Pelorus Fund

A DATA-DRIVEN PRIVATE DEBT FUND FOR CANNABIS REAL ESTATE

Fall-2023

Our market-leading technology and proprietary insights have allowed us to be one of the top performing funds in market.

An introduction...

Who are we?

Pelorus Capital Group is a **data-driven** Newport-based asset manager that specializes in private credit for the cannabis sector. With extraordinary experience in this niche asset class, we focus on cannabis-use properties and capitalize on our first-mover advantage.

What does The Pelorus Fund do?

The Pelorus Fund finances the construction and conversion of properties for cannabis use. We exercise two approaches - the construction lending strategy and the expansive stabilized lending strategy. The private mortgage REIT (mREIT) structure also offers multiple benefits to investors.

Why cannabis-use real estate?

The nature of this special asset class is less impacted by real estate or economic downturn. What was once new and novel, is now an established and thriving market. Conversion and construction costs are high, and our financing is **data-driven** and reliable. As a result, our borrowers are willing to pay a premium for our services

How do we do this successfully?

Our proprietary data allows us to gage market opportunity. Our experienced team of underwriters access real-time exclusive data, enabling them to move with more conviction. This combined with our deep network and stellar reputation, means we see more deals and provide more value to our owner operators.

"To my knowledge, our proprietary data is completely unique in this space. No one else has the volume of data and level of detail that we have. Every month our database grows and this gives our underwriting and capital deployment an edge over our competitors."

TRAVIS GOAD, MANAGING PARTNER

TIME AND TIME AGAIN WE HAVE EXTENDED THE BOUNDARIES OF POSSIBILITY

2016

First dedicated cannabis lender

2020

Our technology and data breakthrough

2021

First cannabis mortgage REIT to obtain an investment-grade rating

2023

First secured bond by cannabis-affiliated issuer to receive an 'A' by Egan-Jones Rating Company

First to securitize portfolio

2018

First $100M privately held cannabis real estate dedicated lending investment vehicle

2020

First private mREIT

First to obtain a 4.75% warehouse line of credit from an FDIC insured bank

2021

First to close $50M bond offering with institutional investors

First to upsize to $1B equity offering

OUR INDUSTRY-LEADING NUMBERS*

We have a deep understanding of the cannabis real estate market that can only be gained from our extraordinary experience in this niche. We leverage this alongside our technology to consistently improve our underwriting.

~$404M	~$500M	74	32
Total loan book	**Total funded loan value**	**Total no. of funded loans**	**Current loans**

~$423M	>$500M	A rating on $50M secured bonds
AUM	**Team funded transactions**	**From Egan-Jones rating company**

| ~$13M	68.26%	14.4%	~$84M
Average loan size	**Average portfolio LTV**	**Weighted average note rate**	**Total capital raised in 2022**

* As of 9/30/23

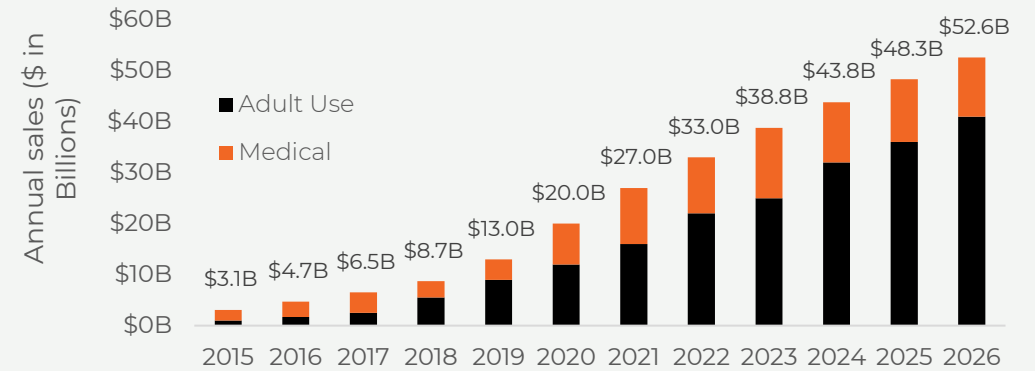# The cannabis market is established and continues to grow

More than **75%** of the U.S. population lives in a state that has legalized cannabis. What was once an immature market, is now established and bursting with significant growth opportunities.
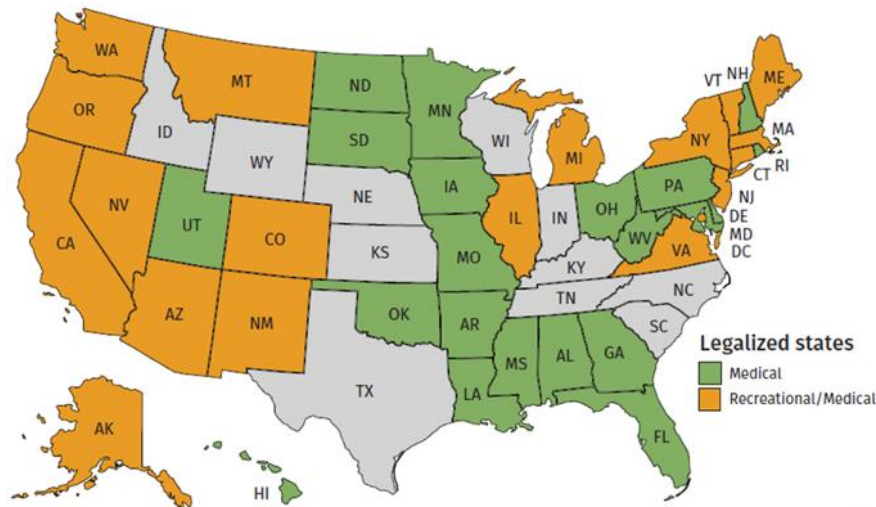
Note: Does not include states that have legalized only CBD-based oils.
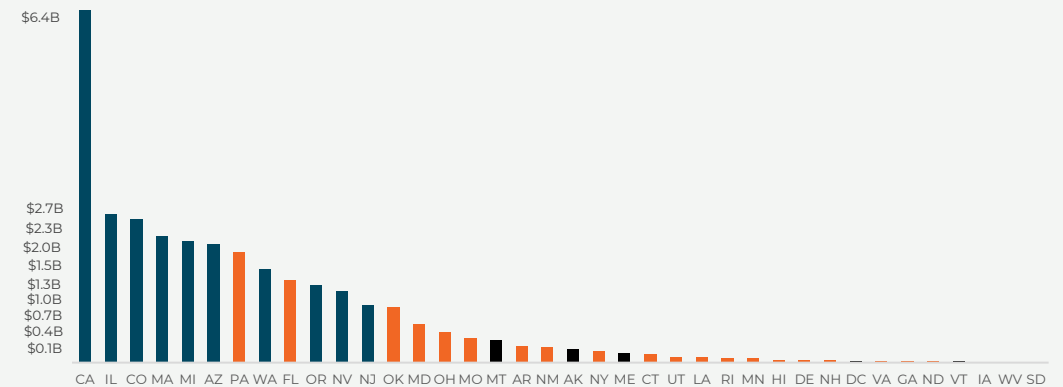
U.S. cannabis retail sales estimates: 2015-26

U.S. legal cannabis sales are expected to reach **$52.6B** by 2026, a **$25B+** increase from 2022 sales of **$23.6B.**

State-by-state cannabis sales estimates for 2022

California sales alone are expected to account for **$6.4B** of domestic market sales in 2022; double that of its nearest competitor, Illinois.

We understand the intricate supply-demand dynamics of cannabis real estate

Cannabis operations require purpose-built specialized properties. Due to a variety of regulations, suitable and well-located real estate can be hard to find.

Local property restrictions*:

- Cannabis property is only legally permitted in a "green zone"
- A conditional-use-permit ("CUP") is required
- Tenants need a cannabis-use license for the specific property

State restrictions:

- Cannabis-use businesses must be licensed by the State

We leverage our unique technology to carefully monitor the status of cannabis-use properties in each state and across the country. It tells us where each state is in maturation and when each state will reach a fully stabilized market … so we know when to strike **and** when to move on.

* Not all states have the same property level restrictions

CANNABIS BUILD-OUTS ARE EXTREMELY COMPLEX AND EXPENSIVE

Cannabis properties are specialized and the high conversion costs generate higher property values and rental income.

Traditional lenders are poorly positioned to understand these highly specialized properties and find it difficult to understand the complex nature of the build-out and business.

Example 27,000 SF property	Non-cannabis tenant	Cannabis tenant	Increase
Property value	$2M	$4.5M	225%
Monthly tenant revenue	$100K	$1.3M	1,300%
Monthly lease rate	$20K	$65K	325%

Better financing.
More certainty.
Lower opportunity cost.

Traditional lenders don't have the expertise to lend on specialty-use assets and use dissimilar property types to ascertain value. We look at the holistic costs to complete the property and lend against the actual cost basis.

Our lending is **data-driven** and supported by extensive experience. We deliver certainty of financing, helping our owners generate revenues, at a lower cost.

We...

1. Can cover the financing of the entire project in one agreement.

2. Can typically reduce the note rate once the project has been completed and fully stabilized.

3. Understand the unique requirements of the cannabis industry and can lend accordingly.

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The Pelorus Fund provides **data-driven** value-add lending for cannabis-use properties

The Pelorus Fund is a private debt fund providing secured term loans through a private mREIT structure. We specialize in cannabis-related high-yield commercial real estate lending.

- Target 12-15% IRR
- Monthly distributions

We finance both owner operators that require improvements, and owners of non-cannabis converted property that are converting for cannabis industry use.

Using our exclusive technology and superior sector knowledge, we believe our processes are significantly more efficient and our lending is more certain.

LOAN PORTFOLIO
Geographic diversification
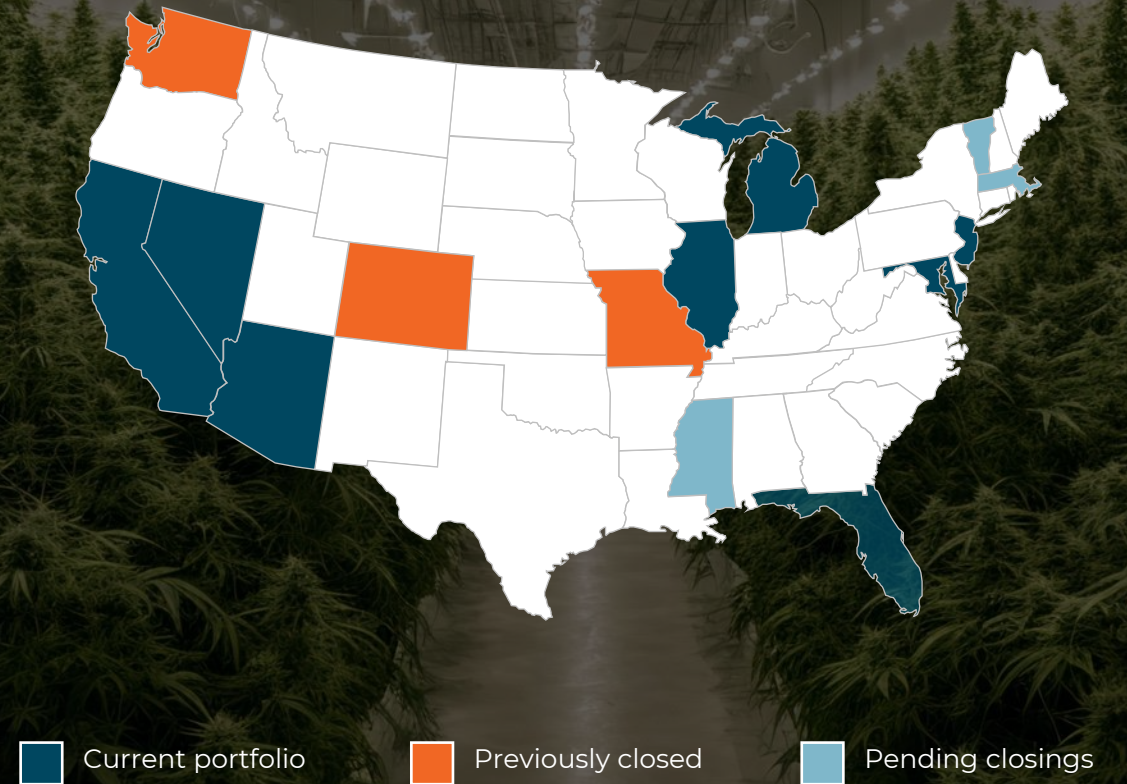
■ Current portfolio   ■ Previously closed   ■ Pending closings

We believe, based on our market data, we are short 700-800 dispensaries and 5M+ cultivation SF in California alone.

Our technology gives us unparalleled insights into the nuanced supply dynamics of the U.S. cannabis market. It enables us to price risk more accurately, more efficiently, and with more conviction.

We access real-time exclusive data

Cannabis real estate is complex. Standard real estate databases cannot capture this complexity… so we built our own.

Our proprietary data tool tracks and analyzes, in **real time**, the intricacies of supply dynamics of cannabis-use property in the U.S.

It accurately tells us the size and depth of commercial cannabis real estate country-wide and the distribution of property types in each state. Every month, our dataset grows, delivering more powerful insights.

We can track location specific value-drivers (per state):

- Cultivation, dispensary, and distribution licenses
- State and county demographic data including median per-capita income, unemployment rate, state population based on age range (i.e. 21-30, 31-40, etc), population trends over time, and tax rates
- Water and power prices over time
- Retail data including category (i.e. concentrate vs pre-roll vs edibles), units sold, price per unit, and total sales
- Regulatory data (state, region, city regulation)

So far, we have analyzed:

- 25,630 businesses
- 80,140,514 SF
- 39,281 licenses
- 30,288,493 cultivation SF
- 30,275,142 retailer SF
- 6,431,598 manufacturer SF
- 1,421,849 lab SF
- 11,723,432 other SF
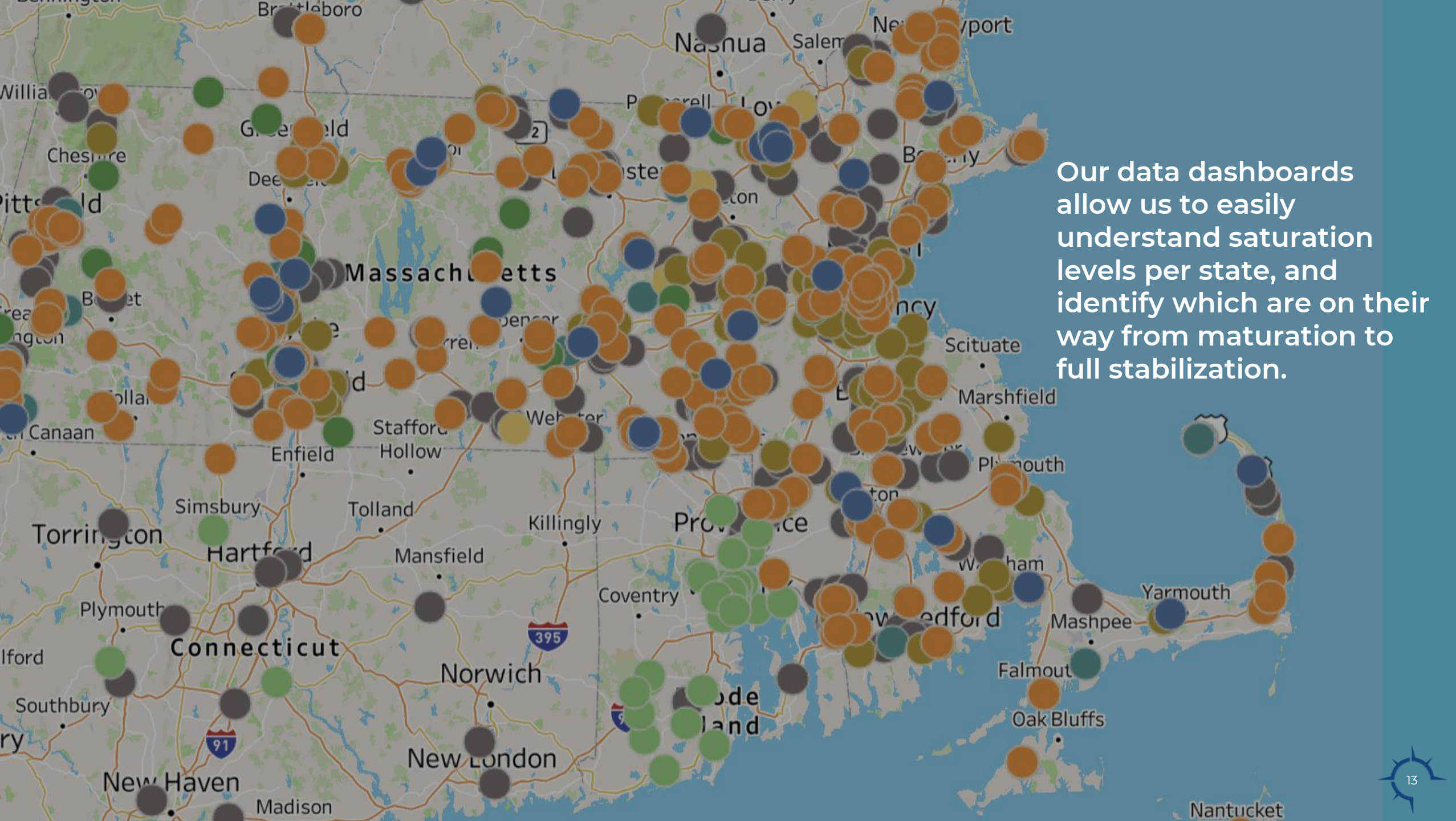
Our data dashboards allow us to easily understand saturation levels per state, and identify which are on their way from maturation to full stabilization.

Data-driven processes executed with experience

During the lending process we leverage our technology and deep network to understand the location-specific value drivers in the U.S. cannabis real estate market.

1. **Origination:** Our superior combination of data, reputation, and network means we see more deals than other lenders.

Data
- We have identified over 6,000 cannabis cultivation licenses across ~3,000 unique companies in California alone, as well as their locations and license types, using our technology.

Reputation and goodwill
- We are approached directly by borrowers due to our reputation and track record.

Experience and network
- We have a deep network and believe we have the most extensive transaction experience in the sector.

2. **Pre-screen & submission package**

3. **Underwriting**
- We analyze and understand the location-specific value drivers and market dynamics using our technology.
- Therefore, we have a better understanding of the risk.
- Our underwriters get these updates in real time and can incorporate new information to ensure we price the risk correctly.

4. **Appraisal & construction budget**

5. **Ongoing risk management**

Understanding the intricacies of cannabis-specific regulatory restrictions is difficult. And owner operators want to get up and running quickly because delays are financially costly.

We profoundly understand the requirements and complexities of specialized real estate required by the cannabis industry. And our owner operators are willing to pay a premium for this.

Our private mREIT fund structure benefits our investors

Private mREIT benefits

- A non-corporate investor may be entitled to deduct 20% of its distributive share of the ordinary REIT dividends received by the fund.

- An individual investor will generally only be directly subject to state taxes in its state of residence and not in states in which loans held by the REIT generate income.

- Dividend income from a REIT will generally not be unrelated business taxable income (or UBTI) for tax-exempt investors, including individual retirement accounts (or IRAs).

- Monthly distributions or compounding for reinvested distributions.

* This does not constitute legal or tax advice. Prospective investors are encouraged to consult their legal and tax advisors regarding the specific legal and tax consequences to them of the acquisition, ownership, and disposition of an interest in Pelorus Fund.

Value-add construction lending strategy

Focus: Construction loans for cannabis licensed tenants.

Examples of improvements owner-operators require to successfully operate the facility:

- Expansive HVAC
- Enhanced lighting
- Significant power
- Specialized equipment

Historical construction lending portfolio*	
Total loan size	$173,036,542
Remaining unfunded amount	$0
Wtd. avg. interest rate	16.6%
Wtd. avg. LTV	45.4%
Avg. loan term (months)	16
Total loans	41

Current construction portfolio*	
Number of loans	21
Average loan size	$9,408,328
Current balance outstanding	$197,574,879
Wtd. avg. LTV	55%
Wtd. avg. current rate	15.20%

*Data as of 12/31/2022

Typical construction loan structure

Term: 12 - 36 months initial term with extension options provided at a nominal fee

Loan amount: $2M - $100M

Fees: Origination fee of 3.0% - 6.0%, exit fee of 1% of proposed loan balance (this fee can be waived if Pelorus does the refinance)

Key metrics/considerations:

- 25% minimum cash contribution from borrowers
- Maximum LTC: 65%
- Conservative loan to value ratio (65%)
- Full recourse personal and corporate guarantees
- Cannabis license pledged as collateral
- Borrower must be current on payments, taxes, insurance, and licenses
- Default share pledges from control investors in corporate entity
- Funds only disbursed once proof received that budgeted improvements have been completed
- Construction loan agreement covenants
- Licenses must be in place before draws are released

Construction loan portfolio

Historically originated $173M of loans that have been 100% repaid.

Stabilized lending strategy

Focus: We believe there is tremendous demand for debt capital for cannabis-use properties. To capitalize on this, we have expanded our lending focus to include stabilized properties of existing cannabis facilities.

Current stabilized portfolio*	
Number of loans	5
Average loan size	$30,060,443
Current balance outstanding	$150,302,216
Wtd. avg. LTV	69%
Wtd. avg. current rate	11.56%

Typical stabilized loan structure

Term: 24 - 60 months initial term extension options available at a fee, subject to key performance metrics and LTV test based on an updated MAI appraisal

Loan amount: $2M - $100M

Fees: Origination fee of 1.0% - 4.0%, exit fee of 1% of proposed loan balance (this fee can be waived if Pelorus does the refinance)

Key metrics/considerations:
- 25% minimum cash contribution from borrowers
- Maximum LTC: 75%
- Conservative loan to value ratio (75%)
- Full recourse personal and corporate guarantees
- Cannabis license pledged as collateral
- Borrower must be current on payments, taxes, insurance, and licenses
- Default share pledges from control investors in corporate entity
- Licenses must be in place before draws are released

Near-term stabilized pipeline
Near-term pipeline of construction and stabilized loan opportunities is approximately $411M*.

*Data as of 12/31/2022

Company description

TerrAscend is one of the premier multi-state operators (MSO's) in the cannabis industry, with operations in five U.S. markets (CA/NJ/MI/PA/MD). The company produces and distributes a range of cannabis products including, flower, concentrates, edibles, and topicals.

Why we lent to TerrAscend

The collateral property is located in two limited-license cannabis markets with some of the highest average wholesale prices per pound. The company is a top performer in New Jersey where their branded flower "Kind Tree" represents 3 of the top 10 SKUs in the state of NJ. Post construction, the company will operate a cultivation and manufacturing facility in Maryland, one of the most lucrative medical marijuana states. As of loan closing, legalization of recreational sales in MD were on the horizon, pending an ultimately successful vote in November 2022, which created an immediate revenue upside. At closing, the company was actively engaged in various M&A discussions throughout the state with the goal of vertical integration via expansion to retail sales. Vertical integration will enable the company to roll out its highly coveted portfolio of brands into another high-income state and provide significant protection of operational margins as compared to a standalone wholesale operation.

Improvements

The loan is secured by the Borrower's fee simple interest in the following 3 properties: (i) a specialty-cannabis cultivation, processing, packaging, and distribution facility containing 198,000 SF in Hagerstown, MD, (ii) a dispensary and distribution facility containing 2,500 SF in Phillipsburg, NJ; and (iii) a specialty-cannabis cultivation, processing, packaging, and distribution facility containing 168,400 SF located in Boonton, NJ.

Property details

Location: Boonton, NJ; Hagerstown MD; Phillipsburg, NJ
Property type: Cultivation / Processing / Distribution / Packaging / Dispensary
SF: 368,900 total
Status: Stabilized

Transaction summary

Closing date: 10/11/2022
Loan amount/PSF: $45,478,000 / $123.28
Note rate: 1 month SOFR + 9.50% (2.50% SOFR Floor)
Term: 60 months
LTC: 71%
Warrants: No
Convertible debt option: No

Company description

The operating entity Royal Emerald Pharmaceuticals is one of only seven companies in the U.S. federally licensed by the DEA to grow, manufacture, and sell cannabis to authorized researchers both domestically and internationally. The company's primary focus is to work with the Veteran's Administration (VA) and National Institute of Drug Abuse (NIDA) to research and develop medicines, undertake trials, and supply those trials and any medicines approved thereafter.

Why we lent to Royal Emerald Pharmaceutical

The DEA cannabis license is included in the collateral package and has significant value due to its scarcity. The operator can sell finished product at a higher price point than the recreational market given the limit on DEA bulk cannabis producers. The borrower is in dialogue with a number of U.S. Government Agencies regarding contracts worth $100M+. Additionally, the DEA license affords them the ability to import/export cannabis internationally to countries with legal cannabis. We felt comfortable upsizing the note based upon the borrower's performance under the original loan term and significant value driven by the warrants granted in Royal Emerald.

Improvements

The loan is secured by the Borrower's fee simple interest in a cultivation and manufacturing facility. The improvements include an interior build out and specialized furniture, fixtures, and equipment including lights, racking, HVAC, and processing equipment.

Property details

Location: Southern California
Property type: Cultivation / Processing
SF: 94,384
Status: Construction

Transaction summary

Closing date: 02/28/2022
Initial term: 18 Months
Modification date: 04/06/2023
Extended term: 15 months from modification date
Loan amount/PSF: $19,083,000 / $202
Note rate: 15.5%
**LTV:** 47.45%
LTC: 81.47%
Warrants: Yes – lender's right to monetize the warrants at loan maturity via a put, hold the options, or exercise options at lender's discretion. Lender received warrants via loan modification in exchange for increasing construction proceeds.
Convertible debt option: No

Historical performance

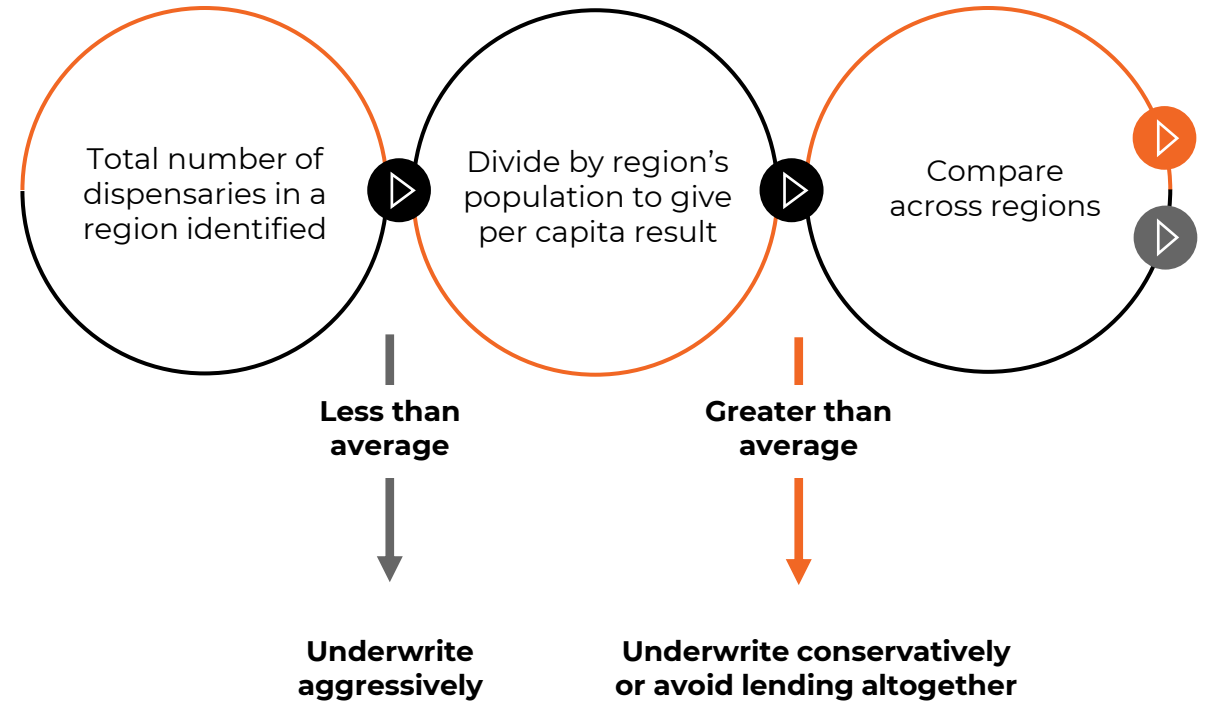| Year	Period Ending	AUM	Year to Date IRR	Life to Date IRR	Year to Date Cash Yield
2018	12/31/2018	$1,495,000	11.60%	11.60%	11.20%
2019	12/31/2019	$6,492,000	15.50%	13.86%	14.30%
2020	12/31/2020	$56,136,585	15.08%	14.26%	14.26%
2021	12/31/2021	$239,664,406	15.81%	14.60%	14.40%
2022	12/31/2022	$344,578,162	11.90%	14.15%	11.01%
2023	09/30/2023	$422,867,368	12.09%	13.94%	8.42%

*Each member may have a different IRR distribution depending on the number of days admitted to the Fund.
** Past performance is not necessarily indicative of future results.
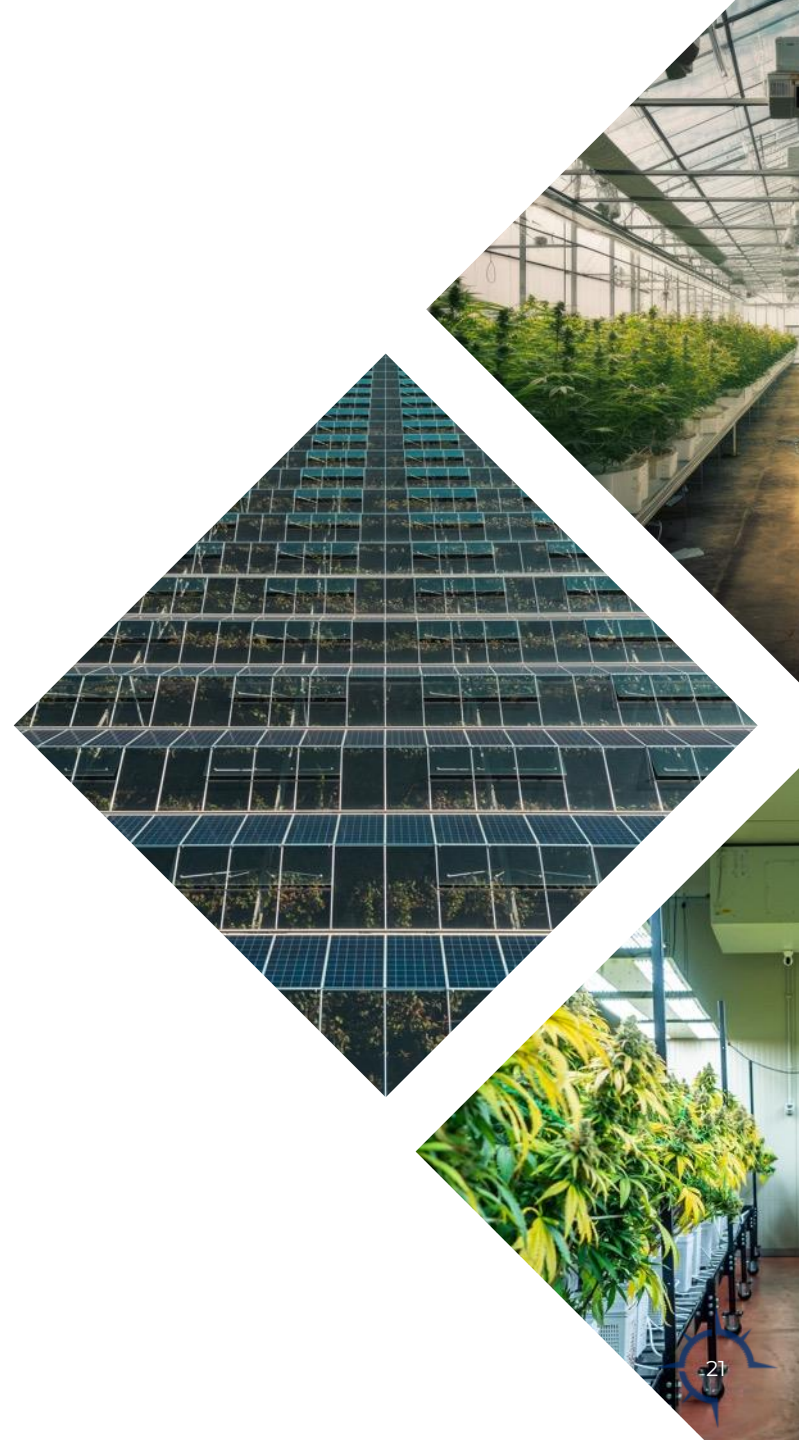
Risk management through data analysis

We leverage our technology to manage risk...

1. It tells us the average size and value of different property types in each state.

2. During asset evaluation, we use benchmarks and determine future liquidity to assess potential risks, such as sensitivity to valuation swings.

3. We assess the size of the market in each state and ensure our positions are not proportionally too high.

Total number of dispensaries in a region identified

▷

Divide by region's population to give per capita result

▷

Compare across regions

▷
▷

Less than average

↓

Underwrite aggressively

Greater than average

↓

Underwrite conservatively or avoid lending altogether

Risk management through structure

Legislative controls:

- All properties are located in a "green zone" and have a conditional-use-permit (CUP)
- All loans are secured against the properties and CUPs, which are significantly more valuable than standard industrial property

Typical loan structure:

- 25% minimum cash contribution from borrowers
- Conservative LTV and LTC ratios
- Full recourse personal and corporate guarantees
- Cannabis license pledged as collateral
- Borrower must be current on payments, taxes, insurance, and licenses
- Default share pledges from control investors in corporate entity
- Funds only disbursed once proof is received of completed budgeted improvements
- Construction loan agreement covenants
- Licenses must be in place before draws are released

Risk management through considering unlimited and limited licenses

We anticipate regulatory reform that will deconflict state from federal policy. When cannabis can legally cross state lines, licensed state market operators will be disproportionately impacted.

Considering loans in unlimited and limited license states allows us to positively impact our risk profile. Our underwriting models always incorporate the benefits and drawbacks of both.

Limited license states

Pros	Cons
• Reduction of supply of licenses increases the value per license • Increase in $/LB wholesale flower	• Larger barrier to entry • Incentivizes the monopolization by large Multi-State Operators (MSO's)

Unlimited license states

Pros	Cons
• Can limit illicit market activity within the state	• Reduction in license value • Reduction in $/LB wholesale price

LOAN PORTFOLIO COMPOSITION

~$404M*	~$12.6M*	68.3%*	14.4%*
Total loan book	**Average loan size**	**Average portfolio LTV**	**Weighted average note rate**

Region

30%
32%
17%
4%
3%
2%
5%
7%
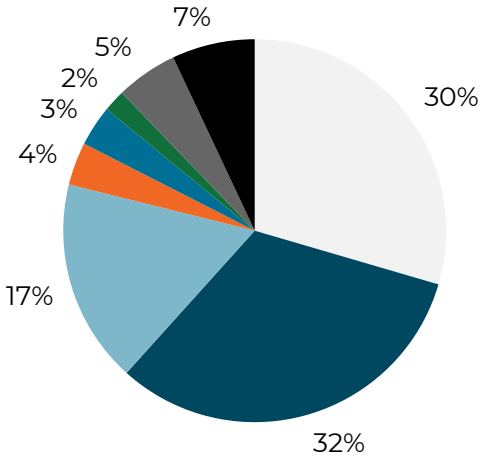
- Southern CA
- Northern CA
- MI
- AZ
- NV
- IL
- MD
- NJ

Property type

4%
33%
61%
3%
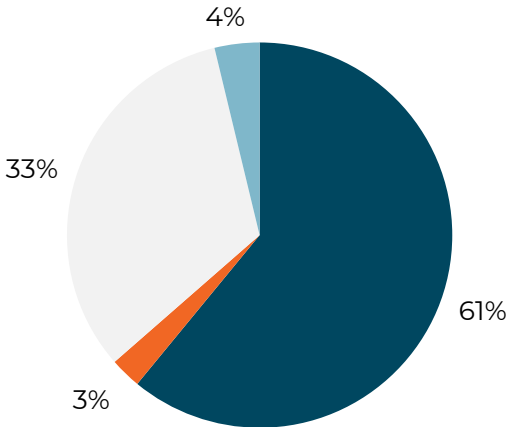
- Mixed Use
- Manufacturing & Distribution
- Cultivation
- Retail

Loan type

7%
40%
53%
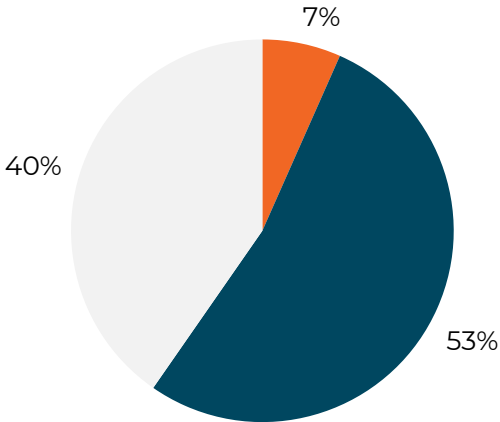
- Bridge
- Construction
- Stabilized

* As of 9/30/23

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YOUR CANNABIS FINANCE EXPERTS

Dan Leimel
CEO

Dan Leimel is the CEO of Pelorus Capital Group LLC.

With more than three decades of experience operating, owning and managing lending companies and deep expertise in risk mitigation, Dan is responsible for overseeing the firm's operations, driving profitability, underwriting complicated scenarios, structuring solution-based terms, implementing strategy and communicating with the board. Dan also serves as the firm's senior underwriter, is head of its Loan Committee, and is a manager of the Pelorus Fund.

Key experience: Dan is a serial entrepreneur and business owner, having previously founded and led multiple organizations, including Alliance Financial, Alliance Capital Funding, DAL Financial, Lost Winds Capital Inc., alongside numerous successful single project-based entities.

Education: CFL License

Rob Sechrist
President

Rob Sechrist is the co-founder and president of Pelorus Capital Group LLC.

In his role at the firm, Rob is responsible for driving Pelorus' strategy in new markets, developing alliances with private and institutional investors, forming equity partnerships and overseeing the Pelorus Fund's assets under management. Rob serves as a co-manager of the Pelorus Fund.

Key experience: Rob has 25 years of experience in real estate lending in the United States and internationally. Prior to co-founding Pelorus, Rob served as chairman of the board of JRS Capital USA, Inc. He was also the CEO and founder of Stinger Wakeboards.

Education: BA from San Diego State University; California Real Estate Broker's License; NMLS License Holder; Ninth Circuit District and Bankruptcy Courts designated expert witness

Travis Goad
Managing Partner

Travis Goad is the managing partner of Pelorus Capital Group LLC.

Travis oversees the strategy, execution, investment origination, and portfolio management of the Pelorus Fund. In addition, he serves on the Pelorus Credit Committee and helps oversee the origination of new loans and the execution of the Pelorus Fund's capital market activities.

Travis has 15 years of experience in commercial real estate, including investing across the capital stack, new loan origination, commercial mortgage-backed securities, bond trading and investment, synthetic credit index trading and distressed debt investing in both the United States and European Union. His background in equity investment spans across all CRE asset classes and distressed mall acquisitions, along with seeding early-stage cannabis sale-leaseback REITs.

Key experience: Founder of TG Capital Advisors, a distressed debt advisory business. Travis has previously served as a senior vice president at the Harbor Group, as well as a CMBS trader at MKP Capital and a vice president at LNR Property LLC.

Education: Masters in Real Estate Finance from Texas A&M University Mays Business School and a BA in Mass Communication from Texas State University

Tyler Greif
CFO

Tyler Greif is the CFO of Pelorus Capital Group LLC.

Tyler has more than 20 years of investment and management experience, including as an outsourced CFO for numerous investment funds and companies. Prior to joining Pelorus, Tyler was founder and executive chairman at Homebase.

Key experience: Tyler was founder and CEO at Proven Fields Oil & Gas, VP and senior investment analyst at P. Schoenfeld Asset Management (PSAM), and analyst at Goldman Sachs & Co Mergers & Acquisition Group in the Investment Banking Department.

Education: BA from Emory University, Goizueta Business School

ORIGINATIONS TEAM & ASSET MANAGEMENT

Henry Miller
VP of Originations

Henry Miller is VP of originations at Pelorus Capital Group LLC.

Henry joined Pelorus from PMI Beverly Hills, a full service real estate asset management company where he was partner.

Key experience: Henry has held roles at Diamond Business Loans as managing director, Debt One Consultants as VP of business development, and Tesla as an outside sales consultant.

Education: BA from Chapman University

Jessica Uris
VP of Originations

Jessica Uris is VP of originations at Pelorus Capital Group LLC.

Jessica joined Pelorus from the Canadian Imperial Bank of Commerce, where she spent three years helping to manage a $1 billion institutional commercial real estate loan portfolio. In this role she performed due diligence, created internal credit memoranda, restructured distressed loans, and oversaw debt syndication to external partners.

Key experience: Jessica has held roles at the New York City Economic Development Corporation, Ackman-Ziff Real Estate Group and CBRE Group.

Education: BSc from the University of Rochester

Devin McGrath
Senior Associate

Devin McGrath is senior associate at Pelorus Capital Group LLC.

Devin joined Pelorus from Citigroup Global Markets where he was most recently a U.S. convertible bond trading analyst. He spent 18 months working as a CMBS syndicate analyst, monitoring the daily loan portfolio, managing deal order books and working with origination bankers on new mortgage originations.

Key experience: Devin has held roles at Voya Financial, The Cornell Club of New York and Ellington Management Group.

Education: BA from The College of the Holy Cross

Ethan Leimel
Analyst

Ethan Leimel is an analyst at Pelorus Capital Group LLC.

Ethan graduated from Chapman University in 3.5 years with magna cum laude honors with a BS in Business Administration. He was a managing member of the Janes Financial Residency Program where he oversaw the $3.8M SMIF portfolio. He joined Pelorus in 2020 as a college intern and assumed a full-time position as analyst in 2023.

Key experience: Ethan has held roles at Janes Financial Residency Center and Pelorus Equity Group.

Education: BS from Chapman University

Lee Scholtz
Director, Head Asset Management

Lee Scholtz is director, head of asset management at Pelorus Capital Group LLC.

Lee joined Pelorus from Harbor Group International where he was most recently a vice president. He spent over four years assisting in the growth of the firm's debt platform. In this role he oversaw and resolved defaulted loans, helped to develop in-house bond valuation software for yearly audits, and assisted and performed yearly valuation audits directly with third party audit firms.

Key experience: Lee has held roles at Hanover Street Capital and Arbor Realty Trust, Inc.

Education: BA from Ohio Wesleyan University

OPERATIONS TEAM AND IR & MARKETING TEAM

Jennie Vaughn
Operations Manager

Jennie Vaughn is operations manager at Pelorus Capital Group LLC.

Jennie manages the day-to-day operations of the Pelorus team.

Key experience: Consultant at Your Simple Office Solutions Inc., bookkeeper at Vaughn Bookkeeping, office manager at Alliance Financial

Education: BA in Business Administration from the University of Phoenix

Tanya Krug
Investor Relations Manager

Tanya Krug is investor relations manager at Pelorus Capital Group LLC.

Tanya is responsible for Pelorus' investor relations, having worked in the real estate industry for over 15 years prior to joining the team.

Key experience: Senior VP at LVDAG LLC, asset manager at LoanMarket, account executive at New Beginnings

Education: Real Estate Sales Agent / Life Insurance Licensed from the California Department of Real Estate

Jessica Oropesa
Investor Relations Associate

Jessica Oropesa is investor relations associate at Pelorus Capital Group LLC.

Jessica joined Pelorus from SS&C Technologies, where she spent two years as senior fund administrator. In this role, she performed AML checks and reviewed investor due diligence and KYC documents, processed and reviewed investor capital activity documents, and assisted with the distribution of K-1s and audited financial statements.

Key experience: Jessica was branch operations coordinator and financial services associate at Amtrust Bank.

Education: AA from Miami Dade College, currently enrolled at Florida International University working towards her BA in Finance

Rick Scatterday
Director, Head of Real Estate

Rick Scatterday is director, head of real estate at Pelorus Capital Group LLC.

Rick has 15 years of experience in strategic management and has completed real estate transactions valued at over $375M since 1997. At Pelorus, he drives acquisitions, asset management, daily operations and disposition activities.

Key experience: VP of project finance for Burnett Development, investment advisor at Aegon, analyst at Voit Commercial Brokerage

Education: BA from California State University, California Real Estate Broker's license

Fund Terms

Structure	Reg D 506c / Private Mortgage REIT
Targeted equity raise	$1,000,000,000
Investors	Accredited Investors
Minimum investment	$250,000 Institutional / $50,000 Retail Investors
Target net IRR	12-15% annually
Distributions	Monthly
Reinvestment option	Yes
Leverage	$70M warehouse line of credit / $50M secured bonds
Term	Evergreen
Fund level liquidity	20 / 5 / 2% of AUM per year / qtr. / mo.
Member lock-up	Six months
Member liquidity*	> of $50,000 or 8.33% of investment per month
Management fee	1.5%
Hurdle	8%
Carried interest	20%, with no catch-up
Fund manager	Pelorus Management Group LLC
Fund administrator	Armanino LLP
Banking	Needham Bank
Legal counsel	Alston & Bird LLP
Auditor	CohnReznick

*Subject to fund limits

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