FLATIRONS ASSET MANAGEMENT

FLATIRONS SELF-STORAGE II DST

FLATIRONS
ASSET
MANAGEMENT

Flatirons Asset Management ("Flatirons") is a private investment firm, formed in 2019 to be a dependable partner in the practice of good stewardship.

Flatirons specializes in sponsoring tax-advantaged real estate offerings, including Delaware Statutory Trusts.

Flatirons is led by Kate Matheny, former CFO of Red Dot Storage, and is a subsidiary of Crosstimbers Capital Group.

THE OFFERING

Flatirons Self-Storage II DST (the "Trust") is a newly formed Delaware statutory trust and an affiliate of Flatirons. The Trust is Flatirons' second self-storage DST offering.

The Trust owns seven self-storage facilities (each a "Property" and, collectively, the "Properties"), which are operated under the Red Dot Storage brand. Three of the Properties are in Indiana, two Properties are in Illinois, one Property is in Tennessee, and one Property is in Missouri. The Properties comprise a total of 2,781 storage units that encompass 391,375 rentable square feet.

This Offering is intended for accredited investors seeking replacement property as part of a 1031 exchange, as well as cash investors seeking a quality investment in potentially income-producing real estate.

Flatirons believes that this investment offers the following benefits[1]:

- Preservation and enhancement of value through class-leading property and asset management.
- Cash flow to the investors through the master lease payments.
- A transparent bonus rent structure to the investors.
- Flexible potential exits with 10-year fixed-rate financing without any pre-payment penalty.

[1] *There are no assurances that these objectives will be met.*

FLATIRONS SELF-STORAGE II DST

OFFERING HIGHLIGHTS

EQUITY OFFERING: **$12,901,000**
LOAN PROCEEDS: **$13,000,000**
TOTAL OFFERING: **$25,901,000**
LOAN TO PURCHASE PRICE: **50.19% (of fully-loaded price)**
MINIMUM INVESTMENT (1031): **$100,000**
MINIMUM INVESTMENT (CASH): **$25,000**

KEY OFFERING DETAILS

NUMBER OF SELF-STORAGE PROPERTIES: **7**
STORAGE UNITS: **2,781**
RENTABLE SQUARE FEET: **391,375**
TOTAL PARKING SPACES: **80**
OCCUPIED RESIDENTIAL APARTMENT: **1**
UNOCCUPIED RESIDENTIAL APARTMENT: **1**

DEBT TERMS

- $13,000,000 NON-RECOURSE LOAN FROM TEXAS CAPITAL BANK
- 10-YEAR TERM[1] WITH MATURITY DATE OF FEBRUARY 28, 2030
- 3.74% FIXED INTEREST RATE
- 5 YEARS INTEREST ONLY
- 5 YEARS AMORTIZING OVER 30-YEAR SCHEDULE
- NO DEFEASANCE, PRE-PAYMENT OR YIELD MAINTENANCE COSTS
- SECURED BY A FIRST LIEN DEED OF TRUST ON EACH PROPERTY

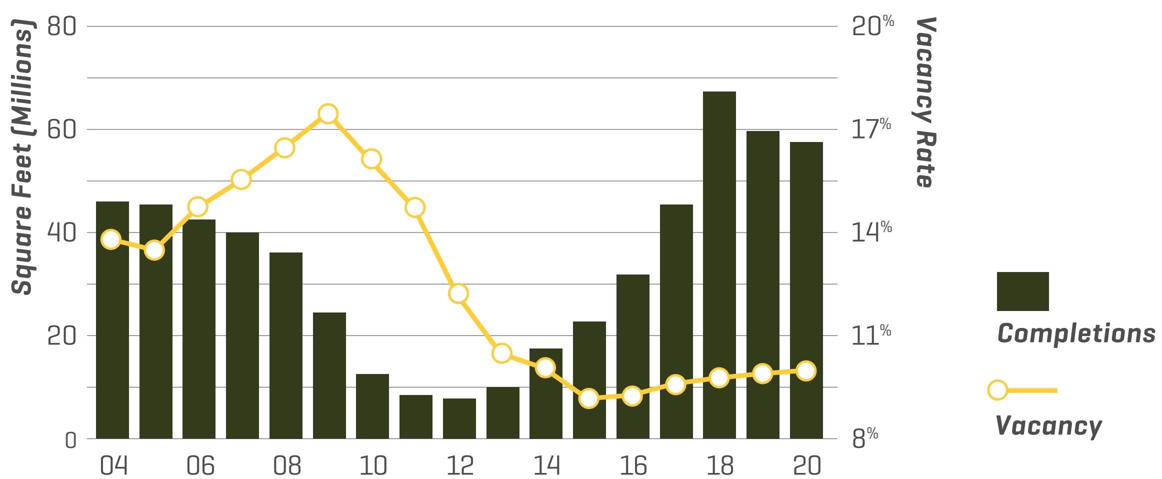
[1] *The loan has an initial five-year term with an option by the borrower to extend the term for an additional five years, subject to the payment of an extension fee equal to 0.50% of the outstanding balance and satisfaction of certain financial covenants.*

SELF-STORAGE TRENDS

WHY SELF-STORAGE?

- The self-storage industry is projected to exceed $40 billion in revenue in 2020. With a nearly 50% increase in revenue since 2010, self-storage continues to be one of the fastest growing sectors in the US economy.[1]
- There are approximately 47,000 self-storage facilities and almost 1.9 billion rentable square feet nationwide.[2]
- National vacancy rates have remained somewhat steady between nine to ten percent nationwide, demonstrating balanced supply and demand.
- Since 2010, the U.S. has seen a 31% increase in median household income, supporting discretionary spending and enhancing the need for storage space.[3]
- The millennial generation has played a key role in expanding self-storage utilization, integrating offsite storage into their lifestyle choices.

SELF-STORAGE SUPPLY AND DEMAND[3]



[1] *Self Storage Industry Statistics (2020), Neighbor (2019).*
[2] *Primer: a store of value with strong free cash flow generation & resilient demand, Bank of America Merrill Lynch (2019).*
[3] *2020 Self-Storage U.S. Investment Forecast, Marcus & Millichap (2020).*

THE PROPERTY MANAGER

RED DOT STORAGE

Founded in 2013, Red Dot Storage ("Red Dot") is headquartered in Louisville, Colorado, and has approximately 75 employees across field operations and its corporate headquarters. As of March 31, 2020, Red Dot owned and/or operated 182 properties in 17 states comprising 7.1 million net rentable square feet and 54,900 units.

Red Dot's unique and fully integrated business model allows it to operate profitably in markets that have attractive fundamentals but do not support the full-service cost structure of REITs and other large institutions. By leveraging technology—including automation and a proprietary management software—Red Dot is able to deploy its people more efficiently, enhance its customers' satisfaction, and dramatically reduce its cost of operations.

Much of the customer experience is self-directed through automation. Using a touch-screen computer, Red Dot's customers may select an available unit, purchase a lock, and complete all paperwork from a kiosk onsite. Once rented, those customers receive a gate code for access to their unit. Red Dot's cloud-based gate system remotely controls facility access, and its surveillance system helps keep the site secure. Any customer service needs are handled by a dedicated call center available to serve customers seven days a week.

This site automation, along with Red Dot's powerful, proprietary software platform, allow its employees to operate with maximum efficiency. Red Dot's area managers visit properties on a bi-weekly basis, providing property-level maintenance and upkeep in accordance with a strictly defined task list designed to ensure that each property conforms to Red Dot's brand standards. Red Dot's revenue management team utilizes local market data to create custom-tailored pricing programs that enable the company to manage rates on a real-time basis. Utilizing its unique operational model, Red Dot has created a track record of increasing net operating income significantly under its ownership.

THE PROPERTIES

The seven Properties in the Trust comprise 2,781 storage units, encompassing 391,375 rentable square feet. The Yorkville Property, Decatur Property, and Cape Girardeau Property have rentable parking spaces, totaling 80 spaces. Additionally, the Terre Haute Property includes an unoccupied residential apartment unit, and the Crown Point Property includes an occupied residential unit. All the Properties are operated as self-storage facilities under the Red Dot Storage brand.

PROPERTY	Storage Units	Rentable Square Feet	Physical Occupancy [1]	2019 Population (within 5 miles) [2]	2019 Med. Household Income (within 5 miles) [2]
YORKVILLE	353	49,775	88%	31,880	$90,300
TERRE HAUTE	518	65,125	87%	67,141	$35,442
DECATUR	544	79,275	84%	42,974	$52,480
LEBANON	532	69,850	83%	34,928	$50,034
EVANSVILLE	248	25,900	87%	96,889	$41,249
CROWN POINT	207	33,600	99%	80,134	$68,812
CAPE GIRARDEAU	379	67,850	87%	43,293	$46,107

PROPERTY LOCATIONS

1 **YORKVILLE PROPERTY**
1410 S. BRIDGE STREET
YORKVILLE, IL 60560

2 **TERRE HAUTE PROPERTY**
1391 S. STATE ROAD 46
TERRE HAUTE, IN 47803

3 **DECATUR PROPERTY**
5465 US HWY 36
DECATUR, IL 62521

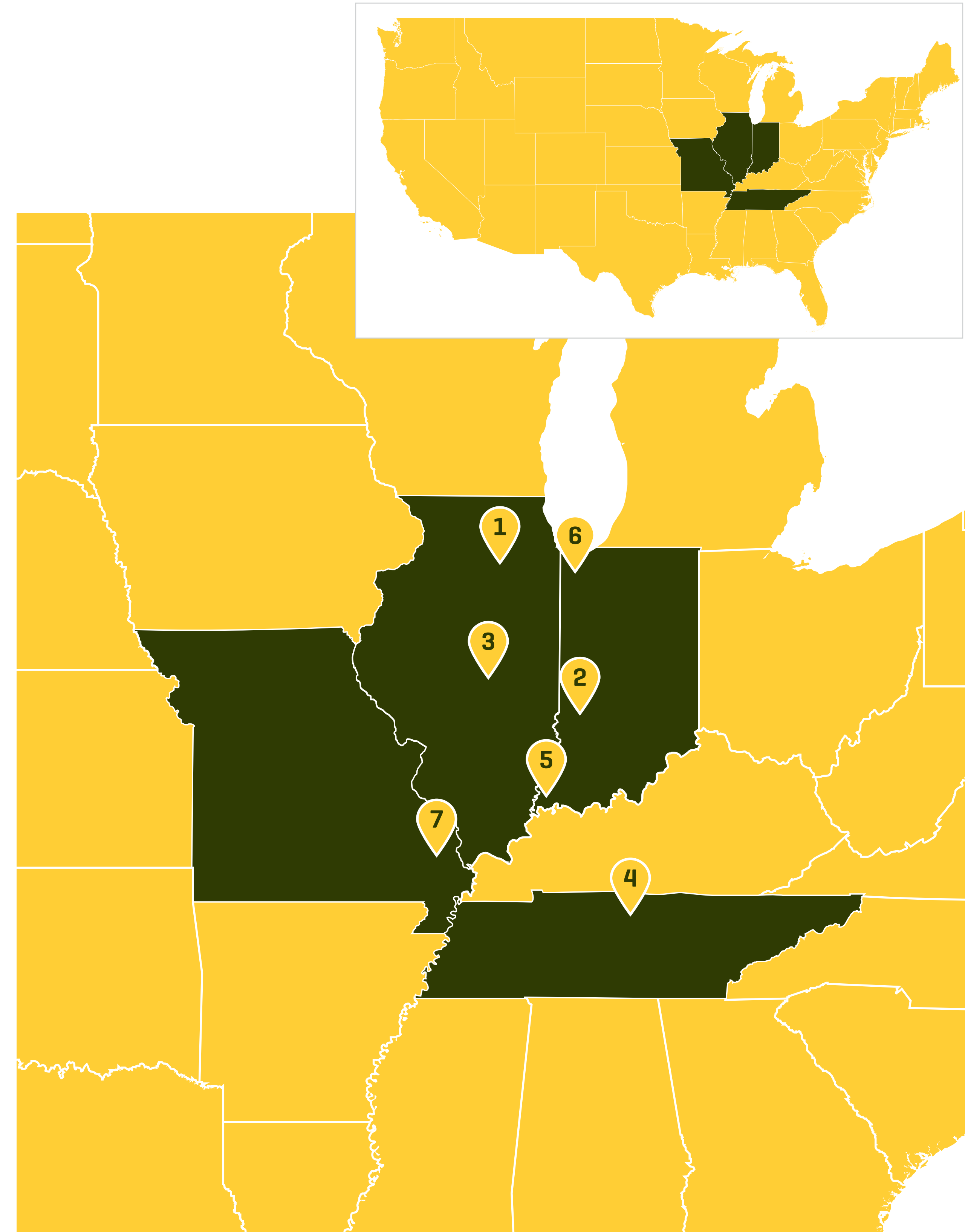
4 **LEBANON PROPERTY**
211 MADDOX-SIMPSON PARKWAY
LEBANON, TN 37090

5 **EVANSVILLE PROPERTY**
2811 S. GREEN RIVER ROAD
EVANSVILLE, IN 47715

6 **CROWN POINT PROPERTY**
1010 MILLENNIUM DRIVE
CROWN POINT, IN 46307

7 **CAPE GIRARDEAU PROPERTY**
2301 BLOOMFIELD ROAD
CAPE GIRARDEAU, MO 63703

[1] *Physical occupancy is reported as of March 2020.*
[2] *Appraisal reports from JLL, Valuation & Advisory Services as of March 2020.*



THE MARKETS[1]

THE CHICAGO-NAPERVILLE-ELGIN, IL-IN-WI MSA

The Yorkville and Crown Point Properties

The Yorkville and Crown Point Properties are considered part of the Chicago MSA. The Chicago MSA has a large and well-diversified economic structure, which has allowed it to remain among the strongest economic centers in the nation. Due to its economic diversification, the Chicago metropolitan area tends to experience fewer seasonal and cyclical peaks and valleys than do many single-industry areas.

THE TERRE HAUTE, IN MSA

The Terre Haute Property

The Terre Haute Property is part of the Terre Haute MSA. The city of Terre Haute has experienced a steady increase in population growth since 2010. The primary industries in the MSA are manufacturing services and health care followed by education. Terre Haute is home to Indiana State University and the Rose Hulman Institute of Technology.

THE DECATUR, IL MSA

The Decatur Property

The Decatur Property is part of the Decatur MSA. Located in the south-east portion of Macon County, U.S. Highway 36 and State Route 121 provide access to the Decatur Property from the greater Decatur metro area. Macon County is Illinois' sixth-most populous city outside of the Chicago MSA.

THE NASHVILLE-DAVIDSON-MURFREESBORO-FRANKLIN, TN MSA

The Lebanon Property

The Lebanon Property is part of the Nashville MSA. The Nashville metropolitan area has a population of two million and is projected to grow at a 1.8% annual rate. Unemployment in Nashville is 2.6% and is expected to remain low. Nashville MSA's strong economy is well positioned for growth over the next few years.

THE EVANSVILLE, IN-KY MSA

The Evansville Property

The Evansville Property is part of the Evansville MSA. The Evansville MSA has a population of 319,418 and is expected to grow at a 0.3% annual rate. The Evansville MSA unemployment rate is 2.7%, which was a comparable rate to Indiana.

THE CAPE GIRARDEAU, MO-IL MSA

The Cape Girardeau Property

The Cape Girardeau Property is part of the Cape Girardeau MSA. The Cape Girardeau MSA has a population of 98,726 and is expected to grow at a 0.3% annual rate. Cape Girardeau MSA has outperformed Missouri in the rate of job growth over the past two years and has an unemployment rate of 2.4%.

[1] *All market information provided by JLL Valuation & Advisory Services as of March 2020. There can be no guarantee that future conditions will not vary materially from any forward-looking statements.*

INDUSTRY OVERVIEW[1]

INDUSTRY FUNDAMENTALS, COMPETITIVE LANDSCAPE, AND AUTOMATION

The maturation of the self-storage sector over the last decade has transformed the industry into a mainstream real estate investment category with more than $40 billion in revenues expected in 2020. Limited management needs and the opportunity for yield attracts institutional operators and investors to the industry.

Demand for self-storage units is benefiting from a decade of steady job creation and wage growth that has bolstered household formation and consumer spending. On a macro level, demand drivers include population growth, household size, household income, household formation, apartment rent growth, general economic growth and job growth.

The resiliency of the asset class across economic cycles remains one of its most attractive attributes, as demonstrated by the industry's strong performance during the Great Recession as well as during the period of economic expansion experienced over the past decade. In periods of economic expansion, self-storage demand is driven by moving due to upsizing, additional business use, and more demand for storable goods. In the event of an economic downturn, countercyclical demand drivers such as household consolidation and downsizing could partially offset a smaller traditional customer base.

Primary markets such as the nation's top-50 MSAs are dominated by publicly-traded self-storage REITs. These markets are highly competitive and ripe with sophisticated operators. As investors seek yield, they are increasingly turning to non-primary markets, which are dominated by unsophisticated mom and pop operators.

[1] *Sources: Self-Storage Almanac, Mini-Storage Messenger (2020). Self-Storage U.S. Investment Forecast, Marcus & Millichap (2020). Primer: a store of value with strong free cash flow generation & resilient demand, Bank of America Merrill Lynch (2019). Automating the Storage Facility, Green Street Advisors (2019). Self Storage Industry Statistics (2020), Neighbor (2019).*

FLATIRONS ASSET MANAGEMENT
BACKED BY CROSSTIMBERS

Based in Denver, Colorado, Flatirons is led by Kate Matheny and is a subsidiary of Crosstimbers Capital Group ("Crosstimbers"). Crosstimbers, a Registered Investment Advisor,[1] manages private equity and venture capital funds and invests on behalf of high net worth individuals and family offices. The Crosstimbers team has developed deep expertise working within portfolio companies to stabilize and strengthen them as they scale. They have helped raise more than three billion dollars to support the continued growth of those businesses, two of which are now publicly-traded. The principals of Crosstimbers also led the initial investment in Red Dot Storage, a company they continue to sit on the board of today.

Kate S. Matheny is the CEO of Flatirons and has over 20 years of experience in real estate operations, accounting, and finance. Prior to Flatirons, Kate served as the CFO of Red Dot Storage, a top 15 operator of high-quality self-storage properties across the United States. Kate previously was the CFO and COO of One Thousand & One Voices, a private equity fund, and the CFO of KRG Capital, a multi-billion-dollar real estate fund. She also previously worked at Black Creek Capital and a Denver-based real estate investment and operations company. She began her career at Deloitte and holds bachelor's degrees in accounting and finance and a Master of Science in Taxation from Colorado State University.

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> *As a firm, we value probity, prudence, and trust.*
>
> -Kate Matheny
> *CEO, Flatirons*

THE CROSSTIMBERS TEAM

David L. Hollon serves on the board of Flatirons. He is co-founder and Managing Partner of Crosstimbers, where he serves on the firm's Investment Committee and on the boards of its portfolio companies, including Red Dot Storage. Prior to co-founding Crosstimbers, David served as President of Brock Capital Group, LLC ("BCG"), a family office-sponsored private equity firm based in Houston. David previously worked in a principal investments division of Goldman, Sachs & Co.

Trevor J. Brock serves on the board of Flatirons. He is co-founder and Managing Partner of Crosstimbers, where he serves on the firm's Investment Committee and also on the boards of its portfolio companies, including Red Dot Storage. Prior to co-founding Crosstimbers, Trevor served as Managing Director of BCG, responsible for sourcing, underwriting and managing its investments.

José F. Bolaños serves on the board of Flatirons. He is a Partner at Crosstimbers, where he helps underwrite and manage investments and serves on the boards of its portfolio companies, including Red Dot Storage. Prior to joining Crosstimbers, José was a Senior Analyst at BCG. José began his career at J.P. Morgan as an Analyst in the International Private Bank.

[1] *Registration of Crosstimbers as an investment advisor does not constitute an endorsement of Crosstimbers or Flatirons by the Securities and Exchange Commission, nor does it indicate that Crosstimbers, Flatirons, or their representative principals have attained a particular level of skill or ability.*

IMPORTANT RISK FACTORS

This is a brief and general description of the offering (the "Offering") of beneficial interests ("Interests") in Flatirons Self-Storage II DST, a Delaware statutory trust (the "Trust"). The Offering is a private placement securities offering. Private placements are speculative and lack liquidity, and carry a high degree of risk—including the loss of the entire investment. This material does not constitute an offer to sell Interests or a solicitation of offers to purchase Interests and is authorized for use only when accompanied or preceded by the confidential private placement memorandum for the Offering (the "Memorandum"). Reference is made to the Memorandum for a more complete statement of risks and terms of the Offering. The information set forth herein is qualified in its entirety by the Memorandum. All prospective investors in the Interests ("Investors") must read the Memorandum, and no person may invest without acknowledging receipt and complete review of the Memorandum.

Each Investor should consult with his, her or its own legal, investment and other appropriate professional advisors regarding a prospective investment in the Interests. Moreover, because each Investor's tax situation is different, prospective Investors should consult with their own tax advisors regarding an investment in the Interests.

The Trust and its related entities (including the master lessee that is affiliated with Flatirons and will lease the Trust properties from the Trust) are newly-formed and have limited capital and no operating history.

Interests are offered in reliance on an exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), and are not required to comply with specific disclosure requirements that apply to registered securities under the Securities Act. As such, investment in the Interests is suitable only for accredited investors, as defined in Regulation D promulgated under the Securities Act.

The Securities and Exchange Commission has not passed upon the merits of or given its approval to the Interests, the terms of the Offering, or the accuracy or completeness of any offering materials.

No public market currently exists, and one may never exist, for the Interests, and there are significant restrictions on the transfer of Interests. The purchase of Interests is suitable only for persons who have no need for liquidity in their investment and who can afford to lose their entire investment.

There is no guarantee that the investment objectives of the Offering or the Trust will be achieved. In the event that this material or the Memorandum contain any projections or other forward-looking statements, Investors should be aware that actual results may diverge materially from such projections or statements.

The actual amount and timing of distributions paid by the Trust, and the returns and investment performance of the Trust, cannot be guaranteed and may vary. There can be no guarantee that investors will receive distributions or a return of their invested capital.

Investments in real estate are subject to varying degrees of risk, including, among other things, local conditions such as an oversupply of space or reduced demand for properties, an inability to collect rent, vacancies, inflation and other increases in operating costs, adverse changes in laws and regulations applicable to owners of real estate and changing market demographics. Self-storage in particular is a highly-competitive industry and is sensitive to fluctuations in local housing markets and economies.

The Trust will be controlled by its trustees, and the properties of the Trust will be controlled primarily by a master tenant affiliated with Flatirons, to which the properties will be leased. Investors in the Trust will have no voting or control rights and must be willing to rely upon the trustees and master tenant to control the Trust and the properties of the Trust, including the making of any decision to dispose of such properties.

The Trust depends on its tenants (including the master tenant) for its revenue and may suffer adverse consequences as a result of any financial difficulties, bankruptcy or insolvency of such tenants (including the master tenant).

There are certain important risks associated with the Trust's use of debt financing. A decrease in the rental revenues of the Trust could adversely affect the Trust's cash flows and, in turn, the Trust's ability to make payments when due pursuant to the terms of the debt financing, which could result in a loan default. Additionally, the inability of the Trust to repay the remaining principal amount of the debt upon maturity would result in a loan default and could have a materially adverse effect on the performance of the Trust.

Past performance is no guarantee of future results. The prior performance of other offerings and investments sponsored by Flatirons and Crosstimbers should not be used to predict the results of the Offering.

Certain arrangements relating to the Offering, including the terms of the trust agreements and any master leases, were not negotiated at arm's length.

The Trust will pay significant commissions, fees and other compensation to Flatirons, its affiliates and certain third parties, including in connection with the syndication of the Interests and the ongoing operation of the Trust properties. Such commissions, fees and compensation will affect the amount of income Investors earn on their investments.

Red Dot Storage is an affiliate of Flatirons. Red Dot Storage performs property management services for other property owners, including other owners affiliated with Flatirons, and will face competing demands for its time and service.

Flatirons and its affiliates will be subject to certain conflicts of interest in connection with the Offering and the operation of the Trust, including, without limitation, conflicts of interest relating to (i) the acquisition of the Trust properties from an affiliate of Flatirons and Red Dot Storage, (ii) the affiliation of Red Dot Storage, the master lessee and Flatirons, and (iii) the lack of arm's-length negotiation of the terms of the Trust and related arrangements (including the master leases pursuant to which the Trust properties are being leased to an affiliate of Flatirons).

The acquisition of interests in the Trust may not qualify under Section 1031 of the Internal Revenue Code of 1986, as amended for tax-deferred exchange treatment. Additionally, changes in tax laws may occur and may adversely affect an investor's ability to defer capital gains tax in connection with an investment in an Interest. It is important that each Investor consult with such Investor's own tax advisors.

The DST structure is inflexible and, in certain events, may be converted to an LLC structure, which would have a significant tax impact on investors.

FLATIRONS
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