

University of Baltimore's "Pitch For a Million" Leads to Nearly \$2 Million in Potential Real Estate Investment

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In an evening full of anticipation and hope, the inaugural University of Baltimore "Pitch for a Million" competition hit the mark. The culmination of 10 weeks of intense discovery, brainstorming and planning for UB's Real Estate Fellows, the June 5 competition led to five thoughtful and professionally-crafted proposals focused on the middle market real estate needs of five Baltimore neighborhoods—Forest Park, Franklin Square, Upton, Liberty Heights and Cherry Hill. The Merrick School of Business's M. Scot Kaufman Auditorium was filled with engaged community leaders, family, friends, and area real estate investors, all curious to see which pitch would garner the million dollar guidance line of credit from Baltimore Community Lending.

The night started by framing what it means to be in real estate development in Baltimore. In his keynote address, Thibault Manekin, co-founder of Seawall Development Co., shared his personal story about realizing his calling to breathe life into underutilized and distressed properties, and filling them with a neighborhood's greatest asset, its people. Manekin equated it to what our Real Estate Fellows were embarking on in this competition: Their journey to help Baltimore's neighborhoods regain the essence of years gone by was in their sights and their hearts, and with financial backing, their vision would become a reality.



Janna Holmes

First up for the competition judging was Janna Holmes, MPA '13, who had the daunting task of kicking off this brand-new pitch competition. Holmes said she has seen and experienced the repercussions of a community's lack of investment growing up in East Baltimore. She chose to look at solving the problem of affordable housing for college students in close proximity to UB's midtown campus. She worked with the Southwest Partnership in the Franklin Square section of town, and made a pitch for \$596,000 to rehabilitate three adjacent buildings with ground-floor retail and upper-floor residential units, which would rent for \$1,000 or less. Holmes also focused on ensuring the units would be highly energy-efficient to reduce utility costs for occupants.

Nikolay Ratajczak, B.S. '14, presented a pitch for \$1 million to renovate 10 townhomes for the Upton neighborhood. His "Townhouse Cluster Model" built upon a white paper he wrote while in UB's real estate and economic development program—a paper that won 1st Prize in the 2014 Mid-Atlantic Real Estate White Paper Grosvenor Fund Management.

Equity into the project would Ratajczak said, and would include members themselves so that they rehabbed properties financially as He carefully navigated the five plan and how he was working with accommodate several housing



Nikolay Ratajczak

come from a variety of sources, crowdfunding from community would reap the benefits of the well as aesthetically and otherwise. judges through each nuance of his the neighborhood leaders to options.

Olusegun Aje, M.S. '17 (nonprofit and social entrepreneurship), took an approach that focused on a \$1 million pitch for new construction on vacant land in the Howard Park/Liberty Heights neighborhood of northwest Baltimore. Aje's innovative cooperative model aimed at providing ownership opportunities for people in the neighborhood where co-op owners could rely on his property-management experience to maintain the building. The lower floor retail and upper-floor housing proposal already had the backing of a potential tenant—the youth-led Tande Smoothie company, currently operating out of a cart in the neighborhood. He built a team that included his brother, who is the owner of their property management company, T&A Covenant Solutions, and a former Redskins starting offensive lineman.



Olusegun Aje

Next up was the trio of William Casey, Joao David Ferraz and Haydon Wyatt, all current students in the B.S. in Real Estate and Economic Development program. Although the only current undergraduates who were in the Real Estate Fellows competition, they held their

own since they each have real estate experience as a data

analyst, licensed Realtor and construction manager, respectively.

They pitched a detailed plan requesting \$580,000 to rehabilitate 6 vacant and abandoned rowhomes in Cherry Hill in an otherwise fully-occupied section of the neighborhood. Their pitch was to reconstruct the rowhomes to a three-bedroom, 1.5-bath home, which would better meet the needs of families with children who are attending the area's options the area. newly built school, as opposed to the two-bedroom, 1-bath that are abundant now. The team included stories of walking neighborhood and becoming deeply engaged in the needs of



William Casey, Joao David Ferraz and Haydon Wyatt

Public program, with her project—evident to

Lastly, Tiffany Green, a candidate for UB's Masters of Administration won over the crowd passion for her a feeling that was everyone in the room.

Green made a pitch for \$350,000 to rehabilitate three homes in Forest Park in a phased development approach, in which she could use the profits from each property as equity for the subsequent ones. She envisioned the project would help provide home ownership opportunities within the up-and-coming neighborhood, and why she was so passionate about the idea having been the recipient of the opportunity herself several years ago through the United Way.



Tiffany Green

After all of the pitches, the crowd filed out to the building's atrium and the wait began. Thirty minutes later, judges John DeZinno, senior vice president of Howard Bank, Charles English, vice president of PNC Real Estate, Barbara Simmons, group vice president at M&T Bank, Zed Smith, chief operating officer at The Cordish Companies, and Tom Sychuk, senior vice president at BB&T, emerged after consulting with Bill Ariano, president and CEO of Baltimore Community Lending and his colleague Sean Russell, to announce who would qualify for the million-dollar guidance line of credit.

In a large, boisterous voice, Ariano announced that not just one pitch would move forward, but three! Green, Ratajczak and the trio of Casey, Ferraz and Wyatt were all chosen to have their projects move on to the next stages of financing. Subject to successfully making it through the underwriting process, this could mean up to \$2 million being invested in the ideas of UB students and alumni. Ariano added that Holmes and Aje should continue on and work with his team to continue to tweak their proposals for future funding.

"This was an amazing night," said Murray Dalziel, dean of the Merrick School of Business. "At UB, we know our responsibility and commitment to Baltimore. As we like to say, we are the University FOR Baltimore. Our partners and sponsors stepped up and agreed that this competition could ignite what is absent here: qualified developers who understand how to become fully capitalized, who understand the needs of the community and have the savvy to get the job done. I'd like to think that all three are true of our students in the Real Estate program and every program at this University."

Seema Iyer, director of UB's Real Estate and Economic Development program, began envisioning this competition idea with Ariano more than three years ago. Iyer got to know Ariano as well as many people living in Baltimore City neighborhoods through the years, since she also serves as the associate director of UB's Jacob France Institute, where she oversees the Baltimore Neighborhood Indicators Alliance (BNIA). A signature project for BNIA is Vital Signs, a comprehensive, long-term look at more than 100 quality-of-life indicators for Baltimore communities. BCL often uses these indicators to understand the impact of their investments, and the fellows used them as well to show the market conditions for the neighborhoods in their pitches.

"I just couldn't be prouder of our Fellows. I am so excited about how their pitch ideas were both community-oriented and business-minded," Iyer said. "Community leaders throughout Baltimore are looking for resources to help invest in and improve their neighborhoods, and our Fellows' commitment, passion and genuine desire to invest in Baltimore's neighborhoods was precisely the connection we wanted to make."

Iyer was also impressed with how many real estate professionals in the metro area came forward themselves, once their heard about the program, to volunteer with and mentor the fellows. Plus, the event sparked interested among other students who are already asking about next year's competition and still others asking how to enroll at UB.

A special thank-you goes out to our 24 mentors and community leaders who worked with the Fellows, to the Neighborhood Design Center for providing concept plans for the Fellows' pitches, and our sponsors: M&T Bank, Baltimore Community Lending, The Cordish Companies, Seawall Development, and the UB Real Estate and Economic Development Advisory Board members.