

# PLATFORM II - SUPERIOR SELF STORAGE

155 S Superior Avenue - Toledo, Ohio 43604

*Confidential Offering Memorandum*



## EXECUTIVE TEAM

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## FOR FINANCIAL INQUIRIES

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## Executive Team

### Scott Krone

Mr. Krone is a Chicago native whose career in architecture began in 1991 by pursuing his Masters of Architecture from the Illinois Institute of Technology. While obtaining his degree, he also worked as a Project Manager for Optima, Inc. During his time at Optima, Krone's responsibilities included such notable projects as the 400 unit Cormandel in Deerfield, IL, the 40 unit HedgeRow in Winnetka, IL, and the 51 unit Optima Center Wilmette in Wilmette, IL.

In 2012, Krone co-founded SSSK Capital Fund – a firm who specializes in managing real estate assets. Since its inception, SSSK manages a wide range of real estate including single and multi-family homes, retail, commercial warehouse and self-storage and multi-use flex athletic spaces. Currently, the platform of investments is in excess of \$30 million.

### Martin Taradejna

Mr Taradejna is a Phoenix native whose career in real estate began in 2010 as a residential leasing agent in the Metro Chicago area. After leasing over 100 units within the first six months, Taradejna's role increased to the portfolio sales manager for the building owners. During that time, he also obtained his State of Illinois Broker's license.

In 2013, Taradejna transitioned to Conlon Real Estate as a residential sales broker. During his tenure at Conlon, he has averaged \$5.0m annually in transactions. Taradejna transitioned to commercial real estate in 2015 by joining SSSK Capital Fund as the Director of Sales and Acquisition.

### James Lehmann

Lehmann began his professional career as a Sergeant in the United States Marine Corps. During his tours, he was an electrician and generator mechanic assigned to an engineer company. Responsibilities included constructing and de-constructing the various bases for the other Corps units and companies during deployments, as well as base security and heavy equipment details. Lehmann's two tours were during Operation Iraqi Freedom. Lehmann developed a strong set of values, integrity, and commitment from his time in the Marines.

Prior to joining Coda Design + Build, Lehmann worked in residential real estate specializing in assisting distressed property owners. His first duties with Coda Design + Build were a Project Construction Manager for a \$250,000 renovation and a \$400,000 new construction single family home. Currently, Lehmann is the Director of Construction managing \$7.0 to \$10.0 million of both residential and commercial construction. Responsibilities include overseeing Project Managers, project estimating, creation of scopes of work, bidding various trades, contract preparation, approval of work, and preparation of monthly construction draws.

## Property Highlights

INVESTMENT OVERVIEW

**NEW CONVERSION** - State of the art conversion with all modern features and amenities. The facility will open for business in 2019.

**DEMAND** - The property has over 102,000 people within a three mile radius. There are currently two existing facilities within 2 miles.

**STRONG DEMOGRAPHICS** - The surrounding demographics are 43.4% of the population are renters, and the SF per Capita is 2.5.

**TOLEDO, OH** - The property is within a mile of the revitalized downtown. The medium income is \$26,000, but the market demand is business.

<b>ACQUISITION PRICE:</b>	\$1,785,000.00
<b>BUILDING SQUARE FOOTAGE:</b>	±88,347 sf
<b>EFFECTIVE RENTAL RATE:</b>	Climate Controlled - \$17.91/sf
<b>NUMBER OF UNITS:</b>	±690
<b>TOTAL COSTS:</b>	E \$7,170,000

- **DEMAND OPPORTUNITY** – Within the self storage industry, market supply and demand is quantified by the total square feet of lockers per capita. 7 sf/capita is typically accepted as the saturation point in the market. In extremely dense markets, 9 sf/capita is accepted as the saturation point. The market supply is low for the area within the 1, 3, and 5 mile radius as the % of Renter Occupied units at 2.5. More significantly, the square foot per capital of existing self storage within 3 miles is 1.5, well below market saturation.

The subject property is located within a mile of downtown Toledo. It has been utilized for commercial storage of files and documents. This is a classic Midwest warehouse.

The surrounding demographics are strong with over 102,000 people residing within a five mile radius of the property. Third party management companies seek areas with dense demographics. The higher percentage of the population that is renters, the more likely they will purchase self storage. The medium level of income dictates the preferred size of the locker units. The higher the medium income, the clients will pay a higher price per square foot for larger lockers. The lower the medium income, the higher the premium the clients will pay for a smaller locker.

The facility is comprised of a single three-story building, with a total net rent able area of approximately 88,347 square feet consisting of 690 climate controlled units. The facility's features and amenities include climate controlled units, 24-hour video surveillance, secured entry door with electronic access control, elevators to access the upper floors, enclosed loading dock with dock high, semi-dock and ramp access and a retail oriented customer service office.

The property shall be professionally managed by CubeSmart. The property is expected to be financed with a combination of traditional debt, bond or green initiative mezzanine, and equity. Due to the revitalization of the downtown area, there are many financial incentives we are seeking to reduce the equity. The bond would be issued by the city or the green initiative mezzanine would be issued by a firm which is promoting restructuring under served buildings in urban settings.

Utilizing our resources, we were able to work with the leading commercial broker in Toledo to identify and obtain this property that was not listed for sale. As an added benefit to our investors, the Seller has agreed to pay the broker's commission thereby saving our investors 5% of the purchase price.

## Property Description

<b>LOCATION:</b>	The property is situated along the east side of Toledo, just north of Swan Creek at the intersection of Superior and St Clair Street	
<b>ACRES:</b>	±.96 Acres (~42,029 square feet)	
<b>ZONING:</b>	The zoning is I, self storage is an allowable use	
<b>POPULATION:</b>	±102,000 people with projected growth due to the proposed residential development and 43% are renters	
<b>DEMOGRAPHICS:</b>	The medium household income is \$26,000, and the Per Capita Income is \$15,000. The Estimated SF Per Capita is 2.5.	
<b>YEAR BUILT:</b>	The building was constructed in approximately the 1900. The facility shall be converted to self storage in 2018 and opened for business in 2019.	
<b>CONSTRUCTION DETAIL:</b>	The facility is comprised of one (3) three story masonry facade building. The foundation is reinforced poured in place concrete. The supporting structure is steel columns and steel/frame floors. The roof is a built-up membrane with gravel.	
<b>ELEVATOR</b>	The facility has 1 freight elevator.	
<b>DETAIL: HVAC</b>	The facility will be equipped with new HVAC systems	
<b>DETAIL: OFFICE:</b>	The facility has a retail oriented customer service office which is approximately 350 square feet in size.	
<b>IMPROVED FEATURES</b>		
<b>CLIMATE CONTROLLED:</b>	The facility will be 100% climate controlled.	
<b>FEATURES &amp; AMENITIES:</b>	The facility's features and amenities include climate controlled units, 24-hour video surveillance, secured garage door with electronic access control, elevator to access upper floor, enclosed loading area with dock high, semi-dock and ramp access and a retail oriented customer service office.	
<b>MANAGEMENT:</b>	The facility shall be professionally managed by CubeSmart	
<b>SOFTWARE:</b>	The facility uses CubeSmart proprietary software for the management of tenants.	
<b>SECURITY:</b>	The facility shall have surveillance cameras and two (2) monitors. The facility also has a Silent Night fire alarm system and all entry doors are equipped with a PTI keypad entry system.	
<b>OPERATION HOURS:</b>	<b>OFFICE</b> Monday – Friday: 9:30 am to 6:00 pm Saturday: 9:00 am to 5:30 pm	<b>GATE ACCESS</b> Monday – Sunday: 6:00 am to 10:00 pm

## Location Map



## Site Photo







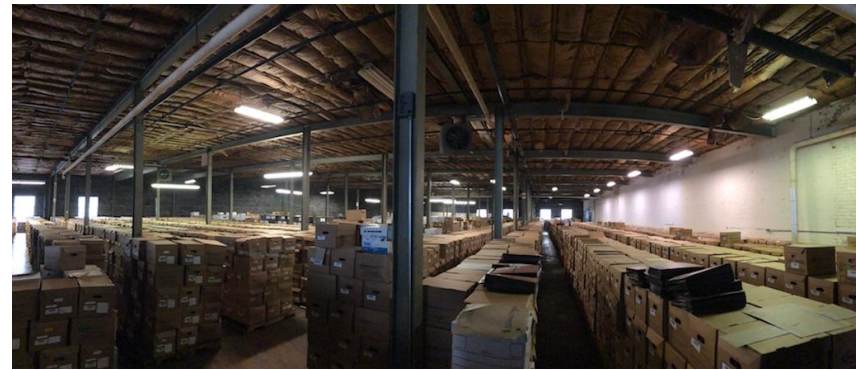
## Property Photos

PROPERTY VISUALS

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First Floor



Second Floor



Existing Loading Dock



Basement Level

INVESTMENT  
OVERVIEW

PROPERTY  
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## Previous Property Photos

PROPERTY VISUALS



### PROPOSED AMENITIES:

- Climate controlled units
- 24-hour video surveillance
- Secured, electronic access control
- Elevator access upper floor
- Covered loading dock with dock high, semi-dock and ramp access
- Retail oriented customer service office





**U-Haul Self Storage  
801 Washington**

Non Climate		Climate Control	
5 x 5	NA	5 x 5	\$49.95
5 x 10	NA	5 x 10	\$79.95
10 x 10	NA	10 x 10	\$119.95
10 x 15	NA	10 x 15	\$169.95
10 x 20	NA	10 x 20	\$199.95



**U-Haul Self Storage  
2808 Monroe**

Non Climate		Climate Control	
5 x 5	NA	5 x 5	
5 x 10	NA	5 x 10	
10 x 10	NA	10 x 10	
10 x 15	NA	10 x 15	
10 x 20	NA	10 x 20	



Non Climate		Climate Control	
5 x 5	NA	5 x 5	
5 x 10	NA	5 x 10	
10 x 10	NA	10 x 10	
10 x 15	NA	10 x 15	
10 x 20	NA	10 x 20	

"There are only a few comps in 2 miles, over 10 in 3 miles, but mostly on the south side of the river. The primary comps on the same side of the river are the two U-Hauls, which appear highly occupied"

"Market most likely within 2 miles with +/- 50,000 people should have good un-met demand calculations"

Self Storage 101

Non Climate		Climate Control	
5 x 5	NA	5 x 5	
5 x 10	NA	5 x 10	
10 x 10	NA	10 x 10	
10 x 15	NA	10 x 15	
10 x 20	NA	10 x 20	

Non Climate		Climate Control	
5 x 5	NA	5 x 5	NA
5 x 10		5 x 10	NA
10 x 10		10 x 10	NA
10 x 15		10 x 15	NA
10 x 20		10 x 20	NA

Non Climate		Climate Control	
5 x 5	NA	5 x 5	
5 x 10	NA	5 x 10	
10 x 10	NA	10 x 10	
10 x 15	NA	10 x 15	
10 x 20	NA	10 x 20	

DNE - The particular size does not exist

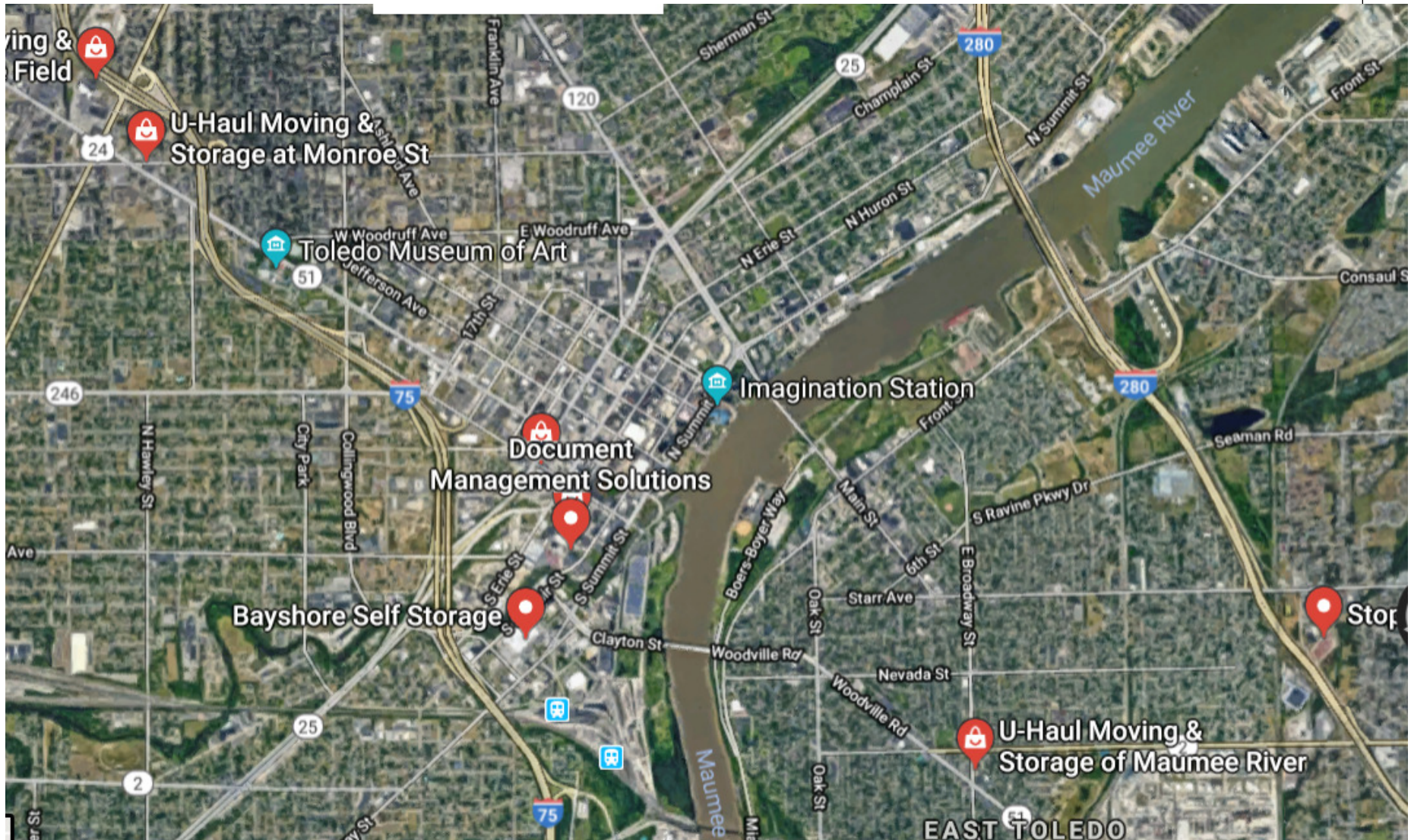
NA - Due to the unit being 100%, the site did not release a price to rent the unit.

Please note that the competition survey is a sampling in the immediate market area and may not represent all competitors. This analysis is part of a package and is subject to the same conditions set forth in the disclaimer located within this package.



## Competition Map

MARKET ANALYSIS



Document Management Solutions is the current owner of the property

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	1 mile	3 miles	5 miles
<b>Population</b>			
2000 Population	11,342	125,350	238,641
2010 Population	10,987	106,728	215,981
2017 Population	10,467	102,098	210,339
2022 Population	10,282	100,324	207,917
2000-2010 Annual Rate	-0.32%	-1.60%	-0.99%
2010-2017 Annual Rate	-0.67%	-0.61%	-0.36%
2017-2022 Annual Rate	-0.36%	-0.35%	-0.23%
2017 Male Population	50.1%	48.8%	48.9%
2017 Female Population	49.9%	51.2%	51.1%
2017 Median Age	31.6	33.6	34.3

In the identified area, the current year population is 210,339. In 2010, the Census count in the area was 215,981. The rate of change since 2010 was -0.36% annually. The five-year projection for the population in the area is 207,917 representing a change of -0.23% annually from 2017 to 2022. Currently, the population is 48.9% male and 51.1% female.

#### Median Age

The median age in this area is 31.6, compared to U.S. median age of 38.2.

#### Race and Ethnicity

2017 White Alone	37.2%	45.9%	60.7%
2017 Black Alone	52.0%	42.5%	29.4%
2017 American Indian/Alaska Native Alone	0.5%	0.5%	0.4%
2017 Asian Alone	0.4%	0.4%	1.2%
2017 Pacific Islander Alone	0.0%	0.0%	0.0%
2017 Other Race	4.5%	5.1%	3.6%
2017 Two or More Races	5.3%	5.5%	4.7%
2017 Hispanic Origin (Any Race)	12.4%	13.4%	10.1%

Persons of Hispanic origin represent 10.1% of the population in the identified area compared to 18.1% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 62.7 in the identified area, compared to 64.0 for the U.S. as a whole.

#### Households

2000 Households	4,981	47,613	94,406
2010 Households	4,760	41,256	85,940
2017 Total Households	4,580	39,744	84,401
2022 Total Households	4,508	39,161	83,676
2000-2010 Annual Rate	-0.45%	-1.42%	-0.94%
2010-2017 Annual Rate	-0.53%	-0.51%	-0.25%
2017-2022 Annual Rate	-0.32%	-0.30%	-0.17%
2017 Average Household Size	2.03	2.50	2.40

The household count in this area has changed from 85,940 in 2010 to 84,401 in the current year, a change of -0.25% annually. The five-year projection of households is 83,676, a change of -0.17% annually from the current year total. Average household size is currently 2.40, compared to 2.42 in the year 2010. The number of families in the current year is 48,472 in the specified area.



	1 mile	3 miles	5 miles
<b>Median Household Income</b>			
2017 Median Household Income	\$14,580	\$26,043	\$35,387
2022 Median Household Income	\$14,787	\$27,106	\$37,859
2017-2022 Annual Rate	0.28%	0.80%	1.36%
<b>Average Household Income</b>			
2017 Average Household Income	\$27,083	\$37,527	\$47,539
2022 Average Household Income	\$30,404	\$42,132	\$53,995
2017-2022 Annual Rate	2.34%	2.34%	2.58%
<b>Per Capita Income</b>			
2017 Per Capita Income	\$13,448	\$15,071	\$19,605
2022 Per Capita Income	\$14,983	\$16,927	\$22,264
2017-2022 Annual Rate	2.19%	2.35%	2.58%

**Households by Income**

Current median household income is \$35,387 in the area, compared to \$56,124 for all U.S. households. Median household income is projected to be \$37,859 in five years, compared to \$62,316 for all U.S. households

Current average household income is \$47,539 in this area, compared to \$80,675 for all U.S. households. Average household income is projected to be \$53,995 in five years, compared to \$91,585 for all U.S. households

Current per capita income is \$19,605 in the area, compared to the U.S. per capita income of \$30,820. The per capita income is projected to be \$22,264 in five years, compared to \$34,828 for all U.S. households

<b>Housing</b>			
2000 Total Housing Units	5,836	54,392	103,651
2000 Owner Occupied Housing Units	947	24,981	56,454
2000 Renter Occupied Housing Units	4,034	22,631	37,952
2000 Vacant Housing Units	855	6,780	9,245
2010 Total Housing Units	5,829	51,266	100,968
2010 Owner Occupied Housing Units	813	19,706	47,603
2010 Renter Occupied Housing Units	3,947	21,550	38,337
2010 Vacant Housing Units	1,069	10,010	15,028
2017 Total Housing Units	5,836	51,422	101,538
2017 Owner Occupied Housing Units	678	17,412	43,567
2017 Renter Occupied Housing Units	3,902	22,332	40,834
2017 Vacant Housing Units	1,256	11,678	17,137
2022 Total Housing Units	5,870	51,671	102,093
2022 Owner Occupied Housing Units	661	17,018	42,958
2022 Renter Occupied Housing Units	3,848	22,144	40,719
2022 Vacant Housing Units	1,362	12,510	18,417

Currently, 42.9% of the 101,538 housing units in the area are owner occupied; 40.2%, renter occupied; and 16.9% are vacant. Currently, in the U.S., 55.6% of the housing units in the area are owner occupied; 33.1% are renter occupied; and 11.3% are vacant. In 2010, there were 100,968 housing units in the area - 47.1% owner occupied, 38.0% renter occupied, and 14.9% vacant. The annual rate of change in housing units since 2010 is 0.25%. Median home value in the area is \$82,613, compared to a median home value of \$207,344 for the U.S. In five years, median value is projected to change by 0.60% annually to \$85,116.

# Project Proforma

## Platform II - Superior, LLC - DEVELOPMENT PROFORMA

DEVELOPMENT COSTS	ACRES/SF OR %	\$ PER SF	BUDGET
LAND	88,347.00	\$20.20	\$1,785,000
BROKER			\$0
TITLE INSURANCE/LAND CLOSING			\$20,000
TAXES			\$100,000
PREDEV SOFT COSTS			\$64,804
- LEGAL CONTRACTUAL			\$10,000
- LEGAL - LENDER LEGAL FEES			\$20,000
- APPRAISAL			\$3,500
- ENTITLEMENT PROJECT MANAGER			\$0
- LEGAL ENTITLEMENT/ZONING			\$0
- PRELIM ENGINEERING			\$5,000
- PRELIM ARCHITECT			\$5,000
- PRELIM LANDSCAPE ARCHITECT			\$0
- SURVEYING			\$0
- ENVIRONMENTAL REPORT			\$5,000
- GEOTECHNICAL REPORT			\$0
- CITY SUBMITTAL/REVIEW FEES			\$6,304
- MISC PRE-DEVELOPMENT COSTS			\$10,000
FINAL DEV SOFT COSTS			\$213,875
- FINAL ENGINEERING			\$75,000
- FINAL ARCHITECT			\$50,000
- FINAL LANDSCAPE ARCHITECT			\$0
- PLOTTING			\$2,500
- CIVIL/SITE REVIEW FEES			\$0
- ARCH/BUILDING REVIEW FEES			\$5,000
- CIVIL/SITE PERMIT FEES			\$0
- ARCH/BUILDING PERMIT FEES			\$50,000
- IMPACT FEES			\$0
- CONSULTANT REIMBURSABLES			\$6,375
- MISC FINAL DEVELOPMENT COSTS			\$25,000
LOAN FEE/CLOSING COSTS			\$60,000
- LOAN FEES/COSTS	1.0%		\$60,000
LOAN INTEREST			\$1,500,000
- DEVELOPMENT LOAN	5.00%		\$1,500,000
MANAGEMENT FEE - DEVELOPER	5.0%		\$350,000
<b>TOTAL NON-CONSTRUCTION COSTS</b>			<b>\$4,093,679</b>

OFF SITE CONSTRUCTION		\$0.00	\$0
- CURB CUTS, STREET LIGHTS			\$0
- TBD			\$0
OFF SITE CONSTRUCTION CONTINGENCY	10.00%	\$0.00	\$0
ON SITE CONSTRUCTION		\$0.00	\$0
- ONSITE DEMO			\$0
- ONSITE MINI-STORAGE INCLUDED IN VERT #			\$0
- TBD			\$0
ON SITE CONSTRUCTION CONTINGENCY	10.00%	\$0.00	\$0
VERTICAL CONSTRUCTION COSTS	88,347	\$32.00	\$2,827,104
TBD			\$0
CONTINGENCY			\$250,000
<b>TOTAL CONSTRUCTION COSTS</b>			<b>\$3,077,104</b>

**GROSS DEVELOPMENT COSTS** **\$7,170,783**

### SALES

SALE OF MINI-STORAGE @ 6.0% CAP	\$10,136,712
MINI-STORAGE COMMISSIONS	(\$202,734)
TBD SALE	\$0
TBD COMMISSIONS	\$0
TBD SALE	\$0
TBD COMMISSIONS	\$0

**TOTAL GROSS SALES** **\$9,933,978**

**NET DEVELOPMENT PROFIT** **\$2,763,195**

### SOURCES

DEBT	70.00%	\$5,019,548
BOND	15.00%	\$1,075,617
TOTAL EQUITY REQUIRED	15.00%	\$1,075,617

**TOTAL DEBT PLUS EQUITY** **\$7,170,783**

**NET PROFIT PARTICIPATION** **100.0%** **\$2,763,195**

**GROSS RETURN ON EQUITY** **40.0%** **\$1,105,278**

**SIMPLE ANNUALIZED ROI ON EQUITY** **102.8%**

**TRUE IRR ON EQUITY (36 MONTHS)** **34.3%**

This analysis is part of a package and is subject to the same conditions set forth in the disclaimer located within this package.

\*Please see page 16 & 17 for the monthly breakdown of the Year 1 and Year 2 Cash Flow Projection.

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## Monthly Cash Flow - Operations Post Construction

FINANCIAL ANALYSIS

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	Monthly Projections											
	Year 1	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month
		1	2	3	4	5	6	7	8	9	10	11
		April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
		2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018
<b>Revenue Calculations</b>												
<b>Occupancy Calculations</b>												
Rentals		11	12	25	42	63	60	55	55	45	20	15
Vacates				-	-	(4)	(8)	(10)	(12)	(13)	(14)	(15)
Net Rentals		11	12	25	42	59	52	45	43	32	6	0
Occupied Units		11	23	48	90	149	201	246	289	321	327	367
Occupied SF		1,052	2,200	4,591	8,609	14,252	19,188	23,489	27,650	30,725	31,303	35,131
Occupancy		1.6%	3.3%	7.0%	13.0%	21.6%	29.1%	35.6%	41.9%	46.6%	47.4%	53.2%
Ending Occupancy												
Occ Stabilization Level		LowOcc	LowOcc	LowOcc	LowOcc	LowOcc	LowOcc	LowOcc	LowOcc	LowOcc	LowOcc	LowOcc
Average SF												
<b>Revenue</b>												
<b>Net Rental Income</b>												
4100 Gross potential income		81,766	81,766	81,766	81,766	81,766	81,766	81,766	81,766	81,766	81,766	81,766
4800 Vacancy		(80,462)	(79,040)	(76,077)	(71,100)	(64,109)	(57,995)	(52,665)	(47,511)	(43,701)	(42,985)	(38,242)
4810 Non-standard rent		(177)	636	(894)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Rental Income	-	1,127	3,362	4,794	6,335	16,657	22,771	28,100	33,255	37,064	37,780	42,523
4700 Discounts		(968)	(1,225)	(856)	(1,684)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)
7101 Write-offs		-	-	-	-	(183)	(227)	(266)	(302)	(334)	(362)	(408)
4110 Commercial Income	-	-	-	-	-	-	-	-	-	-	-	-
Net Rental Income		159	2,137	3,938	4,651	15,274	21,344	26,634	31,752	35,530	36,219	40,915
Total Other Income		189	130	320	495	500	600	700	800	900	1,000	1,050
Total Ancillary Income		275	280	348	207	300	350	350	350	350	350	350
<b>Total Revenues</b>		<b>623</b>	<b>2,547</b>	<b>4,606</b>	<b>5,353</b>	<b>16,074</b>	<b>22,294</b>	<b>27,684</b>	<b>32,902</b>	<b>36,780</b>	<b>37,569</b>	<b>42,315</b>
Total Personnel Expense		(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)
Total Utility Expense		(5,703)	(6,733)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)
Total R&M Expense		(1,352)	(171)	(5)	(300)	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Total Other Operating Expense		(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)
Total Marketing Expense		(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Total Taxes & Insurance Expense		(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)
Total Other Non-Controllable Expense		(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)
6801 Management Fee Expense 5.0%		(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)
<b>Total Property Operating Expenses</b>		<b>(31,905)</b>	<b>(31,754)</b>	<b>(30,476)</b>	<b>(30,771)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>
<b>Net Operating Income</b>		<b>(31,282)</b>	<b>(29,207)</b>	<b>(25,870)</b>	<b>(25,418)</b>	<b>(14,897)</b>	<b>(8,677)</b>	<b>(3,287)</b>	<b>1,931</b>	<b>5,809</b>	<b>6,598</b>	<b>11,344</b>

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INVESTMENT  
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PROPERTY  
VISUALS

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INSTRUCTIONS



## Monthly Cash Flow - Operations Post Construction

FINANCIAL ANALYSIS

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INVESTMENT  
OVERVIEW

PROPERTY  
VISUALS

MARKET  
ANALYSIS

FINANCIAL  
ANALYSIS

OFFERING  
INSTRUCTIONS

Year 2	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month	Month
	13	14	15	16	17	18	19	20	21	22	23	24
	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019	2019

### Revenue Calculations

#### Occupancy Calculations

Rentals	50	55	50	30	47	47	45	40	33	33	15	29
Vacates	(6)	(3)	(5)	(1)	(4)	(8)	(10)	(12)	(13)	(14)	(15)	(16)
Net Rentals	44	52	45	29	43	39	35	28	20	19	0	13
Occupied Units	411	463	508	537	580	619	654	682	702	721	721	734
Occupied SF	39,340	44,314	48,618	51,392	55,505	59,197	62,542	65,268	67,184	68,959	68,962	70,226
Occupancy	59.6%	67.1%	73.7%	77.9%	84.1%	89.7%	94.8%	98.9%	101.8%	104.5%	104.5%	106.4%
Ending Occupancy												
Occ Stabilization Level	LowOcc	LowOcc	LowOcc	LowOcc	LowOcc	LowOcc	LowOcc	LowOcc				

Average SF

### Revenue

#### Net Rental Income

4100 Gross potential income	81,766	81,766	81,766	81,766	81,766	81,766	81,766	81,766	81,766	81,766	81,766	81,766
4800 Vacancy	(33,028)	(26,866)	(21,534)	(18,097)	(13,002)	(8,428)	(4,284)	(906)	1,467	3,666	3,669	5,236
4810 Non-standard rent	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Rental Income	47,737	53,899	59,232	62,668	67,764	72,338	76,482	79,859	82,233	84,432	84,434	86,001
4700 Discounts	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)
7101 Write-offs	(408)	(408)	(408)	(408)	(408)	(408)	(408)	(408)	(408)	(408)	(408)	(408)
4110 Commercial Income	-	-	-	-	-	-	-	-	-	-	-	-
Net Rental Income	46,129	52,291	57,624	61,061	66,156	70,730	74,874	78,251	80,625	82,824	82,827	84,394
Total Other Income	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
Total Ancillary Income	350	350	350	350	350	350	350	350	350	350	350	350
<b>Total Revenues</b>	<b>47,529</b>	<b>53,691</b>	<b>59,024</b>	<b>62,461</b>	<b>67,556</b>	<b>72,130</b>	<b>76,274</b>	<b>79,651</b>	<b>82,025</b>	<b>84,224</b>	<b>84,227</b>	<b>85,794</b>

Total Personnel Expense	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)
Total Utility Expense	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)	(5,621)
Total R&M Expense	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Total Other Operating Expense	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)	(1,250)
Total Marketing Expense	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Total Taxes & Insurance Expense	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)	(9,000)
Total Other Non-Controllable Expense	(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)	(900)
6801 Management Fee Expense 5.0%	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)	(4,700)
<b>Total Property Operating Expenses</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>	<b>(30,971)</b>

<b>Net Operating Income</b>	<b>16,558</b>	<b>22,720</b>	<b>28,053</b>	<b>31,490</b>	<b>36,585</b>	<b>41,159</b>	<b>45,303</b>	<b>48,680</b>	<b>51,054</b>	<b>53,253</b>	<b>53,256</b>	<b>54,823</b>
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## Cash Flow Assumptions

### PROPERTY DESCRIPTION

Net Average Rentable Area-Typical Storage	95.65.27 sf
Net Rentable Area-Miscellaneous	None
Net Rentable Area-Long Term Leases	None
Net Average Rentable Area	95.65 sf

### GLOBAL ASSUMPTIONS

First Month of the Cash Flow Projections	March 1, 2019
Cash Flow Analysis Period	5 Years
Management Fee Percentage (\$4,700 Minimum per month)	5.08%
Annual Rental Rate Growth that occurs on - April 1, 2019	2.50%
Annual Rental Rate Growth that occurs on - April 1, 2020	2.50%
Annual Rental Rate Growth that occurs on - April 1, 2021	5.00%
2021+ Annual Expense Growth	3.00%
Maintenance Reserve	\$0.15 psf

### LEASING ASSUMPTIONS ON SQUARE FEET

Current Economic Occupancy	0.00%
Current Physical Occupancy	0.00%
Stabilized Economic Occupancy	90.00%
Average Climate Controlled Rental Rate Stabilized	\$17.91 psf
Average Non Climate Controlled Rental Rate Monthly	NA
Lease Up Velocity (Annual Average) Stabilized	3.00%
Economic Occupancy is Reached	36 Months

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**UNIT COMPOSITION & OCCUPANCY STATISTICS**

Platform II - Superior

Projected Unit Mix									
Dim1	Dim2	AREA	# of UNITS	TOTAL SQ. FT.	% of TOTAL	PRICE/UNIT	REVENUE	Unit Type	
5.0 X 0.0	5.0 X 0.0	25.0	60	1500.0	2.27%	\$ 49.95	\$ 2,997.00	Climate	
5.0 X 0.0	7.0 X 6.0	37.5	80	3000.0	4.55%	\$ 69.95	\$ 5,596.00	Climate	
5.0 X 0.0	10.0 X 0.0	50.0	100	5000.0	7.58%	\$ 79.95	\$ 7,995.00	Climate	
5.0 X 0.0	15.0 X 0.0	75.0	100	7500.0	11.36%	\$ 109.95	\$ 10,995.00	Climate	
10.0 X 0.0	10.0 X 0.0	100.0	160	16000.0	24.24%	\$ 119.95	\$ 19,192.00	Climate	
10.0 X 0.0	15.0 X 0.0	150.0	100	15000.0	22.73%	\$ 169.95	\$ 16,995.00	Climate	
10.0 X 0.0	20.0 X 0.0	200.0	90	18000.0	27.27%	\$ 199.95	\$ 17,995.50	Climate	
Total Rentable Square Feet			66,000.00	Total Units		690	Total Gross Income	\$ 81,765.50	
Total Building Square Feet			88,000.00	Avg. Unit Size		95.652			
Efficiency			75.000%						

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## Confidential Memorandum and Disclaimer

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## OFFERING SUMMARY

The Offering is for an investment share as an equity partner in the limited liability company which will own and operate the property. Each \$100,000.00 share shall have a proportionate percentage interest in the LLC as a Member. For this Offering, each share will total Three point Seven percent (3.7%) of the Members interest. The equity raise for Platform II - Superior, LLC is \$1,075,000.00.

In exchange for their Membership investment - the Members shall receive Forty percent (40%) of all income after expenses, as well as Forty percent (40%) of all proceeds from either refinancing and/or sale of the property.

The investment strategy for the property is to lease up the property within 2 years of obtaining the certificate of occupancy. Upon stabilization, refinance the property, and return the investor's equity. Each investors will maintain their respective ownership share. The proceeds will be disbursed as outlined above. The exit strategy is to sell the asset to a self storage REIT or local operator. The sales timing will be based upon market conditions related to CAP rate and saturation level in the market. As the saturation level approaches 7 sf/capita in the market, the CAP rate would naturally fall due to the demand in the market place. This combination will yield the greatest value to the LLC. The proceeds from the closing will be disbursed as outlined above.

## Criteria for Investment

- Receipt and review of Operating Agreement
- Receipt and review of Offering Memorandum and Proforma
- Receipt, review, and execution of Subscription Agreement
- Investment amount deposited

In addition, please answer the following questions to help document related factors of your investment.

- Please identify your preferred investment entity, mailing address and contact information
- What are the levels of investment you wish to participate
- Please identify your preferred investment entity's FED ID number.

Please email your Subscription Agreement and questions to:

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