Aspen Apartments

A 45-unit Class B multifamily acquisition, off-market, from a motivated 1031 seller

1411–1425 N Liberty Street · Boise, Idaho 83704

TARGETED LP IRR	EQUITY MULTIPLE	ACQUISITION	HOLD PERIOD
20.2%	2.356x	$8.75M	5 yr
Base case, net	Base case, net	$194K / door	Held to term

Important disclosures

This document is an informational summary of an investment opportunity offered under Rule 506(c) of Regulation D. It does not constitute an offer to sell or a solicitation to buy securities. Any offer is made only through the Private Placement Memorandum (PPM) and related subscription documents, which supersede any information herein.

Not an offer of securities

Any offer of securities will be made only by means of the PPM, which contains complete disclosures, risk factors, the operating agreement, and subscription documents.

Accredited investors only

Limited to accredited investors as defined under Rule 501. Investor accreditation is independently verified. Consult your CPA, attorney, and financial advisor.

Forward-looking statements

Return projections and pro-forma figures are estimates based on the NPI Underwriting Model (v4.5) and the May 18, 2026 rent memo. The $6,535,000 senior loan rate locked at 6.24% on August 26, 2026. Projections conservatively carry a 6.25% senior rate. Actual results may differ materially. Past performance is not indicative.

Net to LP figures

All return figures (IRR, equity multiple, cash yield, profit) are presented net to the Limited Partner after sponsor fees, debt service, and waterfall splits with the General Partner.

Risk of loss

Private real estate involves substantial risk, including illiquidity, market volatility, operating variance, and potential loss of principal. The downside scenario shown is conservative, not a worst case.

Confidentiality

This document is confidential and intended for the named recipient only. It may not be reproduced, distributed, or shared without the prior written consent of Neely Property Investments, LLC.

Sources: NPI Underwriting Model v4.5 (rate locked 6.24%, Aug 26 2026; underwriting carries 6.25%) for Aspen; May 18 2026 rent memo; HelloData & independent appraisal (May 2026); Cushman & Wakefield (Q4 2025); U.S. Census Bureau (2025); Idaho Department of Labor (2025); City of Boise HUD (2025); U.S. Department of Commerce CHIPS Program Office and Micron Technology (2026) for Micron figures. Senior debt is rate-locked: $6,535,000 at 6.24% all-in, locked August 26, 2026.

A 45-unit value-add asset, with the seller already 60% done.

01 · The deal in plain language

A 45-unit Class B multifamily acquisition in Boise, **off-market, relationship-sourced, from a motivated 1031 seller**. Acquired August 28, 2026 at $8.75M / $194,444 per door / **a 5.62% going-in cap on the trailing twelve and 5.97% annualizing July 2026** (seller books as reported), against a 5.75% median for the Treasure Valley Class B cohort. The seller already renovated 27 of 45 units, leasing today at $1,295–$1,655. In-place blended rent $1,387/mo vs current market $1,561 and stabilized post-reno $1,641. **The gap is the deal.**

02 · Why we like it

Two compounding edges. **Access in a starved market**, where a personal relationship put NPI in front of this deal off-market with no competition. **60% of the value-add is already validated** by in-place reno leases. The return engine is NOI growth. Year 1 to Year 5 NOI lifts from $593K to $739K, taking yield on cost from a 5.62% going-in to ~7.8% on the all-in basis. Fixed-rate, full-term interest-only debt keeps cash flow high through the hold.

03 · Who this is for

Operators putting working capital into real estate before they need to: pre-exit business owners diversifying out of concentrated equity, professionals with periodic liquidity events, families building generational holdings. Minimum LP investment $50,000. Half the LP book subscribed before close, seven investors at the same basis; the remaining $1.4M is offered here, with investors admitted after closing and funding due by October 31, 2026.

04 · Why buy in after the close

The close didn't depend on this raise. The sponsor funded the full equity balance personally at the August 28 close and is syndicating the remaining $1.4M afterward, at the same basis, with no markup for the bridge. You're buying a closed deal, not a projection of one: executed loan documents, the closing statement, and the in-place rent roll are all available to review. Renovation capital is funded out of this raise, not from cash already in the deal. The sponsor closed the acquisition on his own balance sheet and keeps a 5%+ co-invest.

OFFERING HIGHLIGHTS

LP equity (ex-sponsor)	$2.8M
Subscribed pre-close	$1.4M · 7 investors
Remaining, offered here	$1.4M
Minimum investment	$50,000
Preferred return	8% to LP
Waterfall	8% pref → 70/30
Targeted LP IRR	20.2% net
Equity multiple	2.356x net
Hold period	~5 yrs (held to term)
First distribution	~90 days of close
Tax	K-1 + cost seg
Reporting	K-1 by 3/15 · 24/7 dash
Closed · sponsor-funded	Aug 28, 2026
Investor funding due	Oct 31, 2026

Sponsor — Neely Property Investments

Operator first. Real estate second.

The build. Brent Neely founded and ran **LeisureQuip**, a national ecommerce business, scaling it past **$20M in annual sales in under five years** through systems-driven operations. He has managed payroll, cash-flow crunches, supply-chain shocks, and competition from larger players.

The transition. Operating profits were reinvested into real estate, deliberately. Brent isn't a syndicator who took a course. He's an operator who applied his playbook to a different asset class, with the same systems thinking, the same vendor accountability, and the same conservative leverage and downside-first posture.

The posture. Brent co-invests on every deal, personally guarantees every loan, and every investor he has ever raised from is still with him. The portfolio below is taken off the statement of real estate owned he signed for CBRE on July 17, 2026, grouped by category. Nothing is rounded up.

$34M
Owned across nine assets

$12M
Of it in the Boise MSA

$0
LP capital lost to date

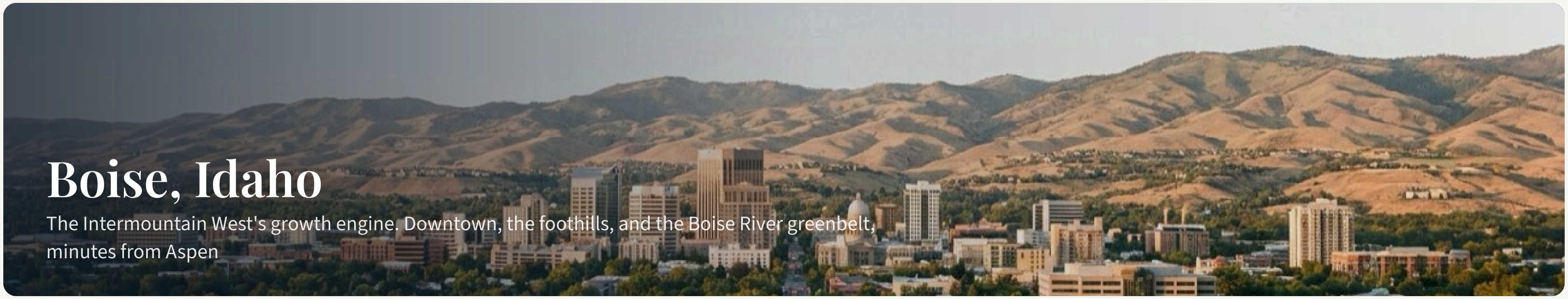
≥5%
GP co-invest, every deal

PORTFOLIO OF RECORD · BY CATEGORY, PER THE SCHEDULE OF REAL ESTATE OWNED SIGNED JULY 17, 2026

Asset	Type	Market	Owned	Value
MULTIFAMILY — 66 UNITS				**$14,715,000**
Aspen Apartments	45 units, closed Aug 28 2026	**Boise, ID**	Mgr / GP	$8,750,000
North River Apartments	16 units, acquired Oct 2025	**Boise, ID**	60%	$3,565,000
Alder Street Townhomes	5 units, built 2023–24	Joseph, OR	60%	$2,400,000
GOVERNMENT-LEASED COMMERCIAL — 92,429 SF				**$17,286,127**
D.O.E. Place	62,000 SF office / lab, INL, to 1/31/2032	Idaho Falls, ID	100%	$10,291,214
Baker City DHS	19,326 SF state-leased, to 5/31/2031	Baker City, OR	100%	$4,420,600
Enterprise DHS	11,103 SF state-leased, to 7/31/2029	Enterprise, OR	100%	$2,574,313
MIXED USE AND OTHER				**$2,730,000**
Burnaugh Building	11 units over retail / office, 1916	Wallowa County, OR	100%	$1,200,000
Land and agricultural	Two parcels held outside the platform	Oregon	100%	$1,530,000
Total, nine assets owned				**$34,731,127**

North River is the direct comp. 16 units, 1971 vintage, 2.3 miles from Aspen, NPI-owned since October 2025. Renovated 2BR/1BAs lease at **$1,625** with near-zero vacancy between turns. Same submarket, same vintage, same playbook, already running.

Values per the schedule of real estate owned signed July 17, 2026, prepared for CBRE. Aspen closed August 28, 2026, shown at purchase price. **Percent owned is NPI's pro-rata interest; values are 100% of asset value, so totals are gross, not NPI's share.**



Boise, Idaho

The Intermountain West's growth engine. Downtown, the foothills, and the Boise River greenbelt, minutes from Aspen

13.1% Metro pop. growth 2020-24, 3× U.S. avg	**3.7%** Unemployment; +9,800 Boise jobs 2024	**5.0%** MF vacancy Q4 2025, from 5.6% peak	**↓60%** New MF starts vs 2023 peak	**$108.8K** HUD median family income

The 2023–2024 supply wave is absorbing through, with new construction starts down 60%+ from the peak and the pipeline at a multi-year low. Net migration from California, Washington, and Oregon continues, working-age professionals rather than retirees, anchored by Micron's **$50B two-fab Boise expansion**, roughly 3,500 manufacturing jobs and 6,000 construction jobs over 20 years on top of the 7,000 people Micron already employs here, with first wafers expected in 2027, plus Albertsons HQ, St. Luke's, and HP. Micron followed with a $10 billion research-labs headquarters in Boise, announced August 20, 2026. The result is rising absorption against falling supply. Boise's affordability ceiling of ~$2,720/mo (30% of median income) leaves substantial headroom above Aspen's $1,387 in-place average, and established Class B at this price point faces the least competition from new Class A deliveries.

DEMAND ANCHORS

Micron · Albertsons · St. Luke's · Saint Alphonsus · HP · J.R. Simplot · Lam Research · Boise State

8 min to Boise Towne Square, largest retail in Idaho	**5 min walk** to Bishop Kelly HS, sticky family tenancy	**12 min** to downtown Boise via I-184	**5K+ jobs** Saint Alphonsus adjacent to the submarket

45 units, mixed vintage, $194K/door


AERIAL · THE TWELVE-BUILDING COMMUNITY


REPRESENTATIVE KITCHEN


REPRESENTATIVE BATH

PROPERTY FACTS

Year built	1964–2003 (mixed vintage)
Units / buildings	45 · 12 · garden style
Rentable SF / acreage	37,844 SF · ~2.38 ac
Parking	62 spaces incl. carports
Occupancy at close	100% (45 of 45)
Loss-to-lease	~12.5% to market

UNIT MIX — 45 UNITS, 12 BUILDINGS

1BR/1BA · 674 SF	16 (36%)
2BR/1BA · 800-864 SF	20 (44%)
2BR/1.5BA TH	8 (18%)
4BR house	1 (2%)

Status: **27 renovated (60%)** · **11 classics funded** + 7 classics not funded. Post-close: complete the 11 funded classics on turn; 4BR house held as-is.

PRICING & RETURNS

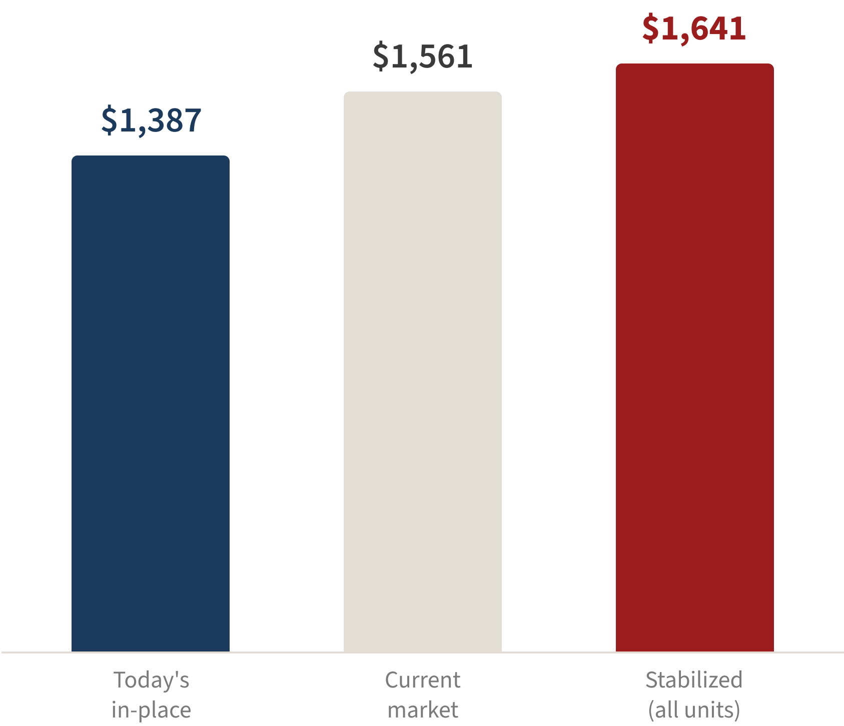
Acquisition / all-in basis	$8.75M / $9.51M
Price per door / per SF	$194,444 / $231
Going-in cap (seller books)	5.62% T12 · 5.97% Jul-26
Y5 yield on cost (all-in)	~7.8%

CURRENT CONDITION

Roofs replaced on a staggered schedule (buildings dated 2017 / 2021 / 2024 per the PCA) and mechanicals solid. 27 units are already renovated to target spec. Of the 18 classics remaining, **11 are funded in the capital budget** and get kitchen/bath/flooring/paint on natural turn, plus **$100K of PCA-scoped exterior/mechanical capex**. The other **7 are not funded and are not in the underwriting** — they stay available for a later cycle or for a buyer at exit.

The reno premium is already in the rent roll

PROPERTY RENT BRIDGE — PER UNIT / MONTH

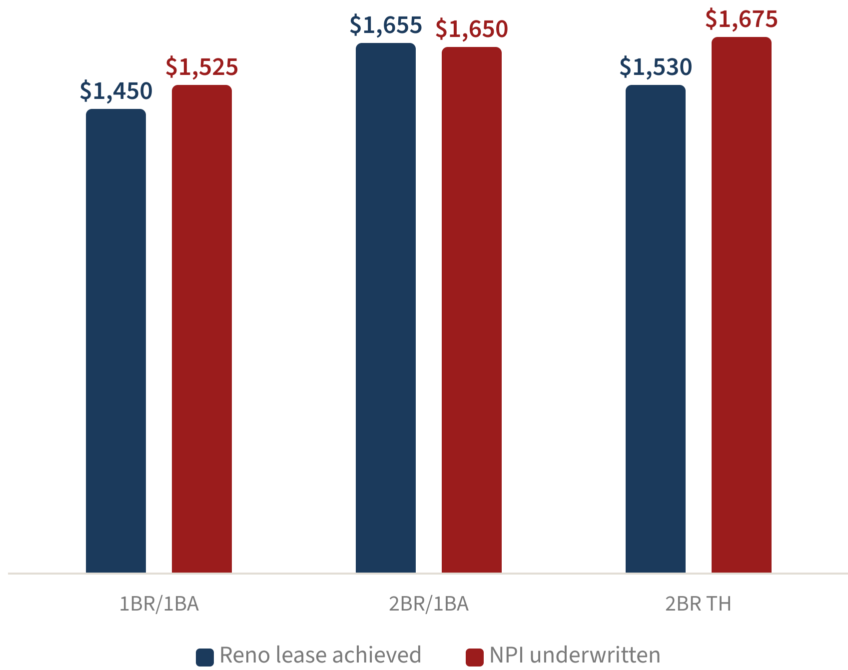


mark-to-market **+$174** reno value-add **+$80**

IN-PLACE → STABILIZED **+$254** /unit/mo · +18.3% · ~$137K/yr

Bars honest to scale from a common baseline; the delta label carries the magnitude. Blended across all 45 units. Source: NPI model v4.5, May 18 2026 rent memo.

RENOVATED LEASES ALREADY SIGNED VS NPI UNDERWRITING



The renovated 2BR already leases **above** our underwriting; the 1BR and townhome targets sit a hair above in-place, funded by natural turnover. The seller captured **$200–$315/mo** reno premiums over three years on identical floor plans.

NPI's North River (1971, 2.3 mi) gets **$1,625** on renovated 2BR/1BAs at near-zero vacancy, which is demand depth at and above Aspen's rents. Recent Aspen reno leases: Jan 2026, Aug 2025.

In-place rents against the submarket

COMPARABLE ASKING RENTS — TRAILING 90 DAYS

Property	Built	Units	Dist.	1BR	2BR	SF
Hartman Park	1990	32	0.2 mi	—	$1,432	971
102 · Raymond	1993	68	0.1 mi	$1,195	$1,339	1,020
Deer Creek	1991	48	0.4 mi	—	$1,432	902
The Pines	1993	45	0.7 mi	—	$1,600	960
Alderbury Cove	1989	56	0.8 mi	$1,344	$1,599	932
Juniper West	1977	52	1.7 mi	$1,477	$1,690	812
Set average	1989	50	0.7 mi	**$1,339**	**$1,515**	933

Six stabilized properties within 1.7 miles, 32–68 units against the subject's 45, 1977–1993 vintage; set unchanged from April so movement is on a constant sample. **The Pines advertises one month free** ($1,600 asking → ~$1,467 effective), the only concession in the set. **102 · Raymond is the low outlier** (1,020 SF at $1.31/SF), not in CBRE's survey.

On a constant sample, comp 2BR asking rents rose **10.4%** between April and August 2026 while the subject's contract rents did not move. The gap is widening, not closing.

SUBJECT BY UNIT TYPE — IN PLACE VS ACHIEVED VS MARKET

Unit type	Units	SF	In place	Signed	Market
1BR / 1BA	16	674	$1,303	$1,468	$1,450
2BR / 1BA	5	800	$1,417	$1,705	$1,650
2BR / 1BA	15	864	$1,453	$1,622	$1,600
2BR / 1.5BA	2	960	$1,548	$1,617	$1,617
2BR / 1.5BA	6	980	$1,322	$1,545	$1,545
4BR house	1	2,300	$2,100	—	$2,280
Weighted	45	841	**$1,399**	—	**$1,561**

Recent signed lease at Aspen   CBRE concluded market

WHY THE GAP IS ACHIEVABLE

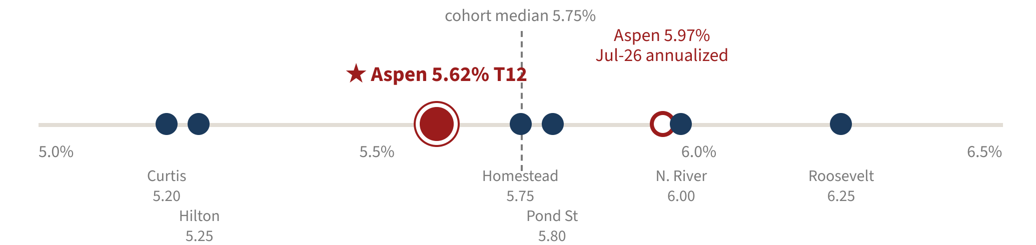
Comp evidence alone supports a blended market of **$1,469–$1,500** against in-place of **$1,399**, a loss to lease of **$70–$101 per unit**, roughly 5–7%. CBRE concluded **$1,561**, 4–6% above the comp-derived range, giving primary weight to the subject's own recent leases.

The gap is proven on this property, not inferred from the set. Aspen's own recently signed leases run **$1,468 to $1,705** and already clear the comp average on every plan. Underwriting targets sit inside what the asset has already leased.

Sources: HelloData, Inc., pulled August 5, 2026, trailing 90-day availability window; CBRE, Inc. appraisal File No. CB26US046396-1, effective May 4, 2026. Subject columns are CBRE's tabulation of the May 4, 2026 rent roll; in-place is per occupied unit. The August 7, 2026 roll runs $64,065/month at 45 of 45 occupied, blended $1,424. Asking rents gross of concessions except where noted. No 4BR comparable exists in the submarket; the $2,280 rests on ownership's estimate.

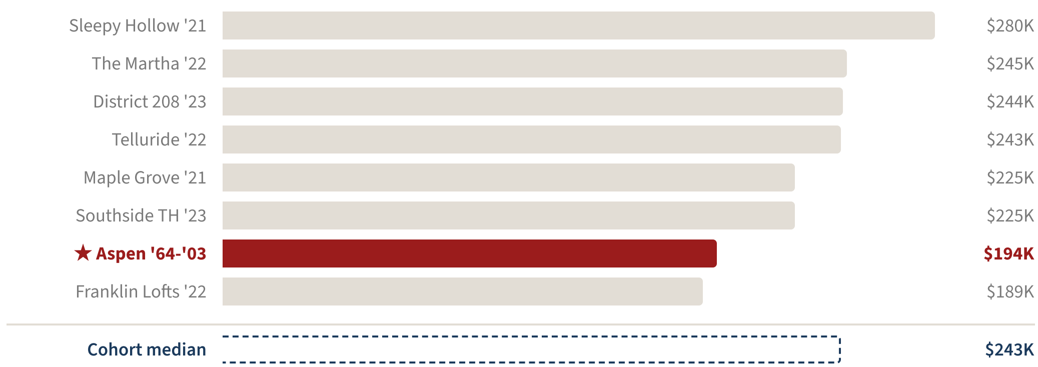
Acquired at market cap. The return is NOI growth.

GOING-IN CAP RATE · ASPEN VS TREASURE VALLEY CLASS B



Aspen sits mid-cluster. The trailing-twelve going-in of 5.62% is 13 bps inside the 5.75% cohort median; annualizing the July 2026 statement it is 5.97%, wider than the median. Both are seller books as reported. The 5.50% base exit assumes zero cap compression, so the return does not depend on cap compression. It depends on NOI growth.

PRICE PER DOOR · WHAT NEWER PRODUCT TRADES FOR



Every Treasure Valley trade of 2020-and-newer product that closed 2024 through 2026, seven sales. Range $188,958 to $279,545, median $242,647. **Aspen's basis of $194,444 is about 20% below that median.** Against 1960s to 1990s vintage Boise trades Aspen prints at the top of the range, and it is the largest asset in that group and 60% already renovated. The comparison that matters at exit is what newer product costs to buy. Source: Treasure Valley sale comparable database, 42 trades 2021-2026; CBRE appraisal, May 12 2026.

THE BASIS

$194,444 per door against a $242,647 median for 2020-and-newer Treasure Valley trades. The independent appraisal concluded **$8,750,000** as-is on May 4, 2026, the same number as the contract, at a 6.00% overall rate.

THE RETURN ENGINE

Yield on cost lifts **5.62% going-in to ~7.8% by Year 5** as the rent gap closes and the last 11 units are renovated. **NOI grows $492K to $739K, up 50%.** That is the deal.

WHAT WE DID NOT PUT ON THE CHART

No replacement-cost bar. The appraiser declined the cost approach on a stabilized income property, and the only cost figure in the file is an insurable replacement value of $94,667 a door that excludes land, site work, soft costs and profit. It would not support the claim, so it isn't here.

THE SOURCING

Aspen never went to market. A personal relationship brought this off-market, 1031-motivated seller directly to Brent. Boise Class B inventory is constrained and listed assets draw 30 or more offers. **The win is access.**

Ours is the conservative number in the room

SELLER TRAILING 12	CNW BUDGET	LIBERTY BUDGET	NPI UNDERWRITTEN
$492K	$544K	$598K	$593K
Aug '25 - Jul '26 actual · 5.62% cap	Stabilized, Mar 2026 · 6.22% cap	Stabilized, Apr 2026 · 6.83% cap	Year 1, model v4.5 · 6.78% cap

WHAT EACH NUMBER ASSUMES

	Seller T12	CNW	Liberty	NPI Year 1
Basis	Actual	Budget	Budget	Underwriting
Physical vacancy	3.4%	5.0%	3.5%	5.0%
Bad debt	1.1%	—	—	0.5%
Property taxes	—	—	$64,512	$67,439
Insurance	—	—	$23,076	$13,000 bound
Management fee	4.0% affiliate	7.5% gross	8.0% net rent	7.39% of EGI
Replacement reserves	None	None	None	$22,500 / yr
Renovation capital	—	None modeled	None modeled	$149,238 at close
Net operating income	**$492,015**	**$544,130**	**$597,716**	**$592,996**
Going-in cap on $8,750,000	5.62%	6.22%	6.83%	6.78%

Seller trailing profit and loss, TableRock Residential, printed August 20, 2026, period August 2025 through July 2026, seller books as reported including the seller's 4% affiliate management fee; vacancy and bad debt shown as a share of gross scheduled rent. Commercial Northwest stabilized pro forma, March 2026. Liberty Asset Group yearly pro forma, April 2026, restated conventionally because that statement reports vacancy inside total expenses and carries no effective gross income line. NPI Underwriting Model v4.5. Going-in caps are on the $8,750,000 contract price.

WHERE THE LIFT COMES FROM

In-place rents sit about 12.5% under market and the seller's 27 renovated units already prove the premium, so contract rents step up as leases turn. On the cost side, on-site payroll, administration and the seller's affiliate management fee ran **$113,802** in the trailing twelve. Those fold into a single third-party management fee of **$62,120**, 7.39% of effective gross income. That is a reclassification into one fee, not a claim that staffing goes away. Insurance is bound at $13,000 a year.

WHAT WE CARRY THAT THEY DON'T

$22,500 a year of replacement reserves, $500 a unit, taken below the NOI line. No reserve appears in either manager's budget or in the trailing twelve, and the seller still spent **$122,568 of capital** in the last twelve months, $2,724 a unit. Property taxes are underwritten at CBRE's reassessed **$67,439**, $2,927 above the run rate both managers used. Vacancy is 5.0% against Liberty's 3.5% and the property's own 3.4% actual.

WHERE NPI LANDS

$592,996. Below the incoming manager's own Year-1 budget by $4,720, and $48,866 above the other bid. Every return figure in this deck is built off that number, not off a higher one.

Conservative leverage, full-term interest-only fixed-rate debt

SOURCES & USES

Purchase price	$8,750,000
Acquisition fee (2%)	$175,000
Rate buydown (1%)	$65,350
Loan fees, DD, legal & closing (net of prorations)	$161,321
Unit renovation (11 units)	$149,238
Other CapEx (exterior/mech)	$100,000
Guarantor fee (fixed)	$31,725
Operating reserves (4 mo)	$82,352
Total uses	**$9,514,986**
Senior loan (fixed-rate)	$6,535,000
LP common equity (95%)	$2,830,986
GP co-invest (5%)	$149,000

The sponsor's total retained investment is $200,000. The 5% line above is the modeled co-investment; the balance is held in LP units on the same terms as every other investor.

DEBT SUMMARY: INSTITUTIONAL FIXED-RATE

Loan program	Institutional fixed-rate
Loan amount / LTV	$6.54M / 74.69%
Rate	6.24% fixed · locked 8/26/2026
Amortization	30 years
Interest only	Full 5-year term
Term	5 years
Prepayment	4.5-yr yield maintenance, then open at par
Recourse	Non-recourse (carve-outs)
Annual debt service	$414,110
Year 1 debt yield	9.07%
Year 1 DSCR (IO)	1.43x

Locked August 26, 2026: $6,535,000 at **6.24%** all-in, a 1.85% spread over the 5-year Treasury, fixed for the full 5-year term with no rate reset and no amortization drag during the hold. The underwriting conservatively carries 6.25%. Funded at **74.69% LTV** within the lender's approved terms. Full-term interest-only maximizes distributable cash flow; the loan matures at the Year-5 sale.

Every fee, on one page

SPONSOR FEES

Fee	Rate	Basis	Amount
Acquisition fee	2.00%	Purchase price, at close	$175,000
Guarantor fee	Fixed	Flat, at close	$31,725
Asset management fee	2.00%	Effective gross income, annual	$94,170 over five years
Disposition fee	1.00%	Gross sale price, at exit	~$139,372
Fees at close and at exit			**$346,097**
Total sponsor fees, five-year hold			**$440,267**
As a share of the $9,514,986 all-in basis			4.63%

$206,725 is paid at close out of equity, the acquisition fee and the guarantor fee. **$139,372 is paid at exit** out of sale proceeds. Those two are 3.6% of the all-in basis. The asset management fee is the only ongoing one: 2.00% of effective gross income every year, paid from operating cash flow before the LP preferred return, $16,801 in Year 1 rising to $20,294 in Year 5. Add it in and **total sponsor compensation across the five-year hold is $440,267, or 4.63% of the $9,514,986 all-in basis**. There are no financing fees, no construction management fees, no refinance fees, and no back-door fees. The property management fee is a third-party operating expense inside net operating income and is not sponsor compensation.

WATERFALL (LP / GP)

Tier 1	Tier 2
8%	70/30
100% LP until pref	above pref, no catch-up

Full return of capital plus an 8% preferred return to the LP before any GP participation, then 70/30 with no GP catch-up and no IRR hurdle.

GP ALIGNMENT

GP co-invest (5%)	$149,000
Terms	Identical to LP
Loan guaranty	Brent Neely, carve-outs
GP promote at base	$1,166,585

The sponsor funded the entire equity balance personally at the August 28, 2026 close and is syndicating the remaining $1.4M afterward at the same basis, with no markup for the bridge. Full fee schedule in the PPM and on the DD Center.

Amounts from NPI Underwriting Model v4.5. The disposition fee is 1.00% of the base-case gross sale price of $13,937,214 and is paid only if the property sells. The asset management fee is 2.00% of effective gross income each year and totals $94,170 across Years 1 through 5, shown year by year on Appendix C. The guarantor fee is a flat amount and is not scaled to the loan. The sponsor's total retained investment is $200,000; the 5% line is the modeled co-investment, with the balance held in LP units alongside investors.

One number is a pitch. Three is an underwrite.

DOWNSIDE

10.0%

1.555x · $100K → $155K

Exit $10.71M · $238K / door

BASE CASE

20.2%

2.356x · $100K → $236K

Exit $13.94M · $310K / door · LP profit $3.84M

UPSIDE

25.4%

2.872x · $100K → $287K

Exit $16.04M · $357K / door

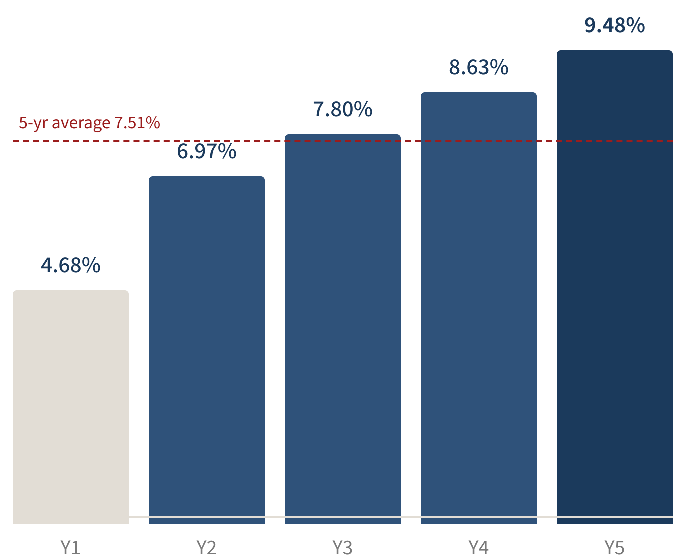
SENIOR RATE The $6,535,000 loan locked at **6.24%** on August 26, 2026, fixed for the full 5-year term. Every scenario is underwritten at 6.25%, just above the locked rate.

SCENARIO ASSUMPTIONS

	Downside	**Base**	Upside
Annual rent growth	1.0%	3.5%	5.0%
Annual expense growth	2.0%	2.0%	2.0%
Stabilized vacancy	7.0%	5.0%	4.0%
Year 5 exit cap rate	6.00%	5.50%	5.25%
Reno premium capture	75%	100%	100%
Year 1 NOI	$572,870	$592,996	$601,003

Held to term, no refinance assumed. Net to the LP after fees, debt service, and the 70/30 promote above the 8% preferred return. Targeted, not guaranteed. The upside case carries 4.0% vacancy, below the 5.0% base, which is why its Year-1 NOI is higher. Year-1 NOI follows the actual lease-expiration schedule: about 12% of the rent gap is markable in month one, 100% by July 2027, and no increase is booked ahead of the lease date that allows it. Completed capture is the Year-2 cash step to 6.97%. Source: NPI Underwriting Model v4.5, Sensitivity scenario block.

CASH-ON-CASH TO THE LP, BY YEAR — BASE CASE



Cash distributions to the LP as a percentage of LP capital, before the sale. NOI runs $492K trailing to $593K in Year 1 to $739K in Year 5, up 50%, and full-term interest-only debt keeps that growth in distributable cash rather than in principal paydown.

Tax treatment is half the return

Aspen is a $9,514,986 all-in basis held for five years in a partnership that issues a K-1. Depreciation, the fixed interest-only debt, and the timing of the exit are what turn a 7.51% average cash yield into an after-tax result that usually looks better than the headline.

Depreciation pass-through

Straight-line 27.5-year depreciation on the improvement basis passes through the K-1 in proportion to ownership. In a cash-flowing, interest-only deal that ordinarily shelters a large share of the annual distribution, so much of what lands in your account is return of capital rather than ordinary income.

Cost segregation

We plan a study after close to move personal property and land improvements into 5, 7 and 15-year lives. Working from the PCA, the survey and the appraisal's component costs, we'd expect a study to reclassify roughly **20% to 32% of depreciable basis, call it $1.5M to $2.4M**. NPI's own 2025 study on North River Apartments, a Boise wood-frame property we bought at nearly the same price per unit, came in at **29.8%**. What lands in year one depends on the bonus depreciation rate that applies to a 2026 acquisition. That's your CPA's call, not ours. No study has been commissioned yet, so treat the range as planning, not a result.

Recapture, and what the exit actually is

Accelerated depreciation is recaptured at sale. The 20.2% IRR and 2.356x multiple in this deck are **pre-tax** figures net of fees, debt service and the promote. What you keep depends on your bracket, your passive-activity position, and whether the partnership defers. The base case is a straight five-year sale. **No 1031 exchange and no refinance are assumed.**

Pre-exit positioning

For business owners **2 to 7 years from a planned sale**, deploying capital into depreciation-generating assets before the sale can materially reduce the after-tax cost of the exit. That is a conversation with your CPA, and we are happy to be in it.

WHAT $100,000 DOES, BASE CASE

Year 1 cash distribution	$4,680
Average annual, years 1-5	$7,510
Net equity multiple	2.356x
Total returned at exit	$236,000

Pre-tax, net to the LP after fees, debt service and the promote. NPI Underwriting Model v4.5, rate locked 6.24%. Minimum LP investment $50,000.

Not tax advice

Every investor's tax situation is different. The strategy described depends on your basis, your passive-activity rules, and other facts particular to you, and none of it is guaranteed by NPI or by the partnership. **Consult your CPA before investing.** The figures here are illustrative; your CPA will quantify what these mechanics mean for your specific return picture.

RESOURCES

Full tax structure: PPM and operating agreement
Educational detail: dd.neelypi.com/cost-segregation
K-1 targeted by March 15 annually
NPI's CPA available for LP-to-CPA conversations

Aspen's underwriting assumes none of this.

The model runs straight 27.5-year with no cost seg and no bonus, so no part of the 20.2% IRR or 2.356x depends on tax treatment.

These are passive losses. Whether you can use them against other income depends on your own tax position.

We owe you this conversation up front

01 · Illiquidity

A 5-year commitment; capital is returned at the Year-5 sale. Exit timing is not guaranteed. Markets shift.

02 · Market risk

Values move with interest rates and capital markets. The 2022–2024 cycle is recent evidence. We underwrite conservatively but cannot eliminate this.

03 · Operating risk

Tenants don't always pay, turns cost more, maintenance surprises happen. The underwriting carries 5.0% physical vacancy plus 0.5% bad debt against a 3.4% trailing actual, $22,500 a year of replacement reserves, and an $82,352 operating reserve funded out of this raise. Variance is still real.

04 · Rate / exit risk

The loan is fixed for the full term, so there's no rate reset during the hold. The rate locked at 6.24% on August 26, 2026; the underwriting carries 6.25%. The exit assumes a sale at market cap; the downside case stress-tests a 50 bps wider exit at 6.00%. No mid-hold refinance is assumed. The loan carries 4.5 years of yield maintenance before it opens at par, so a sale before that point would carry a prepayment cost; the loan matures at year 5 and no extension option is assumed.

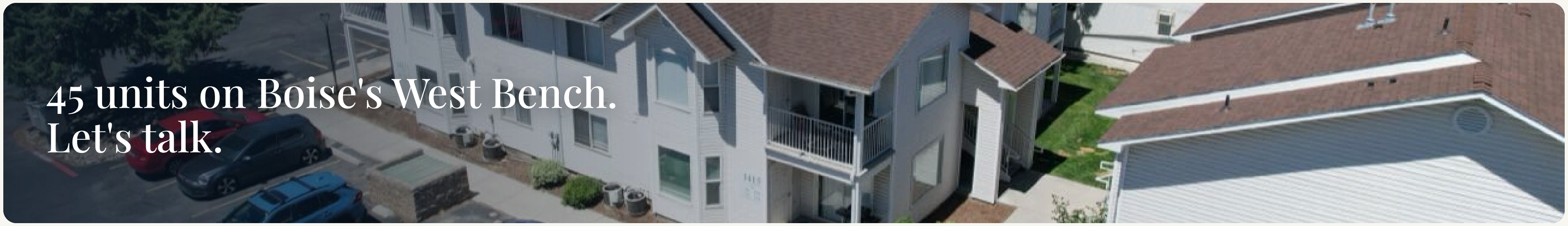
05 · Sponsor risk

You're betting on Brent and NPI. If you don't trust the operator after reviewing the DD materials, don't invest. There are other deals.

06 · Loss of principal

Real estate carries the risk of total loss. The downside scenario here is conservative, not the worst case. Don't invest capital you cannot afford to lose.

How to participate



TRACK 01 · FOR CONVERSATION

Book a 15-minute call.

Walk through the model, the rent roll, the debt terms, the rent memo. Any question you have, we'll cover it. If it fits, we move to docs.

TRACK 02 · FOR DECISION-READY

Go straight to the documents.

The PPM, the model, the executed loan documents, the closing statement, and the subscription package are ready to send. The deal closed Aug 28 sponsor-funded; the remaining $1.4M LP position is allocated first-come, with funding due by October 31, 2026.

> *"I treat your capital the way I'd want mine treated. The operators who exit their businesses well don't get there by luck. They diversify years before the sale, so when the offer comes, they negotiate from strength, not desperation. Aspen is one of those decisions."*
>
> **BRENT NEELY · PRINCIPAL · NPI**

THE OPERATOR

Brent Neely

Principal, Neely Property Investments

541.398.8385 · brent@neelypi.com

RESOURCES

DD Center · dd.neelypi.com

Company · neelypi.com

Documents · on request

Where the math breaks. And where it doesn't.

LP IRR / MULTIPLE · EXIT CAP × YEAR-5 NOI

Y5 NOI ↓ / cap →	5.00%	5.25%	5.50%	5.75%	6.00%
$813K (+10%)	26.5%/3.02x	24.9%/2.84x	23.4%/2.67x	21.9%/2.52x	20.5%/2.38x
$776K (+5%)	25.0%/2.85x	23.4%/2.67x	21.8%/2.51x	20.4%/2.37x	18.9%/2.24x
$739K (base)	23.4%/2.67x	21.7%/2.51x	**20.21%/2.36x**	18.7%/2.22x	17.3%/2.09x
$703K (-5%)	21.7%/2.50x	20.0%/2.34x	18.5%/2.20x	17.0%/2.07x	15.5%/1.94x
$666K (-10%)	19.9%/2.32x	18.2%/2.17x	16.7%/2.04x	15.1%/1.91x	13.7%/1.80x

Exit value = terminal NOI divided by exit cap, with operating cash flow held at base. Because only the exit moves, any two cells on the same NOI-to-cap ratio return the same answer, which is why the upper-left diagonal repeats. That is the method, not a copy error.

LP IRR / MULTIPLE · EXIT CAP × RENT GROWTH

Growth ↓ / cap →	5.00%	5.25%	5.50%	5.75%	6.00%
2.00%	20.2%/2.36x	18.6%/2.21x	17.0%/2.07x	15.5%/1.95x	14.0%/1.83x
2.75%	21.8%/2.52x	20.2%/2.36x	18.6%/2.21x	17.1%/2.08x	15.7%/1.96x
3.50% (base)	23.4%/2.67x	21.8%/2.51x	**20.21%/2.36x**	18.7%/2.22x	17.3%/2.09x
4.25%	24.9%/2.83x	23.3%/2.66x	21.8%/2.50x	20.3%/2.36x	18.9%/2.23x
5.00%	26.4%/3.00x	24.8%/2.82x	23.3%/2.65x	21.8%/2.50x	20.4%/2.37x

Rent growth runs through the whole monthly engine, so operating cash flow and the exit move together. Year-1 NOI does not change with growth, since growth compounds from Year 2, so every row starts at $592,996.

Acquired at market cap. The return is NOI growth.

Going-in is 5.62% on the trailing twelve against a 5.75% cohort median. The 5.50% base exit is 12 bps inside that going-in cap and 25 bps inside the cohort median, which is modest compression we hold to the cohort rather than to a forecast of falling rates. Appendix A stresses the exit to 6.00%. Nothing relies on renovation premiums above the North River comp ceiling of $1,625. **The downside case still produces a 10.0% LP IRR and a 1.555x** with the cap expanded to 6.00%, rent growth at 1.0%, vacancy at 7.0%, and only 75% of the reno premium captured. **The worst corner of either grid, 13.7% and a 1.80x, still clears the 8% preferred return.** A harder stress, zero rent growth plus a 6.00% exit cap, produces a 9.30% LP IRR and holds minimum DSCR at 1.432x.

BANDS

Safe band: exit cap ≤ 5.50% · Y5 NOI ≥ $739K

Stress band: exit cap ≥ 5.75% · Y5 NOI ≤ $703K

Trade-off: ±75 bps of rent growth is worth about ∓25 bps of exit cap

Every cell in both grids is a full waterfall recomputation of the NPI Underwriting Model, 50 recalculations, model integrity checks passing on all of them; the base cell matches Model v4.5 as printed. Base case in crimson outline. Deeper navy is a stronger IRR, red wash is stress. Rate locked August 26, 2026: $6,535,000 at 6.24%; the underwriting carries 6.25%.

The trailing twelve to Year 1, line by line

Every line NPI underwrote against the seller's trailing twelve, with the change on each. The lines where the underwriting is **worse** than the seller's actual are vacancy, property taxes, repairs and maintenance, and the management fee. Those four are the ones a reviewer should check first.

Revenue	Seller T12	NPI Year 1	Change
Gross potential rent	$786,370	$845,460	+$59,090
Renovation premium, completed units	—	$19,200	+$19,200
Renovation downtime	—	($15,660)	($15,660)
Loss to lease	($53,073)	($28,765)	+$24,308
Vacancy	($27,248)	($43,233)	($15,985)
Concessions	($1,795)	—	+$1,795
Bad debt	($10,653)	($4,323)	+$6,330
Utility reimbursement	$36,318	$37,372	+$1,054
Fee and other income	$28,506	$30,000	+$1,494
Effective gross income	**$758,425**	**$840,051**	**+$81,626**
Operating expenses			
Property taxes	($64,520)	($67,439)	($2,919)
Insurance	($23,088)	($13,000)	+$10,088
Utilities	($44,256)	($38,100)	+$6,156
Repairs and maintenance	($23,918)	($56,340)	($32,422)
Contract services	($21,297)	($4,056)	+$17,241
On-site payroll	($73,601)	—	+$73,601
Administrative	($4,465)	—	+$4,465
Marketing	($10,989)	($6,000)	+$4,989
Property management fee	—	($62,120)	($62,120)
Total operating expenses	**($266,134)**	**($247,055)**	**+$19,079**
Net operating income	**$492,291**	**$592,996**	**+$100,705**

YEAR 1, BELOW THE NOI LINE

Net operating income	$592,996
Asset management fee, 2.00% of EGI	($16,801)
Replacement reserves, 45 × $500	($22,500)
Cash flow before debt service	**$553,695**
Debt service, interest only	($414,110)
Levered cash flow, Year 1	**$139,584**

Year-1 capital spending nets to zero inside cash flow before debt service: $82,000 exterior and mechanical plus $149,238 unit renovation, drawn against the $249,238 capital budget, leaving $18,000.

READ THIS BEFORE YOU CHECK THE MATH

Payroll and administrative read zero in the Year 1 column because they move inside the third-party management fee. Apples to apples: the seller's payroll, administrative and affiliate management fee together were $108,401 against NPI's single fee of $62,120. That is $46,281 cheaper, and it is a reclassification, not a claim that staffing goes away.

The T12 column is the seller's trailing twelve for February 2025 through January 2026 as ingested into the model, before the seller's affiliate management fee. The freshest statement, August 2025 through July 2026, shows $492,015 of NOI with that 4% affiliate fee included. The two windows land $277 apart.

Years 2 through 5 grow at 3.5% rent growth and 2.0% expense growth, taking NOI to $739,484 in Year 5. The full year-by-year proforma is on Appendix C. Insurance is bound at $13,000 a year with SFIC through Reliance RMI. Source: NPI Underwriting Model v4.5.

The hold, year by year

The base-case forecast for the whole five-year hold. Year 1 is the same Year 1 built line by line on Appendix B. Every row is read straight out of the model, year by year. Nothing on this page is interpolated between years, and nothing is a rate applied to a later year.

Base case	Year 1	Year 2	Year 3	Year 4	Year 5
OPERATIONS					
Effective gross income	$840,051	$920,591	$950,907	$982,265	$1,014,698
Total operating expenses	($247,055)	($256,710)	($262,724)	($268,891)	($275,214)
Of which property taxes	($67,439)	($68,788)	($70,164)	($71,567)	($72,998)
Net operating income	**$592,996**	**$663,881**	**$688,183**	**$713,374**	**$739,484**
BELOW THE NET OPERATING INCOME LINE					
Asset management fee, 2.00% of EGI	($16,801)	($18,412)	($19,018)	($19,645)	($20,294)
Replacement reserves, 45 × $500	($22,500)	($22,500)	($22,500)	($22,500)	($22,500)
Debt service, interest only	($414,110)	($415,245)	($414,110)	($414,110)	($414,110)
Levered cash flow after fees	**$139,584**	**$207,725**	**$232,555**	**$257,118**	**$282,580**
RATIOS					
Yield on all-in cost	6.23%	6.98%	7.23%	7.50%	7.77%
Operating expenses as a share of EGI	29.41%	27.89%	27.63%	27.37%	27.12%
Cash-on-cash to the LP	4.68%	6.97%	7.80%	8.63%	9.48%

YEAR 1 TIES TO THE CENT

Net operating income	$592,995.69
Asset management fee	($16,801.01)
Replacement reserves	($22,500.00)
Debt service	($414,110.24)
Levered cash flow, Year 1	**$139,584.44**

That walk reproduces the model's Year-1 cash flow before debt service, $553,694.68, and its levered cash flow to the cent. The same walk holds in every year of the table above.

FOUR THINGS TO KNOW ABOUT THE ROWS

Debt service is interest only for the full term on the $6,535,000 loan. Year 2 is $1,135 higher because the loan accrues actual over 360 and Year 2 carries one extra day for the leap day. There is no amortization step anywhere in the hold.

Replacement reserves are flat at 45 units times $500 a year, not escalated, and they sit below the net operating income line rather than inside operating expenses.

Across the five years the asset management fee totals $94,170 and levered cash flow after fees totals $1,119,562.

Yield on all-in cost uses total capitalized cost of $9,514,986 as the denominator every year, not purchase price and not equity. Source: NPI Underwriting Model v4.5, model integrity checks passing. Rate locked 8/26/2026 at 6.24%; underwriting carries 6.25%.