



Impact Investing in Minnesota



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MN-OZA DREAM Fund news

First Minnesota-Specific Opportunity Zone Fund Launched.

DREAM Fund seeks to make social, environmental and economic impacts in Minnesota Opportunity Zone Communities

MINNEAPOLIS / ST. PAUL-- (Oct. 21, 2018) Minnesota Opportunity Zone Advisors (“MN-OZA”), a mission oriented real estate investment manager, has launched the DREAM Fund, an Opportunity Fund focused on Minnesota Opportunity Zones. Investors can benefit from the attractive federal tax incentives afforded such Opportunity Funds under the recently enacted *Invest in Opportunities Act*. The DREAM Fund, that is, Developing Real Estate in Emerging Areas of Minnesota, is focused on eligible real estate investments (new developments and substantial rehabilitation) within the Minneapolis-St. Paul metropolitan area Opportunity Zones and those in larger communities across Minnesota. There were 128 Zones identified by Governor Dayton and now certified by the U.S. Treasury Department, the administrator of the tax incentive-based program. The DREAM Fund sponsor is organized as a Statutory Benefit LLC (a “Benefit Entity”) and has a stated social mission and ongoing reporting obligations. The fund’s mission is to enhance the social, environmental and economic vitality of Minnesota through its projects.

“Opportunity Zones offer a form of emerging market investing that taps disinvested and undervalued communities to attract new development, people, and energy,” said Loren Schirber, a MN-OZA partner. The DREAM Fund’s name reflects our purpose and the aspirations of people, families and neighborhoods to create community spaces that empower vibrant communities,” adds Schirber. “We see the world through the same lens, and aspire to advance social, environmental and economic impact in Minnesota’s Opportunity Zone communities,” said partner Jamie Stolpestad. “We expect the greatest investor interest coming from those who prefer to invest locally and want to put their money where their heart is,” he added.

DREAM Fund partner Loren Schirber said, “We are experienced with how to connect people, place and space, but we are also focused on building wealth in the community and executing through a local vendor and supply chain that can build skills and capacity in Opportunity Zone communities.” The U.S. Treasury Secretary recently predicted that \$100 billion would flow into Opportunity Zone Opportunity Funds (“OZOF’s”). The DREAM Fund seeks to raise \$100 million of total capital to deploy into projects state-wide. Under the *Invest in Opportunities Act* and recent Treasury and IRS guidance issued October 19th, investors who sell appreciated assets may roll over the gain from such sales to a qualified Opportunity Fund within 180 days and defer Federal capital gains tax until 2026. In addition,

gains from the Opportunity Fund are free of federal capital gains tax if the investment is held for at least 10-years.

“There are very real time constraints under the *Invest in Opportunities Act*,” says Stolpestad. “We have been working for months and are excited that the detailed U.S. Treasury regulations have been issued so we can finalize the selection and underwriting of specific projects. And we can now talk with prospective investors with greater clarity from the new regulatory guidance,” he added.

About Minnesota Opportunity Zone Advisors.

Minnesota Opportunity Zone Advisors (“MN-OZA”) is a Minneapolis and St. Paul based mission-oriented real estate investment manager and Sponsor and General Partner to the DREAM Fund, which intends to qualify as an Opportunity Zone Opportunity Fund pursuant to the *Invest in Opportunities Act*. The Sponsor is organized as a Delaware Statutory Benefit LLC with a stated social mission and reporting requirements. Sunrise Banks is the Master Custodian and Metro Project Lending Partner. Avisen Legal, P.A. is legal advisor. Nothing in this release constitutes an offer or recommendation for the purchase or sale of any securities nor is it an offer to sell or a solicitation of an offer to buy any securities. Any such offer will only be made in compliance with applicable state and federal securities laws. Further information on MN-OZA and the Fund is available at www.MN-OZA.com.

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