



BOARDWALK WEALTH



MAILBOX MONEY



MAPLE ROCK RESERVE

SIOUX FALLS, SD

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This offering includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 which represent our expectations or beliefs concerning future events that involve risks and uncertainties, including those associated with our ability to obtain financing for our current and future operations. All statements other than statements of historical facts included in this presentation including are forward-looking statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we cannot assure you that such expectations will prove to have been correct. You should always consult your own independent tax or legal professionals or advisors prior to making any investment, including this one. Important factors that could cause actual results to differ materially from our expectations (“Risk Factors”) are disclosed in the Private Placement Memorandum, including without limitation, in connection with the forward-looking statements included in the Memorandum. All subsequent written and oral forward-looking statements attributable to us or persons acting on its behalf are expressly qualified in their entirety by the Risk Factors.

Average historical returns to investors are not a reflection or guarantee of future returns and such averages are aggregated from a portfolio of investments, as such, returns over the various investments may vary and certain investments may have performed below the average historical returns since such averages may not have accurately reflected the performance of specific investments. Further, future investments may not achieve the average returns and may be subject to total loss. All investments are subject to risk of total loss of capital, investors should consult an investment professional or review the Private Placement Memorandum before investing.

The building visuals featured in this presentation are representative of an existing project that serves as a model for Maple Rock Reserve. Please note that the final designs and construction of Maple Rock Reserve may be subject to modifications at the sole discretion of the Manager.



EXECUTIVE SUMMARY

The Opportunity

Maple Rock Reserve (the “Project”) is a three-story, garden-style development. The 132 units will comprise 1, 2, and 3 bedroom layouts with optimized floor plan designs to focus on enhancing the rent per square foot without compromising on quality.

The development is strategically located near 69th and Southeastern in the South East submarket of Sioux Falls, SD. The premier location is in close proximity to a planned and funded major intersection that will provide access to the entire eastern and southern portion of the largest metropolitan area in South Dakota.

There will be 11 buildings with 12 units per building. The quality but no-frills design reduces construction costs and allows for significant operating efficiencies pre- and post-construction.

By developing one 12-plex building at a time, we will be in a position to lease up units as they become available. We are successfully executing this strategy on: Reserve Flats, Velthuis, Briarwood Reserve, and Jefferson Reserve.

The major benefits of this strategy:

- Cash flow during construction following the build-lease-build model
- Stronger financing terms as a result of in-place cash flows
- Ability to refinance quickly upon construction completion due to seasoned income

The last point is especially important as the market is factoring in rate cuts starting in 2024 with material cuts expected by 2025. The development has been stress-tested to work in the current climate of higher interest rates. Deliver the product into a lower interest rate environment in 2025 and beyond can be highly accretive. The potential for a quicker refinance is not underwritten into the base case to maintain conservatism.

As a bonus, the first \$1.5M of equity investment will receive 5% bonus shares. This is to reward investors who commit early and ensures that investor-sponsor interests are aligned.

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 teamed with Veldhouse Companies to take on the entire entitlement risk by completing zoning, obtaining building permits, and architectural drawings, resulting in a shovel ready project for investors.

PROJECT SUMMARY

Property Name	Maple Rock Reserve
Market	Sioux Falls
Submarket	SE Sioux Falls
Units	132
Unit Mix	See “Unit Mix”
Vintage	2024/2025
Total Capitalization	\$22.6M
Targeted Equity	\$7.3M
Targeted Holding Period	4 years
Year 1 NOI	\$717,182
Year 4 NOI	\$1,584,681
Return Metrics	Pg 16-17

ANTICIPATED DEBT FINANCING*

Principal Balance	\$15.4M
Interest Rate	7.0%
Leverage	70.0%
Amortization	25 years
Term	5 years
I/O period	5 years

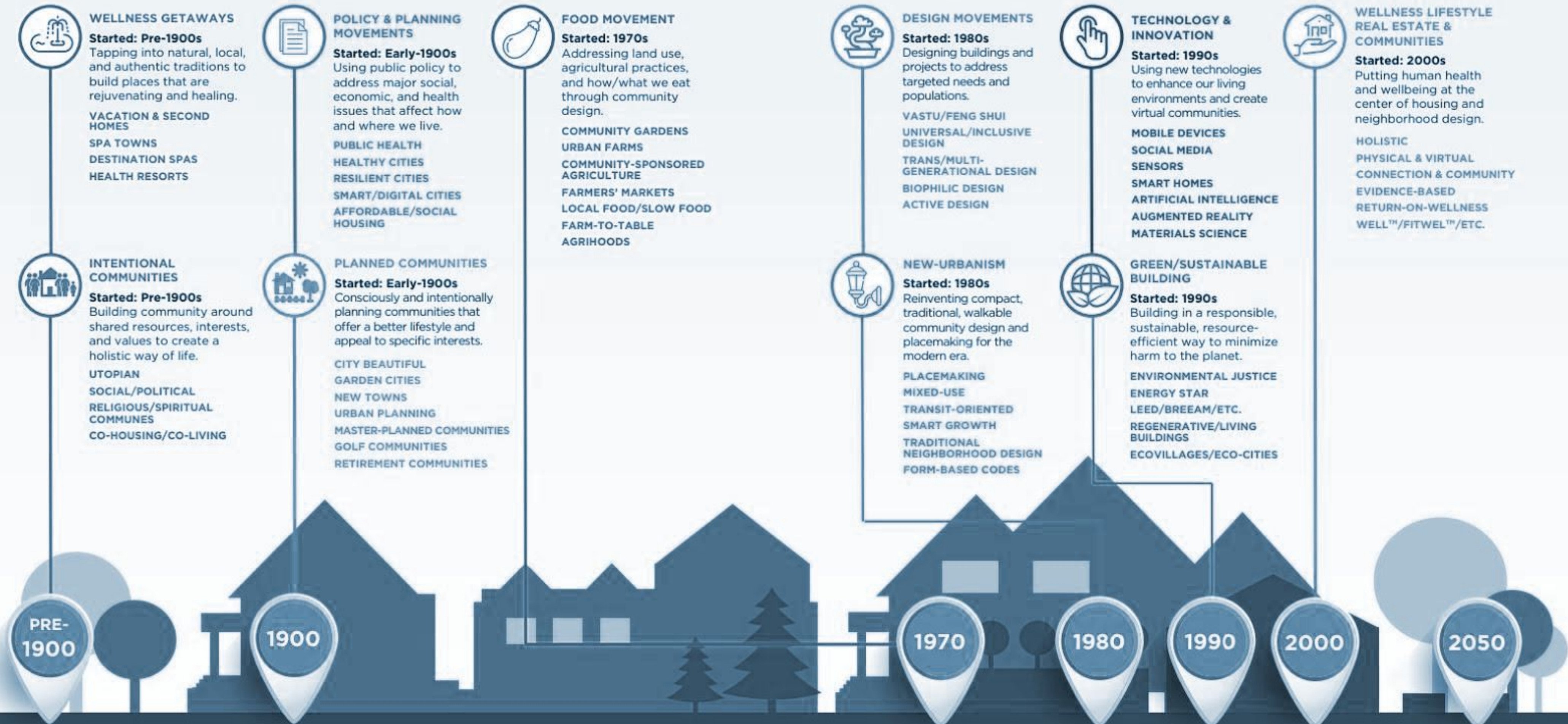
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WELLNESS DESIGN LEADS TO HEALTHIER LIVING

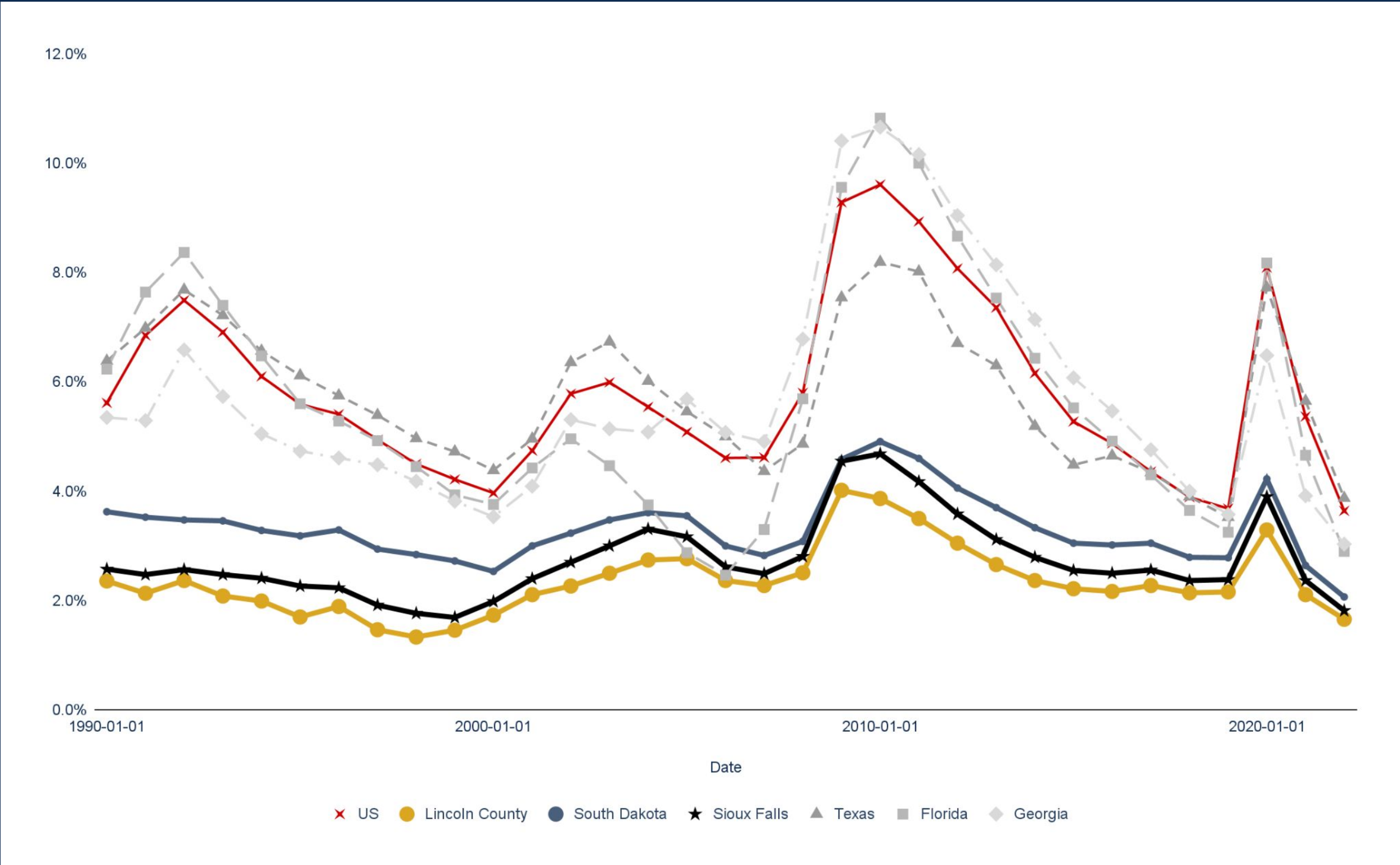


BOARDWALK WEALTH



SIOUX FALLS OUTPERFORMS

Unemployment Trend (%)



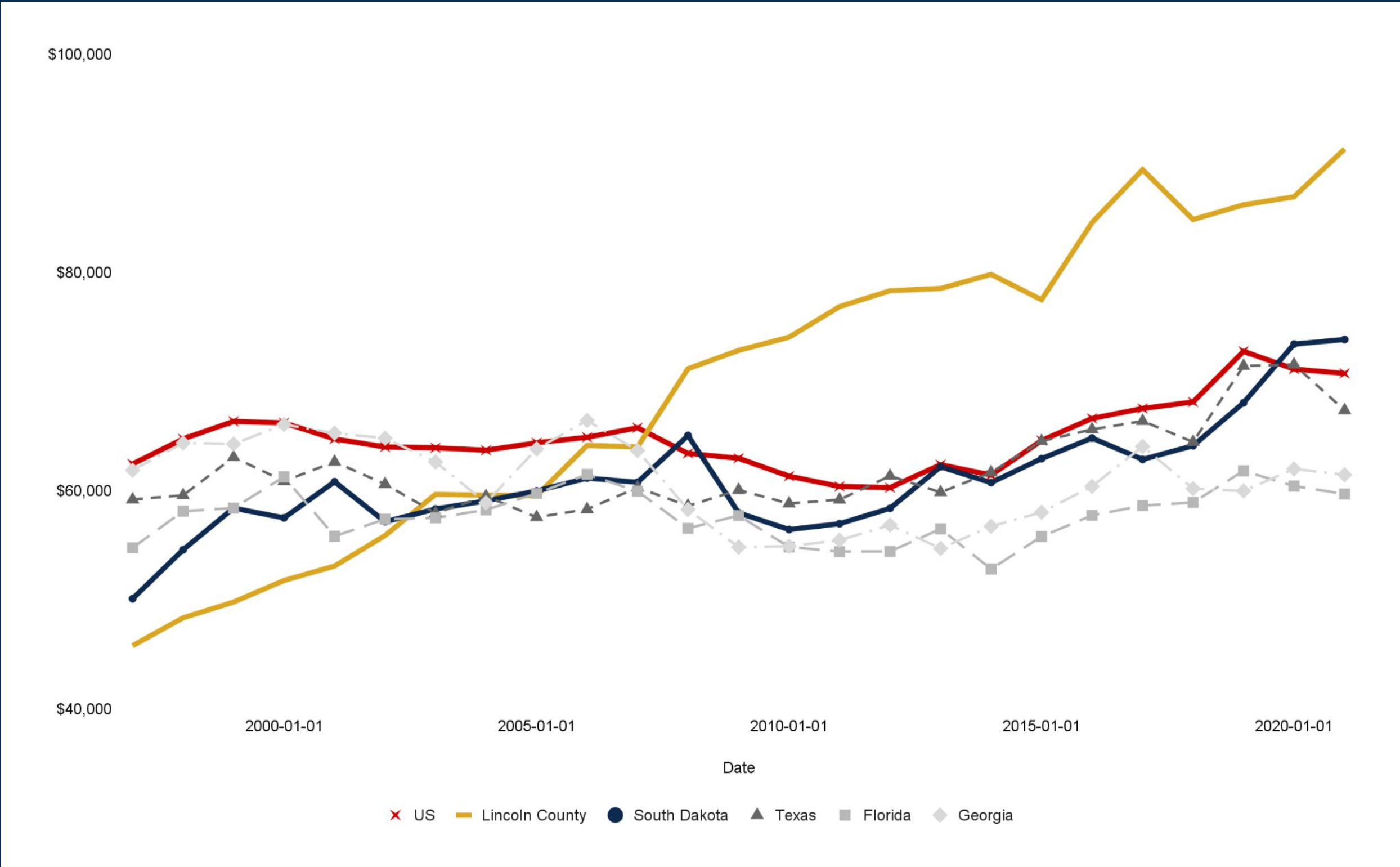
Sioux Falls consistently maintains a lower long-term unemployment rate than the national average and major markets like Texas, Florida, and Georgia.

The city's economy is thriving and diverse, supported by a robust healthcare sector, a burgeoning technology industry, and a lively retail and service sector. This varied mix of industries has enabled Sioux Falls to navigate economic downturns successfully and sustain a steady job market.

Chart Data Source:
<https://fred.stlouisfed.org>

SIOUX FALLS OUTPERFORMS

Median Household Income



Sioux Falls boasts a median income that surpasses both the U.S. national average and other prominent markets like Texas, Florida, and Georgia.

This reflects the city's robust economy and its capacity to offer well-compensated employment opportunities to its residents.

Chart Data Source:
<https://fred.stlouisfed.org>

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

#11

Best Quality of Life in the US

SIOUX FALLS MULTIFAMILY MARKET SNAPSHOT

96.6% Occupancy

3.6% YOY Rent Growth

SIOUX FALLS SUBMARKET (ZIP 57108)

BY THE NUMBERS

\$90K

Median Household Income

24%

Population Growth Since 2020

1.3%

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, SD

24-hr

Emergency Care

15 min

Drive

AIRPORT

TOP 10 LARGEST EMPLOYERS SIOUX FALLS

COMPANY	# EMPLOYEES	COMPANY	# EMPLOYEES
1. Sanford Health	11,500	6. Wells Fargo	2,500
2. Avera Health	7,500	7. Walmart/Sam's Club	2,000
3. Sioux Falls School District	4,000	8. Citi	1,500
4. Smithfield Foods	3,500	9. Sioux Falls School District	1,500
5. Hy-Vee Food Stores	3,000	10. Department of Veterans Affairs Medical	1,500

SIOUX FALLS EDUCATION

\$

Southeast Technical Institute

2,300+ students

AU

Augustana University

2,100+ students

USF

University of Sioux Falls

1,600+ students



BUSINESSES INVEST IN SIOUX FALLS

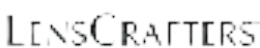
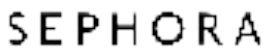
RESTAURANTS



FIVE GUYS
BURGERS and FRIES



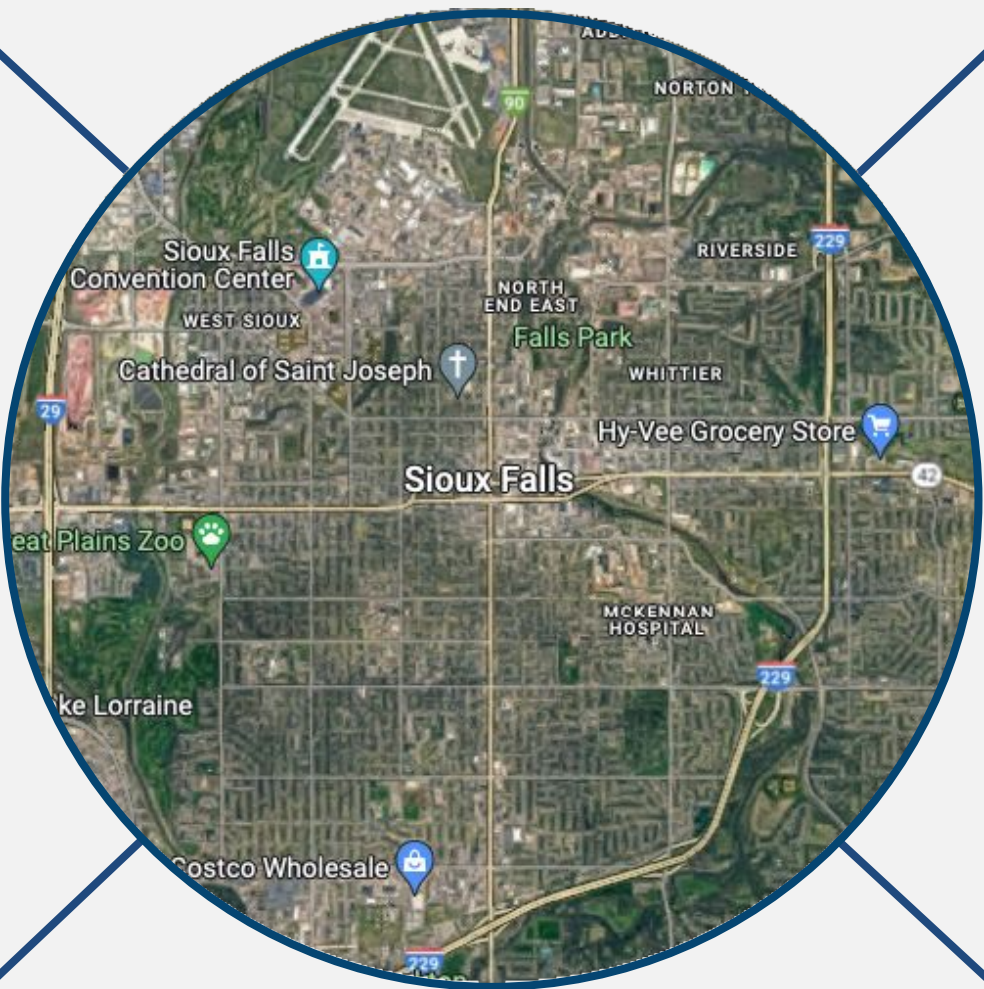
SHOPPING & RETAIL



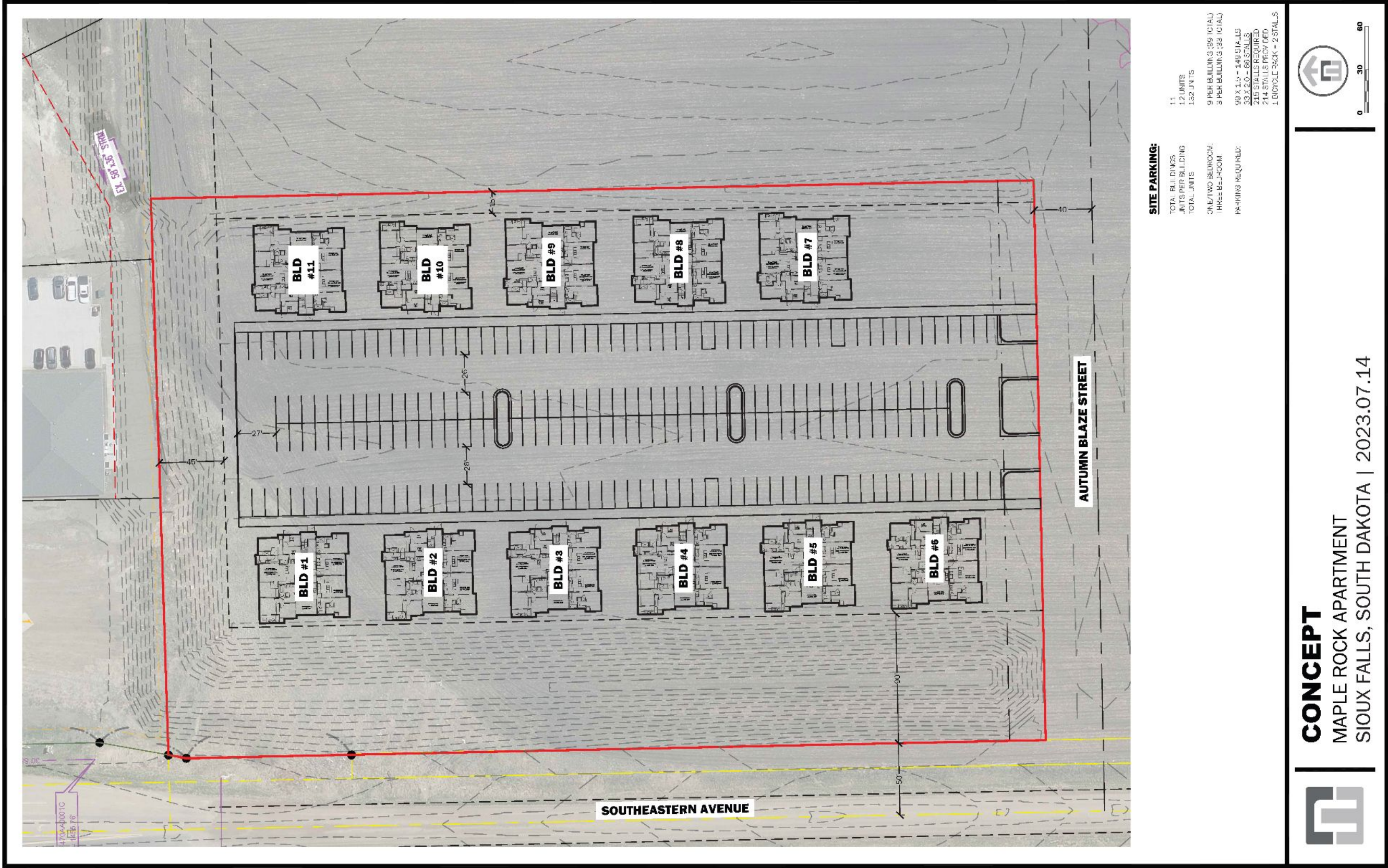
HEALTHCARE & SCHOOLS



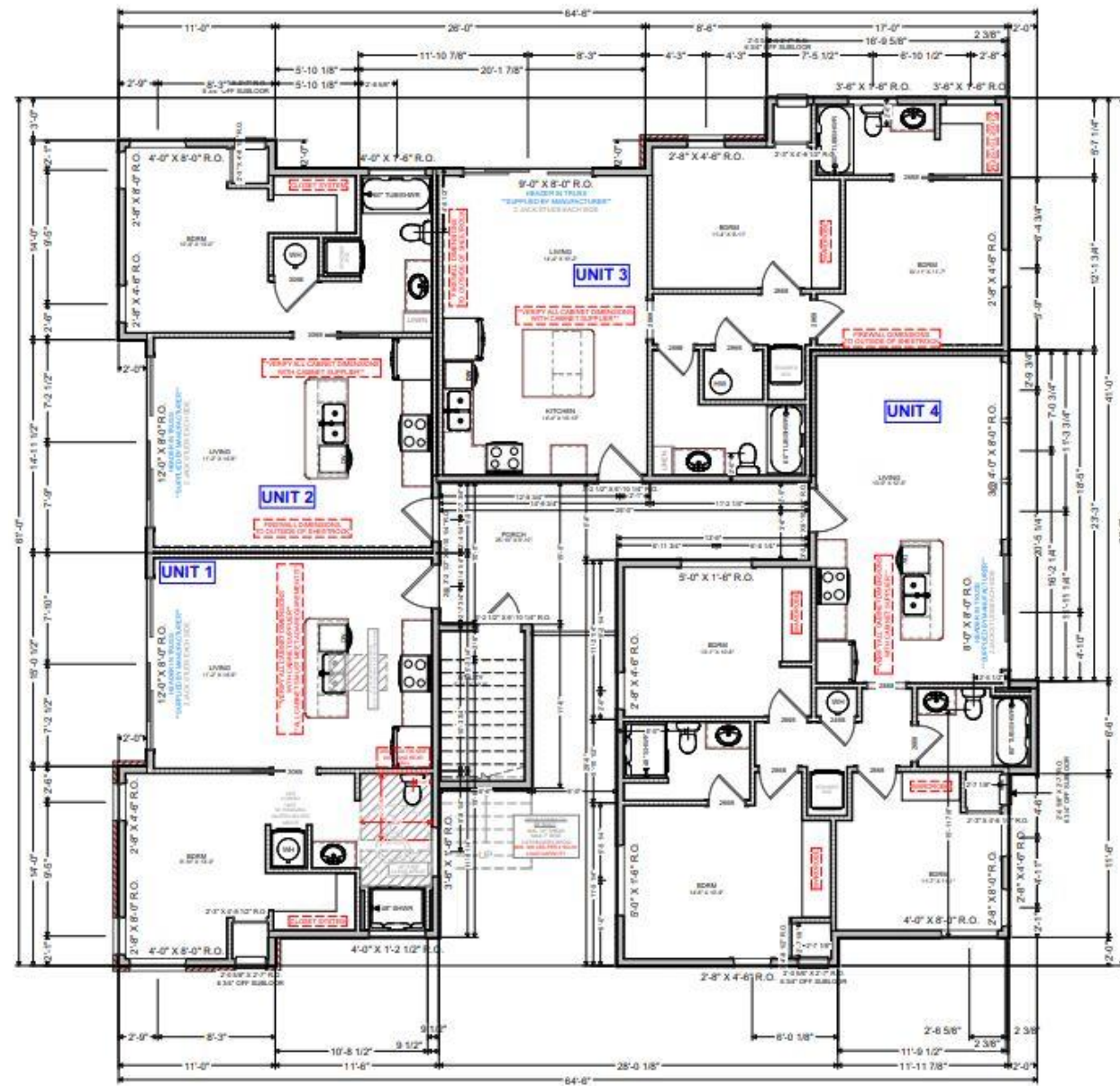
FINANCE/LARGE EMPLOYERS



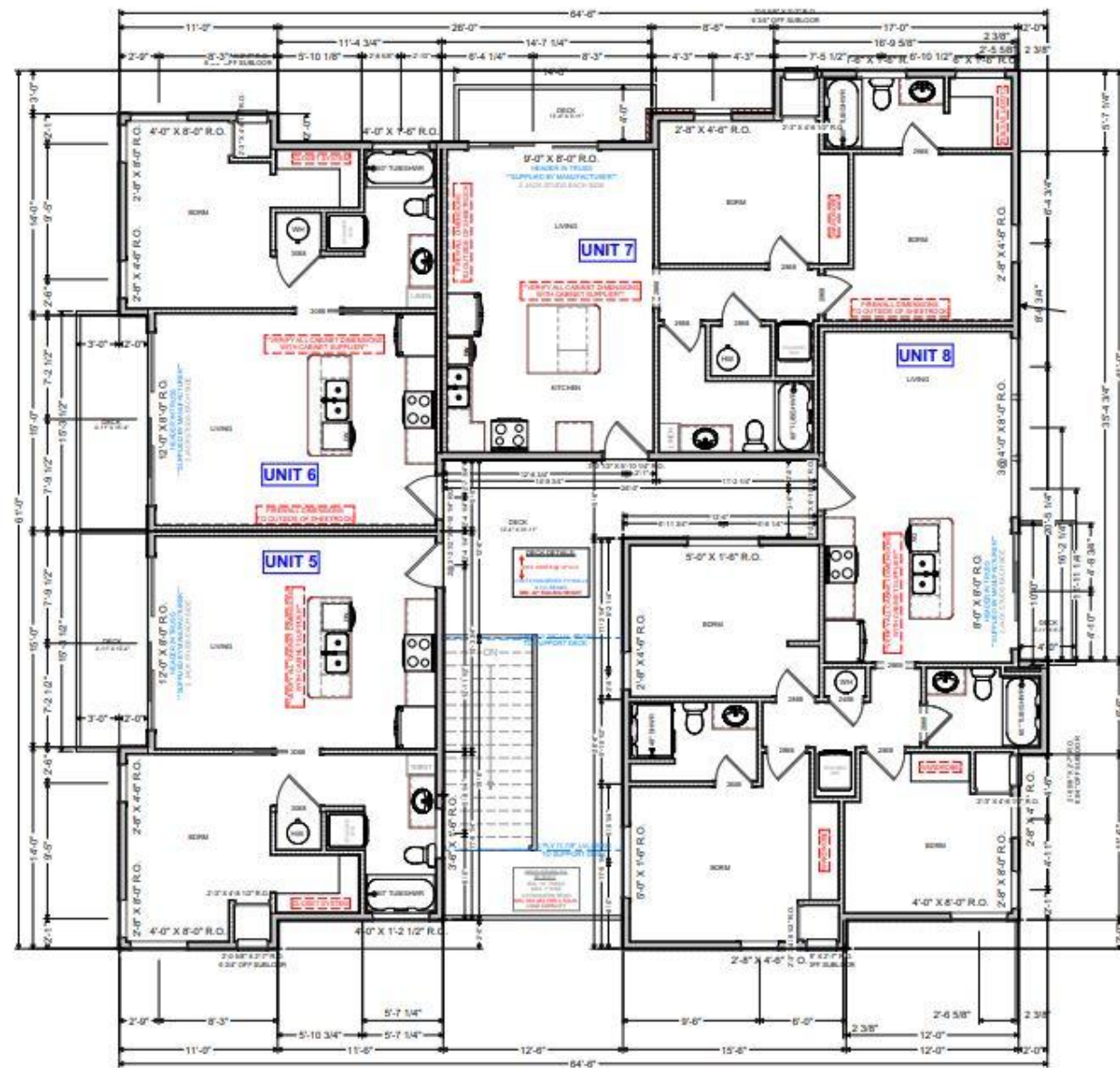
SITE OVERVIEW / SITE PLANS



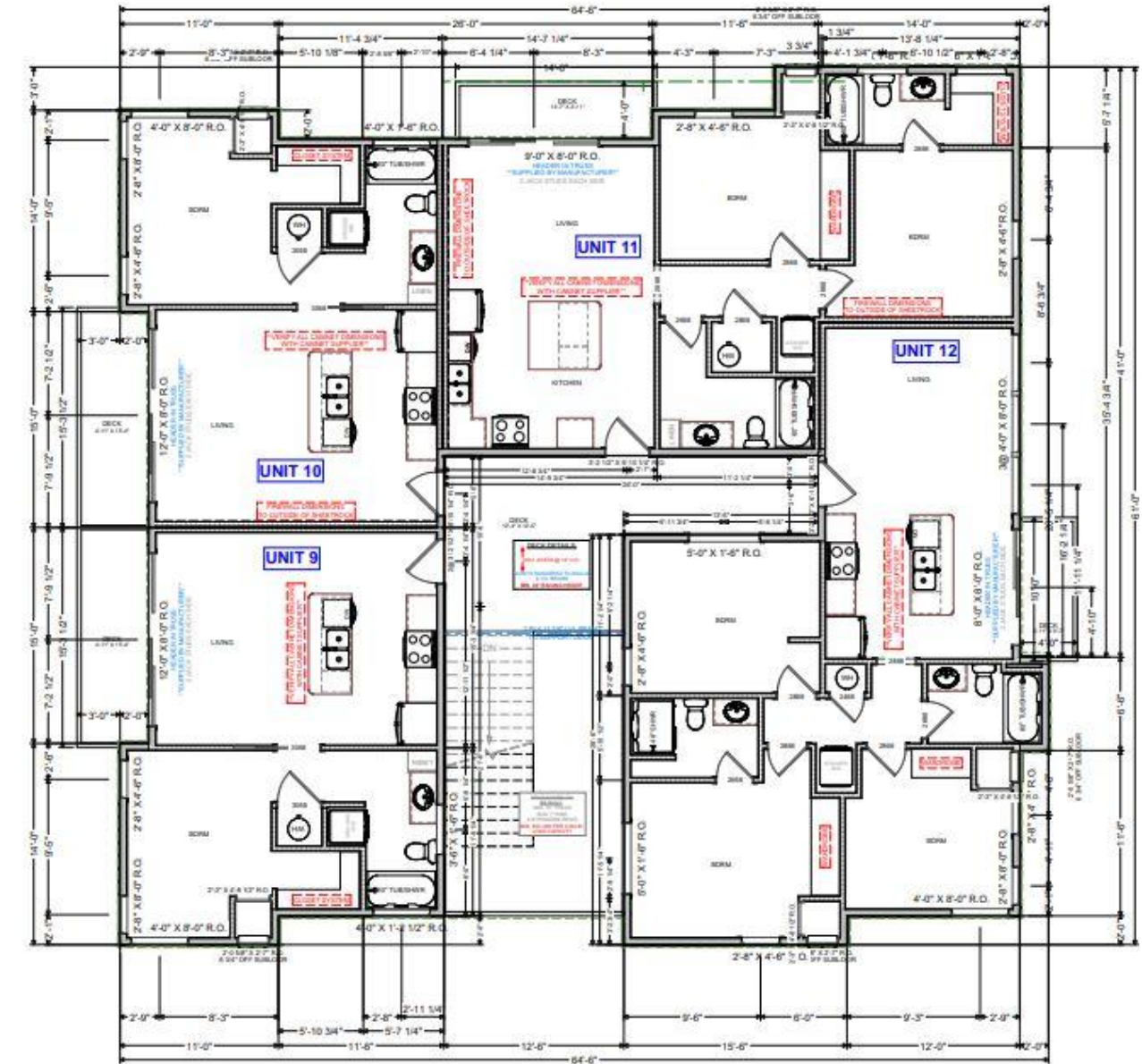
FLOOR PLANS



Main Floor



Second Floor



Third Floor

UNIT MIX



UNIT MIX

Unit Type	Units	Sq. Ft.	Effective Rent
1 Bed/1 Bath	66	600	\$1,150
2 Bed/ 2 Bath	44	854	\$1,375
3 Bed/2 Bath	22	973	\$1,575
Total	132	747	\$1,296

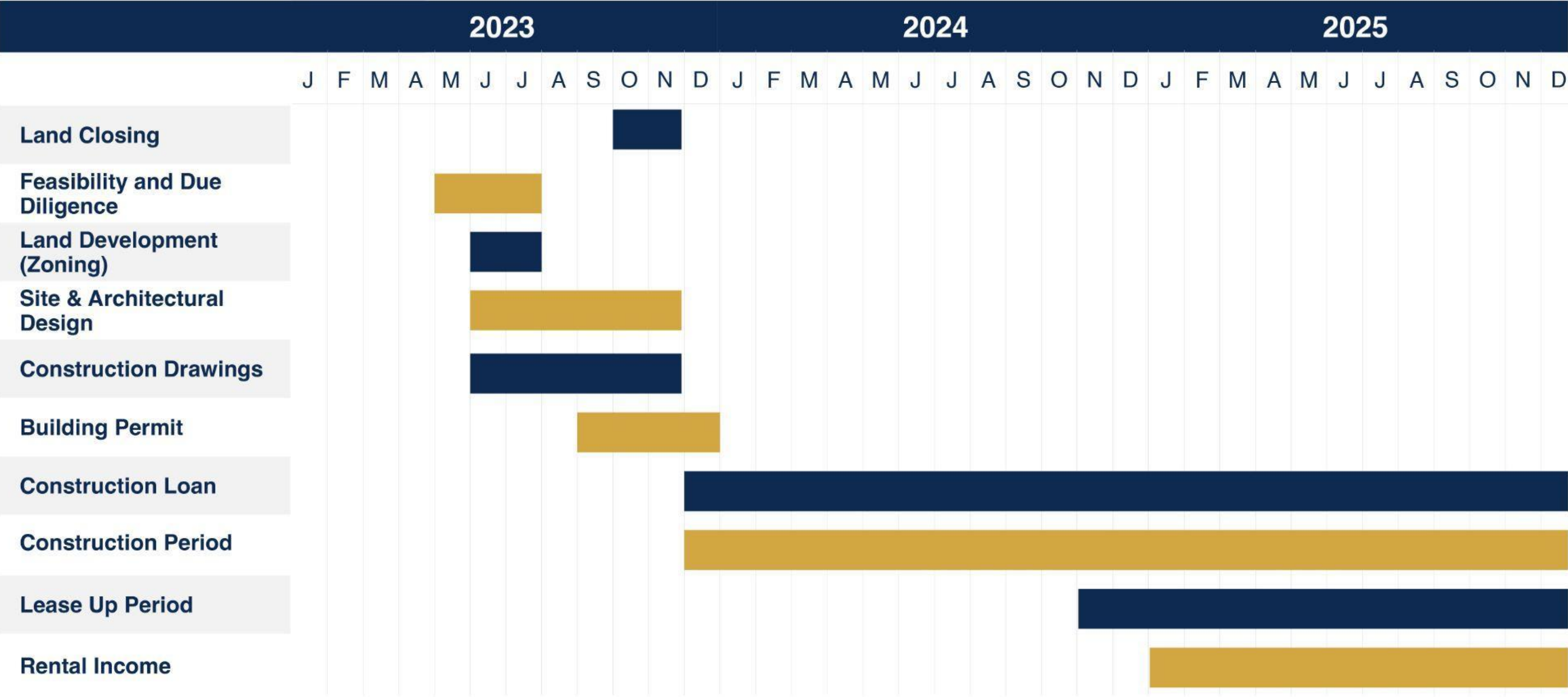


RENT COMPARABLES

PROPERTY NAME	VINTAGE	UNITS	1 BED	2 BED	3 BED
Graystone Heights	2017	332	\$1,195-\$1,304	\$1,499-\$1,834	n/a
PowderHaus	2022	425	\$1,225-\$1,365	\$1,420-\$2,2020	\$1,600-\$2,155
The Crimson	2023	105	\$1,130-\$1,465	\$1,630-\$1,680	\$1,865-\$1,915
Millstone	2023	287	\$1,110-\$1,215	\$1,425-\$1,540	\$1,715-\$1,790
Silverthorne Flats	2018	236	\$1,119	\$1,385-\$1,1415	\$1,630-\$1,655
The Carlton at Dawley	2023	152	\$1,096-\$1,334	\$1,401-\$1,672	\$1,721-\$2,017
The Commons	2017	292	\$1,131-\$1,882	\$1,209-\$2,252	\$1,346-\$2,575
The Rowe on 57th	2021	140	\$1,132-\$1,310	\$1,279-\$1,566	\$1,427-\$1,663



PROJECT TIMELINE



**Best estimate. Timelines subject to change.*

PRO FORMA

Annual Proforma	Year 1	Year 2	Year 3	Year 4
Rental Revenue				
Gross Potential Rent	\$1,124,358	\$2,177,603	\$2,242,931	\$2,310,219
Economic Vacancy	(\$112,436)	(\$217,760)	(\$224,293)	(\$231,022)
Total Rental Revenue	\$1,011,922	\$1,959,843	\$2,018,638	\$2,079,197
Total Other Income	\$118,003	\$228,543	\$235,400	\$242,462
Total Income	\$1,129,926	\$2,188,386	\$2,254,038	\$2,321,659
Operating Expenses				
Controllable				
Property Management Fees	(90,394)	(175,071)	(180,323)	(185,733)
Contract Services	(46,200)	(47,355)	(48,539)	(49,752)
Repairs and Maintenance	(52,800)	(54,120)	(55,473)	(56,860)
Turnover	(46,200)	(47,355)	(48,539)	(49,752)
Total Controllable Expenses	(\$235,594)	(\$323,901)	(\$332,874)	(\$342,097)
Non-Controllable				
Insurance	(79,200)	(81,180)	(83,210)	(85,290)
Utilities	(79,200)	(81,180)	(83,210)	(85,290)
Real Estate Taxes	(18,750)	(18,750)	(224,302)	(224,302)
Total Non-Controllable Expenses	(\$177,150)	(\$181,110)	(\$390,721)	(\$394,881)
Total Expenses	(\$412,744)	(\$550,011)	(\$723,595)	(\$736,979)
Net Operating Income (NOI)	\$717,182	\$1,683,375	\$1,530,443	\$1,584,681



EQUITY STRUCTURE

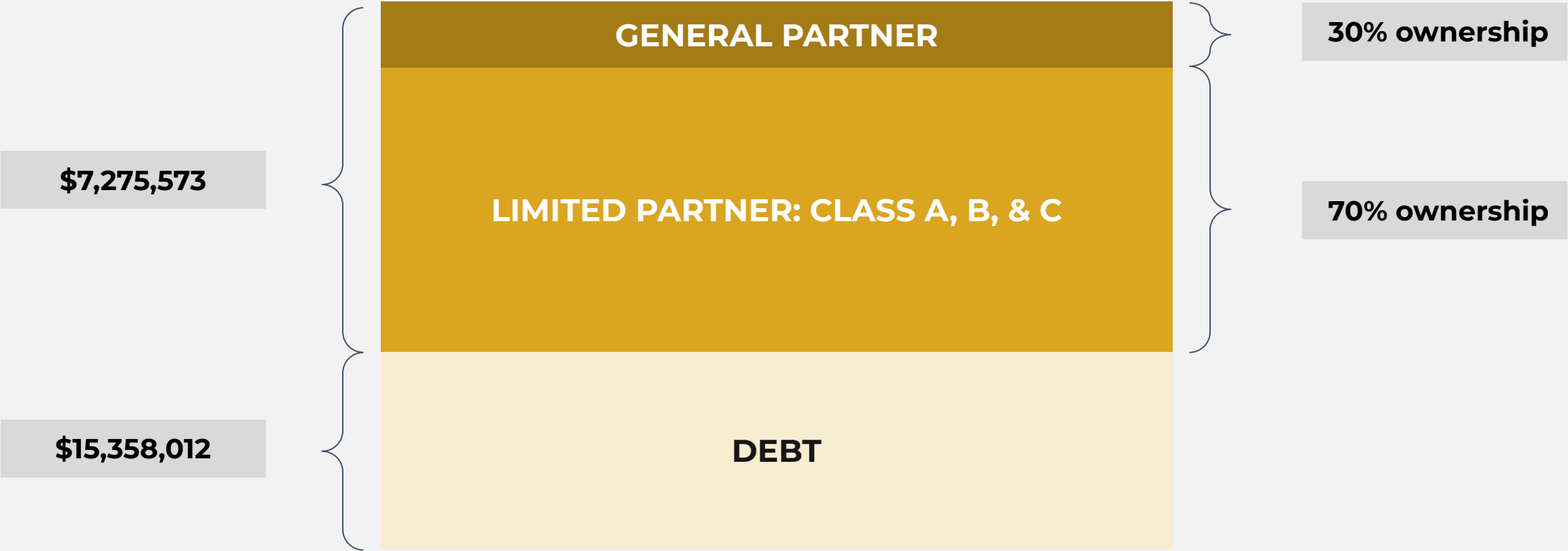
Multiple-Tiered Equity Structure With Bonus Shares That Allows Investors to Match Investment Goals

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.

- **Bronze: \$50K-\$75K, 5% preferred**
- **Silver: \$80K-\$145K, 6% preferred**
- **Gold: \$150K-\$495K, 7% preferred**
- **Platinum: \$500K-\$995K, 8% preferred**
- **Diamond: \$1M+, 9% preferred**

We have limited space in each class of shares so we 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	Varies by share class (see PPM)



EQUITY STRUCTURE

	Investment	Preferred Return	Up to 15% IRR	Above 15% IRR
Diamond	\$1M+	9%	80/20	80/20
Platinum	\$500K - \$995K	8%	75/25	75/25
Gold	\$150K - \$495K	7%	70/30	60/40
Silver	\$80K - \$145K	6%	70/30	60/40
Bronze	\$50K - \$75K	5%	70/30	60/40



INVESTMENT HIGHLIGHTS

	IRR	Equity Multiple	AAR
Diamond	18.7%	1.96x	23.9%
Platinum	18.0%	1.91x	22.7%
Gold	16.4%	1.81x	20.2%
Silver	16.2%	1.80x	19.9%
Bronze	16.0%	1.78x	19.6%



Organizational Structure, Investment Process & Portfolio



MEET THE TEAM



Omar Khan, CFA

Founder, Boardwalk Wealth

Omar has advised on **\$3.7 billion** in capital financing and M&A transactions, as well as securing **\$65 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 transacted on over **\$450 million** of assets across TX, GA, FL and SD.



MEET THE TEAM



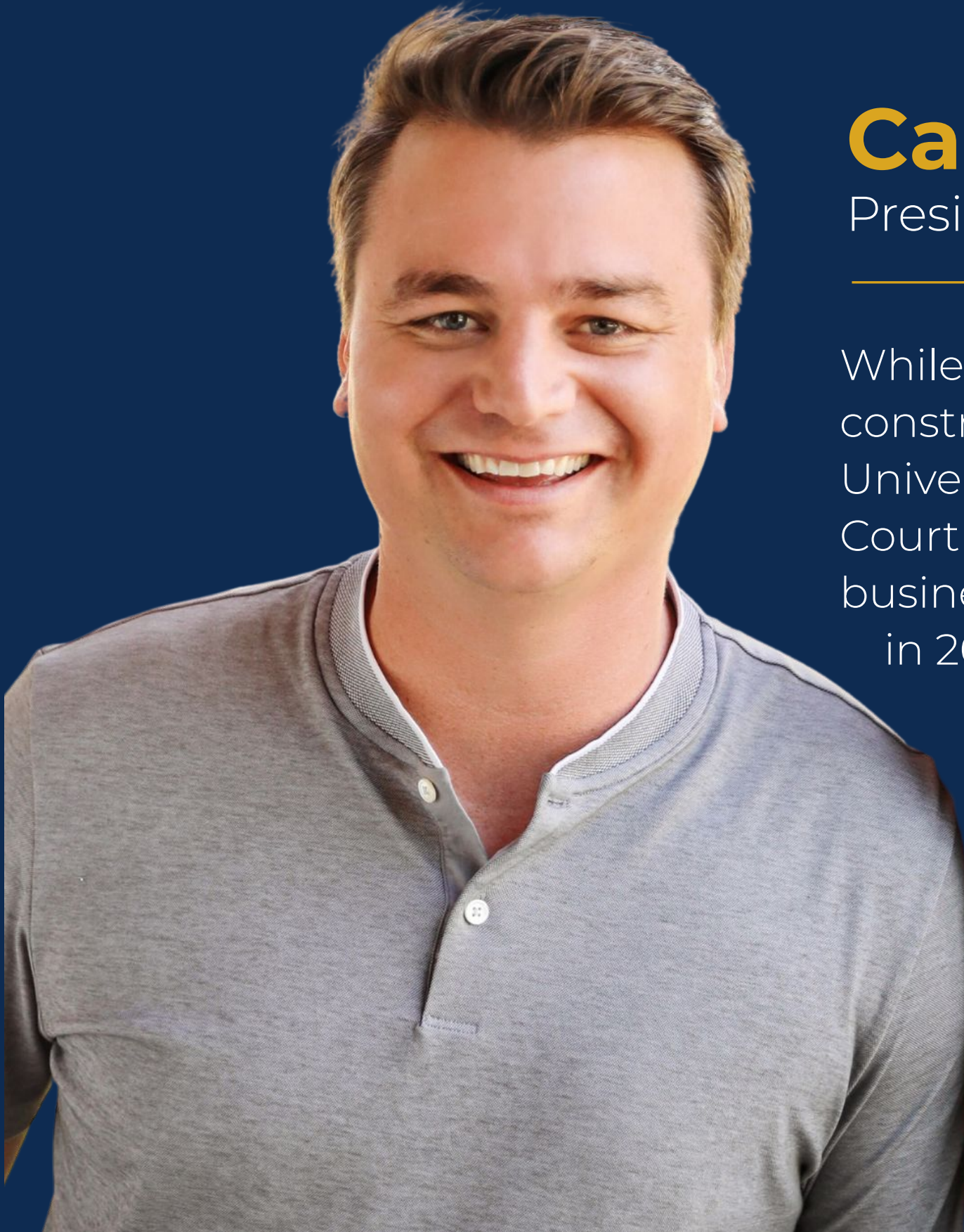
Dusten Hendrickson

Founder, Mailbox Money RE

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

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 a lone 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 2013	5	\$1.0M	25.0%-28.0%	Development
Career Crossing	SD	Apr 2015	6 units 10,000sf	\$2.0M	18.0%	Development
Christie Heights	SD	May 2015	72	\$18.0M	15.0%	BTR/Residential Housing Development
Lofts at Main	SD	Sep 2015	30	\$2.5M	20.0%-22.0%	Development
Washington Crossing	SD	Mar 2017	92	\$11.0M	28.0%	Development
Volga 10-Plex	SD	Jun 2017	10	\$1.2M	38.0%-42.0%	Development
Ben Franklin	SD	Apr 2018	20	\$2.8M	15.0%-19%	Development
Roosevelt Marketplace	SD	May 2018	7 units, 25,000 sf	\$4.5M	26.0%	Development
Equinox at Knight	GA	Dec 2019	194	\$23.9M	15.6%	Value-Add
Maple Park	SD	Sep 2020	77	\$6.2M	21.0%	Value-Add
The Preserve	SD	Dec 2020	72	\$6.0M	19.0%	Value-Add
Brighton Farms	GA	Jan 2021	134	\$16.2M	15.2%	Value-Add



CURRENT HOLDINGS

Name	State	Acquired/Developed	Units	Purchase Price/Development Cost	Target IRR	Strategy
Eagle Creek	SD	May 2021	143	\$6.5M	15.0%	Value-Add
Lofts at Eden	FL	Jul 2021	175	\$35.1M	16.7%-17.7%	Core Plus
Blu on Lorraine	SD	Oct 2021	128	\$16.6M	20.0%	Development
The Reserve Flats	SD	Nov 2021	48	\$8.2M	16.0-18.0%	Development
Pines of Lanier	GA	Feb 2022	157	\$17.8M	15.0%-15.3%	Value-Add
Eastwood Oaks	FL	May 2022	104	\$13.5M	15.3%-15.9%	Value-Add
Langley Place	GA	Jun 2022	116	\$15.3M	15.2%-15.5%	Value-Add
The Velthuis (fka Rolling Green)	SD	Sep 2022	144	\$28.8M	20.7%-21.2%	Development
Monarch Villas	GA	Nov 2022	130	\$24.4M	15.2%-15.7%	Value-Add
Briarwood Reserve	SD	May 2023	144	\$25.6M	17.9%-18.3%	Development
Jefferson Reserve	SD	Sep 2023	180	\$32.1M	17.2%-17.6%	Development



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	62.0%	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

The Velthuis (fka Rolling Green)

Class A, Garden-Style
Development

Sioux Falls, SD

Status: Under Construction

Units: 144

Dev. Start: Nov 2022

Dev. End: Q1 2024

Development: \$28.8M



- Attractive land parcel in a supply-starved market sourced directly from the owners based on deep local relationships
- Attractive 3-year, fixed-rate, interest only debt sourced at 4.95% with no prepayment penalty allowing for maximum flexibility while being accretive to valuation if sponsor group decides on an earlier exit.
- Modern Scandinavian design, wellness-focused, luxury community only blocks away from upscale retail and Avera Health's second campus.
- Attractive amenity features includes climate-controlled underground parking, indoor pool and hottub, community room, outdoor kitchen, and fitness center with two story glass facing south for spa ambiance in the frigid winters.



CASE STUDIES

Blu on Lorraine

Class A, Cutting Edge Development

Sioux Falls, SD

Status: Under Construction

Units: 128

Dev. Start: Oct 2021

Dev. End: 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 2x

Units: 194

Vintage: 1988/1991

Acquisition: Dec 2019

Acq. Price: \$23.9M



- Current valuation is ~71% increase over book value: \$40.9M, ~\$210,600 per unit
- Refinanced 2x in 3 years into attractive long-term debt resulting in 64% return of initial equity and 88% total returns to investors in less than 36 months without dilution.
- Investors earning 20%+ cash-on-cash in a fast appreciating submarket with no 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: Refinanced

Units: 134

Vintage: 1972

Acquisition: Jan 2021

Acq. Price: \$16.2M



- Current valuation is ~54% increase over book value: \$25M, ~\$187,000 per unit
- Strategic refinance into long-term debt resulting in ~68% of investor capital returned in 19 months via a combination of distributions and return of equity.
- \$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

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.





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

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