

INVESTOR UPDATE

Harbor Group Multi-Family Equity II

as of Q4 2022



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THE COLUMBUS PORTFOLIO

Prepared for Yieldstreet

QUARTERLY REPORT



4th Quarter 2022

DISTRIBUTION:

Current Quarter	Since Commencement	% of Equity Returned to Date
\$1,564,365	\$6,122,704	5.9%

OPERATING INFORMATION:

- A total of 66 unit renovations have been completed to date, including 14 in Q4.

Date Acquired: 11/30/2021-3/21/22

Units: 2,656

Year Built: 1950-2002

Property Count: 20

MONTH TREND*

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Total*
PHYSICAL OCCUPANCY**	95.3%	95.4%	95.1%	96.3%	95.9%	95.0%	95.3%	95.4%	94.6%	93.6%
NET EFFECTIVE RENT	\$857	\$862	\$868	\$878	\$892	\$899	\$902	\$919	\$924	\$859
NET RENTAL INCOME	2,145,211	2,169,073	2,181,821	2,206,815	2,240,883	2,241,938	2,241,450	2,283,509	2,275,614	25,648,846
TOTAL OTHER INCOME	194,612	215,655	231,967	199,246	198,522	223,213	264,946	192,886	224,588	2,449,979
TOTAL BAD DEBT - NET	11,293	6,650	-11,155	3,445	-166	-8,811	-6,377	-10,504	-13,978	(45,685)
TOTAL INCOME	2,351,116	2,391,378	2,402,633	2,409,506	2,439,240	2,456,340	2,500,019	2,465,890	2,486,225	28,053,142
TOTAL RENTING EXPENSE	23,341	22,916	36,936	23,852	24,273	24,292	28,378	29,545	27,192	304,967
TOTAL ADMIN. COSTS	37,037	51,519	39,511	35,501	42,469	53,750	50,929	61,142	47,720	575,208
TOTAL MANAGEMENT FEES	79,554	81,068	79,355	78,581	83,648	80,255	84,849	81,209	83,984	957,579
TOTAL SALARIES & BENEFITS	217,930	216,392	200,777	203,891	308,711	220,889	230,351	231,818	352,547	2,793,180
TOTAL SERVICE CONTRACTS	0	0	0	0	0	0	0	0	0	200
TOTAL CONTRACT REPAIRS	165,640	128,378	160,726	109,008	126,895	104,689	178,612	76,242	86,826	1,430,966
TOTAL MAINT/REPAIR SUPPLIE	20,948	24,705	25,539	14,576	17,253	14,051	15,923	15,956	21,761	231,961
VARIABLE EXPENSES	544,449	524,977	542,843	465,408	603,250	497,926	589,042	495,912	620,029	6,294,057
TOTAL UTILITIES	197,573	199,451	188,656	185,855	208,745	189,794	222,515	224,867	233,309	2,463,075
TOTAL TAXES	445,367	457,001	442,901	442,168	460,941	442,168	-1,145,259	459,670	368,581	3,572,606
TOTAL INSURANCE	78,996	76,396	74,807	121,526	92,651	92,166	104,000	123,750	105,827	1,063,428
FIXED EXPENSES	721,936	732,848	706,364	749,550	762,337	724,128	(818,745)	808,287	707,717	7,099,108
OPERATING EXPENSES	1,266,385	1,257,825	1,249,207	1,214,958	1,365,587	1,222,054	(229,703)	1,304,199	1,327,746	13,393,163
NET OPERATING INCOME	\$1,084,730	\$1,133,553	\$1,153,425	\$1,194,549	\$1,073,652	\$1,234,286	\$2,729,721	\$1,161,691	\$1,158,479	\$14,659,975

**All financials are unaudited and on a modified cash basis. Financials are shown after the acquisition of Trotter's Landing in March 2022.

**Physical Occupancy is month end and Total is the average of these numbers.

COMPARATIVE INCOME STATEMENT*

	Q4 - Actual \$	Q4 - Budget \$	Q4 - Variance \$	Q4 - Variance %	YTD Actual \$	YTD - Budget \$	Variance \$	Variance %
INCOME								
MARKET RENT	7,878,554	7,137,114	741,440	10.39%	31,154,273	27,317,081	3,837,192	14.05%
LOSS/GAIN TO LEASE	(553,454)	(221,009)	(332,445)	-150.42%	(3,737,814)	(721,612)	(3,016,202)	-417.98%
VACANCY	(444,390)	(349,994)	(94,396)	-26.97%	(1,602,179)	(1,356,276)	(245,903)	-18.13%
COMMERCIAL RENT	25,458	-	25,458	0.00%	107,059	-	107,059	0.00%
MANAGEMENT OFFICE/MODEL	(42,279)	(22,179)	(20,100)	-90.63%	(140,572)	(88,716)	(51,856)	-58.45%
STAFF UNITS	(32,531)	(21,264)	(11,267)	-52.99%	(82,154)	(83,072)	919	1.11%
RECURRING CONCESSION	-	(3,944)	3,944	100.00%	-	(15,223)	15,223	100.00%
ONE-TIME CONCESSION	(28,171)	-	(28,171)	0.00%	(32,405)	-	(32,405)	0.00%
RECURRING CONCESSION - DISCOUNTS	(2,616)	-	(2,616)	0.00%	(17,361)	-	(17,361)	0.00%
NET RENTAL INCOME	6,800,572	6,518,724	281,848	4.32%	25,648,847	25,052,181	596,666	2.38%
ADMINISTRATIVE INCOME	278,850	288,643	(9,793)	-3.39%	907,132	1,123,395	(216,263)	-19.25%
UTILITY INCOME	403,569	416,521	(12,952)	-3.11%	1,542,848	1,508,158	34,690	2.30%
TOTAL OTHER INCOME	682,420	705,164	(22,744)	-3.23%	2,449,979	2,631,552	(181,573)	-6.90%
TOTAL BAD DEBT - NET	(30,859)	(69,518)	38,659	55.61%	(45,685)	(267,069)	221,384	82.89%
TOTAL INCOME	7,452,133	7,154,370	297,763	4.16%	28,053,141	27,416,664	636,477	2.32%
TOTAL RENTING EXPENSE	85,116	66,283	(18,833)	-28.41%	304,967	272,542	(32,424)	-11.90%
TOTAL ADMIN. COSTS	159,791	167,052	7,261	4.35%	575,207	711,907	136,700	19.20%
TOTAL MANAGEMENT FEES	250,041	239,320	(10,721)	-4.48%	957,579	920,201	(37,377)	-4.06%
TOTAL SALARIES & BENEFITS	814,715	1,015,372	200,657	19.76%	2,793,178	3,724,038	930,860	25.00%
TOTAL SERVICE CONTRACTS	-	-	-	0.00%	200	-	(200)	0.00%
TOTAL CONTRACT REPAIRS	341,680	376,375	34,695	9.22%	1,430,966	1,515,747	84,781	5.59%
TOTAL MAINT/REPAIR SUPPLIES	53,640	121,576	67,936	55.88%	231,961	471,889	239,928	50.84%
TOTAL VARIABLE EXPENSE	1,704,983	1,985,978	280,995	14.15%	6,294,057	7,616,324	1,322,267	17.36%
TOTAL UTILITIES	680,691	634,459	(46,232)	-7.29%	2,463,074	2,258,581	(204,493)	-9.05%
TOTAL TAXES	(317,009)	1,336,347	1,653,356	123.72%	3,572,605	5,193,813	1,621,209	31.21%
TOTAL INSURANCE	333,577	257,715	(75,862)	-29.44%	1,063,430	1,013,676	(49,754)	-4.91%
TOTAL FIXED EXPENSES	697,259	2,228,521	1,531,262	68.71%	7,099,108	8,466,070	1,366,962	16.15%
TOTAL OPERATING EXPENSES	2,402,242	4,214,499	1,812,257	43.00%	13,393,165	16,082,394	2,689,229	16.72%
NET OPERATING INCOME	5,049,891	2,939,871	2,110,020	71.77%	14,659,976	11,334,270	3,325,706	29.34%

CASH FLOW RECONCILIATION*

	Q4 - Actual	YTD - Actual
	\$	\$
OPERATING ACTIVITY		
NET OPERATING INCOME	5,049,891	14,659,976
PROPERTY IMPROVEMENTS	(351,526)	(1,622,618)
CAPITAL IMPROVEMENTS	(4,219,304)	(8,626,707)
CAPITAL RESERVES	3,812,579	7,976,977
INTEREST EXPENSE	(1,341,153)	(5,175,011)
PARTNERSHIP AND OWNERS EXPENSES	(66,403)	(358,191)
NET OPERATING ACTIVITY	2,884,085	6,854,425
CASH FLOW RECONCILIATION		
PREPAID RENT/TENANT RECEIVABLES/ALLOWANCE	(20,992)	(146,532)
ACCOUNTS PAYABLE AND ACCOUNTS PAYABLE - CLEARING	1,188,974	1,966,554
INSURANCE AND TAX ESCROWS	(744,110)	(2,821,588)
TAX/INSURANCE ACCRUAL/PREPAID	(450,077)	1,764,695
SECURITY DEPOSIT ACTIVITY	(3,909)	(5,308)
OTHER CHANGES IN BALANCE SHEET ACCOUNTS	4,343,502	2,734,418
CASH FLOW RELATED TO INITIAL PURCHASE		
PURCHASE OF PROPERTY	-	(28,819,271)
MORTGAGE PRINCIPAL FUNDING	-	21,100,000
INVESTOR EQUITY CONTRIBUTION	-	11,614,000
INITIAL INTERNAL RESERVE FUNDING	-	(2,690,376)
ACCRUED/PREPAID REAL ESTATE TAX AND INSURANCE	-	154,768
PREPAID INTEREST	-	(17,583)
PREPAID RENT	-	10,610
NET CHANGE IN CASH FOR THE PERIOD	7,197,473	11,698,813
CASH - BEGINNING OF PERIOD	3,264,726	1,675,806
CASH AVAILABLE	10,462,199	13,374,620
DISTRIBUTIONS	(3,029,354)	(5,941,775)
CASH - END OF PERIOD	7,432,845	7,432,845

BALANCE SHEET*

	Dec 2022	Sep 2022
	\$	\$
ASSETS		
CURRENT ASSETS		
CASH - OPERATING	7,432,845	3,264,726
SECURITY DEPOSIT ESCROW	809,147	791,244
REPAIR/REHAB RESERVE/HOLDBACK (LENDER)	250,000	250,000
ESCROW-REAL ESTATE TAX (LENDER)	2,001,063	1,254,673
CAPITAL RESERVE - INTERNAL	23,223,499	27,036,078
ACCOUNTS RECEIVABLE-TENANTS	143,053	98,683
ACCOUNTS RECEIVABLE-OTHER	2,026	102,602
DUE FROM RELATED PARTY	840,195	840,129
ALLOWANCE FOR DOUBTFUL ACCTS	(14,530)	(7,270)
PREPAID EXPENSES - OTHER	2,843	1,606
UTILITY DEPOSITS	39,247	46,566
PREPAID INSURANCE	573,142	537,969
ESCROW-REAL ESTATE (INTERNAL)	969,000	969,000
ESCROW-INSURANCE (INTERNAL)	327,213	329,493
TOTAL CURRENT ASSETS	36,598,742	35,515,500
NON-CURRENT ASSETS		
LAND	42,039,989	37,737,930
LAND IMPROVEMENTS	16,751,450	15,182,193
BUILDINGS & IMPROVEMENTS	148,885,769	128,803,596
FURNITURE, FIXTURES & EQUIPMENT	44,992,657	42,265,751
ACCUMULATED DEPRECIATION	(14,382,044)	(10,654,070)
REAL PROPERTY INVESTMENT	-	28,000,000
FINANCING FEES	1,803,028	1,803,028
ACCUMULATED AMORTIZATION	(157,769)	(120,206)
INVESTMENT	-	3,937,275
LEGAL,CLOSING & ACQUISITION COSTS	-	680,396
ACQUISITION COSTS (PRORATIONS)	(246,586)	(189,683)
PROPERTY IMPROVEMENTS	1,131,750	908,807
CAPITAL IMPROVEMENTS	8,626,945	4,407,641
TOTAL NON-CURRENT ASSETS	249,445,189	252,762,657
TOTAL ASSETS	286,043,931	288,278,157
LIABILITIES		
CURRENT LIABILITIES		
PREPAID TENANT RENTS	200,378	184,261
ACCRUED INTEREST PAYABLE	440,427	440,427
TAXES PAYABLE	3,482,472	3,897,376
ACCOUNTS PAYABLE	1,991,753	802,779
ACCRUED EXPENSES	260,176	301,284
TOTAL CURRENT LIABILITIES	6,375,205	5,626,126
OTHER LIABILITIES		
OTHER LIABILITIES	-	1,040
TENANT SECURITY DEPOSITS	802,230	788,236
DUE TO RELATED PARTY	840,087	840,208
MORTGAGE PAYABLE	184,975,000	184,975,000
TOTAL OTHER LIABILITIES	186,617,318	186,604,484
TOTAL LIABILITIES	192,992,523	192,230,610
CAPITAL		
OWNER DEPOSIT	104,526,000	104,526,000
OWNER DRAW	(5,941,775)	(2,912,421)
RETAINED EARNINGS	(5,532,816)	(5,566,032)
TOTAL CAPITAL	93,051,409	96,047,547
LIABILITIES & CAPITAL	286,043,931	288,278,157