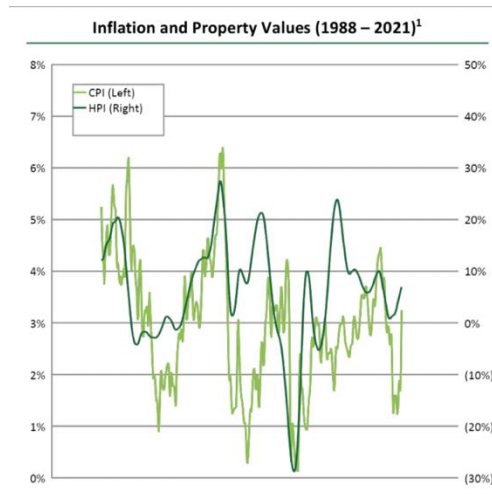


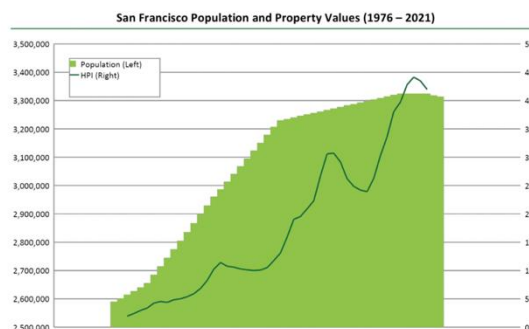
Real Estate Investment Rundown

Long Term Drivers of Property Values:

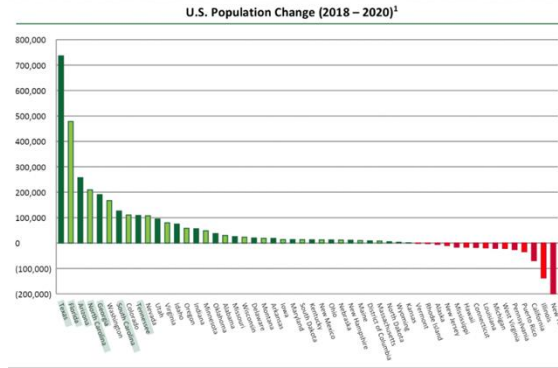
- Inflation
 - Real estate investment is a stable investment with inherent protection against inflation.
 - Housing values tend to increase with inflation while continuing to rise at a higher rate than inflation when it decreases.



- Population Growth
 - Population growth leads to an increase in demand for housing, raising rental and housing prices.

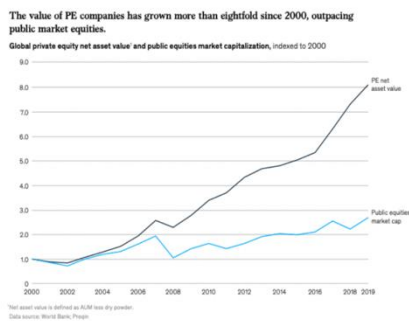


- The southern states, like North Carolina, are currently seeing the highest rates of population growth.

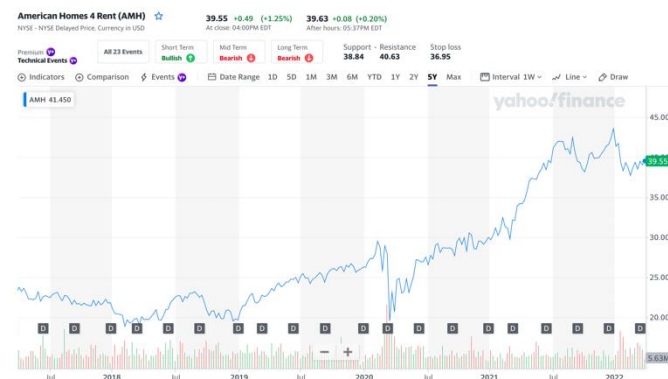


Private Equity Industry & Private Real Estate Funds

- The value of PE companies has grown more than eightfold since 2000, outpacing public market equities



- Suburban Home Boom
 - o About \$350 billion in private real estate dry powder as of the end of 2020
 - o \$4.1 billion in investment in residential properties in Q2 of 2022 (overtook office investment of \$3.3 billion)
- American Homes 4 Rent
 - o A real estate investment trust based in Calabasas, California that invests in single-family rental homes.
 - o (NYSE: AMH) – Stock price over the last 5 years have risen by over 70%



Real Estate Investment Strategies

Hands-On Investment	Investing in Public REITs	Private Real Estate Fund
<p>Summary:</p> <ul style="list-style-type: none"> - Personal involvement in property acquisition & financing - Self or third-party management <p>Pro:</p> <ul style="list-style-type: none"> - Maximized control <p>Cons:</p> <ul style="list-style-type: none"> - High learning curve - Personal liability - Large capital, time, and labor investment 	<p>Pros:</p> <ul style="list-style-type: none"> - High liquidity <p>Cons:</p> <ul style="list-style-type: none"> - Prices fluctuate with market sentiments - High liquidity premium - Low current yield (high P/E) - Undesirable composition of risk exposure (commercial RE exposure, etc) <p>Example: American Homes 4 Rent (AMH)</p> <ul style="list-style-type: none"> - P/E Ratio: <ul style="list-style-type: none"> - Trailing: 134.37 - Forward: 51.02 - P/B Ratio: 2.24 	<p>Summary:</p> <ul style="list-style-type: none"> - Professional investment and operational teams - Fund manager interests align with investor - General partners are committed to success - PE is structured to incentivize ROI <p>Pros:</p> <ul style="list-style-type: none"> - Unique access to opportunities - Investment discipline and timing - Diversified portfolio risk - Minimized capital, time, and effort requirements <p>Cons:</p> <ul style="list-style-type: none"> - Asset management fee