



Harrison Project

Plans vs. Execution

Harrison Project

Background:

- Vision & Beyond is an investment and real estate management company for U.S. assets specializing in providing significant and comprehensive benefits to its investors across the entire value chain of their investment from location, betterment and renovation, ongoing management and sales management.
- The core of our real estate investment conduct lies first and foremost in locating transactions at the right price, with the central ambition being to locate assets at prices significantly lower than the market price.
- Over the years, we have developed a unique method for locating Value Add assets in the activity areas at prices below market prices.
- Today, the company manages over 500 properties and units in the United States, properties it has fully developed (locating-purchasing-renovating and building-operating and managing).
- The company's team is made up entirely of company employees - from construction workers to management - enabling us to manage the transaction alongside a plan vs. execution model and to save on cost improvement and maximizing the overall return.

Locating the transaction:

Our locating system focuses on yielding assets with potential for improvement that are either partially occupied or upgradable when the objective is to purchase assets below market price.

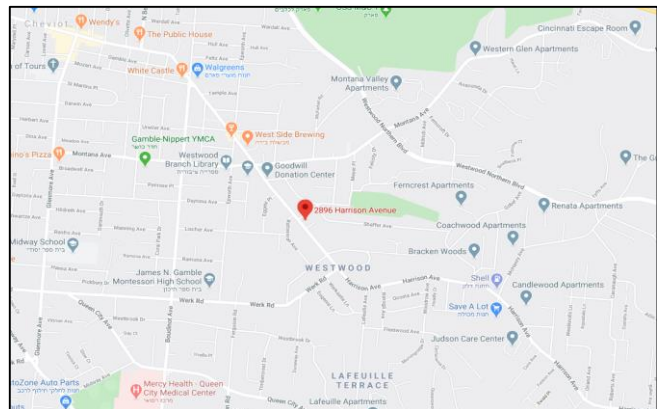
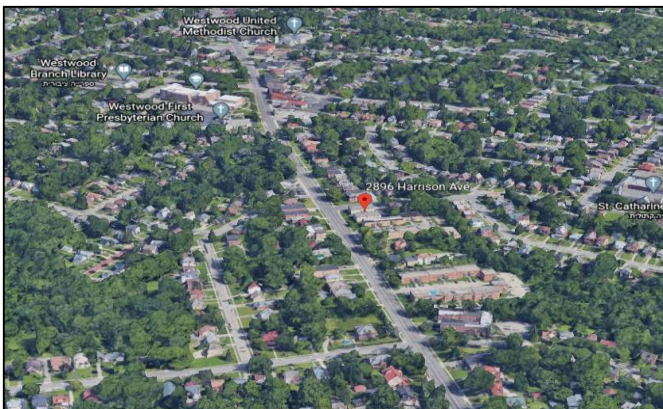
The properties are located in developing areas and neighborhoods, close to top schools, universities, employment centers and major transport hubs.

Within the locating system, we have developed unique methods for locating assets that do not exist or are not offered on the market for sale, and thus the brokerage price gaps can be saved.

The Harrison 2896 Project was located through locator Benjamin Shimoni, who focused on the Westwood neighborhood, a central neighborhood among the three western neighborhoods in Cincinnati.

After Benjamin surveyed the area, he decided to focus his efforts on the central axis, Harrison Street, which runs through the three western neighborhoods mentioned above.

The property located is a multi-family with 18 housing units, with partial occupancy and considerable betterment potential.



Plans

Asset Status at Location Time:

- Occupancy rate - 66%
- Net monthly income- \$ 3,600
- Purchase price after negotiation: \$ 475,000

"Value Add" Investment Strategy:

Built on the acquisition of assets tens of percent below their value using the Off Market method.

The plan is to acquire the property, better it by renovating all the units and the common space, and house the units at the accepted market rent prices .

After the raising of rents, ongoing management and maintenance will be done efficiently and economically in such a way that significantly reduces the cost of the complex and significantly improves the profit margins.

Towards the end of the process, the cash flow from the project will increase and generate higher profits, thus increasing the value of the property.

A. Settlement Statement

U.S. Department of Housing
and Urban Development

OMB Approval No. 2502-0265

B. Type of Loan

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input type="checkbox"/> Conv. Unins.	6. File Number: 2019-03-0104	7. Loan Number:	8. Mortgage Insurance Case Number:
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.	<input type="checkbox"/> Other			

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(POC)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name & Address of Borrower: The Assets of Liberty JV01, LLC, 24 E. University Ave., # OFC, Cincinnati, OH 45219

E. Name & Address of Seller: 2896 HARRISON HOLDINGS, LLC, 24 E. University Ave., # OFC, Cincinnati, OH 45219

F. Name & Address of Lender: Cash - No Lender

G. Property Location: Property Address
2896 Harrison Avenue Cincinnati, Ohio 45211

PIN
208-0055-0337-00

H. Settlement Agent: StoneBridge Land Title Agency, Inc., 11800 Conrey Road, Suite 200, Cincinnati, OH 45249, (513) 671-9600
Place of Settlement: 11800 Conrey Road, Suite 200, Cincinnati, OH 45249

I. Settlement Date: 4/25/2019 **Proration Date:** 4/25/2019 **Disbursement Date:** 4/25/2019

J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due from Borrower		400. Gross Amount Due to Seller	
101. Contract sales price	\$475,000.00	401. Contract sales price	\$475,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	\$5,460.00	403.	
104.		404.	

Cost of
purchasing
asset



Business Plan Expectations

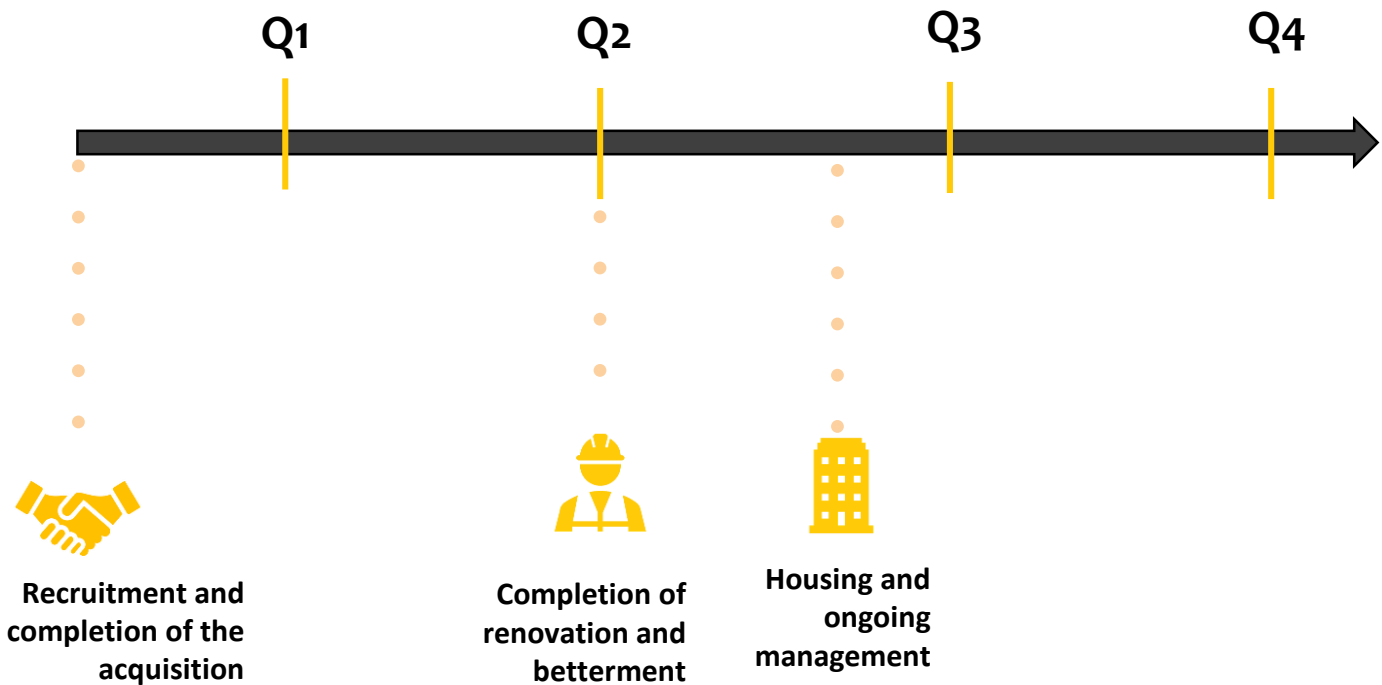
Renovation and budget plan

- Replacing roof
- Replacing windows
- Renovation of units, kitchens and bathrooms and toilets
- Renewal of electrical appliances
- HVAC replacement

Budget: \$ 138,000

Key Data	
Expected total cost	\$613,000
Expected Gross income (year)	\$118,800
Expected net income (year)	\$59,400
Expected net return	9.69%
Expected net income (month)	\$4,950
Betterment length (months)	6
Housing length after betterment (months)	2

Project Timeline (Acquisition, Betterment, Housing and Stabilization):



Execution

Before renovations



After renovations

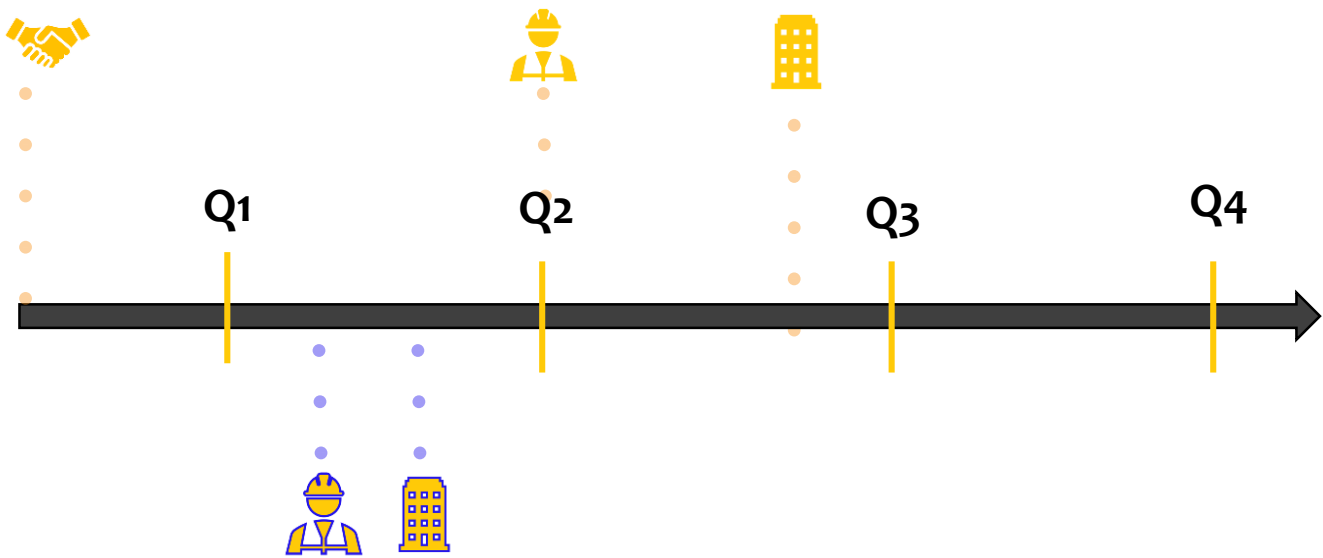


Plans Vs. Execution

Timeline - Plans vs. Execution:

Plans:

The duration for the renovation and betterment process according to the business plan was 6 months.



Execution:

In reality, property betterment took 4 months and full re-occupancy took only 1 month from the end of the renovation process!

Summary table - Timeline - Plans vs. Execution:

Business Plan Expectations:

Key Data	
Expected total cost	\$613,000
Expected Gross income (year)	\$118,800
Expected net income (year)	\$59,400
Expected net return	9.69%
Expected net income (month)	\$4,950
Betterment length (months)	6
Housing length after betterment (months)	2

Actual Performance:

Key Data	
Expected total cost	\$613,000
Expected Gross income (year)	\$129,600
Expected net income (year)	\$77,760
Expected net return	12.69%
Expected net income (month)	\$6,480
Betterment length (months)	4
Housing length after betterment (months)	1