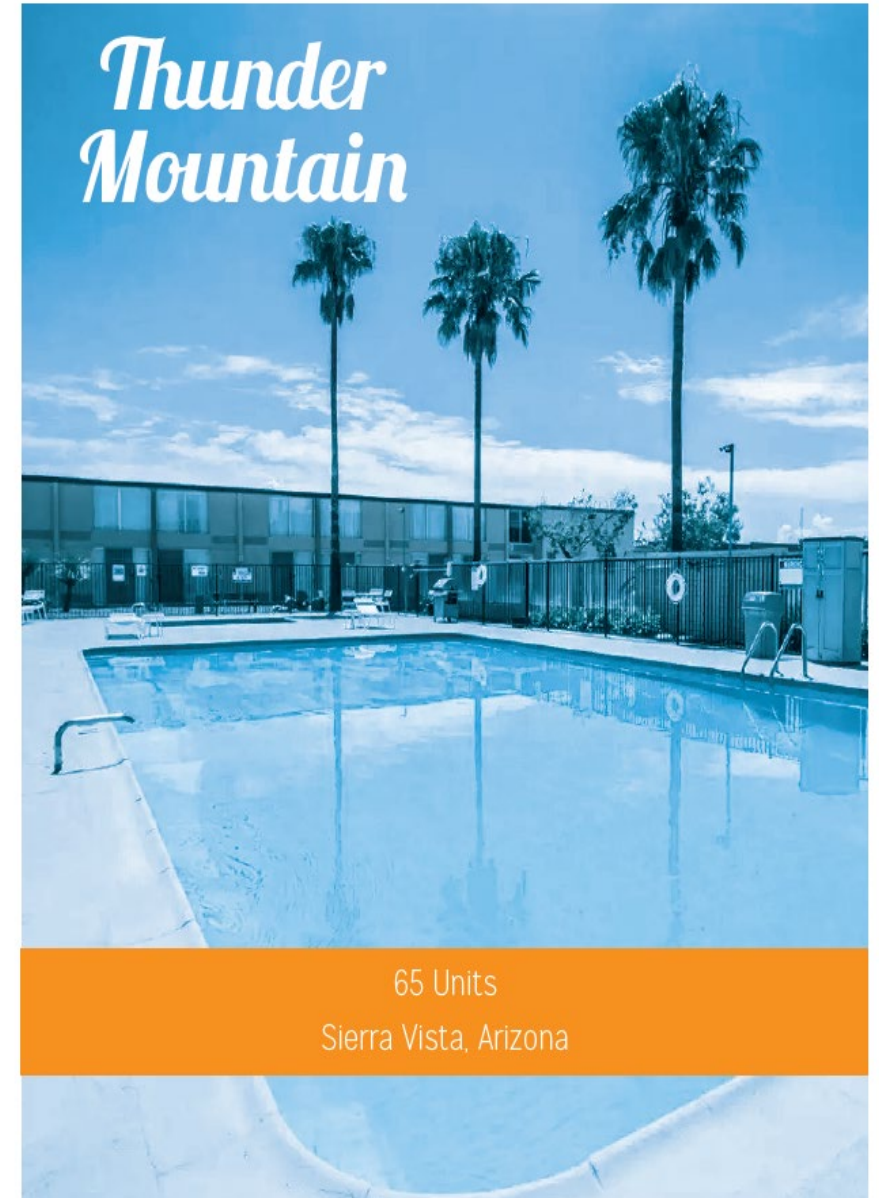
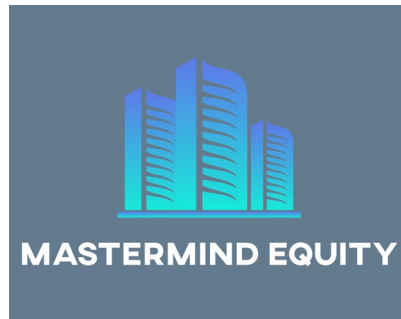


THUNDER MOUNTAIN  
APARTMENTS

## Investment Opportunity

Presented by Bakerson, Mastermind Equity/Saber Equity LLC

- 100 door hotel conversion into 65 unit multifamily
- One of Arizona's fastest growing submarkets
- Prime location in the center of the city
- High demand for workforce housing
- Experienced team with many successful repositions



# EXECUTIVE SUMMARY



■ Offering Summary	
■ Purchase Price	\$1,755,000
■ Units	65
■ Year Built	1973
■ Hold Time	10+ yrs
■ Projected Price at Sale	\$5,820,641
■ Investor Equity Multiple	2.42x
■ Investor Preferred Return	8%
■ Investor Projected IRR	17.9%
■ Cash-out Refinance	Years 2 & 4

with recent

- ✓ **Convert from 100 Motel Rooms to 65 Units**
  - ✓ **Partnering with strong property management company with recent successful motel conversions in Sierra Vista**
  - ✓ **Hotel kept partially operational during renovations**
- ✓ **Complete conversion within 12 months**
- ✓ **Lease up to be completed**
- ✓ **Implementing RUBS (utility bill backs)**
- ✓ **Add furnished units for additional rent premiums**
- ✓ **1<sup>st</sup> Refinance between 12-24 months with permanent loan**
- ✓ **2<sup>nd</sup> refinance (Supplemental) in year 4**
- ✓ **Steady returns over long term hold**

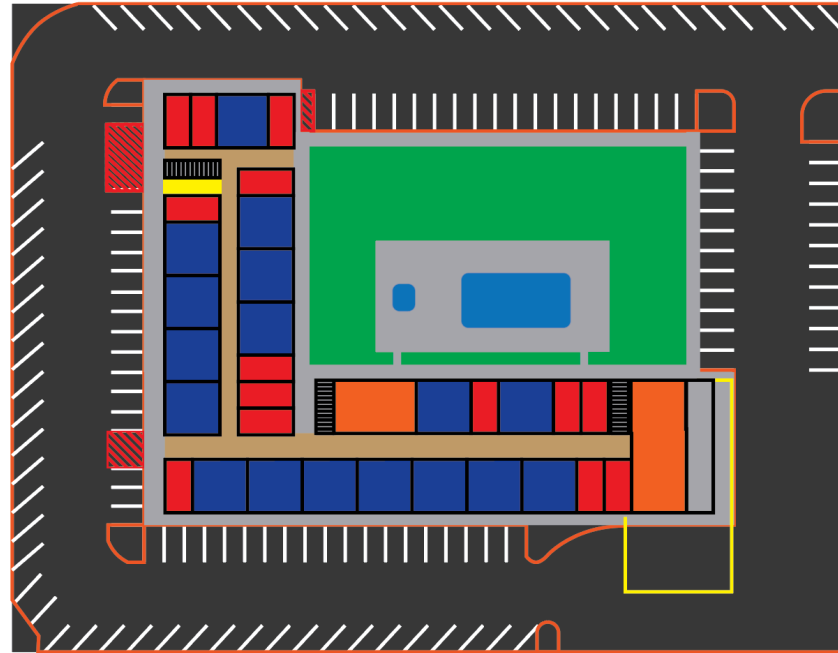
# AERIAL MAP



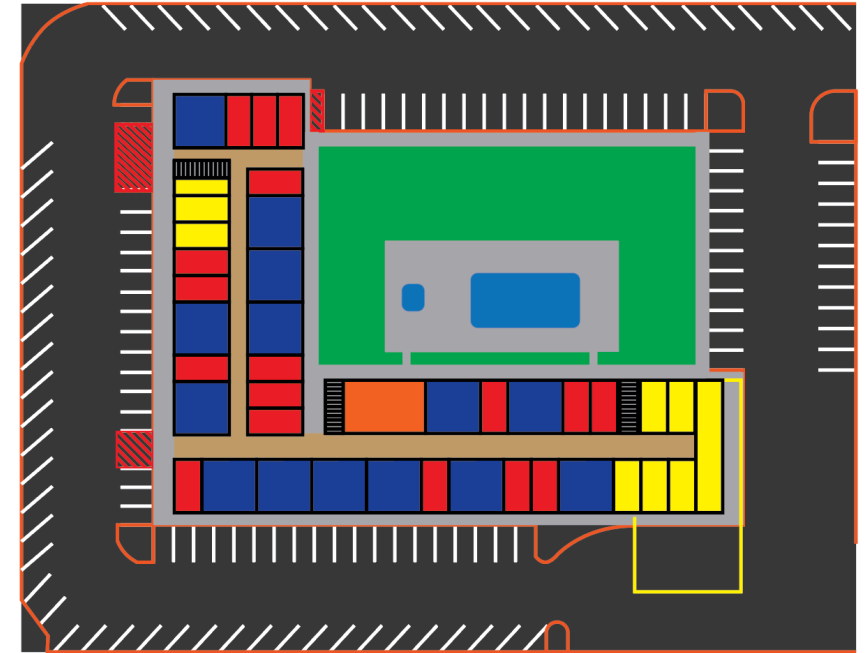
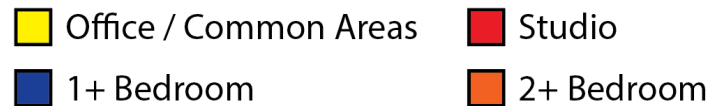
# Interior Renovations – Building Overview

## Unit Mix

- Studios: 31
- 1 BR: 31
- 2 BR: 3



## SECOND FLOOR

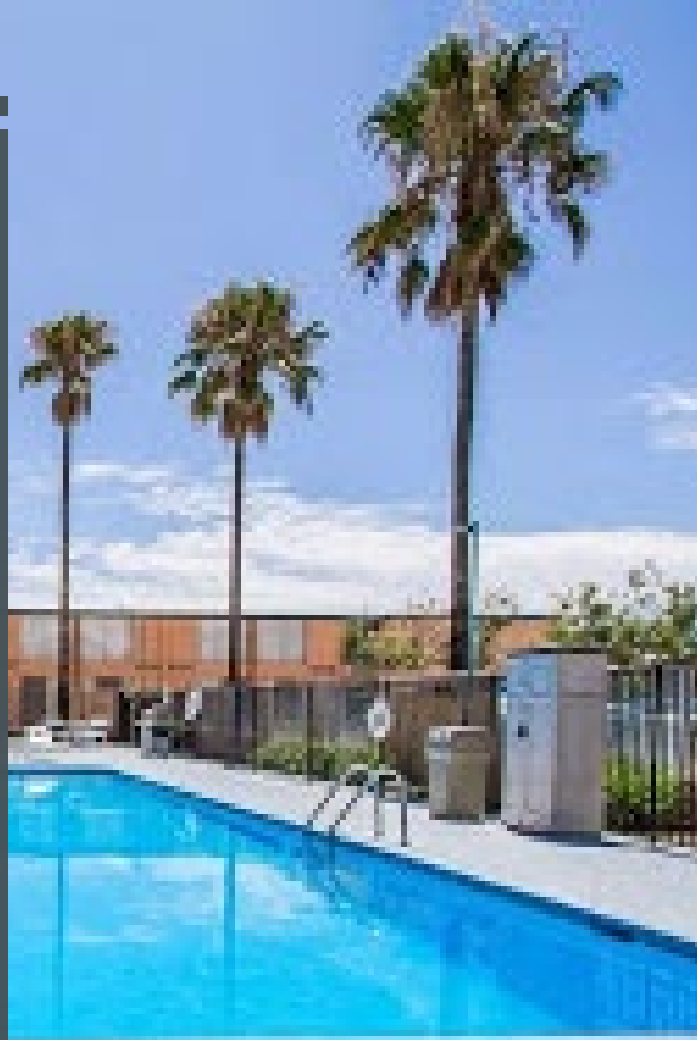


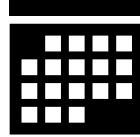
## FIRST FLOOR



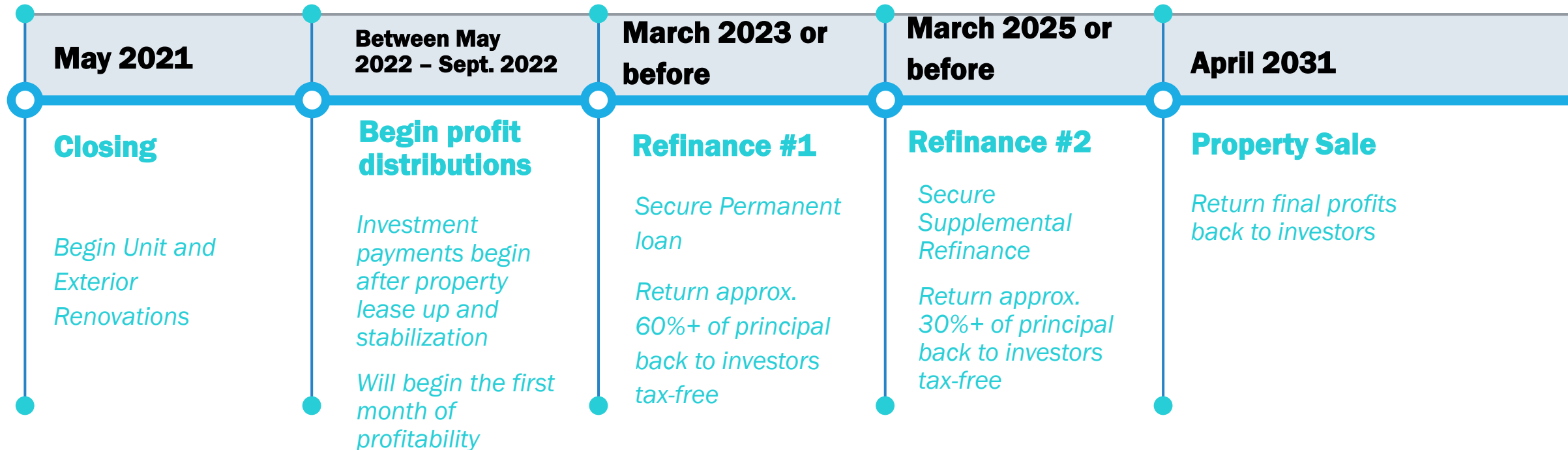
# EXTERIOR IMPROVEMENTS

- Fresh Paint
- Improve Landscaping
- New Signage
- Resurface Pool
- Parking Lot Repair
- HVAC Replacement
- New Doors & Windows





# PROJECTED TIMELINE



# SIERRA VISTA, AZ

- POPULAR TOURIST DESTINATION
- MODERATE CLIMATE AND SUNSHINE
- STRONG GROWTH FROM RETIREES
- GROWING ECONOMY AND TECH SECTOR
- POPULATION MOVING IN FROM CALIFORNIA AND LARGE CITIES
- LEADING EDGE MILITARY BASE
- STATE OF THE ART UNIVERSITIES
- 1 HOUR DRIVE FROM TUCSON AND MAJOR AIRPORT
- KEY PART OF SECURITY INNOVATION HUB DISTRICT, ALONG WITH TUCSON

Business Insider: Best Cities to live after the coronavirus (2020)

Top 3 US cities for Tech workers (Kold.com)

2018 one of 'America's 100 best places to retire'

Hummingbird Capital of the U.S.A.

## OTHER MAJOR EMPLOYERS

GENERAL DYNAMICS INFORMATION

CANYON VISTA MEDICAL CENTER

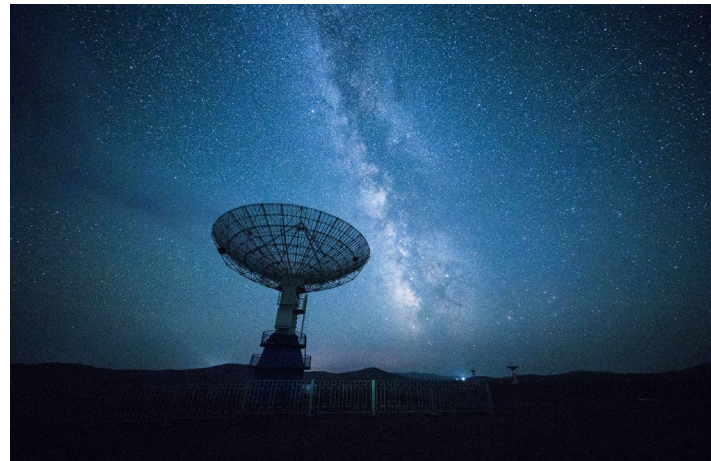
MANTECH INTERNATIONAL  
CITY OF SIERRA VISTA

UNIV OF ARIZONA – SIERRA VISTA  
CAMPUS

COCHISE COLLEGE

## ■ SIERRA VISTA OVERVIEW

- FORT HUACHUCA <HTTPS://HOME.ARMY.MIL/HUACHUCA/INDEX.PHP>
  - Established in 1877
  - Home to approx. 20,000 military members and civilians
  - Leading the nation in drone advancement and cyber security
  - Shaping the future of US Military strategy
  - Economic driver for local industries such as aerospace, technology and engineering



# Property Location

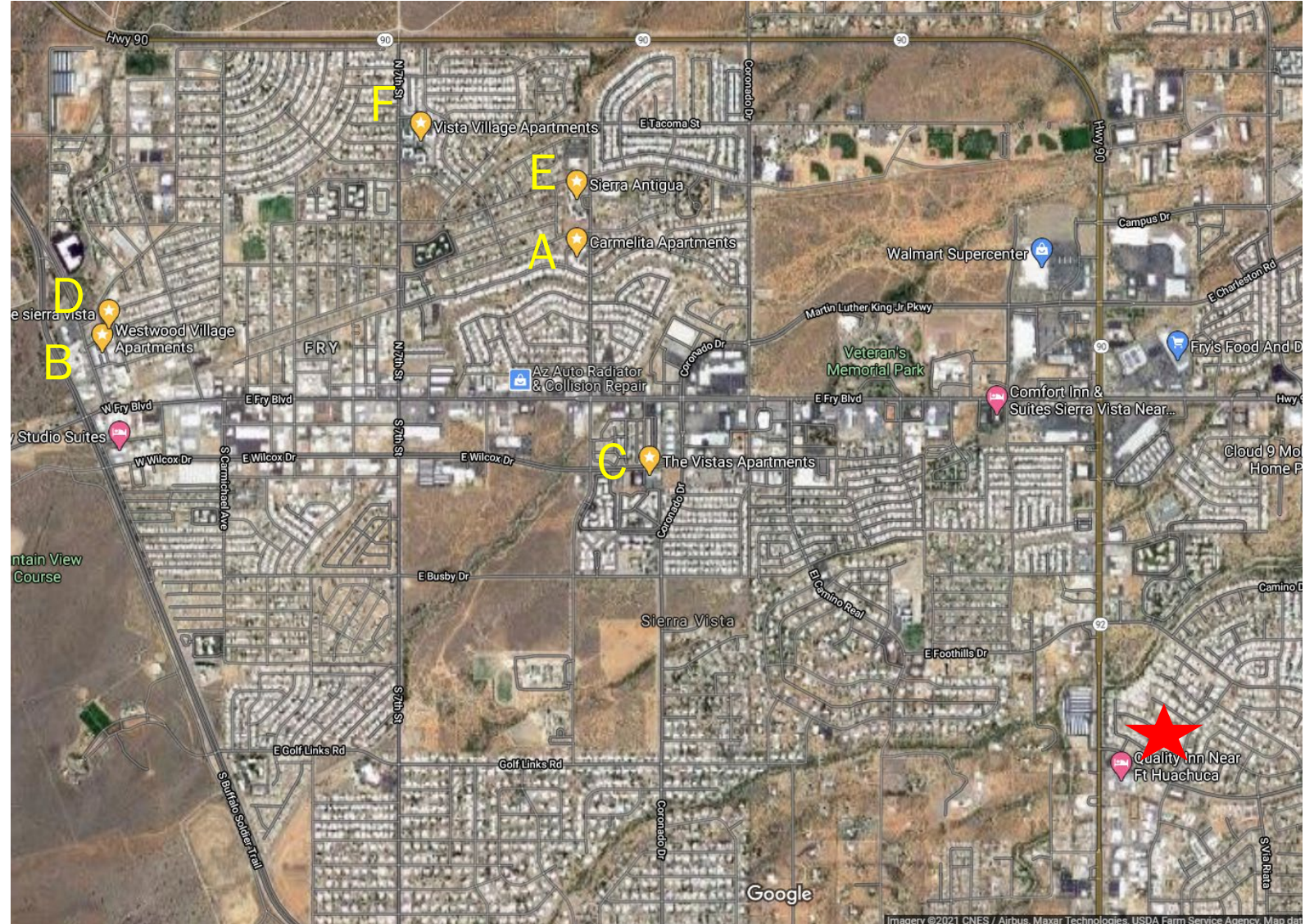
## Nearby Businesses

- Best Buy
  - Big 5 Sporting Goods
  - Big Lots!
  - Buffalo Wild Wings
  - Cinemark Theater
  - Dillards
  - Golden Corral
  - Hobby Lobby
  - Home Depot
  - ihop
  - Joann Fabrics
  - Lowe's
  - Mod Pizza
  - Outback Steakhouse
  - Petsmart
  - Sears
  - Staples
  - Target
  - Walmart
  - Wells Fargo
- Prime Location right off SR-92
  - 31,000 cars drive by per day



# COMPARABLE PROPERTIES

- A. Carmelita Apartments
- B. Diamond Elite Estates
- C. The Vistas
- D. Westwood Village
- E. Sierra Antigua
- F. Vista Village



# PROPERTY COMPARABLE SUMMARY

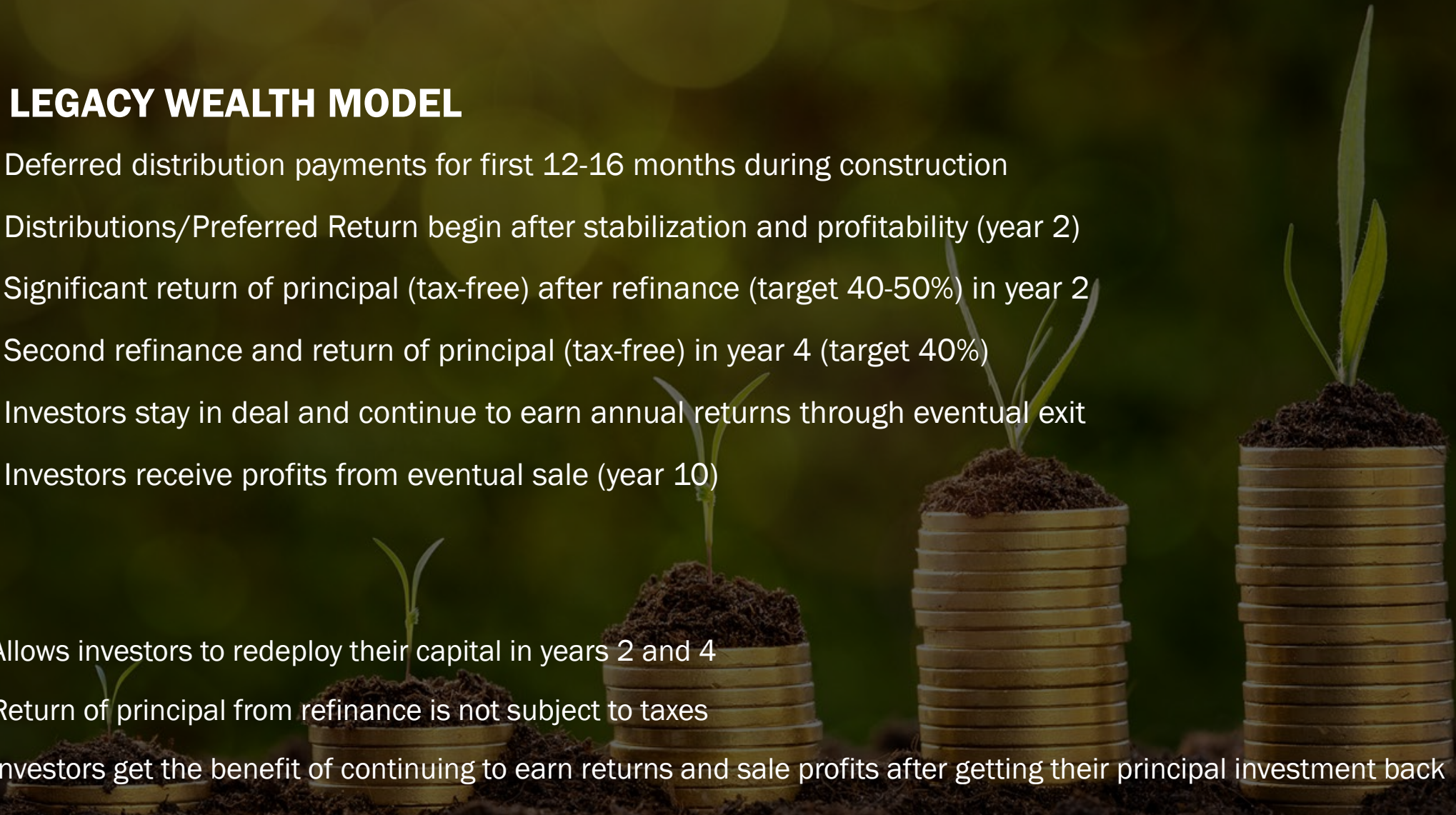
PROPERTY	OCCUPANCY	BEDROOMS	BATHS	NUMBER OF UNITS	AVERAGE SIZE	ASKING RENT	SPECIAL OR CONCESSION	ADDITIONAL UTILITY COST	LANDLORD PAID SERVICE	PARKING INCL. IN RENT	WASHER DRYER STATUS	PARKING ADJUSTMENT	W/D ADJUSTMENT	NET ECONOMIC COST TO TENANT	NET ECONOMIC COST PER SF
Westwood Village	89%	STUDIO	1	28	437	\$525	\$0	\$35	Electric, Water, Sewage, Trash Internet	OPEN SPACE	ON-SITE	\$0	\$0	\$525	\$0.99
Carmelita Apartments	100%	STUDIO	1	27	466	\$510	\$0	\$0	Electric, Water, Sewage, Cable	OPEN SPACE	ON-SITE	\$0	\$0	\$510	\$1.02
Diamond Elite Estates	24%	STUDIO	1	30	437	\$504	\$0	\$65	Electric, Water, Sewage, Trash Internet	OPEN SPACE	ON-SITE	\$0	\$0	\$504	\$1.24
The Vistas	94%	STUDIO	1	37	430	\$739	\$0	\$99	Electric, Water, Sewage, Cable, Internet	OPEN SPACE	ON-SITE	\$0	\$0	\$739	\$1.72
AVERAGE	77%			30.50	442.50	\$569.50	\$0.00	\$49.75							

PROPERTY	OCCUPANCY	BEDROOMS	BATHS	NUMBER OF UNITS	AVERAGE SIZE	ASKING RENT	SPECIAL OR CONCESSION	ADDITIONAL UTILITY COST	LANDLORD PAID SERVICE	PARKING INCL. IN RENT	WASHER DRYER STATUS	PARKING ADJUSTMENT	W/D ADJUSTMENT	NET ECONOMIC COST TO TENANT	NET ECONOMIC COST PER SF
Westwood Village	89%	1	1	28	437	\$575	\$0	\$35	Electric, Water, Sewage, Trash Internet	OPEN SPACE	ON-SITE	\$0	\$0	\$575	\$0.99
Carmelita Apartments	100%	1	1	27	466	\$600	\$0	\$0	Electric, Water, Sewage, Cable	OPEN SPACE	ON-SITE	\$0	\$0	\$600	\$1.02
Diamond Elite Estates	24%	1	1	30	437	\$604	\$0	\$65	Electric, Water, Sewage, Trash Internet	OPEN SPACE	ON-SITE	\$0	\$0	\$604	\$1.24
The Vistas	94%	1	1	27	390	\$829	\$0	\$59	Electric, Water, Sewage, Cable, Internet	OPEN SPACE	ON-SITE	\$0	\$0	\$829	\$2.13
Sierra Antigua	96%	1	1	16	625	\$674	\$0	\$99	Electric, Gas, Water, Sewage	OPEN SPACE	ON-SITE	\$0	\$0	\$674	\$1.08
Vista Village	96%	1	1	16	750	\$870	\$0	\$99	Electric, Gas, Water, Sewage	OPEN SPACE	SOME	\$0	\$50-\$100	\$870	\$1.16
AVERAGE	83%	1	1	24	518	\$692	\$0	\$59.50							

PROPERTY	OCCUPANCY	BEDROOMS	BATHS	NUMBER OF UNITS	AVERAGE SIZE	ASKING RENT	SPECIAL OR CONCESSION	ADDITIONAL UTILITY COST	LANDLORD PAID SERVICE	PARKING INCL. IN RENT	WASHER DRYER STATUS	PARKING ADJUSTMENT	W/D ADJUSTMENT	NET ECONOMIC COST TO TENANT	NET ECONOMIC COST PER SF
Westwood Village	89%	2	1	28	650	\$675	\$0	\$55	Electric, Water, Sewage, Trash Internet	OPEN SPACE	ON-SITE	\$0	\$0	\$735	\$1.09
Carmelita Apartments	100%	2	1	27	675	\$750	\$0	\$0	Electric, Water, Sewage, Cable	OPEN SPACE	ON-SITE	\$0	\$0	\$750	\$1.11
Sierra Antigua	96%	2	1	30	825	\$874	\$0	\$129	Electric, Gas, Water, Sewage	OPEN SPACE	ON-SITE	\$0	\$0	\$968	\$1.11
Vista Village	96%	2	2	27	950	\$999	\$0	\$129	Electric, Gas, Water, Sewage	OPEN SPACE	SOME	\$0	\$50	\$1,188	\$1.25
AVERAGE	95%	2	1	28	775	\$825	\$0	\$78							

## LEGACY WEALTH MODEL

- I. Deferred distribution payments for first 12-16 months during construction
  - II. Distributions/Preferred Return begin after stabilization and profitability (year 2)
  - III. Significant return of principal (tax-free) after refinance (target 40-50%) in year 2
  - IV. Second refinance and return of principal (tax-free) in year 4 (target 40%)
  - V. Investors stay in deal and continue to earn annual returns through eventual exit
  - VI. Investors receive profits from eventual sale (year 10)
- Allows investors to redeploy their capital in years 2 and 4
  - Return of principal from refinance is not subject to taxes
  - Investors get the benefit of continuing to earn returns and sale profits after getting their principal investment back



# INVESTMENT OVERVIEW

Cashflow: 8% Preferred Return

First Disbursement: Q2 2022

**Waterfall Split:**

70% Investor / 30% Sponsor

At 15% IRR, switch to 50% Investor / 50% Sponsor

## Sample \$100,000 Investment Cashflow Projection

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Totals
Preferred Return	(Deferred to Year 2)	\$16,000	\$4,595	\$4,151	\$954	\$605	\$149				\$26,454
Remaining Cashflow Split							\$5,296	\$7,164	\$6,610	\$96,547	\$115,617
Principal Returned		\$42,566	\$5,551	\$39,958	\$4,366	\$5,694	\$1,866				\$100,000
<b>Total Cashflow</b>		<b>\$58,566</b>	<b>\$10,145</b>	<b>\$44,108</b>	<b>\$5,320</b>	<b>\$6,299</b>	<b>\$7,311</b>	<b>\$7,164</b>	<b>\$6,610</b>	<b>\$96,547</b>	<b>\$242,071</b>
Equity Multiple											2.42x
IRR											17.9%

**\*\*This is just a projection not a guarantee.\*\***

# FINANCIALS

- Summary

Current	Pro Forma
<i>Purchase Price</i> ..... \$ 1,755,000	<i>Gross Potential Income</i> ..... \$ 816,328
<i>Repair Costs</i> ..... \$ 1,709,305	<i>Expenses</i> ..... \$ 419,328
<i>Current Potential Income</i> ..... \$ 638,977	<i>NOI (Year 2)</i> ..... \$ 286,886
	<i>NOI (Year 10)</i> ..... \$ 392,142
	<i>Projected Value</i> ..... \$ 5,820,641

Sources & Use of Funds	Source	Use
	<i>Equity</i> ..... \$ 950,000	<i>Acquisition</i> ..... \$ 1,790,000
	<i>Loan</i> ..... \$ 3,100,000	<i>CapEx</i> ..... \$ 1,500,000
	<i>Total</i> ..... \$ 4,050,000	<i>Fees</i> ..... \$ 240,000
		<i>Reserves</i> ..... \$ 354,000
		<i>Contingency</i> ..... \$ 166,000
		<i>Total</i> ..... \$ 4,050,000

# FINANCIALS

- Remodel Budget

Exterior	
HVAC	\$ 30,000
Exterior Paint	\$ 50,000
Doors / Windows	\$ 80,000
Gates / Fences	\$ 1,500
Landscaping	\$ 2,000
Pool	\$ 35,000
Parking Lot	\$ 62,250
Signage	\$ 10,000
<b>Total</b>	<b>\$270,750</b>
Interior	
65 Unit Interiors	\$ 780,000
Fire sprinkler system	\$ 125,000
Fire alarms	\$ 45,000
Plumbing	\$ 10,000
Paint Hallways	\$ 6,500
Hallways Carpet	\$ 9,960
Plan & Blueprints	\$ 23,025
Electrical	\$ 189,000
<b>Total</b>	<b>\$1,188,485</b>
Contingency	
Contingency	\$50,000
<b>Total</b>	<b>\$50,000</b>
Management	
Management Fee	\$145,924
<b>Total</b>	<b>\$145,924</b>
<b>Grand Total</b>	<b>\$1,655,159</b>

# FINANCIALS

- Stabilized Pro-forma (Yr 2)

## Proforma Operations (Year 2)

### Income

Gross Scheduled Income		\$ 625,648
Vacancy	10.00%	\$ -61,506
RUBS	\$80	\$ 59,193
Other Income	4.00%	\$ 25,500
<b>Gross Operating Income</b>		<b>\$ 648,834</b>

### Annual Expenses

	Per Unit	Annually
Repair & Maintenance	\$526	\$34,170
Contract Services	\$204	\$13,260
Personnel	\$1,308	\$85,000
Marketing / Advertising	\$157	\$10,200
Administrative Expenses	\$157	\$10,200
Electricity	\$1,020	\$66,300
Fuel (Gas & Oil)	\$157	\$10,200
Water & Sewer	\$628	\$40,800
Insurance	\$235	\$15,300
Real Estate Taxes	\$523	\$33,990
Property Management Fee	\$399	\$25,953
<b>Total Operating Expenses</b>	<b>\$5,313</b>	<b>\$345,373</b>

### Capex Reserves

	Per Unit	Annually
<b>Total Capex Reserves</b>	<b>\$255</b>	<b>\$16,575</b>

**Net Operating Income (NOI)**

**\$ 286,886**

# FINANCIALS

- Stabilized Pro-forma (Yr 10)

## Proforma Operations (Year 10)

### Income

Gross Scheduled Income		\$ 792,552
Vacancy	10%	-\$ 77,914
RUBS	\$96.13	\$ 69,354
Other Income	4.00%	\$ 32,303
<b>Gross Operating Income</b>		<b>\$821,924</b>

### Annual Expenses

	Per Unit	Annually
Repair & Maintenance	\$616	\$40,036
Contract Services	\$239	\$15,536
Personnel	\$1,532	\$99,591
Marketing / Advertising	\$184	\$11,951
Administrative Expenses	\$184	\$11,951
Electricity	\$2,114	\$137,436
Fuel (Gas & Oil)	\$276	\$17,926
Water & Sewer	\$662	\$43,058
Insurance	\$506	\$32,877
Real Estate Taxes	\$523	\$33,990
Property Management Fee	\$399	\$25,953
<b>Total Operating Expenses</b>	<b>\$6,313</b>	<b>\$410,361</b>

### Capex Reserves

	Per Unit	Annually
<b>Total Capex Reserves</b>	<b>\$299</b>	<b>\$19,420</b>

<b>Net Operating Income (NOI)</b>	<b>\$392,142</b>
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## Our Team



**Bruce B Wuollet**  
Founder / Visionary / Owner  
*Bakerson*



**Charlie Rushton**  
Principal  
*Mastermind Equity/Saber Equity*



**Becca Hintergardt**  
Investor Relations Manager  
*Mastermind Equity*



**Ben Wuollet**  
Acquisitions Manager  
*Bakerson*



**Kyle Hauge**  
Finance/Operations  
*Mastermind Equity/Saber Equity*



**Sabrina Guler**  
Principal  
*Saber Equity*



## Bakerson Completed Projects in AZ

- **Canberra**, 64 Units
- Tuscano Village, 120 Units
- Dobbins, 8 Units
- Mountain Springs 16 Units
- Mountain View: 6 Units
- **Glenn Isle**, 22 Units
- **Vista De Catalina**, 32 Units
- **Blacklidge Flats**, 34 Units
- Montclair Apartments, 61 Units
- Palo Verde Terrace, 52 Units
- Tuscany Apartments, 107 Units
- **7Four on Stone**. 74 Units
- Pueblo Springs. 75 Units

## Current Projects

Bellevue Tower. 90 Units

Thunder Mountain. 65 Units

# Sponsorship Team Past Project Overview



**Canberra**

64 Units

19% Average Gross XIRR

Investor Return



**Glenn Isle**

22 Units

16.4% Average Gross XIRR

Investor Return



**Vista De Catalina**

32 Units

xx% Average Gross XIRR

Investor Return



**Blacklidge Flats**

34 Units

19.2% Average Gross XIRR

Investor Return



**7Four on Stone**

74 Units

14.2% Average Gross XIRR

Investor Return



**READY TO  
PARTNER  
WITH US?**

## **DISCLOSURES**

**THE INFORMATION CONTAINED HEREIN IS PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND IS NOT AND MAY NOT BE RELIED ON IN A MANNER AS LEGAL, BUSINESS, FINANCIAL, TAX OR INVESTMENT ADVICE OR AS AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY AN INTEREST IN THUNDER MOUNTAIN APARTMENTS OR TO PARTICIPATE IN ANY TRADING STRATEGY. A PRIVATE OFFERING OF INTERESTS IN THE PARTNERSHIP WILL ONLY BE MADE PURSUANT TO A CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM (AS AMENDED OR SUPPLEMENTED FROM TIME TO TIME, THE PPM) AND THE PARTNERSHIP'S SUBSCRIPTION DOCUMENTS (THE "SUBSCRIPTION DOCUMENTS") WHICH WILL BE FURNISHED TO QUALIFIED INVESTORS ON A CONFIDENTIAL BASIS AT THEIR REQUEST FOR THEIR CONSIDERATION IN CONNECTION WITH SUCH OFFERING. THE INFORMATION CONTAINED HEREIN WILL BE SUPERSEDED BY, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO (I) THE PPM, WHICH CONTAINS ADDITIONAL INFORMATION ABOUT THE INVESTMENT OBJECTIVES, TERMS AND CONDITIONS OF AN INVESTMENT IN THE PARTNERSHIP AND ALSO CONTAINS TAX INFORMATION AND RISK DISCLOSURES THAT ARE IMPORTANT TO ANY INVESTMENT DECISIONS REGARDING THE PARTNERSHIP, THE LIMITED PARTNERSHIP AGREEMENT OF THE PARTNERSHIP AND THE SUBSCRIPTION DOCUMENTS RELATED.**