



STARPOINT PROPERTIES®

EXCELLENCE IN REAL ESTATE

# QUALIFIED OPPORTUNITY ZONE FUND: *LOCUST OZ FUND, LLC*

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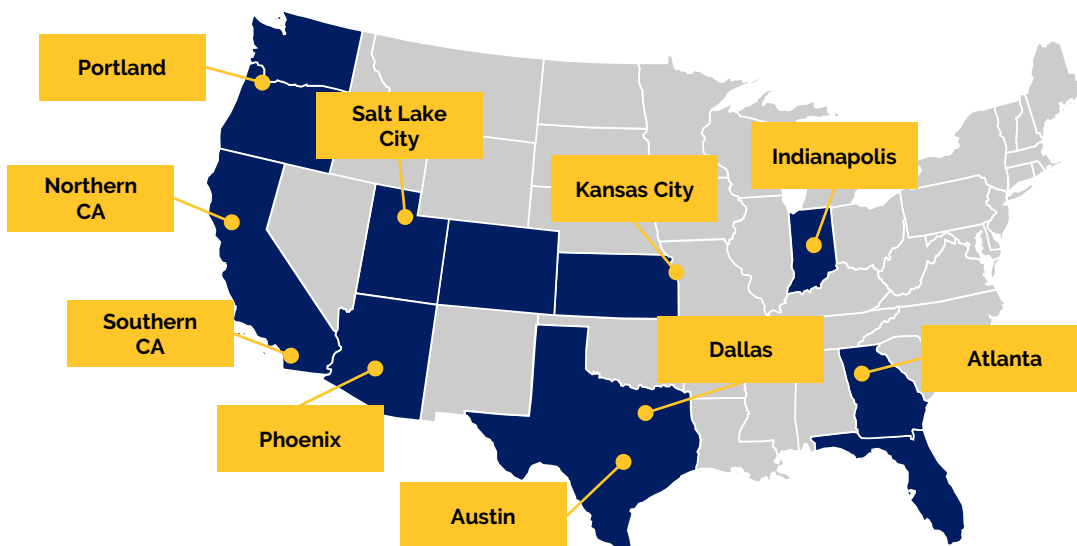
**A GENERATIONAL OPPORTUNITY**  
**SUPERIOR RETURNS WITH SOCIETAL SIGNIFICANCE**

# ABOUT STARPOINT

StarPoint Properties, LLC (“StarPoint”) is a vertically integrated real estate investment and operating company headquartered in Beverly Hills, CA. Founded in 1995, Starpoint has established a reputation for consistent high-level execution and has repeatedly delivered superior returns to its investors since inception.

Track Record	<p><b>25+ Year</b></p> <hr style="width: 20%; margin: 5px auto;"/> <p>Track Record</p>	<p><b>\$1.5Bn+</b></p> <hr style="width: 20%; margin: 5px auto;"/> <p>Real Estate Transactions Since Inception</p>	Expertise	<p><b>Acquisitions</b></p> <hr style="width: 20%; margin: 5px auto;"/>	<p><b>Property Management</b></p> <hr style="width: 20%; margin: 5px auto;"/>
	<p><b>~25%</b></p> <hr style="width: 20%; margin: 5px auto;"/> <p>Weighted Average IRR Over 25 Years</p>	<p><b>~95%</b></p> <hr style="width: 20%; margin: 5px auto;"/> <p>Client Rate of Reinvestment</p>		<p><b>Investment Management</b></p> <hr style="width: 20%; margin: 5px auto;"/>	<p><b>Development</b></p> <hr style="width: 20%; margin: 5px auto;"/>

## CURRENT AND HISTORICAL FOOTPRINT



<p><b>\$1Bn+</b></p> <hr style="width: 20%; margin: 5px auto;"/> <p>Assets Under Management</p>
<p><b>30</b></p> <hr style="width: 20%; margin: 5px auto;"/> <p>Properties in Current Portfolio</p>
<p><b>61</b></p> <hr style="width: 20%; margin: 5px auto;"/> <p>Real Estate Professionals</p>



# SEASONED MANAGEMENT TEAM



**PAUL DANESHRAD**  
Chief Executive Officer



**MICHAEL FARAHNİK**  
Executive Vice President  
& Partner



**EVAN FARAHNİK**  
Partner



**GREGORY JONES**  
Chief Financial Officer



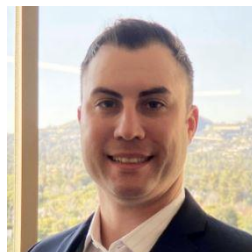
**MICHAEL TREIMAN**  
General Counsel & COO



**SANDY SCHMID**  
Director of Acquisitions &  
Development



**GREG JAMES**  
Sr. Associate,  
Acquisitions & Capital  
Markets



**NEIL SHERLOCK**  
Vice President, Capital  
Markets



# THE STARPOINT ADVANTAGE

Utilizing an intelligent and disciplined approach to real estate investing, **Starpoint consistently executes at a high level by mitigating risk and delivering results.** Starpoint's strong and experienced management team, dynamic operating infrastructure and extensive network uniquely position the Company as an ideal partner and QOZ Fund Sponsor.

**Disciplined Acquisitions Strategy**



**Dynamic Operations**



**Proprietary Systems & Processes**

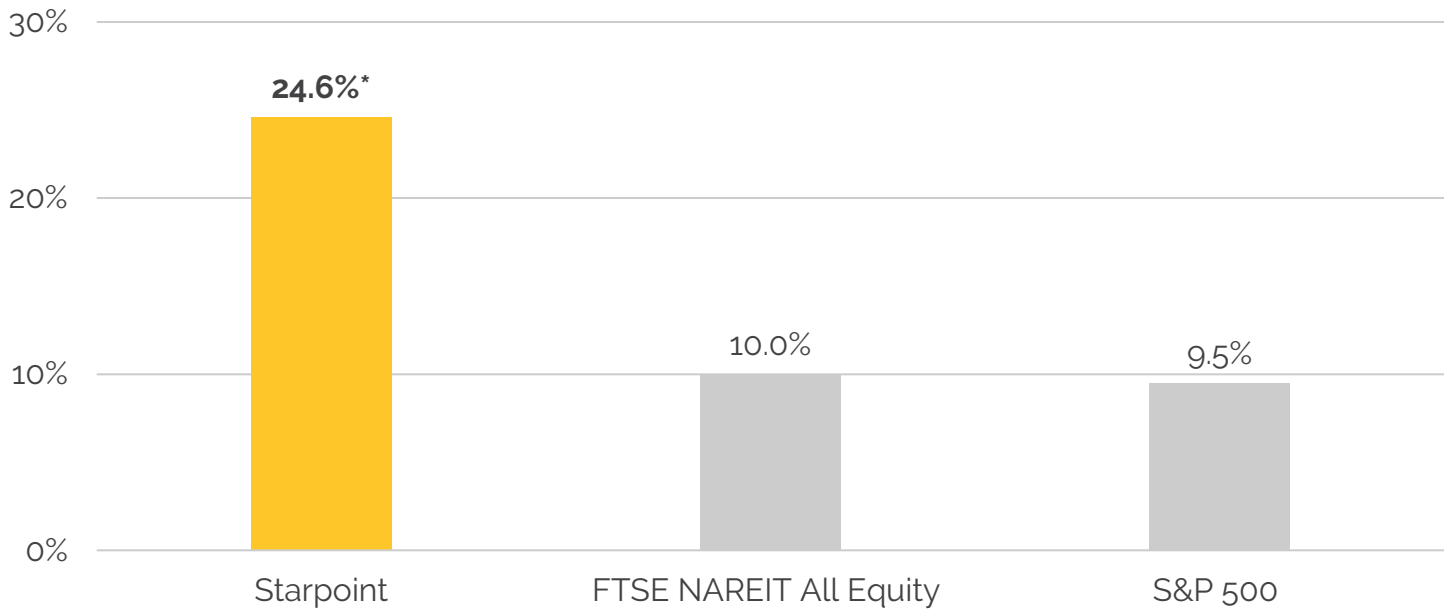


**Established Network**



*Reliable and Repeatable Processes Consistently Delivering Superior Returns To Investors*

Starpoint Has Delivered **2.5x** the Return of REITs and Stocks



\* Weighted average IRR for realized investments from January 1, 1995 through December 31, 2020. All return data has been calculated and reviewed by the third-party accounting firm of Fishman, Block + Diamond, LLP.



# 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.

## 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>



# OPPORTUNITY ZONE PROGRAM OVERVIEW

The Qualified Opportunity Zone Program offers accredited investors an opportunity to potentially realize significant tax benefits by reinvesting certain capital gains into underserved areas across the country that have been designated as Opportunity Zones by the Tax Cuts and Jobs Act of 2017. **The final day to invest in a QOF and qualify for the 10% reduction tax benefit is December 31, 2021.**

## ELIGIBLE GAINS



SALE OF STOCK



SALE OF BUSINESS



SALE OF REAL ESTATE

## TAX BENEFITS

### DEFERRAL

Previously earned capital gains taxes are deferred until 2026.

### REDUCTION

Gains invested before December 2021 will be reduced by 10% when the taxes are paid.

### ELIMINATION

Capital gains held within an Opportunity Zone Fund for 10 years or more will get a step up in basis; there will be no tax owed on any gains not previously realized nor any depreciation recapture.

**WITHIN 180 DAYS**

Within 180 days of realizing the gains of a sale, the investor must reinvest those gains into an Opportunity Zone Fund

**BEFORE DEC. 31, 2026**

Until the earlier of either Dec. 31, 2026, or the date the investor pulls their interest in the Opportunity Fund, the investor can defer payment of capital gains tax on the reinvested gains

**INTEREST HELD IN A FUND FOR 5-7 YEARS BY DEC. 31, 2026**

If the investor holds their interest in the fund for at least 5 years, the tax paid (by Dec 31, 2026, or when they pull their interest in the fund) is reduced by 10% (through an adjustment in basis); if held for 7 years, it is reduced by 15%

**INTEREST HELD IN A FUND FOR 10+ YEARS**

After being held for at least 10 years, upon sale, there is no tax on any appreciation on reinvested gains that occur while in the Opportunity Fund

**DEC. 31, 2028**

Opportunity Zone designations expire

**DEC. 31, 2047**

The last date to sell interest in an Opportunity Fund



# SUPERIOR AFTER-TAX RETURNS

## QOZ TAX BENEFITS ANALYSIS

	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

**137%**

Greater after-tax returns with proposed increase in capital gains taxes<sup>(1)</sup>

**72%**

Greater after-tax returns<sup>(2)</sup>

(1) Based on recently proposed changes to tax laws and assumes a 43.4% tax rate and 15% per annum returns.  
 (2) Based on example above that assumes a 30.0% tax rate and 15% per annum returns.





# QUALIFIED OPPORTUNITY ZONE FUNDS: A GENERATIONAL OPPORTUNITY VIA SUPERIOR RETURNS

- Triple Tax Advantaged
- Social Impact / Job Creation / Housing
- Foundational Real Estate
  - Tier 1 Markets
  - Class A / Core Assets
  - Strongest RE Sectors
- Assets in Place & De-risked Via Entitlements
- 25-year Real Estate Firm with an Industry Leading Track Record

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

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Target deal size

**Multifamily & Industrial**

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Primary target sectors

**Tier 1 Markets**

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California, Utah, Arizona, Colorado





# QOZ INVESTMENT STRATEGY

## EXPERIENCE

Starpoint QOZ strategies adhere to its traditionally high standards to first prioritize acquiring highly attractive real estate assets. We utilize our proven sourcing ability, extensive industry relationships and deep market knowledge to maximize value for our investors.

## STRONGEST RE SEGMENTS

High quality commercial real estate, with a particular emphasis on Multifamily and Industrial ground-up development opportunities.

## IDEAL LOCATIONS / TOP MARKETS

In order to capitalize on various asset-level, market, and macroeconomic tailwinds, Starpoint acquires assets in attractive markets that are either highly resilient or exhibit a materially positive economic growth trajectory. Target infill locations with high barriers to entry and located near major populations with anchor business / transportation infrastructure (i.e., ports, major thoroughfares, rail).

## CLASS A / CORE ASSETS

StarPoint primarily utilizes a build-to-core strategy. Once the properties are built, they will be Class A assets that generate long-term stable cash flows for investors.

### Due Diligence

Due Diligence & Entitlements are handled by Starpoint until projects are ready for construction.

### Micro-Market Approach

Laser focus on top notch real estate in premium locations.

### Risk Mitigation

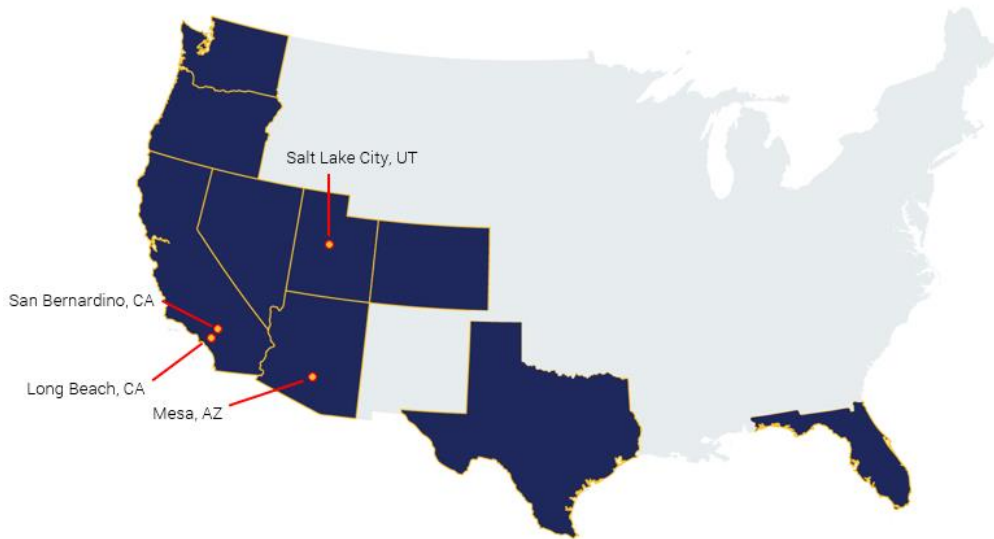
Flexible, risk tolerant investment options for results that outweigh risk levels of the vast majority of alternative investments

### Alignment of Interest

Invest alongside LPs in every deal, typically 5% - 10% of the total equity required



# TARGET MARKETS & QOZ ASSETS



**Locust - Long Beach, CA**



**Dobson Station - Mesa, AZ**

**CLOSED**



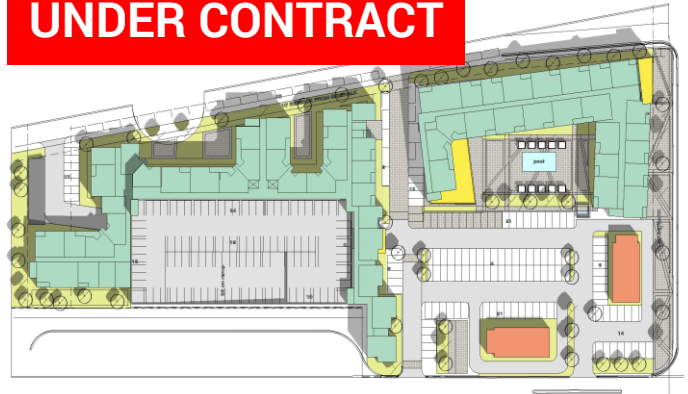
**6th Street - San Bernardino, CA**

**CLOSED**



**Redwood - West Jordan, UT**

**UNDER CONTRACT**



# EXECUTIVE SUMMARY – LOCUST OZ FUND

StarPoint Properties (“Sponsor”) is currently accepting equity commitments for the Locust OZ Fund, LLC a 108-unit multifamily development project with 1,188 SF of retail located in Downtown Long Beach, CA.

The Property is primely situated in bustling Downtown Long Beach, on the corner of East 7th St and N. Locust Avenue, within walking distance to a wealth of retail and employment centers. Construction will begin in the first half of 2022 with anticipated stabilization of the asset in August 2024.



108-unit multifamily / retail development in the core of downtown Long Beach

## Locust - Mixed-Use Development Opportunity

636 Locust Avenue, Long Beach, CA

### INVESTMENT HIGHLIGHTS

#### 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.
- According to the QOZ specialist **Smart Growth America, positioned to be in the country's top three markets for multifamily rent growth.**

#### 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 infill location ideally situated at signaled intersection boasting daily traffic count of over 21,000 and proximate access to surrounding retail, hospitality and residential amenities.

~\$48 M

Total Capitalization

18.0%+

10-Yr Levered IRR

~3.9x

10-Yr Equity Multiple



# PROPERTY OVERVIEW

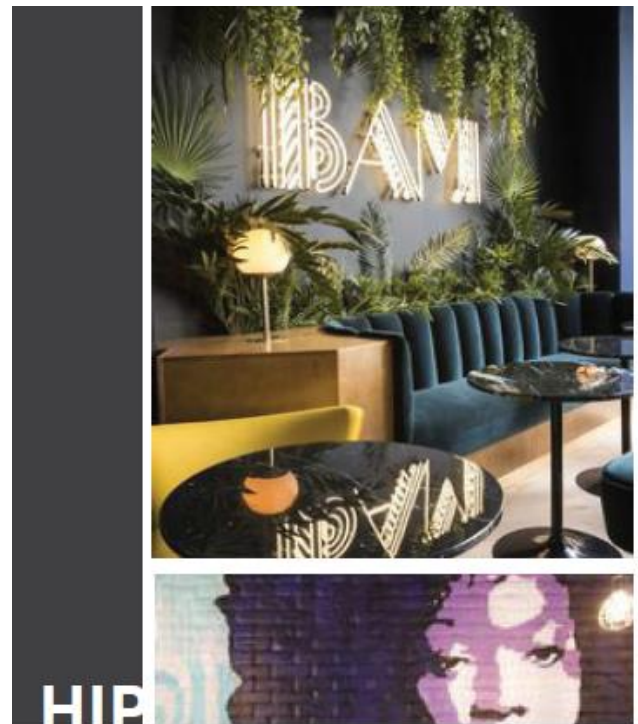
## 636 Locust Avenue, Long Beach

- 7th & Locust consists of one parcel (7273-026-004) with an area of 0.52 AC (22,460 SF) Zoned PD30 to promote walkability, the project is located at the corner of Locust Ave and East 7th Street.
- Approximately 5 miles from the Port of Long Beach, 21 miles from LAX, and 24 miles from Downtown Los Angeles.
- Situated in the North Pine District, a neighborhood known for its bustling retail corridor filled with a diverse mix of local and national tenants. Future residents will have several restaurants, drug stores, and shopping centers all within walking distance.
- Upon completion, Locust will consist of a seven-story, Type-III construction with 108-units and 1,188 SF of ground-level retail, with 135 parking stalls split between two subterranean levels and two above-grade levels.
- Amenities include a fitness center and clubhouse with a pool constructed on the podium deck along with barbeque grills and seating areas. Additionally, a rooftop amenity deck will offer unparalleled views of the ocean and skyline.
- All units will include laminate flooring throughout the suite, granite countertops and stainless-steel appliances.



### UNIT SUMMARY

Unit Type	# Units	%	Unit SF	Mo. Rent
Studio's	0	0%	-	-
1x1's	88	81%	680	2,689
2x2's	17	16%	961	3,382
3x3's	3	3%	1,072	3,550



# SITE RENDERINGS



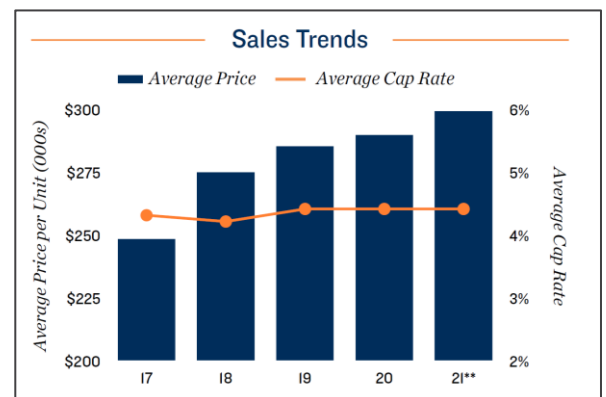
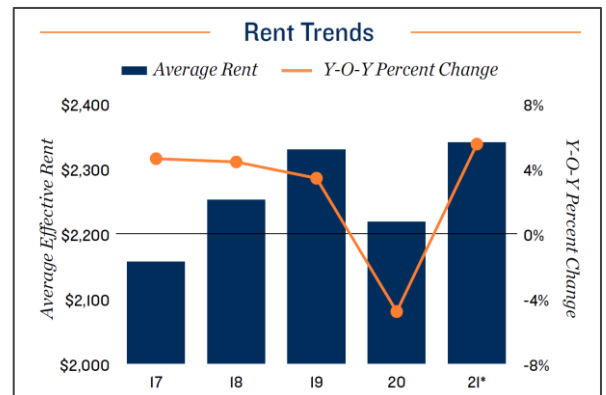
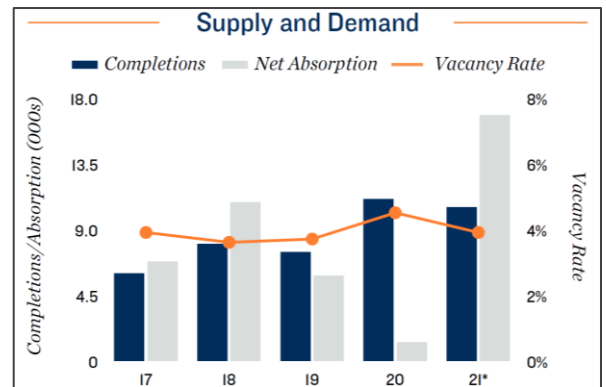
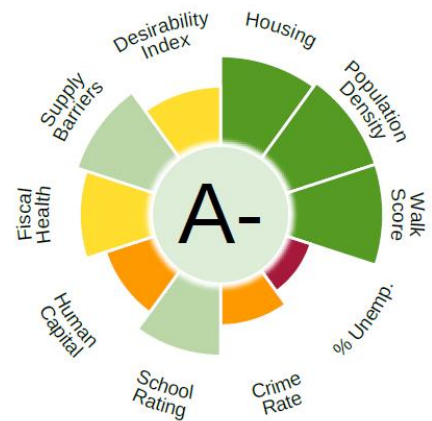
# SITE RENDERINGS



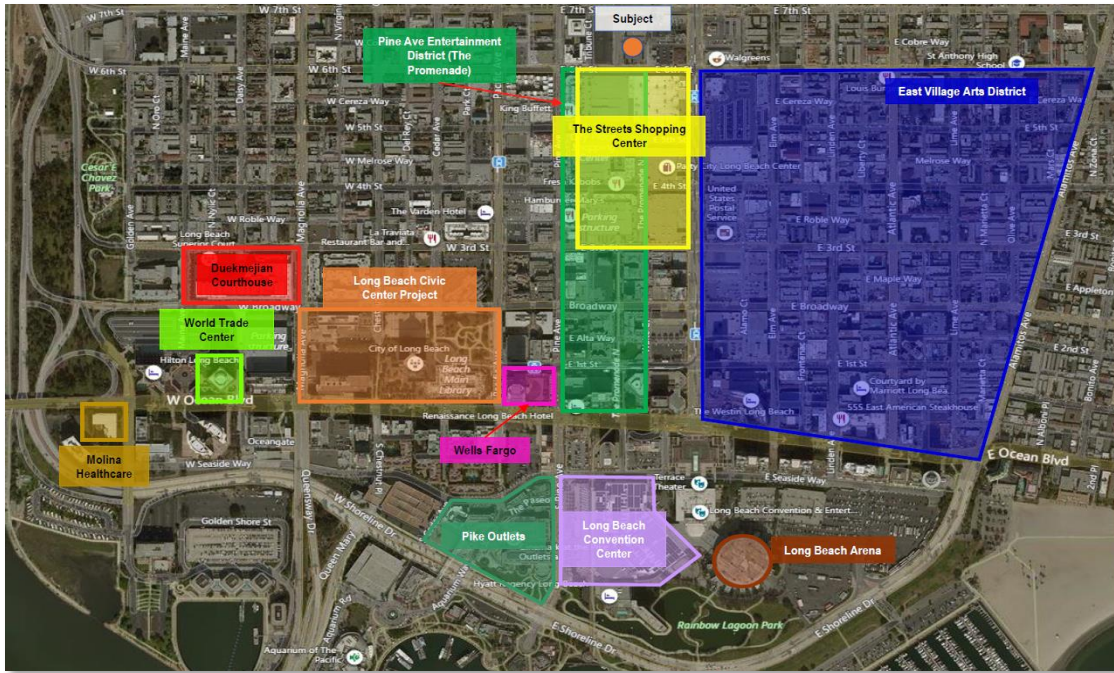
# INVESTMENT HIGHLIGHTS - MARKET TRENDS

## Exceptionally Strong Demand, and Low Supply

- Long Beach, like other markets in Southern California, is facing an ongoing housing shortage.
  - In July, the median sales price of a home in Los Angeles County rose 18.7% to a record \$795,000.
  - Lack of supply has forced aspiring homeowners to rent, which is reflected in a low, 4.3% vacancy rate across Greater Los Angeles. Long Beach has seen a more drastic decline in vacancies, dropping to a 10-year low of 3.5%.
- Rent growth has outpaced the wider Los Angeles area multifamily market, with rents are presently increasing by 5.4% on a year-over-year basis.
- Rents remain 15% below metro averages making Long Beach a viable alternative for households desiring the benefits of a big city along the oceanfront.
- Steady increase in demand - exhibited by the market's positive net absorption for the past 4 fiscal quarters.
- Cap rates have compressed to historic lows and occupancies to all time highs.
- Demographics:** Long Beach has a young population with a median age of 34.9 and an average household income of \$89,342, making the market primely situated for multifamily housing.



# INVESTMENT HIGHLIGHTS – LOCATION



## Revitalized Urban Living along the Pacific Ocean

- Downtown Long Beach's desirability stems, in part, from its combination of urban and beachside hustle and bustle, all at a significant discount to comparable Greater Los Angeles submarkets. The city's revitalization is tangibly demonstrated from the number of cranes on its skyline, with over 5,300 apartments units in the pipeline, including the completion of the city's new tallest building, the 35-story Shoreline Gateway.
- Although future 7th & Locust residents will have plenty of parking space, cars will not be required for everyday errands—something very few Southern Californians can claim. With plenty of restaurants and retail, the Project is an easy walk from the notable Long Beach Promenade, a six-block long thoroughfare anchored by North by City Place, with 450,000 SF of retail, and the Long Beach Convention Center to the south, which attracts 1.5 million visitors per year.
- Long Beach, too, is listed as one of the four "sports parks" of the 2028 Olympic Games, hosting events in its convention center and along the waterfront. In preparation for the Olympics, the City is updating its transportation network, utilities, and land use policies, which will further enhance its stature as the Second City of Greater LA.

Walk Score  
**96**

### Walker's Paradise

Daily errands do not require a car.

Transit Score  
**78**

### Excellent Transit

Transit is convenient for most trips.

Bike Score  
**81**

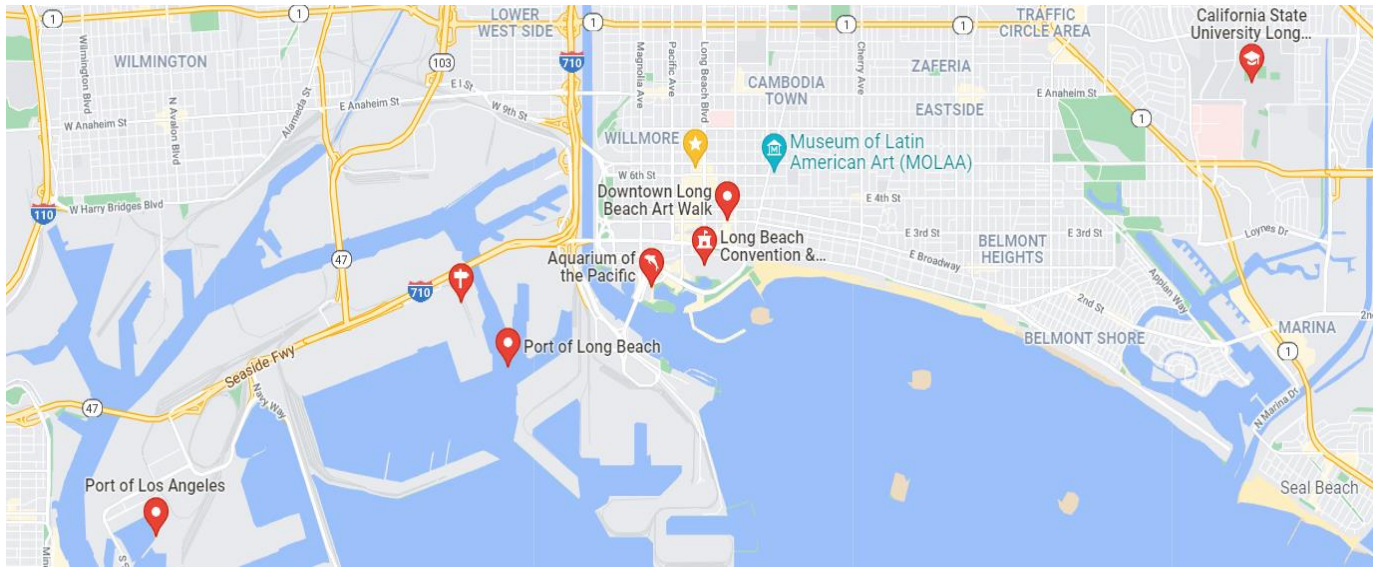
### Very Bikeable

Flat as a pancake, excellent bike lanes.



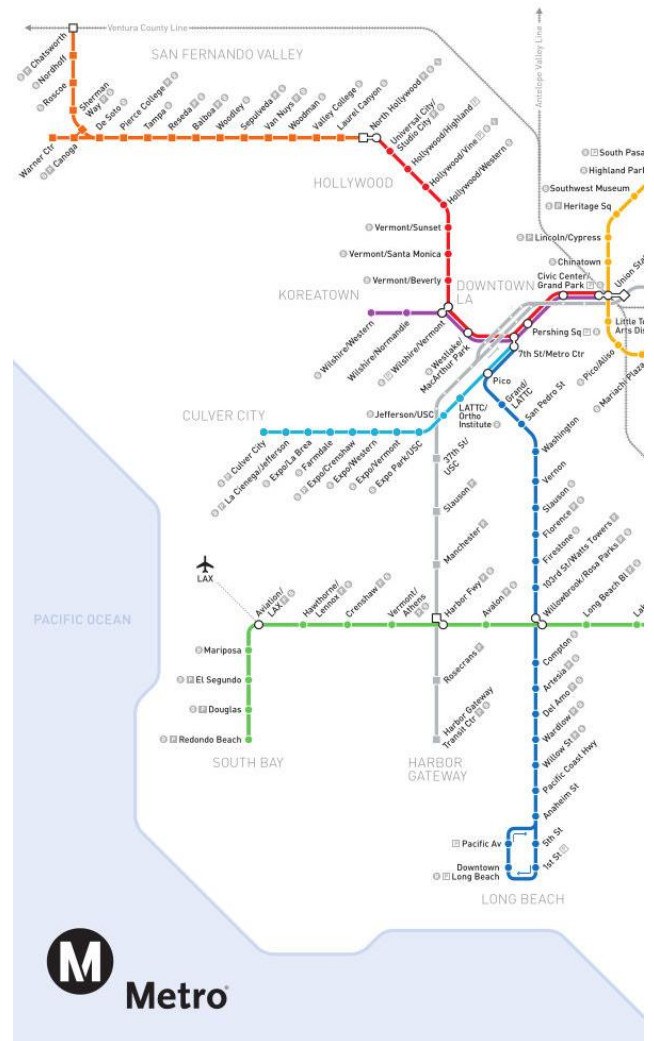


# INVESTMENT HIGHLIGHTS – LOCATION



## Affordable Submarket with Premier Access to Employment Hubs & Transportation

- Long Beach is centrally located in the middle of Greater Los Angeles. Greater Los Angeles is the second largest metropolitan area and economy in the country, with an extremely diverse employment base. Whether it be logistics, aerospace, government, tech, or media, Long Beach is within easy reach to the region's many job centers.
- 7th & Locust boasts an exceptional location near Long Beach's main freeway and mass transit arteries. Located less than 5 miles from the I-110, I-405, I-605, and I-710, future residents will have easy access to the multiple job centers throughout the region. Extremely noteworthy for Southern California,
- 7th & Locust is located just two blocks from the 5th Street stop on the Metro Blue Line, allowing residents to travel—car free—to Downtown LA, Hollywood, and Santa Monica; and future access to LAX, Inglewood, and Century City. Eliminating the need for a car with daily amenities and job centers nearby, 7th & Locust offers future residents a true “live, work, play” lifestyle at their doorstep.



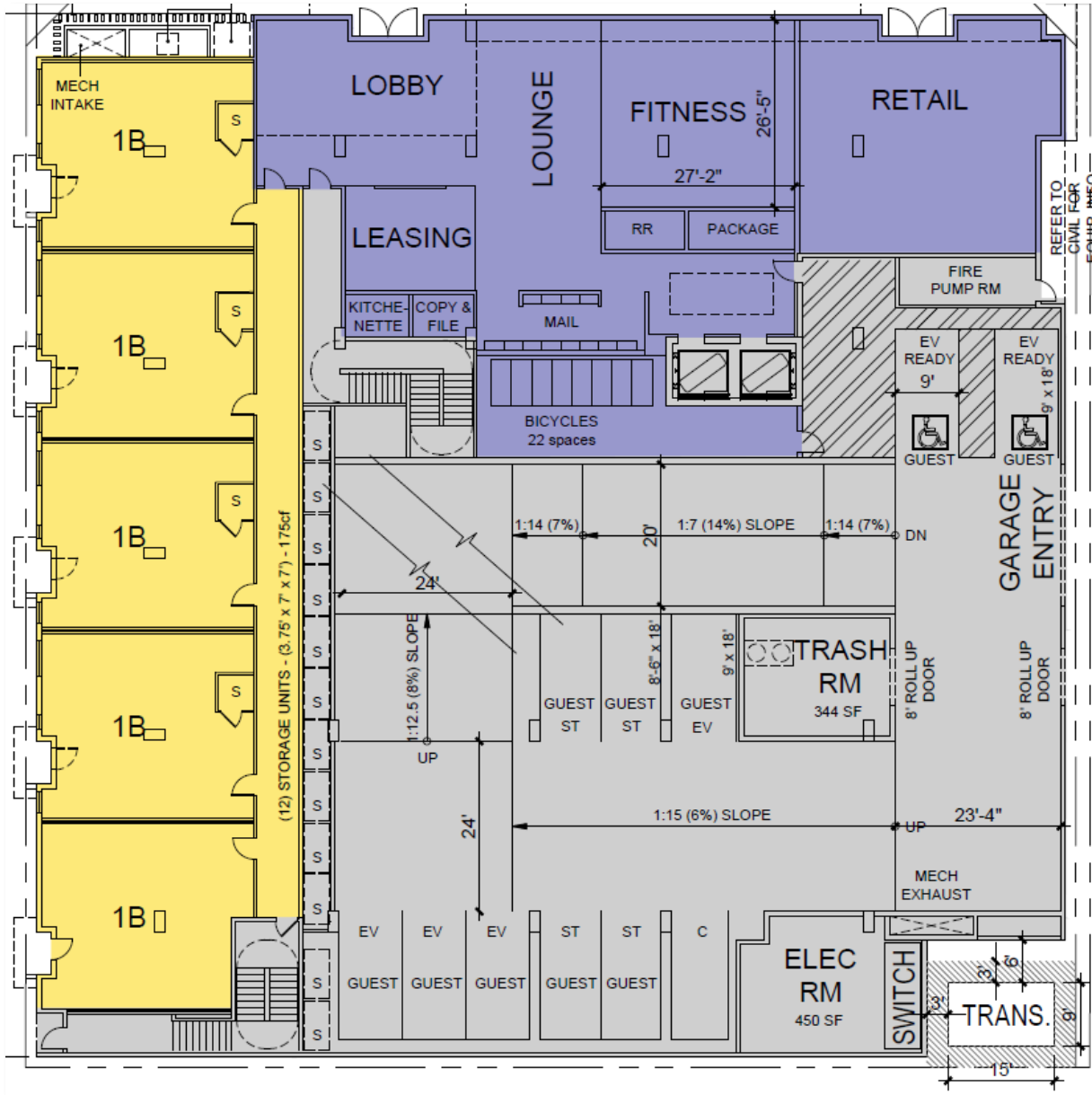
# INVESTMENT HIGHLIGHTS - ECONOMY

## Long Beach, CA – Employment Hubs

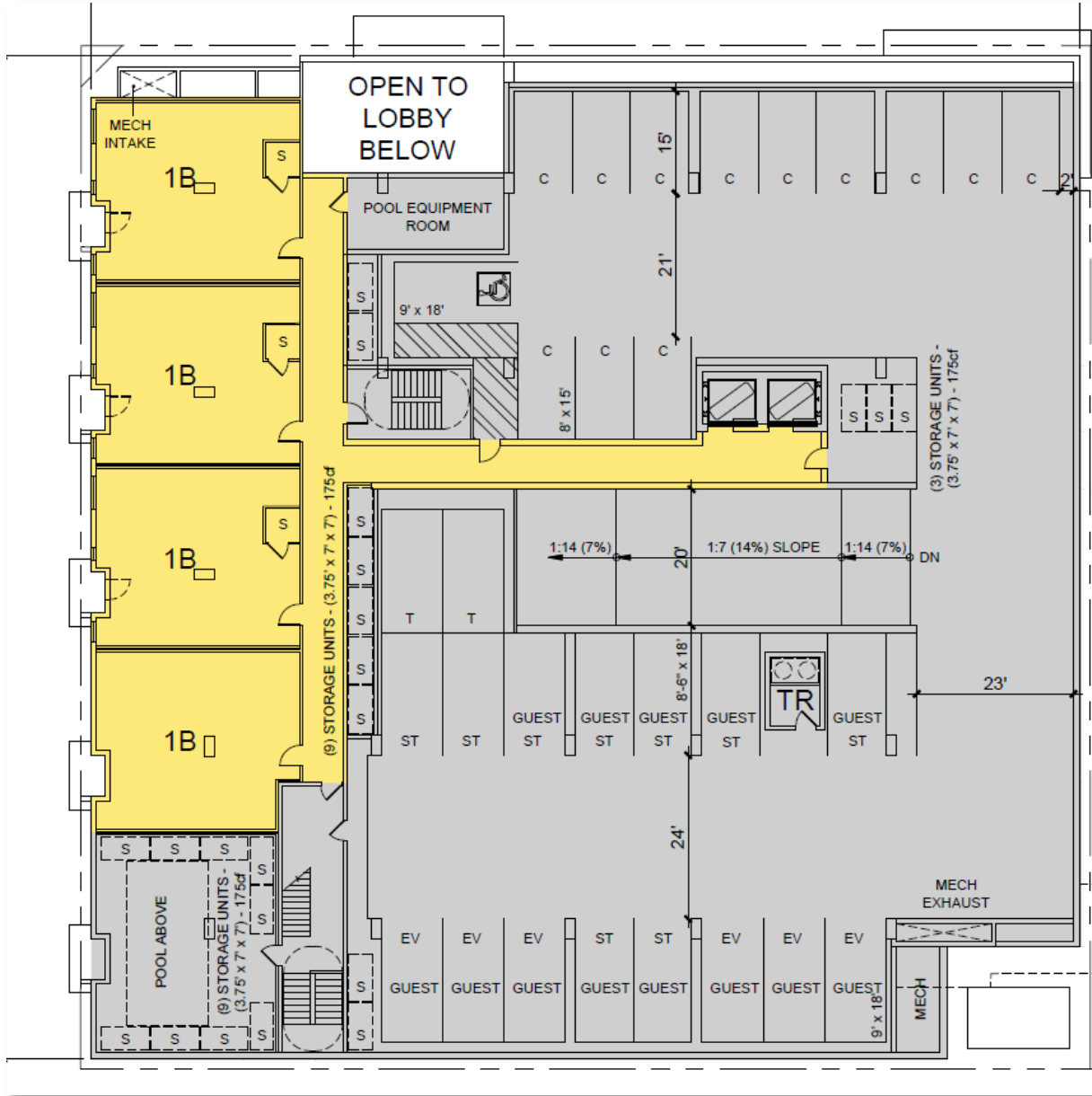
- The Ports of Los Angeles & Long Beach, 2 miles from the Project, are the busiest in the United States. The Ports support over 316,000 jobs throughout Southern California and generate \$200 billion annually worth of trade, with that number expected to increase.
- California State University, Long Beach, the 2nd largest in the university system serving ~40,000 students and faculty, is less than 5 miles from 7th & Locust.
- The Long Beach Convention Center, 1 mile from Locust, has 14 conventions planned through the end of the year that will attract roughly 74,000 visitors, contributing \$48.7M to the local economy.
- Long Beach is reemerging as an aerospace hub with both startups and established titans expanding their presence and bringing thousands of local jobs and millions of dollars of investment into the city.
- In preparation for the 2028 Summer Olympic Games, the City of Long Beach is undertaking a revitalization plan including, but not limited to, the development of new hotels, retail areas, and entertainment arenas.



# FLOOR 1 PLAN



# FLOOR 2 PLAN



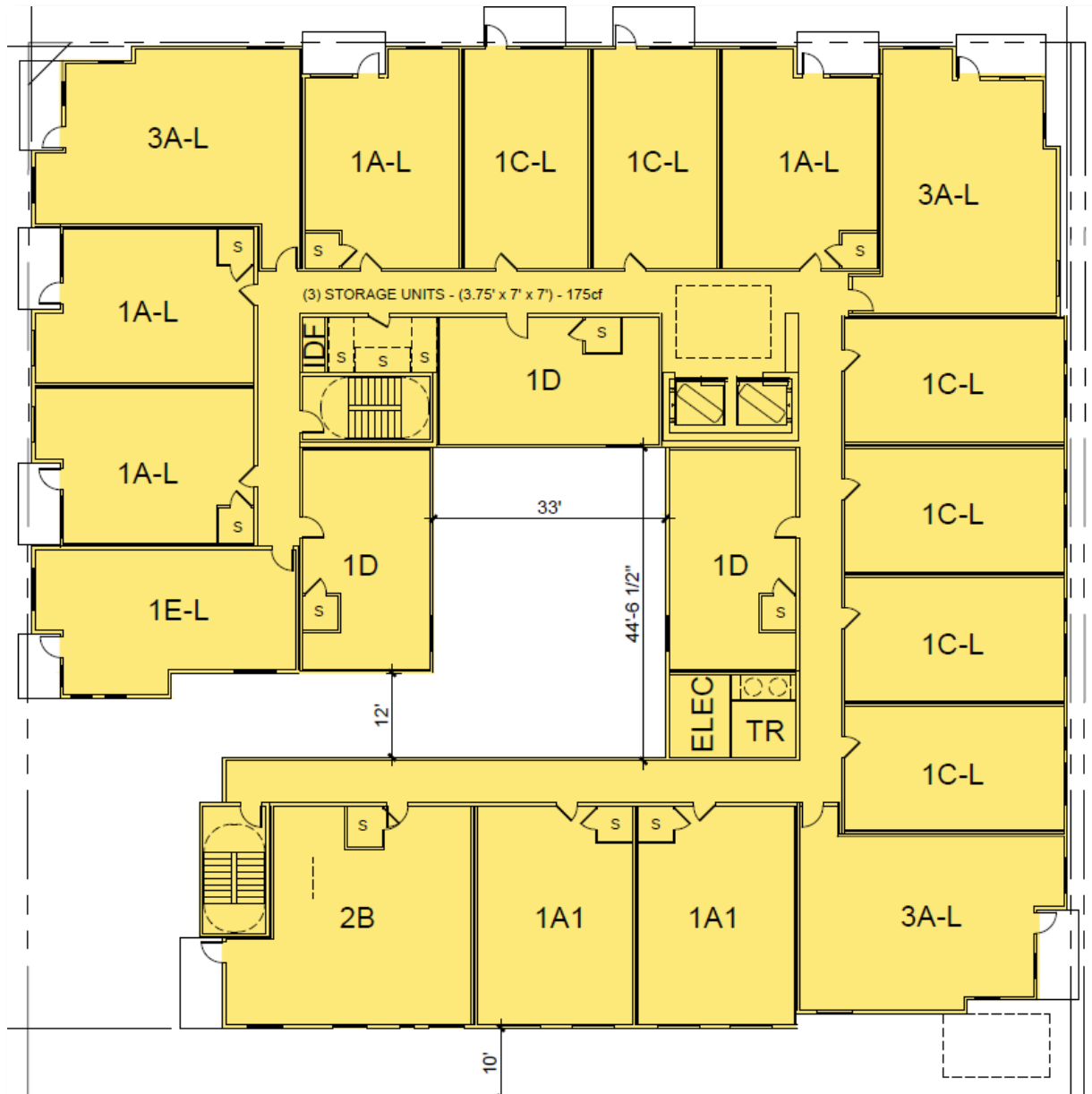
# FLOOR 3 PLAN



# FLOOR 4 - 6 PLAN



# FLOOR 7 PLAN



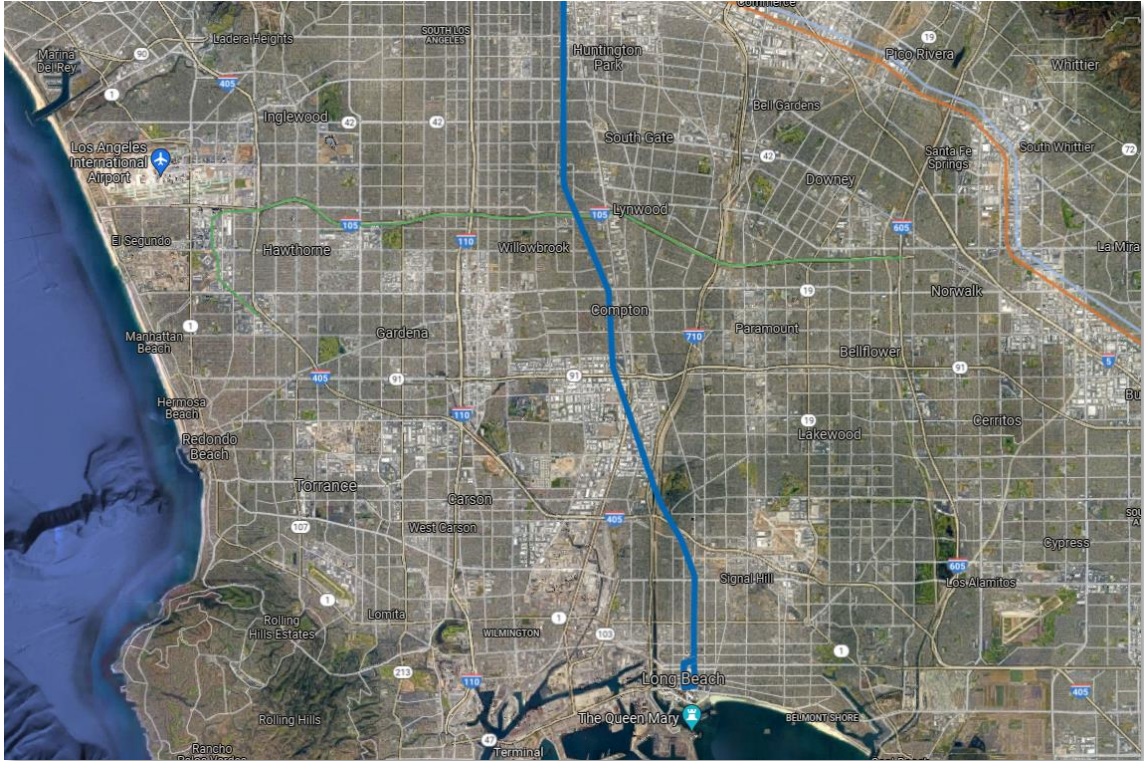
# ROOF PLAN



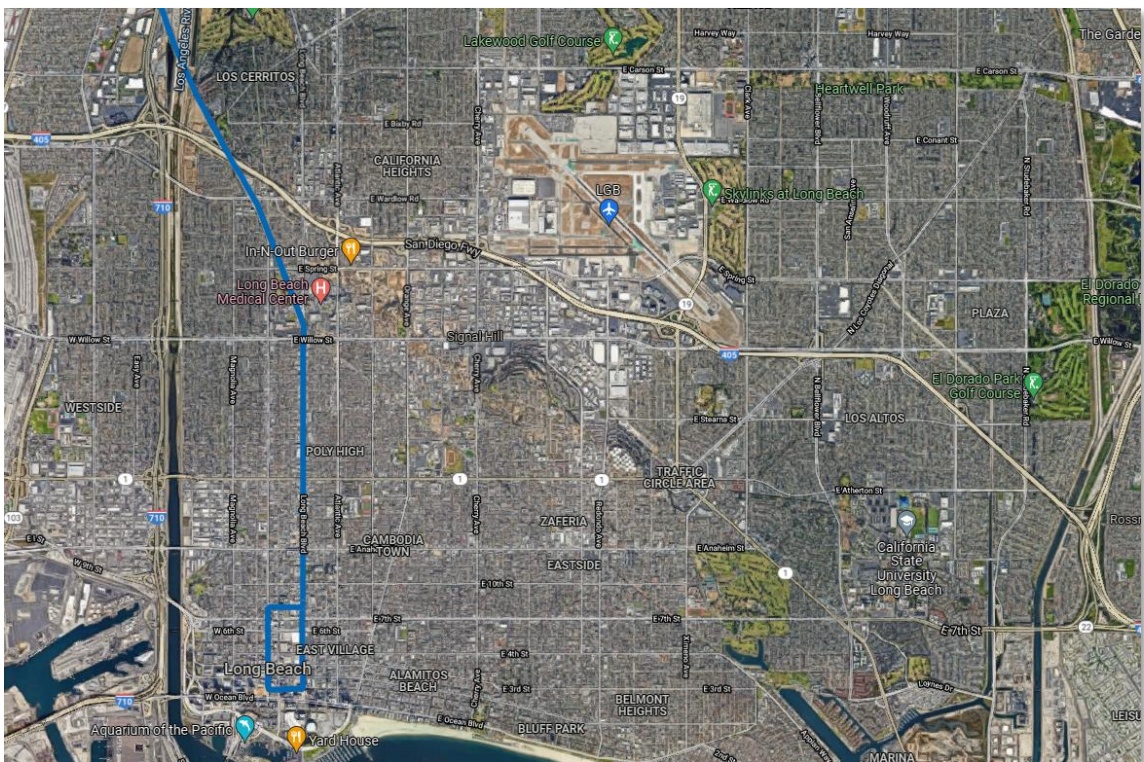


# AERIAL IMAGES

## ZOOM-OUT AERIAL

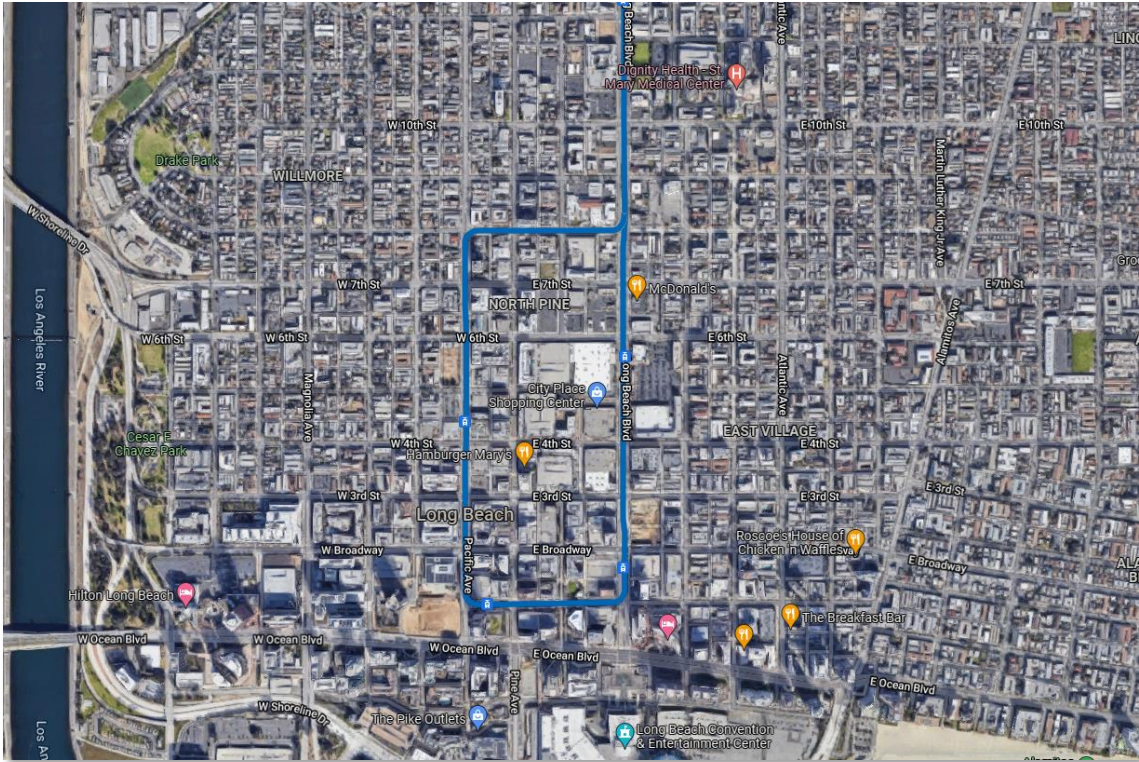


## ZOOM-IN AERIAL



# AERIAL IMAGES

## ZOOM-IN AERIAL



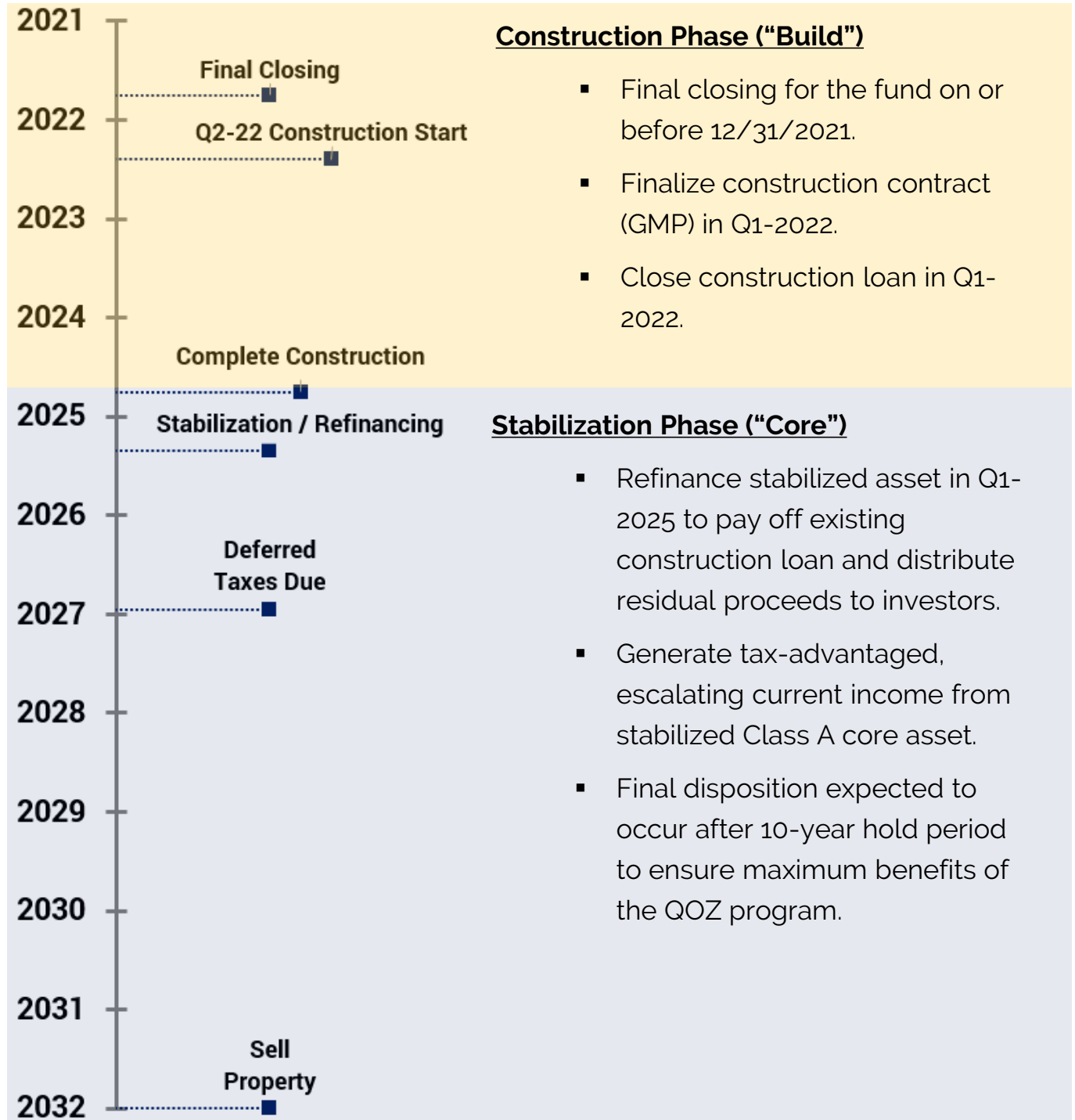
## AERIAL OVERVIEW



# AREA OVERVIEW



# PROJECT TIMELINE



# FINANCIAL SUMMARY

~\$48 M

Total Capitalization

18.0%+

10-Yr Levered IRR

~3.9x

10-Yr Equity Multiple

**PROJECT SUMMARY PAGE**

Locust (108 UNITS)

September 29, 2021

Page 1

**SOURCES & USES**

Sources	Amount	Per Unit	Per RSF	%
Senior Debt	\$31,008,000	\$287,111	\$391	65.0%
Mezz / Pref.	0	0	0	0.0%
Common Equity	16,696,011	154,593	210	35.0%
<b>Total</b>	<b>\$47,704,011</b>	<b>\$441,704</b>	<b>\$601</b>	<b>100.0%</b>

Uses	Amount	\$ / Unit	Per RSF	%
Site Acquisition Costs	\$3,738,600	\$34,617	\$47	7.8%
Hard Costs	34,203,636	316,700	431	71.7%
Soft Costs	8,137,438	75,347	103	17.1%
Capitalized Interest Expense	1,039,890	9,629	13	2.2%
Finance Fees & Other	584,447	5,412	7	1.2%
<b>Total</b>	<b>\$47,704,011</b>	<b>\$441,704</b>	<b>\$601</b>	<b>100.0%</b>

**DEVELOPMENT BUDGET**

	Total Budget	Per Unit	Per RSF	%
<b>Site Acquisition:</b>				
Land Price	3,720,000	34,444	164.23	7.8%
Acquisition Costs	18,600	172	0.82	0.0%
<b>Total:</b>	<b>\$3,738,600</b>	<b>\$34,617</b>	<b>\$165.05</b>	<b>7.8%</b>

<b>Hard Costs:</b>				
Demolition	\$420,000	\$3,889	\$5.29	0.9%
Construction	31,518,096	291,834	397.08	66.1%
Retail / Commercial	0	0	0.00	0.0%
Retail / TI's	59,400	550	0.75	0.1%
GC Contingency	639,950	5,925	8.06	1.3%
Owner Contingency/Inflation	489,562	4,533	6.17	1.0%
GC Fee & Overhead	1,076,628	9,969	13.56	2.3%
<b>Total GMP Contract:</b>	<b>\$34,203,636</b>	<b>\$316,700</b>	<b>\$430.92</b>	<b>71.7%</b>

<b>Soft Costs:</b>				
Municipal Fees & Permits	\$2,151,765	19,924	\$27.11	4.5%
Consultants (DD, Entitlements, A&E)	2,250,000	20,833	28.35	4.7%
Marketing & FF&E	400,264	3,706	5.04	0.8%
Owners Insurance	500,000	4,630	6.30	1.0%
Legal & Accounting	190,000	1,759	2.39	0.4%
Property Taxes	117,154	1,085	1.48	0.2%
Pre-Opening Expense / Operating Deficit	134,000	1,241	1.69	0.3%
Developers Fee	1,026,109	9,501	12.93	2.2%
Owner's Contingency	1,368,145	12,668	17.24	2.9%
<b>Total Soft Costs:</b>	<b>\$8,137,438</b>	<b>\$75,347</b>	<b>\$102.52</b>	<b>17.1%</b>

<b>Financing Costs:</b>				
Construction Interest	\$1,039,890	\$9,629	\$13.10	2.2%
Financing Costs	584,447	5,412	7.36	1.2%
<b>Total:</b>	<b>\$1,624,338</b>	<b>\$15,040</b>	<b>\$20.46</b>	<b>3.4%</b>

<b>Total Cost of Project:</b>	<b>\$47,704,011</b>	<b>\$441,704</b>	<b>\$601.00</b>	<b>100.0%</b>
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**PROPERTY SUMMARY**

Address			636 Locust Ave, Long Beach, CA	
Land Ac. / S.F.	0.52 ac	22,651 sf	Typology	Podium
Total Units	108 units	208 dua	Stories	7
Unit SF / NRSF	735 sf avg	79,374 sf	FAR	4.00
Avg Rent	\$2,822 / mo.	\$3.84 psf	Commercial SF	1,188 sf
Lease Up Rate	25 / mo.		Comm. Rent	\$2.40
Walk Score / Transit	96 / 78		Parking Ratio	1.25

PROJECT TIMELINE	Date	Mo. from COE	Mo. from prior
Land Acquisition (COE)	3/31/2022		
Entitlement Date	3/31/2022	0	0
Finalize GMP / Start Construction	6/30/2022	3	3
First Units (fr. Const Start)	3/31/2024	21	21
Construction Complete (fr. Const. Start)	5/31/2024	23	2
Stabilization	8/31/2024	29	3
Refinance	2/28/2025	35	6
Exit Date	6/30/2032	123	88
<b>Total</b>		10.3 yrs	123

**INVESTOR ECONOMICS**

Return on Cost:	Pre-TCO	Current	At Stabilization	At Exit
Gross Rental Income	\$4,208,293	\$3,657,852	\$4,193,954	\$5,365,898
Occupancy	95.0%	95.0%	95.0%	95.0%
NOI	\$2,939,962	\$2,502,646	\$2,972,927	\$3,895,248
<b>ROC</b>	<b>6.16%</b>	<b>5.30%</b>	<b>6.23%</b>	<b>8.17%</b>
Cap Rate Today	4.00%	4.00%	4.25%	4.50%
Development Spread	2.16%	1.30%	1.98%	3.67%
Asset Mgmt Fee	-	-	-	-
Proforma Debt Svc	2,054,728	2,054,728	2,378,524	2,378,524
Debt Coverage Ratio	1.43	1.22	1.25	1.64
Net Cash Flow	885,234	447,918	594,403	1,516,724
Yield to Equity	5.3%	2.7%	8.0%	20.5%

Exit Scenario:	10-Year Hold			
	Expected	Low	Expected	High
Cap Rate	4.50%	4.75%	4.50%	4.25%
Sale Price	60,627,810	75,618,088	78,917,306	82,517,548
Selling Costs	(575,964)	(718,372)	(749,714)	(783,917)
Development Cost	(47,704,011)	(47,704,011)	(47,704,011)	(47,704,011)
Development Profit	12,347,835	27,195,705	30,463,580	34,029,620
Total Cash Flow	0	17,809,526	17,809,526	17,809,526
<b>Total Profitability</b>	<b>\$12,347,835</b>	<b>\$45,005,231</b>	<b>\$48,273,106</b>	<b>\$51,839,146</b>
Sale Price Per Unit	\$561,369	\$700,167	\$730,716	\$764,051
Sale Price Per SF	\$764	\$953	\$994	\$1,040
<b>Leveraged IRR</b>	<b>35.0%</b>	<b>17.3%</b>	<b>18.0%</b>	<b>18.7%</b>
Equity Multiple	1.74x	3.70x	3.89x	4.10x



# SUMMARY OF KEY TERMS\*

Term	Description
<b>Fund Structure</b>	The offering is structured as a Qualified Opportunity Zone Fund ("QOF") and limited liability company ("LLC") and is managed by the Manager.
<b>Target Investor Return (IRR)</b>	15%+ net levered.
<b>Preferred Return</b>	8% preferred return.
<b>Term</b>	Initial Term shall be 10 years from construction start date. In no event shall the term extend beyond the permitted hold period for a QOF that would prohibit it from achieving the QOZ tax benefits.
<b>Minimum Commitment Amount</b>	\$100,000.
<b>Distribution of Net Cash Flow</b>	<p>Upon an exit event, the distribution of net disposition proceeds is expected to be made as soon as reasonably practicable and will be divided between the Members and the Manager as follows:</p> <ul style="list-style-type: none"> <li>i. First, 100% to Members until they have received aggregate distributions pursuant to this paragraph (i) sufficient, when combined with all other distributions made, to yield an internal rate of return of 8% calculated from construction commencement (for the avoidance of doubt, inclusive of the return of invested capital);</li> <li>ii. Second, the Manager will be entitled to a catch-up and the balance, if any (A) 50% to the Manager and (B) 50% to the Members until the Manager has received aggregate distributions equal to 20% of the total distributions made;</li> <li>iii. Third, the balance, if any (A) 80% to the Members and (B) 20% to the Manager, until each Member has received aggregate distributions under the foregoing clause (A) sufficient, when combined with all other distributions made, to yield an internal rate of return of 15% (for the avoidance of doubt, inclusive of the return of such Member's invested capital); and</li> <li>iv. Thereafter, the balance, if any (A) 50% to the Members and (B) 50% to the Manager (with such 50% distributable to the Manager under clause (B) of this paragraph (iv) and the 20% distributable to the Manager under clause (B) of paragraph (iii) collectively referred to as the Manager's "Carried Interest").</li> </ul>
<b>Annual Management Fee</b>	1.50% of invested equity commitments.
<b>Construction Management Fee</b>	Equal to 3.0% of all construction hard costs.
<b>Fees from Other Services – Affiliates of the Sponsor</b>	Certain affiliates of Starpoint Properties, LCC may be retained, from time to time, for services relating to investments or operations.
<b>Legal Counsel</b>	Clyde Snow & Sessions, P.C.
<b>Fees from Other Services – Affiliates of the Sponsor</b>	Certain affiliates of the Starpoint Properties, LLC may be retained, from time to time, for services relating to investments or operations.
<b>Organizational and Offering Expense Reimbursement</b>	Starpoint will be reimbursed for any organization and offering expenses associated with the offerings (including, without limitation, legal, accounting, and other organizational expenses).
<b>Investor Suitability</b>	Members must be "accredited investors" within the meaning of, and in compliance with, Regulation D of the Securities Act be eligible to make an investment in the fund.

\* The foregoing information is presented as a preliminary summary of certain of key terms only and is qualified in its entirety by reference to the Limited Liability Company Agreement of the Locust OZ Fund, LLC.



# INVESTMENT HIGHLIGHTS

## 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.

## 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.

## Transparent Reporting

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

**Juniper Square**





**Call  
us at**

**310.651.2111**



**Email  
us at**

**neils@starpointproperties.com**

**DISCLOSURE**

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*Performance information regarding Starpoint's private investment vehicles and accounts referenced in this presentation is available upon request. Past performance is not necessarily indicative of future results. There can be no assurance that the Fund will achieve their investment objectives or that Fund investors will be able to avoid losses of their invested capital. Targeted returns are based on Starpoint's belief about the returns that may be achievable in light of Starpoint's and its professionals' experience with similar transactions, their knowledge of the market, financing, operating and growth techniques and the assumption that economic, market and other conditions will not deteriorate and, in some cases, improve. Targeted returns are subject to significant economic, market, and other uncertainties that may adversely affect performance. Prospective investors are invited to request additional information about the basis for targeted returns. No risk control mitigant is failsafe. Losses may occur as a result of identified or unidentified risks.*

*Forward-looking statements and discussions of the business environment and the Fund included herein (e.g., with respect to financial markets, targeted returns, business opportunities, demand, project pipeline and other conditions) are all subject to the ongoing novel coronavirus outbreak ("COVID-19"). The full impact of COVID-19 is particularly uncertain and difficult to predict, therefore such forward-looking statements do not reflect its ultimate potential effects, which may substantially and adversely impact the performance of the Fund. Targeted returns have the potential to be revised to take into account adverse effects of COVID-19 on the future performance of the Fund.*

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