



PACIFIC POINT

# PACIFIC POINT REALTY FUND

SEPTEMBER 2023



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## PACIFIC POINT REALTY FUND, LLC (PPRF)

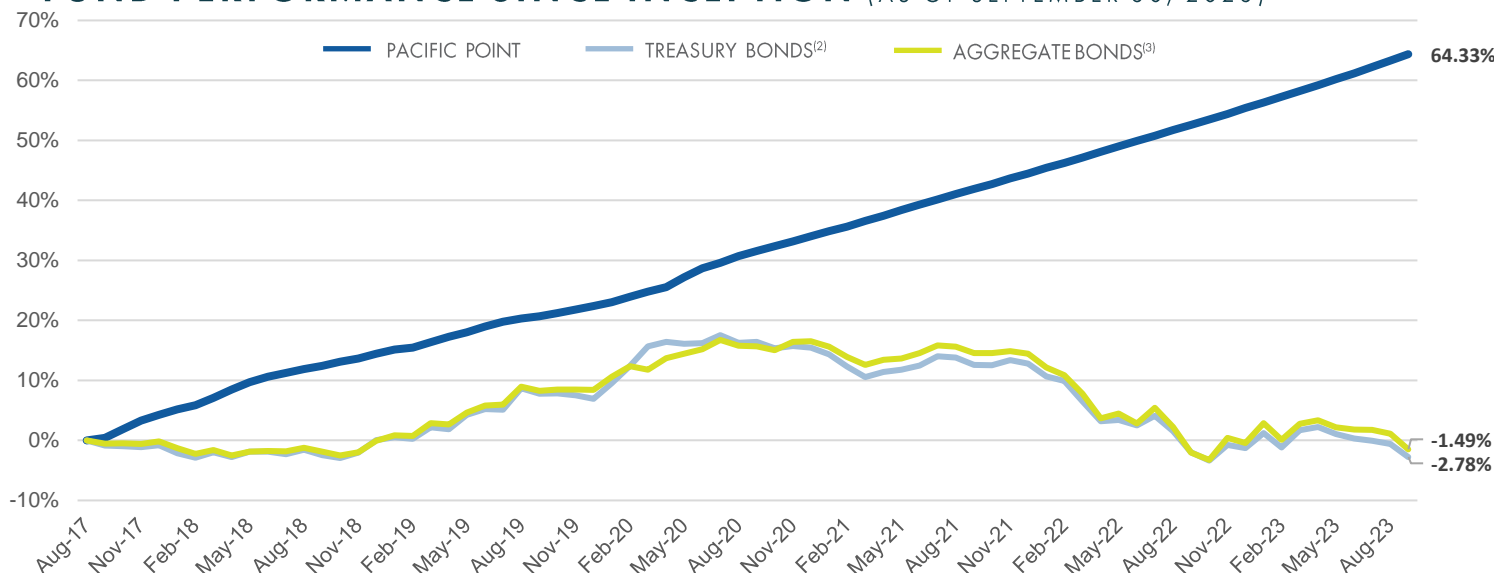
The Pacific Point Realty Fund, LLC seeks to provide consistent monthly income and capital protection for investors. The Fund originates and invests in high yield private money loans secured by residential and commercial real estate primarily made available to experienced borrowers looking for flexible, situational bridge financing for real estate projects within an expedited time frame to fund acquisitions, construction, and other investments. The Fund manager invested \$3 million to seed the Fund and has committed to remain one of the Fund's largest investors to create long-term alignment with investors.

### MONTHLY FUND PERFORMANCE (NET OF ALL FEES) (AS OF SEPTEMBER 30, 2023)

IRR <sup>(1)</sup>	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	YTD
2017	-	-	-	-	-	-	-	-	0.43%	1.42%	1.42%	0.90%	4.17%
2018	0.86%	0.70%	1.14%	1.31%	1.10%	0.84%	0.58%	0.55%	0.47%	0.65%	0.46%	0.68%	9.34%
2019	0.63%	0.26%	0.78%	0.80%	0.64%	0.82%	0.66%	0.44%	0.33%	0.43%	0.48%	0.49%	6.76%
2020	0.52%	0.72%	0.68%	0.63%	1.30%	1.19%	0.70%	0.86%	0.64%	0.61%	0.62%	0.64%	9.11%
2021	0.64%	0.56%	0.69%	0.62%	0.71%	0.64%	0.62%	0.64%	0.62%	0.56%	0.65%	0.56%	7.51%
2022	0.66%	0.57%	0.63%	0.62%	0.61%	0.61%	0.60%	0.61%	0.59%	0.59%	0.58%	0.56%	7.33%
2023	0.60%	0.60%	0.61%	0.62%	0.62%	0.61%	0.66%	0.64%	0.65%	-	-	-	5.61%

(1) Returns represent investor's net monthly returns calculated as the monthly change in the Net Asset Value of the Fund. Actual distributions may be subject to holdbacks, as further described in the Fund's PPM. Returns are net of 1.5% management fee, 0.5% servicing fee, and direct fund related expenses. As of July 1, 2020, the Fund distributed, into a separate entity, the Fund's less liquid Home Equity Agreements to investors to improve the Fund's liquidity profile. Going forward the Fund only invests in high yield private money loans as described in the PPM. The targeted net annual return of the Fund going forward is expected to be 7.5% - 9.0%.

### FUND PERFORMANCE SINCE INCEPTION (AS OF SEPTEMBER 30, 2023)



(2) Treasury Bonds represent the SPDR Bloomberg Barclays U.S. Treasury Bond UCITS ETF. (3) Aggregate Bonds represent the iShares Core US Aggregate Bond ETF.

### PORTFOLIO ATTRIBUTES (SEPTEMBER 1, 2017 TO SEPTEMBER 30, 2023)

Stated Value	PPRF	T-Bonds	A-Bonds	Loans Originated Since Inception <sup>(6)</sup>	
Annualized Return <sup>(4)</sup>	8.51%	-0.46%	-0.25%	Loans Funded/ Repaid	\$391M/\$252M
Annual Cash Dividend <sup>(5)</sup>	7.25%	2.33%	4.12%	Number of Loans	461
Sharpe Ratio	1.45	-0.18	-0.16	Realized/ Expected Duration (Months)	8.4/ 11.1
Standard Deviation	4.73%	12.11%	12.32%	Weighted Avg Loan-To-Value (LTV)	66.75%
Max Drawdown	0.00%	-17.78%	-17.14%	Average Loan Size	\$848K
% Positive Months	100%	43.84%	46.58%	Loans in 1 <sup>st</sup> Position	100%
% Negative Months	0.00%	56.16%	53.42%	Total/ Current Weighted Avg Loan Rate	9.44%/ 9.94%
Correlation to PPRF	1.0	0.02	0.03	REO Properties	0

(4) Geometric return annualized over the applicable period.

(5) PPRF and T-Bonds dividend yield as of September 30, 2023. A-Bonds dividend yield as of June 30, 2023.

(6) Includes Pacific Point Realty Fund, LLC and Pacific Point Fund I, L.P.

**PACIFIC POINT REALTY FUND, LLC (PPRF)****KEY TERMS/ SERVICE PROVIDERS**

<b>Strategy</b>	Income and Capital Preservation	<b>Attributes</b>	Low volatility and correlation to traditional capital markets
<b>Manager</b>	Pacific Point Capital, LLC	<b>Auditor</b>	Armanino LLP
<b>Targeted Annual Return</b>	7.5% - 9.0%	<b>Tax Accountant</b>	Armanino LLP
<b>Minimum Investment</b>	\$100,000	<b>Legal Counsel</b>	Geraci Law Firm
<b>Management Fee</b>	1.5%	<b>Loan Servicer</b>	FCI Lender Services, Inc.
<b>Redemption / Subscription</b>	Quarterly after 12 months/monthly	<b>Third Party Administrator</b>	Socium Fund Services
<b>Investor Eligibility</b>	Accredited Investors Only	<b>Investment Platforms</b>	Schwab Alternative Investments Platform CUSIP-2885608
<b>Maximum Fund Size</b>	\$400,000,000		
<b>REIT Tax Structure</b>	REIT Structure qualifies Investors for a 20% Federal QBI Deduction under Section 199 A(b)(1)(B)		

**LENDING/ INVESTMENT CRITERIA**

<b>Loan Types</b>	Residential, multi-family, value-added acquisitions, bridge-loans, commercial, industrial, office and retail centers
<b>Location</b>	West Coast – Emphasis in California
<b>Loan-To-Value</b>	Up to 75% LTV in most cases depending on the property
<b>Loan Term</b>	3 – 36 Months
<b>Interest Rates</b>	8.5% - 12.0% Interest Only
<b>Lien</b>	1 <sup>st</sup> Position
<b>Repayment</b>	Typically interest only (paid monthly) with principal due at loan maturity

**ABOUT PACIFIC POINT**

Pacific Point Capital builds and manages proprietary investment portfolios that provide investors with a combination of principal protection and consistent and diversified monthly cash flows. We view ourselves as stewards of our client's capital and look for investment opportunities that offer a favorable risk/reward profile with a strong emphasis on downside protection and capital preservation.

**LEADERSHIP TEAM****Jay Winship, CFA, CPA - Founder and Portfolio Manager**

Mr. Winship was previously a senior managing director and principal of Relational Investors LLC, a \$6 billion investment fund. Mr. Winship has over 25 years of investment experience including knowledge in the areas of investment management, real estate investment, real estate lending, investment research, securities and business valuation, corporate governance, mergers, acquisitions, and investment banking. Mr. Winship has personally invested in a wide range of real estate investments including apartments, residential real estate, new construction, construction loans and private money lending.

**Jay Sitlani, CFA, CPA - Chief Financial Officer and Chief Operating Officer**

Mr. Sitlani was the Chief Financial Officer, Chief Operating Officer and Chief Compliance Officer of Relational Investors LLC, where he worked closely with Mr. Winship for over 20 years. During that time, Mr. Sitlani was responsible for managing Relational's corporate and fund administration functions, including regulatory compliance related to the firm's investments. Mr. Sitlani has over 20 years of ancillary real estate investment experience investing in a wide range of investments including hotels, senior living, retail and residential real estate.

**Mike Licosati, JD, MBA - Principal**

Mr. Licosati has over 20 years of investment management experience working with institutional and high net worth clients. He has extensive knowledge and expertise in the areas of investment management, portfolio construction, investment research, securities analysis, business valuation, securities law, corporate finance, mergers, acquisitions, and investment banking. Mr. Licosati is also the managing partner and Portfolio Manager of Alder Capital, a subsidiary of Pacific Point Advisors, LLC, which currently manages a long/short equity fund with an emphasis in the technology sector.





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