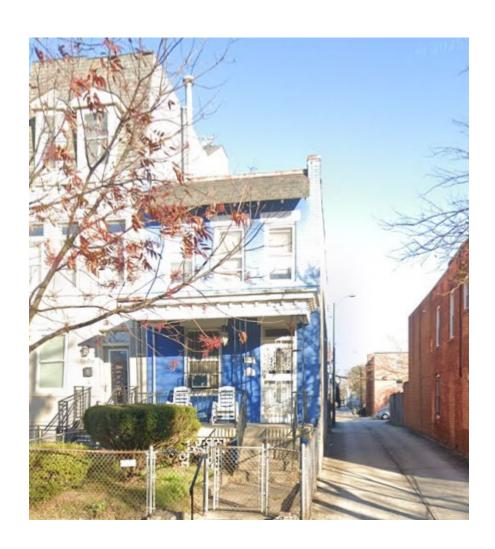


# 1608 A St. SE Washington, D.C. 20003 2-Unit Condominium Conversion Project





#### Market.Conditions-726QA.St?SE.-.8-Unit.Condominium.Conversion

Owner/Project Manager Expertise and Track Record: The Owner/Project Manager has a proven record of success in execution of projects in DC's Columbia Heights historic neighborhood. They have proven that their results are repeatable.

#### Market Insights - Washington, DC Condos

- Stability with Opportunity: DC median home price is around \$700K, down
   2.1% YoY, with condos showing resilience amid moderated appreciation
- Eased Pressure, Balanced Market: Market listings have gone up 41%, yet median days to pending is 56. This demonstrates very healthy buyer-seller dynamics.
- Macro Trends: Return-to-office mandates, low housing supply, and major developments (e.g., Hill East waterfront) underpin demand.
- Luxury Influx Maintains Premium: High-net-worth buyers continue to purchase cash in DC's top tier and moderately high net-worth buyers are our target market.

# The Primary Benefits of this Investment

- 1. High-yield, secured loan structure with no investor fees
- 2. Sponsor-paid borrower costs eliminate hidden deductions
- 3. Proven model reduces execution risk
- 4. Strong DC condo fundamentals support market viability
- 5. Clear exit strategy through refinance or resale

# **Bridge Fund Development Group LP**

#### Mini Private Placement Memorandum

August 04, 2025

# A. Offering Summary

- Issuer: Bridge Fund Development Group LP
- Offering: Private 2nd Trust Note (Reg D, Rule 506(b))
- Target Raise: \$200,000 for the above project
- Use of Proceeds:
- o Initial construction costs
- o Prepaid interest
- o Reimbursement of earnest money and closing costs
- o Architectural, engineering, permitting, soft costs
- Security: 2nd-position deed of trust
- Term: 12–18 months; no prepayment penalty
- Investor Return: 18% annual net interest
- Sponsor Compensation (Borrower-Paid):
- o Additional 6% interest premium
- o 6-10 points at closing
- Minimum Investment: \$25,000

#### **B. Investor Yield (Clean Return)**

- Investors receive an unreduced 18% annual net return
- No fees, upfront points, origination fees, or deductions are charged to investors
- All sponsor compensation is paid by the borrower and does not reduce investor return

# C. Project Cost & Fee Disclosure (Borrower Pays)

- Borrower total interest cost: 24% per annum, comprising:
- o 18% investor yield
- o 6% sponsor premium
- Borrower pays 6-10 points upfront points at closing
- These fees are borne by the borrower; investor capital and interest remain intact

# **D. Fee Summary Table**

Description	Paid By	Amount
Investor Net Return	Borrower	18%
Premium Interest	Borrower	6%
Sponsor Points	Borrower	6-10 Points
Investor Fees	Investor	None

## **E. Project Overview**

 Property: 1608 A St SE, Washington, DC 20003 (Old City 1/Capitol Hill Subdivision)

Purchase Price: \$635,000Scope of Work: \$450,000

After Repair Value (ARV): \$1,550,000
Estimated Timeline: 9 - 12 Months Process

• Project Type: 2 Unit Condo Conversion Construction

• Loan Usage: Fund construction milestones (permits, foundation, framing) and reimburse prepaid interest, earnest money and closing costs

#### F. Investment Terms

• Security: 2nd Trust Deed behind existing 1st mortgage

• Loan Amount: \$100,000 - \$200,000

• Term: 12–18 months, interest-only loan with no prepayment penalty

• Disbursement: Tied to project milestones

• Exit Strategy: Loan repaid via sale or refinance

#### **G. Risk Factors**

- 2nd Position Risk: Repayment is subordinate to 1st mortgage; lender may need to pay 1st in default scenarios
- Construction/Permit Delays: Could delay milestone payments or repayment
- Market Risk: Value and sale depend on DC condo market absorption
- Exit Timing: Prolonged hold (up to 18 months) increases interest duration
- Fee Transparency: Clean investor returns; all sponsor fees are borrower-funded

## **H. Sponsor Profile**

- Entity: Bridge Fund Development Group LP (Delaware LP)
- Sponsor: GP LLC managed by principal R.L. Hall, experienced in real estate-backed debt structures, zoning relief, redevelopment and condominium conversion processes
- Track Record: Prior successful commercial acquisition, redevelopment funding, and zoning relief applications. Experienced creative financing and mortgage lending
- Structure: GP LLC leads underwriting and reporting; LP investors are passive

#### I. Client Profile

- Entity: Bridge Fund Development Group LP (Delaware LP)
- Sponsor: Dynamic Real Estate Development Group LLC managed by principal Angela Phillips, licensed Realtor experienced in redevelopment and condominium conversion
- Track Record: Prior condominium projects with successful execution and sale
- Structure: Managing Member LLC provides project management to SPE LLC



# BRIDGE FUND DEVELOPMENT GROUP LP TERM SHEET – 2ND TRUST NOTE OFFERING

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Issuer: Bridge Fund Development Group LP

Offering: Private 2nd Trust Note – 1608 A St. SE project

Minimum Investment: \$25,000 Target Raise: \$200,000

#### Interest:

• Investors: 18% per annum, paid upon sale or refinance

• Borrower: 24% per annum total (includes 6% sponsor premium)

• Upfront Points: 10% of loan, paid by borrower

Term: 12–18 months, interest-only; optional early prepayment

Security: 2nd-position lien on 1608 A Street SE, Washington, DC

Use of Funds: Initial construction costs + prepaid interest reimbursement

Funding: Disbursable upon verified milestones (permits, inspections)

Exit Strategy: Loan repaid through refinance or sale

Risk Considerations: Subordination risk, permit delays, market absorption

Disclaimer: This term sheet is non-binding and subject to definitive documentation