



REAL ESTATE INVESTMENT COMPANY



Providing investors tax-efficient income from a portfolio of commercial real estate in high-growth US cities

# Humphreys Real Estate Income Fund

## At a Glance

- Formed in 2012
- Tenth offering of fund in 2021
- Open to new investors January 1 to June 30
- Geographic Focus: High-growth cities across the Southeast and Southwest
- Sector Focus: multifamily, industrial, office, retail
- Investment Focus:
  - Long-term buy-and-hold real estate in prime locations
  - Established properties offering stabilized cash flow with potential for value-add
  - Infill development in proven submarkets
- Portfolio of 71 properties valued at over \$670 million<sup>1</sup>
- 13.6% Net IRR since inception<sup>2</sup>
- Dividend declared annually and paid monthly
- Available on various custodial and wealth management platforms

## Investors

We serve hundreds of trusted investors, including multi-generational families and institutions.

## Process

We prove ourselves through strong, consistent performance that comes from a smart, disciplined investment strategy and philosophy.

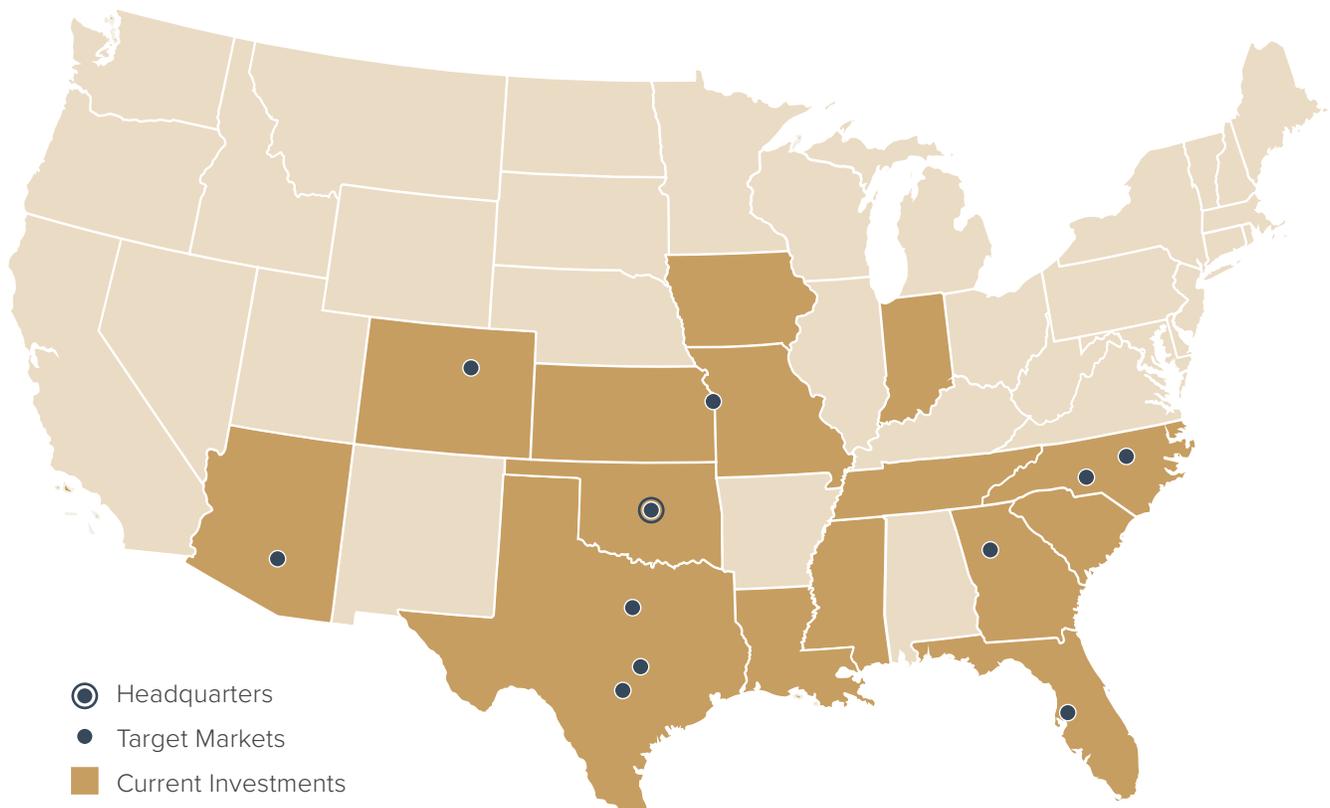
## Relationships

We begin by forging relationships with long-term, like-minded development and operating partners across multiple sectors to source privately-negotiated, off-market transactions.

## Markets

We target high-growth metropolitan areas and select sub-markets with multifaceted growth dynamics.

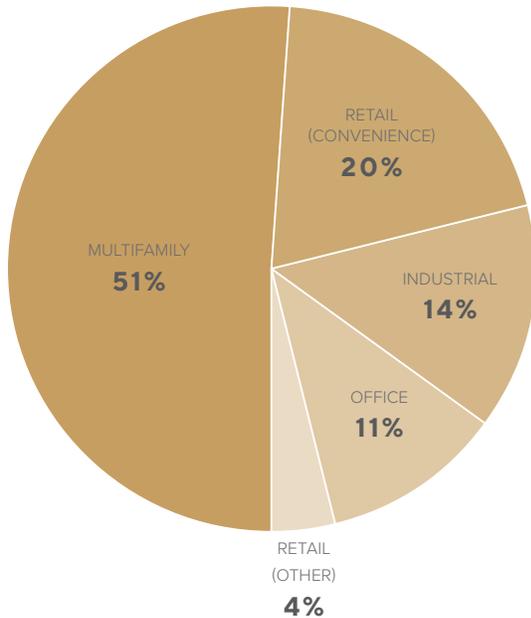
### TARGET MARKETS and CURRENT INVESTMENTS



# Sectors

Our team has expertise and deep relationships across our target sectors. As macro cycles and submarket dynamics fluctuate, we adapt by scrutinizing all available opportunities to ensure we select what we believe to be the best investments the market has to offer.

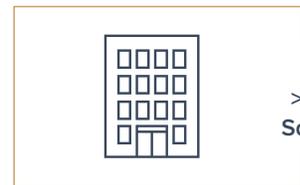
CURRENT DIVERSIFICATION



**Multifamily**  
**> 6,000 Units**



**Industrial**  
**> 1.9M Square Feet**



**Office**  
**> 422,000 Square Feet**



**Retail**  
**33 Properties**

# Strategy

We source complementary core, value-add and opportunistic strategies that keep our team ready and relevant in the marketplace. We find and create value through stable, net lease and multi-tenant properties as well as opportunistic projects that generate cash flow and capital appreciation. We invest below institutional competition where we seek better prospective returns by providing important, repeat equity for best-in-class developers.

## SAMPLE PORTFOLIO INVESTMENTS

### CORE



Convenience Retail

### VALUE-ADD



Multifamily Reposition

### OPPORTUNISTIC



Urban infill Multifamily



Multi-tenant Business Center



Industrial Complex



Multi-tenant Industrial

## HUMPHREYS REAL ESTATE INCOME FUND

<b>KEY DATES</b>	Offering open January 1 - June 30
<b>VINTAGE</b>	2012
<b>PORTFOLIO VALUE</b>	> \$670 Million <sup>1</sup>
<b>STRUCTURE</b>	Private   Evergreen   Limited Liability Co.
<b>SUITABILITY</b>	Accredited investors
<b>STRATEGY</b>	Core   Value-Add   Opportunistic
<b>TERM</b>	Perpetual life
<b>PORTFOLIO</b>	71 Properties
<b>PERFORMANCE</b>	13.6% Net IRR   2.30x MOIC <sup>2</sup>
<b>MINIMUM INVESTMENT</b>	\$500,000
<b>MANAGEMENT FEE</b>	No load fees or AUM fees <sup>3</sup>
<b>PREFERRED RETURN PROMOTE</b>	Investor receives 75% of distributions before manager is entitled to catch-up to 25%
<b>DISPOSITION FEE</b>	None
<b>PRINCIPAL EQUITY</b>	14.5% of existing fund equity <sup>4</sup>
<b>IRR TARGETED RETURNS</b>	8-10% annualized net
<b>TARGETED YIELD</b>	7% cash dividend
<b>DISTRIBUTIONS</b>	Monthly
<b>REDEMPTIONS</b>	Quarterly <sup>5</sup>
<b>TAX TREATMENT</b>	Partnership with REIT subsidiary
<b>GOVERNANCE</b>	Independent board

(1) Property value of joint venture entities includes the fair value of equity contributed by the fund plus the pro rata share of debt.

(2) Fund performance returns represent cumulative distributions and the residual value experienced by members holding Series One Units since inception. Net IRR calculations include the initial Series One Unit value, the timing of the actual cash flows, and redemption at the current stated value as of December 31, 2020. The IRR and multiple for the Fund are presented net of management compensation, fees, and expenses. Distributions are approved by the Board of Directors and are determined by assessing cash available for distribution, sales proceeds, and realized and unrealized gains on investments.

(3) A monthly management fee is payable to the Manager equal to one percent of the fund's net income as an allowance for and reimbursement of office and clerical expenses.

(4) Current equity interest of the Managing Principals and affiliates as of June 30, 2020.

(5) On a rolling 12-month basis, no more than 10% of the outstanding Series One Units may be eligible for redemption.

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Multiple of Invested Capital ("MOIC") is calculated based on the total Realized and Unrealized Value divided by the total capital invested and does not reflect Fund fees or expenses. Internal Rates of Return ("IRRs") are calculated based on a stream of cash flows, the date of each cashflow and a terminal value as of the calculation date. IRRs represent an annualized return but assume reinvestment of interim cash flows in projects with equal rates of return. Net Fund IRRs are based on the sum and timing of all limited partner cash flow, including capital called from limited partners for investments, management fees and other Fund expenses and net distributions to limited partners after the allocation or payment of carried interest, if any.



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