

A large, stylized graphic of the Promanas logo, featuring a circular element on the left and a geometric, angular shape on the right, both in a light blue color against a darker blue background.

promanas

COMPANY OVERVIEW

SUMMER 2018

Summer 2018

Founded in 2008 by John Bogdasarian, Promanas is a full-service, private equity real estate investment firm based in Ann Arbor, Michigan. The company was founded with one goal in mind – leverage our real estate expertise to provide friends and family with the opportunity to invest in real estate without the headache of personal ownership. What started as six friends and family has grown to over 300 accredited investors with more than \$300 million in real estate assets under management.

Our investment criteria is not driven by geography or asset type. We search for investment opportunities that generally fit one of three categories: cash flow, value add, or development. Regardless of where we are in the real estate cycle, experience has taught us that attractive investment opportunities can be identified.

The Promanas team oversees and manages every aspect of investing in real estate. We vet hundreds of potential acquisitions and development opportunities to find projects that meet our strict criteria. We manage all assets in-house and do so with tight controls and strict oversight. We communicate with investors regularly and are available to answer questions any time. We pride ourselves on operating with 100% transparency.

Our advantage lies in the relationships we have developed over many years in the real estate industry - the network of investors, lenders, brokers, developers, and many others who make what we do possible. Equally as important, is the team we have assembled to make it all happen behind the scenes.

After reviewing this brochure, please feel free to call, email or stop by our office to meet our team in person.



John Bogdasarian, CCIM
Founder | President & CEO
john@promanas.com

DEVELOPMENT INVESTMENTS

PF4, LLC

PROMANAS FUND 4

PF4 is our most current investment vehicle that focuses on thoroughly vetted development projects in select markets across the US. We (Promanas, on behalf of PF4) seek out and interview hundreds of developers (with deals in hand) in order to find the very best locations and the very best macro market conditions. Promanas looks for the best product type, development team, and project fundamentals and then we put up 100% of the money needed to complete the deal. We have majority ownership and 100% control of every deal we commit to and invest in.

PF4 is a blended entity, meaning investment dollars are diversified across all current PF4 development projects. The first project in PF4 is the development of an Element Hotel by Westin in downtown Denver, CO. The second project is a 52-unit condominium development project located near the campus of Denver University. The third project is a 56-unit condominium development project located in the Jefferson Park area of Denver, CO (very close to Mile High Stadium – home of the Denver Broncos). The fourth project in PF4 is Illume, a 75-unit condominium development project located in Nashville, TN - just steps from The Gulch, Nashville's premier urban neighborhood. The fifth and final project in PF4 is Olympic 1, a 51-unit residential condominium development project located just south of Illume. We believe this diversified fund structure provides excellent upside while greatly protecting the downside.

Inception	2017
Target Fund Size	\$100 – \$150 Million (Gross Asset Value)
Target Investor Capital	\$30 – \$50 Million
Minimum Investor Commitment	\$100,000
Preferred Return	7% (Paid Before Any Promanas Return Is Paid)
Investment Period	Fund Closes by June 30, 2018
Projected Term (from June 30, 2018)	3-5 Years
Projected Returns to Investors	15+%
Target Asset Types	Residential, Hospitality, Commercial, and Industrial
Status	Open to New Investor Capital



DEVELOPMENT INVESTMENTS

ELEMENT HOTEL BY WESTIN DEVELOPMENT PF4 – DENVER, CO

Promanas partnered with experienced hospitality developers for the purpose of developing an extended stay lodging hotel located at 1350 Elati Street in the historic Golden Triangle neighborhood of Denver, Colorado. The hotel will feature 157 rooms, three levels of parking, a breakfast dining area, bar and lounge, fitness room, lobby workstation, market pantry, and a guest laundry area. The brand of the hotel will be an Element by Westin Hotel Management L.P.



The Golden Triangle neighborhood is one of most sought after redevelopment districts in Denver and is currently underserved by the hotel and lodging industry. The site selected is in close proximity to downtown and other attractions that include the convention center, art museum, history museum, U.S. Mint, and performing arts center. Area occupancy rates are extremely high and the outlook is very bullish.

We hired HVS Consulting and Valuation, the worlds premier hotel consulting and valuation firm, to perform a feasibility study for this project. The results of their study are very favorable and can be viewed upon request.

Our goal is to build the hotel, establish a 2-3 year operating track record, and then sell and distribute profits. It is possible that this timeline gets shortened due to market demand. However, to stay conservative, we have set the outside timeline for return of investor capital through a sale at 5 years from May 1, 2017.

Hotel Brand	Element Hotel by Westin
Hotel Location	1350 Elati Street, Denver, CO
Total Estimated Project Cost	\$40,000,000
Capital Structure	\$10,000,000 PF4 Invested Capital \$30,000,000 Debt Financing
Projected Return on PF4 Capital	15%+ (Annually)
Investor IRR (Net to Investor)	19%
Projected Timeline	3-5 Years

DEVELOPMENT INVESTMENTS

OBSERVATORY FLATS

PF4 – DENVER, CO

Observatory Flats is a 52-unit condominium development project located in the heart of the Denver University campus; steps from local restaurants, bars, parks, and other hot spots. The five floor project will be built on land located at 2360 & 2374 South University Blvd. The units, which will be priced in the \$500 per square foot range, will be sold off to interested parties. We anticipate the project will take 24 months to complete. All entitlements are in place for this project and construction began in September of 2017.



Our development partner on this project is Dublin Development. This is the second project we will be doing together.

The first project we partnered with Dublin on, Eliot Hill, was highly successful with all units selling out before construction was complete. Dublin has been great to work with and is a well-respected Denver based development company with a solid track record of completing high-quality residential projects in the Denver area.

With gross sales from the project in the \$20.8 million range, the projected annual return is in the 15%+ range. This type of return is in line with the Element Hotel by Westin project that is already part of PF4. We continue to be very bullish on the Denver market as the annual population growth continues to hit unprecedented levels. This influx of new residents is expected to have housing demand greatly outweighing supply for the foreseeable future.

Sales (Projected)	\$20,770,000
Project Costs (Construction, Land, Etc.)	\$15,310,000
Capital Structure	\$4,700,000 PF4 Invested Capital \$10,610,000 Debt Financing
Investor IRR (Net to Investor)	25%
Project Timeline	24 Months
Projected Return on PF4 Capital	15%+ (Annually)

DEVELOPMENT INVESTMENTS

JEFF PARK FLATS

PF4 – DENVER, CO

Jeff Park Flats is a 57-unit condominium development project located at 2719 West 28th Street in the heart of the Jefferson Park area of Denver, Colorado. This amenity rich neighborhood is full of top restaurants, retail, hot night spots, as well as Sports Authority Field at Mile High (home of the Denver Broncos) and the green space of Jefferson Park itself. Jeff Park Flats is also in close proximity to the Eliot Hill Townhomes, a very successful Promanas project that sold out before construction was completed.



Our development partner on this project is Dublin Development. This is the third project we will be doing with Dublin. They were also our partner on the Eliot Hill project mentioned above and Observatory Flats. Dublin has been great to work with and is a well-respected Denver based development company with a solid track record of completing high-quality residential projects in the Denver area.

With gross sales from the project in the \$22 million range, the projected return is in the 15%+ range. This type of return is in line with the Element Hotel by Westin project and the Observatory Flats condominium project that are already part of PF4. We continue to be very bullish on the Denver market as the annual population growth continues to hit unprecedented levels. This influx of new residents is expected to have housing demand greatly outweighing supply for the foreseeable future.

Sales (Projected)	\$22,207,026
Project Costs (Construction, Land, Etc.)	\$17,659,588
Capital Structure	\$5,300,000 PF4 Invested Capital \$12,359,588 Debt Financing
Project Timeline	24 Months
Projected Return on PF4 Capital	15%+ (Annually)

ILLUME – NASHVILLE, TN

PROJECT #4

ILLUME

Illume is a mixed-use residential development located at 909 Hawkins Street, Nashville, TN consisting of 75 residential condominiums with a ground floor retail component. The 5-floor project will be built just steps from *The Gulch*, Nashville's premier urban neighborhood. Units will be priced in the \$500 per square foot range and sold off to interested parties. Pricing aligns well with the lack of product in this price segment in the growing Nashville market. We anticipate the project will take



18 months to complete and are in the process of getting all entitlements in place. We expect to be permit ready by Summer 2018. Illume is in a walkable neighborhood in a mixed-use, intown, environmentally-friendly redevelopment area; located near employers, universities, hotels, a riverfront commuter rail, retail, theaters and entertainment options. The area has exceptional luxury amenities appealing to young people.

Our development partner on this project is highly respected, Nashville-based real estate developer California South. This is the second project we will be doing with California South. They are also our partner on the Olympic 1 project. California South has a track record of having great attention to detail and their past projects have been successful in making the end-buyer happy and gaining returns for investors.

With gross sales in the \$32,000,000 range, the annual projected return to PF4 is in the 30% range. The best part of this return is that we have negotiated that PF4 receive all of the 30% annual return BEFORE our development partner receives any return. This structure highly incentivizes our development partner to maximize profits and also speaks to the developer's confidence in the project.

Sales (Projected)	\$32,000,000
Project Costs (Construction, Land, Etc.)	\$22,000,000
Capital Structure	\$6,800,000 PF4 Invested Capital \$15,200,000 Debt Financing
Project Timeline	18 Months
Projected Return on Total PF4 Capital	15%+ (Annually)

OLYMPIC 1 – NASHVILLE, TN

PROJECT #5

OLYMPIC 1

Olympic 1 is a 5-story, 51-unit residential condominium development project. The project is located at 806 Olympic Street in Nashville, TN - just south of our PF4 project, Illume (formerly Hawkins); steps from *The Gulch*, Nashville's premier urban neighborhood. A 10-minute drive from Nashville International Airport, *The Gulch* was the South's first LEED-certified neighborhood. It is a walkable neighborhood in a mixed-use, intown, environmentally-friendly redevelopment area; located near



employers, universities, hotels, a commuter rail, retail, theaters, and river front entertainment options. The area has exceptional luxury amenities appealing to young people. We currently have the land under contract and are scheduled to close on November 9, 2018. The entitlement process is going well with the City of Nashville, and we expect to be permit ready by the time we close on the land. Construction of the project will commence upon the issuance of building permits. The condominiums will be sold off to interested parties and we anticipate this project will be completed by Spring 2020.

Our development partner on this project is highly respected, Nashville-based real estate developer California South. This is the second project we will be doing with California South. They are also our partner on the Illume project. California South has a track record of having great attention to detail and their past projects have been successful in making the end-buyer happy and gaining returns for investors.

With gross sales in the \$19,509,000 range, the annual projected return to PF4 is in the 30% range. The best part of this return is that, like the Illume project, we negotiated that PF4 receive all of the 30% annual return BEFORE our development partner receives any return. This structure highly incentivizes our development partner to maximize profits and also speaks to the developer's confidence in the project.

Sales (Projected)	\$19,509,000
Project Costs (Construction, Land, Etc.)	\$14,276,095
Capital Structure	\$4,400,000 PF4 Invested Capital \$9,876,095 Debt Financing
Project Timeline	18 Months
Projected Return on Total PF4 Capital	15%+ (Annually)

DEVELOPMENT INVESTMENTS

BLVD SARASOTA SARASOTA, FL

Promanas partnered with developer Core Development Incorporated (“Core”) for the purpose of constructing “BLVD Sarasota”; an 18-story high-rise with 49 luxury residences, ideally located on the famed Boulevard of the Arts, in the heart of downtown Sarasota, in the culturally rich Rosemary District. Resting at the corner of Boulevard of the Arts and Tamiami Trail, the tower’s architectural personality is expressed with floor-to-ceiling glass, sumptuous interior appointments, and advanced coastal construction and design. Units range from 3,550 SF to 5,250 SF and showcase panoramic waterfront and city views from truly expansive private terraces.



Residents will enjoy unprecedented resort-style amenities, be served and accessed by dedicated lobbies, private elevators, and gated garage parking to ensure privacy and security. The price point is \$520-\$895/SF. All construction costs have been quantified, all approvals and entitlements to build the project are in place and we expect to break ground on the project in early June 2018.

Investor returns from BLVD Sarasota are projected to be in the 18%+ per annum range and the project is expected to be built and sold out within 24 months. The risk profile is extremely low due to the fact that approximately 16 of the 49 units are pre-sold with 20% non-refundable deposits. Total sales in hand prior to our money being contributed will be \$45M. Our equity will NOT be at risk until these sales are firm – by April 30, 2018. Additionally, the developer is contributing \$4M into the project (on the exact same basis as we are), which speaks volumes to their confidence. As Kevin Daves, Core CEO told us, “Where else am I going to put my money to get this type of return?”

BLVD Sarasota is closed to new investment dollars.

Sales (Projected)	\$136,000,000
Project Costs (Construction, Land, Sales, Etc.)	\$111,500,000
Capital Structure	\$24,500,000 Invested Capital \$79,500,000 Debt Financing
Project Timeline	24 Months
Projected Return on Capital	18%+ (Annually)

DEVELOPMENT INVESTMENTS

KINGSLEY CONDOMINIUMS

ANN ARBOR, MI

Kingsley Condominiums is a 51-unit condominium development project located blocks from downtown Ann Arbor, Michigan (where we live and work). The project is a joint venture between Promanas and the land owner/general contractor. The demand for residential units in and around downtown Ann Arbor has outpaced supply for many years, due partially to the city's reluctance to approve new developments.

Promanas raised \$250,000 from investors to fund the initial cost of pursuing approval from the city, which we felt was the riskiest part of the deal. In August 2016, the project received full approval. With approvals in hand, we raised the second round of investor capital totaling \$500,000 to complete construction documents, marketing materials, and preliminary site work. Promanas simultaneously began marketing units and were inundated with inquiries and reservations, allowing us to secure construction financing.

Construction is underway and is scheduled to be completed late Spring 2019. One final round of investor funds of \$4,250,000 was raised to close on the land and put up the equity required by our lender.

Kingsley Condominiums is closed to new investment dollars.

Sales Price (Projected)	\$47,600,000
Project Costs (Construction, Land, Etc.)	\$36,500,000
Original Investor Capital	\$5,000,000
Projected Net Profit	\$11,100,000
Investor IRR (Net to Investor)	17%
Project Timeline	24 Months



DEVELOPMENT INVESTMENTS

ELIOT HILL TOWNHOMES DENVER, CO

Eliot Hill was an 18-unit condominium development project located in the Jefferson Park area of Denver, Colorado (blocks away from Mile High Stadium). The project was a joint venture between Promanas and Dublin Development, a well-respected Denver based development company with a solid track record of completing high-quality residential projects in the Denver area. The deal was presented to Promanas in January 2016 as a shovel-ready, fully-entitled project. Our role was to raise the necessary investor capital, secure financing, and structure the deal in a way that satisfied all parties involved. Promanas established a relationship with a local lender to secure \$4,400,000 of construction financing. We then presented the opportunity to our network of investors and raised \$2,000,000 of equity in a matter of days. We broke ground in May 2016 and closed the sale of all units by October 2017. Investors received a 12% preferred return BEFORE Promanas or Dublin Development (development partner) received any portion of the profits.

Sales Price	\$8,968,442
Project Costs (Construction, Land, Etc.)	\$7,299,029
Original Investor Capital	\$2,000,000
Net Profit	\$1,669,413
Timeline	19 Months
Investor IRR (Net to Investor)	16.4%
Investor Equity Multiple	1.3



CASH FLOW INVESTMENTS

PF3, LLC PROMANAS FUND 3

Promanas' flagship fund, PF3, is a well-established investment vehicle that focuses on providing consistent cash distributions and predictable returns to investors. Since inception in 2009, PF3 has distributed at least 7.5% on equity per annum to its more than 250 accredited investors. In addition, investors have realized further returns in the form of unit appreciation due to debt reduction and reinvestment of excess cash flow.

PF3 assets generally fit the following criteria:

- Properties leased to reputable tenants that can support stability of cash flow through rental payments
- Purchase price per square foot that is below replacement value
- Properties located in established areas that have high barriers of entry and potential for population and job growth
- Properties with leases in place that are at, or below, market rates

PF3 is closed to new investment dollars.

Inception	2009
Number of Investors	250+
Total Equity (Including Unit Appreciation)	\$67,000,000+
Asset Value	\$200,000,000+
Total Square Feet	2,700,000+
Number of Properties	35
Asset Types	Industrial, Office, Flex, Retail
Status	Closed to New Investment Dollars



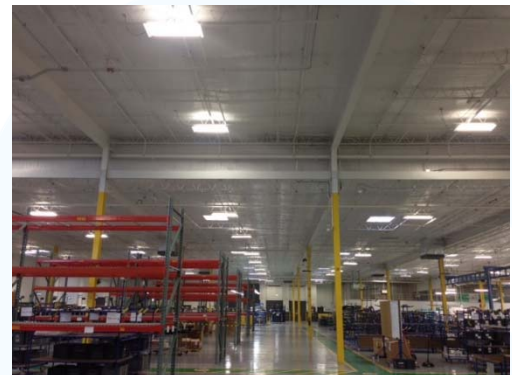
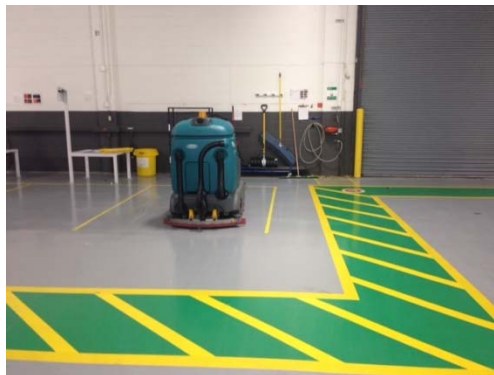
PF3 ASSETS - SAMPLE

The following is a sample of current holdings.

GLOBE STREET LIVONIA, MI

Globe Street is a 137,750 square foot industrial property located in Livonia, Michigan. Promanas acquired the property in February 2015 for \$4,670,000. At that time, Toyota occupied the entire building on a lease through May 2017 at a rental rate of \$4.16/ft., which we felt was well below market. In addition, the property was in excellent condition, which meant our purchase price was well below replacement cost. It was clear to us that the market for industrial space was tightening and rental rates were set to increase as market vacancy decreased. As Toyota's lease expiration neared, we began to market the space for lease to a new tenant. In September 2016, Promanas signed a new 7-year lease with Cooper-Standard at a rental rate of \$5.50/ft representing an increase of more than \$180,000/year to our bottom line.

Acquisition Cost	\$4,670,000
Original Equity	\$2,420,000
Original Loan Amount	\$2,250,000
Loan Terms	4.75%, 10/20 (Term/Amort.)
Net Operating Income (Acquisition)	\$573,040
Net Operating Income (Current)	\$757,625
Debt Service	\$174,480
Current Value (Implied)	\$9,000,000+
Cash-on-Cash Return (Acquisition)	16%+
Cash-on-Cash Return (Current)	24%+



VALUE ADD INVESTMENTS

Not all deals we come across fit the in-place, consistent cash flow model of PF3. These assets typically have little to no cash flow in place and/or require significant investment to unlock their potential value. The following is a sample of a few investments we have made that we consider "value add".

TROLLEY INDUSTRIAL PARK TAYLOR, MI

Trolley Industrial Park is a 243,000 square foot industrial property in Taylor, Michigan. Promanas acquired the property in July 2014 through a note purchase for \$1,350,000 (previous ownership defaulted on the mortgage and the property was undermanaged and in disrepair). At the time of acquisition, the property was 70% occupied by two tenants, both with little or no lease term remaining. One tenant occupied 120,000 square feet (~50%) at well below market rent and the other tenant occupied 40,000 square feet on a month-to-month basis. The remaining 83,000 square feet was vacant and in need of significant repairs. We raised \$2,400,000 from investors to purchase the note and fund the cost of repairs.

Over the following two years Promanas was able to make the repairs and upgrades necessary to lease the vacant space, replace the below market tenant, and sign the month-to-month tenant on a multi-year lease. With the property stabilized, we obtained financing at an implied value of over \$9,000,000 and were able to return 100% of investor capital, plus \$1,800,000 in additional return. With all investor capital repaid (and all risk off the table), Promanas continues to own and operate the property to this day.

Acquisition Cost	\$1,350,000
Original Investor Capital	\$2,400,000*
Net Operating Income (Acquisition)	\$300,000
Net Operating Income (Current)	\$1,008,000
Annual Debt Service	\$402,000
Annual Cash Flow	\$606,000
Current Value (Appraised)	\$9,150,000

*Original investor capital was returned to investors in September 2016, in addition to a 6% preferred return paid monthly along the way. Total return to investors was \$1,980,000 over 26 months. Investors continue to own their pro rata share of the entity and receive quarterly distributions.

VALUE ADD INVESTMENTS

CROWN POINTE OFFICE CENTER OAK PARK, MI

Crown Pointe is a 266,000 square foot multi tenant office building located in Oak Park, Michigan. Promanas acquired the property in January 2015 out of receivership for \$3,150,000. At that time, the property was 60% occupied and generated a net operating income of approximately \$400,000. The property was severely undermanaged and ownership was unwilling to invest in capital expenditures, tenant improvements, and leasing commissions necessary to attract and retain tenants.

The deal was presented to Promanas under a strict time frame – 7 days to raise \$3,670,000 and close on the purchase (\$3,670,000 represents acquisition cost, plus prefunding of a reserve account to fund capital expenditures, leasing commissions, and tenant improvements). As part of the deal, Promanas acquired an outlot to the property, which was occupied by a fast food restaurant on a ground lease. Prior to our purchase, the fast food tenant indicated their preference to split the parcel and buy out of their lease. Promanas settled on a price of \$800,000 and completed the parcel split and sale in short order. By this time, we had increased occupancy to over 70%.

Within 6 months of our purchase, Promanas obtained financing of \$4,250,000 on a 7-year term/20 year amortization at 4.95%. This enabled us to return 100% of investor capital, plus an 18% return. In August 2017, we closed on the sale of the property at a sales price of \$11,300,000.

Acquisition Cost	\$3,150,000
Original Investor Capital	\$3,600,000
Net Operating Income (Acquisition)	\$300,000
Net Operating Income (Current)	\$1,200,000
Current Value (Actual Sales Price)	\$11,300,000
Current Debt	\$4,000,000
Current Equity (No Cash Invested)	\$7,000,000



PROMANAS

Promanas is a privately-held commercial real estate investment and management firm. We create investment vehicles designed specifically for accredited investors and manage these investments with tight controls. We attract and retain investors by operating with 100% transparency and following conservative investing practices. We have a proven track record and have consistently delivered substantial returns to our investors since our inception.

Promanas looks to partner with select real estate developers in various areas of the country that have projects in need of structure and capital. In these situations, Promanas first completes thorough due diligence on a project in order to quantify risk and potential upside. Once a potential project makes it through our due diligence process, Promanas creates an ownership and return on investment structure that protects the interests of its investors. With the exception of reasonable developer fees, the investor capital is always returned first, typically with a preferred return.

Promanas handles all up-front leg work for a project, including creation of entity documents, private placement memorandums, operating agreements, and debt financing. Once the investor capital has been raised and the development project has begun, the real estate development partner takes the reins on the day-to-day responsibilities with the exception of the books and accounting component - which always remains in Promanas' control. This set of checks and balances is key to protecting the investor capital and the well-being of the project.

DISCLAIMER

Shares will be offered and sold only pursuant to Private Placement Memorandum and only to accredited investors, as that term is defined in Regulation D promulgated under the Securities Act of 1933.

An investment in carries a high degree of risk. There can be no assurance that the stated investment objectives will be achieved. Investment losses may occur, and investors could lose some or all of their investment.

This document contains "forward-looking statements" which include all projections and all statements other than historical fact. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the control of Promanas which could cause actual financial results to be materially different from financial results expressed or implied by the forward-looking statements.



JOHN BOGDASARIAN

FOUNDER | PRESIDENT & CEO

Bogdasarian began his career in 1996 in residential sales. Through the completion of countless transactions and accumulation of significant market knowledge, he found there was a void in the market for quality passive real estate investments and shifted his focus to creating vehicles for accredited investors.

John started Promanas with six investors and has strategically guided the firm that now serves more than 300 investors and whose portfolio includes >3M square feet of property. John has acquired and/or developed more than \$1½ billion in real estate assets nationally.

John has a wealth of experience in acquiring, syndicating, funding, brokering, investing in, and developing various projects. Investing in a broad real estate portfolio has taught him the skills needed to achieve his goal of creating value for tenants and investors. He prides himself on operating the company as a close-knit, boutique firm that creates substantial value.

John holds a real estate license, broker license, a CCIM designation, and has been a featured speaker at real estate conferences and podcasts nationally where he has enjoyed sharing his knowledge, experience, and enthusiasm for the industry.

John and his wife, Lindsay reside in Ann Arbor, MI with their four children. They are very involved in the community, sponsoring, and chairing various charities.

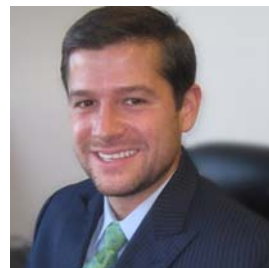
Learn more about our offerings, visit promanas.com



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