

# TRANSFORMATIVE COMMUNITY INVESTMENT

*Unlocking Additional Housing Affordability Through  
An Innovative Two-Tranche Fund Structure*

**CATALYST**  
OPPORTUNITY FUNDS

# CATALYST PORTFOLIO AND IMPACT OVERVIEW

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## Capital Under Management

**\$275mm**

Total commitments to date

## Estimated Total Project Cost

**\$937mm**

Estimated total project costs of 18 real estate assets managed by Catalyst

## % of Projects that are Multifamily

**~74%**

Total commitments to date

## % of Projects in Salt Lake City

**~32%**

Total commitments to date

## Workforce Attainable & Affordable Housing Units Under Management

**1,991**

## Project Contributions from Public Private Partnerships

**\$77.1mm**

# INNOVATIVE TWO-TRANCHE FUND STRUCTURE

## The Innovation:

Unlock greater affordability through structuring two distinct fund investment classes, offering yield and impact sensitivities tailored to investor mandates

### Class A Tranche

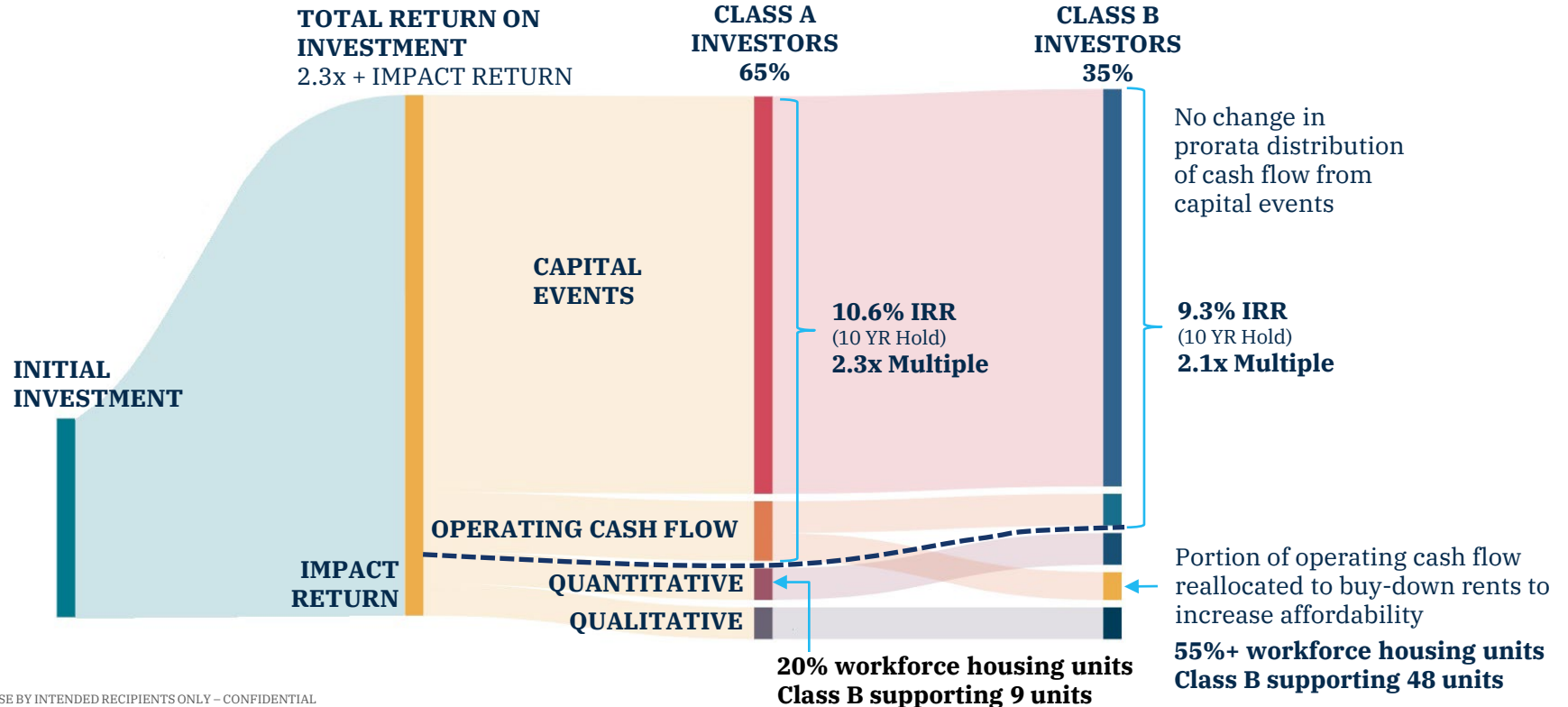
- Targets market-rate investment returns
- No impact to Class A investor by integration of Class B Tranche, other than net positive of additional affordability

### Class B Tranche

- Targets lower return, diverting a portion of equity return dollars to create additional affordability across fund
- Increases affordability to >55% of units (per project) priced affordably to renters earning <80% AMI

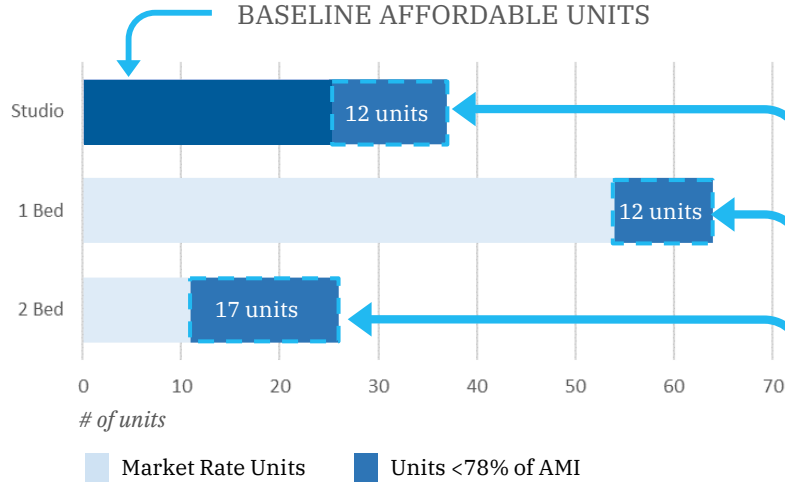
# TOTAL RETURN DISTRIBUTION BETWEEN TWO INVESTOR CLASSES

*Based on Illustrative Project*

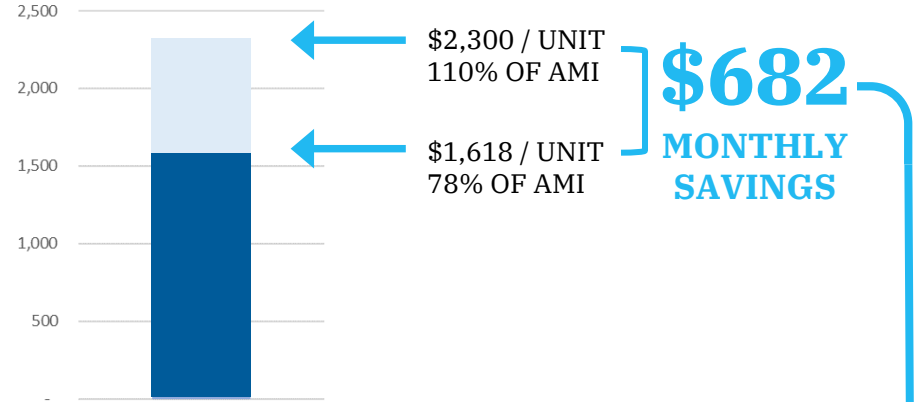


# ANNUAL RENT SAVINGS CALCULATION

Based on Illustrative Project



AVERAGE RENT ACROSS ALL UNIT TYPES



**ADDITIONAL AFFORDABLE UNITS  
CREATED ACROSS UNIT TYPES**

**41**  
UNITS

**X**

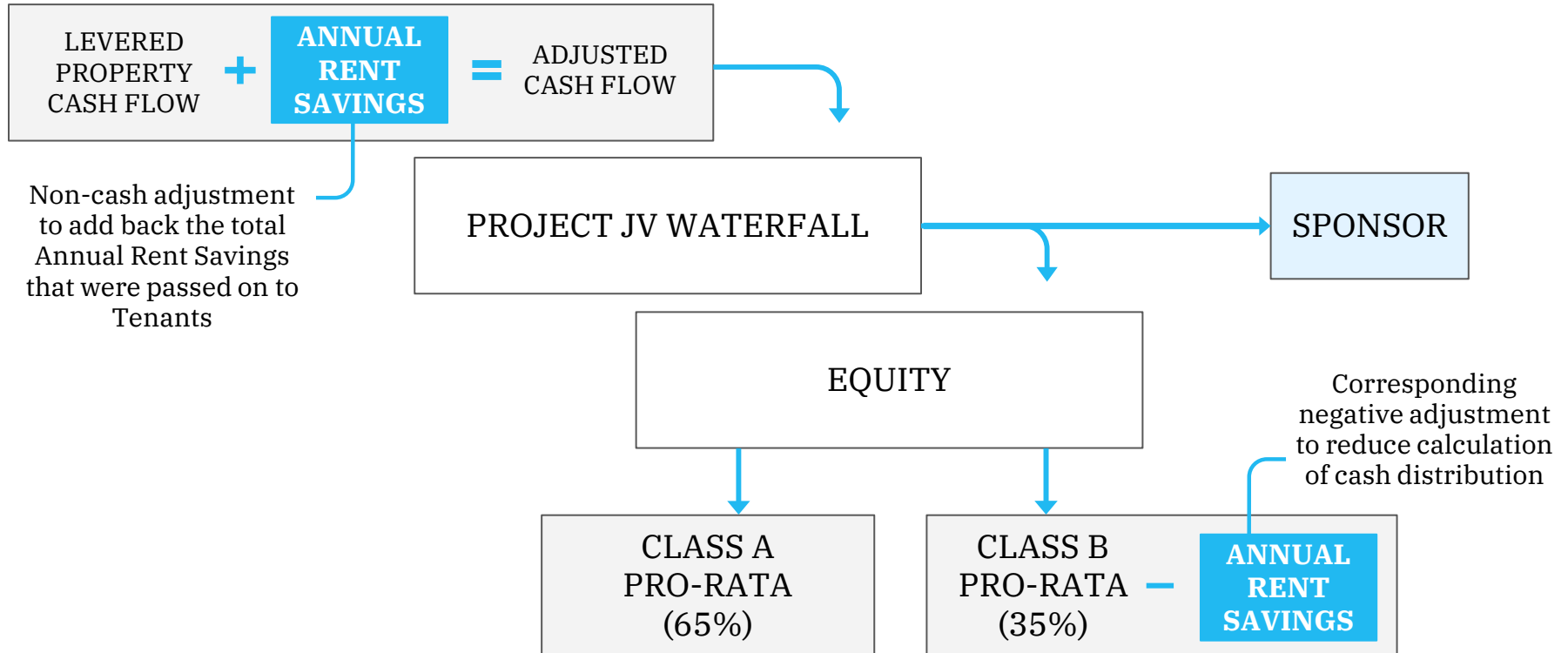
**\$8,184**  
PER YEAR

**=**

**ANNUAL  
RENT  
SAVINGS**

# INVESTMENT WATERFALL

## Illustrative



# ILLUSTRATIVE PORTFOLIO

<i>Illustrative Returns*</i>	<b>Project 1</b>	<b>Project 2</b>	<b>Project 3</b>	<b>Total</b>
Class A Target IRR	9.6%	10.6%	10.8%	10.1%
<b>Class B Target IRR</b>	<b>7.4%</b>	<b>9.3%</b>	<b>9.7%</b>	<b>8.4%</b>
Baseline Affordability Units Priced <78% of AMI	0	25	42	67
Total % Affordable & Total Units	0% 264 units	20% 128 units	20% 208 units	11% 600 units
<b><i>Affordability Tranche Impact</i></b>				
Additional Units of Housing Priced <78% of AMI	158	52	83	293
Total % Affordable & Total Affordable Units	60% 158 units	60% 77 units	60% 125 units	60% 360 units
Additional Annual Rent Premium	\$1,250,000	\$440,000	\$230,000	\$1,900,000
Total Rent Savings During Hold Period	\$7,920,000	\$3,200,000	\$1,700,000	\$12,800,000

# 4.3x

INCREASE IN NUMBER OF UNITS  
OF AFFORDABLE HOUSING

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The information presented herein is for discussion purposes only and subject to change.

\*Target Return represents Gross Fund Return. These do not portray actual or projected returns to investors after fees and expenses. Actual returns are dependent on many factors outside Catalyst's control, and may vary widely from projections, including depending on the individual characteristics of a specific investor.

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