



A LEGENDARY CAPITAL INVESTMENT OPPORTUNITY

Investor Guide

Virginia Beach Qualified Opportunity Zone (VAB QOZ)



Legendary Lodging
VAB QOZ

Doing Good by Investing Well

- *Defer Capital Gain*
- *Earn Income*
- *Reduce Tax Liability*
- *Pay Zero Taxes on New Gains*

There’s a new investment opportunity that may provide short- and long-term tax advantages to investors with high capital gain tax exposure positions within their investment holdings.

Introducing the Virginia Beach Qualified Opportunity Zone (VAB QOZ) offering. Legendary Lodging created VAB QOZ so accredited investors can take advantage of recent changes to the federal tax code. Here’s how it works:

- Qualified investors roll capital gain from sales of other assets into the VAB QOZ with the intent of holding that investment for at least 10 years.
- Taxes due on invested capital gain are deferred until April 15, 2027.
- The VAB-QOZ LLC will purchase the Crowne Plaza in Virginia Beach, Va., which we believe is an under branded property.
- We will invest an amount at least equal to the purchase price of the building to complete an extensive remodel and upgrade.
- Investors may receive monthly distributions after the hotel is converted and stabilized.
- Potential capital gain realized from the sale of a QOZ asset, held for 10 years, are not subject to tax.

Legendary Capital will apply our extensive property management expertise every step of the way to ensure we’re Taking Care of the Capital™.

Thank you for taking the time to review the VAB QOZ opportunity with your financial advisor. We look forward to serving you.


COREY MAPLE
Chairman & CEO


NORMAN LESLIE
Chief Investment Officer


DAVID EKMAN
Chief Development Officer

Offering Highlights

OFFERING SIZE \$12 million	HOLDING PERIOD 10 years +
INVESTMENT STRUCTURE Limited Liability Company	TAX REPORTING Schedule K1
PROPERTY: Currently a Crowne Plaza that will undergo an extensive remodel	EXIT STRATEGY OBJECTIVE Sale of Units
OFFERING PER UNIT PRICE \$5,000/unit	INVESTOR REPORTING Quarterly investor account and distribution statements, quarterly <i>Investor Updates</i> , annual audited financial reports, and Investor Information Portal.
MINIMUM INVESTMENT \$100,000 (20 Units)	PROFESSIONAL MANAGEMENT Experienced executive and investment teams (see Confidential Private Offering Memorandum).
DISTRIBUTION FREQUENCY Monthly once hotel is improved and stabilized	
INVESTOR SUITABILITY Accredited Investors Only	

Qualified Opportunity Zones:

Where Potential Lives

- CREATED BY THE 2017 TAX CUTS AND JOBS ACT TO:**
- Spur economic development
 - Create jobs
 - Encourage investment in economically distressed areas
 - Each State determined the census tracts that qualify as Opportunity Zones

- LOCATIONS**
- The Internal Revenue Service has defined more than 8,700 Qualified Opportunity Zones across the United States
 - Virginia Beach Town Center is included in a Qualified Opportunity Zone - Census Tract 518100456604

- QUALIFIED OPPORTUNITY FUNDS:**
- Partnerships or corporations that allow multiple investors to pool their money and invest in Qualified Opportunity Zone properties

- OPPORTUNITY**
- Crowne Plaza, Virginia Beach Town Center



A Simplified QOZ Story¹

In 2006 Nora bought 40,000 shares of Apple stock for \$10 per share. She decides to diversify a bit and sells 10,000 shares at \$210 per share. She gets a \$2.1 million check and now has a \$2.0 million capital gain. Nora lives way up North in Nimrod, MN (a real town) so she puts aside \$674,000 to pay her 23.8 percent federal capital gains tax and 9.9 percent Minnesota state tax.

Then she has lunch at J&J's Grill with her financial advisor who tells her about the Qualified Opportunity Zone provision included in the 2017 Tax Cuts and Jobs Act. They talk through the little diagram to the right and here's what Nora learns:

She can invest all or part of her \$2.0 million capital gain into a QOZ project as long as she does it within 180 days of selling her Apple stock. That will allow her to defer her tax payment until April 15, 2027.

The QOZ project, a building that is going to be significantly remodeled, is projected to generate positive cash flow after the remodel is complete. She may receive cash distributions from the QOZ as excess cash is available.

As an added potential benefit, there may be paper losses along the way due to real estate depreciation. These losses may be used to offset passive income from her other investments.

On April 15, 2027 Nora will finally pay her tax on the Apple stock – and those taxes will be reduced by 15 percent.

The QOZ investment partnership will attempt to refinance the project at that time in order to pay out a special distribution to help her cover that tax bill. That means – years down the line – she will pay \$573,000 in tax instead of \$674,000.²

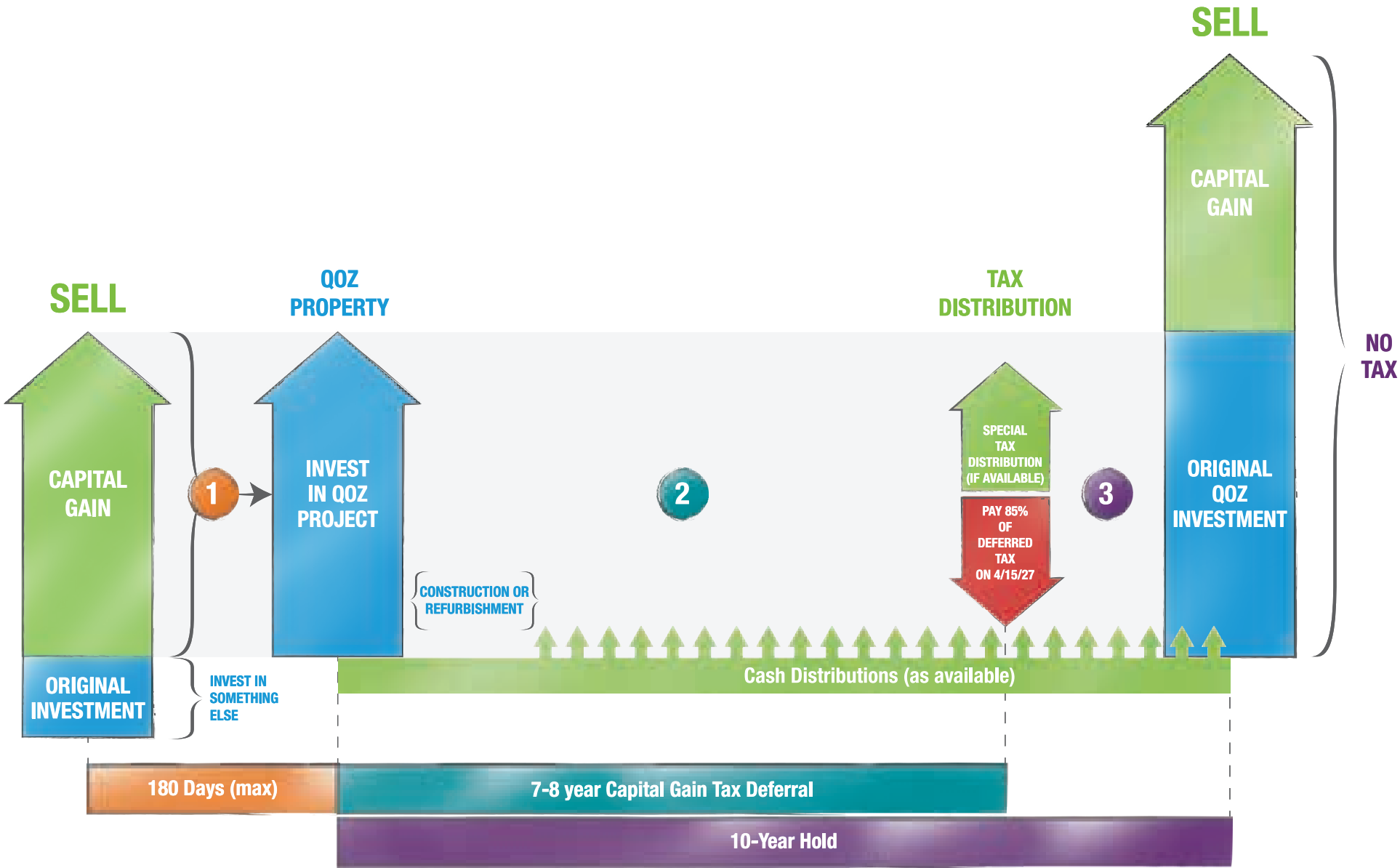
After holding the investment for at least 10 years, Nora's QOZ investment will receive a step up in basis to the project sales price. This means all gains on the QOZ project investment will be free from any tax, capital gains or otherwise.

What should Nora do?
Talk to your financial advisor to see what they think.

Qualified Opportunity Zone Basics¹

Three things to know about a QOZ investment

- 1 180 days to invest your capital gains in a QOZ project
- 2 DEFER all Capital Gains taxes until 4/15/27 AND then pay only 85% of the tax
- 3 HOLD QOZ investment for at least 10 years GET cash distributions along the way (as available) AND QOZ investment gains are TAX FREE



¹ All of the information set forth is hypothetical and does not reflect any actual returns or transaction. Potential participants in any Qualified Opportunity Zone program should closely review such program before investing. Investors who participate in a Qualified Opportunity Zone program may not make the return indicated above or may lose their entire investment.

² Provided tax rates are the same as they are today.

Room for Positive Growth



Our Approach



Property highlights:

- **149 guest rooms**
- **Swimming pool & fitness area**
- **In-demand meeting space**
- **Business center**

The Crowne Plaza in Virginia Beach, Virginia, is a full-service hotel in an area called Virginia Beach Town Center.

Virginia Beach is the largest city in the state. The Town Center area includes 4.8 million square feet of mixed-use developments, such as Class A office space, apartments, hotels, restaurants and other entertainment options.

The Crowne Plaza is adjacent to the community’s most prestigious Class A office space – the Convergence Office Park. Additional nearby professional, leisure and government facilities generate consistent demand for hotel rooms and meeting space.

Our analysis of the Virginia Beach Town Center area, where the Crowne Plaza is located, shows there is untapped value in the market. Other premier branded hotels in the market are achieving higher than \$100 revenue per available room (RevPAR) rates¹. RevPAR is a performance metric for the hotel industry calculated by multiplying a property’s average daily room rate by its occupancy rate.

The Crowne Plaza Virginia Beach Town Center is in a great location in a strong market, but the property is outdated and under-performing its potential. This makes it a prime target for remodeling and revitalization. We

intend to remodel the Crowne Plaza at an all-in cost that is significantly below new hotel construction costs. We will endeavor to improve the property’s expense management.

Once the remodel is complete, we expect the new hotel to be competitive within the market. Based on our analysis, we believe the remodel and expense management improvements may result in substantially improved stabilized net operating income².

“We believe the Crowne Plaza remodel will be completed at an an all-in cost significantly below new hotel construction costs.”

- Corey Maple, CEO

¹ Smith Travel Research Trend Report: performance metrics for the Hilton Garden Inn, Crowne Plaza, Westin, and Homewood Suites over a 6 year period
² There is no assurance that these objectives will be met

Proven Results

Our experienced team has a proven track record of successfully transforming aged properties around the U.S. into modern, high-quality hotels at a fraction of new-build costs.



None of the properties appearing on this page are or will be owned by VAB QOZ.

Proven Results

PROPERTY:
Grand Rapids, MI

ALL-IN REMODEL COST
- \$17.5 million
- \$96,000 per room

PROPERTY:
Fargo, ND

ALL-IN REMODEL COST
- \$7.1 million
- \$38,380 per room

PROPERTY:
Green Bay, WI

ALL-IN REMODEL COST
- \$16 million
- \$107,000 per room

OTHER PROPERTIES:
A select sampling of other property updates executed by our management team.



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Senior Leadership/Partners



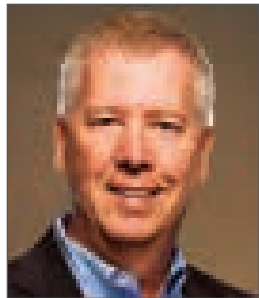
Corey Maple
Chairman & CEO

Corey Maple has spent his career starting, building and selling companies, starting with purchasing Maier Engineering in 1993 from its founder while leading a ten-fold growth in revenue. In 1996 he founded MiniMax, Inc., an automation and engineering tools provider to the electric utility industry. By 2006, after merging with Powel ASA, he helped take the combined company public. As a Powel board member, he subsequently helped engineer the sale to a public industrial conglomerate. Corey has been a successful CEO, board member and professional investor in a number of other enterprises. He earned a Bachelor of Science in Electrical Engineering from North Dakota State University, is married and has two ram-bunctious children.



Norman Leslie
Chief Investment Officer

Norman Leslie has over 35 years’ experience in the lodging industry, starting as a hotel front desk representative and working his way up through the business. He has acquired, developed or operated dozens of hotels in his career. In 2000, he founded National Hospitality Services (NHS), which currently manages 26 hotels nationwide and is recognized as a top-200 management company in the U. S. by size. NHS-managed hotels have been recognized as leaders within their brands for operating performance, quality and service. Norm serves on several community and industry boards, and earned a Bachelor of Commerce Degree (Honours) from the University of Manitoba.



Dave Ekman
Chief Development Officer

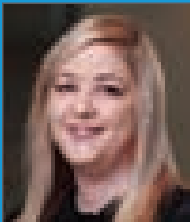
David Ekman, president, One Rep Construction, is an entrepreneur with over 35 years of business experience, primarily in the technology and service industry. He is president and founding partner of Bridge Hospitality, a hotel development and investment company; co-owner of both Travel Travel and Magnum Tours; and he serves on many regional boards.

Executive Team



Sam Montgomery, Chief Operating Officer

Sam Montgomery oversees every facet of our operations. He is a certified public accountant (North Dakota, Florida and Tennessee) with more than a decade of experience serving asset managers in the REIT and private equity sectors, primarily at PwC and EY.



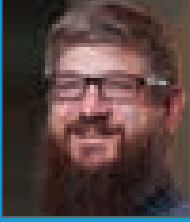
Katie Cox, Chief Financial Officer

Katie Cox is responsible for the overall accounting management, external reporting, financial planning, and treasury for the Fund. She is a certified public accountant (North Dakota and Arizona) with over 12 years’ public accounting experience, joining us from Deloitte & Touche.



Rick Vitale, Chief Distribution Officer

Rick Vitale, CFA, has more than 27 years’ commercial real estate and alternative investment product experience. He has held executive and equity ownership positions in multiple investment sponsor firms, overseeing fund creation, sponsorship, management and distribution.



Dave Durell, Chief Acquisitions Officer

Dave Durell, a licensed attorney, oversees the property acquisition process and serves as real estate counsel for the company and its affiliates. He leads the acquisitions team through transactions with a streamlined process, enabling the Company to continue making sound acquisition decisions.

Our Mission: Taking Care of the Capital™

“Taking Care of the Capital” is much more than a marketing slogan. It’s the bedrock of how Legendary Capital does business. It’s the mission of every person in our company, the assurance we give partners whose money we manage, and most importantly, the promise we keep. And where we come from a promise doesn’t just mean something; it means everything.

Transparency – No surprises. Good, bad or in between, we do everything in our power to ensure you’re aware of everything.

Communications – We share – some might say overshare – everything about the fund, your investment, how it’s being used and its impacts.

Honesty – Tell the truth. Always. Because it’s the right thing to do, even when it hurts.

Performance – Work with results. Big ideas are great, but success requires follow-through that lives up to the hype.

Pride of Ownership – We owe you good work. Everyone, from the housekeepers to fund leaders, takes responsibility for the quality of the property and the experience.

Transparency

Communications

Listen First

Do As You Say

Pride of Ownership

Performance

Add the Personal Touch

Go Above and Beyond

Honesty

TAKING CARE OF THE CAPITAL
a vision of our core values

Do As You Say – No empty talk. We say what we mean, mean what we say and always follow through.

Listen First – Attention paid. We listen first so we can discover opportunities and keep improving.

Add the Personal Touch – It’s the little things. Our high-touch, personalized service makes a difference.

Go Above and Beyond – “Enough” is never enough. It’s our standard for our relationships with our investment partners, each other and the property.

Consider These Risks Before Investing

This is not an offer to sell securities. An offer to sell the Units of Legendary Lodging VAB QOZ, LLC (the “Fund”) may be made only pursuant to the Private Placement Memorandum dated June 1, 2019, as supplemented (the “Memorandum”). The information contained herein is qualified in its entirety by the Memorandum. The offering is being made by means of the Memorandum only to accredited investors who meet minimum accreditation requirements, as well as suitability standards as determined by a qualified financial advisor. All potential investors must read the Memorandum before investing. Consider the Risk Factors Before Investing.

Securities offered by The M&A Group, LLC (Member FINRA / SIPC).

For Accredited Investors only. Lack of liquidity. An investment in a private offering is speculative and involves a high degree of risk. See “Risk Factors,” pages 13-31, within the Private Offering Memorandum, dated June 1, 2019.

Any forecasts with respect to future-looking statements of performance and events are based on various underlying assumptions and expectations which are subject to risks and uncertainties. As a result, there can be no assurance that the forward-looking statements will prove to be accurate or correct.

- An investment in the Units is speculative, illiquid and involves a high degree of risk. There is no guarantee that investors will receive any return.
- The Company is a newly formed business entity with no history of operations and only limited assets.
- The Manager has no experience managing Qualified Opportunity Funds.
- There can be no assurance a hotel such as the Project located in a “qualified opportunity zone” (“Opportunity Zone”) will be successful, that the investors will realize any return on their purchase of the Units or that the investors will not lose their investment completely.
- In the event that the Company does not meet the requirements to be treated as a Qualified Opportunity Fund, the Company may be subject to certain penalties, which could adversely impact the return to investors.
- No public market exists for the Units and it is highly unlikely that any such market will develop. The Units are not freely transferable, and there are substantial restrictions on the transfer of the Units under federal and state securities laws.
- The Joint Venture, and therefore the Company, will be subject to the many risks inherent in the rehabilitation of the Project.
- There can be no assurance that the Joint Venture will be able to achieve and maintain the projected occupancy levels at the Project.
- The Members will only have limited approval rights regarding the operation of the Company, and no approval rights with respect to the Joint Venture and the Project. Thus, most decisions regarding the management of the Company’s and the Joint Venture’s affairs and the operation of the Project will be made exclusively by the Manager.
- It is unlikely that any cash distributions will be made to the Members until the Project has been rehabilitated. There can be no assurance that the Members will receive a return on their investment.
- There are risks associated with the development and operation of Hospitality properties, including but not limited to vacillations in the demand for rooms, risk of loss or damage to the improvements, environmental risks, and other risks associated with ownership of a Hotel.
- The Manager and its Affiliates will be subject to certain conflicts of interest and are entitled to receive substantial compensation in connection with the Offering.
- The Company’s only assets will be its interest in the Joint Venture, which will only own the Project, and thus, the Company will not be diversified as to the type of assets it owns.

