



# INFIELD APARTMENTS

## PREFERRED EQUITY INVESTMENT | KISSIMMEE, FLORIDA

We have secured a preferred equity investment in Infield Apartments, a 384-unit multifamily development project sponsored by The Latigo Group, a privately-owned, Los Angeles-based residential, mixed-use real estate development and investment company focused on high quality ground up development and stabilized properties in strategic markets. Located in the Orlando submarket of Kissimmee, the project broke ground in 2021 and is currently over 75% complete and expected to deliver its first units in the first quarter of 2024<sup>1</sup>. Cottonwood's investment brings in fresh capital to help rebalance the project which has had construction budget increases for project enhancements, cost escalations, and interest reserve given the rising rate environment.

**AT A GLANCE\***

<b>Est. Total Development Cost:</b>	\$95.8 million
<b>Our Investment:</b>	Approximately \$11.4 million
<b>Investment Type:</b>	Preferred equity
<b>Term:</b>	Estimated to be 24 months (12 months following the completion of the project)
<b>Preferred Return<sup>2</sup>:</b>	16.75% (accrued, compounded monthly)

**MARKET HIGHLIGHTS**

<b>#1</b> Florida state highest net migration <sup>3</sup>	<b>433,100</b> private sector jobs added in Florida <sup>4</sup>	<b>#3</b> best place to find a job, Orlando <sup>5</sup>	<b>29%</b> population growth in Orlando over past decade <sup>6</sup>
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**High-end amenities include clubhouse w/a bar lounge, flexible work seating, a wellness room, lakefront resort-style pool w/ cabanas, state-of-the-art fitness center, yoga deck and dog spa**

**✓ NEW LUXURY, CLASS A ASSET**

**Located just 30 minutes from Downtown Orlando; prime access to major roadways including SR 417, the Turnpike, US 192, and W Osceola Parkway**

**✓ CONVENIENT ACCESS TO THE GREATER ORLANDO AREA**

**Walt Disney World, Universal Studios, quality shopping, dining, entertainment, and golf**

**✓ LIFESTYLE/ENTERTAINMENT VENUES**

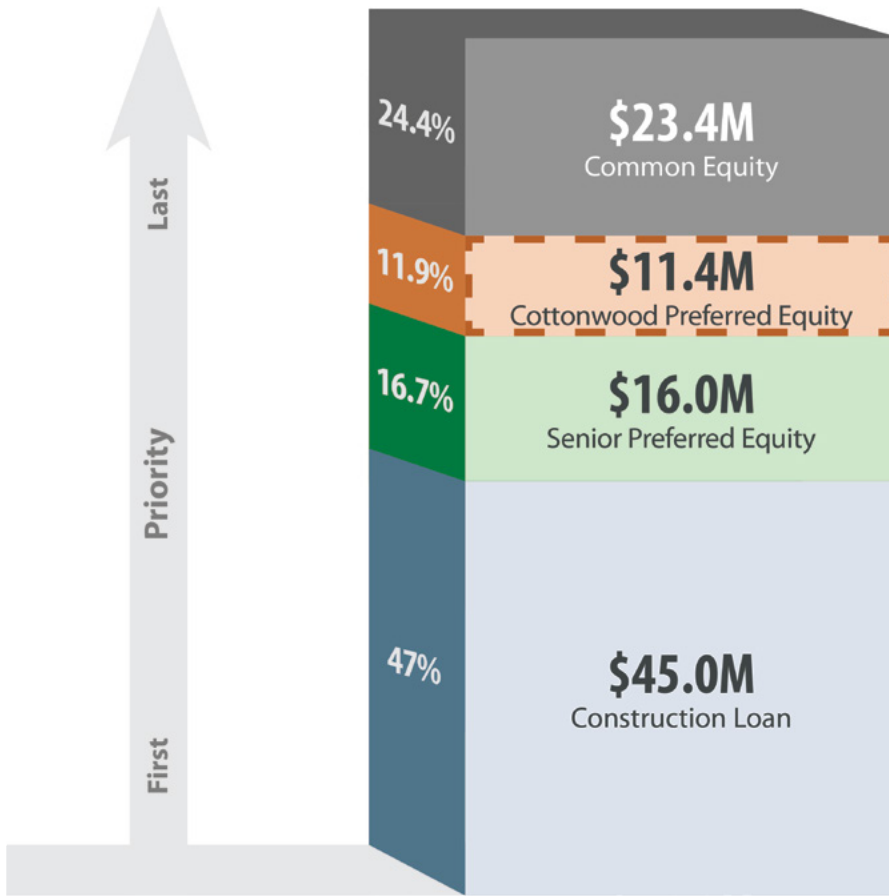
Photo above is for illustrative purposes only and represents a rendering of the project. Actual results could vary. Our investment is in a preferred equity investment on the development of the property. Although possible, it is not expected that we will acquire the developed property.

\* It should be noted that the information/metrics provided (including estimated total development cost and our investment) are as of the November 3, 2023 investment date and subject to change.

**1)** There can be no assurance that these objectives will be met. **2)** The preferred return is contractual and only entitles Cottonwood Communities, Inc. ("CWREIT") to priority in distributions, if any. The 16.75% annualized rate shown is not a measure of CWREIT's investment performance and is not indicative of distributions that CWREIT may provide to investors. It should not be relied on to predict an investor's returns. The 16.75% is subject to the development and performance of the project and there is no guaranty that such return will be achieved. **3)** Census data from July 1, 2021 to July 1, 2022 (<https://www.census.gov/data/tables/time-series/demo/popest/2020s-state-total.html>). **4)** Over the past year as of January 2023 <https://www.flgov.com/2023/03/13/governor-desantis-announces-floridas-unemployment-rate-remains-lower-than-the-nation-for-27th-consecutive-month/#:~:text=Florida's%20private%20sector%20employment%20grew,over%20the%20same%20time%20period>. **5)** WalletHub "2023's Best Cities for Jobs" (<https://wallethub.com/edu/best-cities-for-jobs/2173>) **6)** City of Orlando Growth Management Plan, October 2022 (<https://www.orlando.gov/files/sharedassets/public/departments/edu/city-planning/growth-projections-2022/2022-to-2050-growth-projections-report-october-2020.pdf>)

This is neither an offer to sell nor a solicitation of an offer to buy the securities described in the [Cottonwood Communities, Inc. prospectus](#), as amended and supplemented (the "Prospectus"). The offering is made only by the Prospectus and this material must be preceded or accompanied by the Prospectus. Neither the Securities and Exchange Commission nor any other state securities regulator has approved or disapproved of the securities or determined if the Prospectus is truthful or complete. In addition, the Attorney General of the State of New York has not passed on or endorsed the merits of the offering. Any representation to the contrary is unlawful. Securities offered through Orchard Securities, LLC, a member of FINRA and SIPC. CW Markets Group is a Branch Office of Orchard Securities, LLC.

# Infield Apartments Project Capitalization



For illustrative purposes only. Figures are subject to change. They should not be relied on to predict an investor's returns.

The first two photos shown in the top right are for illustrative purposes only and represent renderings of the project. Actual results could vary. Our investment is in a preferred equity investment on the development of the property. Although possible, it is not expected that we will acquire the developed property.

## SUMMARY OF RISK FACTORS

- An investment in our shares is speculative, illiquid and involves a high degree of risk and there is no guarantee that investors will receive any return or that they will not lose their entire investment.
- No public market exists for our shares. A stockholders' ability to dispose of their shares will likely be limited to repurchase by us.
- Our share repurchase program is subject to restrictions and our board of directors may modify or suspend our share repurchase program at any time.
- Purchases and repurchases of shares of our common stock are made based on the most recently disclosed NAV per share at such time. Our current NAV may not represent our enterprise value and may not accurately reflect the actual prices at which our assets could be liquidated on any given day, the value a third party would pay for all or substantially all of our shares, or the price that our shares would trade at on a national stock exchange.
- Our board of directors may amend our NAV procedures from time to time.
- Distributions are not guaranteed and have in the past and may in the future be funded with offering proceeds, and we have no limit on the amounts we may pay from such sources.
- We depend on our advisor to select investments and to manage our business.
- We pay substantial compensation to our advisor and its affiliates, which increases the risk that our stockholders will not earn a profit on their investment.
- Certain of our officers and our directors are also officers and directors of our sponsor, advisor and their affiliates and, as a result, are subject to conflicts of interest, including conflicts arising from time constraints and the fact that the fees our advisor receives for services rendered to us are based on our NAV, which our advisor is responsible for determining.
- Stockholders' interest in us will be diluted if we issue additional shares.
- Stockholders' interest in our assets will also be diluted if our operating partnership issues additional units.
- There are restrictions on the ownership and transferability of our shares of common stock.
- If we fail to qualify as a real estate investment trust and no relief provisions apply, our NAV and cash available for distribution to our stockholders could materially decrease.
- We will be subject to risks generally associated with the development and operation of real estate including, but not limited to, economic risks, legislative risks, tax risks, environmental risks, financing risks, liquidity risks and lack of diversification.
- The outbreak of widespread contagious disease, such as the novel coronavirus, COVID-19, could adversely impact our operations and the value of our investments.
- Inflation and its adverse consequences on our operations.
- Preferred equity investments have a greater risk of default than a first position loan.
- Development projects involve risk including development risks, construction risks, financing risks and lease-up risks.
- We recently restated our financial statements and identified a material weakness in our internal controls, each of which may adversely affect us, including due to an increased risk of litigation.



For more information, visit [WWW.COTTONWOODCOMMUNITIES.COM](http://WWW.COTTONWOODCOMMUNITIES.COM). Financial advisors can reach us directly at [855.816.9112](tel:855.816.9112) or [info@cwmarketsgrp.com](mailto:info@cwmarketsgrp.com) or Cottonwood Investor Relations at [investments@cottonwoodres.com](mailto:investments@cottonwoodres.com) for operational inquiries.

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