

# EXECUTIVE SUMMARY



Passco Riverside DST | 1181 Manhattan Boulevard | Dayton, KY 41074

## THE PROPERTY

- 265-unit apartment community on approximately 11.68 acres, offering 1-, 2-, and 3-bedroom apartment units. It consists of four residential buildings, five garage buildings, one maintenance garage/car wash building.
- Unit amenities include eat-in island kitchens with pendant lighting, quartz countertops in kitchens, 42-inch custom cabinetry, stainless steel appliance package, subway tile kitchen backsplash, gooseneck kitchen faucet, granite vanity tops, vanities with double sinks, garden-style bathtubs, stand-alone showers, linen cabinets, designer plank flooring, 2-inch blinds, ceiling fan in living room, oversized closets, in-home washer and dryer, and patios/balconies.
- Community amenities include a rooftop covered terrace with TV and dining, club-quality fitness center with yoga studio and outdoor fitness deck, two bark parks with agility courses, co-working space with business center, saltwater pool with sun shelf and night lighting, EV charging stations and a community recycling program, premium coffee and tea bar, fire pit with seating, controlled access buildings, self-service pet spa, bike storage and repair station, car care center, two summer kitchens with outdoor seating, community zen garden with meditation space.

## INVESTMENT OPPORTUNITY

- Cincinnati is among the top markets in the country for rent growth, as modest construction activity during the pandemic and balanced population growth compared to other regions in the country helped maintain healthy rent growth over recent quarters.
- Cincinnati ranks among the top 10 major apartment markets in the United States for rent growth which includes Pittsburgh and St. Louis.
- The market's limited construction activity will likely continue to support solid rent growth over the near term. Deliveries are slated to see a notable pullback in 2026, supporting a stabilization in the vacancy rate.
- Between 2026-2030, Moody's estimates the local economy to lead the U.S. in employment growth and personal income growth, on average, by 0.11% and 0.17%, respectively.
- The Property is within commuting distance of the area's largest employers (CVG, DHL International Hub, Amazon Air Hub, Cincinnati Children's Hospital Medical Center, and Good Samaritan Hospital).

This material does not constitute an offer and is authorized for use only when accompanied or preceded by a definitive confidential private placement memorandum. Reference is made to the memorandum for a statement of risks and terms of the offering. The information set forth herein is qualified in its entirety by the memorandum. All potential investors must read the memorandum and no person may invest without acknowledging receipt and complete review of the memorandum.

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## BUSINESS PLAN

The following is a summary of the Master Tenant's intended business plan for the operation of the Property. The Trust may be responsible for paying for some of these items.

### Operating & Marketing Strategy

The strategy is to use Velo Riverside (the "Property") extensive amenities, unit finishes, and access to major arteries to achieve and maintain market occupancy, increase rental rates based on market dynamics, increase ancillary revenue opportunities, and monitor/control expenses and reserves to maximize investment performance. The Master Tenant will develop a marketing strategy to attract employees from nearby, high-paying employers.

As a condition of entering the Master Lease, the Master Tenant required that the following amenities be added, and changes are made, to the Property to help attract prospective residents:

- Enhance landscaping, including installation of river rock
- Addition of pergolas over two grill stations
- Dog park refresh, including shade sails and seating area
- Additions to recreational amenities, including concrete ping pong and cornhole boards
- Install 10 private yards to increase premium unit offerings
- Pressure wash breezeways and building exteriors
- Pool furniture refresh
- Fitness center refresh, including additional equipment and free weights
- Maintenance golf cart (2)
- Leasing office refresh, including installation of energy-efficient window tint to reduce heat gain and lower electric bills

### Major capital projects planned during the hold period will include:

- Exterior paint project
- Parking lot seal and stripe
- Pool & pool deck resurface
- Full breezeway replacement
- Hallway and common area paint project

### Maximize Performance

- Enhance the Property's website and internet marketing by engaging an internet firm specializing in website design and search engine optimization. The Master Tenant will design and develop a new website for the Project and commission the production of community-tailored internet search advertising campaigns.
- Implement an aggressive Property marketing campaign to reach out to local corporations, businesses, and vendors to obtain referrals, activity sponsorships, and reciprocal business opportunities.
- Introduce and monitor increases in other income items to maximize recovery of Property utility fees, trash removal fees, and parking fees where possible.

- Introduce and monitor increases in Property fees such as administrative fees, application fees, transfer fees, pest control fees, valet trash fees, pet deposits, and pet fees when and where possible.
- Implement Passco's Pricing Model. The Passco Pricing Model is a platform designed to optimize rental pricing, occupancy, and overall financial performance. By leveraging real-time market intelligence and internal performance metrics, this model provides dynamic, accurate, and strategically aligned pricing recommendations. The result is enhanced revenue optimization, improved operational consistency, and a more disciplined approach to both new lease and renewal pricing.
- Implement CORE (Central Operation & Resource Efficiency). CORE is a strategic initiative designed to streamline operations, maximize resources, and improve service quality. By centralizing key administrative and operational tasks previously handled at the site level, CORE enables greater efficiency, uniformity, and support for on-site teams.

### Improve New Lease Closings & Resident Retention

- Hire Arlington Properties, an experienced third-party property management company, to oversee an on-site Property management team of experienced and enthusiastic professionals.
- Install a lease management system for the Property that targets the number of monthly lease expirations to match the seasonality of the submarket.
- Install a reputation management system that enhances the Property's online rating scores on industry rating sites, as well as multiple search engine rating sites. In today's technology-driven market, a project's online rating scores are critical search components for prospective residents.
- Conduct regular meetings between the Master Tenant's investment manager(s) and the regional third-party management company's staff for the purpose of reviewing property performance reports including, but not limited to, new leasing activity, retention activity, pricing, marketing programs, and capital projects.
- Hold regular property resident functions to foster a sense of community and thereby increase tenant retention.

### Implement Asset Management Programs

- Leverage an "economy of scale" cost-effective pricing structure on Property insurance, contractor and vendor services, and maintenance supply inventory.
- Perform annual competitive bidding of service and maintenance contracts for the Property.
- Implement an annual property tax review and tax appeal program for the Property utilizing recognized national and/or local area tax consultants.
- Implement an annual property insurance review for the Property utilizing recognized national insurance agencies.

## PASSCO RIVERSIDE DST



### THE MARKET

With an estimated population size of approximately 2,302,815 (2024), the Cincinnati, OH-KY-IN MSA is the 30th largest metro in the United States by population size, according to the U.S. Census Bureau. The MSA is the 29th largest metro in the United States by economic Gross Domestic Product ("GDP"), generating approximately \$198.88 billion in GDP (2023), according to the Bureau of Economic Analysis. According to Site Selection Magazine 2024 Global Groundwork Index Rankings, which evaluates corporate facility investment, job growth, and infrastructure investment, the MSA ranked 4th in the nation.

Located at the intersection of two rivers, three major interstate highways, two Class I railways, two active Foreign Trade Zones, and one international airport, the MSA is within a day's drive of half the United States, according to the Regional Economic Development Initiative Cincinnati. The Port moves an estimated 48 million tons of goods, ranking it 15th among all U.S. ports and 2nd among U.S. inland ports.

Logistic companies, such as DHL and Amazon, have a presence in the Cincinnati, OH-KY-IN MSA. DHL Cincinnati/Northern Kentucky Airport (CVG), DHL's main international hub in the United States, handles 80% of all DHL's shipments from the Americas at this location and is located within a 3-hour flight time of 85% of the United States population. Amazon Air Hub, an 800,000-square-foot air cargo network facility located at the CVG, houses 2,000 Amazon employees and represents an estimated \$1.5 billion investment by Amazon to the region. There are five Fortune 500 companies within the MSA, reflecting the largest concentration of Fortune 500 companies in any city within Ohio.

The Aerospace Industry is experiencing a growing presence in the MSA. According to REDI Cincinnati, the aerospace industry generates \$4.95B in Gross Regional Product (GRP) annually, employs 18,215 personnel, and experienced 2.4% annual job growth between 2019 and 2020. Notable aerospace company expansions include GE Aerospace, the 9th largest employer in the MSA (Moody's), who is investing an estimated \$133 million in the greater Cincinnati region on facility upgrades and additional equipment for several sites in the area that produce, test, and assemble many of the company's commercial and military engines, according to a GE corporate news release (Q1 2025).

Several expansions will provide economic support to the region. In Q4 2024, DHL announced plans for a \$292 million expansion

project at the DHL Cincinnati/Northern Kentucky Airport (CVG) hub, which is expected to create upwards of 300 full-time new jobs and will be fully operational by 2026 (17 miles from the Project). In December 2023, Resilience, a biomanufacturing company, is expanding operations at the West Chester, Ohio facility it purchased from AstraZeneca in January 2023 and expects to create 440 new jobs over the next three years with an associate annual payroll burden upwards of \$29 million, according to the Resilience Press Release. Additionally, in Q1 2025, Resilience announced an expansion of its operations in the Blue Ash, Ohio 190,000 square foot facility that will add additional automated Device Assembly and Packaging capabilities for DP (Drug Product) filled at the West Chester, Ohio location. The anticipated job creation figures from the expansion at the Blue Ash, Ohio location will be around 200 jobs. As of Q2 2025, Medpace (12 miles from the Project), a drug and medical clinical trial company, has broken ground to build a new \$327 million tower on its current headquarter campus location in Madisonville. The company plans to add approximately 1,500 jobs, according to a Medpace corporate news release.

The education and healthcare sector is a prominent pillar of the Cincinnati, OH-KY-IN MSA's economy, constituting the largest concentration of total employment at 15.8%, according to Moody's. Amongst the top 20 largest employers in the MSA, 9 fall within the education and healthcare sector and employ in excess of 87,000 personnel. The combined estimated economic impact of the education and healthcare sector in the Cincinnati, OH-KY-IN MSA is upwards of \$47 billion.



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## THE SUBMARKET

The Property is within commuting distance of the area's largest employers. 17 miles north is the Cincinnati/Northern Kentucky International Airport (CVG). CVG generates a \$9.3 billion economic impact and supports more than 49,000 direct and indirect jobs. Within CVG, the DHL International Hub and Amazon Air Hub are found. DHL International Hub is the main international hub for DHL in the United States, and the facility is undergoing a \$292 million expansion expected to create 300 new full-time jobs. Amazon Air Hub is an 800,000-square-foot facility with over 2,000 employees, according to Amazon Corporate. 6 miles northwest is Cincinnati Children's Hospital Medical Center, a 717-bed pediatric acute care facility with over 1,900 active medical staff. Cincinnati Children's Hospital Medical Center is the largest employer in the Cincinnati, OH-KY-IN MSA, employing 19,568 personnel. 6 miles northwest is the University of Cincinnati, a 4-year public research university with an academic enrollment size of approximately 53,000 students. The University of Cincinnati is the 3rd largest employer in the Cincinnati, OH-KY-IN MSA, employing 11,470 personnel.

Three prominent Fortune 500 company headquarters are within proximity to the Property. 4.4 miles northwest is the Kroger Company Corporate Headquarters. Kroger Company is the 27th largest Fortune 500 company, and is the 8th largest employer in the Cincinnati, OH-KY-IN MSA, employing 9,000 personnel, according to Moody's. 4.1 miles west is the Procter & Gamble Global Headquarters, and is the 51st largest Fortune 500 company. Procter & Gamble is the 5th largest employer in the Cincinnati, OH-KY-IN MSA, employing 11,000 personnel, according to Moody's. 18 miles

north is GE Aerospace, the 118th largest Fortune 500 company, and is the 9th largest employer in the region employing 9,000 personnel.

According to Arlington, the Property Manager, the median annual household income is approximately \$97,656. In addition, approximately 53.30% of the units make over \$90,000.

### NEARBY EMPLOYERS CINCINNATI, OH-KY-IN MSA

Rank	Employer	Employees
1	Cincinnati Children's Hospital Medical Center	19,568
2	TriHealth Inc.	12,831
3	University of Cincinnati	11,470
4	St. Elizabeth Healthcare	11,147
5	Procter & Gamble Co.	11,000
6	UC Health	10,470
7	Mercy Health	10,000
8	Kroger Co.	9,000
9	GE Aerospace	9,000
10	The Christ Hospital Health Network	6,862

Source: Moody's Analytics, June 2025

# EXECUTIVE SUMMARY



## DEMOGRAPHICS

	Cincinnati, OH-KY-IN MSA	1-Mile Radius	3-Mile Radius	5-Mile Radius
2020 to 2025 Population Growth	1.80%	2.93%	0.41%	0.94%
2025 to 2030 Population Growth	2.71%	3.68%	1.47%	1.56%
2025 Estimated Population	2,290,416	7,522	115,921	282,643
Average Age	40.10	41.12	38.43	38.24
% of Age 25+ (Bachelor's Degree & Higher)	36.79%	43.66%	54.46%	49.03%
Prime Rental Age 18-34	22.62%	21.55%	32.07%	32.09%
Median Household Income	\$79,735	\$78,399	\$73,373	\$63,688
% of Households > \$100K Income	39.62%	38.85%	38.72%	32.78%
Median Home Value	\$286,797	\$314,503	\$375,700	\$302,758

Source: Claritas Analytics

## UNIT MIX

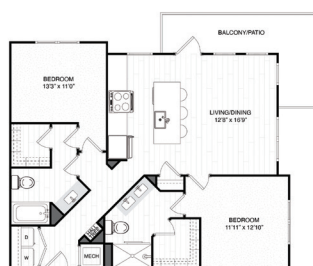
Unit Type	% / Units	Units	Total SF	SF / Unit*
Kenevo - 1BR/1BA	4.53%	12	8,604 SF	717 SF
Orro - 1BR/1BA	16.98%	45	34,020 SF	756 SF
Creo - 1BR/1BA	4.91%	13	9,945 SF	765 SF
Tarmac - 1BR/1BA	12.08%	32	25,824 SF	807 SF
Orbea - 1BR/1BA	0.75%	2	1,714 SF	857 SF
Cinella - 2BR/2BA	7.55%	20	21,360 SF	1,068 SF
Cervelo - 2BR/2BA	20.38%	54	58,752 SF	1,088 SF
Aethos - 2BR/2BA	14.72%	39	46,059 SF	1,181 SF
Pivot - 2BR/2BA	3.02%	8	10,248 SF	1,281 SF
Mondraker - 3BR/2BA	3.02%	8	11,800 SF	1,475 SF
Colnago - 3BR/2BA	12.07%	32	47,936 SF	1,498 SF
<b>Total/Average</b>	<b>100%</b>	<b>265</b>	<b>276,262</b>	<b>1,042 SF</b>

\*Total square footage divided by total number of units.

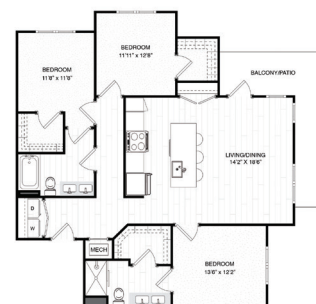
## FLOOR PLAN SAMPLES



**Tarmac**  
One Bedroom | One Bath



**Aethos**  
Two Bedroom | Two Bath



**Mondraker**  
Three Bedroom | Two Bath

## AMENITIES

### Unit Amenities

- Eat-in island kitchens with pendant lighting
- Quartz countertops in kitchens
- 42-inch custom cabinetry
- Stainless steel appliance package
- Subway tile kitchen backsplash
- Gooseneck kitchen faucet
- Granite vanity tops
- Vanities with double sinks\*
- Garden-style bathtubs
- Stand-alone showers
- Linen cabinets
- Designer plank flooring
- 2-inch blinds
- Ceiling fan in living room
- Oversized closets
- In-home washer and dryer
- Patios/balconies

\*Select units

## PASSCO RIVERSIDE DST



Property Website: [veloriversideapartments.com](http://veloriversideapartments.com)

### RISKS

There are substantial risks in this investment program. This Investment is speculative, is illiquid, and carries a high degree of risk – including the potential loss of the entire investment. See the “Risk Factors” in the accompanying Private Placement Memorandum for a complete discussion of the risks relevant to this offering. The Memorandum contains more complete information regarding the investment including the following risk factors:

- There will be no public market for the Interests.
- There is no specified time that the investment will be liquidated.
- Delaware Statutory Trusts are a relatively new vehicle for real estate investment and are inflexible vehicles to own real property.
- Investors will have no voting rights and will have no control over management of the Trust or the Property.
- There is no guarantee that investors will receive any return.
- Distributions may be derived from sources other than earnings.
- The Property will be subject to a Master Lease with an Affiliate of the Sponsor.
- The Property will be subject to the risks generally associated with the acquisition, ownership and operation of real estate including, without limitation, environmental concerns, competition, occupancy, easements and restrictions and other real estate related risks.
- The Property will be leveraged.
- The Manager, the Master Tenant and their Affiliates will receive substantial compensation in connection with the Offering and in connection with the ongoing management and operation of the Property.
- The Manager, the Trust, the Master Tenant and their Affiliates will be subject to certain conflicts of interest.
- An investment in the Interests involves certain tax risks.

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