



STARPOINT PROPERTIES®

EXCELLENCE IN REAL ESTATE

# Qualified Opportunity Zone Funds

# A Vertically Integrated Real Estate Investment & Operating Company

Track Record

**25+ Year**

Track Record

**\$1.5Bn+**

Real Estate Transactions Since Inception

**~25%**

Weighted Average IRR Over 25 Years

**~95%**

Client Rate of Reinvestment

Expertise

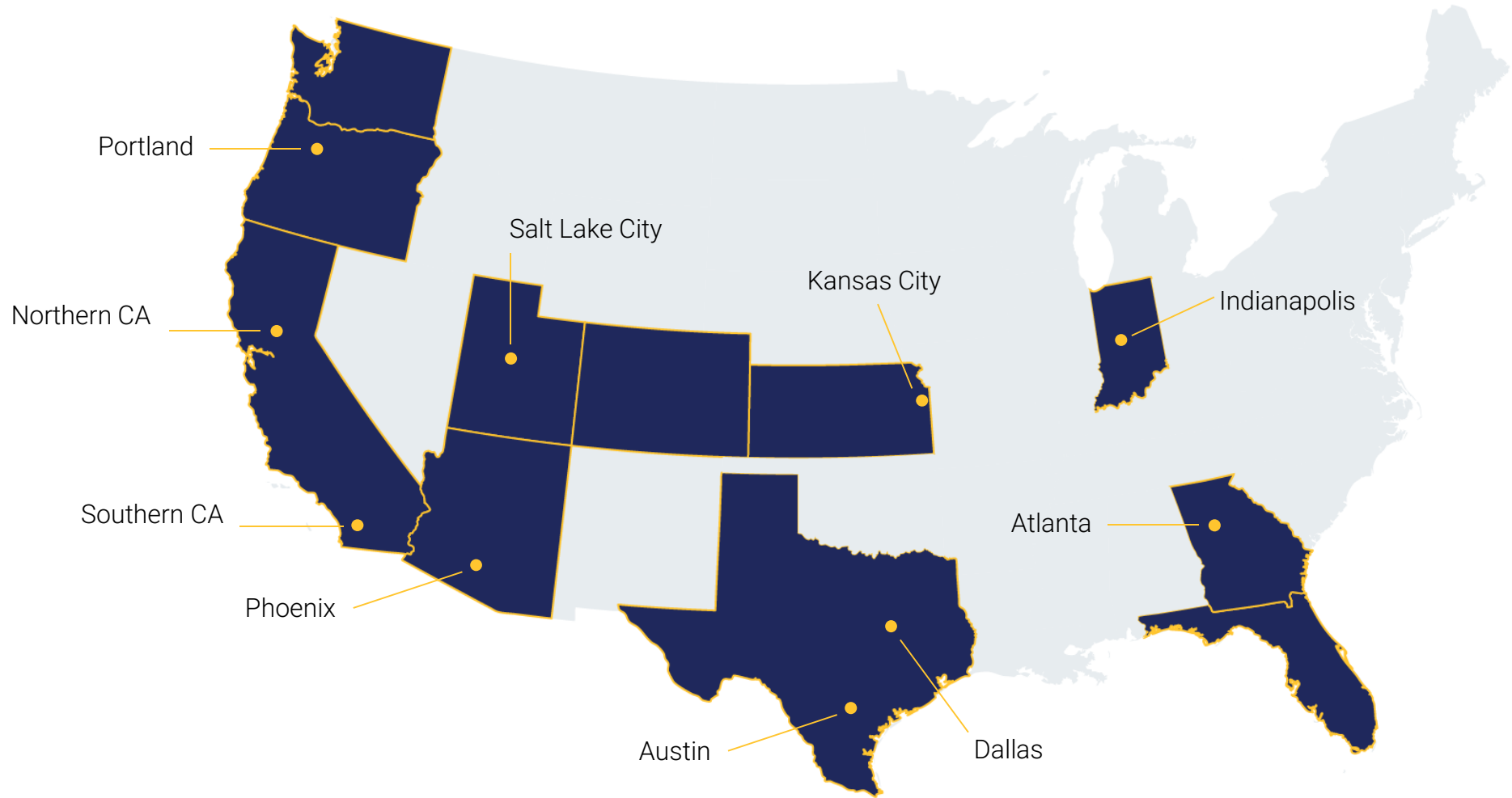
**Acquisitions**

**Property Management**

**Investment Management**

**Development**

# Starpoint At A Glance



**\$1Bn+**

Assets Under Management

**30**

Properties in Current Portfolio

**61**

Real Estate Professionals

# Seasoned Management Team



**Paul Daneshrad**  
Founder & CEO



**Gregory Jones**  
CFO



**Michael Treiman**  
General Counsel



**Sandy Schmid**  
SVP Acquisitions &  
Development



**Neil Sherlock**  
VP Capital Markets



**Greg James**  
Sr. Associate, Acquisitions &  
Capital Markets

# Built To Consistently Execute At A High Level, Control Risk, & Deliver Results

## Disciplined Acquisitions Strategy



## Robust Operations



## Proprietary Systems & Processes



## Established Network



*Reliable And Repeatable Process That Consistently Delivers Superior Returns To Investors*

## Starpoint Opportunity Zone Acquisition Pipeline

Phase	Volume (\$)	Percent (%)
PSA	\$14,368,000	0.5%
LOI	\$33,420,000	1.1%
UW	\$55,380,000	1.8%
Tracking	\$65,837,500	2.2%
Passed	\$2,878,390,798	94.5%
<b>TOTAL</b>	<b>\$3,047,396,298</b>	<b>100.0%</b>

# Acquisition Pipeline

## Highly Selective

Starpoint maintains a robust and ever-growing pipeline of attractive acquisition targets located in Qualified Opportunity Zones. Since the beginning of 2020, the Company has evaluated **approximately \$3 billion** worth of OZ opportunities, selectively only acquiring the best assets.

# Opportunity Zone Program Overview

## Eligible Gains



Sale of Stock



Sale of Business



Sale of Real Estate

## Deferral Reduction Elimination



Deferral of Capital Gains Taxes Until 2026



10% Reduction of Capital Gains Taxes



No Federal Taxes on Fund Profit After 10 Years

# QOZ Program Example

**~72%**  
**increase in  
after-tax returns**

	Non-OZ Investment	OZ Investment
<b>Original Capital Gain</b> From sale of prior investment	\$1,000,000	\$1,000,000
<b>Tax Rate</b>	30%	30%
<b>-</b>		
<b>Tax on Original Capital Gain</b>	(\$300,000)	Deferred
<b>=</b>		
<b>Investable Amount</b>	\$700,000	\$1,000,000
<b>X</b>		
<b>Compound Hypothetical Annual Return</b> From sale of prior investment	15%	15%
<b>=</b>		
<b>Appreciation</b> Over 10 Years	\$2,131,890	\$3,045,558
<b>-</b>		
<b>Tax On Appreciation</b> After 10 years	(\$639,567)	\$0
<b>-</b>		
<b>Long Term Capital Gains Taxes Paid in 2027</b> On original capital gain	\$0	(\$270,000) 30% of \$900K basis stepped up 10%
<b>=</b>		
<b>Final Value</b> After 10 years, net of taxes paid	\$2,192,323	\$3,775,558



# Introducing the Starpoint QOZ Funds

*Designed to take advantage of the favorable tax benefits offered by the QOZ program while also offering investors an opportunity to partner with a fully-integrated real estate investment and operating company that touts an exceptional 25+ year track record of success.*

**\$25M - \$75M**

Target Deal Size

**Multifamily & Industrial**

Primary Target Sectors

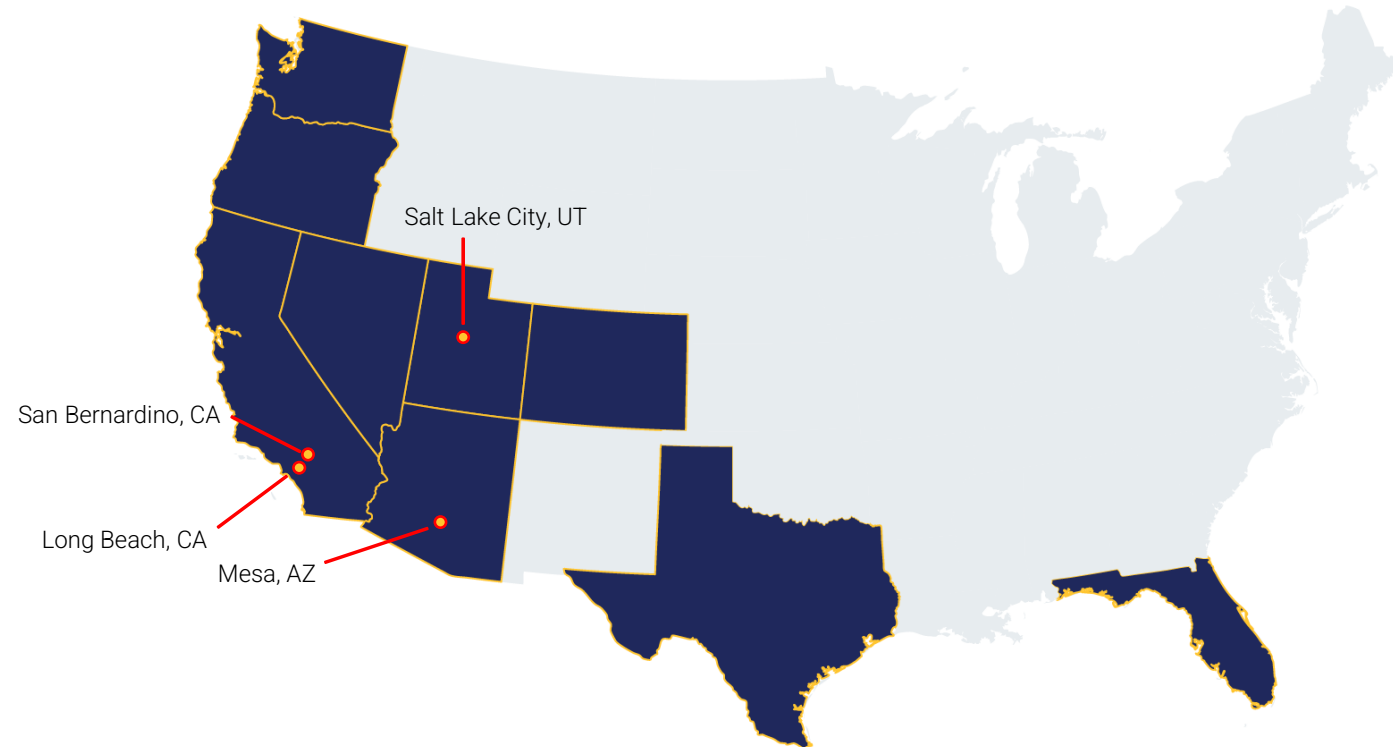
**Tier 1 Markets**

Locations

**\$100 Million**

Target Equity Raise

## Seed Assets & Target Markets



# Investment Strategy

## Experience

The Starpoint Opportunity Zone Funds adhere to Starpoint's traditionally high standards in order to first prioritize acquiring highly attractive real estate assets.

## Build-to-Core

The Funds primarily utilize a build-to-core strategy with a particular emphasis on developing and/or redeveloping **multifamily** and specific types of **industrial** properties.

## Market Opportunity

Starpoint believes that the current economic environment is primed for a massive rebound and that these asset classes in the right markets offer a compelling long-term risk-adjusted return profile.





# Other Requirements and Considerations

---

Target infill locations with high barriers to entry and located near major populations with anchor business / transportation infrastructure (i.e., ports, major thoroughfares, rail)

Access to additional potential value drivers including, but not limited to tax abatements, grants, and other subsidies



# Dobson Station Mesa, AZ

**245 unit 4-story garden style multifamily community on 6.1-acre site**

## Market

Phoenix continues to be one of the fastest growing cities in the United States, experiencing the largest net inflow of new residents in 2020.

## Demand

Rents have grown in this multifamily market by a CAGR of 5.5% over past 5 years. Rent rates currently at a discount to surrounding areas and average household spend of 15 – 20% of income on housing offers considerable upside.

## Location

Infill location with revitalization activity and high traffic count intersection. Property is walking distance to light rail into downtown Tempe and located less than 2 miles from the 101, 202 and 60 highways, providing direct access to greater Phoenix and MSA.

## Tax Incentive

Will benefit from GPLET (tax abatement) agreement with the City of Mesa for 8 years after construction.

**OWNED**

**Market** Phoenix

**Submarket** Mesa

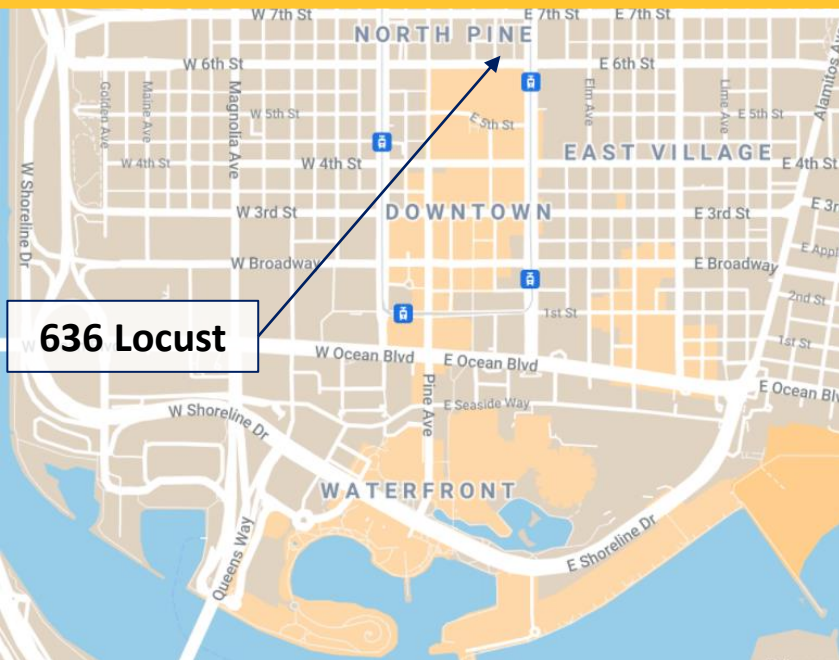
**Units** 245

**Equity** \$21.3M

**Total Deal** \$60.8M

**10-Yr IRR** 20.1%

**10-Yr EM** 4.2x



# Locust Avenue Long Beach, CA

**Mixed-use multifamily and retail development at the intersection of Locust Avenue and E. 7th Street**

## Market

High barrier to entry submarket combining urban living and coastal California setting. Substantial investment in revitalizing downtown Long Beach area in preparation for 2028 Summer Olympics.

## Demand

Strong demand for multifamily with markets rents increasing at ~3.6% CAGR over 5-year period ending in 2019 along with ~96%+ occupancy during same period. Over the past 10 years, Long Beach maintained an average occupancy of over 94% in the retail sector with retail market rents increasing ~7% YoY prior to the pandemic.

## Location

Irreplaceable location ideally situated at signaled intersection boasting daily traffic count of over 17,000 and proximate access to surrounding retail, hospitality and residential amenities. Walking distance to metro rail and anchor job centers in LA, OC, and Silicon Beach.

**OWNED**

Market Los Angeles

Submarket Long Beach

Units 108

Retail 1.2K SF

Equity \$16.0M

Total Deal \$45.6M

10-Yr IRR 18.8%

10-Yr EM 4.0x

# Germann & Hawes Mesa, AZ

**UNDER CONTRACT**



**468K square foot distribution warehouse on a 34-acre industrial development**

## Market

Greater Phoenix is increasingly becoming known as a manufacturing hub filled with industry leaders such as Intel, Boeing, Honeywell, Benchmark Electronics and Amazon. Workforce availability continues to increase as Phoenix MSA employment is forecasted to grow by almost 13% over the next 5 years, 44% higher than the US as a whole.

## Demand

Record high lease rates across all Phoenix submarkets indicate strong demand for industrial space in the region. Rents have grown by an average annual rate of 5.1% over the past 10 years, with industrial deliveries reaching a historical high in 2020. Current weighted average industrial occupancy is 91%.

## Location

The site is adjacent to Phoenix-Mesa Gateway Airport and near ASU's Polytechnic campus, and is a short drive from several major freeways.

## Strong Pre-Leasing Activity

Recent projects of similar sizes around the Mesa Gateway Airport have delivered 80-90% pre-leased.

Market Phoenix

Submarket Mesa

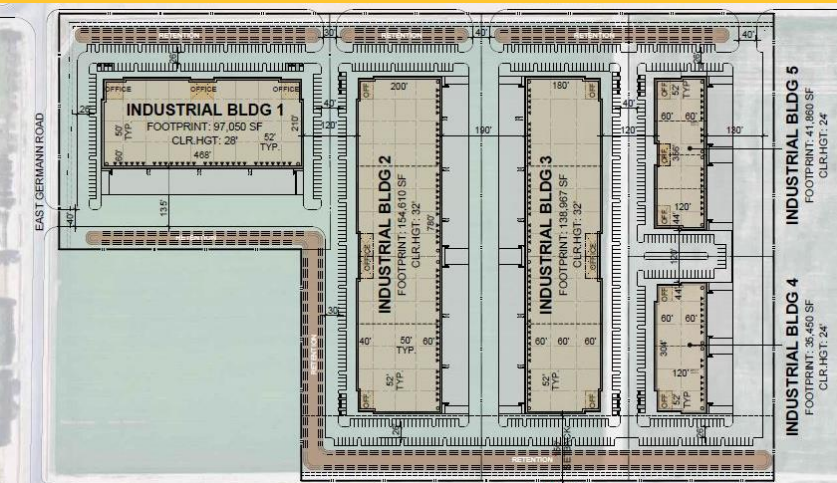
Office 28K SF

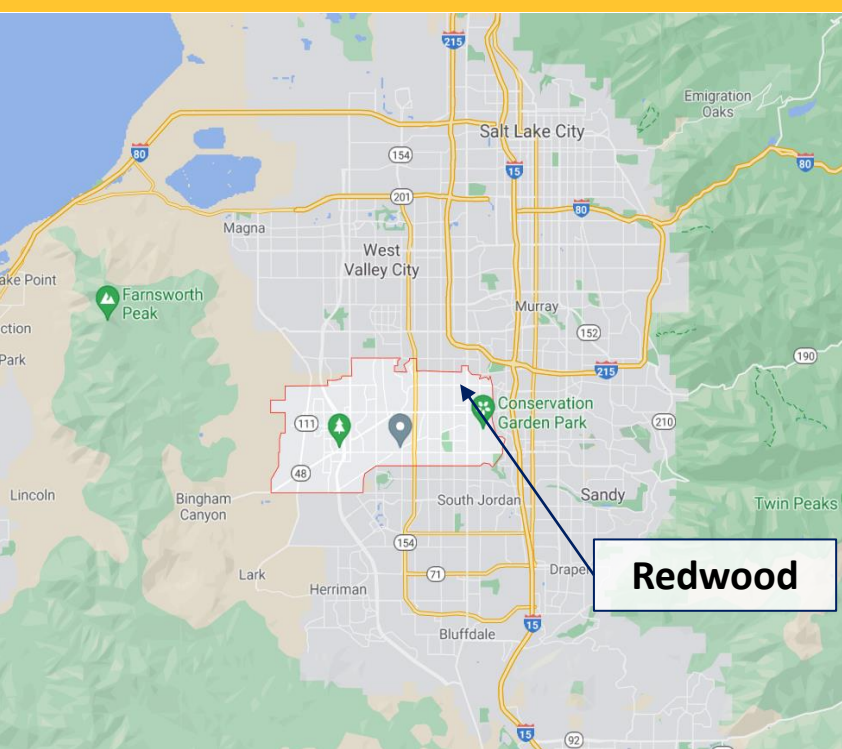
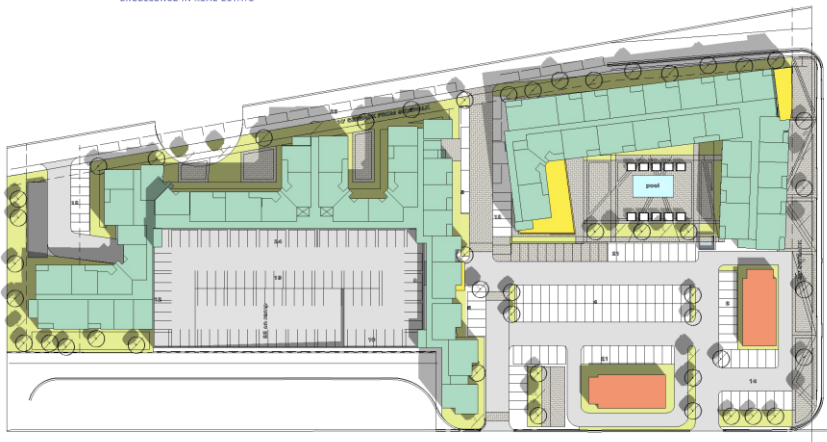
Industrial 440K SF

Equity \$26.5M

Total Deal \$66.2M

*Returns Available Upon Request*





# Redwood West Jordan, UT

**170 unit 4-story garden style multifamily community on 4.2-acre site**

## Market

Rapidly growing suburb of Salt Lake City and another high barrier to entry submarket. Strong fundamentals with ~95% Occupancy in Q1 2021 and ~3.6% YoY increase in rents.

## Demand

Strong demographics with median household income of ~\$99k per annum. The planned 280 market-rate units designed to address housing shortage and provide a highly sought-after alternative to high-priced rents in Salt Lake City's Central Business District.

## Location

The property is located about 10 miles from Salt Lake City, giving residents access to a major employment hub at a lower cost of living.

## Strong Government Support for Development Activity

With favorable proximity to infrastructure and business-friendly environment, the Economic Development Department has been positioning the area to be at the forefront of the next wave of business growth in the Salt Lake Valley.

**UNDER CONTRACT**

<b>Market</b>	Salt Lake City
<b>Submarket</b>	West Jordan
<b>Units</b>	170
<b>Equity</b>	\$15.4M
<b>Total Deal</b>	\$43.9M
<b>Returns Available Upon Request</b>	

# 6th Street San Bernardino, CA



**180K square foot distribution warehouse on a 9.8-acre industrial development**

## Market

Inland Empire is currently ~2.9% vacant and remains the most sought-after warehouse/distribution markets in the United States. Southern California is the strongest industrial market in the United States.

## Demand

Inland Empire supply and demand imbalance has resulted in average annual rent growth of ~8% per annum over past 10 years. Continued high demand for warehouse and distribution space has yielded the lowest vacancy and highest rental rate of comparable distribution hubs.

## Location

Last Mile/E-Commerce location is ideal with strong regional transportation links and proximity to large populations. Strategic central distribution location with access to major freeways, logistical airport hubs and ports commands rent premiums.

## Massive Investment in Rail Infrastructure

BNSF has invested more than \$53 billion since 2000 to maintain and expand its railroad, which plays a key role in connecting the Inland Empire with ports of Southern California and the rest of the nation.

**CLOSED**

<b>Market</b>	Inland Empire
<b>Submarket</b>	San Bernardino
<b>Office</b>	5K SF
<b>Industrial</b>	174K SF
<b>Equity</b>	\$10.3M
<b>Total Deal</b>	\$29.5M
<b>3-Yr IRR</b>	35.7%
<b>3-Yr EM</b>	2.4x
<b>10-Yr IRR</b>	17.1%
<b>10-Yr EM</b>	4.0x





# Investor Benefits

---

## **Sponsor Alignment of Interest**

In an effort to align our interests and to further demonstrate our confidence in the assets, Starpoint will co-invest alongside its investors.

## **Lowering Risk: Fully Entitled**

As an added benefit to investors, Starpoint typically holds the land on its own balance sheet until it is fully entitled and ready to proceed to construction. Starpoint primarily works with top-ranked, national commercial construction firms, thereby substantially reducing development risk.

## **Transparent Reporting**

Starpoint has partnered with Juniper Square to ensure that investors can easily access and track the performance of their investments.

## **Active Management**

Leveraging decades of experience, Starpoint will manage the lifecycle of each deal from inception to stabilization. Starpoint will also strategically recycle assets to unlock liquidity and generate outsized returns.



**Call  
us at**

**310.247.0550**



**Email  
us at**

**ir@starpointproperties.com**



**Please  
visit us**

**www.starpointproperties.com**



**STARPOINT PROPERTIES®**

EXCELLENCE IN REAL ESTATE



# Disclaimer

---

*The information discussed herein is for informational purposes only, and is not intended to provide, and should not be relied on, for investment, tax, legal or accounting advice. The contents of this presentation are not provided with regard to your specific investment objectives, financial situation, tax exposure or particular needs. Nothing presented should be used as the basis for making any specific investment, business or commercial decision. You should consult your personal tax, legal and accounting advisors before engaging in any transaction. You should carefully read the final offering memorandum, limited liability company agreement and/or other supplemental and controlling documents before making an investment decision regarding any security. Investments, including interests in real estate and private equity funds, are subject to investment, tax, regulatory, market, macro-economic and other risks, including loss of the principal amount invested. Past performance as well as any projection or forecast used or discussed in this presentation are not indicative of future or likely performance of any investment product. Statements may be forward looking, and such statements necessarily involve known and unknown risks and uncertainties that may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such statements. To the extent provided, target returns are presented in order to help prospective investors understand the applicable investment strategy in comparison to other investment strategies. Targeted investment characteristics and return profiles are for informational purposes only, are not indicative of future results, and are not guarantees. There can be no assurance that any investment will have these characteristics or terms, that targeted returns will be met, or that investor capital will not be lost. While Starpoint believes the information presented herein is reasonable under current circumstances, actual realized returns for any investment will depend on a variety of factors, all of which may differ from the assumptions on which any projections contained herein are based.*

*The contents herein are subject to change and may be modified, deleted or replaced at any time in Starpoint's sole discretion. Starpoint assumes no responsibility for, nor makes any representations, endorsements, or warranties whatsoever in relation to the timeliness, accuracy and completeness of any content contained in the presentation. This material is provided to you "as is" and "as available" without warranty of any kind either express or implied. The provision of any services or products provided by Starpoint Properties, LLC or any of its affiliates is expressly subject to the particular terms and conditions contained in separate written agreements between you and Starpoint or such affiliate, as applicable. Starpoint will not provide any individualized advice or consulting unless agreed to by a separate written agreement. The contents of this presentation are provided to you on a confidential basis. You should only disclose the contents of this presentation to your advisors on a need-to-know basis. All right, title and interest in and to the information contained in this presentation is the sole and exclusive property of Starpoint Properties, LLC.*