



## Company Overview

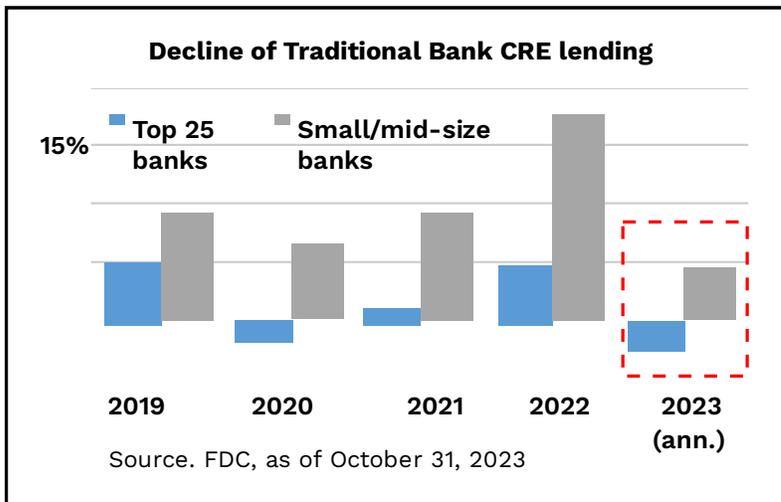
Red Oak Capital Holdings manages a vertically integrated, small balance sheet credit solutions strategy that targets short duration (12-36 months) commercial real estate mortgages that are senior secured, in the first position and fully collateralized by income producing commercial real estate properties. Red Oak Income Opportunity Fund II, a Reg D 506 C offering for accredited investors only, will provide investors with a vehicle to access the commercial real estate space through Red Oak's disciplined underwriting and capital allocation process.\*

## Increased Banking Regulations

### DRIVING DEMAND & GROWTH FOR PRIVATE LENDERS

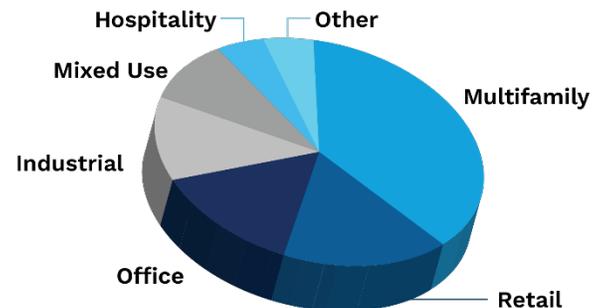
The Great Financial Crisis of 2008 triggered increased banking regulations and legislative requirements that created tighter credit conditions across the traditional bank lending market.

Increased regulations resulted in a retrenchment of capital from traditional banking sources, creating a unique opportunity for experienced private credit lenders to fill the lending void and generate attractive risk-adjusted returns.



## Portfolio Composition

Our lending strategy is diversified across geographical regions, industries, sectors, sponsors, and property types: multifamily, industrial, retail, self-storage, manufactured housing, medical office, mixed-use, office and hospitality, thus mitigating concentration risks.



## Positioned to Meet Three Distinct Needs

- 1 **INVESTORS** need for **INCOME**
- 2 **CRE** need for **INVESTMENT CAPITAL**
- 3 **INDUSTRY** need for **TRANSPARENCY**



\*This summary is being distributed on a confidential basis and is intended only for the use of the recipient. This summary is for discussion purposes only, may not be relied upon in evaluating the merits of participating in the Fund and is qualified in its entirety by the information contained in the private placement memorandum and definitive agreements of the Fund. This summary does not constitute an offer to sell or a solicitation of an offer to buy any securities. This investment will involve significant risks and investors should review the "Risk Factors" specified in the Fund's private placement memorandum. Actual performance of the Fund may differ materially from those reflected or contemplated herein.

\*The Bonds are unsecured



## The Offering

The Fund is designed to provide attractive current income and solid risk-adjusted returns with low correlation to broader financial markets. Compared to public debt, private credit in the CRE sector, which Red Oak provides, may deliver higher yields while limiting market-to-market volatility.

Red Oak's management team has extensive lending, asset management, servicing, and workout experience. Over the past three decades, the team has navigated through eight market cycles and successfully raised, deployed, and exited over \$10 billion of investor capital.

## Primary Areas of Investment

US commercial real estate debt represents a large, diverse market with over \$4.5 trillion in outstanding bank debt.\*

### Sectors:

- Multifamily
- Light Industrial
- Select Retail
- Mixed-Use
- Warehouse
- Storage
- Flagged Hotel Brands
- Medical Office
- Senior Living & Memory Care
- Office

### Senior Loan Advantages:

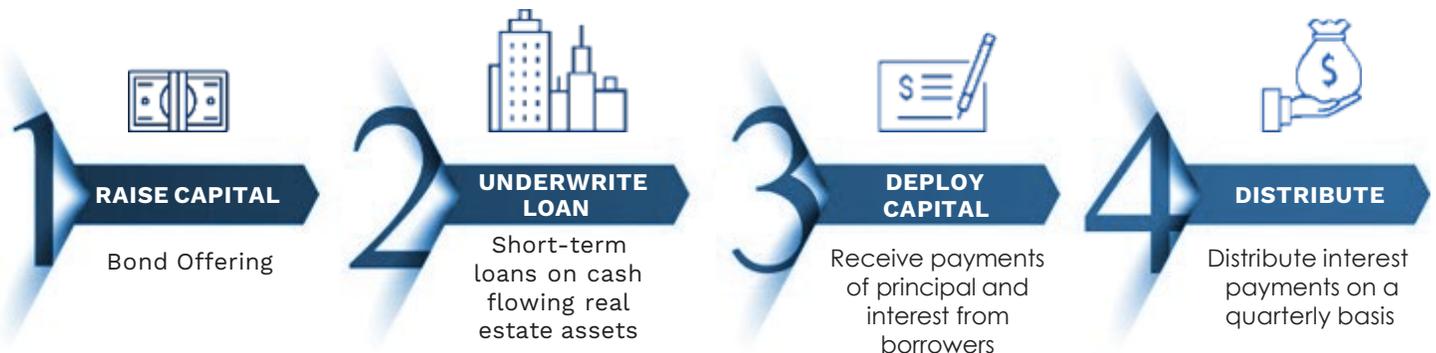
- Monthly Deal Flow in Excess of \$500M+/mo.
- Cash Reserves for Every Loan
- Rehabilitation Reserves for Every Loan
- Dutch\*\* Interest for Every Loan
- Lockbox for Every Loan

\*US Federal Reserve, Commercial/Multifamily Real Estate Mortgage Debt Outstanding, Q3 2019

\*\*A term used in real estate lending when a private lender charges interest on the entire loan amount, including funds that have yet to be disbursed to the borrower

## The Investment Process

Red Oak Income Opportunity Fund II seeks to generate returns for investors by originating, underwriting, and executing upon a diversified portfolio of short-term, senior secured loans backed by commercial real estate assets.



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## The Red Oak Capital Holdings Advantage

<b>DIVERSIFIED LOAN PORTFOLIO</b>	<ul style="list-style-type: none"> <li>• Focused on the top 200 USA MSAs</li> <li>• Short-term bridge loans</li> <li>• Multiple property types and geographies</li> <li>• <b>Senior secured position</b></li> </ul>
<b>EXCEPTIONAL SOURCING CAPABILITIES</b>	<ul style="list-style-type: none"> <li>• CRE Tier I, II &amp; III; Banks and real estate brokers drive originations</li> <li>• <b>Red Oak averages 15(x) loans originated to loans funded monthly: We have the ability to be very selective in the types of lending opportunities and assets brought into the Fund.</b></li> </ul>
<b>EXPERIENCED TEAM</b>	<ul style="list-style-type: none"> <li>• Managed through eight down-market cycles</li> <li>• Senior Management has originated, underwritten and closed and exited <b>over \$5 billion in the past 10 years*</b></li> <li>• Red Oak originates, analyzes, underwrites, closes and services loans</li> </ul>
<b>DISCIPLINED UNDERWRITING</b>	<ul style="list-style-type: none"> <li>• <b>Institutional level credit analysis and underwriting</b></li> <li>• Average 220+ due diligence checklist items</li> <li>• Participation: Insurance companies, banks, private lenders</li> </ul>
<b>TRANSPARENCY</b>	<ul style="list-style-type: none"> <li>• <b>Monthly update</b> calls for Advisors and Investors</li> <li>• Annual audited financials, semi-annual unaudited financials, quarterly statements, and monthly calls</li> </ul>

\*Includes experience of Management and affiliate companies.

## Key Terms<sup>1</sup> & Structure Attributes

<b>Structure:</b>	Bond
<b>Offering Target:</b>	\$300 million - Regulation D 506(c)
<b>Investor Qualifications:</b>	Accredited Investors only
<b>Minimum Investment:</b>	\$50,000
<b>Interest Rate:</b>	9.0%
<b>Term:</b>	4-Year
<b>Coupon Payment:</b>	Paid quarterly in arrears, January 25, April 25, July 25, October 25 •
<b>Maturity Date:</b>	Rolling 4 Year Maturity
<b>Reporting:</b>	Annual Audited Financials, Bi-Annual financials, QT Portfolio Updates
<b>Valuation:</b>	Following GAAP
<b>Tax:</b>	1099-INT
<b>Management Fee:</b>	1.75% on invested capital
<b>Servicing/Renovation Mgt Fees:</b>	Paid by the borrower to OAK
<b>Credit Facility:</b>	May use credit facility up to 50% of the Fund's asset value

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## Disclaimer

### CAUTIONARY NOTES – RISK FACTORS

The information contained herein is proprietary to Red Oak Capital Group, LLC (“Red Oak Capital”) and any unauthorized reproduction is strictly prohibited. **FOR ACCREDITED INVESTORS ONLY**

**NO OFFER OR SOLICITATION:** The material herein does not constitute an offer to sell nor is it a solicitation of an offer to purchase any security. **Prospective investors should carefully review the “Risk Factors” section of the PPM. Investors should perform their own investigations before considering any investment and consult with their own legal and tax advisors.**

Prior performance of Red Oak Capital or any of its affiliates is not indicative of future results for Red Oak Capital Income Opportunity Fund II, LLC. There is no assurance that future investments will achieve comparable results. Alternative investment performance can be volatile and real estate-related investments may involve additional risks. There is no assurance that the Company objectives will be achieved.

**An investment in the Bonds of Red Oak Capital Income Opportunity Fund II, LLC (the “Company”) is considered speculative. There are no guarantees of distributions or returns, investors may lose all or part of their investment. Offers will only be made through a confidential private placement memorandum (“PPM”) and where permitted by law. Carefully read the entire Private Placement Memorandum before investing in this offering. The Bonds are suitable for investors that have no need for liquidity in this investment.**

There are various risks related to an investment in the Bonds which are described in the private placement memorandum. These risks include, but are not limited to:

The Bonds may not be suitable for certain investors.

The Bonds will be highly illiquid, no trading market exists or will ever develop.

The offering is a “Best Efforts” offering, and if the Company is unable to raise substantial capital, the Company may be limited in the number and types of investments it is able to make, which could have a negative effect on diversification and investment results.

The Company is recently formed with no operating history and no assurance of success.

Success is dependent on the performance of Red Oak Capital GP, LLC (the “GP”), which is the sole member of the Company, as well as individuals that are employees of Red Oak Capital.

The Company depends on key personnel and its affiliates, the loss of any of whom could be detrimental to the Company’s business.

The Company will pay substantial fees and expenses to the GP or its affiliates and broker-dealers. These fees will increase Investors’ risk of loss. The Company is a blind pool offering. Investors will not have an opportunity to evaluate investments before they are made.

The Company will be subject to conflicts of interest arising out of relationships among Red Oak Capital, the GP, and their affiliates and employees. Real estate related investments including joint ventures, senior leverage and real estate related securities involve substantial risks.

There are substantial risks associated with making loans secured by real estate and real estate investments may involve additional risks. Commercial real estate related investments that are secured by real property are subject to delinquency, foreclosure, and loss which could negatively impact investors. The ability of a borrower to repay a loan secured by income producing property is dependent on the successful operation of the property.

Economic, market and regulatory changes that impact the real estate market in general may decrease the value of the Company’s investments and weaken operation results.

Properties that have vacancies could be difficult to sell, which could negatively impact investors.

The Company will likely obtain debt financing which may increase costs and may limit the Company’s ability to pay interest and or principal to investors.

The company indirectly depends on tenants in properties securing its loans for revenue; therefore, non-renewals, lease terminations or lease defaults could reduce revenue and limit the Company’s ability to pay interest and or principal to investors.

### IMPORTANT INFORMATION

#### FOR ACCREDITED INVESTORS ONLY

Investments in any security are not suitable for all investors. Certain statements contained in this Presentation may constitute “forward looking statements”. Any such statements, performance projections and results have been based upon assumptions, some of which will vary, perhaps materially, from actual events and do not constitute a prediction or representation as to actual performance. The projections and results are purely hypothetical and for illustration purposes only. Nothing contained herein has been reviewed by nor endorsed by the SEC or any other regulatory agency or trade organization.

Securities are offered through Crescent Securities Group, Inc., member FINRA/SIPC, 4975 Preston Park Blvd, Suite 820, Plano TX 75093