PRIVATE PLACEMENT · RULE 506(C) · ACCREDITED INVESTORS ONLY · MARCH 2026

# ARABELLA SHORT TERM RENTAL FUND

A private evergreen real estate fund acquiring cash-flowing short-term rental residences in high-appreciation, STR-friendly markets nationwide.

UP TO $25M OFFERING | EVERGREEN STRUCTURE | GEORGIA LLC | K-1 FLOW-THROUGH

| 18–22% | 9% / 8% | 8% | $25,000 | Quarterly |
|---|---|---|---|---|
| TARGET IRR* | PREFERRED RETURN (B / C) | AVG. CAP RATE TARGET | PER UNIT | DISTRIBUTIONS |

## The Four-Pillar Strategy

**1 Enhanced Cash Flow**

Disciplined underwriting at **7–9% cap rates (8% target)** with conservative leverage: **70% LTV**, interest-only at ~6.8%, and a **1.25x minimum DSCR**. Direct acquisitions (primary) plus opportunistic GP positions; optional asset sales of up to 25% of the portfolio annually for liquidity and reallocation.

**2 Strategic Market Selection**

Data-driven targeting via the **Zillow Home Value Index** (5-, 10-, and 15-year), focused on markets with **8%+ historical home-price appreciation** and STR-friendly regulation, with dynamic capital allocation as market data evolves.

**3 Maximum Tax Efficiency**

100% of Year-1 bonus depreciation is specially allocated pro-rata to Class B and C investors — the founder class receives **zero**. Cost segregation studies on every property; an estimated 80–90% of renovation/FF&E spend is eligible for immediate expensing. Flow-through LLC with K-1 reporting.

**4 Investor Stay Program**

Exchange quarterly distributions for stays at participating fund properties: **$1 of distribution = $1 of credit**, plus a **15% investor discount** on nightly rates. Elect cash, credits, or a hybrid each quarter; credits are fully transferable.

## Leadership

**Adam Whitmire** — President, Arabella Capital Investment Manager, LLC

Third-generation investor and developer with 23 years across single-family, multifamily, land development, and ground-up construction. Has represented eight of the largest institutional SFR funds in the U.S. CCIM, CIPS, CIAS, CFIS, and BPOR designations.

| 32 | $400M+ | 11 |
|---|---|---|
| PROJECTS LED | TOTAL CAPITALIZATION | FULL-CYCLE REALIZATIONS |
| **1,000+** | **$56M+** | **23 yrs** |
| SFR HOMES ACQUIRED | SFR TRANSACTION VOLUME | REAL ESTATE EXPERIENCE |

## Investor Classes

**CLASS B — $14.25M (570 Units)**

Minimum $750,000 (30 units) · **9% cumulative, compounded preferred** · then 75% of net profits to Class B / 25% to founder class.

**CLASS C — $9.5M (380 Units)**

Minimum $200,000 (8 units) · **8% cumulative, compounded preferred** · then 70% of net profits to Class C / 30% to founder class. Investors over $250,000 may elect Class B economics on their units.

Class B and C preferred returns are paid *pari passu* — neither class has priority. Founder Class A ($1.25M, 100 voting units) carries a 9% preferred.

## Key Terms

| | |
|---|---|
| **Structure** | Private evergreen fund; no fixed liquidation date. Georgia LLC, Manager: Arabella Capital Investment Manager, LLC |
| **Distributions** | Quarterly, as cash flow permits; quarterly tax distributions advanced against future distributions |
| **Reinvestment** | Optional DRIP — elect to auto-reinvest distributions into additional units |
| **Liquidity** | 24-month transfer lockup; redemption requests after 5 years with 90 days' notice, granted at Manager's discretion from available funds |
| **Advisory Committee** | Seat available to investors of $1M+ |
| **Capacity** | Manager may issue up to $25M of additional units |

## Fee Summary

**Acquisition:** 3% of purchase price · **Construction:** 5% of renovation budget · **Cost segregation:** $10,000 per property · **Financing:** 1% of loan amount if Manager provides credit enhancement · **Asset management:** 2% annually (see PPM for calculation basis) · **Property management:** 25% of rental revenue (Superhost Labs, LLC, an affiliate). All fees are paid to the Manager or its affiliates.

### KEY RISK FACTORS

An investment in the Fund involves a high degree of risk, including total loss of capital. Units are highly illiquid with no public market and a 24-month transfer restriction; redemptions are not guaranteed, are subject to the Manager's sole discretion, and may be suspended — investors should be prepared to hold indefinitely. The Fund is newly formed with limited operating history. The evergreen structure has no fixed liquidation date. Short-term rental income is volatile and subject to regulatory change. The Manager has broad discretion and may change investment, financing, and distribution policies without investor consent. All fees are paid to affiliates of the Manager, creating conflicts of interest. Target returns are not guaranteed. *Target IRR and tax outcomes are forward-looking estimates; actual results may differ materially. See “Risk Factors” and “Potential Conflicts of Interests” in the Memorandum.

**Adam Whitmire, President** · 2255 Buford Hwy, Suite 250, Buford, GA 30518 · investors@arabellacapital.com · 678-570-1863 · Investor Manager: Doyle White