



promanas

REAL ESTATE INVESTMENT

2017 INVESTOR SUMMIT

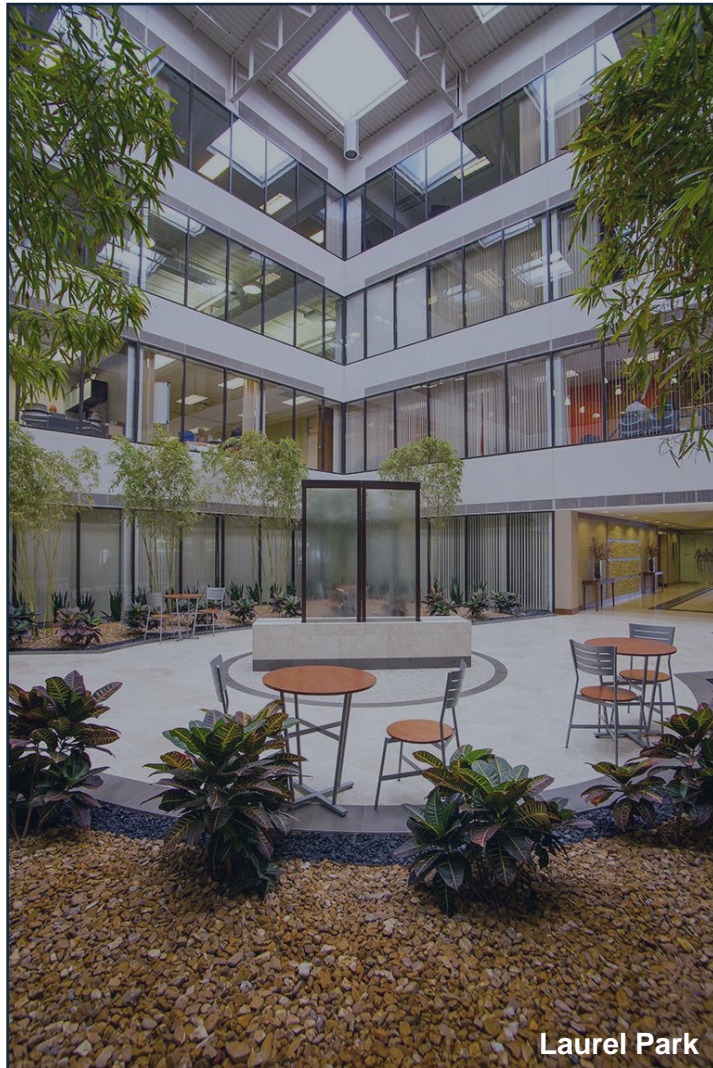
John Bogdasarian

President

“WHY DO YOU DO THIS?”

- Create Value > Cost
- Generate Passive Income
- Investors – Family, Friends, Others
- Rule #1 – Don’t Lose Money
- Rule #2 – See Rule #1
- Ego – The Whole Story





REAL ESTATE FUND – PF3

- 2008 – Market Collapsed
- Started with “one-off” deals
- Fund structure
- Get rich slowly
 - Consistent cash distributions
 - Principal paydown
 - Capital appreciation

“PF3 focuses on providing consistent cash distributions to investors...”

Cash Distributed to Investors	
Year	Amount
2009	\$85,000
2010	\$552,827
2011	\$985,282
2012	\$1,210,024
2013	\$1,927,709
2014	\$3,262,577
2015	\$4,049,207
2016	\$5,560,306
Total	\$17,632,932

Results

	<u>2015</u>	<u>2016</u>
Operating Income	\$12,084,717	\$18,867,320
Operating Expenses	<u>(\$3,046,331)</u>	<u>(\$5,496,873)</u>
Net Operating Income	\$9,038,386	\$13,370,447
Depreciation/Amortization	(\$1,934,442)	(\$2,950,950)
Interest Expense	(\$2,480,161)	(\$3,447,071)
Gain on Sale	<u>\$920,688</u>	<u>\$173,725</u>
Taxable Income	\$5,544,471	\$7,146,151

Run Rate Overview

	Net Operating Income	Debt Service	Cash Flow	Principal Paydown	Principal Balance
Total PF3	\$13,421,278	\$6,396,644	\$7,024,634	\$2,617,795	\$76,102,794

Total Equity	\$63,377,615
Cash Flow	\$7,024,634
7.5% Distribution	\$4,753,321
Reserve Build	\$2,271,313
Cash Balance	\$10,000,000

Cash Return on Equity	11.08%
Principal Paydown as % of Equity	4.13%
Total Return on Equity	15.21%
Leverage	54.56%
Cash Balance as % of Equity	15.78%

Future of PF3

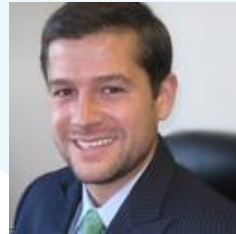


- “Do the work once get paid forever”
- Strategic improvements
- Liquidity
 - Sell and liquidate
 - Share Transfer Facilitation Program
 - Buyback from reserves

Promanas Team



**Brad
McFarlane**
Vice President



**Eric
McClelland**
CFO, Controller



**Rachel
Meadows**
Office Manager



**Anthony
Toth**
*Director of
Asset Management*



**Dennis
Merrick**
Realtor



**Todd
Radabaugh**
Assistant Controller



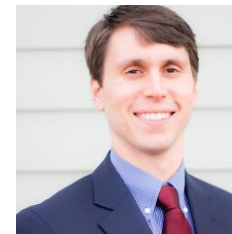
**Christina
Linn**
*Marketing &
Investor Relations*



**Carla
Ayers**
*Director of
Property Management*

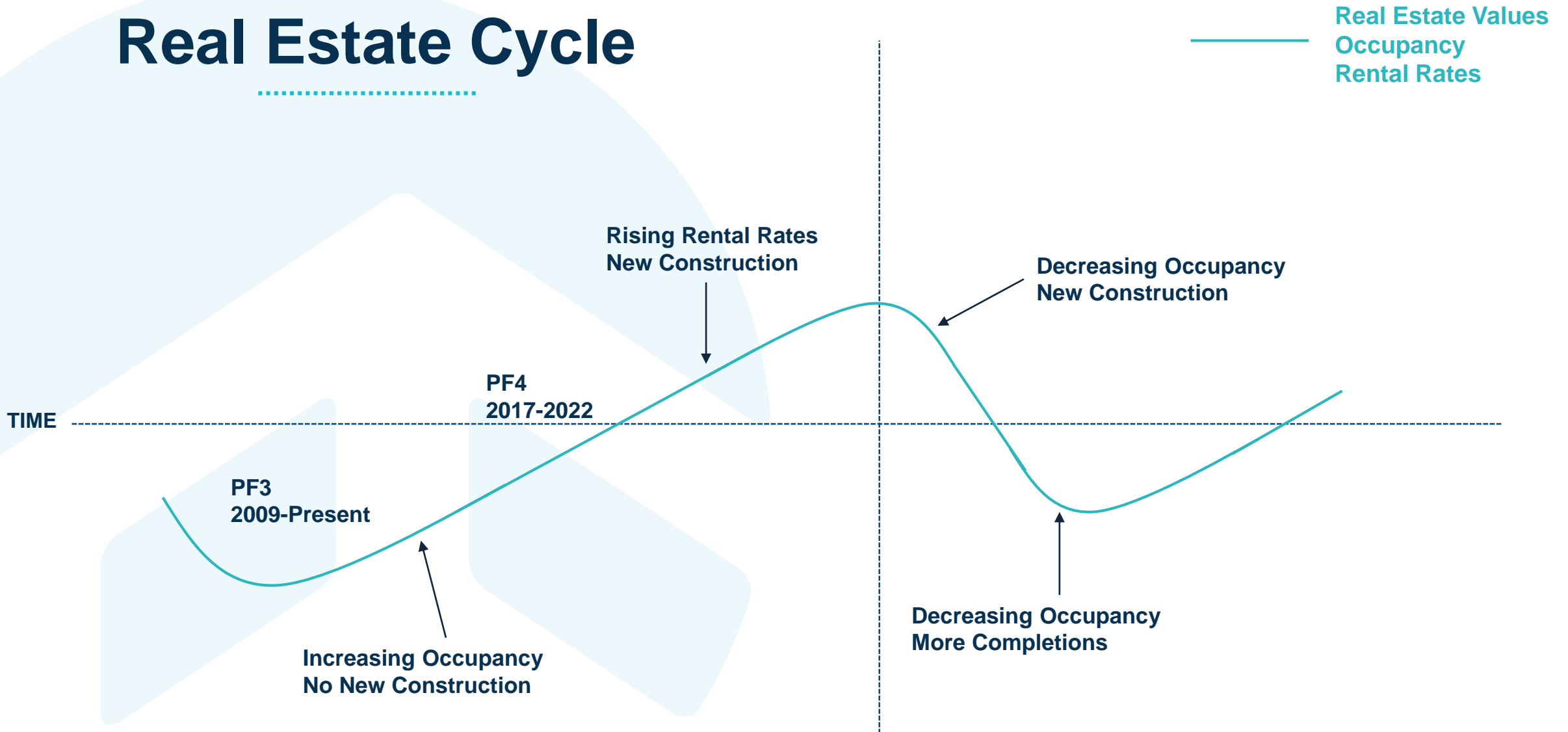


**Cheryl
Mullins**
Accountant



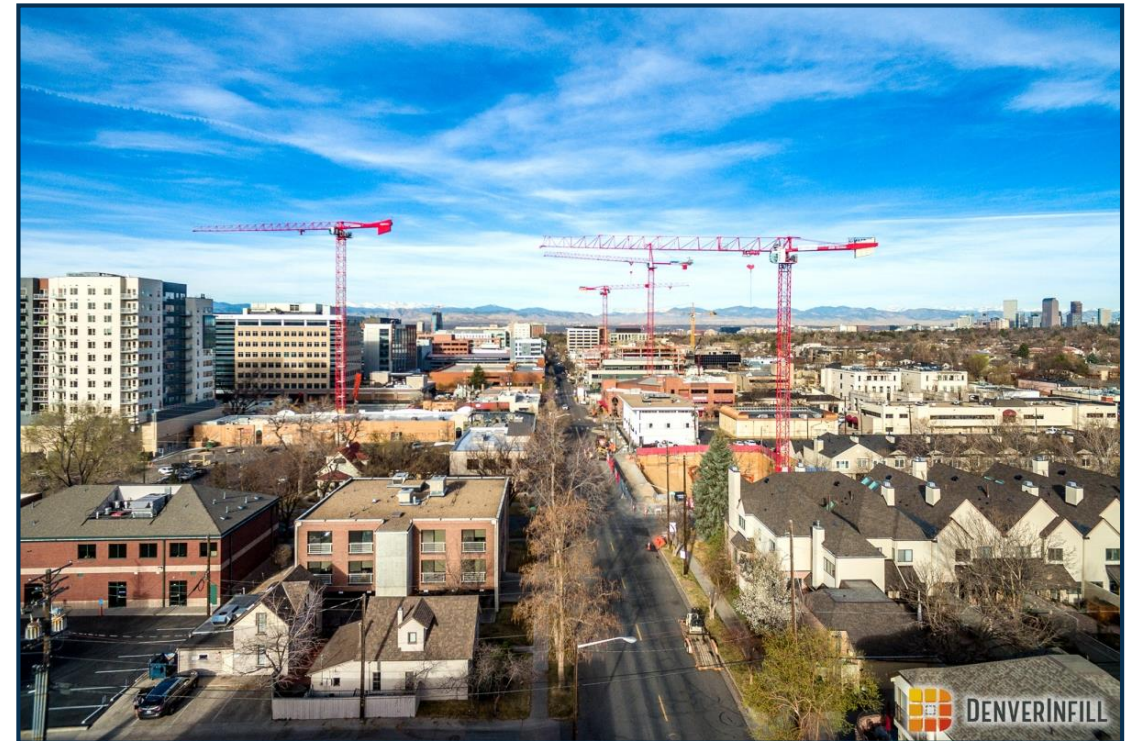
**Drew
Pearson**
*Acquisition &
Dispositions*

Real Estate Cycle



PF4 Overview

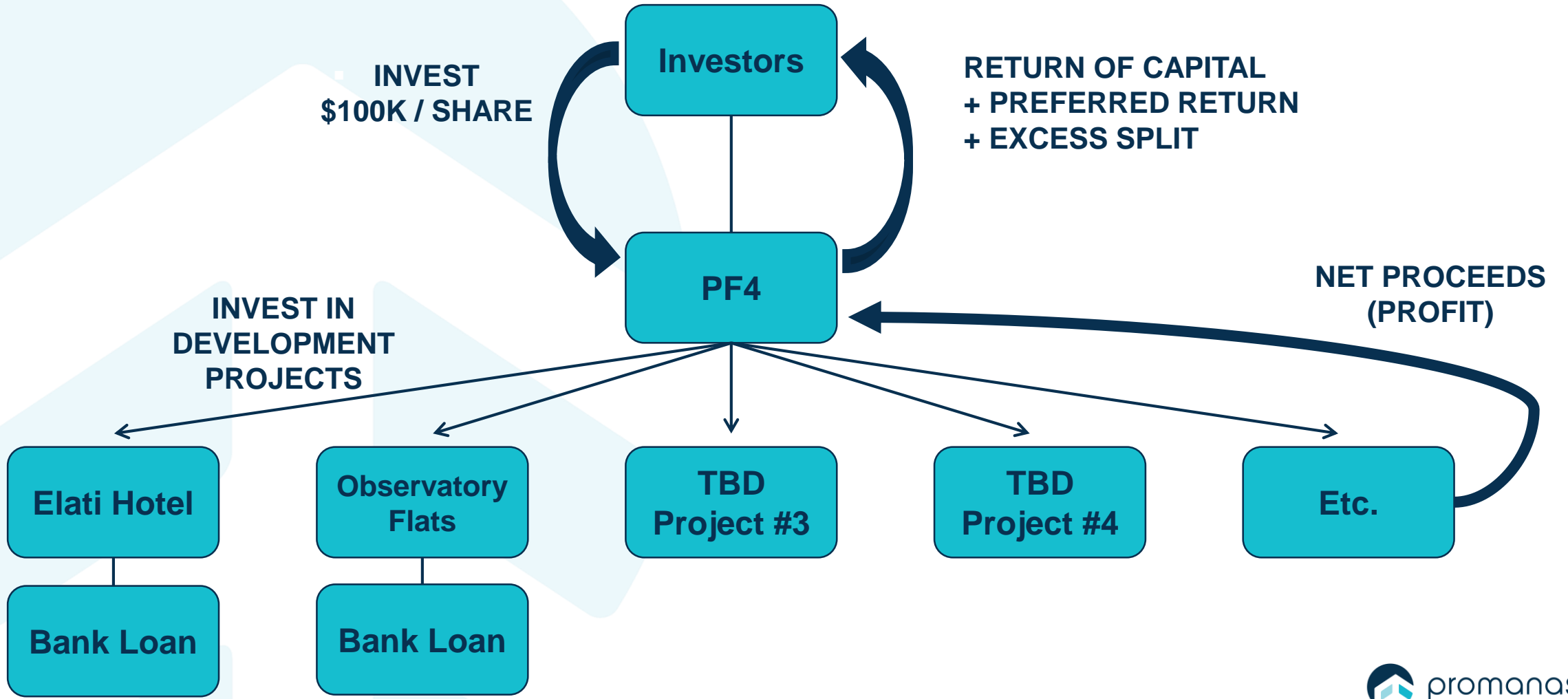
- Capitalize on Real Estate Cycle
- We:
 - Vet 100s of potential projects
 - Partner with experienced developers
 - Put up 100% of capital
 - Retain 100% control



PF4 Fund Details

Inception	2017
Target Fund Size	\$100 – \$150 million (gross asset value)
Target Investor Capital	\$30 – \$50 million
Minimum Investor Commitment	\$100,000
Preferred Return	7%
Management Fee	1.2% (annually)
Promanas Equity	10%
Investment Period	Fund closes no later than June 30, 2018
Projected Term	5 years
Projected Returns to Investors	15+%
Asset Types	Hospitality, resort, office, residential and industrial

PF4 Overview



PF4 – Allocation of Proceeds



- 7% Preferred Return is Accrued
- Promanas equity in the fund
- 10% of total investor capital raised
- Remaining profits are split:
 - 90% to Investors
 - 10% to Promanas

PF4 – Current Portfolio



Element Hotel

- Golden Triangle – Downtown Denver
- 157-room Element by Westin
- 3 to 5 year timeframe
- 20% projected return (per annum)

Element Hotel

.....

Nearby Projects

- 16-story, 302-unit apartment development
- 22-unit condo development



PF4 – Current Portfolio



Observatory Flats

- 52 unit condo development
- Denver University Campus
- 18 to 24 month timeframe
- 20% projected return (per annum)

PF4 – Project Pipeline



- Jefferson Park Condos
- Reviewing projects daily



Questions?