

[1] FKA: Bronson Apartments

[2] FKA: Candlewood Apartments

[3] FKA: Rosalyn Court

[4] Our initial investment in Timberland Partners III was \$513,000. Throughout our ten year hold, partners received distributions including sale proceeds of \$2,838,048 for an internal rate of return of 27.37%.

[5] Since inception, the property's operating distributions have totaled \$2,949,188. That amount combined with the net sales proceeds and the remaining cash balance mentioned above brings the total distributions to approximately \$6,926,188 for this investment. This equates to an internal rate of return of approximately 17.1% on the original investment base of \$775,000 over our 22.3-year hold.

[6] In addition to the net sales proceeds above, there is approximately \$29,816 in the property's operating account as of September 26, 2019. Also, the lender will return \$116,811 in escrow balances to the operating account in the coming weeks.

[7] FKA: Talsmen Court

[8] Timberland Crossing has been a wonderful investment. Since inception, the property's operating distributions have totaled \$6,590,750. That amount combined with the net sales proceeds and the remaining cash balance mentioned above brings the total distributions to approximately \$11,313,734 for this investment. This equates to an internal rate of return of approximately 25.6% on the original investment base of \$1,300,000 over our 21.5-year hold.

[9] Need to check this - very confusing owner ledger

[10] FKA: Maplewood Terrace

[11] Timberland Point has been a wonderful investment. Since inception, the property operating distributions have totaled \$3,321,743. That amount combined with the net sales proceeds and the remaining cash balance mentioned above brings the total distributions to approximately \$6,675,716 for this investment. This equates to an internal rate of return of approximately 20.2% on the original investment base of \$908,000 over our 20-year hold.

[12] FKA: Gorman Estates

[13] Timberland Valley has been a very solid investment. Since inception, the property operating distributions have totaled \$2,111,950. That amount, combined with the net sales proceeds, and the remaining cash balance mentioned above, brings the total distributions to approximately \$6,551,458 for this investment. This equates to an internal rate of return of approximately 15.88% on the original investment base of \$980,000 over our nineteen-year hold.

[14] FKA: Courtyard Apartments

[15] Timberland Point II has been a wonderful investment. Since inception, the property operating distributions have totaled \$1,203,623. That amount combined with the net sales proceeds and the remaining cash balance mentioned above brings the total distributions to approximately \$2,745,961 for this investment. This equates to an internal rate of return of approximately 16.9% on the original investment base of \$380,000 over our 19.5-year hold.

[16] FKA: Urbanwood Apartments

[17] The overall internal rate of return on Gateway Gardens is estimated to be 10.8% over the 19.5-year hold.

[18] FKA: Country Club Estates

[19] The administrators decided to forgo their 3% disposition fee associated with the sale allowing us to return your full investment in this partnership. We feel very fortunate to have found a buyer for \$6,000,000 on our most difficult investment. When we attempted to sell the property two years ago, we failed to generate offers above \$5,000,000. At that time we restructured the debt with a bank loan and made additional improvements to the property allowing it to be sold when market conditions improved. The strategy paid off today.

[20] The sale of Timberland Terrace closed Tuesday, February 3rd. We are making a partnership distribution of \$1,300,000 at this time. Your check is enclosed. We are carrying a second mortgage for the buyer of \$750,000 at 6% for 18 months. The loan is secured by a mortgage and personal guaranty. Once the \$750,000 note is paid, a final liquidation of the partnership will take place. Our initial investment in Timberland Terrace was \$1,900,000.

[21] FKA: Arbor Point/Woodside Park

[22] We feel very good about the outcome. Since inception, the property cash flow distributions have totaled \$1,644,126. That amount, combined with the net sales proceeds and the remaining cash flow above, will bring the total distributions to approximately \$7,363,159 for this investment. This brings the internal rate of return on the original investment base of \$2,730,000 to approximately 11.3% over our 12 year hold

[23] FKA: Alpine Village

[24] Since inception, the property's operating distributions have totaled \$3,036,875. That amount combined with the net sales proceeds and the remaining cash balance mentioned above brings the total distributions to approximately \$9,533,276 for this investment. This equates to an internal rate of return of approximately 12.7% on the original investment base of \$1,350,000 over our 20.6-year hold.

[25] FKA: Cornerstone Apartments

[26] A total of \$4,737,226 will have been returned on an investment base of \$2,540,000 making the internal rate of return calculation approximately 7.25%.

[27] FKA: Calais Apartments

[28] We feel very fortunate to have sold the property at a very attractive price (the buyer was a doctor from Arizona who is in his 80s). Just a few years ago, the property was in serious trouble. The Administrators (Jon Yanta and Robert Fransen) loaned \$950,000 to the partnership to carry the property through the difficult times to the point where it could be sold at a profit. Total proceeds are about 32% more than our initial investment. Thank you for your patience and thank you for being a partner.

[29] FKA: The Pines

[30] We are pleased with the results of this transaction. Although cash flow distributions did not begin until 2012, the property was a value-add play from inception. Given the strong sales price at the end, the internal rate of return on this investment is 9.4%.

[31] FKA: Westwood Apartments

[32] Eagle Point has been a great investment. Since inception, the property's operating distributions have totaled \$7,777,650. That amount, combined with the net sales proceeds and the remaining cash balance mentioned above, brings the total distributions to approximately \$24,458,550 for this investment. This equates to an internal rate of return of approximately 18.1% on the original investment base of \$2,850,000 over our 16.5-year hold.

[33] Includes all 2021 distributions and sale proceeds, and residual cash to partners.

[34] FKA: Heritage Hills

[35] This investment was not a very good one. Most of the cash flow over the ten year hold was reinvested back to improve the 45-year-old property. The estimated internal rate of return on this investment is expected to be approximately 5.7% once all cash is disbursed. We will update the calculation with the final disbursement.

[36] Quarry Commons was purchased on December 4, 2006, for \$6,500,000. The partnership's original investment was \$1,400,000, and our tenant-in-common partner's original investment was \$200,000. In 2017, we refinanced the property and distributed \$1,350,000 to our partners. The refinance was a part of the Fannie Mae green program which reserved \$26,000 to be spent on improvements while reducing the interest rate by 22 basis points, allowing for \$167,100 savings in interest expense over the course of the loan. Since inception, the property's operating distributions have totaled \$4,080,822. That amount combined with the net sales proceeds and the remaining cash balance mentioned above brings the total distributions to approximately \$7,185,628 for this investment. The property sold at a 65.4% increase over the original purchase price and produced an Internal Rate of Return of 15.5% over the life of the investment.

[37] After navigating some rough waters, we feel very good about the outcome. Since inception, the property operating distributions have totaled \$1,209,550. That amount, combined with the net sales proceeds, insurance proceeds, and the remaining cash balance mentioned above, brings the total distributions to approximately \$11,602,095 for this investment. This equates to an internal rate of return of approximately 16.26% on the original investment base of \$2,730,000 over our eleven-year hold.

[38] The fund acquired Garden Square in November 2007 for a purchase price of \$7,000,000. It sold for \$10,800,000 having appreciated 54.3% over the term of the investment. The Fund invested \$1,600,000 in equity capital at the time of acquisition. That investment produced \$5,267,490 in operating cash flow and net sales proceeds over the 15-year hold period generating an internal rate of return of 8.9% to the fund.

[39] The overall internal rate of return on the Hamptons joint venture was 23.5%, allowing us to earn an additional \$1,441,835, or 6.3%, in promotes over our initial 10% equity investment. Including promotes, the Fund's internal rate of return on the Hamptons investment was 33.4%. We are very pleased with the results of this investment.

[40] On November 22, 2019, Timberland Partners Apartment Fund II sold the 50-unit Wyngate Townhomes in Burnsville, Minnesota for \$10,600,000. You will recall that Fund II purchased Wyngate on March 29, 2011 for \$5,300,000 with a \$1,300,000 investment. This has been a fabulous investment. The net sales proceeds after selling costs and the repayment of the existing mortgage totaled \$6,340,671, yielding an internal rate of return of 26.2% over its 8½-year hold.

[41] FKA: Village Park of Minnesota

[42] ParkOne has been a wonderful investment. Since inception, the property's operating distributions have totaled \$4,249,436. That amount combined with the net sales proceeds brings the total distributions to \$28,508,747 for this investment. This equates to an internal rate of return of approximately 23.6% on the original investment base of \$5,295,900 over our 9.7-year hold.

[43] The original purchase price in May of 2023 was \$15,050,000 and the Fund received an internal rate of return of 23.9% on its original investment of \$3,700,000 over the 9.8-year hold.

[44] The property sold at 214% of the original purchase price and produced an Internal Rate of Return of 22.3% to the Fund over the life of the investment.

[45] \$430,000 invested in property updates after initial investment
- per greg's writeup

[46] The Fund invested \$2,292,000 in equity capital towards the acquisition and future renovation of Royal Oaks. That investment produced \$5,710,676 in distributions to the fund in just under five years, producing an internal rate of return of 25.3% and an equity multiple of 2.50.

[47] 12/1/2020 2,292,000.00
12/1/2020 15,280.00
12/1/2020 -
12/1/2020 489,951.00
12/1/2020 1,738,104.91
1/29/2016 174,750.00

[48] Fund VI's proceeds on the \$1,180,500 investment in Ridgemont ultimately equated to a 61.3% internal rate of return (IRR) and an equity multiple of 3.97x - letter to investors

[49] If we close this deal as planned, our business plan appears to have worked extremely well. The 144-unit property located in Lawrence, Kansas was acquired in September of 2016 for \$6,000,000 and we subsequently invested \$250,000 in improvements. The property is being sold for \$9,400,000, or 52% above of our original cost. Better yet, Fund IV invested \$1,335,000 of equity in Village 1 and the estimated sales proceeds of \$4,000,000 have nearly tripled that investment. The internal rate of return on this apartment investment is 42%.