



NASSAU
INVESTMENTS

NassauInvests.com

© Copyright 2019 • Nassau Investments, LLC. • All Rights Reserved.

Overview



- Introduction to Nassau Investments
- Why Apartment buildings & hotels?
- Why Nassau Investments?
- Case Studies - Apartments
- Hotel Partners
- Case Studies - Hotels
- Typical Project Timeline
- Cincinnati Market Opportunity
- Current Offering
- How To Get Involved



INTRODUCTION TO NASSAU INVESTMENTS

MISSION • EXPERIENCE • RESULTS



MISSION

Our mission is to protect and grow the wealth of our investors by acquiring well-located apartment buildings and hotels, then creatively and diligently creating significant value.





HOW?

Nassau acquires under-performing real estate assets and through our in-house construction company, cost effectively improve the value of those assets. We then utilize partners who are expert with apartment and hotel management to further improve the income from these assets for significant profit at disposition.



NASSAU BY THE NUMBERS



Founded in
2006 Cumulative
Experience 39 Years
with apartments and
over 100 Years with
Hotels



Transacted
More Than 1,000
Apartment Units &
Hotel Partners Manage
Over 5,000 Hotel
Rooms



Over \$100 Million
in Apartment
Transactions &
Partners Have Done
Over \$1.5 Billion of
Hotel Transactions



No Investor Has
Lost Capital with
Nassau Investor
IRR of 15-20%

*Past Results Do Not Guarantee Future Results

NASSAU PRINCIPALS



Michael Ealy

20 years in Real Estate
Founder and CEO



Nate Barger

19 Years in Real Estate
Construction Management



Daniel Nguyen

10 years in Real Estate
Investor Relations

WHY APARTMENT BUILDINGS & HOTELS?



Stability

Real Estate is less volatile and has historically outperformed the S&P 500



Cash Flow

Tenants pay monthly rent, which covers all expenses and provides profit to the owners; HOTELS produce even higher cashflow



Amortization

Tenants pay down the debt which increases your equity, creating long-term wealth.



Leverage

You can leverage real estate, allowing for the purchase of \$100M with only \$25M (\$30M for hotels)



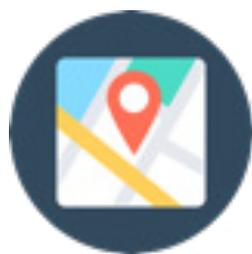
Tax Benefits

Depreciation is a free tax write-off that allows you to keep more profits in your pocket.



Inflation Edge

Real Estate is less volatile and has historically outperformed the S&P 500



Physical Asset

Real Estate has tangible value. It's nice to be able to walk inside your investment.



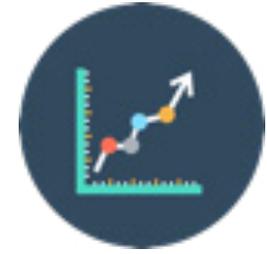
Appreciation

Real Estate appreciates in value over time, growing your long-term wealth.



Control

Owners/Managers dictate the value of the asset, not the market. Hotels benefit from professional management & franchise-like business model



The Trend

Baby Boomers and Millennials are trending towards renting, and there is a shortage of affordable housing.

RATE OF RETURN COMPARISON



**SAVINGS
ACCOUNT:
1.85%***

*Current Savings
Account Rate for
Capital One Bank

Note: Current Inflation
Rate is 1.9%



**STOCKS &
EQUITIES:
7%***

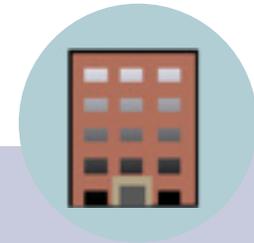
Average Net Return
Since 1950

*Standard & Poors



**APARTMENT
BUILDINGS:
> 20%***

Multifamily has
monthly Cash Flow
and long-term Capital
Gains contributing
to return with less
downside risk.



**HOTELS:
> 25%***

Hotels have stronger
cashflow due to higher
room rental rates and
daily turnover and
have more sources
of income



WHY NASSAU INVESTMENTS?

PROVEN TRACK RECORD OF DELIVERING DOUBLE
DIGIT RETURNS WITH NO INVESTOR LOSSES

NASSAU'S TRACK RECORD



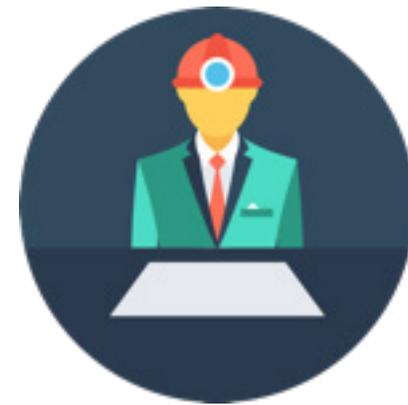
Delivered double digit annual returns with no investor losses via:



Buying Right



**In The
Right Areas**



**& Cost Effective
Value-Add**

BUYING RIGHT IN THE RIGHT AREAS/LOCATIONS



Stringent Investment Criteria

- Projects must meet conservative metrics and pass stress test
- Extremely Selective: 100:1 Ratio
- We only acquire the best opportunities – no speculating.



Relationships & Reputation

- Preferential relationships with top real estate brokers/agents
- Access to coveted off-market opportunities
- Established relationships with 1st class lending institutions



Intimate Market Know-How & Moving Ahead of the Competition

- Market & Location Analysis
- Leverage on Political Connections to Know Which Locations Are Getting
- Development Investment by the City
- Investing Ahead of Competition To Maximize Appreciation Potential

COST-EFFECTIVE, VALUE ADD



Vertical Integration

- In-House Construction Company results in 30% lower cost of construction than other apartment and hotel investors/ operators
-

Upgrade Interior Finishes to Increase the Rents

- Focus is upgrading interior finishes so we upgrade a “C” apartment unit to “B” quality and this results in substantial rent increases
-

Creative Maximization of Asset Value

- Reposition the asset into its highest and best use
- Increase Net Operating Income through Energy Audits and other techniques





Apartments Case Study

Oak Harbor - 48 units

Purchase Price & Renovation Costs: \$450,000

Sales Price: \$1,600,000

Total Profit: \$1,100,000

Time Frame: 6 years

Main Strategy:

Creative leasing
(to a government housing
program) to get to 100%
occupancy in 60 days
(from 16% at acquisition)





Apartments Case Study

Eagles Watch Apartments - 96 units

Purchase Price & Renovation Costs: \$2,300,000

Sales Price: \$3,500,000

Total Profit: \$1,200,000

Time Frame: 3 years

Main Strategy:

Value-add (improve unit finishes) to increase rents from \$550/mo to \$679/mo





Apartments Case Study

Wyoming Crossing - 96 units

Purchase Price & Renovation Costs: \$2,200,000

Sales Price: \$3,700,000

Total Profit: \$1,500,000

Time Frame: 2.5 years

Main Strategy:

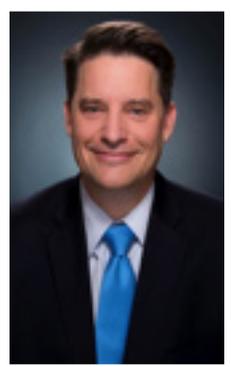
Significantly improve the property and its Net operating income through energy audit and improved operations



LEVERAGE ON PARTNERSHIPS - HOTELS



Partners have acquired over \$1.5 Billion worth of hotels across the US



Brian Fry

- 30 years in Hospitality & Development
- Hilton, GE Capital, Winston Hotels



Dan Fay

- 35 years in Hospitality & Development
- Stouffer, Hilton, Hyatt and Marriott



Dr. Gerald Sapp

- 22 years in Hospitality & Development
- Hilton, Marriott



Paul Stanton

- 25 years in Hospitality & Development
- International operations, Disney Hilton, Marriott Choice Brands

HOTEL EXPERIENCE



We have a wealth of experience, which has included the following hotels:

Select Service Hotels

Aloft Phoenix, AZ
Cambria Suites Indianapolis, IN
Candlewood Suites Indianapolis, IN
Candlewood Suites Carrollton, OH
Candlewood Suites St. Clairsville, OH
Courtyard Cincinnati Airport Erlanger, KY
Courtyard Vallejo Napa Valley, CA
Fairfield Inn Canton, OH
Fairfield Inn & Suites Tampa, FL
Hampton Inn Cincinnati Airport, Florence, KY
Hampton Inn Cincinnati Riverfront, Covington, KY
Hampton Inn Jacksonville Downtown, Jacksonville, FL
Hampton Inn Daphne, AL
Hampton Inn Atlanta-Kennesaw, GA
Hampton Inn Louisville Airport, Louisville, KY
Hampton Inn Louisville North, Clarksville, IN
Hampton Inn & Suites Minot, ND
Hampton Inn Mobile Bellingrath, AL
Hampton Inn Panama City Beach, FL
Hampton Inn & Suites Rohnert Park, CA
Hampton Inn & Suites Tucson, AZ
Hampton Inn & Suites Ridgeway, CO
Hilton Garden Inn Daphne, AL
Hilton Garden Inn Gulfport, MS
Hilton Garden Inn Panama City, FL

Hilton Garden Inn Reno, NV
Hilton Garden Inn Tampa Riverview-Brandon, FL
Hilton Garden Inn Wisconsin Dells, WI
Homewood Suites Daphne, AL
Homewood Suites Lexington, KY
Hyatt House Chicago-Warrenville, IL
Hyatt House Denver, CO
Hyatt House Naples 5th Avenue, Naples, FL
Hyatt Place Chicago-Warrenville, IL
Hyatt Place Portland, ME
Hyatt Place Salt Lake City, UT
Residence Inn Cincinnati Airport, Erlanger, KY

Residence Inn Gulfport, MS
Residence Inn Louisville Airport, Louisville, KY
Residence Inn St. Louis O'Fallon, MO
SpringHill Suites Aurora, CO
SpringHill Suites Windsor Locks, CT
SpringHill Suites Midtown Downtown, Cincinnati, OH
SpringHill Suites Louisville Airport, Louisville, KY

Under Construction

Hampton Inn, Tampa FL

Full Service Hotels

The ART, a hotel Denver, CO
Embassy Suites Atlanta-Kennesaw, GA
Embassy Suites North Canton, OH
Embassy Suites Phoenix, AZ
Embassy Suites Denver, CO
Embassy Suites Tampa, FL
Embassy Suites Covington, KY
Embassy Suites Cleveland, OH
Embassy Suites Dublin, OH
Hilton CVG Airport, Florence, KY
Hyatt Regency Aurora-Denver Conference Center, OH
Marriott Burr Ridge, IL
Marriott Covington, KY





Case Study

Hilton Garden Inn - Tampa Riverview

Ownership of the Hilton Garden Inn — Tampa Riverview engaged Commonwealth Hotels to manage the property when the owner/operated feared possible bankruptcy. The hotel has 4,200 SF of function space and an oversized restaurant and bar.

- Enhanced sales strategy and systems
- Established operational controls
- Renegotiated maintenance and insurance contracts
- Focused food and beverage efforts

Within one year the property's value more than doubled:

- Improved RevPAR 18%
- Improved F&B Profit 386%
- Improved GOP 45.4%
- Improved EBITDA 119%





Case Study

Hilton Garden Inn - Wisconsin Dells

The Hilton Garden Inn – Wisconsin Dells, WI fell into bankruptcy and Commonwealth was appointed manager reporting to the New York Federal Reserve Bank. Commonwealth moved quickly to stabilize the operations and nearly doubled the value of the asset within less than 18 months.

- Negotiated immediate insurance and tax savings
- Established stringent cost controls
- Enhanced dining menu
- Focused catering efforts

These actions drove significant results:

- Improved RevPAR 15%
- Improved F&B Revenue 45%
- Improved GOP 18%





Case Study

Embassy Suites - Kennesaw

Commonwealth Hotels took over management from the owner/operator who was experiencing difficult economic times. The hotel's construction lender failed and the load was acquired by the FDIC. Commonwealth negotiated an agreement and obtained financing to buy out the lender while maintaining twelve of the initial participating banks on the new load.

- Commonwealth focused sales efforts
- Established operational controls
- Tightened payroll costs while maintaining the staff
- Renegotiated maintenance and insurance contracts

Within one year the property's value more than doubled:

- Improved RevPAR 10%
- Trimmed House Expense 14%
- Improved GOP 28%
- Improved EBITDA 37%



RECENTLY ACQUIRED PROJECTS



Garden Lane - 42 Units (Apartment building)



Purchase Price: \$1,500,000
Renovation Cost: \$276,500
Purchase Date: 8/1/2019
Projected Value: \$2,600,000 +
Timeframe: 18-24 months
Projected Return: 32% IRR +

Marriott Courtyard Columbus - 145 keys



Purchase Price: \$7,000,000
Renovation Cost: \$5,300,000
Purchase Date: 8/14/2019
Projected Value: \$17,000,000 +
Timeframe: 3-5 years
Projected Return: 39% IRR +



TYPICAL PROJECT TIMELINE

IDENTIFY • ACQUIRE • STABILIZE • OPTIMIZE • EXIT

PROJECT TIMELINE



IDENTIFY

Target Potential Opportunity, Preliminary Analysis

ACQUIRE

Secure Property, Perform Analysis & Inspections, Negotiate Purchase Agreement, Debt Structuring & Acquisition

STABILIZE

Rebrand, Renovations, & Physical Improvement, Stabilize Property & Increase Value. Cash Flow Starts

OPTIMIZE

Implement Proven Management Processes and Optimize the Asset Revenue and Value. Cash Flow Increases

EXIT

Cash Out Refinance and/or Disposition, Return of Capital and/or Profit to Investors, Reinvest Capital



CINCINNATI MARKET

The Cincinnati Market provides a spectacular multifamily investment opportunity for long-term value, appreciation, and stable cash flow.



CINCINNATI MARKET OVERVIEW



Employment/Employer Stability & Growth

- Home to 9 Fortune 500 Companies
- Cincinnati is tied for the 6th most Fortune 500 Companies by City Proper
- Evenly diversified industry employer base
- Only 4% Unemployment with Steady Job Growth
- Cincinnati/Dayton Metroplex estimated to become 18th Largest in U.S. within a decade*

Affordability & Need for Multifamily

- Cincinnati Multifamily Vacancy Rate is historically low
- Downside protection: Cincinnati occupancy was only 90% during Great Recession
- #5 in America's Most Affordable Cities: Average rent is 35% below national average, providing substantial upside opportunity as Cincinnati continues to grow
- #1 City in America to pay down debt
- Many individuals leaving expensive coastal cities to build their lives in the Midwest

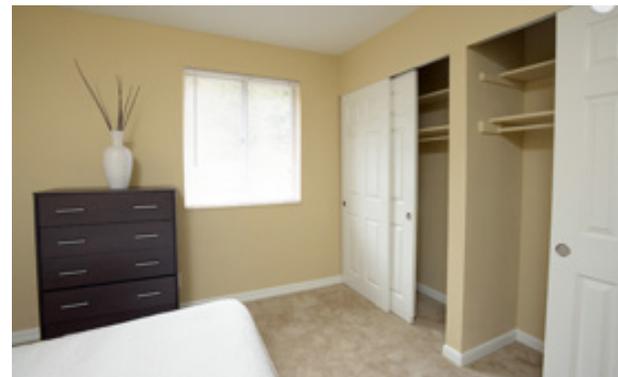
Legal & High Barrier to Entry

- Tenant/Landlord Law is fair and in favor of the landlord if laws are properly followed
- Cincinnati has a high barrier to entry for new supply in our target markets



CURRENT MARKET

Only 4 Nassau is excited to announce that we have recently secured a value add, 91-Unit apartment complex in Mariemont ("A" suburb of Cincinnati) that exceeds our strict investment criteria and ROI requirements.





91 UNIT MARIEMONT

96% Occupancy

Value Add

Market Rents: 15% Below Market

Strong Sub-Market Rental Demand

Attractive Location

Amenities & Ample Parking

Favorable Fundamentals

High Barriers to Entry for New Supply



Purchase Price: \$10,000,000; **Renovation & Other Costs:** \$1,000,000

Re-Sale Price: \$18,000,000; **Time Frame:** 3-5 years

Projected Investor IRR: 18-20%



INTERESTED IN INVESTING WITH NASSAU?

INTERESTED IN INVESTING WITH NASSAU?

HOW TO INVEST



Contact us

- email: contact@nassauinvestments.org
- A staff member will call you to verify you're an accredited investor and gives you opportunities to ask questions about the company and its business model

Preliminary Offering Summary

- Review the Preliminary Offering Summary/Pro Forma
- Commit Investment Capital Amount

After Due Diligence & Property Inspections (Timeline: Approx. 30 Days)

- Private Placement Memorandum (PPM)
- Investor Subscription Booklet (ISB)
- LLC Operating Agreement (OA) and Buy-Sell Agreement (BSA) to be signed
- Wire/Deposit Investment Funds (at least 2 weeks prior to closing)

Close

For more information, visit <https://NassauInvests.com>