



OPPORTUNITY FUND III

AN UNCOMMON INVESTMENT OPPORTUNITY

OPPORTUNITY FUND III

A GP OR SPONSOR FUND



SIZE

\$20,000,000 with
Option to Increase
to \$25,000,000



DESCRIPTION

Focused on diversified General Partner Investments along with 3rd Party Institutional investors for the acquisition of a diversified portfolio of real estate assets across multiple sectors



OBJECTIVE

Preserve capital, distribute consistent income, provide for a hedge against inflation, income tax deferral, generate capital gains upon exit, and share in sponsor promote



STRATEGY

Acquisition of institutional-grade, opportunistic real estate assets in hospitality, multifamily, retail, office, and land



PAYOUT WATERFALL

Fund investor will benefit from receiving the same terms as negotiated by institutional investor on a deal-by-deal basis thereby optimizing risk and return



INVESTMENT AMOUNT

\$105,000 per 1 unit
Fractional interest available



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WE EMBRACE THE RESPONSIBILITY ENTRUSTED TO US.

“ Throughout my 30 years+ career in commercial real estate, my objectives have always remained consistent: to preserve and protect the capital of those who have entrusted it to me, to distribute consistent income, and to generate capital gains upon ultimate sale and disposition of every asset we acquire. ”

INVESTING TODAY CAN BE CHALLENGING.

Here at Urbana Varro, we understand that generating investment income from stocks and bonds in the current environment is challenging. Although rising interest rates are continuing to vacillate, CDs and most traditional fixed income investments are offering slim returns. While stocks that pay dividends can be an attractive option for some investors seeking income, they also come with higher risk and volatility, as has been the case since the beginning of 2022.

A SOUND APPROACH.

We believe the Urbana Varro Opportunity Fund III, like our predecessor funds, offers an alternative diversified solution for investors seeking current income and attractive overall returns with tax deferral qualities. This Fund, like my own objectives, will seek to preserve capital by adhering to strict underwriting principles, thorough due diligence, and conservative use of leverage. It will seek to make regular quarterly distributions, provide for tax deferral benefits associated with real estate ownership, and generate significant capital gains upon the sale and disposition of all assets we acquire over a 3 - 6 year investment horizon.

OUR PRIMARY GOAL IS CREATING VALUE.

Overall, the ideology behind the Fund is simple. Leverage the experience of the Urbana Varro team to acquire or develop attractive commercial real estate assets, create value at every level and ultimately sell these holdings for a superior risk-adjusted return on investment for our partners.



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FUND PERFORMANCE

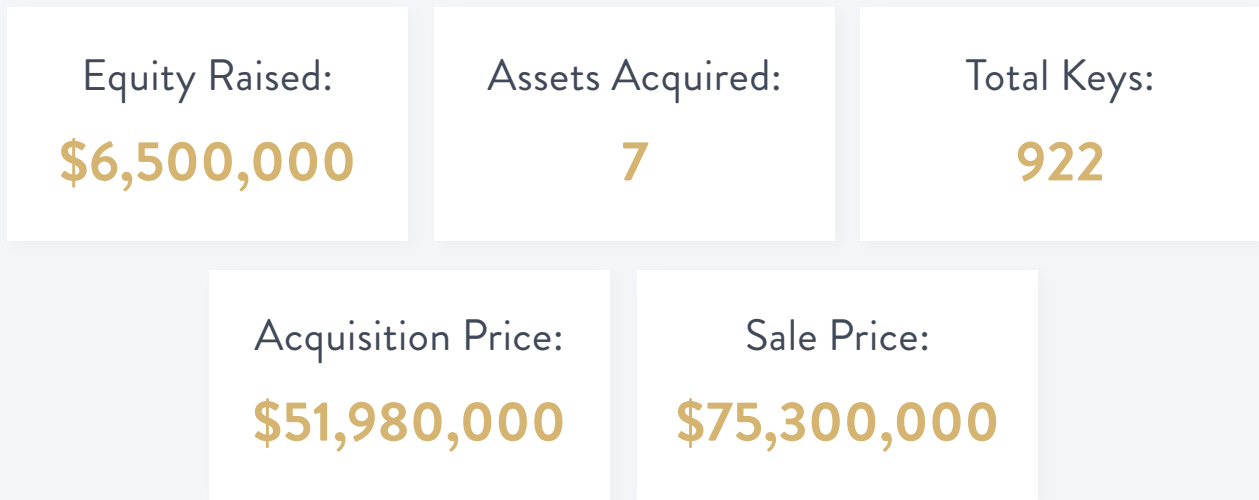


FUND PERFORMANCE

UVOF I

Urbana Varro Opportunity Fund I, LLC ("UVOF I") – A Resounding Success

Witness the triumph of UVOF I, a true testament to our commitment to excellence:



UVOF I's performance speaks volumes: a **Capital Return Multiple of 2.14x*** and an **Internal Rate of Return of 17.2%***. These exceptional results far outshine the performance of publicly traded lodging REITs, which suffered an average annual decline of 3.2% from 2014 to 2022. Furthermore, UVOF I's success far exceeds the average annual increase of 4.4% among all publicly traded REITs during the same period. Even compared to the average yield on 5-year Treasury bonds of just 1.5% from 2011-2022, UVOF I's performance remains unmatched.

(*) Results are proforma in that they incorporate the more favorable investor terms as reflected in the Private Placement Memorandum of the Urbana Varro Opportunity Fund III.



FUND PERFORMANCE

UVOF II

Continuing **Excellence** with UVOF II

UVOF II follows suit with an equally impressive track record:

Equity Raised: \$15,000,000	Assets Acquired: 2	Total Keys: 412
Acquisition Price: \$51,000,000	Sale Price: \$76,000,000	

Experience the remarkable achievements of UVOF II, delivering a **Capital Return Multiple of 2.27x*** and an **Internal Rate of Return of 16.1%***. This exceptional performance once again outperforms publicly traded lodging REITs, which saw a decline of 3.2% annually from 2014 to 2022. And in comparison to the modest average annual increase of 4.4% among all publicly traded REITs during that timeframe, UVOF II shines brilliantly. It's important to note that UVOF II's accomplishments surpass the average yield on 5-year Treasury Bonds, which reached just 1.5% from 2011 to 2022.

(*) Results are proforma in that they incorporate the more favorable investor terms as reflected in the Private Placement Memorandum of the Urbana Varro Opportunity Fund III.



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FUND III INVESTMENT ACTIVITY



VIDA EDGEWATER RESIDENCES – MIAMI, FL – CONDOMINIUMS / SHORT TERM RENTALS

The VIDA is an off-market, 9-story 138-unit hotel / condominium development project that, at this juncture, will include 68 units designed to accommodate permanent residents and 70 units designed for short term rentals.

VIDA is located in the highly attractive Edgewater District of Miami, just across Biscayne Bay from Miami Beach. Edgewater itself is currently a neighborhood in transition; hyper-expensive condo complexes dot the coastline while more traditional neighborhood bodegas, cafes, and thrift stores fill in the blocks between. It is a part of Miami that is developing rapidly given its still neighborhood feel and excellent locale to the rest of the city & beaches.

VIDA is currently estimated to cost \$77.7 million, or \$563,000 per saleable unit to construct.

Forecasted project timeline of less than three years to completion.

- Expected land purchase of \$17.4 million on or before April 17, 2023.
- Construction expected to commence in Q4 2023 with completion in December 2025.

Revenue from unit sales is expected to be \$100 million, or \$724,000 per unit, and \$7,000,000 from the sale of the lobby restaurant / bar.

The primary sources of capital include a land loan/revolving construction loan that peaks at \$14.8 million, buyer deposits of nearly \$40 million and UVOF III / 3rd Party Institutional equity requirement of \$7.1 million -

- A need of \$3.5 million will occur at closing of the purchase of the Property on or before April 17, 2023, and
- The second phase funding of \$3.6 million will be required on or around June 1, 2023.

Based on the above, **UVOF III is expected to receive a capital return multiple and internal rate of return of 1.9x and 24%, respectively (*)**.

(*) Prior to UVOF III Operating Costs as defined in the Fund's Private Placement Memorandum
FUND III INVESTMENT ACTIVITY



SPRINGHILL SUITES | ROANOKE VILLAGE – ROANOKE, TX - DEVELOPMENT

The Roanoke development project (aka Roanoke Village) is a mixed-use development that will ultimately be anchored by a 128-key SpringHill Suites; located in downtown Roanoke, TX, the development will also include commercial / medical office, retail and restaurants.

UVOF III purchased the remaining five fully developed parcels from the Seller in an off-market transaction for \$5.8 million inclusive of closing costs; the price was funded with debt of \$3.8 million and \$2.0 million of equity from UVOF III and an existing partner of Seller.

Closing occurred on July 6, 2022.

Of the five parcels –

- Two parcels sold for \$1.5 million in August 2022,
- Two others are expected to be sold during 2023 for \$2.4 million, and

- The last parcel will be retained by the venture to construct the SpringHill Suites **and will have a very attractive land basis of only \$2.1 million, or \$16,500 per key.**

The project's all-in development cost is currently forecasted to be \$25.4 million (\$198,000/key) and is expected to be funded from multiple sources:

- A PACE (Property Assessed Clean Energy) loan of 20% of the total capitalization, or \$5.1 million; repayment occurs through an increase in property taxes; favorable pricing relative to traditional debt,
- Senior Debt representing 55% of the total capitalization or \$13.9 million; assumed to be interest only at 9.25%; refinancing is expected to occur at end of the third year, and
- Equity of approximately \$6.4 million (inclusive of operating shortfalls).

Based on the above and Urbana's typical GP/LP structures, **UVOF III is expected to receive a capital return multiple and internal rate of return of nearly 2.3x and 20%, respectively (*)**.

(*) Prior to UVOF III Operating Costs as defined in the Fund's Private Placement Memorandum.

SIX BUILDING PORTFOLIO ACQUIRED FROM FORD MOTOR COMPANY



Urbana Ford Flex (UFF) and an affiliate of UVOF III's Sponsors recently acquired a Six Property Ford Flex Building Portfolio ("Portfolio") located in the heart of the bustling Allen Park and Dearborn submarket of Detroit, MI from Ford Motor Company (in close proximity to its world headquarters) and consisting of 334,000 square feet that is situated on 41.5 acres.

The Portfolio was acquired for \$12.5 million (\$38 psf) and was capitalized with an \$8.5 million debt facility and \$4 million of equity, of which it is anticipated that UVOF III will co-invest up to \$800,000.

The Portfolio was acquired at a capitalization rate of 16% with an in-place net operating income of \$1.85 million, based on existing occupancy of 72%

(in a submarket that is 90% occupied thereby providing additional upside).

The Portfolio's investment strategy is one of wealth preservation predicated upon –

- The immediate sale of one of the buildings that will reduce the Portfolio's basis to \$14 psf,
- A very low break-even occupancy of 39% providing downside protection,
- A 78% discount to replacement cost allowing Urbana to sharply undercut new supply, and
- Inflation protection through annual rent bumps.

UVOF III's equity will be afforded the same terms as the existing LP investors –

8%
Preferred Return,

Return of
Capital,

70% to LP investors and
30% to Sponsors to a
12% IRR,

60% to LP investors and
40% to Sponsors to a
15% IRR,

Thereafter
50% to LP investors and
50% to the Sponsor

Based on the above, **UVOF III is expected to receive a capital return multiple and internal rate of return of nearly 2.7x and a 25%, respectively (*)**.

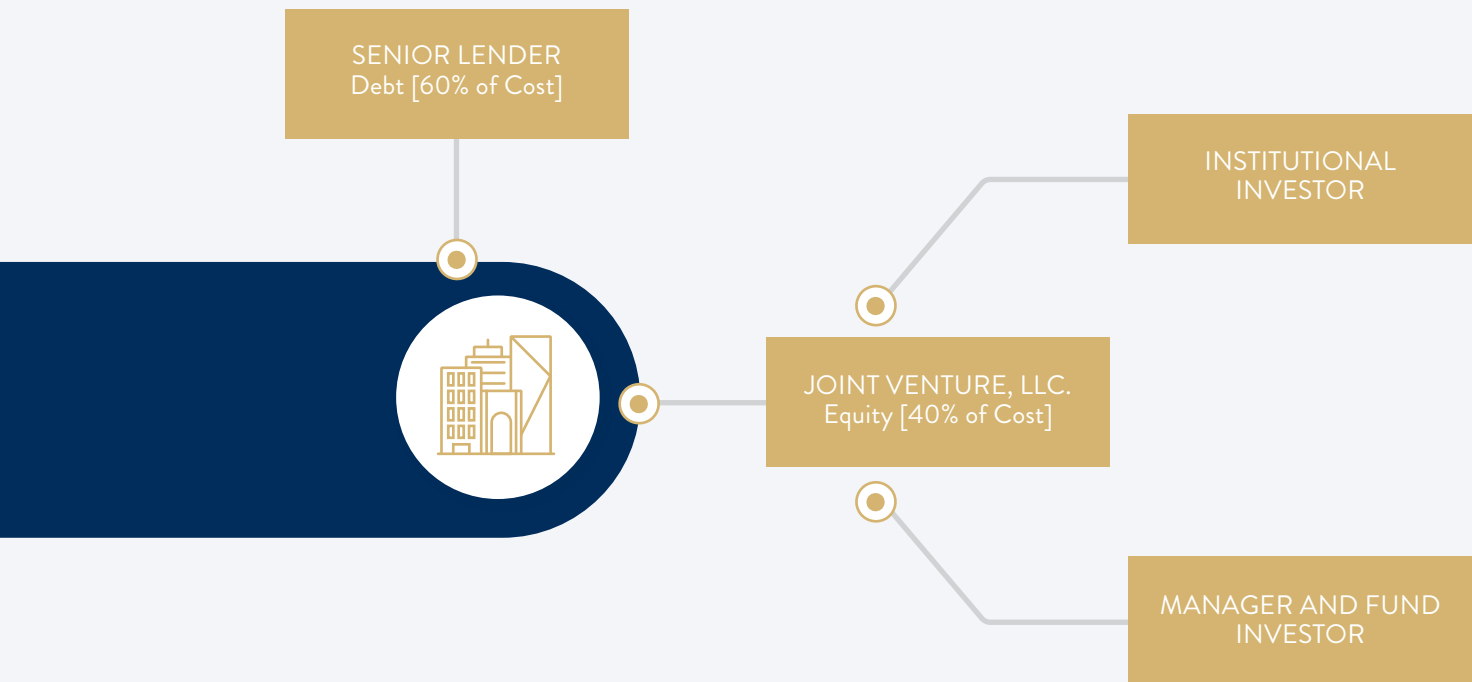
(*) Prior to UVOF III Operating Costs as defined in the Fund's Private Placement Memorandum.

MOST INDIVIDUAL INVESTORS HAVE LIMITED OPPORTUNITIES TO INVEST IN PRIVATE COMMERCIAL REAL ESTATE.

Access is largely confined to a primary residence, residential rental properties, and publicly traded REITs, which account for less than 6% of the total commercial real estate market opportunity. Furthermore, many individual investors lack the time and inclination to source direct real estate investments, negotiate the several layers of contracts, and monitor the progress of these complex assets. Urbana Varro provides accredited individual investors a more practical and attractive avenue to build a diversified portfolio of quality real estate holdings.

ACCESS TO INSTITUTIONAL-GRADE INVESTMENTS.

In a typical JV with a 3rd party institutional investor, the institution provides 90% of the equity, and the Sponsor provides the 10% balance. Assuming an investor acquires 5 projects a year with an average capitalization of \$50 million, using 60% debt and a 90/10 equity split, the investor would need **\$2 million** per project or \$10 million per year, which is a very steep barrier to individual investors. As an alternative, Urbana Varro opens the door for individual investors to pool their money together in a Fund to provide the 10% piece of the stack, and thus, gain access to otherwise unavailable institutional caliber assets.

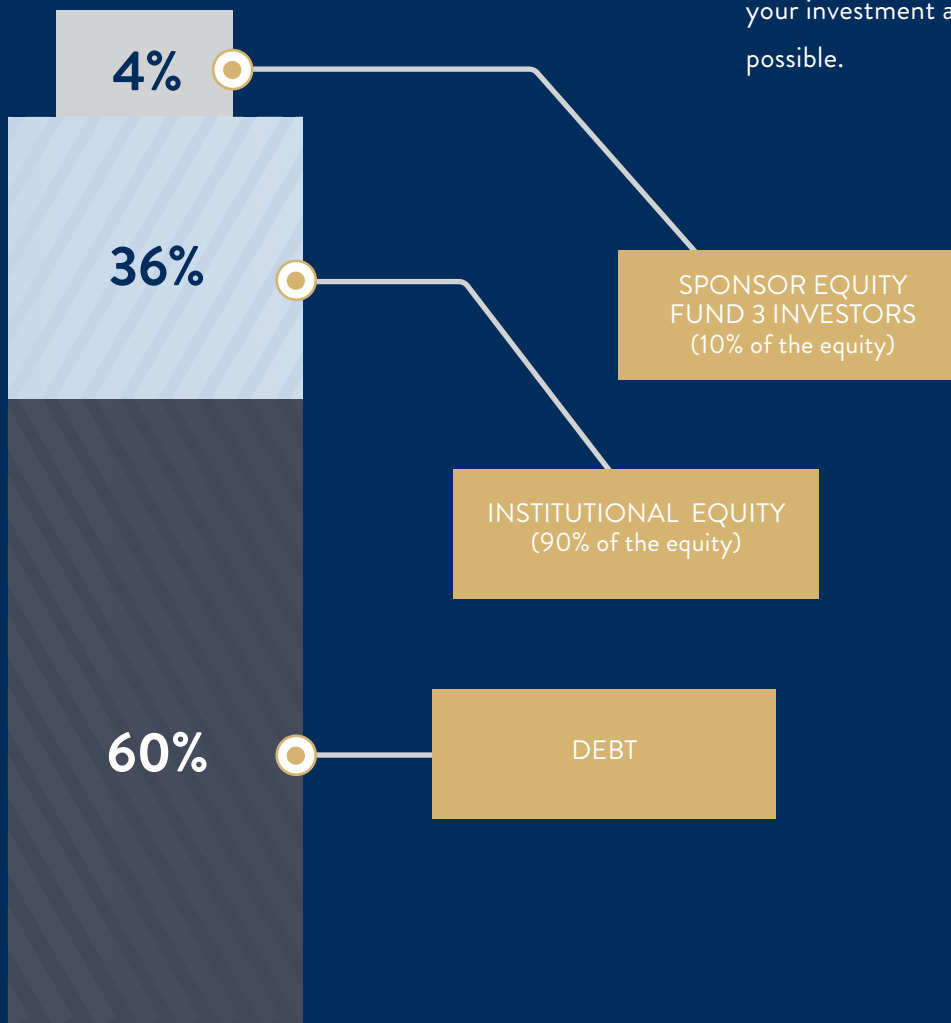


UNIQUE ONE-OF-A-KIND QUALITY INVESTMENTS.

Through our strategic relationships with private owners, franchisors, developers, brokers, and real estate investment intermediaries, we are privy to a steady flow of investment opportunities from which to choose. Many of these opportunities are exclusive and have not been seen by other firms, giving Urbana Varro first look at the most suitable and potentially profitable projects. The average investor simply does not have the investment perspective, market knowledge, and selectivity that is gained from underwriting and analyzing such a heavy volume of real estate projects.

SEAMLESS AND WORRY-FREE NEGOTIATION, STRUCTURING, & DOCUMENTATION.

By design and for protection, investors are only party to legal agreements between themselves and the respective Urbana Varro investment partnership, not the actual real estate properties. Urbana Varro will negotiate and/or review all other relevant agreements, contracts, and documents pertaining to the project, thus relieving you of the time and effort necessary to assure that all is in order for the successful completion of the project. Our attention to detail in these matters will make your investment as seamless and worry-free as possible.





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OPPORTUNITIES INDIVIDUAL INVESTORS RARELY SEE



INVESTORS BENEFIT FROM WORKING WITH AN EXPERIENCED SPONSOR.

URBANO VARRO IS A TRUE OPERATING PARTNER

Urbana Varro is a full-service, U.S. focused commercial real estate investment company that provides complete, turn-key services and capabilities to its investors, all under one roof. All of this makes Urbana Varro an ideal operating partner, in a manner that creates the optimal alignment of interest between the parties.



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AT URBANA VARRO, ALL PATHS LEAD TOWARD VALUE CREATION

AN OPPORTUNISTIC REAL ESTATE INVESTMENT MANAGER.

Urbana Varro evaluates opportunities on a deal-by-deal basis, spending most of its resources and time securing individual projects with an attractive underlying asset, strong market fundamentals and a business plan with a path toward value creation.

Then, after utilizing our resources, we find the best-in-class LPs to co-invest with Fund III. Furthermore, UV places a large emphasis on the quality of its institutional partner, electing to focus almost exclusively on the large "blue-chip" institutions.

A DIVERSIFICATION STRATEGY WITH POTENTIAL FOR HIGHER RETURNS AND LESS VOLATILITY.

UV seeks out assets with a competitive advantage in their space, unique features and a history of distressed financials. On an individual project basis, UV begins with a holistic approach by evaluating where current fund holdings are allocated in terms of asset class, geography, business plan, risk and return. We are always first and foremost cognizant of the diversification relative to our target allocations, as we seek to exceed Index Fund-like exposure for our investors in our commingled funds. By doing so and targeting investments alongside the nation's most prudent institutional groups, we aim to provide a hedge against S&P 500-like exposure to REIT investing, with the potential for outperformance through our investment strategy.

INVESTMENT OBJECTIVES.



Provide investors with an opportunity to diversify away from the stock market, resulting in a "diversification strategy" that affords investors with potentially higher returns or less volatility than the stock market.



Preserve, protect and return invested capital.



Realize growth in the value of Fund assets with task referral qualities.



Acquire and maintain a portfolio of Properties.



Explore liquidity options in the future, including the sale of Membership Interests or Fund assets, or potential merger opportunities seek an exit of all fund assets.

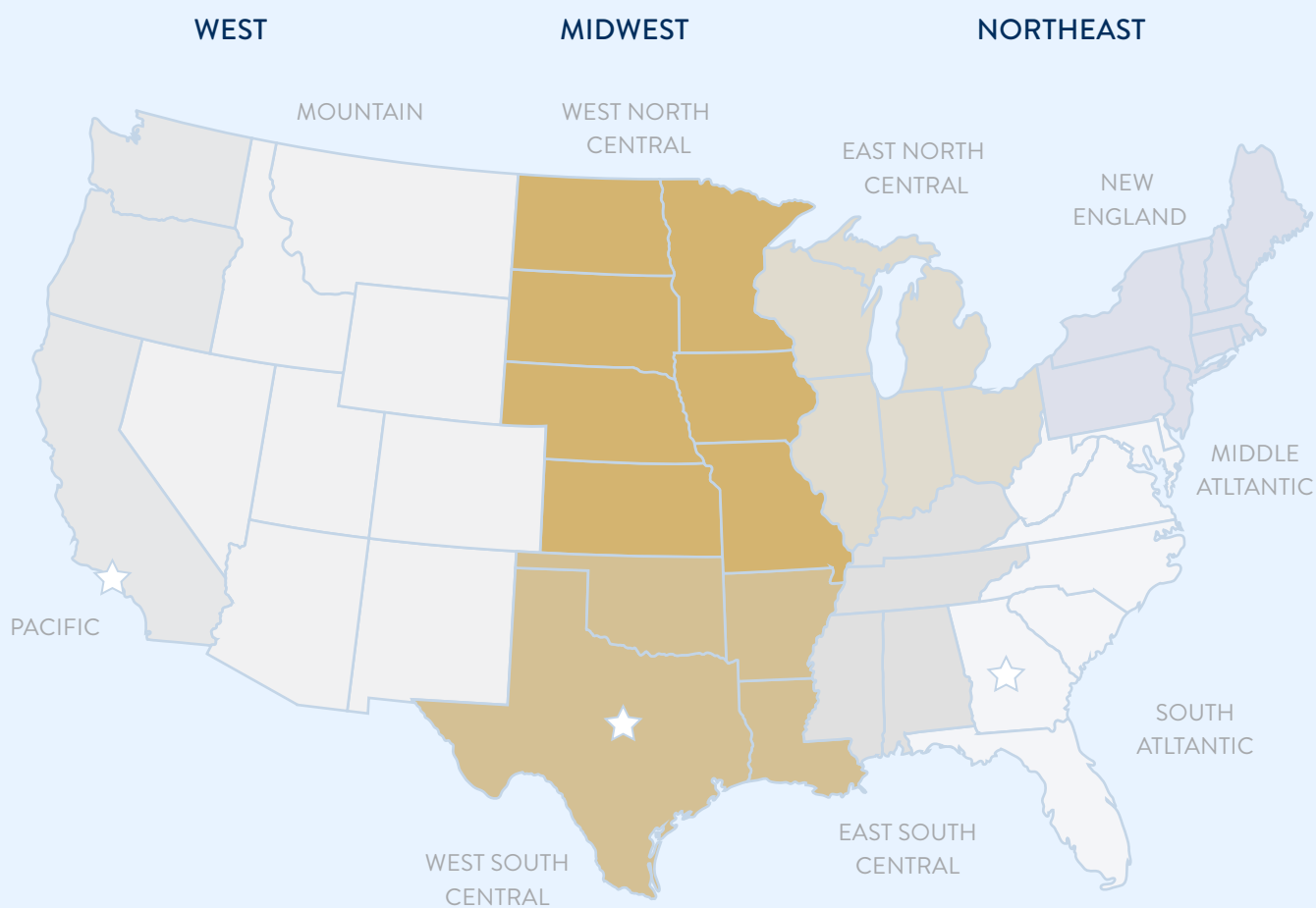


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URBANA VARRO FOLLOWS PROVEN INVESTMENT CRITERIA

A CONSISTENT, PROVEN APPROACH.

In building the Fund's portfolio, Urbana Varro will invest Fund III equity with institutional investors in order to acquire stabilized, cash-flowing and financially distressed properties in the Top 100 MSAs with some or all of the following characteristics:



Existing assets with repositioning or adaptive reuse characteristics



Attractive discount to replacement costs



Multiple demand generators



Raw land with existing infrastructure



Have Deferred maintenance or require capital improvements



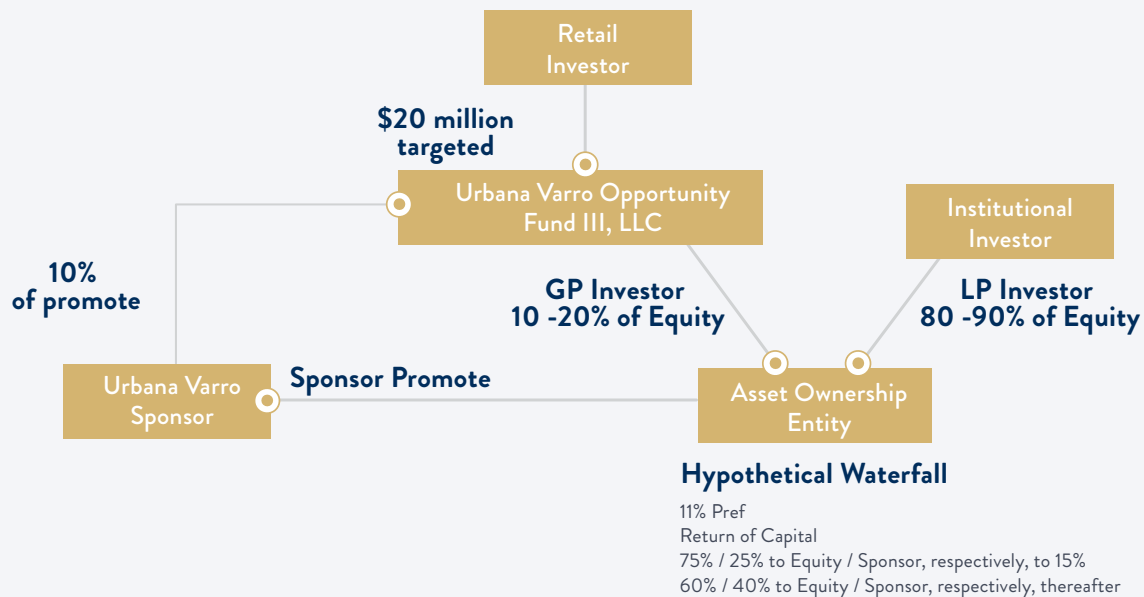
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DEAL STRUCTURES ALIGNING THE INTEREST OF BOTH SPONSOR AND INVESTOR

A DEPENDABLE, PREDICTABLE PROCESS.

Each JV with an institutional partner will be subject to its own negotiations regarding terms, such as preferred return hurdles and profit splitting. In each instance, the Fund will inherit the same terms and conditions. Institutions and sophisticated investors typically prefer an IRR driven step which aligns the interests of the sponsor and investor.

HYPOTHETICAL EXAMPLE STRUCTURE:



In rare instances where the Fund is the sole investor in a project or asset, it will inherit the following pre-set terms, which are generally market or in alignment with prevailing institutional terms:





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**A PROPRIETARY INVESTMENT PLATFORM
PROVIDING INSTITUTIONAL-GRADE
OPPORTUNITIES RARELY AVAILABLE
TO OUTSIDE INVESTORS**

A PROPRIETARY INVESTMENT PLATFORM.

Urbana Varro has a proven track record of generating superior risk-adjusted returns via equity investments into institutional-grade commercial real estate rarely accessible to outside investors. UV's proprietary investment platform has allowed it to capture significant market share in an otherwise fragmented space, thereby providing investors with exposure to institutional-grade assets that are moderately leveraged and diversified by geography, asset class and financial structure.

- Access to Institutional-Grade Assets
- Turn-Key Capabilities and Services
- Proven Track Record
- Diversified Fund Strategy
- Reporting Transparency
- Account Maintenance

CURRENT FUND MANAGEMENT.

UV currently manages two predecessor Funds [I and II outlined below]. UVOF III is the current flagship investment vehicle, which is projected to be fully committed by mid-2024.

INVESTMENT VEHICLE	STRUCTURE	DESCRIPTION
Urbana Varro Opportunity FUND I, LLC	Closed-End Discretionary GP Fund	Directly acquired or invested primarily as GP in opportunistic hotel projects located primarily in major sunbelt U.S. markets.
Urbana Varro Opportunity FUND II, LLC	Closed-End Discretionary GP Fund	Invested as GP in hotel value-add acquisition in Southern and Southeastern U.S. growth markets.
Urbana Varro Opportunity FUND III, LLC	Closed-End Discretionary GP Fund	Current flagship investment vehicle. Targeting diversified real estate investment throughout the U.S. with a primary focus on Hotel and Multifamily and a secondary focus on Office, Retail and Land. Fund III seeks both acquisition and development projects.



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OUR STAFF

OUR TEAM.



ALAN GUTIERREZ
PRINCIPAL



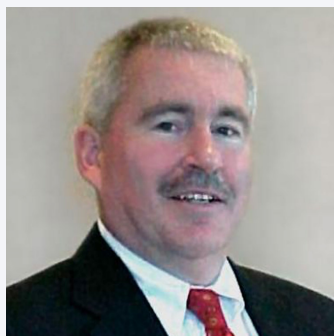
ED NOLAN
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TOM FITZPATRICK
DEVELOPMENT & CONSTRUCTION



MAXIMILLIAM GUTIERREZ
DEVELOPMENT &
ACQUISITIONS ASSOCIATE



STEVE THURNSTON
CONTROLLER | CFO



MARCOS VIDAL
CORPORATE DIRECTOR
OF REVENUE MANAGEMENT



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CORPORATE CONTROLLER



EMMY SCHMID
CORPORATE DIRECTOR
OF HUMAN RESOURCES



JIM ANSTEY
ASSET MANAGER
SR. FINANCIAL ANALYST



EDWARD NOLAN V
ACQUISITIONS & CAPITAL
RAISING MANAGER

DISCLAIMER.

PLEASE NOTE:

This executive summary is neither an offer to sell or a solicitation of an offer to buy securities. An offering is made only by the offering memorandum. This executive summary must be read in conjunction with the offering memorandum in order to fully understand all of the implication and risks of the offering to which the offering memorandum relates. All investments have risk and results can vary greatly, including the loss of all capital. This brochure includes forward-looking statements that can be identified by the use of words such as "will," "may," "should," or other comparable terminology. Statements concerning future performance, cash flows, and any other guidance on present or future periods constitute forward-looking statements. Forward-looking statements involve significant risks and uncertainties and you should not unduly rely on these statements. You should be aware that a number of important factors could cause our actual results to differ materially from those in these forward-looking statements including the risks summarized and describe in our offering memorandum.



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