

# DLP LENDING FUND

## THE GOAL

Make a meaningful impact on America's affordable housing crisis while helping sponsors scale their business

- Focus on attainable rental housing for those making incomes near the AMI (area median income)
- Focus on projects that will offer tenants <30% rent-to-income ratios (no more than 30% of income spent on rent)

## THE STRATEGY

Invest in the development, improvement, and preservation of attainable rental housing

- Invest in the asset classes and markets where we have deep expertise and experience
- Produce attractive, risk-adjusted returns by making short-term bridge loans, generally 6-24 months

## THE INVESTMENTS

Debt investments to experienced real estate sponsors in markets with strong demand

- Development and value-add rental residential projects designed to be affordable for working families
- Senior secured first position BTR (build-to-rent) single-family and multifamily mortgages

**9-10%**

Targeted Annual Net Return to Investors

**10.57%**

Annual Compounded DRIP IRR<sup>1</sup>

**8%**

Monthly Preferred Return

**90-Day**

Redemption Notification



## FUND HIGHLIGHTS

All preferred returns are paid before any management fee is paid to DLP Capital.

Short-term loans (typically 6-24 months) afford investors significant liquidity and insulation from rising interest rates and inflation.

Thorough underwriting process evaluating track record, credit score, liquidity, and personal guarantees to ensure fund loans only to projects that have a high probability of success.

90-Day redemption period provides the ability to exit/redeem in whole, or in part, based on investors' timing without a long-term lockout or forced asset sales.

All invested capital is in a preferred position, with equity subordinate to the fund on all deals. This position means our investments carry payment priority over common equity investors.

## FUND OVERVIEW

This private REIT makes debt investments to experienced real estate sponsors for the construction, acquisition, and repositioning of attainable rental housing in U.S. markets where working families are being priced out of home ownership.

## INVESTMENT THESIS

**WHAT WE INVEST IN:** Primarily first position & senior loans

**WHERE WE INVEST:** Markets with populations of at least 100k, with evidence of both population and job growth. Primarily in FL, TX & other Sun Belt states.

**WHEN WE INVEST:** Pre-development, development, construction stages & value-add projects

**WHO WE INVEST WITH:** Experienced developers, builders, operators, & lenders with proven track records

### A CLOSER LOOK:

- Targets that at least 85% of all investments made will be backed by assets.
- Able to finance 75–85% LTC (up to 70% stabilized value-on average less than 60%)

Fund Type	Senior Secured Mortgage Pool Fund (REIT)
Direct / Indirect Security	First Position Mortgages Backed by Real Estate & Personal Guarantees
Inception Date	October 2014
Fund Term	Evergreen
Distribution Frequency	Monthly
Management Fee	2.0%; Subordinate to Preferred Return
Annual Management Fee Rebate Investments of \$1M+ <sup>1</sup>	0.50%
Annual Management Fee Rebate Investments of \$10M+ <sup>1</sup>	1.0%
Preferred Return	8%
Targeted Annual Net Return to Investor	9–10%
Performance Fee	20% Upon Achieving Preferred Return
Redemption Notification	90–Day Notice

Reporting Frequency	Monthly
Target Fund Size	\$2,000,000,000
Minimum Investment	\$200,000
Investor Suitability	Accredited Investors Only
Benefits of Leverage	Yes
IRA Investment Options	Yes
Tax Shelter Through Depreciation	No
QBI (199A) Deduction Eligible	Yes <sup>2</sup>
Tax Reporting Method	1099-DIV
Audited Financials	Yes; CohnReznick
Institutional Option	Yes

## For Accredited Investors Seeking

- Portfolio Diversification
- Consistent Monthly Returns
- Limited Volatility
  - Low Interest Rate Market Exposure
- Ongoing Liquidity with 90–Day Redemption Period
- 1099-DIV Tax Reporting



**Growing your wealth starts with DLP Capital.**  
**Scan to schedule a one-on-one with our Investor Success Team today.**

\*EDC: Excess Distributable Cash  
 1-<sup>\*</sup> Management fee rebates of 0.5% on invested capital for >\$1MM investment and 1% for >\$10MM investment (per account, per fund, based on a minimum annual investment balance – per calendar year)  
 2-199A Dividends are not subject to the same income limitations as the other QBI component

This does not constitute an offer to sell, or a solicitation of an offer to buy any interests in The DLP Lending Fund. Any offering of securities or solicitation in connection with the sale of securities will be made pursuant to offering documents. Investing in private real estate funds and notes secured by real estate has certain inherent risks, which could result in the loss of some or all of your principal investment. Past performance stated herein is not an indicator of future results and DLP Capital can in no way guarantee or warrant your success. Consult your tax advisor or financial advisor before investing. Please see the Fund's offering documents for full details and disclosures.