Investment Summary

Ridgepoint

164 Units | Phoenix, AZ (City of Glendale) | $19,750,000

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INVESTMENT HIGHLIGHTS

Rare Opportunity To Purchase EXTENSIVE Value-Add in a High Growth Market

2nd
Fastest Growing City in the U.S.

5th
Largest City in U.S.

Tremendous Value Add Potential

- Unit Upgrades
- New Fitness Center
- New Dog Park

Increase income by over $300 per unit per month

2.0x 5-Year Target Equity Multiple	**2.7x** 10-Year Target Equity Multiple
19.3% 5-Year Target Annual ROI	**16.6%** 10-Year Target Annual ROI
18.0% 5-Year Target Partner IRR	**14.7%** 10-Year Target Partner IRR

EXECUTIVE SUMMARY

What We Are Buying

Ridgepoint Apartments
5020 W Peoria Ave, Glendale, AZ 85302
164 Units, Class B-, built in 1986
Two story garden style apartments
Purchase Price: $19,750,000

Our Strategy

Purchase the asset for $19,750,000.

Completely renovate the property at a cost of $2.5M over a two year period, increasing revenue by approximately $312 per unit.

Cash-Out Refinance once stabilized to return up to 50% of the capital to partners.

Our preferred exit is 5 years or sooner, as it maximizes the IRR to the partners. However, we've underwritten a 10-year hold to accommodate any real estate cycle.

How We Are Structuring

Capital Raise: $7,500,000

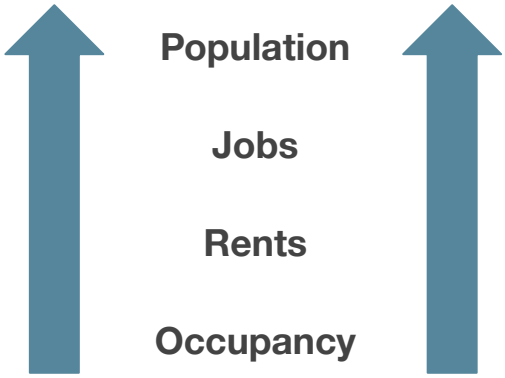
Hold Period: 3-10 years. Potential for cash-out refinance of +/- 50% of capital at the end of Year 3.

Target Returns: 14.7%-18.0% IRR, dependant on hold period and market conditions.

Investor Waterfall: 8% cumulative preferred COC return, 70% split to investors thereafter.

Located in Phoenix,
5th largest city in the U.S.

Phoenix has Strong Fundamentals



In-place Income: $802

Repositioned Income: $1,112

(per unit per month)

Projected Returns on $100,000 Investment

5 Year Hold

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Sample $100K Partner	$ (100,000)	$ 1,893	$ 5,631	$ 48,475	$ 4,234	$ 137,102
Cash on Cash		1.89%	5.63%	9.08%	6.99%	126.21%

IRR	**17.95%**
Equity Multiple	**1.97x**
ROI	**97.34%**
Annualized ROI	**19.47%**

10 Year Hold

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Sample $100K Partner	$ (100,000)	$ 1,893	$ 5,631	$ 48,475	$ 4,234	$ 4,920	$ 5,625	$ 6,351	$ 7,098	$ 7,868	$ 175,179
Cash on Cash		1.89%	5.63%	9.08%	6.99%	8.12%	9.28%	10.48%	11.71%	12.98%	189.04%

IRR	**14.68%**
Equity Multiple	**2.67x**
ROI	**167.27%**
Annualized ROI	**16.73%**

8% Preferred Rate of COC

Investing Partners receive a preferred 8% cumulative Cash on Cash return. Cumulative pref simply means that in any year when the cash flow at the property level is lower than 8%, the investors receive all of the available cash flow. Any shortfall will be accumulated and paid out in future years until 8% COC is met fully.

The sponsors of this offering will not be paid anything out of the cash flow until the pref is fully met. Once the cumulative pref of 8% is met, the remaining cash flow will be split 70/30, with investors collecting 70%.

Distributions

Significant repositioning projects typically do not pay out distributions for the first year or more, until the asset is stabilized. We are well capitalized, and expect to be able to begin distributions after Q4, or sooner if cash flow is available.

All distributions thereafter will take place on a quarterly basis.

PHOENIX MARKET OVERVIEW

- Ridgepoint is located in Maricopa County, Phoenix, AZ.
- Arizona ranked #3 in Economic Momentum due to strong population, job, and personal income growth.
- Phoenix MSA recorded the 2nd greatest population growth of any large city in 2018!
- Phoenix is now the 5th largest city in the country, with MSA population of nearly 5 million.
- Maricopa County recorded the GREATEST population growth of any county in the U.S. in 2018.
- Median household income in Phoenix MSA is $61,592, above the national median.
- Realtor.com forecasts Phoenix economy to grow 7.2% in 2019.
- Average monthly rent in Phoenix is $1,105, which is 25% lower than the national average of $1,419.
- Phoenix MSA clocked in 7.7% rent growth in the last 12 months, which is higher than the 7% Colliers International predicted for Phoenix MSA in 2018.
- According to NorthMarq, rents in Q1 2019 are up by 3%, which is an increase of 9.5% over Q1 2018
- Growth in Greater Phoenix is being fueled almost entirely by private sector. Government employment in Phoenix inched up by fewer than 1,000 jobs in 2018, or less than 0.4%. Employment in private sector industries expanded by more than 60,000 workers, at an annual growth rate of 3.5%. That's over twice the national rate!

GLENDALE, AZ - CLOSE TO EVERYTHING

The Property

Ridgepoint is located on Phoenix MSA's West Side in the North Glendale neighborhood. The community enjoys great visibility as it sits at the corner of two main roads, 51st Avenue and Peoria Avenue, with over 200 feet of frontage on each road.

Demographic

According to Yardi Matrix, the median household income in the 3-mile radius is $47,440.

Glendale Community College

Ridgepoint is located 2 miles from the Glendale Community College - 19,133 students.

ASU West Campus

Two miles away, the rapidly expanding Arizona State University's West Campus has 3,663 students.

The Village at Thunderbird

Just 3 miles North of Ridgepoint, this 158 acre lot is the former site of the Thunderbird School of Global Management, which has now moved to downtown Phoenix after being purchased by Arizona State University. It will be transformed into a mixed use development, consisting of retail, office, and residential properties.

Downtown Phoenix - 20 Minutes

Downtown Phoenix boasts a large, diversified pool of nearly 700,000 workers within a 20 minute drive, and over 1.2M within a 30 minute drive. This is expected to increase to over 1.4M by 2020.

Phoenix Sky Harbor International Airport - 20 Minutes

Phoenix Sky Harbor International Airport sees nearly 45 million passengers per year, making it one of the ten busiest airports in the nation.

GLENDALE, AZ - EXCITING ENTERTAINMENT

Westgate

Westgate in Glendale, most known as an Entertainment District with its shopping, restaurants, nightlife and sports, is quickly becoming a top destination in all of Phoenix MSA.

Jobing.com Arena

The home of the NHL's Phoenix Coyotes, it is also recognized as one of the best concert venues in North America and one of the top 50 arenas in the world.

Desert Diamond Casino

Once finished later this year, this casino will feature more than 1,000 slot machines on more than 75,000-square-foot of gaming floor. It's the first phase of what will become a much larger resort including a hotel, restaurants, conference center and spa.

State Farm Stadium

The home of the NFL's Arizona Cardinals, this $450 million state of the art stadium with a retractable roof and 75,000 seating capacity, regularly hosts large sporting events like the NFL's Super Bowl, the College Football Playoff and College Basketball's Final Four.

Cabela's

This 165,000 square foot destination retail development includes a restaurant and aquarium. Recognized as the world's foremost outfitter for hunting, fishing and outdoor gear, Cabela's attracts over 4 million visitors annually.

GLENDALE, AZ - STRONG EMPLOYERS

Medical Corridor

Glendale's Medical Corridor encompasses many hospitals, notably Banner Thunderbird Medical Center (2,900 employees) and Abrazo's Arrowhead Hospital (1,010 employees).

Westgate Healthcare Campus

Located next to Westgate, this $30 million health care complex is projected to bring as many as 1,500 new jobs to the city. The 250,000 square foot complex will go up on nearly 22 acres of undeveloped land just west of the Loop 101 freeway.

The plans include surgery, treatment, therapy and rehabilitation centers. Other facilities and businesses could include transitional care, nursing, post-acute care, sub-acute care, skilled nursing and offices.

Sante' Of Westgate

Also located next to Westgate, Sante' will open a new $40 million medical and assisted living facility. It will consist of 172-units and offer rehabilitation care as well as services for Alzheimer's and dementia patients.

Manufacturing Corridor

Glendale is quickly becoming known as a manufacturing corridor, with the City of Glendale eliminating sales tax on machinery and equipment purchased for manufacturing.

Major manufacturing employers include Honeywell Aerospace, Conair, Corning and Magellan Aerospace.

PROPERTY DESCRIPTION

Ridgepoint is a 164-unit apartment community located in Glendale, AZ. This community was built in 1986 and sits on 5.9 acres, with frontage on Peoria Avenue and 51st Avenue.

Ridgepoint is conveniently located across the street from a very popular grocery chain called Sprouts Farmers Market. Within one mile are shopping plazas that include LA Fitness, EoS Fitness, The Home Depot, Walgreens, CVS, Albertsons, Fry's Food and Drug, T-Mobile, GameStop, Massage Envy, Applebee's, Arby's, Boston Market, McDonald's, Denny's, Little Caesars, Jack in the Box, Burger King, Dunkin' Donuts, Subway and much more.

This two story garden style community has been professionally managed and is well maintained. While built in 1986, some of the architectural features leave the impression of nineties construction style. The community presents itself extraordinarily well.

While being in reasonable state of repair for its' age, Ridgepoint represents a significant value-add opportunity. While the flooring and appliances have been upgraded in approximately half of the units, but the cabinets, countertops, baths, and fixtures are original throughout the property.

In addition to wonderful unit mix and lay-out, one of the very attractive features at Ridgepoint is the presence of washers and dryers in every unit. This is a rare and coveted amenity in this vintage construction, and we are confident that once we modernize and reposition Ridgepoint, this asset will enjoy incredible competitive advantage in the submarket.

The property will operate with 2 full-time and 2 part-time on-site personnel, including a manager, a leasing agent, a maintenance supervisor, and a maintenance technician.

Ridgepoint will be managed for us by Shelton-Cook Real Estate Services, who has 23,000 units in their management portfolio. Shelton-Cook currently manages Canyon 35 (formerly known as Silver Tree) and the South Mountain Square for us.

UNIT MIX

Ridgepoint is comprised of 164 units. The unit mix is optimal, with 96 one bedroom one bath units, 32 two bedroom one bath units and 36 two bedroom two bath units.

All of the units have private balconies or patios, and all have an exterior private storage unit.

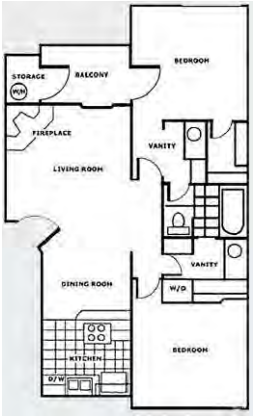
			Current		Renovated	
Units	Type	SF	Rent	Rent/SF	Rent	Rent/SF
24	1x1	580	$746	$1.29	$940	$1.62
40	1x1	620	$787	$1.27	$985	$1.59
32	1x1	690	$823	$1.19	$1,035	$1.50
32	2x1	870	$907	$1.04	$1,235	$1.42
36	2x2	980	$927	$0.95	$1,295	$1.32
164		**756**	**$842**	**$1.11**	**$1,105**	**$1.46**

1 x 1
580 sq. ft.

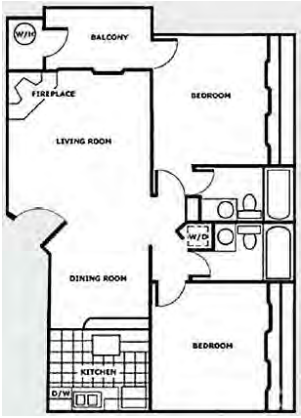
1 x 1
690 sq. ft.

1 x 1
620 sq. ft.

2 x 1
870 sq. ft.



2 x 2
890 sq. ft.



STRATEGIC APPROACH

Ridgepoint has not undergone a comprehensive interior remodel since its original construction in 1986. However, while the property is in desperate need of an update, it is in reasonably good condition for its age.

Exterior Value-Add

The exterior remodel will consist of fresh paint, pool deck resurfacing, upgraded BBQ areas, new outdoor furniture and bike racks throughout for a modernized look and feel that will attract new tenants.

Additionally, we plan to add a gym, a bark (dog) park and a playground.

Interior Value-Add

All unit interiors will be modernized with new cabinets in the kitchen and baths, granite surfaces, undermount sinks, stainless steel appliances, flooring, paint, and fixtures throughout.

Timing and Returns

We intend to perform all of the exterior and common area upgrades in the first year. The interior upgrades will be completed within the first two years. We anticipate stabilized operations by year three.

We plan on exiting the asset in three to ten years, subject to market conditions.

We are able to project a 18% IRR to investors on a 5-year hold. We recognize, however, that in 2019 we are no longer early in the real estate cycle. To be conservative, we have also underwritten a 10-year hold period. We can project a 14.7% IRR to investors on a 10-year hold.

RENOVATION PLAN

We are estimating approximately $2.5M of capital improvements to be completed over a 24 month period. This accounts for remedying all of the deferred maintenance, upgrading of the common areas, and unit renovations. Final CapEx numbers will be verified in the due diligence period.

Immediately upon acquisition we will begin the process of updating the common areas, including updates to the pool area, office, new fitness center, new bark park, new playground, BBQ areas throughout the community, exterior paint and new signage. All common area work will be completed in the first year.

Unit interiors will be updated upon lease expirations and move-outs. We plan to renovate 7 units per month, and thus complete all 164 units in 2 years.

Planned interior unit upgrades include new cabinets in the kitchen and baths, new stainless-steel appliances, new cabinet hardware, new granite countertops with undermount sinks, new flooring, new paint scheme, new light fixtures, new plumbing fixtures, new blinds, and new window screens.

RENOVATION BUDGET

Capital Expenditures Budget		
Item	**Amount**	**Per Unit**
Unit Interior Renovation	$1,500,000	$9,146
Paint Exterior	$115,000	$701
Pool Decking/Furniture	$30,000	$183
Startup Tools/Equipment	$10,000	$61
Signage	$40,000	$244
Fitness Center	$150,000	$915
Parking Lot	$20,000	$122
Office Remodel	$20,000	$122
Landscaping/BBQ	$50,000	$305
Dog Park and Playground	$40,000	$244
Patio Baluster Repair	$10,000	$61
Exterior Remodel	$100,000	$610
Subtotal	**$2,085,000**	**$12,713**
Contingency	$510,750	$3,114
Construction Management	$104,250	$636
Total Renovation Costs	**$2,700,000**	**$16,463**

Contingencies		
Item	**Amount**	**Per Unit**
Roof Contingency	$200,000	$1,220
Washer/Dryer Contingency	$45,000	$274
Water Heater Contingency	$10,000	$61
Plumbing Contingency	$50,000	$305
HVAC Contingency	$101,500	$619
Overall Contingency	$104,250	$636
Total Contingencies	**$510,750**	**$3,114**

SOURCES & USES OF CAPITAL

Uses	
Down Payment	
Purchase Price	$19,750,000
Renovation Costs	$2,700,000
Subtotal	$22,450,000
Loan	$17,500,000
Down Payment	**$4,950,000**
Closing Costs	
Entity Formation & Purchase Legal	$20,000
Buyer Due Diligence & PSA	$7,000
Lender Third Party Costs	$15,000
Lender Origination Fee	$262,500
Refinance Origination Fee	$175,000
Lender Application Fee	$7,500
Refinance Application Fee	$5,000
Interest Rate Cap	$65,500
Title & Escrow	$20,000
Finance Fee	$350,000
Accounting and Cost Segregation	$17,500
Acquisition Fee	$493,750
Total Closing Costs	**$1,438,750**
Deposits and Reserves	
Taxes and Insurance to Lender	$107,814
First Month of Debt Service	$136,696
Interest Reserve	$225,000
Working Capital	$509,740
Funding Accounts	$57,400
Utility Account Deposits	$24,600
Total Deposits & Reserves	**$1,061,250**
Total Equity Requirement	**$7,450,000**

Sources	
Partner Equity Contribution	
Sponsor Group	$750,000
Limited Partners	$6,700,000
Total Equity Raise	**$7,450,000**

Margin of Safety	
Construction Contingencies	$510,750
Interest Reserve	$225,000
Working Capital	$509,740
Total	**$1,245,490**

Construction Contingencies - This represents our ability to cover mechanical and structural items that could need replacing during our hold period. It also has an overall contingency for projects that go over budget. A breakdown can be found on the previous slide.

Interest Reserve - This amount is held by the lender and is released back to us once we hit certain targets, projected to be approximately 12 months after acquisition.

Working Capital - This represents our ability to withstand a hit to operations. Between working capital and interest reserve, we have the ability to pay a year's worth of debt service. Both are included in Deposits and Reserves in the table to the left.

PROJECTED PROFIT & LOSS

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
INCOME										
Gross Scheduled Rent	$2,174,640	$2,283,372	$2,374,707	$2,445,948	$2,519,327	$2,594,906	$2,672,754	$2,752,936	$2,835,524	$2,920,590
- LTL	17.82%	5.94%	0.00%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
RENO LTL ALLOWANCE	387,494	135,623	0	36,689	37,790	38,924	40,091	41,294	42,533	43,809
Gross Potential Rent	**1,787,146**	**2,147,749**	**2,374,707**	**2,409,259**	**2,481,537**	**2,555,983**	**2,632,662**	**2,711,642**	**2,792,991**	**2,876,781**
+ Utility Income	89,936	122,313	124,760	127,255	129,800	132,396	135,044	137,745	140,500	143,310
+ Miscellaneous Income	90,200	92,004	93,844	95,721	97,635	99,588	101,580	103,611	105,684	107,797
Gross Scheduled Income	**1,967,283**	**2,362,067**	**2,593,311**	**2,632,235**	**2,708,972**	**2,787,967**	**2,869,286**	**2,952,998**	**3,039,175**	**3,127,888**
- Stabilized Loss (Excl. LTL)	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
- Reno Physical Vacancy Prem.	6.0%	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Stabilized Vacancy Allowance	**265,583**	**248,017**	**194,498**	**197,418**	**203,173**	**209,098**	**215,196**	**221,475**	**227,938**	**234,592**
GROSS OPERATING INCOME	**$1,701,700**	**$2,114,050**	**$2,398,812**	**$2,434,817**	**$2,505,799**	**$2,578,869**	**$2,654,090**	**$2,731,523**	**$2,811,237**	**$2,893,296**
Operating Expenses										
Taxes	$87,524	$91,900	$96,495	$101,320	$106,386	$111,705	$117,290	$123,155	$129,312	$135,778
Insurance	20,290	20,696	21,110	21,532	21,963	22,402	22,850	23,307	23,773	24,248
Repairs & Maintenance	82,000	66,584	67,588	85,011	86,712	88,446	90,215	92,019	93,859	95,737
General & Admin	24,600	25,092	25,594	26,106	26,628	27,160	27,704	28,258	28,823	29,399
Marketing	18,000	18,360	18,727	19,102	19,484	19,873	20,271	20,676	21,090	21,512
Utilities	126,226	128,751	131,326	133,953	136,632	139,364	142,151	144,995	147,894	150,852
Contract Services	65,600	66,912	68,250	69,615	71,008	72,428	73,876	75,354	76,861	78,398
Payroll	198,649	202,622	206,674	210,808	215,024	219,325	223,711	228,185	232,749	237,404
Property Management	42,542	52,851	59,970	73,045	75,174	77,366	79,623	81,946	84,337	86,799
CapEx Reserves	16,400	16,400	16,400	16,400	16,400	16,400	16,400	16,400	16,400	16,400
Operating Expenses	**$681,832**	**$690,168**	**$712,134**	**$756,891**	**$775,409**	**$794,469**	**$814,091**	**$834,294**	**$855,099**	**$876,527**
NET OPERATING INCOME	**$1,019,868**	**$1,423,882**	**$1,686,678**	**$1,677,926**	**$1,730,390**	**$1,784,400**	**$1,839,999**	**$1,897,230**	**$1,956,138**	**$2,016,769**
Debt Service	820,175	927,500	927,500	1,279,168	1,279,168	1,279,168	1,279,168	1,279,168	1,279,168	1,279,168
Legal & Accounting		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Asset Management Fee	34,034	42,281	47,976	48,696	50,116	51,577	53,082	54,630	56,225	57,866
CapEx Reserve	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600
CASH FLOW	**$141,059**	**$419,501**	**$676,602**	**$315,462**	**$366,506**	**$419,055**	**$473,149**	**$528,831**	**$586,145**	**$645,135**
Invested Equity	$7,450,000	$7,450,000	$7,450,000	$4,515,247	$4,515,247	$4,515,247	$4,515,247	$4,515,247	$4,515,247	$4,515,247
Cash on Cash Return*	**1.9%**	**5.6%**	**9.1%**	**7.0%**	**8.1%**	**9.3%**	**10.5%**	**11.7%**	**13.0%**	**14.3%**
Average CoC Return*	**9.0%**									

*Note that Cash on Cash presented here is based on cash flows only, and excludes capital events, such as cash out refinances and dispositions.

PROFIT & LOSS EXPLAINED

Expense Growth - We assume expenses will grow at 2% each year.

Income Growth - Rent growth past stabilization is assumed at 3%. However, the auxiliary income is assumed to escalate at only 2% per year.

Economic Losses - Stabilized economic losses of 9% are assumed. However, during the repositioning in years 1 and 2 we anticipate much higher economic losses. Therefore, on top of stabilized economic losses, we project an additional premium to the LTL of about 17.8% in Y1 and 5.9% in Y2.

Physical Vacancy - We assume higher physical vacancy during the first two years, which is why in addition to the stabilized physical vacancy of 6%, we assume a 6% premium in Y1, and 3% premium in Y2.

Property Taxes - We assume 5% increase for each year of the holding period.

CapEx - We hold a total of $250 per door for CapEx replacement reserves. We hold $100 per door as part of the OpEx, and $150 per door out of the cash flow post the NOI. The entire $250 is reflected in the COC and the IRR.

Debt Service - Due to Ridgepoint being an extensive repositioning project and the in-place rents being so far under market, we must utilize bridge financing for the first two to three years while the asset is stabilized. We will then refinance in Y3 into a long-term GSE note. We assume LIBOR + 285 basis points (approximately 5.3%) rate for bridge financing, and 4.75% rate for the GSE loan. The Y4 debt service is based on a cash-out refinance which allows for the return of approximately 50% of partner capital.

Legal and Accounting - This covers the partnership tax, accounting and legal expenses.

Asset Management Fee - This is a management fee equal to 2% of the the gross operating income that the partnership pays to the general partner.

CapEx - This is the remaining $150 per door which we hold back for replacement reserves. Together with $100 per door above the NOI, this makes up a total of $250 per door reserve.

Cash Flow, COC, & Annualized Monthly IRR - 5 Year Hold

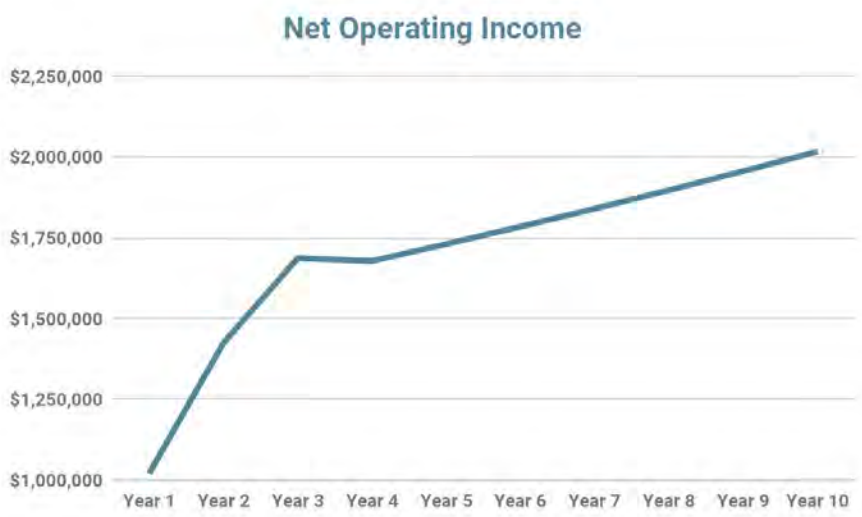
	IRR	Multiple	Totals	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Capital Calls			$ (7,450,000)	(7,450,000)	0	0	0	0	0
Cash Flow Distributions			$ 1,919,130	0	141,059	419,501	676,602	315,462	366,506
Capital Distributions			$ 14,814,258	0	0	0	2,934,753	0	11,879,505
Net Cash Flow	**21.30%**	**2.25x**	**$ 9,283,388**	(7,450,000)	141,059	419,501	3,611,355	315,462	12,246,011
Capital Account									
Starting Balance				0	7,450,000	7,450,000	7,450,000	4,515,247	4,515,247
Add to Balance				7,450,000	0	0	0	0	0
Deduct from Balance				0	0	0	(2,934,753)	0	(4,515,247)
Ending Balance				7,450,000	7,450,000	7,450,000	4,515,247	4,515,247	0
Deal Level Cash on Cash					1.89%	5.63%	14.98%	6.99%	8.12%
Cash Flow from Capital Event				0	0	0	0	0	7,364,258
Pref Hurdle	***100% until reaching 8% return***								
Starting Balance				0	0	454,941	631,440	550,839	596,596
Pref Owed				0	596,000	596,000	596,000	361,220	361,220
Pref Paid			**$ 2,510,439**	**0**	**141,059**	**419,501**	**676,602**	**315,462**	**957,816**
Ending Balance				0	454,941	631,440	550,839	596,596	(0)
Distribution	***70% Thereafter***								
Cash Flow after Pref			6,772,948	0	0	0	0	0	6,772,948
Investor Take				**0**	**0**	**0**	**0**	**0**	**4,741,064**
Investor/Promote Split	**IRR**	**Multiple**							
Total to Investors	**17.95%**	**1.97x**	**$ 7,251,503**	**(7,450,000)**	**141,059**	**419,501**	**3,611,355**	**315,462**	**10,214,127**
Total to Promote				0	0	0	0	0	2,031,885
Investor Cash on Cash					**1.89%**	**5.63%**	**9.08%**	**6.99%**	**126.21%**

Cash Flow, COC, & Annualized Monthly IRR - 10 Year Hold

	IRR	Multiple	Totals	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Capital Calls			$ (7,450,000)	(7,450,000)	0	0	0	0	0	0	0	0	0	0
Cash Flow Distributions			$ 4,571,444	0	141,059	419,501	676,602	315,462	366,506	419,055	473,149	528,831	586,145	645,135
Capital Distributions			$ 18,831,322	0	0	0	2,934,753	0	0	0	0	0	0	15,896,569
Net Cash Flow	**16.66%**	**3.14x**	**$ 15,952,766**	(7,450,000)	141,059	419,501	3,611,355	315,462	366,506	419,055	473,149	528,831	586,145	16,541,704
Capital Account														
Starting Balance				0	7,450,000	7,450,000	7,450,000	4,515,247	4,515,247	4,515,247	4,515,247	4,515,247	4,515,247	4,515,247
Add to Balance				7,450,000	0	0	0	0	0	0	0	0	0	0
Deduct from Balance				0	0	0	(2,934,753)	0	0	0	0	0	0	(4,515,247)
Ending Balance				7,450,000	7,450,000	7,450,000	4,515,247	4,515,247	4,515,247	4,515,247	4,515,247	4,515,247	4,515,247	0
Deal Level Cash on Cash					1.89%	5.63%	48.47%	6.99%	8.12%	9.28%	10.48%	11.71%	12.98%	366.35%
Cash Flow from Capital Event				0	0	0	0	0	0	0	0	0	0	11,381,322
Pref Hurdle	***100% until reaching 8% return***													
Starting Balance				0	0	454,941	631,440	550,839	596,596	591,310	533,475	421,546	253,935	29,009
Pref Owed				0	596,000	596,000	596,000	361,220	361,220	361,220	361,220	361,220	361,220	361,220
Pref Paid			**$ 4,316,538**	**0**	**141,059**	**419,501**	**676,602**	**315,462**	**366,506**	**419,055**	**473,149**	**528,831**	**586,145**	**390,229**
Ending Balance				0	454,941	631,440	550,839	596,596	591,310	533,475	421,546	253,935	29,009	0
Distribution	***70% Thereafter***													
Cash Flow after Pref			11,636,228	0	0	0	0	0	0	0	0	0	0	11,636,228
Investor Take				**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**8,145,360**
Investor/Promote Split	***IRR***	**Multiple**												
Total to Investors	**14.68%**	**2.67x**	**$ 12,461,898**	**(7,450,000)**	**141,059**	**419,501**	**3,611,355**	**315,462**	**366,506**	**419,055**	**473,149**	**528,831**	**586,145**	**13,050,836**
Total to Promote				0	0	0	0	0	0	0	0	0	0	3,490,868
Investor Cash on Cash					**1.89%**	**5.63%**	**9.08%**	**6.99%**	**8.12%**	**9.28%**	**10.48%**	**11.71%**	**12.98%**	**189.04%**

SALE ANALYSIS

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
NOI	$1,019,868	$1,423,882	$1,686,678	$1,677,926	$1,730,390	$1,784,400	$1,839,999	$1,897,230	$1,956,138	$2,016,769
Exit Cap	4.75%	5.10%	5.20%	5.30%	5.40%	5.50%	5.60%	5.70%	5.80%	5.90%
Sale Price	**$21,470,903**	**$27,919,250**	**$32,436,116**	**$31,658,989**	**$32,044,268**	**$32,443,641**	**$32,857,119**	**$33,284,728**	**$33,726,512**	**$34,182,528**
Cost of Sale	$697,804	$907,376	$1,054,174	$1,028,917	$1,041,439	$1,054,418	$1,067,856	$1,081,754	$1,096,112	$1,110,932
Prepayment Fee	$412,720	$87,500	$87,500	$402,389	$395,776	$388,842	$381,572	$373,949	$365,955	$357,574
Loan Balance	$17,500,000	$17,500,000	$17,500,000	$20,119,429	$19,788,798	$19,442,114	$19,078,600	$18,697,439	$18,297,772	$17,878,703
Deposits Return	$1,061,250	$1,061,250	$1,061,250	$1,061,250	$1,061,250	$1,061,250	$1,061,250	$1,061,250	$1,061,250	$1,061,250
Net Sales Proceeds	**$3,921,629**	**$10,485,624**	**$14,855,692**	**$11,169,504**	**$11,879,505**	**$12,619,516**	**$13,390,340**	**$14,192,837**	**$15,027,922**	**$15,896,569**



DEBT STRUCTURE

DEBT STRUCTURE

As is the case with any significant repositioning project where the in-place rents are low, a fixed rate GSE loan upon acquisition is not feasible because the property cannot meet the debt yield requirement. For this reason, we will be utilizing a bridge loan for the first two - three years, which will then refinance into a GSE loan once we get the rent up. The loan terms are as follows:

Years 1 - 3: Bridge Loan. Interest only loan at LIBOR + 285*.

Years 4 - 10: GSE loan. 30-year amortization. Fixed 4.75% is used in the underwriting. Please see notes below.

Notes:

While full amortization and fixed rate GSE's are often perceived as "safe", there are major drawbacks with these loans. Namely, as a "price" to fix the rate on securities paper, both Fannie Mae and Freddie Mac use prepayment penalties in the form of either defeasance or yield maintenance. Both types are tied to the bond market, and both could be highly volatile, which can inhibit a preferred exit.

The most important safety element in our transaction is the ability to utilize market conditions to our advantage. A potentially large prepayment penalty may inhibit our flexibility. This can impact safety and returns alike.

Therefore, while we used a GSE fixed-rate assumption in our underwriting, depending on the market conditions a much less expensive and agile option may be a floating and capped rate loan. The caps can be infinitely less expensive than a prepayment penalty, and even though there is typically a lock-out period of 1 year, after that we can exit at any time. Thus, this option may be the best of all worlds, both less costly and less restricting.

The managers will evaluate the market conditions at the appropriate time and make a final determination.

*We have quotes in the range of LIBOR +285 to +315. The exact product will be chosen after taking all other items into consideration.

DEBT ASSUMPTIONS EXPLAINED

BRIDGE LOAN INTEREST RATE

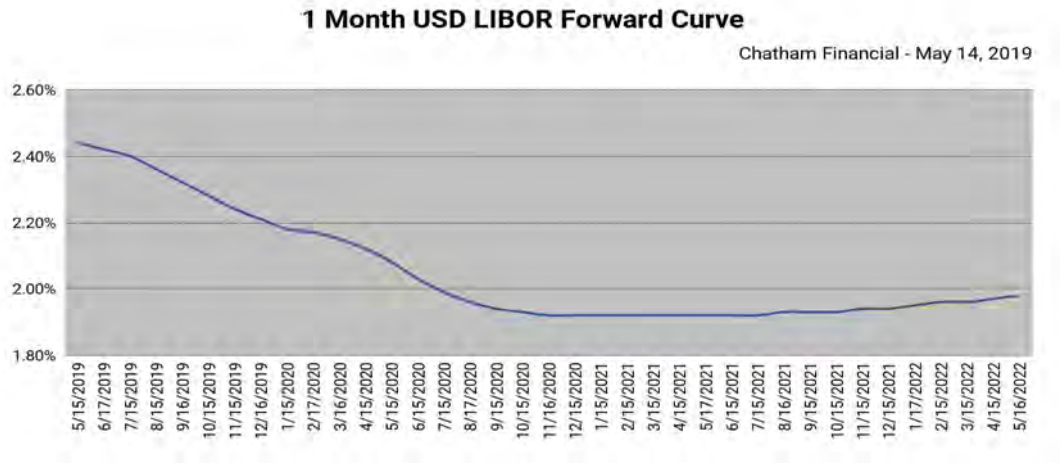
We are considering several lenders. In the past we've been able to secure debt at LIBOR + 315. We expect being able to do better and secure debt at under LIBOR + 300. With 1-Month LIBOR currently under 2.45%, we would see a rate of a bit under 5.2% out the gate. In our underwriting, we use 5.3% rate for the start of the loan.

But what about Y2 and Y3?

Take a look below at the 1-Month LIBOR Forward Curve by Chatham Financial. Chatham is the leading insurer of interest rate. Borrowers are required to purchase Chatham's products for all floating-rate mortgages. Thus, Chatham's business is to study the economy and policy in order to assess the risk of interest rates going up.

As you can see in the graph, Chatham's research leads them to anticipate a *50 bps decline* in the 1-Month LIBOR over the next couple of years, from the current 2.4% down to 1.9%. And by 2022, they see it staying under 2.0%.

However, to take all interest rate risk completely out of the underwriting, we are going to spend an extra $25,000 to purchase an instrument from Chatham that will cap LIBOR at 2.5%, and effectively fix our interest rate.



REFINANCE

In order to be able to refinance, Fannie Mae / Freddie Mac will require at least a 1.25 DSCR based on the new debt service, assuming a fully amortized, fixed rate loan. As you can see below, having performed the Cash Out Refinance to return to investors approximately $3.1M, we clear this hurdle easily with a 1.31 DSCR on new debt.

The current rate on fixed, 7-year Freddie Mac product at 65% LTV is at almost exactly 4%. Chatham Financial predicts a 25 bps increase over the next 4 years. We are assuming 4.75% for the refinance in Y3, a 75 bps increase from today's rates. Finally, we assume a 63% LTV on the refinance, which provides us some additional margin.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Operating Income	$1,019,868	$1,423,882	$1,686,678	$1,677,926	$1,730,390	$1,784,400	$1,839,999	$1,897,230	$1,956,138	$2,016,769
Debt Service	820,175	927,500	927,500	1,279,168	1,279,168	1,279,168	1,279,168	1,279,168	1,279,168	1,279,168
Cash Flow Before Taxes	$141,059	$419,501	$676,602	$315,462	$366,506	$419,055	$473,149	$528,831	$586,145	$645,135
DSCR	**1.24**	**1.54**	**1.82**	**1.31**	**1.35**	**1.39**	**1.44**	**1.48**	**1.53**	**1.58**

Break-Even Economic Occupancy Stress Tests

Break-Even Economic Occupancy establishes the minimum economic occupancy necessary for break even operations. In other words, we answer the question - how much of an economic hit can the property sustain and still be able to pay its bills?

The IREM Report which tracks income and expenses in multifamily across the United States, and is widely considered to be one of the more comprehensive reports available, indicates average all-in economic loss for Phoenix MSA of approximately 7.2% for stabilized garden style buildings. This includes physical vacancy and all other economic loss.

We underwrite a 9% stabilized economic loss, which we feel is sustainable in the long term.

STABILIZED BREAK-EVEN ANALYSIS

	Year 1	Year 2	Year 3	Year 4****	Year 5	Year 6
Operating Expenses, Capex, Debt Service*	$1,526,607	$1,642,268	$1,664,234	$2,060,659	$2,079,177	$2,098,237
Gross Scheduled Income**	$1,967,283	$2,362,067	$2,593,311	$2,668,924	$2,746,762	$2,826,890
Breakeven Occupancy* **	**77.60%**	**69.53%**	**64.17%**	**77.21%**	**75.70%**	**74.22%**

*To maintain normal operations these items need to be fully funded: Operating Expenses, Capital Expense Reserve Fund, and Debt Service have to be funded in full for normalized operations.

**Gross income in this table is the Gross Scheduled Income with no economic losses taken into account.

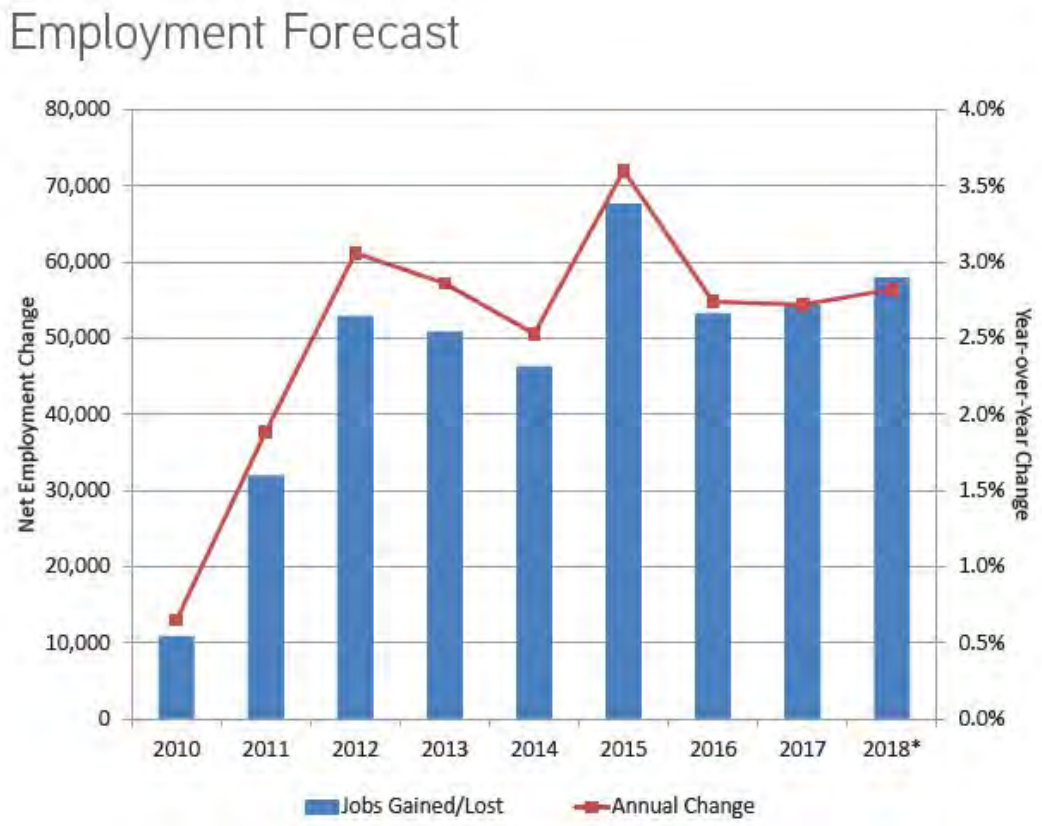
***Break Even-Economic Occupancy indicates the necessary occupancy to meet break-even operations.

****Following the Cash Out Refinance in Year 4, which will add approximately $3.1M to the debt load presuming a fully amortized debt service payment, the break-even economic occupancy is projected at 77%. This is obviously higher than in Year 3, but still a very acceptable coefficient considering the average economic occupancy in Phoenix MSA is above 92%.

Notice also that in the following years the Break-Even Economic Occupancy comes down. Our debt service in those later years is presumed to be fixed, yet our revenues are projected to increase at 3%. While our desired holding period is no more than 5 years, this trend of decreasing Break-Even Economic Occupancy is projected into the later years should we need to stay in this asset longer.

PHOENIX EMPLOYMENT TRENDS

- Growth in Greater Phoenix is being fueled almost entirely by private sector. Government employment in Phoenix has inched up by fewer than 1,000 jobs in 2017, or less than 0.4%.
- Employment in private sector industries has expanded by more than 60,000 workers, at an annual growth rate of 3.5% - over twice the national rate.
- Phoenix is home to 16 companies in the Fortune 1000 list, including PetSmart and Apollo Education Group.
- The Metro Phoenix job market continued to show signs of improvement, adding 24,000 jobs in Q1 2018.
- In May 2018, Phoenix's unemployment rate decreased to 3.7%, below the national average.
- Education and health services led employment gains with 10,100 jobs added in the 12 months ending in October 2017.
- Statistics from the Arizona Office of Economic Opportunity Employment show that the professional/scientific/technical services subcategory jumped 4.8% for the same period.
- Phoenix ranked 3rd among the country's 20 hottest cities for tech jobs in 2017, according to Money magazine, with several companies relocating or expanding in the metro.
- Intel announced a $7 billion expansion slated to bring 3,000 new jobs.
- The metro's significant population growth and the thriving job market are also fueling demand for rental units, as the absorption of new apartments is almost instant.



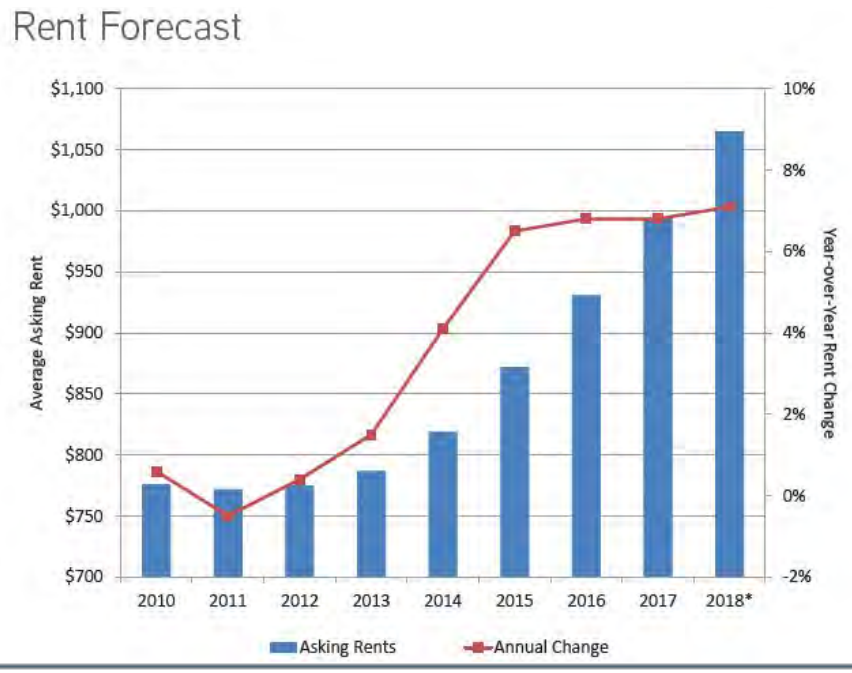
PHOENIX RENT TRENDS

- Phoenix has experienced 5 year cumulative rent growth of 28%.
- Colliers International Q1 2018 Greater Phoenix Multifamily Report is expecting growth of 7% in 2018.
- According to the same report, the average asking rent in Greater Phoenix reached $1,018 per month in the Q1 of 2018, reflecting a 7.3% year over year gain. (Colliers)
- According to Q2 2018 Colliers International Multifamily Report asking rent in Greater Phoenix reached $1,046, or 2.3% growth from the prior quarter.
- The local vacancy rate dipped by 50 basis points during the first quarter, falling to 5.4%. Renter demand is being sparked by population growth and employers expanding payrolls.
- A study by the National Multifamily Housing Council and National Apartment Association found that the area will need more than 150,000 new apartments by 2030.

With new supply largely covering the high-end segment and challenges in financing the development of low-income communities brought on by the tax reform, demand for affordable housing is expected to increase further, causing rents to surge. (Yardi)

Thoughts from Sponsor: Rents of $1,200 or less are cost-prohibitive to new construction. Additionally, since the cost of building 2-bedroom units is only marginally more than 1-bedroom, we believe that over time there will be an increased deficit for this product in the submarket.

As such, in our view, the segment of the existing stock which is going to continue to over-perform, and will prove to be least susceptible to future downswings is the product that rents for $750 - $1,200 per month.



RENTAL COMPS

Ridgepoint 5020 W Peoria Ave, Glendale, AZ 85302 **Units**: 164 **Year Built**:1986

Concept Reno Scope

			Current		Renovated	
Units	Type	SF	Rent	Rent/SF	Rent	Rent/SF
24	1x1	580	$746	$1.29	$940	$1.62
40	1x1	620	$787	$1.27	$985	$1.59
32	1x1	690	$823	$1.19	$1,035	$1.50
32	2x1	870	$907	$1.04	$1,235	$1.42
36	2x2	980	$927	$0.95	$1,295	$1.32
164		**756**	**$842**	**$1.11**	**$1,105**	**$1.46**

There are 164 units in the Ridgepoint. Yardi Matrix rates both this location and the improvements as B-.

The unit layouts include 24 of the 580 sq.ft 1x1, 40 of the 620 sq.ft 1x, 32 of the 690 sq.ft 1x1, 32 of the 870 sq.ft 2x1, and 36 of the 980 sq.ft. 2x2.

Each unit has either a balcony or a patio, as well as an attached private storage area. There are washers and dryers in each unit., which is a scarce and very desirable feature in the submarket.

The asset is currently operating at 92% physical occupancy, while the submarket average is 95%, which includes all renovated and classic units.

As you can see in the table above, the average unit size at Ridgepoint is 756 square feet. Our assumed post-renovated weighted blended rent is $1,105 per month, which is $1.46 per sq.ft.

Our proposed interior renovation scope will include new kitchen and bath cabinets and granite countertops, underhung sinks, stainless steel appliances, fixtures, flooring, and paint. The image above is our renovation scope at one of our other properties.

RENTAL COMPS

Paseo 51 5215 W Peoria Ave, Glendale, AZ 85302 **Units**: 116 **Year Built:** 1986

Units	Type	SF	Rent	Rent/SF
56	1x1	580	$835	$1.44
24	1x1	630	$885	$1.40
36	2x2	828	$1,020	$1.23
116		**667**	**$903**	**$1.35**

Sponsor's Notes

Paseo 51 is a renovated property, but it's not an ideal comp for several reasons.

First, there are no in-unit washer/dryers. Second, there is no fitness center at this property. Next, the unit renovations include refaced cabinets with new doors and hardware, resurfaced countertops, and overhung sinks. Finally, the unit sizes here are considerably smaller across the unit mix, but especially pronounced in the 2-beds.

By contrast, every unit at Ridgepoint is equipped with washer/dryer. We have allocated funds in our budget for a fitness center. And our interior unit scope includes new cabinets, granite countertops, and underhung sinks.

On balance, we think that Ridgepoint post-renovation will represent a much more compelling option for potential tenants, with more space, better unit layouts, higher quality finishing surfaces, and community amenities. We are estimating post-renovation per square foot rent on a blended and weighted basis of $1.46, which is $0.11 more than Paseo 51, but we feel confident that the superiority of our product will enable us to hit that target.

RENTAL COMPS

Spring Meadow 10030 N 43rd Ave, Glendale, AZ 85302 **Units**: 216 **Year Built:** 1981

Units	Type	SF	Rent	Rent/SF
6	1x1	525	$860	$1.64
24	1x1	557	$881	$1.58
120	1x1	618	$930	$1.50
34	2x1	778	$1,120	$1.44
32	2x2	918	$1,170	$1.27
216		**678**	**$988**	**$1.46**

Sponsor's Notes

Spring Meadow is by far the best comp. It is located 1.3 miles from Ridgepoint, and is the only comp within 2 miles with in-unit washer/dryers.

Looking at the condition, this is a very basic remodel comprised of resurfaced cabinets and painted doors, black appliances, and new flooring. We would call this a *lipstick remodel.*

Yet, in spite of looking rather dated, the blended weighted per square foot rent at Spring Meadow is $1.46, which is the same as our proposed post-renovated basis at Ridgepoint.

It is obvious to us that the amenity driving rents up at this property are, in fact, the in-unit washer/dryers, which Ridgepoint also has.

We feel confident that Ridgepoint with its' in-unit washer/dryers, combined with the proposed superior renovation scope, we will easily hit target rents.

RENTAL COMPS

Brookfield 12021 N 43rd Ave, Phoenix, AZ 85026 **Units**: 124 **Year Built:** 1984

Units	Type	SF	Rent	Rent/SF
28	1x1	550	$880	$1.60
20	1x1	640	$850	$1.33
24	1x1	690	$915	$1.33
20	2x1	820	$1,035	$1.26
32	2x2	980	$1,100	$1.12
124		**746**	**$964**	**$1.29**

Sponsor's Notes

Brookfield is located 1.8 miles from Ridgepoint. As you can see, this is also a very basic remodel with painted cabinets and doors, resurfaced countertops, drop-in sinks, and white appliances. While the units here are a bit larger, the low level of renovations render this a poor direct comp to Ridgepoint.

However, we know that typical renovations in the submarket get a $125-$150 premium. Further, in-unit washer/dryers get a $25-$40 premium. Thus, using just the low end of those ranges, our average rent would seem to be priced correctly.

RENTAL COMPS

Silver Tree/Canyon 35 4336 N 35th Ave. Phoenix AZ, 85017 **Units**: 98 **Year Built:**1986

Units	Type	Rent at Closing	Projected Rents	New Rents
16	Studio	$465	$700	$750
42	1/1	$537	$825	$850
16	2/1	$631	$1,050	$1,075
24	2/2	$663	$1,125	$1,150
98		**$571**	**$915**	**$944**

Sponsor's Notes

We closed escrow on this 98-unit community on August 17th, 2018. Based on its' location approximately 7.5 miles away from Ridgepoint it is not an ideal comp, but we mention it here to provide a baseline for our experience in the submarket and the tenant profile. (See a more detailed progress report on p. 32)

The images above showcase the scope of interior work currently being completed at Canyon 35. In the eight months we've owned it, we've completed renovations on 25 units. All renovated units rent as soon as they are finished, and all garner our projected rents. Our planned renovation scope for Ridgepoint is practically a carbon copy of what we are doing at Canyon 35 and seeing such positive response to.

The blended weighted rent we are achieving at Canyon 35 is $1.56 per sq.ft. This is $0.10 higher than the proposed $1.46 per sq.ft. at Ridgepoint. Note, there are no in-unit washer/dryers at Canyon 35, and yet we are achieving renovated rents that are higher than what we propose for Ridgepoint on a per sq.ft. basis.

We think Ridgepoint will quickly become a much desired place to live, as Canyon 35 has done.

SALE COMPS

		Property	YOC	Units	Price	$/Unit
S)		**Ridgepoint** 5020 W Peoria Ave Glendale, AZ 85302	1986	164	$19,750,000	$120,427
1)		**Siena on Baseline** 4520 E Baseline Rd, Phoenix, AZ 85040	1986	352	$49,000,000	$139,205
2)		**Greentree** 5959 W Greenway Rd Glendale, AZ 85306	1986	184	$24,500,000	$133,152
3)		**Bell Tower** 17216 N 33rd Ave Phoenix, AZ 85023	1986	224	$26,300,000	$117,411
4)		**Paseo Park** 5205 W Thunderbird Rd Glendale, AZ 85306	1987	480	$62,400,000	$130,000
5)		**Sanctuary on 22nd** 8530 N 22nd Ave Phoenix, AZ 85021	1985	266	$31,827,500	$119,652
6)		**Sun Creek** 15050 N 59th Ave Glendale, AZ 85306	1985	175	$23,000,000	$131,429
		Average		**264**	**$33,825,357**	**$128,335**

SPONSOR BIOS

Ben Leybovich

Ben has been investing in income property since 2006. Prior to 2018, Ben's focus had been mainly on small multifamily. Ben has been a principle in acquisitions totaling $19M, $1.5M of which he is the sole equity partner.

Ben is currently overseeing the repositioning of a 98-unit and a 117-unit in Phoenix. Ben is a published author and a prolific blogger. He resides outside of Phoenix in Chandler, Arizona with his wife, Patrisha, and their two kids, Aaron and Isabella.

Sam Grooms

Sam is currently overseeing the repositioning of a 98-unit and a 117-unit in Phoenix. Sam began his career at Deloitte, where he assisted public companies with their SEC filings. He went on to manage the SEC reporting for Amkor, a $3 billion public company.

Sam graduated summa cum laude from Arizona State University with a bachelor's and master's degree in Accounting, and is a Certified Public Accountant. Sam resides in the Arcadia area of Phoenix, Arizona with his wife Brittany.

Shelton-Cook

Shelton-Cook has become recognized as the premier provider of institutional quality property management, apartment re-positioning, and leasing services in the Southwest. The firm has been a force in the region's multifamily space for more than 25 years.

Currently, Shelton-Cook manages a portfolio of over 23,000 residential units throughout the country. In 2018, they re-positioned nearly 1,300 units in their portfolio.

COMMITMENT INSTRUCTIONS AND TIMELINE

Eligibility

In order to be eligible to participate in this investment, prospective investors must meet the definition of an Accredited Investor as defined by Regulation D, promulgated under the Securities Act of 1933, as amended. There are two common categories of accredited investors:

1) Any natural person whose individual net worth or joint net worth with that person's spouse, at the time of his purchase, exceeds $1,000,000. Net worth excludes equity in primary residence.

2) Any natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

Other categories do exist. Please contact Source Capital or WhiteHaven Capital for specifics or refer to the Private Placement Memorandum, Operating Agreement and Subscription Agreement.

Funding

The property is expected to close escrow on or before the 27th of June, 2019. Investors will be admitted on a first come, first served basis. The partnership will accept $7,500,000 in subscriptions, and once that amount has been raised the fund will close unless the Manager determines that there is a need to raise additional capital.

The minimum investment is $50,000. The maximum investment is $850,000.

Funding Deadline

All funds are to be remitted by June 14th, 2019.

Subscriptions

This informational property package is not an offer to sell securities. An offer to sell securities can only be made via the Confidential Private Placement Memorandum. If you are interested in subscribing to this investment, please request a copy of the Confidential Private Placement Memorandum and Subscription Agreement.

To obtain a copy of the Confidential Private Placement Memorandum, contact:

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Addendum 1
Canyon 35 Status Update

Stats

Purchase Date:	8/17/2018
Purchase Price:	$8,150,000
Unit Count:	98
Renovation Budget:	$1,388,850
T12 Gross Income (GOI):	$725,728
T12 Monthly GOI:	$60,477

How Far We've Come

As you can see above, the prior ownership was achieving average monthly GOI (Gross Operating Income) of $60,477.

Our business plan for this property is to reposition the physical asset to become more attractive to a higher class of tenants, which would allow us to charge higher rents and generate higher GOI.

Following renovation of 19 of the 98 units, the GOI increased to $69,391.

The initial underwriting called for a $344/unit/month increase in rents, from $571 to $915. However, having experienced no push back from the market we recently increased the rents even further, up to $944. Please see the table below.

Units	Type	Rent at Closing	Projected Rents	New Rents
16	Studio	$465	$700	$750
42	1/1	$537	$825	$850
16	2/1	$631	$1,050	$1,075
24	2/2	$663	$1,125	$1,150
98		**$571**	**$915**	**$944**

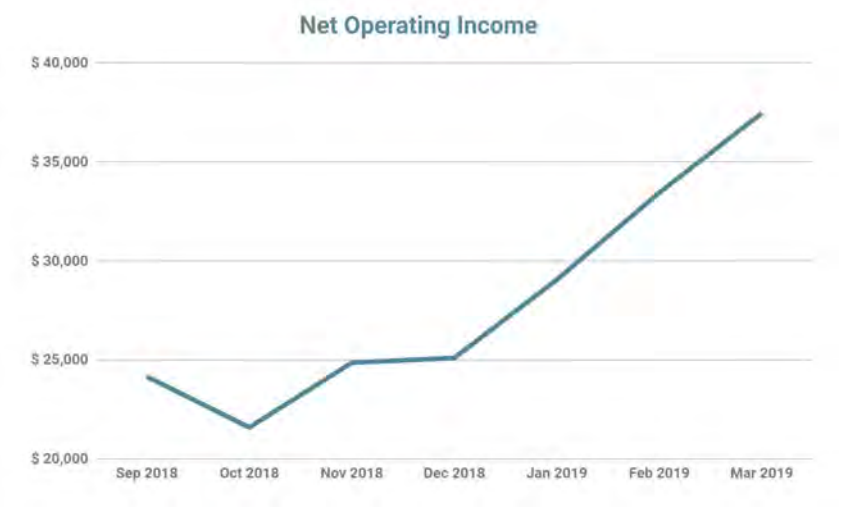
Canyon 35 Status Update

(formerly Silver Tree Apartments)

Where We're Headed

By continuing to execute the business plan, we expect to hit or surpass $80,000 of GOI by the end of Year 1, and $100,000 by the end of Year 2.

We have settled at around $34,000 of monthly OpEx (Operating Expense). This means that once we hit $100,000 of GOI, our NOI (Net Operating Income) will trend $66,000.



Currently, the Phoenix market trades at a 5% cap rate. Therefore, on an annualized basis, this NOI capitalizes to a value of about $15.8M.

As a baseline, we are all in on this project, including the purchase price, renovation, closing costs and fees at $10.2M. Thus, we are on track to create over $5M of value in 2 years by continuing to execute our business model.

Renovations Completed to Date

- Repainted the Entire Community
- Added New Landscaping
- Resurfaced the Pool Deck and Outfitted with New Furniture
- New Signage Throughout
- Remodeled Laundry Room and Installed New Equipment
- Added Fitness Center
- 19 Unit Interiors (new shaker cabinets, granite countertops, appliances, etc.)

Renovations to Be Completed

- Remodel the Office (currently in progress)
- Create a Business Center (currently in progress)
- Renovate the Remaining Interiors (ongoing)

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Canyon 35 Status Update

(formerly Silver Tree)

Before

After

Canyon 35 Status Update

(formerly Silver Tree)

Before

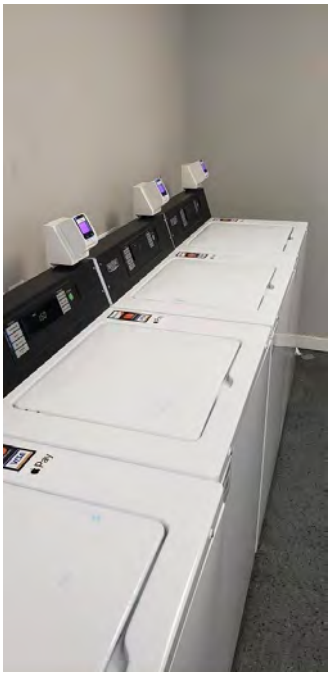
After

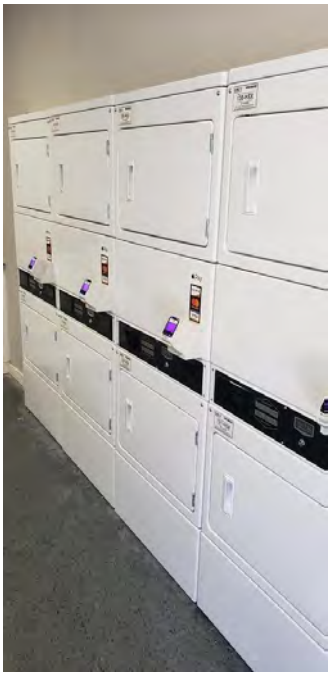
Canyon 35 Status Update

(formerly Silver Tree)

Before

After





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