



THE CARLYSLE

21-story mixed-use residential and office development
located in downtown San Jose, California

A Qualified Opportunity Zone ("QOZ") Investment



ACQUITY
REALTY, INC.

CARLYSLE STREET PARTNERS LLC

a California limited partnership

Total Membership Interests not to exceed \$37,500,000

Minimum Investment: \$100,000

Subject to Modification by Sponsor

This investment involves significant risks, described in detail herein and in the subscription agreement and other investment documents. Prospective purchasers of units should read this memorandum and all other investment documentation in their entirety.

The sale of membership interests covered by this investment has not been registered with the securities and exchange commission under the Securities Act of 1933, as amended (the "Act"), in reliance upon the exemptions from such registration requirements provided for under section 4(2) of the Act, and Regulation D thereunder relating to certain limited or private offerings. These limited liability company membership interests cannot be resold without registration under the Act or pursuant to an exemption therefrom.

The sale of these units has not been qualified with the California commissioner of corporations under the California Corporate Securities Law of 1968, as amended (the "Law"), in reliance upon the exemption from such qualification requirements provided for under section 25102(f) of the Law and the rules of the commissioner thereunder relating to limited offerings.

Accordingly, these units are being offered solely to certain qualified investors, and this memorandum does not constitute an offer to sell or a solicitation of any offer to buy with respect to any other person. The information contained herein is deemed to be confidential, has not been publicly released, and is disclosed solely for the purpose of evaluating the units offered to qualified investors.

This memorandum does not constitute an offer or solicitation to any person except those particular persons to whom a copy of this memorandum has been personally delivered by the manager and who satisfy the suitability standards described herein.

There is no market for units and none is expected to develop in the future. The fact that the price of the units may fluctuate does not imply a public market or an accurate valuation of the units. Substantial compensation will be paid to the manager, which has not been determined by arms-length negotiation. The manager is also subject to certain conflicts of interest. (See "The Offering.")

This memorandum summarizes various documents and other information. Those summaries are qualified in their entirety by reference to the documents and information to which they relate.

No person has been authorized in connection with this offering to give any information or to make any representations other than those contained in this memorandum, and any such information or representations should not be relied upon. Any prospective purchaser of units who receives any such information or representations should contact the manager immediately to check its accuracy. Neither the delivery of this memorandum nor any sales hereunder shall under any circumstances create an implication that there has been no change in the affairs of the company since the date hereof.

Prospective purchasers should not regard the contents of this memorandum or any other communication from the company as a substitute for careful and independent tax and financial planning. Each potential investor is encouraged to consult with his or her own independent legal counsel, accountant and other professional with respect to the legal and tax aspects of this investment and with specific reference to his or her own tax situation, prior to subscribing to a membership interest in the company.

These securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act of 1933, as amended, and the applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time.

The Securities Act of 1933 and the securities laws of certain jurisdictions grant purchasers of securities sold in violation of the registration or qualification provisions of such laws the right to rescind their purchase of such securities and to receive back their consideration paid. The manager believes that the offering described in this memorandum is not required to be registered or qualified. Many of these laws granting the right of rescission also provide that suits for such violations must be brought within a specified time, usually one year from discovery of facts constituting such violation. Should any investor institute such an action on the theory that the offering conducted as described herein was required to be registered or qualified, the manager will contend that the contents of this memorandum constituted notice of the facts constituting such violation.

Certain information contained in this memorandum constitutes "forward-looking statements." Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. For example, forward-looking statements may predict future economic performance, describe plans and objectives of management for future investments, returns and operations and make projections of revenue, investment returns or other financial items. A prospective investor can generally identify forward-looking terminology as statements containing words such as "may," "will," "should," "expect," "anticipate," "assume," "estimate," "project," "intend," "contemplate," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology. Such forward-looking statements are inherently uncertain because the matters they describe are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond the control of the partnership. Due to various risks and uncertainties, including those set forth under the caption "Risk Factors" and "Conflicts of Interest," actual events or results or the actual performance of the company may differ materially from those reflected or contemplated in such forward-looking statements, and a prospective investor should consider the important factors listed herein as he, she or it reads this memorandum and considers an investment in the interests.





ACQUITY
REALTY



49.95%
IRR

3.91X
EM

Sponsor Overview

Acquity Realty, Inc. ("Acquity") is a leading real estate investment manager, generating long-term wealth for its investors through a focused investment strategy focusing exclusively on Northern California/Silicon Valley. Acquity's portfolio IRR is 49.95% with a portfolio Equity Multiple average of 3.91X. The partners of Acquity have over 100 years of combined real estate experience with CBRE, Opus West, ES Ring Management, Prometheus Development, Avalon Bay, the Koll Company and Insight Realty. The firm has over 30 years experience dedicated to the redevelopment of San Jose and Silicon Valley's submarkets.

See Acquity Realty's Portfolio Performance details [Click HERE](#)

The firm's primary focus is on multi family and office and urban core mixed use developments and has amassed a pipeline of new development opportunities that all fit one of our three (3) value creation models:

Add value repositioning of existing buildings

Adaptive re-use of obsolete structures or improperly zoned parcels

Entitlements and ground up redevelopment - Partnering with Silicon Valley land owners and entitling and creating the highest value for their undeveloped land or under utilized properties - office and multi family focus



OFFICE



APARTMENT



VALUE ADD



Project Experience

Acquity's team experiences includes:

Managed more than 55,000 apartments for a \$2B family office in California

Design and operations consultant on numerous mixed use projects including Federal Realty Trust's Santana Row, one of the most successful mixed use project concepts in the United States

Past President of California Apartment Association

25+ years in the San Jose submarket including the land purchase, entitlements, development and leasing of 225 West Santa Clara Street, San Jose's premier class A office building. This 340,000 RSF office building's tenants include Deloitte, JP Morgan Chase, CBRE and Wells Fargo Bank.

Acquired, entitled or developed over 2.5M SF of office, R&D, and industrial projects.

Leased and sold 3.5M SF of office in Silicon Valley with total market transactional value exceeding \$400M

In Santa Clara, reconfigured an empty 150,000 SF single tenant building and leased 12+ years to Apple Inc. (NASDAQ: AAPL)

Currently in construction on the Firestone, a new 130 unit apartment building in Downtown San Jose with Cigna Realty Advisors our institutional JV development partner

Won an open competition to win the entitlement and development rights to Museum Place and urban mixed use development located in downtown San Jose.



Add Value Development Fully leased vacant building to Apple Corp - Santa Clara, CA.



New Development 100 unit mid rise apartment building located in downtown San Jose - JV with Cigna Insurance



Entitlements and Master Plan \$400M Apartment and Office entitlement and development San Jose, CA



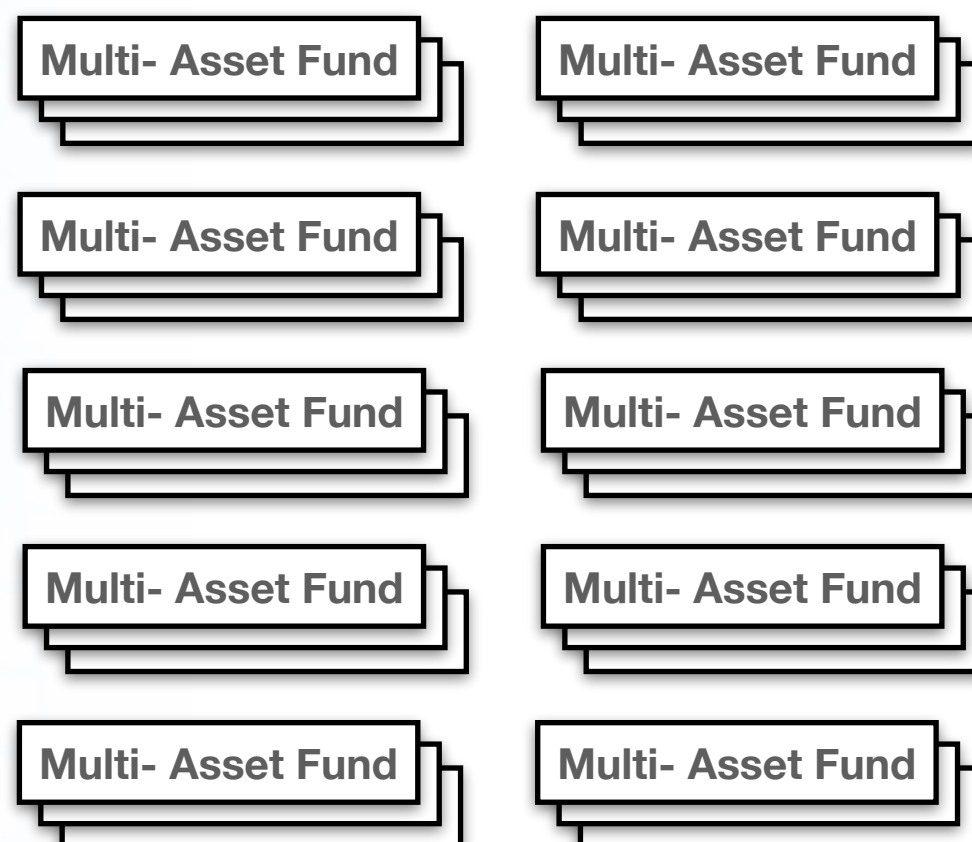
Entitlements and Master Plan Won a competitive open bid project with the City of San Jose for Museum Place a urban mixed use office, apartment and retail development in downtown San Jose.

Jimmy's 2021 Q4 Opportunity Zone Funds - 17 Funds

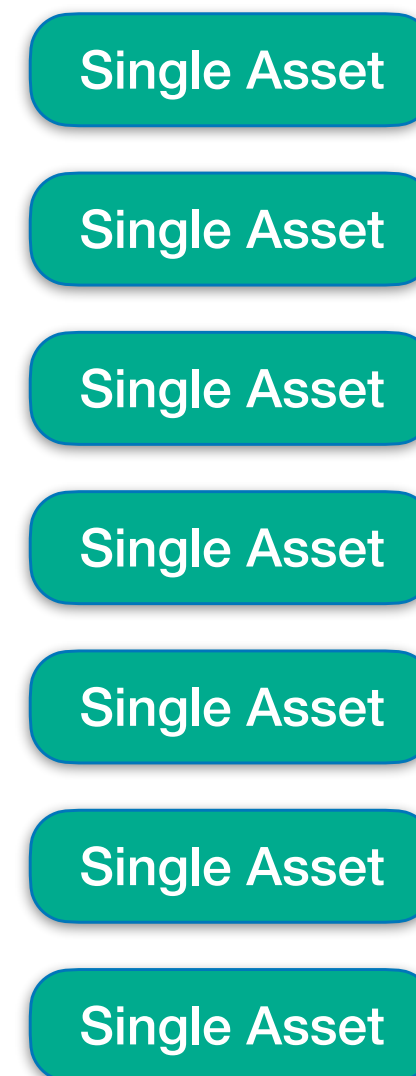
Fund	Fund Type	Geographic Focus	Fund Size	Min. Investment	OZ Pitch Day Presentation Time	Website
Origin Investments QOZ Fund II	Multi-Asset Class A Multifamily	National Growth Markets	\$265 million	\$50,000	11/3/21 10:25 AM ET	OriginInvestments.com
Shopoff DLV QOF	Single-Asset Hotel	Las Vegas, NV	\$186 million	\$250,000	11/3/21 11:40 AM ET	Shopoff.com
North Country Growers QOZ Fund	Single-Asset Agriculture	Berlin, NH	\$28 million	\$250,000	11/3/21 12:00 PM ET	AmericanAgEnergy.com
Urban Catalyst OZ Fund II	Multi-Asset Office / Multifamily	San Jose, CA	\$200 million	\$250,000	11/3/21 12:20 PM ET	UrbanCatalyst.com
Investors Choice OZ Fund by USG/OZI	Multi-Asset Real Estate	National	\$100 million	\$50,000	11/3/21 1:30 PM ET	InvestorsChoiceOZ.com
Capital Square CSRA OZ Fund VI	Single-Asset Multifamily	Raleigh, NC	\$48 million	\$100,000	11/3/21 2:40 PM ET	CapitalSquare1031.com
Eagle OZ Fund	Multi-Asset Multifamily	Chicago, IL	\$7 million	\$50,000	11/3/21 3:05 PM ET	EagleOZ.com
Riaz Capital Ozone Fund III	Multi-Asset Workforce Housing	Oakland, CA	\$100 million	\$250,000	11/3/21 3:25 PM ET	RiazCapital.com
Cbus OZ Fund III	Multi-Asset Residential	Columbus, OH	\$50 million	\$50,000	11/3/21 3:45 PM ET	CbusOZFunds.com
Nest Opportunity Fund	Multi-Asset Residential	Midwest	\$50 million	\$200,000	11/3/21 4:00 PM ET	NestOpportunityFund.com
Acquity Realty Carlyle Street QOF	Single-Asset Mixed Use	San Jose, CA	\$120 million	\$50,000	11/3/21 4:15 PM ET	AcquityRealty.com
2021 Grubb Properties Qualified Opportunity	Multi-Asset Multifamily	Southeast	\$200 million	\$100,000	11/4/21 10:05 AM ET	GrubbProperties.com
Starpoint Properties Opportunity Zone Fund	Single-Asset Multifamily	Long Beach, CA	\$100 million	\$50,000	11/4/21 11:15 AM ET	StarpointProperties.com
Caliber Tax Advantaged Opportunity Zone Fund	Multi-Asset Real Estate	Greater Southwest	\$500 million	\$250,000	11/4/21 11:45 AM ET	CaliberFunds.co
Hall Venture Partners Opportunity Fund	Multi-Asset Operating Companies	Provo, UT	\$100 million	\$500,000	11/4/21 12:55 PM ET	HallVP.com
CRE Development Capital Cleveland QOF	Single-Asset Multifamily	Cleveland, OH	\$50 million	\$100,000	11/4/21 1:10 PM ET	CREDevelopmentCapital.com
CRE Development Capital Phoenix QOF	Single-Asset Hotel	Phoenix, AZ	\$100 million	\$100,000	11/4/21 1:10 PM ET	CREDevelopmentCapital.com

Multi Assets Funds vs Single Assets

MULTI ASSET FUNDS (10)







SINGLE ASSET FUNDS (7)





California Focused Funds (4)

Fund	Fund Type	Geographic Focus	Fund Size	Min. Investment	OZ Pitch Day Presentation Time	Website
Origin Investments QOZ Fund II	Multi-Asset Class A Multifamily	National Growth Markets	\$265 million	\$50,000	11/3/21 10:25 AM ET	OriginInvestments.com
Shopoff DLV QOF	Single-Asset Hotel	Las Vegas, NV	\$186 million	\$250,000	11/3/21 11:40 AM ET	Shopoff.com
North Country Growers QOZ Fund	Single-Asset Agriculture	Berlin, NH	\$28 million	\$250,000	11/3/21 12:00 PM ET	AmericanAgEnergy.com
Urban Catalyst OZ Fund II	Multi-Asset Office / Multifamily	 CA	\$200 million	\$250,000	11/3/21 12:20 PM ET	Multi- Asset Fund
Investors Choice OZ Fund by USG/OZI	Multi-Asset Real Estate	National	\$100 million	\$50,000	11/3/21 1:30 PM ET	InvestorsChoiceOZ.com
Capital Square CSRA OZ Fund VI	Single-Asset Multifamily	Raleigh, NC	\$48 million	\$100,000	11/3/21 2:40 PM ET	CapitalSquare1031.com
Eagle OZ Fund	Multi-Asset Multifamily	Chicago, IL	\$7 million	\$50,000	11/3/21 3:05 PM ET	EagleOZ.com
Riaz Capital Ozone Fund III	Multi-Asset Workforce Housing	 CA	\$100 million	\$250,000	11/3/21 3:25 PM ET	Multi- Asset Fund
Cbus OZ Fund III	Multi-Asset Residential	Columbus, OH	\$50 million	\$50,000	11/3/21 3:45 PM ET	CbusOZFunds.com
Nest Opportunity Fund	Multi-Asset Residential	Midwest	\$50 million	\$200,000	11/3/21 4:00 PM ET	NestOpportunityFund.com
Acquity Realty Carlyle Street QOF	Single-Asset Mixed Use	 CA	\$120 million	\$50,000	11/3/21 4:15 PM ET	ACQUITY Realty
2021 Grubb Properties Qualified Opportunity	Multi-Asset Multifamily	Southeast	\$200 million	\$100,000	11/4/21 10:05 AM ET	GrubbProperties.com
Starpont Properties Opportunity Zone Fund	Single-Asset Multifamily	 ch, CA	\$100 million	\$50,000	11/4/21 11:15 AM ET	Single Asset
Caliber Tax Advantaged Opportunity Zone Fund	Multi-Asset Real Estate	Greater Southwest	\$500 million	\$250,000	11/4/21 11:45 AM ET	CaliberFunds.co
Hall Venture Partners Opportunity Fund	Multi-Asset Operating Companies	Provo, UT	\$100 million	\$500,000	11/4/21 12:55 PM ET	HallVP.com
CRE Development Capital Cleveland QOF	Single-Asset Multifamily	Cleveland, OH	\$50 million	\$100,000	11/4/21 1:10 PM ET	CREDevelopmentCapital.com
CRE Development Capital Phoenix QOF	Single-Asset Hotel	Phoenix, AZ	\$100 million	\$100,000	11/4/21 1:10 PM ET	CREDevelopmentCapital.com



CA QOZ Investment

Year 2021 June

\$1.84 Billion

Year 2020 June

\$410 Million

350% Increase YOY

\$0

\$500

\$1,000

\$1,500

\$2,000

“Capital gain investors have endorsed and invested funds to California focused Opportunity funds increasing from \$410 million to \$1.84 billion increasing to be 350% funds over the 14 months period ending June 20th”





California Opportunity Funds (4)



Multi- Asset Fund

Single Asset



Multi- Asset Fund

Single Asset



Silicon Valley Opportunity Funds

Multi- Asset Fund

Single Asset



Acquity Realty - “The Accidental QOZ”



IRR 

- 16.20% IRR
- 2.80 X Equity Multiple
- Average COC of 23.73%



- \$117M of Equity
- \$240M of fixed, 11 year min-term bond financing



Single Asset

amazon

CISCO

NASA

Microsoft

Google

Uber

zoom

NETFLIX

facebook

PayPal

Apple



twitter

splunk

SIEMENS

Adobe

intel

hp

AMD

NVIDIA

C3.ai

airbnb

SAMSUNG

flex
LIVE SMARTER

TESLA

APPLIED MATERIALS

aruba
a Hewlett Packard
Enterprise company

ebay

verizon

snowflake

ORACLE

LOCKHEED MARTIN

SAP

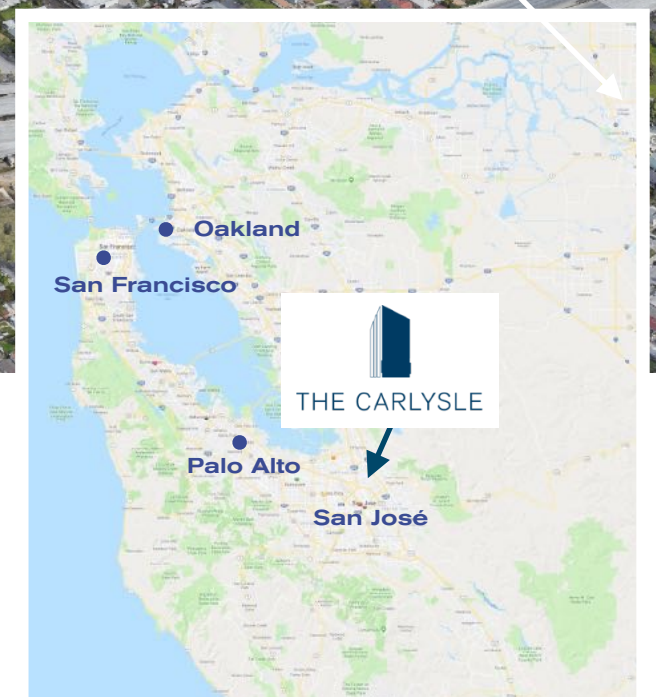
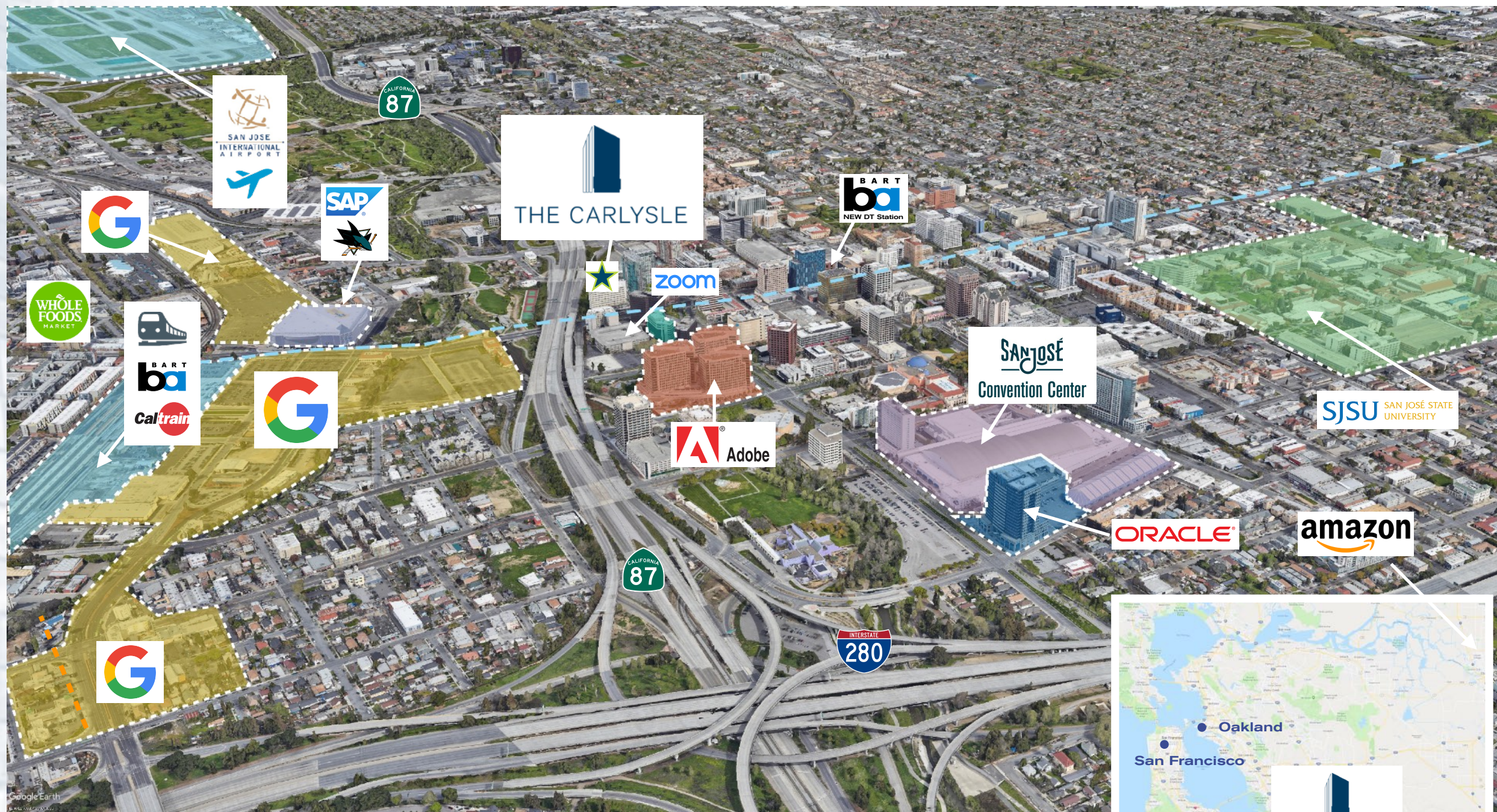
FUJITSU

Robinhood

Western Digital

BROADCOM

Property Location



San Jose HQs



Silicon Valley is back on Fire!!!



CBRE Development Opportunity Index - #1 in U.S



FIGURE 5 | OPPORTUNITY INDEX DISTRIBUTION, OFFICE: TOP 20 MARKETS

Index Range 50 (Weakest) to 100 (Strongest)



CBRE Interactive Report

Source

CBRE Research U.S. Development Opportunities - Uncovering Market Strength Winter 2021



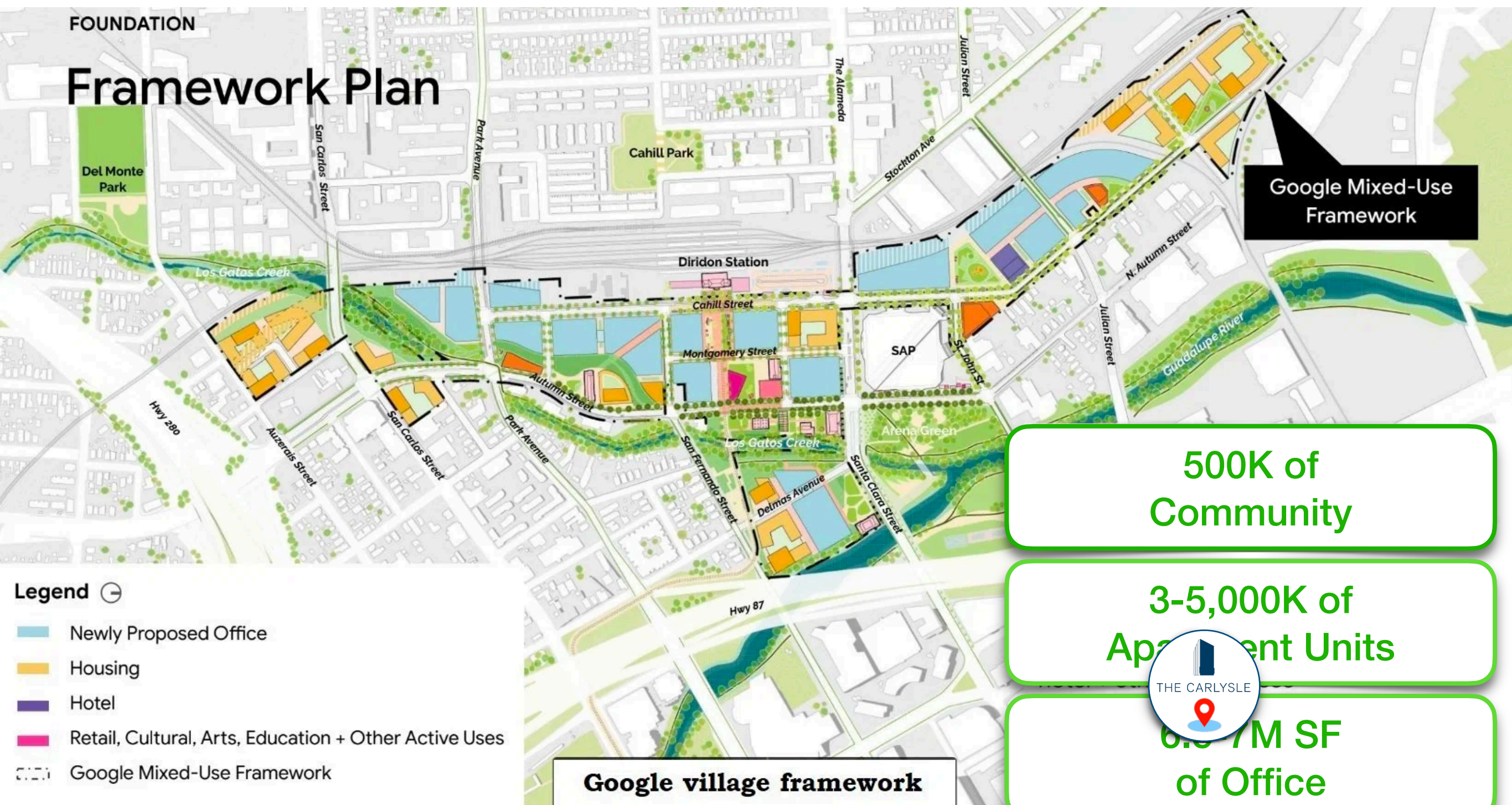
SAN JOSE NATIONAL RANKINGS

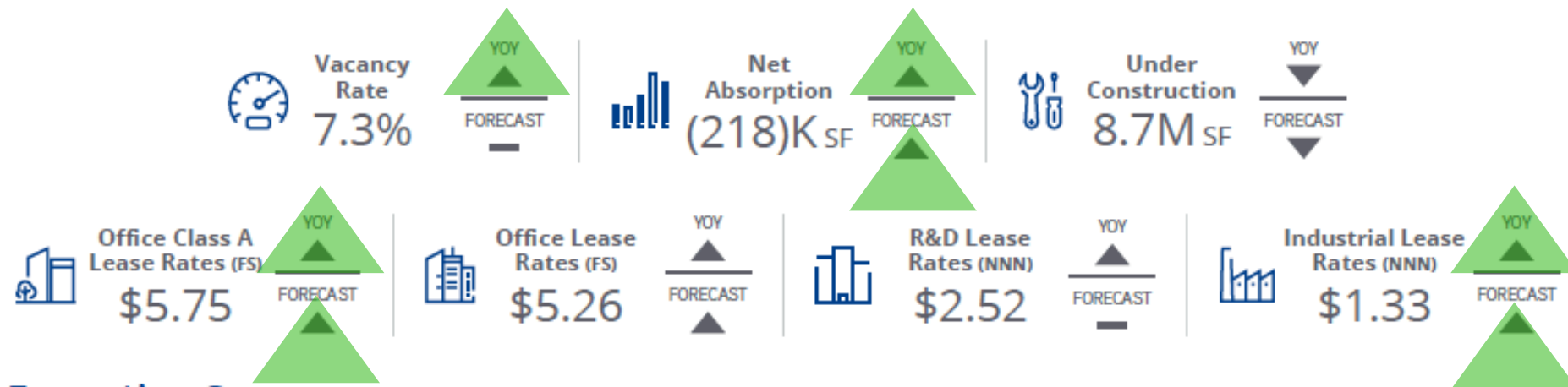
- 1** Development Opportunity Index
- 1** Previous Cycle Performance
- 3** Forecast
- 5** Strength of Supply



Transit Village West

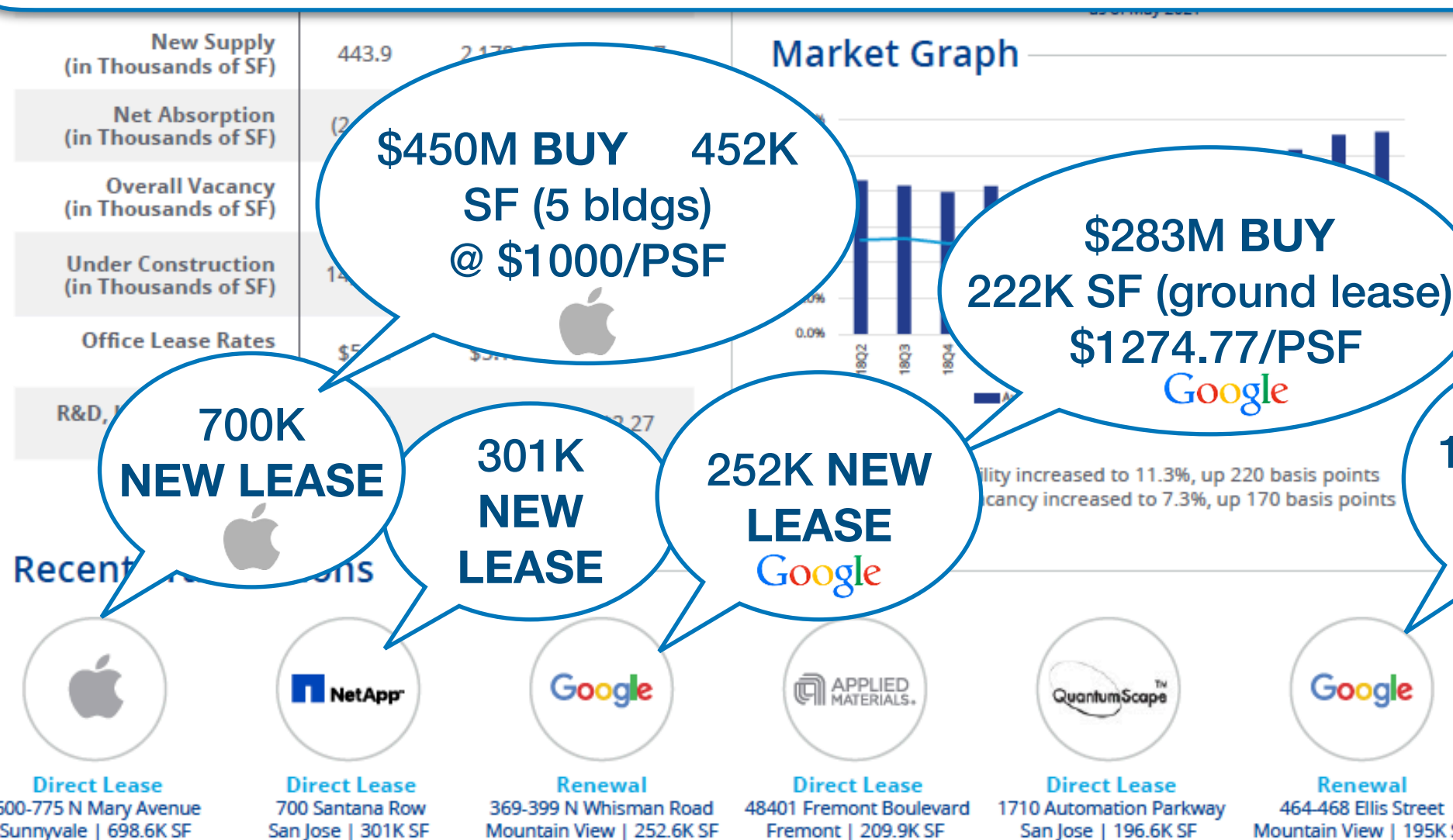
20-25K New Googlers

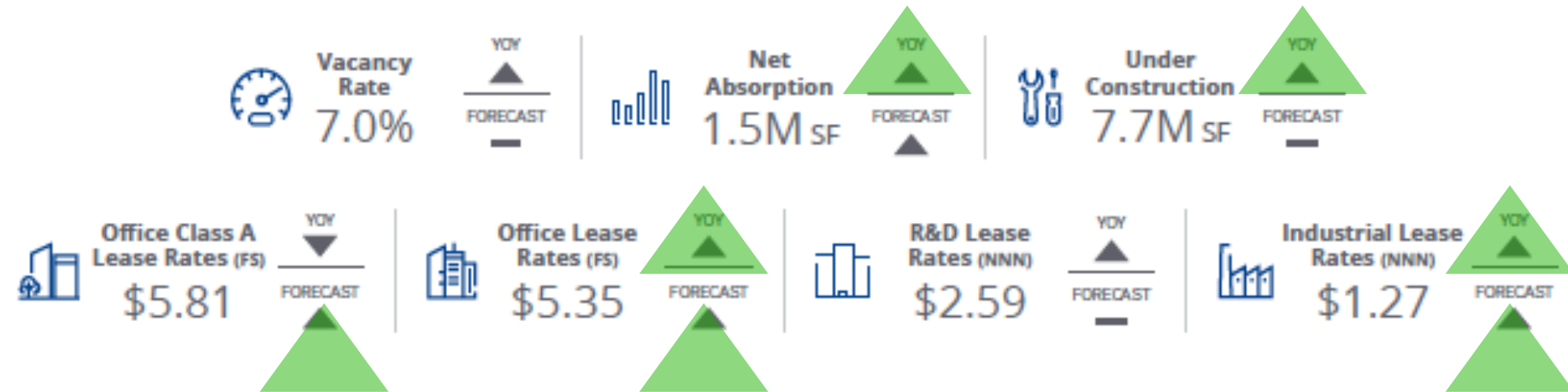




Executive Summary

*“With COVID-19 restrictions phase out and more companies announcing their returns to office plans, deal velocity accelerated. Gross absorption (new leases +user sales) reached **2.8 million square feet up 237% YOY** hitting levels not seen since Q2 2018”*





Executive Summary

*“SV’s commercial real estate market saw a healthy Q3 2021 with **6.2 million square feet** of gross absorption **up to 51.3%** compared to Q3 2020”*

New Supply (in Thousands of SF)	2,178.0	1,751.7	1,514.4
Net Absorption (in Thousands of SF)	(170.7)	(218.1)	1502.3
Overall Vacancy (in Thousands of SF)	6.9%	7.3%	7.0%
Under Construction (in Thousands of SF)	9,990.9	8,708.9	7,296.7
Office Lease Rates (FS)	\$5.15	\$5.26	\$5.35
R&D, IND, WSE R	\$2.2		

Market Graph



Recent Transactions



Property Details

Property Description: The Carlyle, a 21 story, mixed-use Class A hi-rise building contains 158,000 RSF of office, 290 apartments, 1,613 RSF of ground floor retail and a 350 stall parking garage.

Construction Start Date: December 2021

Estimated Occupancy Date: April 2024

Number of Buildings: One (1)

Number of Floors: Twenty-One (21)

Land Area: 0.67 acres

Gross Building Area: 568,783

Gross Rentable RSF: 435,643

Average Office Floor Size: 30,000 RSF

Office RSF: 158,000 RSF on five floors

Residential RSF: 276,030 RSF on 12 floors

Ground Floor Retail + Lobbies RSF: 14,483 RSF

Ground Floor Retail: 1,613 RSF

Number of Units: 290

Average SF/Unit: 778 sq. ft.

Lobbies: Separate office/residential lobbies (2)

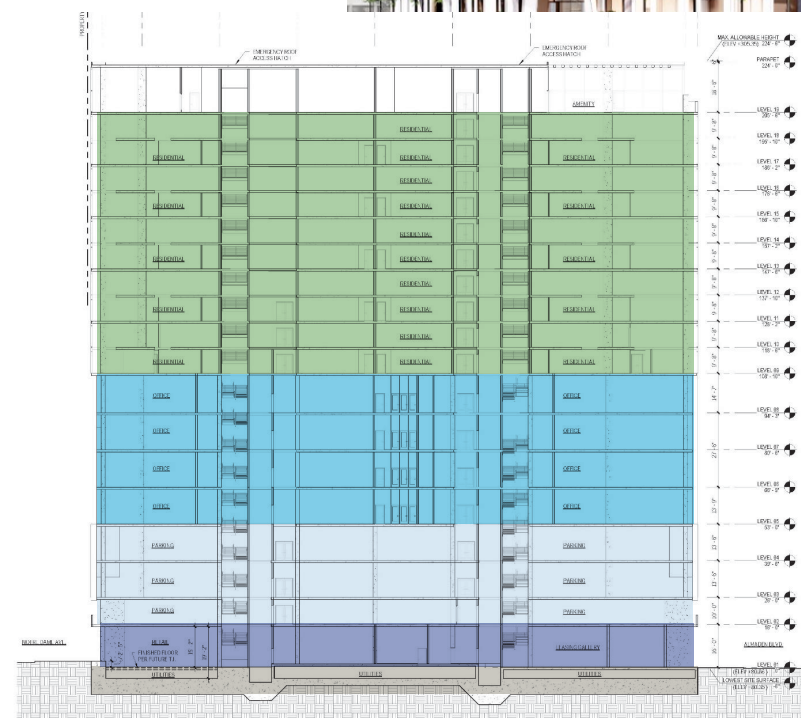
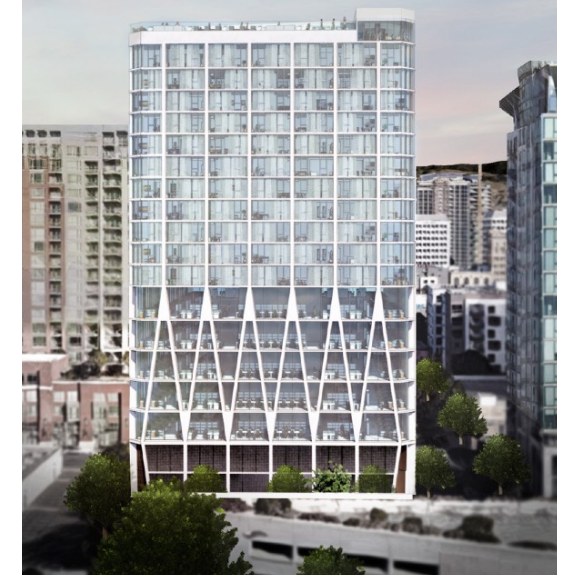
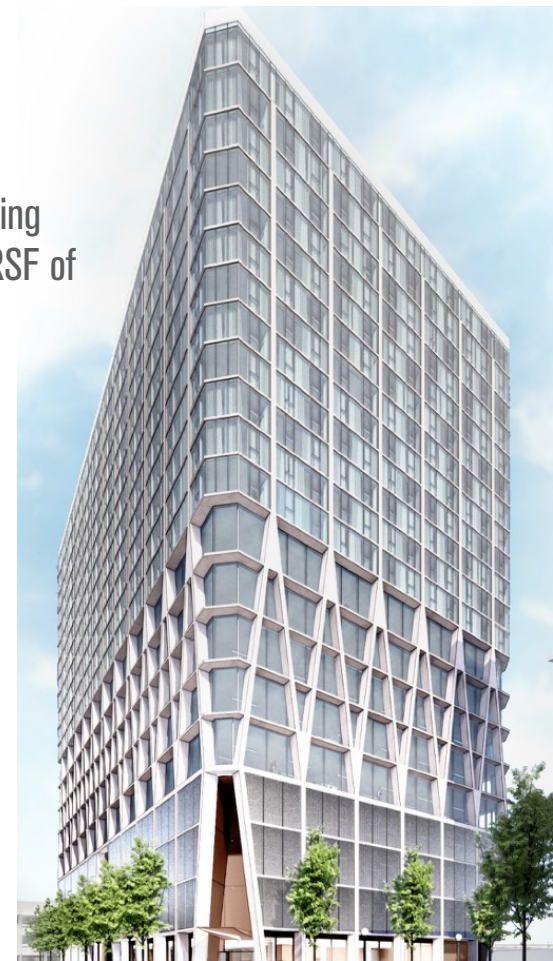
Parking: 3 levels, 340 spaces

Parking Ratio Office: 2:1000

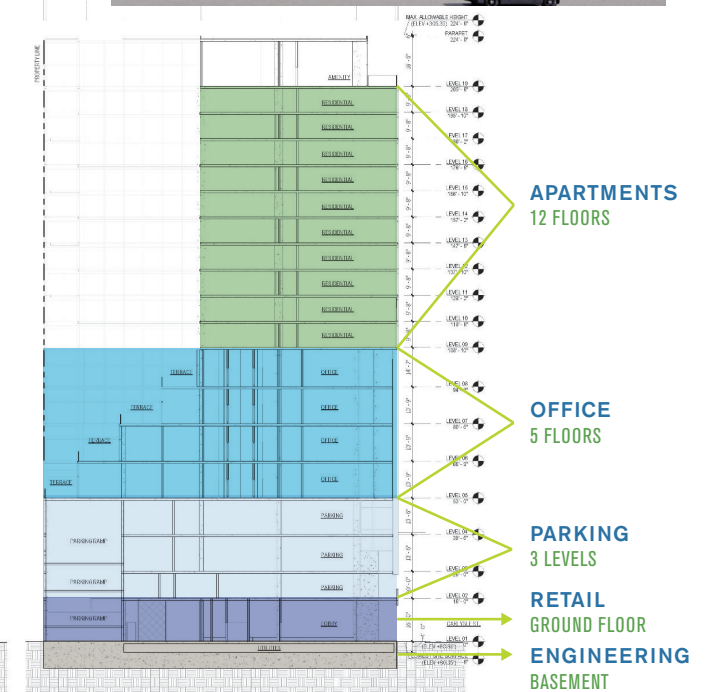
Parking Ratio Apartments: 1.17

Apartment Unit Mix: 22 Studios, 200 One Bedrooms, 68 Two Bedrooms

Common Area Amenities: Penthouse roof deck, lounge and pool, 10th floor roof deck lounge, fitness center, Valet parking, separate office/residential lobbies, bicycle parking, on-site retail

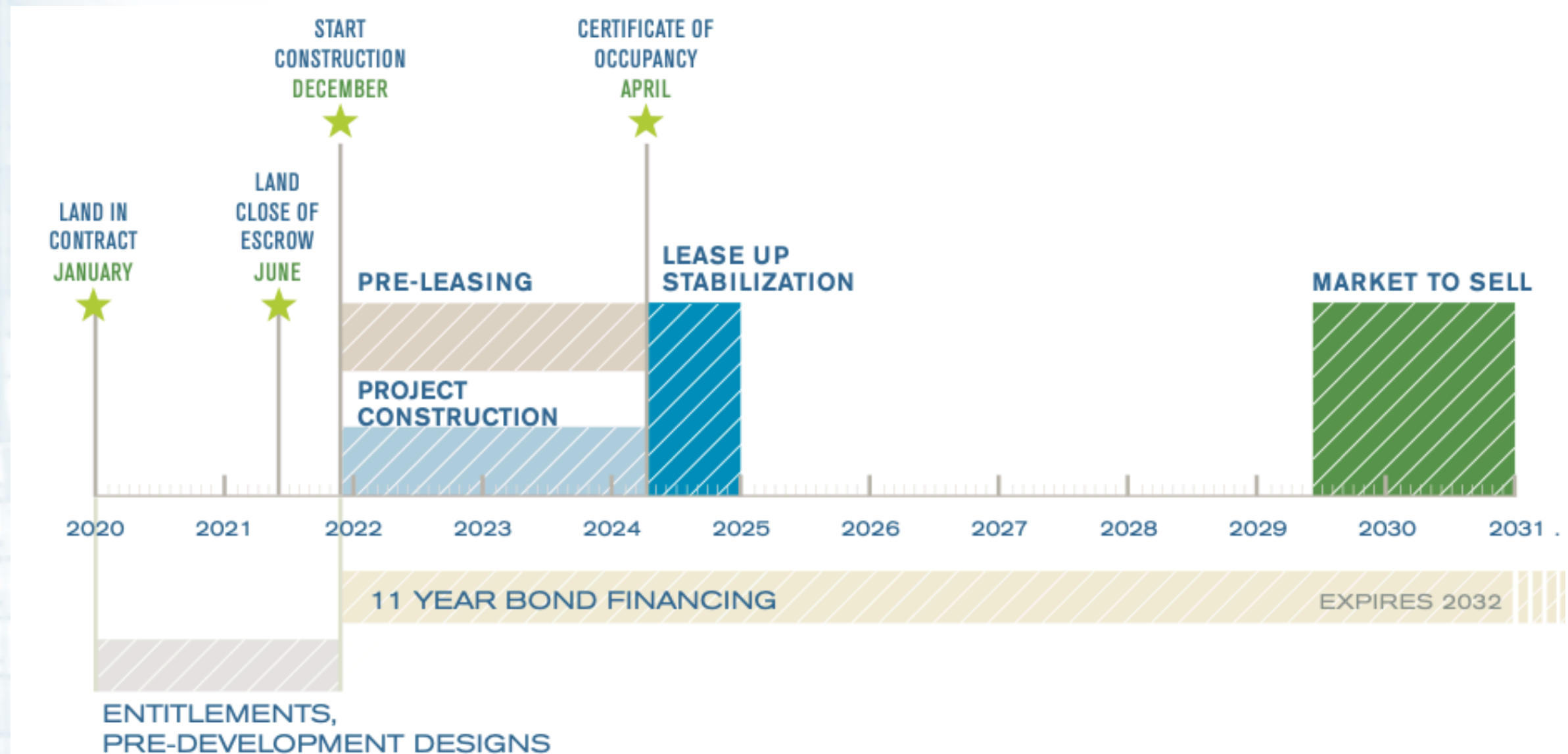


BUILDING SECTION (E/W LOOKING SOUTH) 2



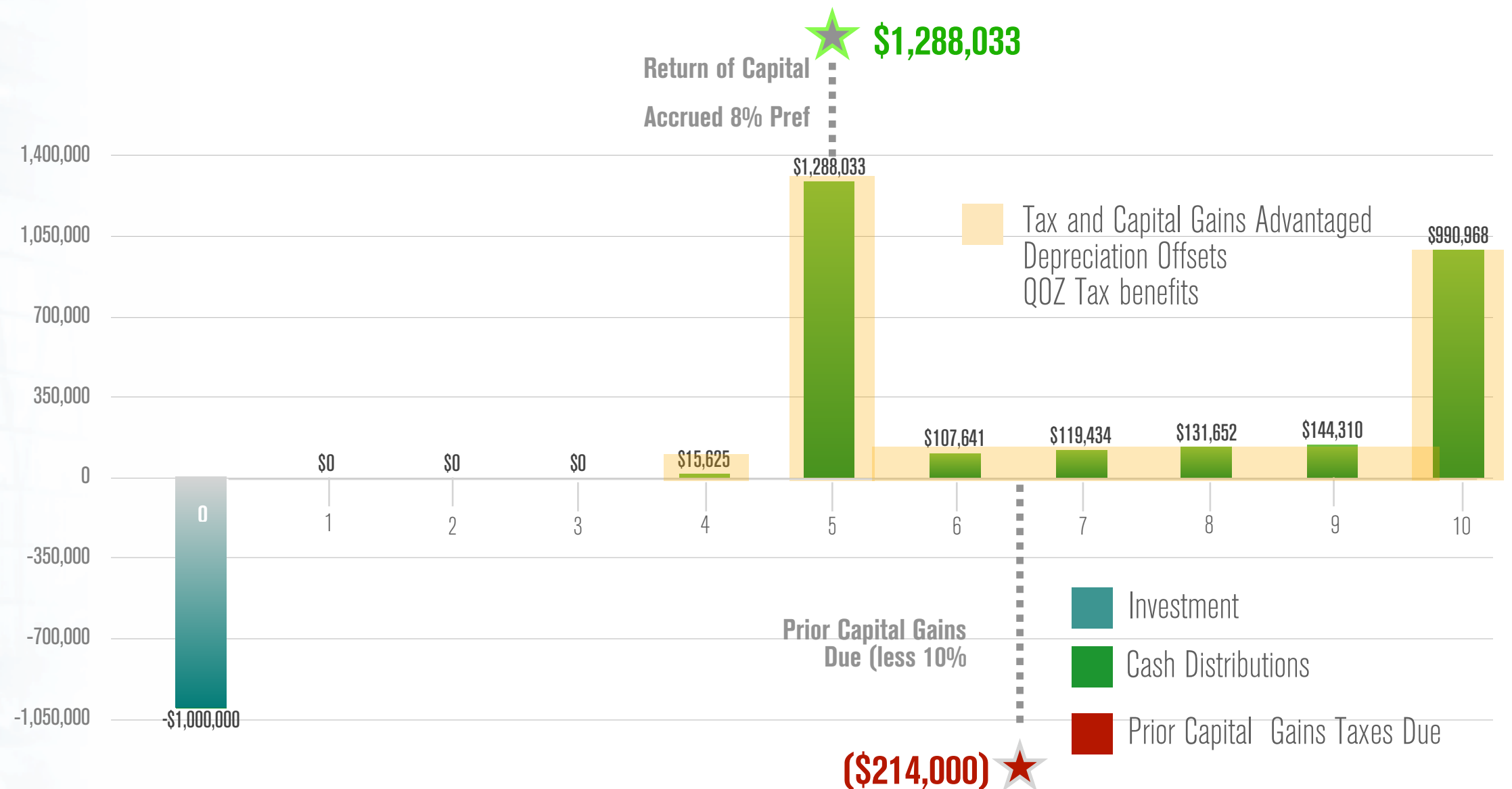
BUILDING SECTION (N/S LOOKING EAST) 1

Construction Timeline



Projected Proceeds + Distributions Schedule (\$1 M)

Investment **\$1,000,000** >>>>>> Total Returned **\$2,797,662**





Acquity Realty's Single Asset Fund is Nearly Full



\$100,000 Min

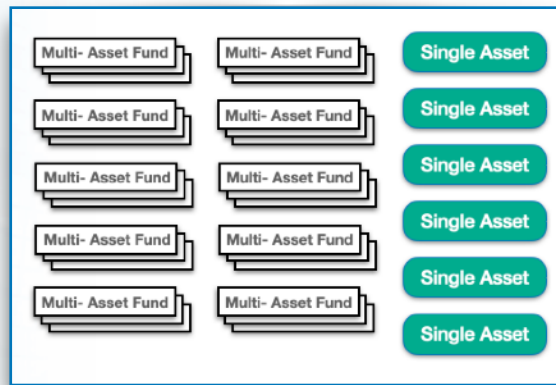
Capital Stack



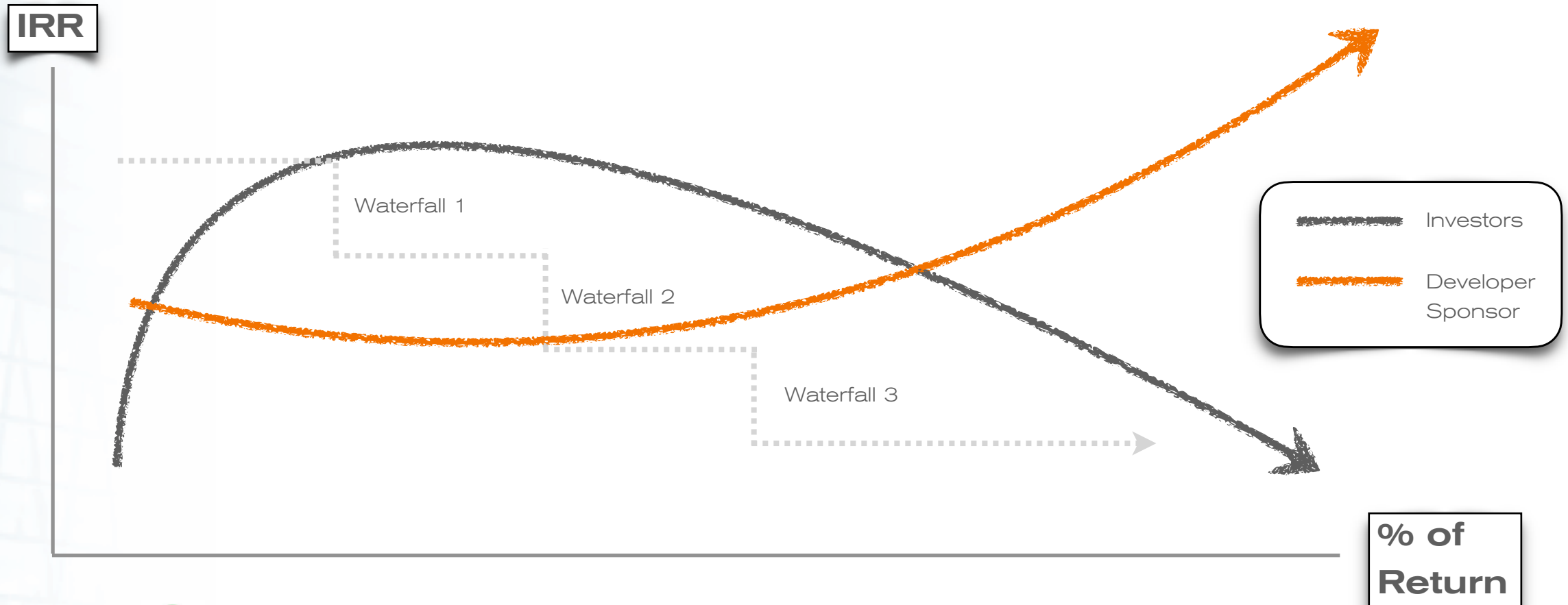
Notes

- **Equity** - Closed \$27M
- **Additional Equity** - \$5M
- **Equity Max** - Up to \$37M
- **REIT-Ground lease** - \$90M of LP Equity contribution in return for 99 year ground lease. (NYSE REIT)
- **Construction - Mini Perm** - \$240M+/- bond financing with 11 year term -10 year Treasury pegged fixed rate (est. 4.0-4.25%) Able to prepay at any time after 48th month.



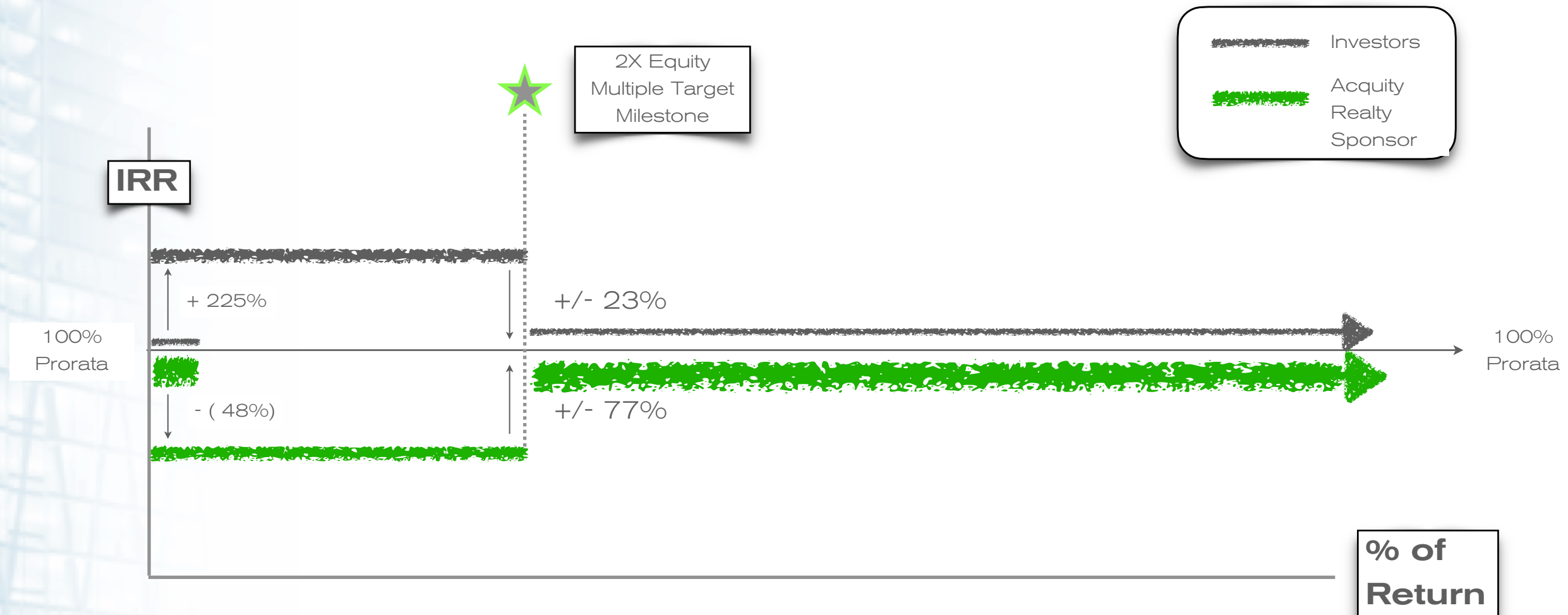


Waterfall Economics for **16 of the 17** Demo Day Funds



- ✓ Priority of Return of Capital
- ✓ Preference Return on Capital
- ✗ Annual Management Fees (10-15 years)
- ✗ Downside Protection

Acquity Realty's Waterfall is Advantageous to QOZ Investor



- ✓ Downside Protection
- ✓ Investor Focused Promote
- ✓ Priority of Return of Capital
- ✓ Preference Return on Capital

- ✓ 8% Preference
- ✗ No Annual Management Fees
- ✗ Compared to other funds fees

Q of A

“How is the California economy doing healthy post COVID-19 - what’s the return of office happening?”

“What is the project’s costs or budget?”

“Does the Carlyle’s project have any “ barriers to entry” or competitive advantages that are worthy top share?”

“Does your fund provide any time or volume discounts available for investment targets?”

Acquity Realty Presentation will be updated on Opportunity DB Demo Day on November 8th or email greg.ovalle@acquityrealty.com



For additional Information



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THE CARLYLE

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