



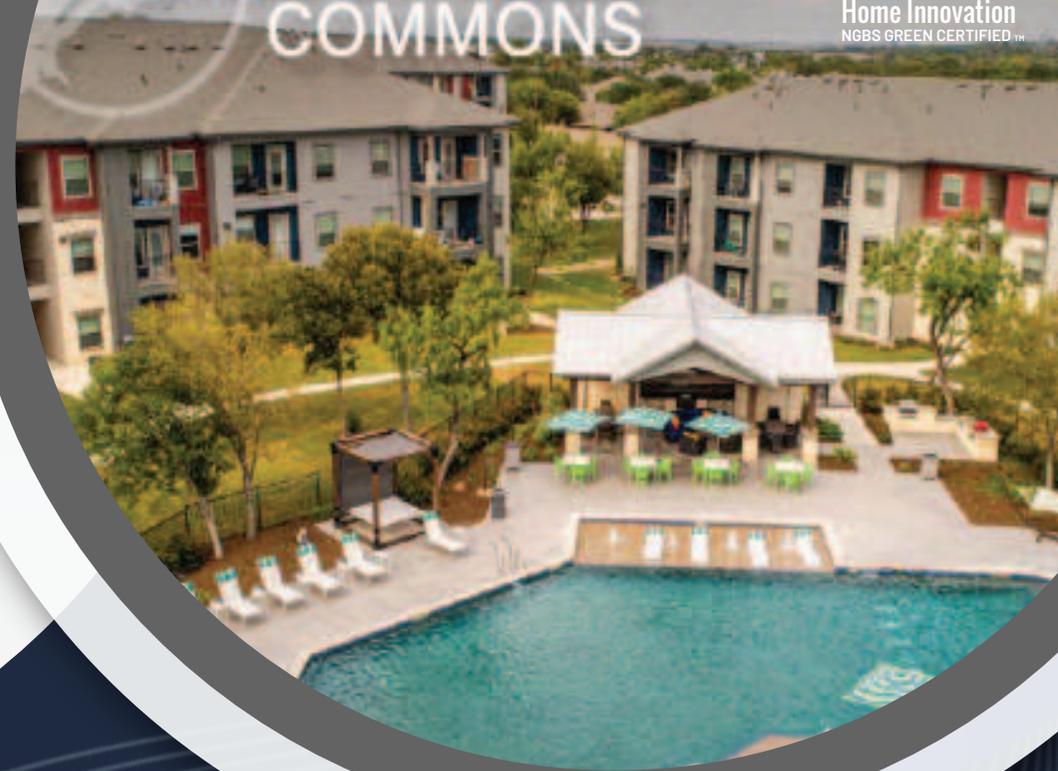
DREAMSTONE

# TIMBERHILL COMMONS

TIMBERHILL  
COMMONS



Home Innovation  
NGBS GREEN CERTIFIED™



**340 unit Multifamily Apartment Complex**

# DISCLAIMER

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This document contains certain forward-looking statements. Assumptions relating to forward-looking statements involve judgments with respect to, among other things, future economic, competitive, and market conditions, and future business and regulatory decisions, all of which are difficult or impossible to predict accurately, and many of which are beyond our control. When used herein, the words “anticipate,” “attempt,” “believe,” “hope” and similar expressions identify forward-looking statements. These and other statements, which are not historical facts, are based largely on management’s current expectations and assumptions and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those contemplated by these forward-looking statements. Although we believe that the assumptions underlying these forward looking statements are reasonable, any of the assumptions could prove inaccurate, and we may not realize the results contemplated by the forward looking statement. In light of the significant uncertainties inherent in the forward-looking information included herein, you should not regard the inclusion of this information as our representation that we will achieve any strategy, objectives, or other plans.

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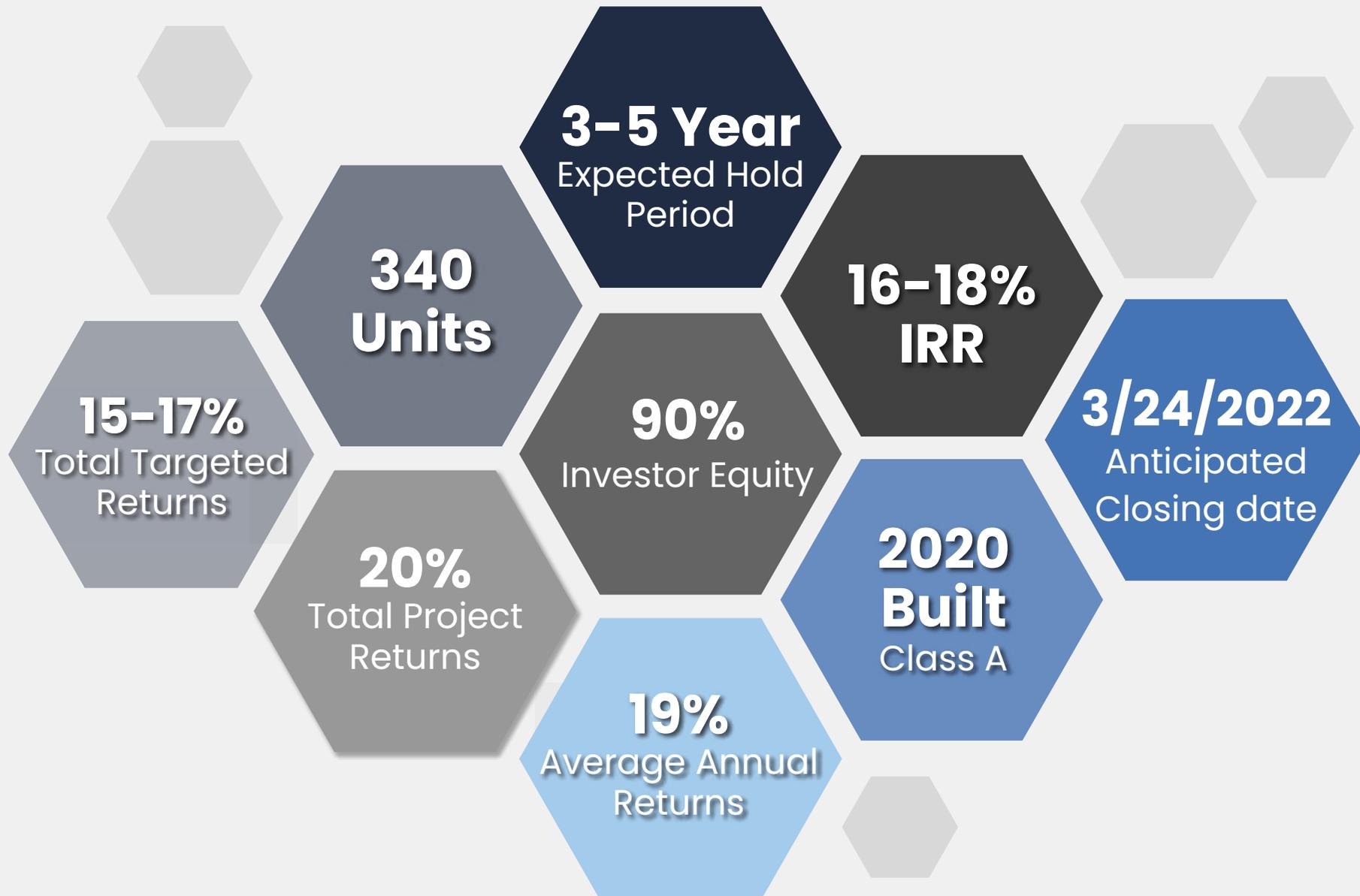
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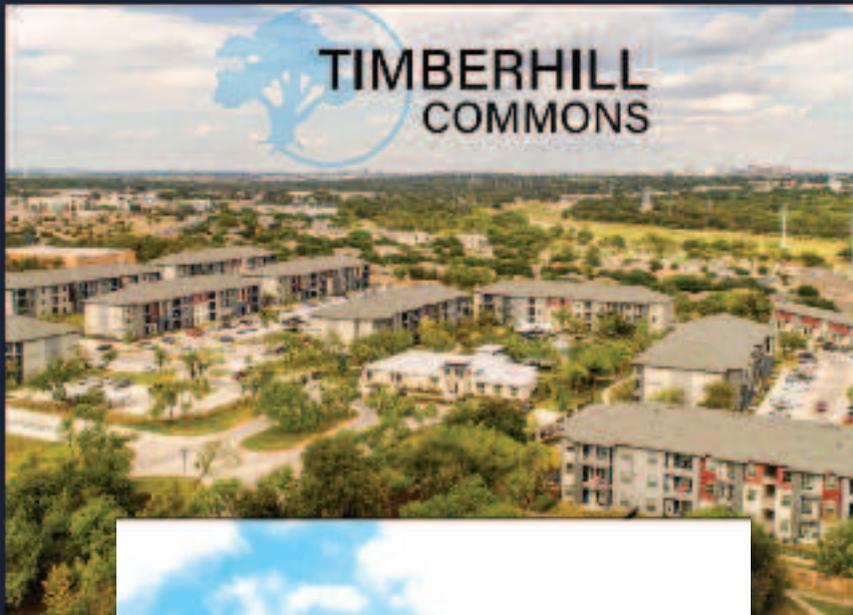
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# THE OPPORTUNITY



# EXECUTIVE SUMMARY



The sponsors are arranging for the acquisition of a real estate interest in the properties by a limited number of accredited investors. The property consists of 340 apartment rental units. The total purchase price is \$68,880,000.

## INVESTMENT HIGHLIGHTS

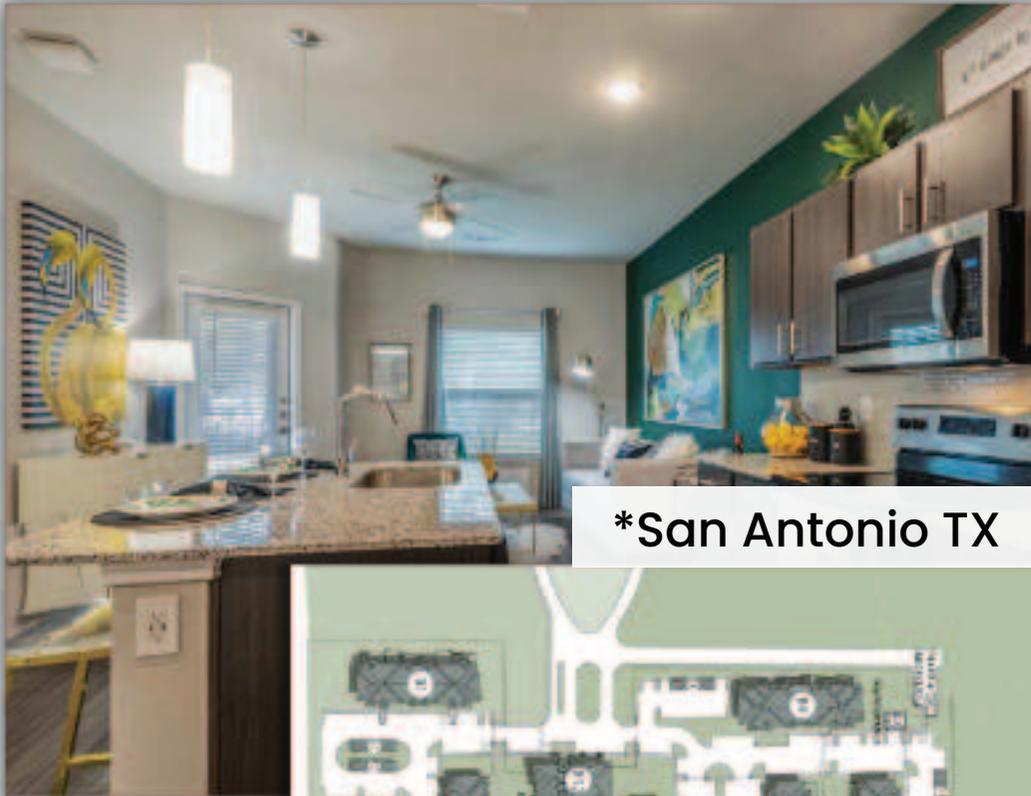
- ◆ 2020 Construction, results in low maintenance costs.
- ◆ Current occupancy 94% with a loss to lease of \$250+ / unit to market rents.
- ◆ Preferred rate of return distributions are made quarterly after the first quarter of new owner stabilization.
- ◆ Investors should be prepared to leave their original capital in for a minimum of 3-5 years, with a possibility to refinance and repay the investor's principal earlier. Upon a refinance or sale of the property, investors first receive their principal back then profit splits.
- ◆ Immediate value-add opportunity to bring year 1 rents to market rates at renewal. Addition of Smart locks and Thermostats adds additional revenue source for more sophisticated living package.
- ◆ Close to major demand drivers and local employers
- ◆ Average household income over \$52,000.

# SOURCES AND USES

Sources		
SeniorDebt	\$57M	72%
Equity	\$16.4M	22%
Total Sources	\$73.4M	100%
Uses		
Acquisition Cost	\$68.8M	93%
Property Reserves	\$0.6M	1%
Acquisition Fees	\$0.6M	1%
Closing Costs	\$3.4M	4.7%
Total Uses	\$73.4M	100%



# INSTITUTIONAL ASSET



\*San Antonio TX



## Institutional Level Asset – Opportunity

- ◆ A - level finishes
- ◆ Significant loss to lease to capture with year 1 rent increases
- ◆ Value add Tech-packages
- ◆ Additional revenue to be captured in amenity fee
- ◆ Additional income by increasing private patio fee



# ABOUT THE TEAM

# ABOUT DREAMSTONE

**Dreamstone Investments** is a privately held apartment and commercial real estate company that was founded by Vehano Joseph and Nick Contessa in 2018. Dreamstone targets underperforming properties nationwide and has experienced tremendous growth since its inception, currently owning and managing 900+ units in the Atlanta, Nashville, and Tampa Bay MSAs. Dreamstone is a vertically integrated firm with established investment, asset management, and property management arms. As an additional layer of transparency Dreamstone is a Verivest verified sponsor, which means our investments are independently monitored by Verivest fund administrators for added peace of mind.

## OUR GOAL IS TO SIMPLIFY THE CAPITAL MARKETS PROCESS BY:

01

Developing / Acquiring assets,

02

Asset manage to a proven strategy / business plan and,

03

Exit the asset maximizing the return for the investor.

Our mission is to provide a streamlined investment vehicle in multifamily real estate acquisitions and developments, which not only provides our investors with attractive risk adjusted returns but also creates a vibrant environment for tenants to become residents.



DREAMSTONE

Integrity

Excellence

Value

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Timberhill Commons 340 unit Multifamily Apartment Complex

 Verified

# CO-GENERAL PARTNER : ARCAN CAPITAL

**Arcan Capital** is a privately held real estate company focused on the acquisition and management of apartment properties throughout the Southeast, Mid-Atlantic and South-Central United States. Arcan Capital manages nearly 3,500 units with total assets under management of approximately \$350 million. In total, the principals of Arcan Capital have acquired and managed half a billion dollars in multifamily assets across the Southeast. In addition, they placed nearly \$200 million in financing with lenders such as Fannie Mae, Freddie Mac, HUD, banks and insurance companies.

Arcan Capital currently serves as asset and property manager for nearly 3,500 units where they handle every aspect of management on behalf of investors and owners. They also manage nearly 1,500 units as a third-party manager.

Arcan is currently active in Alabama, Georgia, North and South Carolina. The current portfolio is approximately 95% occupied



**Integrity**

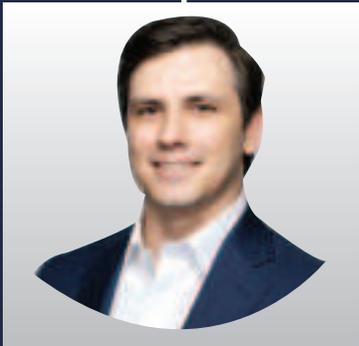
**Excellence**

**Value**

# CO-GENERAL PARTNER : ARCAN CAPITAL



**Vehano Joseph CA(SA), Principal** | Prior to launching Dreamstone, Vehano, Chartered Accountant/CPA from Cape Town, South Africa, was a Fortune 50 financial consultant. He managed business mergers and acquisitions in excess of 5 billion dollars. Vehano brings his exceptional financial acumen and managerial experience to drive favorable investor returns.



**Nicholas Contessa, Principal** | Nick manages the operations and renovations for Dreamstone's portfolio. Nick previously worked as a project and estimating manager for a prominent residential shell contractor in Florida where he managed the shell construction of over 800 projects.



**Steve O'Brien is a Co-Founder and the President** | Arcan Capital. Mr. O'Brien determines the investment strategy for the firm and oversees the financial performance and reporting for all investments. In addition, Mr. O'Brien is responsible for the identification, acquisition, management and reporting of over 30 multifamily assets totaling over \$400 million in the last five years, including the placement of over \$250 million in financing with FMNA, FMAC, HUD and bank and insurance sources.

Mr. O'Brien received his Bachelor of Business Administration from Emory STEVE O'BRIEN University's Goizueta Business School with depths in Finance and Marketing

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# CONTACT

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# PREVIOUS SUCCESS



# CASE STUDY – ARCAN



**BEFORE**



**AFTER**

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**PROPERTY:**

**PARKSIDE SANDY SPRINGS**

**LOCATION:**

Atlanta, GA

**No.  
Units:**

**102**

**PURCHASE:**

\$ 10,250,000

**DATE:**

Feb 2018

**SALE:**

\$ 14,000,000

**DATE:**

Oct 2020

**PROJECTED PROJECT IRR:**

**20%+**

**PROJECTED INVESTOR IRR:**

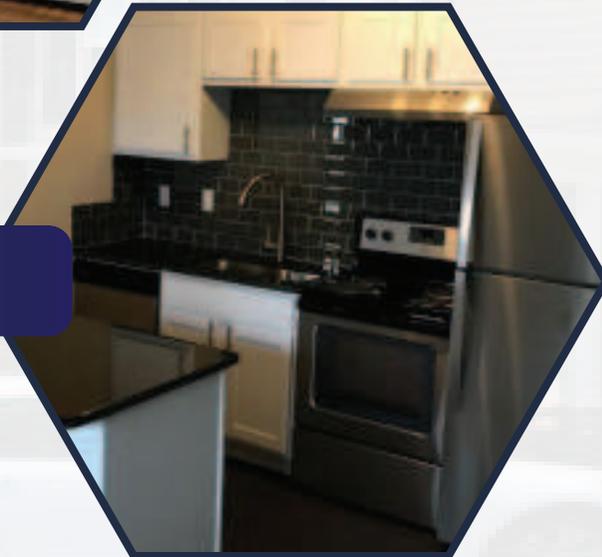
**20%+**

Parkside sandy springs was acquired in nearly original condition. The Property was in fine shape but the neighborhood called for a far superior Product. New roofs, siding, doors, windows, and painting transformed the Asset and dramatically increased value. Unit interior upgrades achieve an Average monthly rate increase of over \$425. Recap / lp equity buyout.

# CASE STUDY – ARCAN



**BEFORE**



**AFTER**

**PROPERTY:**

**SUMMIT VILLAGE**

**LOCATION:**

Greensboro,  
NC

**NO.  
UNI TS:**

**276**

**PURCHASE:**

\$ 11,570,000

**DATE:**

Nov 2016

**SALE:**

\$ 16,500,000

**DATE:**

Oct 2018

**PROJECTED PROJECT IRR:**

**40%+**

**PROJECTED INVESTOR IRR:**

**25%+**

Summit Village Apartments was acquired in late 2016. The property was located in a transitional neighborhood and in need of capital improvements to improve the asset quality to be commensurate of that of the neighboring properties. Arcan developed a strategy to systematically improve the asset beginning with new exterior siding, landscaping and a high end interior upgrade plan to increase rental revenue. Rents increased nearly 20% in less than 2 years.

# CASE STUDY – ARCAN



**BEFORE**



**AFTER**

**PROPERTY:**

THE RESERVE AT SWEETWATER CREEK

**LOCATION:**

AUSTELL, GA

**No. Units:**

156

**PURCHASE:**

\$ 13,615,000

**DATE:**

Sep 2017

**SALE:**

\$ 19,000,000

**DATE:**

May 2019

**PROJECTED PROJECT IRR:**

50%+

**PROJECTED INVESTOR IRR:**

27%+

The Reserve is a 1988 vintage asset that was acquired in good condition with antiquated features and amenities. Arcan invested over \$1M in the asset including a new fitness center, renovated office and conversion of the dated vinyl siding to cement. An interior upgrade program resulted in monthly rental premiums up to \$250 per month on renovated units. The project is currently listed for sale.

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# CASE STUDY – DREAMSTONE



**PROPERTY:**

**HARTSVILLE PIKE (BUILD TO RENT)**

**LOCATION:**

**LEBANON,  
TN**

**NO.  
UNITS:**

**19**

**PURCHASE:**

**\$ 3,800,000**

**DATE:**

**Dec 2020**

**SALE:**

**\***

**DATE:**

**\***

**PROJECTED PROJECT IRR:**

**28%+**

**PROJECTED INVESTOR IRR:**

**20%+**

Dreamstone acquired these 19 townhomes directly from the builder off-market. The attractive cost basis and the hardy finishes make for the perfect rental units, especially during the pandemic period as people choose to move out of the pricier Nashville city limits. We are currently 100% leased and targeting a perm-refinance soon.

# CASE STUDY – DREAMSTONE



**PROPERTY:**

**CROSS CREEK APARTMENTS**

**LOCATION:**

**CARROLLTON,  
GA**

**No.  
Units:**

**101**

**PURCHASE:**

**\$ 5,900,000**

**DATE:**

**Sep 2020**

**Sale:  
(\*Est Value)**

**\*\$9,595,000**

**DATE:**

**\***

**PROJECTED PROJECT IRR:**

**23%+**

**PROJECTED INVESTOR IRR:**

**22%+**

Cross Creek was acquired off-market. Dreamstone is in the process of upgrading the units. It was determined that a base level upgrade was needed such as Formica counters and black appliances. To date, we have been able to push renovated rents from \$525 to \$800 pm or 52% in our first several months of ownership for one-bedroom units. Our projected IRRs are conservative and we aim to exceed those targets.

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# CASE STUDY – DREAMSTONE



**PROPERTY:**

**THE PEACH ATLANTA**

**LOCATION:**

atlanta,  
GaA

**No.  
Units:**

68-MIXED  
USE

**PURCHASE:**

\$ 30,888,000

**DATE:**

Sep 2020

**Sale:  
(\*Est Value)**

\*\$44,200,000

**DATE:**

\*

**PROJECTED PROJECT IRR:**

**22%+**

**PROJECTED INVESTOR IRR:**

**20%+**

The peach atlanta was a complete but rehab. The property had water damage from its fire sprinkler system. All 12 floors including offices were completely. A full re-construction was performed during 2019/2020 - mechanical, electrical & plumbing. The property is currently almost fully leased in preparation for refinance. Dreamstone acquired the property Pre-leaseup together with velocity capital.

.....

# THANK YOU

## NEED HELP?

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EMAIL US AT - [info@dreamstoneinvest.com](mailto:info@dreamstoneinvest.com)

