

Targeted Urban Catalyst Fund II Investors' Annual Cash Flow⁽¹⁾



After Fees, before Taxes

Investment Summary		Portfolio Summary	
Leveraged IRR ⁽²⁾⁽³⁾	15.4%	Version Updated	2/4/21
Leveraged Net Profits ⁽³⁾⁽⁴⁾	\$456,380,565	Analysis Start Year	2024
Investment Multiple (Fund Level) ⁽³⁾⁽⁵⁾	3.28	Analysis End Year	2034

Project Information	Net Retail SF	Net Office SF	Residential Units	Total Net SF	Total Project Cost
Icon / Echo - Office	4,821	420,614	0	833,051	\$336,082,742
Icon / Echo - Multifamily	0	0	303	516,658	\$184,905,425
Total	4,821	420,614	303	1,349,710	\$520,988,167

10 Year Cash Flow		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Beginning Balance	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Inflow												
Fund Investor Equity Cash Flow From Operations ⁽⁶⁾	\$0	\$0	\$895,009	\$10,107,276	\$11,342,085	\$12,604,090	\$13,905,181	\$15,246,551	\$16,629,431	\$18,055,090	\$19,524,834	\$0
Fund Investor Equity Refinance Proceeds ⁽⁷⁾	\$0	\$0	\$0	\$129,102,724	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fund Investor Equity Property Sale Proceeds ⁽⁸⁾	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$576,508,511
Capital Reserve ⁽⁹⁾	\$0	\$3,576,088	\$2,681,079	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,742,834
Inflow Total	\$0	\$3,576,088	\$3,576,088	\$139,210,000	\$11,342,085	\$12,604,090	\$13,905,181	\$15,246,551	\$16,629,431	\$18,055,090	\$19,524,834	\$585,251,344
Outflow												
Project Costs ⁽¹⁰⁾	\$173,179,375	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Management Fee (2%) ⁽¹¹⁾	\$0	\$3,463,588	\$3,463,588	\$7,205,038	\$7,851,904	\$8,521,774	\$9,215,501	\$9,933,973	\$10,678,112	\$10,017,768	\$9,185,451	\$0
Manager Reimbursement ⁽¹¹⁾	\$11,820,625	\$112,500	\$112,500	\$112,500	\$112,500	\$112,500	\$112,500	\$112,500	\$112,500	\$112,500	\$46,667	\$0
Investor Initial Capital Repayment ⁽¹²⁾	\$0	\$0	\$0	\$131,892,463	\$3,377,681	\$3,969,816	\$4,577,180	\$5,200,078	\$5,838,819	\$7,924,821	\$10,292,716	\$26,926,427
Investor Payment of Preferred Return ⁽¹³⁾	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$48,603,157
Investor 80% Profit Split ⁽¹¹⁾	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$407,777,409
Manager 20% Profit Split ⁽¹¹⁾	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$101,944,352
Capital Reserve ⁽⁹⁾	\$15,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Outflow Total	\$200,000,000	\$3,576,088	\$3,576,088	\$139,210,000	\$11,342,085	\$12,604,090	\$13,905,181	\$15,246,551	\$16,629,431	\$18,055,090	\$19,524,834	\$585,251,344
Cumulative Total Return to Investors	\$0	\$0	\$0	\$131,892,463	\$135,270,143	\$139,239,960	\$143,817,139	\$149,017,217	\$154,856,036	\$162,780,857	\$173,073,573	\$656,380,565
Cumulative Investor Return as a Percent of Initial Investment	0%	0%	0%	66%	68%	70%	72%	75%	77%	81%	87%	328%
Cash Balance at End of Year	\$15,000,000	\$11,423,913	\$8,742,834	\$8,742,834	\$8,742,834	\$8,742,834	\$8,742,834	\$8,742,834	\$8,742,834	\$8,742,834	\$8,742,834	\$0

FOOTNOTE KEY

(1) Targeted: This document contains targeted figures that are estimates only and may not represent actual results achieved. Estimated figures as of February 4th, 2021. Past performance is no guarantee of future results.

(2) IRR (Internal Rate of Return): Metric used in capital budgeting to estimate the profitability. It is a discount rate that makes the Net Present Value of all cash flow from a project, equal to zero. Calculated through Excel formula, XIRR function. Calculated assuming the close of the offering through the termination of our Fund II.

(3) Calculated net of Capital Reserves and fees paid for Fund Management Services, as described in the Private Placement Memorandum Urban Catalyst Opportunity Zone Fund II, LLC ("Fund II").

(4) Profit: The difference between the equity invested in a property and the distributions received from operations and sale of a property.

(5) Investor Multiple (Fund Level): Cumulative distributions to equity holders during operation, refinance, events, and sales divided by amount of equity invested.

(6) Fund Investor Equity Cash Flow From Operations: Property level cash flow after debt service which are net of the following fees for real estate property and development management services, as applicable: Acquisition Fee, Reimbursement of Acquisition Expenses, Construction and Development Fee, Loan Origination/Restructuring Fees, Guaranty Fee, Asset Management Fee, Disposition/ Liquidation Fee, and Reimbursement of Other Operating Expenses. Refer to our Fund II Private Placement Memorandum for more details.

(7) Refinancing Proceeds: means the payment or repayment of any of the Credit Obligations with the proceeds of loans provided by one or more of the Lenders in connection with any refinancing transaction or transactions.

(8) Property Sale Proceeds: Cash received from the sale of an asset or assets.

(9) Capital Reserve: Amount of cash set aside for anticipated expenses.

(10) Project Costs: Sum of total costs required to complete a given project from its acquisition through the refinancing of its construction loan.

(11) Management Compensation: Please refer to the Management Compensation section of our Fund II Private Placement Memorandum.

(12) Investor Initial Capital Repayment: Return of offering proceeds to investors.

(13) Investors Preferred Return: Calculated as 6% of the investors annual capital account balance. Manager receives no distributions until the threshold return of 6% is achieved for the investors. Please refer to the Management Compensation section of our Fund II Private Placement Memorandum.



FOR MORE INFORMATION:

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