

Capitalize on the Commercial Real Estate Crash

Presented by:

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- This is intended for information and training purposes only. The presenter does not guarantee any of the information in the presentation. The info was pulled from multiple sometimes contradicting sources. Do not rely on anything in this presentation.
- Do your own research before you invest or make any investment decision. This is not meant to be Tax, Legal, or Investment advise. No one has a crystal ball, so all of this is simply one mans opinion.
- This is not a solicitation of investment. Investments should be made only after careful reading of the Private Placement Memorandum (PPM) and other investment disclosures and after consultation with your CPA, Attorney, and Financial Advisor.

Commercial Property Types

- Commercial real estate refers to any property used for business activities. Types of commercial real estate include hospitals, assembly plants, storage warehouses, shopping centers, office spaces, or any other location for a business enterprise.

Terms

- CAP (Capitalization rate)
 - Calculated by dividing a property's net operating income by its asset value, the cap rate is an assessment of the yield of a property over one year. For example, a property worth \$14 million generating \$600,000 of NOI would have a cap rate of 4.3%.
- NOI (Net Operating Income)
 - NOI is a formula those in real estate use to quickly calculate profitability of a particular investment. NOI determines the revenue and profitability of invested real estate property after subtracting necessary operating expenses.

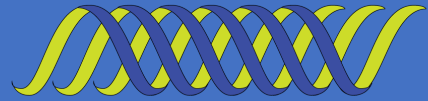
Preferred Assets

- Development
- Retail
- Office
- Multi-family
- Industrial
- Land loans
- Acquisition and development funding
- Recession proof businesses





- +/- 91,025 SF Multi-tenant shopping center located in Rockport, TX
- 100% Occupied by a mix of longstanding national, regional, and local service-based tenants
- Most leases are double-net leases (tenant responsible for CAM and insurance)
- Leases range from 2-10 years and have rent bumps during option periods
- Rockport was purchased at 10.4% Cap rate and got debt financing through a local bank at 5.2% interest locked for 5 years.



RIGHT PHASE
Real Estate

Property Highlights

- +/- 110,813 SF Multi-tenant shopping center located in Dayton, TN
- 100% Occupied by a mix of longstanding national, regional, and local service-based tenants
- Most leases are double-net leases (tenant responsible for CAM and insurance)
- Leases range from 2-10 years and have rent bumps during option periods
- • Current NOI > \$720,400.51
 - New Parking lot sealed and striped 2021
 - Strong traffic count of over 20K vehicles per day • Recent renovation and extensive facelift
- Dayton was bought at 9.3% Cap rate with extra land to sell of, which we did quickly, bringing the cap rate up to over 10.5%. We got debt financing through an insurance co for 7.125% interest

Non-Preferred Assets

- Hospitality (Bars and Restaurants)
- Medical Facilities
- Assisted Living
- Group Housing
- Properties in rural areas

ILS Products and Fees

5 / 20
Year

6-
month

• Loan amount range from \$250,000- \$10m+

• Credit Score 650+

• Appraisal Fee: Varies on Apprasiers Fee

• Origination Fee: 4% of the Loan Amount

Required Docs

- Loan Application- Submitted online
- Commercial Questionnaire- Brief overview of both the borrower(s) and the property details.
- Executive Summary- An Executive Summary is a document that gives detailed information about the property, the borrower's plans, and their business.
- Interior and Exterior Photos- Enough photos should be provided to paint a full picture of the property. For land, an aerial view is recommended.
- Personal Financial Statement (PFS)- A personal financial statement is a snapshot of your personal financial position at a specific point in time. It lists your assets (what you own), your liabilities (what you owe), and your net worth. To get your net worth, subtract liabilities from assets.

Additional Docs

- Survey(s)
- Appraisals
- Rent Rolls
- Demographics
- Feasibility Study
- Pro-forma P&L if un-stabilized

Phases

- For large projects or developments, we may provide separate “phases” or loans.
- Ex:
 - Phase I- Land Acquisition
 - Phase II- Plotting/Sub diving plots
 - Phase III- Power, sewer, roads, etc
 - Phase IV- Foundations and Framing or set of houses
 - Phase V- Final build out

Q & A

- Commercial loans just have more zeros!

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