Investment Packet

AKRON, OHIO 120 Montrose West Avenue

104 Unit // Multifamily Conversion





Securities Disclaimer

THIS INVESTMENT OPPORTUNITY PROSPECTUS (THIS "INVESTMENT PROSPECTUS") INTRODUCES AN OPPORTUNITY TO INVEST IN F STREET BOULDER AKRON LLC, A WISCONSIN LIMITED LIABILITY COMPANY (THE "COMPANY"), ULTIMATELY FOR THE ACQUISITION OF CLASS A UNITS OF THE COMPANY (THE "UNITS"). THE OFFERING OF THE UNITS (THE "OFFERING") IS A PRIVATE OFFERING PURSUANT TO EXEMPTIONS PROVIDED BY SECTION 4(2) OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") AND SEC RULE 506 PROMULGATED THEREUNDER, AND APPLICABLE STATE SECURITIES LAWS. THIS OFFERING WILL BE MADE ONLY TO "ACCREDITED INVESTORS," AS DEFINED IN RULE 501(A) OF THE SEC'S RULES PROMULGATED UNDER THE ACT. F STREET BOULDER AKRON LLC ("F STREET" OR "SPONSOR"), WHICH IS THE COMPANY'S FOUNDER AND MANAGING MEMBER, SHALL MAKE AVAILABLE TO PROSPECTIVE INVESTORS AND/OR THEIR REPRESENTATIVES AND ADVISORS THE OPPORTUNITY TO ASK QUESTIONS OF, AND RECEIVE ANSWERS FROM, THE COMPANY OR FROM ANY PERSON ACTING ON ITS BEHALF CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING, THE COMPANY'S BUSINESS, OR ANY OTHER MATTERS SET FORTH HEREIN, AND TO OBTAIN ANY ADDITIONAL INFORMATION, TO THE EXTENT THAT THE COMPANY POSSESSES SUCH INFORMATION OR CAN OBTAIN IT WITHOUT UNREASONABLE EFFORT OR EXPENSE, NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION CONTAINED IN THIS INVESTMENT PROSPECTUS. UPON REASONABLE NOTICE, AND IN CONNECTION WITH SUCH INQUIRY, ANY DOCUMENTS OR ITEMS THAT ANY SUCH PERSON WISHES TO REVIEW WILL BE MADE AVAILABLE FOR INSPECTION.

PROSPECTIVE INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS INVESTMENT PROSPECTUS AS LEGAL. TAX. INVESTMENT, OR OTHER ADVICE. EACH PROSPECTIVE INVESTOR SHOULD MAKE ITS OWN INQUIRIES AND CONSULT ITS OWN ADVISORS AS TO THE APPROPRIATENESS AND DESIRABILITY OF AN INVESTMENT IN THE COMPANY AND AS TO LEGAL, TAX, AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE UNITS. THIS INVESTMENT PROSPECTUS MAY CONTAIN FORWARDLOOKING STATEMENTS OF AND ABOUT THE COMPANY. FORWARD-LOOKING STATEMENTS ARE STATEMENTS THAT PREDICT OR ESTIMATE THE HAPPENING OF FUTURE EVENTS. ARE NOT BASED ON HISTORICAL FACT, AND ARE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. FOWARD-LOOKING STATEMENTS CAN BE IDENTIFIED BECAUSE THEY CONTAIN WORDS SUCH AS "MAY," "WILL," "EXPECT," "SHOULD." "COULD." "ESTIMATE." "ANTICIPATE." "POSSIBLE." "PROBABLE." "CONTINUE." OR SIMILAR TERMS. VARIATIONS OF THOSE TERMS. OR THE NEGATIVE OF THOSE TERMS. ALL SUBSEQUENT WRITTEN OR ORAL FORWARD-LOOKING STATEMENTS ATTRIBUTABLE TO THE COMPANY ARE ALSO QUALIFIED IN THEIR ENTIRETY BY THE CAUTIONARY STATEMENTS INCLUDED IN THIS INVESTMENT PROSPECTUS. THE FORWARD-LOOKING STATEMENTS CONTAINED HEREIN HAVE BEEN COMPILED BY THE COMPANY ON THE BASIS OF ASSUMPTIONS MADE BY THE COMPANY AND F STREET AND CONSIDERED BY F STREET TO BE REASONABLE. FUTURE OPERATING RESULTS OF THE COMPANY. HOWEVER, ARE IMPOSSIBLE TO PREDICT AND NO REPRESENTATION, GUARANTY, OR WARRANTY IS TO BE INFERRED FROM THOSE FORWARD-LOOKING STATEMENTS, THEREFORE, PROSPECTIVE INVESTORS ARE URGED TO CONSULT WITH THEIR ADVISORS, WHOSE OPINIONS WITH RESPECT TO THE ASSUMPTIONS OR HYPOTHESES SPECIFIED IN THOSE FORWARD-LOOKING STATEMENTS MAY DIFFFR.

THE SPECIFIC TERMS OF THE COMPANY AND THE ECONOMIC AND OTHER RIGHTS AND OBLIGATIONS OF PERSONS WHO ACQUIRE THE UNITS PURSUANT TO THE OFFERING WILL BE SET FORTH IN THE COMPANY'S OPERATING AGREEMENT. IN THE EVENT OF ANY AMBIGUITY BETWEEN MATERIAL PRESENTED IN THIS INVESTMENT PROSPECTUS AND THE COMPANY'S OPERATING AGREEMENT, THE TERMS OF THE COMPANY'S OPERATING AGREEMENT SHALL CONTROL. THE OFFERING PRICE FOR THE UNITS TO BE OFFERED BY THE COMPANY HAS BEEN DETERMINED BY F STREET AND DOES NOT NECESSARILY BEAR ANY SPECIFIC RELATION TO THE ASSET VALUE, BOOK VALUE, OR POTENTIAL EARNINGS OF THE COMPANY OR ANY OTHER RECOGNIZED FINANCIAL CRITERIA OR VALUE. MATTERS SPECIFIC TO HOW TO INVEST IN THE COMPANY WILL ULTIMATELY BECONTROLLED BY A SUBSCRIPTION AGREEMENT PROVIDED TO PROSPECTIVE INVESTORS

ш \mathbf{T} NTU **N** ш Σ > \bigcirc Ω Ш Ш UL >ш Ō \mathbf{m} Ш ш Ω **|---**S LL.



Table of Contents

Project Narrative

Page 04

Construction Plan

Page 05

Planned Scope of Work

Page 06

Property Summary / Rent Comparables

Page 07-08

Recent Projects

Page 09-10

The Apartments Page 11

Location

Page 12-13

Investment Summary

Page 14

Sources and Uses Page 15

Page 16-17

Action Steps Page 18

Project Sponsors Page 19

Investment Thesis / Structure



PMENT

LLI.

Í

ш ĽЦ.

Ω -

S

LL.

LU

THE

Project Narrative

F Street Development ("F Street") and Boulder Venture ("BV") have partnered as co-developers/sponsors to offer for a limited time, the opportunity to invest in the conversion of an extended stay hotel to an amenity-rich multifamily residential community. We have formed F Street Boulder Akron, LLC, a Wisconsin limited liability company, to own this asset/investment.

F Street Boulder Akron, LLC is scheduled to close on the extended stay hotel on April 1st, 2021, located at 120 Montrose West Avenue, Akron, OH. We will be receiving our entitlements on February 23rd, 2021, prior to closing. Our zoning approval, permitting the multifamily apartments use, and gaining comfort on other due diligence items allows us to waive our due diligence period on March 1st, 2021, and proceed to closing on April 1, 2021. Unlike Albany, having these approvals before closing will be advantageous as there is no need to operate as a hotel, retain current staff, and fund any losses from the hotel operation. Instead, immediately upon closing, we will be commencing our approximately \$1.42M renovation project to convert the existing units to apartments. (Please see our planned construction budget outlined below).

The project plan is to repurpose the existing buildings so it operates as a high-quality multi-family community with a mix of studio and two-bedroom apartment units; the renters will be 12-month residents. Community amenities include a clubhouse, fitness center, business center, and outdoor pool.





Construction Plan

We Have Successfully Completed Conversion Projects Like This Before

We have been meeting with contractors regarding our renovation plan, budget, value-engineering efforts, and our scope of work to hone in on the construction budget for this project. The common areas of the property (parking lot, landscaping, clubhouse, laundry, parking lot, signage, etc.) will be upgraded. Individual apartment units will be renovated (paint, carpet/flooring, appliances, HVAC, etc.) where required.

There will not be any structural changes to any of the buildings. The property's access drive, circulation, parking, green space, and buildings currently exist; we do not intend on modifying the overall design of the community. All changes will be cosmetic in nature. Please see below for our current scope of work, which is subject to change as we continue working through the process with our local contractor.







Planned Scope of Work

Temporary Utiltiies/Miscellaneous General Conditions	\$61,810.00
Demolition	\$26,120.00
Asphalt Paving	\$30,123.00
Landscaping	\$25,800.00
Rough Carpentry	\$121,420.00
Finish Caprentry	\$33,800.00
Roofing	\$73,500.00
Doors/Frames/Hardware	\$67,970.00
Flooring	\$218,400.00
Paint	\$197,200.00
Club House	\$76,840.00
Appliance/Mailboxes	\$206,700.00
Electrical	\$104,000.00
Subtotal	\$1,243,683.00
Overhead and Profits (9%)	\$111,931.00
GL Insurance	\$4,609.00
Contingency (5%)	\$62,184.00

Total

\$1,422,407.00

Property Summary A REPORT OF A REPORT OF

What We Are Converting



OPMENT ш DEVEL VENTUR STREET DER F ST BOUL Number of Units 104

Number of Buildings 13 Residential, 1 Office / Clubhouse

Type / Number of Units 78 Junior 1-Bedroom, 26 2-Bedroom

Land Area 4.9 Acres



Rent Comparables

Property	Address	City, State	Year Built	Unit Type	Units	Square Feet	Avg. Rent	Rent/SF	Vacancy
Subject	120 Montrose West	Copley, OH	-	Jr. 1 Bedroom	78	550	\$800	\$1.45	-
1 Heritage at White Pond	915 Mull Ave	Akron, OH	1972	Studio	-	475	\$750	\$1.58	-
2 Highlands of Heritage Woods	454 Crestmont Ct	Copley, OH	1998	1 Bedroom	48	820	\$850	\$1.04	2.1%
3 Summit Rise Apartments	54 Hunt Club Dr	Copley, OH	2006	1 Bedroom	60	823	\$925	\$1.12	0.0%
4 Hunt Club Apartments	100 Hunt Club Dr	Copley, OH	1987	1 Bedroom	104	767	\$894	\$1.17	2.9%
5 Fairway Park Apartments	3826 Fairway Park Dr	Akron, OH	1999	1 Bedroom	84	816	\$1,000	\$1.23	0.0%
6 Park Hill at Fairlawn	619 Park Hill Dr	Fairlawn, OH	1995	1 Bedroom	24	800	\$1,040	\$1.30	4.2%
Subject	120 Montrose West	Copley, OH	-	2 Bedroom	26	875	\$925	\$1.06	-
2 Highlands of Heritage Woods	454 Crestmont Ct	Copley, OH	1998	2 Bedroom	64	1,098	\$955	\$0.87	3.1%
3 Summit Rise Apartments	54 Hunt Club Dr	Copley, OH	2006	2 Bedroom	24	1,123	\$1,610	\$1.43	0.0%
4 Hunt Club Apartments	100 Hunt Club Dr	Copley, OH	1987	2 Bedroom	156	1,012	\$1,008	\$1.00	2.9%
5 Fairway Park Apartments	3826 Fairway Park Dr	Akron, OH	1999	2 Bedroom	168	1,103	\$1,200	\$1.09	0.0%
6 Park Hill at Fairlawn	619 Park Hill Dr	Fairlawn, OH	1995	2 Bedroom	136	1,131	\$1,137	\$1.01	3.7%



BOULDER VENTURE



Recent Project Successes

Hotel-to-Apartment Conversions

The Glen Apartments

Glendale, WI (Milwaukee)

In 2015 Boulder Venture and F Street acquired a 96-unit independent hotel located in metropolitan Milwaukee and successfully converted it into a high-quality townhouse apartment community called The Glen. Upon successfully receiving entitlements, the project took approximately 7 months to stabilize and continues to be 100% occupied, which is a testament to the quality of units provided and experienced management.

Ownership acquired the property for \$3,024,000 (\$31,500/unit) and spent an additional \$1,440,000 (\$15,000/unit). Upon completion and lease-up, the project appraised for \$9,280,000 (\$96,667/unit) and ownership subsequently obtained a cash out re-finance loan from Fannie Mae. The property, which generates significant cash flow on a monthly and annual basis, will continue to be a long-term hold for ownership.

Skyview Terraces Latham, NY (Albany)

In 2019 Boulder Venture and F Street acquired The Albany Airport Inn & Suites, a 112-unit independent hotel, located in Albany, New York. Ownership has recently completed renovations and has started leasing apartment units with stabilization anticipated by summer 2021. Like the Glen Apartments, the plan is to continue to own the asset and professionally manage it in conjunction with a local property management company.

Ownership acquired the property for \$3,780,000 (\$33,750/unit) and spent \$1,659,000 (\$14,812/unit) upgrading the property. Upon closing, ownership worked with the local municipality and successfully received zoning board approval to proceed with the conversion to apartments. The stabilized value is \$10,775,000 (\$96,205/unit) and ownership will likely refinance with an Agency lender upon stabilization as they did with the Glendale, WI project.



Past Project Details

Milwaukee, Wisconsin

- 1. Purchased in November 2015 for \$3.15M (96 units) (\$32,813/unit)
- 2. Converted the hotel to apartments; worked with the city on rezoning and entitlements
- 3. Invested approximately \$525,000 in renovation costs to improve the property (\$5,468/unit)
- 4. Appraised Value at the time of acquisition was \$6.5M
- 5. Appraised Value after rehabilitation to multifamily units was \$7.5M (\$78,125/unit)
- 6.Net rental receipts in 2020 were \$935,000.00
- 7.Net Operating Income in 2020 was \$537,000.00
- 8. The company re-financed the asset with Fannie Mae in August 2020 for \$6.8M

The co-developers have recently completed a few similar projects in Glendale, Wisconsin (2016) and Albany, New York (2019)

entitlements

Albany, New York

1. Purchased in November 2019 for \$3.6M (112 units) (\$32,142.86/unit) 2. Converted the hotel to apartments; worked with city on rezoning and

3. Invested approximately \$1.467M (\$13,098.21/unit) in hard construction costs; Total project costs were approximately \$2M in total project costs (\$17,857.14/unit) (including fees, contingencies, and soft costs) to improve the property.

a. Total improved project cost per unit is \$50,000.00 b. Total appraised value as of August 2020 is \$8,300,000.00 c. Total appraised market value upon stabilization is \$10,775,000

d. Our projected market value per stabilized income at a conservative

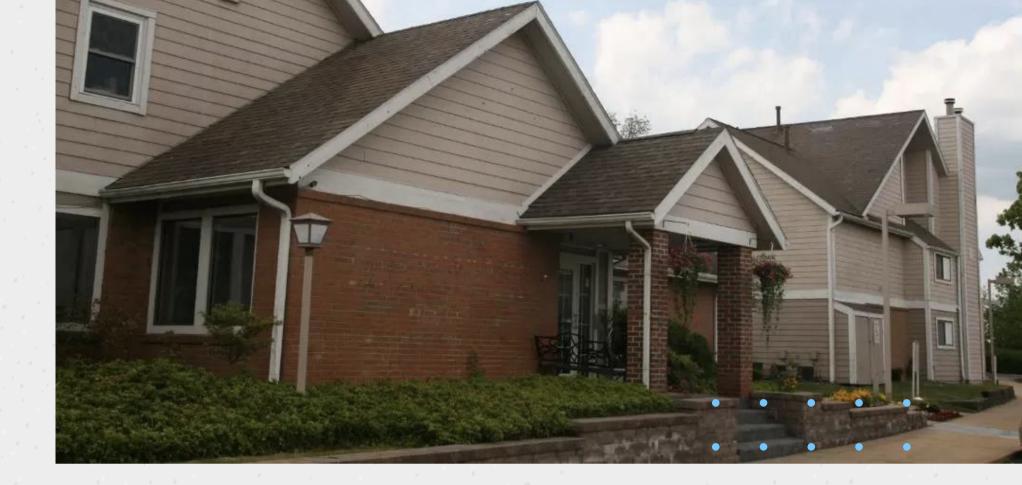
capitalization rate (7.25%) is approximately \$12,000,000.00

4. Projected Gross rental income once stabilized: \$1,500,000.00

5. Projected Net Operating Income once stabilized: \$875,000.00

BOULDER VENTURE

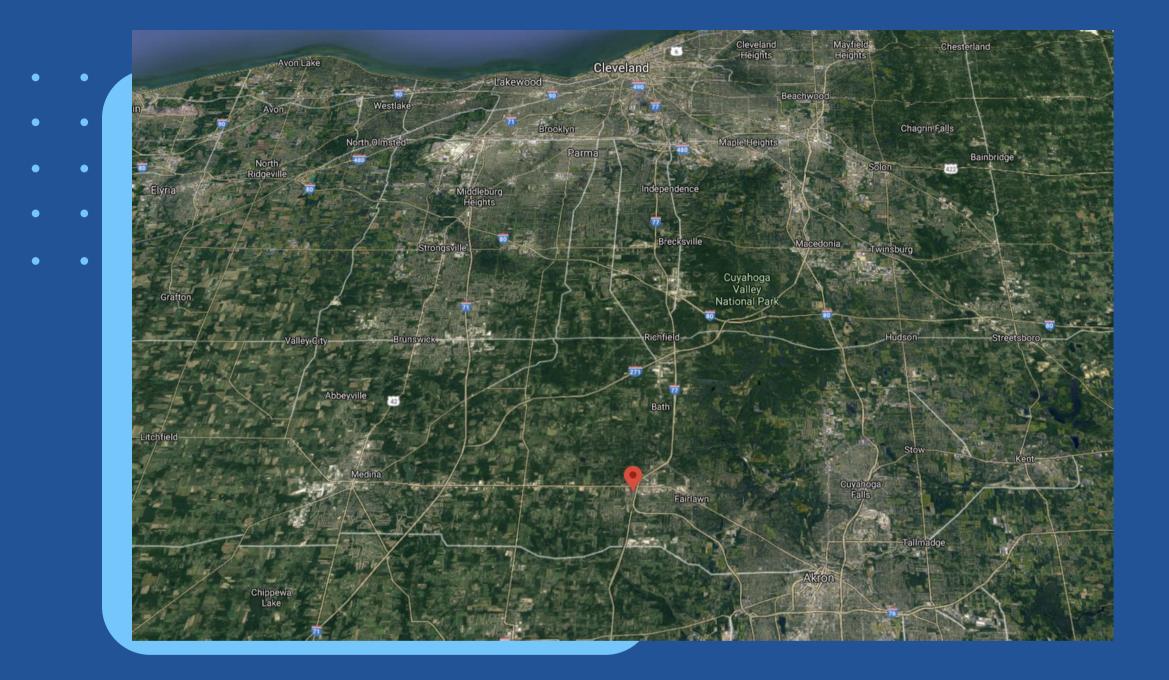
The Apartments



The Hotel was originally constructed in 1989 and consists of 13 separate one and two-story buildings and another building that houses the main gatehouse. The Property has 104 units and features amenities including a fitness center, business center, guest laundry facility, outdoor swimming pool, and sports court. The existing units are of great size and come equipped with a full kitchen as well as separate living and sleeping areas, which makes the conversion mainly cosmetic in nature.

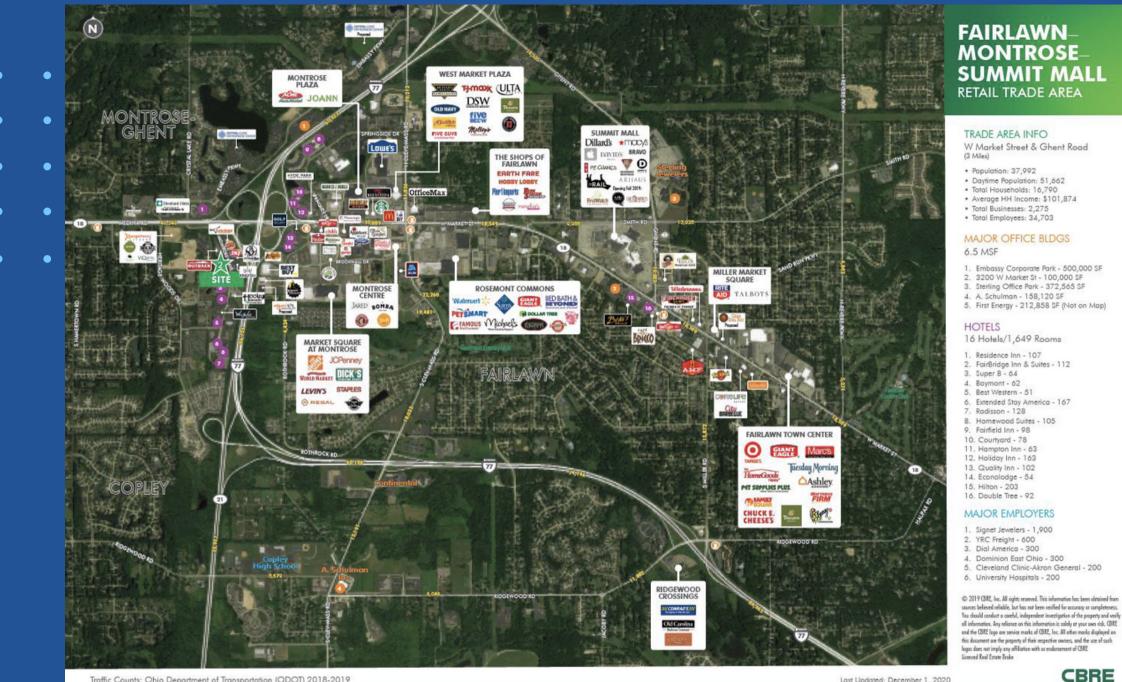
There are 78 studios and 26 2-bedroom units. Based on our market analysis, we are underwriting the following rents for the two types of units: \$765-\$795 per month for studio apartments and \$945-\$965 for 2-bedroom apartments. We will be entering the market charging these prices and will work with our local property manager to modify pricing where appropriate.





The Property is located in the heavy retail corridor known as the Montrose/Fairlawn Trade Area in Copley, OH. Situated just off a major east-west thoroughfare Route 18 (Medina Road), the Project has excellent highway access with Interstate 77 located directly to the east and Interstate 71 located a few miles to the west. Downtown Cleveland, OH is 27 miles to the north with access from I-77 and I-71 and Downtown Akron, OH is 9 miles southeast with access from I-77 / I-76

Centralized Location



Traffic Counts: Ohio Department of Transportation (ODOT) 2018-2019

BOULDER VENTURE

Strong Submarket Fundamentals

Last Updated: December 1, 2020

The Property's rental submarket (Copley/Fairlawn) continues to perform very well in the current environment, with a reported overall market vacancy rate of 4.4% and an even lower rate of 1.7% for newer completed properties (CoStar). According to the CBRE 2021 Multifamily Outlook Report, CBRE forecasts a return to pre-COVID vacancy levels and a 6% increase in net effective rents next year, with a full market recovery occurring in early 2022. Also, the COVID-induced recession has impacted urban markets much more dramatically which will bode well for suburban submarkets to lead the recovery into 2021.

Robust Trade Area

The Montrose/Fairlawn Retail Trade Area is a topperforming retail and restaurant market in Northeast Ohio drawing people from all of Summit County and parts of Cuyahoga and Medina Counties. There is a significant amount of retail located around the Property and immediately to the east with Summit Mall, Home Depot, TJ Maxx, Mustard Seed Market, Dicks Sporting Goods, Hobby Lobby, along with a large number of restaurants and infill retail tenants. Other big-box retailers in the area include Walmart, Target, Dillard's, Macy's, Sam's Club, and Giant Eagle.

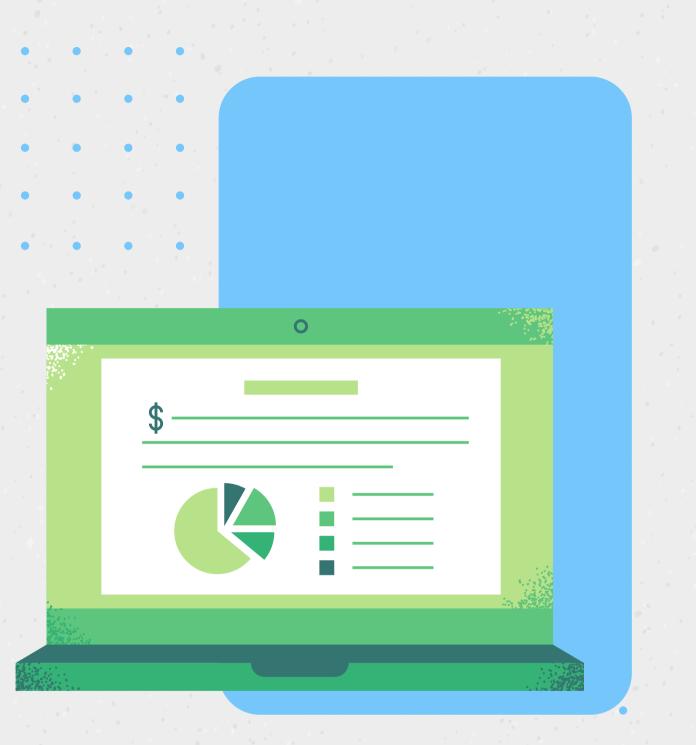
This market also boasts over 6.5 million square feet of office space with Signet Jewelers as the largest employer with over 1,900 employees. Cleveland Clinic Akron General Health & Wellness Center (200 employees) is located directly to the north of the Property. The subject market also contains a strong concentration of multifamily and single-family residential in addition to hospitality and office.



Investment Summary

Total Investment Required: \$1,550,000

Class A Percentage of F Street Boulder Akron LLC	25%
Preferred Return to Class A Investors	10%
Targeted Investment Period (For Return of Investment)	2-3 Years
Minimum Investment	\$50,000
Property Type	Multifamily Residential
Distribution Period (once stabilized)	Quarterly



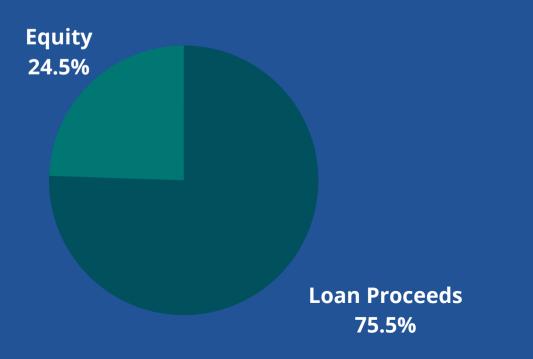


Sources and Uses

Sources of Funds

Loan Proceeds (80% of PP and all repairs)	\$4,782,476.50
Investor Equity (20% of PP+\$420k)	\$1,550,000.00
Total Project Costs	\$6,332,476.50

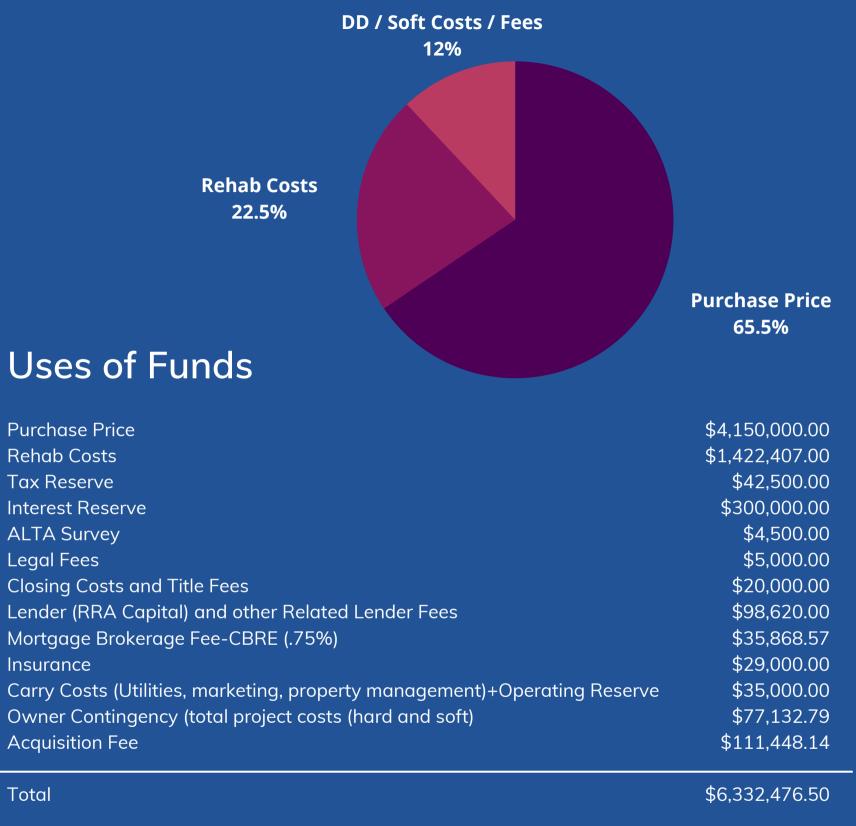
• •



Uses of Funds

Purchase Price Rehab Costs Tax Reserve Interest Reserve ALTA Survey Legal Fees Closing Costs and Title Fees Mortgage Brokerage Fee-CBRE (.75%) Insurance Acquisition Fee

Total



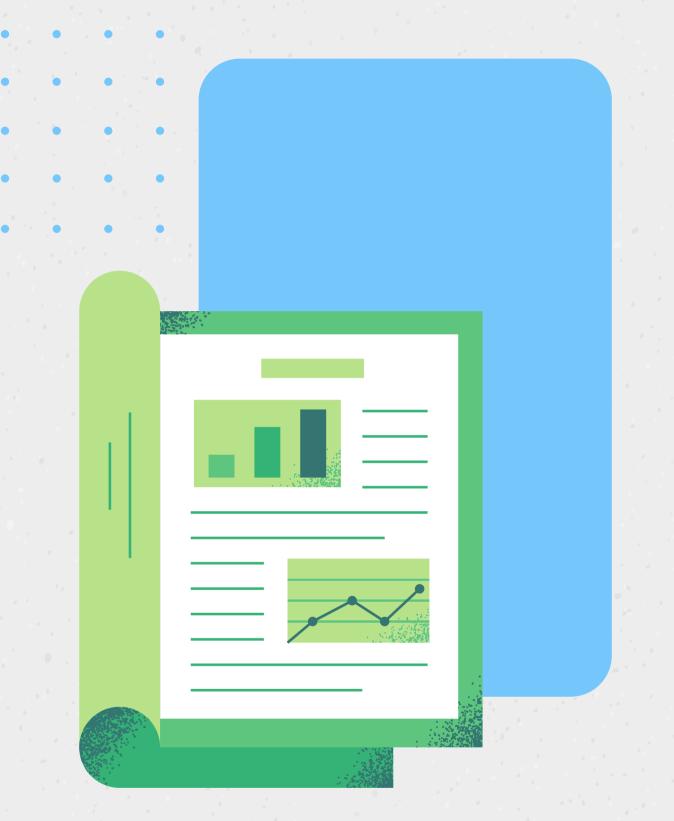
 \rightarrow **BOULDER VENTURE**

Investment Thesis

This investment opportunity presented by F Street Development and Boulder Venture fits perfectly in our joint and strategic mission to convert extended stay hotels to multifamily housing. Due to the size of the living areas and kitchens in each of the units, in addition to the existing amenities offered in these properties (tennis court, pool, gym), these conversions can be completed efficiently and cost-effectively.

We intend to stabilize the asset and re-finance within a 2-3 year period from the time of acquisition in April 2021. While we plan to hold this asset in our portfolio for several years, we will contemplate a sale if the economics are compelling for our investment group.

This offering represents the rare opportunity for investors, along with the Sponsor, to acquire an apartment project on an expansive site at a significant discount to replacement cost. Considering the current labor market and particularly high construction costs in the current environment, the property would cost approximately \$100,0000.00 per unit to construct today.





Investment Structure

10% Preferred Return to Outstanding Class A Equity

100% of all Free Cash Flow to Class A Members until their Capital Contribution is returned in full

25% Cash Flow / Sale and Refinance Proceeds to Class A Members 75% Cash Flow / Sale and Refinance Proceeds to Class B Member

PMENT \overline{O} ш VENTUR Ш E Ξ ш Ω \mathbf{C} E F S **BOUL**

The Sponsor has formed F Street Boulder Akron LLC that will own/take title to this sole asset. This entity will not purchase any other assets. Investors will sign subscription agreements and joinder agreements to become Class A Members of F Street Boulder Akron, LLC. The Sponsor entity, F Street Boulder Manager, LLC will be the sole Class B member of F Street Boulder Albany, LLC and shall be responsible for securing the debt with a lender. Scott Lurie and Robert E. Schmidt will be the co-managers of F Street Boulder Akron, LLC.

Investors/Class A Members will hold 25% of F Street Boulder Akron LLC. F Street Boulder Manager, LLC (Class B Member) will own 75%. Investors will receive a 10% preferred return on their outstanding capital investment. All free cash flow (FCF) in excess of the 10% preferred return paid to Class A Members (FCF is all free cash post mortgage, taxes, and operational expenses) is paid back 100% to investors (after holding an adequate reserve balance) until the entire the investor's capital investment is paid back in full.

Cash flow order/Investor Payback: 1) Mortgage/interest/taxes; 2) 10% preferred return to Class A members (on all outstanding investment); 3) 100% cash flow paid to Class A until the money is paid back to investors in full; 4) Upon all equity is returned to Investors (in addition to the 10% preferred accrued return annually), 25% Class A Investors/75% Class B.

Sponsor will be paid a 2% acquisition fee (2% of purchase price plus renovation costs) on the project costs. Sponsor will not charge a disposition fee or any other miscellaneous fees.

A 3rd party property management company will be charging F Street Boulder Akron LLC a 4% management fee (of gross receipts) to professionally manage the multifamily residential community.

Total Capital Raise: \$1,550,000 in exchange for 25% of the outstanding equity of F Street Boulder Akron, LLC. This investment, as noted, is entitled to a 10% preferred return prior to any other distributions.

Investment **Action Steps**

Action Steps Upon Closing:

Construction: Commence construction immediately after closing of the acquisition on April 1st, 2021 a. We have been working with a few local contractors to establish a scope of work and budget to execute our renovation plan.

b. We will be selecting a contractor prior to closing and will be implementing our renovation plan, as well as managing the construction process in a timely and efficient manner.

Property Management: Leasing and property management will be handled by a local company that has extensive experience in the Copley and NE Ohio apartment markets.

- a. We are working to interview and engage a local property management company to work with us to expeditiously lease the converted apartment units. We will contract with a management company in advance of closing.
- b. Simultaneously with renovating each of the 13 apartment buildings, we will be signing leases. This phased approach will allow us to continuously renovate and lease until we achieve stabilization.



F STREET DEVELOPMENT

F Street Development is a privately-held investment group dedicated to creating value and above-market returns for our investors. F Street Development invests responsibly in commercial real estate through a proven investment strategy while helping to shape and support the communities we invest in. F Street Development focuses on investing in commercial real estate across various asset classes. Our creative approach, in-depth understanding of the market, and relationships with real estate professionals helps unlock value for each investment we undertake.





BOULDER VENTURE

Boulder Venture is a development founded on guality, integrity and dedication. It was our desire to create a unique, energetic and personalized approach to Real Estate Development.

We've grown steadily based on a client-focused philosophy that revolves around meeting the needs of our clients and partners, gaining respect and showing that we can execute the task at hand. We seek out and discover projects where we can create value and provide significant returns to our investors.

Although we are a relatively young and small company, we are neither risky nor inexperienced. We have a reputation for using our detailed knowledge of the development process to minimize costs and to anticipate problems before they exist. Our personalized approach to projects has granted us a position as an industry leader in the development arena.

With sustained support from our well-established relationships with communities, tenants, brokers, and lending institutions, Boulder Venture foresees continued success. We strive to be a prominent and respected developer throughout the Milwaukee area, as well as within the broader nationwide circle of real estate.



Let us know if you're interested in investing.

Scott Lurie (414) 405-1668 scott@fstreetgroup.com

Josh Lurie (414) 315-3190 josh@fstreetgroup.com

- ∽•ш• VENTUR ш Ω BOUL]
- PMENT ш DEVI EET STRI Ш