

Orchard 79 — Tokenization Spec Sheet

Platform: Commertize

Asset: Orchard 79

Token Type: Equity Tokens

Regulatory Wrapper: Reg D 506(c)

Phase: Issuance + Nexus Enablement

1. Capital Stack (As Provided)

Appraised Value:

\$47,865,000

Existing Senior Loan:

\$25,500,000

Current NOI:

\$2,172,477

Target Equity Raise (TOKENIZED AMOUNT):

\$12,000,000

2. Capital Stack — Pro Forma (Post-Tokenization)

Component	Amount
Senior Debt	\$25.5M

Tokenized Equity \$12.0M

Sponsor Equity (Implied) ~\$10.4M

Total Capitalization \$47.9M

Implied Equity Valuation:

\$22.365M total equity

(\$47.865M – \$25.5M debt)

Equity Sold via Tokens:

~53.7% of total equity

3. LTV

- **Debt LTV only:**
 $\$25.5\text{M} / \$47.865\text{M} = \sim 53.3\% \text{ LTV}$
 - **Debt + Equity Raised / Value:**
 $(\$25.5\text{M} + \$12\text{M}) / \$47.865\text{M} = \sim 78.3\% \text{ total capitalization}$
 - **Total capitalization ratio including sponsor capital raise, after the raising the capital**
 - **A ~4.5% cap rate signals a core / core-plus profile, consistent with stabilized cash flow and lower perceived risk.**
 - **This supports positioning Orchard 79 as yield-stable equity with optional upside, rather than a high-risk value-add narrative.**
 - **For investors, returns are driven by cash yield + capital events (refi, NOI growth, exit), not cap-rate compression alone.**
-

4. Token Economics (Proposed Framework)

Offering Size:

\$12,000,000

Token Class:

Equity / Membership Interest Tokens

Economic Rights:

- Pro-rata share of cash distributions
- Pro-rata share of exit proceeds

Governance:

- No day-to-day voting
- Major decisions only (sale, refinance, dissolution)

Distributions:

- Quarterly (baseline)
 - Paid via platform rails
 - Nexus-compatible from issuance
-

5. Investor Value Narrative (Institutional-Grade)

- Entry at appraised value (no artificial markup)
- Strong in-place NOI
- Defined capital stack with sponsor alignment
- Digital issuance + automated administration
- Nexus-enabled optionality (non-liquidating leverage)

This positions Orchard 79 as **yield-first with structural optionality**, not speculative liquidity theater.

6. Nexus Functionality — Confirmed Inclusion

Nexus Enabled From Day One

Tokenized equity will be:

- Wallet-compatible
- Registry-linked

- Nexus-ready upon issuance

Permitted Nexus Use Cases (Phase 2+)

- Tokens posted as collateral
- Non-dilutive liquidity access
- Structured borrowing against equity value
- No forced liquidity or secondary trading assumptions

Investor Disclosure Framing

- Nexus is an *optional extension*
 - Not required for base returns
 - Not marketed as guaranteed liquidity
-

7. Sponsor Experience (Locked Expectations)

Sponsor Provides

- Financials & appraisal (confirmed)
- Operating agreement alignment
- Distribution funding
- Tax reporting (K-1s)

Commertize Delivers

- Token issuance & registry
- Investor onboarding & accreditation
- Subscription automation
- Distribution infrastructure
- Nexus enablement
- Cap table digitization

No broker-dealer activity. No performance guarantees. Clean separation of roles.

8. Internal Commertize Checklist (Status)

Structuring

- ☐ LTV / capitalization ratio confirmed
- ☐ Equity percentage locked

- ☐ Token supply math finalized

Platform

- ☐ Deal page configuration
- ☐ Token contract parameters
- ☐ Nexus hooks enabled

Compliance

- ☐ Reg D 506(c) configuration
- ☐ Accreditation flow
- ☐ Risk disclosures aligned