

RARECASK UNO Investment Opportunity

Deal Basics

- Initial Fund Size: US\$5 million
- Oversubscription Amount: US\$2 million
- Minimum Investment: \$250k
- Expected Annual Return: 22%
- Cash Flow: Starting from year 3 of a 5-year term

Deal overview:

The RAREcask UNO investment, structured as a Delaware Partnership LLC under Regulation D (506b), presents a specialized opportunity in acquiring, managing, and exiting investment-grade Tequila, Scotch Whisky, and other whiskey barrels. Targeted at institutional, professional, and accredited investors with a minimum investment of \$250k, it offers a unique asset-backed growth opportunity. The investment forecasts an expected annual return of 22% across a five-year term, with revenue generation starting in the third year. This opportunity leverages the appreciating value of these barrels and the global demand for premium spirits, providing a diversified portfolio addition with tangible, age-worthy assets.

Bull Case:

- High Expected Return: Anticipated annual return of 22%.
- Asset Appreciation: The barrels are expected to appreciate in value over time, enhancing their worth.
- Growing Market: Increasing global demand for premium Tequila and Whiskies.

Bear Case:

- Market Volatility: Fluctuating demand and prices in the spirits market.
- Long Term Investment: Cash flows start only in the third year, requiring patient capital.
- Limited Liquidity: As a tangible asset, the liquidity of whiskey and tequila barrels may be lower compared to traditional financial assets.

Risks:

- Regulatory Risks: Operating in a regulated landscape can introduce complexities.
- Dependence on Industry Trends: The investment's success is closely tied to the spirits industry's trends.

- Exit Strategy Reliance: The return on investment is significantly dependent on successful exit strategies.