DOUBLETREE BY HILTON PORTFOLIO

GREENVILLE, SC | SUMMERVILLE, SC | CHARLESTON, SC







$17,375,000 EQUITY REQUEST

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THIS CONFIDENTIAL EQUITY REQUEST (the "Equity Request") is being furnished to the recipient (the "Recipient") solely for the Recipient's own limited use in considering whether to provide all or a portion of the Class A-1 Equity (the "Class A-1 Equity") in RRR Hospitality Portfolio, LLC a Delaware limited liability company (the "Issuer"). The Issuer will invest the net proceeds of the Class A Equity offering (the "Offering") in three target LLCs that will be contributed to the Company by RREAF and Raines affiliate companies, which are to become wholly-owned subsidiaries of the Company (each, a "Subsidiary"), each of which owns one of three Cambria Hotels located in South Carolina, and thereafter convert them to Doubletree by Hilton, as described in the following Equity Request materials. An investor in this Offering will not, upon investing in the Equity, own an interest in any of the Properties or in the Subsidiaries, but will only own an interest in the Class A-1 Units issued by the Issuer under the Offering. The Issuer also presently anticipates the issuance of approximately $10,000,000 in one or more classes of priority equity ("Priority Equity") to constitute a portion, and potentially a substantial portion, of the equity in the Issuer. If issued, such Priority Equity would have priority rights to cash distributions over the Class A-1 Equity and may have additional voting and control rights in the Company. The Investor is advised to read all of the investment materials, subscription documents, Issuer operating agreement, Subsidiary operating agreements (draft-only form of anticipated agreement provided for review with Offering materials) and related materials to fully inform themselves of the rights and potential risks associated with investing in the Class A-1 Equity of the Issuer, and to engage appropriate investment advisers, counsel and accountants to assist in evaluation of such rights and potential risks.

RREAF Holdings ("RREAF") and Raines Hospitality, Inc. ("Raines") have prepared this confidential Equity Request, which contains brief, selected information pertaining to the business and operations of the three target hotel Properties. This confidential information does not purport to be all-inclusive, nor does it purport to contain all the information a prospective investor in the Equity may desire. None of RREAF, Raines, the Issuer, the Subsidiary nor any of their respective members, managers, officers, employees or agents (the "Sponsor Parties") makes any representation or warranty, express or implied, as to the accuracy or completeness of this Equity Request or any of its contents, and no legal liability is assumed or shall be implied with respect thereto.

The Recipient agrees that (a) the Equity Request and its contents are Confidential Information, except for such information contained in the Equity Request that is a matter of public record, (b) the Recipient, the Recipient's representatives, advisors, employees, agents, and consultants (collectively, the "Recipient Parties") will hold and treat all such information in the strictest of confidence, and will not, directly or indirectly, disclose or permit anyone else to disclose its contents to any other person, firm, or entity without the prior written authorization of the Issuer, and (c) it will not use or permit any of the Recipient Parties to use this Equity Request or its contents in any fashion or manner detrimental to the interest of the Sponsor Parties (or any one of the Sponsor Parties) or for any purpose other than for use in considering whether to invest in the Equity.

PHOTOCOPYING OR OTHER DUPLICATION OF ANY PORTION OF THIS EQUITY REQUEST IS STRICTLY PROHIBITED.

THE ISSUER EXPRESSLY RESERVES THE RIGHT, AT ITS SOLE DISCRETION, TO REJECT ANY OR ALL PROPOSALS OR EXPRESSIONS OF INTEREST IN THE EQUITY AND TO TERMINATE DISCUSSIONS WITH ANY PARTY, AT ANY TIME, WITH OR WITHOUT NOTICE.

THIS CONFIDENTIAL EQUITY REQUEST SHALL NOT BE DEEMED TO BE A REPRESENTATION OF THE STATE OF AFFAIRS OF ISSUER, THE SUBSIDIARIES OR THE PROPERTIES OR CONSTITUTE AN INDICATION THAT THERE HAS BEEN NO CHANGE IN THE BUSINESS OR AFFAIRS OF THE PROPERTIES SINCE THE DATE OF PREPARATION OF THIS EQUITY REQUEST.

TO THE EXTENT INFORMATION IN THIS EQUITY REQUEST SUBSTANTIVELY MATERIALLY CONFLICTS WITH INFORMATION PROVIDED IN THE OFFERING MEMORANDUM, THE OFFERING MEMORANDUM WILL CONTROL



OPPORTUNITY OVERVIEW

EXECUTIVE SUMMARY

RREAF Holdings, LLC ("RREAF") and **Raines Company** ("Raines"), collectively the "Sponsors", are proud to present an equity investment opportunity in the conversion of a three-asset, 347-key hotel portfolio to **DoubleTree by Hilton Hotels** (the "Portfolio"). The assets, located in Greenville, Summerville and Charleston, South Carolina, were all constructed in the last five years and have operated as Cambria Hotels to date. The Sponsors will convert the Portfolio to DoubleTree by Hilton in the first quarter of 2024. Hilton has agreed to provide **$2,550,000** in Key Money to the Sponsors for the opportunity to re-flag the Portfolio under the DoubleTree brand, thus providing a portion of the funds necessary for the implementation of the Property Improvement Plan ("PIP") to convert the assets to DoubleTree under Hilton's brand standards.

The hotel buildings and FF&E are in excellent condition having been constructed in the last five years; therefore the PIP to convert the assets to DoubleTree is minimal and can be done very quickly. Total PIP cost across the Portfolio is **$3,300,000 ($9,510 per key)**. Much of the focus is on software and IT infrastructure that allows seamless integration with Hilton's marketing and accounting system. In addition to technology, each hotel is required to purchase new bedding for all guestrooms, procure and install new brand signage, and new fitness equipment.

The Sponsors will implement Raines "Best-In-Class" property management at all three hotels to further maximize operating profits for the entire Portfolio. Raines is a fully integrated development, management and investment company based in Charleston, SC. Raines management experience includes managing 23 Hilton Hotels and 16 hotels in South Carolina. In addition, Raines was recently involved in two hotel conversions from Cambria to DoubleTree which both experienced significant increases in Average Daily Rate ("ADR") and added revenue immediately upon conversion to a Hilton branded hotel. As with these conversions, the subject Portfolio has similar characteristics for highly successful conversions including:

- Extremely desirable locations in high "barrier-to-entry" markets with strong hotel economics;
- Well-constructed assets all built and opened within the last five years at cost basis substantially below current replacement costs;
- Power of the Hilton Hotel brand with global recognition, robust reservation system and over 173,000,000 Hilton loyalty members;
- Sponsors' experience owning, operating and managing hotels throughout the South and Southeast including 16 in South Carolina as well as 23 Hilton hotels.

PORTFOLIO SOURCES & USES

The total cost of recapitalizing and converting these three hotels to DoubleTree Hotels is **$78,647,000** of which **65%** will be a Senior Loan of (**$51,121,000**) and **12.5%** in Priority Equity (**$9,855,000**). The Sponsor is seeking **$17,375,000** in equity by way of offering Class A Units in the RRR Hospitality Portfolio, LLC to complete the capitalization necessary to convert the assets to DoubleTree Hotels providing these exceptionally located hotels with the increased benefits of operating as Hilton hotels, one of the largest and most widely recognized hotel brands in the world.

SOURCES OF CAPITAL

		Charleston, SC	Greenville, SC	Summerville, SC	Portfolio Total	*347 Rooms*
Debt	*% of Total Cost*					*per key*
Loan	**65.0%**	$25,353,000	$14,273,000	$11,495,000	$51,121,000	*$147,323*
Equity						
Priority Equity	***12.5%***	$4,887,000	$2,752,000	$2,216,000	$9,855,000	*$28,401*
Class A Equity	***22.1%***	$8,468,000	$4,934,000	$3,973,000	$17,375,000	*$50,072*
Escrow Insurance	***0.4%***	$296,000	$-	$-	$296,000	$853
Total Equity		**$13,651,000**	**$7,686,000**	**$6,189,000**	**$27,526,000**	***$78,473***
TOTAL SOURCES		**$39,004,000**	**$21,959,000**	**$17,684,000**	**$78,647,000**	***$226,648***

USES OF CAPITAL

				Charleston, SC	Greenville, SC	Summerville, SC	Portfolio Total	*347 Rooms*
			% of Total					*per key*
Contribution Price			*92.2%*	$36,400,000	$20,150,000	$15,975,000	$72,525,000	*$209,006*
Property Improvement Plan			*4.2%*	$1,100,000	$1,100,000	$1,100,000	$3,300,000	*$9,510*
Guaranty Fee	*1.0%*	*of Debt*	*0.7%*	$254,000	$143,000	$115,000	$512,000	*$1,476*
Priority Equity Origination Fee	*1.0%*	*of Priority Equity*	*0.1%*	$49,000	$28,000	$22,000	$99,000	*$285*
Equity Admin Fee	*1.0%*	*of Class A Equity*	*0.2%*	$85,000	$49,000	$40,000	$174,000	*$501*
Legal Expenses			*0.2%*	$40,000	$40,000	$40,000	$120,000	*$346*
Debt Fees	*1.00%*	*of Debt*	*1.0%*	$508,000	$143,000	$115,000	$766,000	*$2,207*
Closing Costs			*0.3%*	$66,000	$66,000	$66,000	$198,000	*$571*
Working Capital			*0.4%*	$126,000	$126,000	$95,000	$347,000	*$1,000*
Miscellaneous Costs			*0.2%*	$50,000	$50,000	$50,000	$150,000	*$432*
Insurance			*0.6%*	$326,000	$64,000	$66,000	$456,000	*$1,314*
Total Uses			***100%***	**$39,004,000**	**$21,959,000**	**$17,684,000**	**$78,647,000**	**$226,648**

CASH FLOWS

The proposed returns to equity investment in the Company, including Class A-1 Equity, is based on the following:

OPERATIONS

- **100% to Priority Units** until each **Priority Unit receives a 9% simple annual return** (the "Priority Current Return");
- Next, if any, **100% to Class A Units** until each Class A Unit receives an **8% simple annual return;**
- The balance, if any, **80% to Class A Units** and **20% to Class B Units**.

REVERSIONS

- 100% to Priority Units until each **Priority Unit receives any unpaid Priority Current Return and accrued return of 8%;**
- 100% to Priority Units until each **Priority Units receives a full return on its capital contribution;***
- Repayment of any cost overrun loans or Manager loans, if applicable;
- Next, 100%, if any, to Class A Units until each **Class A Unit receives a 12% IRR return**;
- The balance, if any, **70% to Class A Units** and 30% to Class B Units.

**In the event the distributions result from less than the full set of Properties, the return of capital contribution will be limited to an allocated amount of the capital contribution determined by ratio of the Property sold as compared to the Properties remaining.*

Based on the proposed capital structure described above and the projected sale of the Portfolio in month 60, **Class A Equity** is projected to yield a **18.62% IRR** and a **2.15x Equity Multiple** over a five year investment horizon.

CASH FLOWS TO CLASS A INVESTORS

		Initial Investment	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue			**16,560,818**	**18,074,542**	**19,101,559**	**19,754,069**	**20,413,429**
Expenses			(10,188,477)	(11,211,817)	(11,788,297)	(12,371,290)	(12,736,276)
NOI			**6,372,341**	**6,862,724**	**7,313,261**	**7,382,778**	**7,677,153**
Net Sale of Hotels			0	0	0	0	49,481,301
Debt			(4,053,895)	(4,653,735)	(4,653,735)	(4,653,735)	(4,653,735)
Reserves & Asset Management			(993,570)	(1,084,242)	(1,145,863)	(1,185,384)	(1,224,410)
Priority Equity Cash Flows			(886,950)	(886,950)	(886,950)	(886,950)	(14,683,950)
Key Money Returned			2,550,000	0	0	0	0
Cash Flow Available to Class A Equity			**2,987,925**	**237,797**	**626,714**	**656,709**	**36,596,360**
Initial Investment		($17,375,000)					
100% Key Money Returned to Class A			2,550,000	0	0	0	0
Preferred Return	*8.0%*		437,925	237,797	626,714	656,709	4,038,780
Split After Priority Return	*80.0%*		0	0	0	0	0
IRR Lookback	*12.0%*		0	0	0	0	20,024,597
Additional Proceeds from Reversion	70.0%		0	0	0	0	8,773,088
Total Proceeds to Class A Investors		**($17,375,000)**	**2,987,925**	**237,797**	**626,714**	**656,709**	**32,836,465**

Cap Rate	6.91%	7.16%	7.41%
IRR	20.18%	**18.62%**	17.08%
Equity Multiple	2.29x	**2.15x**	2.02x

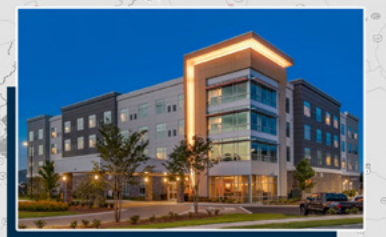
Total PIP cost across the Portfolio is $3,300,000 ($9,510 per key) to convert the hotels to DoubleTree. Hilton is contributing over 77% ($2,550,000) of the renovation cost in Key Money reducing the net cost for all three assets conversion to $750,000 ($2,161 per key). Given the hotel buildings and related improvements were built and installed within the last five years, the conversion to DoubleTree should be minimal and likely can completed quickly. Much of the focus will be on software and IT infrastructure that allows seamless integration with Hilton's marketing and accounting system. In addition to technology, each hotel will be required to purchase new bedding for all guestrooms, procure and install new brand signage, and new fitness equipment.

DoubleTree flagged conversions have averaged a 28% RevPAR increase in the first 12 months after conversion over the entire DoubleTree Portfolio. The chart below highlights two previous conversions from Cambria to DoubleTree hotels performed by the Raines Company. In both cases, a significant increase in asset performance can be noted with a highlight of Room Revenue increasing year one by 21% and 26% respectively. These increases can be attributed to the best-in-class local property management and industry knowledge of Raines. As well as the increase in visibility that the Hilton brand brings.

Cambria Conversion Case	Year	Room Revenue	Total Revenue	Occ	ADR	Index	Room Count
Cambria #1		$2,805,915	$3,103,443	70.24%	$84.94	87.85%	134
DoubleTree Year 1	Year 1	$3,399,819	$3,725,849	67.15%	$103.23	107.60%	134
DoubleTree Year 2	Year 2	$4,319,991	$4,685,619	78.29%	$112.82	122.40%	134
Cambria #2		$1,861,275	$1,962,559	60.70%	$88.43	87.38%	95
DoubleTree Year 1	Year 1	$2,348,556	$2,348,556	68.40%	$99.02	110.11%	95
DoubleTree Year 2	Year 2	$2,883,192	$2,883,192	77.60%	$107.15	121.31%	95

HILTON ADVANTAGES

- 173 million HHonors members (53% percent of room revenue of all DoubleTrees contributed by HHonors members);
- 28% Average RevPAR increase in first 12 Months after conversion to a DoubleTree by Hilton;
- Global recognition in over 120 countries with 7,165 Hilton hotels worldwide;
- The DoubleTree brand has more than doubled in size since 2010 to over 674 DoubleTree's in 50 different countries;
- On average, DoubleTree has grown occupancy by 23% in 2022.



GREENVILLE, SC

NORTH CAROLINA

GREENVILLE

SOUTH CAROLINA

COLUMBIA

SUMMERVILLE

CHARLESTON



SUMMERVILLE, SC



CHARLESTON, SC

Charleston Riverview Hotel

- 126 guest rooms;
- Located directly across the Ashley River from the historic downtown Charleston peninsula;
- Within a short drive to the College of Charleston, The Citadel and The Medical University of South Carolina.

Summerville Hotel

- 95 guest rooms;
- Summerville is situated in the high growth corridor of the Charleston MSA approximately 25 miles northwest of the historic downtown Charleston peninsula;
- The hotel is located within the award winning Nexton Community;
- In close proximity to Boeing, Mercedes, and Volvo Operations.

Greenville Hotel

- 126 guest rooms;
- Home to Clemson University, Furman University, and Michelin Research Center;
- Adjacent to TD Bank HQ.



ECONOMICS

SOURCES OF CAPITAL

			Charleston, SC	126 Rooms	Greenville, SC	126 Rooms	Summerville, SC	95 Rooms	Portfolio Total	347 Rooms
Debt	**% of Equity**	**%of Total**		per key		per key		per key		per key
Loan		**65.0%**	$25,353,000	$201,214	$14,273,000	$113,278	$11,495,000	$121,000	$51,121,000	$147,323
Equity										
Priority Equity	**35.8%**	**12.5%**	$4,887,000	$38,786	$2,752,000	$21,841	$2,216,000	$23,326	$9,855,000	$28,401
Class A Equity	**63.1%**	**22.1%**	$8,468,000	$67,206	$4,934,000	$39,159	$3,973,000	$41,821	$17,375,000	$50,072
Escrow Insurance	**1.1%**	**0.4%**	$296,000	$2,349	$-	$-	$-	$-	$296,000	$853
Total Equity			**$13,651,000**	**$105,992**	**$7,686,000**	**$61,000**	**$6,189,000**	**$65,147**	**$27,526,000**	**$78,473**
TOTAL SOURCES			**$39,004,000**	**$309,556**	**$21,959,000**	**$174,278**	**$17,684,000**	**$186,147**	**$78,647,000**	**$226,648**

USES OF CAPITAL

				Charleston, SC	126 Rooms	Greenville, SC	126 Rooms	Summerville, SC	95 Rooms	Portfolio Total	347 Rooms
			% of Total		per key		per key		per key		per key
Contribution Price			92.2%	$36,400,000	$288,889	$20,150,000	$159,921	$15,975,000	$168,158	$72,525,000	$209,006
Property Improvement Plan			4.2%	$1,100,000	$8,730	$1,100,000	$8,730	$1,100,000	$11,579	$3,300,000	$9,510
Guaranty Fee	1.0%	of Debt	0.7%	$254,000	$2,016	$143,000	$1,135	$115,000	$1,211	$512,000	$1,476
Priority Equity Origination Fee	1.0%	of Priority Equity	0.1%	$49,000	$389	$28,000	$222	$22,000	$232	$99,000	$285
Equity Admin Fee	1.0%	of Class A Equity	0.2%	$85,000	$675	$49,000	$389	$40,000	$421	$174,000	$501
Legal Expenses			0.2%	$40,000	$317	$40,000	$317	$40,000	$421	$120,000	$346
Debt Fees	1.00%	of Debt	1.0%	$508,000	$4,032	$143,000	$1,135	$115,000	$1,211	$766,000	$2,207
Closing Costs			0.3%	$66,000	$524	$66,000	$524	$66,000	$695	$198,000	$571
Working Capital			0.4%	$126,000	$1,000	$126,000	$1,000	$95,000	$1,000	$347,000	$1,000
Miscellaneous Costs			0.2%	$50,000	$397	$50,000	$397	$50,000	$526	$150,000	$432
Insurance			0.6%	$326,000	$2,587	$64,000	$508	$66,000	$695	$456,000	$1,314
TOTAL USES			**100%**	**$39,004,000**	**$309,556**	**$21,959,000**	**$174,278**	**$17,684,000**	**$186,147**	**$78,647,000**	**$226,648**

COMBINED PORTFOLIO OPERATING SUMMARY

Hotel Rooms	347	347	347	347	347
Available Hotel Rooms	126,655	126,655	126,655	126,655	126,655
Occupied Hotel Rooms	89,996	92,274	94,602	94,924	95,246
Occ Rate	71.1%	72.9%	74.7%	74.9%	75.2%
ADR	$166.37	$177.02	$182.25	$187.86	$193.63
RevPAR	$118.21	$128.97	$136.13	$140.79	$145.61

Revenue	Year 1 **2024**	Year 2 **2025**	Year 3 **2026**	Year 4 **2027**	Year 5 **2028**
Room Revenue	$14,972,340	$16,334,598	$17,241,506	$17,832,133	$18,442,680
Food and Beverage Revenue	$1,157,631	$1,261,055	$1,358,022	$1,380,741	$1,415,392
Other Revenue	$430,847	$478,888	$502,031	$541,195	$555,357
TOTAL REVENUE	**$16,560,818**	**$18,074,542**	**$19,101,559**	**$19,754,069**	**$20,413,429**
Department Expense					
Rooms Expense	$3,082,384	$3,263,934	$3,434,070	$3,552,942	$3,646,904
Food and Beverage Expense	$1,001,499	$1,091,530	$1,175,115	$1,195,050	$1,225,146
Other Expense	$197,804	$216,745	$226,587	$239,969	$246,770
Total Department Expense	**$4,281,687**	**$4,572,210**	**$4,835,771**	**$4,987,962**	**$5,118,820**
Operating Margin	**$12,279,131** 74%	**$13,502,332** 75%	**$14,265,787** 75%	**$14,766,107** 75%	**$15,294,608** 75%
Overhead Operating Expense					
Admin & General	$1,065,148	$1,156,061	$1,214,817	$1,264,438	$1,297,294
IT System	$154,535	$170,686	$181,716	$187,520	$193,096
Sales & Marketing	$652,392	$711,040	$751,227	$768,601	$794,412
Property Ops and Maintenance	$539,367	$575,386	$593,326	$613,259	$633,151
Utilities	$538,771	$575,252	$592,857	$613,301	$634,194
Franchise Fees	$1,159,257	$1,445,963	$1,528,125	$1,777,866	$1,837,209
Total Overhead Expense	**$4,109,470**	**$4,634,389**	**$4,862,068**	**$5,224,986**	**$5,389,355**
Gross Operating Profit	**$8,169,661** 49%	**$8,867,943** 49%	**$9,403,720** 49%	**$9,541,121** 48%	**$9,905,253** 49%
Management Fee	$496,825	$542,236	$573,047	$592,622	$612,403
Property and Other Tax	$824,956	$948,699	$977,160	$1,006,475	$1,036,669
Insurance	$455,781	$494,011	$519,452	$537,905	$557,133
Lease	$19,759	$20,273	$20,800	$21,341	$21,895
EBITDA	**$6,372,341** 38%	**$6,862,724** 38%	**$7,313,261** 38%	**$7,382,778** 37%	**$7,677,153** 38%
Replacement Reserve	$662,713	$723,162	$764,242	$790,256	$816,273
Asset Management Fee	$330,857	$361,081	$381,621	$395,128	$408,137
NET INCOME	**$5,378,771** 32%	**$5,778,482** 32%	**$6,167,399** 32%	**$6,197,394** 31%	**$6,452,744** 32%

CHARLESTON OPERATING SUMMARY

Hotel Rooms	126	126	126	126	126
Available Hotel Rooms	45,990	45,990	45,990	45,990	45,990
Occupied Hotel Rooms	32,837	33,389	33,757	34,079	34,401
Occ Rate	71.4%	72.6%	73.4%	74.1%	74.8%
ADR	$202.50	$214.65	$221.30	$227.94	$234.78
RevPAR	$144.59	$155.84	$162.44	$168.91	$175.62

Revenue	Year 1 **2024**	Year 2 **2025**	Year 3 **2026**	Year 4 **2027**	Year 5 **2028**
Room Revenue	$6,649,464	$7,166,893	$7,470,489	$7,767,985	$8,076,608
Food and Beverage Revenue	$491,801	$527,639	$576,341	$575,609	$586,106
Other Revenue	$97,932	$102,363	$105,991	$109,729	$113,705
TOTAL REVENUE	**$7,239,197**	**$7,796,895**	**$8,152,821**	**$8,453,323**	**$8,776,419**
Department Expense					
Rooms Expense	$1,168,123	$1,247,039	$1,299,865	$1,359,397	$1,397,253
Food and Beverage Expense	$418,031	$448,493	$489,890	$489,268	$498,190
Other Expense	$81,284	$84,961	$87,973	$91,075	$94,375
Total Department Expense	$1,667,437	$1,780,494	$1,877,727	$1,939,740	$1,989,818
Operating Margin	**$5,571,760**	**77%**	**$6,016,401**	**77%**	**$6,275,093**	**77%**	**$6,513,583**	**77%**	**$6,786,601**	**77%**
Overhead Operating Expense					
Admin & General	$412,634	$436,626	$448,405	$473,386	$482,703
IT System	$304,046	$327,470	$342,418	$346,586	$359,833
Sales & Marketing	$166,502	$179,329	$187,515	$194,426	$201,858
Property Ops and Maintenance	$281,212	$296,282	$301,654	$312,773	$324,728
Utilities	$506,744	$623,752	$652,226	$760,799	$789,878
Franchise Fees	$1,671,138	$1,863,458	$1,932,219	$2,087,971	$2,158,999
Total Overhead Expense	**$1,815,922**	**$1,890,921**	**$1,959,785**	**$2,031,860**	**$2,100,895**
Gross Operating Profit	**$3,900,622**	**54%**	**$4,152,943**	**53%**	**$4,342,875**	**53%**	**$4,425,612**	**52%**	**$4,627,602**	**53%**
Management Fee	$217,176	$233,907	$244,585	$253,600	$263,293
Property and Other Tax	$333,003	$382,954	$394,442	$406,275	$418,464
Insurance	$325,764	$350,860	$366,877	$380,400	$394,939
Lease	$19,759	$20,273	$20,800	$21,341	$21,895
EBITDA	**$3,004,920**	**42%**	**$3,164,950**	**41%**	**$3,316,171**	**41%**	**$3,363,997**	**40%**	**$3,529,012**	**40%**
Replacement Reserve	$289,568	$311,876	$326,113	$338,133	$351,057
Asset Management Fee	$144,784	$155,938	$163,056	$169,066	$175,528
NET INCOME	**$2,570,568**	**36%**	**$2,697,136**	**35%**	**$2,827,002**	**35%**	**$2,856,797**	**34%**	**$3,002,426**	**34%**

SUMMERVILLE OPERATING SUMMARY

Room Count	95	95	95	95	95
Total RmNts Available	34,675	34,675	34,675	34,675	34,675
Total RmNts Sold	24,966	25,313	26,353	26,353	26,353
Occupancy	72.0%	73.0%	76.0%	76.0%	76.0%
ADR	$158.00	$168.27	$173.49	$178.69	$184.05
RevPAR	$113.76	$122.84	$131.85	$135.81	$139.88

Revenue	Year 1 **2024**	Year 2 **2025**	Year 3 **2026**	Year 4 **2027**	Year 5 **2028**
Room Revenue	$3,944,628	$4,259,376	$4,571,886	$4,709,043	$4,850,314
Food and Beverage Revenue	$315,570	$340,750	$365,751	$376,723	$388,025
Other Revenue	$157,785	$170,375	$182,875	$211,907	$218,264
TOTAL REVENUE	**$4,417,983**	**$4,770,502**	**$5,120,513**	**$5,297,673**	**$5,456,603**
Department Expense					
Rooms Expense	$907,264	$937,063	$1,042,390	$1,068,953	$1,091,321
Food and Beverage Expense	$268,235	$289,638	$310,888	$320,215	$329,821
Other Expense	$55,225	$59,631	$64,006	$72,048	$74,210
Total Department Expense	$1,230,724	$1,286,332	$1,417,285	$1,461,216	$1,495,352
Operating Margin	**$3,187,259**	**72%**	**$3,484,170**	**73%**	**$3,703,228**	**72%**	**$3,836,457**	**72%**	**$3,961,252**	**73%**
Overhead Operating Expense					
Admin & General	$309,259	$333,935	$358,436	$370,837	$381,962
IT System	$66,270	$71,558	$76,808	$79,465	$81,849
Sales & Marketing	$176,719	$190,820	$204,821	$211,907	$218,264
Property Ops and Maintenance	$176,719	$181,279	$184,338	$190,716	$196,438
Utilities	$110,450	$119,263	$128,013	$132,442	$136,415
Franchise Fees	$309,259	$381,640	$409,641	$476,791	$491,094
Total Overhead Expense	**$1,148,676**	**$1,278,494**	**$1,362,056**	**$1,462,158**	**$1,506,023**
Gross Operating Profit	**$2,038,584**	**46%**	**$2,205,675**	**46%**	**$2,341,172**	**46%**	**$2,374,299**	**45%**	**$2,455,229**	**45%**
Management Fee	$132,540	$143,115	$153,615	$158,930	$163,698
Property Taxes and Other Taxes	$286,000	$328,900	$338,767	$348,930	$359,398
Insurance	$66,270	$71,558	$76,808	$79,465	$81,849
EBITDA	**$1,553,774**	**35%**	**$1,662,103**	**35%**	**$1,771,981**	**35%**	**$1,786,974**	**34%**	**$1,850,284**	**34%**
Replacement Reserve	$177,000	$191,000	$205,000	$212,000	$218,000
Asset Management Fee	$88,000	$95,000	$102,000	$106,000	$109,000
NET INCOME	**$1,288,774**	**29%**	**$1,376,103**	**29%**	**$1,464,981**	**29%**	**$1,468,974**	**28%**	**$1,523,284**	**28%**

GREENVILLE OPERATING SUMMARY

Hotel Rooms	126	126	126	126	126
Available Hotel Rooms	45,990	45,990	45,990	45,990	45,990
Occupied Hotel Rooms	32,193	33,573	34,493	34,493	34,493
Occ Rate	70.0%	73.0%	75.0%	75.0%	75.0%
ADR	$136.00	$146.20	$150.73	$155.25	$159.91
RevPAR	$95.20	$106.73	$113.05	$116.44	$119.93

Revenue	Year 1 **2024**	Year 2 **2025**	Year 3 **2026**	Year 4 **2027**	Year 5 **2028**
Room Revenue	$4,378,248	$4,908,329	$5,199,130	$5,355,104	$5,515,757
Food and Beverage Revenue	$350,260	$392,666	$415,930	$428,408	$441,261
Other Revenue	$175,130	$206,150	$213,164	$219,559	$223,388
TOTAL REVENUE	**$4,903,638**	**$5,507,145**	**$5,828,225**	**$6,003,072**	**$6,180,406**
Department Expense					
Rooms Expense	$1,006,997	$1,079,832	$1,091,815	$1,124,592	$1,158,330
Food and Beverage Expense	$315,234	$353,400	$374,336	$385,568	$397,135
Other Expense	$61,295	$72,152	$74,608	$76,846	$78,185
Total Department Expense	**$1,383,526**	**$1,505,384**	**$1,540,759**	**$1,587,006**	**$1,633,650**
Operating Margin	**$3,520,111** 72%	**$4,001,761** 73%	**$4,287,466** 74%	**$4,416,066** 74%	**$4,546,756** 74%
Overhead Operating Expense					
Admin & General	$343,255	$385,500	$407,976	$420,215	$432,628
IT System	$88,265	$99,129	$104,908	$108,055	$111,247
Sales & Marketing	$171,627	$192,750	$203,988	$210,108	$216,314
Property Ops and Maintenance	$196,146	$214,779	$221,473	$228,117	$234,855
Utilities	$147,109	$159,707	$163,190	$168,086	$173,051
Franchise Fees	$343,255	$440,572	$466,258	$540,276	$556,237
Total Overhead Expense	**$1,289,656**	**$1,492,436**	**$1,567,793**	**$1,674,857**	**$1,724,333**
Gross Operating Profit	**$2,230,455** 45%	**$2,509,325** 46%	**$2,719,673** 47%	**$2,741,209** 46%	**$2,822,423** 46%
Management Fee	$147,109	$165,214	$174,847	$180,092	$185,412
Property and Other Tax	$205,953	$236,846	$243,951	$251,270	$258,808
Insurance	$63,747	$71,593	$75,767	$78,040	$80,345
EBITDA	**$1,813,646** 37%	**$2,035,672** 37%	**$2,225,109** 37%	**$2,231,807** 37%	**$2,297,858** 37%
Replacement Reserve	$196,146	$220,286	$233,129	$240,123	$247,216
Asset Management Fee	$98,073	$110,143	$116,565	$120,061	$123,608
NET INCOME	**$1,519,428** 31%	**$1,705,243** 31%	**$1,875,415** 32%	**$1,871,623** 31%	**$1,927,033** 31%



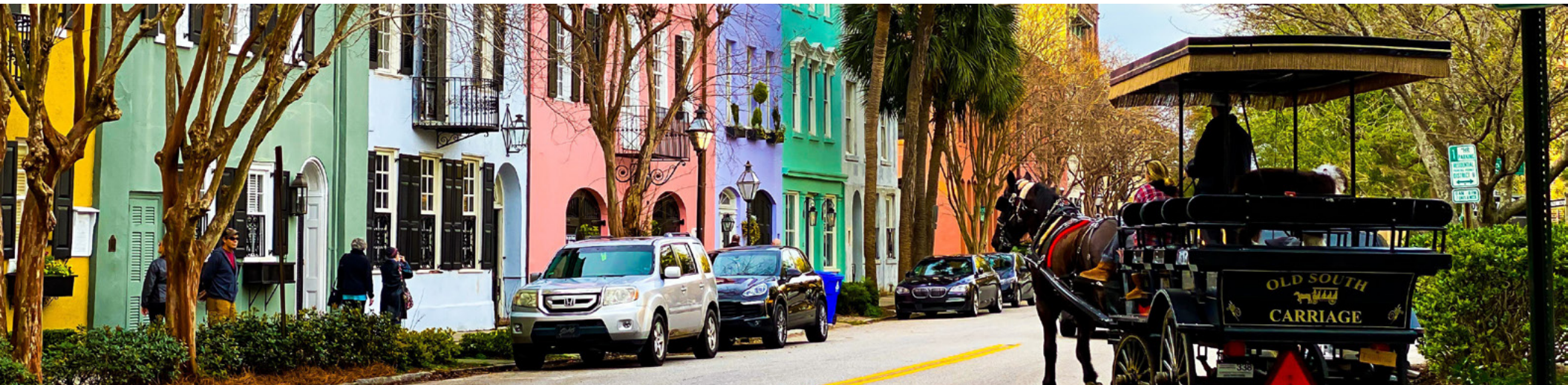
MARKET OVERVIEW

Charleston, South Carolina is a vibrant and thriving real estate market that continues to attract investors and businesses alike. Known for its rich history, charming architecture, and coastal beauty, Charleston offers a unique and compelling investment opportunity in the commercial real estate sector. The city's commercial real estate market has been on a steady growth trajectory, with increasing demand for hotel rooms, office spaces, retail properties, and industrial spaces. The historic downtown area, in particular, is a hotbed for mixed-use developments, offering prime locations for retail, office space, and hospitality.

The tourism industry remains a significant driver of demand, creating opportunities for hospitality and hotel developments. Charleston's growing technology and healthcare sectors have spurred demand for modern office spaces and research facilities, with several companies establishing their presence in the region. The Port of Charleston, one of the busiest ports on the East Coast, enhances the industrial and logistics sector, making the area attractive for distribution and warehousing investments. As e-commerce continues to grow, this sector is poised for sustained expansion. Charleston's real estate market has shown resilience and adaptability, even in the face of economic challenges. The city's economy, coupled with its exceptional quality of life, has made it an enticing destination for businesses and investors.

Charleston, South Carolina, presents a compelling market with diverse real estate opportunities and a thriving urban environment. The city's vibrant cultural and tourist scene adds to its allure for investors and businesses. Charleston continues to receive the top honors in awards:

- 2023 Worlds Best Awards (Favorite Cities in the U.S. category) - *"Travel and Leisure"*;
- Conde Nast has awarded Charleston for Best Small City for the past twelve of thirteen years;
- Conde Nast has awarded Charleston one of the friendliest U.S. cities;
- Travelers Choice 2022 Best of the Best "No. 2 Trending location in the United States.



CHARLESTON, SC | LOCAL MAP

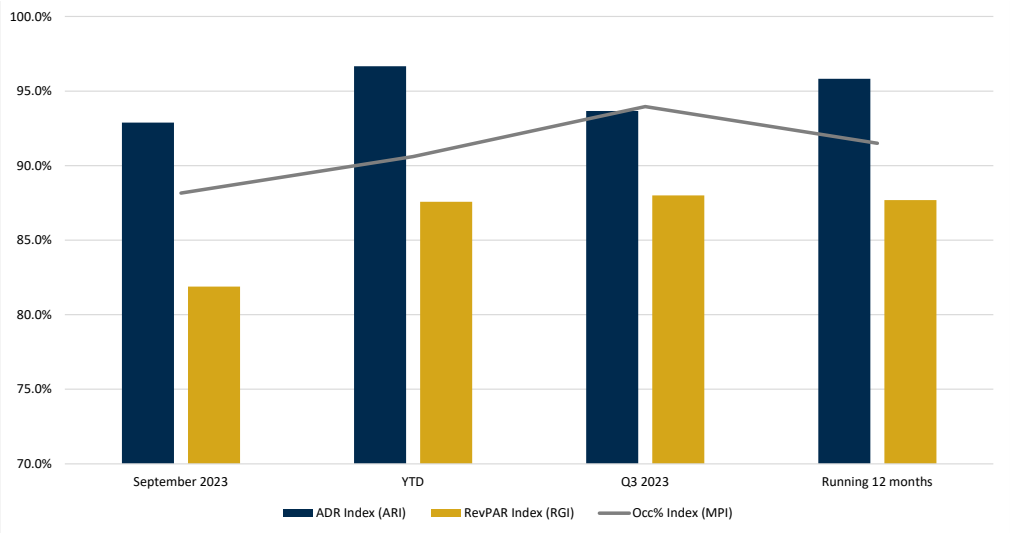



CHARLESTON
INTERNATIONAL AIRPORT
CreditOne
STADIUM
BOEING
ARTHUR RAVENEL JR BRIDGE
THE CITADEL
MUSC Health
Medical University of South Carolina
CHARLESTON
MUSIC HALL
South Carolina
Aquarium
COLLEGE of CHARLESTON
CHARLESTON
BATTERY
CHARLESTON, SC

Charleston has remained a very strong hotel market with 2023 outpacing 2022 demand. The market has continually seen tourism increase year over year since COVID. According to Colliers, Charleston tourism demand will continue to remain strong.

Name of Establishment	Class	Open Date	Rooms
Holiday Inn Charleston Riverview	Upper Midscale	March 1971	179
La Quinta Inn & Suites by Wyndham Charleston Riverview	Midscale	March 1987	174
Courtyard Charleston Waterfront	Upscale	Sept 1997	179
SpringHill Suites Charleston Riverview	Upscale	January 1999	123
Hilton Garden Inn Charleston Downtown Waterfront	Upscale	April 2024	141

		Occ	ADR	RevPAR
2023		**Comp Set**	Comp Set	Comp Set
9/1/2023 - 9/30/2023	**September 2023**	**70.1%**	**$173.93**	**$121.92**
1/1/2023 - 9/30/2023	YTD	73.4%	$175.63	$128.91
7/1/2023 - 9/30/2023	Q3 2023	72.8%	$169.78	$123.60
10/1/2022 - 9/30/2023	Running 12 months	70.6%	$173.43	$122.44
2022				
9/1/2022 - 9/30/2022	September 2022	71.0%	$165.18	$117.31
1/1/2022 - 9/30/2022	YTD	72.4%	$177.40	$128.42
7/1/2022 - 9/30/2022	Q3 2022	75.8%	$166.13	$125.85
10/1/2021 - 9/30/2022	Running 12 months	70.7%	$173.60	$122.69



Summerville, South Carolina is a suburb of Charleston just **25 miles** Northwest of historic downtown Charleston peninsula. Summerville has a population of just over 165,000. Nestled within the beautiful Lowcountry of South Carolina, Summerville is an exceptional blend of charm, heritage, and growth. Summerville's real estate market is characterized by a dynamic blend of historic neighborhoods and modern developments, like the **Nexton Community** capitalizing on a high growth corridor in one of the top spots in South Carolina voted Innovator of the Year in 2022 at the Charleston Metro Chamber Awards. Nexton also has won two Best in American Living awards by the National Association of Home Builders Design Committee in Mixed use and Green Community. Summerville's diverse housing options cater to a wide range of preferences, making it an attractive destination for both residents and investors. The city's picturesque surroundings, with moss-draped oaks and azalea-filled gardens, add to its allure. The town's aesthetic beauty enhances the value of its properties, creating a unique selling point for potential investors. Summerville's strategic location, just a short drive from Charleston, has contributed to its steady population growth. This ongoing influx of residents fuels the demand for housing, making Summerville an appealing option for real estate investors seeking a growing market.

Summerville's historic district is known for its charming southern architecture and well-preserved streets. The town takes pride in its rich heritage, evident in the elegant homes and inviting gardens that grace the area. The economy of Summerville, SC employs more than 24.4k people. The largest industries in Summerville, SC are Health Care & Social Assistance (3,608 people), Retail Trade (2,800 people), and Manufacturing (2,683 people), and the highest paying industries are Utilities ($76,985), Professional, Scientific, & Technical Services ($65,462), and Transportation & Warehousing, & Utilities ($60,400).





SUMMERVILLE, SC

VOLVO CARS USA

CHARLESTON SOUTHERN UNIVERSITY

ROPER ST. FRANCIS HEALTHCARE

BOEING

MERCEDES ASSEMBLY PLANT

CHARLESTON INTERNATIONAL AIRPORT

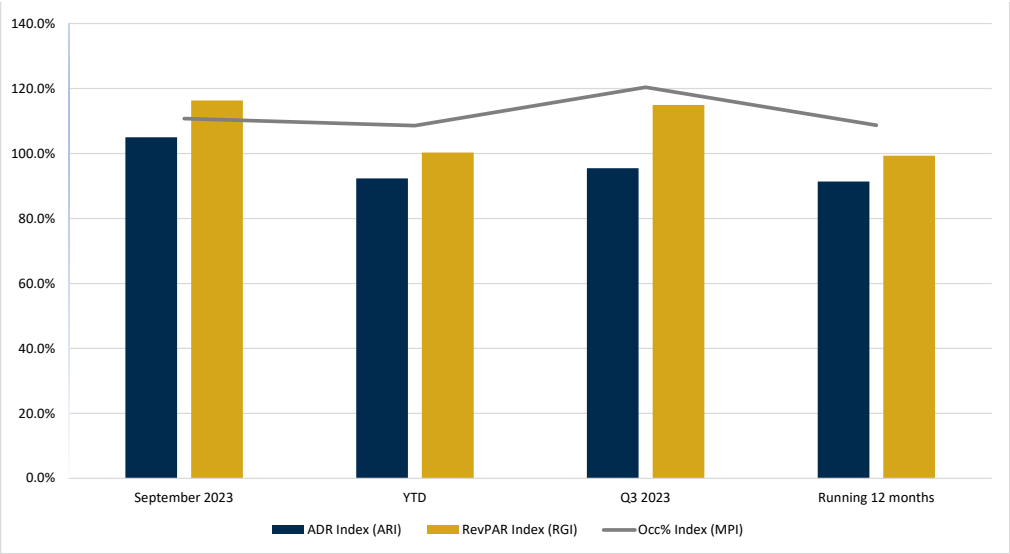
Pinopolis
Cherry Hill
Harleyville
Bethera
Witherbee
Cordesville
Bonneau Ferry Wildlife Management Area
Huger
Francis Marion National Forest
Ridgeville
Strawberry
Woodland
Sangaree
Woodbridge
Summerville
Knightsville
Lincolnville
Ladson
Goose Creek
Avenue of Oaks
ASHBOROUGH
WINDSOR HILL PLANTATION
Cottageville
Hanahan
Wando
Woodville
Wildwood
Magnolia Plantation and Gardens
North Charleston
Boone Hall Plantation & Gardens
NORTH MOUNT PLEASANT
Mt Pleasant
Dewees Is
Isle of Palms
WILD DUNES
I'ON
WRAGGBOROUGH
Charleston
Sullivan's Island
JAMES ISLAND
Fort Sumter National Monument
Jacksonboro
Parkers Ferry
Osborn
Jericho
Ravenel


HISTORIC DOWNTOWN CHARLESTON
MERCEDES ASSEMBLY PLANT
BOEING
CHARLESTON INTERNATIONAL AIRPORT
CHARLESTON SOUTHERN UNIVERSITY
526
26
26
26
26
SUMMERVILLE, SC
VOLVO CARS USA

Summerville's tourism and business market has seen continual growth for the past decade. The STR reports below have shown growth from 2022 compared to 2023 as you can see from the running 12 months of occupancy in 2022 at 71.6% while 2023 increased to 72.2%.

Name of Establishment	Class	Open Date	Rooms
Wyndham Garden Summerville	Upper Midscale	Jan 1982	123
Country Inn & Suites Summerville	Upper Midscale	Nov 2004	84
Courtyard Charleston Summerville	Upscale	Oct 2014	96
Hampton Inn Summerville	Upper Midscale	July 2016	80
Holiday Inn Express & Suites Summerville	Upper Midscale	Nov 2017	111
Residence Inn Charleston Summerville	Extended Stay	August 2018	96

		Occ	ADR	RevPAR
2023		**Comp Set**	Comp Set	Comp Set
9/1/2023 - 9/30/2023	September 2023	75.1%	$113.89	$85.55
1/1/2023 - 9/30/2023	YTD	73.6%	$128.92	$94.92
7/1/2023 - 9/30/2023	Q3 2023	71.9%	$124.68	$89.69
10/1/2022 - 9/30/2023	Running 12 months	72.2%	$128.79	$92.93
2022				
9/1/2022 - 9/30/2022	September 2022	69.6%	$127.56	$88.80
1/1/2022 - 9/30/2022	YTD	72.9%	$128.55	$93.73
7/1/2022 - 9/30/2022	Q3 2022	73.3%	$132.39	$97.11
10/1/2021 - 9/30/2022	Running 12 months	71.6%	$125.65	$89.99



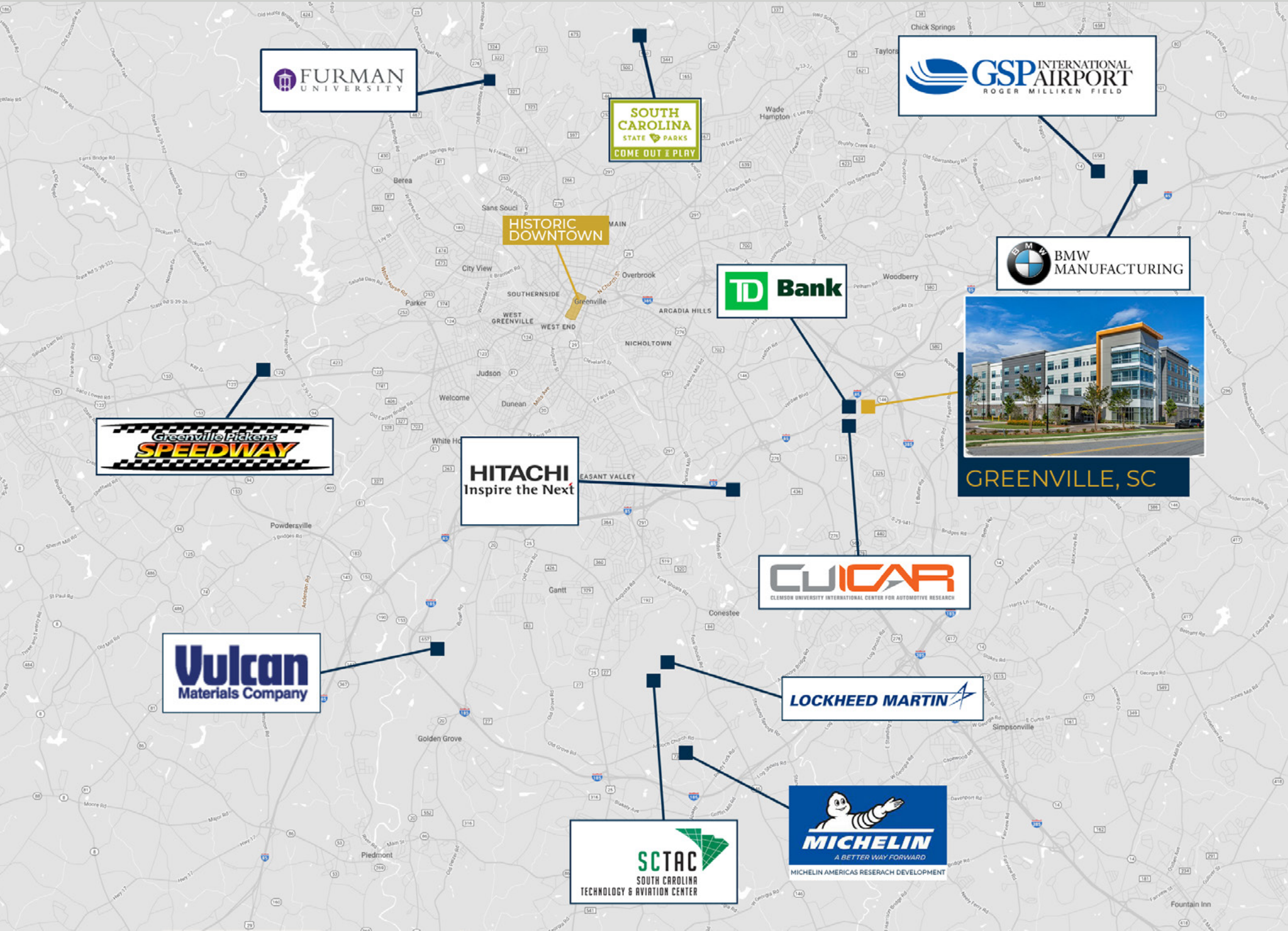
Located at the northwest corner of South Carolina, Greenville stands as a dynamic and strategically located city at the foothills of the Blue Ridge Mountains. Boasting easy accessibility via Interstate highways 85, 185, and 385, as well as U.S. highways 25, 123, 29, and 276, Greenville finds itself centrally positioned between major cities such as Atlanta and Charlotte.

Greenville's business landscape reflects a thriving economy in a state known for its employment-at-will policies. The Upstate region features designated foreign trade zones, propelling Greenville to the forefront of foreign capital investment per capita nationwide. Major businesses, including industry giants such as BMW and Michelin, underscore the city's global appeal. Demographically, Greenville County's population is 533,834, with a median age of 36.9 years and median household income of just above $65,000.

Greenville is an education hub, home to **Clemson University**, a major demand driver for the local hotel industry. Clemson brings in many families and friends year-round due to the **23,406** enrolled students. Greenville boasts the largest public school system in the state and 11 magnet academies catering to specialized studies across all education levels. Complementing this commitment, the city hosts over 10 colleges and universities, fostering a rich educational ecosystem. Beyond academics, Greenville's entertainment scene is equally robust, with an award-winning downtown, a major performing arts center, and a 17,000-seat arena. The city's cultural richness extends to nationally recognized museum collections and a vast network of 39 parks, playgrounds, and recreation centers. Greenville offers a comfortable and temperate climate. In essence, Greenville emerges not just as a city but as a holistic community, seamlessly integrating business opportunities, education, entertainment, and an enviable quality of life.



GREENVILLE, SC | LOCAL MAP

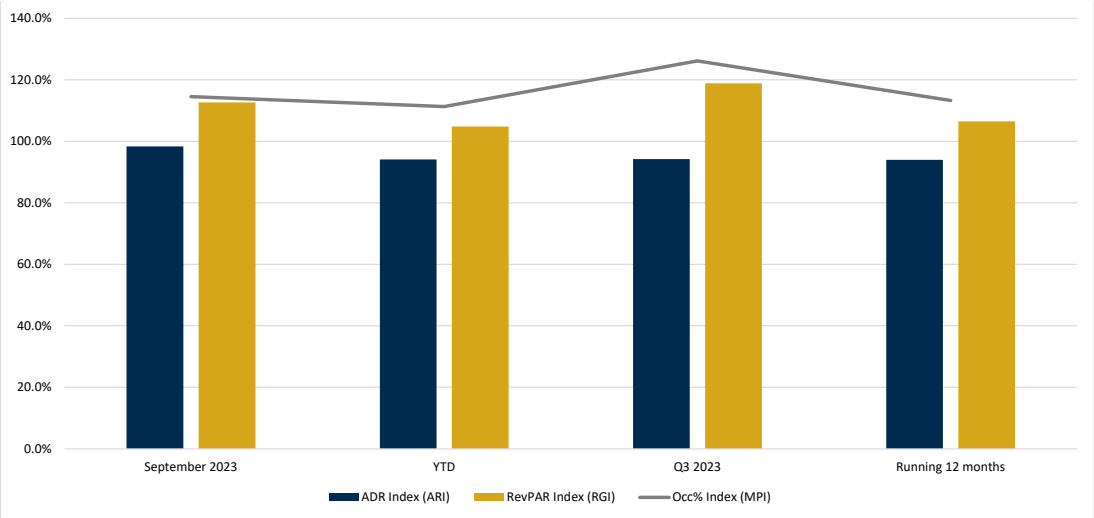



SOUTH CAROLINA STATE PARKS COME OUT AND PLAY
FURMAN UNIVERSITY
GSP INTERNATIONAL AIRPORT ROGER MILLIKEN FIELD
TD Bank
GREENVILLE, SC
CUICAR
HITACHI Inspire the Next
HISTORIC DOWNTOWN
385
85
185

The hospitality industry in Greenville-Spartanburg continues to recover after COVID with a significant increase in business travel over the last few years. Key indicators have remained stable and increased slightly, indicating the area has been less influenced by or depending on business and tourism-related visits compared to other South Carolina markets.

Name of Establishment	Class	Open Date	Rooms
Courtyard Greenville Haywood Mall	Upscale	March 1988	146
Hyatt Place Greenville/Haywood	Upscale	July 1997	126
Hampton Inn Greenville I-385 Woodruff Rd	Upper Midscale	Sept 1997	115
Drury Inn Express & Suites Greenville I 85 & Woodruff Rd.	Upper Midscale	Aug 2001	155
Drury Inn & Suites Greenville	Upscale	January 2007	180
Hilton Garden Inn Greenville	Upscale	October 2009	120

		Occ	ADR	RevPAR
2023		**Comp Set**	Comp Set	Comp Set
9/1/2023 - 9/30/2023	September 2023	65.9%	$116.05	$76.48
1/1/2023 - 9/30/2023	YTD	67.2%	$116.56	$78.27
7/1/2023 - 9/30/2023	Q3 2023	64.1%	$114.04	$73.04
10/1/2022 - 9/30/2023	Running 12 months	66.6%	$116.31	$77.50
2022				
9/1/2022 - 9/30/2022	September 2022	65.6%	$113.46	$74.44
1/1/2022 - 9/30/2022	YTD	64.6%	$114.97	$74.23
7/1/2022 - 9/30/2022	Q3 2022	62.8%	$111.30	$69.89
10/1/2021 - 9/30/2022	Running 12 months	62.9%	$114.54	$72.00





GRAPHICS

CHARLESTON PROPERTY PHOTOS















GREENVILLE PROPERTY PHOTOS










SPONSOR PROFILE



RREAF HOLDINGS

RREAF Holdings LLC ("RREAF") is a privately held, vertically integrated commercial real estate company based in Dallas, Texas with roots that go back 35 years in the industry. RREAF focuses its portfolio of commercial real estate projects and development under five principal divisions, catering primarily to middle-income America, with programmatic value-add multifamily, opportunistic hospitality and resorts, core ground-up development, large and highly amenitized, programmed master planned developments, and ground-up extended stay hospitality development.

Winner of the 2021 Multifamily Operator of the Year Award and selected as an Optigo® 2022 Select Sponsor, RREAF endeavors to provide tangible impact in local communities it serves. RREAF's mission is to enhance the lives of its investors, project partners, residents, and guests by providing outstanding service, excellence, and expertise with integrity, vision, values and purpose.

Along with its debt and equity partners, RREAF has built within its core competencies a diversified portfolio of properties and projects presently across 11 States, in excess of $2.7 billion in assets under management. Its vertical integration employs over 375 people, mostly in the Sun Belt region, across a full range of commercial real estate investment disciplines, including in-house underwriting, due diligence, capital markets, acquisition, asset management, property management, construction management, project development, accounting and legal support.

RREAF's "opportunistic" beach-front hospitality and resort redevelopment platform was born in 2012, with a focus on acquiring and operating hotel assets in strong beach front markets in the Southern Gulf Coast regions of Florida and along the Southern Atlantic Coast. Since then, RREAF has created its own "flagged brand" of "Beachside Resorts," which has strategically expanded its reach locations in Panama City Beach, Pensacola Beach, and Cocoa Beach markets in Florida, while continuing it search for other targeted assets along the Southern Atlantic Coast.

The company is actively engaged in substantial ground-up development projects in several States, including Texas, Tennessee, Utah, and South Carolina. These projects include two branded resorts (Galveston, Texas and Myrtle Beach, South Carolina), master planned communities (Kerrville, Caldwell County, and Midlothian, Texas), multifunction residential housing projects in Salado, Texas, and extended stay hotels in Smyrna, Tennessee, Bluffdale, Utah, and Meridian, Idaho, with several additional locations presently in contract negotiation. RREAF's completed ground-up development portfolio boasts a Delta by Marriott hotel in Southlake, Texas, a Cambria hotel in Charleston, South Carolina, apartment complexes in Kerrville, Texas and Gallatin, Tennessee, and a commercial strip center in Gallatin, TN.



KIP SOWDEN

CHAIRMAN / CHIEF EXECUTIVE OFFICER OF RREAF HOLDINGS

Mr. Sowden has over 37 years of experience in commercial real estate with a strong background in real estate brokerage and mortgage finance, acquisition, development, and asset management. He has been active in sales of more than 12 million square feet of commercial real estate and over 36,000 apartment units throughout the United States.

Mr. Sowden has also been involved in the financing of over $2.5 billion in commercial real estate loans. He has brokered the sale of over $4.5 billion in commercial real estate transactions on behalf of some of the largest institutional owners in the United States. Mr. Sowden has acquired, developed, and renovated over $1.5 billion in commercial real estate to include retail, office, multi-family, and hospitality throughout the Southwestern and the Southeastern United States.

Mr. Sowden is responsible for the overall direction of RREAF Holdings and RREAF's subsidiary companies including strategic planning for all growth areas of the company to include but not be limited to, its development, acquisitions, property, and asset management programs as well as the development and implementation of commercial real estate funds.

Mr. Sowden graduated in 1985 with a BS in Economics and a BBA in Finance from the University of Texas at Austin. He has maintained an active Texas Real Estate Brokers License for the past 25 years.



MITCH PROVOSTY

CHIEF FINANCIAL OFFICER OF RREAF HOLDINGS

Mr. Provosty has over twenty years of experience in the commercial real estate industry as an investor, developer, advisor, and general contractor. Mr. Provosty has eight years of experience in the residential and commercial construction industry in Florida. Mr. Provosty has been directly involved in the acquisition, redevelopment, and disposition of over $250MM worth of commercial real estate projects over the last several years. Mr. Provosty is also the founding partner of Ravenswood Holdings LLC. Mr. Provosty is a principal in RREAF Holdings LLC, Realty America Group Strategic Opportunity Fund and Realty America Development. Prior to his commercial real estate activities, Mr. Provosty worked as a project manager in manufacturing plants executing large industrial construction projects. Mr. Provosty earned a Bachelor of Science in Mechanical Engineering from the University of Texas at Austin in 1985 and a Masters of Business Administration from University of Virginia's Colgate Darden School of Business in 1991.In addition to his Florida Certified Building License, he holds real estate licenses in both Florida and Texas.



DOUG MCKNIGHT

PRESIDENT OF RREAF HOLDINGS

Mr. McKnight has over 30 years of experience in the capital markets with a focus on investment banking and institutional trading of fixed income and structured debt. Mr. McKnight is recognized in the financial industry for formulating strategies to maximize portfolio performance while maintaining balanced liquidity-versus-yield relationships. He specializes in asset/liability modeling and structuring portfolios to match or exceed objectives. His clients have included public funds, depository institutions, financial management firms, insurance companies, pension funds and foreign central banks. At present, Mr. McKnight serves as a director of the RREAF multifamily platform, which formed in 2014 with a primary focus on secondary markets in the South, Southeast, and Southern Coastal regions of the United States. This effort over the past 5 years has grown to include over 7,000 units and 35 apartment communities serving a cross-section of middle America with a focus on workforce housing. Mr. McKnight has various licenses in the financial industry including Series 63, Series 7 and Principal Series 24. Up until July 2015, he was an active partner at Vining Sparks IBG, L.P., a large regional broker-dealer headquartered in Memphis, TN, and remains a minority non-active partner at the firm. Mr. McKnight has been a founding partner at RREAF since 2010.



JEFF HOLZMANN

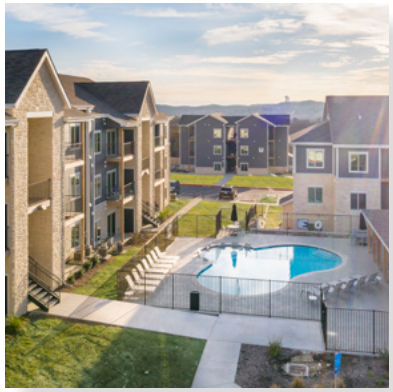
CHIEF OPERATING OFFICER OF RREAF HOLDINGS

Mr. Holzmann joined RREAF in 2019 as the Chief Executive Officer of the I.R.M subsidiary and President of Asset Management. Mr. Holzmann oversees the entire Realty Shares portfolio of assets, including thousands of customers and hundreds of real estate assets across the country, with a combined asset value of over $1.5 Billion. Mr. Holzmann brings over 25 years of senior executive management. Experience in the digital technology, venture capital investments, aviation and real estate industries, mostly with large, publicly traded companies. Prior to joining RREAF, Mr. Holzmann served as the Managing Director of into, a real estate crowdfunding platform, the President of IncrediMail (NASDAQ:MAIL), and Chief Executive Officer of Genius Technologies, a venture capital investment fund from the B.Gaon group (TASE:GAON). Mr. Holzmann is often quoted in the media as an expert on real estate and investments, and formerly cohosted a television show about technology. Mr. Holzmann holds a B.A in Business Administration and Information Technologies from the The Arison School of Business at I.D.C Hertzlia in Israel, and also serves as an airline pilot for a major US carrier.

SAMPLE OF RREAF'S CURRENT GROUND-UP DEVELOPMENT PORTFOLIO



Delta by Marriott
Southlake, TX



Sendero Ridge
Kerrville, TX



The Trails at Hunter Pointe
Gallatin, TN



Extended Stay America
Smyrna, TN



Cambria Hotel Charleston
Charleston, SC



The Shoppes at Hunter Pointe
Southlake, TX

SAMPLE OF RREAF'S CURRENT MULTIFAMILY PORTFOLIO



San Remo
Houston, TX



Beacon Hill
Little Rock, AR



San Marino
Houston, TX



Park Avenue Lofts
Little Rock, AR



Bay Vista
Corpus Christi, TX



Ascend Midtown
Savannah, GA

Raines is a fully integrated development, management, and investment company offering a wide range of services with a reputation for delivering exceptional results to investors, partners, and the communities we work in. Raines develops, operates and owns the world's leading hotel brands providing third party management, asset management, and construction management services for every step of the hotel investment cycle.

Operations

At Raines, we work hard to maximize a property's performance and efficiencies , whether our own or through third-party management and partnerships. We understand that each property requires a unique approach, applying specific market knowledge and expertise. Our years of experience provide a variety of services throughout the hotel life cycle across all brands and property types, setting the stage for sustainable growth and success.

Development

Raines has over 20 years of hospitality property development experience, including new construction, renovation, and repositioning. Our development and construction management team provides the industry experience and knowledge to take projects from start to finish. We have specific knowledge of historic adaptive reuse and historic rehabilitation through projects such as Hotel Florence, The Foundry Hotel, and The Waynesville Inn & Golf Club. Expanding our development and construction services, the development arm of Raines now includes not only hotels, but office projects in southeastern markets.

Investor Services

Raines has experience in all aspects of the hospitality investment cycle, allowing us to evaluate every dollar that goes into the successful operations of a hotel. We have many investors who have been with us for years and have re-invested with us time and time again. As owners, we invest in many of the projects we develop and manage. Working across several economic cycles provides the knowledge and expertise to identify opportunities while maximizing the income production of each individual asset.

Recognition & Awards

- Hotel Management & Hotel Business - Top 3rd Party Management Company
- Lodging Magazine & Hotel Business - Top 100 Management Companies
- Top Owner & Operator - Lodging Hospitality
- Elite Management Company - Hotel Interactive
- Worldwide Hotel of the Year, Hilton Garden Inn Brand - Hilton Garden Inn, Cartersville, GA



GREY RAINES

PRINCIPAL & MANAGING PARTNER

Grey Raines is a Managing Partner of Raines, one of the Southeast's premier hospitality, management, development, and investment groups. Grey comes from a family of hospitality entrepreneurs that has been in operation for more than 50 years, combined. Following in his family's footsteps, Grey has been at the helm of Raines, overseeing the company's growth and development over the past decade.

Though immersed in the industry his whole life, Grey officially began his career as a short order cook at the Courtyard by Marriott in Florence, SC in 2003. Passionate about the family business and developing his industry knowledge, he continued working his way up, serving in nearly every front of house position possible from front desk associate, front office manager, and general manager to Vice President of Development, and finally President in 2013. Over the course of his tenure, Grey has helped grow Raines from two hotels in Florence, SC to now over 40 hotels spanned out across the Southeast.

Grey's approach to hospitality is centered around people – his colleagues, partners, and the guests he serves at Raines' properties. He is proud of the team they have cultivated, and he is passionate about maintaining a family culture within the growing company. Under his direction, the growing firm is focused on the stewardship of his family's business and continues to build upon the foundation it is rooted in. Grey and his entire team of highly experienced hospitality professionals put forth every effort to be the preferred partner in all development, management, and investment projects in the Southeast.



DAVID TART

PRINCIPAL & MANAGING PARTNER

David Tart is a Managing Partner of Raines, one of the Southeast's premier hospitality, management, and investment groups. Raised in a military family, Tart spent his childhood in Wichita, Kansas, before moving to Pittsburg, PA and later Raleigh, NC, where he attended high school. From there, he made his way to Columbia, SC where he graduated from the University of South Carolina with a degree in Biology.

Tart became interested in the hospitality industry in 2005 when he helped develop a small Hampton Inn in Dunn, NC on his family's century-old farmland. A project that was close to his heart, Tart's experience developing and opening the property sparked his passion and eventually led to his involvement with Raines. Founded on a strong friendship with the company's president Grey Raines and the larger Raines family, Tart shares a like-minded vision and approach to hotel ownership, development, and management and officially began partnering with Raines in 2017.

At Raines, Tart takes an instinctive and thoughtful approach to decision making. Focused on nurturing his team and delivering consistent results for partners and investors, he embraces change and welcomes opportunities to grow and adapt with the evolving industry. While highly experienced in managing projects from the discovery stage through the development stages, he's truly passionate about creating jobs and career opportunities for those who choose to be part of the Raines family.

THE CLASS A-1 UNITS DESCRIBED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR UNDER THE LAWS OF ANY STATE OR OTHER JURISDICTION. THE CLASS A-1 UNITS WILL BE OFFERED IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND APPLICABLE STATE LAWS. THEREFORE, THE CLASS A UNITS CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER THE 1933 ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THE CLASS A-1 UNITS OR PASSED UPON THE ACCURACY OR THE ADEQUACY OF THE OFFERING OR ANY OF THE OFFERING MATERIALS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

SPECIAL NOTE ABOUT FORWARD-LOOKING STATEMENTS

Certain statements in this Equity Request and related materials constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. This Equity Request and related materials contain forward-looking statements that are based on the Sponsor's beliefs and assumptions and on information currently available to the Sponsor. Forward-looking statements include the information concerning the Issuer's possible or assumed future development strategies, financing plans, potential growth opportunities and benefits resulting from an offering of its securities. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believes," "expects," "anticipates," "intends," "plans," "estimates," or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Forward-looking statements and any financial projections are "forward-looking statements" as defined by applicable law, including the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those expressed in these forward-looking statements. Factors that may cause actual results to differ from these forward-looking statements include but are not limited to: (i) the sensitivity of the Issuer's and the Subsidiaries businesses to general economic conditions; (ii) changes in federal and applicable state income tax laws, and (iii) other economic, competitive and governmental factors affecting the operations, prospects, and finances of the Subsidiaries, the Properties, and the Issuer. Prospective investors should not unduly rely on any forward-looking statements.

The Issuer has no intention or obligation to update forward-looking statements after the date of this Equity Request.

CONTACT INFORMATION

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