$1.5 Million Gross Investment
$750,000 Offering

Preferred Equity Investment

Chula Vista & Villa Verde Apartments

Oklahoma City, OK

CHULA VISTA
724 SE 59TH STREET
OKLAHOMA CITY, OK 73129

Assured Realty Capital

VILLA VERDE
6050 SOUTH HARVEY AVENUE
OKLAHOMA CITY, OK 73129

Contents

EXECUTIVE SUMMARY

Overview. An affiliate of Chesterfield Faring Ltd., Assured Realty Capital, Inc. ("**ARC**") is offering and issuing a $1.5 million preferred equity investment (the "**Offering**") in two multifamily, 192-unit, 128,415 SF, value-add, Class "C" workforce housing properties (the "**Properties**") located in the South Oklahoma City submarket of Oklahoma City, OK. The purchase price is $9.6 million or only $50,000 per residential unit. The total capitalization is $12.1 million including $1.5 million of value-add contributions. The Offering is second in position to a $8.8 million first mortgage (the "**Loan**") from Bayview Financial (the "**Lender**") or 73% loan to capitalization. The Offering is 85.0% of the capitalization including the Loan. Greenlight Equity Group (the "**Sponsor**") and its investors are investing 15.0% of the capitalization as common equity subordinated to the Offering. ARC has presold half of the Offering leaving $750,000 for select clients of CFL. The Closing is anticipated for October 15, 2021.

The Offering. ARC is selling and issuing five (5) $150,000 units (the "**Unit(s)**"), provided on a first come, first serve basis. Each Unit receives an annualized return of 15.0% (the "**Yield**") which is an above market adjusted rate of return for preferred equity on multifamily value-add product. As a cashing flowing asset, 6.5% of the Yield is paid currently on a monthly basis. The 8.5% annual interest balance is accrued and paid upon exit at the end of term (4 years). Two (2) six (6) month extensions are available. However, you may be paid off within two (2) years since that timing should be optimal to maximize returns. ARC is receiving a 50-basis point asset management fee yearly ($7,500) that does not affect the 15% annual Yield to you. 1099's will be sent by February 1 in the following year for Unit holders. The Offering is recognized by the senior lender so if a default occurs, ARC or an affiliate can step into the "shoes" of the Sponsor.

Preferred Equity	Terms
Gross Offering	$1,500,000
Pre Sold	$750,000
Offering	$750,000
Price per Unit	$150,000
Units Available	5.0
Current Pay Rate	6.50%
Accrued Rate	8.50%

The Properties. The Properties include: i) Chula Vista Apartments (61 Units) built in 1970 plus II) Villa Verde Apartments (131 Units) built in 1968. Reducing risk, the Properties are well occupied. To remain conservative, turning over apartments will be completed in an orderly fashion maintaining a base net operating income while increasing rents over the first two (2) years. The Sponsor is installing professional management and procedures increasing occupancy, managing credit loss, increasing rents and lowering expenses.

The Sponsor. The Sponsor is a privately held investment firm based in Salt Lake City, UT that focuses on acquiring and operating stable, income producing multifamily assets in solid and emerging U.S. markets. They target high-yield cash flow and long-term capital appreciation through strategic acquisition and superior asset management. The focus is to purchase C assets and renovate to C+/B- quality. The Sponsor has bought, sold and managed over 1,575 units, valued at over $179 million; and has high-level construction and development experience. One of the key principals has personally purchased and sold over 400 properties. Recent similar transactions by the Sponsor are detailed in the Sponsor section of this package.

EXECUTIVE SUMMARY

Source & Use of Funds. The acquisition price of $50,000 per unit is an attractive basis to commence the investment. The business plan includes a capex budget of $8,125 per unit to make the Properties more competitive and support higher rents going forward. The Sponsor is investing $365,000 or approximately 20% of the common equity component while accessing another $1,435,000 in common equity. This creates a 15% cushion for the Offering if the markets decline in the near-term future.

Sources & Uses	Amount	LTC	Cum LTC	Per Unit
Sources				
Senior Debt	$8,816,250	72.8%	73%	$45,918
Preferred Equity ARC	$1,500,000	12.4%	85%	$7,813
GP Equity	$365,000	3.0%	88%	$1,901
LP Equity	$1,435,000	11.8%	**100%**	$7,474
Total Sources	**$12,116,250**	**100.0%**		**$63,105**
Uses				
Purchase Price	$9,600,000	79.2%	79.2%	$50,000
Capex	$1,560,000	12.9%	92.1%	$8,125
Closing Costs	$361,450	3.0%	95.1%	$1,883
Fees	$336,450	2.8%	97.9%	$1,752
Op Reserves	$258,350	2.1%	**100.0%**	$1,346
Total Uses	**$12,116,250**	**100.0%**		**$63,105**

Profitability. Once stabilized, the Properties are projected to be valued at approximately $14.7 million for a gross profit of $2.6 million. At $14.7 million, the Properties can be refinanced at 75% Loan to Value or $11.13 million paying off the senior loan and the Offering in full.

Market. The Properties are located in the South Oklahoma City submarket which is just south of downtown Oklahoma City and north of I-240. Oklahoma City's MSA has a population of approximately 1.4 million, ranking it #11 in size of southern cities. Gas and Oil, and livestock continue to be the largest industries, although over the past 20 years its economy has diversified to include information technology and health services. Tinker Air Force base and Mike Moroney Aeronautical Center (regional office of FAA) are also major employers. Additionally, five minutes north is downtown OKC has over 55,000+ employees. Significant investment (over $3Bn) has been made to downtown over the past 30 years, which has revitalized the city. The north side of the city is characterized by upscale urban neighborhoods and sprawling suburbs further to the north. South Oklahoma City is historically blue collar and contains a thriving and growing Latino population. Over the past several years, this submarket has been gentrifying which is evident from the rehabilitation and upgrade of commercial and multifamily properties, and the increased investments of older properties in the area.

Business Plan. The Sponsor expects to achieve strong rent growth pursuant to its value-add strategy, and the business plan includes several key initiatives: First, commence an exterior renovation program to upgrade the appearance. Second, bring units at Villa Verde back on-line that have contributed to an artificially high vacancy rate at the property, and establish a RUBS type program to recoup water utility costs. Third, commence an interior renovation program at Villa Verde similar in scope to the renovations already completed at Chula Vista. Together, these measures are expected to raise existing rents, maintain a stronger occupancy plus add rent premiums as units are renovated.

DEAL HIGHLIGHTS

The PE Investment offers stable current returns while offering downside protection. Predicated on the management team's execution of the business plan and supportive market, ARC believes a timely exit of its PE Investment is highly likely. The key characteristics of the investment below:

<u>Strengths:</u>

- ***Attractive Basis***: Last dollar of the PE Investment is 85% of cost or 75% of est. valuation after renovation. Properties purchased at a supported comp pricing and below replacement costs.
- ***Supportable Value-Add Strategy:*** Occupancy at each property is in the high 90% range, indicating rents are below market. In addition, post renovation rents at Chula Vista appear to be below market.
- ***Risk Adjusted Returns are Attractive***: Projected net return of 15% for fully leased operating multifamily product.
- ***Modest Deferred Maintenance***: Current ownership has maintained properties at an above-market level, allowing the Sponsor to direct majority of cap ex dollars into revenue generating upgrades.
- ***Favorable Market Fundamentals***: Submarket inventory is not expected to increase over the next 5 years.
- ***Well Conceived Business Plan:*** Conservative renovation schedule of 122 units over three years.
- ***Enhanced Control Rights of PE***: ARC has ability to take over control of asset in the event of a default by Sponsor subject to the senior lender's approval.
- ***Strong DSCR***: Senior debt nearly 2.0x in the first 3 years, approximately 1.5x in years 4 and 5. PE Investment coverage nearly 1.5x in years 1.3, approximately 1.2x in years 4 and 5.

<u>Risks:</u>

- ***Value-add strategy for Class C assets is relatively emerging concep***t. Mitigant: Sponsor and its property management company own other assets in the market and expect favorable reaction to renovated units based on market conditions. ARC's exit does not require 100% of the projected rent premium underwritten by Sponsor.
- ***RE taxes will adjust on the basis of the sale, resulting in higher fixed Op Ex costs***. Mitigant: The full reassessment was underwritten in Year 1 but will not fully be realized until Year 2 (reassessment will occur in 2022), providing excess cash flow to service debt and PE in Year 1.
- ***Current ownership has not pushed rents, creating a risk that tenant turnover will be high for a period of time***. Mitigant: First 10 units are down to studs, and can be renovated immediately vs waiting for turnover, accelerating upward movement in rents. Also, ARC has projected lower rent growth and a conservative renovation schedule in its underwriting. A full reserve for replacement has been underwritten for properties undergoing extensive capital improvements, which should provide an additional operating cash cushion.

UNDERWRITING STANDARDS

Overview:

The underwriting examined the Sponsor's business plan and operating projections. Additionally, we reviewed current rent rolls and trailing-12 income and expenses for both properties. We reviewed information on rent comparable(s) and submarket information reports generated by Co-Star and REIS, plus sales comps from the Newmark valuation. We've spoken to a top rental apartment appraiser at Newmark in Oklahoma City. In certain cases, we have augmented the projections based on our underwriting experience for similar value-add multifamily investments around the U.S. Our initial observations and findings are summarized below:

Competitive Position of the Properties:

The Properties were analyzed compared to a competitive set of Class C rental properties in the South Oklahoma City submarket. The competitive properties were built between 1963 and 1975. As depicted in the table to the right, unit floorplan rents (from the rent rolls) at Chula Vista and Villa Verde are compared to the competing properties. The Co-Star reports do not indicate recent renovations to any of the comparable(s). The Properties' current owners are "mom and pop" who maintain each at an above-market condition level. Chula Vista 1/1 rents are supported as both South Shore and Timberwood are inferior. The 2/1 rents for Chula Vista are arguably below market given the renovated interiors. Villa Verde 3/2 rents appear to be below market given the size of the unit. The appraiser indicated the current owner is very loyal to their staff and residents and speculated that they might not be willing to push rents. It's possible since Chula Vista is 99% occupied and Villa Verde is 98% occupied (excluding down units). The down units are stripped to the studs, which will allow the Sponsor to immediately upgrade the 10 units to increase rental income immediately.

Rental Income:

We've underwritten rental income increases more conservatively than the Sponsor ($50/unit vs. $91/unit).

Studio

Property	Year Built	CoStar Rating	Unit Type	SF	Rent	Rent/SF
South Shore	1963	2-Star	Studio	395	$453	$1.15
Villa Verde	**1968**	**2-Star**	**Studio**	**470**	**$490**	**$1.04**
Timberwood	1974 (2004)	3-Star	Studio	515	$516	$1.00

1BR/1BA

Property	Year Built	CoStar Rating	Unit Type	SF	Rent	Rent/SF
South Shore	1963	2-Star	1BR/1BA	463	$553	$1.19
Chula Vista	**1970**	**2-Star**	**1BR/1BA**	**625**	**$600**	**$0.96**
Timberwood	1974 (2004)	3-Star	1BR/1BA	637	$577	$0.91
Ventura Green	1975	2-Star	1BR/1BA	650	$595	$0.92
Remington	1975 (1998)	3-Star	1BR/1BA	659	$615	$0.93
Kentucky Pines	1971	2-Star	1BR/1BA	686	$649	$0.95
Villa Verde	**1968**	**2-Star**	**1BR/1BA**	**690**	**$600**	**$0.87**
Windsong	1972	2-Star	1BR/1BA	710	$604	$0.85
Seminole Ridge	1970 (2009)	3-Star	1BR/1BA	750	$588	$0.78

2BR/1BA

Property	Year Built	CoStar Rating	Unit Type	SF	Rent	Rent/SF
South Shore	1963	2-Star	2BR/1BA	775	$654	$0.84
Villa Verde	**1968**	**2-Star**	**2BR/1BA**	**790**	**$700**	**$0.89**
Chula Vista	**1970**	**2-Star**	**2BR/1BA**	**825**	**$700**	**$0.85**
Windsong	1972	2-Star	2BR/1BA	825	$705	$0.85
Timberwood	1974 (2004)	3-Star	2BR/1BA	848	$673	$0.79
Remington	1975 (1998)	3-Star	2BR/1BA	848	$710	$0.84
Kentucky Pines	1971	2-Star	2BR/1BA	868	$699	$0.81
Ventura Green	1975	2-Star	2BR/1BA	900	$738	$0.82

3BR/2BA

Property	Year Built	CoStar Rating	Unit Type	SF	Rent	Rent/SF
Remington	1975 (1998)	3-Star	3BR/2BA	1,100	$875	$0.80
Windsong	1972	2-Star	3BR/2BA	1,140	$822	$0.72
Villa Verde	**1968**	**2-Star**	**3BR/2BA**	**1,300**	**$815**	**$0.63**

UNDERWRITING STANDARDS

Vacancy

The competitive set per Co-Star indicated occupancies ranging from 90.4% to 99.1%, and average 95%. Per the rent rolls, Chula Vista is currently 99% and Villa Verde is 92% (98% excluding 10 down units). As mentioned, the down units are stripped to the studs and ready for renovation. Given the higher occupancy of the Properties, the units should lease quickly. Our projection is for 5% stabilized vacancy which includes the one model.

Loss to Lease, Concessions, Bad Debt

Given what appear to be below market rents in some cases, we believe new ownership will raise rents to make up some of the gap, and loss to lease will be lower going forward. Concessions are minimal in the market and at the properties, which has been similarly projected moving forward. With professional management, bad debt should decrease to around 1%.

Other Income

Currently the owner is collecting for typical Other Income categories including items like app, NSF, month to month, damage, pets, etc. Laundry income is a significant line item. Late fees appear to be elevated, although that's typical of a mom and pop run property. There is a small "Utility Income", but it is not a RUBS program. In fact, the Sponsor projects a significant increase in Other Income from a new RUBS program. We have not underwritten RUBS given the tenancy is cost sensitive. However, property management believes they will be successful, so it represents additional upside.

Expenses

The T-12 expenses were compared to the Sponsor's projections. Notable items include real estate taxes, insurance, and payroll. Real estate taxes are reportedly reassessed to 11% of the purchase price multiplied by the millage rate. However, a few properties that have sold in the market had lower assessments than the purchase price. These investors allocate a portion of the purchase price to personal property to lower the "real property" assessment. This is allowable by the IRS, and the Sponsor is pursuing this strategy. However, we have underwritten the full reassessment to be conservative. The insurance cost will be much higher as reflected in the projection per feedback from the Sponsor's insurance agent.. As part of the renovation, low flow water savings devices will be installed throughout both properties with an estimated savings of $39,000. We phased that cost savings in over three to be conservative. Management Fee is elevated at 5.5% of EGI as an incentive to management to maximize rents at the property during the holding period. It has been reduced to a market supported 3.5% in Year 6 NOI for the reversion. Legal expenses were very high, and were adjusted down to reflect a professionally managed property.

Senior Debt

The Sponsor is securing an $8.8M first mortgage loan with Bayview Financial, at 4.0% per annum, interest only for 3 years with 2, 1-year extensions. This loan represents 73% LTC. $1.56M is held in reserve for the capital expenditures. The PE Investment last dollar is 85% LTC.

PRO-FORMA PROJECTIONS

	T-12	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Revenue:							
Gross Potential Rent	$1,367,605	$1,463,631	$1,507,540	$1,552,766	$1,599,349	$1,647,330	$1,696,750
Loss to Lease	$103,079	$102,454	$90,452	$93,166	$79,967	$65,893	$67,870
Effective Gross Potential Rent	$1,264,526	$1,361,177	$1,417,088	$1,459,600	$1,519,382	$1,581,436	$1,628,880
Rent Increase from Renovations	$0	$11,700	$34,454	$63,654	$65,564	$67,531	$69,556
Potential Gross Income	$1,264,526	$1,372,877	$1,451,541	$1,523,254	$1,584,945	$1,648,967	$1,698,436
Deductions:							
Vacancy	$65,363	$68,644	$72,577	$76,163	$79,247	$82,448	$84,922
Concessions	$6,814	$13,729	$14,515	$15,233	$15,849	$16,490	$16,984
Bad Debt	$15,713	$20,593	$21,773	$15,233	$15,849	$16,490	$16,984
Model Unit/Down Units	$52,440	$0	$0	$0	$0	$0	$0
Total Deductions	$140,330	**$102,966**	**$108,866**	**$106,628**	**$110,946**	**$115,428**	**$118,891**
Net Rental Income	$1,124,196	**$1,269,911**	**$1,342,676**	**$1,416,626**	**$1,473,999**	**$1,533,539**	**$1,579,546**
Utility Reimbursement	$2,133	$2,197	$2,263	$2,331	$2,401	$2,473	$2,547
Other Income	$52,070	$53,632	$55,241	$56,898	$58,605	$60,363	$62,174
Effective Gross Income	**$1,178,399**	**$1,325,740**	**$1,400,180**	**$1,475,856**	**$1,535,005**	**$1,596,375**	**$1,644,267**
Expenses							
Real Estate Taxes	$40,105	$125,000	$128,750	$132,613	$136,591	$140,689	$144,909
Insurance	$66,197	$95,000	$97,850	$100,786	$103,809	$106,923	$110,131
Contract Services	$22,760	$23,443	$24,146	$24,870	$25,616	$26,385	$27,177
Utilities	$106,250	$89,000	$81,670	$75,120	$77,374	$79,695	$82,086
Management Fee	$0	$72,916	$77,010	$81,172	$84,425	$87,801	$57,549
Repairs and Maintenance	$66,968	$68,977	$71,047	$73,178	$75,373	$77,635	$79,964
General/Admin	$19,594	$20,182	$20,787	$21,411	$22,053	$22,715	$23,396
Payroll & Related	$189,284	$144,084	$148,407	$152,859	$157,444	$162,168	$167,033
Marketing	$350	$5,000	$5,150	$5,305	$5,464	$5,628	$5,796
Legal & Accounting	$16,640	$5,000	$5,150	$5,305	$5,464	$5,628	$5,796
Reserve For Replacement	*$48,000*	$48,000	$49,440	$50,923	$52,451	$54,024	$55,645
Total Expenses	$576,149	$696,602	$709,406	$723,541	$746,065	$769,289	$759,483
Net Operating Income	**602,250**	**629,139**	**690,773**	**752,315**	**788,940**	**827,086**	**884,784**

DEBT SERVICE SCHEDULE

Debt Service - Senior Debt		Year 1	Year 2	Year 3	Year 4	Year 5
Loan Amount		7,753,240	8,359,220	8,603,730	8,816,250	8,816,250
Interest Rate	4.09%				4.50%	
Debt Service	*317,108*	317,108	362,790	394,911	539,850	539,850
Cash Flow After Debt Service	285,143	**312,031**	**327,983**	**357,404**	**249,090**	**287,236**
Debt Yield	***7.8%***	***8.1%***	***8.3%***	***8.7%***	***8.9%***	***9.4%***
DSCR		***1.98***	***1.90***	***1.91***	***1.46***	***1.53***
Notes:						
Debt Service - Pref Equity						
Beginning Balance		1,500,000	1,627,500	1,765,838	1,915,934	2,078,788
Pref - Current Pay		105,000	113,925	123,609	134,115	145,515
Pref - Accrual		127,500	138,338	150,096	162,854	176,697
Required Paydown		-	-	-	-	(207,879)
Accrual Balance		1,627,500	1,765,838	1,915,934	2,078,788	2,047,606
Debt Yield		***6.8%***	***6.9%***	***7.3%***	***7.4%***	***7.6%***
DSCR		***1.49***	***1.45***	***1.45***	***1.17***	***1.21***

Note: 1.98x to 1.91 DSCR (years 1-3), and 1.46 to 1.53 DSCR (years 4-5) through senior debt; and 1.49 to 1.45 DSCR (years 1-3), and 1.17 to 1.21 DSCR (years 4-5). Very strong coverage.

PROPERTY DESCRIPTION: CHULA VISTA

Specification	Description
Property Address	724 SE 59th Street, Oklahoma City, OK 73129
Property Description	Built in 1970, garden/low-rise, 61 units, 6 buildings, 2 stories, on-site office and maintenance/storage.
# of Units	61
Rentable Area	±41,325 square feet
Average Unit Size	±695 square feet
Lot Size	±1.74 acres
Year Completed	1970
Unit Amenities/ Community Amenities	Fully equipped kitchen featuring frost-free refrigerator, dishwasher, garbage disposal, electric range/oven and pantry, Individual thermostat for heat, Hard surface floors, 1st floor wood-look tile, 2nd floor floating vinyl, Ceiling fans in some units, Mini-blinds, Large closets, Laundry Facilities (owner owned, new machines), Rental Office On Site

UNIT MIX SUMMARY				
Number of Units	Number Occupied	Type	Unit SF	Total SF
45	42	1B/1B	625	28,125
16	16	2B/1B	825	13,200
61	58		Avg 695	41,325

PROPERTY DESCRIPTION: VILLA VERDE

Specification	Description
Property Address	6050 South Harvey Avenue, Oklahoma City, OK 73139
Property Description	Built in 1968, garden/low-rise, 131 units, 13 buildings, 2 stories, on-site office and maintenance/storage.
# of Units	131
Rentable Area	± 87,090 square feet
Average Unit Size	±768 square feet
Lot Size	±3.75 acres
Year Completed	1968
Unit Amenities/ Community Amenities	Frost-free refrigerator, Dishwasher in most units, Electric range/oven, Garbage disposal, Individual thermostat for heat and air, Wall-to-wall carpet, Ceiling fans, Mini-blinds, Air conditioning, Large closets with organizational shelves, Laundry Facilities, Rental Office On Site

UNIT MIX SUMMARY

Number of Units	Number Occupied	Type	Unit SF	Total SF
41	37	JR 1B/1B	470	19,270
42	32	2B/1B	690	28,980
44	43	2B/1B	780	34,320
4	4	3B/2B	1,130	4,520
131	116		Avg 768	87,090

BUSINESS PLAN

The Sponsor's business plan includes several key initiatives. Post close, the Sponsor will commence an exterior renovation program at both properties. Specific items are identified below. As the senior loan has committed dedicated funds for renovations and repairs, there is little to no risk regarding the funding of these costs. The Sponsor will also renovate 10 currently down units at Villa Verde that have contributed to an artificially high vacancy rate at the property. In addition, the Sponsor intends to commence an interior renovation program at Villa Verde similar in scope to the renovations completed at Chula Vista. Finally, the Sponsor will initiate various expense management initiatives and billback programs. Collectively, these measures are expected to raise existing rents, maintain a strong occupancy and achieve higher NOI via rent premiums on renovated units and additional ancillary income.

The Properties have been well maintained historically and support stable occupancies. Chula Vista (61 units) was built in 1970, and Villa Verde (131 units) was built in 1969. Chula Vista has already undergone interior unit renovations to 58 of the 61 units, and features new appliances, hard surface floors, hardware & new tile in both the kitchen and bathroom. Exterior upgrades completed by the current owner included replacing the concrete and metal stairs, along with wood decking and painting the buildings. At Villa Verde, an 8-foot fence was added to secure the entire property, with card-key access. Security cameras are in place and monitored as well at both properties. The Sponsor's planned exterior renovations (shown on the following page) at both properties include replacing the roofs and replace shingles on mansard, resurfacing the parking lot, and adding an additional amenity space such as a playground or game court (Villa Verde). Also, similar security fencing and key-card access will be added to Chula Vista. Repairs will be made to the windows at both properties as well. Chula Vista's leasing office was converted from a 1BR unit and will be converted back. Recent feedback from the GC indicates many of the units are in better condition than expected with some classic units with upgraded flooring, which will decrease renovation costs. Further, the GC reports that some of the roofs are in better condition, and a significant savings might be possible. Chula Vista is 99% occupied, while Villa Verde is 92%, which includes 10 down units that had been stripped to the studs by the current owner who planned on installing a wall to create a Jr 1BR floor plan (currently Studios). The Sponsor intends to restore the units to Studios, since they are marketable and can be brought back online quickly. Low flow water devices will also be installed to all the units which will provide immediate savings. Chula Vista offers two floor plans; 1BR/1BA, and 2BR/1BA. Villa Verde offers four floorplans: Studio, 1BR/1BA, 2BR/1BA, and 3BR/2BA. The submarket has historically supported rent growth per CoStar and REIS. The Sponsor estimated a $91 per month premium. To be conservative, we've estimated $50 per month, given the tenant income demographics in the submarket. We have also not included additional income from a RUBS program, which will be additional upside if the management company is successful in implementing

RENOVATION BUDGET

Chula Vista	Units	$/Unit	Year 1	Year 2	Year 3	Notes
Leasing Office Conversion	1	$12,000	$12,000	$0	$0	The leasing office was previously a 1 bedroom unit, it is fully equipped with a kitchen and bathroom. Will put walls back up for the Bedroom & living area
New TPO Roof	1	$132,000	$132,000	$0	$0	Will level & smooth existing gravel roof, install " ISO board, install new 60 mil TPO membrance, new termination bards, new metal corner flashing, new parpapet wall flashings, new book jacks and caulk all penetratons
Parking Lot Repairs	1	$41,000	$41,000	$0	$0	Asphalt repair with pot holes filled and surface repainted with coating of tar and new lines. This job Includes patches and all bad areas, clean the entire are from all dirt, debris and weed, Crack fill all major crack with commercial crack filler, seal coat entire parking lot with commercial base seal coat, repaint all stripes, handicaps and arrows
Security Gates	1	$10,000	$10,000	$0	$0	Security gates at each entrance to property
Vinyl Windows & Misc. Repairs	1	$22,500	$0	$22,500	$0	Right now windows are expensive and we will await for pricing to come down, as this is a cosmetic fix; includes other miscellaneous items that may be discovered during renovations
Chula Vista Subtotal			**$195,000**	**$22,500**	**$0**	

Villa Verde	Units	$/Unit	Year 1	Year 2	Year 3	Notes
Unit Turnovers - Currently Vacant Units	10	$15,000	$150,000	$0	$0	Currently (10) studio units are offline and down to the studs
Unit Turnovers - Natural Rollover	110	$5,250	$385,000	$192,500	$0	11 units have already been renovated; Includes paint, LVP flooring, Light Fixtures, Hardware, Appliances & Counters as needed; GC can turn 10 units/month, but using 18 months to complete all turns to be conservative
New TPO Roof	1	$237,000	$237,000	$0	$0	Will level & smooth existing gravel roof, install " ISO board, install new 60 mil TPO membrance, new termination bards, new metal corner flashing, new parpapet wall flashings, new book jacks and caulk all penetratons
Other Roof Repairs	1	$99,000	$99,000	$0	$0	Roof reparis on all 11 buldings; New synthetic felt & caulking of all prentrations. Haul off aldebris and roll magnets for nails.
Exerior Painting	1	$45,000	$45,000	$0	$0	
Parking Lot Repairs	1	$78,000	$78,000	$0	$0	Asphalt repair with pot holes filled and surface repainted with coating of tar and new lines. This job Includes patches and all bad areas, clean the entire are from all dirt, debris and weed, Crack fill all major crack with commercial crack filler, seal coat entire parking lot with commercial base seal coat, repaint all stripes, handicaps and arrows
New Amenity Space	1	$20,000	$20,000	$0	$0	Playground & Dining Area
Signage & Wayfinding	1	$25,000	$25,000	$0	$0	New monument signs, wayfinding, diretionals and other misc. signage at both properties
Water Conservation	1	$56,000	$56,000	$0	$0	SAS will be installing low flow toilets, shower heads and kitchen/ bath aerators at both properties (this will decrease our water/sewer bill by $39,000 annually)
Vinyl Windows & Misc. Repairs	1	$55,000	$0	$55,000	$0	Right now windows are expensive and we will await for pricing to come down, as this is a cosmetic fix; includes other miscellaneous items that may be discovered during renovations
Villa Verde Subtotal			**$1,095,000**	**$247,500**	**$0**	

	TOTAL	Year 1	Year 2	Year 3
Unit Renovations	$727,500	$535,000	$192,500	$0
Other CapEx	$832,500	$755,000	$77,500	$0
COMBINED CAPEX BUDGET	**$1,560,000**	**$1,290,000**	**$270,000**	**$0**

EXIT ANALYSIS

Exit Analysis. As shown below, the exit price is approximately $14.75 million with a refinancing possibility of approximately $11.13 million (75.0% LTV) paying off the entire $8.8 million first mortgage loan plus entire PE Investment including the accrual.

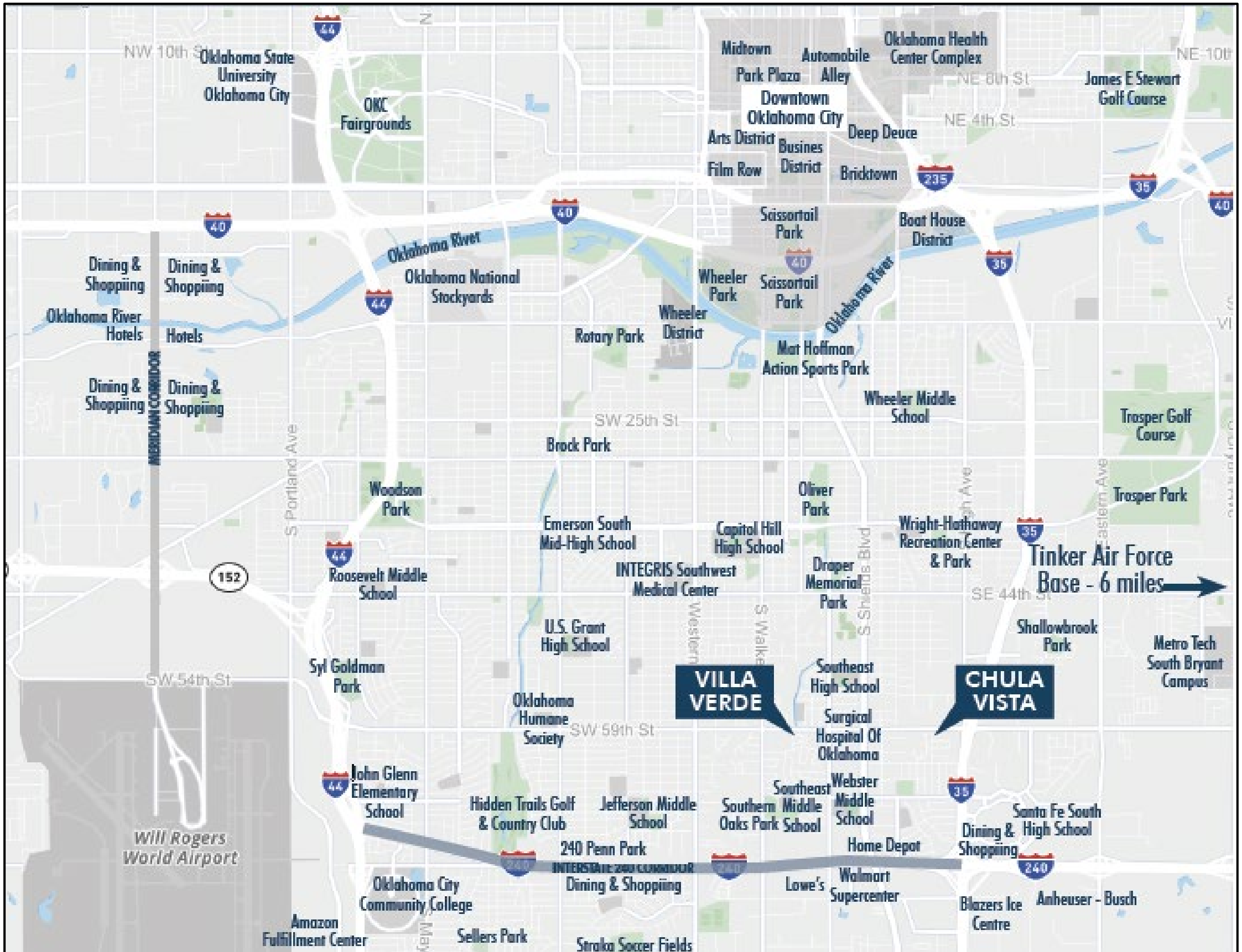
Refinance at end of Year		5
NOI Year 6		$884,784
Stabilized Value	6.00%	$14,746,400
Loan Sizing		
Max LTV	75%	$11,132,057
Min DSCR	1.25	$11,641,466
MIN Debt Yield	7.50%	$11,797,120
Projected Loan Amount		**$11,132,057**
Outstanding Debt Balance + exit fee		**$10,952,019**
Surplus/Deficit		**$180,039**

AREA DEMOGRAPHICS

Demographic Analysis	1-Mile Radius	3-Miles Radius	5-Miles Radius	73139	Oklahoma City	Oklahoma County	Oklahoma City, OK MSA
Population							
2010 Total Population	7,251	74,848	224,136	16,689	579,997	718,633	1,252,987
2020 Total Population	7,694	80,461	243,769	17,899	670,553	800,209	1,421,338
2025 Total Population	7,925	82,967	254,620	18,511	709,673	836,127	1,498,798
Projected Annual Growth %	0.6%	0.6%	0.9%	0.7%	1.1%	0.9%	1.1%
Households							
2010 Total Households	2,553	27,708	82,826	7,060	230,232	287,598	489,654
2020 Total Households	2,652	29,097	89,268	7,439	262,296	315,565	550,162
2025 Total Households	2,715	29,872	93,195	7,664	276,850	328,600	578,854
Projected Annual Growth %	0.5%	0.5%	0.9%	0.6%	1.1%	0.8%	1.0%
Income							
2020 Median Household Income	$33,805	$37,792	$44,902	$46,003	$54,755	$53,800	$57,370
2020 Average Household Income	$41,079	$48,162	$59,313	$56,690	$77,298	$78,665	$79,854
2020 Per Capita Income	$14,543	$17,475	$21,850	$23,575	$30,295	$31,113	$31,002
Housing							
2020 Owner Occupied Housing Units	47.9%	42.1%	49.0%	42.3%	53.3%	53.0%	58.7%
2020 Renter Occupied Housing Units	39.3%	46.0%	41.2%	49.4%	36.8%	37.0%	32.7%
2020 Median Home Value	$70,000	$82,650	$106,362	$132,437	$166,453	$162,683	$165,451
Median Year Structure Built	1963	1967	1971	1976	1978	1975	1980

Oklahoma City's economy has transitioned away from its dependence on petroleum to a diverse business community, which has increased the affluence of the overall population. The properties are located in the South Oklahoma City submarket, which has historically been blue collar, which primarily contains older class C properties. The average rents are approximately $620 per month. To qualify (3x income to rent), tenants are required to earn a minimum of $22,500 per year, which is well within the 1-mile median and average household income estimates. Gentrification is underway in South Oklahoma City submarket. The southern border of the neighborhood is I-240, and many retail centers and public infrastructure to the north (in the direction of the properties) have been upgraded, along with housing. Downtown Oklahoma City is to the north of the submarket with 55,000 employees, therefore, the gentrification trend from both directions should continue in the submarket. This supports the business plan for the properties.

SOUTH OKC/DOWNTOWN CITY MAP



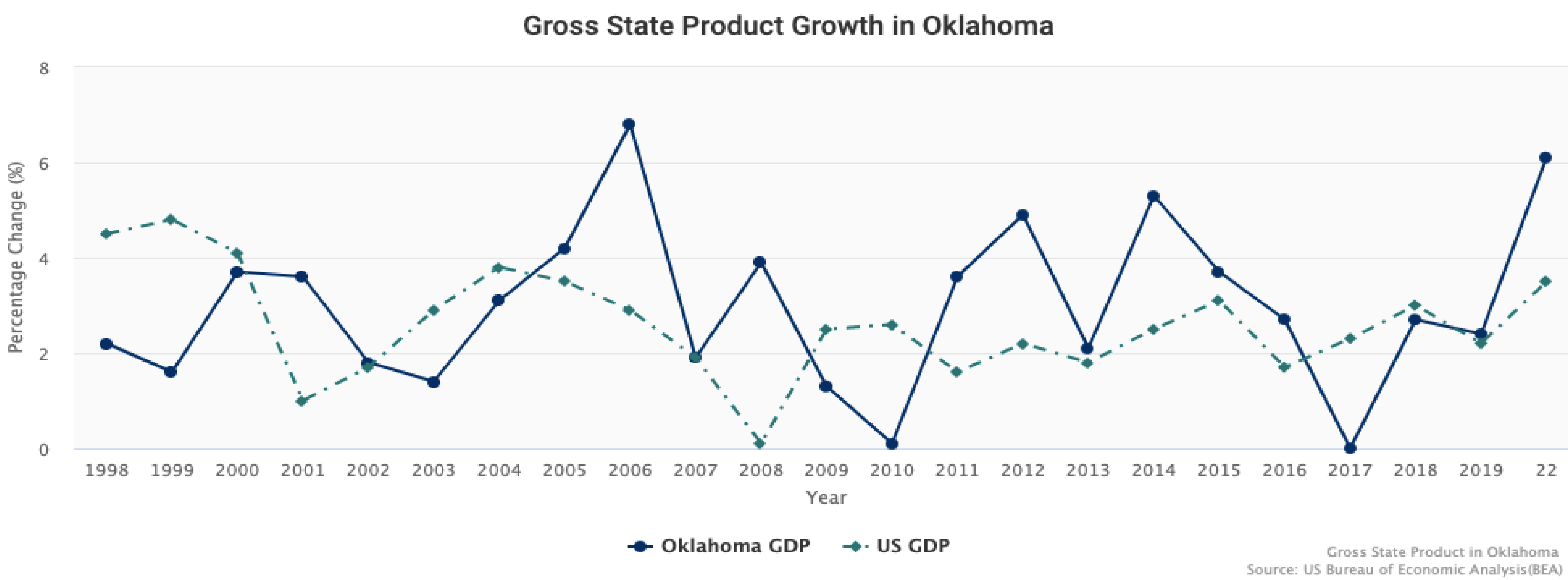
OKLAHOMA OVERVIEW

Overview of the Oklahoma Economy

The state of Oklahoma has a population of 3,956,971 and annual population growth of 0.4% over the five years to 2019 which ranks 23 out of all 50 US states. Oklahoma's gross state product (GSP) in 2019 reached $203.3bn, with growth of 1.4% over the 5-years to 2019. Businesses in Oklahoma employed a total of 24.2 million in 2018, with average annual employment growth of 2.6%. The top three employment sectors include Health care and social assistance, Retail trade and Professional, scientific, and technical services while the unemployment rate across the state in March 2020 was 5.3%.

Oklahoma Gross State Product

Oklahoma's GSP in 2019 reached $203.3bn, with growth of 1.4% over the five years to 2019. Oklahoma's GSP growth ranks 32 out of all 50 US states. GSP is a measurement of a state's output, or the sum of value added from all industries in the state. It is a common indicator used to track the health of an economy. You can track the trends of Oklahoma's GSP using the chart below.

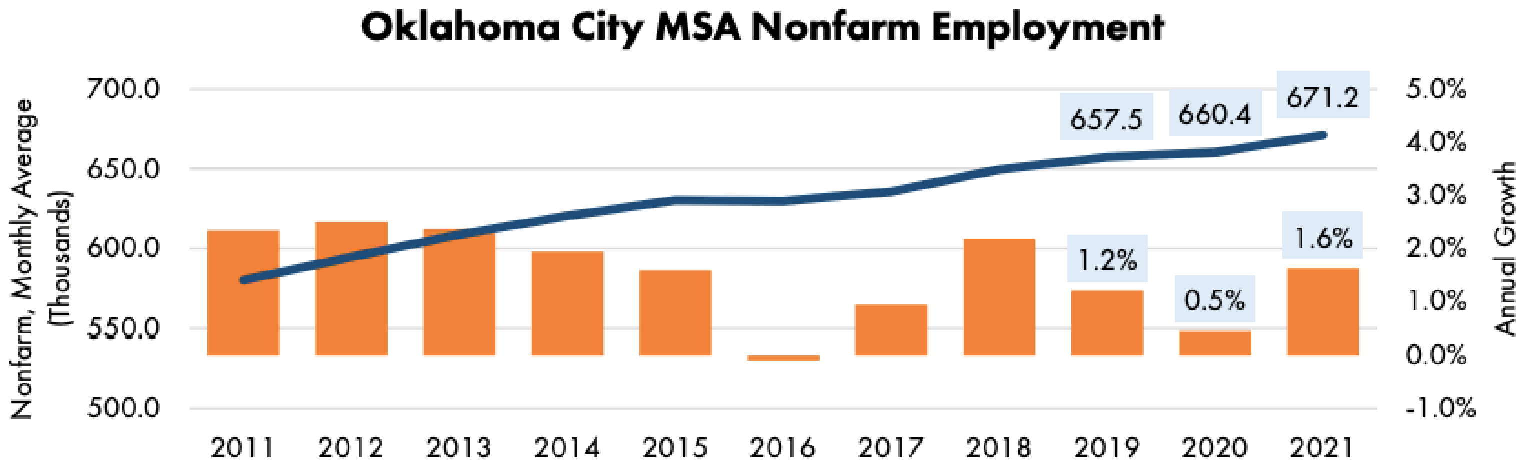


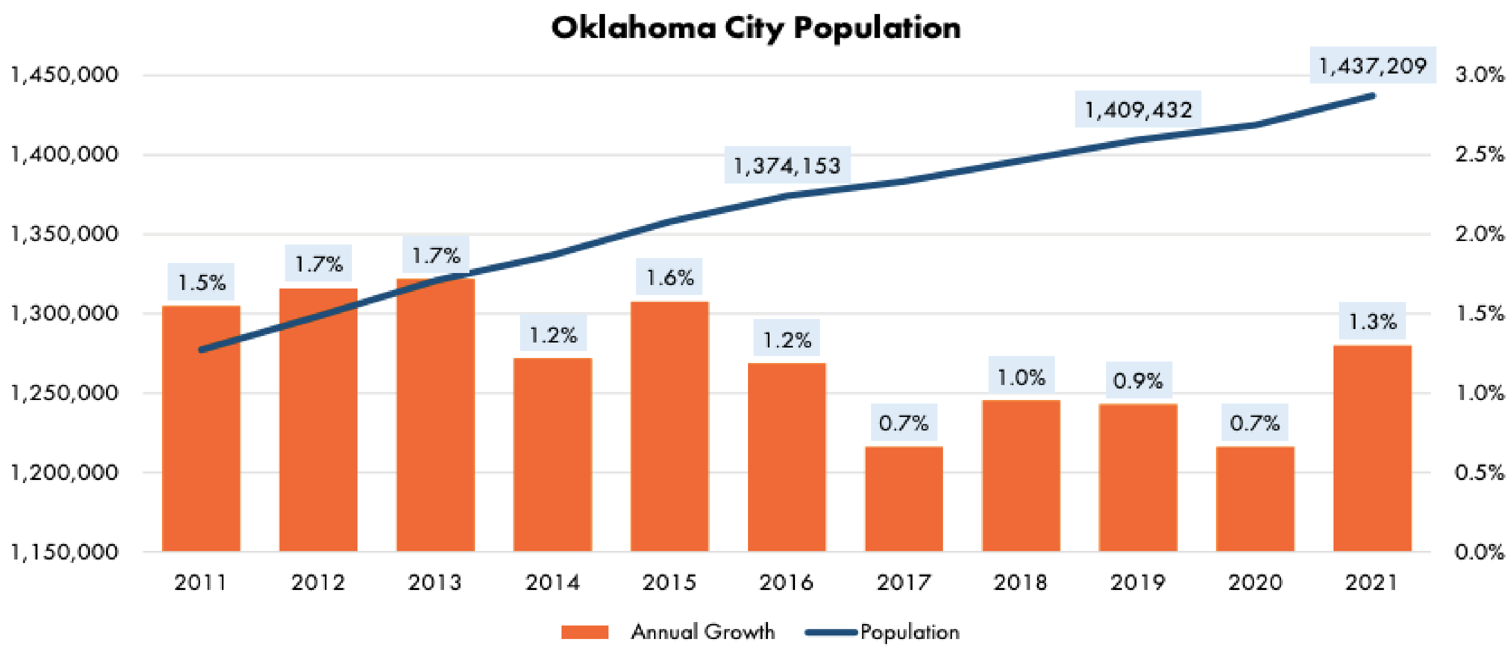
OKLAHOMA CITY OVERVIEW

Oklahoma City often shortened to OKC, is the capital and largest city in the U.S. state of Oklahoma. The county seat of Oklahoma County, it ranks 22nd among United States cities in population. The population grew following the 2010 census and is estimated to have reached 662,314 as of July 2020. The Oklahoma City metropolitan area had a population of 1,396,445, making it Oklahoma's largest municipality and metropolitan area by population. Oklahoma City has one of the world's largest livestock markets. Oil, natural gas, petroleum products and related industries are its economy's largest sector. The city is in the middle of an active oil field and oil derricks dot the capitol grounds.

The federal government employs a large number of workers at Tinker Air Force Base and the United States Department of Transportation's Mike Monroney Aeronautical Center. The population of Oklahoma City has grown twice as fast as the national average. Median age in Oklahoma City is 35.6 years, with 41% of the population between the ages of 20 and 49. There are over 680,000 employees in metropolitan Oklahoma City. The U.S. Bureau of Labor Statistics reports that as the economy continues to recover, jobs sectors showing the quickest signs of rebounding include construction, trade and transportation, financial activities, and education and health services.

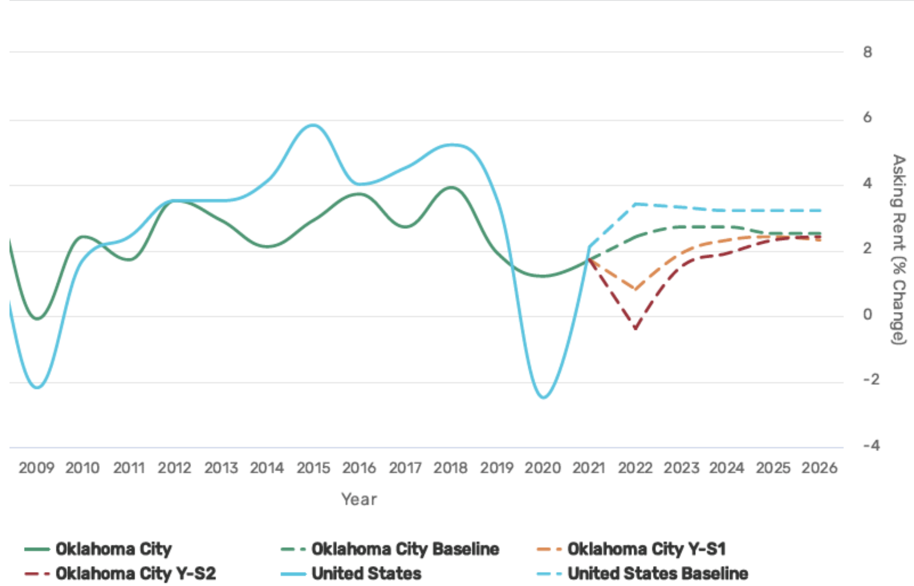
OKC EMPLOYMENT & POPULATION GROWTH

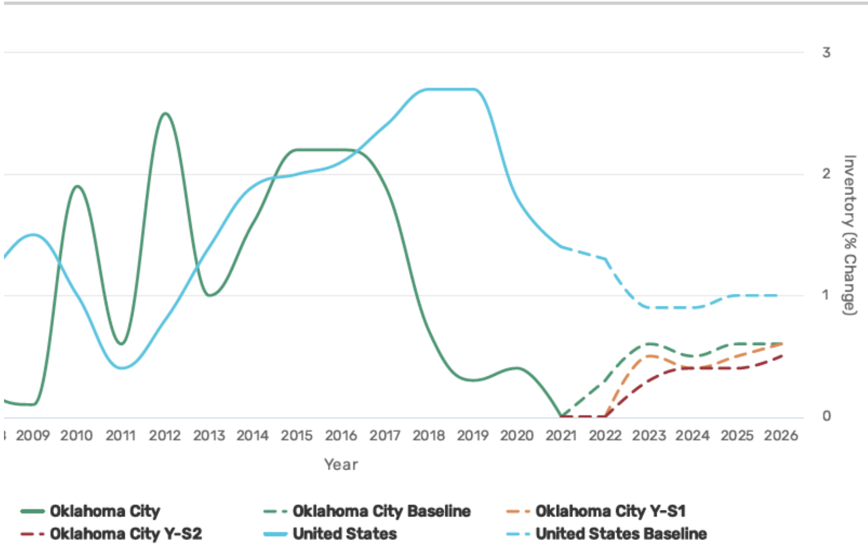


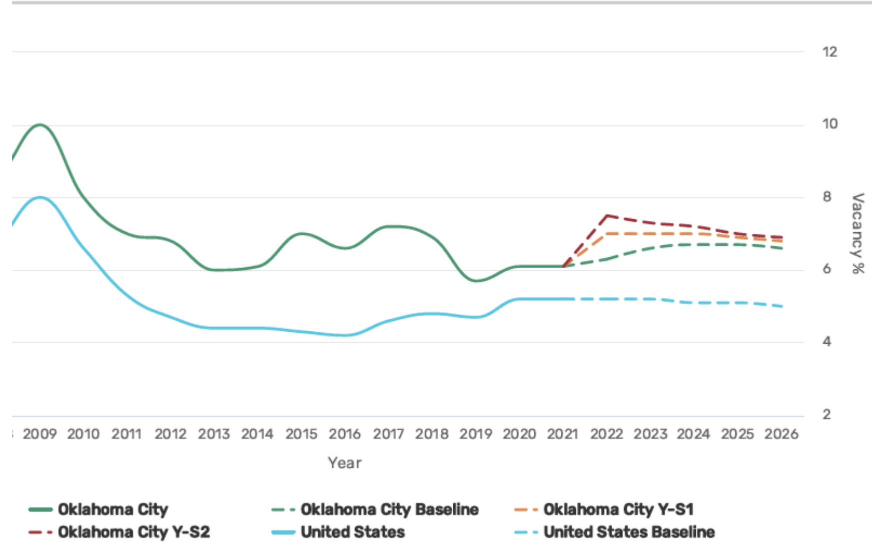


OKC APARTMENT MARKET OVERVIEW

Even though more new homes are being built in the last seven years, demand for homes in OKC is still greater than the supply. With prices high and inventory low, over one-third of the households in OKC rent rather than own. In fact, OKC was ranked one of the top 50 best cities for renters. Factors used to rate the best markets for renters include activity in the rental market, overall affordability of renting, and quality of life. Another reason the rental market in OKC and state remains strong is students and job seekers flocking to the metro area. Average rent in OKC is $845 according to a recent report (as of June 2021). Rents in OKC have increased by 7% year-over-year. 46% of the rental units in OKC rent for between $701 and $1,000 per month. Renter-occupied households account for 38% of the total occupied housing units in OKC.







SOUTH OKC/DOWNTOWN OVERVIEW

Chula Vista and Villa Verde are located 5 minutes south of growing Downtown OKC, which has the regions largest employment base of over 50,000+ employees. Additionally, 2 minutes to the south, is the SW 74th /I-240 Corridor, which is the main thoroughfare for South OKC. The corridor offers 240 Penn Park Shopping Mall, as well as numerous national and local shopping and dining establishments.

SIGNIFICANT MARKET DRIVERS LESS THAN 10 MINUTES TO THE PROPERTIES:

- Integris Southwest Medical Center
- Amazon – 1 Million square foot site–completed in 2020
- Tinker Air Force Base – 10 minutes to the east
- Monroney Aeronautical Center
- Will Rogers World Airport – 10minutes to the southwest
- Oklahoma City Community College
- OKC Public Library – completed in2018
- Development of the Oklahoma River put OKC on the National Map (Refer to page 50 for details)
- 2010-2020 Downtown MAPS Program (Metropolitan Area Projects) ongoing growth injected $1.6 Billion dollars into the infrastructure since 2010

CURRENTLY UNDER CONSTRUCTION 2021: (5 MINUTES TO THE NORTH)

- Convention Center
- Omni Hotel
- Scissortail Park – 70 Acre urban oasis development
- OKC Street Car
- Walking Trails

ADDITIONAL NEW BUSINESS 2020-2021:
(5 MINUTES TO THE NORTH)

- OU Health Sciences/ Presbyterian Tower
- Heartland Payroll
- Omni Hotel
- Convention Center
- Amazon 1 million square foot site–completed in 2020

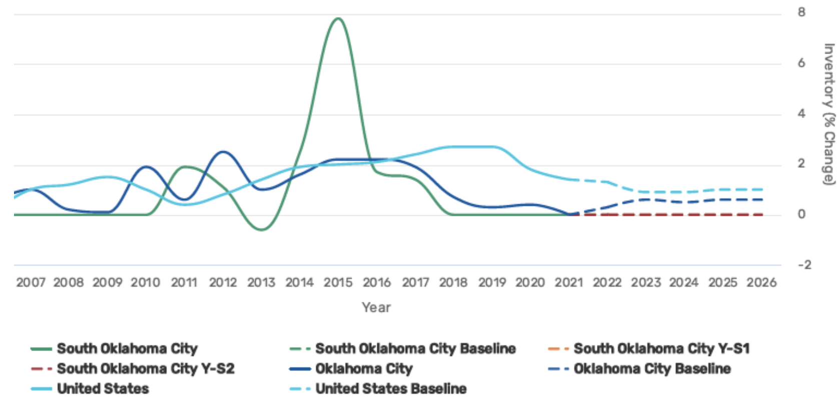
WHEELER DISTRICT:
(4 MINUTES TO THE NORTH)

- Mixed Commercial Development(150 Acre riverside tract) including Homes, retail to restaurants and offices
- Home to New Charter School with bilingual educational programs – opened 2020

SOUTH OKC APARTMENT OVERVIEW

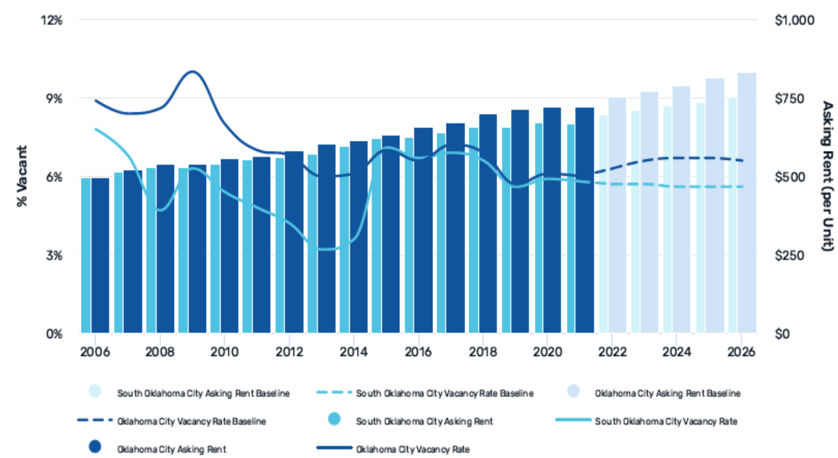
Submarket Overview

With 18,725 units, amounting to 20.1% of the total metro inventory, the South Oklahoma City/Downtown submarket is the largest of the eight geographic South Oklahoma City/Downtown submarkets identified by Reis's researchers. In the ten-year period beginning with Q2 2011, new additions to the submarket totaled 2,776 units, while 97 units were removed from the inventory of market rate rentals. The net total gain of 2,679 apartments amounts to an annualized inventory growth rate of 1.6%, exceeding the metro growth rate by 0.3 percentage points over the same period.



Asking and Effective Rents

During May, asking rents relinquished some of April's increase, declining by 0.2% to $671. Mean unit prices in the submarket are as follows: studios $510, one bedrooms $615, two bedrooms $717, and three bedrooms $848. Over the past twelve months, asking rents have climbed a total of 0.7%, up from $665. The submarket's May asking rent levels and growth rates compare unfavorably to the metro's averages of $724 and 0.1%. Effective rents, which exclude the value of concessions offered to prospective tenants, also declined by 0.2% during May. The identical rates of change suggest that, although rents drifted downward, landlords have avoided increasing the relative value of incentives packages used to attract new tenants. The submarket vacancy rate will finish both years at 5.7%. Between now and year-end 2021 asking rents are expected to rise 1.5% to a level of $681, while effective rents will advance by 2.2% to $648. On an annualized basis through 2022 and 2023, asking and effective rents are projected to increase by 2.1% and 2.3%, respectively, to finish 2023 at $710 and $678.



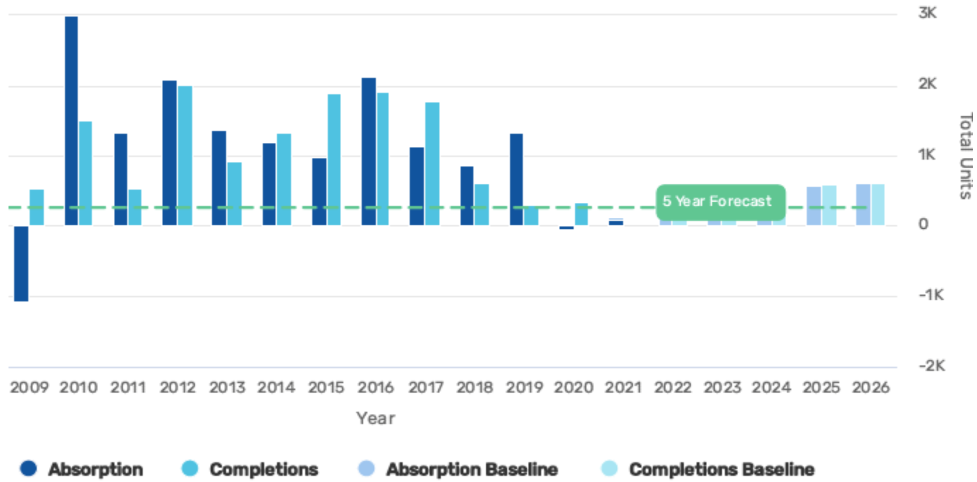
SOUTH OKC APARTMENT OVERVIEW

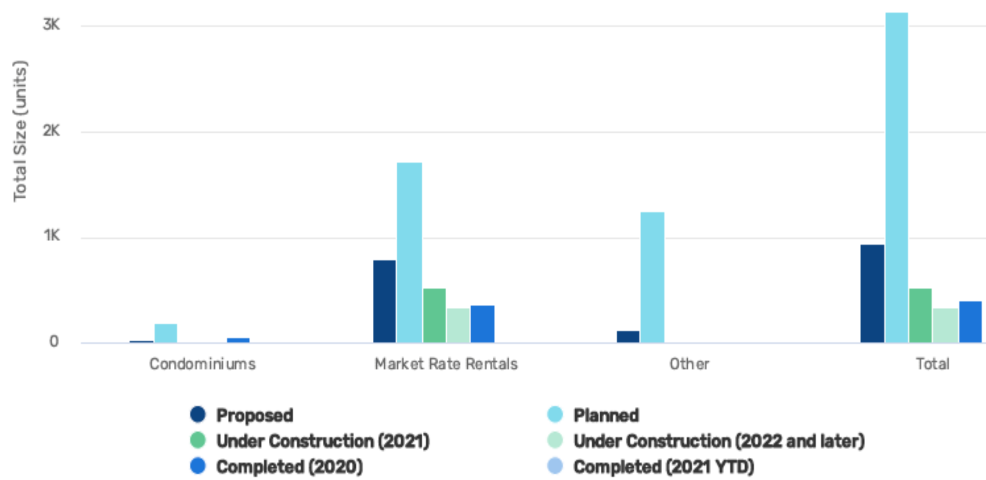
Competitive Inventory, Household Formations, Absorption

Net new household formations in South OKC/Downtown were 1,400 during the first quarter. Of course, not all newly formed households immediately become apartment renters, but an analysis of longer-term economic and demographic trends can be useful in understanding the current quarter's level of demand. Since the beginning of Q2 2011, household formations in the submarket have averaged 1.3% per year, representing the average annual addition of 7,100 households. Over the same time period, the metro posted an average annual absorption rate of 1,202 units. During May, the metro experienced absorption of 1 units, but absorption was flat in the submarket. Over the last 12 months, submarket absorption totaled negative 80 units; by comparison, the average annual absorption rate recorded since the beginning of Q2 2011 is 245 units. The submarket's average vacancy rate held steady at 5.8% during May, which is 0.3 percentage points higher than the long-term average, but 0.2 percentage points lower than the current metro average.

Outlook

Reis's new construction observation team reports that no competitive apartment stock will be introduced to the submarket through the end of 2023. Between now and year-end, net total absorption will be slightly positive. As a result, the vacancy rate will finish the year at its current level of 5.8%. During 2022 and 2023, no additional competitive stock is expected to be introduced to the submarket inventory. Net new household formations at the metro level during 2022 and 2023 are projected to average 1.3% annually, enough to facilitate an absorption rate averaging 145 units per year.





RENT COMPARABLE(S)

Competitive Position of the Property

The subject property has been analyzed against a competitive set of Class C rental properties in the South Oklahoma City submarket. The properties were all located in the submarket and were built between 1963 and 1975. The following analysis was performed to compare the unit floorplan rents (from the rent rolls) at Chula Vista and Villa Verde compared to the rent comparables. All the of rents are supported, or appear to be below-market considering the unit upgrades (Chula) or size (Villa Verde).

Studio

Property	Year Built	CoStar Rating	Unit Type	SF	Rent	Rent/SF
South Shore	1963	2-Star	Studio	395	$453	$1.15
Villa Verde	**1968**	**2-Star**	**Studio**	**470**	**$490**	**$1.04**
Timberwood	1974 (2004)	3-Star	Studio	515	$516	$1.00

2BR/1BA

Property	Year Built	CoStar Rating	Unit Type	SF	Rent	Rent/SF
South Shore	1963	2-Star	2BR/1BA	775	$654	$0.84
Villa Verde	**1968**	**2-Star**	**2BR/1BA**	**790**	**$700**	**$0.89**
Chula Vista	**1970**	**2-Star**	**2BR/1BA**	**825**	**$700**	**$0.85**
Windsong	1972	2-Star	2BR/1BA	825	$705	$0.85
Timberwood	1974 (2004)	3-Star	2BR/1BA	848	$673	$0.79
Remington	1975 (1998)	3-Star	2BR/1BA	848	$710	$0.84
Kentucky Pines	1971	2-Star	2BR/1BA	868	$699	$0.81
Ventura Green	1975	2-Star	2BR/1BA	900	$738	$0.82

1BR/1BA

Property	Year Built	CoStar Rating	Unit Type	SF	Rent	Rent/SF
South Shore	1963	2-Star	1BR/1BA	463	$553	$1.19
Chula Vista	**1970**	**2-Star**	**1BR/1BA**	**625**	**$600**	**$0.96**
Timberwood	1974 (2004)	3-Star	1BR/1BA	637	$577	$0.91
Ventura Green	1975	2-Star	1BR/1BA	650	$595	$0.92
Remington	1975 (1998)	3-Star	1BR/1BA	659	$615	$0.93
Kentucky Pines	1971	2-Star	1BR/1BA	686	$649	$0.95
Villa Verde	**1968**	**2-Star**	**1BR/1BA**	**690**	**$600**	**$0.87**
Windsong	1972	2-Star	1BR/1BA	710	$604	$0.85
Seminole Ridge	1970 (2009)	3-Star	1BR/1BA	750	$588	$0.78

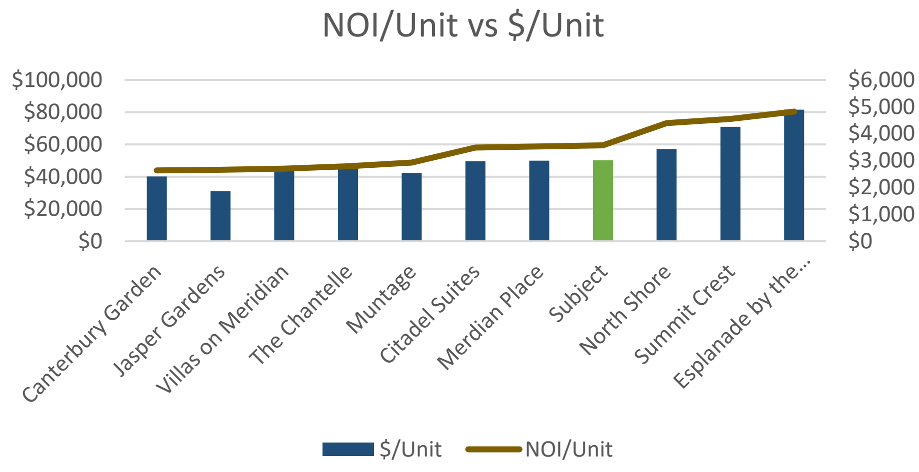
3BR/2BA

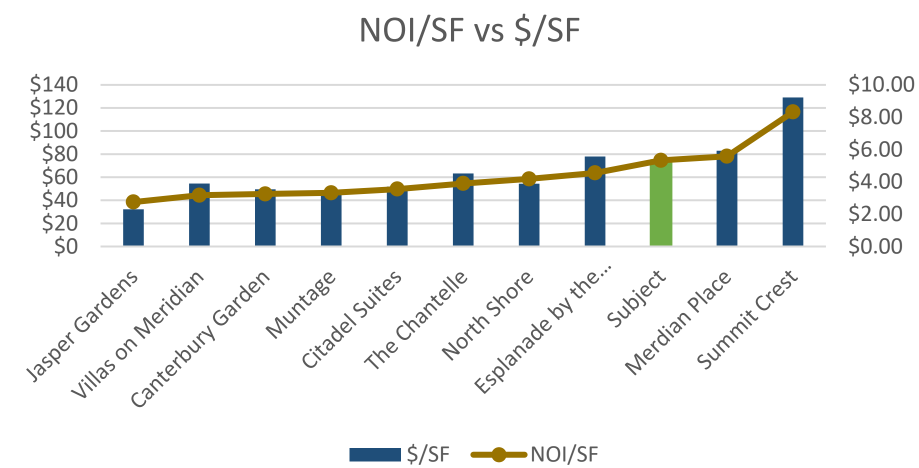
Property	Year Built	CoStar Rating	Unit Type	SF	Rent	Rent/SF
Remington	1975 (1998)	3-Star	3BR/2BA	1,100	$875	$0.80
Windsong	1972	2-Star	3BR/2BA	1,140	$822	$0.72
Villa Verde	**1968**	**2-Star**	**3BR/2BA**	**1,300**	**$815**	**$0.63**

COMPARABLE SALES

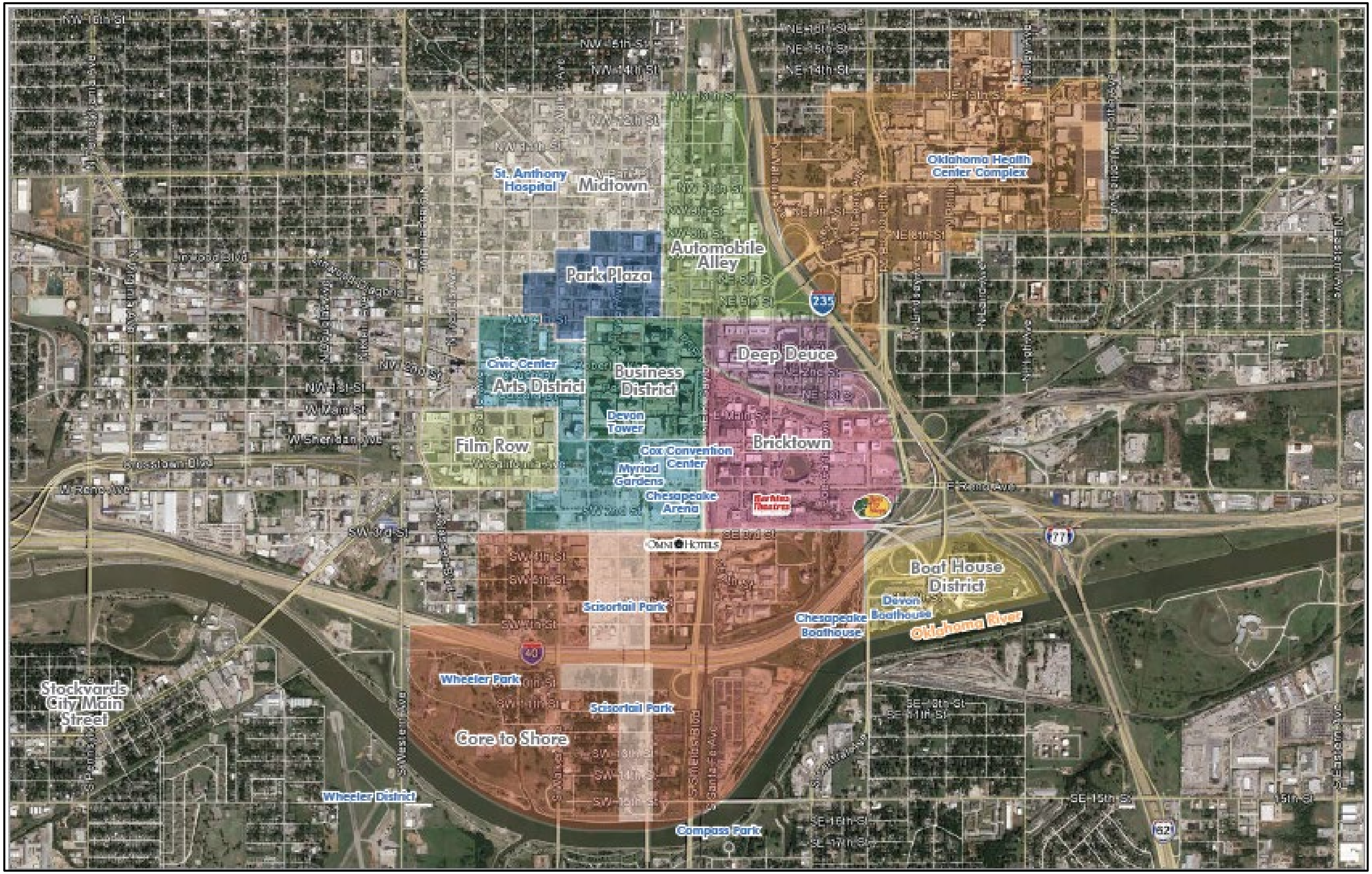
The current purchase prices for the properties are well supported by recent comparable sales given the NOI/Unit and NOI/SF.

	Property	Year Built	# of Units	% Leased	Sale Price	Sale Price Per unit
1	Canterbury Garden	1960	42	100%	$1.685M	$40.1K
2	Jasper Gardens	1970	103	78%	$3.668M	$35.6K
3	Villas on Meridian	1975	98	94%	$4.560M	$46.5K
4	The Chantelle	1970	71	96%	$3.213M	$45.3K
5	Muntage	1968	165	91%	$7M	$42.4K
6	Citadel Suites	1969	114	92%	$5.650M	$49.6K
7	Meridian Place	1982	69	96%	$3.450M	$50K
8	Subject	1960/ 1978	192	95%	$9.6M	$50K
9	North Shore	1974	126	90%	$7.2M	$57.1K
10	Summit Crest	1948	37	95%	$2.625M	$70.1K
11	Esplanade by the Lake	1970	136	96%	$11.82M	$86.9K

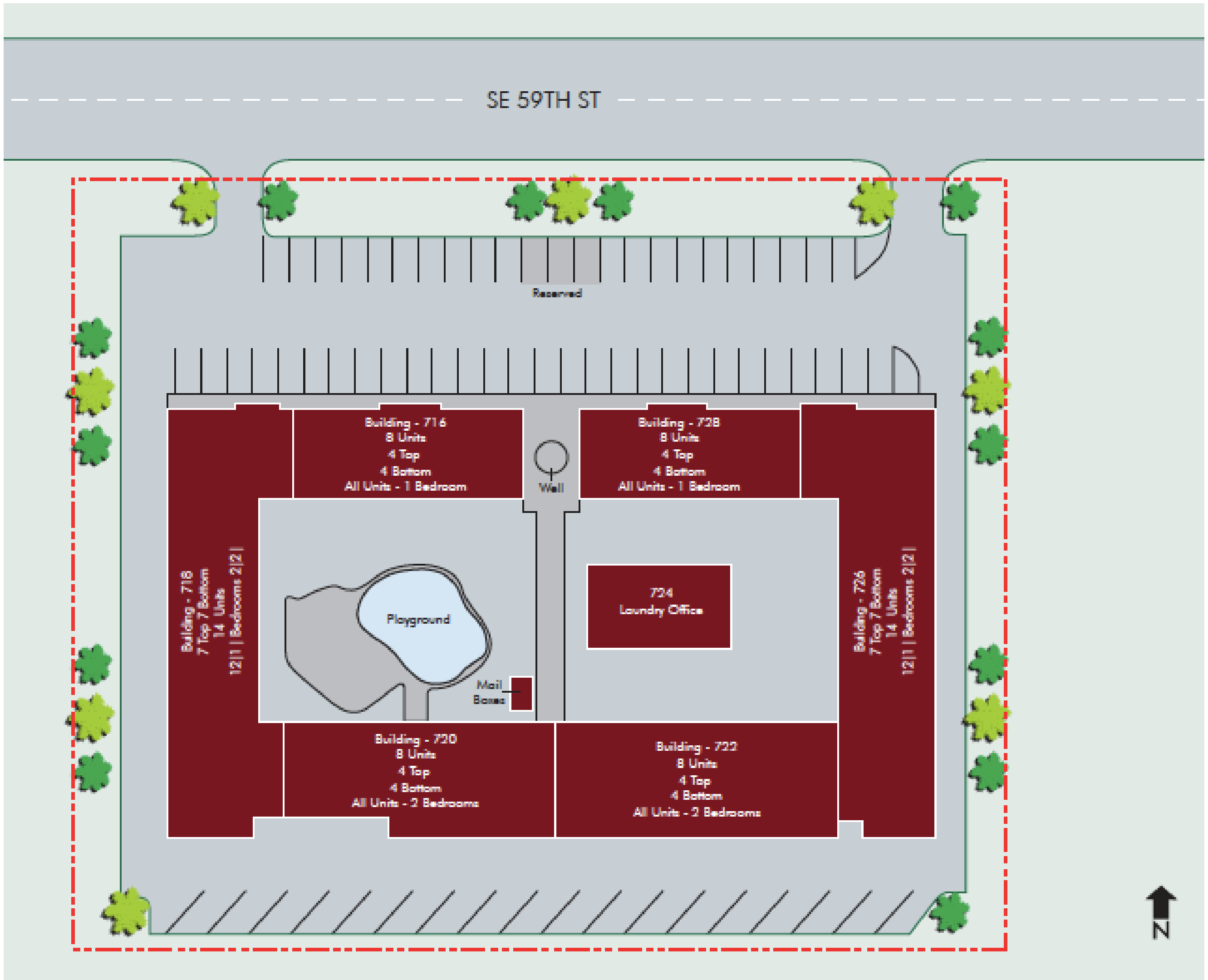




SOUTH OKC/DOWNTOWN - AERIAL MAP



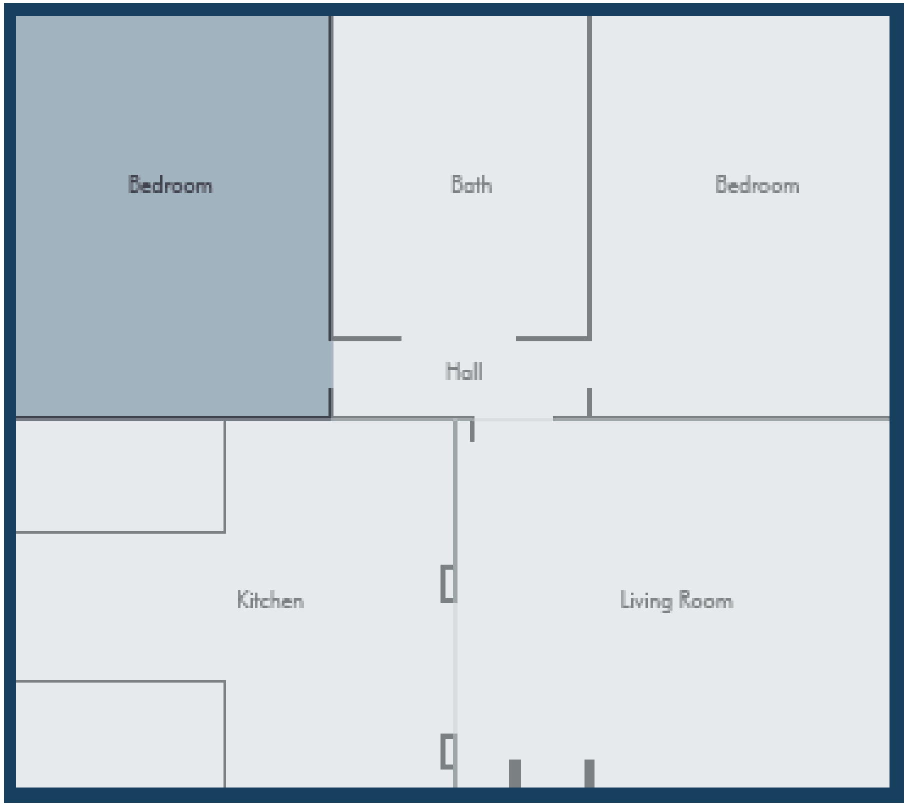
CHULA VISTA – SITE PLAN



CHULA VISTA – FLOOR PLAN

ONE BEDROOM - 625 SF

TWO BEDROOM - 825 SF



CHULA VISTA PHOTOS

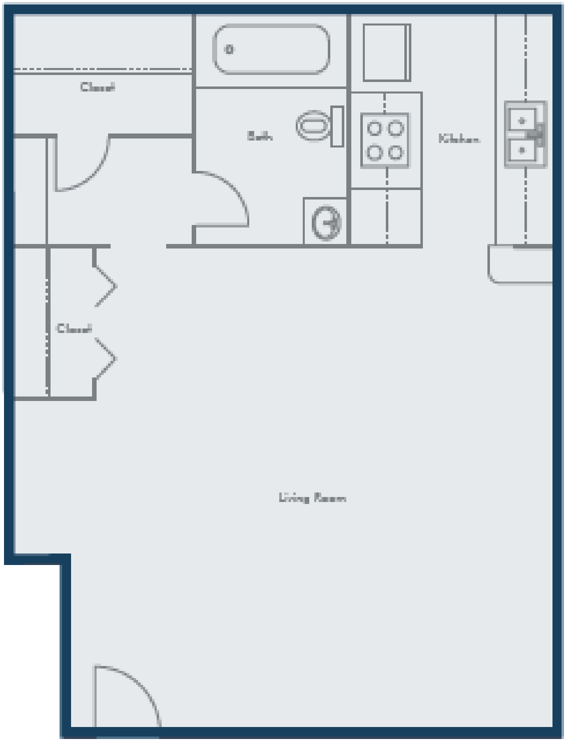




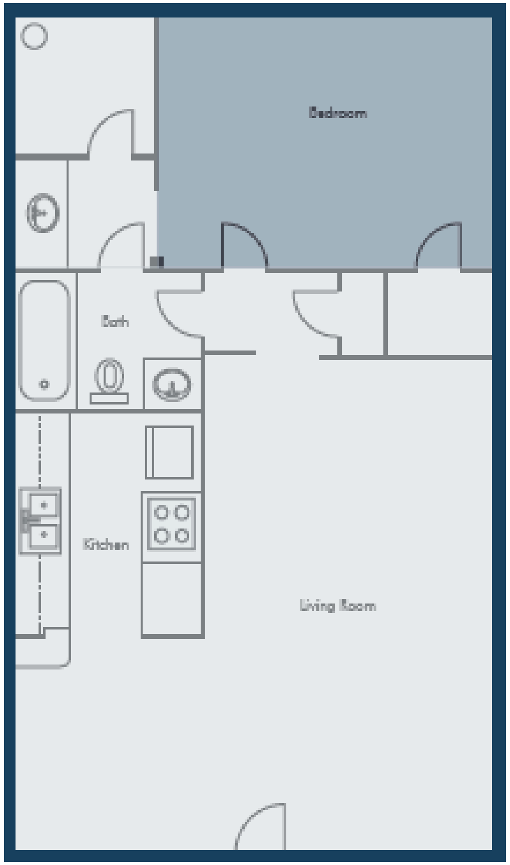



VILLA VERDE – SITE PLAN

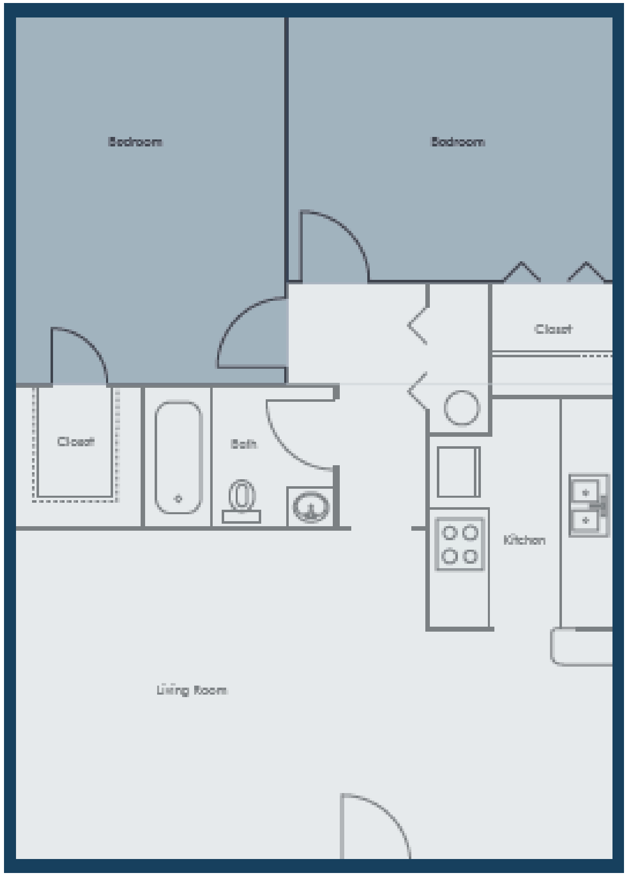
JR ONE BEDROOM - 470 SF



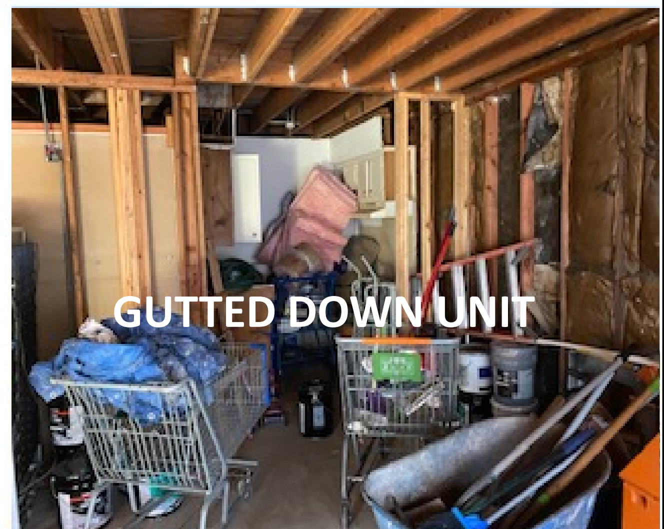
ONE BEDROOM - 690 SF



TWO BEDROOM - 780 SF



VILLA VERDE PHOTOS



SPONSOR PROFILE

Overview

The Sponsor is a privately held investment firm based in Salt Lake City, UT focused on acquiring and operating stable, income producing multifamily assets in solid and emerging U.S. markets. GreenLight's mission is to improve communities and expand well-being for investors and residents through progressive solutions in multi-family investing. They target high-yield cash flow and long-term capital appreciation through strategic acquisition and superior asset management. GreenLight and its principals has bought, sold and managed over 1575 units, valued at over $179 million. With over 50 years of real estate combined experience, GreenLight is capitalizing on opportunities created by market conditions to own stabilized multi-family properties in premier locations. GreenLight targets properties that generate strong ongoing cashflow income as well as long term wealth potential. GreenLight's success and reputation has been built on ethics, passion, attention to detail, conservative underwriting, responsibility, and our belief that trust starts and ends with honesty and integrity.

Strategy

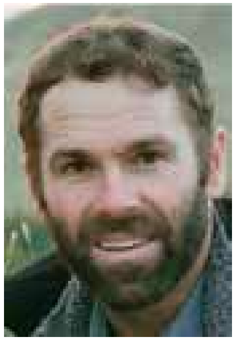
While the market has come back strongly since the Great Recession, GreenLight's strict investment criteria along with the current economic environment presents a unique and continued opportunity to acquire quality multifamily assets in prime locations at prices which are conservatively underwritten with exciting yet realistic growth and appreciation expectations. GreenLight expects these opportunities to increase in the coming years as climbing interest rates and changing market conditions will force some properties on the market at lower prices.

The recent economic and health crises are creating new opportunities in the market as well as owners of distressed assets are trading at an increasing rate. GreenLight's strategy is to smartly and patiently acquire, manage and operate stabilized multifamily assets that generate high yield cash flows and have a value-add component. GreenLight targets strong employment centers with growth and stability trends that better the national averages. GreenLight aims to position themselves and their partners to seize the opportunity to acquire value add properties in any market condition achieving strong, long-term cash flow as well as upside potential and appreciation.

SPONSOR PROFILE

Tate Siemer, Managing Partner/CEO, is the visionary behind Greenlight Equity Group. Tate's passion is improving (value-adding) high-density, multi-family developments and existing apartment buildings in such a way that maximizes value of communities in order to provide solid, consistent returns to investors and well-being to residents. Tate's real estate roots extend back 15 years to when he bought his first multi-family property-a 110-year-old duplex in South Salt Lake City. He has since been a been a principal in over 40 transactions, and an agent in over 40 investor transactions. He has a vision for sleek, clean, and modern remodel design elements which nicely allows for powerful re-branding and repositioning. Tate works with sellers, wholesalers, lenders, money partners, contractors, and many other contacts to coordinate a robust set of industry relationships. He hosts “The Apartment Guys Podcast” and serves on the Executive Board of the Utah Real Estate Investor Association.

Carl York, Managing Partner/Asset Manager, brings a wealth of project/asset management to our team. While supervising all aspects of construction and remodeling for Olympus Development for the last 8 years, Carl has developed a robust skill set and network of resources that ensures successful execution of the assets target objectives. Carl began investing in real estate in 1998, buying multiple properties in a single development. He now has an impressive personal portfolio that produces passive cash ow and has enjoyed significant appreciation. Carl also specializes in pooling capital and working with investors to create profitable partnerships for both short- and long-term wealth growth. He has a passion for finding and maximizing value-add opportunities where the asset can be repositioned in the market to produce highest and best value.



Tim Watcke, Partner/Construction Management, is a professional real estate investor, broker and general contractor residing in Salt Lake City, Utah. Tim brings high-level construction and development experience to the team. He and his companies own and operate a 406 unit, 440,000 square feet commercial and residential real estate portfolio valued at over $90,000,000. With over 26 years’ experience, Tim specializes in buying, selling, leasing, construction and value add renovations. Tim has personally purchased and sold over 400 properties. He and his companies excel in the acquisition and development of multifamily apartments and mixed use projects. He recently finished a brand new 86 unit apartment building and has 30 new apartment units and 10,000 sf of retail space currently under construction along with another 35 units under remodel in Salt Lake City.

GREENLIGHT TRACK RECORD

The Landings Apartments
Clearview, UT
20 Units, Class C
Purchase date: 8/2020
Purchase price: $2,225,000
Business Plan: Spent roughly $750K on Capex. Project is nearing completion, and sale is expected within 6 months.
Projected 70% IRR when complete within 18 months start to finish.

Pine Bridge Apartments
Mansfield, OH
179 Units, Class C+
Purchase Date - 3/2021
Purchase Price - $9.5M
Business Plan: $647K Capex budget - Unit-by- unit turnover remodels in progress – 12 units to date. Patio/concrete repairs, new roofs, all to be completed. Common area remodel completed.
3-year hold – expected project level IRR – 27%

The Heights on Cleveland Avenue
Columbus, OH
70 units, Class C
Purchased: 3/2021
Purchase Price: $2.915M
Business Plan: $900K Capex Budget - Unit-by-unit turnover remodels in progress. Roofing repairs complete, common area remodels complete.
3-year hold – expected project level IRR – 41%

Mariposa Apartments
Oklahoma City, OK
51 Units, Class C
Purchase Date: 8/2021
Purchase Price: $2.3M
Business Plan: $450K Capex Budget – unit by unit remodels and common area.
5-year hold – expected project level IRR – 40%

PROPERTY MANAGEMENT

The Sponsor has selected Avenue Property Management ("Avenue") to property manage the portfolio as well as perform various construction management functions. Avenue is based in Denver, Colorado and has a strong presence throughout the front range of Colorado, Oklahoma, and is growing nationally. The Avenue team specializes in managing apartment complexes of any class and size. They specialize in single-family homes, office buildings, industrial, retail & shopping centers, and apartment property management. Also, Avenue Property Management focuses on leasing, marketing, maintenance, and resident resources efforts.

Avenue via its parent company, currently owns and manages a competitive property to Chula Vista and Villa Verde, Kentucky Pines Apartments. The Sponsor and Avenue have agreed on a shared staffing plan which will reduce payroll costs at each property.