

Storage Development Opportunity



SABER EQUITY

Capturing the demand for storage in the sub market of Slippery Rock, PA outside of Pittsburgh

Sponsor Team



Charlie Rushton



Kyle Hauge

Focused on finding Commercial Real Estate Opportunities in growth markets
Large network of brokers, syndicators, investors and strategic partners
Look for opportunistic, value-add opportunities across multiple asset classes
Multi-family, Self-Storage, Hospitality, Development



SABER EQUITY

Co-Sponsor and On-site Manager

Westeros Holdings, LLC (Katherine D'Agostino and Jim Stout)



Pennsylvania based Self-Storage and development experts, managing multiple facilities

Operate Self-Storage Ninjas brand, a national leader in research, feasibility studies, articles and storage consulting

Will act as local management team and construction project manager

Utilize state of the art technology, systems and marketing to maximize revenue

Expertise in land optimization, commercial and self-storage development

Currently own the development land and have completed all entitlements, zoning and feasibility



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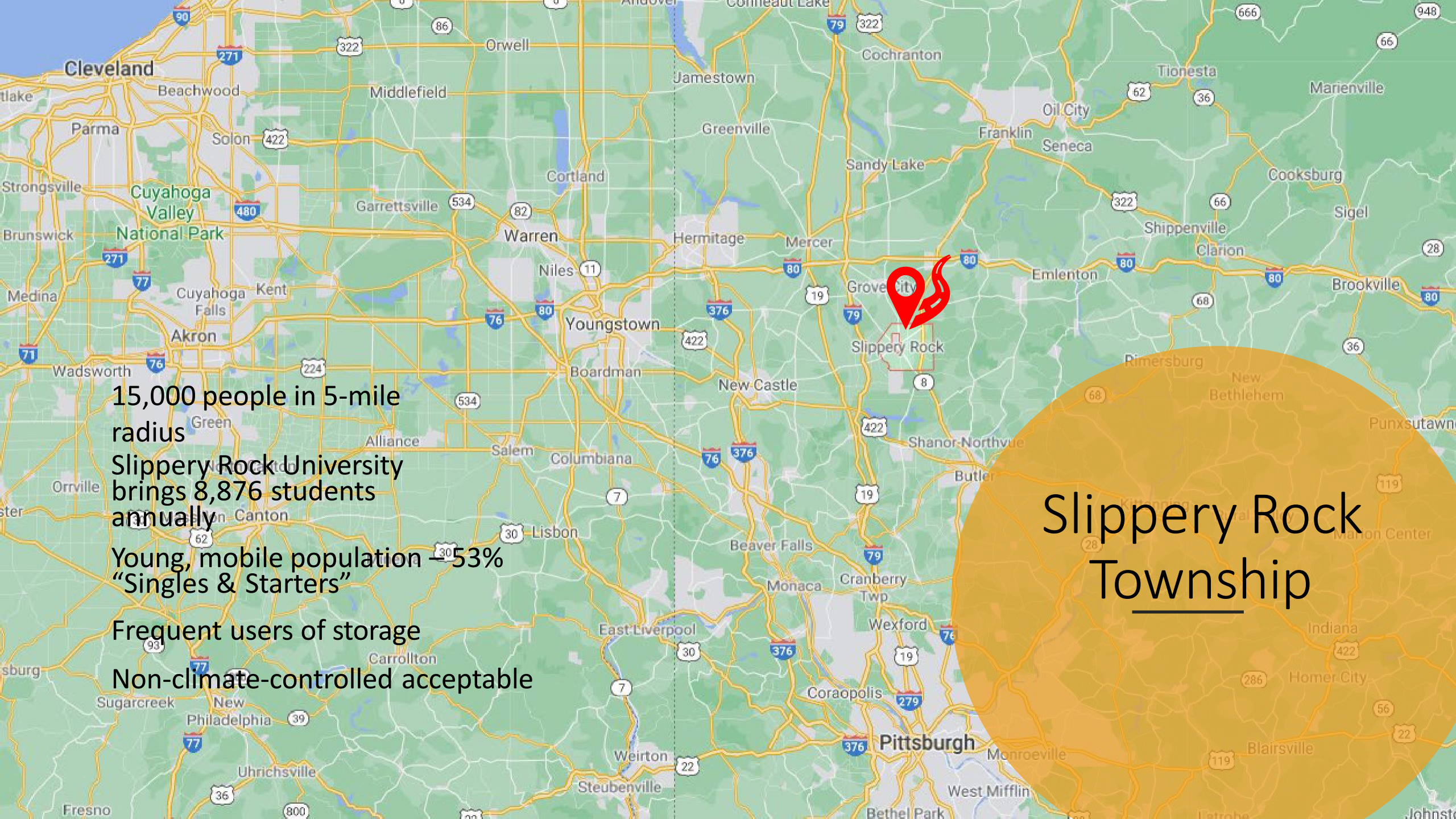
Executive Summary – 220 unit self storage new development



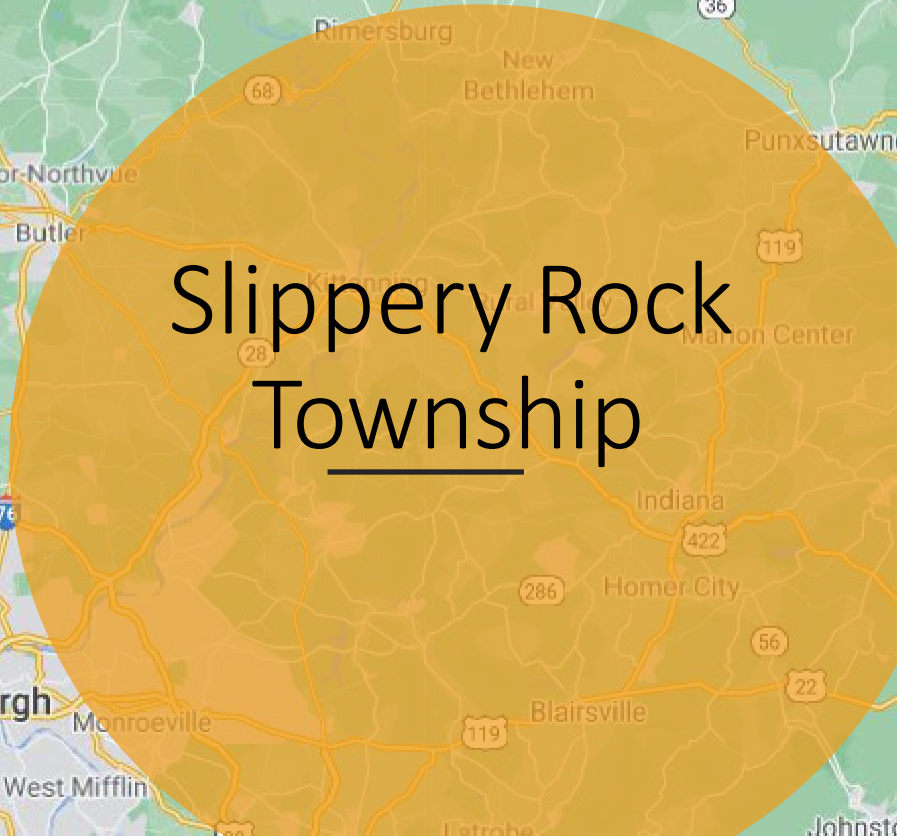
Woodbridge Drive & Rte. 173, Slippery Rock, PA

- ✓ Ideal location next to busy street, apartments and schools
- ✓ 10.6 Acres of entitled land, already owned by sponsor team
- ✓ 8 Acres can be immediately subdivided and sold for income
- ✓ Will have brand new signage and an advertising billboard
- ✓ Local competition is over 90% full using little to no marketing
- ✓ On-site property monitor/contact
- ✓ Will include 208 permanent units and 12 portables
- ✓ Full feasibility study completed with successful results
- ✓ Will maximize technology and automation to optimize returns





15,000 people in 5-mile
radius
Slippery Rock University
brings 8,876 students
annually
Young, mobile population – 53%
“Singles & Starters”
Frequent users of storage
Non-climate-controlled acceptable



Slippery Rock
Township

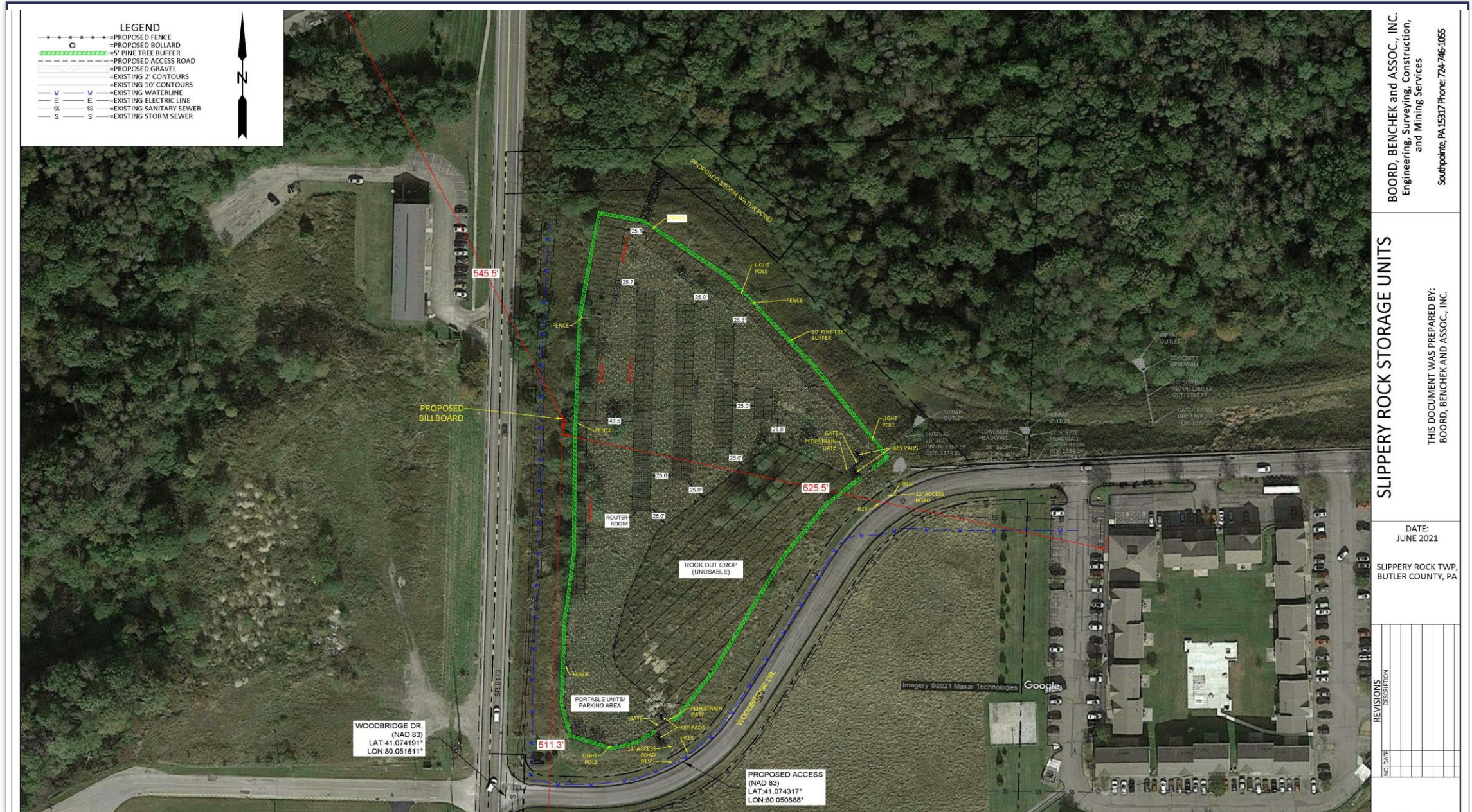
Site Images



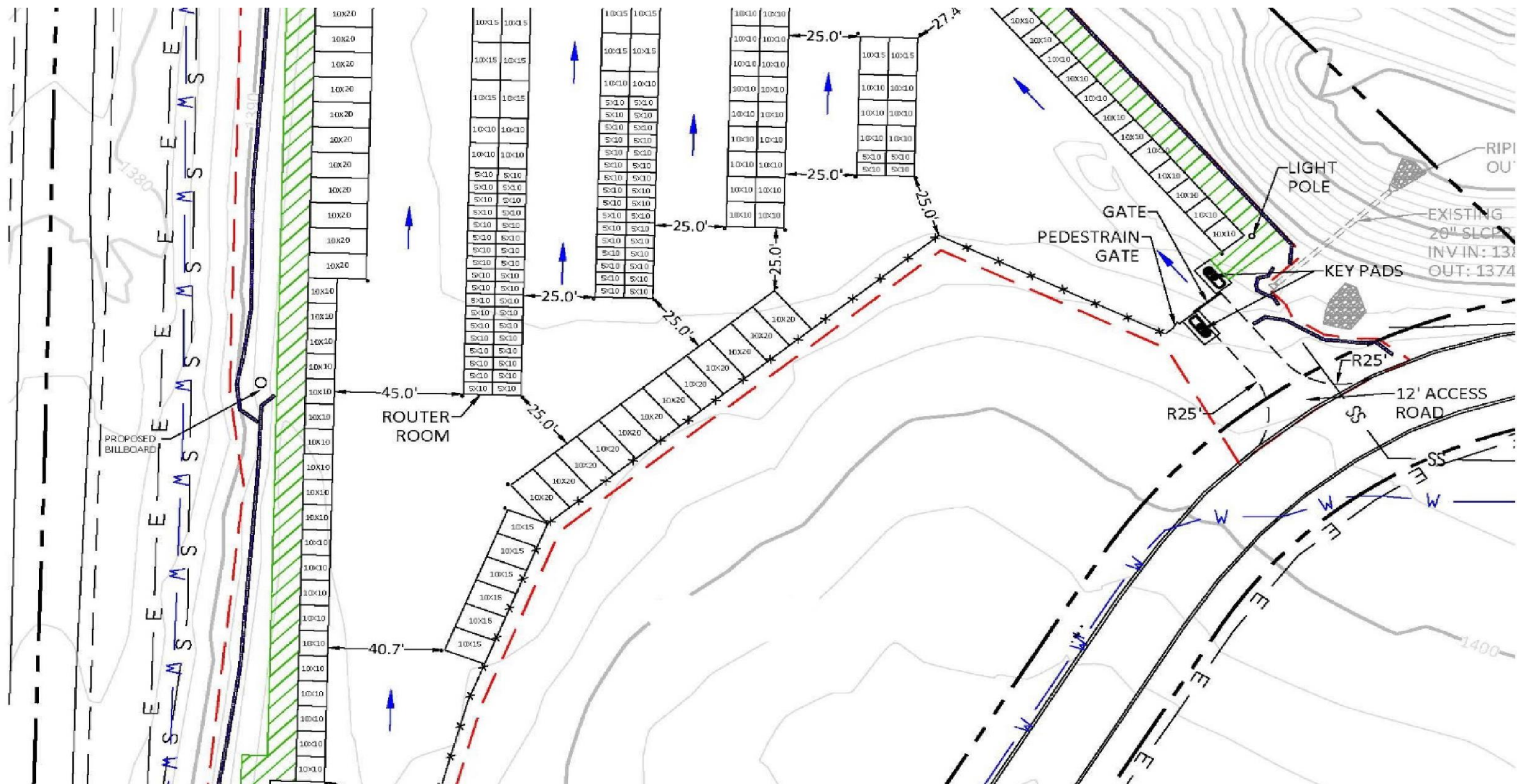
Site Plan

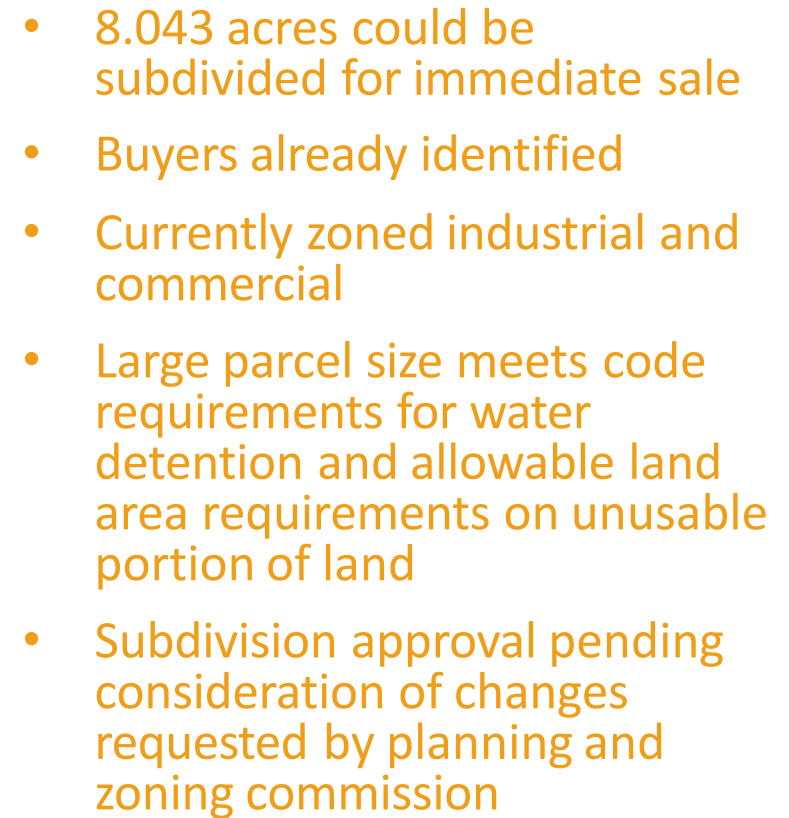


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Site Plan Drawings





Adjacent land comp

0 Grove City Rd
Slippery Rock Boro, PA 16057

\$550,000



Save to Favorites



Driving Directions

PROPERTY DESCRIPTION

Great level piece of commercial property. One of the last commercial pieces in the boro limits. All public utils. Lots of uses in this zoning. Growing area!! Shared detention pond.

Township	Slippery Rock Boro	MLS ID	1470536
Property type:	Farm / Land	Status	Active
Estimated Taxes	\$450		

Check out our Slippery
Rock community video >>

ADDITIONAL INFORMATION

Dimensions	Building	Uses
Acres: 6.4000	non	Zoning - c-2
Frontage: 500		Uses - lots of uses
Depth: 638		

Approved uses

Agriculture	Hospitals and Clinics (§308.7)	Nursing Homes, Personal Care Homes and Assisted Living (§308.13)
Eating/Drinking Places	Indoor/Outdoor Commercial Recreation (§308.22)	Flea Market (§308.35)
Convenience Stores	Retail Liquor Store (§308.40)	Funeral Parlors (§308.9)
Retail Businesses	Private Parks and Playgrounds (§308.36)	Billboards (§308.29)
Agricultural Services	Commercial Schools (§308.39)	Communication Towers (§308.34)
Hotels/Motels		
Theaters		
Places of Worship and Assembly		
Personal Services		
Service Stations		
Accessory Uses and Accessory Structures		
Banks		
Public Utilities Buildings (§308.2)		
Professional Offices		
Building Material and Supply Yards (§308.10)		
Kennels and Veterinary Clinics (§308.41)		
Light Manufacturing		

Self Storage Unit mix

Target Rent Analysis			
	Site Plan	Target Monthly Rent	Target Monthly Total
Type	# Units	Average	Total
5x10	72	\$63	\$4,536
10x10	60	\$98	\$5,880
10x15	40	\$108	\$4,320
10x20	24	\$122	\$2,928
10x30	12	\$177	\$2,124
Portables	12	\$200	\$2,400
Billboard	2	\$200	\$400
Total	220 units	\$127	\$22,285
Gross Potential Annual Rent Income: \$271,056			

Comps

- Independent “mom & pops”
- 7 Class B/C facilities
- 90% or higher occupancy
- No dynamic pricing or promotions
- In close proximity only one competitor has a website, three have Facebook pages only



Lot 0, Grove City Road, Slippery Rock, PA
2 views

All changes saved in Drive

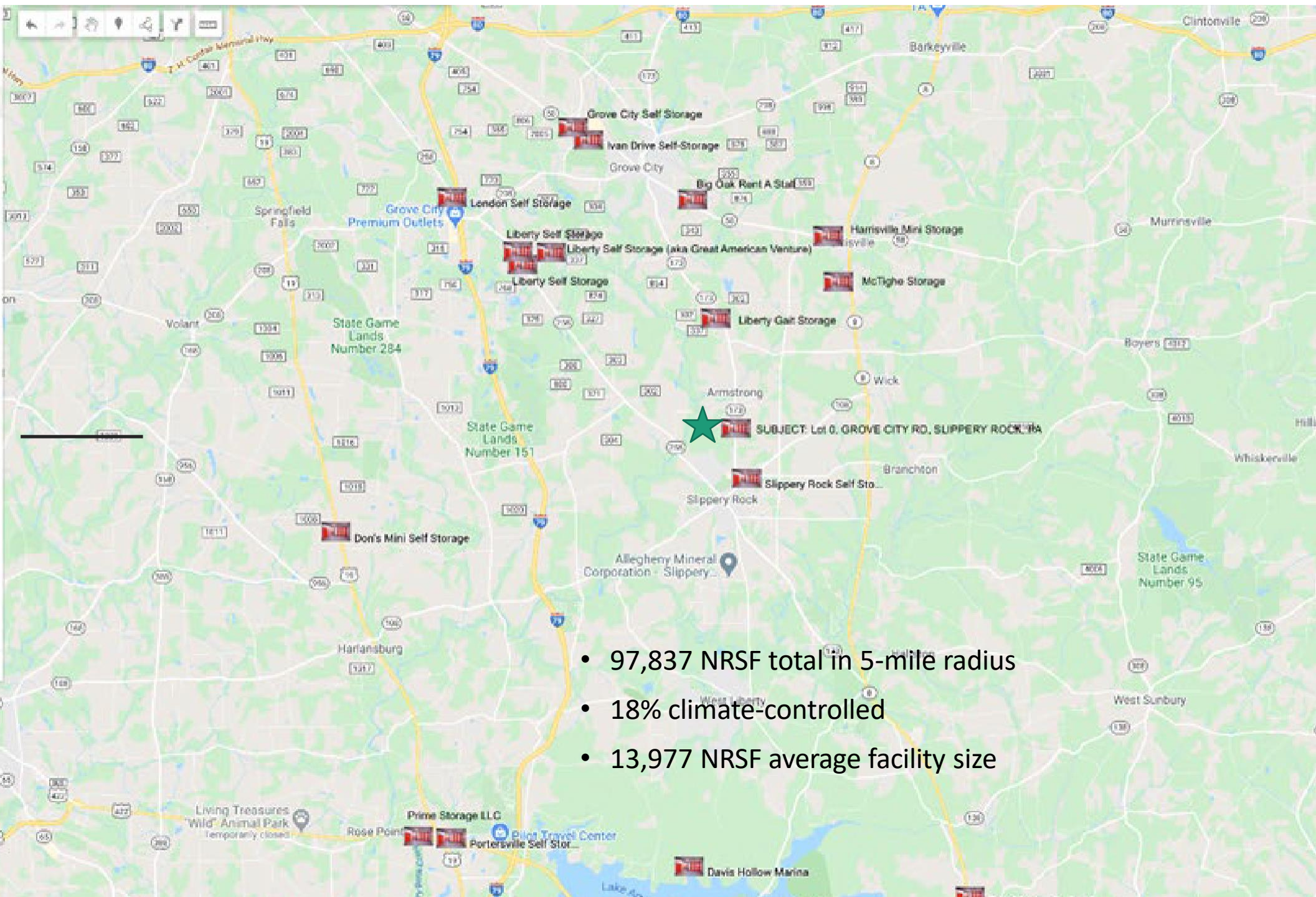
Add layer Share Preview

✓ Untitled layer

Individual styles

- SUBJECT LOT 0, GROVE CIT...
- Slippery Rock Self Storage
- Liberty Gait Storage
- McTighe Storage
- Harrisville Mini Storage
- Liberty Self Storage
- Big Oak Rent A Stall
- Liberty Self Storage (aka Gre...
- Liberty Self Storage
- Ivan Drive Self-Storage
- London Self Storage
- Grove City Self Storage
- Don's Mini Self Storage
- Portersville Self Storage
- Prime Storage LLC
- Red O'Donnell's Self Storage
- Moore Mini Storage
- Butler Mini Storage
- Davis Hollow Marina
- West Park Road Boat Storage

Base map

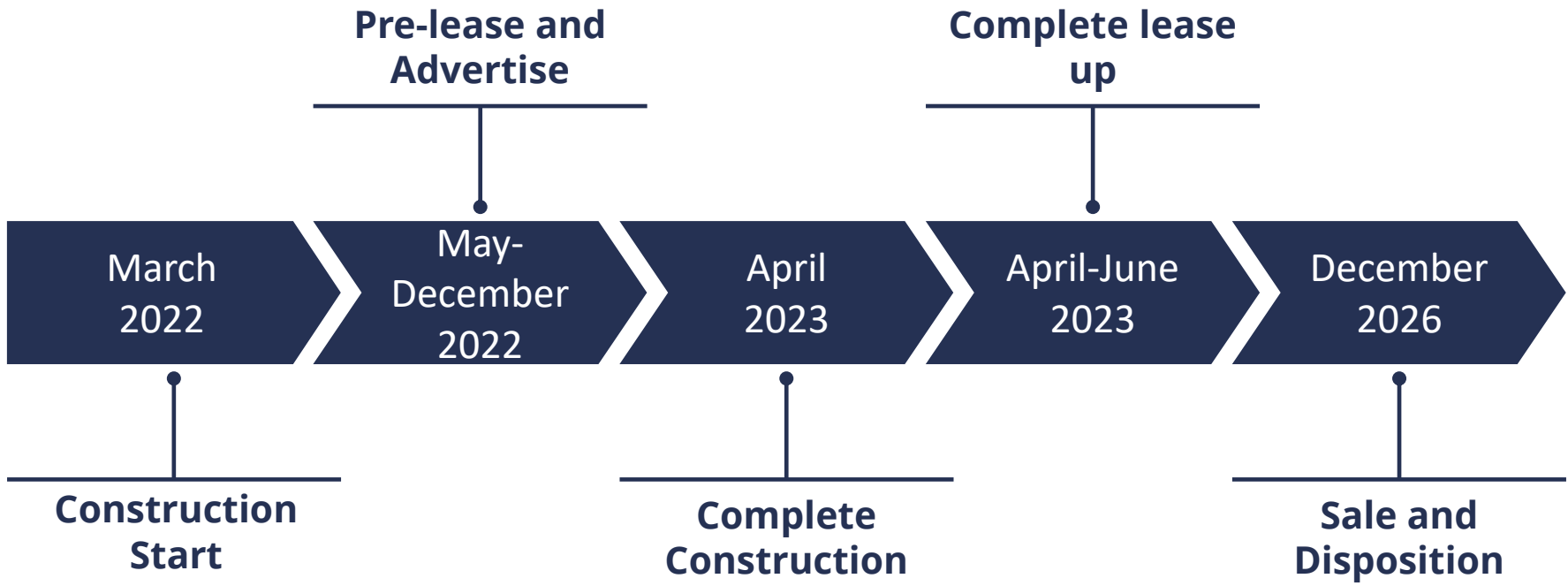


- 97,837 NRSF total in 5-mile radius
- 18% climate-controlled
- 13,977 NRSF average facility size

Self Storage Rental Rate Analysis								
Facility name		Slippery Rock Self Storage	Liberty Gait Storage	McTighe Storage	Harrisville Mini Storage	Liberty Self Storage	Big Oak Rent A Stall	
Address		101 Cemetery Rd, Slippery Rock, PA 16057	96 N Gait Dr, Slippery Rock, PA 16057	118 Browntown Rd, Harrisville, PA 16038	459 W Mercer St, Harrisville, PA 16038 aka 2A Oak Street	2208 Mercer Butler Pike, Grove City, PA 16127	620 E Main St Ext, Grove City, PA 16127	
Phone		724-794-1020	724-458-8831/333	412-401-6067	724-637-2314	724-748-4000	724-458-4110	
Unit Size	Unit SF	Unit Type	Rent \$	Rent \$	Rent \$	Rent \$	Rent \$	Rent \$
5x10	50	CC, Inside		55			53	
5x10	50	NCC Drive Up	50	45			48	35
7x10	70	NCC Drive Up						
5x15	75	CC, Inside		65			58	
5x15	75	NCC Drive Up					53	
10x10	100	CC, Inside					64	
10x10	100	NCC Drive Up	80	55	47		59	45
10x15	150	CC, Inside					72	
10x15	150	NCC Drive Up	90	70	67	66	67	
10x20	200	CC, Inside					95	
10x20	200	NCC Drive Up	100	80	87	71	90	60
10x20	200	Container						
10x25	250	NCC Drive Up						
10x26	260	NCC Drive Up						
12x24	288	NCC Drive Up		110				
10x30	300	NCC Drive Up	150					
10x40	400	Storage on Wheels						
Security		Video, Mgmt lives close by, local police	None	None	Unknown	Video	None	
Promotions		10% off 6 Months or more	\$0	\$0	Unknown	\$0	Prorate 1st Month	
Administrative fee (\$)		\$0	\$0	\$0	Unknown	\$0	\$0	
Deposit (\$) Refundable		1 Month	\$0	\$0	Unknown	\$0	\$0	
Wait List?		Y	N	Y	N	N	N	
How Often Do They Raise Rates?		Not often	Never	Never	Unknown	Not often	Not often	
Occupancy/Available Units		5x10s only	Several	100% Full	1- 10x15	Mostly full	90% full	
Characteristics of Personnel/Management		Friendly	Friendly	Super Friendly	Rude, didn't seem interested in future business	Friendly	Very friendly	
Other Locations		N	N	N	Unknown	Yes 2 more	N	
Notes		Cash or check only, no CC - may consider RV storage in the future on vacant land located 1-2 miles down the road	In business since 1986 - no security issues	Expansion in planning phase	Also identifies as Custom Closet Company; located behind apartments	Never locks gate, safe community; too much work to charge deposit/admin fees	Supply own lock, April tends to fill up as students store belongings for the summer months, felt he's the cheapest in town, suggested Ivan Drive could be another good facility	

Self Storage Rental Rate Analysis								
Facility name		Liberty Self Storage	Liberty Self Storage	Ivan Drive Self Storage	London Self Storage	Grove City Self Storage	Don's Mini Self Storage	
Address		141 Amsterdam Road, Grove City, PA 16127	8 Amsterdam Road, Grove City, PA 16127	106 Ivan Dr, Grove City, PA 16127	1848 Butler Pike, Grove City, PA 16127	1704 W Main St Ext, Grove City, PA 16127	4209 Perry Hwy, Slippery Rock, PA 16057	
Phone		724-748-4000	724-748-4000	724-458-8310	724-748-3923	724-748-3361	724-530-7405	
Unit Size	Unit SF	Unit Type	Rent \$	Rent \$	Rent \$	Rent \$	Rent \$	Rent \$
5x10	50	CC, Inside	53	53				
5x10	50	NCC Drive Up	48	48	38	32	40	37
7x10	70	NCC Drive Up						42
5x15	75	CC, Inside	58	58				
5x15	75	NCC Drive Up	53	53				47
10x10	100	CC, Inside	64	64				
10x10	100	NCC Drive Up	59	59	54	45		58
10x15	150	CC, Inside	72	72			110	
10x15	150	NCC Drive Up	67	67	67	57	70	69
10x20	200	CC, Inside	95	95			130	
10x20	200	NCC Drive Up	90	90	75	70		80
10x20	200	Container						
10x25	250	NCC Drive Up						90
10x26	260	NCC Drive Up						
12x24	288	NCC Drive Up						
10x30	300	NCC Drive Up			100	95		103
10x40	400	Storage on Wheels						
Security		Video	Video		Fence, gate w keycard, Video	Manager onsite, Fence, gate w code	Manager onsite	
Promotions		\$0	\$0	Discount for paid 1 year lease	\$0	Discount for paid 1 year lease	\$0	
Administrative fee (\$)		\$0	\$0	1 Month	\$0	\$15	5' wide - \$20; 10'	
Deposit (\$) Refundable		\$0	\$0	Y	1 Month	\$0	Unknown	
Wait List?		N	N	N	N	N	N	
How Often Do They Raise Rates?		Not often	Not often	Unknown	Not often	Not often	Unknown	
Occupancy/Available Units		Mostly full	Mostly full	98% full	a couple open	4 available	Unknown	
Characteristics of Personnel/Management		Friendly	Friendly		Grumps	Friendly, hesitant	Super bossy, manipulative	
Other Locations		Yes 2 more	Yes 2 more	N	N	Yes, out of survey area	N	
Notes		Never locks gate, safe community; too much work to charge deposit/admin fees	Never locks gate, safe community; too much work to charge deposit/admin fees	Onsite Manager, Mandatory much buy their lock \$15	30 days notice	Sometimes leaves gate open during freeze, may discontinue parking	In business since 1981; this guy is full of himself	

Business Plan and Timeline



Acquisition & Construction Budget

Development Cost	
Entitled Land (purchase from Westeros Holdings)	\$375,000
Non-Climate Controlled units/Vertical	\$1,200,000
Contingency	\$120,000 (10%)
Portable Units	\$40,000
Signage	\$10,000
Solar	TBD
Landscaping	\$7,500
Operating Expenses (yr. 1 & 2)	\$90,725
Closing/Loan Origination Costs	\$22,274
Total	\$1,865,499

Financials & Pro Forma

Executive Summary

PURCHASE		
# Units		208
Asking Price		\$2,112,300
Purchase Price		\$1,865,500
Price Per Unit		\$8,969
Earnest Money Deposit (EMD)	0%	\$0
Down Payment	20%	\$373,100
1st Mortgage (for LTC, see "Loans" sheet)		\$1,492,400
Interest Rate		4.00%
Amortization		30
Interest Only (in months)		36
2nd Mortgage (or Capital Improvement Funding)		\$0
Interest Rate		0.00%
Amortization		0
Interest Only (in months)		0
Closing Costs	1.2%	\$22,274
Acquisition Fee	3.0%	\$55,965
Repairs		\$0
Operating Reserves		\$0
Total Member Capital Needed to Close		\$451,339
Current Market Cap Rate		7.00%
INCOME & EXPENSES (Year 1)		
Gross Scheduled Income		\$266,256
Debt Coverage Ratio (Year 1)		1.76
Gross Rent Multiplier		7.01
INVESTOR RETURNS		
Capital Partner		70%
Manager Equity		30%
Preferred Return to Members		0.0%
Asset Management Fee		1.5%
Capital Transaction Fee to Mgr		0.0%
Cash Flow to Members (Year 1)		\$30,472
Member Cash on Cash Return (Year 1)		6.75%
Average Annual Return		25.94%
Total Return on Investment		103.76%
IRR		22.00%

Financials & Pro Forma

Profit & Loss									
If you overwrite a formula, please highlight in yellow									
FINANCIAL ASSUMPTIONS	Year 1		Year 2		Year 3		Year 4		
Annual Rent Escalator	3.00%		3.00%		3.00%		3.00%		
Annual Expense Escalator	2.00%		2.00%		2.00%		2.00%		
							SALE!		
INCOME	1		2		3		4		
Average Monthly Rent	\$98		\$103		\$107		\$111		
Gross Potential Rent	\$266,240		\$270,000		\$274,000		\$282,000		
- Vacancy	(\$266,240)		(\$156,294)		(\$27,400)		10.00%		10.00%
- Concessions, Loss to Lease, Bad Debt	\$0		\$0		\$0		0.00%		0.00%
Gross Potential Income	\$0		\$113,706		\$246,600		\$253,800		
Other Income	\$104,800		\$4,800		\$4,944		\$5,092		
Effective Gross Income	\$104,800		\$118,506		\$251,544		\$258,892		
EXPENSES	Year 1 & 2 expenses Incl in Capex loan								
Advertising			0.00%		0.00%		\$7,741		3.08%
Contract Services			0.00%		0.00%		\$0		0.00%
Gas & Electric			0.00%		0.00%		\$3,672		1.46%
General/Admin			0.00%		0.00%		\$8,568		3.41%
Insurance			0.00%		0.00%		\$3,427		1.36%
Legal			0.00%		0.00%		\$0		0.00%
Real Estate Taxes			0.00%		0.00%		\$12,000		4.77%
Trash Removal			0.00%		0.00%		\$0		0.00%
Management Fee			8.00%		6.00%		\$15,093		6.00%
Payroll			0.00%		0.00%		\$23,721		9.43%
Repairs and Maintenance			0.00%		0.00%		\$6,120		2.43%
Misc			0.00%		0.00%		\$1,224		0.49%
Water and Sewer			0.00%		0.00%		\$0		0.00%
Deposit to Replacement Reserve	\$0		0.00%		0.00%		\$4,000		1.59%
Total Expenses	\$0		0.00%		0.00%		\$85,566		34.02%
Net Operating Income (NOI)	\$104,800		\$118,506		\$165,978		\$171,556		
Debt Service									
Principal	\$0		\$0		\$0		\$26,282		
Interest	\$59,696		\$59,696		\$59,696		\$59,218		
Total Debt Service	\$59,696		\$59,696		\$59,696		\$85,499		

Investment Partner Hypothetical

Member Returns Based On Specific \$ Invested	\$100,000					
				SALE!		
	1	2	3	4	Total Return \$	Return %
Beginning Member Capital Account Balance	\$100,000	\$100,000	\$100,000	\$100,000		
% of Overall Membership Ownership for \$ Invested	22%	22%	22%	22%		
Member Cashflow	\$6,752	\$8,845	\$15,899	\$12,745	\$44,240	
Cash on Cash Return	6.75%	8.85%	15.90%	12.74%		
Net Proceeds/Profits from Refinance or Sale				\$59,517	\$59,517	
Return of Member Capital				\$100,000		
Ending Member Capital Account Balance	\$100,000	\$100,000	\$100,000	\$0		
Total Return in Investment	\$6,752	\$8,845	\$15,899	\$72,262	\$103,757	103.76%
Average Annual Return						25.94%
Projected IRR						22%
Projected Average Cash on Cash Return						11.06%

*Returns are projections only
Quarterly Distributions

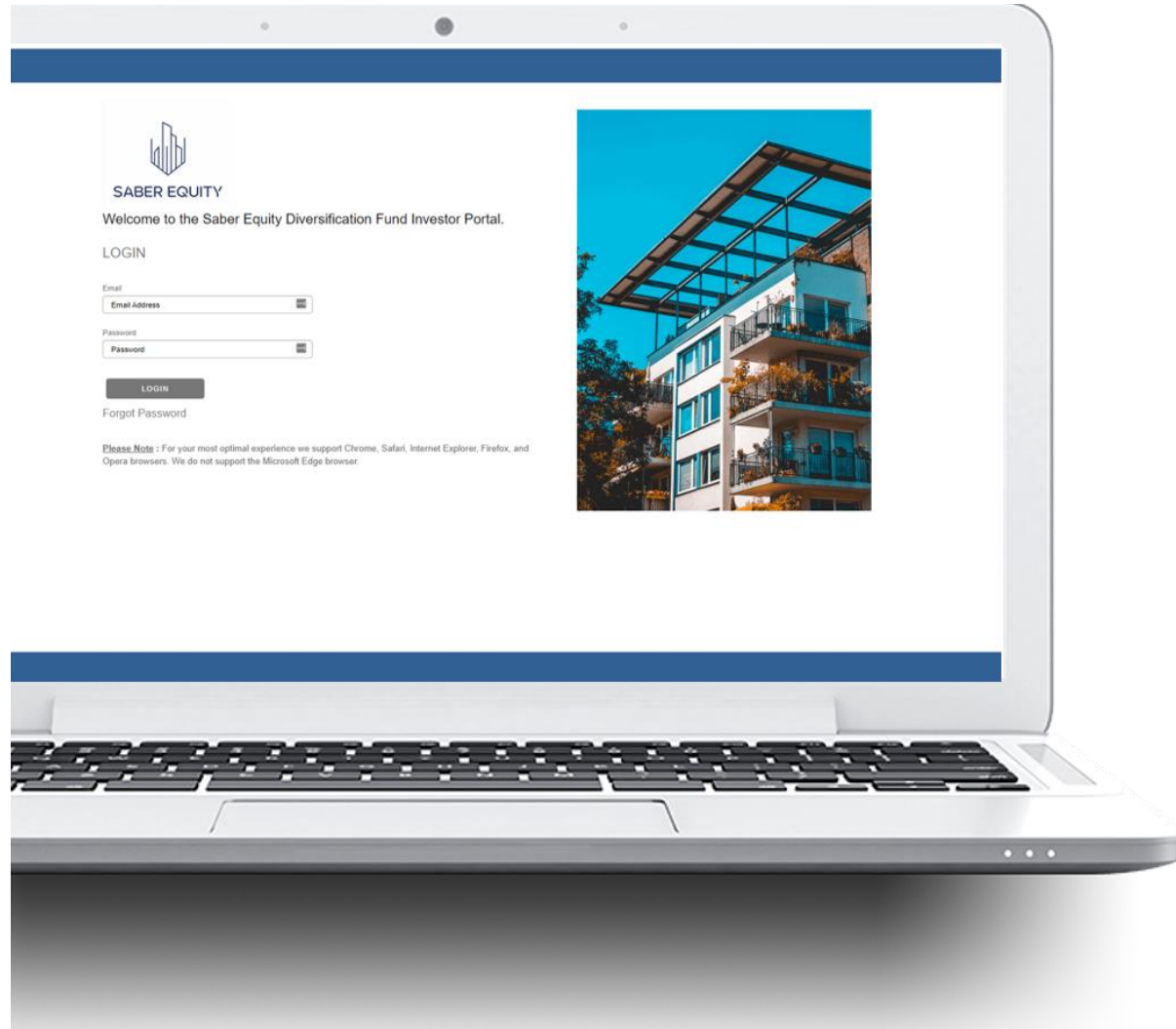
Capital Stack

- Total Acquisition Costs: \$1,865,500
- Loan Amount: \$1,492,400 (80% LTC)
- 4% Interest rate, 3 year Interest Only
- Total Capital Needed: \$450,000
 - Saber Equity LLC: \$50,000
 - Investors: \$400,000



THIS OPPORTUNITY IS MADE THROUGH THE SABER EQUITY DIVERSIFICATION FUND!

*Accredited Investors Only
\$25k Fund Entry Minimum
\$5k Deal Allocation Minimum



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