



BOARDWALK WEALTH



MAILBOX MONEY

# ROLLING GREEN

SIOUX FALLS, SD





# NOTICES AND DISCLOSURE

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The following information is an investment summary provided to prospective investors and others. This information is not an offering to sell either a security or a solicitation to sell a security.

At the request of a recipient, the Company will provide a private placement memorandum, subscription agreement, and a limited liability company operating agreement.

The Managing Member in no way guarantees the projections contained herein. Real estate values, income, expenses, and development costs are all affected by a multitude of forces outside the managing member's control.

This investment is illiquid and only those persons that are able and willing to risk their entire investment should participate. Please consult your attorney, CPA, and/or professional financial advisor regarding the suitability of an investment.



# EXECUTIVE SUMMARY

## The Opportunity

The Rolling Green (the “Project”) is a wellness-focused, luxury 144-unit, three-story, garden-style development of 3.4 acres near 57th and Louise Ave in the South West submarket of Sioux Falls, SD.

The Project is located in one of Sioux Falls’ premier communities with 10 million customer visits to the trade area. It will benefit from proximity to local demand drivers, including top area employers, the tourism corridor, major infrastructure, and the Country Club of Sioux Falls.

Our established local team with over 3 decades of experience will lean on long-term local relationships, industry knowledge, and established on-the-ground presence to ensure a timely completion of the development by Q4 2023.

As a testament to our strength as a sponsor, Boardwalk Wealth has effectively circumnavigated the challenges heightened during these volatile times by sourcing the attractive piece of land despite ultra-low supply in the luxury niche of the submarket.

To further reduce risk, Boardwalk Wealth and Mailbox Money have taken on the entire entitlement risk by completing zoning, obtaining building permits, and architectural drawings, resulting in a shovel ready project for investors.

## Investment Highlights

### Premier Location

Proximate to I229, 57th and Louise Ave, the residents will be drawn to the area’s strong retail and demand drivers without any compromises.

The upscale Country Club of Sioux Falls also offers a glimpse into the affluent demographics of the supply-starved submarket.

### Wellness and Quality of Life

We are targeting the “renters by choice” category which is attracted to the wellness amenities, the walkability of the master development, and the highest quality living at an affordable price point. Our design team has created modern layouts with an open-space concept.

### Strong Economic Trends

The Sioux Falls metro area is the largest economy in South Dakota and has grown at 6%+ annually since 2013. It has a significant concentration of financial services, healthcare, and retail catering with no state income tax attracting top employers to establish a major presence.

## PROJECT SUMMARY

Property Name	Rolling Green
Market	Sioux Falls
Submarket	SW Sioux Falls
Units	144
Unit Mix	Studio-2 bedrooms
Vintage	2022
Total Capitalization	\$28,837,601
Targeted Equity	\$5,767,520
Developer Equity / Co-Investment	\$1,150,000 or 20%
Year 1 NOI	\$1,079,499
Year 3 NOI	\$1,692,721
Return Metrics	Pg 16

## ANTICIPATED DEBT FINANCING\*

Principal Balance	\$23.070,081
Interest Rate	6%
Amortization	25 years
Term	5 years
I/O period	3 years

*\*Subject to change prior to closing*

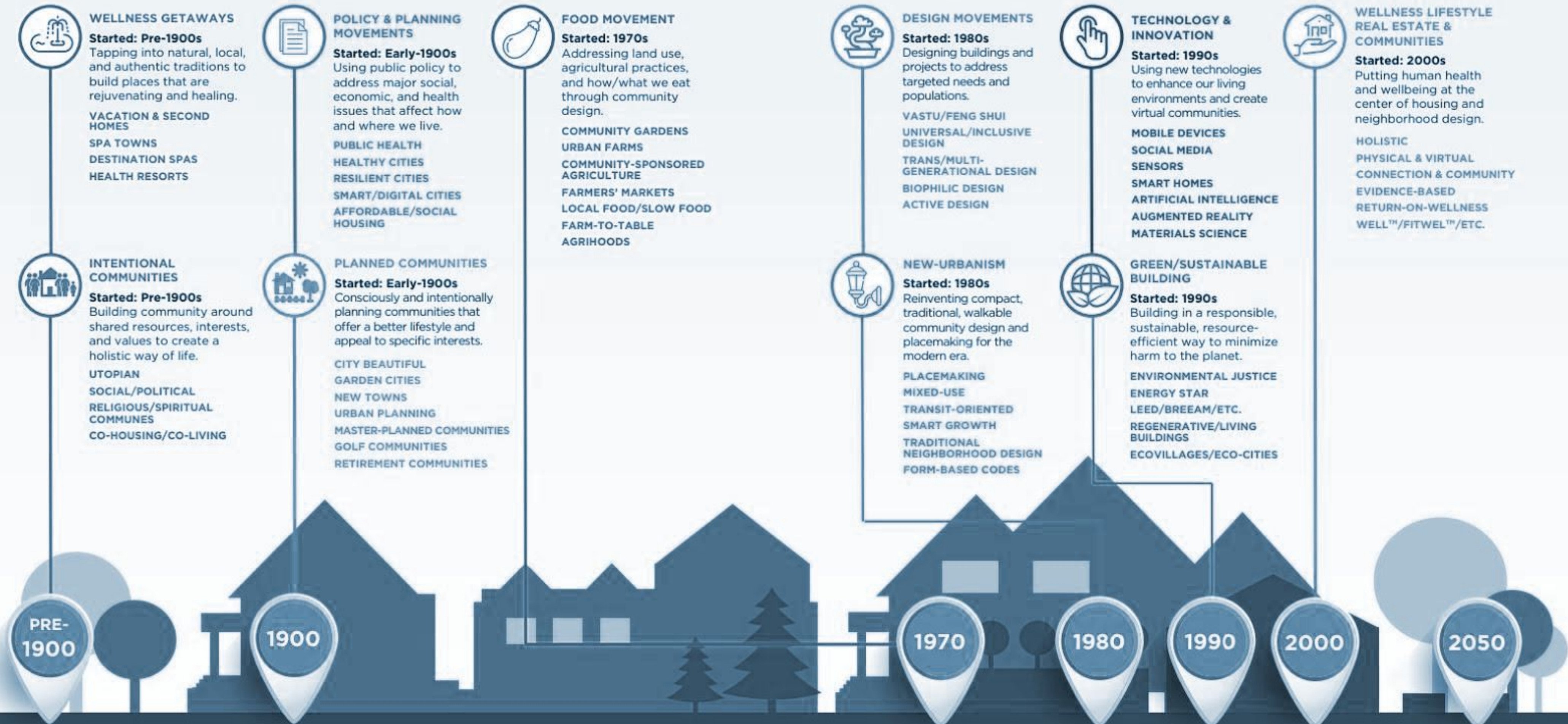




# WELLNESS DESIGN LEADS TO HEALTHIER LIVING



BOARDWALK WEALTH





# WHY SIOUX FALLS?

## SIOUX FALLS' GROWTH CONTINUES

#1

Best City for Young Professionals

#1

Best Small Places for Business and Careers

#3

Hottest Job Market in 2020

#1

Top 100 Best Places to Live

SIOUX FALLS MULTIFAMILY MARKET SNAPSHOT

95.7%

Occupancy

8.7%

YOY Rent Growth



# SIOUX FALLS SUBMARKET

## BY THE NUMBERS

\$62K

Avg Household Income

48%

Population Growth Since 2020

1.9%

Unemployment Rate



MAJOR ECONOMIC DRIVERS

Medical

Multiple hospitals

Big Stores

Walmart, Target, Home Depot, Best Buy

Amazon

Nearby fulfillment center

SANFORD HOSPITAL

#1

Hospital in metro Atlanta and Georgia

24-hr

Emergency Care

15 min

Drive

AIRPORT



## TOP 10 LARGEST EMPLOYERS SIOUX FALLS

COMPANY	# EMPLOYEES	COMPANY	# EMPLOYEES
1. Sanford Health	12,000	6. Wells Fargo	2,500
2. Avera Health	8,000	7. Citi	1,500
3. Smithfield Foods.	4,000	8. City of Sioux Falls	1,500
4. Hy-Vee	3,500	9. Department of Veterans Affairs Medical	1,500
5. Sioux Falls School District	3,500	10. Good Samaritan Society	1,500

## SIOUX FALLS EDUCATION









Southeast Technical Institute  
+2,000 students



Augustana University  
+1,700 students



University of Sioux Falls  
+1,300 students

5



# LOCATION OVERVIEW

## Nearby Landmarks

📍 Empire Mall	3 min
📍 Avera Heart Hospital	3 min
📍 Butterfly House & Aquarium	4 min
📍 University of Northwestern	3 min

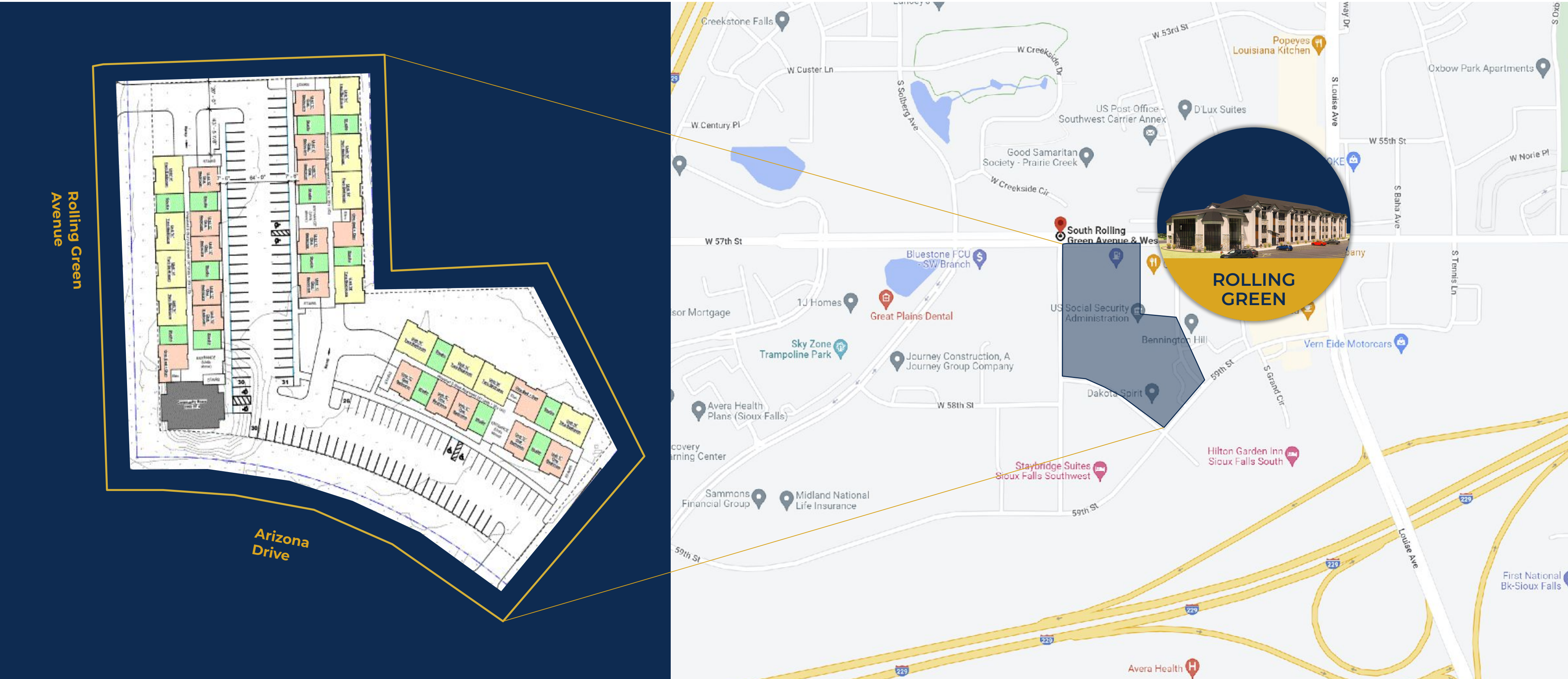
## Nearby Businesses

📍 Hy-Vee Grocery Store	3 min
📍 Scheels	6 min
📍 Target	4 min
📍 Five Guys	3 min
📍 Culver's	4 min
📍 Kohl's	4 min





# SITE OVERVIEW / SITE PLANS





# SIOUX FALLS OVERVIEW

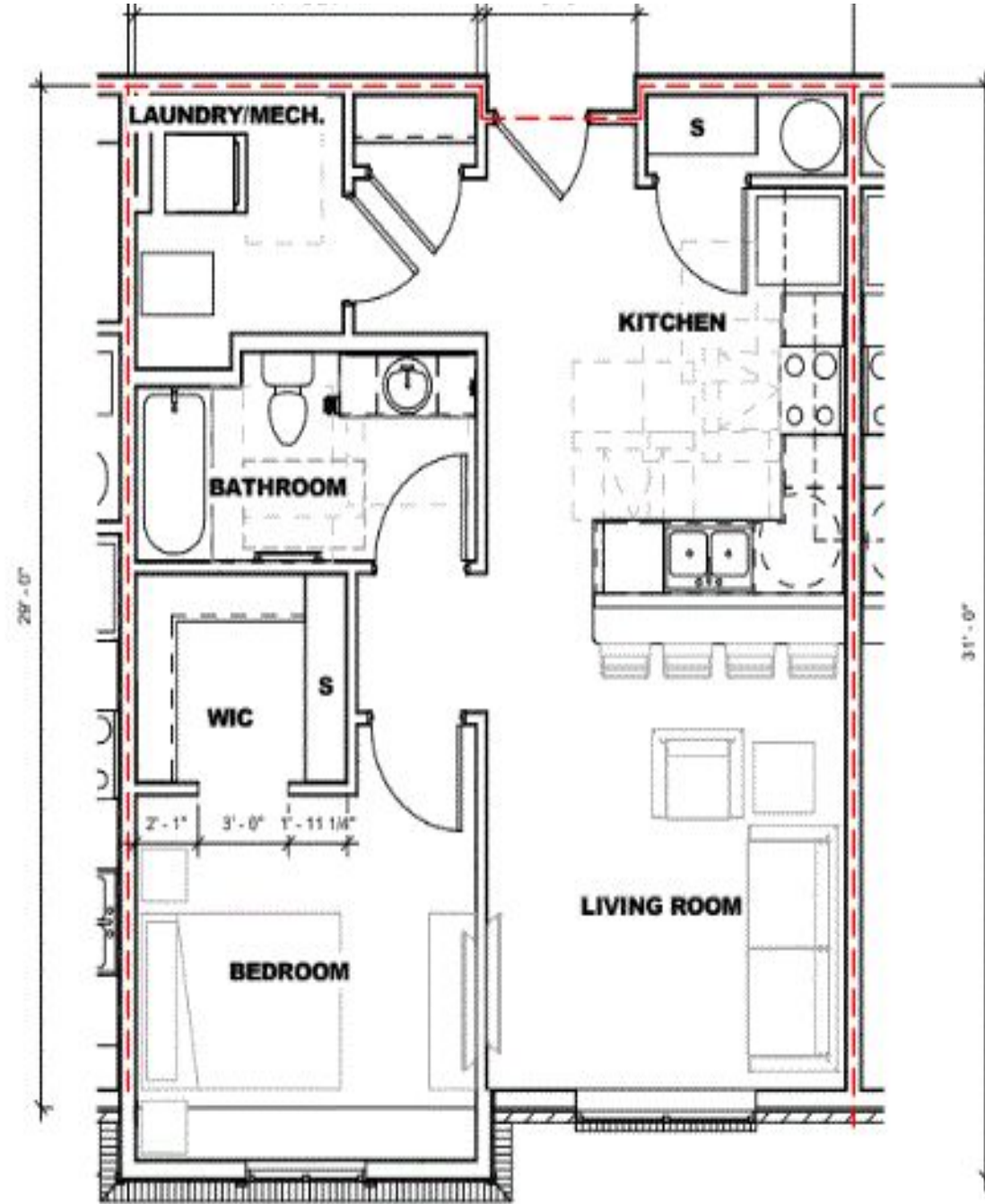


POPULATION	1-MILE	3-MILE	5-MILE
2022 Population	10,835	73,465	149,432
2027 Population Proj.	12,280	83,224	168,052
Population Growth 2022-20227	13.3%	13.3%	12.5%
2022 Average Age	37	37	37
HOUSEHOLDS			
2022 Households	5,214	29,302	60,486
2027 Households Proj.	5,875	33,008	67,795
Household Growth 2022-2027	12.7%	12.6%	12.1%
Average Household Income	\$53,269	\$68,092	\$63,951
Average Household Size	2.0	2.4	2.4
Average Household Vehicles	2	2	2
HOUSING			
Median Home Value	\$207,215	\$235,610	\$222,464
Median Year Built	1993	1996	1991





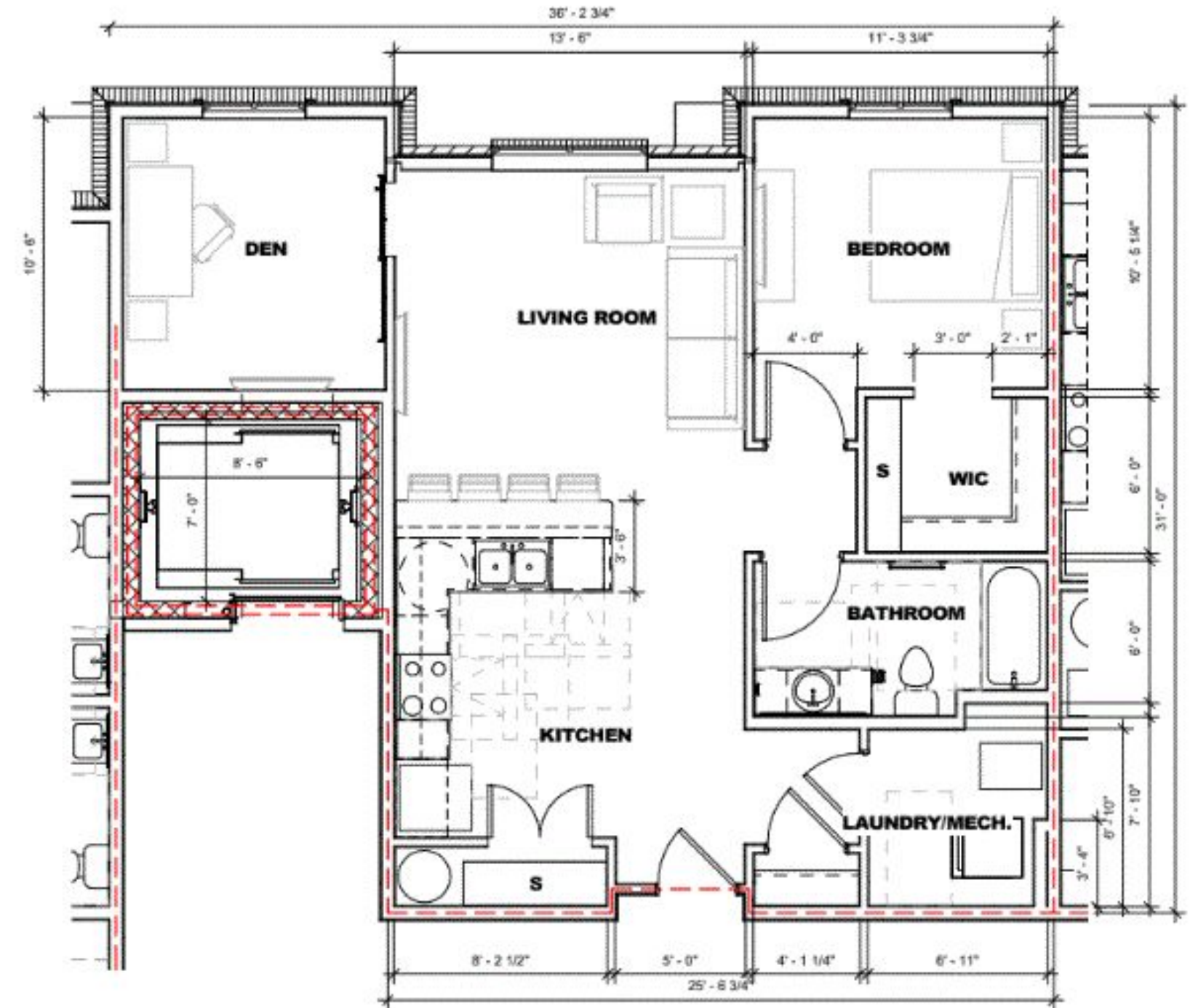
# FLOOR PLANS



**1 One Bedroom Floor Plan**

Scale: 1/4" = 1'-0"

Square Footage: 739 SF



**2 One Bedroom + Den Floor Plan**

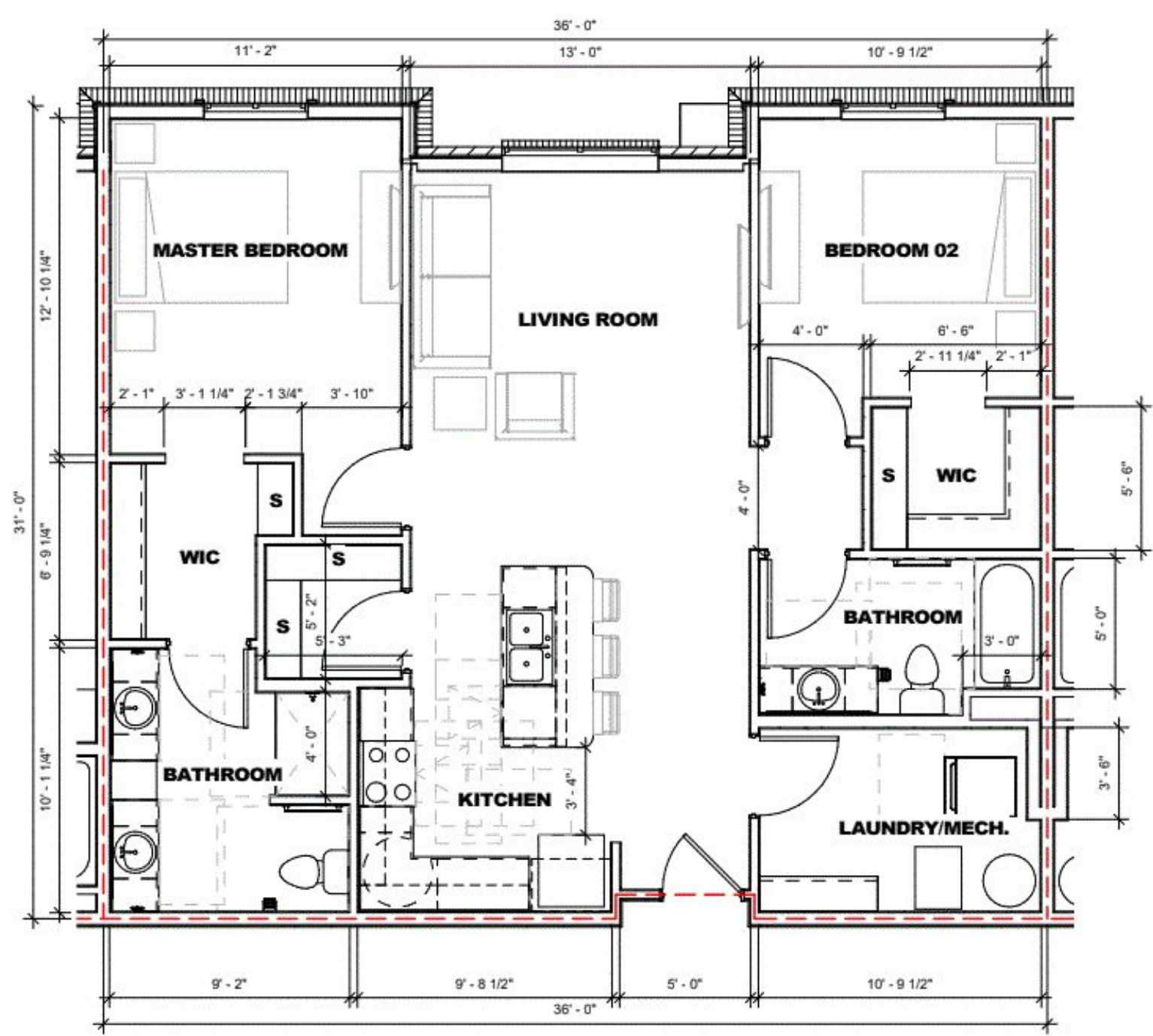
Scale: 1/4" = 1'-0"

Square Footage: 884 SF

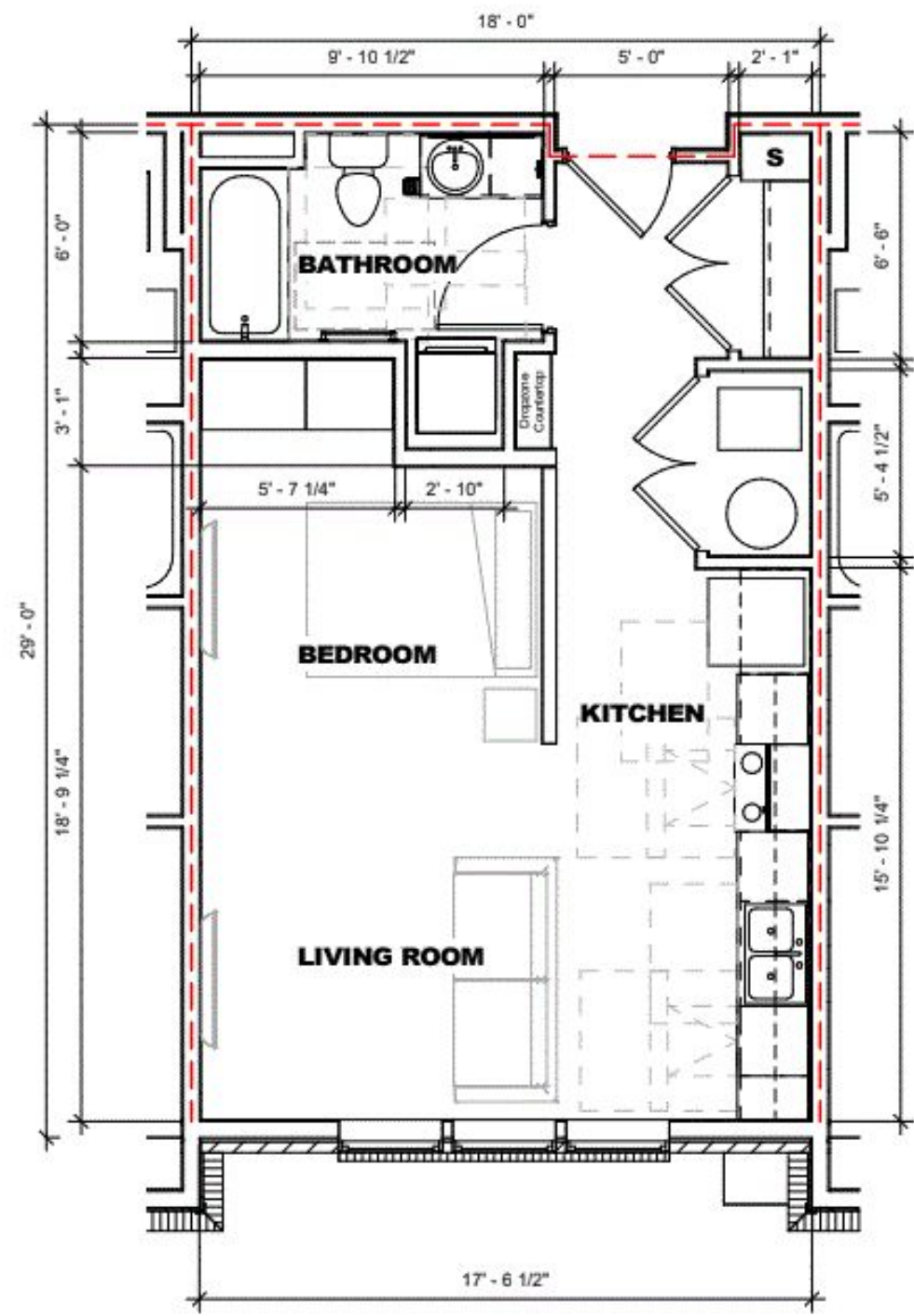




# FLOOR PLANS



**3 Two Bedroom Floor Plan**  
Scale: 1/4" = 1'-0"  
Square Footage: 1,086 SF



**4 Studio Floor Plan**  
Scale: 1/4" = 1'-0"  
Square Footage: 517 SF





# UNIT MIX



Unit Mix			
Unit Type	Units	Sq. Ft.	Effective Rent
Studio	45	522	\$1,250
1 Bed/1 Bath	51	741	\$1,450
1 Bed/ 1 Bath w/ Den	9	873	\$1,575
2 Bed/2 Bath	39	1,089	\$1,850
Total	144	775	\$1,504





## PROJECT TIMELINE



## BOARDWALK WEALTH

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# PRO FORMA

Annual Proforma	Year 1	Year 2	Year 3
<b>Rental Revenue</b>			
Gross Potential Rent	\$1,964,964	\$2,468,385	\$2,491,681
Economic Vacancy	(\$237,582)	(\$74,052)	(\$74,750)
<b>Total Rental Revenue</b>	<b>\$1,727,382</b>	<b>\$2,394,333</b>	<b>\$2,416,931</b>
Total Other Income	\$156,816	\$196,992	\$198,851
<b>Total Income</b>	<b>\$1,884,198</b>	<b>\$2,591,325</b>	<b>\$2,615,782</b>
<b>Operating Expenses</b>			
<b>Controllable</b>			
Property Management Fees	(100,484)	(129,566)	(130,789)
Administration	(31,883)	(36,000)	(36,283)
Advertising	(25,507)	(28,800)	(29,026)
Contract Services	(38,260)	(43,200)	(43,539)
Repairs and Maintenance	(47,825)	(54,000)	(54,424)
Turnover	(3,300)	(39,600)	(39,911)
Payroll	(236,640)	(208,800)	(210,440)
<b>Total Controllable Expenses</b>	<b>(\$483,898)</b>	<b>(\$539,966)</b>	<b>(\$544,413)</b>
<b>Non-Controllable</b>			
Insurance	(54,201)	(61,200)	(61,681)
Utilities	(76,520)	(86,400)	(87,079)
Real Estate Taxes	(190,080)	(228,096)	(229,888)
<b>Total Non-Controllable Expenses</b>	<b>(\$320,801)</b>	<b>(\$375,696)</b>	<b>(\$378,647)</b>
<b>Total Expenses</b>	<b>(\$804,699)</b>	<b>(\$915,662)</b>	<b>(\$923,061)</b>
<b>Net Operating Income (NOI)</b>	<b>\$1,079,499</b>	<b>\$1,675,663</b>	<b>\$1,692,721</b>





# RENT COMPARABLES

PROPERTY NAME	VINTAGE	UNITS	AVG SF	STUDIO	1 BED	2 BED	OCC %
Graystone Heights	2017	332	953		\$1,375	\$1,725	95%
The Cascade at Falls Park	2018	197	857	\$1,450	\$1,623	\$2,230	91%
Donegal Point Centre	2004	190	1,035		\$1,770	\$1,953	96%
The Commons	2017	292	854	\$1,046	\$1,310	\$1,927	97%
The Bluffs At Willow Run	2016	161	1,012		\$1,596	\$2,193	97%





# EQUITY STRUCTURE

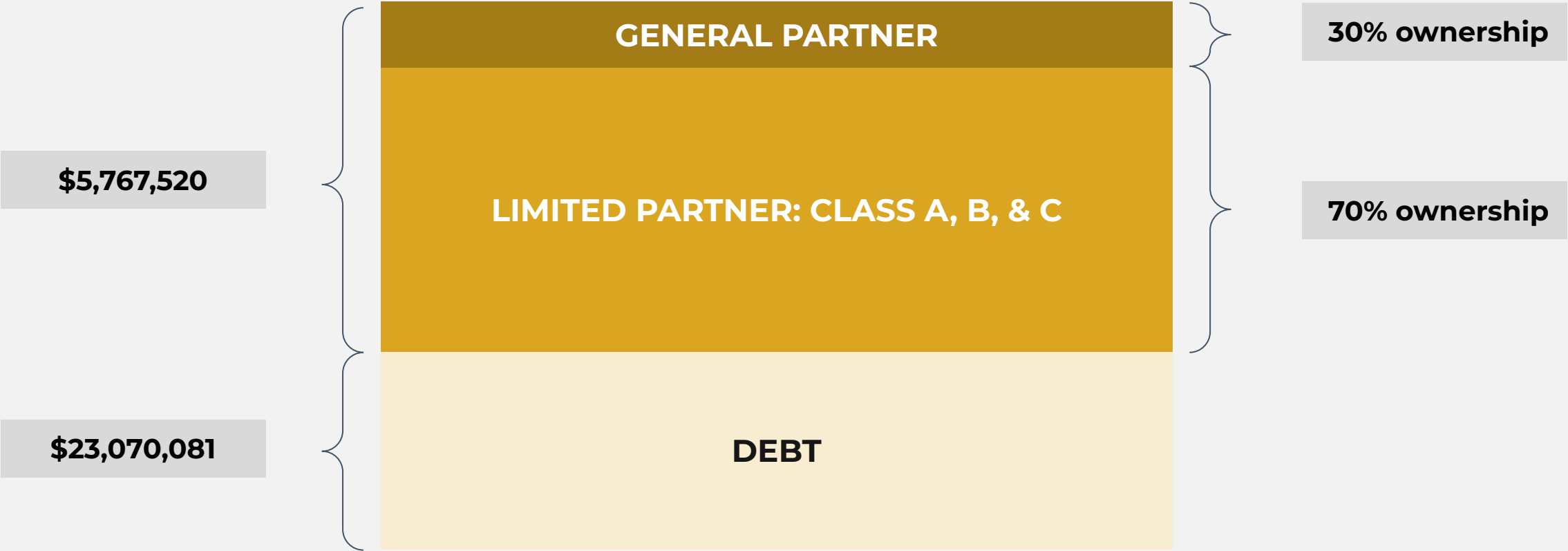
## Multiple-Tiered Equity Structure Allows Investors to Match Investment Goals

**Multiple-Tiered Return Structure:** A multiple-tiered return structure gives investors more choices when placing their equity. Investors have the opportunity to invest in either tier of equity Class A, B, C, or a combination of multiple classes. Diversifying across classes allows for a risk adjusted and blended return.

**Limited Partner (A, B, & C):** To incentivize investors with higher investments each tier has a different preferred return but the same profit split.

- **Class A: \$50K-75K investment, 5% preferred**
- **Class B: \$80K-145K investment, 6% preferred**
- **Class C: \$150K+ investment, 7% preferred**

We have limited space in each class of shares so will accept investors on a first-come, first-serve basis. All tiers are for investors who want to maximize their returns over the life of the investment as they will participate in the upside upon disposition.



CLASS A, B, & C PARTNERSHIP STRUCTURE	
Investor Distribution of Cash Flow	See description on the left
Membership Ownership	70/30 to 15% LP IRR 60/40 above 15% LP IRR





# INVESTMENT HIGHLIGHTS

## Class A



**20.7%**

IRR



**1.96x**

Equity Multiple

## Class B



**20.9%**

IRR



**1.98x**

Equity Multiple

## Class C



**21.2%**

IRR



**1.99x**

Equity Multiple





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# Organizational Structure, Investment Process & Portfolio





# MEET THE TEAM



## Omar Khan, CFA

Founder, Boardwalk Wealth

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Omar has advised on **\$3.7 billion** in capital financing and M&A transactions, as well as securing **\$50 million+** in equity from private and institutional capital. He is a graduate from the Rotman School of Business (University of Toronto), and a CFA charter holder with **10+ years** of investing experience across real estate and commodities. As the principal of Boardwalk Wealth, Omar is primarily responsible for developing strong relationships with private and institutional investors, brokers, and strategic partners. He has closed on over **\$230 million** of assets across TX, GA, FL and SD.





# MEET THE TEAM



## Dusten Hendrickson

Founder, Mailbox Money RE

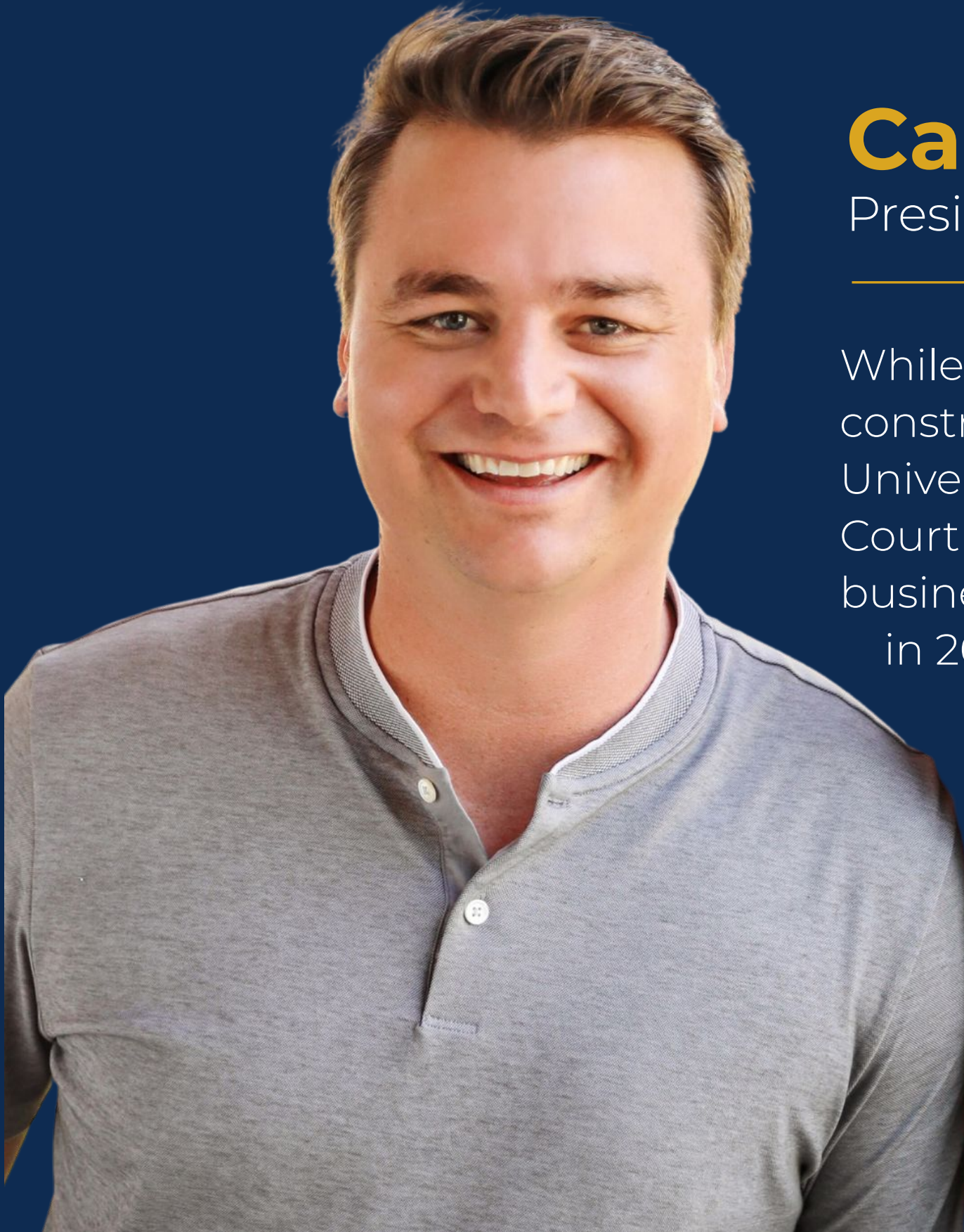
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Dusten is a real estate developer, syndicator, and investor. He has been involved in real estate his whole career: from owning a roofing company, to building homes, duplexes, and apartments. He owns and asset manages 300+ units. In addition, he has worked with historical societies and local councils to develop in revitalized neighborhoods, and has collaborated with the South Dakota State University Dept of Architecture to build the first certified Passive House in the state. As the principal of Mailbox Money, Dusten helps others earn passive income from multifamily investments.





# MEET THE TEAM



## Caleb Veldhouse

President, Veldhouse Construction

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While growing up in Sioux Falls, South Dakota, Caleb worked in almost every facet of the construction industry. After obtaining his MBA and Juris Doctor degrees from the University of South Dakota, he spent time as a law clerk for the South Dakota Supreme Court and held a brief stint in private practice before he went to work full time for the family business. He became President of Veldhouse Construction, Inc.

in 2015, and has managed commercial retail center projects, multi-family senior living facilities, bare ground commercial and residential developments, custom commercial buildings, multi-family double podium + frame construction, and everything in between. Caleb's experience and educational background allow him to swiftly maneuver complex issues with land owners, local governments, tenants, and subcontractors. Caleb specializes in the planning, bare ground development, and management of large commercial projects. As the Principal of Veldhouse Companies, Caleb facilitates and spearheads a development project from site selection to stabilization.





# INVESTMENT PROCESS

## 1 DUE DILIGENCE

- Feasibility and pro forma
- Acquisition budget
- Programming and timeline
- Review with construction manager
- Financing options
- Replacement cost determination
- Supply pipeline
- Market data and third-party reports

## 2 FINANCIAL UNDERWRITING

- Comprehensive financial model
- Investment structure and return profile
- Line item review of performance and reno budget
- Multiple variable sensitivity analysis
- Exit strategy options

## 3 ACQUISITION

- Contract negotiation
- Financing strategy
- Organizational and legal
- Management company
- Earnest money

## 4 DEVELOPMENT/ RENOVATION PERIOD

- Oversight of design, construction and procurement
- Value engineering
- Construction accounting
- Lender and investor reporting

## 5 OPERATIONS MANAGEMENT

- Targeted leasing strategy for demand drivers
- Provide unique and rewarding experiences
- Apply expertise in revenue and operations
- Proven NOI flow-through results

## 6 ASSET MANAGEMENT

- Review of management reports and financials
- Investor reporting and distributions
- Receipt and review of cash analysis
- Strategy sessions regarding performance and exit

## 7 DISPOSITION

- Proactive, collaborative process
- Evaluate multiple exit strategies
- Optimize returns

## INVESTMENT OBJECTIVE

- Invest in acquisition of mismanaged or distressed real estate assets
- Acquisition of value-add and opportunistic properties with robust upside potential
- Reposition assets for a strong exit

## STRATEGY

- Disciplined approach
- Deep value-oriented acquisitions
- Add property level value
- Divestiture

## INVESTMENT COMMITTEE

Investment  
Committee  
memorandum

Unanimous vote  
requirement

Focus on the  
downside/exit





# ASSET MANAGEMENT

Rigorous execution of each asset-specific business plan is the focus of Boardwalk Wealth at a corporate level. Primarily, this involves daily monitoring of occupancy and traffic trends, constant deep data analysis identifying patterns and guiding course-correction, full oversight of capex projects, robust reporting to our investors, and cost-segregation analysis.

Through this granular asset management strategy, Boardwalk Wealth provides a thoughtful and transparent investor experience that stimulates value creation and rapid de-risking of investments at the asset level and within the capital structure.

Asset management is targeted and hands-on. Regular initiatives include a comprehensive renovation package tailored to our resident demographic, reserved parking and carports, fenced-in patio yards, the addition of washer-dryer units, new cash flow-producing telecom contracts, and more.

We leverage our extensive network of vendors to achieve scale pricing on goods and services that create value at the asset level. Measures include property tax protesting, portfolio-shared contracts of landscaping and security, green initiatives, and the addition of valet trash to enhance the resident experience.

**CAPITAL  
EXPENDITURE  
TRACKING**

**REVENUE  
MANAGEMENT**

**COST  
SEGREGATION  
ANALYSIS**

**ROBUST LP  
FINANCIAL  
REPORTING  
CAPABILITIES**



**AGGRESSIVE  
PROPERTY TAX  
PROTESTING**

**DEBT  
MANAGEMENT  
& REPORTING**

**EXPENSE  
MANAGEMENT  
& REDUCTION**

**OCCUPANCY  
& TREND  
MONITORING**





# LEAD DESIGNER AND DEVELOPER

Mailbox Money vertically integrates development, construction, property management, and asset management to add value efficiently and effectively. Acutely aware of the monetary impact each decision makes, we unlock potential with simple and surprising solutions.

Our mission is to make great returns for ourselves, our clients, and our investors by purchasing and improving assets that people want to live in. We add value through low-cost, high-impact design improvements based on the asset at hand.

## MAJOR ROLES IN THE ROLLING GREEN PROJECT

- ✓ Lead visionaries on the project; will liaison with/on civil engineering, land development, general contractors, and architect
- ✓ Develop the amenity plan in conjunction with the property manager to execute the business plan pre and post-construction
- ✓ Design, branding, material selection, and staging





# GENERAL CONTRACTOR AND DEVELOPER



Veldhouse Companies is a family-owned real estate firm with over 30 years of real estate development and general contracting experience in the greater Sioux Falls area. We spearhead a development project from site selection to stabilization:

- ✓ We work alongside the landowner and local government authority to ensure the project's viability for the real estate at issue.
- ✓ We coordinate construction planning and design with the architect and engineering team during the pre-construction phase.
- ✓ We manage, coordinate, and facilitate the construction with subcontractors and vendors during construction.
- ✓ And finally, we seamlessly hand off the project to the final operator for the project, or operate the property ourselves.

Over the last 5 years, Veldhouse Companies has successfully developed and constructed 40 acres and \$70 million of multi-family, commercial, and single-family development projects





# PROPERTY MANAGER

Lloyd Companies was founded as a multi-family property management firm — so you might say it’s in our blood. For more than four decades, we’ve been attending to every detail, big or small, to ensure owners stay profitable and residents stay happy. From curb appeal to strategic financial analysis, trust Lloyd Property Management to ensure your property’s long-term success.

The Lloyds have applied this humble approach to their work for nearly 50 years, propelling Lloyd Companies from alone multifamily property to what it is today — a full-service development, real estate, construction, property management, hospitality, and apartment company with a portfolio of over 6,000 apartment units and many of the region’s finest office and retail centers.

Headquartered in Sioux Falls, Lloyd Companies continues to be an agent of progress and change in its home city, around South Dakota, and throughout the Midwest.

## Our Values



High Ethical Standards



Family / Relationships



Profitability



Giving Back





# CURRENT HOLDINGS

Name	State	Acquired/Developed	Units	Purchase Price/Development Cost	Target IRR	Strategy
Watson Clinic	SD	Dec-13	5	\$975k	25-28%	Development
Career Crossing	SD	Apr-15	6 units 10,000sf	\$2.0M	18%	Development
Christie Heights	SD	May-15	72	\$18.0M	15%	BTR/Residential Housing Development
Lofts at Main	SD	Sep-15	30	\$2.5M	20-22%	Development
Washington Crossing	SD	Mar-17	92	\$11.0M	28%	Development
Volga 10-Plex	SD	Jun-17	10	\$1.2M	38-42%	Development
Ben Franklin	SD	Apr-18	20	\$2.8M	15-19%	Development
Roosevelt Marketplace	SD	May-18	7 units 25,000sf	\$4.5M	26%	Development
Equinox at Knight	GA	Dec-19	194	\$23.9M	15.60%	Value-Add
Maple Park	SD	Sep-20	77	\$6.2M	21%	Value-Add
The Preserve	SD	Dec-20	72	\$6.0M	19%	Value-Add
Brighton Farms	GA	Jan-21	134	\$16.2M	15.20%	Value-Add





# CURRENT HOLDINGS

Name	State	Acquired/Developed	Units	Purchase Price/Development Cost	Target IRR	Strategy
Eagle Creek	SD	May-21	143	\$6.5M	15%	Value-Add
Lofts at Eden	FL	Jul-21	175	\$35.1M	16.7%-17.7%	Core Plus
Blu on Lorraine	SD	Oct-21	128	\$16.6M	20.00%	Development
The Reserve Flats	SD	Nov-21	48	\$8.2M	16-18%	Development
Pines of Lanier	GA	Feb-22	157	\$17.8M	15.0%-15.3%	Value-Add
Eastwood Oaks	FL	May-22	104	\$13.5M	15.3%-15.9%	Value-Add
Langley Place	GA	Jun-22	116	\$15.3M	15.2%-15.5%	Value-Add





# SOLD DEALS

## Sold Deals

Name	State	Built	Units	Purchase Price	Date Acquired	Date Sold	Sale Price	Months Held	LP IRR	Equity Multiple
The Henry B (Wurzbach Portfolio)	TX	1982	198	\$18.3M	Sep 2018	May 2021	TX is a non-disclosure state	32	15.1%	1.4x
The Blair at Bitters (Wurzbach Portfolio)	TX	1986	190	\$15.9M	Sep 2018	May 2021	TX is a non-disclosure state	32	15.1%	1.4x
Legacy	GA	1985	300	\$28M	Oct 2019	July 2021	\$35.1M	21	25.4%	1.5x
Lakewood Oaks	FL	1974	138	\$12.1M	Feb 2019	Oct 2021	\$17.9M	28	19.5%	1.6x
Rise on McDowell	AZ	1984	76	\$6.9M	Aug 2019	Nov 2021	\$15.6M	26	62%	2.9x
Reserve at Walnut Creek	TX	2002	284	\$36.3M	Dec 2018	Apr 2022	TX is a non-disclosure state	39	27.9%	2.1x





# CASE STUDIES

## Blu on Lorraine

Class A, Cutting Edge Development

Sioux Falls, SD

Status: Under Construction

Units: 128

Vintage: Oct 2021

Dev. Completion: Q1 2023

Development: \$16.6M



- Attractive land parcel in a supply-starved market sourced directly from the owners based on deep local relationships
- Attractive 5-year, fixed-rate debt sourced at 3.24% allowing for maximum flexibility while being accretive to valuation if sponsor group decides on an earlier exit
- Modern Scandinavian design, wellness-focused, luxury community nestled around beautiful Lake Lorraine
- Attractive amenity features includes climate-controlled underground parking, rooftop sauna, community room, outdoor kitchen, and fitness center overlooking the lake with the latest exercise equipment including VR training
- Projected ~\$250K+ in additional revenue upside vs. conservative underwriting owing to continued market rent increases and additional ancillary income





# CASE STUDIES

## Equinox at Knight

Extremely Favorable Refinance &  
Return Of Equity

### Fayetteville (Atlanta suburb), GA

Status: Refinanced

Units: 194

Vintage: 1988/1991

Acquisition: Dec 2019

Acq. Price: \$23.9M



- Current valuation is ~75% increase over book value: \$41.7M, \$215,000 per unit
- Strategic refinance into attractive long-term debt resulting in ~44% reduction in debt servicing costs and ~42% return of initial equity to investors in 20 months
- Double-digit LP annual cash-on-cash in a fast appreciating submarket with no supply coming online in 24 months.
- \$1.5M renovation plan was completed ahead of schedule – 18 months actual vs. 24 months budget
- Occupancy was maintained in the mid-90s with minimal bad debt during Covid due to strong management and strategic upgrades





# CASE STUDIES

## Brighton Farms

Incredible Rent-Growth Story

Newnan  
(Atlanta suburb), GA

Status: In Progress

Units: 134

Vintage: 1972

Acquisition: Jan 2021

Acq. Price: \$16.2M



- Current valuation is ~94% increase over book value: \$31.5M, \$235,000 per unit
- 1031, refinance, or recapitalization targeted over the next 6 months
- \$1.4M renovation plan was completed ahead of schedule - 12 months actual vs. 24 months budgeted - and ~34% under-budget due to strong vendor relationships and aggressive management
- Sourced off-market through broker relationships which allowed us to capitalize on absentee ownership resulting in ~30%+ rent increase in less than 12 months and 13% LP cash-on-cash in Year 1
- Strategic Jan closing to save ~\$60-80K taxes in Year 1





# CASE STUDIES

## Lakewood Oaks

Fast Turn-Around & Sale With  
Above-Projected Returns

**Jacksonville, FL**

Status: Sold, Oct 2021

Units: 138

Vintage: 1974

Acquisition: Feb 2019

Acq. Price: \$12.1M

Sale Price: \$17.9M



- Strategic acquisition with significant deferred maintenance and mismanagement resulting in an LP IRR ~20% and LP equity multiple 1.5x+ within 2.5 years.
- \$1.0M renovation plan was completed ahead of schedule - 20 months actual vs. 24 months budget
- Occupancy was maintained in the high-90s with minimal bad debt during the value-add process throughout Covid
- Sale to strategic buyer resulting in the highest per unit price in the submarket





# TAX ADVANTAGES

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**Depreciation:** Depreciation is a reduction in the value of an asset with the passage of time, due to wear and tear. The IRS classifies depreciation as a paper loss which means you do not have to spend money, but still get the expense which can be used to offset taxable income.

**Section 199(a):** Starting in 2018, taxpayers are allowed a deduction tentatively equal to 20% of their qualified business income. Rental income from real estate investments is considered qualified business income for the deduction.

**Appreciation:** The IRS does not tax appreciation of a property until you sell. If you hold the property for many years or you refinance the property you get to enjoy the appreciation with minimal tax exposure.

**Cash-Out Refinances:** This strategy allows you to receive “cash-out” cash from the equity in the investment without tax consequences since the investor is taking out a new loan.

**1031 Exchanges:** This strategy allows you to sell one property and purchase another property with the funds from the sale without having to pay any taxes.

**Cost Segregation Studies:** Allows investors to separate personal property assets from real property assets for tax reporting purposes. This allows the personal property assets to be depreciated much quicker than the real property assets creating larger depreciation expenses to offset taxable income.

**Capital Gains:** Long-Term capital gains rates are taxed less than ordinary income and short-term capital gains rates which allows you to save and invest more of your profit.

**Self-Directed IRA of 401(k) Investments:** Self-Directed IRAs have all the benefits of a traditional IRA or 401(k) plan, but with self-directed IRAs you can invest in real estate or other assets instead of stocks and bonds.

**Death:** If you have real estate when you die your heirs receive a step-up in basis which means the property is revalued at your death and they do not owe any taxes on the appreciated value of a property.







**BOARDWALK WEALTH**



**MAILBOX MONEY**

## Ready to invest?

Email Omar or Dusten and note the amount you will be funding as well as the Share Class(es) you want to participate in:

**omar@boardwalkwealth.com**

**dusten@mailboxmoneyre.com**

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**[www.boardwalkwealth.com/rolling-green/](http://www.boardwalkwealth.com/rolling-green/)**