

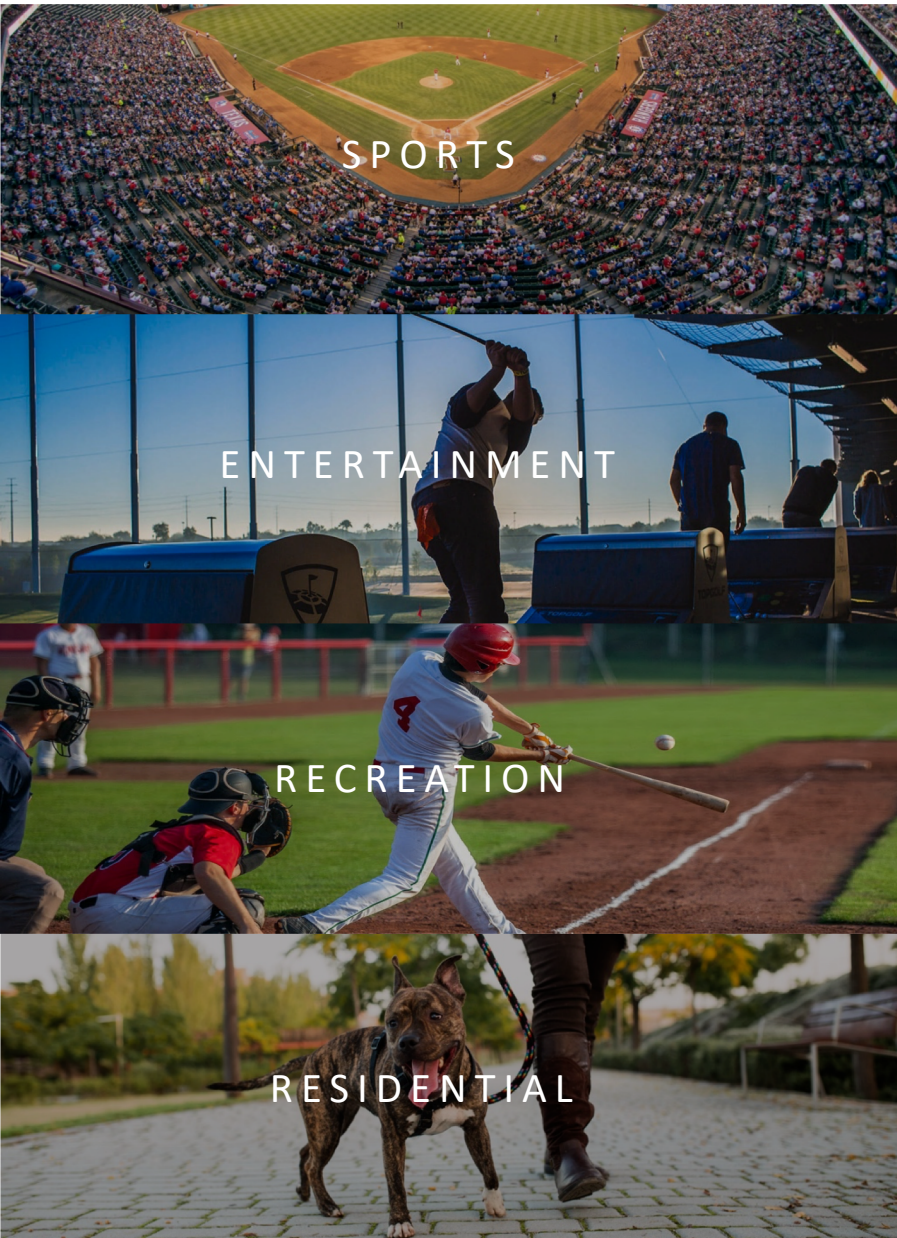


# BALLPARK COMMONS



## INVESTMENT SUMMARY

THIS MATERIAL DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITY. NO OFFERING WILL BE MADE OTHER THAN BY A PRIVATE PLACEMENT MEMORANDUM ISSUED BY THE COMPANY. THIS INFORMATION MUST BE EVALUATED ONLY IN CONJUNCTION WITH SUCH PRIVATE PLACEMENT MEMORANDUM. ANY PARTIES REQUESTING SUCH PRIVATE PLACEMENT MEMORANDUM WILL BE ASKED TO VERIFY THAT THEY ARE ACCREDITED INVESTORS AND THEIR STATE OF RESIDENCE.



## MILLENNIALS

SPENDING PATTERNS EXPECTED  
TO SOAR

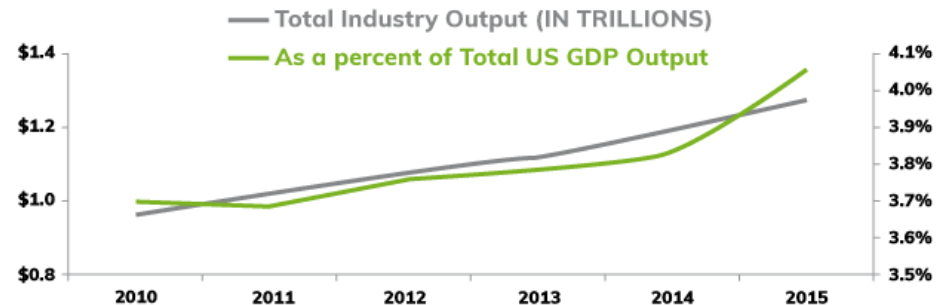
# 75.4M

LARGEST POPULATION SEGMENT

## A GENERATION THAT VALUES "EXPERIENCES" OVER OWNERSHIP

EXPERIENCE SPENDING IS ON THE RISE

### ARTS, ENTERTAINMENT AND RECREATION INDUSTRY CONTRIBUTIONS TO US GDP



Source: US Bureau of Economic Analysis (BEA)



**Franklin, WI** is a growing suburban community of 35,520 in the Chicago-Milwaukee I-94 corridor. Situated in southwestern Milwaukee County within a metropolitan population of 1.5 million, Franklin provides a strategic business location within easy driving distance of Milwaukee to the north, Chicago to the south, and Madison to the west.

- **1.8 Million People Living Within 30 Mile Radius**
- **\$73,966 Average Household Income**
- **10 Miles From Downtown Milwaukee**
- **7 Miles From Milwaukee Airport**
- **25 Miles From New Foxconn Plant**
- **Money Magazine's Top 100 Best Places to Live**
- **Within Walking Distance of Whitnall Park**

## DEVELOPMENT SNAPSHOT

**\$163M**

DEVELOPMENT

**\$23M**

OF CITY  
FINANCING (TIF)

**\$37M**

EQUITY

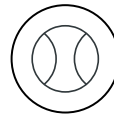
**170**

APPROXIMATE  
SITE AREA ACRES

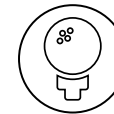
**600,000+**

PROJECTED  
VISITORS ANNUALLY

## USES SNAPSHOT



NEW 4,000 SEAT PROFESSIONAL  
BASEBALL STADIUM



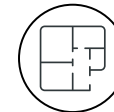
56,000 SF GOLF  
ENTERTAINMENT COMPLEX



150,000 SF INTEGRATED  
PERFORMANCE & WELLNESS



56,000 SF MIXED USE OFFICE/RETAIL



212 LUXURY APARTMENTS



149 SENIOR LIVING UNITS

## ANCHORED BY PROVEN & NEW MARKET BRANDS



AMERICAN Association  
OF INDEPENDENT PROFESSIONAL BASEBALL



FOUNDERS | 3

II PROSPECT  
TRAINING ACADEMY

midwest orthopedic  
SPECIALTY HOSPITAL



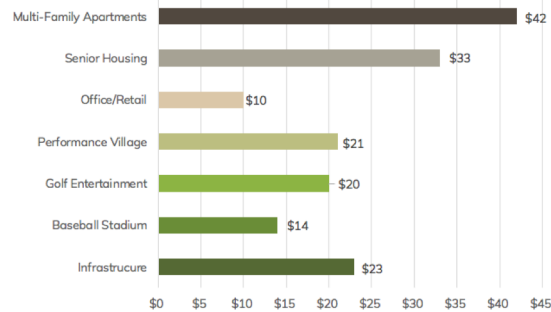
*“The Whole is Greater Than The Sum of Its Parts” - Aristotle*

Sponsor is providing an investment diversified through product mix and exit timing, with the first approximately 20% of the aggregate investment return anticipated to be realized in the first 5 years and the remaining to be realized in years 7-10. Investors will invest in all of the components of Phase I through an investment in the Company, BPC Master Developer LLC, which, with the exception of the Senior Living component, will own 100% of the interests in the single purpose limited liability companies (“LLCs”) that will each own or ground lease a parcel of real estate within Phase I for its component of Ballpark Commons.

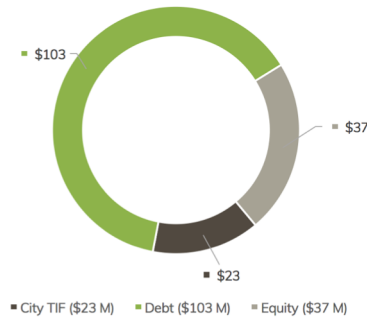
**8%**  
PREFERRED  
RETURN

**14%**  
PRE-TAX  
IRR

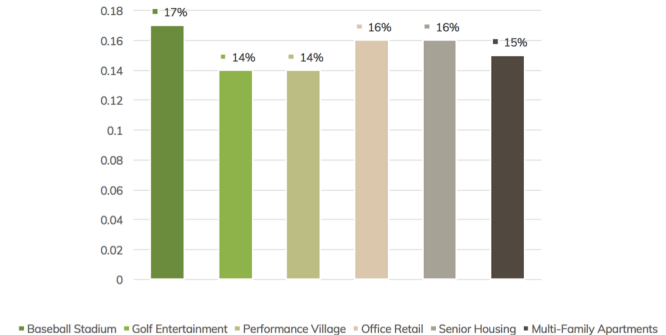
**CONSTRUCTION COSTS (IN MILLIONS)**



**FINANCING STRUCTURE (IN MILLIONS)**



**IRR BY PRODUCT**



## 10 YEAR NOI

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Net Operating Income	\$3.0	\$3.1	\$2.9	\$8.0	\$2.9	\$3.1	\$3.2	\$3.4	\$3.5	\$4.2
Cash on Cash Return	8.0%	8.0%	7.7%	37.0%	8.9%	9.4%	9.8%	10.2%	10.6%	14.3%

Order of Returns: (1) Investor Preferred Return, (2) Investor Accrued Pref (if any), (3) Sponsor Preferred Return, (4) Sponsor Accrued Pref (if any), (5) Investor Cashflow/Proceeds, (6) Sponsor Cashflow/Proceeds





The Rock is a sports and entertainment facility that opened in 2013, attracts over 125,000 visits a year, and features: six MLB replica tournament fields; ski hill; Umbrella Bar and Concert Venue; and, most recently, a thruway and integration of the spectacular Oak Leaf Trail for bikers and hikers, providing easy access to the Milwaukee County Park system.

Well-received activities and attractions – such as weekly live music and food trucks, regional baseball tournaments on weekends, local baseball leagues on weekdays, winter family fun, hiking and biking, and the Umbrella Bar environment – create a positive, community setting that has made The Rock a vibrant and valued presence in Franklin.

### North: Entertainment District



#### Phase 1

- S1: 4,000 Seat Baseball Stadium
- S2, C3 & C4: Golf Entertainment Complex
- S3 & C2: MOSH Performance & Wellness Village
- C1: Office & Retail

#### Phase 2

- Hotel (C6), Restaurant (C5), Additional Baseball Fields

### South: Residential District

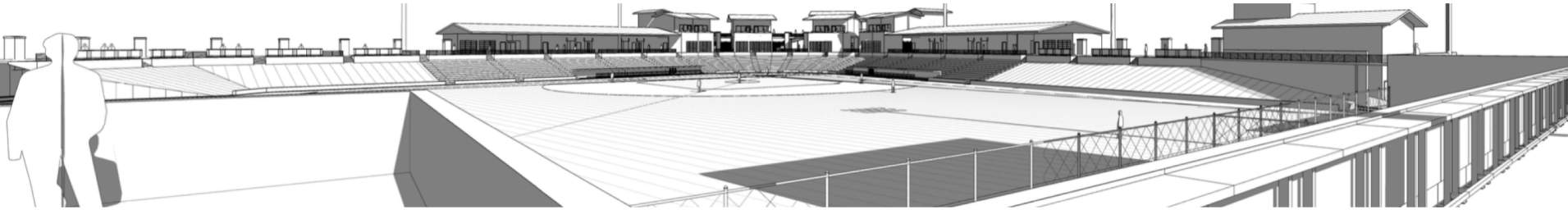


#### Phase 1

- B1, B2, B3 & B4: Multi-Family Apartments
- A1 & P17: Senior Housing

#### Phase 2

- Mixed Use Development (M1)



The Baseball Stadium will be anchored by a new Professional Baseball Team in the **American Association** and the **University of Wisconsin-Milwaukee's** Division One college baseball team. Admissions-based attractions are property types which analysts of the experience economy examine closely. Expanded amenity stadiums provide a prime example of the impact of the experience economy. What seems contradictory—the removal of seats in a stadium to make room for larger, more luxurious seats and social gathering spaces—has led to markedly improved attendance and revenues for sport team operators. This means that there are fewer people per stadium, yet the change results in increased spend per ticket. How does this make sense? The experience of going to a baseball game is being clearly identified as a critical focus for operators, who are enhancing the game experience by offering such items as luxury seating, expanded food and beverage options, and premium digital technology.

**\$14M**

IN DEVELOPMENT COSTS

**65%**

LTV

**17%**

10 YR IRR

**4,000**

CAPACITY

**2**

LEASING TENANTS

**2.2X**

RENT COVERAGE

**Market Analysis:** A market feasibility study was conducted by Johnson Consulting, a major sports, hospitality and real estate consultancy, and the report concluded "Franklin is a very robust market due to the strong growth and diverse employment base. The population, median household income, rebounding employment figures and expanding list of companies indicate that Franklin is capable of supporting a Independent Professional Baseball franchise, despite the close proximity to the Milwaukee Brewers. Additionally, given the success of The Rock Sports Complex, a new franchise should be able to 'leverage up' the existing youth and/or adult baseball leagues for promotional events and attendance."

**The following is a list of like market American Association attendance per game:**

- 8,438 St. Paul Saints, St Paul, MN (American Association)
- 6,306 Madison Mallards, Madison, WI (Northwoods League)
- 4,069 Kansas City T Bones, Kansas City, MO (American Association)
- 3,632 Gary City Rail Cats, Gary, IN (American Association)
- 3,418 Schaumburg Boomers, Schaumburg, IL (Frontier League)
- 3,387 Lincoln Salt Dogs, Lincoln, NE (American Association)

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Revenue	\$1,029,100	\$1,029,100	\$1,007,079	\$1,018,940	\$1,274,105	\$1,272,575	\$1,271,229	\$1,270,069	\$1,269,097	\$1,268,317
NOI (After Debt Service)	\$453,268	\$453,268	\$429,217	\$439,019	\$692,092	\$688,441	\$684,940	\$681,593	\$678,403	\$11,764,876



**Luxe Golf Bays** is three levels of year-round, open-air bays facing a driving range, but it is also an entertainment experience created to appeal to the larger community. In addition to the Luxe Golf Bays experience, the Luxe Golf building will be designed to work in partnership with three other food and beverage brands and a year round beer garden.

**\$19M**

IN DEVELOPMENT COSTS

**65%**

LTV

**14%**

10 YR IRR

**56,590**

SF

**4**

LEASING TENANTS

**1.7X**

RENT COVERAGE

**Market Analysis:** TopGolf is a good indicator of the potential success of Luxe Golf Bays. In that connection, Sponsor was able to obtain the following information.

**TOPGOLF STATISTICS:**

- Valued at \$2+ Billion
- Revenue per customer in excess of \$43/visit
- >\$475 million in Revenue companywide in 2017
- Adding 7-10 new locations a year
- 13 million visitors
- Recently announced opening venues in Minneapolis, Cincinnati, and Columbus  
*(all cold weather climates)*

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Revenue	\$1,940,855	\$1,977,634	\$1,990,107	\$2,002,798	\$2,015,712	\$2,028,853	\$2,042,223	\$2,055,828	\$2,069,672	\$2,083,759
NOI (After Debt Service)	\$634,073	\$411,107	\$417,048	\$423,109	\$429,293	\$435,602	\$442,039	\$448,606	\$455,307	\$9,755,215





**Midwest Orthopedic Specialty Hospital (MOSH)**, which provides comprehensive sports medicine and orthopedic services, along with a fitness facility, will be the anchor tenants of the 45,000 SF C2 building, while anchor tenants **SCW** and **Prospect Training Academy** along with two Professional Teams (baseball and soccer) will anchor 77,000 SF of integrated sports training turf. The "MOSH Performance and Wellness Village" is curated to integrate performance, fitness, and wellness solutions that are synergistic. Our goal is to blur the lines between all of these products and experiences to create a one-stop shop for all things fitness.

**\$20M**

IN DEVELOPMENT COSTS

**65%**

LTV

**14%**

10 YR IRR

**150,160**

SF

**8-12**

LEASING TENANTS

**1.5X**

RENT COVERAGE

**Market Analysis:** An increasingly health conscious culture and society are embracing opportunities offered by the fitness industry. A facility like the MOSH Performance and Wellness Village puts choices and community-driven business models in front of a growing market of health and fitness enthusiasts.

#### STATISTICS:

- \$25B+ spent on fitness memberships last year
- 18% (55M) of all Americans have a fitness membership
- 4.3% incline in Revenue CAGR over last decade
- 79% of Boomers report Health as #1 Priority
- 48% of Millennials report Health as #1 Priority
- Direct pipeline to over 2,000 families via SCW & PTA

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Revenue	\$2,388,771	\$2,431,129	\$2,474,314	\$2,518,343	\$2,563,234	\$2,609,002	\$2,655,667	\$2,703,247	\$2,751,759	\$2,801,224
NOI (After Debt Service)	\$725,494	\$512,945	\$545,762	\$579,257	\$613,443	\$648,336	\$683,949	\$720,299	\$757,400	\$14,747,612



Anchored by **Wheel & Sprocket**, **ROC Ventures** and **Marso Companies**, the building is currently 92% leased. Two small Ground Floor retail spaces (2,039 and 2,208 RSF) remain, and the Office Landlord is confident that both will be leased by a coffee shop and a local retail tenant before the building opens in the Spring of 2019.

**\$9.4M**

IN DEVELOPMENT COSTS

**75%**

LTV

**16%**

10 YR IRR

**56,000**

SF

**5**

LEASING TENANTS

**2X+**

RENT COVERAGE

**Market Analysis:** Committed tenants and a strong market demand – as a result, the following is a brief overview of the tenants that will occupy building C1.

### STATISTICS:

- Wheel & Sprocket, renting 11,790 RSF, operates eleven stores in WI and IL and has been in business for over 45 years
- ROC Ventures operates over 25 sports and entertainment businesses and will have over 50 full-time employees
- Marso Companies operates successful general contracting and custom homebuilding companies and has been in business for over 25 years
- Cafe TBD, 2,039 RSF
- Retail TBD, 2,208 RSF

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Revenue	\$921,597	\$999,382	\$1,012,615	\$1,045,577	\$1,059,210	\$1,092,577	\$1,106,622	\$1,120,878	\$1,135,347	\$1,150,034
NOI (After Debt Service)	\$246,871	\$174,424	\$182,888	\$211,008	\$219,727	\$248,107	\$257,090	\$266,208	\$275,462	\$5,210,735





This is a new residential apartment development on the south end of Ballpark Commons, managed by **Founders 3**. This signature property allows residents to experience a one-of-a-kind, walkable & bikeable community, with a host of integrated sports, entertainment, fitness, recreation and retail amenities. The four planned multi-family buildings in Phase I each feature three-stories of apartment units over an underground parking garage. Individual units will offer high-end finishes. The proposed unit amenities are comparable or superior to everything currently available as well as planned or under construction in the market area.

**\$42M**

IN DEVELOPMENT COSTS

**73%**

LTV

**15%**

10 YR IRR

**988**

AVG SF PER UNIT

**212**

UNITS

**\$1.60**

RENT/SF

**Market Analysis:** Marginal demand analysis by a major marketing research group in December of 2017 indicated that if Ballpark Commons' 212 units, along with each of the 1,263 units in the Franklin pipeline, were constructed, there would still be a net positive demand for over 2,500 units. Local market professionals interviewed for purposes of the report each indicated there is ample demand for new, quality, high-end multifamily developments such as Ballpark Commons, and that this offering would be well-accepted. They projected that the apartments could be 15 to 30 percent pre-leased and experience an absorption rate of 10 to 12 units per month thereafter.

### In considering the market, drivers of demand include:

- Vacancy rate for professionally managed apartments is just 4.4 percent
- Renters continue to outpace that of owners, up by 600,000 last year
- The national homeownership rate dipped again for the 12th consecutive year
- 14 percent of households age 65 or over moved into multi-family units in 2015
- Proximity to major millennial employer – Foxconn and supply chain

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Revenue	\$1,957,909	\$4,230,498	\$4,371,216	\$4,502,352	\$4,637,423	\$4,776,545	\$4,919,842	\$5,067,437	\$5,219,460	\$5,376,044
NOI (After Debt Service)	\$925,514	\$1,531,618	\$736,487	\$833,391	\$933,411	\$1,036,644	\$1,143,190	\$1,253,150	\$1,366,631	\$30,556,596



The “senior-marketed” apartments and services are all on the south side of the development, but they are designed to be fully integrated into the programming and community fabric of Ballpark Commons. The Senior Housing product will include 60 independent living units, 43 assisted living units, and 46 memory care beds and will be operated by **New Perspective Senior Living**, a leader in the Midwest for senior living communities with a portfolio of 20 communities in 4 states. NPSL’s state of the art communities offer spacious apartments with a vast array of amenities in the town center including a bar, bistro, dance hall, salon, spa, warm water therapy pool, a Biodex/HUR rehab/fitness gym, restaurant style dining, library, multiple activity centers and game rooms, neighborhood living room areas, underground parking, and outdoor green spaces and walking areas.

**\$32.5M**

IN DEVELOPMENT COSTS

**73%**

LTV

**16.5%**

5 YR IRR

**501-793**

AVG SF PER UNIT

**149**

UNITS

**\$2407-\$4,637**

AVG MONTHLY RENT

**Market Analysis:** NPSL, together with its affiliates, is a leader in the development, investment, and operation of senior living communities in the Midwest. Its portfolio of communities in Minnesota, Wisconsin, North Dakota, and Illinois provides best in class service. Demand analysis performed by a major marketing research group in December, 2017 and market research performed by NPSL both indicate a strong market for the 149 proposed units, especially considering Franklin’s aging population and the desire of residents to “age in place.” NPSL projects 84% occupancy by year two and 93% occupancy by year three.

### In considering the market, drivers of demand include:

- The majority of U.S. renters are now older than 40
- Sharp increases in the number of renters between the ages of 55 and 69 during the past 10 years
- Over the next twenty years, the population aged 65 and over is expected to grow from 48 million to 79 million
- By 2035:
  - One out of three American households will be headed by someone aged 65 or older
  - The number of older households with a disability will increase by 76 percent to reach 31.2 million

	YEAR 1	YEAR 2	YEAR 3	YEAR 4
Revenue	\$4,719,352	\$5,874,897	\$7,564,066	\$7,952,869
NOI (After Debt Service)	\$25,036	\$50,941	\$578,000	\$12,562,346



### ABOUT ROC VENTURES

ROC Ventures manages a collection of brands in the sports, entertainment, and real estate sectors. These include the Milwaukee Wave, The Rock Sports Complex, two Summer Collegiate Baseball Franchises located in IN and NY and the Ballpark Commons development. ROC stands for “Return on Community,” a goal which informs each and every endeavor undertaken by the organization. ROC Ventures operates the existing experiences at The Rock and will expand this enterprise as a tenant of Ballpark Commons. Investors will share in the success of ROC Ventures new offerings through a percentage rent structure.

Ballpark Commons is profoundly committed to the notion of community creation. That is to say: great communities don’t just happen, they are made. And that creation requires a firm dedication to purpose, programming and buy-in from its active users. Our “amenities and programming” will be mostly anchored around sports and entertainment “products” that share our ambition for community creation.

### DEVELOPMENT TEAM

- Mike Zimmerman, ROC Ventures
- Mick Hatch & Bruce Keyes, Foley & Lardner LLP
- Dick Lincoln, Consultant
- JLA & Tredo Architects
- The Sigma Group

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