



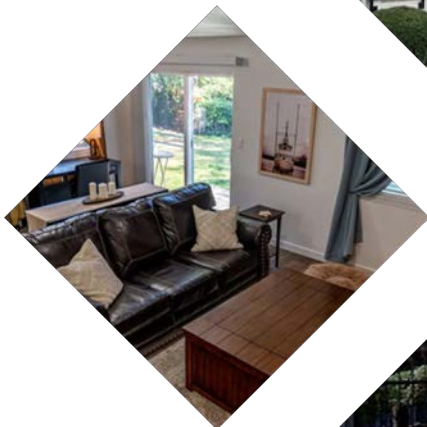
# Real Estate Investing...

## *Simplified.*

Invest in multifamily real estate with proven operators that deliver outsized returns

# 3.25x

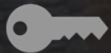
HISTORICAL AVERAGE  
RETURN MULTIPLE  
on realized investments



# Why Invest in Real Estate the Hard Way?

Real estate is an attractive asset class with many ways to participate. Private ownership means being a landlord. Publicly traded real estate securities such as Real Estate Investments Trust (REITS) are subject to public market volatility.

Buy why invest in real estate the hard way? CEP Multifamily offers a pooled equity fund where making a single investment diversifies holdings through ownership of an array of multifamily properties.



## Private Ownership

- Financial Risk
- Limited access to opportunities
- This is ANOTHER JOB

## Public Markets

- Market volatility
- No access to management
- Black box investment
- No tax benefits

## CEP Multifamily

- Partner with a proven operator
- Take ownership stake in array of assets
- Direct ownership without the management
- Enjoy quarterly cash flow distributions
- Earn Tax-advantaged Passive Income
- Access returns from targeted, proven investment strategy

Hard



Easy



# Who We Are

CEP Multifamily is a fully integrated real estate investment and asset management company.

We are a real estate investment sponsor that buys and repositions underperforming multifamily properties. We syndicate these acquisitions to provide high-yielding passive income and equity growth for investors.

CEP has successfully invested in and operated multifamily assets through multiple market cycles. We are operators at our core and know how to identify, acquire, and unlock the full potential of underperforming properties.

We are committed to helping our investor community build and preserve wealth by providing them opportunities to invest alongside CEP in income producing multifamily assets in high-potential markets across the Northwest U.S.

## \$700 M

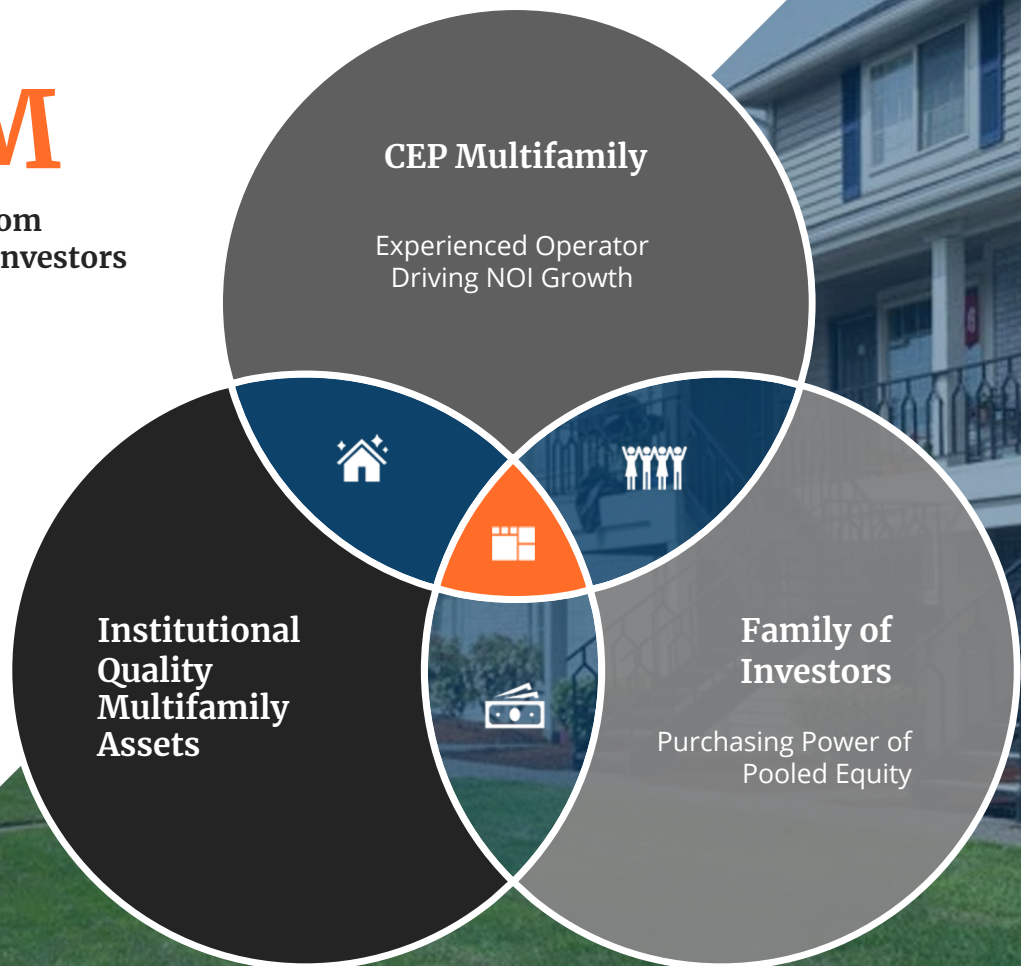
Total Asset Capitalization

## \$180 M

Capital Contributed from  
individual accredited investors

## 20+

Quality Multifamily  
Assets Acquired  
(Over 2500 Units)





# What We Do

We invest in institutional grade multifamily assets located in secondary markets in the Pacific Northwest. These are the properties that America's workforce calls home.

We acquire underperforming assets in markets where we see future economic growth and opportunities to improve the value of the asset. We then seek to improve the property's economic performance through a disciplined approach to asset management.

We leverage our 35 years of ownership and asset management experience to improve operations, grow NOI and drive outsized returns for our investor group.

## Our Strategy

Our core-plus strategy to multifamily investing is synonymous with income and growth.

### Long-Term Hold:

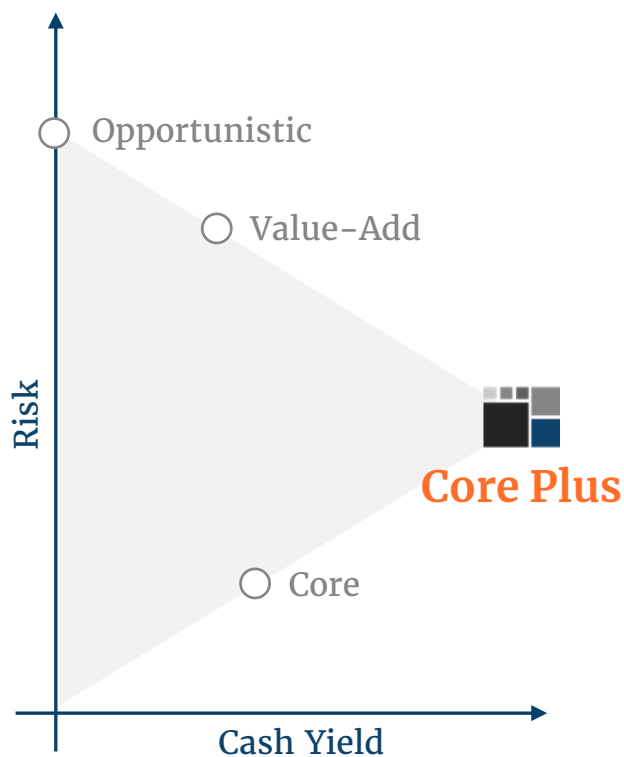
Acquire underperforming in-place income producing assets with a plan to unlock their full potential

### Low Risk, High Yield Investments:

Assets purchased using equity capital and long-term fixed rate debt – Moderate leverage that works to enhance yield to equity investor

### Properly Capitalized for Asset Preservation and Enhancement:

Reinvest in the asset over the hold period to keep it properly positioned to compete in the marketplace.



*We deliver balanced returns to our investors, consisting of steady income from operations and value gains realized at sale.*

## Our Approach

# Maximizing Near-Term Profits & Long-Term Gains

We leverage our unsurpassed operating experience to drive strong operating profits over the hold period and deliver exceptional risk-adjusted returns to our investors, consisting of reliable cash flow from operations (income) and asset appreciation captured at sale (equity growth).

## 1. Acquire

Acquire underperforming suburban multifamily housing communities.



## 2. Employ

Employ an operator's mentality to create a plan to optimize the performance of each asset.



## 3. Leverage

Leverage in-house property management division, CEP Residential, to execute the business plan for each property.



## 4. Drive

Drive operations over the hold period to optimize net operating income, delivering steady income to investors and bolstering the value of each property.



## 5. Sell

Sell the now top performing properties at opportune times capturing the full value of each asset.





## Our Model

# Transforming Underperforming Assets

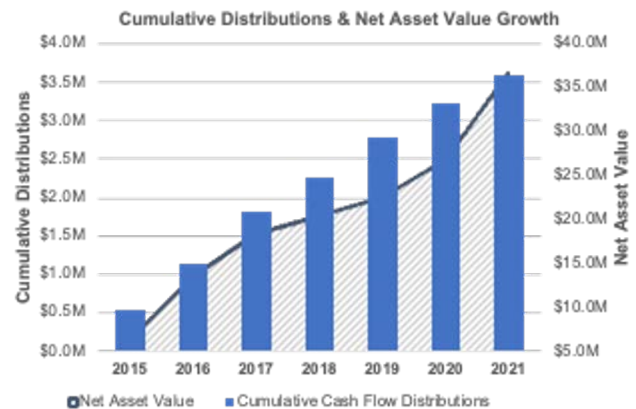
The properties we acquire are in-place income producing properties that have clear management upside potential. We are not builders taking construction risk or speculators looking to fix and flip assets. We are experienced operators committed to capturing the management upside we see in underperforming assets.

We deploy our best-in-class in-house operations team to execute our business plan during the hold period that positively impacts tenant satisfaction, profitability, and property value.

This allows us to transforming underperforming assets into thriving community and successful real estate investments,

## NOI Drivers

- ✓ **Improve occupancy** through CEP tenant selection process
- ✓ **Reduce Turnover** by improving the tenant experience
- ✓ **Unlock new revenue streams** (parking, pet policies, concierge services)
- ✓ **Make Strategic CapX Investments** focused on asset preservation and investments in property improvements
- ✓ **Operating Expense Management**



## Our Focus

# Choosing the Right Properties

CEP Multifamily employs rigorous selection criterion to identify and acquire properties we can reliably improve overtime to increase investor returns. We are established, reputable players in the pacific northwest region so prospective sellers understand our brand and the promise that comes when engaging on a potential acquisition CEP.

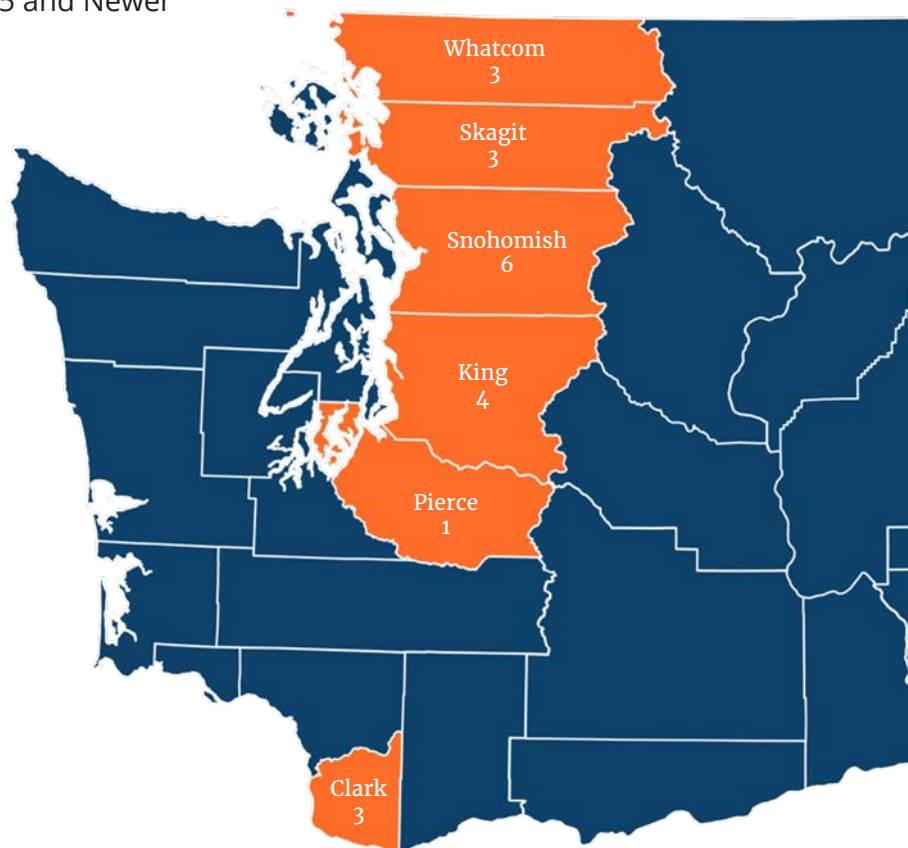
## Acquisition Criteria

<b>Asset Class:</b>	Multifamily
<b>Market:</b>	Northwest U.S.
<b>Location:</b>	Suburban & Secondary/Tertiary Markets
<b>Size:</b>	100-250 Unit Properties
<b>Type:</b>	Garden Style
<b>Unit Mix:</b>	1, 2, and 3 Bedroom units (950 Avg SF)
<b>Age:</b>	1985 and Newer

The fund is an investment vehicle that pools capital from multiple investors to purchase select multifamily properties that CEP has identified as having high potential for growth.

CEP manages the assets and generates income from the properties for investors who earn a return on their investment through the combination of cash Flow (paid quarterly) and asset value appreciation captured when each property is sold.

Puget Sound  
Regional Acquisition Focus



# The Fund Offering

CEP Multifamily gives individual investors the opportunity to take a capital position in a pooled equity fund that owns several institutional-quality multifamily properties identified by our team. The fund is an investment vehicle that pools capital from multiple investors to purchase select multifamily properties that CEP has identified as having high potential for growth. The fund contributes the equity needed to purchase the assets, giving every investor an ownership interest in each asset purchased by the fund.

1. Individual investors pool their equity capital along side CEP



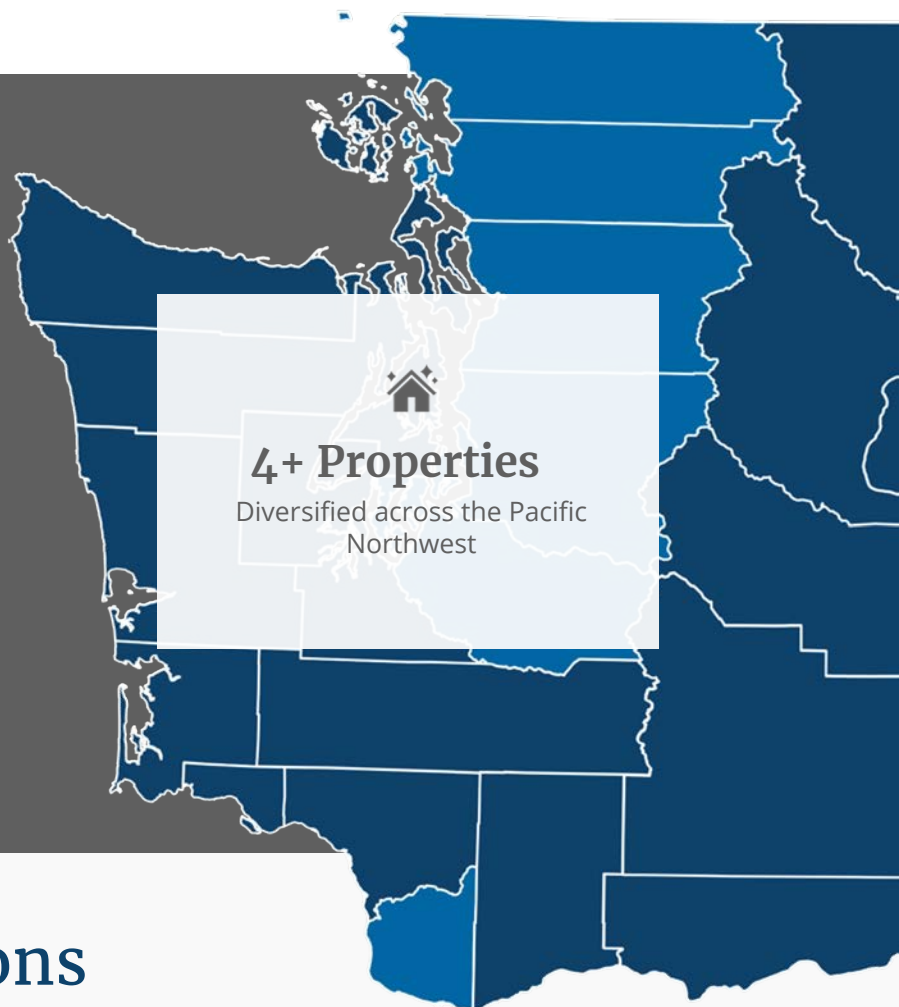
2. Fund leverages CEPs expertise to acquire and manage properties



3. Investors passively earn outsized returns

## Highlights

\$50M	Offering Size
\$100K	Min. Investment
5-7YR	Asset Hold Period
\$120M	Total Capitalization /\$50M Equity



## Financial Projections

Targeted Returns

7%

Cash-on-Cash  
Return

14%

IRR

2.8x

Return Multiple

21%

Average Annual  
Return



## Fund Investment Classes and Return Structure

# CEP Workforce Housing Fund

There are three investment classes based on investment amount. The fund distributes all cash flows to the investors until they achieve the preferred return for their investor class (6-8%) and receive a full return of their capital. Once that threshold is achieved CEP starts sharing in remaining profits. There is no sponsor catch up after the preferred return is realized.



### 3-5 Properties

Diversified across Northwest



### 7 Years

Anticipated life of fund



### \$100,000

Minimum investment

#### Class A1

**\$5 M**

Minimum Investment

**8%**

Coupon & Priority  
Return Of Capital to Investors

Then  
**80%** | **20%**  
To Class A1 | To Sponsor\*

\*Once Class A1 receives a cumulative amount equal to 15% IRR > Class A1 will receive 50% of remaining proceeds

#### Class A2

**\$1 M**

Minimum Investment

**8%**

Coupon & Priority  
Return Of Capital to Investors

Then  
**75%** | **25%**  
To Class A2 | To Sponsor\*

\*Once Class A2 receives a cumulative amount equal to 14% IRR > Class A2 will receive 50% of remaining proceeds

#### Class A3

**\$100 K**

Minimum Investment

**6%**

Coupon & Priority  
Return Of Capital to Investors

Then  
**75%** | **25%**  
To Class A3 | To Sponsor\*

\*Once Class A3 receives a cumulative amount equal to 12% IRR > Class A3 will receive 50% of remaining proceeds

### Earn Tax-Advantaged, Passive Income

The fund makes quarterly distributions of passive income to fund investors. Tax losses from depreciation benefits create a tax shelter for the passive income earned by investors

### Balance Market Uncertainty

Real Estate valuations have a low correlation to pricing volatility found in the daily pricing of the market. The markets swing unpredictably while real estate steadily appreciates.

### Hedge Against Inflation

Multifamily short-term (>1 yr) leases allow pricing to fluctuate with the market. Rents rise with inflation, which is a better hedge than long-term commercial leases (5-10 yrs) with fixed escalators that don't keep up.

# Realized Returns

We have realized returns from several core-plus investments that we have made in multifamily real estate in the Pacific Northwest. We took the long view and steadily improved operating performance of these multifamily assets over a 5-7 year horizon. We delivered cash flow (tax advantage income) to the investors quarterly and drove strong gains in value over the hold period that were realized at sale.

Our core-plus investment strategy has proven successful through all phases of the market cycle. Including the Global Financial Crisis and the Global Pandemic. CEP Multifamily has generated an average IRR of ~25% on the multifamily investments we have exited.



Property Count	9
----------------	---

Total units	985
-------------	-----

Avg Hold Period (YRS)	5.86
-----------------------	------

Avg Cash-on-Cash Return	8.76%
-------------------------	-------

Avg Annual Return	37.51%
-------------------	--------

Avg IRR	24.64%
---------	--------

Avg Return Multiple	3.25x
---------------------	-------

**3.25x**

**AVG. RETURN MULTIPLE**  
on capital invested over  
a 6-year hold



## Case Study

# BluWater

BluWater is a representative CEP Multifamily investment - It has all the right physical attributes; location, size, quality, etc. we look for and it was underperforming in the market when we acquired it. We drove explosive growth in NOI over the hold period and delivered strong returns comprised of \$3.6M in income (paid quarterly over the hold period) plus nearly \$33M realized at sale.

**\$8.5M** → **\$36.3M**

Invested

Returned

**AVG Cash on Cash Return:** 5.96%

**AVG Annual Return:** 45.78%

**Actual Gross IRR:** 24.90%

**Targeted Gross IRR:** 14.64%

**Return Multiple:** 4.22

- ✓ **Location:** Suburban Seattle
- ✓ **Asset Class:** Multifamily
- ✓ **Product Type:** Garden-Style
- ✓ **Size:** 152 units
- ✓ **Vintage:** 1991

**\$25.5M** → **\$54.5M**

Purchase Price

Sale Price





Want to Learn More?

# Register for Our Free Investor Webinar



*Jessica Disman*

**Jessica Disman**

Director, Capital Markets  
& Investor Relations

## Questions?



425.512.4084



[jdisman@cep-mf.com](mailto:jdisman@cep-mf.com)



[meetings.hubspot.com/jessica-disman](https://meetings.hubspot.com/jessica-disman)



[cepmultifamily.com](http://cepmultifamily.com)

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. REGULATION A OFFERINGS ARE SPECULATIVE, ILLIQUID, AND INVOLVE A HIGH DEGREE OF RISK, INCLUDING THE POSSIBLE LOSS OF YOUR ENTIRE INVESTMENT.

CEP Multifamily is offering securities through the use of an Offering Statement that the Securities and Exchange Commission ("SEC") has qualified under Tier II of Regulation

A. While the SEC staff reviews certain forms and filings for compliance with disclosure obligations, the SEC does not evaluate the merits of any offering, nor does it determine if any securities offered are "good" investments.

Dalmore Group LLC ("Dalmore") is registered with the Securities and Exchange Commission ("SEC") as a broker-dealer, member of Financial Industry Regulatory Authority, Inc. ("FINRA") and Securities Investor Protection Corporation ("SIPC") and is the broker-dealer of record on this issuer direct offering.

This profile may contain forward-looking statements and information relating to, among other things, the company, its business plan and strategy, and its markets or industry. These statements reflect management's current views regarding future events based on available information and are subject to risks and uncertainties that could cause the company's actual results to differ materially. Investors are cautioned not to place undue reliance on these forward-looking statements as they are meant for illustrative purposes, and they do not represent guarantees of future results, levels of activity, performance, or achievements, all of which cannot be made. Moreover, although management believes that the expectations reflected in the forward-looking statements are reasonable, neither CEP Multifamily nor anyone acting on its behalf can give any assurance that such expectations will prove to have been correct nor do they have a duty to update any such statements to conform them to actual results.

By accessing this site and any pages on this site, you agree to be bound by our Privacy Policy, as may be amended from time to time without notice or liability.

