



# Blue Lake Capital

MULTIFAMILY FUND

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Confidential | 2025









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# Our Philosophy



## Putting Relationships First. Always.

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We partner with families and private wealth partners who share our long-term vision for preserving and compounding capital across generations, with alignment, transparency, and disciplined execution at the core.

### Our values guide every decision we make:

- **Integrity** means full transparency and accountability.
- **Excellence** pushes us to consistently strive to deliver beyond expectations.
- **Stewardship** reminds us that the capital entrusted to us represents legacies, and we protect it with precision and care.
- **Collaboration** means building enduring strategies side by side with our partners.

Since inception, investors have entrusted us repeatedly. Seventy-eight percent have chosen to reinvest alongside us. We view this not as a statistic but as proof of trust. It is a trust we work to honor and grow with every investment.

# Partnership For Success



**Units Acquired**

4,000



**Transaction Volume<sup>1</sup>**

\$1 Billion

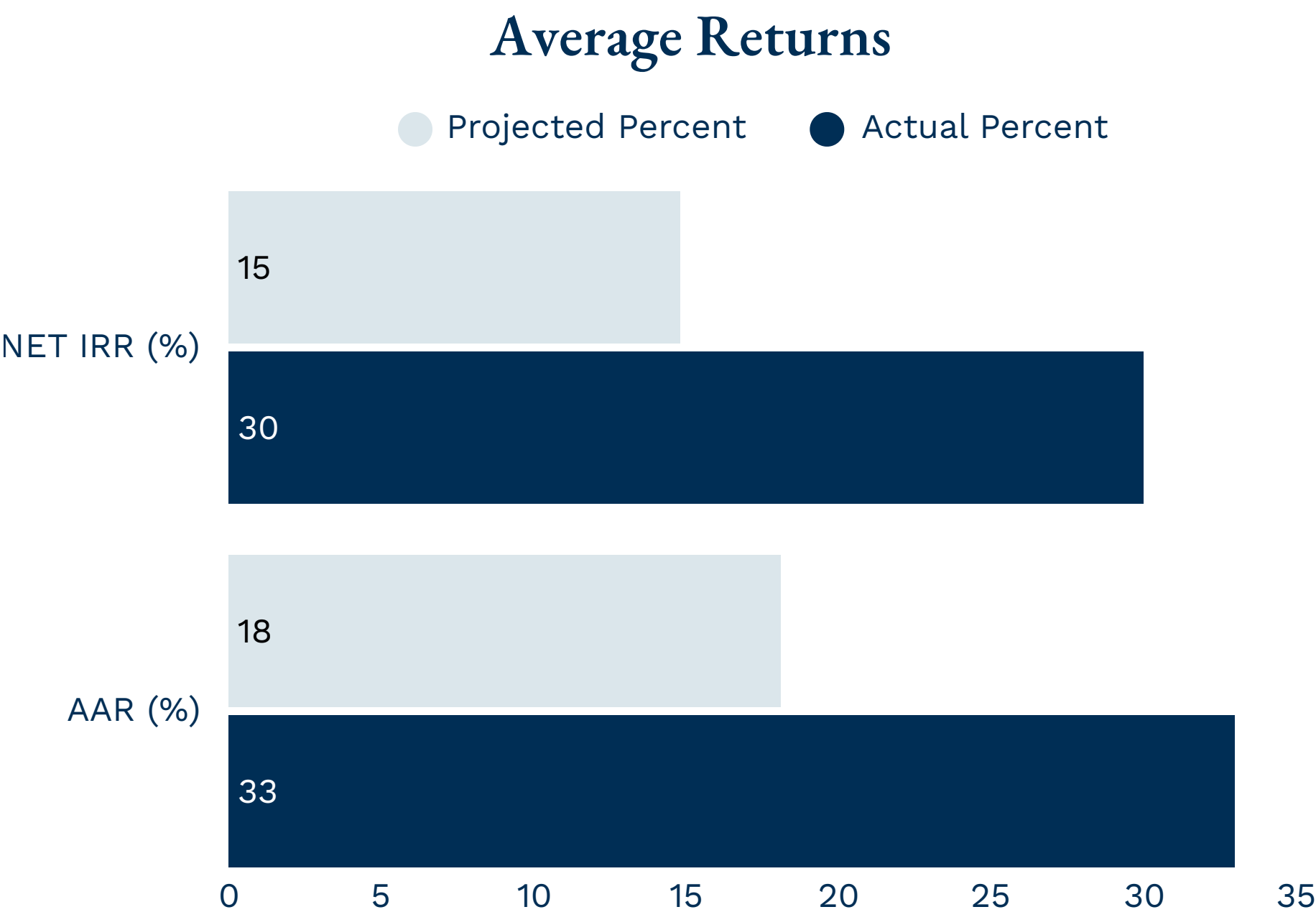


**Total Capitalization**

\$800+ Million

<sup>1</sup> Transaction Volume: the price paid for acquired and sold assets, plus proceeds from asset sales by Blue Lake Capital and/or its founder, Ellie Perlman, since inception.

# Our Track Record



*\*As of 10/24/2024. Results are not guaranteed. An average means there are returns above and below the stated number. There are no guarantees that this average will be met or exceeded in future opportunities.*



# Why Invest In Multifamily Now?

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## Compelling Entry Points

The market reset is creating disciplined opportunities to acquire high-quality multifamily assets below replacement cost. Current price dislocations offer a window for long-term investors to enter at favorable bases.

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## Durable Demand Drivers

Rental housing continues to benefit from strong household formation, income growth, and affordability gaps relative to single-family ownership. These forces provide resilience across market cycles and steady occupancy fundamentals.

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## Constrained Supply Pipeline

New construction starts have slowed sharply, particularly in high-growth suburban markets where demand is still robust. As supply moderates, we expect a more balanced market with firmer rent growth prospects in the coming years.

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## Inflation Alignment

With short lease durations and diversified tenant bases, multifamily offers the ability to reprice income streams more frequently than many private asset classes. This creates a natural hedge that can support real returns in an inflationary environment.

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## Capital Preservation Through Scale

Multifamily has historically demonstrated lower volatility and faster recoveries compared to other real estate sectors. Institutional-quality assets in growing suburban corridors provide both downside protection and long-term value creation.





# Blue Lake Multifamily Fund Overview

A fund that protects, grows, and delivers.

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# Blue Lake Multifamily Fund Criteria



Investing in high-growth suburban markets where affordability, demand, and long-term fundamentals create resilient opportunities for income and appreciation.

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The Blue Lake Multifamily Fund is a \$100M private real estate fund targeting 5 to 10 Class A and B+ multifamily assets in high-growth secondary suburban markets. These locations are chosen for their combination of strong rent growth, relative affordability, and resilience compared to urban cores.

The Fund currently holds two assets in the Dallas and Phoenix MSAs, with ongoing acquisitions planned throughout the next two to three years.

The Fund is structured for family offices, private wealth partnerships, and select accredited investors seeking scale, with the goal of providing steady quarterly income and long-term appreciation. This is achieved through disciplined underwriting, hands-on operations, and a proven track record of performance.

## Fund Criteria

|                           |   |
|---------------------------|---|
| Fund Size                 | \$100M  |
| Anticipated Life of Fund  | 5 to 7 Years  |
| Target Holdings           | 5 to 10 Properties With 200+ Units in High-Growth Markets |
| Equity Allocated Per Deal | ~\$30M-\$50M  |
| Strategy                  | Class A/B+ Core or Value-Add                              |
| Investing Opportunity     | Family offices and private wealth partners                |
| Distribution Frequency    | Quarterly   |



# The Blue Lake Capital Differentiation



- **Track Record:** Blue Lake Capital has exited deals with an average net IRR to investors of 30% and 1.67x EM. Blue Lake has demonstrated the ability to produce strong results and high yields to returns in a short period of time, during volatile market environment.
- **Proprietary Approach to Market Selection:** Blue Lake Capital has developed a proprietary Investment Strategy software with Archer AI to identify submarkets that match its investment criteria. The system leverages predictive analytics to filter criteria that Blue Lake Capital has flagged as important and tailors from time-to-time based on market conditions. For example, we set weighted parameters on custom metrics such as rent-to-income ratio to measure tenant affordability to achieve our pro forma rents and establish thresholds on neighborhood scores to validate our location preferences (e.g., low crime levels, high quality schools, adequate area amenities). This dynamic tool allows us to strategically test investment hypotheses and stay ahead of the curve in a fast-paced environment where macro- and micro- variables are constantly changing, and we will shift our strategy based on real-time observation of these market trends as necessary.
- **Machine Learning Projections:** Blue Lake Capital incorporates RealPage's Axiometrics forecasting system to assist in determining our underwriting assumptions. RealPage uses Nutonian's groundbreaking software Eureka, which is a unique machine-learning platform that explores the hyper-dimensional relationships between property and market forces to evolve highly accurate yet concise models of those relationships and their outcomes. This independent estimation of apartment market forecast models allows for market specific dynamics to emerge from market to market and provides Blue Lake Capital with confidence in the methodology of its data sets.
- **Utilizing AI in Underwriting:** Blue Lake Capital utilizes Archer AI to streamline its underwriting process, which includes leveraging its sophisticated program to generate robust financial models for our Investment Team to further underwrite. Our deal processing time has been cut by over 5x due to accelerated financial modeling using Archer's Auto-UW tool, which has nearly instantaneous T12 and rent roll parsing, pre-loaded sale/operating/rent comps, and built-in charts and tables specifically designed to identify value in multifamily deals. This allows us to scale our acquisitions pipeline in a robust manner and screen deals efficiently so that we can prioritize our focus on those deals that best suit our investors.
- **Truly Diverse Team:** Blue Lake Capital is led by Ellie Perlman, a female entrepreneur and an immigrant from Israel. One third of the firm is comprised by women and over 50% belongs to at least one minority group.



# Highlights & Projected Returns

## Projected Returns & Investment Classes

The Fund is structured with a traditional waterfall distribution model that prioritizes investors through a cumulative Preferred Return before the Managing Member participates in profits. This ensures alignment of interests and rewards long-term partnership.

| Investment Amount         | Class | Pref Return | LP/GP Equity Split Thereafter | LP IRR** | LP Equity Multiple** | Average LP Cash-on-Cash (Excluding Sale)* | Average LP Cash-on-Cash (Including Sale)** |
|---------------------------|-------|-------------|-------------------------------|----------|----------------------|---|--|
| \$250,000 - \$999,999     | B     | 8.0%        | 80%/20%                       | 16.12%   | 1.99x                | 6.95%                                     | 19.7%                                      |
| \$1,000,000 - \$4,999,999 | C     | 8.0%        | 90%/10%                       | 16.97%   | 2.06x                | 6.95%                                     | 21.1%                                      |
| \$5,000,000 +             | D     | 10.0%       | 100%/0%                       | 17.81%   | 2.13x                | 6.95%                                     | 22.6%                                      |

### Class B – \$250,000 to \$999,999 investment

- **Preferred Return:** 8% per annum, cumulative and non-compounded.
- **Promote:** After the Preferred Return, distributable cash flows are allocated 80% to investors and 20% to the Managing Member.

### Class C – \$1,000,000 to \$4,999,999 investment

- **Preferred Return:** 8% per annum, cumulative and non-compounded.
- **Promote:** After the Preferred Return, distributable cash flows are allocated 90% to investors and 10% to the Managing Member.

### Class D – \$5,000,000 and above

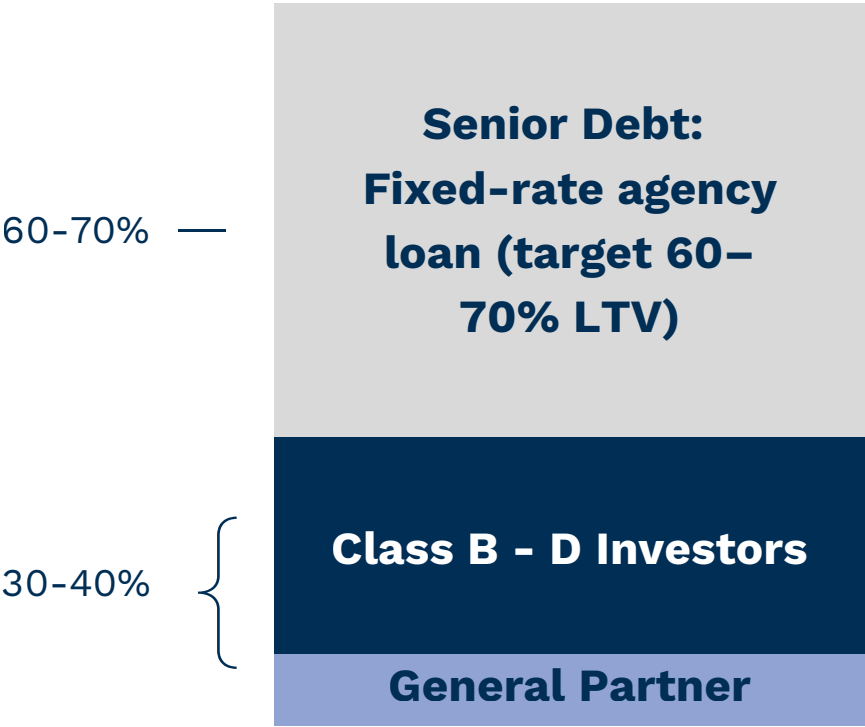
- **Preferred Return:** 10% per annum, cumulative and non-compounded.
- **Promote:** After the Preferred Return, investors receive 100% of distributable cash flows.



# Sample Pro Forma

*\*For sample purposes only. This pro forma does not represent a specific or direct asset of the Fund.*

## Capital Stack



|                                | Year 1<br>Oct 2026 | Year 2<br>Oct 2027 | Year 3<br>Oct 2028 | Year 4<br>Oct 2029 | Year 5<br>Oct 2030 |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>REVENUE</b>                 |                    |                    |                    |                    |                    |
| Gross Market Rent              | 3,470,383          | 3,574,494          | 3,684,859          | 3,817,979          | 3,979,389          |
| Loss to Lease                  | (173,519)          | (142,980)          | (110,546)          | (76,360)           | (39,794)           |
| <b>Gross Potential Rent</b>    | <b>3,296,864</b>   | <b>3,431,514</b>   | <b>3,574,313</b>   | <b>3,741,620</b>   | <b>3,939,596</b>   |
| Vacancy                        | (279,665)          | (171,576)          | (178,716)          | (187,081)          | (196,980)          |
| Concessions                    | (65,937)           | (34,315)           | (35,743)           | (9,354)            | (9,849)            |
| Bad Debt                       | (49,453)           | (34,315)           | (17,872)           | (9,354)            | (9,849)            |
| Model Unit                     | (18,170)           | (18,715)           | (19,292)           | (19,989)           | (20,834)           |
| <b>Effective Rental Income</b> | <b>2,883,639</b>   | <b>3,172,594</b>   | <b>3,322,691</b>   | <b>3,515,841</b>   | <b>3,702,083</b>   |
| <b>OTHER INCOME</b>            |                    |                    |                    |                    |                    |
| New Other Income               | 16,158             | 36,406             | 37,862             | 39,377             | 40,952             |
| Utility Reimbursements (RUBS)  | 123,185            | 125,177            | 128,933            | 132,801            | 136,785            |
| <b>Total Other Income</b>      | <b>263,650</b>     | <b>288,372</b>     | <b>298,646</b>     | <b>309,302</b>     | <b>320,347</b>     |
| <b>Effective Gross Income</b>  | <b>3,147,288</b>   | <b>3,460,965</b>   | <b>3,621,337</b>   | <b>3,825,144</b>   | <b>4,022,430</b>   |
| <b>EXPENSES</b>                |                    |                    |                    |                    |                    |
| Payroll                        | (300,000)          | (304,853)          | (313,999)          | (323,419)          | (333,121)          |
| Repairs and Maintenance        | (47,750)           | (48,522)           | (49,978)           | (51,477)           | (53,022)           |
| Contract Services              | (47,750)           | (48,522)           | (49,978)           | (51,477)           | (53,022)           |
| Turnover                       | (57,300)           | (58,227)           | (59,974)           | (61,773)           | (63,626)           |
| Utilities                      | (306,977)          | (311,943)          | (321,301)          | (330,940)          | (340,868)          |
| General/Admin                  | (85,568)           | (86,952)           | (89,561)           | (92,248)           | (95,015)           |
| Marketing                      | (42,704)           | (43,395)           | (44,697)           | (46,038)           | (47,419)           |
| Insurance                      | (200,000)          | (203,235)          | (209,332)          | (215,612)          | (222,081)          |
| Real Estate Taxes              | (386,746)          | (402,332)          | (418,546)          | (435,413)          | (674,655)          |
| Property Management Fee        | (78,682)           | (86,524)           | (90,533)           | (95,629)           | (100,561)          |
| <b>Total Expenses</b>          | <b>(1,553,477)</b> | <b>(1,594,506)</b> | <b>(1,647,899)</b> | <b>(1,704,026)</b> | <b>(1,983,390)</b> |
| <b>Net Operating Income</b>    | <b>1,593,811</b>   | <b>1,866,459</b>   | <b>1,973,438</b>   | <b>2,121,117</b>   | <b>2,039,040</b>   |



# Sample Returns

## Projected Returns at \$500,000

|                                | Investment | Year 1   | Year 2   | Year 3   | Year 4   | Year 5                          |
|--------------------------------|------------|----------|----------|----------|----------|---------------------------------|
| Investor Annual Percent Return |            | 4.12%    | 5.22%    | 5.70%    | 6.46%    | 7.13%                           |
| Investor Return on Investment  | (500,000)  | \$20,206 | \$26,299 | \$34,356 | \$40,282 | \$44,051                        |
| Return from Disposition        |            |          |          |          |          | \$775,612                       |
| Yearly Return                  |            | \$20,206 | \$26,299 | \$34,356 | \$40,282 | \$819,663                       |
|                                |            |          |          |          |          | <b>Total Return: \$ 940,806</b> |

## Projected Returns at \$1,000,000

|                                | Investment    | Year 1   | Year 2   | Year 3   | Year 4   | Year 5                            |
|--------------------------------|---------------|----------|----------|----------|----------|-----------------------------------|
| Investor Annual Percent Return |               | 4.12%    | 5.22%    | 5.70%    | 6.46%    | 7.13%                             |
| Investor Return on Investment  | (\$1,000,000) | \$40,413 | \$52,598 | \$68,712 | \$80,565 | \$88,102                          |
| Return from Disposition        |               |          |          |          |          | \$1,568,886                       |
| Yearly Return                  |               | \$40,413 | \$52,598 | \$68,712 | \$80,565 | \$1,656,988                       |
|                                |               |          |          |          |          | <b>Total Return: \$ 1,899,276</b> |

## Projected Returns at \$5,000,000

|                                | Investment    | Year 1    | Year 2    | Year 3    | Year 4    | Year 5                            |
|--------------------------------|---------------|-----------|-----------|-----------|-----------|-----------------------------------|
| Investor Annual Percent Return |               | 4.12%     | 5.22%     | 5.70%     | 6.46%     | 7.13%                             |
| Investor Return on Investment  | (\$5,000,000) | \$202,063 | \$262,988 | \$343,558 | \$402,825 | \$440,510                         |
| Return from Disposition        |               |           |           |           |           | \$7,932,731                       |
| Yearly Return                  |               | \$202,063 | \$262,988 | \$343,558 | \$402,825 | \$8,373,241                       |
|                                |               |           |           |           |           | <b>Total Return: \$ 9,584,675</b> |



# Why Families Choose to Partner with Blue Lake



## Alignment at Scale

Our founder, Ellie Perlman, commits \$1M–\$5M+ of her own family capital into every deal as a Limited Partner. This goes far beyond industry norms, ensuring our family’s wealth is invested on the exact same terms as yours and demonstrating conviction at scale.

## Disciplined Oversight

Every acquisition is vetted by our Investment Committee through a rigorous process that challenges underwriting assumptions, evaluates risk scenarios, and tests exit strategies. This structure provides consistency, accountability, and safeguards against unchecked decision-making.

## Hands-On Operations

Blue Lake is an active operator. Our regionally based asset managers maintain direct oversight of property operations, driving NOI growth and enforcing accountability at the property level. This hands-on approach protects and enhances investor value.

## Peer Network of Family Offices

Our partners invest alongside other family offices who commit significant capital to Blue Lake’s opportunities. This peer validation signals institutional-quality standards and creates a curated network of like-minded families pursuing long-term capital preservation and generational growth.

## Wealth Preservation & Growth

Seventy-eight percent of our investors reinvest with us, reflecting both trust and performance. Through strategies such as cost segregation and selective 1031 exchanges, we maximize after-tax returns and allow capital to compound effectively for future generations.



A low-angle photograph of a modern, multi-story apartment building with white facades and dark metal balconies. The building features large windows and some balconies have plants and outdoor furniture. The sky is a clear, deep blue.

# A Strategic Approach to Investing

Markets have changed. We have too.

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# Our Investment Strategy

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Blue Lake Capital takes a unique approach to real estate investing, with preservation of capital, followed by return on capital, as our highest priorities.

We pride ourselves on delivering superior, risk-adjusted returns for investors through strategic industry observations, market & property selection, operational efficiency, and proven value add strategies resulting in high yield and forced appreciation. **Our team has been able to consistently identify opportunities in Multifamily assets that have returned, on average, 30% net IRR to our investors.**

To uncover the best opportunities, we leverage extensive financial analyses, tenant demographics, market/submarket historical and projected performances, competitive analyses, data sciences, and even AI technologies.

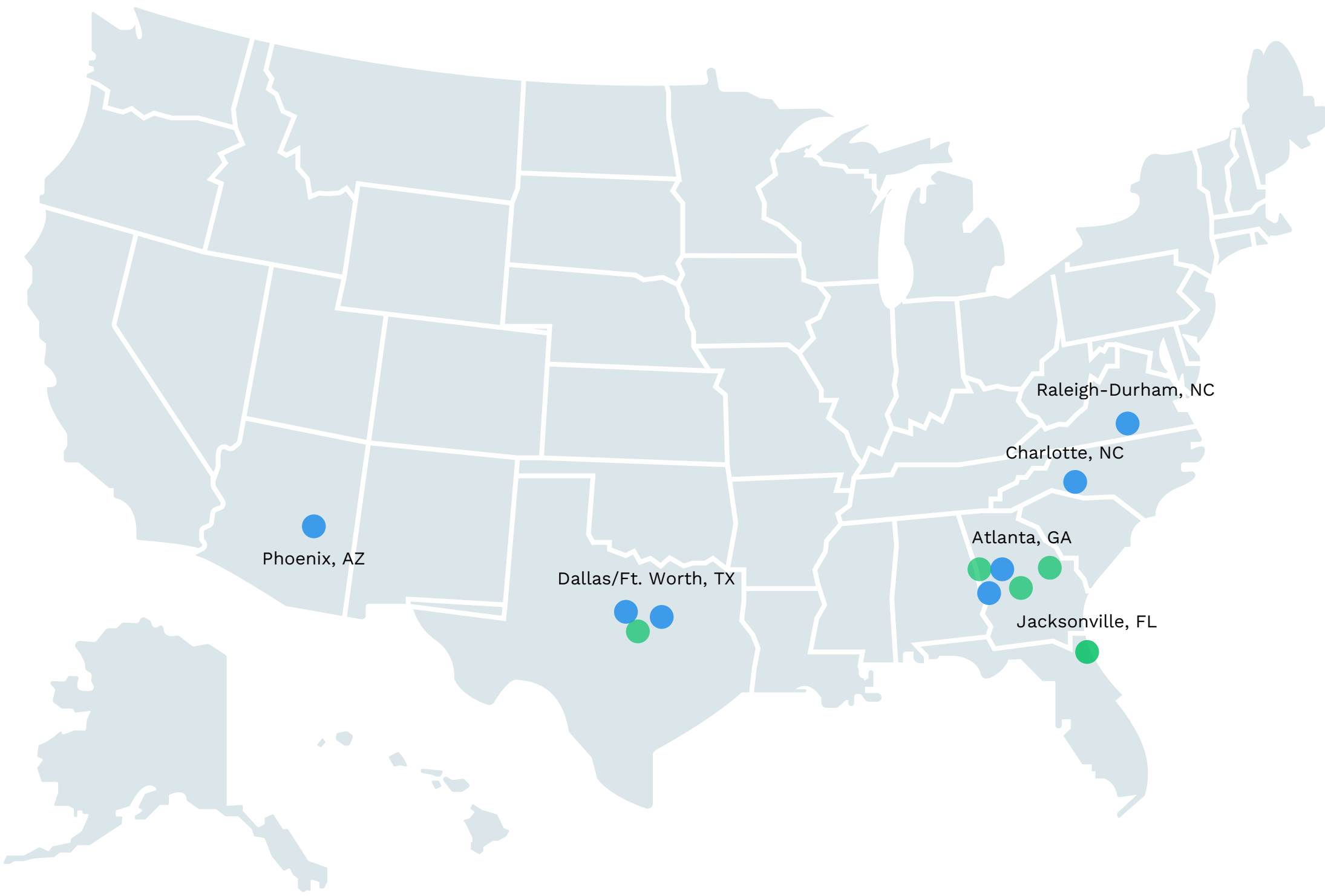
**We look for situations where we can maximize asset appreciation, such as:**

- Multifamily properties leasing below market rents
- Outdated multifamily properties that can benefit from mild to moderate renovations, and modernizing assets to justify higher rents
- Poorly managed multifamily assets, where operational costs significantly reduce overall potential profitability
- High performing multifamily assets being sold at a discount in bulk sell offs

We target high growth markets with strong fundamentals, backed by data and AI technologies, to mitigate risk and optimize investor capital through all stages of the economic cycle.



# Portfolio & Target Market



- Own & Operating
- Owned & Exited

- We Look For:**
- ✓ Strong locations
  - ✓ Population growth
  - ✓ Employment growth
  - ✓ High barriers to entry
  - ✓ High earning industry segments

- Acquisition Criteria:**
- ✓ 200+ Units
  - ✓ \$50M+ Capitalization
  - ✓ Class A/B Multifamily
  - ✓ Core Plus or Value Add
  - ✓ Underperforming Assets





# Risk Mitigation Strategy

- **Operational Efficiency:** Blue Lake Capital has developed a best in class team to closely manage our assets. Our priority focus is Asset Management, with emphasis on operational efficiency. We strategically analyze utility bill-backs, implement ancillary income strategies, and compare in-take fees to maximize income across our portfolio.
  - We also prioritize expense discipline given the inflationary environment we are currently operating in. With the rising costs of fixed expenses such as taxes and insurance, we closely manage our controllables to ensure we optimize net operating income and resulting cash flows.
  - Resident satisfaction is at the forefront of our operational strategy. Our maintenance team works closely with the front office to ensure resident inquiries, work orders, and other requests are addressed timely and effectively to maximize the resident experience. High retention reduces turn costs, customer acquisition expenses, frictional vacancy, and high reviews drive more demand.
- **Acquisitions:** Blue Lake Capital already underwrites conservatively; however, we will continue to stress test each deal based on the risk profile of the asset. We only pursue deals that align with our investment strategy and buy at a discount to replacement cost to further mitigate market risk.
- **Financing:** We use conservative leverage to preserve capital in down cycles. Fixed rates reduce interest rate uncertainty, and agency execution provides stable terms and established servicing. We prioritize DSCR coverage on in-place income rather than pro forma growth.



# Operating System for Performance

- **Maximize income:** Blue Lake Capital utilizes a revenue management software that analyzes real time property performance, submarket rates and market conditions. The system allows our on-site team to adjust asking rents in real time, maximizing rates and increasing NOI and properties' valuation while staying competitive to market competitors.
- **Reduce controllable costs:** Operating expenses are reviewed at least monthly by Blue Lake's asset management team and further optimized through a partnership with a third-party contract negotiation firm that has a large national influence and ability to leverage their economies of scale. These cost savings have a direct impact on net operating income, property values, and investor returns.
- **Enhance recoveries:** Utility usage is monitored and reported through a GRESB-affiliated platform to identify areas of improvement and minimize the portfolio's carbon footprint. Utility billbacks for each property are also reviewed by a team of legal experts to ensure optimal recapture rates, which increases overall profitability, enhances property values, and is accretive to investor returns.
- **Act on real-time signals:** Property performance analytics are tracked through business intelligence software that provides real time insights into forward-looking operational performance in order to proactively manage the portfolio's revenues and expenses and focus on the bottom line for our investors.



# Advantages of Investing With Blue Lake Capital

## —— Expert Investment Management

Our team brings more than 100 years of combined experience in value-add multifamily investing. We manage the full cycle of acquisition, operations, and disposition with a disciplined approach designed to protect and compound family wealth.

## —— Transparency

We provide clear, consistent communication and reporting, giving partners direct visibility from underwriting through distributions. Our goal is to ensure confidence at every stage of the investment cycle.

## —— Focused Alignment

Every member of the Blue Lake team is aligned to a single vision: protecting capital first, then driving disciplined growth. We embed accountability and alignment of interests into every decision we make alongside our partners.

## —— Proven Performance

Blue Lake has a consistent record of strong realized outcomes, with average net IRRs of 30% on exited deals. This performance reflects disciplined underwriting, hands-on operations, and alignment with our investors' long-term goals.

## —— Relationships

We partner with family offices and private wealth partners who value trust built over time and a commitment to reinvestment. Blue Lake enhances these partnerships through a curated network of investors, lenders, brokers, operators, and industry leaders that strengthens performance at every stage of a transaction.





# Leadership

Execution makes the difference.

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# Blue Lake Capital Leadership



**Ellie Perlman**

**Founder & Chief Executive Officer**

Ellie Perlman is the founder and CEO of Blue Lake Capital, where she directs the company's strategy, bringing over 18 years of experience in real estate investment, property management, and real estate law. She began her career as a commercial real estate lawyer, managing major transactions for Israel's largest development company, and holds an MBA from MIT Sloan.



**Jag Obhan**

**Chief Financial Officer**

Jag Obhan is the Chief Financial Officer at Blue Lake Capital, with 25 years of experience in finance and real estate across sectors like multifamily, office, and hospitality. Previously, he was CFO of Manulife US REIT and held senior finance roles at Manulife/John Hancock and Royal Bank of Canada, and he is a CPA with an MBA from Schulich and Kellogg School of Management.



**Jeannette Friedrich**

**Director of Investor Relations**

Jeannette facilitates the company's strategy, growth opportunities, and business initiatives with Blue Lake's investor community. She manages consistent communications and provides support and oversight with all investor relations. Jeannette received her BAAS from Howard Payne University and spends her free time serving as a passionate advocate for children with disabilities.



**Tim Nguyen**

**Director of Acquisitions - West**

Tim has 15 years of real estate acquisition experience, closing \$2.0 billion in deals. He was Head of Acquisitions for Gemdale USA and Director of Acquisitions at Atlas Capital Group, where he contributed to transformative projects like ROW DTLA and Google's HQ in New York. Tim holds a Bachelor's from UC Berkeley and a Master's in Real Estate Development from Columbia.



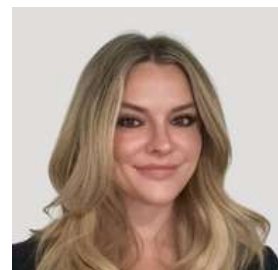
**Mark Gleason**

**Director of Acquisitions - East**

Mark has 15 years of experience in multifamily finance, overseeing acquisitions at Blue Lake Capital since 2020. He has closed over \$2.0 billion in multifamily transactions and specializes in financial structures like mezzanine financing and ground leases. Previously, he was VP of Finance for a national apartment operator managing 56,000 units and held acquisitions roles with firms managing \$1-2 billion.



# Blue Lake Capital Team



**Kayla Maack**  
**Senior Asset Manager**

Kayla Maack is a seasoned property management executive with over 15 years of experience in multifamily operations, portfolio growth, and performance optimization. She most recently founded and led a boutique firm, overseeing a strategic acquisition, building scalable infrastructure, and implementing centralized systems.



**Craig Armstrong**  
**Asset Manager**

Craig is an Asset Manager with 25+ years of experience across acquisitions, development, and asset management. At Sarofim Realty Advisors, he led institutional portfolios and oversaw 12,000+ multifamily units. He holds a BBA in Finance from the University of North Texas and is a proud U.S. Marine.



**Syed Arham Mahmood**  
**Investor Relations Associate**

Syed Arham Mahmood supports investor relations at Blue Lake Capital by fostering communication with investors and aiding in research initiatives. Previously, he gained valuable experience as a Summer Hedge Fund Analyst at Yunity Alpha - DeFi Hedge Fund. Syed holds a BS in Economics from the Institute of Business Administration and an MS in Finance from Babson College.



**Emma Walker**  
**Marketing Associate**

Emma Walker is a Marketing Associate at Blue Lake Capital, where she develops and implements impactful marketing strategies. A graduate of Carroll College, Emma honed her skills in marketing and communications through both academic pursuits and leadership roles in extracurricular activities. Her creativity and keen understanding of market trends make her an invaluable asset to the team.



**Sophia Reinero**  
**Administrative Assistant**

Sophia Reinero plays a vital role in supporting the Blue Lake Capital team and ensuring the office runs efficiently. As an administrative professional, she helps keep the team aligned and on track through document coordination, data organization, schedule management, and financial oversight.





# Case Studies

Our investment strategy in the real world.

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# Element 41

## 494 Units | Atlanta MSA

- **Strategic Value-Add Initiatives:** Blue Lake Capital unlocked potential by implementing a unit interior value-add plan that included upgraded flooring, refreshed countertops, stainless steel appliances, and a green program to promote sustainability.
- **Curb Appeal Enhancements:** The value-add strategy included exterior improvements such as parking lot resurfacing, tree trimming, power washing, and new pool furniture.
- **Significant Rent Growth:** Throughout the holding period, Blue Lake Capital achieved consistent rent growth, with increases of up to 59.81%.
- **Enhanced Management Practices:** The company replaced the management team with an experienced property management firm to optimize leasing operations and improve the property's market perception through effective management.



|             | Projected | Realized  |
|-------------|-----------|-----------|
| Hold Period | 60 months | 19 months |
| Avg CoC     | 7.2%      | 6.81%     |
| Net IRR     | 14.5%     | 45.13%    |

| Economics (in millions) |          |
|-------------------------|----------|
| Debt + Pref Equity      | \$68.46  |
| Total Equity            | \$20.34  |
| Purchase Price          | \$80.25  |
| Exit Value              | \$110.00 |
| Net LP IRR              | 45.13%   |
| Net NP MOIC             | 1.81x    |

*\*This case study is not part of the Blue Lake Multifamily Fund; it highlights a successful property that Blue Lake Capital has already exited.*

# Legacy Portfolio

## 250 Units | Atlanta MSA

- **Strategic Value-Add Initiatives:** Blue Lake Capital capitalized on untapped potential by implementing a unit interior value-add plan that included refreshing floors and countertops, upgrading cabinets, and installing stainless steel appliances, alongside a new green program.
- **Curb Appeal Enhancements:** The value-add strategy also focused on enhancing exterior curb appeal through tree trimming, power washing, and parking lot repairs.
- **Significant Rent Growth:** The company increased rents to market levels throughout the hold period, achieving increases of up to 50%.
- **Enhanced Management Practices:** Blue Lake Capital replaced the existing management team with an experienced property management company to improve leasing operations and the property's market perception.



|             | Projected | Realized  |
|-------------|-----------|-----------|
| Hold Period | 60 months | 20 months |
| Avg CoC     | 7.5%      | 9.53%     |
| Net IRR     | 16.50%    | 25.00%    |

| Economics (in millions) |         |
|-------------------------|---------|
| Debt + Pref Equity      | \$21.89 |
| Total Equity            | \$8.25  |
| Purchase Price          | \$28.70 |
| Exit Value              | \$35.10 |
| Net LP IRR              | 25.0%   |
| Net NP MOIC             | 1.43x   |

*\*This case study is not part of the Blue Lake Multifamily Fund; it highlights a successful property that Blue Lake Capital has already exited.*





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**ENDNOTES: (values as of March, 2025)**

- <sup>1</sup>Transaction Volume: the price paid for acquired and sold assets, plus proceeds from asset sales by Blue Lake Capital and/or its founder, Ellie Perlman, since inception.
- <sup>2</sup> “Equity Invested” represents the total equity invested upon acquisition of an investment, any equity invested over the life of such investment through the disposition date for such investment. Invested Equity includes equity from capital partners who invested in investments through which Blue Lake was responsible for the origination, structuring, financing and asset management through joint ventures in respect of which Blue Lake has operational control.
- <sup>3</sup>“Net IRR” represents a compounded annual rate of return and is calculated based on actual Invested Equity and Total Cash Flow Distributions paid through February 28, 2023, after deal, operating, and performance fees are paid to the Sponsor.
- <sup>4</sup> “Average Annual Return” represents the sum of Equity Multiple less one, divided by Hold Period in number of years.

**APPENDIX:**

- AUM Since Inception (Purchase Price): the amounts paid for acquired and sold assets by Blue Lake Capital and/or its founder, Ellie Perlman, since inception.
- “Equity Multiple” represents Total Project Profits divided by Invested Equity, plus one.
- “Hold Period” represents the time period between the acquisition date and disposition date.
- “Market Value” represents the total annualized NOI for current assets under management as of February 28, 2023 divided by a market cap rate of 4.0%, plus the aggregate gross sales proceeds realized from sold assets since inception.
- “Target Return Range” Neither the Sponsor nor any of its representatives has made or makes any representation to any Limited Partner regarding the target return range reflected herein (the “Target IRR Return Range”) and none of them intends to update or otherwise revise the Target IRR Return Range to reflect circumstances existing after the date when determined, even in the event that any or all of the assumptions underlying the Target IRR Return Range are later shown to be incorrect. In addition, the Fund may make an Investment with an expected return outside of the Target IRR Return Range where the Sponsor, in its sole and absolute discretion, deems it appropriate. Accordingly, the Target IRR Return Range does not in any way obligate the Sponsor to, and is not a representation that, the Sponsor will only make Investments with expected individual returns within the Target IRR Return Range. Moreover, there can be no assurance that the Fund will be able to achieve returns within the Target IRR Return Range or that a Limited Partner will receive a return of its capital.
- “Total Cash Flow Distributions” represents total cash flows distributed from property operations and sales proceeds.
- “Total Project Profits” represents the aggregate distributions paid during the Hold Period less the return of all capital contributed.