



**NCG**  
HOSPITALITY®

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# **AC Hotel by Marriott Milwaukee, WI**

Confidential Private Placement Memorandum  
Executive Summary



**OWNERS, DEVELOPERS AND OPERATORS OF  
PREMIER HOSPITALITY PROPERTIES**

# ABOUT US

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**REAL ESTATE IS OUR TRADE. HOSPITALITY IS OUR CRAFT.**

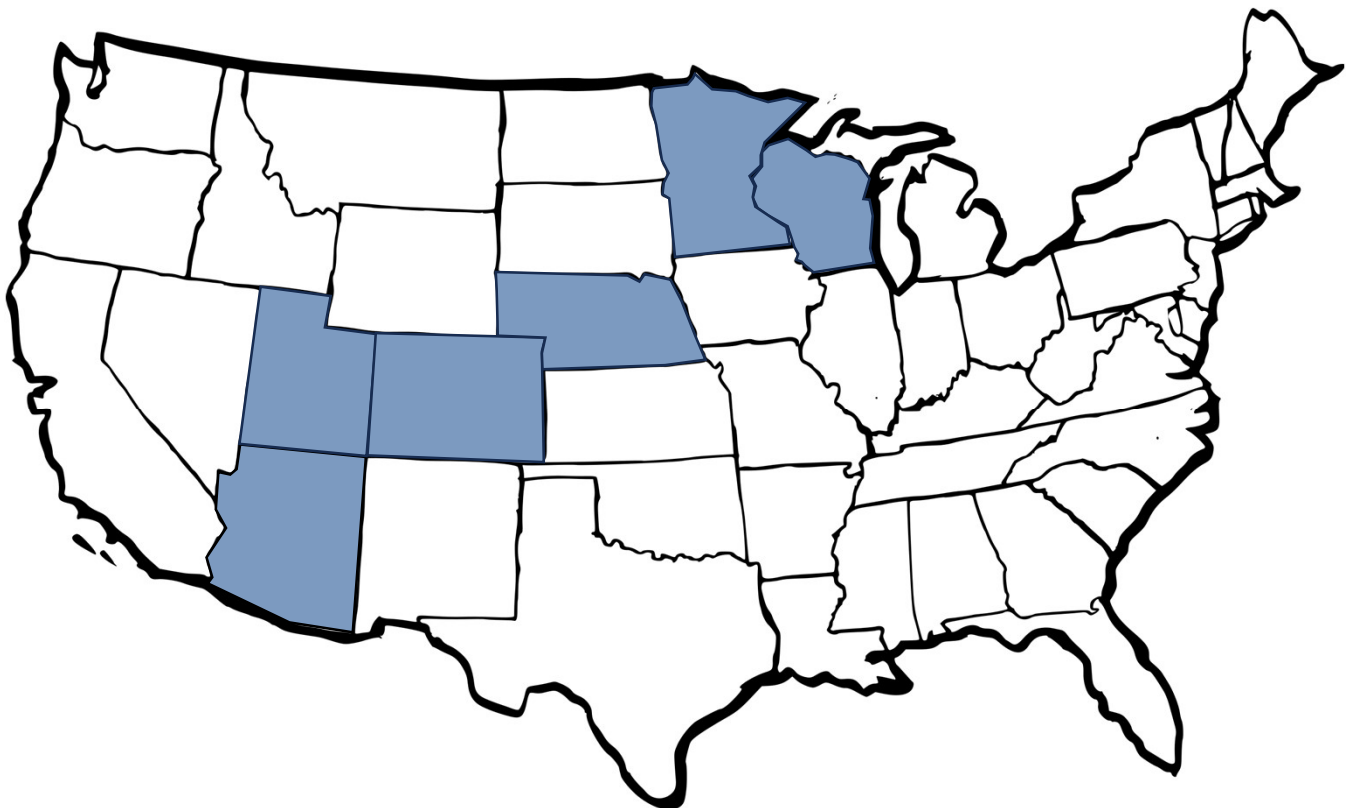
NCG Hospitality is a leader in the ownership, development, and operations of premier hospitality properties. Established over 45 years ago by our Chairman, Dave Lenz, NCG Hospitality has evolved into a successful third-generation, family-owned business. NCG Hospitality proudly owns and operates over 30 properties across multiple states and national brands. We leverage our unparalleled expertise to provide hotel management services, hotel development expertise, and real estate-focused services to property owners and investors throughout the U.S.

## OUR PORTFOLIO

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Over its history, NCG Hospitality has developed, owned, and managed over 70 properties. Today, its portfolio spans over 30 properties that it owns and operates, representing renowned brands such as Marriott, Hilton, and Hyatt. NCG Hospitality is also an active third-party manager of hospitality properties, on behalf of private owners and publicly-traded REITs, which allows it to leverage managerial and operational efficiencies.

See below for a map of NCG Hospitality's portfolio. Within the Milwaukee, WI hospitality market, it currently owns and manages both the Trade (Autograph Collection) and the Hilton Garden Inn Milwaukee Brookfield.



# WHY INVEST WITH NCG

- Investors will receive a 7% preferred return with a targeted 10-year IRR of approximately 15% and projected gross equity multiple of 2.7x over the 10-year period.
- Investors can receive tax advantages through depreciation to reduce taxable income; NCG will conduct a cost segregation study upon completion of the hotel.
- Investors will receive their Schedule K-1 by mid-March, well in advance of Tax Day on April 15th.
- NCG has a 40+ year track record of proven success in the hospitality industry.
- Lenz family-related entities will own a minimum of 10% of Class A Shares.
- NCG has an award-winning management team with significant experience in the Milwaukee, WI MSA that can maximize the sales and operations of each hotel.

## FINANCIAL PROJECTIONS

### PROPERTY OVERVIEW

Name	AC Hotel Milwaukee
Franchise	Marriott
Key Count	156
Location	Milwaukee, WI
Year Opened	2028

### 10 YEAR CLASS A - \$100,000 INVESTMENT

Total Investment	(\$100,000)
Gross Distributions	\$273,501
Levered Net Cash Flow	\$173,501
<b>IRR</b>	<b>15.1%</b>
Gross Equity Multiple	2.74x

### STABILIZED PROFORMA (YEAR 3)

Occupancy	74.3%
Average Daily Rate	\$262
<b>RevPAR</b>	<b>\$195</b>
Revenue	\$12,885,000
Expenses	\$8,268,000
<b>Net Operating Income</b>	<b>\$4,617,000</b>
Debt Service	\$2,840,000
DSCR	1.63x
Project Costs	\$54,200,000
<b>Yield on Cost</b>	<b>8.5%</b>

*This return is based on projections of the Company made by the Company and its affiliates. It reflects the Company's assessment of possible future results. The projections are dependent upon many factors over which the Company, NCG, NCGI and the investors have little or no control. Projections involve significant subjective judgment and analysis and no representation can be made as to their attainability. The projections are not a guarantee of future performance.*

# AC HOTEL MILWAUKEE

NCG Hospitality (“NCG”) is seeking equity investment for its latest development, a 156-key AC Hotel by Marriott® (“Hotel”) in Milwaukee, WI. The Hotel will be located within the Deer District, Milwaukee’s premier location for sports and entertainment and home to Fiserv Forum and the NBA’s Milwaukee Bucks. The Hotel will also be located one-block from The Trade, Autograph Collection, which is owned and operated by NCG and opened in May 2023.

NCG received entitlement approvals to construct the Hotel from the City of Milwaukee in June 2025 and signed a 99-year ground lease for the site of the Hotel in November 2025 with an affiliate of the Milwaukee Bucks. NCG anticipates securing its building permit and commencing construction of the Hotel in August 2026. Projected to open in March 2028, the Hotel will offer 156 guestrooms, a first-floor bar/lounge, fitness center, and more.

The Deer District is home to Fiserv Forum, which hosts the Milwaukee Bucks and men’s basketball for the Marquette Golden Eagles. It also holds concerts, live entertainment and collegiate sporting events annually. FPC Live recently opened a \$70 million live entertainment venue, Landmark Credit Union Live, on the same block as the Hotel. The Baird Center is located a few blocks away and is the largest convention and exhibition hall in Wisconsin, with 1.3 million square feet that re-opened in May 2024 following a \$456 million expansion and modernization project that led to it hosting the 2024 Republican Convention.

AC Hotels by Marriott was introduced to North America in 2014 as a design-led, upscale brand inspired by contemporary European hotels. The brand has expanded rapidly, appealing to modern, design-conscious travelers through its emphasis on purposeful spaces, elevated simplicity, and premium public spaces. With over 260 properties open in over 20 countries and a strong development pipeline of hotels under construction and in planning, AC Hotels continues to be a compelling and viable brand within the Marriott family of brands.

NCG currently owns and/or manages over 30 properties throughout the U.S., including an AC Hotel in Madison, WI as well as two properties in the Milwaukee, WI MSA. This scale enables NCG to maintain a dedicated sales and marketing team and realize meaningful managerial efficiencies.



The AC Hotel site is shown in yellow (with The Trade, Autograph Collection, also owned/operated by NCG outlined in red) in the adjacent aerial map, with these nearby demand drivers:

1. Fiserv Forum
2. Landmark Credit Union Live
3. UW-Milwaukee Panther Arena / Miller High Life Theatre
4. Baird Center

# AC HOTEL MILWAUKEE

The Hotel will be located at the northwest corner of W. State Street and Vel R. Phillips Avenue in Milwaukee, and total 156 guestrooms, including nine suites. The Hotel will feature numerous amenities, including the AC Lounge and AC Kitchen, a fitness center, 24/7 market, multiple bar / lounge areas (some reservable areas for private events) as well as an outdoor patio. Below are representative images from NCG's AC Hotel Downtown Madison.



# AC HOTEL MILWAUKEE OFFERING SUMMARY

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## OWNER AND MANAGER

The Hotel will be owned by Milwaukee DD Lodging Investors II, LLC, a special purpose entity limited liability company (“SPE” or the “Company”). The Company will be managed by North Central Group, Inc. The sponsor will be NCG Investments, LLC (“NCGI”). As sponsor, NCGI is intending to serve as primary guarantor of the construction loan to the Company.

## ENTITY RELATIONSHIP

NCGI is the primary investment company of NCG’s founder, Dave Lenz. Mr. Lenz, the controlling member of NCGI, invests in NCG’s hotel properties through NCGI and related entities. Mr. Lenz is also the primary shareholder of North Central Group, Inc. (which will serve as the Manager of the Company) and its subsidiaries, including North Central Management, Inc., which will manage day-to-day operations of the Hotel.

## THE OFFERING

Approximately 364 Class A Units at a purchase price of \$50,000 per unit.

## INVESTOR TYPE

Investors must be accredited per the rules of the Securities and Exchange Commission. Common accredited qualification standards include individual annual income of \$200,000 or greater for the past two calendar years and a reasonable expectation of achieving such level during the current year (or \$300,000 joint income with a spouse) or a net worth of over \$1,000,000 not including the value of a primary residence. Full details can be found in our Private Placement Memorandum.

## CLASS A UNIT DETAILS

Holders of Class A Units are entitled to the following:

- A 7% preferred return upon Hotel opening (cumulative, not compounded)
- Will share in 75% of the profits and losses generated by operations after preferred and priority returns are paid to Class A and Class B Unit holders. Shareholders will not be subject to any capital calls.
- Upon a capital event, a full return of invested capital before any excess distributions from the refinance or sale are shared with Class B Units.
- NCGI and/or Lenz-family related entities expect to purchase a minimum of 10% of total Class A shares and receive the Class B shares.

## PROPERTY AND ASSET MANAGER

North Central Management, Inc.

*To request a Private Placement Memorandum (PPM) or for more information on future projects, please contact Blake Richter (Director of Capital Markets & Development) at (608) 662-3408 | [brichter@ncghospitality.com](mailto:brichter@ncghospitality.com), or Kim Richter (VP of Community & Investor Relations) at (608) 662-3621 | [krichter@ncghospitality.com](mailto:krichter@ncghospitality.com)*

# AC HOTEL MILWAUKEE OFFERING SUMMARY

## PRELIMINARY CAPITAL STRUCTURE

Class A Investor Equity	\$18,200,000
Construction Loan	\$35,000,000
Key Money	\$1,000,000
<b>Total Development Costs</b>	<b>\$54,200,000</b>

## PROJECTED RETURNS

The initial projected pre-tax 10-year IRR for Class A Units is expected to be approximately 15%.

*This return is based on projections of the Company made by the Company and its affiliates. It reflects the Company's assessment of possible future results. The projections are dependent upon many factors over which the Company, NCG, NCGI and the investors have little or no control. Projections involve significant subjective judgment and analysis, and no representation can be made as to their attainability. The projections are not a guarantee of future performance.*

## TIMING SUMMARY

Timing of each event is only an estimate and subject to change:

- June 2025 – Secured entitlement approvals for the Hotel with the City of Milwaukee
- November 2025 – Closed on the 99-year ground lease for the site of the Hotel.
- July 2026 – Expected initial closing date of the subscription of Class A Unit and closing of the construction loan.
- August 2026 – Receipt of building permit and commence construction of the Hotel.
- March 2028 – Construction completion and Hotel opening.

## UNIT HOLDER RIGHTS

NCG and NCGI will have, subject to certain exceptions, exclusive and complete discretion in the management and control of the affairs of the Company and the Hotel. Holders of Class A Units will not participate in the management or have any authority to transact any business on the Company's behalf, except as explicitly provided in an Operating Agreement for the Company.

## ADDITIONAL INFORMATION

Full details of this offering can be found in the Private Placement Memorandum ("PPM"). The sale of Class A Units will be made only pursuant to the PPM and procedures described therein. To request a PPM, please contact Blake Richter (Director of Capital Markets & Development) at (608) 662-3408 | [brichter@ncghospitality.com](mailto:brichter@ncghospitality.com), or Kim Richter (VP of Community & Investor Relations) at (608) 662-3621 | [krichter@ncghospitality.com](mailto:krichter@ncghospitality.com).

*This is an executive summary only and is being provided solely to gauge your interest in making an investment in the Company along the lines described herein. No money or other consideration is being solicited at this time and none is being accepted. This summary and the subsequent offering, if any, of the Company's Class A membership interests is and will be made pursuant to an exemption from registration under federal and state securities laws. The securities offered, if any, pursuant to the foregoing described offering will not be registered under the Securities Act of 1933, as amended, or applicable state securities laws.*

*No sales of any securities will be made or commitment to purchase accepted until you receive (1) copies of all disclosure documents relating to the Company and your investment (including the PPM), (2) access to information regarding the Company, and (3) final purchase or subscription documents for your investment.*

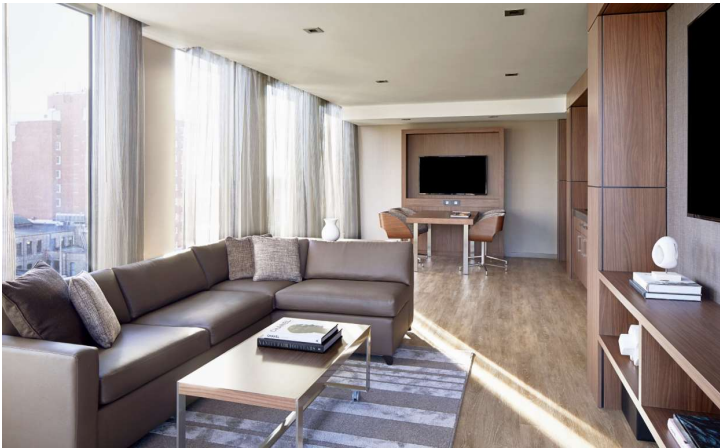
*This presentation is subject to prior placement and withdrawal, cancellation or modification without notice.*

# AC HOTELS BY MARRIOTT BRAND

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AC Hotels by Marriott is a lifestyle brand inspired by contemporary European hospitality, appealing to modern travelers who value thoughtful simplicity and elevated experiences. AC Hotels focuses on purposefully designed guestrooms, refined public spaces, and a sophisticated food and beverage program. Signature features include flexible social and workspaces, clean room layouts, and curated amenities that reflect a premium yet efficient approach to hospitality. From an ownership perspective, AC Hotels offers an attractive development and operating profile and strong brand recognition within Marriott's global system.

As of year-end 2025, there were 267 AC Hotels opened across the globe totaling 42,828 guestrooms. This will be NCG's second AC Hotel; see below for pictures of NCG's AC Hotel Madison Downtown.



## MARRIOTT

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Marriott is a leading global hospitality company that encompasses a portfolio of over 9,800 properties across more than 30 leading brands in 145 countries and territories. Marriott operates and franchises hotels and licenses vacation ownership resorts all around the world. Marriott's loyalty platform, Marriott Bonvoy, has nearly 271 million members worldwide that resulted in 75 percent member penetration of room nights in the U.S. at the end of 2025.

# KEY TEAM MEMBERS

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## **DAVE LENZ | FOUNDER & CHAIRMAN**

Dave founded NCG Hospitality in 1977. NCG Hospitality was formed for the purpose of developing, owning and operating premium select-service hotels. Dave serves as Chairman of NCG Hospitality and is responsible for the company's long-term growth strategy and positioning in the hospitality industry. Dave is a Certified Hotel Administrator (CHA) by the American Hotel and Lodging Association (AHLA), was a founding member of the Hampton Inn Franchise Advisory Council, past member of the Courtyard by Marriott Franchise Advisory Council, past member of the Super 8 Motels President's Advisory Council, and currently a board member of the University of Wisconsin James A. Graaskamp Center for Real Estate.



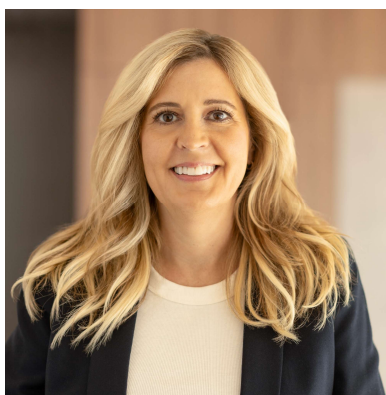
## **JEFF LENZ | PRESIDENT & CHIEF EXECUTIVE OFFICER**

Jeff serves as President & Chief Executive Officer of NCG Hospitality. He sets the growth and strategic expectations for the organization to ensure the success of a premier hospitality management and development company. He is responsible for the preparation and administration of NCG's asset management strategy, through the entire life cycle, from acquisition to disposition, and the strategic implementation of all asset related initiatives within the NCG business plan. Jeff is also responsible for driving overall performance through the oversight of capital projects, equity sourcing, diversification and recapitalization of a growing family owned and managed real estate portfolio.



## **BLAKE RICHTER | DIRECTOR OF CAPITAL MARKETS & DEVELOPMENT**

Blake serves as the Director of Capital Markets & Development for NCG Hospitality. He leads all capital sourcing for the company, including securing debt financing and raising equity for new projects, refinancing existing projects as well as assisting with investor relations. His duties also include working closely with the CEO and Chief Development Officer on site selection, feasibility/financial analysis, and entitlement efforts on development projects.



## **KIM RICHTER | VP OF COMMUNITY & INVESTOR RELATIONS**

Kim is the VP of Community & Investor Relations. She oversees corporate giving and philanthropic activities for NCG Hospitality and our portfolio, as well as our communication with our investors. One of her biggest priorities is finding ways for our company and team members to give back to the communities in which we live, work and play.

# Our Partners & Brands

AUTOGRAPH  
COLLECTION®  
HOTELS



COURTYARD®  
BY HARRIOTT

Residence INN.  
BY HARRIOTT

SPRINGHILL SUITES®  
BY HARRIOTT

Fairfield®  
BY HARRIOTT



Hilton  
Garden Inn®



HOMewood  
SUITES by Hilton™

HOME2  
SUITES BY HILTON



HYATT  
house®

THE  
SADDLERY  
ELEVATED DOWNTOWN LIVING

BROOKFIELD  
CONFERENCE  
CENTER

LIBERTY  
STATION  
EST. 2014

CRAFT  
EST. 2023

SOLOMON'S  
TERRACE AND LOUNGE



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