



ACCREDITED INVESTOR GUIDE - 2025

PUT CAPITAL GAINS TO GOOD USE

Access powerful tax deferral and help underserved communities by investing in Qualified Opportunity Zones with Caliber.

CALIBER

STACK CAPITAL GAINS

Many investors who stayed in the market throughout 2023 enjoyed surprising returns.

A well-diversified portfolio of traditional securities would have yielded a total return of 12.8%.¹ Even if recession fears, rising interest rates, and concerns about inflation kept you out of the market altogether, cash earned 5.1% — the asset class's highest yield in a decade.²

ASSET CLASS PERFORMANCE - 2003

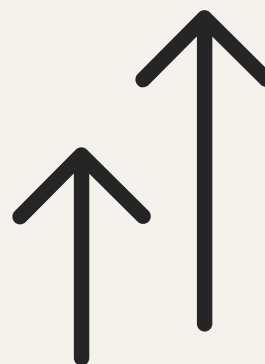
+26.3%
LARGE-CAP
STOCKS²

+11.51%
PRECIOUS
METALS³

+12.8%
DIVERSIFIED
PORTFOLIO²

+5.5%
HIGH GRADE
BONDS²

If you captured some or all of these gains – or exited a business, sold a rental or income property at a profit, and more – you may face a critical decision: pay as much as 20% capital gains tax, not including potential state tax, or take advantage of the powerful opportunity provided by Qualified Opportunity Zones (QOZ).⁴



GET OUR MOST RECENT INSIGHTS AND OFFERINGS

Caliber is more than a leading asset manager – we're building a community of like-minded investors interested in building generational wealth through private real estate. Click the link above to connect with our latest events, thoughts, and opportunities.

¹ Source: "Annual Asset Class Returns." Novel Investor. Retrieved 19 Mar 2024. "Well Diversified Portfolio" is 15% large-cap stocks (As defined as the S&P 500 Index), 15% international stocks (MSCI EAFE Index), 10% small cap stocks (Russell 200 Index), 10% emerging market stocks (MSCI Emerging Markets Index), 10% REITs (FTSE NAREIT All Equity Index), and 40% high-grade bonds (Bloomberg Barclays U.S. Agg Index). From 12/31/22 - 12/31/2023. Past performance does not guarantee future returns. | ² Source: "Annual Asset Class Returns." Novel Investor. Retrieved 19 Mar 2024. Cash is represented by the S&P U.S. Treasury Bill 0-3 Mth Index. From 12/31/22 - 12/31/2023. | ³ Source: S&P GSCI Precious Metals Index Factsheet. S&P Dow Jones Indices. 29 Feb 2024. | ⁴ Source: "Topic no. 409, Capital gains and losses." Internal Revenue Service. 30 Jan 2024.

DISCOVER A NEW AREA OF OPPORTUNITY

More than 8,500 U.S. communities have been designated as Opportunity Zones under the Tax Cuts and Jobs Act of 2017.⁵

Opportunity Zones generally suffer from a historical lack of investment and lag behind their area's income. New incentives to spur economic development and job creation in these distressed communities offer powerful benefits, including:

TAX DEFERRAL

Eligible capital gains reinvested in a qualified opportunity zone may be deferred for up to two years

STRONGER COMMUNITIES

Investments in Opportunity Zones support the revitalization of underserved communities across the country

TAX-FREE APPRECIATION

The earnings generated by capital gains you invest in an opportunity zone will not be taxed, assuming you hold the investment for at least 10 years – allowing significant earnings potential

A Qualified Opportunity Zone Fund (QOF) can help you achieve the tax benefits of Opportunity Zone investing while diversifying your portfolio and relieving you from managing the complex rules and regulations to ensure full compliance (and complete tax deferral). **This investors' guide will provide you important information on QOFs and how to invest in them.**

THE CLOCK IS TICKING

You can access these powerful tax benefits on short- or long-term capital gains – but timing plays a critical role in ensuring eligibility. Gains must usually be reinvested within 180 days of being realized to qualify for the program. Click the link above to see the current deadlines.

⁵Source: "Opportunity Zones." Internal Revenue Service. April 2022.

UNCOVER HIGH-QUALITY OPPORTUNITY ZONES

Qualified Opportunity Zones can be found in all 50 states, the District of Columbia, Puerto Rico, and five U.S. territories. Asset managers form Qualified Opportunity Zone Funds (QOFs) to help efficiently gather assets to invest in multiple communities and businesses. QOFs provide diversification benefits to investors and aim to create positive outcomes for more people.

QOFs can diversify your portfolio, and finding the right QOF manager can maximize your potential tax-free gains. QOFs are tested twice a year for multiple complex rules and regulations. Non-compliance can mean the forfeiture of all investor tax benefits.

Make sure your manager has the experience and expertise to manage your investment for the long-run.



LEARN MORE ABOUT CALIBER'S COMPETITIVE ADVANTAGE

We focus on business-friendly cities and regions with growing populations. Click the link above to find out more about our geographic focus.



CONSIDERATIONS IN QOF INVESTMENTS

DEMOGRAPHICS

A community's most powerful asset is its people. Communities attracting a highly skilled workforce offer good potential for revitalization.

PUBLIC TRANSIT

The economically vital communities of the future will be served by robust transit infrastructure, which makes a place more desirable to work, live, and play.

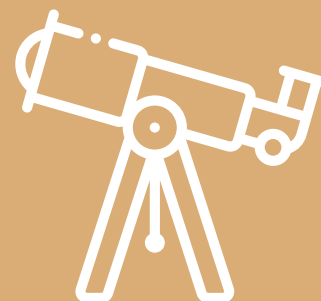
GROWTH POTENTIAL

Areas with growing populations have a growing need for dining, entertainment, health care facilities, and housing. Look for areas growing faster than the broader U.S.

COMMUNITY NEED

Every community is different. Intimate knowledge of a community will show who requires more affordable housing and where a place for people to unwind is a need.

FOCUS ON THE SOUTHWEST COMMUNITIES



The Greater Southwest encompasses a wide geographic area experiencing rapid population growth exceeding 15% in the past 13 years.⁶ These states also have high concentrations of college-educated and skilled workers in STEM disciplines.⁷ Dynamic populations and a business-friendly environment make the region a good investment opportunity.

THE GREATER SOUTHWEST LEADS THE WAY

STATE	POPULATION GROWTH ⁸	WORKFORCE QUALITY ⁹	BUSINESS ENVIRONMENT ¹⁰	EMPLOYMENT GROWTH ¹¹
ARIZONA	9th	3rd	5th	7th
COLORADO	6th	9th	13th	8th
IDAHO	2nd	20th	14th	4th
NEVADA	5th	11th	9th	1st
TEXAS	3rd	2nd	1st	9th
UTAH	1st	6th	10th	10th

Surging population growth and a business-friendly environment make the Greater Southwest a strong source of investment opportunities. This region is traditionally underserved by large investment funds headquartered on the coasts, which offers the potential for a rich pipeline of undervalued assets. **An experienced manager will know where to look.**



BUILDING CRITICAL PARTNERSHIPS

Caliber's unique structure allows our management team and investors greater insight and control into our assets. Click the link above to find out more about our vertically integrated approach.

⁶ Source: U.S. Census Bureau Population Estimates, July 2020. | ⁷ Science, Technology, Engineering, and Math. | ⁸ Source: U.S. Census Bureau Population Estimates, July 2020. | ⁹ Source: "America's Top States for Business 2023: The Full Rankings." CNBC. 11 Jul 2023. | ¹⁰ Source: Dale Buss. "Texas, Florida Top 2023 Best and Worst States for Business Survey." Chief Executive. 2023. | ¹¹ Source: U.S. Bureau of Labor Statistics. "State and Metro Area Employment, Hours, & Earnings." 22 Mar 2024.

ACCESS A POWERFUL ALTERNATIVE

As you accumulate more assets, you may find you need more options to meet your evolving financial goals, including investment in real estate. The average institutional investor (like pensions, insurance companies, and sovereign wealth funds) allocates more than 10% of their portfolio to real estate.¹² As an asset class, private real estate offers benefits including:

1 DIVERSIFICATION

Real estate has fairly low correlation to stocks, bonds, inflation, and the larger U.S. economy.¹³ Real estate holdings may be less subject to the fluctuations of the market and provide stability to your entire portfolio.

2 CASH FLOW

Many investment real estate assets will provide cash flow through rent. Rental income can then be reinvested into other projects to provide further growth, allowing assets to accumulate more rapidly.

3 APPRECIATION

Commercial, industrial, and multi-family real estate projects may be purchased at a discount, improved, and likely resold at a profit. Middle-market (\$5 million to \$50 million) assets are attractive because they tend to be overlooked by large funds.

PROVEN ASSET MANAGEMENT SUCCESS

Our project pipeline is rich with multi-family, commercial, and industrial real estate projects in opportunity zones across the Southwest. Click the link to see some of our past successes and future investments.

Funds with experienced management and a vertically integrated approach are uniquely positioned to capitalize on these middle market real estate opportunities. Managers can maximize investment performance by vertically integrating executive capacity in-house, efficiently controlling costs and returning the savings to investors.

¹² Source: "Institutional Real Estate Allocations Monitor." Cornell University Baker Program in Real Estate. Nov 2023. | ¹³ Source: Nicholas Reynolds. "Examination of Real Estate Correlation." Washington Trust Bank.

PUT YOUR CAPITAL GAINS TO GOOD USE

THE OPPORTUNITY ZONE

+17%

**GROWTH
IN MESA**

Mesa, Arizona grew more than 17% over the past decade. Today, 42.4% of the community's population has an associate degree or higher. Arizona ranks ninth in population growth and seventh in small-business friendliness.

The state also faces a shortage of 100,000 homes, two-thirds of which are single- or double-occupancy. A recently completed light rail line runs through the downtown area, connecting the historical district to Arizona State University and downtown Phoenix.

THE PROJECT

144

**LUXURY
APARTMENT
HOMES**

Second Avenue Commons broke ground on a rainy day in February 2022. The multi-family housing project provides 144 spacious one- and two-bedroom luxury apartment homes. Tenants enjoy the ultimate living experience – modern finishes, high-end stainless steel appliances, pool, wellness center, and clubhouse.

Second Avenue Commons not only builds community among its tenants, but also continues to revitalize the downtown area through critical housing capacity and economic activity

THE RESULT

\$74M

**TO LOCAL
ECONOMY**

Our investment in Second Avenue Commons is making a substantial impact in the community, delivering \$74 million to the local economy, contributing to the creation of 429 new jobs, and adding \$51.2 million in labor income through construction and operation.

↑↑ MAKING MEASURABLE IMPACT

Caliber's Opportunity Zone Funds have created powerful results across a number of projects. Click the link above to request the full impact report.

¹⁴Source: "Demographics." City of Mesa. 11 Oct 2023. | ¹⁵Source: "Fastest Growing States." World Population Review. 21 Mar 2024. Mary Girsh-Bock. "Top 10 Best States to Start Your Small Business in 2024. The Ascent. 5 Aug 2022. | ¹⁶Source: JTC Americas. Q3 2023 Impact Report. 30 Sept 2023.

UNLOCK POWERFUL TAX DEFERRAL

MEET



DAVID

If you recently realized capital gains on one or more of your investments, you can defer the capital gains taxes until the end of 2026. This opportunity is usually only available for the 180 days after your gain is realized and when you reinvest in a QOF.

The hypothetical example below shows the *potential* benefit of investing capital gains in a QOF zone inside this window.

SITUATION

David wants to maximize the value and minimize the tax on a \$500,000 capital gain he realized on December 31, 2023.

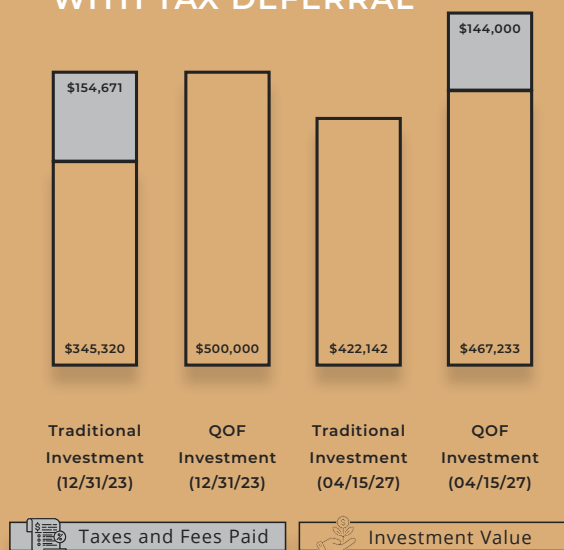
SOLUTION

He reinvested the \$500,000 in a QOF within the 180-day time limit and deferred state and federal capital gains taxes until the end of 2026.

RESULT

Because David re-allocated his capital gains to a QOF fund, he avoided high fees and commission and deferred the capital gains tax until 2027. During this time he earned interest. When he paid taxes on the capital gains he realized in 2023, he had 10.7% more money than he would have if he'd paid tax immediately.

KEEP MORE GAINS WITH TAX DEFERRAL



HYPOTHETICAL ASSUMPTIONS:

\$500,000 initial investment, 28.3% federal tax rate, 5% state tax rate, 3% upfront load fees (traditional investment only), 8% fixed annual rate of return for both investments. This hypothetical example is provided for informational purposes only. Please consult with your tax attorney or accountant to determine whether the same tax advantages would apply to you and whether the assumptions herein are realistic for a particular

ELIMINATE DOUBLE TAX ON YOUR CAPITAL GAINS

One of the most powerful and unique benefits of QOF investing is the elimination of capital gains taxes. If you hold your QOF investment for at least 10 years, you'll pay zero tax on any appreciation. The income the fund generates can be reinvested, and you generate tax-free gains on your tax-free gains. **The example below shows the *potential* benefits.**

AFTER 10 YEARS

RESULT

David's capital gains continued to grow over the next 10 years, at which point he had the opportunity to cash out his investment. The gains in his QOF investment came tax-free.

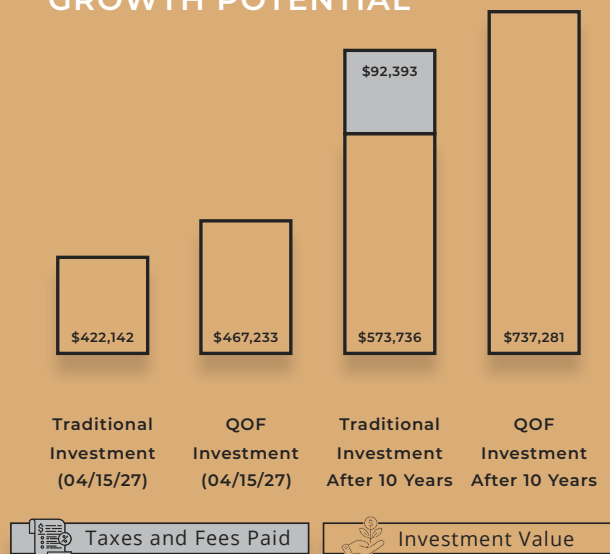
If David had reinvested his original capital gains, he would have paid an additional \$92,393 in taxes after 10 years.

By investing in a QOF, David paid zero capital gains taxes and earned 28.5% more return.

HYPOTHETICAL ASSUMPTIONS:

\$500,000 initial investment, 28.3% federal tax rate, 5% state tax rate, 3% upfront load fees (traditional investment only), 8% fixed annual rate of return for both investments. This hypothetical example is provided for informational purposes only. Please consult with your tax attorney or accountant to determine whether the same tax advantages would apply to you and whether the assumptions herein are realistic for a particular offering. Investments in private placements can lose value, including principal, are illiquid, and are speculative.

BENEFIT FROM TAX-FREE GROWTH POTENTIAL



EXPLORE YOUR OWN SCENARIO NOW

Everyone's situation is different. Click the link above to access our exclusive benefits calculator and find out how Caliber's QOF can work for you.



PUT TIME ON YOUR SIDE

Once you realize a capital gain, you usually have 180 days to roll over those gains into a QOF and take advantage of the unique tax benefits available. You can defer both short- and long-term capital gains tax (and eliminate all the tax on the growth) – as long as you invest the capital gains within this window.

Below, we provide some key dates to invest capital gains in 2025, based on when the gains are realized.

CAPITAL GAINS DEADLINES

For QOF Investments in QOF Investments

INDIVIDUALS

Individuals recognizing a capital gain (such as profits from selling stocks, cryptocurrencies, rental property, or a business) have 180 days from the capital gain event. For example, gains realized on **December 31, 2024** are eligible to invest until **June 28, 2025**.

PARTNERSHIPS OR S-CORPORATIONS

Gains realized during the year must be reinvested within 180 days of the capital gain event. For example, gains realized on **December 31, 2024** are eligible to invest until **June 28, 2025**. If gains are realized on a return with a due date of **March 15, 2025**, gains may be reinvested until **September 11, 2025**.

TRUSTS

Gains realized during the year must be reinvested within 180 days of the capital gain event. For example, gains realized on **December 31, 2024** are eligible to invest until **June 28, 2025**. If gains are realized on a return with a due date of **April 15, 2025**, gains may be reinvested until **October 12, 2025**.

Under current law, new investments in this program will expire at the end of 2026. Investors must allocate capital gains to a QOF in 2026 or before to benefit from the elimination of capital gains on funds invested for 10 years or more.

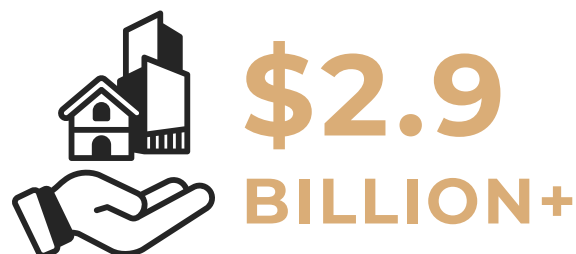
MEET A UNIQUELY QUALIFIED MANAGER



With more than \$2.9 billion of managed assets, including estimated costs to complete assets under development, Caliber's 15-year track record of managing and developing real estate is built on a singular goal: make money in all market conditions. Our growth is fueled by our performance and our competitive advantage: we invest in projects, strategies, and geographies that global real estate institutions typically do not. Integral to our competitive advantage is our in-house shared services group, which offers Caliber greater control over our real estate and visibility to future investment opportunities. There are multiple ways to participate in Caliber's success: invest in Nasdaq-listed [CaliberCos Inc.](https://www.caliberco.com) and/or invest directly in our [Private Funds](#).

CONTACT US

Ready to learn more?
Check out [caliberco.com](https://www.caliberco.com) today
or call us at 480-295-7600



**ASSETS UNDER MANAGEMENT &
ASSETS UNDER DEVELOPMENT**

**\$667
MILLION+
EQUITY RAISED**



**PROVEN PERFORMANCE
ACROSS MARKET CYCLES**

IMPORTANT INVESTOR CONSIDERATIONS

There are numerous risk factors when it comes to investing in an opportunity zone because these funds are speculative, not easily converted to cash, and like any investment, include the risk of loss, including the entire investment. Additional risk factors you should consider include interest rate changes, tax rate changes, societal conditions affecting specific market locations, financing options availability, and changes to rules and regulations by the IRS and Treasury Department that may affect the impact of your investments in unforeseen ways.