

CSRA Opportunity Zone Fund IX, LLC

A 320-UNIT MULTIFAMILY & APARTMENT HOTEL DEVELOPMENT IN RICHMOND, VIRGINIA



CSRA OPPORTUNITY ZONE FUND IX, LLC RENDERING

By the Numbers

Capital Square is one of the nation's leading sponsors of tax-advantaged real estate investments and an active developer and manager of multifamily communities. An investor-centric real estate company, the firm's offerings include Delaware statutory trusts (DSTs), qualified opportunity zone funds, development funds and a real estate investment trust (REIT).

\$7.9 billion+

in real estate transacted

6,500+

investors served

175+

real estate assets
acquired

145+

investment offerings
sponsored



Capabilities

Capital Square is a vertically integrated real estate company with in-house acquisitions, legal, accounting, asset management, development, construction management and property management teams supporting the firm's portfolio of 14,000 units across the Sun Belt.



Proven Results

DEVELOPMENT TRACK RECORD

979	50,000
Units Delivered	Total Retail Square Feet
1,020	\$730M
Units In Development	GAV ¹

DEVELOPMENT PLATFORM

1,022	\$255M
Retail Investors	Equity Raised
\$840M	\$585M
Total Development Cost	Debt Raised

1. Appraised value for stabilized projects and total development cost for under construction projects.



Capital Square's Proven Expertise: Unlocking Value in
Scott's Addition, a Premier Opportunity Zone

Market Overview: Richmond, Virginia

Richmond, the capital of Virginia, is home to a growing population of over 1.2 million people and ideally located at the intersection of Interstates I-95 and I-64.

- Home to 12 Fortune 1000 companies and 3 Fortune 1000 Headquarters
- Access to more than 45% of the U.S. population within a day’s drive.
- Affordable cost of living with a stable 6% corporate tax rate.
- Mild climate
- Business-friendly state and local governments



THE WALL STREET JOURNAL.

USA TODAY

CNBC

CNBC

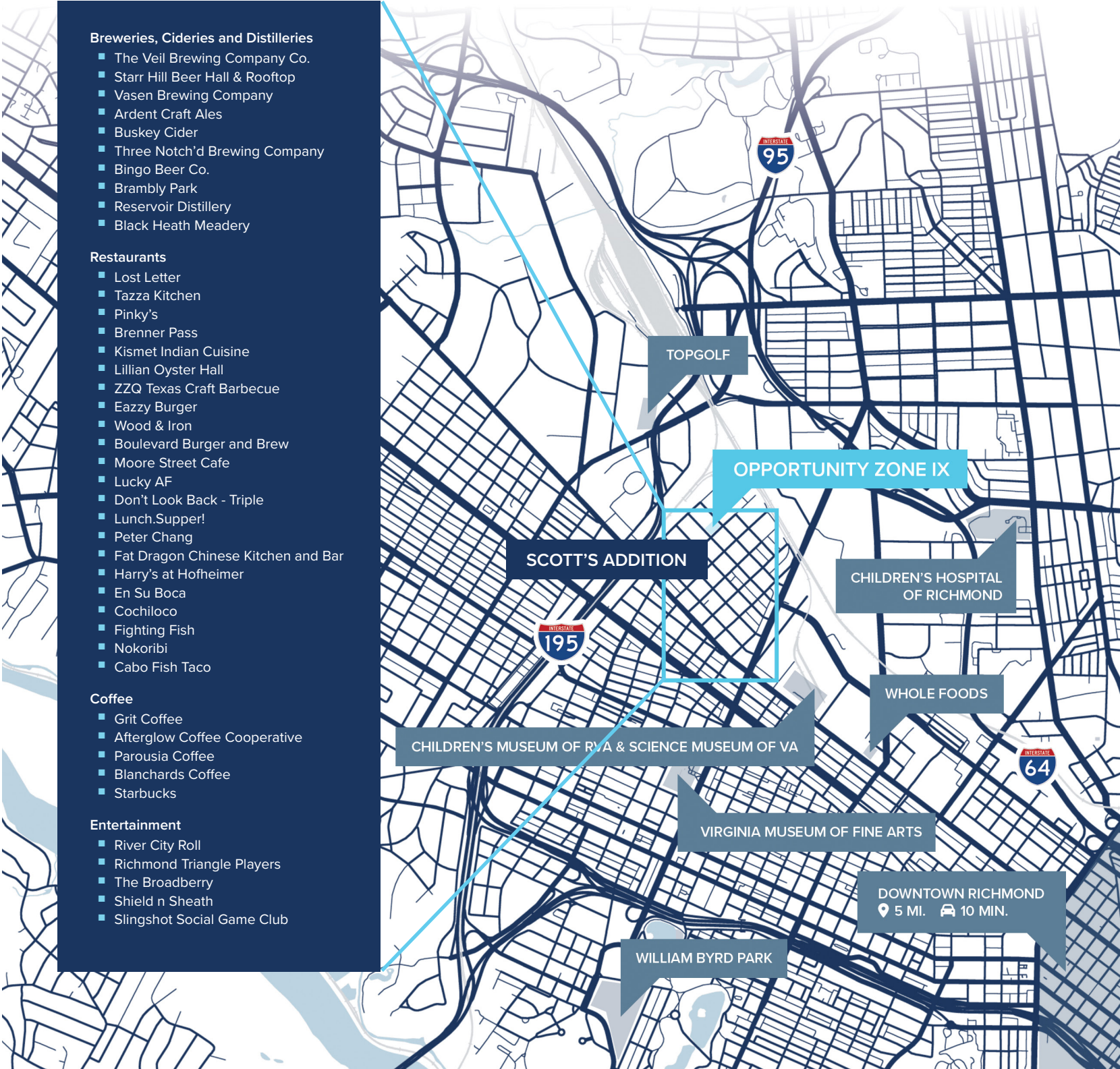
TRAVEL+
LEISURE

#1	Best Place to Live in Virginia (Travel + Leisure, 2023)
#1	America’s Best Towns to Visit in 2024 (CNN, 2024)
#1	State for Business in America (CNBC, 2024)
#3	Most Economic Development Projects per Capita (Site Selection, 2022)
#6	Best Beer Scene (USA Today, 2020)
#7	The South’s Best Food Cities (Southern Living, 2020)
#9	For Corporate Headquarters (Business Facilities, 2022)
#11	11 Hottest Job Market (Wall Street Journal, 2024)
#15	For Population Growth in the U.S. among metros with 1 million+ population (U.S. Census Bureau, 2023)

Submarket: Scott's Addition

Centrally located with a high concentration of lifestyle amenities, Scott's Addition is the food and beverage heart of the city. The neighborhood is known for its social and entertainment destinations, including more than 13 breweries, ciders and distilleries that attract residents and visitors.

The neighborhood's highly rated restaurants include ZZQ, rated the best BBQ in Virginia by Food & Wine Magazine and Texas Monthly and Cochiloco, named one of the 20 Best New Restaurants in the South by Southern Living.



Breweries, Cideries and Distilleries

- The Veil Brewing Company Co.
- Starr Hill Beer Hall & Rooftop
- Vasen Brewing Company
- Ardent Craft Ales
- Buskey Cider
- Three Notch'd Brewing Company
- Bingo Beer Co.
- Brambly Park
- Reservoir Distillery
- Black Heath Meadery

Restaurants

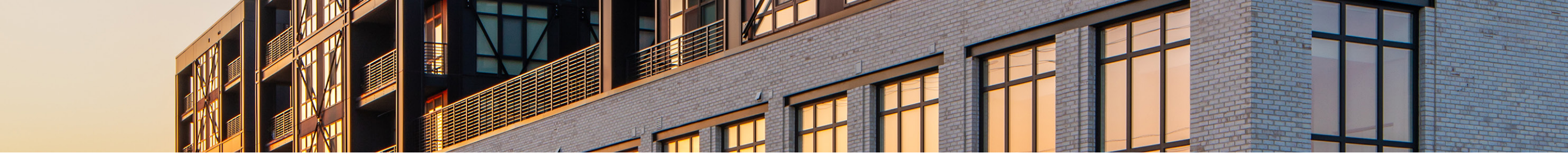
- Lost Letter
- Tazza Kitchen
- Pinky's
- Brenner Pass
- Kismet Indian Cuisine
- Lillian Oyster Hall
- ZZQ Texas Craft Barbecue
- Eazzy Burger
- Wood & Iron
- Boulevard Burger and Brew
- Moore Street Cafe
- Lucky AF
- Don't Look Back - Triple
- Lunch.Supper!
- Peter Chang
- Fat Dragon Chinese Kitchen and Bar
- Harry's at Hofheimer
- En Su Boca
- Cochiloco
- Fighting Fish
- Nokoribi
- Cabo Fish Taco

Coffee

- Grit Coffee
- Afterglow Coffee Cooperative
- Parousia Coffee
- Blanchards Coffee
- Starbucks

Entertainment

- River City Roll
- Richmond Triangle Players
- The Broadberry
- Shield n Sheath
- Slingshot Social Game Club



Established OZ Submarket

- An investment in Opportunity Zone Fund IX, LLC provides the advantages of opportunity zone tax benefits (deferral of capital gains, depreciation and the potential for total tax forgiveness) without the risk of developing in an economically distressed area.
- The Scott’s Addition demographic is well educated, high-earning and young.
- Compared to all qualified opportunity zone census tracts:
 - 28% higher median family incomes¹
 - 6% lower poverty rate¹
 - Almost three times the number of adults with a bachelor’s degree or higher¹
 - Only 5.50% of adults without a high school diploma¹

	Qualified Opportunity Zones*	Scott’s Addition Opportunity Zone**	Delta
Median Family Income	\$49,000	\$63,795	28%
Poverty Rate	26.4%	24.9%	-6%
Adults with a Bachelor’s Degree or Higher	18.6%	69.4%	273%
Adults without a High School Diploma	20.5%	5.50%	-73%

*Based on U.S. Census Bureau’s American Community Survey 2015-2019 5-year estimates
**Based on U.S. Census Bureau’s American Community Survey 2022-2027 5-year estimates

Source: 1. U.S. Census Bureau’s American Community Service, 2022



Established OZ Submarket

- Compared to the City of Richmond:
 - Wealthier: Higher median household income and more individuals earning over \$75,000¹
 - Educated and employed: Higher percentage of the population with a high school diploma or bachelor’s degree or higher¹
 - Young: Higher percentage of the population within the prime rental ages of 20-34¹

	Scott’s Addition Opportunity Zone	City of Richmond	Delta
Median Household Income	\$63,975	\$59,606	7%
Percentage of Population Earning over \$75,000	41.4%	39.6%	5%
Adults with a Bachelor’s Degree or Higher	69.4%	44.1%	57%
Adults without a High School Diploma	5.50%	11.20%	-51%
Unemployment Rate	2.50%	6.20%	-60%
Percentage of Population Between Ages 20-34	67.1%	29.8%	125%
Median Age	28.3	34.5	-18%
18 Years and Over	98.3%	83%	19%

Source: 1. U.S. Census Bureau’s American Community Service, 2022

*Based on U.S. Census Bureau’s American Community Survey 2022-2027 5-year estimates

Scott's Addition is Capital Square's Home Court



Scott's Addition Development Portfolio

6
CLASS A DEVELOPMENTS

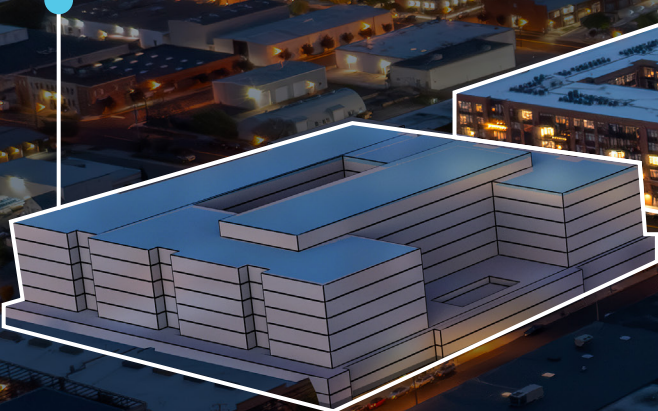
1,231
UNITS

41,600
SQUARE FEET OF RETAIL

\$125M+
IN OZ EQUITY RAISED

CURRENT OFFERING

OZ FUND IX
320 Units
2028 Delivery



OTIS

OZ FUND V
350 Units
Delivered 2023



viv

OZ FUND II
58 Units | Delivered 2021



GEM

OZ FUND III
71 Units
Delivered 2022

ink

OZ FUND I
80 Units
Delivered 2021

CHASEN

OZ FUND VII
352 Units
2025 Delivery



Case Study: Otis

RICHMOND, VA — SCOTT’S ADDITION

Capital Square partnered with international developer Greystar to deliver a premier 350-unit property with over 15,000 square feet of retail space. The project broke ground in January 2021 and finished, in phases, in Q1 2023. Capital Square and Greystar effectively navigated procurement challenges during the COVID-19 pandemic to deliver the project on budget. In addition to winning the 2024 CoStar Impact Award for Multifamily Development of the Year, Otis is now stabilized and achieving the highest rents per square foot in Richmond.

Development Highlights	
Units	350
Delivery	2023
Total Cost	\$88.15 million
Value at Refinance	\$134.6 million
Return of Equity at Refinance	33.1%*
Occupancy	95%
Average Unit Size	798 square feet

*total project after release of lender stabilization reserves and estimated supplemental loan proceeds

Case Study: Chasen

RICHMOND, VA — SCOTT’S ADDITION

Chasen is a luxury mixed-use mid-rise apartment community located in the Scott’s Addition of Richmond, Virginia within a qualified opportunity zone. The three-building, mid-rise community features 352 thoughtfully designed apartment homes and more than 5,000 square feet of ground-floor retail space.

A hospitality-inspired resident lobby leads to carefully curated spaces and amenities that artfully blend premium comfort with the neighborhood’s undeniable and industrious energy. Community amenities include a resort-style swimming pool, rooftop lounge, golf simulator, coworking space, art gallery, distillery lounge and state-of-the-art fitness center. The apartment mix consist of studios and one-, two- and three-bedroom units.

Development Highlights	
Units	352
Average Square Feet	844
Construction Start	Q4 2023
Construction Completion	Q4 2025 - Q1 2026
Total Cost	\$130.5 million



An architectural rendering of a modern, multi-story building at dusk. The building features a grid of windows and a prominent corner section. The ground floor has large glass storefronts and is partially covered by a dark, textured canopy. The sky is dark with some clouds, and the street in front is wet, reflecting the building and the sky. Several cars are parked or driving on the street, and a few pedestrians are visible. A "ONE WAY" street sign is visible on the right side of the image.

Investment Overview

Executive Summary

Capital Square is pleased to introduce an investment in the development of a 320-unit multifamily community and apartment hotel in Scott's Addition, Richmond, Virginia's top rental submarket and dining and entertainment destination. This development project, within a qualified opportunity zone, will be funded by CSRA Opportunity Zone Fund IX, LLC.

	April 2024 - Land acquisition
	July 2024 - Full project entitlement
	June 2025 - Executed Apartments by Marriott Bonvoy Franchise Agreement
	Currently - Advancing Building Design
	Q2 2026 - Construction Start



Approximately 95 units will be operated as apartment hotel units under a nationally known hospitality brand, allowing nightly, weekly and monthly stays, capitalizing on the lack of hotel options in the vibrant, walkable neighborhood, packed with restaurants, breweries and local small businesses.



7.19%
yield on cost¹

at least 10 years
hold period²

1. yield on cost is the projected net operating income at stabilization divided by the total development cost and does not pertain to investor returns.
2. so that all investors realize OZ tax advantages

Development Program

- The 320-unit building is expected to have five residential levels situated above two stories of podium parking with a 1.0x parking ratio.
- Approximately two thirds of the units will be operated as traditional multifamily units.
- One third of the apartment units will be operated as serviced apartment hotel rooms.
- Shared amenities are expected to include a pool deck with outdoor courtyard space, a fully equipped fitness center and a lounge. This project includes up to 8,500 square feet of complementary retail space to serve residents and the neighborhood, such as a bike shop, restaurant or coffee shop.





Hotel Demand

- Scott's Addition is the top dining, entertainment and nightlife center of Richmond, which ranked #1 on CNN's "Best Towns to Visit in 2024."
- The neighborhood has been dubbed Richmond's "craft beverage capital" by CNN and is home to three restaurants on Eater's list of "18 Essential Restaurants in Richmond, VA."
- Scott's Addition is also adjacent to The Diamond, home to Richmond's AA baseball team; the Science Museum of Virginia; the Virginia Museum of Fine Arts and the Virginia Museum of History and Culture.
- In 2023, these demand drivers saw 1.5 million visitors within a one-mile radius of the site.
- Yet, there are no hospitality offerings in the neighborhood. The closest hotel is two miles away, a 128-room Courtyard by Marriott affiliate that opened in March 2022. The hotel is situated across Interstate I-95 from Scott's Addition, posing both a psychological barrier and a logistical challenge for guests seeking a pedestrian-oriented experience. The adjacent Museum District and Fan District also lack many hotel options.



APARTMENTS

by MARRIOTT BONVOY

An apartment-style
“soft-brand” that offers
premium and luxury stays
in individually branded
buildings



- The “soft brand” approach to serviced apartments that allows owners of independently branded residential units to keep that identity but, at the same time, take advantage of Marriott’s powerful global awareness, distribution and turn-key loyalty program, Marriott Bonvoy
- Part of Marriott’s Premium brand tier which is comparable to brands like Westin, Delta, Autograph Collection and Tribute
- Differs from Marriott’s existing extended stay hotels by offering larger units that provide customers more space, full kitchen, laundry and living space in the premium lodging tier

POSITIONING

- Space as distinct as the destination

BRAND MISSION

- We provide space to live, with residential amenities and a neighborhood feel

CUSTOMER TARGET

- Groups of friends traveling for leisure, weddings or other special occasions
- Families traveling for sporting events or other children-oriented activities
- Couples eager to stay in a vibrant neighborhood but with apartment-style comforts
- Professionals looking for the comforts of home while on work assignments

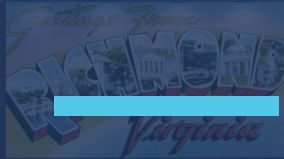
BRAND PROMISE

- Marriott Bonvoy
- Upper-upscale & luxury living space
- Reflection of the neighborhood

PRODUCT REQUIREMENTS

- Mix of 1-, 2-,3- bedrooms (varies by market, studio/penthouse option)
- Full kitchen, i.e., oven, dishwasher, stove, refrigerator
- Washer/dryer in unit
- Public space: Welcome lounge, gym, host desk (no captive F&B, no meeting space)
- Light staffing model, e.g., one host, weekly housekeeping





QOZ Benefits in 2026

QOZ Benefits in 2025-2026

- 10 years of tax-free growth from QOZ investment
- Potential to reduce 2026 tax year (payable 2027) tax bill from the original gain through the Fair Market Value (FMV) strategy
- Investment in a proven OZ tract with significant sponsor development experience



Tax Reduction Strategy

- QOF investors should be aware of the opportunity to reduce the deferred capital gain that they are required to recognize on December 31, 2026. Investments into QOFs through 2026 benefit from deferred recognition of the original gain until December 31, 2026, which could defer payment of such taxes until as late as April 15, 2027.
- The Internal Revenue Code (IRC) provides that QOF investors will reduce the amount of taxes owed on deferred gain recognized on December 31, 2026, when the fair market value (FMV) of their QOF investment is lower than the deferred gain.
- Until the end of 2026, astute investors can take advantage of valuation discounts required in the IRC by investing in QOFs that have projects under construction on December 31, 2026.

FAIR MARKET VALUE PROVISION IN CURRENT LAW: IRC SECTION 1400Z-2(b)(2)(A)

(1) Year of Inclusion ...

(B) December 31, 2026

(2) Amount Includible

(A) ...

(i) **the lesser of** the amount of gain excluded under paragraph 1 or the **fair market value of the investment as determined as of [December 31, 2026]**

Plante Moran White Paper

A white paper from Plante Moran available by reaching out to sales@capitalsq.com and covers the following topics:

- FMV provision in current law
- Implications for OZ investments in real estate
- Appraiser's approach to valuation of real estate under construction
- Valuation calculation of a hypothetical mid-construction QOF investment that shows a **30% tax saving from the FMV discount from a mid-construction project.**



Connect With Our Team Today

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Capital Square Wholesaler Map

Consider the Risks

There will be occasions when the manager and its affiliates may encounter potential conflicts of interest in connection with the fund and its members, and there is no independent dispute resolution mechanism in place to resolve such conflicts.

Potential investors should be aware that an investment in the fund involves a significant degree of risk. An investment in investor units involves substantial risks including, but not limited to, the following risk factors:

- The offering will be made on a “best efforts” basis with no minimum investment requirement.
- The various risks associated with acquiring, financing, owning, constructing, leasing and operating multifamily real estate located in Richmond, Virginia.
- The investor units do not represent a diversified investment because the fund’s activities will be limited to the property.
- Although Capital Square and its affiliates have extensive experience in acquiring, improving and operating commercial real estate, the fund and the manager were recently organized and do not have an operating history or significant assets.
- Investors will rely solely on the manager to manage the fund and the property; the manager will have broad discretion to make decisions regarding the property.
- There are substantial risks associated with developing the property in an economically disadvantaged, qualified opportunity zone that permits investors in the fund to qualify for available opportunity zone tax benefits.
- Diversification does not guarantee profits or protect against losses.
- The fund may not make capital distributions until the sale or refinancing of the property, if at all.
- Real estate-related investments involve substantial risks.
- The fund will pay substantial fees to the manager and its affiliates (including CS Development).
- The investor units will be highly illiquid; transferability of the investor units is restricted and withdrawals of capital contributions are prohibited.
- Substantial actual and potential conflicts of interest exist among the fund, the manager, Capital Square, CS Development and their affiliates.
- An investor could lose all or a substantial portion of his investment in the fund.
- There are tax risks associated with an investment in the investor units, including the possibility that government regulations regarding opportunity zone investments may change.
- Investment may result in a loss of entire amount invested.
- The income tax laws applicable to the fund and to Investors therein are extremely complex, and the summary herein is not exhaustive and does not constitute tax advice. A person considering an investment in the fund should consult its own tax advisor in order to understand fully the federal, state, local, and foreign income tax consequences of an investment with respect to the Investor’s particular situation.
- Private placements are speculative.

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