

HIDDEN LAKES APARTMENTS

Strong Cash Flow Investment
in Grand Rapids, Michigan

**LIGHTSTONE
DIRECT**

Original: 3/23/2026

Revised: 3/31/2026

This material is a general solicitation made only to verified accredited investors in connection with a Rule 506(c) offering. This is not an offer to sell or a solicitation of an offer to buy securities.



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Continued on the next page...

Target returns (including targeted IRR, Equity Multiple, and Cash on Cash returns) are presented solely for the purpose of detailing the anticipated risk and reward characteristics of the investment to facilitate comparisons with other investment types. Any gross return targets do not reflect any fees or expenses of the Company, which fees and expenses will be described in definitive legal documentation. The target returns presented herein are not a prediction, projection, expectation or guarantee of future performance. Targets are based upon assumptions regarding future events and situations, including regarding the state of the market and the availability and use of financing, which may prove not to be accurate or may not materialize. Further, the target returns stated herein are based on an assumption that economic, market and other conditions will not deteriorate and, in some cases, will improve. The target returns are also based on models, estimates and assumptions about performance believed to be reasonable under the circumstances, but actual realized returns the investment will depend on, among other factors, the ability to consummate attractive investment, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the targeted returns are based. There can be no assurance that the investment will achieve comparable returns to those targeted herein. Accordingly, target returns should not be used as a primary basis for an investor's decision to invest in this investment.

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Materials. This document must be read alongside the applicable offering memorandum and the relevant investment memorandum related to the investment to fully understand all the implications and risks of investing in the Company. Please refer to these documents for more information regarding state suitability standards and consult a financial professional about appropriateness.

Please see Page 50 for certain Endnotes and additional information.

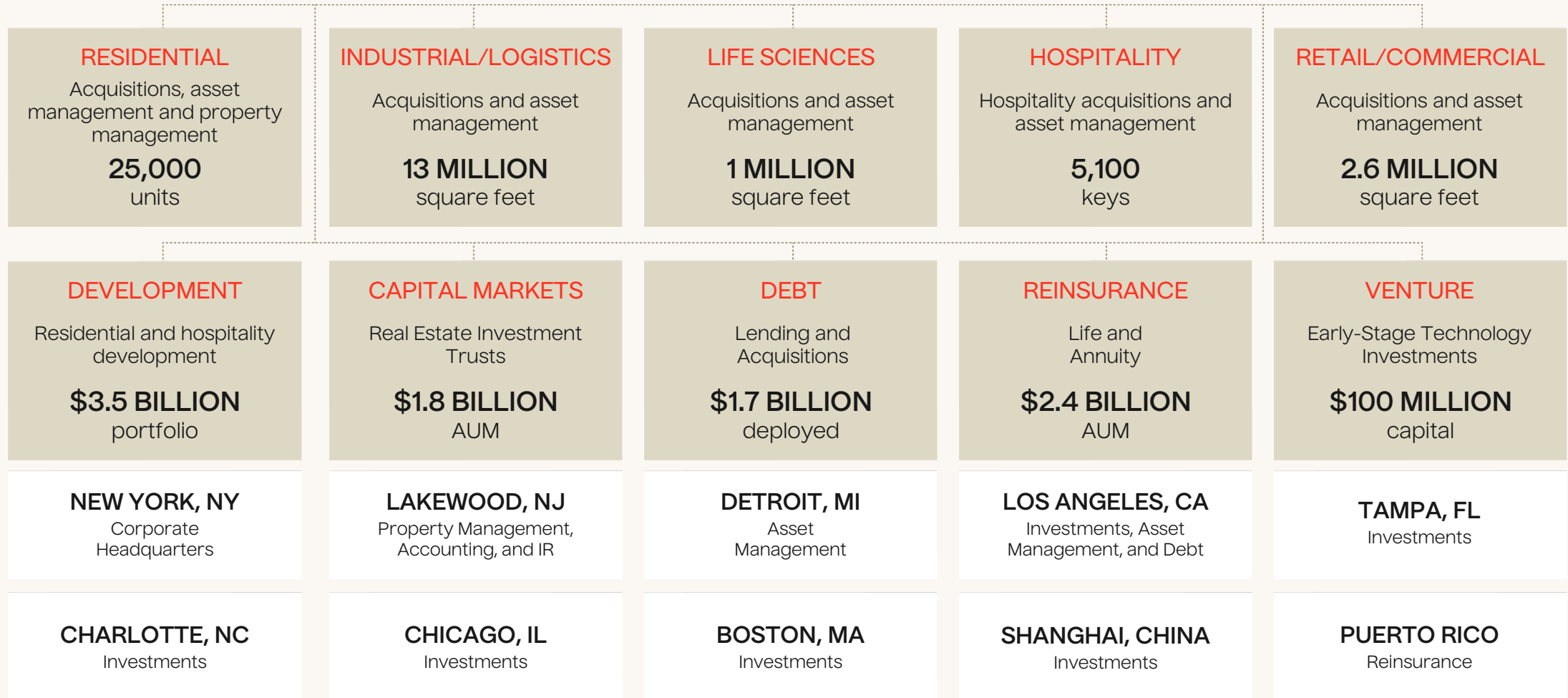
ABOUT LIGHTSTONE


For nearly four decades, Lightstone Group ⁽¹⁾ ("Lightstone", "us", "we", or "our") has built and managed one of the most diversified privately held real estate portfolios in the country. With over \$12 billion in assets under management and a portfolio spanning multifamily, industrial, and other commercial properties, Lightstone's focus has always been on disciplined execution across market cycles. Such exposure provides proprietary insights into market fundamentals to inform new investment decisions with confidence. **Today, Lightstone is an industry leader and one of the largest privately held multifamily owners in the United States.**

<p>ASSETS UNDER MANAGEMENT (AS OF 3/31/2026)</p> <p>\$12B+</p>	<p>MULTIFAMILY UNITS (AS OF 3/31/2026)</p> <p>25,000+</p>	<p>SQUARE FEET OF INDUSTRIAL, LIFE SCIENCES AND COMMERCIAL (AS OF 3/31/2026)</p> <p>16M+</p>
<p>REALIZED INVESTMENTS SINCE 2004</p> <p>56</p>	<p>HISTORICAL NET IRR ON REALIZED INVESTMENTS SINCE 2004 ⁽²⁾</p> <p>27.6%</p>	<p>HISTORICAL NET EQUITY MULTIPLE ON REALIZED INVESTMENTS SINCE 2004 ⁽³⁾</p> <p>2.54x</p>

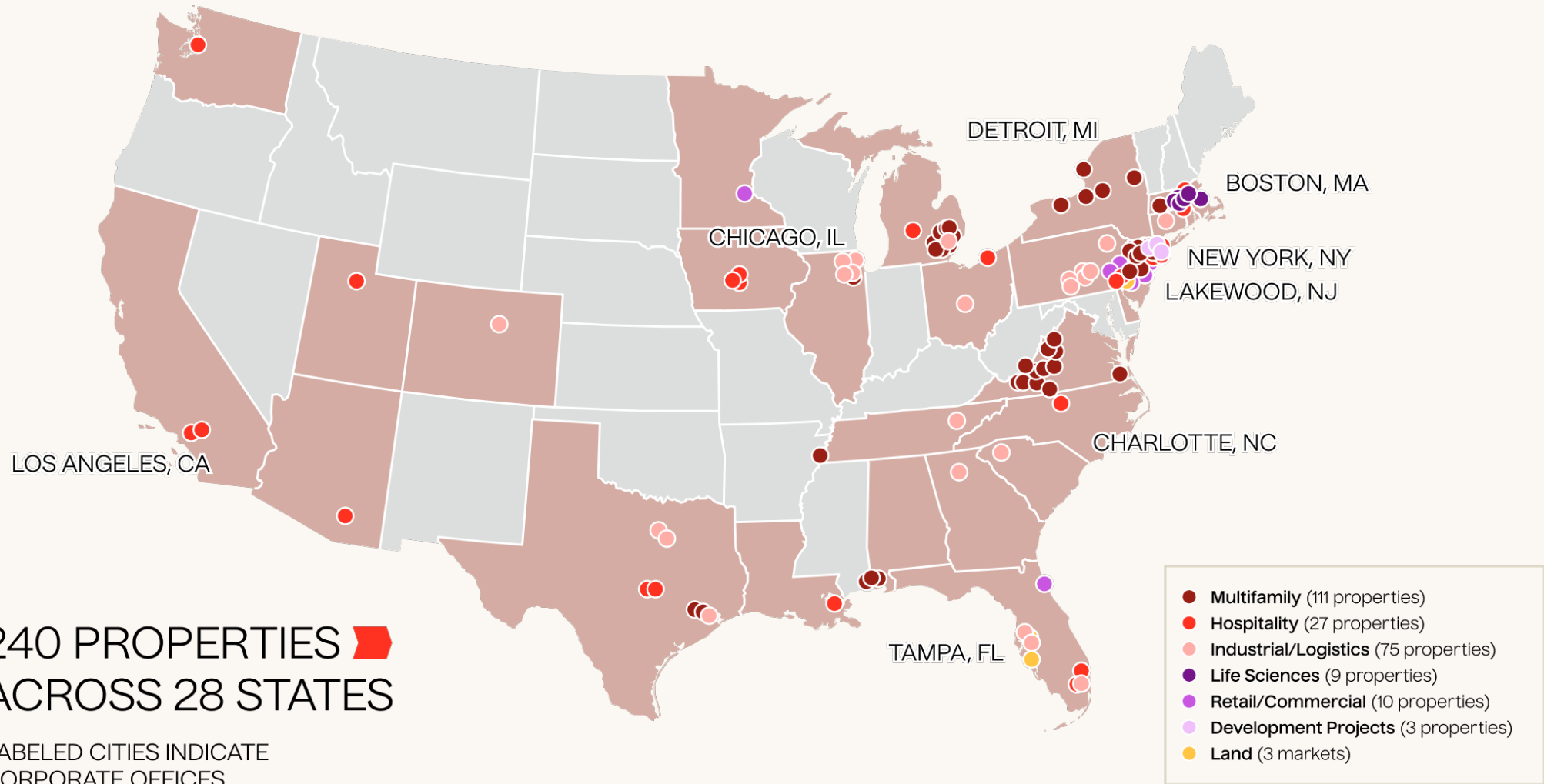
Past performance is not indicative of future results. These figures reflect historical investments made under conditions and in structures that may differ materially from those of this offering. See Endnotes (2) and (3) and the Disclosures for important assumptions and limitations

PLATFORMS



 OVER 645 EMPLOYEES

NATIONAL FOOTPRINT



THE LIGHTSTONE DIRECT ADVANTAGE

MATERIAL CO-INVESTMENT

Lightstone commits at least 20% of the equity in the underlying deal, ensuring strong alignment with our Investors.

LIGHTSTONE INVESTS FIRST

Lightstone funds 100% of the equity when closing the real estate, then offers Investors (as defined below) the opportunity to directly or indirectly participate in the ownership of the investment at the same acquisition basis with no mark-up. In this case, a 37.72091% (on a fully look through basis to the asset) is expected to be offered to investors seeking to effect a 1031 exchange under Internal Revenue Code Section 1031 ("1031 Investors"), with the difference (including any amounts not purchased by 1031 Investors but up to a maximum of 53.0233%) to be offered to purchasers of the Company's securities ("Series Investors," and together with the 1031 Investors, the "Investors").

TARGETED MONTHLY DISTRIBUTIONS

Lightstone DIRECT targets monthly distributions for consistent cash flow.

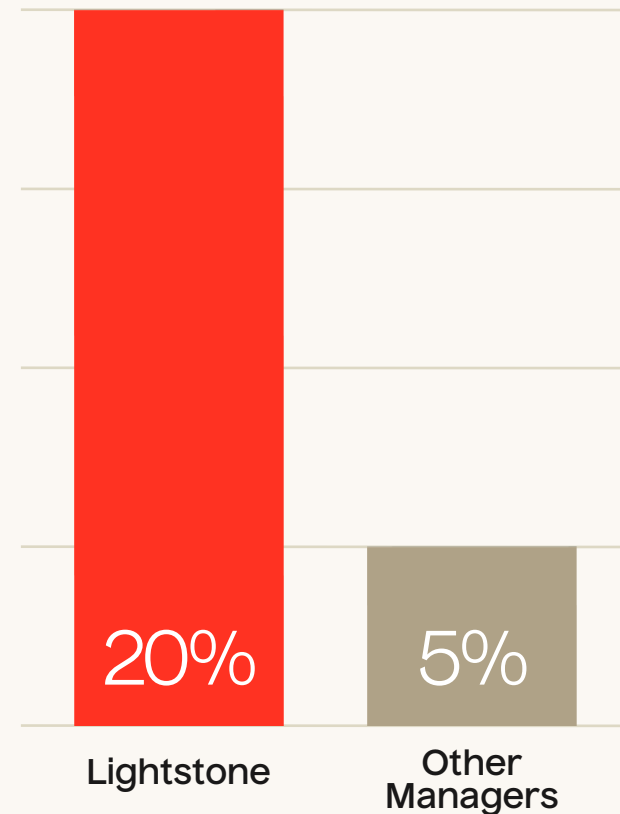
EXPERIENCE AND VERTICAL INTEGRATION

Each deal is sponsored by Lightstone and benefits from Lightstone's vertically integrated platform, built on four decades of experience and tested across market cycles.

POTENTIAL TAX EFFICIENT STRATEGIES

- (1) The Company may seek to enhance after-tax returns during the hold period using available tax strategies. There is no guarantee that any of these strategies will be effective for a particular Investor.
- (2) An Investor may be permitted to reinvest proceeds into subsequent qualifying offerings sponsored by us in an Internal Revenue Code Section 1031 exchange, subject to IRS requirements and Investor-specific eligibility. Tax outcomes may vary significantly based on individual circumstances, applicable law, and the final structure of the subsequent qualifying offerings. Investors should consult their own tax advisors. See Disclosures.

CONVICTION THROUGH OUR CO-INVESTMENT



Lightstone co-invests at least 20% of the equity in each transaction, compared to the industry average co-investment of approximately 5%, based on Lightstone's internal review of publicly available information regarding comparable private real estate managers. This comparison is presented for illustrative purposes only and has not been independently verified.

OFFERING DETAILS

HIDDEN LAKES – SERIES GRAND RAPIDS

Lightstone Direct through Lightstone Direct I LLC – Series Grand Rapids Multifamily (the “Series”), is offering Series Investors the opportunity to participate in the investment in Hidden Lakes by indirectly acquiring, through Grand Rapids Holdings LLC, up to 53.0233% of the equity of the Property (with additional amounts, up to 80%, in the event 1031 Investors acquire less than the amount allocated to them). To facilitate the future closing of the Property acquisition, Lightstone will acquire the Property in a tenants-in-common structure whereby the Property will be owned by multiple separate entities that are party to a single tenants-in-common agreement.

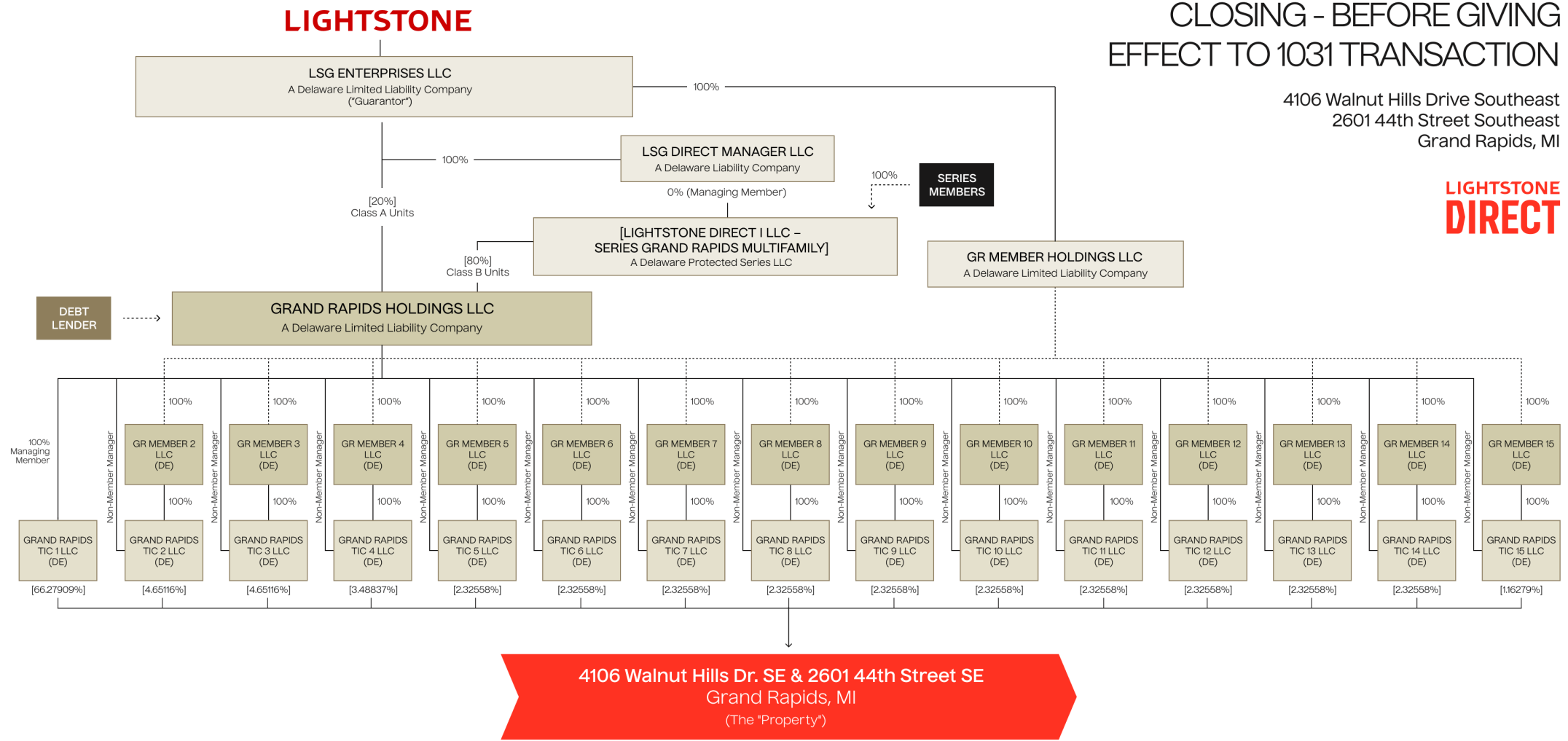
One such entity that will be a tenants-in-common owner will be owned by Grand Rapids Holding, LLC. At the initial closing of the offering, (a) the Series will be admitted as a member of Grand Rapids Holdings, and the funds of the Series Members will be used to partially redeem the equity of LSG Enterprises LLC in Grand Rapids Holdings LLC (up to a maximum of 80%), and (b) GR Member Holdings LLC, a Lightstone affiliate, will sell all or a portion of the equity in fourteen (14) separate entities that hold a variable percentage of a direct interest in the Property to separate 1031 Investors, and the funds received by Grand Rapids Holdings LLC from such sales will be used to partially redeem the equity of LSG Enterprises LLC in Grand Rapids Holdings LLC (up to a maximum of 80%).

The redemption will occur at par, with no markup or interest paid thereon.



ORGANIZATIONAL CHART AT CLOSING - BEFORE GIVING EFFECT TO 1031 TRANSACTION

4106 Walnut Hills Drive Southeast
2601 44th Street Southeast
Grand Rapids, MI



EXECUTIVE SUMMARY

HIDDEN LAKES – SERIES GRAND RAPIDS

- Hidden Lakes Apartments is a 384 unit, free-market, 1980s, garden multifamily apartment complex located in Grand Rapids, Michigan. The sellers are the original developers and, as a result of long-term, owner-operated management, the Company believes the asset presents opportunities for operational improvement.
- As one of the largest multifamily owners and managers in Michigan, Lightstone will immediately leverage its 10,000+ units in Michigan and its management company to extract value across income and expenses.
- **Lightstone projects a Proforma Net IRR ⁽⁷⁾ of 12.3% and Proforma Net Annual Average Cash on Cash ⁽¹⁰⁾ of 7.4% over the four-year expected holding period.** Projected returns are based on assumptions that may not be realized. There is no assurance that Lightstone will achieve these returns. See Disclosures on Pages 3-4 and Endnotes on Page 50.
- The investment is expected to offer a balanced mix of current yield, rent growth, and long-term value creation sponsored by one of the largest, privately held multifamily owners/managers in the state.

384 Units

Multifamily Property Built in 1986

Grand Rapids, MI

Strong Demand. Limited Supply.

4 Year

Expected holding period

12.3%

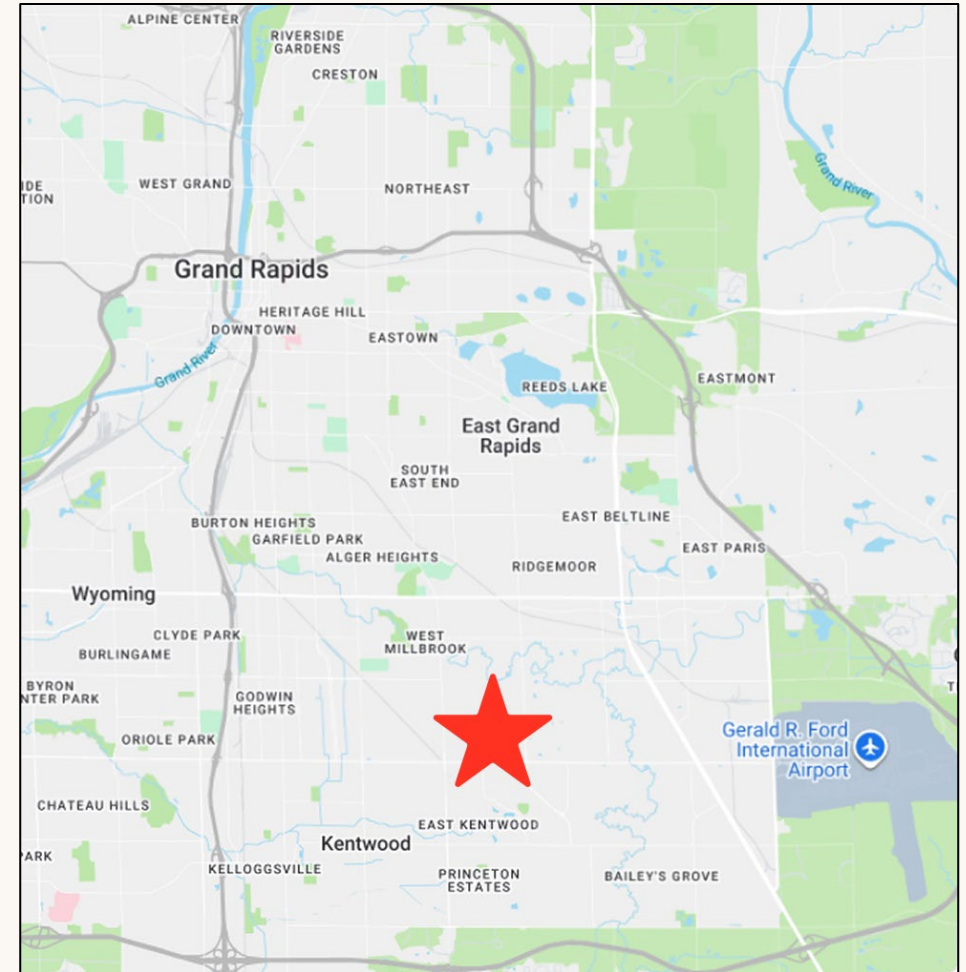
Proforma Net IRR ⁽⁷⁾

7.4%

Proforma Net Annual Average Cash on Cash ⁽¹⁰⁾

PROJECTED RETURNS

Expected Holding Period	4 Years
Business Plan	Value-Add
PROPERTY LEVEL YIELD METRICS	
Proforma Going-In Yield ⁽⁵⁾	6.3%
Proforma Stable Year 4 Yield on Cost ⁽⁶⁾	6.7%
Exit Capitalization Rate ⁽¹²⁾	5.75%
SERIES INVESTOR NET RETURNS	
Proforma Net IRR ⁽⁷⁾	12.3%
Proforma Net Profit ⁽⁹⁾	\$8.8M
Proforma Net Equity Multiple ⁽⁸⁾	1.5x
Proforma Net Average Annual Cash on Cash ⁽¹⁰⁾	7.4%
PROFORMA SERIES INVESTOR NET RETURNS: ANNUAL CASH ON CASH	
Year 1	6.9%
Year 2	6.6%
Year 3	7.9%
Year 4	8.3%



HIDDEN LAKES: INVESTMENT HIGHLIGHTS

ATTRACTIVE ACQUISITION BASIS

The negotiated purchase price for Hidden Lakes represents a 12% per unit discount to recent sales Lightstone selected as comparable trades. See Page 30 for details. These comparable sales are based on publicly available sales data reviewed by Lightstone, though this has not been independently verified. The acquisition would represent the lowest price -per-unit trade among those selected comparable sales.

\$138k

Price Per Unit

LIGHTSTONE'S MICHIGAN EXPERTISE

Lightstone owns and manages 10,000+ Class B multifamily units owned in Michigan. Hidden Lakes fits Lightstone's Class B strategies and Lightstone can provide unrivaled insights with it's vertically integrated platform.

12%

Discount to comparable sales

ORIGINAL SELLER, NEVER INSTITUTIONALLY MANAGED

Owned by the original developers for 40+ years. While it has been well maintained, their passive ownership style presents income and operational upside through institutional ownership.

40%

Discount to replacement costs

DISCOUNT TO RENT COMPS

Based on Lightstone's market research and using third party data providers, Hidden Lakes is at least a \$100 discount (6% to 7%) in average monthly rent to nearby rental comps. See Page 29 for details.

\$100+

Discount to rental comps

MULTIPLE VALUE CREATION LEVERS WITHOUT HEAVY CAPEX

Lightstone projects partial renovations of 18 units per year. Additionally, Lightstone anticipates maximizing other underdeveloped income sources from Hidden Lakes, including pet rent, forced renters' insurance, and bulk internet. This makes way for a compelling value-add without substantial capital improvement risk.

40+

Years owned by the Seller

HIDDEN LAKES: BUSINESS PLAN

Hidden Lakes is a **basis-driven, cash-flow-focused investment** in a supply-constrained Midwest market, backed by a large institutional sponsor. It reflects a disciplined, risk-adjusted Class B strategy — **prioritizing durable cash flow with measured upside**.

BUSINESS PLAN

Drive NOI Growth: Stabilize occupancy from 90% to mid-90% through improved operations.

Conservative Rent Growth (13): Underwritten 1.50% Year 1 growth and 2.75% average during the hold, with minimal mark-to-market.

Disciplined Renovation Upside: Partially renovate 19% of units for \$90 premiums at \$6,500 per unit cost, supported by the property's existing, fully renovated units achieving \$175 premiums.

Bulk Cable/Wi-Fi Conversion: Transition to a bulk internet program generating a projected \$105K incremental NOI in Year 3 with minimal incremental resident cost and higher speeds.

Ancillary Income Growth: Increase utility billing, pet rent, renters' insurance, and trash fees to align with comps.

Expense Efficiency: Leverage Lightstone's 10,000+ Michigan units and Management Company to optimize expenses.

Conservative Insurance & Tax Modeling: Underwrite elevated insurance growth and prudent tax reassessment to protect projected returns.

CAPITAL IMPROVEMENT PLANS

The Seller has meticulously cared for the asset leaving little deferred maintenance – a unique occurrence for Class B deals. This sets the asset up for better cash flow and less capital expenditure execution risk. Below are some of the key projects up front, which are typical of Class B assets:

- Convert Clubhouse Rec Room to a Fitness Center
- Landscape improvements to lift curb appeal.
- Refresh select hallways with new paint, carpeting and lighting.
- As needed roof and gutter replacements on select buildings
- Parking lot, curbing and sidewalk repairs
- Wood trim replacements in selected areas
- As needed balcony repairs on select units



PROPERTY INFORMATION

PROPERTY SUMMARY

Number of Units	384
Year of Construction	1984–1988
Stories / Buildings	1 - Two Story and 18 - Three Story Buildings
Average Unit Size	976 SF
In Place Rent	\$1,495
Lightstone's Market Rents	\$1,501
Occupancy (as of 3/9/26)	91.9%

CONSTRUCTION DETAIL

Style	Garden
Roofs	Pitched, Asphalt Shingle
Exterior	Brick & Vinyl
Windows	Double Pane

SITE DETAIL

Acreage	33.38
Carport Spaces	384
Open Asphalt Spaces	384
Parking Ratio Per Unit	2

MECHANICAL SYSTEMS

Heating	Individual Gas Forced Air Furnace
Cooling	Individual Electric Central A/C
Water	Common 100-Gallon Gas Water Heaters
Plumbing	Copper
Wiring	Copper

UNIT TYPE

UNIT TYPE	UNITS	AVG. SF	MODELED RENT	PER SF
1x1 - Classic	9	738	\$1,283	\$1.74
1x1 - Partial Renovation	63	749	\$1,338	\$1.79
1x1 - Rehabbed Building	6	813	\$1,488	\$1.83
2x1 - Classic	5	1,009	\$1,372	\$1.36
2x1 - Partial Renovation	157	1,006	\$1,498	\$1.49
2x1.5 - Partial Renovation	22	1,021	\$1,535	\$1.50
2x2 - Classic	3	1,043	\$1,450	\$1.39
2x2 - Partial Renovation	107	1,069	\$1,593	\$1.49
2x2 - Rehabbed Building	12	1,084	\$1,761	\$1.63
Total / Averages	384	976	\$1,501	\$1.54

PROPERTY PHOTOS

EXTERIOR



PROPERTY PHOTOS

INTERIOR



SOURCES & USES

PROPERTY SOURCES & USES			
Sources	Amount	Per Unit	%
Senior Debt	\$37,139,800	\$96,718	64%
LSG Enterprises Equity*	\$21,292,511	\$55,449	36%
Total Sources	\$58,432,311	\$152,167	100%
Uses	Amount	Per Unit	PSF
Purchase Price	\$53,000,000	\$138,021	\$141
Closing Costs	\$1,088,000	\$2,833	\$3
Rate Cap Costs	\$228,000	\$594	\$1
Financing Costs	\$709,237	\$1,847	\$2
Capex Costs**	\$2,733,805	\$7,119	\$7
Reserves	\$673,269	\$1,753	\$2
Total Uses	\$58,432,311	\$152,167	\$156

OFFERING SOURCES & USES	
Sources	Amount
Series Equity (Up to 80% of Equity, assuming none of the amount allocated to 1031 Investors is acquired)	\$17,034,000
Total Sources	\$17,034,000
Uses	Amount
Investment	\$16,355,600
Closing Costs	\$678,400
Total Uses	\$17,034,000

Series Equity funds are used to redeem up to 80% of the equity contributed by LSG Enterprises at par.

Closing Costs include, among other things, the Acquisition Fee paid to LSG Direct Manager, LLC for the Offering.

Series Equity assumes full 80% subscription by Series Investors.

Based on current projections, subject to change

DEBT TERMS	
Term	10 Years
Spread Over SOFR	1.69%
Projected SOFR at Closing	3.61%
Effective Rate at Closing	5.30%
Projected DSCR at Close	2.01
SOFR Cap	5.81%
Max Note Rate	7.50%
SOFR Cap Term	4 Years
Interest Only Period	5 Years
Fixed / Float	Float
Amortization	30 Years

*This amount does not reflect cash actually contributed by LSG Enterprises at the closing but instead represents the total amount of cash that LSG Enterprises has committed, on an unsecured basis, to contribute in this investment.

**This amount represents the estimate by Lightstone for future Capital Expenditures at the Property, but it will not be fully funded at closing. The portion related to LSG Enterprise's investment is expected to be contributed in the future as Capital Expenditures are incurred. However, no assurance is provided regarding whether such contributions will be made by LSG Enterprises.

INVESTMENT TERMS AND FEES

Eligible Investors	Verified Accredited Investors only Pursuant to Rule 506(c), the Company will take reasonable steps to verify each investor's accredited status prior to sale.
Estimated Hold Period	4 Years
Minimum Investment	\$100,000
Targeted Frequency of Distributions	Monthly
Tax Reporting	K-1
Acquisition Fee at Closing	1.50% of the aggregate purchase price for the asset (See Page 18) (the "Purchase Price") ⁽¹⁾
G&A Fee at Closing	0.20% of Contributed Equity
Annual G&A	0.10% of Contributed Equity
Annual Asset Management Fee	1.00% of Contributed Equity
Construction Management Fee	5.00% of Total CapEx
Manager Performance Allocation	20.00%
Hurdle for Manager Performance Fee	8.00% IRR

Definitive terms are subject to final legal documents.

HOW TO INVEST



An assigned, dedicated rep from our team is here to support you the whole way.

[CLICK HERE TO SCHEDULE A CALL](#)

INVESTMENT INCENTIVE

Series Investors can participate in an incentive to enhance their returns:

Earn an annualized 5.50% projected yield on your investment before the Series Closing Date.

Subject to the conditions described below. This incentive is not guaranteed and will not be paid if the Series does not accept your subscription or does not complete the investment.

Investment Incentive of 5.50% Annualized Yield: Lightstone is offering an incentive to Series Investors who submit their completed Subscription Agreement and the full amount of the Series Investor's investment in the Series at least fourteen (14) days before the Offering Closing Date. It is only payable by the Series to the Series Investor if (i) the Series accepts the Subscription Agreement and all or part of the Series Investor's subscription to purchase Units, and (ii) the Series completes the Investment described in the Investment Memorandum. The incentive will be paid to the Series Investor within thirty (30) days after the conditions in clauses (i) and (ii) are satisfied. If the Series Investor's subscription is not accepted (in whole or in part) or if the Series Investor validly withdraws its subscription, no incentive will accrue or be payable regarding the withdrawn or unaccepted portion of the Series Investor's subscription.

Invest Early to Earn a Cash Incentive	Base Case	Using Incentives
Investment Amount	\$200,000	\$200,000
Days Invested Before Series Closing	N/A	75
Annualized Yield Earned	N/A	5.50%
Earned Cash Incentive	\$0	\$2,260

Series Net Returns	Base Case	Using Incentives
Proforma Net IRR ⁽⁷⁾	12.3%	12.6%
Proforma Net Equity Multiple ⁽⁸⁾	1.5x	1.5x
Proforma Net Average Annual Cash on Cash ⁽¹⁰⁾	7.4%	7.5%

HIDDEN LAKES PROPERTY PROFORMA

Year Year End Date	At Close	Year 1 6/30/2027	Year 2 6/30/2028	Year 3 6/30/2029	Year 4 6/30/2030
Gross Potential Rent		\$6,980,000	\$7,170,000	\$7,430,000	\$7,690,000
<i>Avg. Rent / Per Square Foot</i>		\$1,515 / \$1.55	\$1,556 / \$1.59	\$1,612 / \$1.65	\$1,669 / \$1.71
<i>Loss Factor: Loss-to-Lease, Vacancy, Concessions, Bad Debt, etc. (\$)</i>		(\$760,000)	(\$610,000)	(\$560,000)	(\$580,000)
<i>Loss Factor: Loss-to-Lease, Vacancy, Concessions, Bad Debt, etc. (%)</i>		10.9%	8.5%	7.5%	7.5%
Net Income		\$6,220,000	\$6,560,000	\$6,870,000	\$7,110,000
Other Income		\$520,000	\$570,000	\$680,000	\$700,000
Effective Gross Income		\$6,740,000	\$7,130,000	\$7,550,000	\$7,810,000
Expenses		(\$3,090,000)	(\$3,630,000)	(\$3,740,000)	(\$3,860,000)
<i>Controllable / Unit</i>		(\$3,412)	(\$3,455)	(\$3,514)	(\$3,619)
<i>Non-Controllable / Unit</i>		(\$4,640)	(\$6,005)	(\$6,225)	(\$6,441)
<i>Property Management Fee (%)</i>		3.00%	3.00%	3.00%	3.00%
Net Operating Income (NOI)		\$3,650,000	\$3,500,000	\$3,810,000	\$3,950,000
<i>NOI Margin</i>		54.1%	49.0%	50.4%	50.5%
Capital Improvements					
Exterior CapEx		(\$830,500)	\$0	\$0	\$0
Non-Recurring CapEx		(\$302,600)	(\$310,200)	(\$397,400)	(\$407,300)
Interior CapEx		(\$117,000)	(\$119,900)	(\$122,900)	(\$126,000)
<i>Cumulative Interior CapEx (Units / % Reno)</i>		18 / 5%	36 / 9%	54 / 14%	72 / 19%
Total Capital Improvements		(\$1,250,100)	(\$430,100)	(\$520,300)	(\$533,300)
Equity Reserves	(\$2,730,500)	\$1,250,100	\$430,100	\$520,300	\$530,000
Capital Improvements Net of Equity Reserves		\$0	\$0	\$0	(\$3,300)
Cash Flow Before Debt Service		\$3,650,000	\$3,500,000	\$3,810,000	\$3,946,700
Total Debt Service		(\$1,920,000)	(\$1,870,000)	(\$1,900,000)	(\$1,950,000)
<i>Debt Service Coverage Ratio (NOI / Debt Service)</i>		1.90	1.87	2.01	2.03
<i>Debt Yield (NOI / Debt Balance)</i>		9.8%	9.4%	10.3%	10.6%
Sales Proceeds Net of Debt and Sales Costs		\$0	\$0	\$0	\$26,340,000
Cash Flow After Debt Service		\$1,730,000	\$1,630,000	\$1,910,000	\$28,336,700

The Property Proforma presented includes assumptions and projections that may differ (whether on the positive or negative side) from the assumptions and projections considered internally by Lightstone in the investment. Such differences may have resulted in differing (higher or lower) investment returns as considered internally by Lightstone.

This reflects model financial performance based on assumptions that may not be realized. Actual results may differ materially. See Disclosures on Pages 3-4 and Endnotes on Page 50.

SERIES PROFORMA

Year	Year 0	Year 1	Year 2	Year 3	Year 4
Year End Date	6/30/2026	6/30/2027	6/30/2028	6/30/2029	6/30/2030
Series Cash Flow Before Promote to Manager					
Series Cash Flow Pre-Fees & Pre-Promote	(\$16,355,600)	\$1,384,601	\$1,297,511	\$1,523,066	\$1,587,058
Series Costs (Formation & Recurring G&A)	(\$42,400)	(\$8,178)	(\$8,178)	(\$8,178)	(\$8,178)
Acquisition Fee	(\$636,000)	\$0	\$0	\$0	\$0
Asset Management Fee	\$0	(\$163,980)	(\$163,980)	(\$163,980)	(\$163,980)
Construction Management Fee	\$0	(\$37,900)	(\$4,797)	(\$4,917)	(\$5,040)
Series Cash Flow Post-Fees & Pre-Promote	(\$17,034,000)	\$1,174,543	\$1,120,556	\$1,345,991	\$1,409,860
Post-JV Adjusted Equity Basis	\$17,034,000	\$17,034,000	\$17,034,000	\$17,034,000	\$17,034,000
Cash Flow from Operations		\$1,174,543	\$1,120,556	\$1,345,991	\$1,409,860
Cash on Cash		6.9%	6.6%	7.9%	8.3%
Waterfall to Series Members					
Tier 1					
Beginning	\$0	\$17,034,000	\$17,173,938	\$17,387,308	\$17,384,079
8.0% Accrual	\$0	\$1,314,482	\$1,333,926	\$1,342,763	\$1,339,790
Invested Equity	\$17,034,000	\$0	\$0	\$0	\$0
Tier I Distribution	\$0	\$1,174,543	\$1,120,556	\$1,345,991	\$18,723,869
Ending	\$17,034,000	\$17,173,938	\$17,387,308	\$17,384,079	\$0
Cash Flow Split					
Tier 2 to Series Members	\$0	\$0	\$0	\$0	\$3,445,041
Returns to Series Members					
Invested Equity	(\$17,034,000)	\$0	\$0	\$0	\$0
Tier 1	\$0	\$1,174,543	\$1,120,556	\$1,345,991	\$18,723,869
Tier 2	\$0	\$0	\$0	\$0	\$3,445,041
Net Cash Flow	(\$17,034,000)	\$1,174,543	\$1,120,556	\$1,345,991	\$22,168,910
Cash Flow	\$0	\$1,174,543	\$1,120,556	\$1,345,991	\$1,409,860
Basis	\$17,034,000	\$17,034,000	\$17,034,000	\$17,034,000	\$17,034,000
Cash on Cash		6.9%	6.6%	7.9%	8.3%
Proforma Series Equity	\$17.0M				
Proforma Net IRR ⁽⁷⁾	12.3%				
Proforma Net Equity Multiple ⁽⁸⁾	1.5x				
Proforma Net Profit ⁽⁹⁾	\$8.8M				
Proforma Average Annual Cash on Cash ⁽¹⁰⁾	7.4%				

This reflects model financial performance based on assumptions that may not be realized. Actual results may differ materially. See Disclosures on Pages 3-4 and Endnotes on Page 50.

The Proforma on this slide assumes the full, 80% subscription by Series Investors only (it assumes no 1031 investors, and just non-1031 investors). Annual Cash-on-Cash Return ("CoC") represents the ratio of annual pre-tax cash distributions received by all investors to the amount of total equity initially invested by all investors. CoC does not include potential proceeds from sale, refinance, or appreciation and does not reflect overall investment performance. Cash-on-Cash Return is not a measure of total return and should not be considered a substitute for overall investment performance or Internal Rate of Return (IRR).

INVESTMENT EXAMPLE: \$200,000

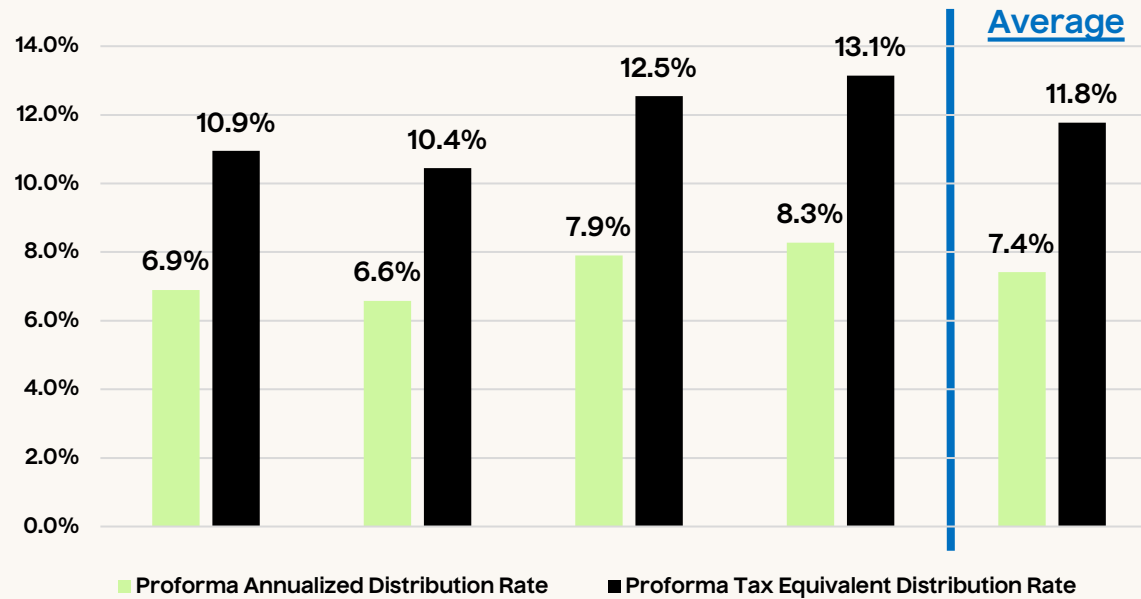
Year Year End Date	Year 0 6/30/2026	Year 1 6/30/2027	Year 2 6/30/2028	Year 3 6/30/2029	Year 4 6/30/2030
Series Cash Flow Before Promote to Manager					
Series Cash Flow Pre-Fees & Pre-Promote	(\$192,035)	\$16,257	\$15,234	\$17,883	\$18,634
Series Costs (Formation & Recurring G&A)	(\$498)	(\$96)	(\$96)	(\$96)	(\$96)
Acquisition Fee	(\$7,467)	\$0	\$0	\$0	\$0
Asset Management Fee	\$0	(\$1,925)	(\$1,925)	(\$1,925)	(\$1,925)
Construction Management Fee	\$0	(\$445)	(\$56)	(\$58)	(\$59)
Series Cash Flow Post-Fees & Pre-Promote	(\$200,000)	\$13,791	\$13,157	\$15,804	\$16,553
Post-JV Adjusted Equity Basis	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Cash Flow from Operations		\$13,791	\$13,157	\$15,804	\$16,553
Cash on Cash		6.9%	6.6%	7.9%	8.3%
Waterfall to Series Members					
Tier 1					
Beginning	\$0	\$200,000	\$201,643	\$204,148	\$204,110
8.0% Accrual	\$0	\$15,434	\$15,662	\$15,766	\$15,731
Invested Equity	\$200,000	\$0	\$0	\$0	\$0
Tier I Distribution	\$0	\$13,791	\$13,157	\$15,804	\$219,841
Ending	\$200,000	\$201,643	\$204,148	\$204,110	\$0
Cash Flow Split					
Tier 2 to Series Members	\$0	\$0	\$0	\$0	\$40,449
Returns to Series Members					
Invested Equity	(\$200,000)	\$0	\$0	\$0	\$0
Tier 1	\$0	\$13,791	\$13,157	\$15,804	\$219,841
Tier 2	\$0	\$0	\$0	\$0	\$40,449
Net Cash Flow	(\$200,000)	\$13,791	\$13,157	\$15,804	\$260,290
Cash Flow	\$0	\$13,791	\$13,157	\$15,804	\$16,553
Basis	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Cash on Cash		6.9%	6.6%	7.9%	8.3%
Proforma Series Equity					
Proforma Series Equity	\$200,000				
Proforma Net IRR ⁽⁷⁾	12.3%				
Proforma Net Equity Multiple ⁽⁸⁾	1.5x				
Proforma Net Profit ⁽⁹⁾	\$103,041				
Proforma Average Annual Cash on Cash ⁽¹⁰⁾	7.4%				

This reflects model financial performance based on assumptions that may not be realized. Actual results may differ materially. See Disclosures on Pages 3-4 and Endnotes on Page 50.

The Proforma on this slide assumes the full, 80% subscription by Series Investors only (it assumes no 1031 investors, and just non-1031 investors). Annual Cash-on-Cash Return ("CoC") represents the ratio of annual pre-tax cash distributions received by all Investors to the amount of total equity initially invested by all Investors. CoC does not include potential proceeds from sale, refinance, or appreciation and does not reflect overall investment performance. Cash-on-Cash Return is not a measure of total return and should not be considered a substitute for overall investment performance or Internal Rate of Return (IRR).

POTENTIAL TAX BENEFITS

The information presented in this slide for illustrative and educational purposes only and does not constitute tax advice. Investors should consult their own tax professionals to understand how these concepts apply to their individual circumstances. Any tax-equivalent yield figures or examples provided are hypothetical and for illustrative purposes only. Actual results may differ materially due to performance, tax law changes, or individual investor circumstances. Past performance is not indicative of future results. The tax-equivalent distribution rate assumes that the investment in Lightstone Direct I LLC – Series Grand Rapids Multifamily shares is not sold or redeemed and reflects the pre-tax distribution rate a Series Investor would need to receive from a fully taxable investment to match the after-tax distribution rate earned by a Lightstone Direct I LLC – Series Grand Rapids Multifamily investor, assuming that the distributions from the investment are classified as ordinary income subject to the top federal marginal tax rate of 37%. The tax-equivalent distribution rate does not reflect fees, state taxes, or individual investor circumstances.



Hidden Lakes is forecasted to shelter cumulative income generated from the investment during the hold period and prior to a sale.

Tax-Advantaged Income from Real Estate

- Real estate investments can provide investors with annual cash distributions that are often more tax-efficient than fully taxable income sources such as interest or dividends from traditional fixed-income securities.
- A portion of these distributions may be sheltered by depreciation and other non-cash deductions, reducing the amount of current income subject to taxation. As a result, the effective after-tax yield on annual real estate distributions may be higher than the same nominal yield from a fully taxable investment.

Key Tax Advantages

- **Depreciation Shield:** Non-cash depreciation may offset a portion of taxable income from annual distributions.
- **Tax Deferral:** Taxes on income sheltered by depreciation are generally deferred until the sale or disposition of the property.
- **Lower Effective Tax Rate:** Deferred income and favorable capital gains treatment can increase overall after-tax efficiency.

Depreciation Recapture: The benefits of depreciation and other deductions may be partially or fully offset upon sale through depreciation recapture tax, typically recognized at the time of asset disposition. Investors should consider this as part of the total return and tax profile of the investment.

Proforma Annualized Distribution Rate – This amount is a projected, pro forma estimate based on current projections made by Lightstone. It was calculated by dividing the projected annual pre-tax cash distributions to the Series from Hidden Lakes by the expected total cash to be indirectly invested by the Series in Hidden Lakes, then multiplying by 100%.

Proforma Tax Equivalent Distribution Rate - This amount is a projected, pro forma estimate based on current projections made by Lightstone. It was calculated by dividing Hidden Lakes's projected annual pre-tax cash distributions to the Series by 1 minus the product of an assumed tax rate of 37% and those distributions. This calculation excludes any fees, taxes, and carried interests payable by the Series or Series Investors.

SWOT

STRENGTHS

Scale: 25,000+ units nationally (10,000+ in Michigan) provide operating leverage, market insight, and execution strength.

Discounted Basis: Acquired 12% below recent trades, creating immediate downside protection. See Page 30 for details.

Stabilized Cash Flow: In-place income supports day-one distributions with upside with 6% below rent comps. See Page 29 for details.

New Supply: Limited new supply under construction giving tailwinds for strong fundamentals.

Affordability: Avg. rent (\$1,501) remains well below ownership cost (~\$2,175), sustaining renter demand.

OPPORTUNITIES

12.6% IRR

Earlier Exit: Year 3 exit could raise the Proforma Net IRR to 12.6% vs. 12.3%.

8.3% CoC

SOFR Decline: 0.50% drop in the forward SOFR curve could raise the Proforma Net Average Annual Cash on Cash ⁽¹⁰⁾ to 8.3% vs. 7.4%.

13.9% IRR

Rent Growth ⁽¹³⁾: 0.50% increase to average annual rent growth could raise the Proforma Net IRR ⁽⁷⁾ to 13.9% vs. 12.3%.

13.3% IRR

Lower Taxes: 5% lower reassessment could raise the Proforma Net Average Annual Cash on Cash ⁽¹⁰⁾ to 7.7% vs. 7.4%, and Proforma Net IRR to 13.3% vs. 12.3%.

13.7% IRR

Exit Capitalization Rate ⁽¹²⁾: 25 bps decline could raise the Proforma Net IRR ⁽⁷⁾ to 13.7% vs. 12.3%.

WEAKNESSES

Class B Vintage: Ongoing capital needs.

- **Mitigant:** Four years of capex capitalized upfront.

Moderate Value-Add: Returns driven by operations.

- **Mitigant:** Lower execution risk.

Tax Reassessment: Acquisition triggers reassessment.

- **Mitigant:** Conservative projections from four tax consultants.

THREATS

Insurance Volatility: Costs may rise.

- **Mitigant:** Conservative annual increases.

Tax Escalation: Reassessment may exceed projections.

- **Mitigant:** Conservative projections from four tax consultants.

Higher Rates: Elevated rates could impact exit pricing.

- **Mitigant:** 10-year loan provides hold and exit flexibility.

SENSITIVITIES

RENT GROWTH ⁽¹³⁾ SENSITIVITY

Avg. Rent Growth	Avg. DSCR	Proforma Net IRR ⁽⁷⁾	Proforma Net Avg. Annual Cash on Cash ⁽¹⁰⁾	Proforma Net Equity Multiple ⁽⁸⁾
0.50%	1.7	0.0%	5.8%	1.0
1.75%	1.9	8.8%	6.8%	1.4
2.00%	1.9	9.7%	6.9%	1.4
2.25%	1.9	10.6%	7.1%	1.4
2.50%	2.0	11.4%	7.2%	1.5
2.75%	2.0	12.3%	7.4%	1.5
3.00%	2.0	13.1%	7.6%	1.6
3.25%	2.0	14.0%	7.7%	1.6
3.50%	2.0	14.8%	7.9%	1.6
3.75%	2.0	15.6%	8.1%	1.7

EXIT CAP ⁽¹²⁾ SENSITIVITY

Exit Cap	Gross Exit Price Per Unit	Proforma Net IRR ⁽⁷⁾	Proforma Net Equity Multiple ⁽⁸⁾
7.35%	\$137k	0.0%	1.0
6.75%	\$150k	5.8%	1.2
6.50%	\$156k	8.1%	1.3
6.25%	\$160k	9.5%	1.4
6.00%	\$165k	10.9%	1.4
5.75%	\$170k	12.3%	1.5
5.50%	\$175k	13.7%	1.6
5.25%	\$180k	15.2%	1.7
5.00%	\$186k	16.7%	1.7
4.75%	\$193k	18.3%	1.8

SOFR CURVE SENSITIVITY

Avg. Interest Rate	Avg. DSCR	Proforma Net IRR ⁽⁷⁾	Proforma Net Avg. Annual Cash on Cash ⁽¹⁰⁾	Proforma Net Equity Multiple ⁽⁸⁾
3.1%	3.2	15.3%	11.0%	1.6
3.6%	2.8	14.6%	10.1%	1.6
4.1%	2.4	13.8%	9.2%	1.6
4.6%	2.2	13.0%	8.3%	1.5
5.1%	2.0	12.3%	7.4%	1.5
5.6%	1.8	11.6%	6.5%	1.5
6.2%	1.6	10.9%	5.6%	1.5
6.7%	1.5	10.2%	4.8%	1.4
7.2%	1.4	9.5%	3.9%	1.4
7.5%	1.3	8.9%	3.1%	1.4

All figures are projected and based on model assumptions. A forward SOFR curve projection from Chatham Financial as of 3/12/26 was used to project SOFR during the projected holding period of the investment. The sensitivity scenarios shown are illustrative only and are not predictions of future performance. Actual results may differ materially. See Disclosures on Pages 3-4 and Endnotes on Page 50.

RENT GROWTH⁽¹³⁾ AND VACANCY⁽¹⁴⁾

UNDERWRITING VS. DATA PROVIDERS

Lightstone underwrote higher vacancy⁽¹⁴⁾ and slower rent growth⁽¹³⁾ than providers like AxioMetrics are projecting for the Grand Rapids MSA to remain conservative.

Outperformance would drive stronger returns. See Rent Growth⁽¹³⁾ Sensitivities on the prior slide.

MARKET NARRATIVE

In 2025, renter demand reached ~1,500 units vs. ~870 delivered, creating a ~630-unit surplus—the second largest since 1Q22 and the fourth straight period of demand exceeding supply.

While demand growth may moderate in 2026, limited new supply should continue to support stable occupancy and rent growth⁽¹³⁾.

GRAND RAPIDS MSA VACANCY⁽¹⁴⁾

Year	AxioMetrics	Lightstone
2015 - 2025	3.51%	N/A
2026	4.30%	7.50%
2027	4.20%	5.50%
2028	3.70%	5.25%
2029	3.80%	5.00%
Forward 4 Year Avg.	4.00%	5.81%

GRAND RAPIDS MSA RENT GROWTH⁽¹³⁾

Year	AxioMetrics	Lightstone
2015 - 2025	6.32%	N/A
2026	2.93%	1.50%
2027	3.96%	3.00%
2028	4.01%	3.50%
2029	3.73%	3.00%
Forward 4 Year Avg.	3.66%	2.75%

Source: AxioMetrics. Lightstone believes these sources to be reliable but does not guarantee their accuracy. Market data and projections are derived from third-party sources believed to be reliable but have not been independently verified. Lightstone's vacancy and rent growth projections are internally modeled and are more conservative than the forecasts shown from third-party providers; however, they remain projections and actual performance may differ. See Disclosures on Pages 3-4 and Endnotes on Page 50.

RENT COMPS

- Hidden Lakes is a **6% to 7% discount – or a substantial \$100+ monthly rental discount per unit** - to nearby comps.
- Leaves room for **possible rent growth** ⁽¹³⁾ **upside** to catch up to comps.

1 Bed - Hidden Lakes

Property Name	# of Units	Avg. SF	Year Built	Rent	Rent / SF	Distance (mi.)
The Crossing Apartments	414	736	1991	\$1,535	\$2.09	2.93 miles
Ridgewood Apartments	84	756	1984	\$1,518	\$2.01	2.96 miles
ReNew Woodland Ranch South	220	932	1987	\$1,433	\$1.54	2.09 miles
Oxford Place Apartments	90	750	1985	\$1,360	\$1.81	0.96 miles
Old Farm Shores	160	800	1978	\$1,350	\$1.69	1.04 miles
ReNew Woodland Ranch North	48	700	1981	\$1,190	\$1.70	2.23 miles
Total / Average	1,016	790	1987	\$1,451	\$1.86	2.25 miles
1 Bed - Hidden Lakes	78	753	1986	\$1,344	\$1.78	0.00 miles
Delta to Comps (# / \$)	N/A	-37	-1	(\$107)	(\$0.08)	N/A
Delta to Comps (%)	N/A	-5%	0%	-7%	-4%	N/A

2 Bed - Hidden Lakes

Property Name	# of Units	Avg. SF	Year Built	Rent	Rent / SF	Distance (mi.)
The Crossing Apartments	246	922	1991	\$1,731	\$1.88	2.93 miles
ReNew Woodland Ranch South	536	1,178	1987	\$1,695	\$1.44	2.09 miles
Oxford Place Apartments	216	1,065	1985	\$1,635	\$1.54	0.96 miles
Ridgewood Apartments	138	886	1984	\$1,628	\$1.84	2.96 miles
Old Farm Shores	152	1,105	1978	\$1,608	\$1.46	1.04 miles
Clearpoint Valley	100	892	1996	\$1,473	\$1.65	0.73 miles
ReNew Woodland Ranch North	120	1,009	1981	\$1,456	\$1.44	2.23 miles
Total / Average	1,508	1,054	1986	\$1,644	\$1.58	1.96 miles
2 Bed - Hidden Lakes	306	1,033	1986	\$1,541	\$1.49	0.00 miles
Delta to Comps (# / \$)	N/A	-21	0	(\$103)	(\$0.09)	N/A
Delta to Comps (%)	N/A	-2%	0%	-6%	-6%	N/A

Source: AxioMetrics, Phone Surveys and Lightstone. Lightstone believes these sources to be reliable but does not guarantee their accuracy. Market data and projections are derived from third-party sources believed to be reliable but have not been independently verified. Lightstone's vacancy and rent growth projections are internally modeled and are more conservative than the forecasts shown from third-party providers; however, they remain projections and actual performance may differ. See Disclosures on Pages 3-4 and Endnotes on Page 50.

SALES COMPS

- Hidden Lakes is priced at a **12% discount per unit and 13% per square foot to recent sales** shown below.
- With 3% trended growth on sales comps below, Hidden Lakes' **discount widens to 14% per unit and 16% per square foot.**
- The acquisition provides a compelling entry basis, purchasing from the original developers after 40+ years of ownership, and **would represent the lowest price-per-unit trade** among the recent sales comps shown below.
- **Hidden Lakes' projected exit price per unit of \$170,000 in 2030 is approximately \$10,000 per unit higher, or only 5.6% higher, than the below trended sales comps per unit.**

Property	Year Built	Year Sold	Unit Count	Avg. Unit SF	UNTRENDED		TRENDED (3.0% INFLATION)	
					Per Unit	Per SF	Per Unit	Per SF
1 ReNew Woodlake	1977	Marketed	522	1012	\$157,088	\$155	\$157,088	\$155
2 Equity Recap Portfolio	1999	2025	462	950	\$170,000	\$179	\$170,000	\$179
3 To Be Marketed Q2 2026	1970	TBD	240	800	\$147,500	\$184	\$147,500	\$184
4 Three-Pack	1999	11/30/2025	440	977	\$154,000	\$158	\$154,000	\$158
5 Waterchase Apartments	1990	3/31/2025	386	816	\$159,530	\$196	\$163,800	\$201
6 Foote Hills Estates	1972	1/24/2024	182	916	\$175,824	\$192	\$187,000	\$204
7 ReNew Woodland Ranch South	1986	8/29/2023	924	1,075	\$146,557	\$136	\$157,700	\$147
Total / Average	1987	Misc.	3,156	971	\$156,114	\$163	\$160,544	\$167
Hidden Lakes	1986	2026	384	976	\$138,021	\$141	\$138,021	\$141
Delta Metrics to Average (#)	-1	N/A	N/A	5	(\$18,093)	(\$22)	(\$22,523)	(\$26)
Delta Metrics to Average (%)	0%	N/A	N/A	1%	-12%	-13%	-14%	-16%

CASE STUDY

\$1.0 BILLION MICHIGAN PORTFOLIO

AN INSTITUTIONAL OPPORTUNITY — CAPTURED EARLY

- In 2021, Lightstone acquired a **7,810-unit suburban Detroit portfolio** in a **\$1B transaction** driven by local operating insight and conviction.
- Before the deal formally launched, Lightstone leveraged broker relationships, began diligence, and deployed resources on the ground—allowing the team to move quickly and preempt the transaction.

A CLEAR VALUE-ADD OPPORTUNITY

- The Seller’s decades-long family ownership prioritized occupancy over rent growth.
- Lightstone operated comparable nearby assets at materially higher rents, providing real operating insight.
- **27.9% mark-to-market** opportunity before renovations (**\$899 in-place vs. \$1,150 market**).
- Nearly **90% of units were unrenovated**.

WHY IT MATTERS FOR LIGHTSTONE DIRECT

- This transaction highlights how Lightstone’s **scale, vertical integration, and operating data** create information advantages.
- The team identified inefficiency, moved early, and executed with discipline—converting operating insight into institutional value creation.

REALIZED PERFORMANCE SINCE ACQUISITION (SAME STORE) — FOR ILLUSTRATIVE PURPOSES ONLY

- NOI increased **34%** (~10.25% annual growth).
- Premium renovations: **1,500+ units, \$13,100 avg. cost, \$200 rent premium** (~20% projected ROI).
- Partial renovations: **1,400+ units, \$3,600 avg. cost, \$65 rent premium** (~22% projected ROI).

7,810
Units

\$1 Billion
Acquisition Price

2,900+
Units Renovated since acquisition

34%
Increase in NOI since acquisition

CASE STUDY: OUR RENOVATIONS



CASE STUDY: OUR RENOVATIONS



MARKET OVERVIEW: GRAND RAPIDS, MI

STRONG POPULATION & ECONOMIC GROWTH

- 1M+ residents in the MSA; 9% population growth (2010–2020)
- Median household income: \$80,296 (+13% since 2013)

DIVERSIFIED & RESILIENT ECONOMY

- Major sectors: healthcare, manufacturing, logistics, tech, professional services
- 20+ universities supporting talent pipeline
- Median age 36.6, among the youngest Midwest metros

EXPANDING TECHNOLOGY SECTOR

- 5,600+ tech jobs added since 2021
- ~\$100M venture funding since 2024
- Growth driven by manufacturing innovation & health sciences

MAJOR INVESTMENT & DEVELOPMENT

- \$127M Acrisure Amphitheater anchoring downtown redevelopment
- Grand Action 2.0 revitalizing 30+ acres along the Grand River
- MSU Innovation Park and continued Medical Mile expansion

#1 CITY ON THE RISE
LinkedIn News (2025)

#2 TOP MANUFACTURING HUB
Business Facilities (2025)

#16 BEST PLACES TO LIVE
U.S. News & World Report

TOP EMERGING TECH MARKET
CBRE

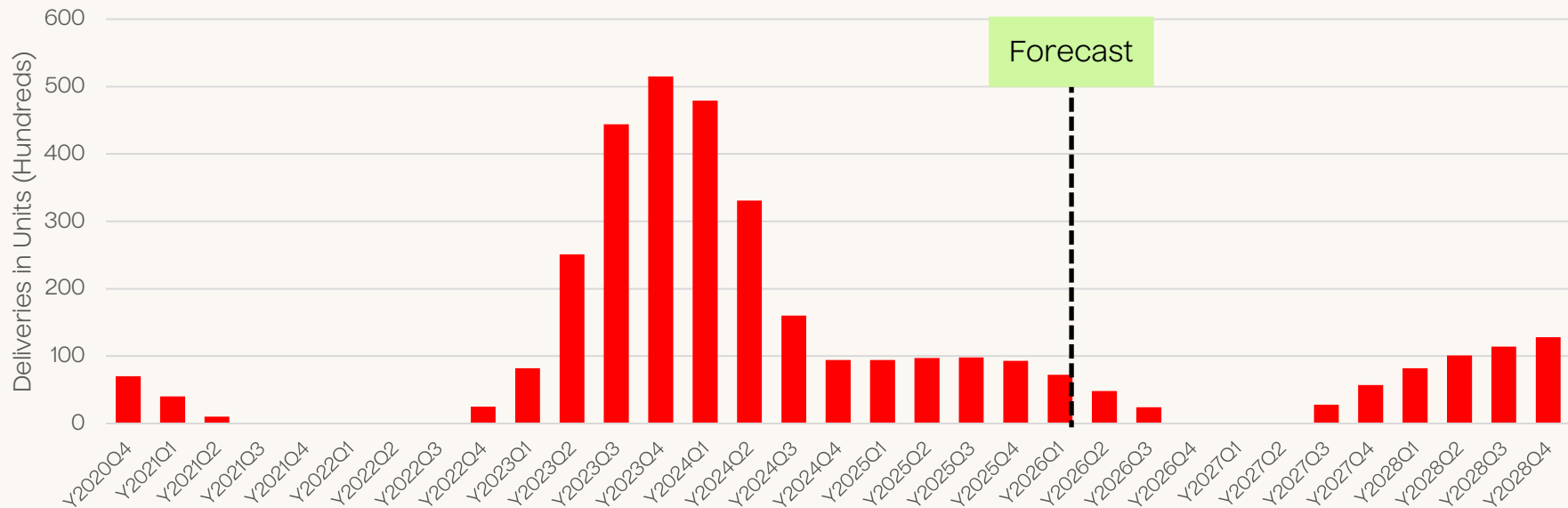
#22 BEST RUN CITY IN AMERICA
WalletHub (2025)

NEW SUPPLY

Grand Rapids is the second-largest multifamily market in Michigan behind Detroit, with approximately 54,500 units. Supply growth has remained measured relative to larger metros, with new deliveries largely absorbed by steady population and job growth.

- Since 2015, inventory has grown 34% with vacancy averaging 4%–7%, indicating durable demand and a generally undersupplied market.
- Over the past 12 months, 1,200 units were delivered compared to 1,400 units of net absorption.
- Currently, only 1,400 units (2.5% of inventory) are under construction across the market, suggesting limited near-term supply pressure.
- Only one new construction deal is near Hidden Lakes, with a large unit count devoted to affordable housing.

SUBMARKET: KENTWOOD/SOUTH GRAND RAPIDS ANNUAL SUPPLY



RENT VS. OWN

HIDDEN LAKES AVERAGE RENTS ARE \$1,501.
IT IS AN ESTIMATED 45%, OR \$674, MORE
PER MONTH TO OWN A HOME VERSUS RENT.

Submarket Median HHI: **\$72,000**

Average Home Nearby: **\$327,500**

Estimated Monthly Burden: **\$2,175**

6.5% Interest Rate, Taxes and Insurance

Elevated interest rates, declining purchasing power and soaring home values make renting a more affordable housing option than home ownership.



LIGHTSTONE'S MULTIFAMILY EDGE

WHERE DISCIPLINE DRIVES
PERFORMANCE



LIGHTSTONE'S ADVANTAGES

SCALE

- 25,000+ multifamily units owned across the U.S.
- One of the largest, privately held multifamily owner-operators in the U.S.
- Concentrated presence in Tier 2 MSAs for scale and expertise
- Clustered portfolios create operating scale and efficiencies

EXPERIENCE

- 40+ year investment track record in workforce housing
- Extensive experience renovating thousands of units
- Deep understanding of Class B operating economics
- Proven execution through multiple market cycles

ADVANTAGE

- Proprietary rent, expense, and CapEx data on our 25,000+ units
- Cluster acquisitions informed by real-time market intelligence
- Discretionary capital enabling quick closings and deal control
- Vertically integrated platform spanning acquisitions, asset management, and management



IN-HOUSE MANAGEMENT

Beacon Management, a subsidiary of Lightstone, is based in Southfield, Michigan (suburban Detroit, MI)

Beacon directly manages nearly 14,000 multifamily units (of Lightstone's 25,000-unit portfolio) across 110 properties located primarily in the eastern portion of the United States, including luxury rentals, Class B, and affordable/subsidized housing.

Beacon provides comprehensive property management services and oversees execution of Lightstone's value-add renovation strategies and capital improvement plans throughout the portfolio.



National Presence:

- Deep relationships with contractors and vendors to execute business plans.
- Below market costs on expenses
- Leasing and marketing expertise
- Economies of scale
- Rigorous due diligence

Robust, Experienced Team:

- Headquarters in Michigan
- Capital projects oversight
- In-house market analysis for data driven decisions
- Regional and property level management for value-add renovation strategies
- Business plan execution at expedited rate

LIGHTSTONE'S 10,000+ UNIT MICHIGAN PORTFOLIO

MULTI-DECADE OPERATING PLATFORM

- 10,000+ multifamily units owned and self-managed in Michigan
- Portfolio assembled through decades of disciplined acquisitions
- Significant concentration in Class B workforce housing
- Fully vertically integrated operating platform
- Proprietary real-time operating data across the portfolio

DATA-DRIVEN MARKET INTELLIGENCE

- Michigan portfolio serves as a live operating dataset for Class B housing economics
- Submarket rent elasticity and affordability thresholds
- Migration and employment-driven demand trends
- Real-time delinquency and collections performance
- Renovation ROI across thousands of units
- Institutional-scale expense benchmarking

VERTICALLY INTEGRATED OPERATIONS

- Direct control of leasing, maintenance, renovations, and capital planning
- Institutional asset management oversight
- Hundreds of in-house operating personnel
- Real-time visibility into rent growth, occupancy, bad debt, payroll, and expenses

CAPITAL EXPENDITURE EXECUTION

- Dedicated Head of Capital Expenditures
- Longstanding contractor and vendor relationships
- Volume purchasing power across renovations
- Accelerated renovation and project timelines
- Renovation scope optimized through ROI analytics

CLASS B INVESTMENT THESIS

STRUCTURAL UNDERSUPPLY

Little Class B is being built, creating room for rent growth and built-in downside protection.

HEALTHY DISCOUNT TO REPLACEMENT COST

New development requires significantly higher rents, limiting future competition and supporting long-term value.

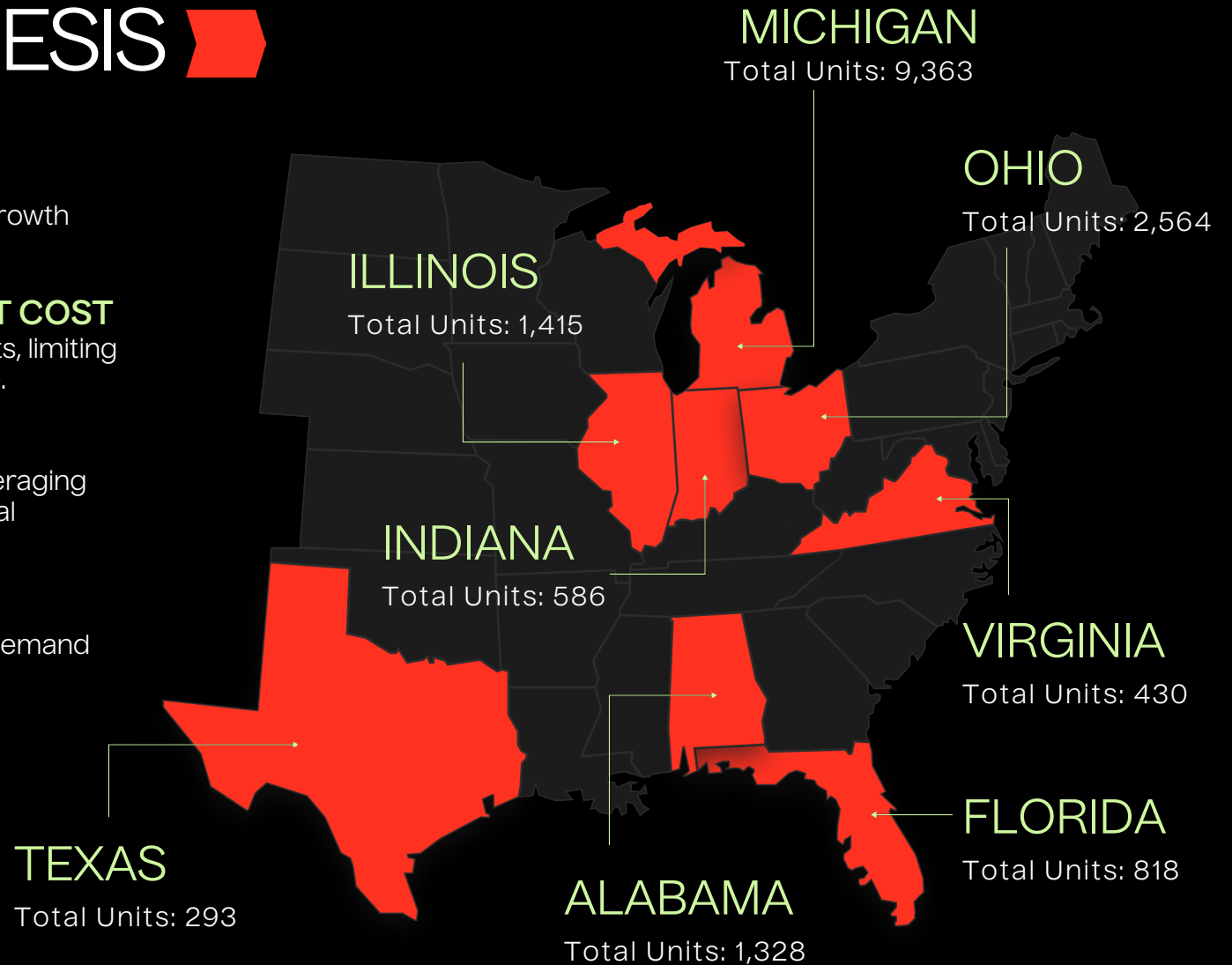
VALUE ADD POTENTIAL

Target assets with rent and operational upside, leveraging portfolio insights to underwrite expenses and capital improvements with precision.

BETTER RISK-ADJUSTED RETURNS

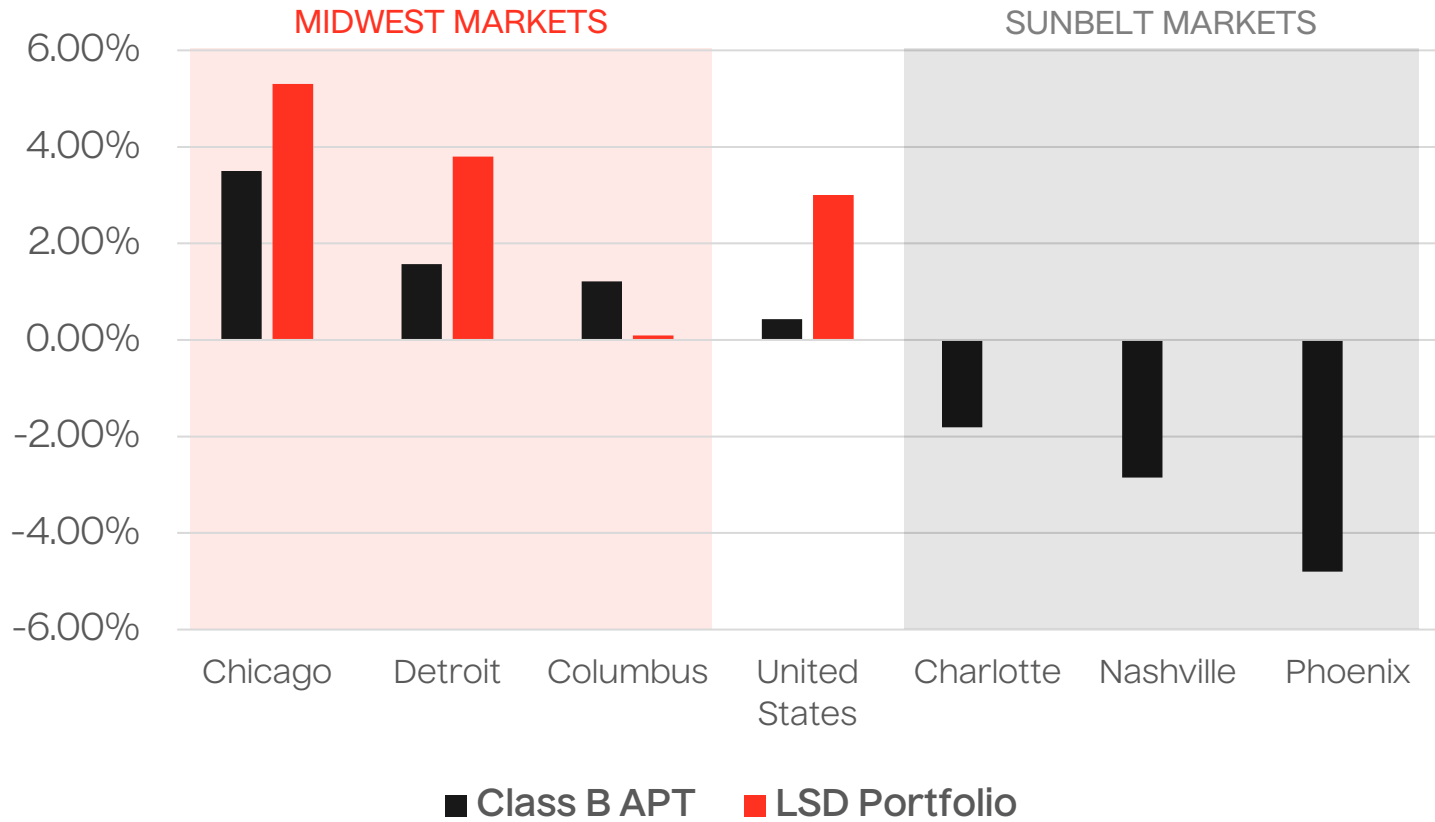
Durable cash flow, limited new supply, and steady demand support performance across market cycles.

LIGHTSTONE'S ACQUISITION ACTIVITY SINCE 2017



LIGHTSTONE'S MULTIFAMILY PERFORMANCE

YOY EFFECTIVE RENT CHANGE BY MARKET (Q3 2025)



93%

Average occupancy across our multifamily portfolio

2.9%

Average year-over-year rent growth across our multifamily portfolio

PREMIUM MARKETS, OR ASSETS, MAY NOT DELIVER PREMIUM INCOME

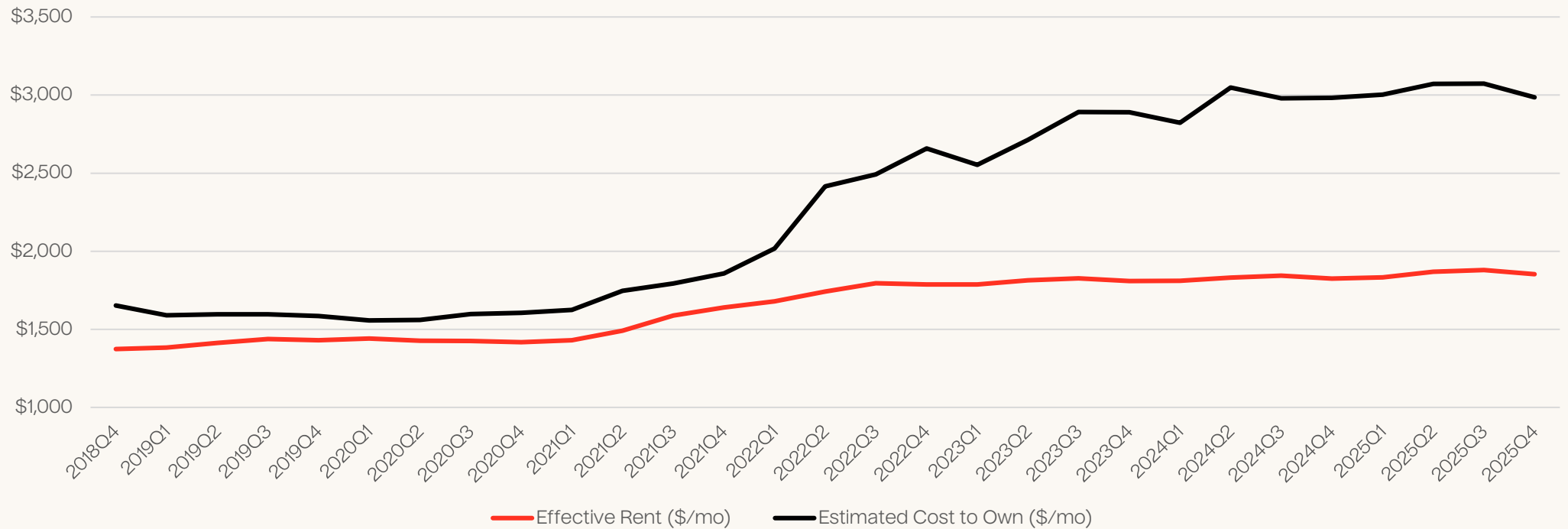
	Sunbelt Markets or Class A Assets	Lightstone's Tier 2 Markets or Class B
<u>Base Case Acquisition</u>		
Cap Rate	4.75%	5.75%
Imputed Leverage (5.0% Interest Rate)	58%	71%
Imputed Cash on Cash - Interest Only Loan	4.4%	7.6%
<u>Recession Shock</u>		
NOI Decrease	10.0%	10.0%
Adjusted Cash on Cash	3.3%	5.6%
Lost Cash on Cash (Nominal %)	-1.1%	-2.0%
<u>Outperformance</u>		
NOI Increase	10.0%	10.0%
Adjusted Cash on Cash	5.5%	9.5%
Increased Cash on Cash (Nominal %)	1.1%	2.0%

- On a base, recessionary and outperformance scenarios, Sunbelt MSAs or Class A assets cannot beat the durable Cash on Cash yields in Lightstone's Tier 2 MSAs, or Class B Assets.
- Wider yields in Tier 2 MSAs, or Class B Assets allow for higher leverage and Cash on Cash.
- Strong yields protect downside scenarios.
- Lenders are generally agnostic on rate pricing between Tier 1 and Tier 2 MSAs.
- Possible higher cash-out refinances, returning more equity through Agency arbitrage and magnified post-refinance CoC.

HOUSING REMAINS UNAFFORDABLE

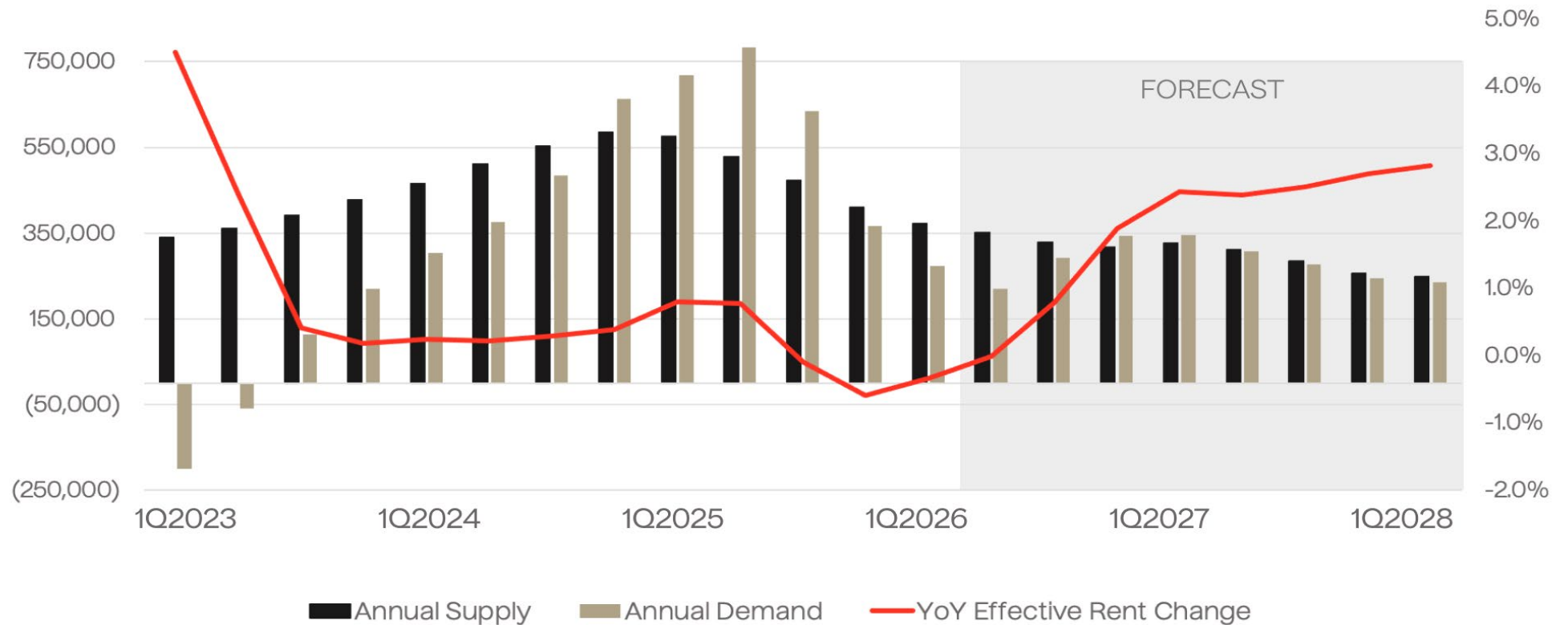
- Many Americans can no longer afford to buy, and there’s a severe shortage of affordable housing. As a result, more people are being forced to rent rather than own, expanding the “renter-by-necessity” population.
- In 2025Q4, the estimated monthly cost to own was \$2,986 versus \$1,854 to rent, a gap of \$1,132 per month. The widest gap in the overlap period was \$1,216 in 2024Q2.

COST OF HOMEOWNERSHIP VS. COST OF RENTING



APARTMENT DEMAND IS GROWING ▶

- As of Q2 2025, annual rental demand hit a record 795,000 absorbed units over the prior 12 months, exceeding the post-COVID surge of 2021–2022 and highlighting the durability of renter demand despite elevated new supply.
- Meanwhile, annual deliveries peaked at roughly 585,000 units in mid-2024 and are projected to fall to about 248,000 by 2028 as tighter financing conditions continue to thin the pipeline. With demand expected to meet or exceed supply, the forces that suppressed rent growth over the past two years are starting to reverse, with effective rent growth projected to recover to roughly 2.5% to 3.0% annually by 2027–2028.



ABOUT LIGHTSTONE

LIGHTSTONE LEADERSHIP

EXECUTIVE LEADERSHIP



David Lichtenstein | Founder, Chairman and CEO

David Lichtenstein is Chairman and CEO of Lightstone, which he founded in 1988. In addition to chairing the Board of Directors, he provides strategic oversight for all aspects of the acquisition, financing, and management of the Company's diverse portfolio of multifamily, hospitality, industrial and commercial properties. Mr. Lichtenstein serves on the Board of Governors of the Real Estate Board of New York, and is a Member of both The Economic Club of New York and the Real Estate Roundtable. He is a Trustee of The Touro College and University System and sits on the Board Supervisory Committee for The New York Medical College. Mr. Lichtenstein previously served on the NYC Economic Development Corporation's Board of Directors, appointed by New York City Mayor Bill de Blasio. He was also Co-Chair of the Real Estate Roundtable's Real Estate Capital Policy Advisory Committee and a Trustee of the Citizens Budget Commission. He was formerly a member of the Brookings Institution's Economic Studies Council.



Mitchell C. Hochberg | President

Mitchell C. Hochberg is President of Lightstone. He has more than 30 years of experience in every facet of real estate development and operations, including the residential, hospitality, commercial, gaming, and mixed-use sectors. He founded and for 20 years served as the President and Chief Executive Officer of Spectrum Communities, a premier residential developer in the northeastern United States. Thereafter, he served as President and Chief Operating Officer of Ian Schrager Company, a developer and manager of innovative luxury hotels and residential projects in the United States. For 10 years until its sale to LVMH in 2019, Mr. Hochberg served on the Board of Directors of Belmond (NYSE: BEL; formerly Orient-Express Hotels Ltd.), as Chairman of the Investment Committee, and member of the Audit and Nominating and Governance Committees. Mr. Hochberg serves as First Vice Chair of WMC Health, having recently completed a six-year term as Chairman of the Board of Directors. WMC Health is a \$2.2 billion, 9 hospital, regional healthcare network including trauma centers, community hospitals, and the region's only children's hospital, spanning 6,200 square miles with a workforce of 13,000 people. Mr. Hochberg is an Attorney at Law and a Certified Public Accountant. He received his law degree as a Harlan Fiske Stone Scholar from Columbia University School of Law. He graduated magna cum laude from New York University College of Business and Public Administration with a Bachelor of Science degree in accounting and finance.

LIGHTSTONE LEADERSHIP

■ NATIONAL MULTIFAMILY PLATFORM LEADERSHIP



Greg Fink | Managing Director, Multifamily Investments

Greg Fink is the Chief Investment Officer of Lightstone DIRECT and the Managing Director of Acquisitions at Lightstone. Under Lightstone DIRECT, Greg manages day-to-day operations, provides strategic oversight for all investments, and leads DIRECT's long-term growth trajectory. At Lightstone, Greg is also the Managing Director of Acquisitions, where he leads Lightstone's multifamily investments nationwide. He joined Lightstone in 2015 and has closed over \$3.0BN worth of multifamily acquisitions and dispositions across 16,000 units nationwide. He oversees all aspects of a transaction from strategy, sourcing, structuring, financing, and closing. Mr. Fink graduated from New York University with a B.S. in Communications and a M.S. in Real Estate Finance.



Ariel Feldhamer | Senior Vice President, Multifamily Asset Management

Ariel Feldhamer is Senior Vice President of Asset Management and Investments for Lightstone, and President of Beacon Management, the property management subsidiary of Lightstone. Mr. Feldhamer is responsible for the operations and asset management of more than 25,000 multifamily units, valued in excess of \$3 billion, including oversight of all facets of property operations, capital allocations, and development and execution of ownership strategy for the portfolio. Additionally, Mr. Feldhamer plays a lead role in the acquisition, disposition, and financing of multifamily assets for Lightstone and has been instrumental in completing over \$4 billion in transactions since joining the company in 2005. Mr. Feldhamer holds both a Bachelor's degree and a Master's degree from Beth Medrash Govoha.

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ENDNOTES

1. "Lightstone Group" refers to The Lightstone Group LLC and other entities affiliated with or controlled by Mr. David Lichtenstein used in the conduct of his real estate business.
2. The Historical Net IRR was calculated by using the XIRR function in Microsoft Excel, which measures the annualized internal rate of return based on timing of monthly cash flows, from selected real estate investments made by Lightstone in multifamily, industrial, and other commercial properties. In determining the Historical Net IRR, the selected real estate investments were assumed to have been made simultaneously in a common Year 0, and the cash flow from the selected real estate investments was aggregated each year thereafter until each deal was liquidated. Each investment was assumed to be made through Lightstone Direct, with all fees and carried interests deducted from cash flows, except for deals before 2025, where the capital expenditure fee was excluded. The Historical Net IRR excludes (i) all taxes and (ii) returns from one deal that Lightstone considers an outlier. This calculation assumed that 100% of the capital was invested by Lightstone Direct, rather than the targeted 80%, and had an average holding period of 4.7 years.
3. The Historical Net Equity Multiple was calculated by dividing the total cash distributions from selected real estate investments made by Lightstone in multifamily, industrial, and other commercial properties by the total capital invested in these real estate projects. In determining the Historical Net Equity Multiple, the selected real estate investments were assumed to have been made simultaneously in a common Year 0, and the cash flow from the selected real estate investments was aggregated each year thereafter until each deal was liquidated. Each investment was assumed to be made through Lightstone Direct, with all fees and carried interests deducted from cash flows, except for deals before 2025, where the capital expenditure fee was excluded. The Historical Net Equity Multiple excludes (i) all taxes and (ii) returns from one deal that Lightstone considers an outlier. This calculation assumed that 100% of the capital was invested by Lightstone Direct, rather than the targeted 80%, and had an average holding period of 4.7 years.
4. Proforma Annual Cash on Cash Amount is a projected, pro forma estimate based on current projections made by Lightstone. It was calculated by dividing the projected annual pre-tax cash flow to be indirectly received by the Series from Hidden Lakes by the expected total cash to be indirectly invested by the Series in Hidden Lakes. This calculation excludes taxes but includes fees and carried interests payable by the Series or Series Investors. It also does not include potential proceeds from any sale, refinance, or appreciation of Hidden Lakes.
5. Proforma Going-In Yield – This amount is a projected, pro-forma estimate based on current projections made by Lightstone. It was calculated by dividing Hidden Lakes's projected net operating income in Year 1 by the total amount invested in Hidden Lakes at the Property level. This is calculated on the assumption of 100% ownership of Hidden Lakes and does not reflect the 80% that Series Investors will indirectly own.
6. Stable Year 4 Yield on Cost – This amount is a projected, pro-forma estimate based on current projections made by Lightstone. It was calculated by dividing Hidden Lakes's projected net operating income in Year 4 by the total amount invested in Hidden Lakes at the Property level. This is calculated on the assumption of 100% ownership of Hidden Lakes and does not reflect the 80% that Series Investors will indirectly own.
7. Proforma Net IRR – This amount is a projected, pro-forma estimate based on current projections made by Lightstone. It was calculated by using the XIRR function in Microsoft Excel, which measures the annualized internal rate of return based on the timing of monthly cash flows, with a projected holding period of 48 months. Proforma Net IRR calculation excludes taxes but includes fees and carried interests payable by the Series or Series Members.
8. Proforma Net Equity Multiple – This amount was calculated by dividing the total projected aggregate cash inflows received by the Series from its investment by the total expected aggregate capital invested by Series Members. Proforma Net Equity Multiple calculation excludes taxes but includes fees and carried interests payable by the Series or Series Members.
9. Proforma Net Profit – This amount is a projected, pro-forma estimate based on current projections made by Lightstone. It was calculated as the sum of all forecasted cash flows distributed to Series Investors net of the sum of all equity contributions, with a projected holding period of 48 months. Proforma Net Profit calculation excludes taxes but includes fees and carried interests payable by the Series or Series Members.
10. Proforma Net Average Annual Cash on Cash – This amount is a projected, pro forma estimate based on current projections made by Lightstone. It was calculated by dividing the projected annual pre-tax cash flow to be indirectly received by the Series from Hidden Lakes by the expected total cash to be indirectly invested by the Series in Hidden Lakes. This calculation excludes taxes but includes fees and carried interests payable by the Series or Series Members. It also does not include potential proceeds from any sale, refinance, or appreciation of Hidden Lakes.
11. The acquisition fee payable by a Series Member will be determined by multiplying the Purchase Price by the applicable rate, multiplied by a fraction, the numerator of which is the Series Member's Investment Amount, and the denominator is the total amount of the equity invested in the Target.
12. Exit Capitalization Rate - Lightstone is assuming a 5.75% Exit Capitalization Rate for the residual value of the investment using the forward twelve-month net operating income.
13. Rent Growth - Lightstone is assuming rent growth of 1.50%, 3.00%, 3.50% and 3.00% in each of the four years of the holding period. In the forward net operating income used for the exit value, Lightstone continues to assume 3.0% rent growth.
14. Vacancy - Lightstone is assuming vacancy of 6.20%, 5.50%, 5.50% and 5.50% in each of the four years of the holding period. In the forward net operating income used for the exit value, Lightstone continues to assume 5.50% vacancy.