

July 2023



# Wealth Development for the Middle Market

This presentation includes statements concerning the Company's expectations, beliefs, plans, objectives, goals, strategies, assumptions of future events, future financial performance, or growth and other statements that are not historical facts. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, readers and the audience can identify these forward-looking statements through the use of words or phrases such as "estimate", "expect", "anticipate", "intend", "plan", "project", "believe", "forecast", "should", "could" and other similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual results or outcomes to differ materially from those included in the forward-looking statements. The Company's expectations, beliefs, and projections are expressed in good faith and are believed by the Company to have a reasonable basis, but there can be no assurance that management's expectations, beliefs, or projections will result or be achieved or accomplished. Factors that may cause actual results to differ materially from those included in the forward-looking statements include, but are not limited to, factors affecting the Company's ability to successfully operate and manage its business, including, among others, title disputes, weather conditions, shortages, delays, or unavailability of equipment and services required in real estate development, property management, brokerage and investment and fund operations, the need to obtain governmental approvals and permits, and compliance with environmental laws and regulations; changes in costs of operations; loss of markets; volatility of real estate prices; imprecision of property valuations; environmental risks; fluctuations in weather patterns; competition; inability to access sufficient capital from internal and external sources; general economic conditions; litigation; changes in regulation and legislation; economic disruptions or uninsured losses resulting from major accidents, fires, severe weather, natural disasters, terrorist activities, acts of war, cyber attacks, or pest infestation; increasing costs of insurance, changes in coverage and the ability to obtain insurance; and other presently unknown or unforeseen factors. Other risk factors are detailed from time to time in the Company's reports filed with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update the information contained in any forward-looking statements to reflect developments or circumstances occurring after the statement is made or to reflect the occurrence of unanticipated events.

In addition to financial measures calculated in accordance with generally accepted accounting principles ("GAAP"), this presentation contains certain non-GAAP financial measures. The Company believes that such non-GAAP financial measures are useful because they provide an alternative method for assessing the Company's operating results in a manner that is focused on the performance of the Company's ongoing operations, for measuring the Company's cash flow and liquidity, and for comparing the Company's financial performance to other companies. The Company's management uses these non-GAAP financial measures for the same purpose, and for planning and forecasting purposes. The presentation of non-GAAP financial measures is not meant to be a substitute for financial measures prepared in accordance with GAAP.

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**CALIBERCO.COM** | 8901 E MOUNTAIN VIEW RD, STE 150, SCOTTSDALE, AZ 85258 | 480.295.7600

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We create strategic investments that aim to **build generational wealth** for our investors, community, and team

## Caliber's Core Values

Authenticity & Transparency | Compassion & Service | Vision & Agility

## What We Do

Caliber predominantly **invests in, manages and develops** real estate in the **Western US**.

**We are an alternative asset manager** with investment strategies in **real estate and credit**, differentiated by our vertically integrated business model

**We create strategic investments** that aim to build generational wealth for our investors, community and team

## Why Caliber Now

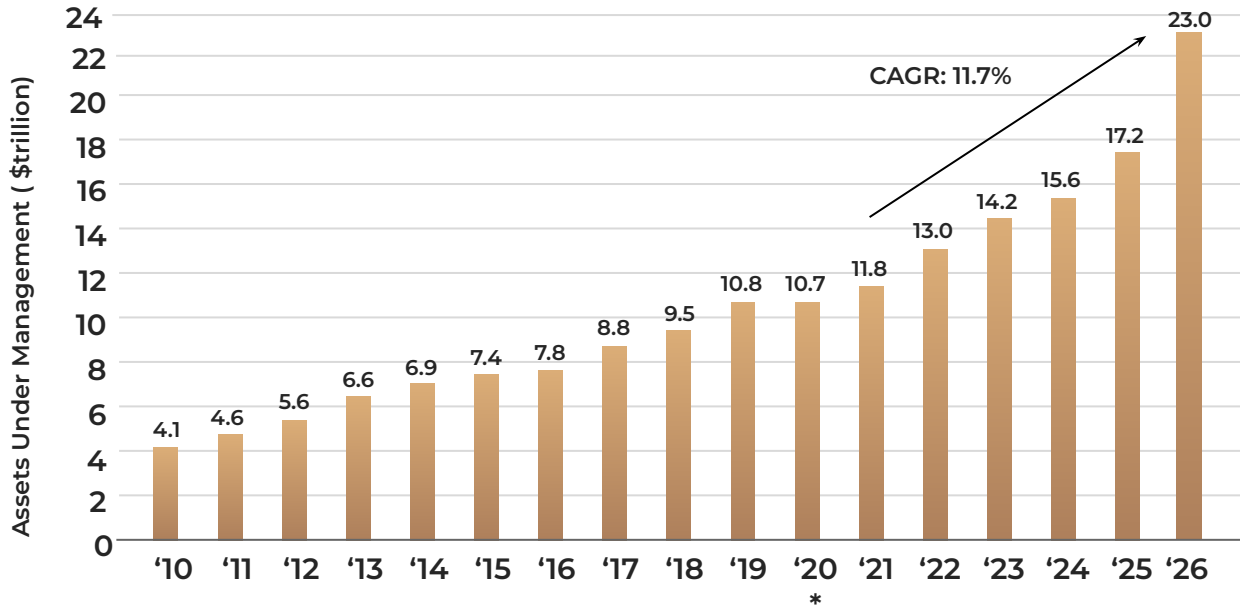
Caliber pursues attractive investment opportunities in **stressed and distressed assets** taking advantage of market dislocations in the current environment

Caliber seeks to deliver **sustained, profitable growth** to shareholders

Caliber's **defensive model** offers a solution to investors who lack access to alternative investments, seek capital gains tax relief, and outpace rising inflation

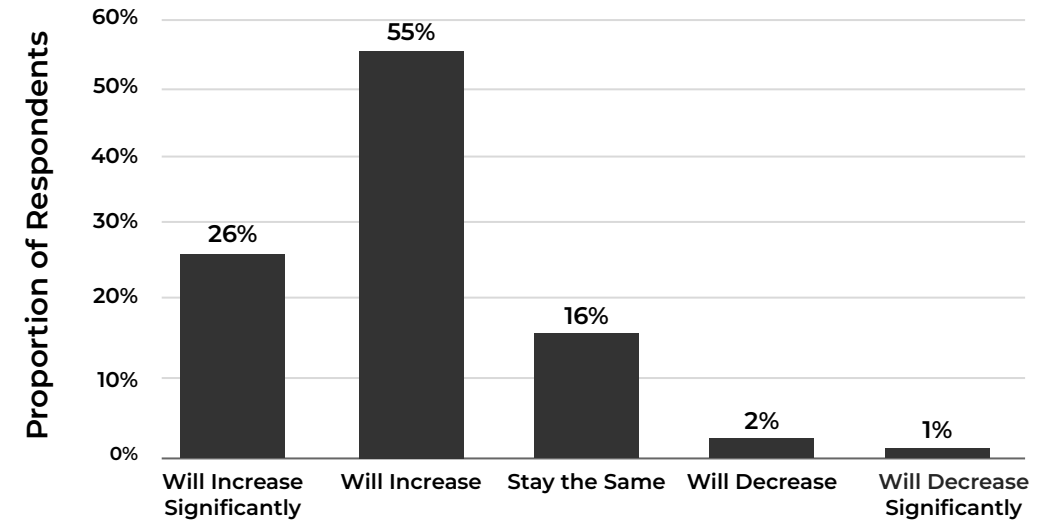
Caliber is creating needed access to the growing and underserved middle market in alternatives

\$23 Trillion in Alternative Global AUM Forecasted by 2026



- **Historic wealth transfer to millennials and women**
- **U.S. retirement assets increasing**

Investor Intentions Regarding Allocations to Alternatives



- **Search for returns in high volatility, low yield environment**
- **Need for inflation hedges and tax optimization**

Source Preqin Investor Survey, August 2020

\*2020 figure is annualized on data to October. 2022-2026 are Preqin's forecasted figures. Source: Preqin

# Caliber Fills Marketplace Gaps



Accredited Investors  
Seek Opportunities  
Other than  
Traditional Stocks,  
Bonds, etc.

## Caliber Stepped into Market Gaps to Meet Demand

Caliber seeks to apply the proven  
business model of alternative  
asset managers

In the proven asset classes of  
real estate and credit

To a relatively underserved  
“Middle Market”



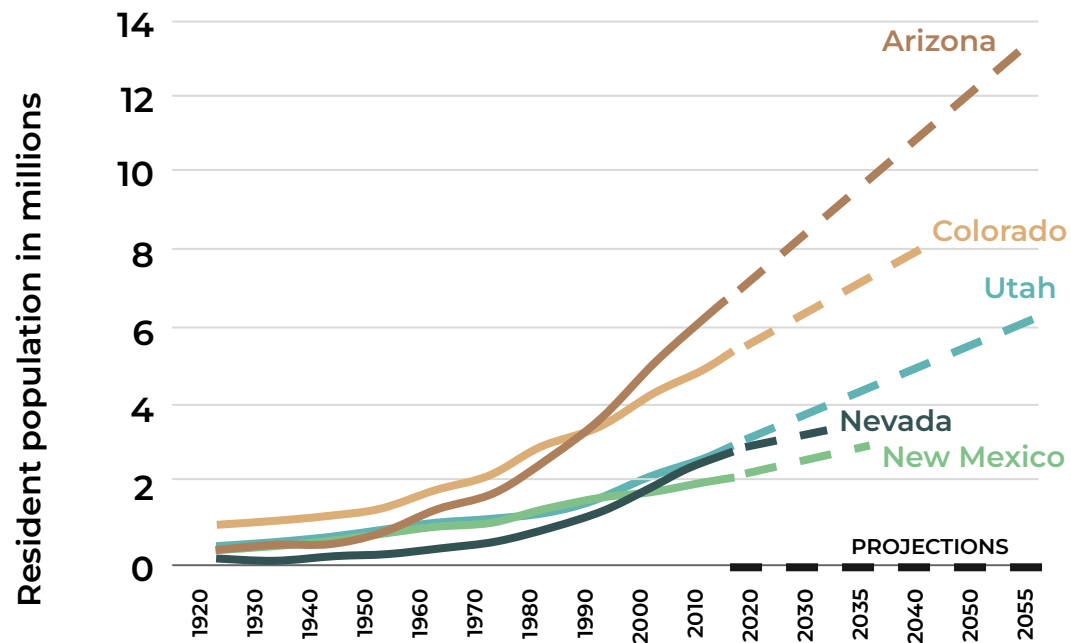
Lack of Access to  
Alternatives  
(Deal Size too Large  
for Many Investors)

Middle Market Opportunities  
Lacked Funding (\$5M to \$50M)



# Demographic Trends Support Years of Future Growth

## Population growth trends are favorable\*

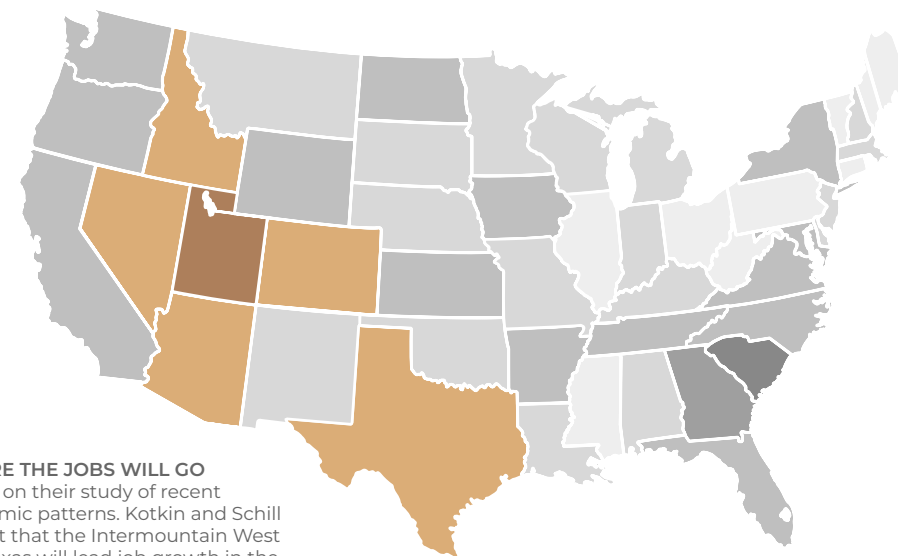


Caliber's deal flow is concentrated in high population growth regions

\*Source University of Arizona

\*\*Source: Kotkin and Schill

## Business formation growth is strong\*\*



**WHERE THE JOBS WILL GO**  
Based on their study of recent economic patterns, Kotkin and Schill project that the Intermountain West and Texas will lead job growth in the coming decade.



Caliber prioritizes investments in regions that support job growth



## Perceived Benefits of a Public Listing to Caliber:

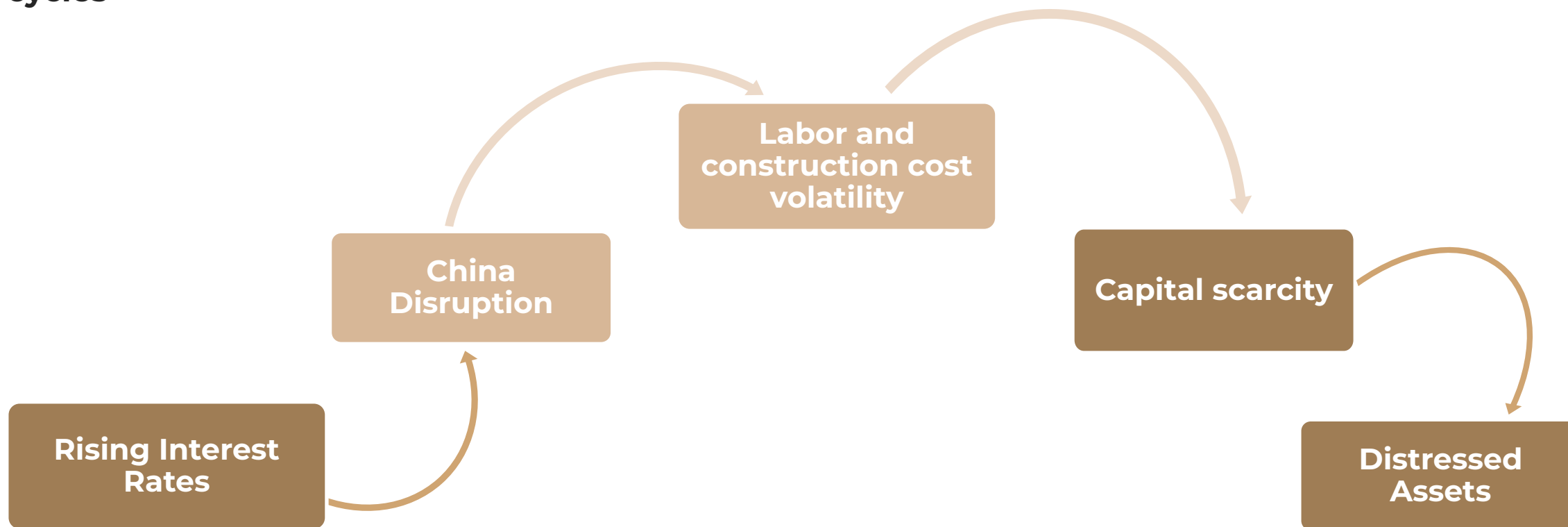
- Increased access to growth capital
- Potential reduction in portfolio debt costs and resulting increase in customer return on investment
- Increased ability to attract talent and reward results with tangible ownership
- Enhanced ability for Caliber to pursue potential acquisitions
- Enhanced visibility for Caliber with its target customer audience, HNW/UHNW<sup>(1)</sup> investors and their advisors

(1) A High Net Worth ("HNW") investor, or an "accredited" investor, is someone with liquid assets of at least \$1 million, and an Ultra High Net Worth ("UHNW") investor is someone with investable assets of at least \$30 million (Source: SEC.gov, World Ultra Wealth Report, Barron's)



# Investing Opportunistically Throughout Cycles

Caliber has the unique positioning and experience to navigate opportunities throughout economic cycles



## The “Plan” Pre-2022 Market Turnover

### Purchase on Bridge Debt

Asset Class	Multifamily
<b>Total Cost</b>	\$100,000,000
<b>Loan Amount</b>	\$80,000,000
<b>Loan to Value (LTV)</b>	80%
<b>Asset EBITDA</b>	\$3,500,000
<b>Debt Payments @ 3%</b>	\$2,400,000
<b>Free Cash Flow (FCF)</b>	\$1,100,000
<b>Cash on Cash Return</b>	5.5%
<b>Targeted Internal Rate of Return (IRR)</b>	13%

### Refinance

Asset Class	Multifamily
<b>Total Value</b>	<b>\$120,000,000</b>
<b>Loan Amount</b>	<b>\$90,000,000</b>
<b>Loan to Value (LTV)</b>	<b>75%</b>
<b>Asset EBITDA</b>	\$3,500,000
<b>Debt Payments @ 3%</b>	\$2,700,000
<b>Free Cash Flow (FCF)</b>	\$800,000
<b>Cash on Cash Return</b>	<b>8%</b>
<b>Targeted Internal Rate of Return (IRR)</b>	13%

## Reality Today

### Purchase on Bridge Debt

Asset Class	Multifamily
Total Cost	\$100,000,000
Loan Amount	\$80,000,000
Loan to Value (LTV)	80%
Asset EBITDA	\$3,500,000
Debt Payments @ 3%	\$2,400,000
Free Cash Flow (FCF)	\$1,100,000
Cash on Cash Return	5.5%
Targeted Internal Rate of Return (IRR)	13%

### Refinance

Asset Class	Multifamily
Total Value	<b>\$100,000,000</b>
Loan Amount	<b>\$65,000,000</b>
Loan to Value (LTV)	<b>65%</b>
Asset EBITDA	\$3,500,000
Debt Payments @ 4.8%	\$3,120,000
Free Cash Flow (FCF)	\$380,000
Cash on Cash Return	<b>1%</b>
Targeted Internal Rate of Return (IRR)	<b>?</b>

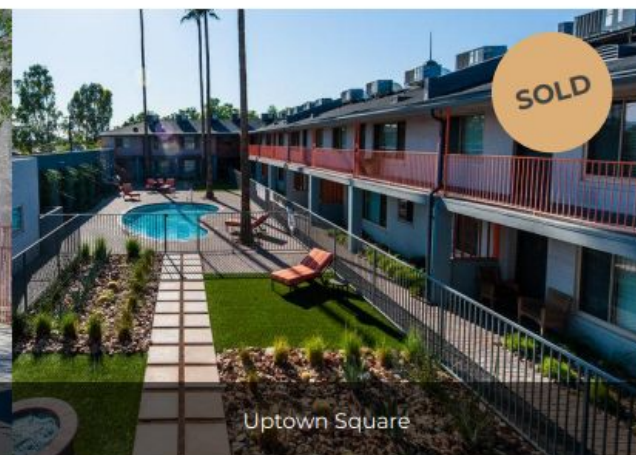
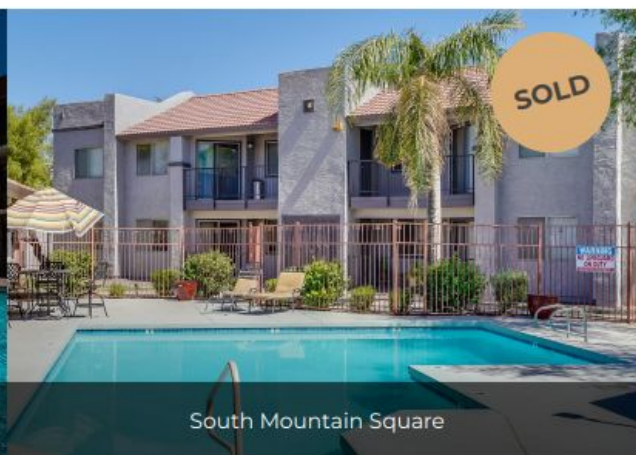
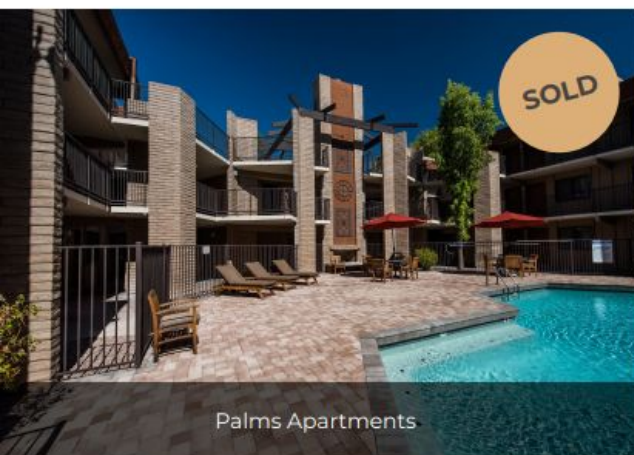
# Caliber's Track Record

**84%**  
**Total ROI**

**5 years**  
**Average Hold**  
**Period**

**17.7%**  
**IRR**

**1.84x**  
**Deal Multiple**



To view the complete Track Record document, please reach out to your Wealth Development Representative.

**Investments in private placements can lose their entire value, are illiquid and are speculative.**

**Refer to the amended and restated private placement memorandum (PPM) for more detailed discussion of risk factors. Securities offered through Tobin & Company Securities LLC ( Member FINRA/SIPC )**



# Recent Events

## **CALIBER** HOSPITALITY TRUST

**Using the Caliber  
infrastructure to launch  
public investment products**

- Externally advised private hospitality real estate investment trust (“CHT”).
- \$186M in Caliber-managed hotel assets contributed in Q1 2023 to seed CHT
- Represents the first in a series of planned hospitality asset contributions
- Caliber seeks to build a “middle-market” public hospitality company that offers a viable alternative to asset sales for third party contributors

Caliber expands access to institutional capital

## National Wholesaling Team



- Skyway Capital Markets to serve as a managing broker-dealer for our funds' primary investment products
- Skyway offers national distribution to broker-dealers and registered investment advisors
- Caliber & Skyway will partner to build an internal wholesaling team that will lead distribution for the primary investment products of our funds under management







# Caliber Tax Advantaged Opportunity Zone Fund II, LP

DOUBLETREE BY HILTON



# 4 Investment Strategies

Which Investment Strategy Fits Your Profile?

 <h2>CORE</h2> <p><b>The most conservative blend of risk and return.</b></p> <p>Property tends to be well-built in a great location with little deferred maintenance requirements and high-quality tenants already in place on long-term leases.</p>	 <h2>CORE PLUS</h2> <p><b>Properties with a good – not great – location, stable income, high quality tenants, slightly dated finishes, low to moderate vacancy rates.</b></p> <p>Properties provide an opportunity to create value by reducing risk, improving cash flow, or both through overcoming whatever challenges prevented the asset from being characterized as Core.</p>	 <h2>VALUE ADD</h2> <p><b>The goal with value-add is to find properties priced below the market that needs some work to restore their value.</b></p> <p>Commonly, value-add properties have little to no cash flow at acquisition. Fair to good location, dated finishes, medium to high vacancy levels, and some amount of deferred maintenance that must be addressed.</p>	 <h2>OPPORTUNISTIC</h2> <p><b>The opportunistic category is a little like investing in small-cap stocks.</b></p> <p>There's greater risk buying less-established companies, however, the upside can be significantly higher than buying mature large-cap stocks. Can include developing something from scratch (ground-up development), repurposing a building from one use to another (adaptive reuse), and winning entitlements for raw land.</p>
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**CTAF II will align with the opportunistic strategy while attempting to limit risk by limiting its use of leverage below that of traditional real estate developers**



# Comparing Traditional & QOZ Investments

	Traditional Investment*	QOZ Investment**
Invested Capital Gain	1,000,000	1,000,000
Less: Capital Gain Tax Investment (28.3% combined Fed/State)	-280,000	-
After-Tax Investment	720,000	1,000,000
Year 10 Value (8% annual investment appreciation)	1,550,000	2,160,000
Less: Year 10 Capital Gains Tax (28.3%)	-240,000	-
Year 10 After-Tax Value	1,310,000	2,160,000
Less: Capital Gains Taxes on Invested Gains Due 12/31/2026	-	-260,000
Total Year 10 After-Tax Value	1,310,000	1,900,000
Total Year 10 After-Tax Net Gain	310,000	900,000

All figures have been rounded to the nearest 10,000

\*The traditional investment is based on an investment in the United States stock market. Over the past 140 years, U.S. stocks have averaged 10-year returns of 9.2% (Source - SP Global Here). To be conservative an 8% annual investment appreciation was used. This annual investment appreciation is not a guaranteed return and is used for illustrative purposes only.

\*\*Alternative qualified opportunity zone investment.

# How to Maximize QOZ Tax Incentive

## Key Ingredients to Investing Success

- 1. Grow the Value of the Capital:** Approximately 80% of the tax incentive is driven by the elimination of capital gains taxes on future value growth.
- 2. Diversification is Key:** A diversified pool of opportunity zone investments will typically outperform a single asset on a risk-adjusted basis.
- 3. Compound Gains within the Fund:** Take advantage of the opportunity to sell and reinvest within 12 months.
- 4. Maximize the Exit:** Related to 1 & 2, the exit strategy for the fund must include options such as a portfolio sale and an UPREIT exit to the public markets to maximize the valuation of your investment at the time of the sale.

# BEHAVIORAL HOSPITAL

Selected Fund Asset - CTAF I

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**Renovated Cost:** \$23,000,000

**Estimated Value:** \$35,000,000+

**Purchase Date:** 2019

**Asset Class:** Medical Office

**Sub-Market:** Phoenix University Medical  
Center Campus

**Beds:** 96

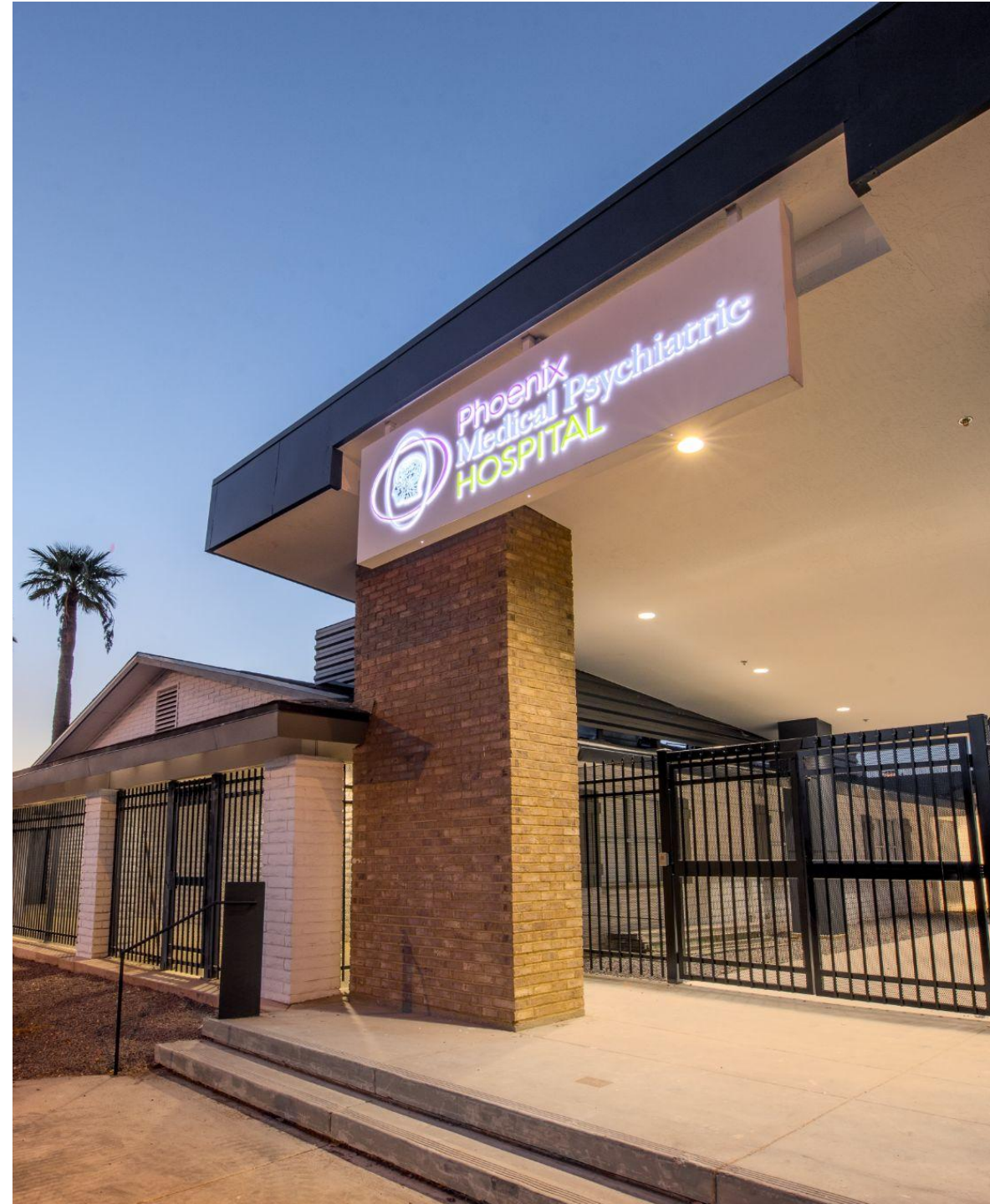
**Strategy:** Adaptive Reuse

**Asset Status:** Stabilized, Income Producing

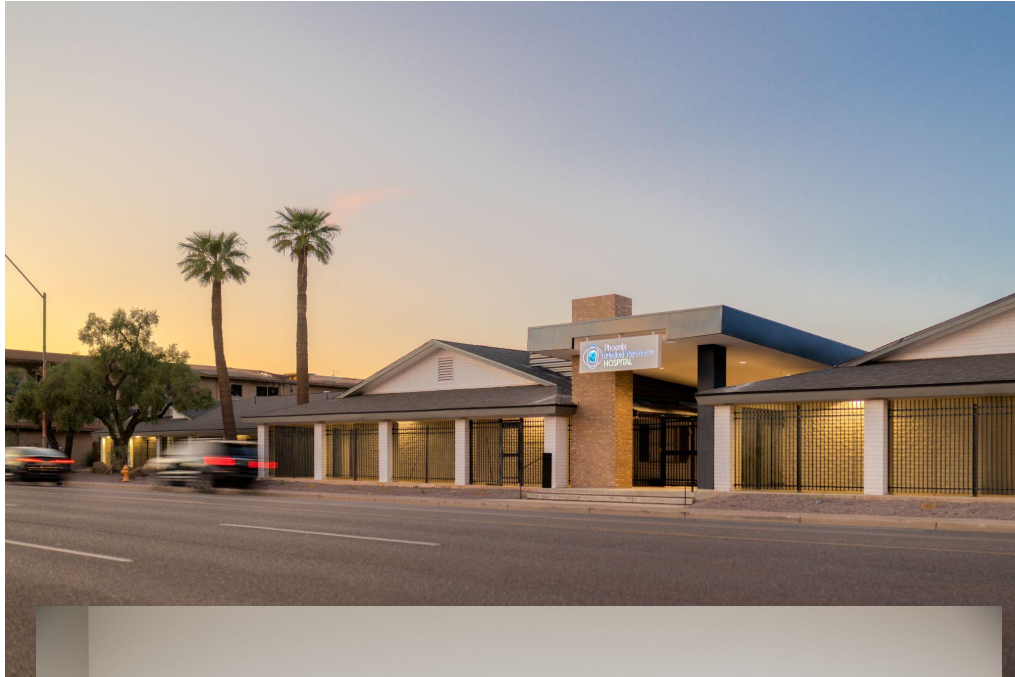
Construction Completed | Opened September 2020

The fund is a “blind pool” and investors will not be able to evaluate the economic merit of the Fund’s investments until after the investments have been made.

INVESTMENTS IN CALIBER PRIVATE PLACEMENTS CAN LOSE VALUE, ARE ILLIQUID AND ARE SPECULATIVE. REFER TO THE AMENDED AND RESTATED PRIVATE PLACEMENT MEMORANDUM (PPM) FOR MORE DETAILED DISCUSSION OF RISK FACTORS.  
SECURITIES OFFERED THROUGH TOBIN & COMPANY SECURITIES LLC ( MEMBER FINRA/SPIC )



# BEHAVIORAL HEALTH HOSPITAL



# DOUBLETREE BY HILTON

Selected Fund Asset

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**Land Lease:** \$1,000 per year

**Purchase Date:** 2018

**Asset Class:** Hospitality

**Sub-Market:** Downtown Tucson

**Rooms:** 170

**Strategy:** New Construction

Construction Completed | Opened March 2021

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# DOUBLETREE BY HILTON



# Caliber Tax Advantaged Opportunity Zone Fund II, LLC

Opened - July 2022

CTAF II is Caliber's second iteration of the Tax Advantaged Opportunity Zone Fund. The second fund ("CTAF II") opened for new investments in July 2022.

- CTAF II will seek a greater geographic diversification across the southwestern US than its predecessor which was primarily focused in Arizona.
- CTAF II adjusts its investment strategy as needed for changing legislation.
- CTAF II has already identified its first project; The Riverwalk Vertical Development in Scottsdale, AZ, nearly 80 acre mixed-use commercial development in one of the most desirable locations in the state.



# Caliber Tax Advantaged Opportunity Zone Fund II, LLC

## Selected Fund Terms & Advisors

<b>General Partner</b>	Caliber O-Zone Fund II Manager, LLC
<b>Maximum Offering</b>	\$250 Million
<b>Expected Hold Period</b>	Minimum of 10 years from close
<b>Management Fee</b>	Annually, 1.5% of aggregate capital contributions
<b>Carry Amount</b>	Class A Units: 75/25, Class B Units: 80/20** - 6% Preferred Return Hurdle
<b>Minimum Investment</b>	Class A Units: \$100K, Class B Units: \$1M
<b>Fund Attorney</b>	Snell & Wilmer, LLP
<b>Fund Tax Counsel</b>	Marc Schultz, Esq.
<b>Fund Auditor</b>	Deloitte

\*\*The applicable carry amount is dependent on whether the LP holds Class A Units or Class B Units. By way of example and assuming an LP's applicable carry amount is equal to 25%, if the LP's pro rata share of distributions is equal to \$100 (before assessing the applicable carry amount), then \$75 will be distributed to the LP and \$25 will be distributed the GP.

Distribution payments are not guaranteed and may be modified at the GP's discretion.

# Caliber Tax Advantaged Opportunity Zone Fund II, LLC

## Underwriting Targets

<b>Strategy</b>	Distressed, Adaptive Re-Use, Transformational Renovation, Development
<b>Timeline</b>	3-8 Year Turns, Sale & Re-Investment through 10-13 year fund life
<b>Equity Multiple Target</b>	Minimum of 2x portfolio average, assuming a 5 year hold
<b>IRR Target</b>	13% IRR Delivered
<b>Debt Target</b>	50% LTV, Maximum - Start with low debt, add leverage as asset stabilize
<b>Investment Philosophy</b>	Place-based investing, insider access to off-market deals
<b>Asset Classes</b>	Mixed, specific targets on special situations
<b>Geographies</b>	Greater Southwest, Mountainest - AZ, TX, CO
<b>Partners</b>	Principal Developer & Co-Developer combined strategy

Caliber's strategy is subject to change with market conditions, a full discussion of the Fund's strategy can be found in reviewing the Offering Materials. Return targets are meant to describe Caliber's underwriting process and do not represent an expectation or guarantee of a return on your investment.



# Caliber Tax Advantaged Opportunity Zone Fund II, LLC

## POTENTIAL ASSET PIPELINE

INVESTMENTS IN CALIBER PRIVATE PLACEMENTS CAN LOSE THEIR ENTIRE VALUE, ARE ILLIQUID AND ARE SPECULATIVE.  
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# Second Avenue Commons

Current Asset in CTAF II

Asset Class	Multi-Family Residential
Total Size	144 Units   134k Sq. Ft.
Estimated Cost Basis	\$44,000,000
Estimated Value at Sale	\$58,000,000
Status	In Construction
Start Date	August 2022
Est. Completion Date	September 2023
Sub-Category	Workforce Housing



Conceptual Rendering\*

# Scottsdale-Riverwalk 80 Acre Mixed Use Development

Current Asset in CTAF II

Asset Class	Mixed Use - Entertainment, Hospitality, Industrial, Commercial
Total Size	80+ Acres
Estimated Cost Basis	\$11 per square foot
Estimated Current Value	\$18-25 per square foot
Status	In Development & Land Planning
Start Date	October 2022
Est. Completion Date	December 2024
Sub-Category	Land Development



Conceptual Rendering\*

# 29 W Main St

## Current Asset in CTAF II

CTAF I is an investor in ZenniHome, Inc., which designs and manufactures modular, factory-built homes that are easily transported, have a minimal environmental footprint, and are stacked in multi-family configurations. ZenniHome units will be used in Caliber's project at 29 West in Mesa, Arizona.

Street Corner Market executed LOI for retail space on bottom level of building.

Anticipated opening Q2 2024.



**Purchase Date:** 2022

**Asset Class:** Qualified Opportunity Zone Business (QOZB)

**Strategy:** Opportunistic

# Adaptive Re-Use - Example Deal

Potential Investment from CTAF II

Asset Class	Currently Class A Office Planned: Mixed Use - 3rd Story Residential, 2nd Story Office Condo, 1st Story Restaurant & Entertainment
Total Size	~175,000 Square Feet
Estimated Cost Basis	Estimated 55% of recent sale value
Estimated Total Cost & Value	\$60m Cost   \$80-90m Value
Status	In Negotiations
Estimated Start Date	August 2023
Est. Completion Date	December 2024
Equity Required	\$10m





# CaliberFunds.co

**For inquiries please contact:**

**Chris Loeffler\***

**Telephone:**

**(480) 295-7600 (office)**

**Email: [chris.loeffler@caliberco.com](mailto:chris.loeffler@caliberco.com)**

**[Invest@CaliberCo.com](mailto:Invest@CaliberCo.com)**

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\*Chris Loeffler is a Fund Manager and Director of the Fund Sponsor, CaliberCos Inc.