

# Larson Capital Real Estate Fund II, LLC & LCREF II Blocker, LLC

Larson Capital Real Estate Fund II, LLC (LCREF II) was created for investors seeking a diversified portfolio of commercial real estate assets.

- The fund will invest opportunistically in order to achieve the most optimal returns for our investors' capital given the current environment
- Focus will be on acquiring a combination of properties that offer growth (multifamily and industrial development) and depreciation (office) opportunities, with a key component being shorter hold periods on growth-focused investments
- Potential access to 25% of capital account balance quarterly (after 12 months)
- Liquidity events contemplated utilizing future debt restructuring opportunities and asset dispositions
- LCREF II Blocker accepts IRA funds

<b>Target Fundraise:</b>	\$50 million
<b>Minimum Investment:</b>	\$25,000
<b>Final Close:</b>	TBD
<b>Fund Term:</b>	10 years from final close, subject to two 1-year extensions
<b>Preferred Return:</b>	8% annually, accrued quarterly from the date of investment
<b>Profits Split:</b>	100% to investors until preferred return is reached; 80% thereafter

## FUND PROPERTY SUMMARY

The properties listed below are not an exhaustive representation of the expected properties to be offered within the fund; additional properties will be incorporated as we source new investment opportunities. The fund is expected to own a portion of each of the properties shown.

	<b>Wadsworth Junction</b> Broomfield, CO	<b>Montage at Hawk Ridge</b> Lake St. Louis, MO	<b>Hambright Junction</b> Huntersville, NC	<b>Flats on Felty</b> Rochester, MN	<b>Banner at Sterling Farms</b> Jackson, TN
<b>Estimated Project Cost</b>	\$94,085,759	\$109,547,684	\$81,954,212	\$57,102,517	\$50,457,612
<b>Cost / Unit</b>	\$414,475	\$268,499	\$273,181	\$244,028	\$210,240
<b>Total Equity Required</b>	\$34,556,187	\$27,486,499	\$34,128,692	\$15,102,517	\$22,737,319
<b>Expected Construction Loan</b>	\$46,000,000	\$60,251,079	\$49,172,527	\$33,000,000	\$23,457,744*
<b>Financed Amount</b>	49% LTV	55% LTV	60% LTV	58% LTV	55% LTV
<b>Expected Hold Period</b>	3 Years	4 Years	3 Years	3 Years	3 Years

Risks and Limitations- the risks associated with making investment decisions based on targeted metrics is that they are targets. Commercial real estate investing is risky, and that means that the investment will not always play out according to expectations. Targeted returns involved multiple degrees of uncertainty and risk related but not limited to rental rates, lease expiration dates, occupancy rates, length of the investment period, exit cap rates, and interest rates. - Criteria and Assumptions- how a sponsor approaches the underwriting process (conservative, moderate, aggressive) may change the assumptions of the model which include targeted: cash yield, equity multiple, IRR, investment period and distribution rates  
\*Includes \$7,669,557 of preferred equity

# Who is Larson Capital Management?

Larson Capital Management is a Registered Investment Advisor (RIA) with a focus on real estate private equity offerings. Our primary goal is to acquire income producing commercial property to produce optimal returns for our investors. To accomplish this, we target premium quality properties in high growth, secondary and tertiary markets throughout the United States, including opportunity zones. Our leadership brings a combined 20+ years of experience to 1,700+ investors. Since February 2014, we have acquired over \$1.7B of commercial real estate property, including \$1.2B+ of ground-up developments.



Larson Capital Management uses data-driven analytics to acquire highly functional assets that present unique investment opportunities to investors.



Our funds are comprised of quality properties with stable tenants, favorable lease agreements and the potential to improve operating efficiencies to increase value.



**Paul Larson** CEO and Managing Partner | 314.438.2073 | Paul.Larson@Larson-Capital.com

Paul Larson is the founder and CEO of Larson Capital Management. Paul holds a degree in Finance from Northwestern College. Paul is responsible for business development, capital raise, capital deployment, asset profitability and strategic direction for the firm.



**Jon White** President | 636.445.0648 | Jon.White@Larson-Capital.com

Jon White is the President of Larson Capital Management. Since joining Larson Capital Management in May 2017, Jon has led the acquisition of property with purchase prices totaling \$363.5 million and oversees approximately \$165 million in assets under management. Before joining LCM, Jon served as President of Hoffman Commercial Real Estate (HCRE) and Operating Partner at Osprey Capital, a large family office private equity firm based in Chicago, IL, where he was responsible for the deployment of private equity through strategic acquisitions of office, retail, industrial and multi-family assets.

During his tenure at HCRE, Jon executed in excess of \$1.5 billion of transactions. As an Operating Partner at Osprey Capital, Jon was responsible for business development, lender sourcing/management, project finance, capital raise, capital deployment, asset/portfolio profitability, M&A underwriting/financial, deal flow and strategic direction.

**info@larson-capital.com 14567 North Outer 40, Suite 500 | Chesterfield, MO | 63017 314.787.7226**

<sup>1</sup> Preferred equity is a class of ownership that has repayment priority ahead of common equity and behind debt positions.

<sup>2</sup> Blocker fund distributions will be net of taxes and may differ from those of the main fund.

Investment advisory services are provided by Larson Capital Management, LLC, an investment advisor registered with the Securities and Exchange Commission. Larson Capital Management, LLC and its representatives do not provide legal or tax advice or services. Please consult the appropriate professional regarding your legal or tax planning needs.

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