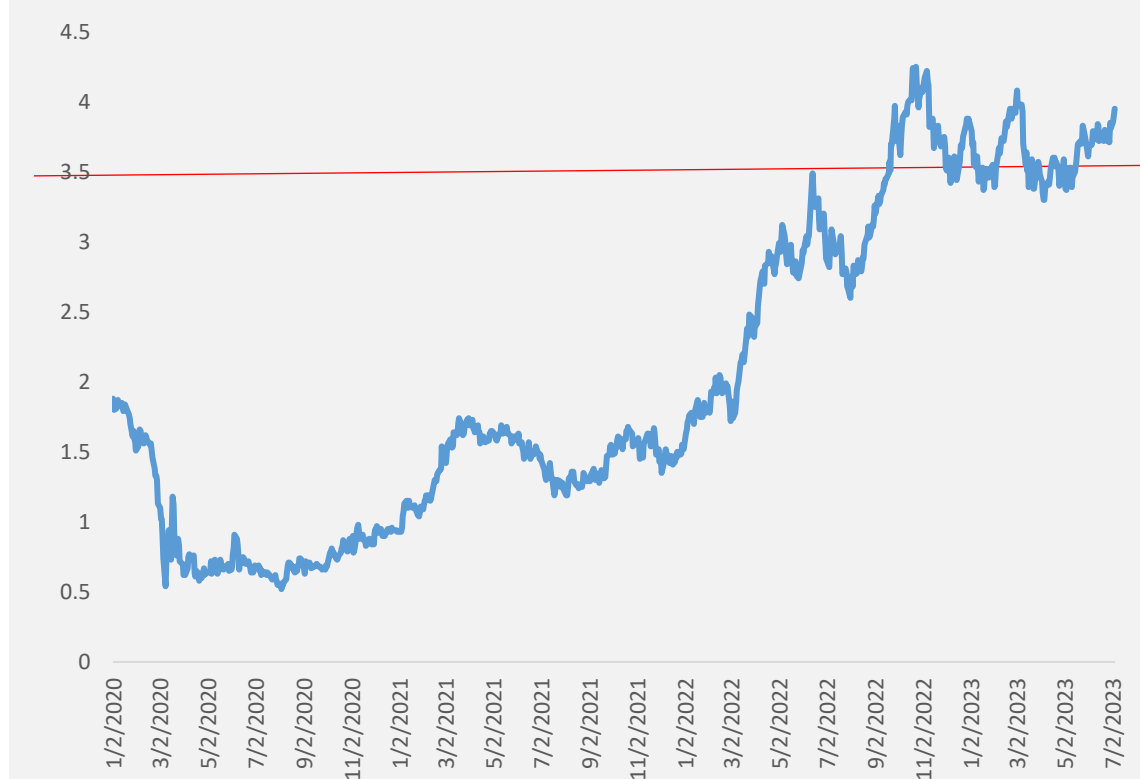


According to the Census Bureau, advance estimates of U.S. retail and food services sales for May 2023, adjusted for seasonal variation and holiday and trading-day differences, but not for price changes, were \$686.6 billion, up 0.3 percent (± 0.5 percent) from the previous month, and up 1.6 percent (± 0.7 percent) above May 2022. Total sales for the March 2023 through May 2023 period were up 1.7 percent (± 0.4 percent) from the same period a year ago. The March 2023 to April 2023 percent change was unrevised at 0.4 percent (± 0.2 percent).

Retail trade sales were up 0.3 percent (± 0.5 percent) from April 2023, and up 0.7 percent (± 0.5 percent) above last year. Non-store retailers were up 6.5 percent (± 1.4 percent) from last year, while food services and drinking places were up 8.0 percent (± 2.3 percent) from May 2022.

Source: US Census Bureau

10-YEAR TREASURY YIELD (%) | US



The 10y treasury registered at 3.95%, as of 07/05/23, 41 bps higher than the TTM average of 3.54%. It's also approx. 135 bps higher than the TTM low of 2.60%.

Source: US Department of The Treasury

FTSE NAREIT U.S. REAL ESTATE INDEX SERIES | JUNE 30, 2023

Investment Performance by Property Sector and Subsector

Sector	Number of Constituents	June 30, 2023			Dividend Yield (%)	Market Capitalization (\$)¹	
		Total Return (%)				Equity	Implied
		2022	June	2023: YTD			
FTSE Nareit All Equity REITs	145	-24.95	5.36	2.97	4.08	1,206,115,305	1,233,220,353
FTSE Nareit Equity REITs	138	-24.37	5.15	5.37	4.20	1,007,563,402	1,034,548,456
Industrial	11	-28.58	0.31	9.25	3.00	163,949,951	167,550,481
Office	19	-37.62	10.38	-16.18	6.25	54,250,745	57,213,558
Retail	32	-13.29	7.03	-0.62	5.24	169,219,384	176,455,283
Shopping Centers	18	-12.54	11.04	1.10	4.42	60,667,525	62,086,597
Regional Malls	3	-22.91	11.70	1.48	6.39	40,402,957	45,967,044
Free Standing	11	-6.53	1.11	-3.10	5.29	68,148,902	68,401,642
Residential	19	-31.34	6.28	9.23	3.45	185,838,654	192,435,072
Apartments	14	-31.95	7.63	10.08	3.76	124,349,383	128,129,403
Manufactured Homes	3	-28.34	4.97	-2.41	2.85	28,726,563	29,661,881
Single Family Homes	2	-31.88	2.39	18.33	2.83	32,762,708	34,643,788
Diversified	12	-15.73	0.23	-10.83	6.96	25,374,113	26,313,545
Lodging/Resorts	14	-15.31	2.40	4.58	3.64	33,321,502	33,764,292
Health Care	15	-22.18	6.93	7.84	5.16	103,739,394	104,672,953
Self Storage	5	-26.73	3.65	9.25	4.20	89,446,617	92,632,045
Timber	3	-19.48	15.90	11.16	2.60	33,232,463	33,333,220
Infrastructure	4	-28.61	4.69	-10.69	3.71	165,319,439	165,338,676
Data Centers	2	-27.97	7.32	19.37	2.53	106,124,442	106,840,532
Gaming	2	-	-0.54	-0.54	5.24	44,290,500	45,204,700
Specialty	7	-0.78	7.02	5.57	4.96	32,636,467	32,651,575
FTSE Nareit Mortgage REITs	32	-26.61	12.77	7.63	11.86	54,087,900	54,431,882
Home Financing	16	-26.17	11.81	7.31	13.15	30,451,042	30,451,682
Commercial Financing	16	-27.32	14.23	8.09	10.20	23,636,858	23,980,200

Source: FTSE Russell™, Nareit®.

Notes:

¹ Implied market capitalization is calculated as common shares outstanding plus operating partnership units, multiplied by share price. Data presented in thousands of dollars.

Disclaimer: The FTSE Nareit US Real Estate Index Series (Indexes) is calculated by FTSE International Limited (FTSE®), which is part of the London Stock Exchange Group plc (LSE Group). FTSE Russell® is a trading name of FTSE®, FTSE® and related trademarks and service marks owned or licensed to the LSE Group. Nareit® is the exclusive registered trademark of the National Association of Real Estate Investment Trusts®. All rights in the Indexes vest in FTSE® and Nareit®. All information is provided for information purposes only. Every effort is made to ensure that all information given in this publication is accurate, but no responsibility or liability can be accepted by any member of the LSE Group nor by Nareit® nor by their respective directors, officers, employees, partners or licensors for any errors or for any loss (including in negligence) from use of this publication or any of the information or data contained herein. Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index returns shown may not represent the results of the actual trading of investable assets.

ABOUT US

Satori Capital Partners (“Satori” or “SCP”) is a boutique real estate investment and advisory firm founded in 2018. SCP’s two primary business lines are (i) debt & equity placement for acquisition, development and value-add real estate projects across the United States and (ii) originating, structuring and managing debt and equity investments on commercial real estate assets primarily throughout the Northeast of the United States.

SERVICES OFFERED

CAPITAL MARKETS

- **Debt:** We offer clients market-leading access to private debt capital. Such as:
 - First-lien loans, unitranche, mezzanine debt, preferred equity, DIP financing etc.
 - Our priority is to understand a clients investment and create bespoke debt solutions which offer the greatest flexibility
- **Equity:** Similar to our debt advisory business, we strive to identify and structure the most accretive equity solution for your project.
- We leverage our relationships to identify the right equity partner that will facilitate your acquisition, development or recapitalization.

ADVISORY

- **Financial Analysis:** SCP will provide on a standalone basis financial analysis and transaction modeling to its clients
- **Fairness Opinion:** SCP can provide an unbiased opinion on potential acquisitions or dispositions
- **Capital Structure:** We analyze and evaluate current capital structures and offer advice on strategies for improvement or future risk mitigation

DATA SERVICES

- **Exploratory Data Analysis (EDA):** SCP can provide a deep statistical and rich visual analysis of public and/or private datasets related to investment opportunities
- **Predictive Analytics through Machine Learning (ML):** SCP can offer predictive analytics for future returns of target investments with the use of the latest machine learning and deep learning algorithms
- **Custom Data Analysis:** Clients can outsource their data analytic needs with security to SCP. We can derive insights from the customer’s datasets with the use of state of the art algorithms in combination with external data sources.

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Important Information

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