Woodland Key

Confidential Investment Summary

ASHCROFT
CAPITAL

2770 Roosevelt Boulevard, Clearwater, FL 33760

By Ashcroft Capital
A Leading Multifamily Investment Firm

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Woodland Key – Value Add Investment

Ashcroft Capital has identified Woodland Key ("Woodland") for acquisition at a **reduced purchase price of $55,750,000, representing a $2.25 million reduction in the original purchase price**. Operations at the property have remained very strong as its resident base has limited exposure to the employment industries heavily impacted by the COVID-19 pandemic.

The property is a 416-unit property located in Clearwater (Tampa), Florida. Woodland lies in the most densely populated county in Florida, Pinellas County, with high barriers to entry for new product resulting in only 342 units developed within the submarket over the trailing-5 years. Ashcroft owns a property called Mystic Bay, located 3 miles west of the property, and is exceeding initial projections by over $100/mo for renovated units. Pinellas County has seen demand to be very strong with the population expected to grow another 6.4% [3] over the next five years in the immediate area compared to the national growth of 3.5% [4] over the same period. Rent growth has averaged a 4.6% annual increase over the past 6 years, including a 5.1% increase in 2019. [5]

Woodland Key is located on a major thoroughfare, Roosevelt Boulevard, allowing exposure to over 50,000 vehicles per day and less than a mile from US-19 which is the main North-South road throughout Pinellas County. Woodland sits less than 1.5 miles from Tech Data's headquarters (#108 Fortune 500 company), less than two miles from St. Pete-Clearwater International Airport, near major medical centers, and minutes from the Carillon Business Park with major employers such as Raymond James, Franklin Templeton, Humana, and Transamerica Financial Advisors. The Gateway business district is also within a short commute encompassing over 161,000 employees and 2,700 companies including the Home Shopping Network's headquarters.

Since the current owner acquired Woodland Key in 2014, over $10,000,000 (about $25,000/unit) has been spent to upgrade the physical nature of the property. The owner built a brand new, freestanding clubhouse and fitness center, replaced all siding with Hardi Board Plank, completed a full parking lot overlay, replaced 100% of the HVAC units, added washer/dryer connections and sets to all units, and upgraded the landscaping and irrigation around the property. In addition, the owner has upgraded the pool areas with new deck pavers, perimeter fencing and new furniture. Although the property was built in 1975, almost everything at the property is brand new.

While Woodland Key is in great physical condition, the units are dated (see page 15). In addition to all of the capital the current owner spent on the exterior, they completed an inexpensive partial upgrade on the interiors roughly 5 years ago. At this point, the units are in desperate need of a full renovation to compete with comparable properties in the area. Additionally, there is significant operational upside at the property as the rents at Woodland are well-below market and there are several ways to create efficiencies to help increase the NOI.

Project Summary	
Cap Rate (Adjusted)*[1]	4.8%
Exit Cap Rate	5.3%
Expense Ratio (Yr 1)	51.0%
Occupancy (as of 4/27/20)	95.2%
DSCR (Yr 1) [2]	1.38x
Purchase Price	$55,750,000
Hold Time	5
Equity **	$20,500,000

* Based on recent rents as of 4/27/20 and market adjustments
** Assuming Offering is fully subscribed

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- **Updated Acquisition Pricing:** Ashcroft was initially under contract for Woodland Key at a purchase price of $58,000,000; however, the purchase price will be $55,750,000 after a successful negotiation. This **$2,250,000 price reduction** helps to capture the state of the real estate market and enables the underwriting to remain conservative while providing investors with very strong cash flow. In order to reflect some near-term uncertainty, the proforma now includes lower rent growth, higher concessions, and higher bad debt than originally projected for Year 1. Overall, the price adjustment enables Ashcroft to project returns similar to original projections, however, the projected cash on cash returns are even stronger.
- **Highly Desirable Tampa Location:** Woodland Key is located in the very strong Tampa submarket of Clearwater, FL. The property is extremely well-located in Clearwater as it is highly visible along the heavily-trafficked Roosevelt Boulevard, less than a mile from the major North-South thoroughfare, US-19, that provides access throughout all of Pinellas County, and close to major employers and employment centers such as Tech Data, St Pete-Clearwater International Airport, Carillon Business Park (Raymond James, Franklin Templeton, Humana, and more), Gateway Business District, Home Shopping Network, and several major medical centers. Additionally, Clearwater is one of the more popular areas in Pinellas County because its location on the eastside of the county, provides easy access to Downtown Tampa, Tampa International Airport, and the Westshore business district. Woodland Key offers an incredible value alternative to apartment communities that are closer to these areas as can be $300-$500 more than rents at the Woodland.

  In the area surrounding Woodland, population is expected to grow another 6.4%[3] over the next five years compared to the national growth of 3.5%[4] over the same period. Rent growth has averaged 4.6% over the past 6 years including 5.1% rent growth in 2019.[5]
- **Continued Strong Performance Throughout Pandemic:** Woodland has continued to perform very well as the global COVID-19 pandemic has impacted the world's economies. Occupancy is currently 95.2% and the property has collected over 96% of the rents owed in April. This is well above the national average for collected rents in April which was in the low-90%. Additionally, the property has continued to execute new leases as well as have the current residents renew. Since February, the average rent at the property has increased by almost $19/mo which represents a 2% increase in only two months.
- **Diverse Resident Mix**: Through the lease audits at the property, Ashcroft was able to get a good understanding and confirm who the residents are at Woodland Key. With an average household income of over $44,000, the income to rent ratio is a strong 3.7x which means that there is room to increase rents within the existing resident base.

  In terms of employment, the largest employment industry for residents at Woodland is the healthcare industry with 62 residents working in the nearby hospitals, doctors and dentist offices, and services related to supplies, food, and cleaning healthcare facilities. This is fantastic as these employees are part of the "essential workforce" and in high demand. Ashcroft will target and increase this demographic for new move-ins. There are also 20 residents that work at either Publix, Walmart, or Target which have all remained open during this pandemic. Additionally, several residents work at the nearby Tech Data Headquarters as well as a nearby 24/7 call center. There are also 9 residents that are full-time students believed to attend nearby nursing schools. Overall, the residents' employers are very diverse with limited exposure to service-related industries such as restaurants and retail. Location was a very important aspect of this property that initially drew Ashcroft to this property given its ability to attract residents that work at the many employment drivers in the area. The resident mix has limited exposure to mass layoffs which helps to minimize long-term risks of the pandemic.

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- **Extremely Well-Maintained Asset with Clear Value-Add Opportunity:** The current owner invested almost $10.5 million (over $25,000/unit) in capital at the asset (please see page 9 for a full list of completed projects) which means that there is virtually no deferred maintenance to address other than replacing the roofs. The majority of capital that the Partnership anticipates investing in Woodland Key will be put towards further enhancing the amenities and renovating the unit interiors – projects that Ashcroft believes will yield a return on investment (the "Capital Improvements").

  Several nearby competitive properties have undergone high-end renovations to meet the desires of renters and their rents (as of 4/27/20) average approximately $285/mo higher than the current rents at Woodland. The General Partner plans to renovate 100% of the units at the Property to a high-quality level to transform the property to one of the nicest communities in the market. The renovation scope is expected to include granite countertops with undermount sinks, stainless steel refrigerators, faux wood flooring, new cabinet doors, updating plumbing and lighting fixtures, tiled backsplash, new paint, and 2-inch blinds. The post renovation rents are projected to be $225/mo over the current rents which will still put the Woodland Key's rents about $60 below the competitive properties as of 4/27/20.

- **Acquisition Financing:** It is anticipated that the acquisition of Woodland Key will be financed with a floating interest rate, flexible, loan from Freddie Mac (the "Senior Loan"). This conservative financing option enables Ashcroft to execute the business plan with low current debt service while still allowing for the opportunity to capitalize on the value creation. Ashcroft expects that the maximum amount of the Senior Loan will be $36,237,000 (65% LTV) with a floating interest rate of Libor + 287, with 5 years of interest only payments, and a 10 year term; however, the loan is prepayable with a 1% fee after 12 months. The General Partner will be purchasing a Libor rate cap at 2.25% in order to further mitigate the risk.

- **Operational Upside:** The current owner of Woodland Key owns several properties in Florida, yet they self-manage their deals and leave an enormous amount of operational upside. For example, the rents at Woodland Key are well below market as evidenced by the fact that the average rent at the Property is $1,004/mo as of 4/27/20, however, the average rent from the 40 most recent leases is $1,072/mo. This $68/mo increase proves that there is significant room in the rents many residents are paying. The General Partner plans to immediately increase rents at Woodland Key. If the General Partner is successful in bringing just 50% of the rents to the most recent rents, that would represent a 3.4% rent increase in Year 1 alone, not including any premiums associated with the Capital Improvements. Ashcroft believes the proforma rent growth in Year 1 is conservative at 2%, which does not rely on market rent growth.

  Additionally, Ashcroft is of the opinion that there are ways to increase NOI at Woodland Key by increasing the amount charged for utilities and cable/internet service, as well as eliminating the trash expense by purchasing a trash compactor. Although Ashcroft plans to implement these programs, they were not included in the underwriting. Additionally, through our due diligence, additional expense savings were identified including negotiating a reduced management fee of 2.5%. Along with improving the operations at the property, Ashcroft plans to enhance Woodland Key by replacing the roofs, painting the exterior, adding a package locker system, providing additional grill stations and seating areas, upgrading the dog park, and improving signage.

- **Preferred Financing:** In addition to the Senior Loan, the Partnership will be seeking a strategic investor to provide additional capital to help finance the transaction in the form of preferred equity. The preferred equity is expected to be approximately $8,925,000 and which equates to a leverage level of 68.8% of the total capitalization of the deal.

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Over $10 Million Invested in Exterior and Interior Improvements by Current Ownership

Since taking possession of the property, current ownership has infused almost **$10,500,000 ($25,000/unit)** in capital improvements. The majority of the capital invested was focused on the addition of new resident amenities and remediating any deferred maintenance to ensure the preservation and longevity of the asset. Below is a breakdown of the improvements which have been completed:

- **Existing Improvements – Interior Units**
  - New PVC washer/dryer plumbing stack and connections including appliances
  - New electrical panels
  - New Goodman central air conditioning systems
  - Custom closet shelving in approximately 50 units
- **Existing Improvements – Exterior Units**
  - 2018 built clubhouse including a leasing center, kitchen and 24-hour fitness center
  - New pool deck pavers, fencing and pool furniture on both pools
  - All siding replaced with new Hardie Board Plank
  - New paint on all buildings
  - All mansard roofs replaced including all soffits & gable vents
  - 8 total flat roofs replaced
  - All staircases replaced
  - New tropical landscaping throughout the property including new irrigation
  - Full parking lot overlay including new curbs throughout the property
  - Newly constructed metal maintenance facility
  - Updated signage, fencing and lighting throughout all common areas
  - New centralized mailboxes

Executive Summary – Underwriting Updates

Underwriting Updates

Ashcroft was successful in negotiating a $2,250,000 price reduction for the acquisition of Woodland Key. In addition to the decreased purchase price, Ashcroft updated its underwriting in order to reflect the current economic environment. The reduced purchase price and updated capital structure, along with the conservative proforma changes, make Woodland Key a very attractive investment as is it projected that there will be more cash flow available to investors at a lower leverage point.

- **Deal Structure – Below is a summary of the updates to the capital stack:**

	Original CIM	Updated CIM	Comments
Purchase Price	$58,000,000	$55,750,000	Successfully negotiated a $2,250,000 price reduction
Initial Debt	$43,500,000	$36,237,000	Lower leverage loan represents a more conservative, yet still flexible, Freddie Mac Loan
Initial LTV	75%	65%	
Future Funding	$4,740,000	$0	
Preferred Equity	$0	$8,925,000	
Total Financing	$48,240,000	$45,162,000	Lower overall leverage creates more projected additional cash flow to distribute to investors
Total LTC	71.5%	68.8%	
Blended UW Interest Rate	4.25%	3.93%	Lower blended annual interest rate

- **Income Adjustments - Below are the updates that were made to reflect the current economic conditions and findings during due diligence:**

	Original CIM	Updated CIM	Comments
Yr 1 Rent Growth	4.0%	2.0%	Adjusted to reflect near-term risk. Given the below market rents, there is expected to be rent increases in Yr 1
Rent Growth Thereafter	3.0%	3.0%	Projection based on normal market conditions. Rent growth over the past 6 years has averaged 4.6%
Concessions Yr 1	1.0%	1.5%	Adjusted to reflect near-term risk
Concessions Thereafter	0.5%	0.1%	Based on DD, concessions are typically very minimal in this market
Vacancy Yr 1	8.0%	8.0%	Already conservative underwriting to account for market changes
Vacancy (after Year 1)	5.0%	5.0%	In-line with historical operations of occupancy over 95%
Bad Debt Year 1	1.0%	2.5%	Adjusted to conservatively reflect near-term risk
Bad Debt Thereafter	1.0%	0.8%	Based on DD, collections have been very strong with bad debt under 0.01%
Other Income	$273,916	$353,732	Opportunity to add valet trash

- **Expense Adjustments - Throughout due diligence, Ashcroft was able to identify additional cost savings:**

	Original CIM	Updated CIM	Comments
Turn/Make Ready	$150	$100	Inline with updated ZRS proforma
Admin	$175	$150	Inline with updated ZRS proforma
Property Mgmt Fee	3.0%	2.5%	Successfully negotiated a 2.5% mgmt fee

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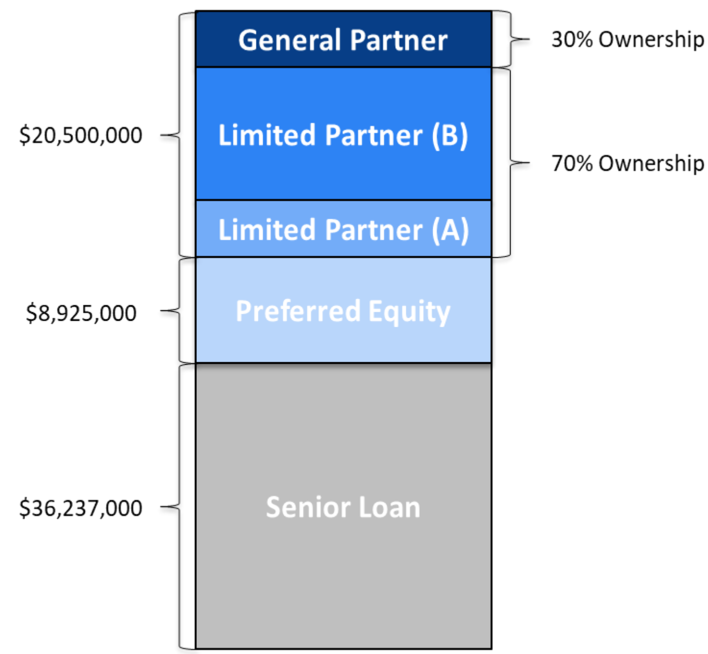
Two-Tiered Equity Structure [6,7]

- **Two-Tiered Return Structure:** Investors have the opportunity to invest in Class A and/or Class B Limited Partnership Interests, with a minimum investment amount of $25,000.
- **Limited Partner (A) - Class A:** Class A Limited Partner's earn a coupon of **10% per annum** of such Limited Partner's investment in the Partnership (the Class A Coupon"). Class A Limited Partners have limited upon disposition. **This tier offers stronger projected cash flow and reduced risk compared to Class B Limited Partners.**
- **Limited Partner (B) – Class B:** Class B Limited Partners earn a coupon of **7% per annum** of such Limited Partner's investment in the Partnership (the "Class B Coupon"). Upon the disposition of Woodland Key, after payment of debt, return of Class A and Class B Limited Partner investments, payment of any unpaid Class A and Class B Coupon amounts, and then, pro rata, seventy percent (70%) to the Class B Limited Partners and thirty percent (30%) to the General Partner until such time as the Class B Limited Partners have received a cumulative amount equal to thirteen percent (13%) IRR[6]. Then, Class B Limited Partners will receive 50% of the remaining proceeds from disposition. **This tier has reduced projected cash on cash returns; however, offers greater participation upon disposition or capital event compared Class A Limited Partners.**

The chart to the right represents the projected total capitalization of the acquisition of Woodland Key. The Senior Loan represents the most senior obligation of the Partnership.

Project Summary	
Cap Rate (Adjusted)* [1]	4.8%
Reversion Cap	5.3%
Expense Ratio (Yr1)	51.0%
Occupancy (as of 4/27/20)	95.2%
DSCR (Yr 1) [2]	1.38x
Purchase Price	$55,750,000
Hold Time	5
Equity (Total) **	$20,500,000
Equity (LP - Class A) **	$4,100,000
Equity (LP - Class B) **	$16,400,000

* Based on recent rents as of 4/27/20 and market adjustments
** Assuming Offering is fully subscribed



Executive Summary

Below are projected returns for sample Class A and Class B Limited Partnership Investment[9].

- **Class A Limited Partners** - This tier offers stronger projected cash flow and reduced risk compared to Class B Limited Partners.

Sample $1,000,000 Investment - Limited Partner (Class A)						
	Investment	Year 1	Year 2	Year 3	Year 4	Year 5
Investor Yield From Operations		10%	10%	10%	10%	10%
Cash Flow - Limited Partner (Class A)	($1,000,000)	$100,000	$100,000	$100,000	$100,000	$100,000
Return from Disposition - Limited Partner (Class A)		$0	$0	$0	$0	$1,000,000
Total Return - Limited Partner (Class A)	**($1,000,000)**	**$100,000**	**$100,000**	**$100,000**	**$100,000**	**$1,100,000**

- **Class B Limited Partners** - This tier has reduced projected cash on cash returns; however, offers greater participation upon disposition or capital event compared Class A Limited Partners.

Sample $1,000,000 Investment - Limited Partner (Class B)						
	Investment	Year 1	Year 2	Year 3	Year 4	Year 5
Investor Yield From Operations		7.0%	7.7%	9.8%	9.9%	10.4%
Cash Flow - Limited Partner (Class B)	($1,000,000)	$70,371	$77,423	$98,112	$99,059	$103,882
Return from Disposition - Limited Partner (Class B)		$0	$0	$0	$0	$1,514,012
Total Return - Limited Partner - (Class B)	**($1,000,000)**	$70,371	$77,423	$98,112	$99,059	**$1,617,894**

Return Summary				
	IRR [7]	Equity Multiple [8]	Avg. CoC*	Annualized**
Limited Partner (Class A)	10.0%	1.5x	10.0%	10.0%
Limited Partner (Class B)	16.2%	2.0x	9.0%	19.3%

*Excludes proceeds from sale, ** Includes proceeds from sale

ASHCROFT CAPITAL

Woodland Key

INVESTMENT HIGHLIGHTS

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Business Plan

The business plan is to (i) modernize the asset through interior renovations, (ii) further improve the common areas and the exterior amenities, (iii) and increase revenue by increasing rental rates:

1. Enhanced Unit Renovation

i. Unit interiors are inferior compared to surrounding competition and Ashcroft will renovate and modernize.
ii. Invest an average of approximately $7,525/unit on interior renovations over the next 12-24 months.

2. Exterior and Common Area Capital Improvements

i. The General Partner plans to but improve several areas around Woodland Key to further elevate to quality of the Property. Projects will include: (i) replacing 100% of the roofs, (ii) repainting the property, (iii) adding a package locker room, (iv) providing additional grill stations and seating areas, (v) upgrading the dog park, and (vi) improving the curb appeal and signage.
ii. In addition to enhancing the overall living experience for the residents, Ashcroft wants to continue to preserve the asset and anticipates reserving funds for Capital Improvements.

3. Operational Improvement and Repositioning

i. ZRS Management ("ZRS"), headquartered in Orlando, hopes to bring a modern, best-in-class property management approach to improve operations, increase resident satisfaction, and increase performance of the asset. Ashcroft expects to rebrand Woodland Key in order to present a fresh look to the market and highlight the fact that an ownership and management change has been made.
ii. ZRS manages over 40,000 units across the country, including over 6,000 units in the Tampa market and, as such, they can provide extensive market knowledge and local expertise in the Florida markets. ZRS is currently managing Ashcroft's Florida portfolio.
iii. The in-place rents at Woodland Key are well-below market and among the initial objectives is focusing on bringing the rents to market levels.

4. Freddie Mac Loan

i. Based on the projected cash flow, Ashcroft will pursue a 65% LTV, 10-year floating-rate Freddie Mac loan with 5 years of interest-only payments. This loan offers the Partnership flexibility for a capital event. To further mitigate risk, the General Partner will pursue an interest cap.
ii. As NOI grows over year 1 and 2 through the repositioning of the asset, Ashcroft anticipates exploring a refinance with a longer term fixed-rate loan. Although this has not been modeled into projections, Ashcroft plans to focus on a refinance that could return significant equity to the investors.

5. Exit Strategy

i. Ashcroft will seek a disposition in approximately 5 years.
ii. Targeted goals of disposition are a Class B investor IRR and equity multiple of 16.2%[7] and 2.0x[8], respectively.

Interior Renovations

Actual Woodland Key Unit

Unit Description

- Black appliances
- Tile and carpet flooring
- Formica countertops
- Dark paint scheme
- Washer/dryer sets
- Large walk-In closets

Actual Ashcroft Unit

Renovation Description

- Stainless steel refrigerators
- New wood-style flooring
- Granite countertops with undermount sink
- Painted cabinets doors
- New updated hardware
- Modern lighting and plumbing package
- Tile backsplash
- USB Ports
- 2-inch faux-wood blinds

Overview

- **Highly Desirable Tampa Location:** Woodland Key is extremely well located in Clearwater, Tampa with great access to major employment drivers. The property is located on a major thoroughfare, Roosevelt Boulevard, and is less than a mile from US-19, which is the main North-South road throughout Pinellas County. Employers such as Tech Data (#108 Fortune 500 company), St. Pete-Clearwater International Airport, James, Franklin Templeton, Humana, Transamerica Financial Advisors, and Eagle Asset Management, several nearby medical centers, Home Shopping Network and the 2,700 companies located within the Gateway Business District are located within about a 15-minute drive of the property. Population is expected to grow another 6.4%[3] over the next five years compared to the national growth of 3.5%[4] over the same period. Rent growth has averaged 4.6% over the past 6 years including 5.1% growth in 2019. [5]

- **Complete Value-Add Opportunity:** Ashcroft expects to renovate 100% of the units at Woodland Key to bring the quality of the interiors to be more competitive with the surrounding properties. Renovations are expected to include granite countertops with undermount sinks, stainless steel refrigerators, faux wood flooring, painting the cabinets, updating plumbing and lighting fixtures, tiled backsplash, new paint, and 2-inch blinds. These renovations are anticipated to yield a rent increase of $225/mo. Based on Ashcroft's research, c**ompetitive properties in the market with similar renovations have rents that are $285/mo (as of 4/27/20) more than Woodland's current rents. Woodland's post renovation rents are projected to still be over $60/mo below these competitive properties' rents.** Additional, Ashcroft's property called Mystic Bay, which is located 3 miles from Woodland Key, is achieving an average premium of $225/mo for renovations of lower quality. This proves the market is willing to pay a premium, and that there is significant room for growth, both of which mitigate risk for investors.

- **High Quality Asset with Operational Upside:** The current owner of Woodland Key spent around $10,500,000 ($25,000/unit) to upgrade and preserve the property; however, their partial unit upgrades are dated and in need of renovations to better compete with comparable properties. Additionally, Ashcroft has identified that the current rents are well-below market as evidenced by recent leases being signed at almost 7% over the average rent at the property. There is additional operational upside that Ashcroft will seek to capture by better improving utility collections, charging a more profitable amount for cable and internet, removing the trash expense by purchasing a trash compactor, and implementing valet trash. Ashcroft anticipates to also continue to enhance the property by replacing all the roofs, painting the exterior, added a package locker system, providing additional grill stations and seating areas, upgrading the dog park, and improving signage.

Capital Improvement Budget

Capital Improvements Budget		
Interior Rehab	**Total/Unit**	**Total**
Stainless Steel (Fridge Only)	$600	$249,600
Tile Backsplash in Kitchen	$250	$104,000
Paint Cabinets Doors in Kitchen w Rods	$850	$353,600
New Modern Lighting Package	$500	$208,000
New Modern Plumbing Package	$400	$166,400
Granite Counters with Undermount Sinks	$2,250	$936,000
Vinyl Wood Plank Flooring	$1,750	$728,000
2-Inch Blinds	$200	$83,200
New Interior Paint Scheme	$500	$208,000
Misc	$225	$93,600
Total Interior Rehab/Unit	**$7,525**	**$3,130,400**
Exterior Rehab		**Total**
Property Repaint		$250,000
Roof Replacement		$1,000,000
Amenity Upgrades		$131,500
Landscaping		$170,000
Package Locker		$20,000
Trash Compactor		$25,000
Model		$18,000
Signage		$30,000
Site Work		$118,000
Total Exterior Rehab		**$1,762,500**
Misc and Contingency		$400,000
Total Capital Improvement Budget		**$5,292,900**

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Debt Summary

The Partnership is pursuing a floating rate Freddie Mac loan and preferred equity financing.

Anticipated Senior Financing*	
Principal Balance	$36,237,000
Loan to Purchase Price	65%
Interest Rate (as of 4/29/20)	3.27% (Libor + 287)
Months of Interest Only Payments	60
Term (Months)	120
Fixed or Adjustable	Adjustable (Ashcroft will be purchasing an interest rate cap to mitigate risk)
Amortizing Period (Years)	30 years after 5 years I/O
Prepayment	1% after 12 months

*Subject to change prior to closing

Anticipated Preferred Equity*	
Preferred Equity Amount	$8,925,000
Total Loan to Total Costs (inc Agency)	68.8%
Current Interest Rate	6.00%
Total Accrued Interest Rate	13.0%
Months of Interest Only Payments	120
Term (Months)	120
Fixed or Adjustable	Fixed
Amortizing Period (Years)	Full Term I/O
Prepayment	Prepayable after 12 months

*Subject to change prior to closing

ASHCROFT CAPITAL

Woodland Key

PROPERTY OVERVIEW

Property Amenities

Two Resort-Style Pools

Newly Built Fitness Center (2018)

Newly Built Resident Clubhouse and Leasing Office (2018)

BBQ Grill Stations

Dog Park

Car Care Center

Investment Overview

Woodland Key is a 416-unit, multifamily apartment complex built in 1975. The property features 2 attractive floor plans consisting of one and two-bedrooms. The current owner has invested approximately $10,500,000 to improve the physical nature of Woodland Key. The community features a brand-new resident clubhouse, a new 24-hour fitness center, two recently renovated swimming pools, dog park, and picnic areas with grill stations. Ashcroft plans to further update Woodland Key by replacing all of the roofs, painting the exteriors, adding a package locker room, providing additional grill stations and seating areas, upgrading the dog park, and improving signage.

All the units at the property are expected to be upgraded in order to achieve market-level rents. Ashcroft anticipates an average rent increase of $225/mo through the renovation of the units. However, the adjacent property, Madison at Roosevelt, has undergone similar renovations and is achieving rents that average $238/mo higher than Woodland's current rent as of April 27, 2020.

Our market research, conversations with ZRS, and existing portfolio performance indicate that <u>there is significant demand for upgraded units</u>. The competitive properties in the area have proven the ability to attract renters who want to rent renovated units. Ashcroft has had excellent success with Mystic Bay, a community located 3-miles from Woodland Key, and is achieving average premiums of $225/mo with slightly inferior upgrades.

With the population expected to grow another 6.4% over the next 5 years[4] combined with limited new supply, Ashcroft expects demand to continue to be strong in the area given its proximity to a diversified employment centers. A significant amount of the residents at Woodland Key are employed at the nearby businesses that have not been heavily impacted by the COVID-19 pandemic. With a high concentration of residents working in the healthcare industry and essential retail locations, Ashcroft believes that the long term effects of unemployment will be minimal at Woodland Key.

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Features and Amenities

Property Information	
REDUCED Purchase Price	$55,750,000 ($2.25mm reduction)
Number of Buildings	52 Apt Buildings Leasing Center/Clubhouse/Gym
Number of Units	416
Rentable Square Feet	321,440
Avg Unit Sq Ft	773
Year Built	1975
Land Size	23.88 Acres
Hot Water	Individual Hot Water Heaters
Ceiling Height	8 Feet
Utilities/Metering	Electric – Resident Pays Water/Sewer/Gas/Trash – Property Paid (Residents Pay Flat Flee)
Construction	Foundation – Concrete Slab Exterior – Stucco / Hardie Board Siding Roof – Uniflex SPF & GacoFlex S2000
Education	Pinellas County ISD: Frontier Elementary School Oak Grove Middle School Pinellas Park High School

Standard Unit Features
Black Appliances
Washer/Dryer In-Unit
Solid wood cabinets
Vinyl/Carpet Floors
Ceiling Fans
Walk-In Closets

Community Amenities
Swimming Pools (2)
New Resident Clubhouse
New 24-hour Fitness Center
Car Care Center
Picnic Area W/ Grill Station
Dog Park
Tenant Lounge
New Centralized Mailboxes

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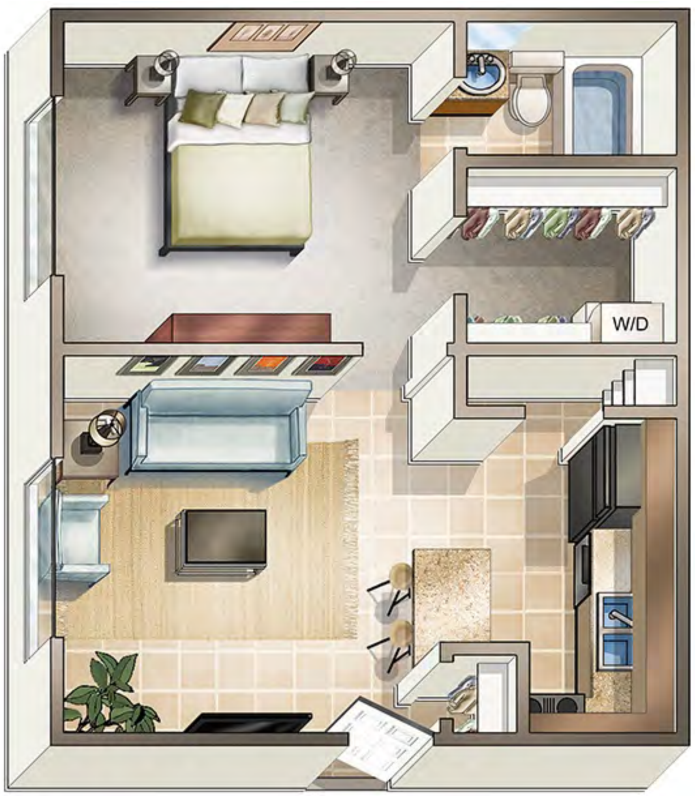
Unit Mix

Unit Mix				
Unit Type	**Bed/Bath**	**Sq Ft**	**Units**	**Current Rent***
A1	1x1	650	240	$920
B1	2x1	940	176	$1,120
Average		**773**		**$1,005**
Total		**321,440**	**416**	**$418,019**

*Rents reflect the average rents per the 4/27/20 rent roll

Floor Plans

A1



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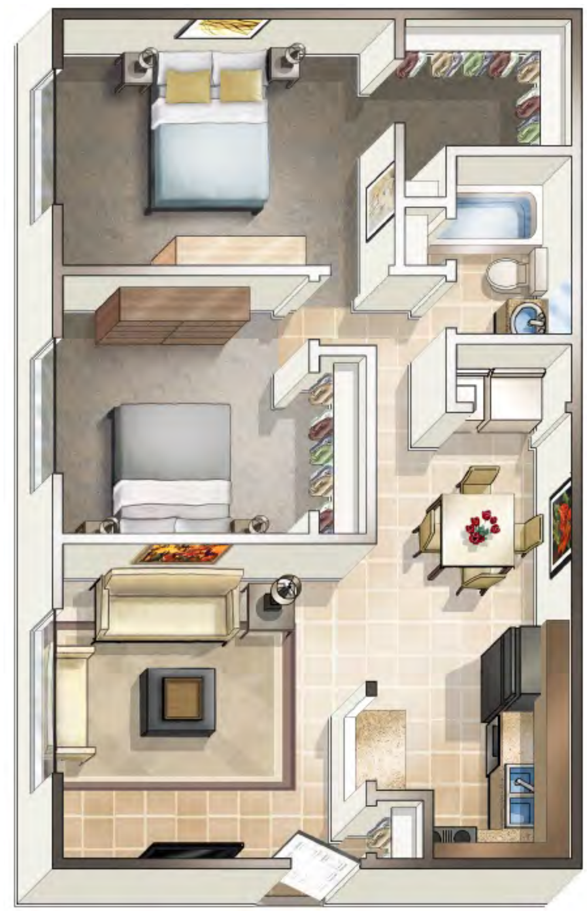

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Woodland Key

FINANCIAL ANALYSIS

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Return on Investment Overview

Project Summary	
Cap Rate (Adjusted)* [1]	4.8%
Exit Cap Rate	5.3%
Expense Ratio (Yr 1)	51.0%
Occupancy (as of 4/27/20)	95.2%
DSCR (Yr 1) [2]	1.38x
Purchase Price	$55,750,000
Hold Time	5
Equity (Total) **	$20,500,000
Equity (LP – Class A) **	$4,100,000
Equity (LP – Class B) **	$16,400,000
Class B Equity Multiple [8]	2.0x
Class B Average Annual Return***	9.0%
Class B Average Annual Return****	19.3%
Class B Rate of Return (IRR) [7]	16.2%

*Based on recent rents, ** Assuming Offering is fully subscribed, *** Excludes proceeds from sale, **** Includes proceeds from sale,

Projected Class B Investor Returns Based on $1,000,000 Investment [9]

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5[9]
Investor Annual Percent Return		**7.0%**	**7.7%**	**9.8%**	**9.9%**	**161.8%**
Investors Return on Investment	($1,000,000)	$70,371	$77,423	$98,112	$99,059	$1,617,894

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Debt and Cash Flows

Anticipated Senior Financing*	
Principal Balance	$36,237,000
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Months of Interest Only Payments	120
Term (Months)	120
Fixed or Adjustable	Fixed
Amortizing Period (Years)	Full Term I/O
Prepayment	Prepayable after 12 months

*Subject to change prior to closing

Projected Class B Investor Returns Based on $1,000,000 Investment [9]

	Investment	Year 1	Year 2	Year 3	Year 4	Year 5
Investor Yield from Operations (Based on Initial Equity)		**7.0%**	**7.7%**	**9.8%**	**9.9%**	**10.4%**
Return from Cash Flow	($1,000,000)	$70,371	$77,423	$98,112	$99,059	$103,882
Return from Disposition						$1,514,012
Percent Return from Disposition						151.4%

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Pro Forma Cash Flow [11]

			Pro Forma					
Income	**T12**	**T3**	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Notes:**
Gross Potential Income	$4,575,853	$4,668,491	$5,323,171	$6,042,005	$6,548,776	$6,747,964	$6,953,210	Renovating Interiors and bringing rents to market
LTL	$0	$0	$0	$0	$0	$0	$0	Factored in LtL by including in GPR
Total GR	**$4,575,853**	**$4,668,491**	**$5,323,171**	**$6,042,005**	**$6,548,776**	**$6,747,964**	**$6,953,210**	
Vacancy	$0	$0	($425,854)	($302,100)	($327,439)	($337,398)	($347,660)	Increased vacancy in Yr 1 followed by stabilized occupancy at 95%
Concessions	($38,026)	($15,550)	($79,848)	($6,042)	($6,549)	($6,748)	($6,953)	Increased Concessions in Yr 1 followed by stabilized amounts
Employee Units	($4,970)	($4,670)	$0	$0	$0	$0	$0	Will not be offering employee units
Model Units	($11,184)	($11,221)	($12,796)	($14,524)	($15,742)	($16,221)	($16,714)	One unit will be reserved for a model
Bad Debt	($1,918)	($3,506)	($133,079)	($45,315)	($49,116)	($50,610)	($52,149)	Increased Bad Debt in Yr 1 followed by stabilized amounts
Total Rental Income	**$4,519,754**	**$4,633,543**	**$4,671,595**	**$5,674,024**	**$6,149,931**	**$6,336,987**	**$6,529,732**	
Other Income	$314,709	$314,709	$356,992	$366,179	$377,317	$388,794	$400,619	Based on T12, Reducing Damage/Move Out Fees, and adding Valet Trash
RUBS	$375,531	$375,531	$398,318	$408,569	$420,996	$433,801	$446,995	Based on the T12
Total Other Income	**$690,241**	**$690,241**	**$755,310**	**$774,748**	**$798,313**	**$822,594**	**$847,614**	
Total Income	**$5,209,995**	**$5,323,784**	**$5,426,905**	**$6,448,772**	**$6,948,244**	**$7,159,581**	**$7,377,347**	
Expenses	**T12 Expenses**	**Proforma**						
Payroll	($252,969)	($509,600)	($509,600)	($515,155)	($525,553)	($536,161)	($546,983)	Based on ZRS Budget
Maintenance	($94,021)	($104,000)	($104,000)	($105,134)	($107,256)	($109,421)	($111,629)	Based on ZRS Budget
Contract Services	($73,940)	($62,400)	($62,400)	($63,080)	($64,353)	($65,652)	($66,977)	Based on ZRS Budget
Turn/Make Ready	($88,870)	($41,600)	($41,600)	($42,053)	($42,902)	($43,768)	($44,652)	Based on ZRS Budget
Advertising	($13,587)	($72,800)	($72,800)	($73,594)	($75,079)	($76,594)	($78,140)	Based on ZRS Budget
Admin	($37,339)	($62,400)	($62,400)	($63,080)	($64,353)	($65,652)	($66,977)	Based on ZRS Budget
Utilities	($526,183)	($526,240)	($526,240)	($531,976)	($542,714)	($553,668)	($564,843)	Based on the T12
Property Mgmt Fee	$0	($135,673)	($135,673)	($161,219)	($173,706)	($178,990)	($184,434)	2.5%
Taxes - Real Estate	($546,051)	($929,038)	($929,038)	($939,164)	($958,120)	($977,459)	($997,189)	2019 tax rate times 85% of purchase price less 4% prepay discount
Insurance	($173,654)	($218,400)	($218,400)	($220,781)	($225,237)	($229,783)	($234,421)	Based on estimate from consultant
Reserves	($104,000)	($104,000)	($104,000)	($104,000)	($104,000)	($104,000)	($104,000)	Based on estimate
Total Expenses	**($1,910,616)**	**($2,766,150)**	**($2,766,150)**	**($2,819,235)**	**($2,883,273)**	**($2,941,148)**	**($3,000,245)**	
Net Operating Income	**$3,299,379**	**$2,557,633**	**$2,660,755**	**$3,629,537**	**$4,064,971**	**$4,218,433**	**$4,377,101**	

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Woodland Key

MARKET OVERVIEW

Tampa, Florida

Outstanding Infill Tampa Location

Woodland Key is a highly desirable, 416-unit apartment community in a prime location with easy access to the St. Pete-Clearwater International Airport, Downtown Tampa, and Clearwater Beach. The property is located on a major thoroughfare (Roosevelt Boulevard) allowing exposure to over 50,000 vehicles per day. The property sits minutes from the Carillon Business Park and The Gateway business district.

The Tampa MSA has historically experienced strong economic growth and added over 30k jobs in 2019[12]. In addition, **Tampa is ranked in the top 5 for best performing multifamily markets in 2020** by IPA in their 2020 Multifamily Investment Forecast. Contributing to the success of the area is a well-established corporate presence, enviable and affordable quality of life, and a skilled and dedicated workforce. A diverse economy and strong historical population growth have consistently fueled resilient multifamily demand. Tampa is well positioned economically and should continue to outperform the nation after the crisis has passed.

The Tampa MSA economy is the second largest in Florida. The metro area's location on the Gulf of Mexico makes trade and transportation a large part of the local economy. Financial Services employment has grown considerably throughout Tampa Bay and has made the region one of the financial/banking capitals of the Southeast. Major banking and Financial Services companies with significant operations in the metropolitan area include: Raymond James Financial, Franklin Templeton, J.P. Morgan Chase & Co., Citigroup, and Capital One. In addition, Tampa has one of the strongest healthcare systems in the country. Per EDC, BayCare Health System is Tampa's single largest employer and supports over 22k jobs.

The property is located within the Clearwater submarket, which has experienced exceptional growth in the last few years:

- 4.6% average annual rent growth (2014-2019) [5]
- 6.4% projected population growth compared to national average of 3.5% (2019-2024) [4]
- Historically low unemployment rates - 2.9% unemployment rate in 2019 compared to national average of 3.5% in 2019 [12]

Proximity to Major Employment and Entertainment Centers

- **The Gateway Office Market:** Woodland Key is located just 10 minutes from The Gateway Business District which features 161,000 jobs across 2,700 companies. Some of the major employers include Tech Data, Home Shopping Network, Allstate, Franklin Templeton, Humana, and Aegon.
- **Various Medical Facilities:** Within 10-miles of Woodland Key are numerous well-regarded hospitals and health-care offices. Largo Medical Center and Morton Plant Hospital are both within 15 minutes of the property and combine for 1,100+ staffed beds.
- **Carillon Business Park:** Just 15 minutes from Woodland Key, Carillon Business Park is 3.2 million square foot office park and is home to major employers such as Raymond James, Hilton, McKinsey and Company, TransAmerica.
- **Westshore Business District**: Just 20 minutes from Woodland Key**,** The Westshore Business District is one of the largest office submarkets in Florida and Tampa's largest employment center. Westshore Business district employs approximately 93,000 people.
- **St. Pete-Clearwater Airport:** Located just 10 minutes from the Property, St. Pete-Clearwater airport employs over 7,000 people and has over a $1 billion economic impact.
- **Clearwater Beach:** Located just 15 minutes from Woodland Key, Clearwater beach has been ranked as the number one beach in the country and draws hundreds of thousands of visitors every year.
- **Downtown Tampa:** Just 20 minutes from Woodland Key, downtown Tampa features over 10.5 million square feet of office space and 8.4 million square feet of retail space. This includes some of the most sought after attractions such as Tampa River Walk and Curtis Hixon Park.
- **Major Global Trade Port**: Port Tampa Bay has an annual economic impact of $17.2 billion and supports over 85,000 direct and indirect jobs. The port handles approximately 37 million tons of cargo annually and serves nearly 900,000 passengers each year.
- **Military and Defense**: Just 20 minutes from Woodland Key. MacDill Air Force Base has a $5 billion annual economic impact on the Tampa Bay area. The base supports an estimated 30,700 indirect jobs throughout the region.

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Tampa Bay Major Employers

The Tampa Bay Metro is now the 2nd Biggest Economy in Florida and has become one of the Premier Business Hubs in the Southeast

Company	Employees
BayCare Health System, Inc	22,900
Publix Super Markets Stores	13,000
Home Shopping Network	10,550
University of South Florida	9,000
Tech Data Corp	6,900
WellCare	6,700
Tampa General Hospital	6,500
Verizon	6,000
JP Morgan Chase	5,100
Citi	4,300
Moffitt Cancer Center	4,200
Busch Gardens	4,000
MacDill Air Force Base	4,000
Raymond James Financial	4,000
Florida Hospital	3,300
Caspers Company	3,200
Bealls	3,199
Progressive	3,000
Gerdau Ameristeel US, Inc.	2,600
HCA Healthcare	2,600

Source: EDC

Employment Profile By Industry Sector - Tampa 2019		
Industry Sectors	**Number of Jobs in 1,000's**	**% of Total Workforce**
Professional and Business Services	253	18%
Trade Transportation and Utilities	252	18%
Education and Health Services	219	16%
Leisure and Hospitality	165	12%
Government	154	11%
Financial Activities	124	9%
Natural Resources, Mining and Construction	83	6%
Manufacturing	69	5%
Other Services	48	3%
Information	25	2%
Total Non-Farm	**1,392**	**100%**

Source: Oxford Economics

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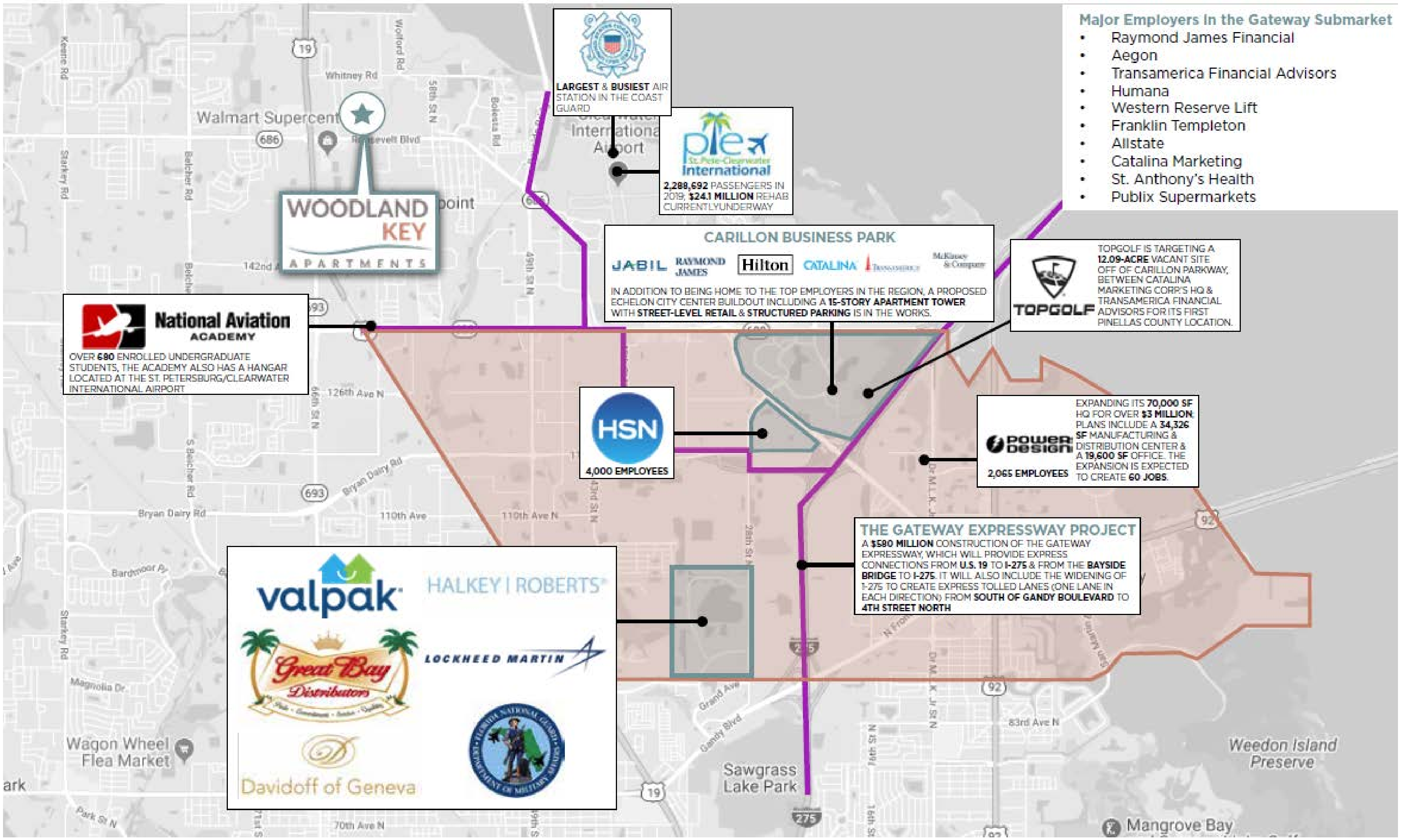
Proximity to Area's Most Influential Economic Drivers

WOODLAND KEY IS LOCATED MINUTES FROM THE **GATEWAY BUSINESS DISTRICT** & THE **CARRILLON BUSINESS PARK**

1.5 MILLION PEOPLE CAN ACCESS THE GATEWAY BUSINESS DISTRICT DRIVING 30 MINUTES OR LESS

161,000 JOBS | **2,700** COMPANIES



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Proximity to Retail Centers

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Aerial Image

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Aerial Image

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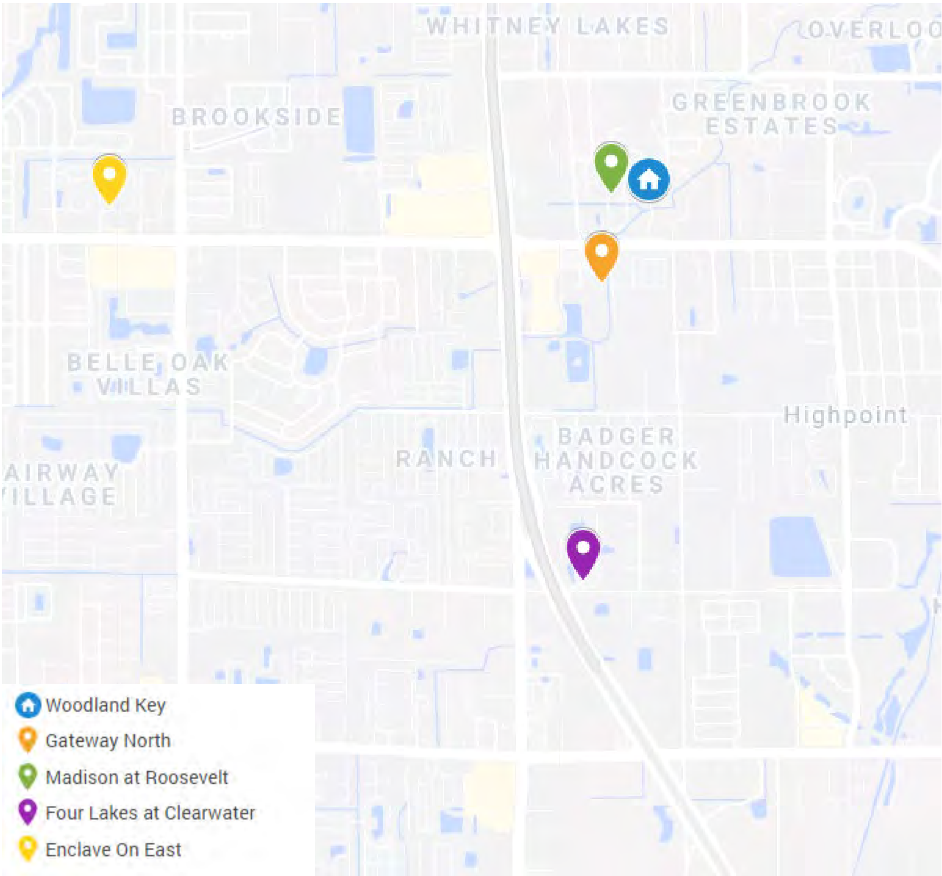
Rent Comparables

Property Name	Property Address	Year Built	No. of Units
Gateway North	2681 Roosevelt Blvd	2014	342
Madison at Roosevelt	2738 Roosevelt Blvd	1974	224
Four Lakes at Clearwater	6465 142nd Ave N	1985	461
Enclave on East	3660 E Bay Dr	1986	196
Average		**1990**	**306**
Woodland Key	**2770 Roosevelt Blvd**	**1975**	**416**



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Rent Comparables

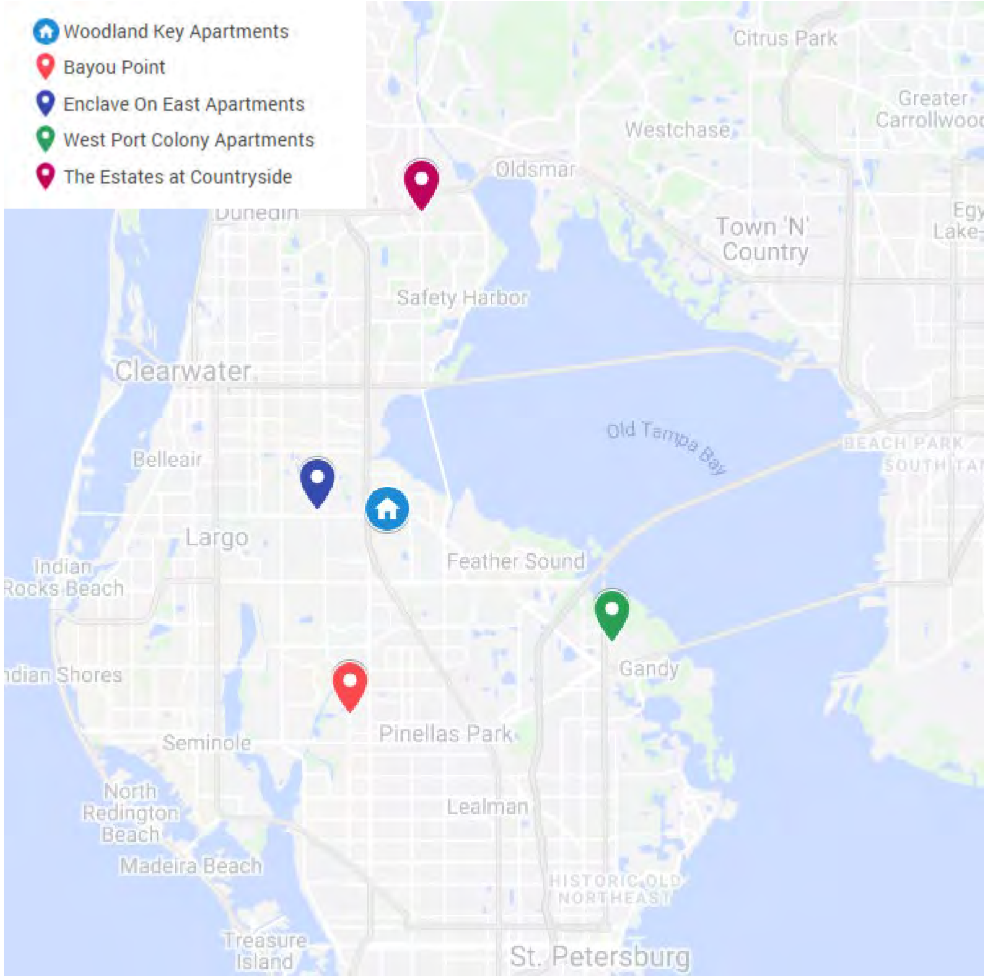
Property Name	Unit Type	Sq. Ft.	Rent per Unit*	Rent PSF
Gateway North	1x1	688	$1,269	$1.84
Madison at Roosevelt	1x1	525	$1,112	$2.12
Madison at Roosevelt	1x1	720	$1,311	$1.82
Four Lakes at Clearwater	1x1	720	$1,250	$1.74
Enclave on East	1x1	702	$1,145	$1.63
Comp Average	**1x1**	**671**	**$1,217**	**$1.81**
Ashcroft Upgrade	**1x1**	**650**	**$1,145**	**$1.76**

Property Name	Unit Type	Sq. Ft.	Rent per Unit*	Rent PSF
Gateway North	2x2	1240	$1,609	$1.30
Madison at Roosevelt	2x1	975	$1,351	$1.39
Four Lakes at Clearwater	2x2	972	$1,305	$1.34
Four Lakes at Clearwater	2x2	975	$1,385	$1.42
Enclave on East	2x1	956	$1,365	$1.43
Comp Average	**2x1**	**1024**	**$1,403**	**$1.37**
Ashcroft Upgrade	**2x1**	**940**	**$1,345**	**$1.43**

*Rents as of 4/27/20 from the individual property websites

Sales Comparables [3]

Property Name	Property Address	Year Built	Units	Sale Price	Sale Price / Unit	Sale Date
Bayou Point	8500 Belcher Rd	1988	212	$33,700,000	$158,962	Dec-19
Enclave on East	3660 East Bay Dr	1986	196	$29,500,000	$150,510	Sep-19
West Port Colony	190 112th Ave	1989	324	$54,549,339	$168,362	Aug-19
Estates at Countryside	2652 N. McMullen Booth Rd	1989	320	$50,100,000	$156,563	Feb-19
Average		**1988**	**263**	**$41,962,335**	**$158,599**	
Woodland Key	**2770 Roosevelt Blvd**	**1975**	**416**	**$55,750,000**	**$134,014**	



Woodland Key

PORTFOLIO & CASE STUDIES

ASHCROFT CAPITAL

Ashcroft Capital Portfolio

A History of Excellence

Property	City	Built	Acquisition Date	Valuation	Units
Western Station	Fort Worth	1998	Jun-17	$32,000,000	202
98 Fifty	Dallas	1980	Jun-17	$19,500,000	196
The Apex	Dallas	1979	Aug-17	$22,000,000	244
The Avery	Dallas	2004	Dec-17	$53,000,000	304
1505 Exchange	Fort Worth	1980	Mar-18	$20,000,000	256
Metro 7000	Fort Worth	1980	Mar-18	$25,000,000	206
Ridge on Randol	Arlington	1984	Jun-18	$38,000,000	356
Vue on Forest	Dallas	1983	Jun-18	$27,000,000	326
The Montgomery	Arlington	1984	Jul-18	$25,000,000	208
Exchange 7272	Dallas	1988	Aug-18	$37,000,000	436
Westmoor	Dallas	1984	Sep-18	$38,000,000	350
Northern Cross	Fort Worth	2001	Nov-18	$52,000,000	398
Lexington	Dallas	1978	Feb-19	$50,000,000	410
Estates at Las Colinas	Dallas	1989	Mar-19	$62,000,000	415
Mystic Bay (fka Dwell at Bay Crossing)	Tampa	1976	Jun-19	$30,000,000	228
MacArthur Place	Dallas	1964	Jun-19	$50,000,000	547
Preserve on Preston	Dallas	1985	Aug-19	$60,000,000	380
Southside Villas	Jacksonville	1990	Sep-19	$43,000,000	300
LIV at Winter Park	Orlando	1974	Oct-19	$50,000,000	278
LIV at Valley Ranch	Dallas	1985	Dec-19	$76,000,000	529
LIV on The Green	Fort Worth	1981	Jan-20	$22,425,000	206
The Anthem	Dallas	1996	Feb-20	$42,000,000	231
Total				**$873,925,000**	**7,006**

Ashcroft Capital – Sold Assets

The below chart represents Ashcroft's realized returns on investments. Ashcroft's history of adding value and executing the business plan has resulted in outsized returns for investors. [10]

Property	Units	Year Built	Acquisition Date	Purchase Price	Date of Disposition	Disposition Price	Equity Multiple*	IRR*
Esencia	200	1981	Dec-16	$15,900,000	Mar-20	$24,000,000	2.3x	40.9%
Woodglen Village	250	2000	Aug-15	$14,100,000	Jan-20	$24,175,000	2.7x	35.5%
Estancia	220	1981	Mar-17	$14,550,000	Aug-19	$24,850,000	2.2x	43.3%
Belterra	314	1982	Apr-17	$16,550,000	Aug-19	$25,250,000	2.1x	39.4%
Residence at Midtown	296	1974	Sep-16	$19,000,000	May-19	$26,000,000	1.8x	29.8%
The Alara	155	1982	Mar-16	$5,650,000	Oct-18	$9,100,000	1.6x	22.3%
Carrollton Oaks	320	1981	May-16	$26,600,000	May-18	$35,200,000	1.7x	42.2%
Eleven600	216	1982	Oct-16	$12,200,000	May-18	$18,250,000	2.0x	53.5%
Total / Weighted Avg.	**1,971**	**1983**		**$124,550,000**		**$186,825,000**	**2.1x**	**39.34%**

*Project level equity multiple/IRR

Ashcroft Capital Portfolio Projected Returns

A History of Excellence

	Projected																	
	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Cumulative
Woodglen	2.0%	2.0%	2.0%	2.9%	2.0%	2.0%	2.0%	7.0%	2.0%	2.0%	2.0%	7.9%	2.0%	2.0%	2.0%	9.1%	2.0%	2.0%	**54.9%**
Alara			2.0%	2.0%	2.0%	3.3%	2.0%	2.0%	2.0%	67.6%	2.0%	2.0%	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	**86.9%**
Carrollton Oaks			2.0%	2.0%	2.0%	2.3%	2.0%	2.0%	2.0%	6.3%	2.0%	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	**22.6%**
Residence at Midtown					2.0%	2.0%	2.0%	2.5%	2.0%	2.0%	2.0%	4.2%	*2.0%*	*2.0%*	*2.0%*	***Sold***	***Sold***	***Sold***	**24.7%**
Eleven600					2.0%	2.0%	2.0%	2.6%	2.0%	2.0%	2.0%	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	**14.6%**
Esencia						2.0%	2.0%	2.0%	3.0%	2.0%	2.0%	2.0%	5.5%	2.0%	2.0%	2.0%	2.9%	2.0%	**31.4%**
Belterra							2.0%	2.0%	2.0%	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	***Sold***	***Sold***	**21.0%**
Estancia							2.0%	2.0%	2.0%	3.9%	2.0%	2.0%	2.0%	4.0%	2.0%	2.0%	***Sold***	***Sold***	**23.9%**
Western Station							2.0%	2.0%	2.0%	2.0%	2.2%	2.0%	2.0%	2.0%	2.9%	2.0%	2.0%	2.0%	**25.1%**
98Fifty							2.0%	2.0%	2.0%	2.0%	2.0%	2.3%	2.0%	2.0%	2.0%	5.6%	2.0%	2.0%	**27.9%**
Apex								2.0%	2.0%	2.0%	2.0%	2.2%	2.0%	2.0%	2.0%	2.9%	2.0%	2.0%	**23.1%**
The Avery										2.0%	2.0%	2.0%	2.0%	2.2%	2.0%	2.0%	3.9%	2.0%	**20.1%**
Ridge on Randol												2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	**14.0%**
Vue on Forest												2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	**14.0%**
The Montgomery												2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	**14.0%**
Exchange @ 7272												2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	**14.0%**
Westmoor													2.0%	2.0%	2.0%	2.0%	2.1%	2.0%	**12.1%**
Northern Cross													2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	**12.0%**
Lexington															2.0%	2.0%	2.0%	2.0%	**8.0%**
Estates at Las Colinas															2.0%	2.0%	2.0%	2.0%	**8.0%**
Mystic Bay (fka Dwell at Bay Crossing)																2.0%	2.0%	2.0%	**6.0%**
MacArthur Place																1.9%	1.9%	1.9%	**5.7%**
Preserve at Preston																	1.8%	1.8%	**3.6%**
Southside Villas																	1.6%	1.6%	**3.3%**
LIV at Winter Park*																	1.8%	1.8%	**3.5%**
LIV at Valley Ranch*																		1.8%	**1.8%**
LIV on the Green*																		1.8%	**1.8%**

**Class B Returns*

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Ashcroft Capital Portfolio Actual Returns

A History of Excellence

Strong track record of out pacing projections. [10]

	Actual																		
	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Cumulative
Woodglen	2.0%	2.0%	2.0%	39.4%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	90.6%	**162.0%**
Alara			2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	142.6%	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	**160.6%**
Carrollton Oaks			2.0%	2.0%	5.0%	2.5%	2.5%	2.5%	2.5%	2.5%	130.2%	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	**151.7%**
Residence at Midtown					4.0%	4.0%	4.0%	12.0%	2.0%	2.0%	2.0%	4.5%	*2.8%*	*2.8%*	*119.7%*	***Sold***	***Sold***	***Sold***	**159.8%**
Eleven600					2.0%	2.0%	2.0%	2.8%	2.0%	2.0%	152.5%	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	***Sold***	**165.3%**
Esencia						2.0%	2.0%	2.0%	4.0%	42.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	3.0%	104.1%	**171.1%**
Belterra							2.0%	2.0%	2.0%	4.0%	2.0%	2.0%	2.0%	6.0%	2.0%	152.4%	***Sold***	***Sold***	**176.4%**
Estancia							2.0%	2.0%	2.0%	4.0%	2.0%	2.0%	2.0%	6.0%	2.0%	159.8%	***Sold***	***Sold***	**183.8%**
Western Station							2.0%	2.0%	2.0%	2.0%	2.3%	2.0%	2.0%	2.0%	3.0%	2.0%	2.0%	2.0%	**25.3%**
98Fifty							2.0%	2.0%	2.0%	2.0%	2.0%	2.5%	2.0%	2.0%	2.0%	5.8%	2.0%	2.0%	**28.3%**
Apex								2.0%	2.0%	2.0%	2.0%	2.5%	2.0%	2.0%	2.0%	3.0%	2.0%	2.0%	**23.5%**
The Avery										2.0%	2.0%	2.0%	2.0%	2.5%	2.0%	2.0%	2.0%	4.0%	**20.5%**
Ridge on Randol												2.0%	2.0%	2.0%	2.3%	2.0%	2.0%	2.0%	**14.3%**
Vue on Forest												2.0%	2.0%	2.0%	2.0%	2.3%	2.0%	2.0%	**14.3%**
The Montgomery												2.0%	2.0%	2.0%	2.0%	2.3%	2.0%	2.0%	**14.3%**
Exchange @ 7272												2.0%	2.0%	2.0%	2.0%	2.3%	2.0%	2.0%	**14.3%**
Westmoor													2.0%	2.0%	2.0%	2.0%	3.0%	2.0%	**13.0%**
Northern Cross													2.0%	2.0%	2.0%	2.0%	2.2%	2.0%	**12.2%**
Lexington															2.0%	2.0%	2.0%	2.3%	**8.3%**
Estates at Las Colinas															2.0%	2.0%	2.0%	2.0%	**8.0%**
Mystic Bay (fka Dwell at Bay Crossing)																2.0%	2.0%	2.0%	**6.0%**
MacArthur Place																1.9%	1.9%	1.9%	**5.7%**
Preserve at Preston																	1.8%	1.8%	**3.6%**
Southside Villas																	1.6%	1.6%	**3.3%**
LIV at Winter Park*																	1.8%	1.8%	**3.5%**
LIV at Valley Ranch*																		1.8%	**1.8%**
LIV on the Green*																		1.8%	**1.8%**

**Class B Returns*
***Green Shading Indicates Actual Returns Outperformed Projections*
****Red Shading Indicates Actual Returns Underperformed Projections*

Esencia

Property Details	
CLASS	B
CONSTRUCTED	1981
LOCATION	Dallas
UNITS	200

Property Overview

- Continued Seller's proven value-add plan and renovated units to market standard
- Leveraged broker relationships to acquire off market
- Repositioned the demographics of the property
- Refinanced out 40% of funds invested within 16 months
- Rebranded the asset

Investment Highlights

PURCHASE PRICE	HOLDING PERIOD	SALE PRICE	EQUITY MULTIPLE*	IRR*
$15.90m	**39 months**	**$24.00m**	**2.3x**	**40.9%**

*Project level equity multiple/IRR

Woodglen Village

Case Summary

Property Details	
CLASS	B
CONSTRUCTED	2000
LOCATION	Houston
UNITS	250

Property Overview

- Renovated units to market standard at an average cost of $5,000/unit
- Added washer/dryer to every unit
- Operational and value-add upside
- Refinanced out 50% of funds invested within 16 months
- NOI growth of 13.8% growth in first 15 months of ownership.

Investment Highlights

PURCHASE PRICE	HOLDING PERIOD	SALE PRICE	EQUITY MULTIPLE*	IRR*
$14.10m	**53 months**	**$24.30m**	**2.7x**	**35.5%**

*Project level equity multiple/IRR

ASHCROFT CAPITAL

Estancia

Case Summary

Property Details	
CLASS	B
CONSTRUCTED	1982
LOCATION	Richardson
UNITS	220

Property Overview

- Operated as a portfolio with Belterra to reduce expenses
- Purchased off-market from a large, but unsophisticated operator
- Operational and value-add upside
- Repositioned the demographic and rebranded the asset
- Renovated unit interiors up to quality of surrounding assets

Investment Highlights

PURCHASE PRICE	HOLDING PERIOD	SALE PRICE	EQUITY MULTIPLE*	IRR*
$14.55m	**29 months**	**$24.85m**	**2.2x**	**43.3%**

*Project level equity multiple/IRR

ASHCROFT CAPITAL

Belterra

Property Details	
CLASS	B
CONSTRUCTED	1982
LOCATION	Richardson
UNITS	314

Property Overview

- Operated as a portfolio with Estancia to reduce expenses
- Expanded interior renovation program proven by previous owner
- Reduced risk cash-flowing investment
- Rebranded the asset

Investment Highlights

PURCHASE PRICE	HOLDING PERIOD	SALE PRICE	EQUITY MULTIPLE*	IRR*
$16.55m	**28 months**	**$25.25m**	**2.1x**	**39.4%**

*Project level equity multiple/IRR

Carrollton Oaks

Property Details	
CLASS	B
CONSTRUCTED	1983
LOCATION	Carrollton
UNITS	320

Property Overview

- Property is in a rapidly growing area with of Carrollton, TX
- Owner inherited property from recently passed father and looking to cash out
- Improve on-site operations by replacing the current management company
- Renovate each unit up to standard of surrounding competition

Investment Highlights

PURCHASE PRICE	HOLDING PERIOD	SALE PRICE	EQUITY MULTIPLE*	IRR*
$26.6m	**22 months**	**$35.2m**	**1.7x**	**42.2%**

*Project level equity multiple/IRR

ASHCROFT CAPITAL

Eleven600 Apartments

Property Details	
CLASS	B
CONSTRUCTED	1981
LOCATION	Richardson
UNITS	216

Property Overview

- Ashcroft leveraged broker/seller relationships to acquire off market
- True value-add opportunity. Large spacious complex with rents at bottom of market
- Rebranded asset “Eleven600” while creating stronger reputation
- Bring unit interiors up to quality of surrounding assets at $6,500/unit

Investment Highlights

PURCHASE PRICE	HOLDING PERIOD	SALE PRICE	EQUITY MULTIPLE*	IRR*
$12.2m	**18 months**	**$18.25m**	**2.0x**	**53.5%**

*Project level equity multiple/IRR

ASHCROFT CAPITAL

The Alara Apartments

Property Details	
CLASS	C+
CONSTRUCTED	1982
LOCATION	Houston
UNITS	155

Property Overview

- Improved resident demographic by increasing lease requirements & adding security guard
- Added value by installing professional management company
- Brought bad debt down to 3% (market average) from 7.5% upon purchase
- Renovated each unit up to standard of surrounding competition

Investment Highlights

PURCHASE PRICE	HOLDING PERIOD	SALE PRICE	EQUITY MULTIPLE*	IRR*
$5.65m	**30 months**	**$9.1m**	**1.6x**	**22.3%**

*Project level equity multiple/IRR

ASHCROFT CAPITAL

Residence at Midtown

Property Details	
CLASS	B
CONSTRUCTED	1974
LOCATION	Dallas
UNITS	296
PURCHASE PRICE	$19.0m

Property Overview

- Renovated units to market standard at an average cost of $5,000/unit
- Enhanced community amenities
- Improved property operations and rental demographic
- Addressed major deferred maintenance items

Investment Highlights

PURCHASE PRICE	HOLDING PERIOD	SALE PRICE	EQUITY MULTIPLE*	IRR*
$19.0m	**30 months**	**$26.0m**	**1.8x**	**29.8%**

*Project level equity multiple/IRR

Woodland Key

ADDENDUM

Asset Management Team

Ashcroft Capital, LLC, the Sponsor, has directly or indirectly acquired 8,977 apartment units, through identifying multifamily acquisitions. Ashcroft prides itself on having a depth of experience in the industry and uses this experience to identify comparatively low-risk investments that have historically had revenue growth potential. The mission is to acquire multifamily properties using a conservative acquisition strategy and a hands-on asset management approach. It is of utmost importance to implement a specific business plan designed to add value to the property which, ideally, aims to deliver a solid current return to investors.

Frank Roessler

Our founder, Frank Roessler, has over 12 years of institutional multifamily investment expertise. During Mr. Roessler's career, he has overseen the acquisition of over $1B of multifamily investments and is familiar with the local economic markets within dozens of major metropolitan areas. Frank has managed the underwriting, due diligence and contract negotiation of over 35 properties comprising over 10,000 units. Mr. Roessler has a Bachelor of Science degree in electrical engineering from Bucknell University and an MBA from the Anderson School of Management at UCLA.

Joe Fairless

Joe Fairless, co-founder of Ashcroft Capital, controls over $700,000,000 worth of real estate in Houston, Dallas-Fort Worth. A native Texan, Joe grew up in Fort Worth and graduated from Texas Tech University. He has been investing in real estate since 2008, and prior to that, was the youngest vice president at an award-winning advertising agency. He is also the host of the world's longest-running daily real estate podcast, Best Real Estate Investing Advice Ever, where he has interviewed guests such as Barbara Corcoran and Robert Kiyosaki.

ASHCROFT CAPITAL

ZRS Management

Full Service Property Management

- ZRS, headquartered in Orlando, currently manages over 40,000 units across 140 properties. ZRS has extensive expertise managing multifamily assets in Orlando, Tampa, and Jacksonville where they manage over 15,000 units.
- Ashcroft forged this partnership in order to have the portfolio run by a world-class property management company that has a consistent track record of exceeding expectations in the Florida multifamily market.
- ZRS has extensive experience working with top tier private equity companies across the United States. Below are some of the clients that ZRS works with:

Real Estate Terms & Definitions

- **Capitalization Rate (Cap Rate)** – A rate of return on a real estate investment property based on the expected income that the property will generate. Capitalization rate is used to estimate the investor's potential return on his or her investment. This is done by dividing the income the property will generate (after fixed costs and variable costs) by the total value of the property.
    - When acquiring income property, the higher the capitalization rate (“Cap Rate”), the better.
    - When selling income property, the lower the Cap Rate the better.
    - A higher cap rate implies a lower price, a lower cap rate implies a higher price.
- **Cash Flow** – Cash generated from the operations of a company, generally defined as revenues less all operating expenses.
- **Cash-on-Cash** – A rate of return often used in real estate transactions. The calculation determines the cash income on the cash invested.
    - **Calculated**: Annual Dollar Income Return / Total Equity Invested = Cash-on-Cash
- **Debt Service Coverage Ratio (DSCR)** – It is the multiples of cash flow available to meet annual interest and principal payments on debt. This ratio should ideally be over 1. That would mean the property is generating enough income to pay its debt obligations.
- **Return on Equity (ROE)** – The amount of net income returned as a percentage of shareholders equity.
- **Investor Average Annual Return, excluding disposition** – The average return per year during the investment hold.
- **Investor Average Annual Return, including disposition** – The average return per year including profits from disposition. This calculation does not include the return of invested capital.
- **Internal Rate of Return (IRR)** – The rate of return that would make the present value of future cash flows plus the final market value of an investment opportunity equal the current market price of the investment or opportunity. The higher a project's internal rate of return, the more desirable it is to undertake the project.
- **Return on Equity (ROE)** – The amount of net income returned as a percentage of shareholders equity.
    - ROE is expressed as a percentage and calculated as: Return on Equity = Net Income/Shareholder's Equity

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Endnotes

[1] Adjusted cap rate is calculated by dividing the adjusted NOI by the purchased price. The adjusted NOI is calculated by annualizing the last 40 leased rents as of 4/27/20, applying a 6% vacancy factor, 1% concessions, employee units and model units based on the T3, and 4% bad debt. Other income and RUBS income is based on the T12 and expenses are based on Year 1 proforma expenses.

[2] Year 1 DSCR is calculated by dividing the projected Year 1 Senior Loan debt service by the projected Year 1 NOI.

[3] Source: Costar Underwriting Report for Woodland Key dated 4.24.20

[4] Source: US Census Bureau

[5] Source: REIS Submarket Trend Futures 4th Quarter 2019 Report – Metro: Tampa-St. Petersburg Submarket: Pinellas Park/Seminole

[6] This summary of certain terms is incomplete and presented merely to provide a brief summary of certain select terms. It is qualified in its entirety by reference to the Limited Partnership Agreement of the Partnership. These terms are evolving and subject to change and although the current draft of the Limited Partnership Agreement of the Partnership contemplates these terms, these are subject to change. Prospective investors should not assume that these terms will be reflected as provided above in the definitive Limited Partnership Agreement of the Fund.

[7] Targeted or projected IRR or similar projections or yields of any kind (whether gross or net) is provided as an indicator as to how the General Partner intends to manage the Partnership and are not intended to be viewed as indicators of likely performance returns to investors. There can be no assurance that any such targeted IRR set forth herein will be attained, and actual results may be significantly different from the targeted IRR. General economic factors, political changes, legal and regulatory requirements, changes in the markets or real estate risks, competition, and consumer preferences, all of which are not predictable, can have a material effect on the reliability of targeted IRR. Furthermore, for future actual results to be consistent with any targeted IRR (and regardless there can be no guarantee), a number of factors and assumptions must prove correct.

[8] The equity multiple is calculated by dividing the total capital paid to investors (including return of originally equity) by the original equity invested.

[9] The Class B Limited Partners projected annual returns are based on proforma cash flows, the Class B coupon amount, and projected distributions based upon operations and projected disposition of Woodland Key. The Class B coupon remains 7% per annum of investors capital contribution which shall accrue until distribution by the General Partner in its sole discretion.

[10] Past performance of any kind is not necessarily indicative of future results and future accuracy and profitable results cannot be guaranteed.

[11] The projected returns contained herein are based on data obtained third parties or developed by the Sponsor. See the legends and disclaimers at the beginning this Presentation regarding any data, projections, forward looking statements or other information or views discussed in this Presentation, including in this section. Limited Partners should make their own evaluation of likely future results. The General Partner strongly recommends you consider the inherent limitations of projected performance.

[12] Source: US Bureau of Labor Statistics

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