

The background of the image is a close-up of a wooden beam structure, likely part of a ceiling or a decorative wall. The beams are made of light-colored wood with visible grain and knots. A heart-shaped cutout is visible in the wood on the right side. The lighting is warm and directional, coming from the right, creating shadows and highlights on the wood.

BROAD STREET NATURAL LIVING DEVELOPMENT

SUSTAINABLE MULTIFAMILY COMPLEX

**641 W. BROAD STREET
NEVADA CITY, CA**

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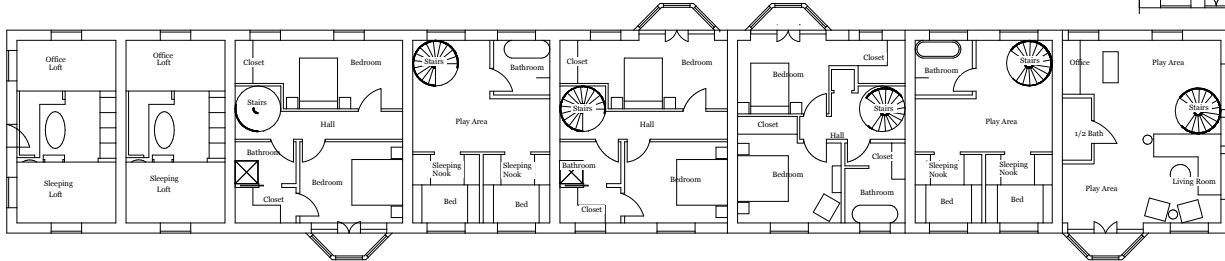
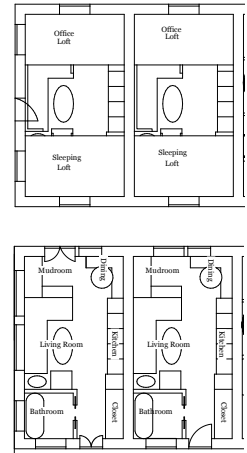
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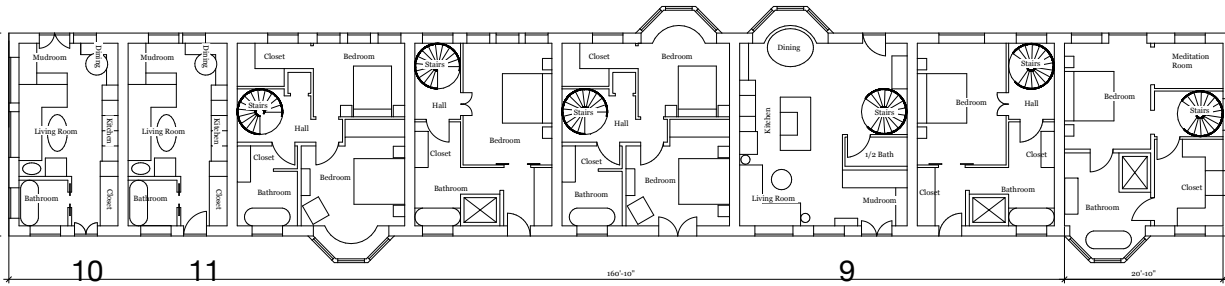
Broad St. Natural Living Development



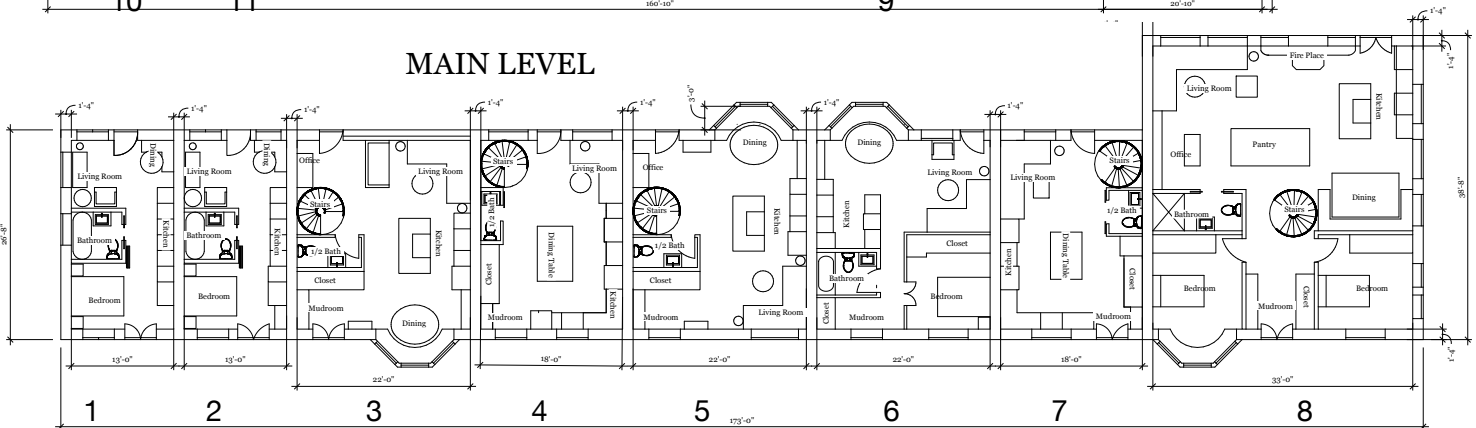
FINISHED ATTIC (3rd STORY)



2nd STORY



MAIN LEVEL



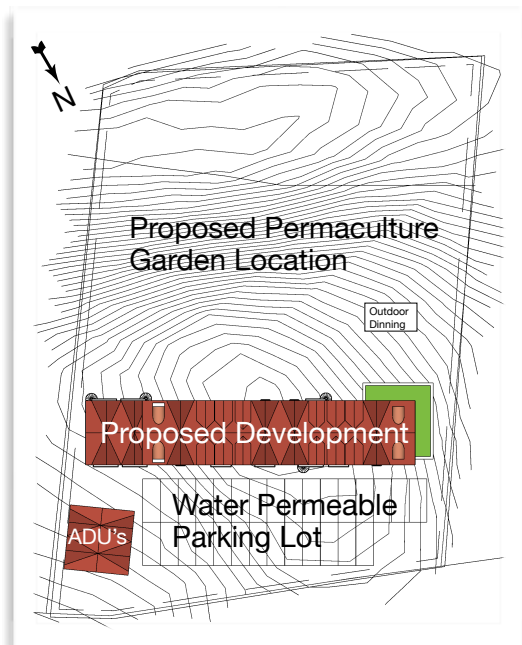
About the Project:

- The Broad Street Natural Living Development (BSNLD) is a 13-unit multifamily rental project in Nevada City, California. In a tight rental market continually drawing new residents from the San Francisco Bay Area, the Natural Living Development will offer a unique opportunity. The apartments will be naturally built using over 80% natural materials such as clay, rock, straw, and timber sourced from within 100 miles of the site. The development is walking distance from downtown Nevada City, an area famed for its historic architecture, vibrant cultural life, and emphasis on health and wellness
- 2-studio airbnb units/1bth, 2-studio/w sleeping lofts/1bth, 3-4bd/1bth, 2-3bd/2.5bth, 1-2bd/1.5bth, 3-1bd/1bth



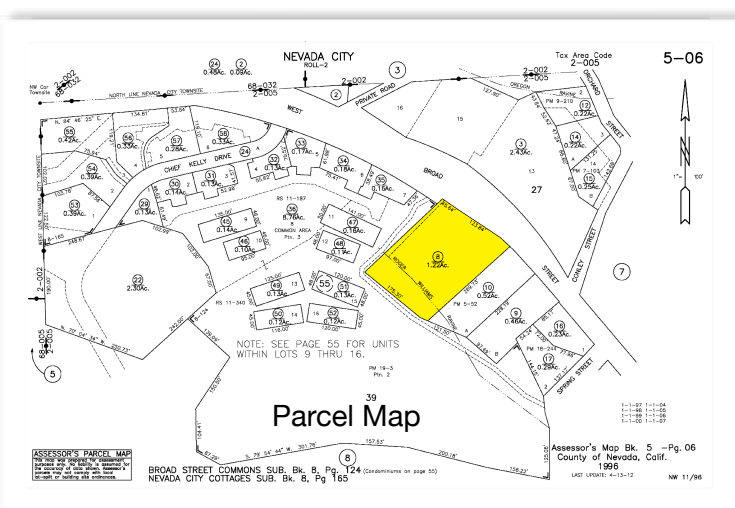


Site Plan & Elevations



About the Location

- 1 hour from Sacramento. 2 hours from San Francisco Bay Area, and 1 hour from Lake Tahoe. In downtown Nevada City, 5 minutes from Grass Valley. Hundreds of miles of trails, bike paths, and rock climbing spots within 1 hour of the development. 10 minutes from Yuba River, 30 minutes away from many lakes, rivers, and reservoirs. Next to Nevada City Co-housing Community. Located in the foothills of the Sierra Mountains. 20 minutes from the Nevada County Airport. 1 hour away from ski resorts.
- The lot is 1.22 Acres.
- Zone R2- High Density Multifamily
- Walking distance to coffee shops, stores, bars, restaurants, and culture centers.
- Bust stop in front of Development



About the Vision:

To show the world an alternative to conventional real estate developments by building the first multifamily complex that features natural building techniques, healthy non-toxic finishes, water permeable parking lot, outdoor kitchen and communal spaces, permaculture gardens, and support local wood mills/sawyers, builders, artisans, and natural builders. All while educating the community on the benefits of natural building, and teaching natural building methods, to inspire other developers who also wish to create natural living developments in their area.

About the Finances:

- Seeking to raise \$4,000,000 to cover all expenses including land acquisition, soft costs, and hard costs.
- Annualized 8% preferred internal rate of return (“the Pref”), until capital and the Pref are paid in full. Once paid in full, there will be a one-time catch-up payment to the developer, and then 80/20 split thereafter, with 80% going to Limited Partner (“LP or Investor”) and 20% going to Developer’s company.
- The capital payback period is estimated to be 4 to 5 years including the annualized Pref.
- Ten Year hold period with an estimated return of 12% Net IRR, 1.64 Net Equity Multiple, 5% Annualized Net Cash on Cash Return, and 6.4% annualized Net Return on Investment (“ROI”).
- Offering for Non-Accredited and Accredited Investors
- Minimum Investment of \$1,000 for non accredited investors and \$5,000 for accredited investors
- An Investment of \$1,000 will return \$1,640, or an Investment of \$5,000 will return \$8,200 including the principle and pref.
- We are looking for conscious-minded partners that would like to make a difference with their investments. They understand that people want an alternative to apartment complexes. They want to support a team leading the movement in natural building and natural living. They agree with the core principles that include: all developments should have permaculture gardens, use sustainable building practices, use renewable energy, limit building waste, and prioritize a healthy environment for the community.

About the Project Milestones:

- Capital Raise 6 to 9 months, starting Q1 of 2022
- Entitlements 9 months, starting Q1 of 2022
- Closing Date on land purchase Q3 of 2022
- Finalization of permits and entitlements Q1 2023
- Construction begins between Q1 and Q2 of 2023
- Finish Construction of Main Building Q2 of 2024
- Finish Construction of ADU Building Q3 of 2024
- Stabilization by Q4 of 2024
- Cash out Refi Q3 of 2024
- Return Capital to Investors end of Q1 of 2025

Small Change Index:

Urban location:	Yes	Street life:	Yes	Underserved community	Yes
Walkable	Yes	Third place	Yes	Job created	Yes
Bike friendly	Yes	Park or Plaza	Yes	Incubator	No
Business Corridor	Yes	Building reuse or infill	Yes	Diverse Workforce	Yes
Public or other transit	Yes	Affordable housing	Yes	Green Features	Yes
Fix your own transport	No	Fresh food access	Yes	Even more Green	Yes
Transit-oriented Development	No	Minimize site disturbance	Yes	Reduced Parking	No

About Natural Building:

Natural building is one of the oldest ways of building. It was at one point the only way of building. Derived from the observation of nature and wildlife, we learned how to shelter ourselves by using natural materials found on the land. Some of the oldest buildings known to man are made from natural materials. Only in the last 200 years has natural building taken a back seat to what we now know as conventional building. Since the standardization of building materials in the early nineteenth century, natural building has often been viewed as substandard.

Conventional building and natural building are fundamentally different. Conventional construction primarily uses manufactured building materials. Conversely, in natural building the majority of building materials are found on the land or nearby. Natural building materials include stone, earth, clay, sand, straw, wood, and water. The purchasing of manufactured products is limited. Windows, doors, and fixtures are new or salvaged depending on the quality. Structural materials and hardware, such as nails, screws, bolts, straps, and concrete are purchased new and of the highest quality.

The majority of the materials used in conventional building are standardized products that are not found on the property or nearby. Today, there is a growing awareness of the impact our building methods have on the earth. The green building industry is trying to offer a healthier alternative to conventional building. Unfortunately, building with “green” materials can be cost prohibitive and often misses the point by shipping materials long distances. The green movement has introduced many wonderful products to the building world that in fact help decrease the destruction of the earth’s natural resources, but the environmental benefit still stops short compared to natural building.

The new home smell in construction is often a combination of toxic chemicals emitted from the fixtures and furnishings. Harmful VOCs are often found in paint, carpeting, and hard surface flooring. One of the most dangerous and commonly used conventional building materials is formaldehyde, which can cause health damage ranging from throat irritation to cancer. On the other hand, natural building not only avoids use of toxic manufactured building materials, but actually actively improves indoor air quality. Breathable straw bale walls and clay plasters regulate indoor humidity to an ideal level and absorb toxins from the air. Our way of building creates healthy homes that increases the well-being of our residents.

Natural building is easy in concept. Use what is available on the land or nearby. Design the home to harness the sun’s heat in the winter and provide protection from the sun in the summer. Most importantly, build the home to be a temple, in balance with nature, connected to the earth, and to house the inner spirit of the people living in the home. The energy derived from building naturally with intention, cannot be put into words, it can only be experienced. Building with natural materials in this way creates a shelter that is healing to the mind, the body, and the spirit.

About the Movement:

In the world we find ourselves in, people are looking for a new way of life. Being a leader in the natural living and natural building community, we have noticed a movement towards a regenerative way of living. We believe that the Broad St. Natural Living Development can fill a demand that has not yet been realized for people interested in living in a non-toxic home made from natural materials, in a mindful and regenerative community, in a unique location, rich in culture and outdoor activities.

This movement is also pushing towards living within a resilient microeconomic system that is locally based and less dependent on national and global economic systems. In other words, people want to be close to their food and water sources, in small towns with close-knit communities offering a full range of services. Economic sustainability is based on the goods and services produced in that bio-region, with reduced dependence on state, federal, or global economic support.

About The Tenants:

Our target tenants are looking to live in non-toxic homes that are sustainably built and feature a permaculture food garden. They want to be within walking distance to local coffee shops, restaurants, and other stores. Close to transit stops. Near hiking and off-road biking trails, close to nature with places to rock climb and go skiing. They want to be within a few hours of the ocean, minutes away from rivers, and a short drive to lakes and reservoirs. They want to live within reach to larger cities and transit hubs. With more and more people working remotely, people are choosing homes in communities offering a high quality of life, no longer tied to the area where their employer is based. All they need is high-speed internet, a comfortable place to work, and if they do need to go into the office or work meetings, close enough to get there within a few hour's drive or flight.

About The Community

Finding a community that supports natural building and natural living is very important for the success of the development. Nevada City and the nearby town of Grass Valley, have a combined population just under 16,000 people. This small community support over 100 holistic health practitioners, 8 natural food stores, and is home to the largest Ayurvedic medicine school in the west coast. There are several herbal medicine stores, hundreds of yoga and meditation practitioners, and two of the oldest intentional communities in the country. It has also supported the Natural Living School, the Natural Living and Design Company and half dozen other natural building companies in the community. This community has strong values around natural and non-toxic living, which will make our development highly desirable.

About the Natural Resources in the Area

The foothills of the Sierra Nevada mountain range and the Centra Valley of California are rich in natural resources readily available for construction, This is ideal since at least 80% of the building materials for this development will be sourced from within 100 miles of the projects location. Clay, a major component, can be found just inches under the top soil, with diverse colors that range from red to yellow to orange and different shades of grey. There are also diverse stones, and an abundance of sand because of the hundreds of miles of river beds. There are 61,000 acres of land dedicated to timber production according to Nevada County assessment report. There are over 400,000 acres of rice planted each year. We use the byproduct of rice straw in our buildings as insulation, helping reduce the burning of rice straw in CA.

About the Neighborhood

(From www.nevadacityca.gov)

California's best-preserved Gold Rush town, Nevada City, has a lot to offer far beyond this well-deserved distinction. Nestled in a basin on the Western Slope of the Sierra Nevada, it is framed and protected by ridge tops and promontories. At 2,500 feet above sea level, Nevada City is surrounded by forest. Deer Creek flows through and graces the center of town. Whenever you begin your descent into Nevada City, you can sense that you are approaching something good.

For thousands of years, Nevada City and its environs were inhabited by the indigenous [Nisenan](#). It was first settled by outside influences from the Gold Rush in 1849. At times it was referred to as "Nevada" and at others as "Nevada City." Eventually, the word "City" was permanently added to avoid confusion with her neighbor, the state of Nevada.

Steeped in history, this full-service city of over 3,000 people has seen its ups and downs. With the diminution of gold mining and timber harvesting, plus the slice that the Golden State Freeway took out of the core of the city in the 1960s, city leaders looked to historic preservation as the path into the future. Creating its historical district in 1968 has led to a slow but steady increase in visitors and vitality as well as a designation on the National Register of Historic Places.

Today Nevada City once again has significant economic, cultural, and social substance. It is the county seat, headquarters of the [Tahoe National Forest](#), and site of businesses such as [Robinson Enterprises, Inc.](#), [Teletream](#), [Gyro Stabilized Systems \(GSS\)](#), and 2Wire's design facility. Fine restaurants, bars, overnight accommodations, two wineries, a Railroad Museum, Firehouse Museum, the [Miners Foundry Cultural Center](#), and the [Nevada Theatre](#) are noteworthy, alive, and well.

The [Nevada City Film Festival](#) and the [South Yuba River Citizens League's \(SYRCL's\) Wild and Scenic Environmental Film Festival](#) call it home, along with a bevy of environmental and nonprofit groups that are headquartered here. [KVMR](#) community radio is in its 31st year and has increased its budget, reach, and popularity dramatically over time. [NCTV](#), a community programming television station covering local government and community items of relevance, is spreading its wings as well.

The [Nevada City School District](#) serves 1,300 students, grades K-8 at 3 locations. Student test scores are among the highest in the state. The teachers are dedicated, qualified, and solidly backed by parents committed to their children's education. Down the road is [Nevada Union High School](#), an award-winning and noted for its academic and vocational excellence. Adjacent to Nevada Union is the Nevada County branch of [Sierra College](#), part of the California community college system.

Nevada County operates the [Madelyn Helling County Library](#), the [Doris Foley Library for Historical Research](#) and the [Nevada County Historical Society](#) hosts the [Searls Historical Library](#).

Long-time residents and newcomers together represent a wide spectrum of interests and perspectives. Their city's small-town qualities, character, and sense of community are clear. As someone once said, beyond all the wonderful things in and all-around Nevada City, the best part is that "there is still a 'there' here."

About the Market:

See the Nevada County 2019-2027 Housing Element Report and Data USA for more details on statistics below.

- Nevada City CA, is a tertiary market located near major employment centers of Sacramento and San Francisco Bay Area, and major tourism destination of Lake Tahoe.
- Nevada City Population 3,226 in 2018, up from 3,069 in 2017, an 8.37% growth rate. Table 8.3
- Nevada City has 1,375 unit in stock, which 20 are rentals, with a 0.0% Vacancy rate. Table 8.7.
- \$42,059 is the Median Household Income in Nevada City (2019)
- Nevada County Needed 764 Units between 2014-2018, and only 562 Constructed, -202 Deficit. Table 8.1
- 7.3% decrease of rental housing in Nevada City from 2010 to 2016 . Table 8.8
- Out of 531 Renters, 216 are between 15 to 44 years old. 40.67% Table 8.9
- 50.6% Renters are living alone, and 29.5% have households 2-4 person. Table 8.10

About the Return

The Limited Partners (LPs) can feel good about the impact their investment will have on the community, the environment, and their bottom line. The goal for the natural living development is to return the initial invested capital to all the LPs within a 4 to 5 year period along with a preferred internal rate of return of 8%. Cash flow distributions are estimated to begin by end of year 2, and the project is projected to be rent-stabilized by year 3. After stabilization, the goal is to refinance the development and return the investor's initial capital, along with a net preferred internal rate of return of 4% by end of year 3. And 8% by the end of year 9, and 12% by year 10, after project is sold. The Developer will not take any distribution until the LPs have received all of their capital back along with an 8% internal rate of return. Then there will be a one time catch up payment to Developer. After which point the cash flow will be split 80/20, with 80% of the cash flow going to LP's and 20% going to the Developer.

We feel that developing a high-quality asset, with energy efficiency, and unique to the marketplace, will result in long-term tenants, and low vacancy rates. These attributes will keep cash flow steady and operational costs low. After the investors receive all of their capital back, and a preferred return of 8%, the asset will continue to generate annual cash flow distributions for the life of the asset. We believe that cash flow, equity growth, appreciation, and long-term depreciation are key to creating generational wealth. Some of the oldest buildings in the world are natural buildings. The appeal of these buildings are timeless. These buildings are constructed to last hundreds of years, if not thousands of years. As an LP with ownership in such a unique asset class, you will be proud to share with your friends and family what a difference you are making to support the health of the planet, the people living in the development, all while making a profit, and creating cash flow for you and your family.

About the Developer:

Pablo Loayza is a designer, builder, developer, and teacher. He founded the Natural Living School in 2013 and is the owner of the Natural Living Design & Build Company.

Pablo was introduced to Natural building in 2010 when he studied at the Cob Cottage Company (CCC) with Ianto Evens and Linda Smily, as well as with several other amazing natural builders that teach at CCC. Coming from a background in construction and finance, he was motivated to find a way to bring natural building into the mainstream. He felt that if people knew how healthy natural buildings are, more and more people would choose natural buildings over conventional buildings. Pablo then focused on researching all the possible ways to use natural materials with the current building codes. What came from his research and development, is now changing the way buildings are constructed. The simplest explanation is that his building systems, are based on two main principles. One, use what's available in the area where the building is constructed. Two, build in a way that uses the least amount of resources and produces the least amount of waste. Working with the building departments and engineers, Pablo's building systems are easy to construct, and use a lot of the same building techniques as conventional building, to help lower cost and speed up the building process. He often says, "no need to reinvent the wheel." Combining conventional building techniques with natural building techniques has opened up the potential for partnership between local tradespeople and natural builders.

After many years of building to code for people who could afford to build new, Pablo realized that the homes he was building did not impact those who could not afford to build for themselves. This is when he dove deep into the study of real estate development. He wanted to build multifamily structures that could be rented out to people who otherwise would not have the means to build a natural structure for themselves or their families. He wanted to create a new asset class in real estate developments, one that included natural building, permaculture gardens for food production, and community-based living.

The broader vision is to create multiple natural living, self-sustainable developments all around the country and the world. These developments would produce their own food, have a their own water sources, solar power, and renewable energy systems. There would be a diverse income and socioeconomic tenant base. The developments would be zoned for mixed-use, with agriculture, residential, and commercial combined. The development would have businesses that focus on natural living, supporting the community that will call the holistic development home. Each of these developments would have a communal center to support artists and craftspeople, making a living in the arts. These developments would resemble small European Villages with walking and bike riding as the major form of transportation.

The reality is that there has to be a first before we can dream of the future natural living developments. We need to prove that the concept is possible, and the impact return to our investors, prospective tenants, and the local community is worth the risk. If you are like us, and want to make a real impact in changes the world, join us in the creation of the first natural living development.

About the Builder.

Our experience working in Nevada County for nearly a decade gives us a unique opportunity to build the first sustainable, non-toxic, environmentally friendly multifamily complex, using natural building techniques. Our buildings are extremely energy efficient, they have a high fire safety rating, and they are built with local materials, like clay, sand, straw, wood, and stone.

Our experience over the last 8 years, working with homeowners, engineers, and the building department, gives us confidence in the planning, building, and development of this complex. The benefit of being the designer, drawing the blueprints, managing the subcontractors, and working on the natural building phases, is how we can streamline the overall construction process. It allows us to speed up the building process because we do not have to wait on architects, draft persons, or designers' input for change orders or updated blueprints. We have a strong relationship with the local permitting jurisdiction, and know how to consistently and beautifully design and build natural buildings to code.

The majority of the construction will be built by professional multifamily subcontractors. The excavation, the foundation, the framing, the roofing, the electrical, and the plumbing will be all completed by tradesmen with 10 or more years of experience in the multifamily construction industry. The installation of straw bale walls, heavy clay interior walls, lath and plaster will be done by our experienced natural building team, alongside the community labor force that will be trained by the Natural Living School.

To see more about our buildings please visit www.naturalbuildingtocode.com and www.naturallivingschool.com

About Key Financing Assumptions:

- Capital raise will take 6 to 9 months. Indicated as Year 0 on the spreadsheets.
- Refinance period to be at end of Year 3 at 70% LTV, into interest only payments at 3.75% for 10 years. Closing cost at 3%.
- Value at Year 3 was derived using a 4% CAP rate on year 3 NOI.
- Sale of the project is estimated to be at Year 10. Value derived using a 5% CAP rate on year 10 NOI.
- 3% annual rent growth rate, and 2% Operating Expense growth rate.
- 5% Managing fee
- 10% Property Tax
- 3% Vacancy Rate
- 4% Maintenance
- 10% CAPX Reserves

Appendix A

Break Down of Expenses

Acquisition Costs	Total
Land Acquisition	\$384,451
Closing Cost for Land Purchase.	\$15,000
Soft Costs	
Marketing Budget- Website & Marketing Materials	\$3,470
Drawing and Blueprints	\$15,000
Engineering	\$15,000
Soils Engineer	\$3,500
Permit Fees- County	\$90,000
Appraisal and Feasibility Study	\$3,250
Nevada City Mitigation Fee	\$83,200
PG&E Electric and Gas Hookup & Meters	\$80,000
Administration Expenses	\$2,500
Building Insurance	\$6,200
Developer Fees	
Acquisition Fee. 3%	\$120,000
Project Managing Fee 2%	\$80,000
Small Change Crowed Funding Fees	\$132,000
Total Soft Cost Expenses	\$1,033,571
Construction Expenses- Hard Cost	Total
Landscaping- Gardens in the back & small garden up front	\$26,900
Driveway and Parking	\$191,396
Construction Management fee. 10%	\$238,433
Construction Cost	\$2,166,036
Total Hard Costs	\$2,622,765
Contingencies 13%	\$343,664
Total Development Expenses	\$4,000,000

Appendix B

Unit Mix

Unit # by Building	Square Ft	#Beds	#Baths	Market Rent
Unit 1	321	Airbnb Studio w/ Sleeping loft	1.00	\$3,120
Unit 2	321	Airbnb Studio w/ Sleeping loft	1.00	\$3,120
Unit 3	1,668	4 Bedroom	2.50	\$3,250
Unit 4	1,309	3 Bedroom	2.50	\$2,647
Unit 5	1,666	4 Bedroom	2.50	\$3,250
Unit 6- Upper levels	1,104	2 Bedroom	1.50	\$2,430
Unit 7- On ground level	562	1 Bedroom	1.00	\$1,750
Unit 8	1,309	3 Bedroom	2.50	\$2,647
Unit 9	2,280	4 Bedroom	2.50	\$3,250
Unit 10- In finished attic	351	Attached ADU Studio w/ Sleeping Loft	1.00	\$1,362
Unit 11- In finished attic	351	Attached ADU Studio w/ Sleeping Loft	1.00	\$1,362
Unit 12	351	Detached ADU 1 Bedroom	1.00	\$1,750
Unit 13	351	Detached ADU 1 Bedroom	1.00	\$1,750
Totals	11,944			\$31,688

About the Units Mix:

Our research shows keeping the footprint of each building small helps lower the cost of building, and supports tiny home living. This is a movement popular among our targeted demographic that goes well with natural living. The city will allow two small units as short-term rentals, which will be located in Unit 1 & 2. Based on our research, we are projecting to rent these units out 80% of the year at \$130 net income per night.

Our research also showed that there is a shortage of 3 and 4 bedroom units in the downtown area. So we made sure that 38% of the units had 3 or 4 bedrooms, especially since more people are looking to work from home and can use the extra bedroom as a home office. Even though our units are smaller than the average 3 and 4 bedroom rentals, we designed the units to be very functional and to have efficient use of space. We also found that 1 bedroom and studio apartments rent at the highest rate per square foot. For this reason, 54% of the units are 1 bedroom and studio apartments. Two-bedroom units are the most common in the downtown area, and they rent for the least per square foot cost, so there is only one 2 bedroom unit in the proposed Natural Living Development complex.

Appendix C

Operating Expenses for a Natural Living Development

In general, the operating expenses for new construction are much less than an existing value add apartment complex. In a new development, all of the equipment is new and under warranty. The roof, windows, and appliances are new, and they require only minimal maintenance. The utilities are also low because of eco-water saving fixtures and electrical fixtures with low impact LEDs. The highly insulated straw bale walls and ceilings will keep the heating and cooling bills extremely low.

Our expenses included Property Management which is estimated at 5%. Vacancy Reserves are estimated at 3%, Maintenance is estimated to be 4%, and replacement reserves are estimated at 10%. Total Maintenance & Reserved combined is then shown as 14%. The Rent Growth per year is estimated at 3%, and 2% annual increase for Operating Expenses. Debt service is estimated to start at Year 4. See Appendix D for debt service calculations.

Net Operating Income (NOI)

Item	\$/Mo.
Gross Rents	\$31,688
Property Management. 5%	\$1,584
Property Taxes 10%	\$3,333
Insurance 1.42%	\$450
Owner-Paid Utilities. 1.57%	\$500
Vacancy Reserve 3%	\$951
Maintenance & Reserve. 14%	\$4,469
Total Operating Expenses	\$11,288
Monthly NOI	\$20,400
Annualized NOI	\$244,802
Capitalization Rate	4.00%

Operating Statement and Net Cash Flow

Rent Growth Calculations		Operating Expenses Growth Calculations		NOI Growth Calculations		Debt Service Calculations	
Rate	3.00%	Rate	2%	NOI Per Year		Starts	Year 4
Year 3 Rents	\$380,256	Year 3 Op Exp	\$135,456	Rents less Operating Expenses		Annual Debt Service	\$165,240
						Debt Cover Ratio	1.48
End of Year:	Market Rent	End of Year:	Operating Expense	End of Year:	NOI	End of Year	Net Cash Flow
1	0	1	0	1	0	1	0
2	\$190,128	2	\$67,727	2	\$122,401	2	\$122,401
3	\$380,256	3	\$135,454	3	\$244,802	3	\$244,802
4	\$391,664	4	\$138,163	4	\$253,501	4	\$88,261
5	\$403,414	5	\$140,926	5	\$262,487	5	\$97,247
6	\$415,516	6	\$143,745	6	\$271,771	6	\$106,531
7	\$427,981	7	\$146,620	7	\$281,362	7	\$116,122
8	\$440,821	8	\$149,552	8	\$291,269	8	\$126,029
9	\$454,046	9	\$152,543	9	\$301,503	9	\$136,263
10	\$467,667	10	\$155,594	10	\$312,073	10	\$146,833

Appendix D

After Construction Value (ACV) Calculations-1

After Construction Value= NOI Before Debt Service (NOI)/CAP RATE	NOI	Value
Year 3 Evaluation Based on 4% CAP Rate	\$244,802	\$6,120,056

Refinance Calculations

Refi at Year 3 After Stabilization	
Value at 4% Cap Rate	\$6,120,056
70% LTV	\$4,284,039
Closing Costs 3%	\$128,521
Total Proceeds To be paid to LP's	\$4,155,518

Debt Service Table

Mortgage Calculator	Totals
ACV Refi Loan Amount	\$6,120,056
Loan to Value Ratio	70.00%
Equity 30%	\$1,836,017
Closing Costs. 3%	\$128,521
Principal	\$4,284,039
Interest Rate	3.75%
Term (Years)	30
Interest Only Monthly Mortgage	\$13,770
Monthly Net	\$6,630
Annualized Net	\$79,562
Annualized Debt Service	\$165,240

Value at Year 10

Year 10 Value	NOI Before Debt Service Year 10	Value
Based on 5% Cap rate	\$312,073	\$6,241,462

Sale at Year 10-1

Sale of Property at Yr 10	Totals
Year 10 Value	\$6,241,462
Closing Cost 6%	\$374,488
Payoff of Loan	\$4,284,039
NOI Year 10	\$146,833
Total Sale Proceeds to be split 80/20 (80% to LP and 20% to Developer)	\$1,729,769

Appendix E

Total Returns

Total Estimated Return	Funds	ROI	IRR	Equity Multiple
Year 0	(\$4,000,000)			
Year 1	0			
Year 2- Net NOI	\$122,401	3.06%		0.03
Year 3 - Refi proceeds and Net NOI	\$4,400,320	13.07%	4.22%	1.13
Year 4- Net NOI	\$88,261	15.27%	4.87%	1.15
Year 5- Net NOI	\$97,247	17.71%	5.53%	1.18
Year 6- Net NOI	\$106,531	23.27%	6.82%	1.20
Year 7- Net NOI	\$116,122	23.27%	6.82%	1.23
Year 8- Net NOI	\$126,029	26.42%	7.43%	1.26
Year 9- Net NOI	\$136,263	29.83%	8.00%	1.30
Year 10- Sale proceeds and rental income	\$1,729,769	73.07%	12.69%	1.73
Total Returned	\$6,922,943	73.07%	12.69%	1.73

Return to LP's

Years	Total LP Cash Flow	IRR	Eq Mult
Year 0	(\$4,000,000)		
Year 1	0		
Year 2	\$122,401		
Year 3	\$4,400,320	4%	1.10
Year 4	\$88,261	5%	1.15
Year 5	\$97,247	6%	1.18
Year 6	\$106,531	6%	1.20
Year 7	\$116,122	7%	1.23
Year 8	\$126,029	7%	1.26
Year 9	\$135,747	8%	1.30
Year 10	\$117,466	8%	1.33
Proceeds From Sale	\$1,266,348	12%	1.64
Net Profit	\$2,576,473	12%	1.64

Return to Developer's Company

Description	Total Cash flow
Finance & Project Mang. Fee.	\$200,000
Construction Mang. Fee	\$168,462
Construction Mang. Fee	\$98,491
Refi Finance Fee	\$62,233
No Fee or Split Collected	\$19,781
Property Mang. Fee	\$20,177
Property Mang. Fee	\$20,580
Property Mang. Fee	\$20,992
Property Mang. Fee	\$21,412
Property Mang. Fee	\$22,356
20% Cash Flow Split	\$51,643
Finance Fee & Sale Proceeds at 20%	\$401,724
	\$1,401,918
	\$1,107,849

Appendix F

Cash Flow Distribution Table

Year	Description 1	Distribution Details	Tota Funds
1	Limited Partner Funds Contribution	Capital Raise	\$4,000,000
	Year 1 Pref @ 8%	Pref on Capital Balance	\$320,000
2	Tota Yr 1 Principle and Pref for LP	New Capital Balance	\$4,320,000
	Year 2 Pref @ 8%	Pref on Capital Balance	\$345,600
	Net Cash Flow (NCF) for Year 2	Paid to LP - Q1 Yr 3	\$122,401
3	Total Yr 2 Principle and Pref to LP	New Capital Balance	\$4,543,199
	Year 3 Pref @ 8%	Pref on Capital Balance	\$363,456
	Net Cash Flow (NCF) for Year 3	Paid to LP - Q1 Yr 4	\$244,802
	Refi at Year 3	Proceeds from Refi Q1 Yr 4	\$4,155,518
4	Total Yr 3 Principle and Pref to LP	New Capital Balance	\$506,335
	Year 4 Pref @ 8%	Pref on Capital Balance	\$40,507
	Net Cash Flow (NCF) Year 4	Paid to LP - Q1 Yr 5	\$88,261
5	Total Yr 4 Principle and Pref to LP	New Capital Balance	\$458,581
	Year 5 Pref @ 8%	Pref on Capital Balance	\$36,686
	Net Cash Flow (NCF) Year 5	Paid to LP - Q1 Yr 6	\$97,247
6	Total Yr 5 Principle, Pref & NOI to LP	Paid to LP	\$398,020
	Year 6 Pref @ 8%	Pref on Capital Balance	\$31,842
	Net Cash Flow (NCF) Year 6	Paid to LP - Q1 Yr 7	\$106,531
7	Total Yr 6 Principle, Pref & NOI to LP	Paid to LP	\$323,330
	Year 7 Pref @ 8%	Pref on Capital Balance	\$25,866
	Net Cash Flow (NCF) Year 7	Paid to LP - Q1 Yr 8	\$116,122
8	Total Yr 7 Principle, Pref & NOI to LP	Paid to LP	\$233,074
	Year 8 Pref @ 8%	Pref on Capital Balance	\$18,646
	Net Cash Flow (NCF) Year 8	Paid to LP - Q1 Yr 9	\$126,029
9	Total Yr 8 Principle, Pref & NOI to LP	Paid to LP	\$125,691
	Year 9 Pref @ 8%	Pref on Capital Balance	\$10,055
	Net Cash Flow (NCF) Year 9	Paid to LP - Q1 Yr 10	\$136,263
10	Total Yr 9 Principle, Pref & NOI to LP	Paid to LP	\$135,747
	Catch Up Payment	Paid to Developer Q1 YR 10	\$516
	Net Cash Flow (NCF) Year 10	To be Split	\$146,833
	LP 80% Year 10	Paid to LP - At Sale	\$117,466
	Developer 20%	Paid to Developer - At Sale	\$29,367
10	Prceeds From Sale	To be split	\$1,582,936
	LP 80% Year 10 Sale	Paid to LP - At Sale	\$1,266,348
	Developer 20%	Paid to Developer - At Sale	\$316,587

Appendix G

Cash Reserves and Allocation Table									
Years	Maintenance Reserves	Financing Fees	Project Managing	Property Management	Catch up	80% LP	20% to Developer	Total LP Cash Flow	Total Developer Cash flow
Year 0		\$120,000	\$80,000					(\$4,000,000)	\$200,000
Year 1			\$158,955	\$9,506				0	\$168,462
Year 2	\$26,617.92		\$79,478	\$19,013				\$122,401	\$98,491
Year 3 Refi	\$53,235.84	\$44,486		\$19,393				\$4,400,320	\$63,879
Year 4	\$54,832.96			\$19,781				\$88,261	\$19,781
Year 5	\$56,477.96			\$20,177				\$97,247	\$110,096
Year 6	\$58,172.24			\$20,580				\$106,531	\$42,311
Year 7	\$59,917.34			\$20,992				\$116,122	\$44,649
Year 8	\$61,714.94			\$21,412				\$126,029	\$47,059
Year 9	\$63,566.44			\$21,840	\$516	\$135,747		\$135,747	\$49,543
Year 10	\$65,473.38			\$22,277		\$117,466	\$29,367	\$117,466	\$52,103
Sale		\$62,415		\$22,722		\$1,266,348	\$316,587	\$1,266,348	\$689,134
Total Return	\$500,009	\$225,255	\$318,433	\$217,691	\$516	\$1,519,561	\$345,954	\$2,576,473	\$1,585,50
LP Net ROI								64%	
LP Net IRR								12%	
LP Net Cash on Cash Annualized								5%	
LP Net Equity Multiple								1.64	
Percentage of total Cash Flow to LP's							70%		
Percentage of total Cash Flow to Developer Including Property Management							30%		

Appendix H

About the Offering

Broad Street Natural Living Development LLC, (“**BS-NLD**” or the “**Company**”) is a limited liability company, formed to purchase the Land located at 641 West Broad St., in downtown Nevada City, California (the “**Property**”). The Property to be acquired is zoned R2, high-density Multifamily, (8 multifamily units per acre). The lot is 1.22 acres, which allows 9 units on the lot. City zoning will allow 4 more units as Accessory Dwelling Units (“**ADU**”) according to guidelines for R2. The total units on the parcel will be 13. The Property is presently in escrow for sale to the Company for the price of \$384,451. The Company plans to build the first 13 unit Multifamily Natural Building Development in the area. The purchase of the Property is governed by the terms of the Purchase Agreement between the Company and the Seller (see the “**Purchase Agreement**”).

The Company will be managed by Natural Living Design & Build Inc. DBA Natural Living School LLC. (“**NLS**” or the “**Developer**”).

The Company seeks to raise \$4,000,000 (the “**Full Subscription Amount**”), through a combined offering, using Regulation Crowd Funding (“**Ref CF**) (where anyone can invest) and SEC Rule 506 (c) (“**Reg D**”) (where only “**Accredited Investors**” can invest), to fund the purchase of the Property, pre-construction expenses, and the construction of 13 rental units (the “**Project**”).

The minimum investment amount for the Reg CF offering is \$1,000. Investments above \$1,000 may be made in \$100 increments (e.g., \$1,100 or \$1,200, but not \$1,136). The minimum investment amount in the Reg D offering is \$5,000, investments above \$5,000 may be made in \$1,000 increments (e.g., \$6,000 or \$7,000, but not \$5,500).

Funds raised from investors will be held in a brokerage escrow account until a minimum of \$20,000 (the “**Minimum Subscription Amount**”) has been raised, at which time the funds will be made available while the remainder of the Full Subscription Amount is raised. Investors will, upon reaching the Minimum Subscription Amount, become Members of the Company. The acquisition of the Property and the Project are presently planned to be completed without incurring debt. The Developer will be issued 30% of membership interest in the Company in consideration for its efforts in finding the Property, Renting the units, and managing the acquisition, development, and acting as the Asset and Project Manager. In the event, the Minimum Subscription Amount is not raised by Sep 31, 2022, or the Property does not receive a clean Phase I Environmental Report, all investors’ funds will be returned to them.

The Full Subscription Amount will be raised through the offering of Limited Partners, (“**LP**”) acting as Passive Investors with a non-managing member's interest in the Company. The LPs shall receive an estimated annual 8% preferred internal rate of return (“**Investor Preference or the “Pref**”), along with the return of their capital contribution between year 4 and years 5 when it is estimated that the 13 units will be fully rented and the project will qualify for bank financing. Thereafter, net profits will be distributed pro-rata based on the percentage of initial capital contribution, where \$1 is equal to one share, (“**Shares**”). The Developer will not take any distribution until the LP has received all of their capital back along with an annual 8% internal rate of return. There will be a one-time catch-up payment (“**The Catch up**”) after the LPs have received all of their principal plus the 8% pref. After this point the cash flow, (after operating expense and debt services), will be split 80/20, with 80% of the cash flow going to the LPs and 20% going to the Developer. The Developer will take a 3% Acquisition fee, and a 2% Project Managing fee at closing. The Developer will also take a 1% financing fee at the time of refinancing and at the sale of the project. Annual cash flow Distributions will be paid out by quarter 1 of the preceding year, (“**Distribution**”).

See the Operating Agreement, (“**Operating Agreement**”) for more detail on the offering and the structure of the Company.

Appendix I

About the Risks

The shares being offered have not been registered under the securities act of 1933, as amended (THE “**Act**”), or the securities laws of certain states, and are being offered and sold in reliance on an exemption from the registration requirements of the Act and such laws. The shares have not been approved or disapproved by the securities and exchange commission, any state securities commission, any state securities commission, or other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of the information provided in conjunction with this offering. Any representation to the contrary is a criminal offense.

The information herein has been prepared on a confidential basis solely for your informational purposes and is being furnished to a limited number of accredited investors as such class is determined in accordance with federal securities laws for discussion purposes only. It is not an offer to buy or sell or a solicitation of an offer to buy or sell any limited partnership interests, securities or to otherwise participate in any investment or trading strategy (“**Investment**”).

If any offer of Investment is made, it shall be pursuant to a definitive Operating Agreement, Private Placement Memorandum subscription documents and/or other relevant definitive legal documents, prepared by or on behalf of the Opportunity which would contain material information not contained herein and which shall supersede the information herein in its entirety (“**Definitive Legal Documentation**”). The Opportunity mentioned in this document may not be registered in your jurisdiction and to the fullest extent possible any such offer will be made only pursuant to private placement exemptions available. It may therefore not be eligible for sale or investment in your state or country and may not be suitable for you or certain types of investors.

As such, any decision to make an Investment should be made after reviewing the Definitive Legal Documentation for the Opportunity which will contain representations by you that you are a sophisticated investor meeting any relevant regulatory requirements and that you have conducted such investigations as you deem necessary and after consulting your own investment, legal, accounting, and tax advisors in order to make an independent determination of the suitability and consequences of making an Investment.

Although the information provided in this report has been obtained from sources which Broad St. Natural Living Development LLC (“**BNLD**”) believes to be reliable, BNLD does not represent or warrant its accuracy and such information may be incomplete or condensed and must not be relied upon by you. The information is subject to change without notice. Since BNLD furnished all information as part of a general information service and without regard to your particular circumstances, BNLD shall not be liable for any damages arising out of any inaccuracy in the information.

Investing is speculative and may involve substantial investment, liquidity, and other risks. Investments can be leveraged and performance results can be volatile and may result in loss of principal. Past performance is no indication of future results. There is no secondary market for the investors’ interests and high expenses may offset any profits the Opportunity may generate.

(i) “All projections and forward-looking statements are based on the information available to the company and its analysis of the same. They are not promises of performance or specific returns”; and (ii) “All case studies and historical statements are provided for informational purposes. They are not promises of future performance or specific returns.”