



J. JEFFERS
& CO.

Colman Yards

Master Plan Development / Rockford, IL

Real Estate Investment / August 7, 2023 / **CONFIDENTIAL**



Investment Contacts



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Investment Risk

In making an investment decision, qualified prospective investors must rely on their own examination of the issuer and the terms of the offering, including the merits and risks involved. These securities have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have neither confirmed nor determined the accuracy or adequacy of this document. Any representation to the contrary is a criminal offense.

These securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act of 1933, as amended, and the applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time.

This is a marketing document. Please refer to the Private Placement Memorandum (“PPM”) for fully detailed investment terms, risk factors, and investor compliance requirements. This is not a full summary of all investment terms, risk factors, and investor compliance requirements.

**A catalytic, multi-phase,
master planned Live Work
Play community, creating
new accessible housing,
new jobs, new vibrancy in
downtown Rockford, IL.**



BASHFORD
design

COLMAN YARDS

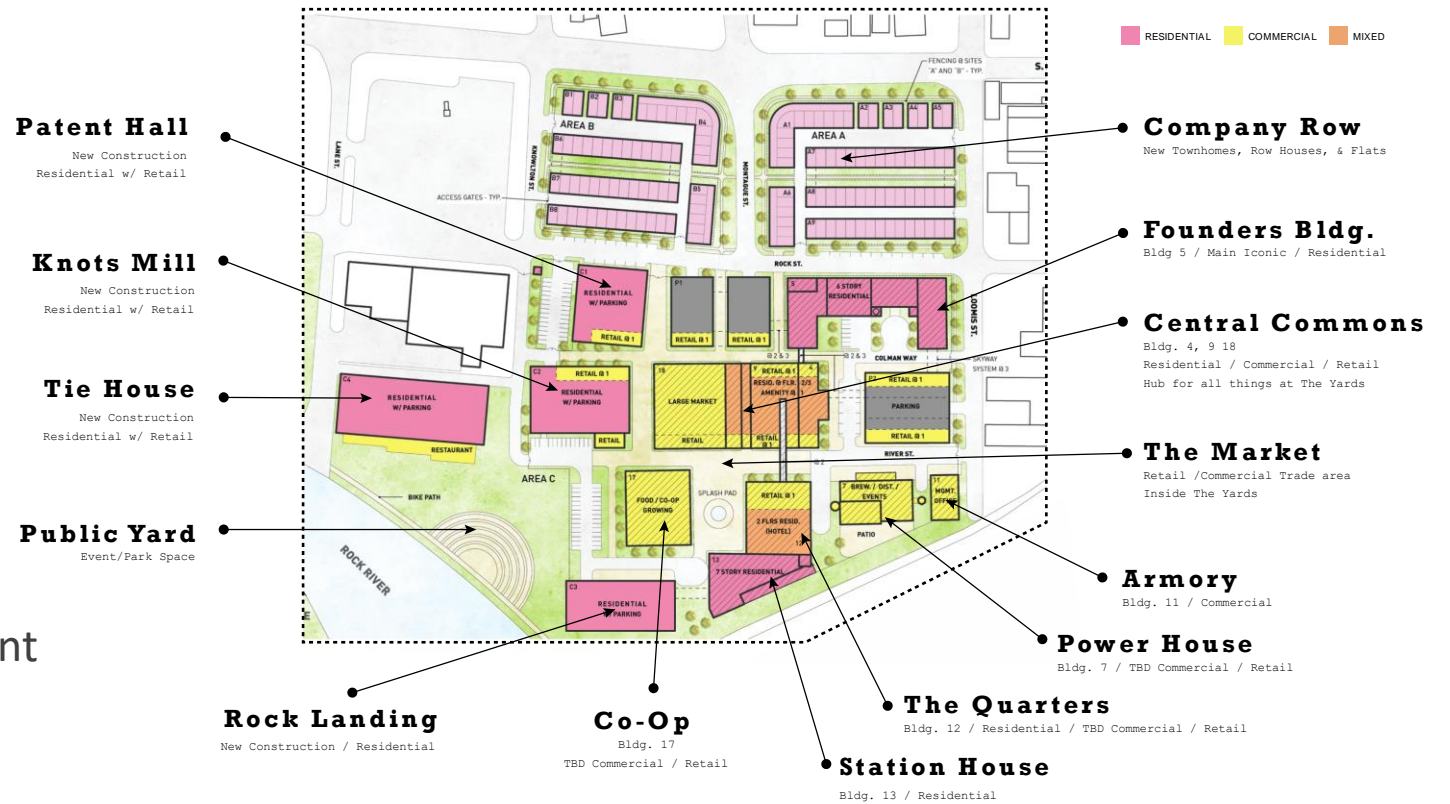






Master Plan / Full Campus Overview

- **Multi-Phase / Mixed-Use**
- Downtown Rockford, IL
- 26 Acres / River Access
- 500K SF Historic Rehab
- 1.5M SF New Construction
- 900+ Multifamily Units
- 130K+ SF Commercial Space
- Public Green Space / Activated Riverfront
- New Trade District



An architectural rendering of a modern industrial-style building. The building features large, multi-paned windows and a prominent brick facade. In the foreground, a paved courtyard contains a large, rectangular water fountain with multiple jets of water. Several people are depicted in the courtyard, some sitting on low concrete benches and others walking. The sky is overcast, and the overall scene is presented in a dark, monochromatic style with a semi-transparent text overlay.

Phase One

Stage One Development



Stage One / Investment Summary

- **Estimated Start, September 2023**
- Historic Rehabilitation / Adaptive Reuse / 350,000 SF
- Three Historic Buildings / 215 Apartments / 23,000 SF Commercial Space
- New Parking Structure / 5-stories / 336 spaces
- Shovel-Ready (Permits Pending)
- **Guaranteed Maximum Price (GMP) Construction Contract**
- State and Federal Historic Tax Credit Approvals (Parts 1 & 2) by National Park Service
- **City of Rockford ("City") Incentives and Financing lowers risk and improves returns**



Stage One / Development Summary

A) Founders Building / Apartments

- 181 Apartments / 2,700 SF Club Room
- 2,000 SF Roof Deck / 1,500 SF Coworking Space
- 160,000 SF total

B) New Parking Garage & Retail

- 336 Parking Spaces / 15,000 SF Retail
- 144,000 Total SF / New Construction
- 100% Financed via City Incentives

C/D) Central Commons / Apartments & Retail

- 34 apartments / 8,500 SF Gym / 7,400 SF Retail
- 56,000 Total SF



Estimated 19.27% Project IRR on a 4-year hold.

Risk mitigated by public-private partnership with the City of Rockford.



Public-Private Partnership

- Tax Increment Financing (“TIF”) Plan includes the following:
 - **100% rebate** of incremental property taxes to the project.
 - Resetting the Tax Increment District in 2023 to maximize TIF incentive.
- Other City Incentives **Totaling \$29.3M.**
- Sponsor, in conjunction with Alderwoman & Mayor’s Office, conducted multiple public meetings as well as **100+ private meetings** with companies, non-profits, and stakeholders in support of the project.
- Projected IRR of 19.27% and 1.88x equity multiple on a four-year hold.

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Investment Terms

- \$106.1M total development cost
- **\$8.0M Stage One / Participating Pref Equity: 9.15.23**
- Estimated 19.27% Project IRR
- Estimated 16.82% Investor IRR
- Projected 4-year Hold Period
- **Minimum investment: \$250K**
- Estimated start date: September 15, 2023
- Accredited investor compliance required

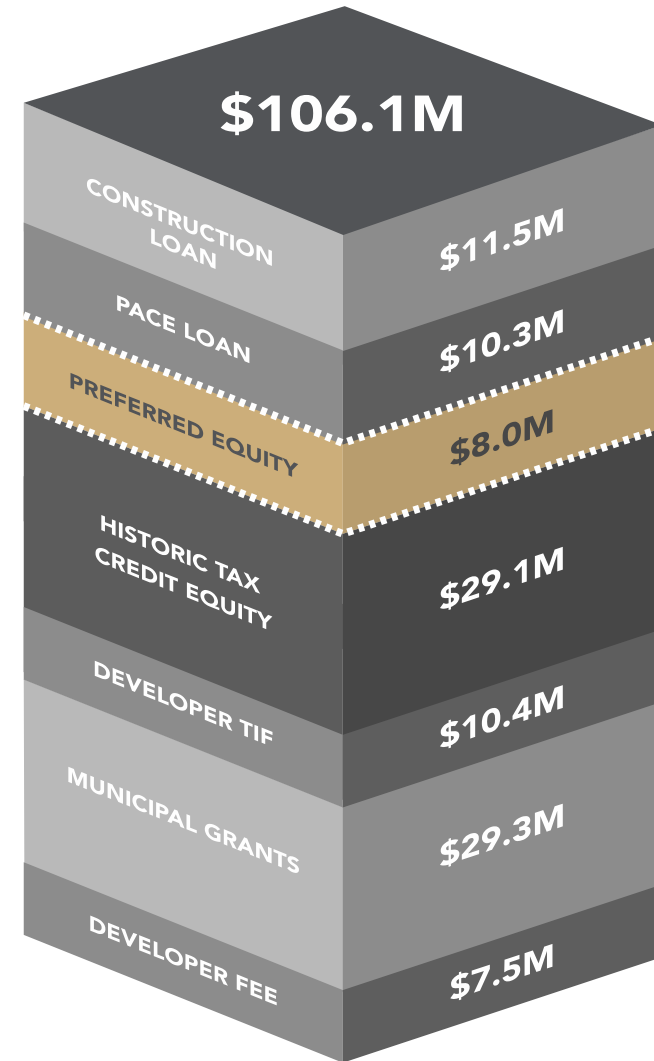
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Sources	
Construction Loan	\$11,500,000
PACE Loan	\$10,336,000
Participating Pref Equity	\$8,000,000
Tax Credit Equity	\$29,092,000
Tax Increment Financing	\$10,399,000
Municipal Funding	\$29,250,000
Deferred Developer Fee	\$7,500,000
Total	\$106,077,000
Uses	
Acquisition & Construction Costs	\$73,307,000
Financing Costs	\$11,115,000
Soft Costs	\$13,780,000
Reserves	\$375,000
Deferred Developer Fee	\$7,500,000
Total	\$106,077,000



Capital Stack

- **\$106.1M Project / Financed via:**
- \$11.5M Construction loan
- \$10.3M PACE Loan
- **\$8.0M Participating Preferred Equity**
- \$29.1M from Historic Tax Credit Equity
- \$10.4M Tax Increment Financing (TIF)
- \$29.3M of Municipal Grants
- \$7.5M Deferred Developer Fee



An architectural rendering of a modern urban courtyard. The scene features several multi-story brick buildings with large windows and arched doorways. In the foreground, there is a paved courtyard with people sitting on low concrete benches, walking, and talking. A few cars are parked or driving in the courtyard. The sky is overcast with soft clouds. The overall atmosphere is one of a vibrant, pedestrian-friendly neighborhood.

Stage One

Anticipated Start Date: September 2023

Anticipated Completion: March 2025



Stage One / Rehabilitation Highlights

- 350,000 SF / Adaptive Reuse
 - Central Commons, Founder's Building
- 34 apartment units / Campus gym & amenity space / Central Commons
- 181 apartment units / Rooftop deck & coworking space / Founders Building
 - **Total of 215 apartment units**
- **Significant local job creation**
- 14,500 SF of retail space in Central Commons
- Building B1 Parking deck = **336 parking spaces** / 15,000 SF retail space (new construction)

The Colman Yards Phase One buildings will undergo comprehensive rehabilitation while maintaining significant historical character, transforming the buildings into modern, light-filled units for residents to live, along with a significant amount of campus amenity space including a gym, lobby/mail room, and rooftop deck.



Central Commons / Current Condition



Central Commons / Rehabilitation Rendering



Central Commons / Sample Unit

- 34 units
- 7,000 SF amenity space
- 6x studio, 20x 1-bed, 5x 2-bed, 3x 3-bed
- In-Unit washer/dryer
- 12-13' floor to ceiling height (varies by floor)

Unit configurations vary per floor and location.



TYP. 1 BED UNIT
610 SF



Founders Building / Current Condition



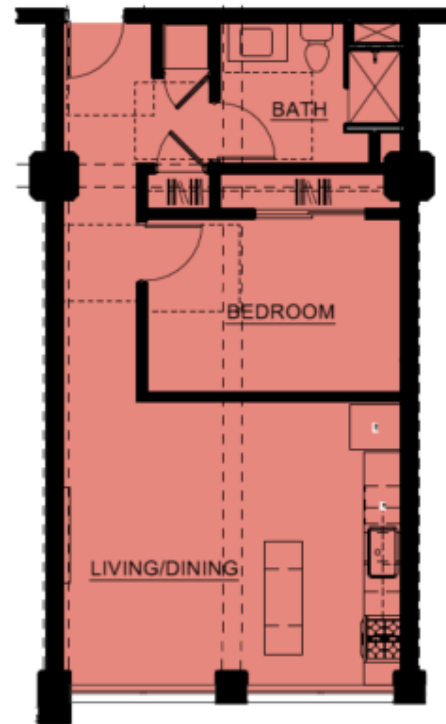
Founders Building / Rehabilitation Rendering



Founders Building / Sample Units

- 181 Units
- 67x Studio, 98x 1-Bed, 11x 2-Bed, 5x 3-Bed
- 2,000 SF Rooftop deck; 2,700 SF Amenity Space; 1,500 SF Coworking Space
- In-Unit Washer/Dryer
- 10-16' floor to ceiling height (varies by floor)

Unit configurations vary per floor and location.



ENLARGED 1 BED PLAN



ENLARGED 2 BED PLAN



Historic Campus / Current Condition



Historic Campus / Rehabilitation Rendering

An aerial photograph of Rockford, Illinois, showing a river winding through the city. The image is in grayscale with a dark overlay. The text "Historic Downtown Rockford, IL" is centered in a bold, yellow font. The background shows a mix of residential and commercial buildings, a bridge over the river, and a marina area with several docks.

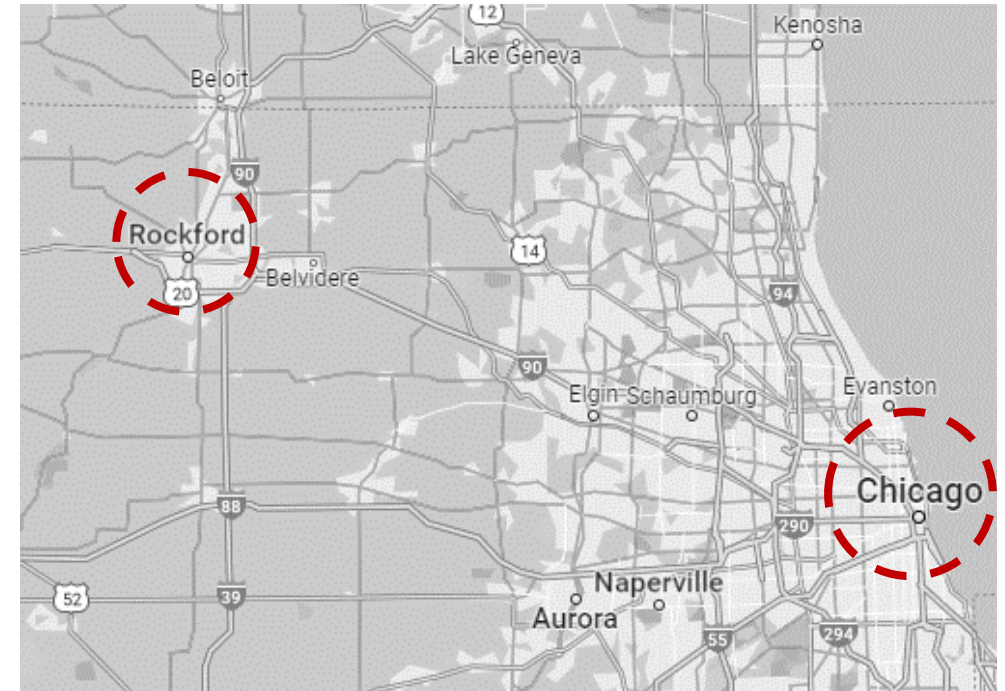
Historic Downtown **Rockford, IL**



Rockford, IL / Highlights

- **5th largest city in Illinois** (MSA population: 336,928)
- Within a new federally designated regional Economic Development District
- Higher than average concentration of engineering, manufacturing, R&D and aerospace employment
- Growth catalyst: Chicago-Rockford Int'l Airport (RFD) 10,000' runway; 14th largest cargo airport in U.S.
- Foreign Trade Zone #176 established at RFD

Sources: [Rockford Area Economic Development Council](#),
[datausa.io](#) & [Forbes](#)





Investment Location

- 1/2 mile from Downtown District
- Public transit access*
- More than \$775M of public and private investment Downtown Rockford
- Winnebago County seat and center of government, finance, commerce and civic life

* *New infrastructure planned with anticipated Chicago-Rockford passenger rail and Bus Rapid Transit line linking Downtown and RFD.*

Sources: [Rockford Area Convention & Visitors Bureau](#)





Rockford, IL / Rental Market Analysis Summary

- **Competition is limited in scale**
- No new market rate apartments development of scale in the last 20+ years
- 23,000 local renter households in Rockford with limited new product
- No apartment communities of more than 65 units in the pipeline
- **Of surveyed apartment communities in downtown Rockford, vacancy sits at 0.6%**

*Among a representative sampling of several existing market rate apartment complexes in downtown Rockford, **market research firm Tracy Cross & Associates** found that “occupancy levels for all but one building surveyed in downtown Rockford stand at 100 percent, reflecting extremely tight market conditions. In a normal or balanced market, vacancies of 5.0 or 6.0 percent are typically required for filtering or movement between communities. In addition, rent levels among these selected communities have increased by 6 percent over the past year. In suburban Rockford, vacancy levels of 1.2 percent and rent growth of as much as 10-15 percent were found.” Complete market analysis available upon request.*

An architectural rendering of a modern, multi-story building with a grid-like facade and large windows. In the foreground, there is a paved courtyard with a long, low fountain structure. Several people are depicted walking and sitting in the courtyard, suggesting a public or community space. The entire image has a warm, sepia-toned overlay.

FINANCIAL SUMMARY

Phase One / Stage One



Projected Cash Flow

Combined Cash Flows Total Preferred Equity	Initial Commitment	Year 1	Year 2	Year 3	Year 4 - Refinance
Stage 1 Investment	(8,000,000)	-	439,316	1,517,188	13,061,751
Levered XIRR*	19.27%				
Levered EM	1.88x				

**the XIRR was calculated using quarterly distribution timing. This is a marketing document. Please refer to the Private Placement Memorandum (“PPM”) for fully detailed investment terms, risk factors, and investor compliance requirements. This is not a full summary of all investment terms, risk factors, and investor compliance requirements.*



Projected Cash Flow to Investor Pool

Combined Cash Flows LP Preferred Equity	Initial Commitment	Year 1	Year 2	Year 3	Year 4 - Refinance
Stage 1 Investment	(7,200,000)	-	395,384	1,365,469	10,767,346
Investor Levered XIRR*	16.82%				
Investor Levered EM	1.74x				

Combined Cash Flows \$250,000 Investment	Initial Commitment	Year 1	Year 2	Year 3	Year 4 - Refinance
Stage 1 Investment	(250,000)	-	13,729	47,412	373,866
		Cash-on-Cash	5.5%	19.0%	149.5%

**the XIRR was calculated using quarterly distribution timing. This is a marketing document. Please refer to the Private Placement Memorandum (“PPM”) for fully detailed investment terms, risk factors, and investor compliance requirements. This is not a full summary of all investment terms, risk factors, and investor compliance requirements.*



Promote Split

GP Invests 10.0% of total Equity

J. Jeffers & Co.	LP Investor Pool
10.0%	90.0%
\$800,000	\$7,200,000

Promote Assumptions	
GP Equity	10.00%
3rd Party LP Equity	90.00%
Preferred Return	8.00%
Tier 1 Return	12.00%
Tier 1 Promote	20.00%
Tier 2 Return	16.00%
Tier 2 Promote	30.00%
Tier 3 Promote	40.00%



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**Development is a
powerful vehicle for
enhancing communities
and creating value.**



J. Jeffers & Company

Founded in 2012 by Joshua Jeffers with a goal of building **a different kind of real estate firm**, J. Jeffers & Co. is built on the principles of Accountability, Integrity, and Perseverance, all of which we believe are essential for achieving high-quality outcomes for all our partners, communities, and stakeholders.

Mission-Driven. We believe real estate development is a powerful vehicle for enhancing communities and creating value. Our developments seek to create catalytic and comprehensive change for communities through historic rehabilitation, adaptive reuse, and architecturally sensitive new construction, pursuing **development principles** of sustainability, social impact and governance achievements.



Our Development Principles

SUSTAINABILITY

- Historic Rehabilitation
- Energy & Efficiency Standards
- Brownfield/Hazard Materials Reclamation
- Environmental Awareness
- Water Rights & Conservation
- Public Art & Green Space Enhancement
- Alternative Transportation

SOCIAL IMPACT

- Neighborhood Revitalization
- Job Creation
- Accessible Housing
- Blight Elimination
- Community Engagement
- Health & Safety
- Real Estate Stewardship

GOVERNANCE

- Ethical Development Practices
- Financial Transparency
- Community Enhancement
- Public-Private Partnership Compliance
- Municipal Tax Revenue Improvement
- Charitable/Non-Profit Beneficiaries
- Recipient of Awards & Recognition



A portfolio of successful rehabilitations and iconic properties.



JJ&Co. Portfolio Highlights

- The Mackie, Grain Exchange Building / \$15M Redevelopment
- Mitchell Building / \$11M Comprehensive rehabilitation
- Journal Commons & Westown Green / \$64M Comprehensive rehabilitation
- Belle City Square / \$70M of Multi-phase Master Plan redevelopment
- Gold Metal Lofts / \$18M Rehabilitation
- Garfield & Griot Apartments / \$17M Rehabilitation and new development
- Huron Building / \$60M New Historic District development
- Milwaukee Athletic Club / \$61M Comprehensive rehabilitation

*Total assets under management: **\$345,000,000** / 45 Properties / [visit website](#)*



JJ&Co. Transaction Summary with Equity Partners

Project	Location	Asset Class	Acquisition Date	Exit Date	Total Capitalization	Total Equity	Sponsor Investment	Realized Investor IRR	Realized Investor Equity Multiple
Clement Apartments	Milwaukee, WI	Multifamily	May-13	Jul-17	424,804	78,447	78,447	64.39%	3.45x
BrewLab Lofts	Milwaukee, WI	Multifamily	Jan-17	Aug-17	2,600,000	650,000	650,000	92.30%	1.92x
In Bounds Training Inc.	Milwaukee, WI	Sports Recreation	Mar-13	Oct-17	1,445,000	280,000	140,000	29.74%	2.83x
St. James	Milwaukee, WI	Hospitality	Nov-17	Aug-18	1,856,000	510,000	510,000	59.80%	1.61x
Bayside Haven	Milwaukee, WI	Senior Living	Jul-15	Sep-18	1,372,000	354,000	354,000	56.30%	3.43x
College Plaza	Milwaukee, WI	Retail	Feb-17	Nov-21	3,508,825	858,825	128,825	28.95%	2.92x
Waukesha Commerce Center	Waukesha, WI	Industrial Flex	Sep-18	Dec-22	8,050,000	3,050,000	170,695	16.58%	1.79x
The Mackie Building	Milwaukee, WI	Mixed-Use	Dec-15		14,792,487	7,666,087	840,733		
CRC Industrial	Milwaukee, WI	Industrial Flex	May-17		4,195,000	875,000	125,000		
Alta Vista Senior Living Portfolio	SE Wisconsin	Senior Living	Oct-18		12,318,325	3,673,325	368,971		
The Huron Building	Milwaukee, WI	Office	May-19		59,450,000	20,800,000	1,652,920		
2121 Manitowoc Industrial	Manitowoc, WI	Industrial	May-20		8,078,684	1,878,684	188,038		
633 W. Wisconsin Avenue	Milwaukee, WI	Office/Parking	Jun-20		27,425,791	7,918,478	800,000		
Milwaukee Athletic Club	Milwaukee, WI	Mixed-Use	Nov-20		61,495,274	6,500,000	670,000		
2012 East North Avenue	Milwaukee, WI	Mixed-Use	Oct-21		4,950,000	1,261,726	200,000		



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