

## Columbus, Ohio Investment Opportunity:

### Delivered Vacant for Superior Repositioning and Value-Add Opportunity

- Repositioning of a Former For-Profit College – The Bradford School
- 32 Two-Bedroom Two-Bath Apartment Units
- 29 Revenue Generating Garages with Additional Storage Space
- 6,840 sq. ft. Commercial/Office/Common Space
- 2 Common Rooms as Added Amenities: Media Room and Exercise Area
- Additional Lot for Potential Revenue or Future Sale



*Investing in Multifamily for: Growth. Income. Diversification. Tax Benefits.*

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# 1. About Us



## Overview

Tidegate Capital specializes in acquiring and managing Class B and C value-add multifamily real estate on behalf of individuals, family offices, and institutions.

Post acquisition, we execute a systematic rehabilitation plan coupled with a hands-on approach to site management. This results in increased underlying value by way of improved occupancy, operational efficiency, and enhanced cash flow.

Our approach incorporates the use of independent bookkeepers, tax advisors, and legal professionals to provide additional expertise, insight and scale.

Tidegate Capital is guided by the expertise of five advisors, each with extensive experience in business management, start-ups, real estate investments and technology.

Extensive real estate, asset management, and portfolio management experience

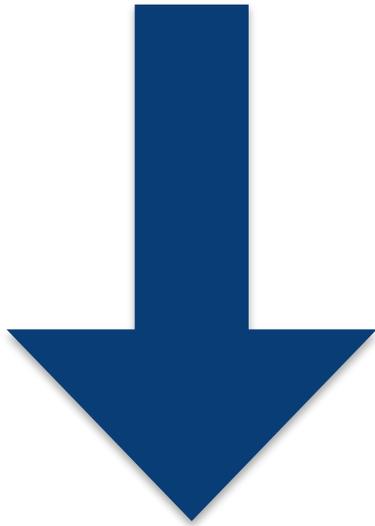
We invest only in select markets based on our proprietary top-down analytical modeling.

Headquartered in the Boston MSA - in Duxbury MA

## 2. Process: Holistic Top Down and Bottom Up Approach

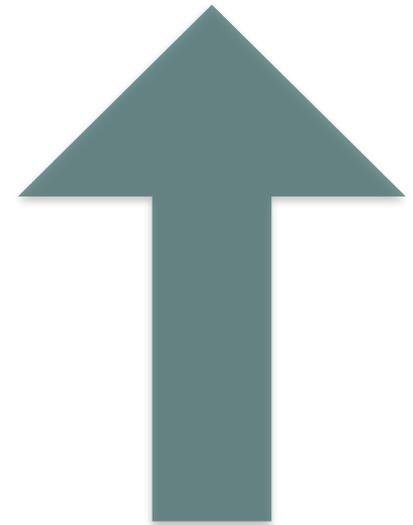
### Top Down

Identification of Target MSA's  
as Part of a Long-Term Thesis



Success in Multifamily  
Management is Driven by

- Risk Management
- Return Optimization



### Bottom Up

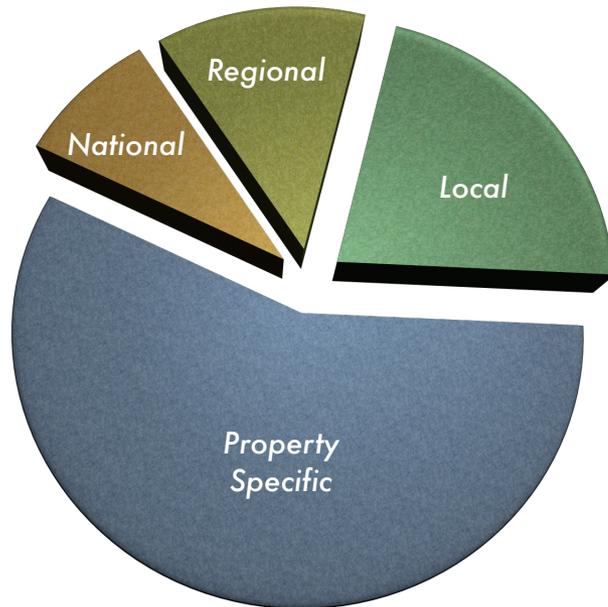
Detailed Property Specific  
Underwriting to Minimize  
Downside Risk

## 2. Process - Top Down

### Proprietary Analytical Model

#### Representative Inputs and Weightings

GDP Growth	Inflation Rate	Population Density
Macro Trends	Vacancy Data	Cap Rates
Unemployment	Personal Income	Foreclosures
Financial Markets	Employment Base	Education
Relative Yields	Owner Rights	Transportation



Tidegate Capital employs a rigorous, proprietary selection process for a region to be included in our target market list.

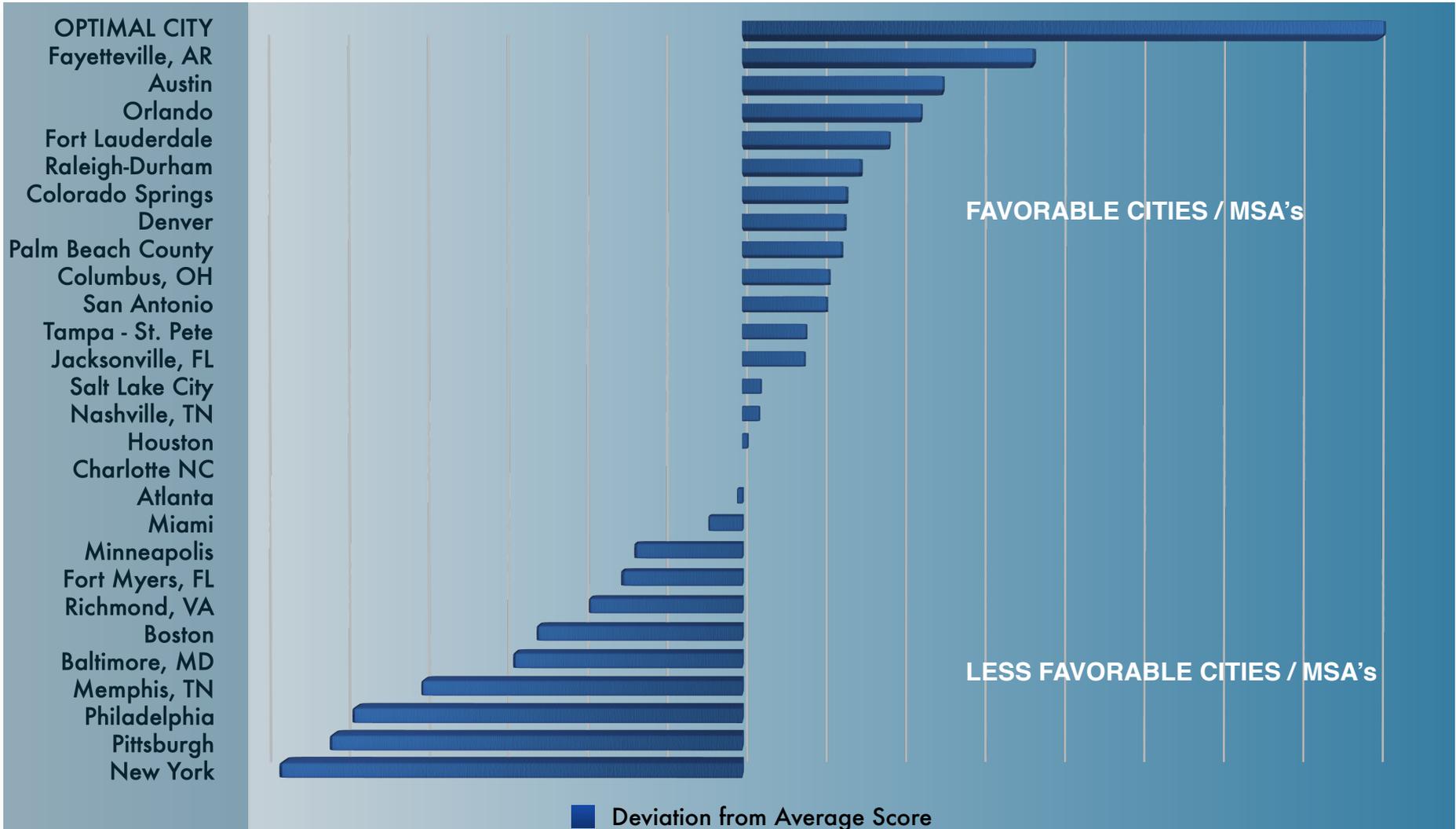
Our primary focus is locating and validating attractive metropolitan areas often overlooked by the large institutional players.

This results in geographic regions that offer the most robust investment opportunities and optimal risk-adjusted returns for our clients.

The focus is to capitalize on the significant inefficiencies inherent in the under 120-unit Class B and C multifamily apartment space.

## 2. Process - Top Down Market Selection

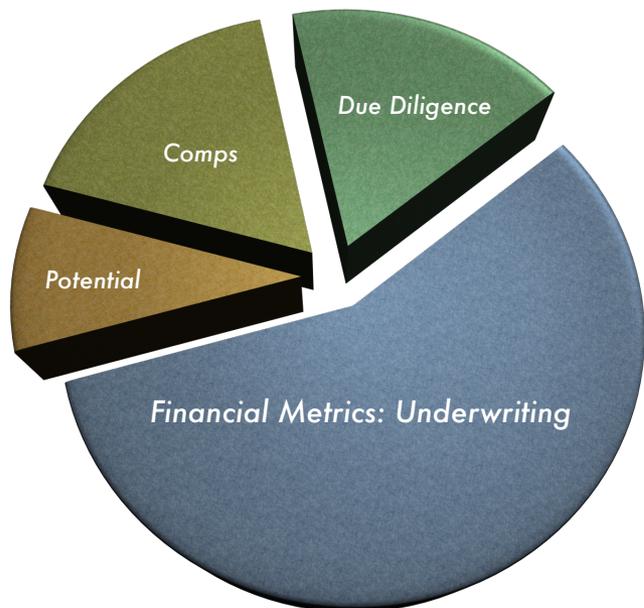
### Target Market Selection Based on Proprietary Models



## 2. Process — Bottom Up

### Proprietary Analytical Model

#### Representative Inputs and Weightings



Property Condition  
Value-add Potential  
Utilities  
Unit Mix  
Prior Ownership - Story  
"Green" Opportunities

Location  
Sales and Rental Comps  
Occupancy History  
Amenities  
Operating History  
Financing Options

Analyze current income and operating expenses.

Calculate Price-to-Rent ratio.

Account for deferred maintenance and value-add rehabilitation.

Determine conservative pro-forma rent and operating assumptions to determine risk-adjusted Net Operating Income (NOI).

Implement a comprehensive rehabilitation plan to maximize returns upon disposition.

# 3. Opportunity: Somerset Place

## Preliminary Projections

The Bradford School, to be known as Somerset Place, represents an extremely unique opportunity to invest in a repositioning opportunity in one of the country's most exciting markets, Columbus, OH.

### Time Horizon:

Placed under agreement Dec 30, 2019  
Close date: May 6, 2020

Total Project Cost: Approx \$3,400,000 inclusive of:  
\$2,655,000 Acquisition price  
Over \$600,000 Capital Improvements:

- Delivered vacant for repositioning
- 32 Units will be renovated and upgraded to appropriate market standards
- Main lobby and hallways will be modernized
- Commercial spaces will be refreshed and configured with long-term leases to attract stable tenants
- Exterior work will include landscaping, signage, entry portico, parking lots
- 2 common spaces to be refitted. One used as workout facility and the other as media room

- Projected Annualized IRR for 1-2 year hold: 34%\*

Exit Strategy: The primary objective will be disposition after the 1 year lease-up and stabilization period. Institutional investors have come to view the positive fundamentals of Columbus' apartment market and its yields as a solid investment market.

Optionality: Should market fundamentals not support a sale, the implementation of a long-term loan will facilitate an expected 80-100% return of capital; investors will retain same ownership proportion in the property.

\* Net to Investor



### 3. Opportunity: Somerset Place

Somerset Place is conveniently located off of Stelzer Road, a major North / South artery connecting Easton Town Center and John Glenn International Airport.

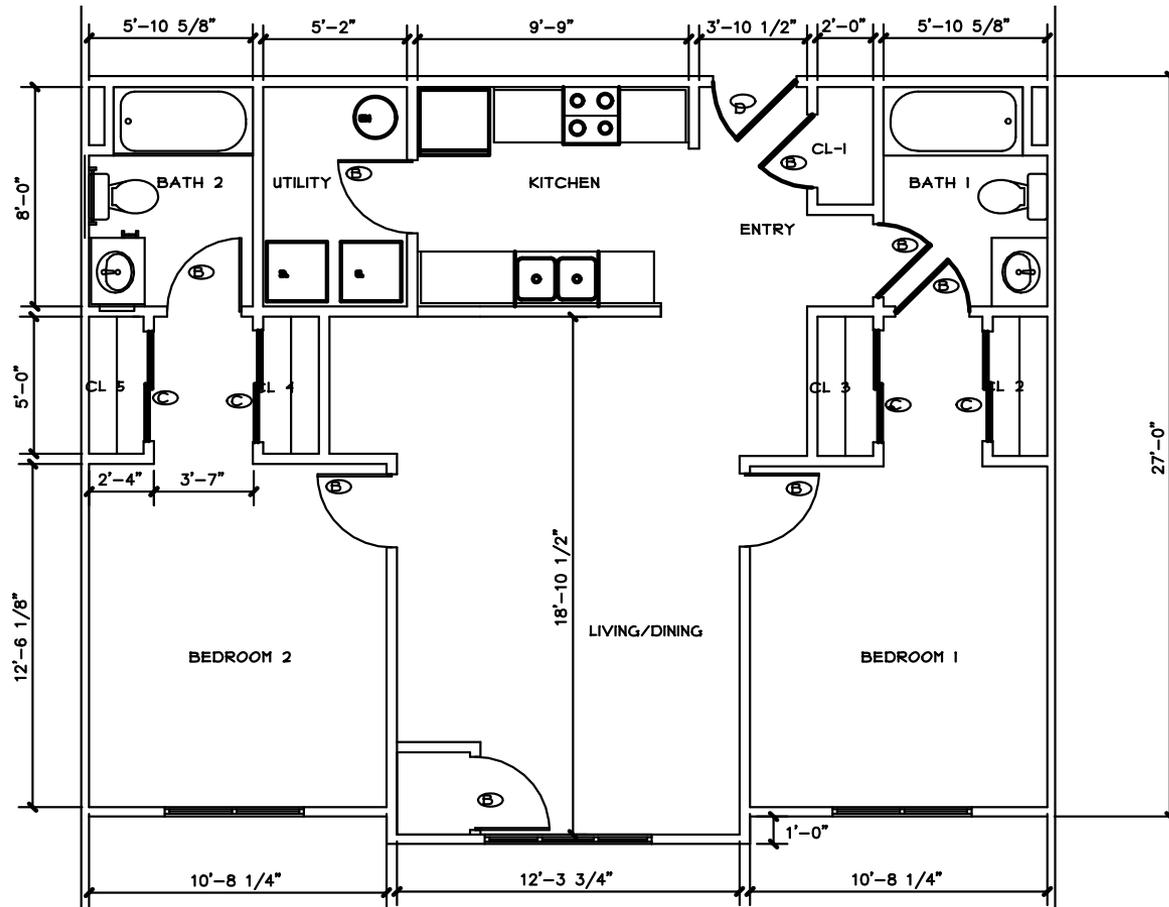
The Easton Town Center at 2.9 Million sf is approximately 1 mile away and employs over 25,000 people. In addition to 3 hotels and 40 restaurants there are over 225 retail stores including Walmart, Target, and Costco, among others. These employees, along with personnel from the airport, will be our target audience.

Given those tremendous numbers we expect the 32 units of residential space to be in high demand.

Additionally, we have underwritten the commercial space at \$9/ft. Based on conversations with local property management and brokers that appears to be well below market. The space is well suited for numerous sectors and has easy access to I-270 and I-670



### 3. Opportunity: Somerset Place



TYPICAL 2 BR UNIT  
 958 SF - GBA  
 916 SF - NRA

#### Features

- Full-sized washer and dryer in each unit
- Individually metered electric / heat / AC
- Central fire alarm
- Sprinkler system
- Two common rooms for resident use
- 29 Garages with ample storage for increased revenue
- Elevator for resident convenience
- Intercom secured entry system
- Located two miles from John Glenn International Airport

### 3. Opportunity: Somerset Place

Renovations are already in progress and lease-ups have begun. The first residents will be moving in August 1st at, or above, our underwritten levels on the pro forma.



### 3. Opportunity: Somerset Place

**Columbus: Diverse employment growth drawing higher-income households.**

- The MSA's deep talent pool has driven business expansions to the area
- This accelerated growth has attracted professionals to the metro, elevating local demand for apartments
- Residential Builders have been increasing supply, however, additions are consistently falling short of demand with the resulting vacancy rate resting near all-time lows
- Money.com named Columbus one of the "10 best cities to live in" in 2018



Many units are ready to move residents in with minimal upgrades

We are positioning the property to offer 2 distinct units: Classic and Modern.

Rent price points will reflect level of improvements.



### 3. Opportunity: Somerset Place

Exercise Room on the first level of living space will provide an amenity not available at competing properties – the ability to work out while staying within the same building, an important feature in Columbus during the winter time.



### 3. Opportunity: Somerset Place

At an acquisition price of \$2,655,000 plus the CapEx improvements of close to \$600k this represents a significant discount to current construction costs and sales comps:

- 55% below new construction costs on a per-unit basis
- 30% below similar sales comps for Class B Multifamily



The commercial space at Somerset Place is underwritten below market at \$9.00/SF while commercial office space in greater Columbus averages \$12.00-\$16.00/SF

## 4. Financials and Pro Forma: Executive Summary

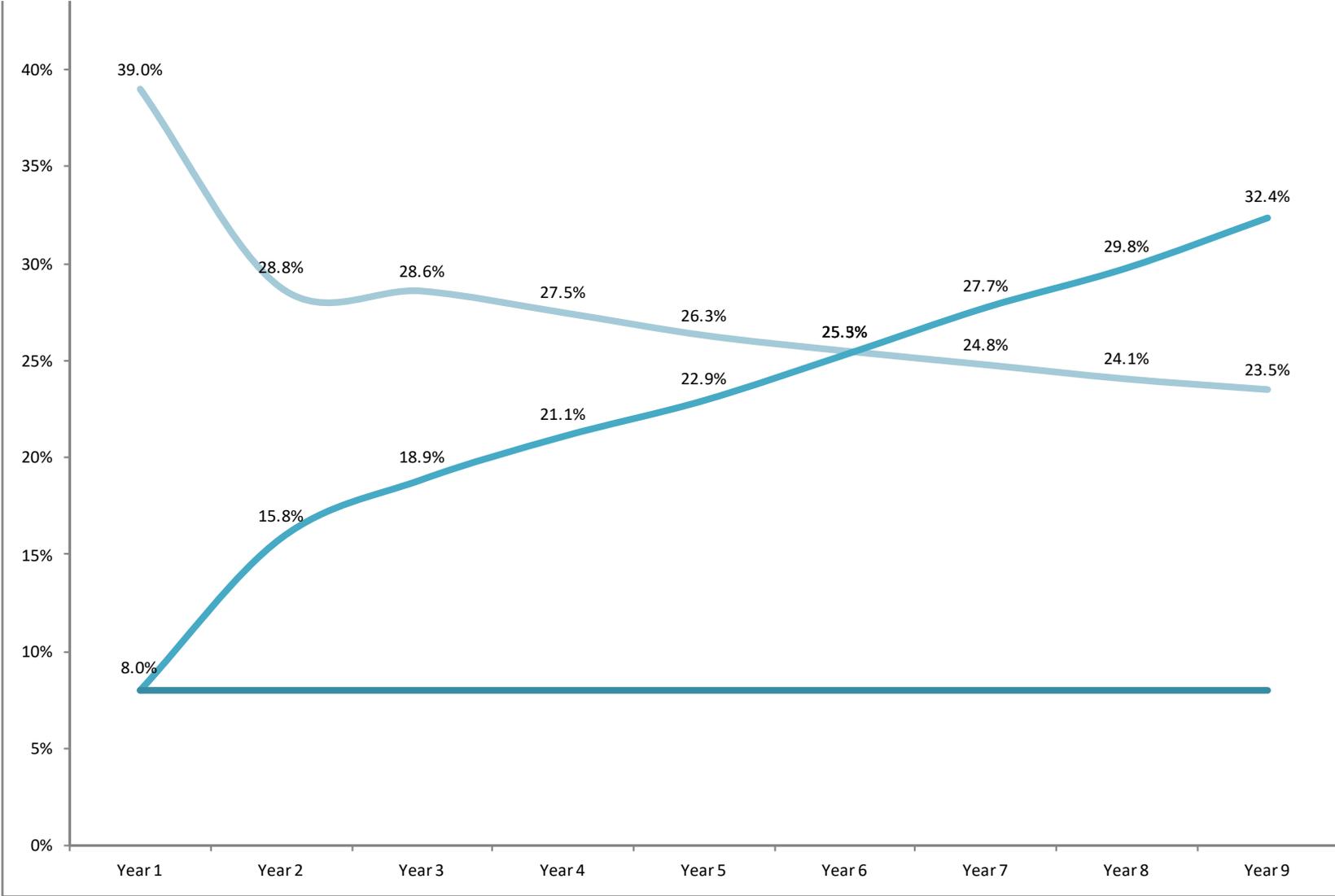
<b>Somerset Place</b>	<b># of Units:</b>	<b>37</b>
<b>3700 - 3810 Lifestyle Blvd., Columbus</b>	<b>Rentable sqft:</b>	<b>36,352</b>
<b>Executive Summary</b>		

### Acquisition Breakdown

<b>Acquisition Cost</b>	<b>\$2,655,000</b>
<b>Acquisition Cost Per Unit</b>	<b>\$71,757</b>
<b>Acquisition Cost Per Foot</b>	<b>\$73</b>
<b>Construction Cost</b>	<b>\$617,642</b>
<b>Construction Cost Per Unit</b>	<b>\$16,693</b>
<b>Construction Cost Per Foot</b>	<b>\$16.99</b>
<b>Total Development Cost</b>	<b>\$3,469,342</b>
<b>Total Cost Per Unit</b>	<b>\$93,766</b>
<b>Total Cost Per Foot</b>	<b>\$94</b>

<b>Year Built</b>	<b>2001</b>
<b>Average Unit Size</b>	<b>982</b>
<b>Average Market Rent per unit</b>	<b>\$738</b>
<b>Average Market Rent per square foot</b>	<b>\$0.75</b>
<b>Total Land</b>	<b>2.1</b>
<b># of Buildings</b>	<b>1</b>
<b># of Stories</b>	<b>3</b>
<b>Parking spaces</b>	<b>68</b>
<b>Parking per unit</b>	<b>1.8</b>

# 4. Financials and Pro Forma: Projected Returns - Net to Investor



# 4. Financials and Pro Forma: Net to Investor, with Perm Loan

Name **Somerset Place**  
Address **3700 - 3810 Lifestyle Blvd., Columbus, OH**

Total Acquisition Costs	<b>\$3,469,342</b>	Mortgage Principal	<b>\$ 3,400,000</b>
Gross Rent at Acquisition	<b>\$0</b>	Annual Mortgage Payment	<b>\$203,107</b>
Gross Rent by end of Year 1	<b>\$458,460</b>	Bridge Loan	<b>\$2,000,000</b>
1st Year NOI	<b>\$170,394</b>	Initial Investor Capital	<b>\$1,469,342</b>

Acquisition price	<b>\$2,655,000</b>							
Acquisition date	5/6/20							
Total Land	2.1							
# of Buildings	1.0							
# of Stories	3.0							
Parking spaces	68.0							
Parking per unit	1.8							
Year Built	2001							
		<b>Apartments</b>	<b># of units</b>	<b>Sq Ft</b>	<b>Total sqft</b>	<b>Unit Mthly Rent</b>	<b>Total Mthly Rent</b>	<b>Rent/sqft</b>
		2BD/2BA	32	916	29,312	\$756	\$24,189	\$0.83
		Garage Rent	29	N/A	200	\$30	\$30	N/A
		Comm. Space	1	1,140	1,140	\$570	\$570	\$0.50
		Comm. Space 2	1	1,140	1,140	\$356	\$356	\$0.31
		Comm. Space 3	1	1,140	1,140	\$641	\$641	\$0.56
		Comm. Space 4	1	3,420	3,420	\$428	\$428	\$0.13
		<b>TOTAL / AVERAGE</b>	<b>37</b>	<b>1,326</b>	<b>36,352</b>	<b>\$646</b>	<b>\$27,309</b>	<b>\$0.75</b>

	<b>End of Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>
Rental Growth		5%	4%	4%	3%	3%	3%	3%	3%	3%
Vacancy incl bad debt	2%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Operating Exp Growth		2%	2%	2%	2%	2%	2%	2%	2%	2%
Real Estate Tax Growth		2%	8%	2%	2%	5%	2%	2%	5%	2%
Sale Capitalization Rate	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
IRR	<b>39.3%</b>	<b>29%</b>	<b>29%</b>	<b>29%</b>	<b>27%</b>	<b>26%</b>	<b>25%</b>	<b>25%</b>	<b>24%</b>	<b>24%</b>

<b>CAPITAL COSTS</b>	<b>Cost per Unit</b>	<b># Units</b>	<b>USES</b>
New countertops	\$650	20	\$13,000
Cabinets	\$1,000	15	\$15,000
New appliances	\$1,200	15	\$18,000
Paint	\$1,450	32	\$46,400
Lighting and fixtures	\$420	15	\$6,300
Low Flow Fixtures	\$340	32	\$10,880
Doors and hardware	\$500	25	\$12,500
A/C	\$2,400	10	\$24,000
Flooring	\$1,750	32	\$56,000
	<b>\$9,710</b>	<b>0</b>	<b>\$202,080</b>
Exterior/Landscaping			\$195,000
Lighting/ Safety upgrades			\$20,000
Common Space/Interiors			\$120,000
<b>UNIT &amp; PROPERTY SUBTOTAL</b>			<b>\$537,080</b>
		Contingency	\$53,708
		Construction Mgmt	\$26,854
		Initial Replacement Reserve	\$0
<b>TOTAL CAPITAL IMPROVEMENTS</b>			<b>\$617,642</b>

<b>PERCENTAGES</b>	
Asset Management Fee	0.75%
Preferred Return	8.0%
Investor Return	70.0%
Sponsor Return	30.0%
Cap Rate at Sale	6.2%
Cap Rate at Acquisition	N/A
Contingency	10.0%
Construction Mngmnt	5.0%
Sale Brokerage Fee	3.5%
Rent Increase: New Lease	5%
Rent Increase: Renovations	12%

<b>SOFT COSTS</b>	
Acquisition Fee	\$65,000
Bridge/Mortgage Financing Cost	2.00%
Legal	\$27,500
Title & Recording	\$34,500
Appraisal	\$0
Permits	\$2,000
Property Survey	\$1,200
Arch/Engineer/Due Dilig	\$6,500
Marketing	\$14,500
Soft Cost contingency	\$5,500
<b>TOTAL SOFT COSTS</b>	<b>\$196,700</b>

<b>MORTGAGE INFO</b>	
Mortgage Term (yrs)	10
Loan Interest Rate	4.35%
Loan Amortization Period (yrs)	30
Loan Payments Made	End of Period
Date of First Loan Payment	3/1/21
Debt Service Coverage Ratio	1.25

<b>PROPERTY P&amp;L</b>	
Seller NOI	\$0
Operating Exp	\$172,037
Real Estate Taxes	\$59,094
Operating/Maintenance	\$25,700
Insurance	\$22,000
Utilities	\$30,900
Administrative	\$3,500
Marketing	\$5,150
Replacement Reserve (unit)	\$0
Other Income per unit (annual)	\$575
Property Management Fee	8%

<b>BRIDGE LOAN INFO</b>	
Bridge Principal	\$2,000,000
Bridge Term (yrs)	1
Bridge Interest Rate	11.50%
Closing Fee	See Soft Costs
Bridge Loan Exit Fee	1.00%
Mortgage Refi Closing Cost %	1.00%
Mortgage Refi Fixed Costs \$	\$0

# 4. Financials: Returns Net to Investor, with Perm Loan

	1	2	3	4	5	6	7	8	9	10	TOTAL
	End	Year									
<b>Invested Capital</b>	\$1,469,342	\$326,802	\$326,802	\$326,802	\$326,802	\$326,802	\$326,802	\$326,802	\$326,802	\$326,802	\$326,802
<b>8.0% Preferred Return Due</b>	\$117,547	\$26,144	\$26,144	\$26,144	\$26,144	\$26,144	\$26,144	\$26,144	\$26,144	\$26,144	\$352,845
<b>Preferred Return Paid</b>	\$117,547	\$26,144	\$26,144	\$26,144	\$26,144	\$26,144	\$26,144	\$26,144	\$26,144	\$26,144	\$352,845
<b>EOY Cash Out Refi Investor Return Paid</b>	\$1,142,540	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,142,540
<b>70% Investor Return Paid</b>	\$0	\$18,663	\$25,641	\$35,515	\$42,768	\$48,835	\$56,540	\$64,497	\$71,159	\$79,611	\$443,230
<b>30% Sponsor Return Paid</b>	\$0	\$7,999	\$10,989	\$15,221	\$18,329	\$20,929	\$24,232	\$27,642	\$30,497	\$34,119	\$189,956
<b>Net Available Cash Surplus / (Deficit)</b>	\$1,142,540	\$26,662	\$36,630	\$50,736	\$61,097	\$69,765	\$80,772	\$92,138	\$101,656	\$113,730	\$1,775,725
<b>Annual Return Cash on Cash</b>	0.00%	16.16%	19.21%	23.53%	26.70%	29.35%	32.72%	36.19%	39.11%	42.80%	

INVESTOR IRR	Outflows	Inflows									IRR	
	(\$1,469,342)	\$2,047,149									39.3%	
End of Year 2 Sale	(\$1,469,342)	\$1,260,087	\$831,869								29.5%	
End of Year 3 Sale	(\$1,469,342)	\$1,260,087	\$44,807	\$989,506							28.8%	
End of Year 4 Sale	(\$1,469,342)	\$1,260,087	\$44,807	\$51,785	\$1,197,325						28.6%	
End of Year 5 Sale	(\$1,469,342)	\$1,260,087	\$44,807	\$51,785	\$61,659	\$1,363,291					27.5%	
End of Year 6 Sale	(\$1,469,342)	\$1,260,087	\$44,807	\$51,785	\$61,659	\$68,912	\$1,511,462				26.3%	
End of Year 7 Sale	(\$1,469,342)	\$1,260,087	\$44,807	\$51,785	\$61,659	\$68,912	\$74,979	\$1,689,055			25.5%	
End of Year 8 Sale	(\$1,469,342)	\$1,260,087	\$44,807	\$51,785	\$61,659	\$68,912	\$74,979	\$82,685	\$1,873,015		24.8%	
End of Year 9 Sale	(\$1,469,342)	\$1,260,087	\$44,807	\$51,785	\$61,659	\$68,912	\$74,979	\$82,685	\$90,641	\$2,037,640	24.1%	
End of Year 10 Sale	(\$1,469,342)	\$1,260,087	\$44,807	\$51,785	\$61,659	\$68,912	\$74,979	\$82,685	\$90,641	\$97,303	\$2,234,515	23.5%

Gain / Loss on Disposal	2	3	4	5	6	7	8	9	10
	Year								
NOI	\$275,826	\$285,793	\$299,900	\$310,261	\$318,929	\$329,936	\$341,302	\$350,820	\$362,894
Cap Rate	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
<b>SALE PRICE</b>	<b>\$4,484,969</b>	<b>\$4,647,048</b>	<b>\$4,876,422</b>	<b>\$5,044,896</b>	<b>\$5,185,829</b>	<b>\$5,364,812</b>	<b>\$5,549,632</b>	<b>\$5,704,383</b>	<b>\$5,900,715</b>
Bridge Loan Bal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mort Bal	(\$3,343,679)	(\$3,284,858)	(\$3,223,427)	(\$3,159,270)	(\$3,092,265)	(\$3,022,287)	(\$2,949,204)	(\$2,872,877)	(\$2,793,163)
Investor Capital	(\$326,802)	(\$326,802)	(\$326,802)	(\$326,802)	(\$326,802)	(\$326,802)	(\$326,802)	(\$326,802)	(\$326,802)
Brokerage Fees	(\$156,974)	(\$162,647)	(\$170,675)	(\$176,571)	(\$181,504)	(\$187,768)	(\$194,237)	(\$199,653)	(\$206,525)
<b>NET PROFIT</b>	<b>\$657,514</b>	<b>\$872,742</b>	<b>\$1,155,519</b>	<b>\$1,382,253</b>	<b>\$1,585,258</b>	<b>\$1,827,954</b>	<b>\$2,079,389</b>	<b>\$2,305,050</b>	<b>\$2,574,225</b>
Investor Net Profit	\$460,260	\$610,919	\$808,863	\$967,577	\$1,109,681	\$1,279,568	\$1,455,572	\$1,613,535	\$1,801,957
Sponsor Net Profit	\$197,254	\$261,822	\$346,656	\$414,676	\$475,577	\$548,386	\$623,817	\$691,515	\$772,267
Check	-	-	-	-	-	-	-	-	-

Hierarchy of Returns Calculation	1	2	3	4	5	6	7	8	9	10	TOTAL
	End	Year									
Net Cash Flow before Investor Payments	(\$139,913)	\$52,806	\$62,774	\$76,880	\$87,241	\$95,909	\$106,916	\$118,283	\$127,800	\$139,874	\$728,570
Cash Out Refinancing	\$1,400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,400,000
Preferred Return Due	(\$117,547)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$352,845)
Current year Preferred Payment Shortfall	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Brought forward Preferred Payment Shortfall		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Current Year Post-Preferred Cash InFlow	\$1,142,540	\$26,662	\$36,630	\$50,736	\$61,097	\$69,765	\$80,772	\$92,138	\$101,656	\$113,730	
Carried Forward Preferred Payment Shortfall	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Current Year Paid To Preferred</b>	<b>\$117,547</b>	<b>\$26,144</b>	\$352,845								
<b>Current Year Paid to Investors</b>	<b>\$1,142,540</b>	<b>\$18,663</b>	<b>\$25,641</b>	<b>\$35,515</b>	<b>\$42,768</b>	<b>\$48,835</b>	<b>\$56,540</b>	<b>\$64,497</b>	<b>\$71,159</b>	<b>\$79,611</b>	\$1,585,770
<b>Current Year Paid to Sponsor</b>	<b>\$0</b>	<b>\$7,999</b>	<b>\$10,989</b>	<b>\$15,221</b>	<b>\$18,329</b>	<b>\$20,929</b>	<b>\$24,232</b>	<b>\$27,642</b>	<b>\$30,497</b>	<b>\$34,119</b>	\$189,956
Check	-	-	-	-	-	-	-	-	-	-	-

## 4. Financials: Pro Forma Net to Investor, with Perm Loan

### Somerset Place

	End of Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
Potential Gross Income	\$321,185	\$459,135	\$477,500	\$496,600	\$511,498	\$526,843	\$542,649	\$558,928	\$575,696	\$592,967	\$5,063,002
Other Income	\$21,275	\$21,701	\$22,135	\$22,577	\$23,029	\$23,489	\$23,959	\$24,438	\$24,927	\$25,426	\$232,955
Less: Vacancy & Bad Debt	(\$6,424)	(\$20,661)	(\$21,488)	(\$22,347)	(\$23,017)	(\$23,708)	(\$24,419)	(\$25,152)	(\$25,906)	(\$26,684)	(\$219,805)
<b>Effective Gross Income</b>	<b>\$336,036</b>	<b>\$460,174</b>	<b>\$478,147</b>	<b>\$496,831</b>	<b>\$511,510</b>	<b>\$526,625</b>	<b>\$542,189</b>	<b>\$558,215</b>	<b>\$574,717</b>	<b>\$591,709</b>	<b>\$5,076,152</b>
Operating Expenses	(\$112,942)	(\$124,073)	(\$127,256)	(\$130,531)	(\$133,521)	(\$136,582)	(\$139,716)	(\$142,925)	(\$146,210)	(\$149,574)	(\$1,343,330)
Real Estate Taxes	(\$59,094)	(\$60,276)	(\$65,098)	(\$66,400)	(\$67,728)	(\$71,114)	(\$72,537)	(\$73,987)	(\$77,687)	(\$79,240)	(\$693,161)
Total Operating Expenses	(\$172,037)	(\$184,349)	(\$192,354)	(\$196,931)	(\$201,249)	(\$207,696)	(\$212,253)	(\$216,912)	(\$223,897)	(\$228,815)	(\$2,036,492)
<b>Net Operating Income</b>	<b>\$164,000</b>	<b>\$275,826</b>	<b>\$285,793</b>	<b>\$299,900</b>	<b>\$310,261</b>	<b>\$318,929</b>	<b>\$329,936</b>	<b>\$341,302</b>	<b>\$350,820</b>	<b>\$362,894</b>	<b>\$3,039,660</b>
Bridge Loan Interest	(\$230,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$20,000)
Mortgage Payment	\$0	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$1,827,965)
Less: Debt Service	(\$230,000)	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$203,107)	(\$1,847,965)
Property Cash Flow	(\$66,000)	\$72,718	\$82,686	\$96,793	\$107,154	\$115,821	\$126,829	\$138,195	\$147,712	\$159,787	\$981,695
Less: AM Fee	(\$19,913)	(\$19,913)	(\$19,913)	(\$19,913)	(\$19,913)	(\$19,913)	(\$19,913)	(\$19,913)	(\$19,913)	(\$19,913)	(\$199,125)
Net Cash Flow	(\$85,913)	\$52,806	\$62,774	\$76,880	\$87,241	\$95,909	\$106,916	\$118,283	\$127,800	\$139,874	\$782,570
Bridge Loan Exit Fee	(\$20,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$230,000)
Mortgage Refi Fee	(\$34,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$34,000)
<b>Net Cash Flow before Investor Payments</b>	<b>(\$139,913)</b>	<b>\$52,806</b>	<b>\$62,774</b>	<b>\$76,880</b>	<b>\$87,241</b>	<b>\$95,909</b>	<b>\$106,916</b>	<b>\$118,283</b>	<b>\$127,800</b>	<b>\$139,874</b>	<b>\$728,570</b>
Cash Out Refinancing (EOY)	\$1,400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,400,000
Preferred Return	(\$117,547)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$26,144)	(\$352,845)
<b>Net Available Annual Cash Surplus</b>	<b>\$1,142,540</b>	<b>\$26,662</b>	<b>\$36,630</b>	<b>\$50,736</b>	<b>\$61,097</b>	<b>\$69,765</b>	<b>\$80,772</b>	<b>\$92,138</b>	<b>\$101,656</b>	<b>\$113,730</b>	<b>\$1,775,725</b>
Annual Cash on Cash	-5.8%	16.2%	19.2%	23.5%	26.7%	29.3%	32.7%	36.2%	39.1%	42.8%	
<b>Cumulative Available Cash Surplus</b>	<b>\$1,142,540</b>	<b>\$1,169,202</b>	<b>\$1,205,831</b>	<b>\$1,256,567</b>	<b>\$1,317,665</b>	<b>\$1,387,429</b>	<b>\$1,468,201</b>	<b>\$1,560,340</b>	<b>\$1,661,995</b>	<b>\$1,775,725</b>	

# 5. Rental Comps

## Rent Comps: Somerset Terrace in Columbus OH

Name	Address	Vintage	Bed / Bath	Monthly Rent	Rent Sq Ft	Notes
<b>Somerset Place - Subject Property</b>	Bradford School on Lifestyle Blvd	2001 - Reno 2020	2 / 2	\$940 and \$1050	\$1.03 and \$1.14	Underwritten 50% standard and 50% Reno @ 916 sf/unit
<b>The Residences</b>	2591 Venturi	2001 - similar	2 / 2	\$1,362	\$1.19	Pool and Workout Facility. 472 units
<b>Sunbury Ridge</b>	3030 Sunbury Ridge Dr	2000 - updated	2 / 1/5	\$1,180	\$1.26	Pool and Playground. 226 units. Further from Downtown
<b>Gardens at Easton</b>	3701 Governors Club Blvd	2000 - Reno 2018	2 / 2	\$1,050	\$1.07	Club house and pool. Large complex > 1000 units
<b>Georgetown Apts</b>	59 Fitz-Henry Blvd	1963	2 / 1/5	\$1,205	\$1.21	Uncovered parking, W/D connections
<b>Gardens at Meadow Lakes</b>	2555 Meadow Lakes Dr	2000 - dated	2 / 2	\$1,040	\$1.02	Laundry in unit, parking garages for extra fee, allows pets
<b>Crosspoint Apartments</b>	3520 Red Hook Crossing	2015	2 / 2	\$1,143	\$1.22	New units behind S.T. Lots of misc fees. \$75 garage fee
<b>Taylor Pointe</b>	785 Cross Pointe Rd	2015	2 / 2	\$960-\$1,020	\$1.09	Industrial zone east of airport, w/d hookups, \$100/mo. garage fee. Has pool
<b>Hunters Ridge</b>	384 Morrison Rd, Gahanna OH	1973	2 / 1/5	\$815	\$0.86	Low end provider, dated, abuts airport and I-270
<b>117 Walnut St - Gahanna Havens</b>	117 Walnut St, Gahanna, OH	1970's - Reno 2019	2 / 1	\$995	\$1.19	Newly Reno'd units, inferior building and location

### Neighboring Properties

## 5. Sales Comps

### Sale Comps: Somerset Terrace in Columbus OH

Name	Address	Vintage	Bed / Bath	Price Per Unit	Cap Rate	Notes
<b>Somerset Place - Subject Property</b>	Lifestyle Blvd	2001 - Reno 2020	2 / 2	\$72,000 - \$93,000	NA	PPU represents post renovation price inclusive of all CapEx
<b>497 Sycamore</b>	German Village Area	1975	2 / 2	\$150,000	5.2	South of Columbus. 5 units in Class C neighborhood
<b>The Prescott</b>	22 N Prescott St	2015	Studio, 1/1.5	\$204,000	5.45	4 Stories, Class B but 1 mile from city center
<b>Not named: Listing 15311924</b>	50 E &th Ave	1966	Mostly 2 / 1's	\$165,000	7.87	Near OSU, Dated building, Some units have been updated

### Acquisition and Disposition

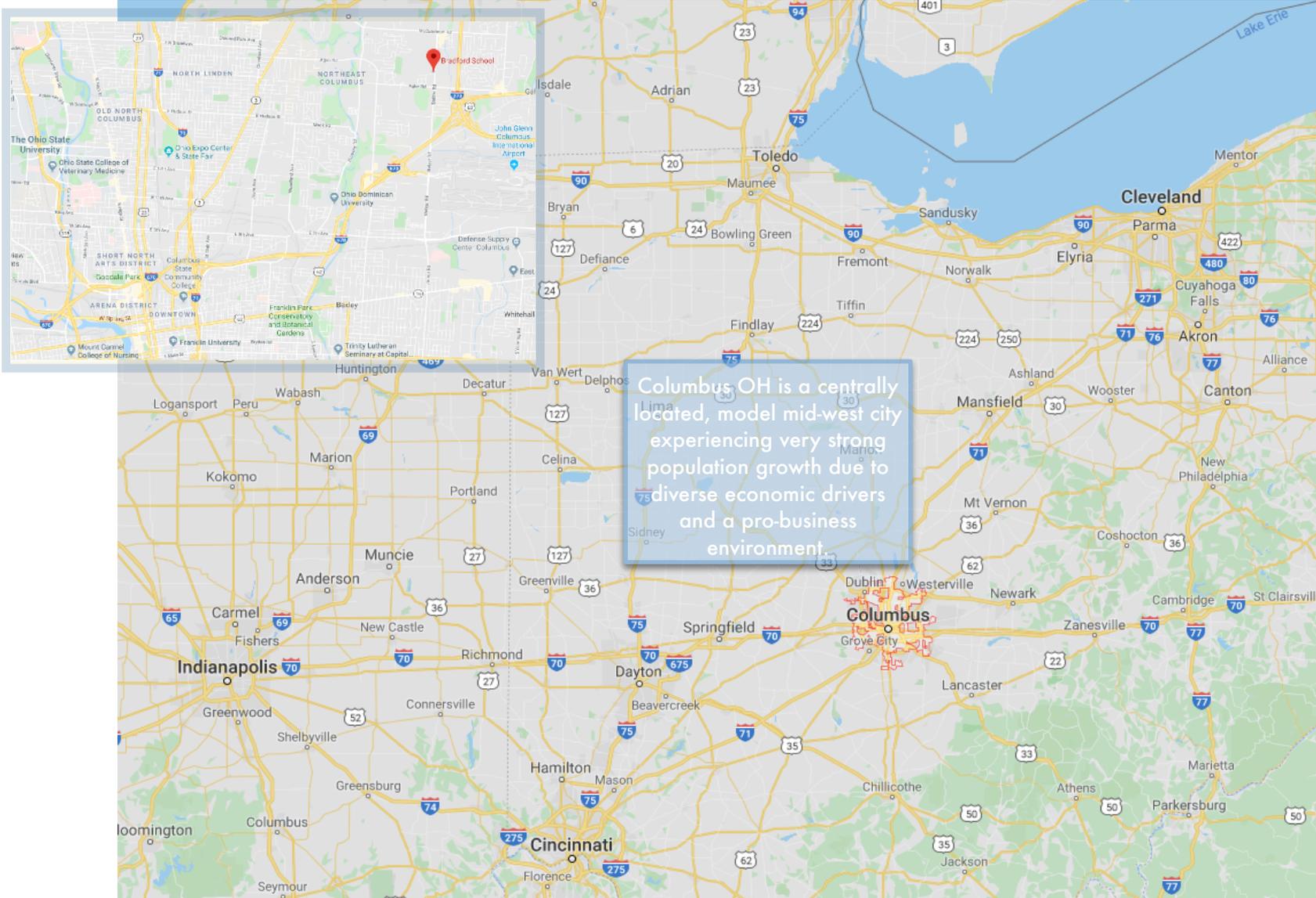
Somerset Place was acquired at a cost of \$72,000\* per unit in an area where condos, townhomes and apartments in the immediate area are valued between \$153,000 and \$265,000.

Post renovation cost per unit will be \$93,000\*.

If marketed immediately after year 1, sale price per unit based on a cap rate of 6.2% equates to \$126,000\*, well below nearby single family home prices and multifamily replacement cost.

\* Note: Commercial Space are included in these calculations at \$9.00 per square foot.

## 6. The Hub of the Midwest



## 6. The Hub of the Midwest

“Columbus is...slowly and systematically becoming the new hub of the Midwest. It's sneaky big. Columbus is the 14th largest U.S. city in population, directly behind San Francisco, with nearly 900,000 people (in the city proper and over 2.4mm in the MSA). But those are stats. It's the current generation of business leaders in Columbus that make the area so appealing.”

- 89% of residents have a high school degree or higher
- Median household income has grown 25% in the past 10 years to \$50,800 in 2017
- Median gross rent is \$889, with 54.6% of households renting
- \$950 million in new capital construction in 2018 alone
- Per CBRE brokerage: completed construction in Q4 2018: 4.5 million sf industrial and 444,000 sf office space
- Average Commercial asking lease rates: \$19.50 /sf
- After New York and Los Angeles, Columbus is home to more fashion designers than any other U.S. metropolis
- 46% of the U.S. population is within a 10 hour drive
- 5 Fortune 500 Headquarters & 15 Fortune 1000 Headquarters
- 52 colleges and universities within an hour drive

\*Information provided by City of Columbus , Andrew J Ginther, Mayor:  
Columbus Opportunity Zone Prospectus

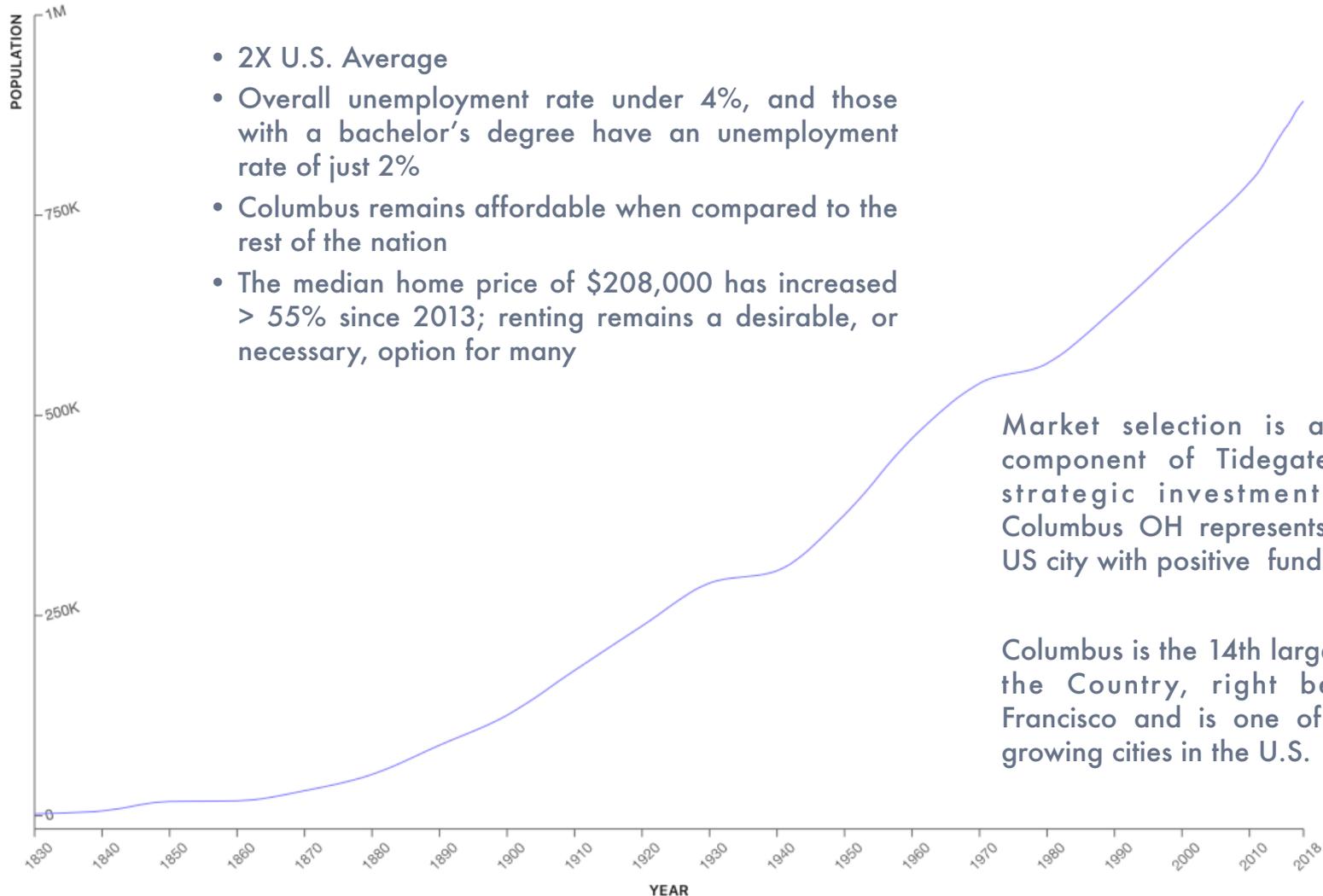
### Midwest Rent Growth Leaders

Market	2018 Rent Growth
Columbus, OH	3.5%
Minneapolis, MN	3.3%
Detroit, MI	3.2%
Indianapolis, IN	2.9%
Cincinnati, OH	2.8%
Milwaukee, WI	2.6%
Chicago, IL	2.3%
Kansas City, MO	1.8%
Cleveland, OH	1.7%
St. Louis, MO	1.5%

Source: RealPage, Inc.

## 6. The Hub of the Midwest

Columbus OH Population Growth:



- 2X U.S. Average
- Overall unemployment rate under 4%, and those with a bachelor's degree have an unemployment rate of just 2%
- Columbus remains affordable when compared to the rest of the nation
- The median home price of \$208,000 has increased > 55% since 2013; renting remains a desirable, or necessary, option for many

Market selection is an integral component of Tidegate Capital's strategic investment process. Columbus OH represents a premier US city with positive fundamentals.

Columbus is the 14th largest Metro in the Country, right behind San Francisco and is one of the fastest growing cities in the U.S.

## 6. The Hub of the Midwest

The top 10 employers in Columbus represent a small share of the overall workforce at about 13% - a good sign of an economically robust and diverse employment base.

Company/Organization	Sector	Local Full-time Employment
The Ohio State University*	Education	29,685
The State of Ohio*	Government	22,030
JPMorgan Chase	Financial Activities	16,975
OhioHealth*	Health Care	16,000
Nationwide*	Financial Activities	11,235
United States Government	Government	10,800
City of Columbus*	Government	8,653
Columbus Public Schools*	Education	8,611
Mount Carmel Health System*	Health Care	8,448
Honda of America Manufacturing, Inc.	Manufacturing	7,400

### Columbus OH Taxes

Somerset Place consists of two parcels of land in Columbus, Franklin County, OH.

Real estate taxes in Ohio are based on the property's assessed or taxable value, which is equal to 35% of the appraised value. Properties are physically reappraised every six years. The most recent reappraisal was in 2017. We have modeled a triennial adjustment of 10% after year 1 to account for a "pooled valuation" readjustment should that occur.

## 7. Tidegate: Leadership Bios



### **Colin P. O'Keefe, MBA** *Principal and Founder*

- Over 25 years of real estate experience in property management, asset management, and development
- Asset manager for over 8,000 multifamily units

Mr. O'Keefe has over 25 years real estate experience, primarily in the multifamily housing sector. He currently manages and has ownership interest in multifamily units throughout Massachusetts, Rhode Island and Florida. His background includes asset management, acquisition, development, property management, financing and disposition of multifamily assets. Prior to forming Tidegate, he served at Equity Office Properties, Boston Financial, and Bank of America.

Mr. O'Keefe earned a BA in Economics from the University of Richmond and an MBA from Northeastern University.



### **Guy C. Holbrook, IV, CFA®** *Principal and Founder*

- 30 years of comprehensive experience investing through major market events and cycles
- Responsible for developing analytical tools for Market Selection Process

Working exclusively in the investment industry since 1987, Mr. Holbrook focuses on portfolio construction, research, and management. He has developed detailed analytical and risk-reduction models to target Tidegate's investment markets. At Columbia Management, his 10-person portfolio team managed over \$30 billion in assets, and he developed a fixed income fund, growing AUM to \$1 billion.

Mr. Holbrook earned a BA in Economics from Colby College and holds the Chartered Financial Analyst (CFA®) designation.



### **C. Warren Skillman** *Partner and Managing Director*

- 26 years of portfolio management and equity analysis experience
- Responsible for modeling acquisition targets

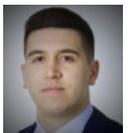
Prior to his role as Managing Director at Tidegate Capital, Mr. Skillman was the lead portfolio manager on the Emerging Markets Value strategy with a focus on fundamental equity research. Warren has been in the investment industry since 1993 and has significant experience analyzing securities and credits through both up and down market cycles.

Warren received a BA from Boston College and an MS in finance from the London School of Business. In his spare time he enjoys mountain biking, skiing and preparing for the Nürburgring.



### **Jessica Johnson** *Senior Property Manager*

Jessica Joined TGC Management in June 2020. Her role is to oversee Tidegate owned properties in the greater Tampa - St Petersburg area with a focus on improving operations and property management. Additionally, she will provide insight regarding best management practices for all Tidegate properties.



### **Matthew J. Alfonso** *Associate*

- Experience acquiring and renovating single family properties
- Assists with acquisition analysis, asset management, and business development

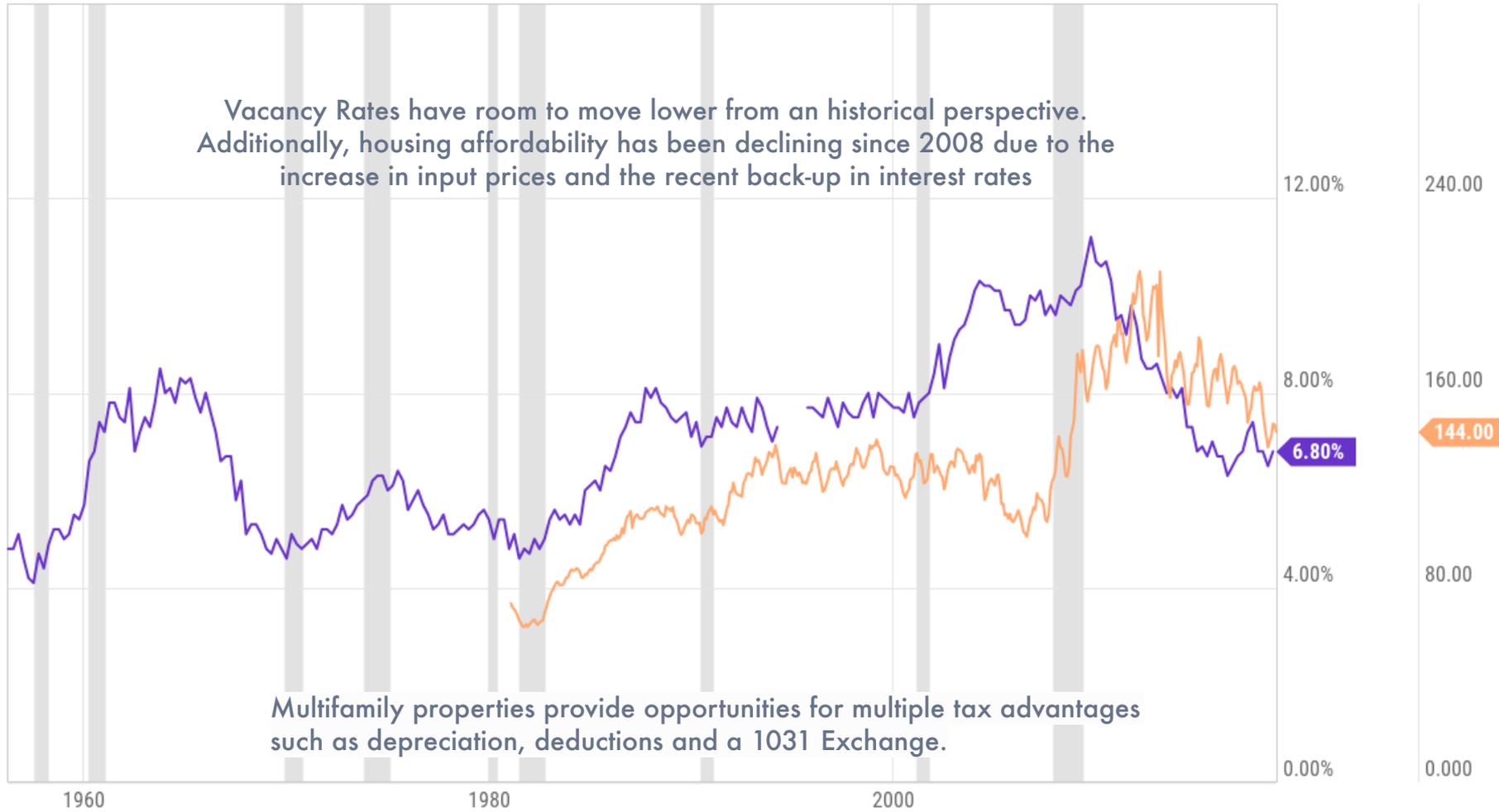
Mr. Alfonso joined Tidegate Capital in November 2019; prior to his role at Tidegate he specialized in residential leasing at Preview Properties Realty Group in Boston. Matthew's previous experience includes working as a summer analyst at Starwood Property Trust, the largest commercial mortgage real investment trust in the United States. During his time there, he worked within the Real Estate Owned (REO) department and helped with the lease-up, management, and disposition of REO assets.

Mr. Alfonso earned a BA in Political Science from Boston University

**In addition, Tidegate Capital is guided by the expertise of five advisors, each with extensive experience in business management, start-ups, investments and technology.**

# 8. Appendix

- US Rental Vacancy Rate in Metropolitan Areas (NSA)
- US Composite Housing Affordability Index (NSA)



## DISCLAIMER

This document is being provided for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to purchase an interest in any LLC. Any such offer or solicitation shall be made only pursuant to a confidential Private Placement Memorandum (PPM) and Operating Agreement (OA) which describes the risks related to an investment therein. The PPM and OA should be read carefully prior to any investment in any LLC. Information contained herein is not intended to be complete or final and is qualified in its entirety by the related PPM and the governing documents of the LLC.

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The investment return projections and related assumptions herein are not a prediction or a guarantee of future performance. There can be no assurance that the projections will be achieved.

Any investment in the LLC will be illiquid and an investor may not be able to liquidate in a timely manner. There is no secondary market for investors' interests in the LLC and none is expected to develop. There are restrictions on transferring interests in the LLC.

No assurance can be given that the LLC will meet its investment objectives or avoid losses, including total loss of investment.



PO Box 283A  
457 Washington St.  
Duxbury, MA 02331

(781) 285-3502

[tgc@tidegatecapital.com](mailto:tgc@tidegatecapital.com)

[www.tidegatecapital.com](http://www.tidegatecapital.com)