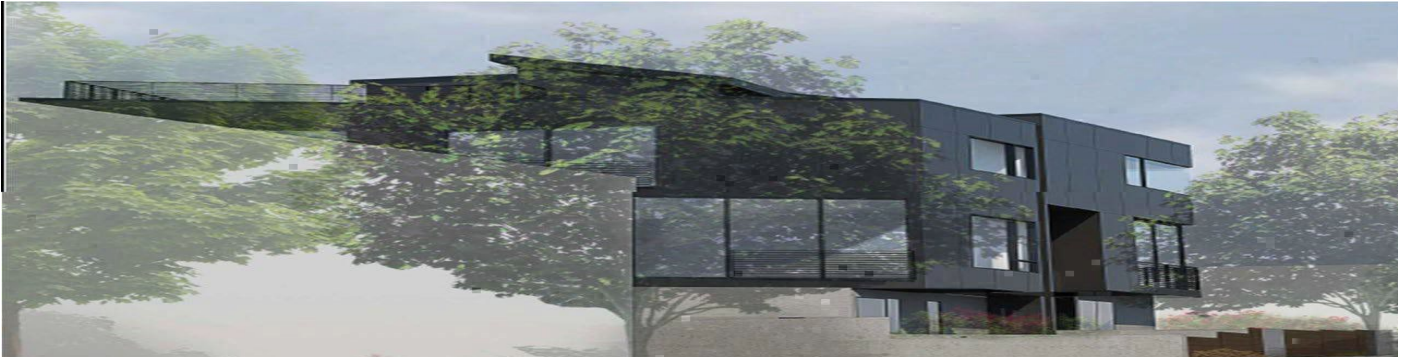


The Avalon Private Equity Group



MISSION SUMMARY: 2024

The Avalon Private Equity Group functions as a cross between a Private Equity firm on capital matters, and a Real Estate Investor Concierge Service on residential property matters. We believe we'll be most profitable using our more than exceptional, "rapid fire" value creating techniques versus trying to profit from typical "BRRRR" (Buy, Rehab, Rent, Refinance, & Repeat) investment methods. Ensuring our deliverables meet our goals and the financial requirements of the Partnerships we create is one of our firmest commitments.

Our primary mission is to capture front-end profits as we organically create value. Our forty years of experience in valuation and acquisition of residential property provides the background for us to direct our Equity Partner clients on how to make significant profits without having to take possession of a property; however, at times we may support a few tactile acquisition methods within our Partnership programs.

For Instance, renovating a single property could take several months and only yield a hundred thousand dollars, if an investor is fortunate. Whereas we can make upwards of a hundred thousand dollars by signing up a few Acquisition and or Equity Partners **in a single day.** And for this, we only have to attend the better Trade shows, engage into Partnerships, initiate acquisitions, ensure the deals close properly, and manage any other back end matters remotely.

SO TO BE CLEAR – We did not develop this platform for our Partners to make a good living. We developed these methods to create large sums of money in a relatively short time span, and on a continuum, versus months of hoping a property flip or BRRRR plan will work out.

REVENUE & SUPPORT SERVICES

REGIONAL R.E. INVESTOR CONCIERGE SERVICES – The primary sources of revenue for Avalon come from attending "best-in-class" Tradeshows, Business Expos, and other large business meet ups in various cities and locales that revolve around real estate investing and business development. Once we select an event, we then canvass for good acquisition projects in the areas where the meet ups are held, connect with the sellers of the projects or their intermediaries if any, and initiate inroads to any ancillary services (i.e. Title, insurance, private lenders, etc.) necessary to acquire the property or project(s).

CAPITAL AND TRANSACTIONAL ARBITRAGE SERVICES – Many of our transactions revolve around Partners who want their money turned around in a few short days. Our Transactional platforms afford Avalon the ability to offer rapid returns to our short-term Equity Partners and provides acquisition funding, earnest money, or down payment capital for our Acquisition Partners, provided there's a back-end transaction in place with enough money in it to create a front-end profit, and there are no mitigating contingencies. Our transactional offerings range from the low thousands into several million dollars. Longer term funding may also be available.

ACQUISITION PARTNERSHIPS

Our **Acquisition Partners** take on the "day-to-day" elements of the projects we select on their behalf. Once we select a business meet up venue and canvass for properties, we then attend **The Big Show**, and engage with prospective Partners who are already pre-disposed to move into the real estate investment space. We also canvass for those in search of new job opportunities and or those suffering any form of economic displacement. Then, once we identify the best candidates, we provide them with all of the resources necessary to acquire pre-vetted projects. **Also,** by tapping into underserved real estate markets we can create the supply, the demand, and the end-user-buyers, effectively creating new sub-markets, and affording us the ability to profit at will.

Fees & Splits – We charge Acquisition Partners \$10,000 to initiate these services, and then we participate in net profits and income once an acquisition has been stabilized or liquidated. **However, we do not require funds** until our Acquisition Partner receives a deed from the property, as well as the first months rental payment from tenants. Upon fruition of a transaction, the split we typically arrange with these Partners is 70% their way, and 30% to Avalon. We may then split our profits with Equity Partners if any at the time.

We provide the following services to our Acquisition Partners, and much more in many cases:

Project Selection	Deal Negotiation
Hard Money, DP, & Bridge Funding	Title & Closing Resource Services
Tenant Placement Services	Preparation for Liquidation and/or Stabilization

ACQUISITION AFFILIATES – In congruence with the techniques we use relieving our Partners from having to take possession of a property or project, Avalon Acquisition Affiliates are individuals who make their profits through recruiting, referrals, and participation in Trade show and Expo activities that do not involve direct property ownership matters. Affiliates receive compensation and bonuses depending on the type of partnerships they help initiate for Avalon. We also retain exceptional Partners to initiate and manage regional buyers' clubs.

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EQUITY CAPITAL PARTNERSHIPS

Avalon (GP) uses funding from **Equity Capital Partners** (LPs) to initiate capitalization and other relative business matters. Our Equity Cap Partners are typically "high net worth" individuals who wish to "passively" participate in the project acquisitions that we call "Equity Pools". Our Equity Pools (typically one to four properties) are usually divided into four equal Partnership interests. At least one goes to Avalon, and the others can be purchased by Partners who have made a reservation. Each Equity Pool is its own "stand alone" entity. Once a project has been selected, Avalon issues a "Capital Call" to all Partners indicating an opportunity has come available. From here, Reservations are taken on a "first come first serve" basis. All Equity Cap Partnerships onboard at Tier One (See scale below) to initiate and familiarize with Avalon's management of the fund. Partners may participate in one or more larger pools thereafter. Our Equity Cap Partner offerings range from the low thousands into several million dollars. Special Partner bonuses extended per every million dollars raised through this fund.

LINES OF CREDIT – An option our Partners like is to establish a **Line of credit account** for Avalon of Five thousand to Fifty thousand dollars, with debit or credit access issued to Avalon. Secondary accounts are also established for profits made through Avalon. Upon full engagement, Avalon charges a five percent (5%) fee for management of the initial Equity Pool or initial transaction(s). Then fees move down to two and a half percent (2.5%) thereafter. Funds do not go hard until all the positions of an Equity Pool have been filled, and Avalon has contractual control of at least one project. However, use of funds by anyone other than Avalon will nullify this agreement.

Credit lines specifically used for pre-approved business matters. Partners maintain purview over all matters that pertain to the credit lines and may suspend the line at any time for review. Liquidation or payoff of a "qualifying" Equity pool or property will cause Avalon to replace the asset(s) within ten days to maintain security leverage of any Equity Partnership.

HANDS ON "EQUITY" PARTICIPATION – Equity Cap Partners may initially opt to participate in (Avalon's portion) of the vested interest of a project until that project is liquidated or rented. These Partners receive double the ROC noted below AFTER a profit split of (30% to Avalon) with an Acquisition Partner. Although Equity Participation deals are typically more profitable, they may not be structured for quick turnaround like other Avalon debt based or "arbitrage" deals. Equity Pool splits are based on amount initially placed with Avalon. Sub-Equity pools can be created for Partners whose minimal payout is not covered by profits of the core pool or project. However, only for amounts necessary to make up any shortfall, and with no other ownership interests or participation.

PASSIVE "DEBT" PARTICIPATION – Avalon's Debt Participation program starts out as a simple interest payment proposition. Once an Equity Pool has been approved by all Partners, and Avalon has contractual control of a property, each Partner may opt to keep the Debt agreement "as is" OR convert their interest to a "hands on" Equity Participation option. If converted, Avalon will take possession of allocated lines of credit funds, with no restrictions as to how the funds are used and retire vacated Debt position. Interest accrued or paid out must be forfeited in lieu of the new Equity participation. Fund can be paid off prior to full term. Interest calculated per annum & paid quarterly. Upon early retirement of participation, principle and interest prorated up through date of departure.

100% (Tier One)	75%	50%	35%	20%
\$5,000- \$9,999	\$10,000- \$19,999	\$20,000- \$29,999	\$30,000- \$50,000	Transactional deals that close within 5 days

ANCILLIARY CAPITAL PROCESSES

The following transactions outline a few of the war chest strategies used by Avalon to capture profits and create value. These techniques work independently or may be combined. Prospective Partners may inquire for more detailed information:

- ❖ **THE INTERNAL WHOLESALE** – This program was developed to capture front end profits, procure "end user buyers" (Acquisition Partners) and participate in stabilization and/or liquidation of a property.
- ❖ **STRATEGIC ENTITY STRUCTURE** – We employ the most strategic entity naming options to ensure optimal asset procurement and protection. Also, we are well versed in structuring Trusts, LLCs, Corps, etc. to protect the interests of all parties.
- ❖ **REVERSE GENTRIFICATION** – Avalon developed this concept for areas that are becoming too expensive for typical mortgage debt service. We simply strategize with our Partners to pay off huge blocks of their "home base" mortgages utilizing / pooling profits from one or more of the acquisitions we help them obtain in the lower priced markets we target.
- ❖ **MILLION DOLLAR UNIT CONVERSIONS** – Avalon developed this portal to convert ordinary rental units into luxury condo conversions through a seldom used legal process that we orchestrate very well.

Four Unit Building: For sale for \$1m

Unit1	Unit2
\$250k Per Unit	
Unit3	Unit4

Four Unit Building After Conversion Process: = \$2m

Unit 1 \$500k	Unit 2 \$500k
Unit 3 \$500k	Unit 4 \$500k

 This memo summarizes some of the business practices employed by Avalon Private Equity Group. However, no two property transactions may be alike. If warranted or requested, an Attorney drafted contractual engagement may supersede any terms or conditions outlined herein. We may conduct a brief interview to help us determine which of our programs best suit any prospective Partners.

Avalon P.E.G. is a private firm only open to affiliates, affinity groups, members, or partners known to principal or management. We are not lenders, legal experts, or financial experts. Returns on Capital cannot be guaranteed. YOU COULD LOSE YOUR MONEY. Prospective Partners should seek advice from an attorney or financial advisor prior to working with this company.