

# ELEVATING FINANCIAL PROSPERITY AND SECURITY THROUGH APARTMENTS



**CF CAPITAL**  
ELEVATING COMMUNITIES TOGETHER





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# LEADERSHIP



BRYAN FLAHERTY

*Bryan Flaherty*



TYLER CHESSER

*Tyler Chesser*



## CO-FOUNDER & MANAGING PARTNER

# TYLER CHESSER, CCIM

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Tyler Chesser, CCIM is Co-Founder and Managing Partner of CF Capital. Mr. Chesser leads the company's investor relations, strategic partnerships & serves as the director of marketing for the company. He and Bryan lead the vision, integration and strategic decision making for the firm.

With a bachelors of science degree in business administration from the University of Louisville, having attained the prestigious CCIM designation and a professional corporate background prior to real estate in market research, sales, marketing, branding and business development, Tyler is uniquely positioned to drive the dynamic fulfillment of CF Capital's vision.

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[ELEVATEPOD.COM](http://ELEVATEPOD.COM)



## CO-FOUNDER & MANAGING PARTNER

# TYLER CHESSER, CCIM (CONTINUED)

Mr. Chesser has extensive experience as a multifamily real estate investor, consultant, business coach and previously a commercial real estate broker and holds nearly a decade of professional real estate experience. He's been recognized as a global rising star by CCIM CIRE Magazine and one of the "20 People to Know in Real Estate" by Louisville Business First. Tyler has been honored as the past Kentucky Multifamily Broker of the Year, a recipient of the KREE Exchangor of the Year, among other awards.

Tyler is a regular media and podcast contributor, making dozens of guest appearances annually to share his ranging expertise in the real estate investment space, and frequently speaks at industry leading conferences.

Tyler is the creator and host of the top 200 business podcast, Elevate, a platform that focuses on mindset, mind expansion and personal development for high performance real estate investing. As host, his focus is to decodes the stories, habits and multifaceted expertise of world class investors and other experts in an effort to support the audience in elevating their performance and lifestyle.

Tyler resides with his wife Katie, their twins, german shepherd dog, and cat in Louisville, KY. He enjoys traveling, skiing, reading, writing, thought provoking conversation, challenging his body and mind, hiking, playing sports, cooking and supporting the Kentucky Wildcats basketball team.



**CO-FOUNDER & MANAGING PARTNER**

# **BRYAN FLAHERTY, CCIM, MBA**

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Bryan Flaherty is a Co-Founder and Managing Partner of CF Capital. Bryan is responsible for leading the investment strategy of the firm which includes seeking and evaluating new acquisitions, new development and redevelopment opportunities, overseeing the asset management team and their implementation of property business plans, as well as asset dispositions. He and Tyler lead the vision, integration and strategic decision making for the firm.

Bryan has extensive experience in the multifamily real estate sector, participating in more than \$1.0 B in transactions throughout his career as an investor and previously a commercial real estate broker with CBRE. Bryan was honored as one of the “20 People to Know in Real Estate” by Louisville Business First in 2019.

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CO-FOUNDER & MANAGING PARTNER

## BRYAN FLAHERTY, CCIM, MBA (CONTINUED)

Bryan frequently speaks at industry leading conferences and has enjoyed sharing his background and industry knowledge as a guest on numerous podcasts that focus on the multifamily space.

Bryan is an honored Certified Commercial Investment Member designee, a member of the Kentucky CCIM Chapter, a former Chairman of the March of Dimes Commercial REACH Award (2019), and an active member of his Vistage CEO group.

Bryan holds a Master of Business Administration (MBA) from Indiana University and also earned his Bachelor of Science (BS) degree in Mathematical Economics from the University of Kentucky. Bryan enjoys time outside of the office with his wife Channing and their three amazing children – John Patrick, Jack, and Mary Catherine - traveling, enjoying the great outdoors, participating at his church, coaching basketball and soccer, and living an overall active lifestyle.

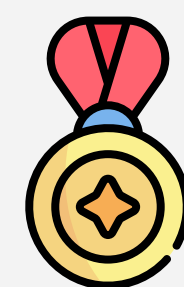




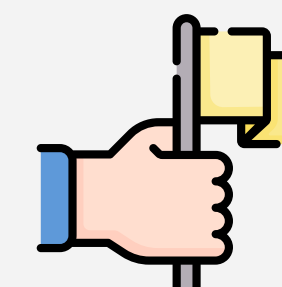
# CORE VALUES



We operate with **Integrity**, honesty, and initiative to do what we say and should do, even without announcing it.



We **Lead** with **Excellence** in intention and effort in execution to solve problems and capitalize on opportunities proactively.



We play offense and take massive action to fulfill our **Purpose** of elevating communities together.

READ OUR VIVID VISION  
HERE ►



## **OUR MISSION**

Provide property investment and asset management solutions to **help investors maximize their returns** by investing in high-value multifamily communities.

**ELEVATING  
FINANCIAL PROSPERITY  
AND SECURITY  
THROUGH APARTMENTS**



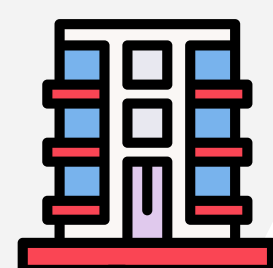


# ABOUT US

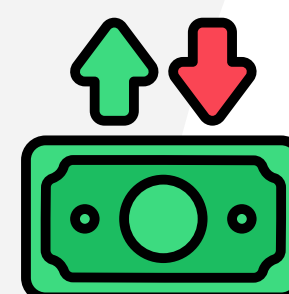
CF Capital is a national real estate investment firm that focuses on acquiring and operating multifamily assets that provide stable cash flow, capital appreciation, and a margin of safety. Our team leverages its expertise in acquisitions and management to provide investors with superior risk-adjusted returns while placing a premium on preserving capital.



**NATIONAL REAL ESTATE INVESTMENT FIRM**



**ACQUIRING & OPERATING MULTIFAMILY ASSETS**



**STABLE CASH FLOW, CAPITAL APPRECIATION, & A MARGIN OF SAFETY**



**EXPERTISE IN ACQUISITIONS AND MANAGEMENT**



**PROVIDE SUPERIOR RISK-ADJUSTED RETURNS**



**PREMIUM ON PRESERVING CAPITAL**





# WHY APARTMENTS?



# WHY APARTMENTS?

The United States is experiencing a rising trend of people desiring to live in apartments close to infrastructure and offering great facilities. Apartments are growing in popularity and proving to be a high performing investment choice due to the increase in the “Renter by Choice” population coupled with the “Renter by Necessity” segment as well as the increasing costs of homeownership.

- ✓ Investing in apartments, as a real estate investment is often a more relaxed investment for the lower and middle classes because they grew up exposed to it. Its likely most people heard their parents talking about the importance of “owning a home.” The result is that they are more open to buying land than many other investments.
- ✓ When we invest in real estate, we invest in something tangible. We can look at it, feel it, drive by with our friends, point out the window, and say, “I own that.” For some people, that’s important psychologically.
- ✓ With stocks, we have to trust the management and the auditors.
- ✓ It’s more difficult to be defrauded in real estate compared to stocks if we do our homework because we can physically show up, inspect our property, run a background check on the tenants, make sure that the building is actually there before we buy it, and do repairs ourselves.
- ✓ Using leverage (debt) in real estate can be structured far more safely than using debt to buy stocks by trading on margin.
- ✓ Real estate investments have traditionally been a terrific inflation hedge to protect against a loss in the purchasing power of the dollar.



## WHY APARTMENTS?

# REAL ESTATE VS BONDS VS STOCKS

| ASSET CLASS  | CASH FLOW | HEDGE AGAINST INFLATION | HEDGE AGAINST ECONOMIC DOWNTURN | LIQUIDITY | SECURITY OF PRINCIPAL | LOW HISTORICAL VOLATILITY | HIGH UPSIDE |
|--|-----------|-------------------------|---------------------------------|-----------|-----------------------|---------------------------|-------------|
| Stocks   | ✓         |                         |                                 | ✓         |                       |                           | ✓           |
| Bonds, Annuities, & Treasury Notes                     | ✓         |                         | ✓                               |           | ✓                     | ✓                         |             |
| REITs  | ✓         |                         |                                 | ✓         |                       |                           | ✓           |
| Private Commercial Real Estate Investment: Equity      | ✓         | ✓                       | ✓                               |           |                       | ✓                         | ✓           |
| Private Commercial Real Estate Investment: Senior Debt | ✓         |                         | ✓                               |           | ✓                     | ✓                         |             |
| Equity (Start-up) Crowd funding Investment             | ✓         |                         |                                 |           |                       |                           | ✓           |



# HIGHEST RETURNS OUT OF ALL REAL ESTATE ASSET CLASSES

## 7-YEAR HOLDING PERIOD RETURNS (1987-2016)

| Property Type | Mean         | S.D.         | Sharpe Ratio |
|---------------|--------------|--------------|--------------|
| All           | 7.87%        | 3.56%        | 0.62         |
| Apartment     | <b>9.05%</b> | <b>2.81%</b> | <b>1.21</b>  |
| Industrial    | 8.27%        | 3.75%        | 0.70         |
| Office        | 6.99%        | 4.76%        | 0.28         |
| Retail        | 8.68%        | 3.54%        | 0.85         |
| Hotel         | 8.63%        | 4.43%        | 0.67         |

**APARTMENTS DOMINATE!**



We find **APARTMENTS DOMINATE** holding period returns and risk-adjusted returns for 3, 5, 7, 10 and 15-year holding periods.

[CLICK HERE ►](#)

to Read The NMHC Report Explaining the Puzzle of High Apartment Returns



# POTENTIAL TAX EFFICIENCY OF APARTMENT INVESTING

The benefits property owners get from U.S. tax law depend on how they use the property. If we live in the home, for example, we generally can deduct mortgage interest. If we use the property for rental income, we can deduct mortgage interest and a number of other expenses, including property and liability insurance, repair and maintenance costs, and local and long distance travel expenses related to maintaining the property.

**Owning a real estate investment property can provide significant tax benefits to the owner if properly organized and managed.**

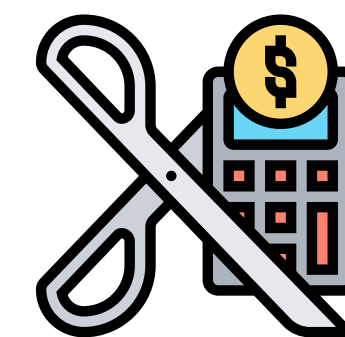
## THE GENERAL RULES OF THUMB APPLYING TO TAX TREATMENT OF INVESTMENT REAL ESTATE ARE:



Costs associated with the property acquisition (title charges, recording fees) are added to the cost basis of the property and depreciated.



Costs related to financing a property (lender fees, mortgage application fees) are amortized over the life of the loan.

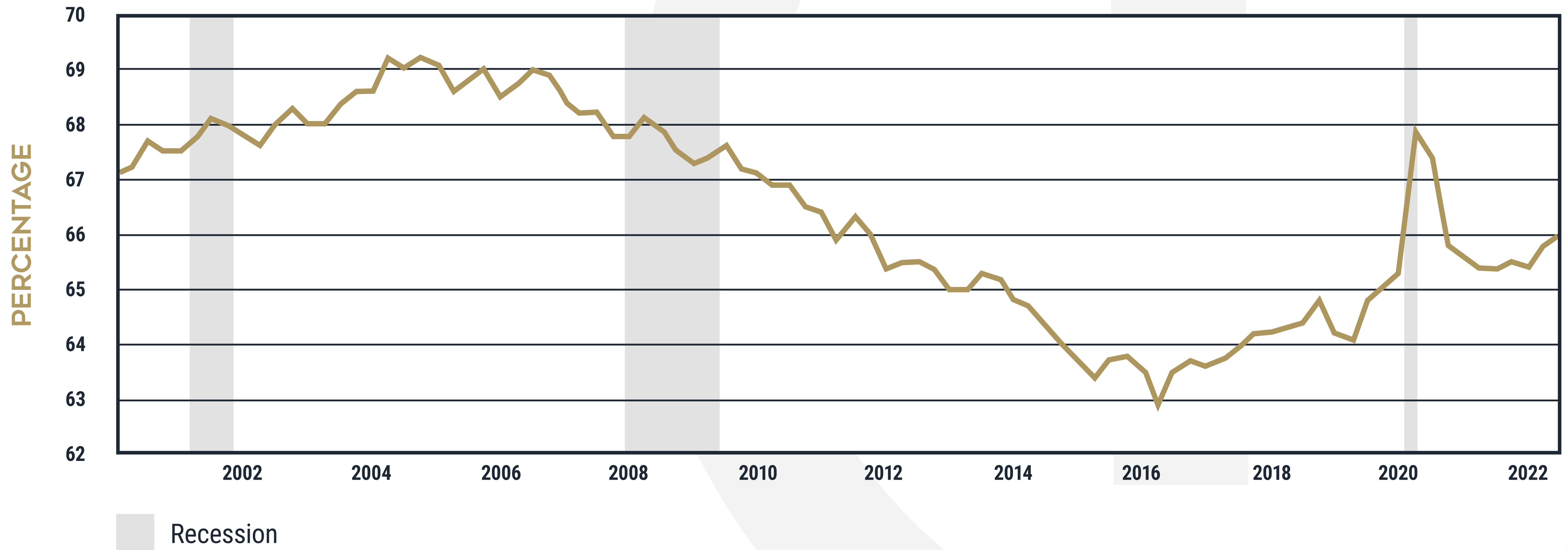


Costs incurred as a result of operating the property (taxes, insurance, utilities) are deductible as current expenses.



# HOME OWNERSHIP HAS SIGNIFICANTLY DROPPED

Homeownership Rates: 2000–2022



Source: U.S. Census Bureau

## UNITED STATES

# POPULATION IN 2050—438 MILLION

The United States population is expected to rise to 438 million in 2050. This projection is based on the assumption that currently observed population trends will continue. 82% of this population growth is predicted to be from immigrants and their descendants. This equals out to 67 million people added to the population from immigrants, 47 million people added from second-generation immigrants, and 3 million added from third-generation immigrants. In total, 19% of the country's residents are expected to be foreign-born. The racial makeup of the United States in 2050 is projected to greatly contrast that of the early 2000s. 47% of the population will be non-Hispanic whites, 29% will be Hispanics, and 5% of the population will be of Asian descent. The black population will remain approximately the same in number from 2005, during which it made up 13% of the population.

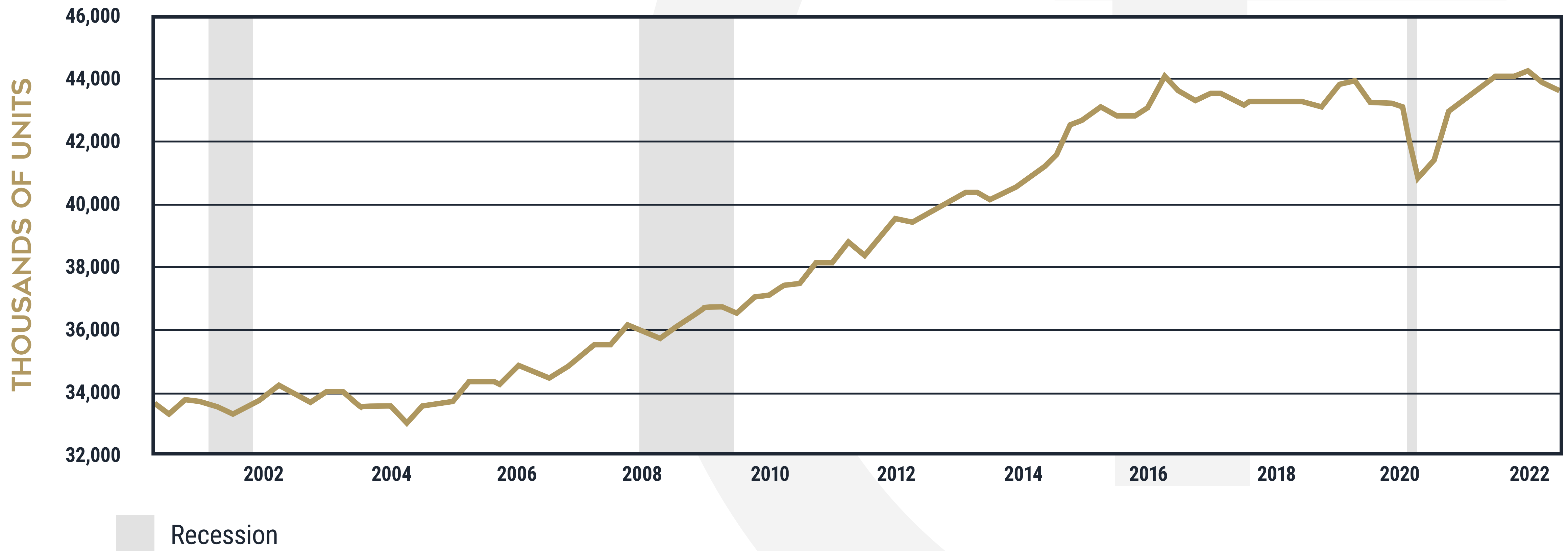
Age is another key factor to look at in population projections for 2050. The current trend of population aging will have an increasingly significant impact in the coming years. By 2050, 22% of the population will be 65 and older; in 2014, this age group made up 15% of the population. The 18 to 64 age group will make up 58% of the population, and the under 18- group make up 20%.





# WE ARE A NATION OF RENTERS WHICH IS EXPECTED TO CONTINUE

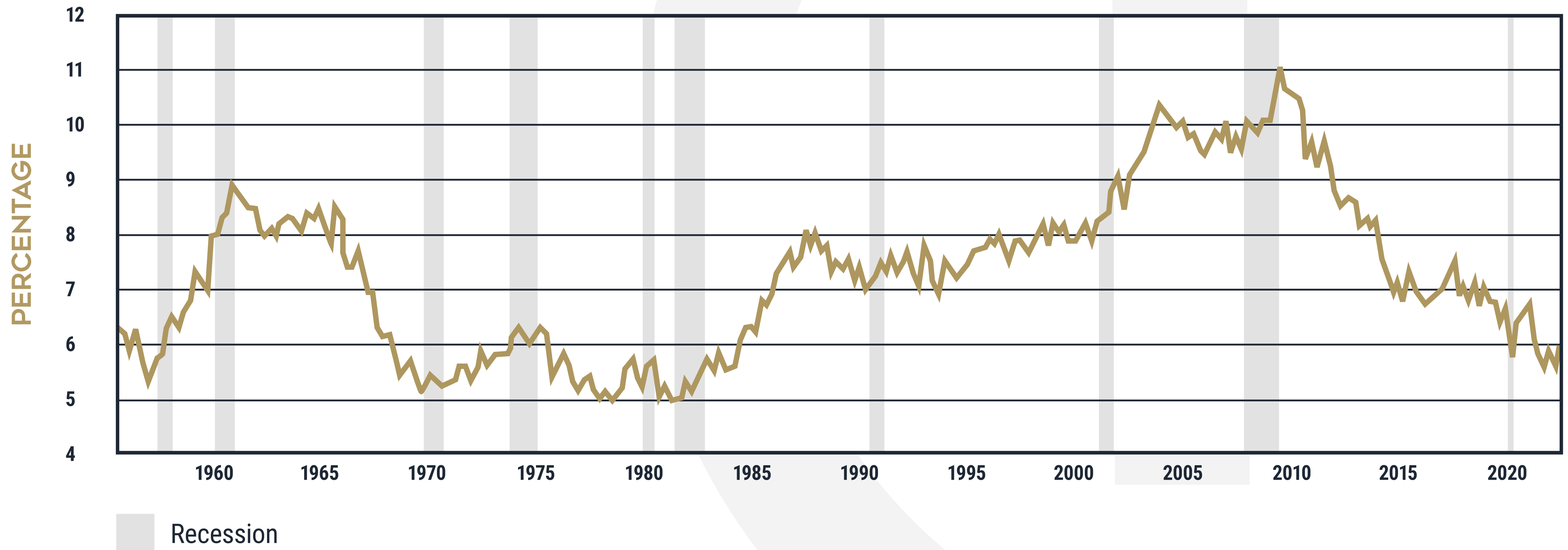
Housing Inventory Estimate: Renter Occupied Housing Units in the United States



Source: U.S. Census Bureau

# APARTMENT VACANCY RATES CONTINUE TO FALL

Rental Vacancy Rate for the United States



Source: U.S. Census Bureau



# DEMAND ISN'T GOING AWAY >>

Amidst demographic shifts and lingering pandemic-impacts on the population and broader economy, the U.S. faces a pressing need to build 4.3 million new apartments by 2035, according to a new study commissioned by the National Apartment Association (NAA) and the National Multifamily Housing Council (NMHC).

Based on research conducted by Hoyt Advisory Services and Eigen10 Advisors, LLC, commissioned by NAA and NMHC, the data include an estimate of the future demand for apartments in the United States, the 50 states and 50 metro areas, including the District of Columbia. For the purposes of this study, apartments are defined as rental apartments in buildings with five or more units. The data are available on the website:

[www.WeAreApartments.org](http://www.WeAreApartments.org)



# ECONOMIC IMPACT >>

# DEMAND DRIVERS >>



**Apartments and their residents** contribute **\$3.4 trillion** to the **U.S. economy** annually, supporting 17.5 million jobs.

**Changing Lifestyles** – People are delaying marriage and starting a family (19% of all households in the US are married couples with children compared to 44% in 1960). More than 75 million people b/w 18 and 34 are entering the housing market primarily as renters.

**Demographics** – Ages 55-plus will account for more than 30% of rental households. More than half of the net increase in renter households over the past decade came from the 45-plus demographic.

**Immigration Growth** – International immigration is expected to account for 51% of all new population growth in the US and immigrants have a higher propensity to rent and typically rent for longer periods of time.



The background features a dark blue and black color scheme with faint, semi-transparent financial charts, including line graphs and bar charts, overlaid on a grid. The text is centered in a bold, yellow, sans-serif font. Two horizontal yellow lines extend from the left and right sides of the text, and two vertical yellow bars are positioned at the far left and right edges of the image.

# OUR INVESTMENT STRATEGY



# STRATEGIC OUTLOOK

**CF Capital identifies multifamily housing communities to purchase and analyzes their outlook using our technical skills and knowledge.**

We target assets that are currently under-performing, being mismanaged, or are undervalued. Once the property has been acquired, we will reposition the asset with strategic renovations, improve operational efficiencies, and rebrand with the intent to sell the property at a premium or refinance and hold, with the goal being to maximize the investor capital. We specialize in carefully selecting properties that minimize risk through thoroughly-tested investment strategies and amplify returns on investment.



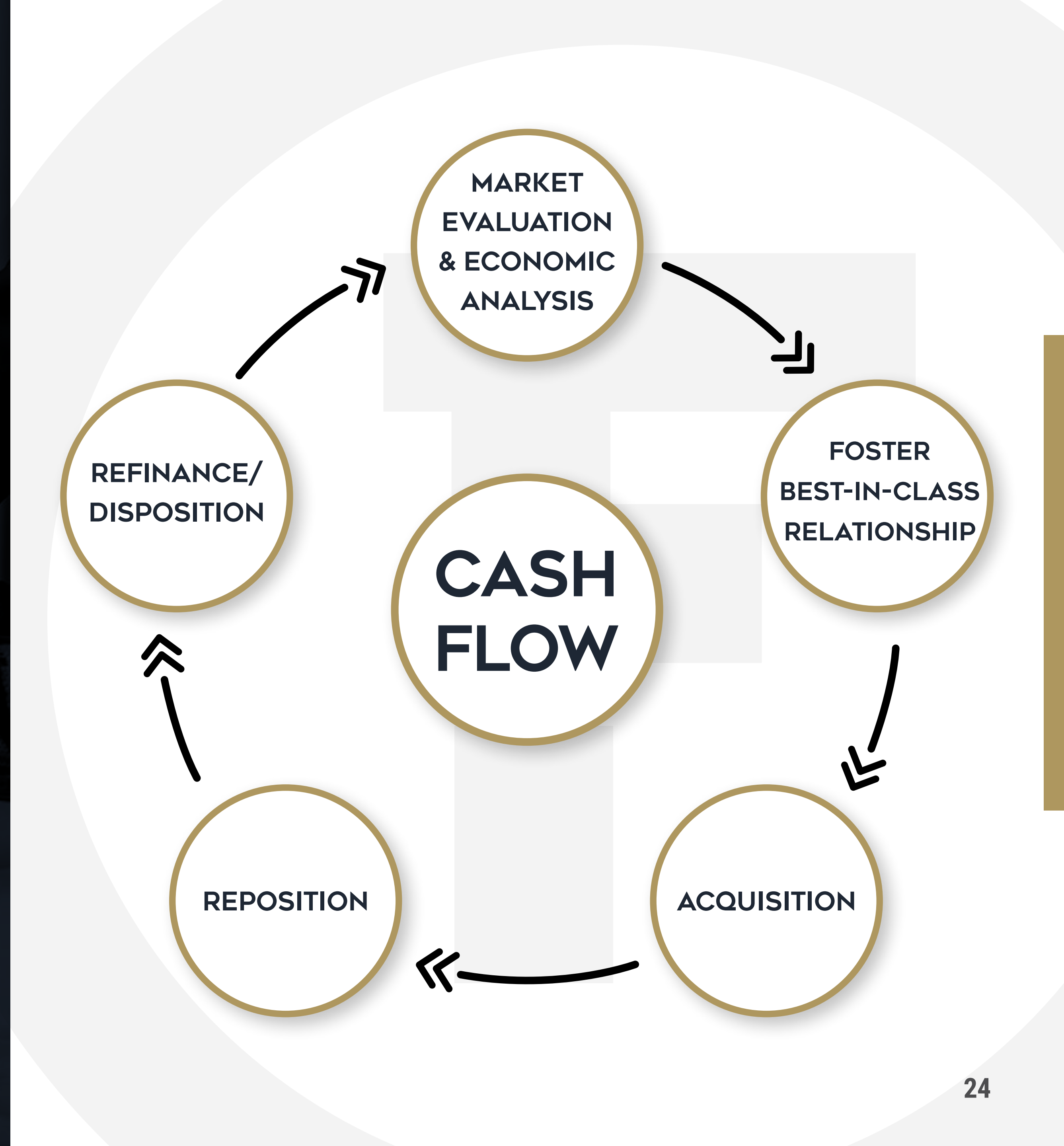


# OUR STRATEGY

CF Capital is a national real estate investment firm that focuses on acquiring and operating multifamily assets that provide stable cash flow, capital appreciation, and a margin of safety. CF Capital leverages its expertise in acquisitions and management to provide investors with superior risk-adjusted returns while placing a premium on preserving capital.

CF Capital's success can be attributed to its team's experience, dedicated leadership, and best-in-class team who all pride themselves on maximizing the value of every asset we purchase with a hands-on approach.

We strive to serve our clients and place a strong emphasis on transparency, trust, commitment, leadership, stability and value, which allow us to foster long-term relationships and deliver superior rates of return.



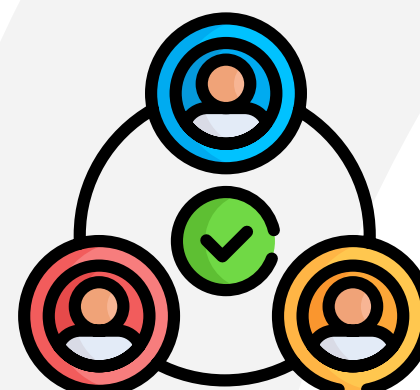


# OUR STRATEGY



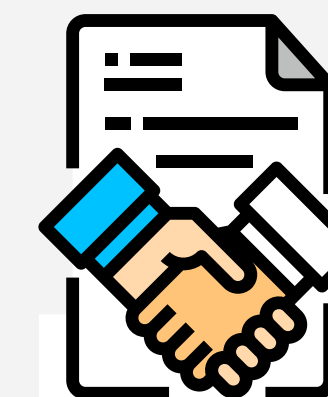
## MARKET EVALUATION & ECONOMIC ANALYSIS

**Our research-driven top-down approach allows us to analyze important macroeconomic data points** that allow us to identify the most attractive markets to invest in. These data points include employment drivers, population and household trends, new supply and permitting activity, and other factors that impact demand for housing.



## FOSTER BEST-IN-CLASS RELATIONSHIPS

**Leverage our local market relationships in identified markets to access exclusive deals and real-time market information.** These relationships will allow us to identify properties that meet our stringent criteria and provide strong returns for investors.



## ACQUISITION

**Our relationships with brokers owners facilitate the opportunities for direct acquisitions.** We perform qualitative and quantitative due diligence focusing on both downside protection and value-add potential. We will engage consultants and/or specialists as needed while conducting on-site due diligence and developing our strategic business plan for each investment. These business plans define the opportunities that we have identified to increase revenue and reduce expenses.

# OUR STRATEGY



## REPOSITION

As we take possession of the property our property management and operations team will begin the repositioning process by executing the previously created business plan.

**Value creation strategies will be implemented in an aggressive and disciplined manner** with a focus on maximizing revenue while minimizing operational and capital expenses.



## REFINANCE/DISPOSITION

Our asset management team will perform regular and timely evaluations and hold/sell analysis to determine how each asset is performing and how macroeconomic factors are impacting current valuations.

**By continuously monitoring the market and working with our strategic broker and lender relationships** we will determine when a refinance/disposition is most advantageous. Having multiple exit strategies allow for us to be strategic and capitalize on our increase in Net Operating Income when investors' capital is maximized.



# TARGETING SECONDARY MARKETS WITH STRONG APARTMENT FUNDAMENTALS



## EMPLOYMENT DRIVERS

Strong employment drivers provide stable rent income and lower the risk of the investment by keeping occupancy rates high.



## SUPPLY CONSTRAINTS

Submarket must have high barriers to entry and a population growth sufficient enough to absorb scheduled future supply.



## GDP GROWTH

Avoiding markets nearing a potential bust and are currently experiencing low cap rates.

# TARGETING SECONDARY MARKETS WITH STRONG APARTMENT FUNDAMENTALS



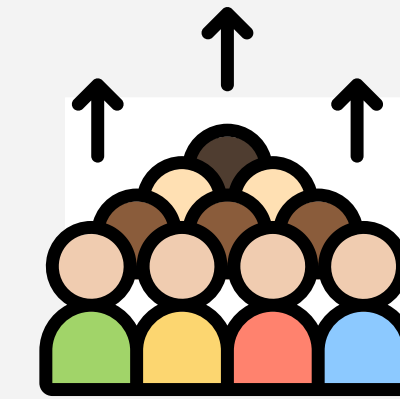
## MULTIFAMILY CAP TRENDS

In order to achieve 8% annual returns, the economics of the metro area must be very strong, yet the cap rates of class B product cannot be below 5%.



## MULTIFAMILY RENTAL TRENDS

Growing rents serve as an important indicator of a healthy and stable economy with lower associated risk of investment.



## MULTIFAMILY OCCUPANCY TRENDS

Healthy occupancy rates signal a growing population that is outpacing the current supply of new apartments.



# MSA'S SELECTED OFFER THE STRONGEST VALUE-ADD OPPORTUNITIES

## TARGET MARKETS



**LOUISVILLE, KY**  
**LEXINGTON, KY**  
**INDIANAPOLIS, IN**  
**CINCINNATI, OH**  
**NASHVILLE, TN**  
**KNOXVILLE, TN**  
**CHATTANOOGA, TN**

\*CF Capital is opportunistic and will continue evaluate target markets on an ongoing basis and may expand our adjust our activity as appropriate.

# UNDERPERFORMING PROPERTIES WITH VALUE-ADD COMPONENT

**Our focus is to identify underperforming properties that have a value add-component.** It could be implementing a RUBS program, putting in professional management, investing money into units to generate market rent, improving landscaping or any number of other tactics.

## THE 100:30:10: PROCESS

### SOURCING

**100+ DEALS**

Continuous pipeline of opportunities and high level review of each opportunity



### UNDERWRITING

Underwrite projects that meet our set criteria

**30+ DEALS**

More Detailed underwriting on a selection of deals that adhere to our investment criteria



### OFFERS

Offers on selected properties that meet our business plan

**10+ DEALS**

Offers on deals that pass underwriting process, Intensive analysis conducted, including comparable analysis, study of asset and market, etc.



### ACQUISITION

Closure on property that meets all requirements

**1 DEAL**

*Out of 10 offers submitted, 1 deal passes intensive analysis and is closed on*



# A HEAVY FOCUS ON VALUE-ADD FUNDAMENTALS SUPPORTS A COMPREHENSIVE UNDERWRITING PROCESS



## SUBMARKET LOCATION

Proximity to employment drivers/retail

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Quality of competition



## HISTORY OF PROPERTY

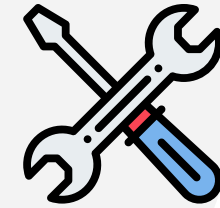
Year of construction

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Demographic

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Ownership history



## CONDITION OF PROPERTY

Exterior deferred maintenance

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Interior vintage and quality

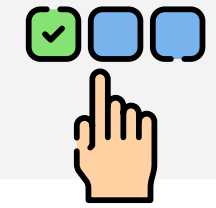


## COMPETITION

Rental comparison

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Sales comparison



## SELECT A BUSINESS PLAN THAT WILL CREATE THE MOST VALUE

Interior or exterior renovation

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Repositioning demographic of tenants

---

Complete rebranding



# TYPICAL RETURN AND STRUCTURE ON OUR INVESTMENTS



100

Minimum Unit  
Count of 100



70 TO 80%

70 to 80% LTV



<8%

Average Annual  
Returns Greater  
than 8%



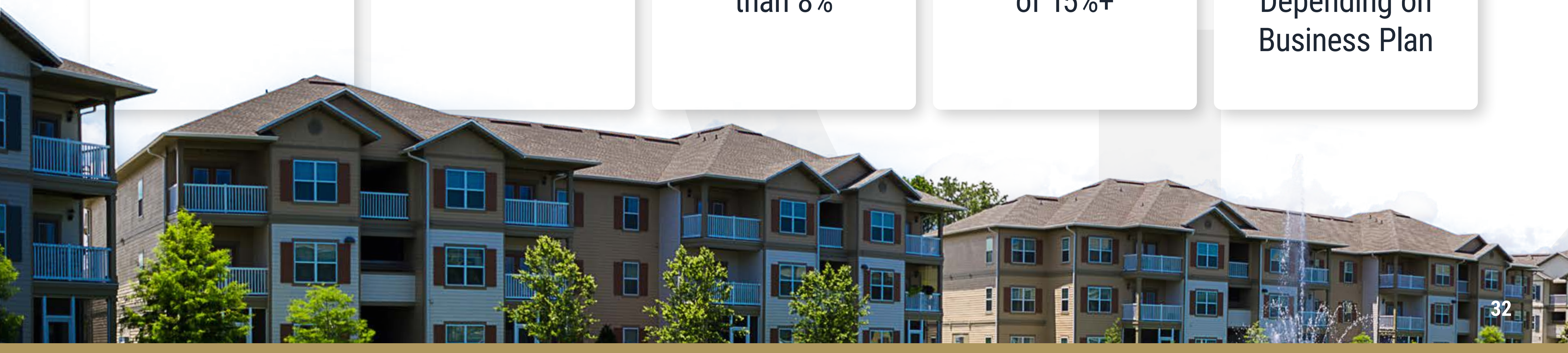
15%+

Internal Rate of  
Return Target  
of 15%+



5 TO 10

5 to 10  
Year Hold,  
Depending on  
Business Plan







**OUR ROLES  
& PROCESS**



# OVERVIEW OF ROLES

## OUR INVESTORS

- Equity for project
- Mortgage approval (case-by-case basis)

## OUR TEAM

- Find deals (via brokers and other methods)
- Review deals and determine which ones to make offers on
- Make and negotiate offers
- Coordinate with professional property inspectors
- Source best financing options for property
- Coordinate with attorneys to create LLC and partnership agreements
- Perform due diligence on property and market research
- Hire and oversee property management company
- Perform additional asset management duties, including overseeing business plan, and ongoing investor communication

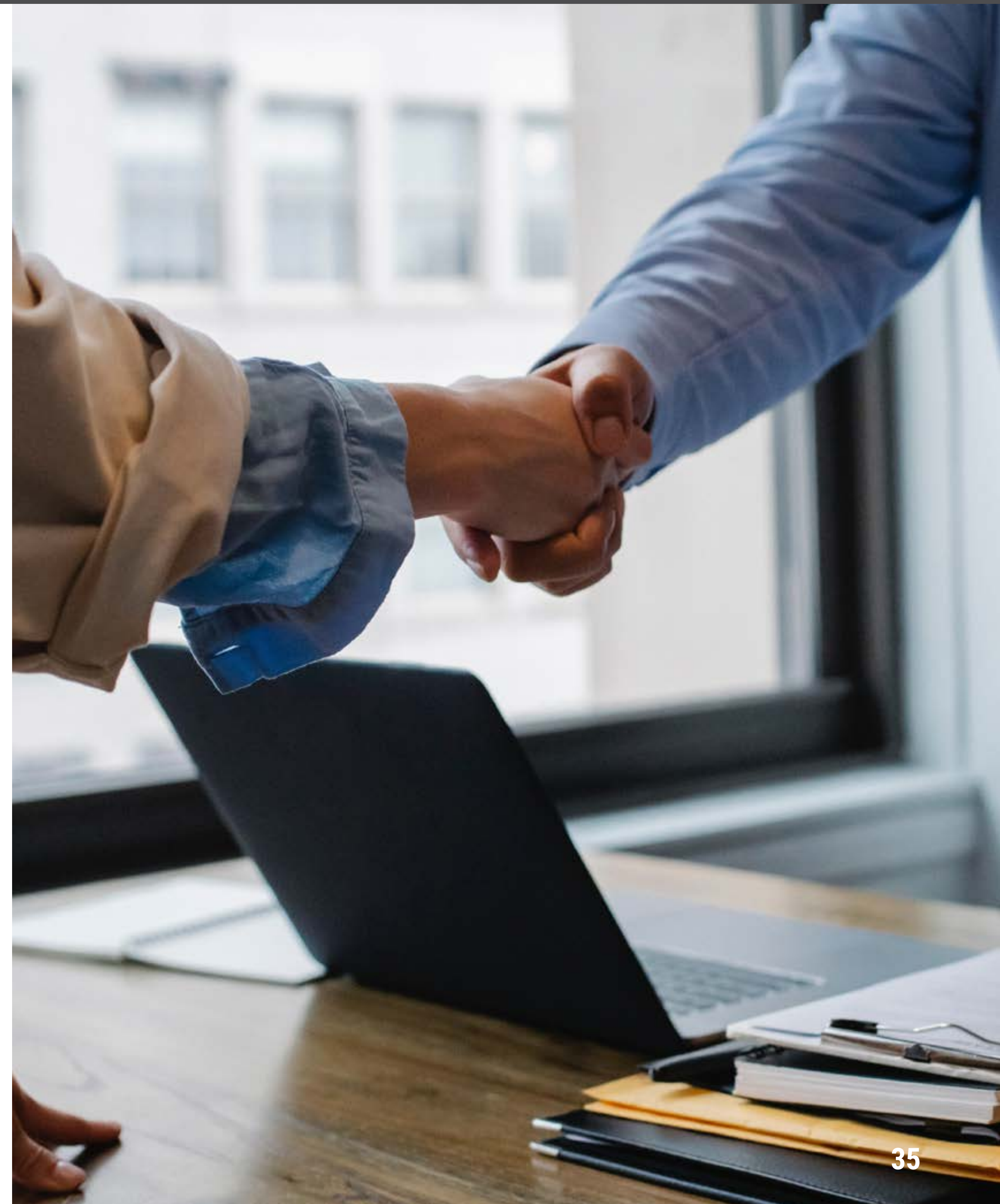




# OUR PROCESS

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- Analyze and evaluate opportunities in target markets which meet our desired investor goals
- Make offers and negotiate sales prices
- Share deal with prospective investors once offer is accepted
- Perform detailed due diligence on property with 3rd party property management firm
- Legal documents created by attorney's and equity is raised from investors and general partnership
- Deal is closed
- Manage, renovate, strategically improve, and force appreciation at the property based on our asset-specific business plan
- Refinance or Sell property at the time investors' capital is maximized





**EXAMPLE DEAL**



# PROPERTY OVERVIEW

## ACQUISITION DATA

|                 |              |
|-----------------|--------------|
| Purchase Price  | \$28,560,000 |
| Price/Unit      | \$102,000    |
| T12 Cap Rate    | 5.81%        |
| Year 1 Cap Rate | 6.25%        |

## UNIT MIX

| UNIT LAYOUT | NUMBER OF UNITS | SQUARE FOOTAGE |
|-------------|-----------------|----------------|
| 1BA 1BD     | 144             | 650            |
| 1BA 1BD     | 48              | 750            |
| 1BA 1BD     | 14              | 900            |
| 1BA 2BD     | 26              | 900            |
| 2BA 2BD     | 48              | 1050           |

## ADDITIONAL INFORMATION

|         |           |                 |     |
|---------|-----------|-----------------|-----|
| Vintage | 1985      | Physical Occ.   | 91% |
| Units   | 280 Units | Break Even Occ. | 75% |





# FINANCIAL ANALYSIS

## DISPOSITION DATA

|                 |              |
|-----------------|--------------|
| Sale Price      | \$45,745,863 |
| Sale Price/Unit | \$163,378    |
| Exit Cap Rate   | 6.00%        |
| Exit Year       | 5            |

## RETURN METRICS

|                     |              |
|---------------------|--------------|
| Unlevered IRR       | 11.8%        |
| <b>Levered IRR</b>  | <b>17.5%</b> |
| Unlevered ERM       | 1.66x        |
| <b>Levered ERM</b>  | <b>2.11x</b> |
| <b>Cash on Cash</b> | <b>7.4%</b>  |

## LEVERED CASH ON CASH YIELD

|        |      |
|--------|------|
| Year 1 | 4.9% |
| Year 2 | 7.1% |
| Year 3 | 7.6% |
| Year 4 | 8.5% |
| Year 5 | 9.0% |

**AVERAGE: 7.4%**

## OPERATING INCOME & CASH FLOW

|                               | T-12               | YEAR 1             | YEAR 2             | YEAR 3             | YEAR 4             | YEAR 5             | YEAR 6             |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Total Income                  | \$3,171,460        | \$3,535,988        | \$4,046,985        | \$4,338,518        | \$4,545,129        | \$4,674,456        | \$4,804,016        |
| Total Expenses                | \$1,511,123        | \$1,752,020        | \$1,820,777        | \$1,882,205        | \$1,941,729        | \$1,999,700        | \$2,059,264        |
| <b>NET OPERATING INCOME</b>   | <b>\$1,660,337</b> | <b>\$1,783,968</b> | <b>\$2,226,208</b> | <b>\$2,456,313</b> | <b>\$2,603,400</b> | <b>\$2,674,756</b> | <b>\$2,744,752</b> |
| Replacement Reserve           |                    | (\$70,000)         | (\$70,000)         | (\$70,000)         | (\$70,000)         | (\$70,000)         | (\$70,000)         |
| Primary Loan Interest Expense |                    | (\$ 1,148,112)     | (\$ 1,148,112)     | (\$ 1,148,112)     | (\$1,148,112)      | (\$1,148,112)      | (\$1,148,112)      |
| <b>NET CASH FLOW</b>          |                    | <b>\$565,856</b>   | <b>\$1,008,096</b> | <b>\$1,238,201</b> | <b>\$1,385,288</b> | <b>\$1,456,644</b> | <b>\$1,456,644</b> |



# SAMPLE \$100,000 INVESTMENT

## SAMPLE \$100,000 INVESTOR RETURNS

|  | INVESTMENT  | YEAR 1  | YEAR 2  | YEAR 3  | YEAR 4  | YEAR 5    |
|--|-------------|---------|---------|---------|---------|-----------|
| Investor Cash Flow                                       | (\$100,000) | \$4,181 | \$6,752 | \$7,229 | \$8,004 | \$164,362 |
| <b>TOTAL PROJECTED<br/>\$100K INVESTOR<br/>CASH FLOW</b> | (\$100,000) | \$4,181 | \$6,752 | \$7,229 | \$8,004 | \$164,362 |

## SUMMARY OF \$100,000 INVESTMENT

|                       |       |
|-----------------------|-------|
| Investor IRR          | 14.9% |
| Investor AAR          | 18.1% |
| Investor ERM          | 1.9X  |
| Investor Cash on Cash | 7.7%  |



# PROFORMA

|                                 | T-12               | YEAR 1             | YEAR 2             | YEAR 3             | YEAR 4             | YEAR 5             | YEAR 6             |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>RENTAL INCOME</b>            |                    |                    |                    |                    |                    |                    |                    |
| Gross Potential Rent            | \$3,148,284        | \$3,451,951        | \$3,768,842        | \$4,022,700        | \$4,229,573        | \$4,354,178        | \$4,478,755        |
| Loss to Lease                   | (\$374,916)        | (\$339,034)        | (\$235,064)        | (\$161,410)        | (\$124,690)        | (\$128,430)        | (\$132,283)        |
| Concessions                     | \$0                | (\$8,630)          | (\$9,422)          | (\$10,057)         | (\$10,574)         | (\$10,885)         | (\$11,197)         |
| Vacancy                         | (\$228,031)        | (\$241,637)        | (\$188,442)        | (\$201,135)        | (\$211,479)        | (\$217,709)        | (\$223,938)        |
| Bad Debt                        | (\$53,047)         | (\$34,520)         | (\$18,844)         | (\$20,114)         | (\$21,148)         | (\$21,771)         | (\$22,394)         |
| Other Income                    | \$166,167          | \$169,491          | \$172,880          | \$176,338          | \$179,865          | \$183,462          | \$187,131          |
| <b>Total Income</b>             | <b>\$3,171,460</b> | <b>\$3,535,988</b> | <b>\$4,046,985</b> | <b>\$4,338,518</b> | <b>\$4,545,129</b> | <b>\$4,674,456</b> | <b>\$4,804,016</b> |
| <b>OPERATING EXPENSES</b>       |                    |                    |                    |                    |                    |                    |                    |
| General Administrative          | \$65,817           | \$67,200           | \$69,216           | \$71,292           | \$73,431           | \$75,634           | \$77,903           |
| Payroll/Benefits                | \$377,758          | \$387,500          | \$399,125          | \$411,099          | \$423,432          | \$436,135          | \$449,219          |
| Advertising & Marketing         | \$64,715           | \$67,200           | \$69,216           | \$71,292           | \$73,431           | \$75,634           | \$77,903           |
| Repair & Maintenance            | \$67,508           | \$70,000           | \$72,100           | \$74,263           | \$76,491           | \$78,786           | \$81,149           |
| Contract Service                | \$126,984          | \$128,800          | \$132,664          | \$136,644          | \$140,743          | \$144,966          | \$149,315          |
| Management Fees                 | \$94,397           | \$141,440          | \$161,879          | \$173,541          | \$181,805          | \$186,978          | \$192,161          |
| Utilities                       | \$280,971          | \$289,400          | \$298,082          | \$307,024          | \$316,235          | \$325,722          | \$335,494          |
| Insurance                       | \$127,065          | \$134,400          | \$138,432          | \$142,585          | \$146,863          | \$151,268          | \$155,806          |
| Property Taxes                  | \$162,000          | \$317,856          | \$327,391          | \$337,213          | \$347,329          | \$357,749          | \$368,482          |
| <b>Total Operating Expenses</b> | <b>\$1,511,123</b> | <b>\$1,752,020</b> | <b>\$1,820,777</b> | <b>\$1,882,205</b> | <b>\$1,941,729</b> | <b>\$1,999,700</b> | <b>\$2,059,264</b> |
|                                 |                    |                    |                    |                    |                    |                    |                    |
| <b>NET OPERATING INCOME</b>     | <b>\$1,660,337</b> | <b>\$1,783,968</b> | <b>\$2,226,208</b> | <b>\$2,456,313</b> | <b>\$2,603,400</b> | <b>\$2,674,756</b> | <b>\$2,744,752</b> |





**CF CAPITAL  
TRACK RECORD:  
SAMPLE DEALS**



| PROPERTY                                   | UNITS | VALUE                      |
|--|-------|----------------------------|
| Mallard Crossings – Louisville, KY         | 600   | \$86,250,000               |
| Mallgate – Louisville, KY                  | 540   | \$42,500,000               |
| *Courtyard Apartments – Clarksville, IN    | 296   | \$46,750,000               |
| *Cambridge Apartments – Clarksville, IN    | 216   | Portfolio ACQ w/ Courtyard |
| Vinings at Hurstbourne – Louisville, KY    | 159   | \$29,100,000               |
| *Veritas at East Cobb – Marietta, GA       | 192   | \$25,786,000               |
| *Pointe Vista Apartments – Phoenix, AZ     | 160   | \$24,250,000               |
| *LaCrosse Apartments – Rapid City, SD      | 265   | \$22,000,000               |
| Armstrong Farm – Jeffersonville, IN        | 169   | \$21,400,000               |
| Saddlebrook at Tates Creek – Lexington, KY | 181   | \$17,450,000               |
| Elements of Louisville – Louisville, KY    | 244   | \$16,950,000               |

\*Indicates Sponsor, Equity Partner or Sole Property Owner

\*\*Additional Transaction and investment history available upon request

| PROPERTY                                  | UNITS | VALUE        |
|---|-------|--------------|
| Amp Apartments – Louisville, KY           | 93    | \$14,250,000 |
| Reserve at Westport – Louisville, KY      | 188   | \$11,300,000 |
| Post Oak – Louisville, KY                 | 126   | \$10,850,000 |
| Imperial House – Louisville, KY           | 184   | \$10,300,000 |
| *Paddocks at Ridge Park – Louisville, KY  | 132   | \$10,000,00  |
| *Embassy Apartments – Evansville, IN      | 247   | \$9,500,000  |
| Lofts at Broadway – Louisville, KY        | 83    | \$8,000,000  |
| Rand Riverport – Louisville, KY           | 132   | \$5,900,000  |
| Bayshore Apartments – Louisville, KY      | 89    | \$5,500,000  |
| *Lesway/Landside – Louisville, KY         | 36    | \$2,850,000  |
| Hickory Trace Apartments – Louisville, KY | 32    | \$2,500,000  |

**Note:** CF Capital's Principals have been involved in over \$1B in Multifamily Transactions, and actively manage constantly growing portfolio.





**WHAT THE  
PROS SAY**



# WHAT THE PROS SAY



## JOE FAIRLESS

Co-Founder Ashcroft Capital &  
Host of the Best Real Estate  
Investing Advice Ever Podcast

When investing in a real estate syndication, you are putting your faith and trust into the competence, credibility and effectiveness in the sponsors. **They have to have years of dynamic experience in order to identify a deal worth pursuing, resourcefulness to overcome the challenges as they inevitably emerge, and integrity when being entrusted with the fiduciary responsibility of handling other people's money.** Tyler and Bryan have proven through their experience in the real estate industry over the years that they have what it takes to lead a team to reach the goals of the projects that they pursue. I am confident in their ability to execute and most importantly their character to do the right thing.



## TREVOR MCGREGOR

Real Estate Investor, Business  
Consultant, Coach and Mentor

As a very experienced Real Estate Investor, Business Consultant and Coach, I've had the opportunity to work with thousands upon thousands of people in the business and real estate arena and **I am proud to share that my dealings with both Tyler Chesser and Bryan Flaherty from CF Capital have been exceptional.**



## MARK LECHNER

Co-Founder of  
LDG Development

Over the last few years, I've been fortunate to get to know Tyler and Bryan and become familiar with them as people and professionally in the real estate business. Their background as previously top performing multi family brokers and active investors is impressive and it shows me they have what it takes to scale their syndication platform with diligence, transparency and commitment to their investors and partners. **I've interacted with many of the industry's best in my 30+ years building our firm and I can tell you that Bryan and Tyler have what it takes to create opportunities and deliver beyond expectations.** They have my seal of approval!



# INVESTOR TESTIMONIALS



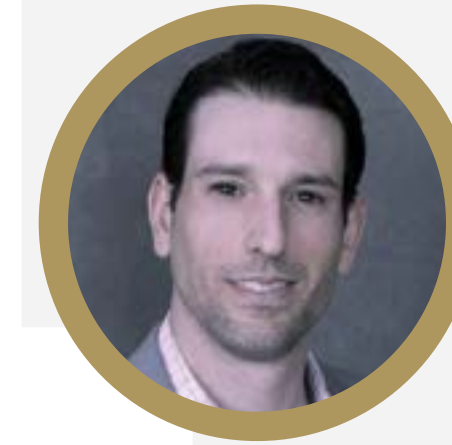
ADAPIA D'ERRICO

I appreciate the transparency in communications we receive about our investments. It's good to hear what's going on, including the challenges and how you are working through them. I also love the intention and care you show in managing the investments, and community-building that you do with investors. **I think it's important for investors to understand there are real people living in these buildings** and not just numbers on a spreadsheet. Keep up the great work!



PETER WALSH

Appreciate the transparency and updates CF provides as well as the professionalism of the team. **It's been a great experience.**



NATE HERRICK

**CF Capital checks a lot of boxes for me** when choosing to invest with an operator. Specifically, timely and property specific communication, distributions on time, **a solid value add business plan** for each property and executing on that plan.





ELEVATING COMMUNITIES TOGETHER

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