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## Featured Property

The Ranch at Sienna is one of our properties located in Missouri City, Texas, which was acquired in July, 2022 with the help of our investors. By way of this property, we offer our residents a comfortable and vibrant living experience and a wide range of amenities.

Our team aims to create a sense of community through social events and gatherings and most importantly, a welcoming and enjoyable living environment. Read on to learn more about this investment!



**SMART HOME  
TECHNOLOGY  
PROVIDES  
VALUE &  
PROFITS AT  
THE RANCH AT  
SIENNA**

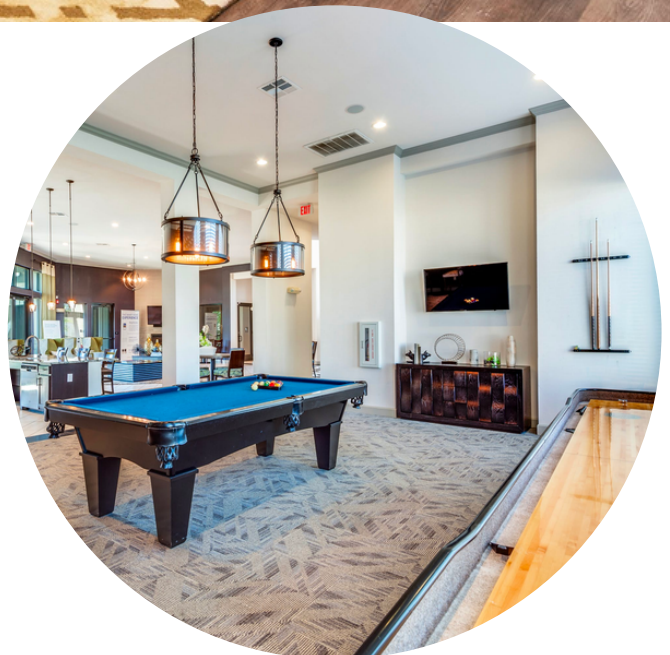


## Smart Technology

Residents of the Ranch at Sienna can now enjoy the benefits of our Technology Package integration, which provides both security and convenience.

Our integration is making great strides, with a current penetration rate of 11.86% (or **37 out of 312 units paying the fee in September**).

Because the tech fee is not optional, as existing leases renew and new leases are signed, the penetration rate will continue to increase, resulting in a **\$20 per unit per month spread on the tech fee**.







## A Heartfelt Thank You to Our Valued Investors

**By Maria Coleman, MBA / MSITM**  
**Executive Director of Investor Relations**

Dearest Investor / Potential Investor / Friend:

I hope this newsletter finds you and your family in good health and high spirits. In times as uncertain as the ones we have been experiencing lately, we wanted to take a moment to express our deepest gratitude to you, for your support, trust, and friendship.

Your belief in us, especially during these challenging times, has been a driving force behind our commitment to having a spirit of excellence. We are profoundly grateful for your confidence and trust in us as we navigate the world of real estate investment together.

At Blacksteel Investment Group, we recognize the immense responsibility that comes with managing your investments, and we take it to heart. We're constantly learning and growing and we work diligently to underwrite deals conservatively, ensuring that every opportunity we bring to the table makes sound financial sense for you and your family. Your financial well-being is at the forefront of our minds.

We enjoy updating you on your investments month over month. It's a privilege to share opportunities to learn from others in the real estate space via meetups, podcasts and conferences. We are grateful for the opportunity to help resolve even your smallest inquiry and never consider it a burden. On the contrary, we love to hear from our investors!!

While all of these are the reasons for which we are passionate about the work that we do, our favorite part is helping you continue learning in your real estate investment journey. Our goal is to expedite your learning curve and empower you to increase your confidence as a successful investor. We firmly believe that by sharing our knowledge and expertise, we can contribute to your financial success, your peace of mind and ultimately your time freedom and charitable "give-back" ability.

Your partnership with us goes beyond the realm of business; it's a friendship that we value immensely. We are sincerely thankful for your ongoing trust and loyalty, and we look forward to continuing this journey together.

If you ever have questions, need assistance, or wish to explore new investment opportunities, please do not hesitate to reach out to us. We are here for you, always.

Once again, thank you for being a vital part of our Blacksteel Investment Group family. We are excited to forge ahead into the future and the opportunities it holds for us all while, navigating any challenges that come our way.

All the best,  
Maria Coleman, MBA / MSITM  
Executive Director of Investor Relations



# B.I.G. PROPERTY TOURS



## The Ranch at Sienna

Since acquiring this asset in 2022, Blacksteel Investment Group has made significant progress. These changes include renaming it from The Ranch at Sienna Plantation to The Ranch at Sienna and implementing our remodeling and tech package upgrade strategy.

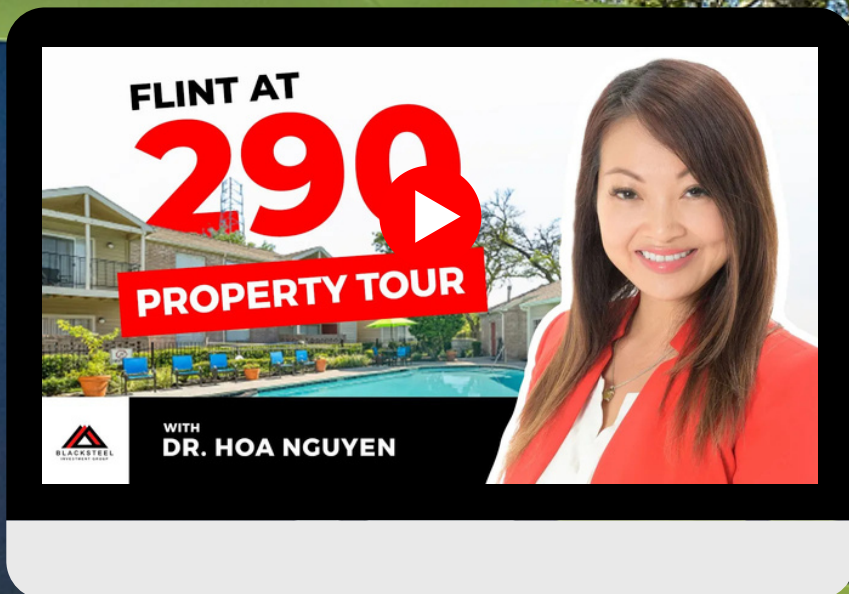
Residents have been thrilled with the changes and improvements as well as the commitment to providing a top-notch living experience.



## Flint at 290

Acquired in March 2021, Flint at 290, originally built in 1984 with 152 units, the property has undergone significant changes! In this video Dr. Hoa walks us through some of the updates as what it took to get us there!

These updates, along with many others, have truly elevated the living experience at Flint at 290.





# LET'S TALK MULTIFAMILY DEBT STRUCTURE: AGENCY LOANS

## Who or What are Fannie Mae and Freddie Mac and how did they get their names?

Fannie Mae (the Federal National Mortgage Association) and Freddie Mac (the Federal Home Loan Mortgage Corporation) are two government-sponsored enterprises (GSEs) that play a significant role in the U.S. housing and mortgage markets. They were both created by the U.S. government to promote homeownership and make mortgages more affordable for Americans.

According to Reuter's.com, "It seems to be widely accepted that Fannie Mae came from the pronunciation of its initials, FNMA, and that Freddie Mac seemed a natural fit as a name for a sibling company when it was created in 1970 -- 42 years after Fannie, and two years after Ginnie Mae (Government National Mortgage Association)."

Here's an overview of what they are, when they were created and what major role they serve.

### ***Fannie Mae's History***

Fannie Mae was established in 1938 as part of the New Deal in response to the Great Depression. It was initially a government agency but was later privatized in 1968, becoming a shareholder-owned company with a government charter.

Fannie Mae's primary role is to buy and guarantee mortgages, thus providing liquidity to the housing market. It purchases loans from lenders, thereby allowing these lenders to free up capital to make new loans.



### ***Freddie Mac's History***

Freddie Mac was created in 1970 to provide competition to Fannie Mae and expand the secondary mortgage market. Like Fannie Mae, Freddie Mac was established as a GSE.

Freddie Mac operates similarly to Fannie Mae, buying mortgages from lenders to provide them with capital. Its goal is to ensure a steady flow of funds into the mortgage market, making homeownership more accessible.

**Fannie Mae and Freddie Mac are “Agency Loans” that often come with certain eligibility criteria, such as property size and financial stability.**





# Understanding Financing Instruments for Multifamily Syndicators

## DID YOU KNOW:

Bridge loans are often short-term, and during this period, the interest rates can be subject to fluctuations. Interest rate caps offer a safeguard against substantial increases, protecting the syndication's cash flow and profitability.

If you've ever been curious about the "**leverage**" options historically available to us as Multifamily Syndicators, keep reading.

Ever wonder how they differ from Single Family? See the side bar!

### 1. Conventional Multifamily Loans:

Conventional loans, often offered by traditional banks and mortgage lenders, are a popular choice for multifamily syndications. These loans typically require a substantial down payment, offer competitive interest rates, and are available for various property types. They are suited for well-established investors and syndicators.

### 2. Agency Loans (Fannie Mae and Freddie Mac):

These government-sponsored entities provide long-term, fixed-rate loans for multifamily syndications. Fannie Mae and Freddie Mac loans are known for their competitive interest rates and favorable terms, making them a top choice for investors. They often come with certain eligibility criteria, such as property size and financial stability.

**3. Bridge Loans:** Bridge loans offer a short-term financing solution for multifamily syndications. They are typically used to acquire, renovate, or stabilize properties before refinancing with a long-term loan. These loans often have higher interest rates but can be beneficial for investors seeking to add value to their properties.

“Leverage is a powerful financial tool that allows real estate investors to amplify their returns and increase their capacity for growth.”

**4. CMBS Loans:** Commercial Mortgage-Backed Securities (CMBS) loans are a type of non-recourse financing that involves pooling multiple loans and selling them to investors. These loans offer competitive rates but come with more stringent underwriting requirements.

**5. FHA Loans:** The Federal Housing Administration (FHA) offers loans for multifamily properties, including low-income housing. FHA loans are known for their low down payment requirements and favorable terms, making them suitable for affordable housing projects.

## What distinguishes these loans from Single-Family Loans?

**1. Loan Size:** Multifamily syndication loans are generally larger than single-family loans due to the higher costs associated with multifamily properties.

**2. Underwriting:** Multifamily loans often have more stringent underwriting requirements to assess the syndication's financial stability and the potential of the property.

**3. Recourse vs. Non-Recourse:** Many multifamily syndication loans are non-recourse, meaning the lender cannot go after personal assets of the investors in case of default, while single-family loans are often recourse loans.

**4. Terms and Interest Rates:** The terms and interest rates for multifamily loans can vary significantly depending on the type of loan and lender. In contrast, single-family loans tend to have more standardized terms and rates.



# A SPECIAL **THANK YOU** TO SOME OF OUR INVESTORS THAT HAVE SHARED THEIR APPRECIATION IN WRITING.

When investors share their testimonials, it fills our hearts with pride and gratitude, knowing that our work is making a real difference in their lives. You are the reason we do what we do and we will continue to work hard for you.

*"Thank you for your hospitality, warm wishes, and support! KayCee and I are so blessed to be on this amazing power team!!!*

*The property was so beautiful. I'll keep us safe, as you use freedom in amazing ways!! Keep leading, changing lives, and making the world a better place!!! We'll be in touch!"*

Jacob Belka, Investor & Husband  
to fellow investor KayCee Belka

*"This step that we are taking today in this journey with all of you amazing people is the decision to make sure that we will be able to enjoy life to the fullest and to ensure that our children will be taken care of.*

*I've said this a few times, and I want to say it again. Thank you so much for this opportunity. It truly means so much to us."*

Blake Ma, Investor & Husband to  
fellow investor Betty Ma

*Hoa and Jamie went above and beyond to make my husband and I feel comfortable throughout the investment process. The syndication process was intimidating and Jaime spent over 2 hours explaining step by step. We invested with them and the returns have been phenomenal. Thank you for helping us how to build wealth fast!*

Huyen Do, Investor





# INVEST TO IMPACT



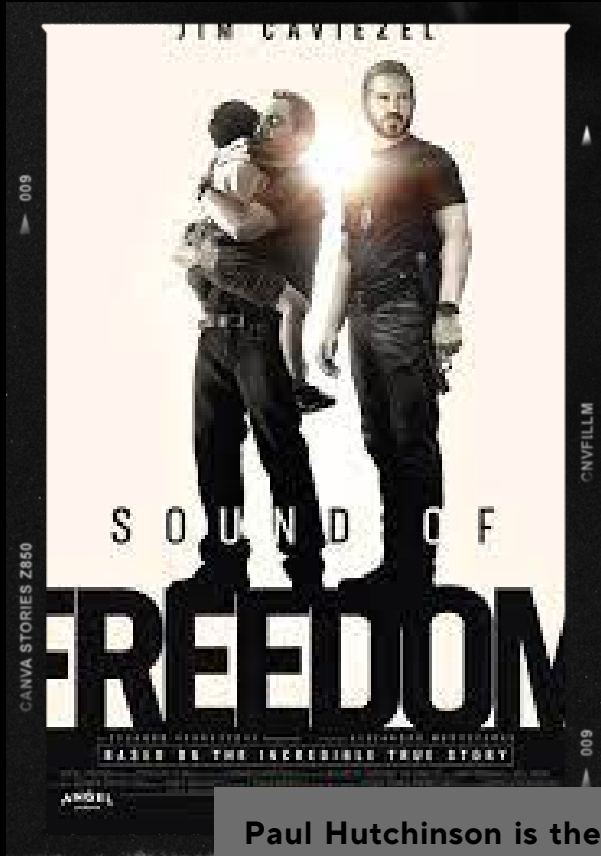
*As part of Nancy Lieberman Charities, we help help build basketball courts throughout the US in underserved communities plus help these children with mindset, financial literacy and build communities to give our youth opportunities and hope.*



*In September, we had the opportunity to participate in the Nancy Lieberman's Dream Ball Gala where, along with other charitable donors, we were able to help provide college scholarships for amazing young people. (Far Right) CEO President and Co Founder, Dr. Jaime Gonzalez is seen here pictured with award recipients.*



# INVEST TO IMPACT



**Paul Hutchinson is the Executive Producer of the movie, Sound of Freedom. He has gone undercover and has been involved in over 70 undercover rescue missions in 15 countries.**

**When he was invited to be a Keynote Speaker during Tim Mai's HERO Capital Raising Summit, Paul's initial goal was to raise \$100,000 for the Child Liberation Foundation and he committed to match the donation. During the Summit collective donations reached over \$175,000 and Paul matched it so we were able to raise over \$350,000 to join the mission against child sex trafficking. We are so proud to be part of such a heart-centered community.**

