

RETURN METRICS			
LEVERED IRR	23.07%	RETURN ON COST	7.26%
LP LEVERED IRR	13.69%	GP LEVERED IRR	50.64%
LP PROFIT	\$ 21,227,151	GP PROFIT	\$ 18,692,270
LP MULTIPLE	1.73	GP MULTIPLE	6.76
TOTAL DEVELOPMENT COST		Total \$	Per Unit
		\$ 85,285,320	\$ 106,076
			Per Sq Ft
			\$ 276.58

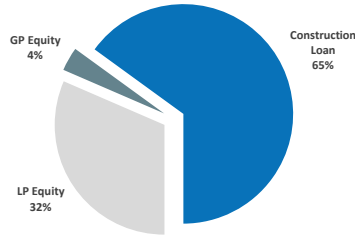
Construction Financing	
Construction LTC	65.00%
Construction Loan Interest	4.00%
Labor	4.00%
Lender Spread	0.00%
Add'l Spread	0.00%
Last Disbursement	26 months
Construction Loan Term	37 months
Total Interest Carry	3,581,459
Max Loan Balance	55,435,458

Disposition			
Month of Sale	9/30/2022	Month 60	
Sale NOI Forward 12		\$ 6,355,401	
Sale CAP Rate		5.00%	
Sale Amount	\$ 158,095	\$ 127,108,029	
Cost of Sale		1.00%	
Stabilized NOI / Input Occ %	95%	\$ 6,187,487	
Breakeven NOI Month		36	
Breakeven NOI F-12		\$ 675,520	

Mini-Perm #1 used? N

Mini-Perm #2 used? N

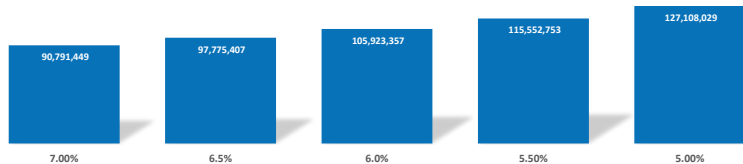
Permanent Financing	
Perm Loan Funding Date	Month 37
Perm Loan Recourse Fee	0.0%
Perm Loan LTV	70%
Perm Loan CAP Rate	5.0%
Perm Loan NOI Used ²	\$ 5,125,389
Perm Loan Amount	\$ 71,755,441
Perm Loan Amount Override ³	\$ -
Perm Loan Interest	5.00%
Perm Loan Amortization	360 months



NET OPERATING INCOME



Exit Cap Rate Values



	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Rental Revenue	-	-	535,599	6,436,939	8,188,718	8,434,812	8,688,296	8,949,395	9,218,335	38,766,577
Total Other Income	-	-	56,851	686,071	863,586	880,858	898,475	916,444	934,773	4,015,543
Total Effective Revenue	-	-	592,450	7,123,010	9,052,304	9,315,669	9,586,771	9,865,839	10,153,108	42,782,120
Expenses										
Controllable Expenses										
Payroll and Related	-	-	52,595	396,566	645,909	658,827	672,003	685,443	699,152	3,003,377
Combined Utilities	-	-	99,361	749,182	1,220,233	1,244,637	1,269,530	1,294,921	1,320,819	5,673,897
General & Administrative	-	-	16,080	96,802	98,738	100,712	102,727	104,781	106,877	459,115
Property Tax	-	-	124,158	263,704	429,509	438,099	446,861	455,798	464,914	1,997,150
Insurance	-	-	105,605	156,474	91,332	93,159	95,022	96,923	98,861	424,681
Management Expense Fee	-	-	17,774	213,690	271,569	279,470	287,603	295,975	304,593	1,283,464
Total Controllable/Non-Controllable Expenses	-	-	415,573	1,876,419	2,757,289	2,814,904	2,873,746	2,933,841	2,995,216	12,841,684
Replacement Reserves	-	-	-	121,203	-	128,584	132,442	136,415	140,507	618,972
Total Operating Expenses	-	-	415,573	1,997,622	2,882,128	2,943,489	3,006,188	3,070,256	3,135,724	13,460,657
Net Operating Income	-	-	176,877	5,125,389	6,170,176	6,372,181	6,580,583	6,795,583	7,017,384	29,321,464
Cash on Cash	0.00%	0.00%	-0.53%	1.69%	5.19%					
DSC Ratio	-	-	0.17	1.11	1.33					
Debt Yield	0.00%	0.00%	0.32%	7.20%	9.60%					
Return on Cost	0.00%	0.00%	0.21%	6.01%	7.23%					
Rent Growth	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

Weighted Average	
\$/type	Monthly Rent
\$245,310	\$ 847

LAND ACREAGE
1.00

SOURCES	
LP Equity (Less Mezz Debt)	26,864,876
GP Equity	2,984,986
Construction Loan Draws	55,435,458
Mezzanine Debt	-
Mezzanine Int Reserve	-
Total Sources	85,285,320

USES	
Land or Acq. Price	7,155,725
Financing Costs/Contingenc	3,536,100
Other Development Costs	125,000
Operating Deficit	165,041
Hard Costs	62,000,000
Soft Costs Exc Int Res and O	8,721,995
Interest Reserve	3,581,459
Mezz Interest Reserve Payn	-
Total Uses	85,285,320

Unit Type	Floorplan	Beds	% of Total	Total SqFt	Avg Bed SqFt	Rent/Month	Rent/Bed						
1 Bedroom	1A	31	3.9%	13,671	441	\$38,750	\$1,250						
2 Bedroom	2A	236	29.4%	107,616	456	\$212,400	\$900						
3 Bedroom	3A	129	16.0%	46,311	359	\$105,135	\$815						
4 Bedroom	4A	408	50.7%	140,760	345	\$324,360	\$795						
Totals/Wtd. A							0	804	100%	308,358	384	\$245,310	\$680,645

Unit Type	Floorplan	Beds	% of Total	Avg Bed SqFt	CURRENT		STABILIZED	
					Rent / SqFt	Monthly Rent	Rent / SqFt	Monthly Rent
1 Bedroom	1A	31	3.9%	441	\$2.83	\$1,250	\$2.92	\$1,288
2 Bedroom	2A	236	29.4%	456	\$1.97	\$900	\$2.03	\$927
3 Bedroom	3A	129	16.0%	359	\$2.27	\$815	\$2.34	\$839
4 Bedroom	4A	408	50.7%	345	\$2.30	\$795	\$2.37	\$819
Totals/Wtd. Ave.					\$2.22	\$680,645	\$2.29	\$701,064

Stabilized Operating Expenses		
Expenses	Total	Per Bed
Controllable Expenses		
Payroll and Related	\$ 615,361.50	\$ 765
Utilities	\$ 594,196.20	\$ 739
Redecorating / Make-Ready	\$ 101,123.10	\$ 126
Landscaping / Contracted Services	\$ 170,890.20	\$ 213
Repairs & Maintenance	\$ 151,292.70	\$ 188
Leasing & Marketing	\$ 145,021.50	\$ 180
General & Administrative	\$ 98,088.00	\$ 122
Property Tax	\$ 409,195.80	\$ 509
Insurance	\$ 98,168.40	\$ 122
Management Expense Fee	\$ 268,900.18	\$ 334
Total Controllable/Non-Controllable Exp	\$ 2,383,337.40	\$ 2,964
Replacement Reserves	\$ 123,615.00	\$ 154
Total Operating Expenses	\$ 2,506,952.40	\$ 3,118

	Trended Stabilized Operating Statement		UnTrended Stabilized Operating Statement	
	Total	Per Unit	Total	Per Unit
Gross Rental Revenue	8,577,540	\$ 10,669	8,167,740	\$ 10,159
Less Vacancy & Credit Loss	(471,755)	\$ (587)	(408,387)	\$ (508)
Net Rental Revenue	8,105,785	\$ 10,082	7,759,353	\$ 9,651
Total Other Income	857,554	\$ 1,067	801,648	\$ 997
Total Effective Revenue	8,963,339	\$ 11,148	8,561,001	\$ 10,648
Total Operating Expenses Less Mgmt	2,506,952	\$ 3,118	2,428,884	\$ 3,021
Management Expense Fee	268,900	\$ 334	256,830	\$ 319
Total Retail NOI	-		-	
Total Office NOI	-		-	
Net Operating Income (NOI)	6,187,487	\$ 7,696	5,875,287	\$ 7,308
Debt Service	(4,622,385)	\$ (5,749)	(4,622,385)	\$ (5,749)
Net Cash Flow At Stabilization	1,565,102	\$ 1,947	1,252,902	\$ 1,558
Debt Coverage Ratio	1.34		1.27	
Cash On Cash	5.2%		4.2%	
Debt Yield	8.7%		8.3%	

	Total \$	Per Bed	Per SF	% of Total
Land or Acq. Price	\$ 7,155,725	\$ 8,900	\$ 23.21	8%
Financing Costs/Contingencies	\$ 3,536,100	\$ 4,398	\$ 11.47	4%
Other Development Costs	\$ 125,000	\$ 155	\$ 0.41	0%
Operating Deficit	\$ 165,041	\$ 205	\$ 0.54	0%
Hard Costs	\$ 62,000,000	\$ 77,114	\$ 201.06	73%
Soft Costs Exc Int Res and Op Def	\$ 8,721,995	\$ 10,848	\$ 28.29	10%
Interest Reserve	\$ 3,581,459	\$ 4,455	\$ 11.61	4%
Mezz Interest Reserve Payments	\$ -	\$ -	\$ -	0%
Total Development Costs	\$ 85,285,320	\$ 106,076	\$ 276.58	100%

NOTES:

2 - Forward 12 months

3 - Leave blank if not in use

EQUITY STRUCTURE & RETURNS

Sample Property

7/15/2019

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Levered Returns

Project IRR **23.07%**

Project Profit **\$44,782,174**

Project Multiple **2.49**

Equity Structure

Preferred Return 5%
Preferred Return Type Quarterly Compounding

LP Split after Pref 50%
Manager Split after Pref 50%

1st Hurdle 8%
1st Hurdle Type Monthly Compounding
LP Split after 1st Hurdle 50%
Manager Split after 1st Hurdle 50%

2nd Hurdle 12%
2nd Hurdle Type Semiannual Compounding
LP Split after 2nd Hurdle 50%
Manager Split after 2nd Hurdle 50%

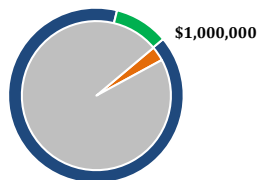
3rd Hurdle 15%
3rd Hurdle Type Annual Compounding
LP Residual Split 50%
Manager Residual Split 50%

*Equity will be returned on capital events only

Equity Contribution Breakdown

Investor 90%
GP Co-Investment 10%

Ownership in the Deal



GP Equity (green), Investor Equity (orange), Total Investor Equity (blue), All Other Equity (grey)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Levered Cash Flow	(29,849,862)	-	8,277	16,822,987	57,800,771	-	-	-	-	-
Manager Fees										
Asset Management Fee	(273,624)	(298,499)	(298,499)	(298,499)	(273,624)	-	-	-	-	-
Acquisition Fee	(852,853)	-	-	-	-	-	-	-	-	-
Debt Fee (Initial)	(554,355)	-	-	-	-	-	-	-	-	-
Debt Fee (Refi)	-	-	-	(717,554)	-	-	-	-	-	-
Disposition Fee	-	-	-	-	(1,271,080)	-	-	-	-	-
Construction Fee	-	-	-	-	-	-	-	-	-	-
Legal Fee	(4,583)	(5,000)	(5,000)	(5,000)	(4,583)	-	-	-	-	-
Tenant Improvement Fee	-	-	-	-	-	-	-	-	-	-
Lease Commission Fee	-	-	-	-	-	-	-	-	-	-
Total Manager Fees	(1,685,415)	(303,499)	(303,499)	(1,021,053)	(1,549,287)	-	-	-	-	-
Levered Cash Flow Net Fees	(31,535,277)	(303,499)	(295,221)	15,801,934	56,251,484	-	-	-	-	-
Investor Pref	(28,381,749)	(273,149)	(265,699)	14,134,539	21,312,882	-	-	-	-	-
GP Co-Investment Pref	(3,153,528)	(30,350)	(29,522)	1,570,504	2,368,098	-	-	-	-	-
Manager Pref (N/A)	-	-	-	-	-	-	-	-	-	-
Remaining Cash Flow After Pref	-	-	-	96,892	32,570,504	-	-	-	-	-
Investor CF up to First Hurdle	-	-	-	43,601	5,019,482	-	-	-	-	-
GP Co-Investment CF up to First Hurdle	-	-	-	4,845	557,720	-	-	-	-	-
Manager CF up to First Hurdle	-	-	-	48,446	5,577,202	-	-	-	-	-
Remaining Cash Flow After First Hurdle	-	-	-	-	21,416,100	-	-	-	-	-
Investor CF up to Second Hurdle	-	-	-	-	7,493,370	-	-	-	-	-
GP Co-Investment CF up to Second Hurdle	-	-	-	-	832,597	-	-	-	-	-
Manager CF up to Second Hurdle	-	-	-	-	8,325,967	-	-	-	-	-
Remaining Cash Flow After Second Hurdle	-	-	-	-	4,764,166	-	-	-	-	-
Investor CF up to Third Hurdle	-	-	-	-	2,143,875	-	-	-	-	-
GP Co-Investment CF up to Third Hurdle	-	-	-	-	238,208	-	-	-	-	-
Manager CF up to Third Hurdle	-	-	-	-	2,382,083	-	-	-	-	-
Remaining Cash Flow After Third Hurdle	-	-	-	-	-	-	-	-	-	-
Investor Residual Split	-	-	-	-	-	-	-	-	-	-
GP Co-Investment Residual Split	-	-	-	-	-	-	-	-	-	-
Manager Residual Split	-	-	-	-	-	-	-	-	-	-
Total Investor Cash Flow	(28,381,749)	(273,149)	(265,699)	14,178,139	35,969,609	-	-	-	-	-
Total GP Co-Investment Cash Flow	(3,153,528)	(30,350)	(29,522)	1,575,349	3,996,623	-	-	-	-	-
Total Manager Cash Flow w/o Fees	-	-	-	48,446	16,285,252	-	-	-	-	-

Investor Returns

Investor Profit	Investor IRR	Investor Multiple	Investor Total Cash Distributions
\$21,227,151	13.69%	1.73	\$50,409,675

GP Returns

GP Profit	GP IRR	GP Multiple	GP Total Cash Distributions
\$18,692,270	50.64%	6.76	\$21,934,773

Returns Based on Amount Invested

Initial Investment	1,000,000	Multiple	Total Cash Distributions
Total Cash Flow Received	1,727,393	1.73	\$1,727,393
Preferred Return	223,655		
Return of Capital	1,000,000		
Total Net Profit	727,393		