



BREAK OF DAY CAPITAL

Real Estate Investing Made Easy

ICON ON BROADWAY (FORMERLY RIVER OAKS)

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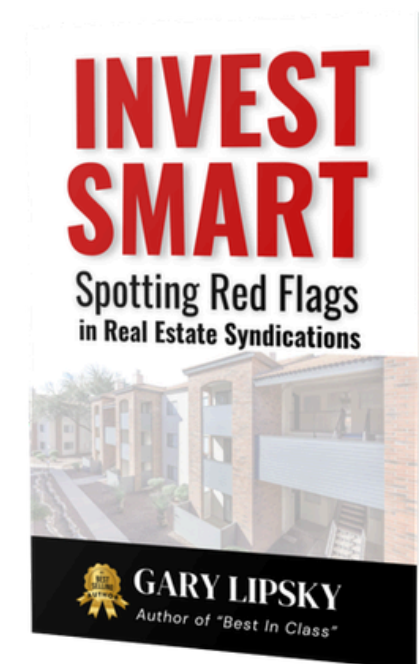
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BODC OVERVIEW

Break of Day Capital focuses on acquiring underperforming multifamily properties in high growth markets in the Southwest by implementing strong repositioning strategies and best in class asset management to maximize value for all stakeholders.

- \$100M+ raised in equity
- \$40M+ distributed to investors
- Selectively acquired 1800+ units with a total value of \$320M+ in RE transactions
- Our strong focus on asset management drives results, averaging 40%+ NOI growth in year one across our portfolio.



EXECUTIVE LEADERSHIP



GARY LIPSKY
CEO & Founder

- Real estate investor since 2002
- Over 30+ yrs of operational expertise
- 2X best-selling real estate author
- National speaker



TIMOTHY CHIU
Director of Asset Management

- 10+ years in senior institutional real estate roles with deep multifamily expertise
- Led asset management and redevelopment of \$4B+ in multifamily assets, overseeing 10,000+ units



JOSEPH FANG
Director of Investor Relations

- Actively investing in real estate since 2003
- Passive investor in 50+ commercial real estate syndications
- Specialist in macroeconomics and data analysis

BODC TEAM



SHAUN KANCHERLA
Director of Operations

- Real estate investor since 2005, focused on hospitality and residential assets
- Expertise in AI Automation Strategy & Deployment
- 15+ years of operational and program management experience



JACLYN BROMAGEM
Operations Manager

- Actively investing in real estate since 2002
- Founder of short-term rental management company in San Felipe, Baja California Mexico
- Led education and training for property managers for a NW property management company



ANDY HUANG
Investor Relations
Manager

- 20+ years overseeing institutional and private investment portfolios
- Managed and advised on \$20B+ in assets across pensions, insurance, and private investments
- Holds an MBA from USC, a BA in Economics from UCLA, and the CFA designation

ALIGNED INTERESTS. ACCOUNTABLE EXECUTION.

Unlike most firms that separate acquisitions and operations, we keep them aligned. The person who underwrites the deal is the same person accountable for results — from purchase to sale.

That alignment means realistic projections, better decisions, and reliable execution.

Our team also invests significant personal capital alongside our investors:

- **\$8.45 million** personally invested by CEO Gary Lipsky
- **\$1.3 million** invested collectively by the other Break of Day Capital team members

We manage every decision with the same discipline and diligence we expect for our own capital.

MARKET EXPERTISE

- We focus on a select few markets, allowing us to develop deep expertise and prioritize quality over quantity in our investments
- We currently own and operate 9 properties and 4 full cycle exits in Arizona that far exceeded projections
- We have strong relationships with the local brokers and lenders cultivated over many years of successful executions
- We have accumulated thousands of data points in the Southwest to be experts in those markets

Our 4 Full-Cycle Exits



PORTFOLIO

PROPERTY	UNITS	PURCHASE PRICE	EQUITY RAISE	STATUS
Icon on Headley	136	\$22.35MM	\$10.7MM	Under Management
Icon on Midvale	136	\$21.1MM	\$10.5MM	Under Management
Icon on Spanish Trail	256	\$33MM	\$17.1MM	Under Management
Icon on Pima	80	\$9.5MM	\$3.7MM	Under Management
Icon on Stella	199	\$37MM	\$13.7MM	Under Management
Mission Antigua	248	\$59MM	\$20MM	Under Management
Icon on Park	176	\$26.4MM	\$9MM	Under Management
Icon	72	\$9.8MM	\$2.68MM	Under Management
Youngtown Flats	104	\$1.9MM	\$1.2MM	Under Management
Midtown on 1st	93	\$8MM	\$4MM	Sold- 2.0x in 39 mos
Midtown on Seneca	176	\$13.6MM	\$8.65MM	Sold - 3.1x in 22 mos
East 3434	128	\$15.3MM	\$5.7MM	Sold - 2.0x in 23 mos
Midtown on 2nd	42	\$1.65MM	\$1MM	Sold - 1.7x in 24 mos
Total	1,846	\$258.6MM	\$108.93MM	

Any performance data shared by Sponsor represents past performance and past performance does not guarantee future results. Neither Sponsor nor any of its investments are required by law to follow any standard methodology when calculating and representing performance data and the performance of any such funds may not be directly comparable to the performance of other private or registered offerings

ICON ON BROADWAY

7730 E Broadway Blvd, Tucson, AZ 85710



INVESTMENT HIGHLIGHTS

1982 Build	300 Units
Purchase Price	\$32,775,000
Price Per Unit	\$109,250
Loan to Cost	64.5%
Loan to Value	75%

5-year fixed loan at 6%



- Well-located Class B workforce housing community with strong in-place demand
- Off-market acquisition at a basis 50%+ below replacement cost (\$1.75M below appraisal)
- Projected 16% IRR and 2.0x equity multiple
- Projected 90%+/- bonus depreciation in year one (subject to individual tax situations)
- Conservative underwriting that does not rely on aggressive rent growth (0% rent growth assumed for year 1)
- ~6% cash flow day 1

KEY RISKS & HOW WE UNDERWRITE FOR THEM

No investment is risk-free. Our focus is identifying, underwriting, and actively managing the risks that matter most.

Market & Rent Risk

- Slower rent growth or short-term pricing pressure
- Conservative underwriting assumes 0% rent growth in Year 1

Expense Risk

- Insurance, payroll, and utilities remain volatile
- Pro forma reflects current elevated costs, not historical lows, with conservative year-over-year increases





Interest Rate & Exit Risk

- Higher-for-longer rate environment may impact exit pricing
- Fixed-rate debt mitigates near-term refinancing risk

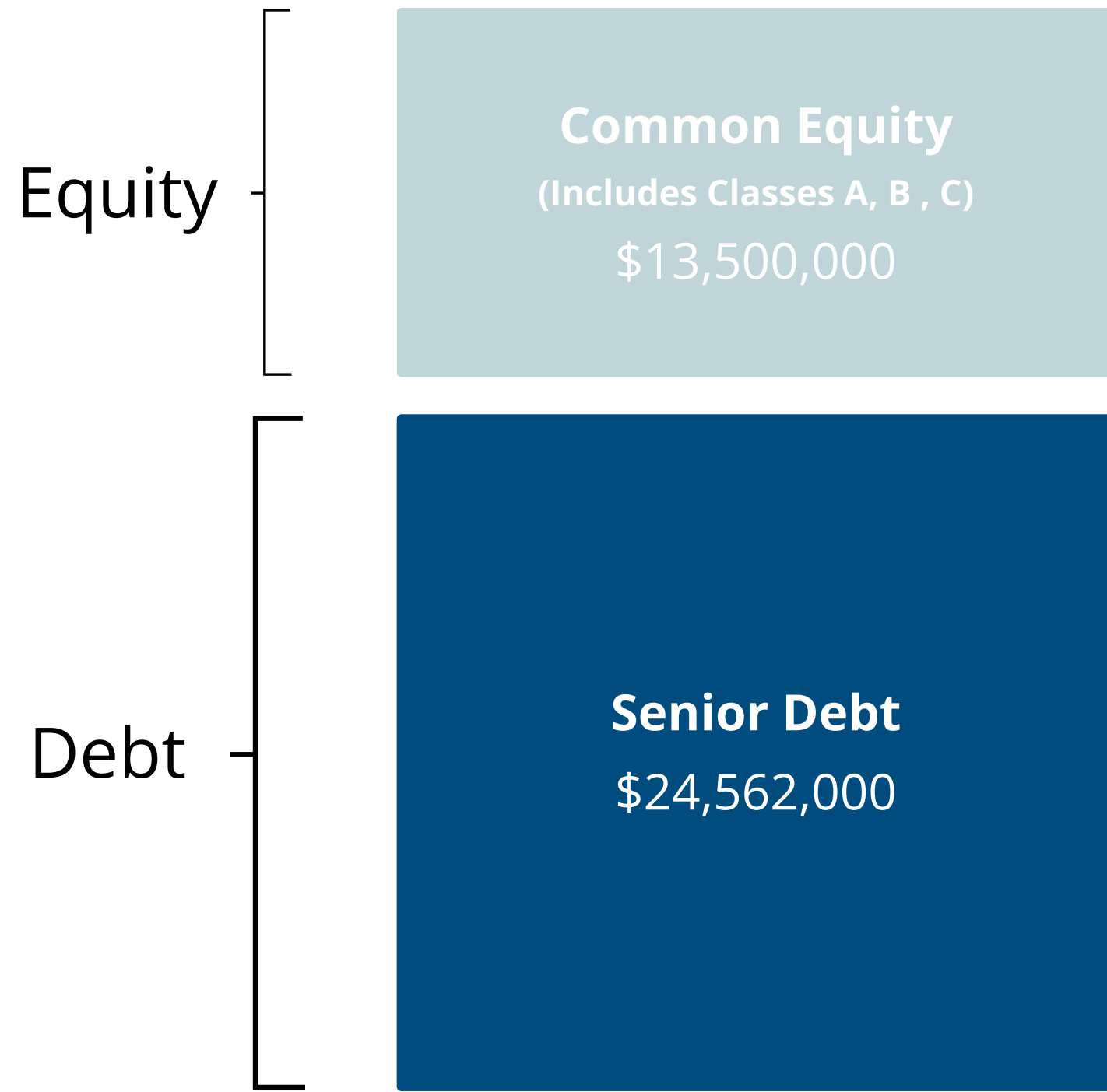
Operational Risk

- Execution risk in managing a 300-unit workforce housing asset
- Mitigated through sponsor-led asset management paired with a third-party property management firm, providing independent rent validation, financial oversight, and deep local market insight

BUSINESS PLAN

-  **Brand repositioning**
Rebrand the property as Icon on Broadway to better align with the submarket and renter profile.
-  **Targeted amenity upgrades**
Add a secure package locker, pergola, and BBQ picnic area to improve daily usability and retention.
-  **Physical refresh**
Update paint and address select deferred maintenance to improve curb appeal and first impressions.
-  **Cost discipline**
Reduce operating expenses while maintaining service quality.
 - Payroll
 - General and administrative
 - Property management fee

CAPITAL STACK & USE OF FUNDS



Uses	Amount
Purchase Price	\$32,775,000
Closing Costs (financing fee, legal, tax and insurance escrow and misc)	\$1,185,840
Capex	\$2,931,785
Working Capital	\$350,000
2.5% Sponsor Acquisition Fee	\$819,375
Total:	\$38,062,000

*Unlike many syndicators, we keep our fee structure simple and transparent, just a 2.5% acquisition fee and a 2% asset management fee based on income. We do not charge any loan, refinance, disposition, or other miscellaneous fees.

CAPEX

Misc	\$333,024
Paint	\$300,000
Landscaping	\$90,000
Signage	\$30,000
Railings	\$294,000
Plumbing Reserve	\$125,000
Roof Reserve (As Needed)	\$250,000
HVAC Reserve (As Needed)	\$150,000
Hard Turns	\$150,000
Boiler/Lines	\$980,000
Parking Lot	\$117,000
Construction Mgmt Fees(Paid to the PMC)	\$112,761
Total	\$2,931,785



PROFORMA

	Year 1	Year 2	Year 3	Year 4	Year 5
Rental Income	\$3,200,795	\$3,285,807	\$3,482,461	\$3,608,607	\$3,739,570
RUBS	\$318,997	\$328,567	\$338,424	\$348,577	\$359,034
Other Income	\$436,030	\$449,112	\$462,586	\$476,463	\$490,756
Total Income	\$3,955,823	\$4,063,485	\$4,283,470	\$4,433,646	\$4,589,360
Marketing	\$70,000	\$72,100	\$74,263	\$76,491	\$78,786
Contract Services	\$58,901	\$60,668	\$62,488	\$64,363	\$66,294
General & Admin	\$144,116	\$148,440	\$152,893	\$157,480	\$162,204
Payroll	\$391,500	\$403,245	\$415,342	\$427,803	\$440,637
Repairs & Maintenance	\$53,371	\$54,972	\$56,621	\$58,320	60,070
Turnover	\$48,206	\$49,652	\$51,142	\$52,676	54,256
Utilities	\$327,454	\$337,279	\$347,396	\$357,818	\$368,552
Insurance	\$201,687	\$207,737	\$213,970	\$140,389	\$144,600
RE Taxes	\$175,949	\$184,746	\$193,983	\$203,682	\$213,867
Property Mgmt Fee	\$98,896	\$101,587	\$107,087	\$110,841	\$114,734
Total Expenses	\$1,570,079	\$1,620,425	\$1,675,185	\$1,649,862	\$1,703,999
NOI	\$2,385,744	\$2,443,060	\$2,608,285	\$2,783,784	\$2,885,362

***Insurance decreases in Year 4 as a prior fire loss ages out of insurers' five-year underwriting lookback, eliminating the associated premium surcharge.**

RENOVATED UNIT



UNIT MIX

Floorplan	# Units	%	SF/Unit	In Place Rent	In Place \$/SF	Market Rent	Market \$/SF
Studio	28	9%	419	\$773	\$1.85	\$877	\$2.09
1 BR/1BA	128	43%	618	\$879	\$1.42	\$1,007	\$1.63
2 BR/1 BA	14	5%	625	\$848	\$1.36	\$935	\$1.50
2 BR/1 BA	6	2%	786	\$1,017	\$1.29	\$1,255	\$1.60
2 BR/1 BA	50	17%	819	\$1,069	\$1.31	\$1,035	\$1.26
2 BR/1 BA	2	1%	914	\$1,173	\$1.28	\$1,271	\$1.39
2 BR/2 BA	72	24%	899	\$1,116	\$1.24	\$1,318	\$1.47

RENT COMPARABLES

					Market Rent	
Property	Year	# Units	Distance	Avg Unit Size	Per Unit	Per SF
Icon on Broadway 7730 E Broadway Blvd	1982	300	-	706	\$961	\$1.36
Broadway Proper 7680 E Broadway Blvd	1984	104	0.4 mi	751	\$1,141	\$1.52
Canyon Creek 160 N Pantano Rd	1985	242	0.7 mi	703	\$959	\$1.36
Element on the Loop 7887 E Uhl St	1986	200	0.7 mi	824	\$1,211	\$1.47
Alterra 801 S Prudence Road	1987	416	1.2 mi	656	\$1,138	\$1.73
Echo 6901 E Broadway Blvd	1972	128	1.2 mi	680	\$1,355	\$1.99

SALE COMPARABLES

Property	Year	# Units	Distance	Closed	Sale Price	Per Unit	Per SQFT
River Oaks	1982	300	-	TBD	\$33,000,000	\$109,250	\$155
The Vintage	1981	204	7.0 mi	9/25	\$24,450,000	\$119,835	\$207
CIRC	1986	368	17.5 mi	8/25	\$62,500,000	\$169,837	\$205
Westside Commons	1983	84	8.5 mi	6/25	\$10,750,000	\$127,976	\$225



TUCSON MSA QUICK STATS

\$72,365 Median Household Income
December 2023*

Median Single Family Home Value **\$348,322**

\$62.2B Gross Domestic Product U.S. BEA
(2022)

Per Capita Income **\$39,723**

1,067,958 Total Population
December 2023*

Owner Occupied Housing **66%**

Median Age **40.1**

3.4% Unemployment Rate
December 2023

Population 25 Years and Older **735,290**

Bachelor's Degree or Above **36.8%**

Total Workforce **515,483**

TUCSON KEY INDUSTRIES

Healthcare

±1,726
BUSINESSES
±58,330
EMPLOYEES

Manufacturing

±618
BUSINESSES
±34,230
EMPLOYEES

Warehouse/Distribution

±642
BUSINESSES
±33,160
EMPLOYEES

Finance

±1,284
BUSINESSES
±20,310
EMPLOYEES

Aerospace

±101
BUSINESSES
±19,940
EMPLOYEES

Information Technology

±76
BUSINESSES
±4,260
EMPLOYEES



Raytheon



TUCSON UNIFIED
SCHOOL DISTRICT



Walmart



±13,930

±13,030

±12,360

±7,660

±7,220

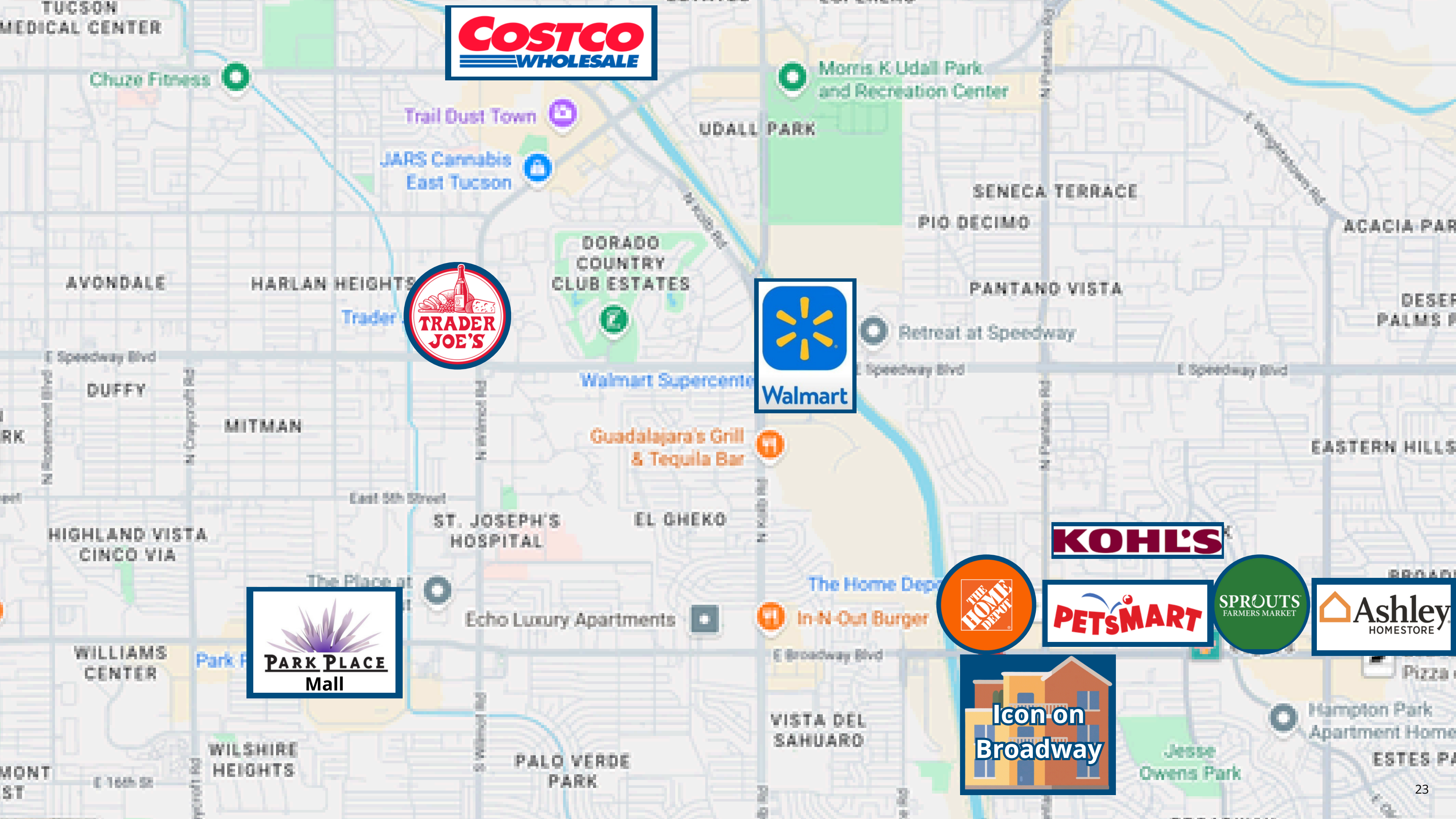
±5,570

±5,410

±4,680

±4,530

±4,230



INVESTMENT CLASSES

INVESTMENT OPTIONS	Class A Preferred Return	Class B Common Equity	Class C Institutional Class
Minimum Investment	\$100,000	\$100,000	\$500,000
Preferred Return	10%	7%	8%
Waterfall	N/A	70/30 to 15% IRR, 50/50 thereafter	80/20
Distribution Frequency	Monthly	Quarterly	Quarterly
Bonus Depreciation	N/A	90+/-%	90+/-%
IRR	10%	16%	18%

Investors receive their full return of capital before any profit splits occur.

**Preferred Return ≠ Cash Flow*

*Real estate investing involves many risks, variables, and uncertainties. No representations or warranties are made that the Company will, or is likely to, attain the returns shown above since hypothetical or simulated performance is not an indicator or assurance of future results.

**Please check with your tax and legal professional as Sponsor does not provide tax or legal advice and the above is not intended to nor should be construed as such advice. Your specific circumstances may, and likely will, vary

***Break of Day Capital collects a monthly fee of 2% based on the property income collected.

PROJECTED RETURNS

Projected Target Net Investor Returns for a \$100,000 Class B Investment

16%

Target Net IRR

2.0x

Target Net Equity Multiple

5 Years

Target Hold Period

Annual Distributions From Operations

6%



6.5%



8%



9.5%



10%



	Year 1	Year 2	Year 3	Year 4	Year 5
Distributions from Operations	\$6,000	\$6,500	\$8,000	\$9,500	\$10,000
Return of Initial Capital					\$100,000
Proceeds from Sale					\$60,000
Total Cash to Investor by Year	\$6,000	\$6,500	\$8,000	\$9,500	\$170,000
Total Cash to Investor					\$200,000

(1) We anticipate quarterly cash distributions

(2) The Preferred Return will be cumulative, and if not paid each year, it will be paid in future years and at exit as cash flow is available.

CLASS B SENSITIVITY ANALYSIS

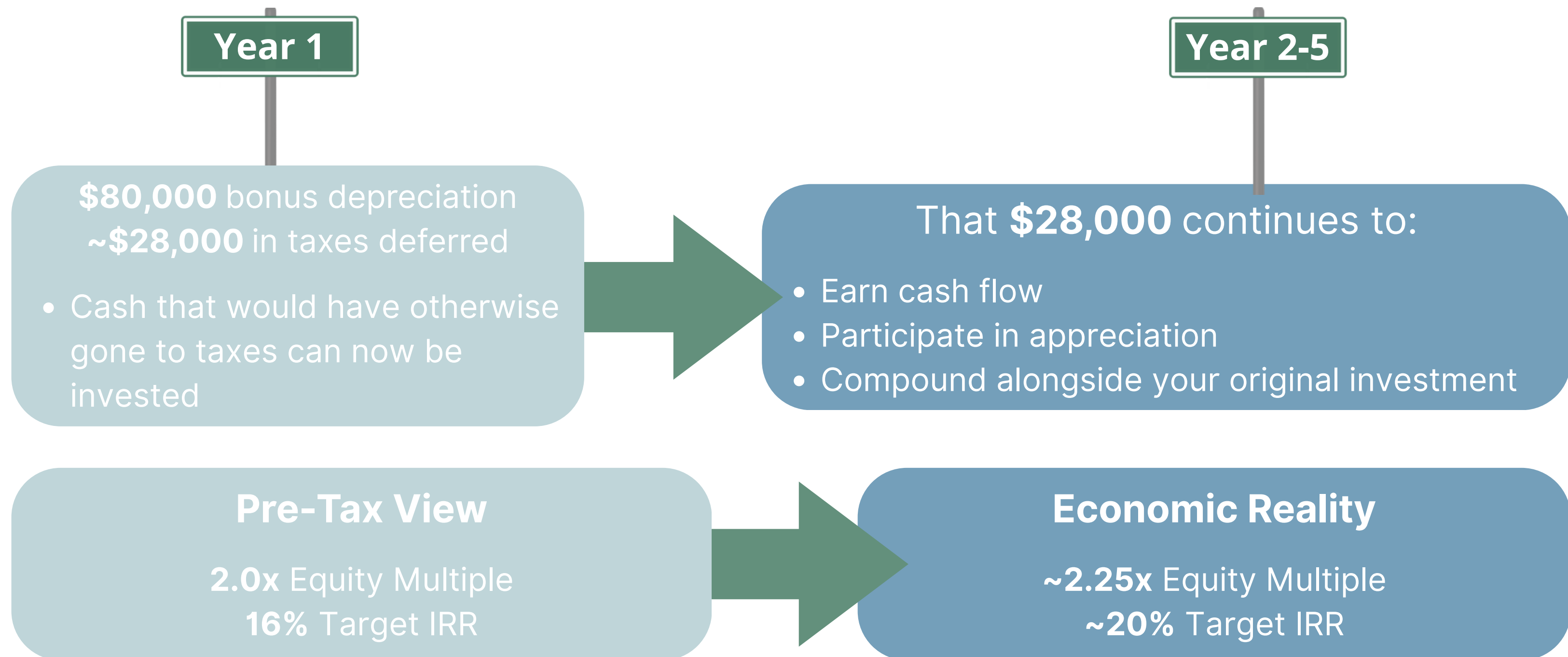
Residual Year - Economic Occupancy

	85.00%	87.50%	90.00%	92.50%	95.00%
Residual Exit Cap*	15.8% / 1.99x	17.0% / 2.09x	18.3% / 2.21x	19.5% / 2.32x	20.6% / 2.43x
5.50%	14.6% / 1.88x	15.8% / 1.99x	17.2% / 2.10x	18.3% / 2.21x	19.5% / 2.32x
5.75%	13.2% / 1.78x	14.7% / 1.89x	16.0% / 2.00x	17.2% / 2.11x	18.4% / 2.21x
6.00%	11.7% / 1.66x	13.5% / 1.79x	14.9% / 1.91x	16.1% / 2.01x	18.3% / 2.12x
6.25%	10.1% / 1.55x	12.0% / 1.68x	13.9% / 1.83x	15.1% / 1.92x	16.3% / 2.03x
6.50%					

*Exit Cap is Sponsor's best estimate, but no-one can predict what cap rates will be at exit. Actual cap rates will likely be different and could be higher or lower. Higher exit cap would result in lower sales price and lower investor returns.

WHAT HAPPENS WHEN MORE CAPITAL STAYS INVESTED

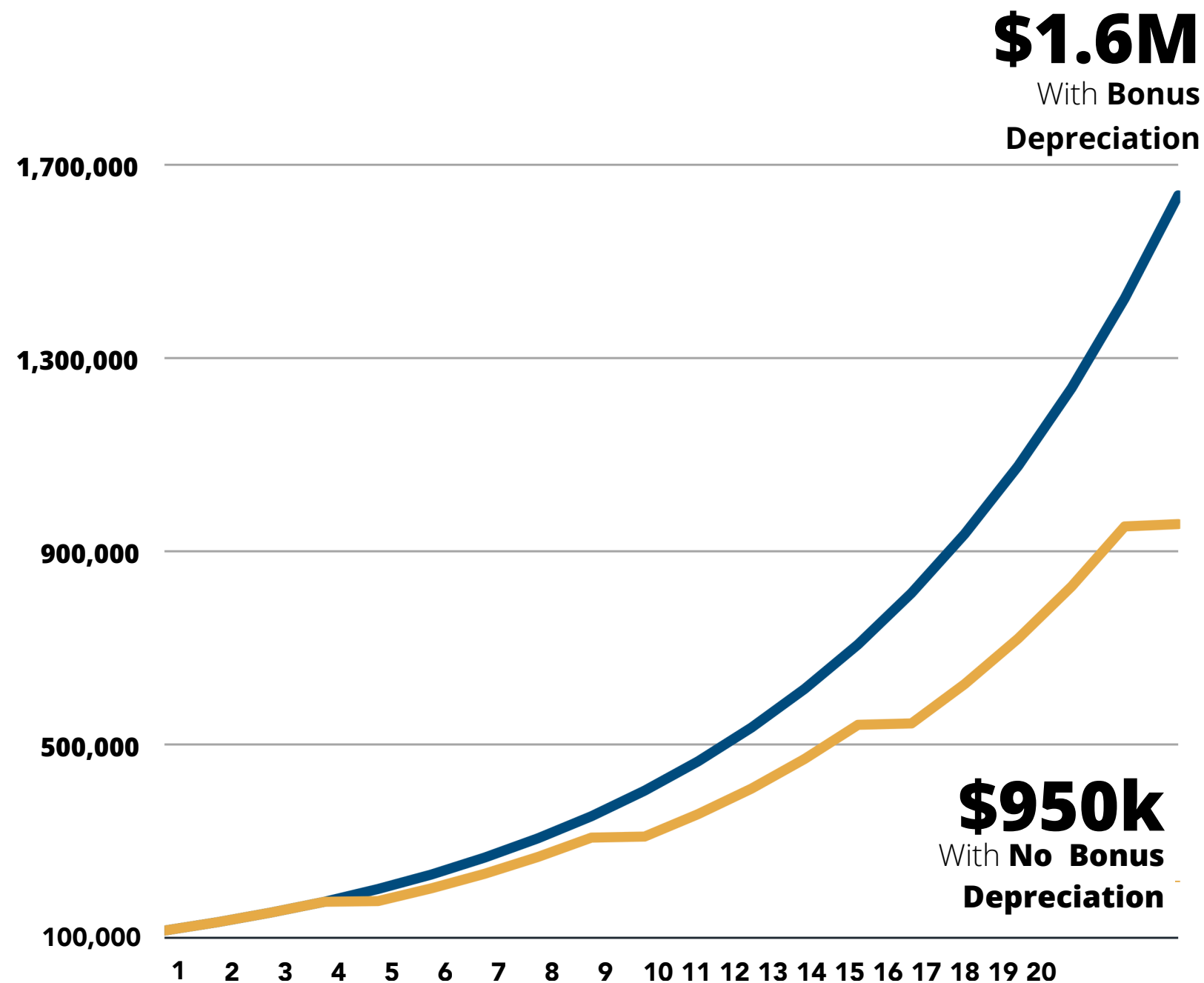
Bonus depreciation doesn't change the deal, it changes how long your money works.



*Illustrative: varies based on investor tax profile

HOW TAX EFFICIENCY ACCELERATES WEALTH

Hypothetical capital appreciation of a \$100,000 investment over 20 years



Model Assumptions 1.) Initial Investment: \$100,000 **2.)** Net Annual Return: 15% **3.)** Capital Gains Rate: 25% (accounts for depreciation) **4.)** Assumes investments are sold every 5 years

Tax advantages are one of the most powerful drivers of long-term investment performance. Through bonus depreciation and other deferral strategies, investors keep more of their capital working for them instead of paying it out in current-year taxes.

- Bonus depreciation allows accelerated write-offs that create “paper losses” in early years, reducing taxable income.
- These deferred taxes remain invested and continue to compound over time, leading to significantly higher after-tax returns.
- When taxes are eventually due (at sale or exchange), they’re typically recognized at lower capital gains and depreciation recapture rates.

The result: more capital compounding today, greater wealth tomorrow. Tax-efficient investing doesn’t just defer taxes, it multiplies growth through time.

Consult your tax advisor for details on how these benefits may apply to you.

INVESTMENT HIGHLIGHTS

- ✓ Well-located Class B workforce housing community with strong in-place demand
- ✓ Off-market acquisition at a basis 50%+ below replacement cost
- ✓ Projected 16% IRR and 2.0x equity multiple
- ✓ Projected 90%+/- bonus depreciation in year one (subject to individual tax situations)
- ✓ Conservative underwriting that does not rely on aggressive rent growth (0% rent growth assumed for year 1)
- ✓ ~6% cash flow day 1



GARY LIPSKY
President

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YOUR NEXT STEPS

- ✓ Register in the investor portal (BODC website or QR code below)
- ✓ Submit your investment, upload your accredited investor letter and esign your subscription agreement
- ✓ Confirm funding instructions with Jaclyn 480-294-4530



Scan the QR Code to Access
The BODC Investor Portal

<https://bit.ly/BODCportal>