

# Hearthfire Holdings

Appendix  
Company & Construction  
Expertise



HEARTHFIRE  
HOLDINGS

# Our Company Founders



**Sergio Altomare**  
CO-FOUNDER & CEO

- Proven real estate leader managing \$100M+ in assets with 9 exits averaging 25%+ IRR.
- Expert in leveraging technology and automation to optimize asset performance.
- 20+ years of trusted leadership in finance, technology, and real estate, driving investor success.



**Corinn Altomare**  
CO-FOUNDER

- 15+ years of experience in real estate and law
- 5+ years in technology project management, including multi-million-dollar projects for the financial system
- In 2012, Corinn founded Hearthfire Holdings with the belief in the power of real estate investing to change lives, and the commitment to turn that belief into a reality

# Our Core Team

A diverse group of seasoned innovators and disciplined investors.



**Michael Baillargeon**

COO

- 25+ years in self-storage operations and management.
- Led Store Space Storage's growth from 27 to 100+ stores in under 2 years, outperforming all REITs in revenue and NOI growth.
- Extensive experience in third-party and asset management with Extra Space Storage and operational leadership at Extra Space and Public Storage.



**Michael Marron**

CFO

- Proven real estate CFO, CPA and Auditor with success across private and public markets, including leadership at Blue Onyx Companies as CFO and Co-Portfolio Manager of a Morningstar 5-Star global real estate strategy.
- Held investment and asset management roles at EII Capital, Prudential Securities, Sovereign Investments, and Lehman Brothers.



**Peter McDaniel**

DIRECTOR OF CONSTRUCTION

- 22+ year leader in real estate development and construction
- Most recently led development efforts for Extra Space Storage, across the US Midwest and Northeast regions
- Previous experience includes multi-million-dollar projects for public and private clients



**Jeff White**

DIRECTOR OF ACQUISITIONS &  
PORTFOLIO MANAGEMENT

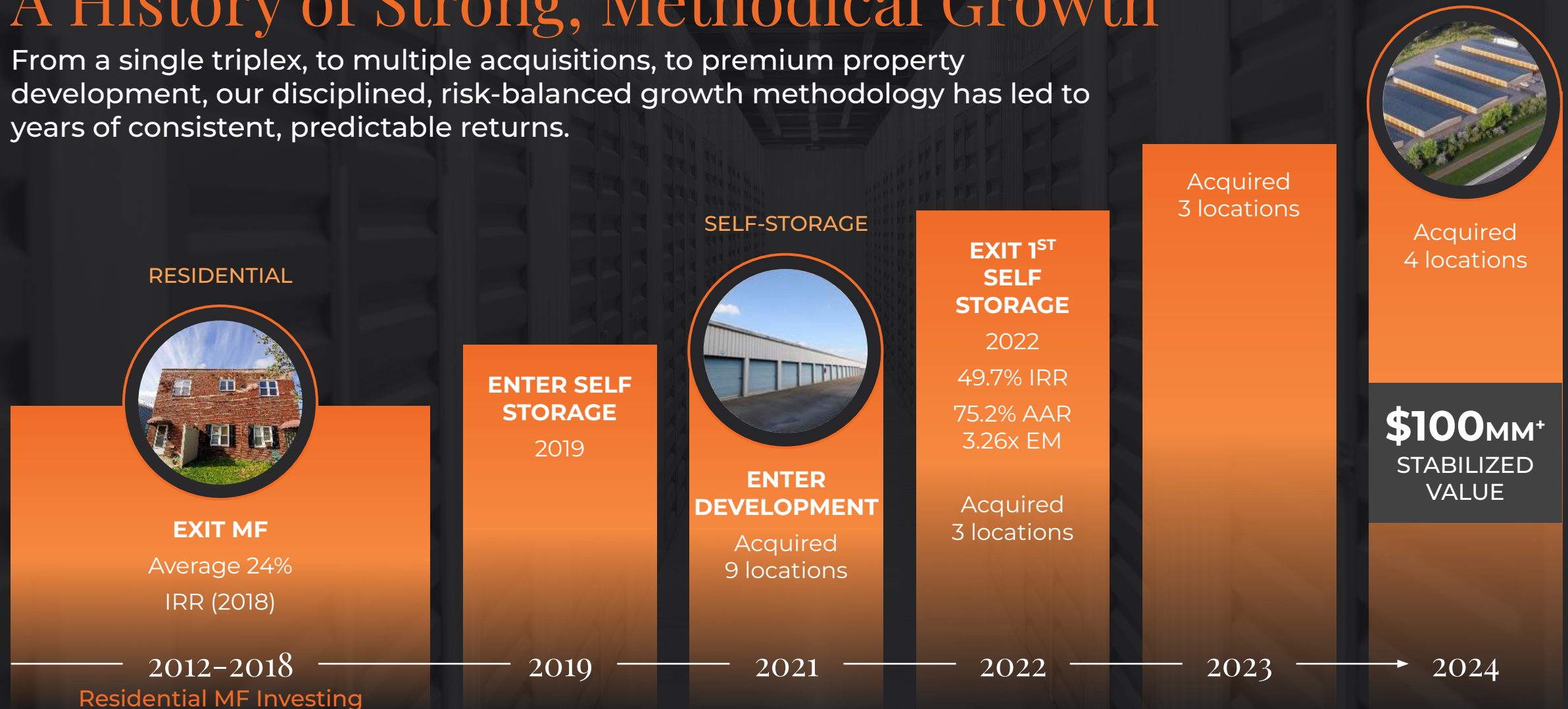
- 25+ years in commercial real estate asset management across office, retail, and self-storage.
- Led Go Store It's growth with \$400M in direct investments and \$700M in joint ventures.
- Held key roles in analysis, asset management, and transactions with Grubb & Ellis, GMS Realty, and The Rubenstein Company.





# A History of Strong, Methodical Growth

From a single triplex, to multiple acquisitions, to premium property development, our disciplined, risk-balanced growth methodology has led to years of consistent, predictable returns.





# Portfolio & Track Record

20 +

Properties\*

\$150MM +

Asset Value\*

5,000 +

Units\*

750,000 +

Rentable  
Sq Ft\*

90%

Reinvestment Rate

Across 9 Full Cycle Exits in MF and SS

## Hearthfire Portfolio

### First Full Cycle Self Storage

Lancaster County, PA Aug 2019 - Dec 2022

IRR **49.7%**

AAR **75.2%**

EM **3.26x**



\*Includes assets under development and pending closings

# Our Portfolio

Portfolio	Property	NRSF	Units	Acquisition Date	Acquisition Price	Total Project Cost	Stabilized Value*
Growth Fund I / Lancaster Portfolio	745 Main Street, Mt Joy, PA	24,500	136	Jan 2021	\$1,971,000	\$2,018,254	\$2,495,700
	884 Speedwell Forge Road, Lititz, PA	47,300	155	Jan 2021	\$3,577,000	\$3,662,757	\$5,643,917
	1444 Cloverleaf Road, Mt Joy, PA	44,350**	397**	Jan 2021	\$1,752,000	\$5,699,976	\$8,252,850
HSS 4043	4043 E. Harrisburg Pike, Middletown, PA	23,100	186	May 2021	\$2,112,500	\$2,213,050	\$3,935,417
	193 Cedar Ave, Middletown, PA	25,930	176	May 2021	\$2,112,500	\$2,213,050	\$3,080,550
Growth Fund II / Indiana Portfolio	406 Detroit Street, LaPorte, IN	51,988**	381**	Nov 2021	\$1,825,000	\$3,277,686	\$7,965,983
	9845 Old North Buffalo Road, LaPorte, IN	51,050**	335**	Nov 2021	\$1,200,000	\$3,151,260	\$6,266,167
	13005 3rd Road, Plymouth, IN	60,133**	438	Nov 2021	\$2,975,000	\$4,476,436	\$9,652,967
	16220 Lincoln Highway, Plymouth, IN	52,440	380	Nov 2021	\$3,875,000	\$3,949,947	\$9,174,367
Income Portfolio I	355 N. Fail Rd, LaPorte, IN	64,775**	548**	Oct 2022	\$675,000	\$7,949,778	\$12,025,533
	29285 Discount Land Rd, Laurel, DE	70,125**	575**	Jan 2023	\$3,400,000	\$10,702,851	\$13,278,233
	1157 E. 150 North, La Porte, IN	19,200	107	April 2024	\$900,000	\$1,129,229	\$2,492,800
Crete	25608 S. Dixie Highway, Crete, IL	77,190**	418**	May 2022	\$4,600,000	\$8,771,497	\$10,785,250
1146 Main St	1146 Main Street, Fitchburg, MA	17,090	211	Aug 2022	\$775,000	\$1,408,750	\$1,500,000
Harrisonburg	1250 W. Market Street, Harrisonburg, VA	74,450**	660**	June 2023	\$450,000	\$13,010,941	\$19,020,867
Whitehall	1176 Mickley Rd, Whitehall, PA	81,379**	861**	Jun 2023	\$1,453,821	\$16,359,264	\$25,268,417
Tulsa	2817 N. Peoria Ave, Tulsa, OK	86,525**	804**	Jan 2024	\$2,700,000	\$10,994,515	\$18,810,950
Romulus	37270 Northline Rd, Romulus, MI	48,800**	475**	May 2024	\$800,000	\$8,764,246	\$12,651,964
Tulsa	5707 E 71 <sup>st</sup> St, Tulsa, OK	38,150	373	Sep 2024	\$4,350,000	\$4,700.00	\$6,763,843
<b>TOTAL</b>		<b>958,475**</b>	<b>7,616**</b>		<b>\$41,503,821</b>	<b>\$109,758,187</b>	<b>\$179,065,775</b>



\*assuming a sale at a 6.0% Cap in 5 years  
 \*\*upon construction completion



# In Development

Property	NRSF	Units	Acquisition Date	Acquisition Price	Total Project Cost	Stabilized Value*
406 Detroit Street, LaPorte, IN	51,988	381	Nov 2021	\$1,825,000	\$3,277,686	\$7,965,983
13005 3rd Road, Plymouth, IN	60,133	438	Nov 2021	\$2,975,000	\$4,476,436	\$9,652,967
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37270 Northline Rd, Romulus, MI	48,800	475	May 2024	\$800,000	\$8,764,246	\$12,651,964
	<b>545,240</b>	<b>4585</b>		<b>\$15,478,821</b>	<b>\$73,604,363</b>	<b>\$116,181,931</b>



\*assuming a sale at a 6.0% Cap in 5 years  
 \*\*upon construction completion



# Hearthfire Skin in the Game

We are 100% IN—fully committed to our investors, our growth and our team.

Total equity invested across  
3 generations of family

**15%**

Team members  
personally invested

**33%**

Returns from exits reinvested  
in the company

**75%<sup>+</sup>**

Founders' net worth invested  
in company & portfolio assets

**80%**

Bootstrapped Operations  
to date

**100%**





# Why Self Storage?

Highly efficient, resilient, and scalable investment.



## Low Cost + Overhead

Low operation & maintenance costs, few capital expenditures. No toilets, tenants, expensive turns, trash or evictions.



## Recession-Resistant

Lifecycle-tested asset class serves a need in both expanding & contracting cycles, across personal & professional customer bases.

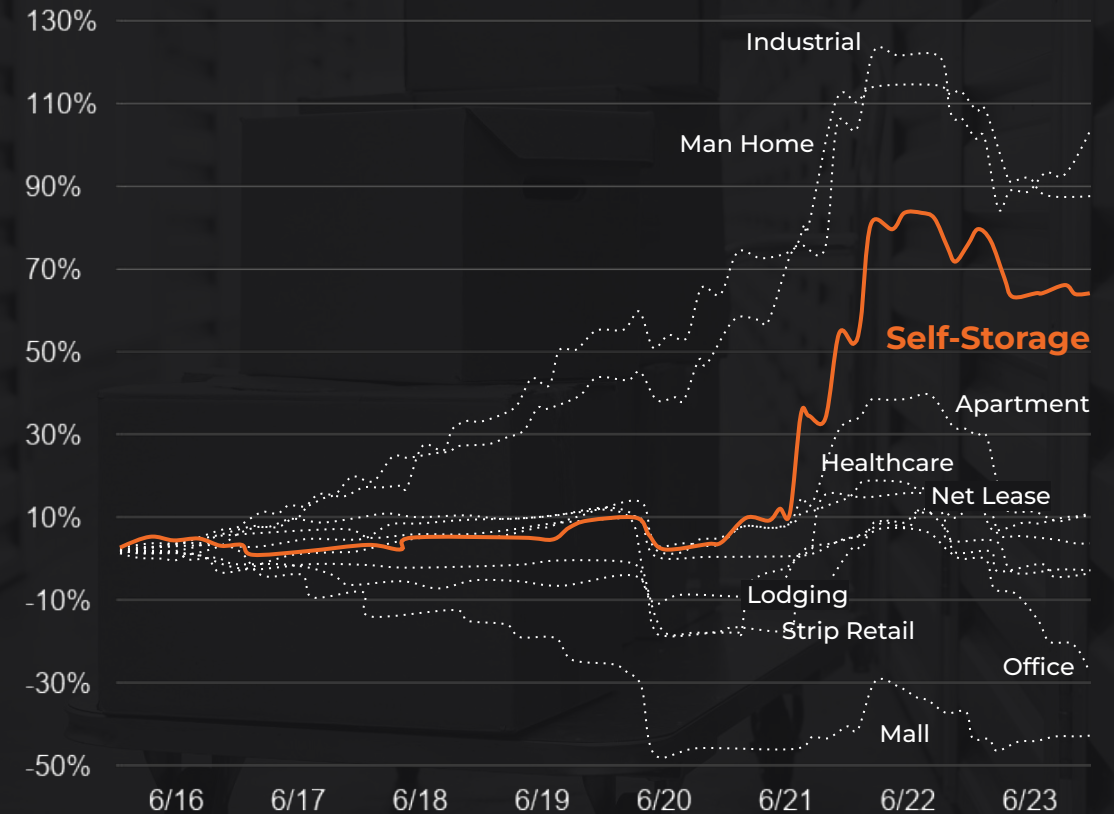


## High Scalability

Unlike most other asset classes, self storage lends itself to efficiency and scalability in backend ops, branding, and other areas.

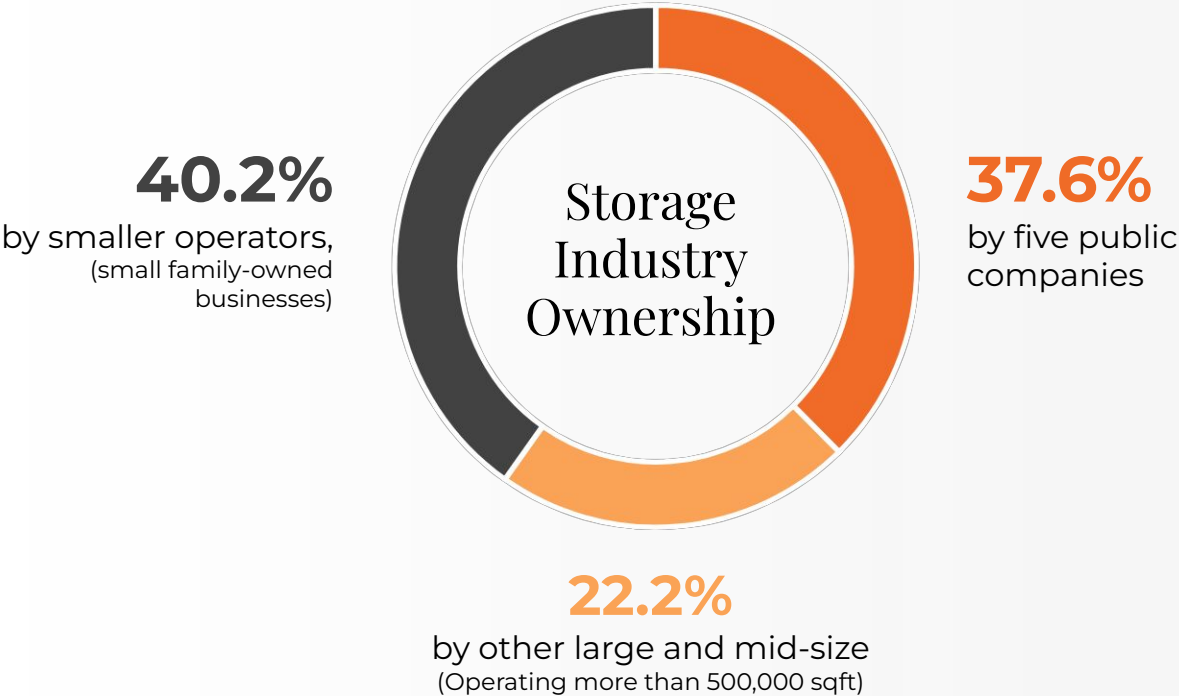
## Commercial Property - Price Index (2016-2023)

Cumulative Change in CPPI®: Past Seven Years



# Fragmented Ownership

An Opportunity for Portfolio Expansion,  
and Strategic M&A



## Mergers & Acquisitions

Flight to Safety during Challenging Times

Buying Company	Exiting Company	Date	Amount
Surgard	LokNStore	April 2024	\$474M
Public Storage	Simply Self Storage	July 2023	\$2.2B
Public Storage	All Storage Portfolio	Nov 2021	\$1.5B
Extra Space	Life Storage	April 2023	\$12B
Extra Space	Storage Express	Sept 2022	\$590M
CubeSmart	Storage West	Nov 2021	\$1.69B





# Key Trends + Tailwinds

An optimistic picture for our future.



## COVID-Driven Behavior Change

COVID created a huge demand for home-based office and learning environments, increasing the need for external storage space.



## Technological Acceleration

The self storage and PropTech revolution continues to advance and mature rapidly, allowing our tech focus to thrive and scale.

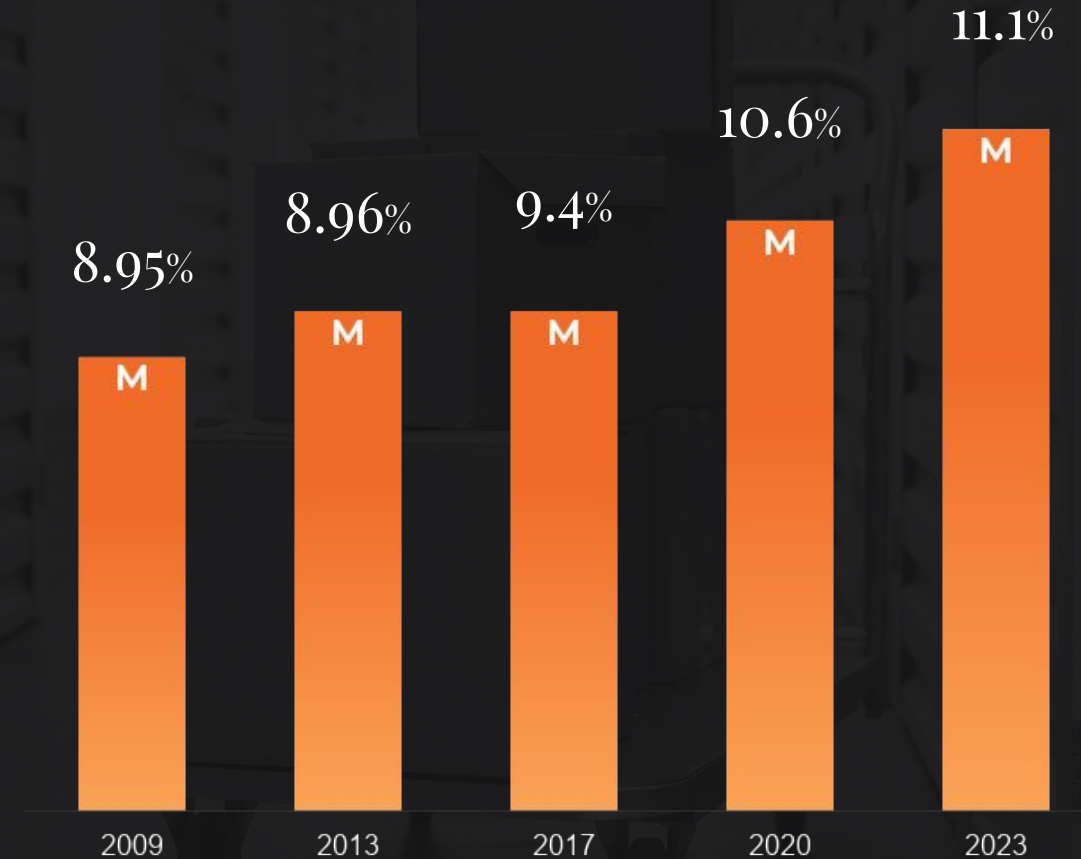


## Mergers & Acquisitions as REITS and Private Equity expand into markets

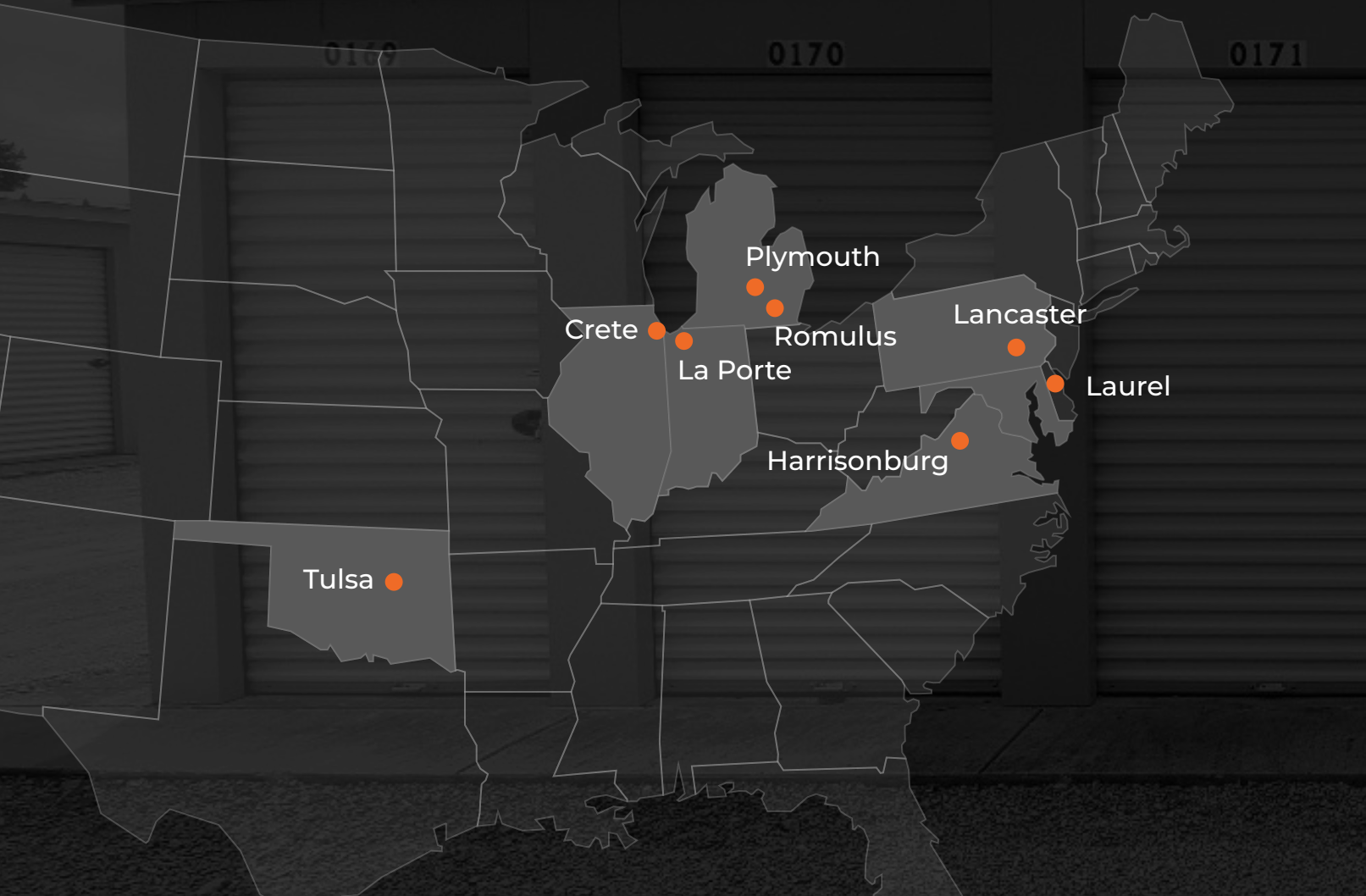
Large portfolio acquisitions and mergers point to growing institutional interest in the asset class. Portfolios allow for most effective use of tech & economies of scale.

## SELF-STORAGE RENTER HOUSEHOLDS (US)

% Penetration



# Current Markets



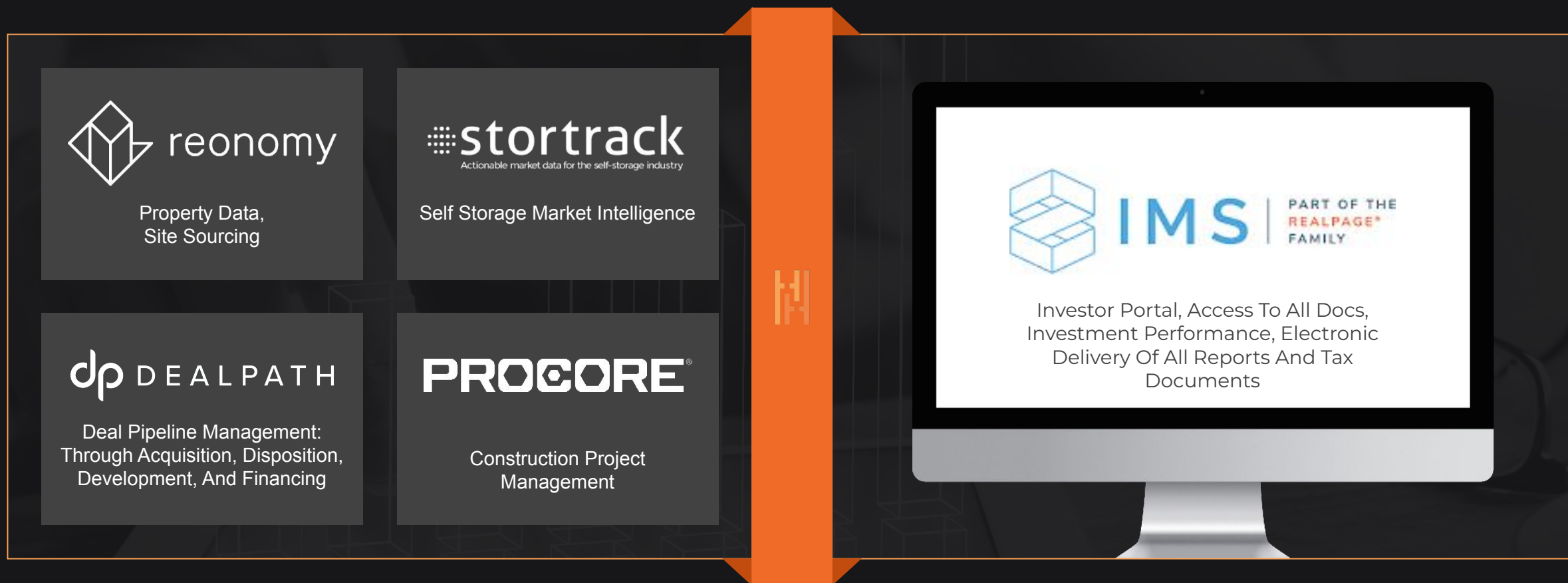
## Acquisition Criteria

Deal Size	<b>\$6MM+</b>
Target Gross IRR	<b>20%+</b>
Yield on Cost	<b>8%+</b>
Target Debt	<b>&gt;60% LTC</b>
Hold Period	<b>5 Years</b>
Structure	<b>JV Equity</b> <b>Direct Investment</b>





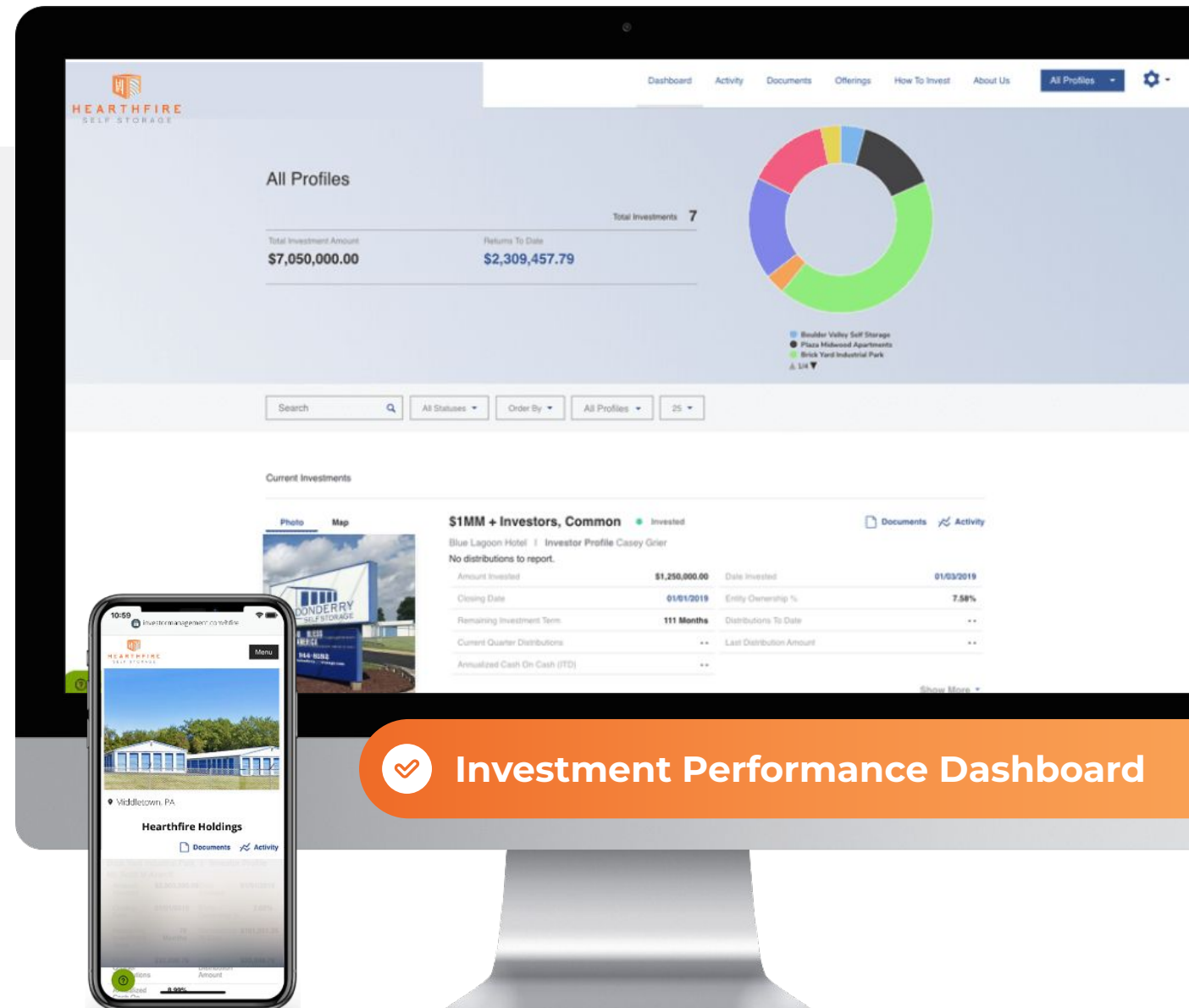
# Tech-driven Scale: Investment Management



# Investor Platform

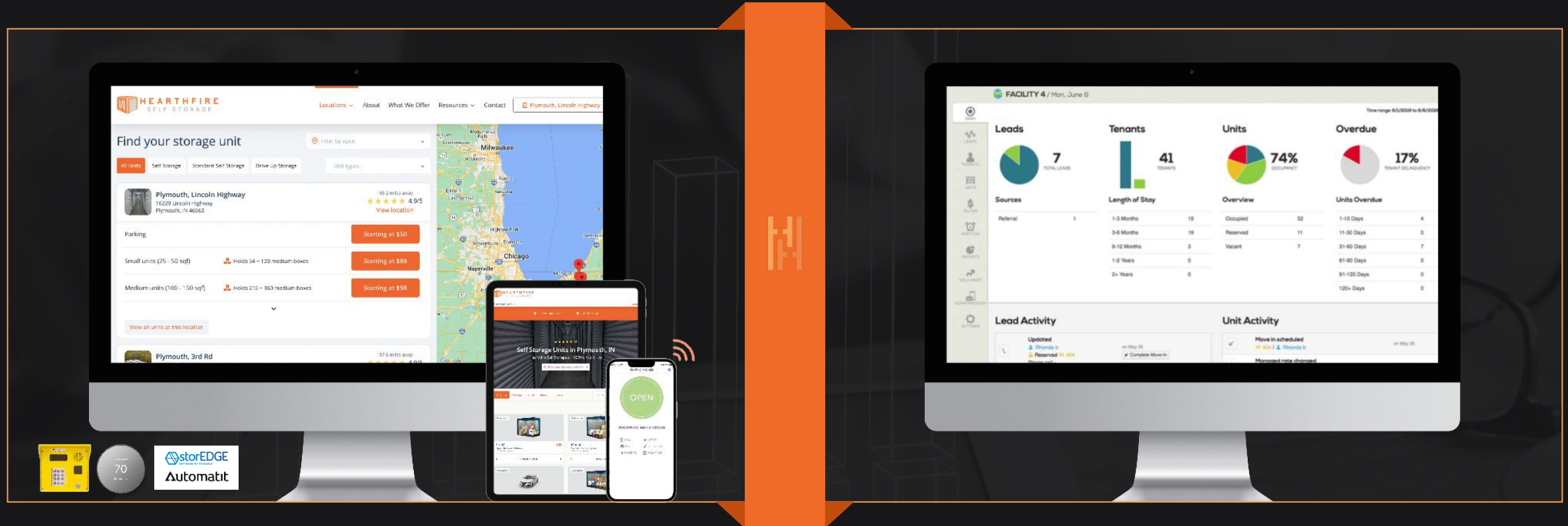
Our institutional grade investor platform delivers a seamless experience for investor partners to participate in new offerings, access statements, and stay informed on investment performance.

- ➔ **Online/Mobile Subscription Process.** Emails link to an online deal room with the details of the offering, complete with electronic signature functionality, which saves time and reduces paperwork.
- ➔ **Investor Statements & Documents.** Electronic statements are customized based on investment portfolio and stored within unique Investor Portal profiles, along with other documents such as K-1s and Investment Agreements; these files are easily accessible anywhere and from any device.
- ➔ **Transparency & Global Access.** Dashboards with real-time data are available on-demand, giving access to view and analyze the data that matters most to investor partners. Keep track of distributions with historical documentation on the dashboard.



# Tech-driven Scale: Consumer Facing

We create economies of scale through our end-to-end tech stack, which includes a self-booking storage platform integrated into our backend facility management.



Including search by size and geography, as well as keyless entry.

For real-time accuracy & performance metrics





# The Hearthfire Platform Compound Effect



## TEAM

Highly skilled and experienced pros that span real estate, self storage ops & construction (100+ yrs); technology, financial services & economics (25+ yrs); proven success in leading multi-billion dollar transactions and multi-million dollar development projects for public and private partners.



## TECHNOLOGY

Our tech stack is built using the best of breed in customer, ops, and data technology.



## BRANDS

Hearthfire only partners with top REITs to drive property value through their brands, strategies, and operational excellence.



## ASSETS

20+ properties  
\$150MM+ asset value  
5,000+ units  
750,000+ nrsf



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# Self Storage Construction Expertise



# Construction Development Team



**Peter McDaniel**

DIRECTOR OF CONSTRUCTION

- 22+ year leader in real estate development and construction
- Most recently led development efforts for Extra Space Storage, across the US Midwest and Northeast regions
- Previous experience includes multi-million-dollar projects for public and private clients.



**Dan Paetzold**

SENIOR CONSTRUCTION MANAGER

- 22 years experience in construction and program management
- Most recently served as project manager for Extra Space Storage
- Previous experience includes senior program manager of disaster recovery programs for New Jersey and Texas; and project manager for CS Builders, Toll Brothers, and Ryan Homes.

**45+ years**  
of experience in construction

**14+ years**  
combined self-storage  
construction experience

**\$100M+**  
in combined construction value











# Active Construction Portfolio

Portfolio	Property	Start Date	End Date	NRSF	SF	Total Budget
Growth Fund II / Indiana Portfolio	406 Detroit Street, LaPorte, IN	9/23/24	4/10/25	14,437	22,481	\$1,307,901.00
	13005 3rd Road, Plymouth, IN	9/23/24	3/22/25	10,800	14,104	\$1,368,698.00
Income Portfolio I	355 N. Fail Rd, LaPorte, IN	9/23/24	4/10/25	14,437	22,481	\$6,989,594.00
Harrisonburg	1250 W. Market Street, Harrisonburg, VA	8/19/24	9/4/25	72,977	97,830	\$12, 441, 496..00
Tulsa	2817 N Peoria Ave, Tulsa, OK	10/7/24	10/6/25	66,625	80,612	\$10,919,588.00
Romulus	37270 Northline Rd, Romulus, MI	9/23/24	7/22/25	49,150	57,207	\$8,824,247.00
TOTAL				228,426	294,715	\$41,863,293



# Active Construction Portfolio

## Cost vs Schedule

URL	Project Name	Revised Budget	Job to Date Costs	% Complete by Costs	% Complete by Schedule	Actual Start Date	Estimated Completion Date	Estimated Cost Completion
	Detroit Street, Laporte, IN	1,307,900.86	784,253.47	<div><div></div></div> 59.96%	35.56%	9/23/2024	3/22/2025	1,307,900
	N Fail Rd	6,989,594.00	2,995,621.09	<div><div></div></div> 42.86%	60.71%	5/6/2024	4/7/2025	7,001,167
	Tulsa, OK	10,919,587.25	3,553,103.98	<div><div></div></div> 32.54%	13.74%	10/7/2024	10/6/2025	10,919,587
	3rd Road - Plymouth, IN	1,368,896.32	401,296.65	<div><div></div></div> 29.32%	35.56%	9/23/2024	3/22/2025	1,368,896
	Harrisonburg, VA	12,441,495.00	2,989,545.03	<div><div></div></div> 24.03%	25.98%	8/19/2024	9/4/2025	12,441,495
	Romulus, MI	8,824,247.00	1,751,286.30	<div><div></div></div> 19.85%	21.19%	9/23/2024	7/22/2025	8,824,247
<b>Total</b>		<b>41,851,720.43</b>	<b>12,475,106.52</b>	<b>29.81%</b>				<b>41,863,293.</b>





# Crete, IL - *Expansion*

**May 2022**

property acquisition

**34,000**

existing NRSF

**Sept 2024**

C of O

**31,450**

added NRSF

**Dec 2024**

40% of new units rented

**176**

new units



Providence Bank & Trust was the lending partner with Hearthfire Holdings on their Crete construction project. The communication and construction lending process with Hearthfire was excellent. Providence would recommend working with Hearthfire on future construction projects.

Brian England | Senior Vice President | Market Leader  
[Providence Bank & Trust](#) | 1051 E. Roosevelt Rd. | Wheaton, IL 60187



Acquisition



Completion





# La Porte, IN

## - *Expansion*

**January 2023**  
property acquisition

**11,550**  
existing NRSF

**53,225**  
added NRSF

**66**  
existing units

**482**  
new units

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**Patterson  
Horth**  
GC

**First State Bank  
of Middlebury**  
Lender





# Romulus, MI

## - *Ground Up Development*

**May 2024**  
property acquisition

**48,800**  
NRSF

**475**  
units

**MLCO**  
GC

**First State Bank**  
Lender

**PLG Finance**  
PACE Lender

Sept 2024



Dec 2024





# Tulsa, OK

## - *Expansion*

**January 2024**  
property acquisition

**25,340**  
existing NRSF

**61,185**  
added NRSF

**152**  
existing units

**652**  
new units

**MLCO**  
GC

**Prism Bank**  
Lender



Oct 2024



Dec 2024





# Harrisonburg, VA

## - *Ground Up Development*

**June 2023**  
property acquisition

**72,977**  
NRSF

**653**  
units

**A&E**  
**Construction**  
GC

**Virginia Credit**  
**Union**  
Lender



Harrisonburg, VA  
January 03, 2025 12:53 PM





# Qualification Criteria

1

## Financial Knowledge

Experience with private investment opportunities;

understanding of financial concepts to evaluate investment projections; and

understanding of associated risks, including illiquidity and potential loss of capital.

2

## Pre-Existing Relationship

Have had meaningful interactions with Hearthfire Holdings or our team.

## Not Sure You Qualify?

**Complete this survey and our investment team will be in touch.**





# Reserve Shares

## Net to Investor Returns

**10%**

Pref

**18**

**%**

IRR

**2.3X**

Equity Multiple

**8.6%**

Development Yield

**INVESTMENT SUMMARY**