

CURRENT FUNDRAISE SUMMARY

Fundraise Summary

Security Type

Common equity

Investor Eligibility

All Investors

Offering Materials

Commongrounds Cooperative Investment Certificate.pdf

Commongrounds Cooperative Qualified Investor Questionnaire.pdf

Intro & Disclosures.pdf

Commongrounds Cooperative Subscription Agreement.pdf

You may download these documents for your own use.

Details on terms

All investors must join as an owner of the Cooperative. The Investment Certificates provide owner-investors with an opportunity to earn an equity-like dividend return, beginning after Year 3, which will be disbursed annually from there forward until the investor withdraws and is repaid their original investment amount. The rate of return issued to each investor will be dependent on whether they select the regular return rate or our social impact return option. The regular rate will be 7% annually on the amount invested, while the social impact rate will be 1.5% annually, with an additional 5.5% being directed by the cooperative board to areas of social impact in the community and the building. The investor will annually have the option to choose to withdraw their capital after Year 6, contingent upon the Cooperative obtaining replacement capital. In addition to the Cooperative returning the investor's capital, if the investor holds their investment for more than 10 years, regular return investors will receive an additional 20% bonus when their capital is returned, and social impact investors will receive a 10% bonus. Investors will also receive perks as outlined below. Details are available in the document attached.

DOCUMENTATION

2.8.19 Crowdfunding Terms and Rewards.pdf

INVESTMENT PERKS

Expires Tomorrow! \$2,000.00

Hurry! These rewards expire Feb 21!

Limited (awesome) BONUS Rewards for investors who commit to invest by the end of the Flock Party at Bare Bird on 2/21! No need to attend the event to receive the rewards if you have already invested. Each investor can choose ONE bonus reward from the list and first to invest gets first pick (quantities of each reward are limited). Rewards include ten-class packages at Table Movement Studio, reserved underground bike parking spot at Commongrounds, use of private event space at Iron Fish Distillery or the new event space in Commongrounds, one year subscription of Higher Grounds coffee, and much more! You can read more detail on the bonus rewards on our website.

Expires 03/24/2019 \$100,000.00

\$100,000+ Investment

(1) Annual coworking membership at Commoplace (about \$1,500 value), (2) Six month Table Lifestyle membership with massage, personal health, movement, and nutrition options, (3) Four tickets to six shows OR use of event space for one day, (4) Free Iron Fish barn rental for private party (Set excluded, must be used by 2020, guest responsible for planning/food/bev costs), (5) Higher Grounds consultation on a personalized home brewing system and \$200 Coffee Bar credit, (6) Large plaque/brick with your name in the building, and (7) One week per year in the Commongrounds Coop suite overlooking the Boardman River.

Expires 03/24/2019 \$50,000.00

\$50,000+ Investment

All \$10,000+ perks AND (1) Annual coworking membership at Commoplace (about \$1,500 value), (2) Three month Table Lifestyle membership with massage, personal health, movement, and nutrition options, (3) Two tickets to six shows, (4) Two nights per year in Commongrounds Coop suite overlooking Boardman River, (5) Free use of gallery event space/guided tour for private party at Iron Fish Distillery (must use by 2020), (6) Private Higher Grounds coffee cupping and tour for six people, and (7) Large plaque/brick with your name in the building.

Expires 03/24/2019 \$10,000.00

\$10,000+ Investment Level

All \$2,000+ perks AND (1) Free Commongrounds Coop membership (about \$100 value), (2) One Free Table Movement Studio class per month, (3) Two tickets to two shows (and early access to choose tickets), (4) Six month's Higher Grounds coffee subscription, and (5) Ten hours of meeting time per year in Commoplace.

Expires 03/24/2019 \$2,000.00

\$2000+ Investment Level

All \$500+ perks AND (1) daily beverage discounts including \$1 Higher Grounds coffee Daily Brew, (2) 10% off first Iron Fish cocktail, (3) One free Commoplace coworking pass every month, (4) Three free Table Movement Studio classes per year, (5) One ticket to a show (and early access to select) and (6) Like something a bit more concrete? How about your name on our recognition/gratitude wall!

Expires 03/24/2019 \$500.00

\$500+ Investment Level

(1) Exclusive building tours before grand opening, (2) Free admission to grand opening party, (3) Free admission to annual investors party (like a flock star), (4) Swag, (5) Discounted food/drink and free admission to events on community investor days (2x per year), (6) Like something a little more concrete? How about your name in our recognition/gratitude wall!

FINANCIALS

FUNDINGFINANCIALS

ASK A QUESTION

This is an overview of the previous and planned financings of the business, including the capital needs the business is looking to cover in the current financing.

Funding Uses for Target Raise (\$250 k)

Location/Buildout

\$240,000

Funding Uses for Max Raise (\$1.1 mil)

In addition to target raise

Location/Buildout

\$522,235

Pay Down Existing Debt

\$165,325

Location/Buildout

\$99,640

Remaining funding uses include cash buffer and Localstake Marketplace fees. See offering materials for full details.

Additional Funding Uses for capital raised outside of this Offering

The capital raised in this Offering represents a subset of the capital needed for the entire project. The funding uses for the entire project are outlined below, to be financed through the various financing vehicles outlined above.

PROJECT COSTS \$13,455,864.00

Land \$1,000,000.00

Includes: land acquisition, master planning, civil engineering, survey, topography, approvals, road, utilities, environmental

Building + Construction Costs \$11,901,898.00

Includes: 10% contingency, 24 residential units, retail/ commercial office space, underground parking, foundations, site cleanup, exterior materials. (Assumes \$187.50/sq ft and \$265.10/sq residential commercial office costs)

Soft Costs \$1,553,966.00

Includes: Construction loan interest and fees, permits, architectural, communications, legal/accounting, engineering, reserve, insurance, "developer fee" of 2.6% (development team consultants)

\$11,280,861 from Other Financings

MEDC (Grant)

\$1,500,000 (planned)

Bank (Debt)

\$8,130,861 (planned)

Outside Investors (Equity)

\$1,000,000 (planned)

Founders (Equity)

\$650,000

About Commongrounds Our Story

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About Commongrounds Our Story

PITCH DECK

by the community.

Our mission is to develop spaces that create opportunity for the building tenants to join together with their employees, customers, families, and community to make the town we love an even better place to work, live, and play.

www.commongrounds.coop

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Q&A

CUSTOMERSINDUSTRYMARKETINGPRODUCTTEAM

ASK A QUESTION

Who are your target customers?

As a real estate cooperative, our customers are people who purchase shares in the cooperative with the intent to participate in the Cooperative's facilities and services, including use of the services and the facilities offered by the Cooperative when the real estate development is completed. We have a target of 500 Class C community owners by the end of our investment campaign. We also have a target of selling T-1 shares to lease all rentable space on the first and second floor of the cooperative. T-1 owners will be businesses and nonprofits interested in operating their organization on the premises of the development after construction.

In general, Commongrounds is targeting as owners individuals who purchase shares in the cooperative with the intent to participate in the Cooperative's facilities and services, including use of the services and the facilities offered by the Cooperative when the real estate development is completed. We expect most customers will have an interest in helping to develop community-oriented real estate and an appreciation for Traverse City, community-building, local investment, and/or alternative real estate funding models.

Do you have current customers?

As of February 3, 2019, just over 400 Class C community owners have applied for ownership at a cost of \$50 per share. We also have 6 organizations (business and nonprofits) who have signed a letter of intent to purchase Class T-1 (tenant ownership) shares. Class T-1 ownership shares will be priced on the actual cost for the cooperative of constructing, operating, and financing the building. Please refer to the cooperative bylaws for more information.

What is your current customer pipeline?

We anticipate 500 Class C community owners by the completion of the crowdfunding campaign. Our T-1 shares are fully committed other than tenants who will be partners or subtenants of an already committed tenant.

TEAM

Kate Redman

Project Director, Board of Directors

Background CheckMessage

Kate is a community enterprise attorney and founder of Commonplace Law and Commonplace, a coworking space and future tenant of Commongrounds.

Why Commongrounds?

"Because I can't wait to hang out in this building!"

Chris Treter

Board of Directors

Background Check

Chris is the co-founder of Higher Grounds Trading Company, future tenant of Commongrounds.

Why Commongrounds?

"To germinate community-based development that addresses the needs of the ecosystem, workforce, and local population with spaces that foster a sharing and collaborative economy."

Nan Perez, Construction Owners Representative

Service Provider

Why Commongrounds?

"Commongrounds encompasses some of my most treasured passions in my most treasured profession: construction."

Elise Crafts, Communications

Service Provider

Why Commongrounds?

"I love people."

Joey DiFranco, Communications

Service Provider

Why Commongrounds?

"I strongly."

Andrew Straley, Communications

Service Provider

Why Commongrounds?

"I want to be a part of."

Ed Bailey, Construction Management Advisor

Service Provider

Why Commongrounds?

"My interest in the project is about the opportunity to work with the people involved. Having a great project."

Table Health

Partner

Pathways Preschool

Partner

Higher Grounds Trading Company

Partner

Commonplace

Partner

Iron Fish Distillery

Partner

Crosshatch

Partner

Hallmark Construction

Service Provider

Hallmark Construction is Northern Michigan's leading construction and development company located in Traverse City, MI.

ABOUT COMMONGROUNDS COOPERATIVE

Entity

Commongrounds Cooperative

Entity Type

Other

State Organized

Michigan

Founded

March 2018

Social Media

Website

Documentation

CC BYlaws.pdf

CC Articles of Incorporation.pdf

Headquarters

425 Boardman Ave

View larger map

RISKS & DISCLOSURES

COMPANY RISKSRELATED PARTIESSECURITIES RISKS TAXESDISCLOSURES PROCEDURES

ASK A QUESTION

No assurances of sufficient financing; Additional capital may be required

Although the Company believes the proceeds of this Offering, along with other planned financings, will provide adequate funding to develop and successfully support its business plans, there can be no assurances that such funds will be adequate. If the Company's cash requirements exceed current expectations, the Company reserves the right to raise additional equity or debt capital, beyond what is being sought with current efforts. There can be.

Existing and potential litigation

Although management is unaware of any threatened or pending litigation against the Company or management, there can be no assurance that future claims will not be asserted and that, even if without merit, the cost to defend against such claims would not be significant, thus having a material adverse effect on the Company's business, financial condition and results of operations. The Company has never filed any lawsuit against any other person.

Control of the Company

The Directors comprising the Company's Cooperative Board will have management authority over the majority of the operations of the Company, regardless of the opposition of investors to pursue an alternate course of action. Investors will have limited rights to vote with respect to the management and limited ability to participate in many decisions regarding management of the Company's business. In addition, investors should be aware that the.

View More12345

An investment in the Company involves a high degree of risk, and should be regarded as speculative. Prospective investors should carefully consider these investment risks, among others, in the company information presented in the Offering Materials, in evaluating the Company for investment. The risks listed herein are not a complete list of potential risks facing the Company and it may encounter unexpected risks in the future, which, may adversely affect its performance.

Offering Information and Disclosures

This business is conducting an offering of securities in reliance on the exemption from registration in Securities Act Section 4(a)(6) and in accordance with Section 4A and Regulation Crowdfunding.

The offering is being conducted by Localstake Marketplace LLC, a registered broker dealer and funding portal, and a member of FINRA and SIPC. Check the background of this firm on FINRA's BrokerCheck, Localstake Marketplace LLC has performed a due diligence review of this business, including background checks, financial forecasts, and review of investment documentation.

Please review the Offering Materials for a full description of the risks to be considered when assessing an investment in this business. Also, review our Risk of Investing before making an investment decision.

localstake

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Business Continuity Plan

Use of this site constitutes your consent to our Privacy Policy and Terms of Use

Check the background of this firm on FINRA's BrokerCheck

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How it Works

Investing Options

Risks

Investing FAQ

Raise Funding

Process

Features and Pricing

Create Fundraising Plan

Success Stories

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McAfee SECURE

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support@localstake.com

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All offerings of securities are made through Localstake Marketplace, a registered broker dealer and funding portal, and member of FINRA and SIPC. State Management and Localstake Marketplace are hereinafter referred to collectively as the "Localstake Marketplace Platform Operators", unless otherwise specified.

The Localstake Marketplace Platform Operators do not provide legal advice, tax advice, or make investment recommendations, and no communication through this website or in any other medium should be construed as such. Investment opportunities posted on this website are private placements. Private placement investments are NOT bank deposits (and thus NOT guaranteed or insured by the FDIC, by a bank, or by any other federal governmental agency), and are NOT guaranteed by the Localstake Marketplace Platform Operators or any of their collective affiliates, owners, managers or members. Private placements of securities such as those displayed on this website MAY lose value. There is NO guarantee of a return on your investment and investors must be able to afford the loss of their entire investment. Neither the Securities and Exchange Commission (SEC) nor any federal or state securities commission or regulatory authority has recommended or approved any investment or the accuracy or completeness of any of the information or materials provided by or through this website. Nothing on this website shall constitute an offer to sell, or a solicitation of an offer to subscribe for or buy, any securities to any person in any jurisdiction or to whom or in which such offer or solicitation is unlawful.

Any financial projections or returns shown on the website are illustrative examples only. Any investment information contained herein has been secured from sources the Localstake Marketplace Platform Operators believe are reliable, but we make no representations or warranties as to the accuracy of such information and accept no liability therefor. Offers to sell by issuers on Localstake Marketplace or the solicitation of offers to buy by investors on Localstake Marketplace, any security are only made through official offering materials that contain important information about risks, fees and expenses. Investors should conduct their own due diligence, not rely on the financial assumptions or estimates displayed on this website, and are encouraged to consult with a financial adviser, attorney, accountant, and any other professional that can help to understand and assess the risks associated with an investment opportunity. Please review the Risks of Investing in private placements on Localstake Marketplace.

Video Description

The Commongrounds Cooperative offering profile contains a video which interviews various community members and stakeholders. The interviewees give an overview of the project to be built, the tenants of the proposed building, the vision for the project and the community impact.