

Multifamily

Investor Overview



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Outline

- About Us
- Why Multifamily?
- How We Create Value
- Market Opportunity
- Deal Structure - How You Get Paid
- Next Steps



About Us



SUNBELT
EQUITY GROUP

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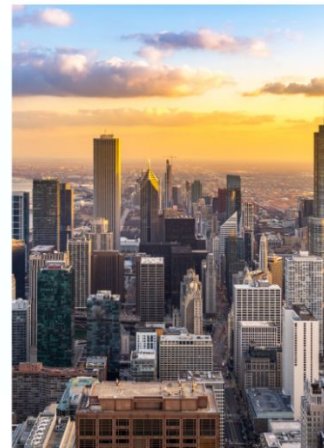
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SUNBELT EQUITY GROUP

About US

Sunbelt Equity Group has a clear and effective strategy centered on acquiring and managing multifamily real estate properties, all the while helping investors build wealth and achieve financial freedom. The company targets markets with strong demand drivers and offers investors the chance to diversify their portfolios through passive income generated by real estate investments. Sunbelt Equity Group's investment approach includes conducting thorough due diligence to ensure that each property is a sound investment that will provide attractive returns for investors. Whether you're a seasoned investor or new to the industry, Sunbelt Equity Group is a compelling opportunity to consider for those seeking to build wealth through real estate investments. We focus on strategic partnerships and ensure the acquisition of commercial multifamily apartment properties that can be enhanced in value, providing a reliable stream of cash flow and the potential for future profits.



\$27M+

Assets Under
Management



1,000+

Units Acquired



28+ Years

Construction
Management Experience

Key **Team** **Members**



*Construction Owner turned
into Multifamily Real Estate
Wealth Creator!*

Shawn Ricehouse



*25 years of corporate finance
and accounting experience
prior to pivoting to a career in
RE investing!*

Mai Duong, CPA



*Civil Engineer and Software
Architect turned into
Multifamily Real Estate Wealth
Creator!*

Venkat Arumilli

Why MultiFamily?



- **Equity Upside:** Equity appreciation upon refinance or sale boosts overall return
- **Attractive Returns:** Apartments remain stable during recessions, as well as during stable and rising interest rate environments
- **Cash Flow:** Receive Steady cash flow through annualized distributions, paid out quarterly
- **Pass-Thru Depreciation:** A tax benefit tool which allows the Investor to utilize a passive “loss” from depreciating improvements to offset other passive income. Investors are strongly encouraged to consult a tax advisor.
- **Portfolio Diversification:** Adding investment real estate to your portfolio will help offset the volatility of other high-risk investments, such as stocks and bonds, leading to increased stability in your investment portfolio
- **Own Real Estate Without Management Headache:** Clear Capital outsources property management to well-known property management companies to ensure tenant satisfaction



Off Markets



- **Lots of Competition**
- **Off Markets Are Key**
- **I Have Over 500**
- **10 Units - 500 Units**
- **Orange County to Lee County**
- **B & C Class Assets**
- **Opportunities to Reposition**



Florida Market Opportunity



Click on a Market Name
Below to See More Info

MARKET

Annual Rent Growth:

3.5%

5.1%

7.7%

7.1%

Average Rent:

\$1,500

\$1,774

\$2,085

\$2,462

Average Rent/SF:

\$1.98

\$1.86

\$2.09

\$2.52

Average Occupancy:

93.9%

94.7%

95.6%

95.6%

Annual Job Additions:

67,500

162,000

26,900

85,300

SUPPLY

Recently Completed/Lease-Up:

5,215

21,738

5,192

10,179

Annual Supply Growth:

4.2%

3.5%

3.6%

1.6%

Under Construction:

19,407

47,566

13,108

46,203

Projected Supply Growth:

9.0%

7.4%

8.8%

7.2%

Existing Units:

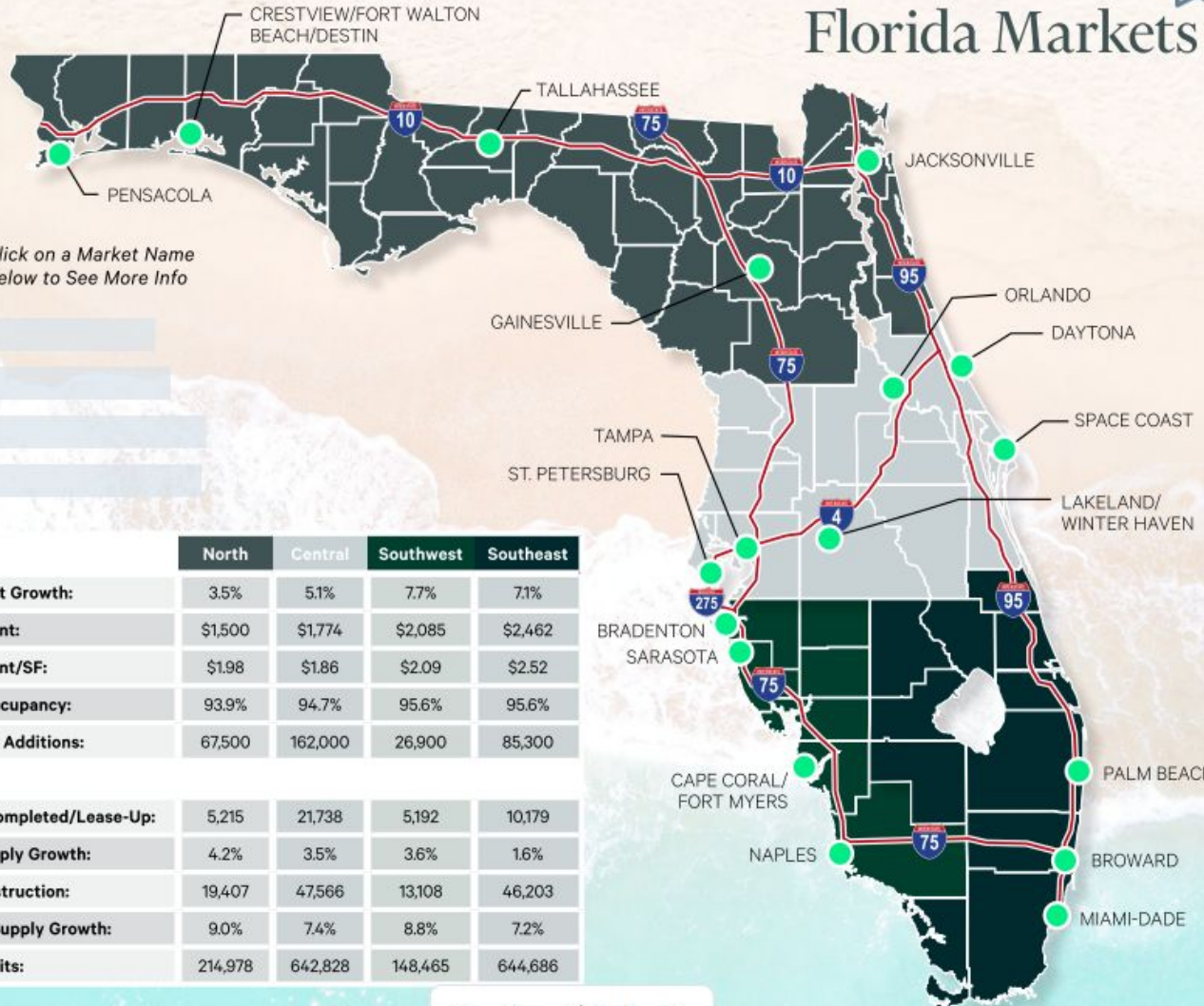
214,978

642,828

148,465

644,686

Florida Markets



Florida Market Opportunity



Tampa Bay MSA - Net Migration

As of Q4 2022, Florida added 416,000 residents for the year's net migration and is projected to add another 350,000 in 2023, expanding by approximately 1,000 net new residents per day.

Tampa's net population gain is projected to reach 419,541 residents by July 2023 (based on the average growth rate of 1.60% over the past 11 years). This growth has created a very competitive buying environment in Tampa, **leading the U.S. for home-price growth at a 22.7% increase** (October 2021-October 2022) and the **median home price in the Tampa MSA soaring to \$419,454**.



1ST IN THE NATION

According to Redfin, the Tampa MSA ranks first in the nation in terms of net inflow (2022-2023).

#1 BEST PLACE TO LIVE IN FLORIDA

Bankrate ranks Tampa as the best place to live in Florida for personal or professional life in 2022.

3RD MOST POPULAR CITY TO MOVE TO

Redfin reported that Tampa is the third most popular city people are moving to within the U.S.

#1 HOTTEST U.S. HOUSING MARKET

Zillow ranked Tampa the most competitive market in the U.S. (2022) & Florida as a top state.

Florida Market Opportunity



GDP: \$1.4T



#2 Largest Foreign Tradezone Network

IN THE UNITED STATES



#2 Best Economy

IN THE UNITED STATES



#3 Largest Workforce

IN THE UNITED STATES



#4 Overall Job Growth

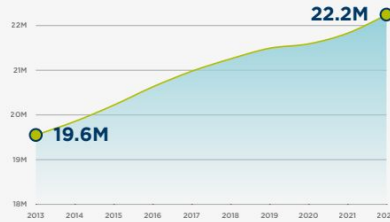
IN THE UNITED STATES



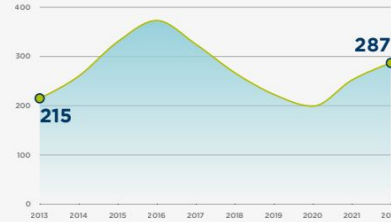
Florida Market Opportunity



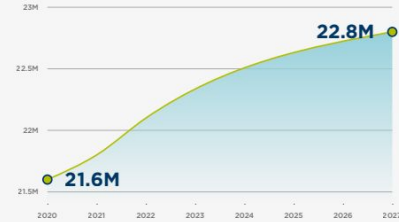
Historic Population



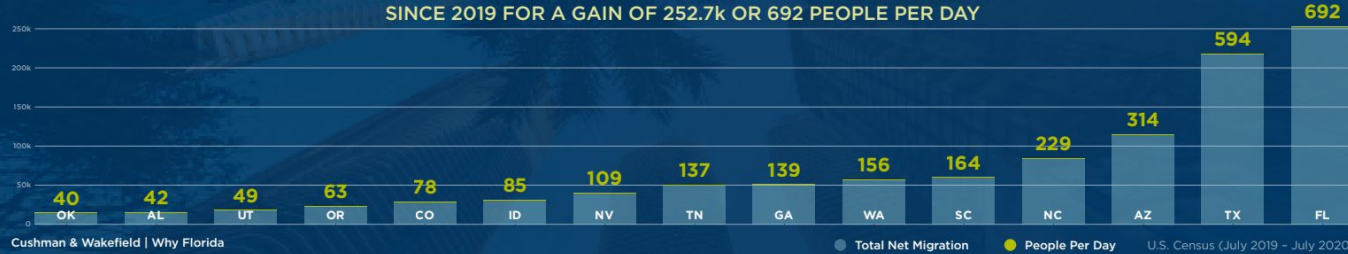
Net Migration PER THOUSAND



Projected Growth



#1 IN THE NATION FOR NET MIGRATION SINCE 2019 FOR A GAIN OF 252.7k OR 692 PEOPLE PER DAY



Florida Market Opportunity



76K+

JOB'S ADDED YOY
(DECEMBER 2022)

2.2%

UNEMPLOYMENT RATE
(DECEMBER 2022)

5.0%

JOB GROWTH
(2022)

#1

RANKED COMMERCIAL
REAL ESTATE MARKET
IN THE COUNTRY

18.9%

YOY RENEWAL
RENT GROWTH 4Q22
(YARDI)

65.5%

LEASE RENEWAL
RATE 4Q 2022

25%

RENT TO INCOME
RATIO Q4 2022
(AXIOMETRICS)

95%

AVERAGE MSA
OCCUPANCY
(4Q 2022)

Florida Market Opportunity



Unmatched Lifestyle Destination *World Renowned Beaches & Parks*

There are several of the country's top beaches within the St Pete/Clearwater area

ST PETE BEACH
**#1 BEACH IN
AMERICA**

- Trip Advisor 2021

CALAHESSI ISLAND
STATE PARK
**#7 BEACH IN
AMERICA**

- Dr Beach 2021

MADEIRA BEACH
**#9 BEACH IN
AMERICA**

- Trip Advisor 2021

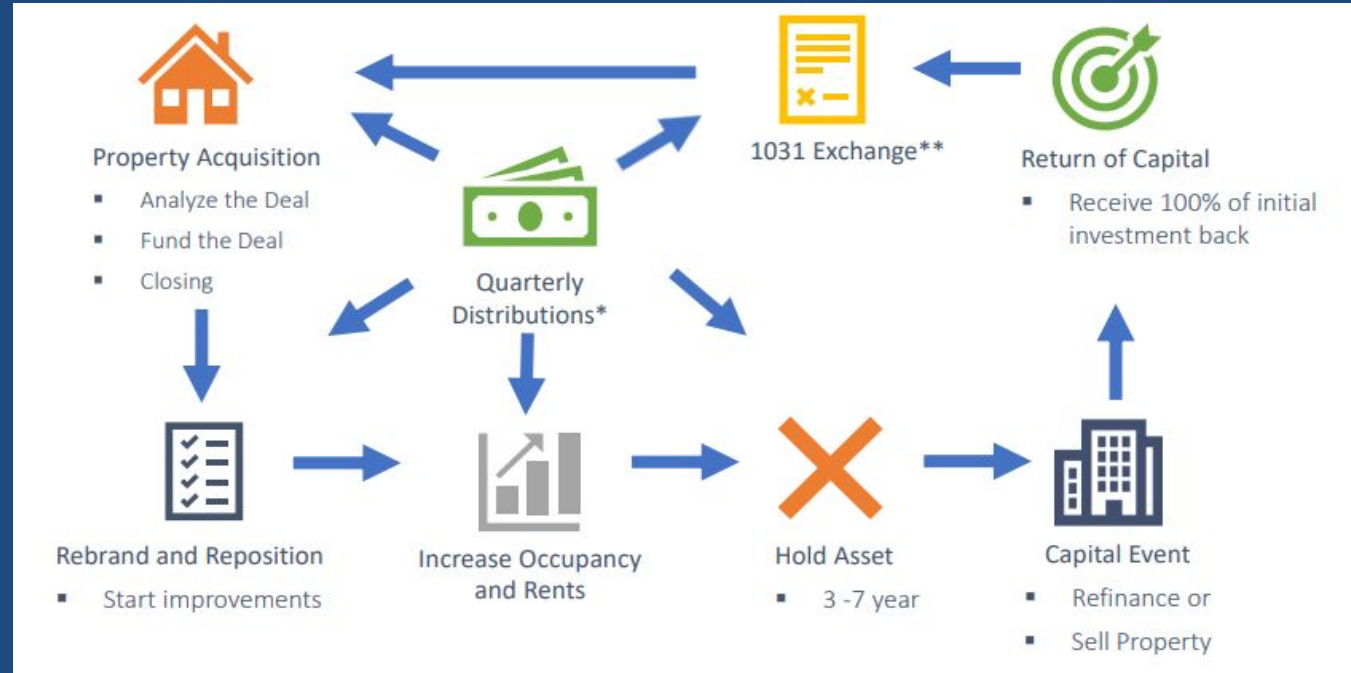
CLEARWATER BEACH
**#1 BEACH IN
AMERICA**

- Trip Advisor 2019

FORT DE SOTO
PASS-A-GRILLE
HONEYMOON ISLAND STATE
PARK



Investment Lifecycle



How We Do IT



OUR OFFER

VALUE CREATION STRATEGY



The value of a property is determined by dividing its net operating income (NOI) by the Cap Rate



The market determines Cap Rate, and we control NOI. We increase the NOI, which directly correlates to distributable cash flow. Increasing NOI increases cash flow to our investors and increases property value.

- Ex. If we increase NOI by \$1,000 a month in a 5% Cap Rate environment, its direct impact on the property's value would be calculated as follows:
 $\$1,000/\text{month} \times 12 \text{ months} = \$12,000$
additional NOI per year. $\$12,000/5\% = \$240,000$ increase in value to the property.



NOI can be increased by increasing revenue and by reducing expenses. Many properties have unnecessary and inefficient expenses.

HOW WE CREATE VALUE

PROFESSIONAL PROPERTY MANAGEMENT

By implementing professional property management, we identify opportunities to maintain lean expenses without sacrificing quality.

UPGRADES & IMPROVEMENTS

By investing in our buildings' exteriors and interiors we increase the property's desirability, increase rents, thus increasing revenue.

REDUCE VACANCY AND LOSS TO LEASE

Sometimes mom and pop ownership does not optimize rents and occupancy. Our experience allows us to maximize this through marketing and other efforts.

MAINTENANCE EXPENSE

Investing back into our buildings drives our maintenance expenses down.

CREATING NEW INCOME STREAMS

Identifying new income streams and underutilized space to develop sources of additional revenue for the property.

GENERATING NEW INCOME STREAMS

- RUBS (Ratio-Utility-Billing-System): Billing utilities back to tenants, including water, sewer, electric, gas, trash, and pest.
- Fees: Application fees, move-in fees, parking, pet fee, and amenity fees.
- Laundry Machines: We partner with laundry machine operators and upgrade machines from coin-based to scan to pay and smart card machines.
- Study latest strategies to keep our communities safe, clean, and desirable. As an example, we work with PooPrints to analyze pet waste DNA not properly discarded and fine the responsible tenant.

Deal Structure

HOW INVESTORS GET PAID

QUARTERLY DISTRIBUTIONS

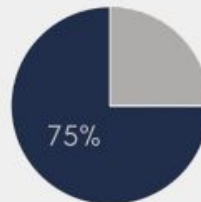
Receive Quarterly distributions from distributable cash flow. The funds will be directly deposited into your bank account. We target average cash on cash of 8%-12% annually to investors.



Hypothetical scenario. Returns are not guaranteed and will vary depending on deal performance.

75/25 SPLIT

As an investor, you get ~75% of the proceeds. This will vary by deal, but return of invested capital is prioritized over our promote.



PREFERRED RETURN

On most deals we offer a ~7% annualized preferred return on your invested capital. On periods where the preferred return is not achieved, the remaining amount will be accrued towards subsequent periods. Until your preferred return, plus all accruals are met, we will not receive our promote.

CAPITAL EVENT

Refinance or Sale. If we refinance, we will prioritize the proceeds to return your original capital contribution. Any left-over proceeds will first pay off any pending accrued preferred returns, and then the split kicks in. A sale will work the same way. Both give you an opportunity to receive proceeds from increased property value.

ENJOY CAPITAL GROWTH

Our target IRR throughout the hold period is 15%-20%

Investor Sample	Year 1	Year 2	Year 3	Year 4	Year 5
Initial Investment	\$(100,000)				
Distribution	\$ 7,000	\$ 8,000	\$ 9,000	\$ 10,000	\$ 11,000
Return of Capital					\$ 100,000
Gain on Sale					\$ 65,000
Investor Cash Flow:	\$(100,000)	\$ 7,000	\$ 8,000	\$ 9,000	\$ 10,000
					\$ 176,000
IRR	17.88%				

Hypothetical scenario. Returns are not guaranteed and will vary depending on deal performance.

Next **Steps**



- **Sign NDA**
- **Set Goals**
- **Determine Preferred Deal Structure & Criteria**
- **Review Potential Deals**
- **Fund the Deal**
- **Enjoy the Benefits of Cash Flow & Appreciation**



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Contact **Info**

Thanks For Your Time!



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