

INVESTING PASSIVELY IN APARTMENTS

HOW BUSY PROFESSIONALS CAN INVEST "HANDS-FREE"
IN MULTIFAMILY APARTMENT BUILDINGS



LionShare
Investment Group



“Every person who invests in well-selected real estate in a growing section of a prosperous community adopts the surest and safest method of becoming independent, for real estate is the basis of wealth.”

- Theodore Roosevelt, U.S. president

How Can I Invest Passively in Apartments?



- With a legal structure called a "**Syndication**"
- A Syndication is a group of individuals pooling their money & experience together to purchase an investment. In our case...
Apartment Buildings
- We are the active partners and are called the "**General Partners**". We provide the experience. We put our own money in each deal. And we are responsible for the acquisition, management, business plan, and disposition of the property.
- You, as the Passive Investor, are know as the "**Limited Partners**". You are responsible for making the initial investment, collecting quarterly cash flow distributions, and profits at sale....**that's it!!!**

What does a typical deal look like?

- 50+ Units
- B-C Class Properties (1970-1990's)
- A-B Class Locations
- In growth markets - Favoring the Southeast, Texas, & Midwest
- 3-5 Year Hold Period
- Minimum Investment: \$50,000
- Return Projections
 - 6-8%+ Average Cash-on-Cash (Cash Flow)
 - 17%-20%+ Average Annual Return (w/Sale or Refi)
 - 15%+ IRR (Internal Rate of Return)

Example: \$100K investment over a 5 year hold period, would provide a projected return of \$170k - \$200k+ (*includes your initial investment*)



How It Works

Market Research

- We research and select markets that demonstrate **economic growth** - increasing jobs, population, business & government investments.
- We source apartment deals in the 50+ unit range, primarily from our broker relationships.



Due Diligence

- After placing the property under contract, we perform a complete physical inspection of the asset
- A complete financial due diligence of all expenses, payrolls, contracts, etc are analyzed and examined.





Negotiations & Financing

- We negotiate the best contract terms and agreements
- We qualify for loans ourselves or get outside sponsors
- We close & take over the property

Management & Operations

- We hire professional Property Management (PM)
- Implement our Value-Add Business Plan
- Weekly meetings | updates with PM
- Issue financial reports monthly and/or quarterly
- Visit properties periodically



Passive Investors | Limited Partners

- We present the opportunities to our qualified Investors
- We follow all SEC Rules for the offering (506b or 506c)
- Our Investors sign the appropriate documents & wire investment funds before the specified deadline.
- Investors are sent cash flow distributions via ACH on quarterly basis.

During the hold Period

- Monthly updates about the property & operations
- Quarterly financials and investor distributions
- Distributions on a Value-Add deal typically start after month 6 of operations, to allow stabilization of renovations and new property management.
- **Average annual cash flow returns** during the hold period are about **6-8%**.



EXIT STRATEGY

- The typical **hold period** is **3 to 5 years**
 - We will **sell or refinance** the property depending on the business plan and/or market conditions.
 - This produces a large capital event, providing the initial investment back to the investor, along with profits from the sale or equity from a refi
 - **Total Return projections**, including sale, have an Avg. Annual return of **17%-20%**
-



Why Apartments

Income producing asset

- We find deals that provide great **cash flow** for our investors & partners . We do not speculate.

Equity Building

- Rental income is **paying off the mortgage principal** and increasing our equity as we hold the property.

Forced Appreciation

- Through Operational efficiencies and capital improvements, we **increase the value of the property.**



Tax Benefits

- **Depreciation** - Tax write offs, even when profitable.
- **1031 Exchange** - Defer capital gains payments

Why Apartments

Recession Resilience

- Historically, the Multifamily space is one of the most recession resistant and most forgiving of all asset classes in an economic downturn.

Inflation Hedge

- As consumer prices rise so do rents, which increases operating income and returns.

Favorable Market Trends

- The U.S. market is becoming a renter nation. Millennials and Baby Boomers driving much of this change.



Invest with retirement funds

- Called a Self-Directed IRA. It allows you to invest in Real estate, Precious Metals, & other assets with your retirement funds.

THE FOUNDER

Mark Ferreira is an accomplished IT (Information Technology) Professional and real estate investor. With over 20 years experience investing in RE, Mark has successfully completed a wide range of projects...from Multifamily Buy & Hold, Single Family Fix & Flips...to Land Development and Construction. He is also a Licensed Realtor in the state of MA.

In late 2018, Mark discovered the power of investing in commercial multifamily (Apartments). Since then, Mark has invested passively in Apartment syndications and Joint Ventures totaling over 1090 units.

For the last 2 years, Mark has been working closely with experienced Apartment Operators and Syndicators. Mark is now actively participating in the syndication space as a General Partner. He is now bringing these amazing apartment opportunities to his investors, including Friends & Family.

Mark lives in southern Massachusetts with his wife and two children.



Mark's Active Investments as General Partner & Joint Venture

104 UNITS
Augusta, GA



Projected Returns

Avg Cash on Cash: 8.4%
Avg Annual Return: 18.7%
Hold Period: 5 Yrs

General
Partner

Feb 2022

32 UNITS Hotel/Apartment Conversion
Craig, CO



Projected Returns

Avg Cash on Cash: 12%+
Avg Annual Return: 25%+
Hold Period: 3 Yrs

Joint
Venture

Aug 2021

Mark's Passive Investments

246 UNITS
Augusta, GA



Projected Returns

Avg Cash on Cash: 8%
Avg Annual Return: 20%
Hold Period: 5 Yrs

Aug 2021

55 UNITS
ST. PAUL, MN



Projected Returns

Avg Cash on Cash: 6.5%
Avg Annual Return: 20%
Hold Period: 5 Yrs

June 2021

30 UNITS
ST. PAUL, MN



Projected Returns

Avg Cash on Cash: 7%
Avg Annual Return: 18%
Hold Period: 5 Yrs

NOV 2020

100 UNITS
LAKE CITY, FL



Projected Returns

Avg Cash on Cash: 9%
Avg Annual Return: 18%
Hold Period: 5-7 Yrs

DEC 2020

55 UNITS
SPARTANBURG, SC



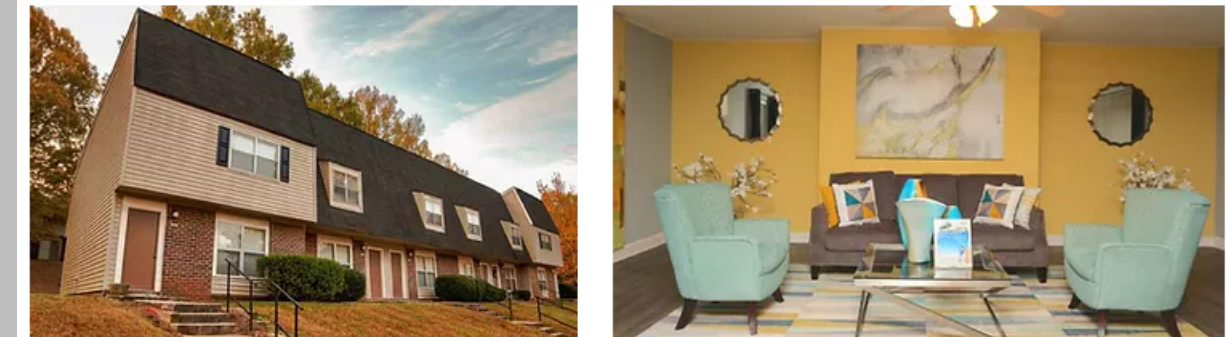
Projected Returns

Avg Cash on Cash: 8.4%
Avg Annual Return: 16%
Hold Period: 6-8 Yrs

OCT 2019

Completed Project

174 UNITS
ATLANTA, GA



Actual Returns

Total Return (cash flow & sale): 32%
Hold Period: 2.5 Yrs

JAN 2019 -
JUNE 2021

Mark's Passive Investments

346 Unit Portfolio - Lubbock, TX

Park Meadow Villas I



Park Meadow Villas II



Stone Hollow Village

Jan 2022

- **Shorter hold period than normal - 3 years or less**
- **Purchasing at near 1/2 of the market value at \$36k/door**
- **Average Annual returns projected at over 35%+ including profits at sale**
- **7% preferred return**
- **Projected avg cash-on-cash of 9.5% (excluding profits sale)**

If you are interested in participating in our next investment opportunity, please reach out to me to schedule a call.

Email: mark@lionshareinvest.com

Schedule a call: calendly.com/lionshareinvest

www.lionshareinvest.com

