



Latitude 20 Equity Fund LLC Prospectus

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1. Introduction

Latitude 20 Equity Fund LLC is a premier real estate investment vehicle structured to acquire and develop high-yield properties in Mexico’s most desirable markets. The Fund is designed to generate equity appreciation and steady cash flow through short-term rental income, offering investors both capital growth and quarterly dividend distributions. Our experienced management team blends local acquisition expertise with U.S.-style operational oversight to navigate the complexities of cross-border regulation and taxation.

2. Fund Overview

- **Fund Name:** Latitude 20 Equity Fund LLC
 - **Sponsoring Entities:**
 - Astamar Asset Management LLC (USA)
 - ASTAMAR REALTY S.A DE C.V (Mexico) – Responsible for acquiring the properties
 - **Management Entity:**
 - Astamar Asset Management LLC a Texas limited liability company
 - **Target Raise:** \$25 Million | \$100 Million Cap
 - **Minimum Investment:** \$50,000
 - **Investment Term:** 3-6 Years
 - **Dividend Distribution:** Quarterly payouts
 - **Fund Strategy:** Real estate-backed equity growth and short-term rental cash flow
 - **Key Markets:** Cancun, Merida, Puerto Morelos, Cozumel, Playa Del Carmen, Tulum, Sayulita, Nuevo Vallarta, Bucerias, Cabo San Lucas, Mazatlan, Guadalajara, **Puerto Vallarta**
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3. Investment Strategy

Latitude 20 Equity Fund LLC seeks to achieve attractive risk-adjusted returns through:

- **Strategic Acquisitions:** Targeting undervalued and value-add properties in high-growth markets across Mexico.
 - **Property Acquisition & Development:** ASTAMAR REALTY S.A DE C.V will acquire properties, focusing on Mexican coastal resorts and other key markets for development and repositioning.
 - **Short-Term Rental Optimization:** Enhancing property yields via effective rental management.
 - **Equity Growth:** Leveraging market trends and property appreciation for long-term capital gains.
 - **Sustainability & Exclusivity:** Prioritizing eco-friendly, luxury developments designed to meet evolving market demands.
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4. Legal & Compliance

4.1 Mexican FIBRA Compliance

- **Structure:** The Fund may employ a Fideicomiso (Real Estate Trust) to acquire and manage properties in Mexico, ensuring adherence to local foreign ownership and real estate regulations.



- **Tax Treatment & Ownership:** Mexican properties will be subject to local tax laws, with preferential treatment available under certain incentives. Compliance with CNBV guidelines is maintained.
- **Regulatory Oversight:** All transactions comply with Mexican securities and real estate laws.

4.2 U.S. REIT Compliance

- **Structure for U.S. Investors:** The Fund incorporates U.S. REIT guidelines—including asset tests, distribution mandates, and transparency standards—to provide favorable tax treatment for U.S. accredited investors.
- **Tax Treatment:** With proper structuring, U.S. investors benefit from pass-through taxation and may avoid double taxation.
- **Reporting:** The Fund will adhere to SEC regulations and maintain rigorous reporting standards.

4.3 International Tax Implications

- **Mexican vs. U.S. Tax Regimes:**
 - **Mexican Taxation:** Rental income and capital gains from Mexican properties are subject to local tax laws and may benefit from specific exemptions.
 - **U.S. Taxation:** U.S. investors can benefit from pass-through taxation and foreign tax credits, though they must account for U.S. tax liabilities on global income.
- **Cross-Border Structuring:** The Fund's structure is designed to maximize tax efficiency and minimize the risk of double taxation through adherence to applicable tax treaties and legal frameworks.

5. Risk Tolerance & Disclosures

Investing in Latitude 20 Equity Fund LLC involves inherent risks. Prospective investors should carefully review:

- **Market Risks:** Variability in property values and regional economic conditions.
- **Operational Risks:** Challenges in property management, construction delays, and unforeseen capital expenditures.
- **Leverage Risks:** Use of debt financing may amplify returns but increases exposure during downturns.
- **Regulatory Risks:** Changes in Mexican and U.S. laws could affect tax treatment, compliance, and investor rights.
- **Liquidity Risks:** There is no public market for the Interests; transfer and resale are subject to restrictions as per the Operating Agreement.
- **Investor-Specific Risks:** Investors must be accredited and prepared to accept the potential for capital loss, including the possibility that cash distributions may be insufficient to cover tax liabilities.



- **Additional Disclosures:** Expanded risk factors include due diligence limitations, environmental liabilities, co-investment and joint venture risks, and specific tax risks as detailed in the attached confidential memorandum.

Investor Risk Tolerance

Investing in real estate, especially across international markets, inherently carries risks that vary across market cycles, economic conditions, and property-specific factors. It is critical that prospective investors assess their own risk tolerance prior to committing capital. Below are key considerations to help investors understand the risks associated with an investment in the Latitude 20 Equity Fund LLC:

1. **Market Volatility:**

Real estate values are subject to fluctuations driven by economic cycles, shifts in demand and supply, interest rate changes, and geopolitical factors. While our strategy focuses on acquiring properties in high-growth markets, there may be periods of downturn where property values and rental incomes decline. Investors must be comfortable with the potential for short-term losses while aiming for long-term gains.

2. **Operational and Management Risks:**

The success of the Fund depends on effective property management, timely renovations, and successful tenant placement. Delays in property repositioning, unforeseen repair costs, or underperformance in rental yields could negatively impact cash flow. Investors should recognize that the Fund's operations require active management, and while we use experienced teams, market and operational risks cannot be entirely eliminated.

3. **Leverage and Financing Risks:**

The Fund may utilize a combination of equity and debt financing. While leverage can amplify returns when markets perform favorably, it also increases exposure during downturns. If debt servicing becomes burdensome or refinancing conditions worsen, investors could face higher risks of capital impairment. Therefore, only those with a robust risk tolerance should consider participating.

4. **Regulatory and Tax Risks:**

Cross-border investments are subject to the complexities of both Mexican and U.S. regulatory frameworks, including changes in tax laws and compliance requirements. Investors must be prepared to absorb potential variations in tax treatment, including the risk that adjustments in tax law could reduce expected returns.

5. **Liquidity Risk:**

Real estate investments are generally illiquid. The Fund's Interests are not traded on public markets and may be subject to transfer restrictions. Investors should be prepared for a long-term commitment, as capital may be locked in for the duration of the investment term (typically 2-5 years), with no guarantee of a ready market for resale.

Prospective investors are encouraged to review their personal financial situation, investment goals, and risk tolerance with a trusted financial advisor. The Fund is designed for those who can sustain potential short-term volatility in exchange for long-term growth and income.

6. Diversification Strategy

Diversification is a cornerstone of risk management in real estate investment. The Latitude 20 Equity Fund LLC employs several diversification strategies to mitigate risk and stabilize returns:

1. **Geographical Diversification:**

The Fund targets a broad range of markets within Mexico, including key coastal resorts such as Cancun, Merida, Puerto Morelos, Cozumel, Playa Del Carmen, Tulum, Sayulita, Nuevo Vallarta, Bucerias, Cabo San Lucas, Mazatlan, Guadalajara, and Puerto Vallarta. By spreading investments across various locations, the Fund reduces the risk associated with localized economic downturns, regulatory changes, or market-specific disruptions.

2. **Asset Class Diversification:**

While the Fund primarily focuses on high-yield residential and short-term rental properties, it is also structured to consider opportunities in commercial, mixed-use, senior living, and even distressed properties. This broad asset allocation enables the Fund to capture diverse revenue streams and capitalize on varying market dynamics, further cushioning the overall portfolio against sector-specific risks.

3. **Strategic Investment Timing:**

The Fund's investment process involves careful due diligence and staggered acquisitions. By timing property purchases based on market conditions and using capital calls over the investment period, the Fund aims to avoid over-concentration of risk during any single market cycle. This dynamic approach to acquisitions helps smooth out volatility and protects against adverse market conditions.

4. **Co-Investment Opportunities:**

The Fund may co-invest alongside other vehicles or through parallel funds, enabling further diversification of capital sources and risk exposure. This collaborative approach can lead to more robust underwriting and shared operational expertise, reducing the impact of any single investment's underperformance.

5. **Operational Diversification:**

With Astamar Asset Management overseeing day-to-day operations and Hauzen Consultoria executing acquisitions, the Fund benefits from a diversified management structure. This operational spread ensures that no single factor—whether it be property management, construction delays, or financing challenges—unduly influences the overall performance of the Fund.

Investment Risk Tolerance and Diversification

Investing in real estate carries inherent risks, including market fluctuations, economic downturns, and regulatory changes. **Latitude 20 Equity Fund LLC** mitigates these risks through:

- **Geographic diversification:** Properties across key Mexican cities reduce exposure to market volatility.
- **Asset type diversification:** A mix of luxury condominiums, short-term rentals, and commercial real estate hedges against sector-specific downturns.
- **Regulatory compliance:** Adherence to both **Mexican and U.S. legal frameworks** ensures investor protection.

- **Exit strategies:** A structured 3–6-year investment horizon provides flexibility for capital appreciation and liquidity management.

By integrating these diversification strategies, the Latitude 20 Equity Fund LLC seeks to achieve a balanced portfolio that minimizes risk while maximizing potential returns. Investors benefit from a strategy that is designed to withstand market volatility through comprehensive geographic, asset class, and operational diversification.

7. Investor Qualifications

- **Accredited Investors Only:** The offering is exclusively for investors who meet accredited investor standards under both U.S. Regulation D and Mexican law.
- **Minimum Investment:** \$50,000 per investor.
- **Due Diligence Process:** Prospective investors must complete a Subscription Agreement and provide verified documentation of their accredited status.
- **Investor Protections:** The Operating Agreement outlines comprehensive governance, regular reporting, and legal safeguards to protect investor interests.

Mexican Legal Framework: Fideicomiso and FIBRA

Fideicomiso Structure in Mexican Real Estate

A **fideicomiso** is a trust arrangement under Mexican law that is commonly used for real estate transactions, particularly when foreign investors are involved. The key features and legal considerations include:

- **Legal Entity Formation:**
Under Mexican law, a fideicomiso is established through a trust deed in which a trustee (typically a Mexican bank or financial institution) holds title to the property on behalf of the beneficiary (the investor). This arrangement allows foreign investors to acquire property in areas where direct ownership is restricted, such as coastal and border zones.
- **Regulatory Compliance:**
The fideicomiso is governed by the Mexican Trust Law (Ley General de Títulos y Operaciones de Crédito) and the regulations issued by the Comisión Nacional Bancaria y de Valores (CNBV). These laws ensure that the trust operates transparently and that the trustee adheres to strict fiduciary responsibilities on behalf of the investor.
- **Duration and Renewal:**
Typically, a fideicomiso is established for a period of 50 years and may be renewed. The long-term nature of the trust provides stability for real estate investments while ensuring compliance with local ownership restrictions.
- **Rights and Limitations:**
While the trustee holds legal title, the beneficiary retains all the rights to use, lease, or sell the property. However, any transfer or sale of interests in the fideicomiso is subject to



Mexican law and must comply with regulatory restrictions. The structure is designed to protect both the investor's rights and the national interests regarding land ownership.

Mexican Real Estate Investment Trusts (FIBRAs)

In Mexico, Real Estate Investment Trusts—known as **FIBRAs** (Fideicomisos de Inversión en Bienes Raíces)—are specialized vehicles for pooling capital to invest in income-generating real estate assets. Key legal aspects include:

- **Regulatory Framework:**
FIBRAs are governed by a combination of Mexican securities laws and specialized regulations issued by the CNBV. The regulatory framework is designed to ensure transparency, proper asset management, and the protection of investor rights.
- **Eligibility Requirements:**
To qualify as a FIBRA, the trust must comply with specific asset tests, distribution requirements, and corporate governance standards. This includes maintaining a diversified portfolio of properties and distributing a significant portion of net income to investors, typically on a quarterly basis.
- **Tax Treatment:**
FIBRAs benefit from a favorable tax regime. Under Mexican law, income distributed by a FIBRA is generally subject to reduced tax rates, and the trust structure helps avoid double taxation. This tax efficiency is a key advantage for investors, especially those seeking both income and capital appreciation.
- **Operational Flexibility:**
The FIBRA structure allows for investments in a wide range of real estate assets, including commercial properties, residential complexes, and mixed-use developments. The flexibility in asset composition helps attract diverse investor profiles and supports portfolio diversification.
- **Investor Protections:**
Detailed disclosure requirements, periodic reporting, and strict adherence to corporate governance standards are mandatory for FIBRAs. These measures are designed to protect investor interests and ensure that the trust operates in a transparent manner.

Integration into the Fund Structure

For Latitude 20 Equity Fund LLC, incorporating these Mexican legal structures provides significant benefits:

- **Acquisition via Fideicomiso:**
Utilizing a fideicomiso enables the Fund to acquire properties in restricted zones while providing legal protection and ensuring compliance with Mexican ownership rules.
- **Operational Efficiency through FIBRA Standards:**
Adopting FIBRA guidelines for the Fund's real estate portfolio supports efficient asset management, favorable tax treatment, and robust investor protections. This framework aligns the Fund with international best practices, facilitating cross-border investment and appealing to both Mexican and U.S. investors.



By leveraging these established legal structures, Latitude 20 Equity Fund LLC is well-positioned to navigate the complexities of the Mexican real estate market while delivering attractive risk-adjusted returns and maintaining rigorous regulatory compliance.

Custody of Investor Funds and Dividend Distributions

All investor funds for the Latitude 20 Equity Fund LLC will be held in segregated U.S. bank accounts managed by our designated custodian. This structure provides:

- **Secure Storage:**
Investor capital is maintained separately from operational funds, ensuring an added layer of security and transparency. These accounts are managed by reputable U.S. banking institutions that adhere to all applicable federal and state financial regulations.
- **Regulatory Compliance:**
Holding funds in U.S. banks subjects the Fund to robust regulatory oversight and protection, in line with stringent U.S. financial industry standards. This ensures accurate record-keeping, audit readiness, and strict compliance with U.S. securities and banking laws.
- **Efficient Dividend Distributions:**
Dividend distributions—generated from the Fund’s rental income and operational cash flows—will be processed and paid directly from these U.S. bank accounts. This ensures that investors receive regular quarterly payouts in a timely and transparent manner.
- **Operational Transparency:**
Astamar Asset Management, the managing entity for the RE.IT, oversees both the custody of investor funds and the dividend distribution process. This integrated approach facilitates clear financial reporting and enhances investor confidence.
- **Subscription Agreement:**
A separate Subscription Agreement will be provided to each investor. This document outlines the detailed terms and conditions governing the investment, including fund use and capital commitment requirements.

This U.S.-based custody and distribution framework is designed to protect investor capital, ensure operational efficiency, and maintain the highest standards of financial compliance while clearly defining investment terms through the Subscription Agreement.

8. Management Team & Key Roles

8.1 Carlo Dupone – Principal, Latitude 20 Equity Fund LLC

Carlo Dupone brings 20 years of expertise in real estate acquisition, development, sales, and mortgage lending, making him a key asset to the Latitude 20 Equity Fund LLC. His passion for entrepreneurship and building passive income is evident in his ability to structure deals that create win-win opportunities for all parties involved.



A Los Angeles native with dual United States and Mexican citizenship, Carlo's love for real estate was sparked at a young age. As a child, he accompanied his parents to their residential apartment buildings and commercial strip malls throughout Los Angeles, assisting with maintenance and rent collection. These early experiences laid the foundation for his deep understanding of real estate investment and management.

Carlo holds a degree in Economics and a master's in finance from the UCLA Anderson School of Management. His professional journey began in the investment sector as a Stockbroker and Certified Financial Planner, giving him a strong financial acumen that later translated seamlessly into real estate. Following in his family's footsteps, he expanded his expertise into apartment building acquisitions and private equity real estate financing.

As a developer, Carlo has successfully managed 100–250-unit acquisitions in a single transaction. He has played a pivotal role in placing over \$90 million in debt financing and currently manages a \$15 million debt portfolio focused on multi-family and commercial construction and renovation. Since 2014, he has been actively involved in the development and disposition of multiple real estate projects, including six ground-up developments.

Beyond his professional achievements, Carlo values family time and is a proud father, with all his children excelling in their respective careers. An advocate for active living, he enjoys martial arts and golf in his free time.

8.2 Dalia Ozden – Principal

Dalia Ozden Eler is a visionary entrepreneur and community leader with a remarkable journey spanning continents and industries. Born in Izmir, Turkey, she inherits a rich heritage that spans three generations. Her academic journey commenced with a degree in Electronics Engineering from Istanbul Technical University, a testament to her early passion for technology. However, her quest for knowledge and adventure led her to the United Kingdom, where she pursued studies in Business Management.

Upon returning to Turkey, Dalia embarked on a career at Northern Telecom, where fate intertwined her path with that of her British husband, an oil executive based in Dubai. At the age of 23, she established the first computer showroom and training facility in Dubai, a groundbreaking venture that positioned her as a pioneering Turkish businesswoman in the region.

Her entrepreneurial acumen and commitment to excellence garnered attention from dignitaries and high-ranking officials, including Turkish Ambassadors and United Nations representatives. Through her ventures, she facilitated procurement for hardship locations across the Middle East, forging close ties with esteemed figures.

After relocating to Toronto, Canada, Dalia pivoted to the real estate sector, achieving unprecedented success in North Toronto before moving to Southern California. Currently based in Dallas, she recognizes the city's burgeoning real estate market and strategic significance. Dalia is dedicated to empowering communities and has founded numerous professional groups for international and Turkish businesswomen, reflecting her commitment to mentorship and female empowerment.

8.3 Juan Pablo García – Legal Counsel

Juan Pablo García provides expert guidance on legal and regulatory matters, ensuring that all transactions comply with U.S. and Mexican laws. His extensive experience in international real estate and securities law is vital to managing cross-border complexities and protecting investor interests.

8.4 Jesus Martinez – Chief Compliance Officer

- Ensures fund adherence to U.S. SEC and Mexican regulations
- Manage investor qualification, audits, and operational risk
- Formerly with financial regulatory institutions

8.5 Flavia P. Favela Eisenthal – Director International Real Estate Acquisitions

8.6 Paula Sugehiry – Legal Counsel & Director of Property Management

- Oversee short-term rental operations and property management
- Legal counsel
- Coordinates with local teams across key markets: Tulum, Playa Del Carmen, Puerto Vallarta, Cabo, and other areas of key strategic areas etc.

9. Investment Process

1. **Review of Offering Documents:**
Prospective investors receive comprehensive Fund materials, including this prospectus and supporting confidential memoranda.
 2. **Capital Commitment:**
Accredited investors meet the minimum investment requirement and execute the Subscription Agreement.
 3. **Portfolio Deployment:**
Hauzen Consultoria acquires targeted properties across Mexico's key markets.
 4. **Management & Oversight:**
Astamar Asset Management administers RE.I.T., optimizing asset performance and managing rental income.
 5. **Dividend Distribution:**
Net cash flows generated from property operations are distributed quarterly to investors.
 6. **Exit Strategies:**
Assets are liquidated through sales, refinancing, or structured buyouts within a 3-8 years timeframe, returning capital and realized gains to investors.
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10. Additional Confidential Information & Disclaimers

Confidentiality Notice:

This prospectus, along with all accompanying documents, contains confidential information intended solely for accredited investors. No part of this document may be reproduced or disseminated without prior written consent from the Fund.

Regulatory Disclaimers:

- The Interests offered herein have not been registered under the Securities Act, Mexican securities laws, or other applicable jurisdictions, and are offered solely pursuant to available registration exemptions.
- There is no public market for the Interests, which are subject to restrictions on transfer and resale as outlined in the Operating Agreement.

Forward-Looking Statements:

Certain statements in this prospectus are forward-looking and involve risks and uncertainties. Actual results may differ materially from those projected. Investors should not rely on forward-looking statements without conducting their own due diligence.

Legal & Tax Disclaimers:

Prospective investors should consult their own legal, tax, and financial advisors regarding the implications of investing in the Fund. Detailed disclosures concerning tax treatments, including the potential impacts under both Mexican and U.S. tax regimes, are provided in the attached supplementary documentation.

Key Provisions:

- The Fund reserves the right to reject any subscription without obligation or explanation.
- By investing, the investor acknowledges the inherent risks and agrees to the terms set forth in this prospectus and the Fund's Operating Agreement.
- The Manager does not guarantee the attainment of targeted returns or the absence of losses. Investors assume full responsibility for their investment decisions.

For a full understanding of all terms, conditions, and risk factors, please refer to the Confidential Private Placement Memorandum and the Fund's Operating Agreement.



10. Contact Information

For additional information or inquiries regarding the offering, please contact:

Astamar Asset Management LLC

Email: invest@astamar.com

Phone: 760-994-4010 | 760-429-7689

Website: www.astamarholdings.com

Investors are encouraged to review all offering documents carefully and to consult with independent advisors prior to making any investment decisions.