



TRION PROPERTIES

INVESTOR
PRESENTATION

*PROVEN EXPERTISE IN MULTIFAMILY REAL ESTATE INVESTMENTS.
UNPARALLELED RESULTS.*

June 2023

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INVESTMENT PHILOSOPHY AND TEAM

SECTION 1



OVERVIEW

Trion Properties is a forward-thinking, vertically-integrated real estate investment firm. We specialize in acquiring off-market, undervalued apartment buildings in improving areas and converting them to modern, attractive places to live. Through tactical renovations and hands-on management, our team optimizes net operating income and bolsters the economic value of each property, providing investors with excellent returns.



Since our founding in 2005, Trion Properties has acquired more than

8,600 UNITS

Representing over

\$1.8 BILLION

in total capitalization, including pending closes.

Our investment strategy has proven successful through all phases of the business cycle, including the Global Financial Crisis. Trion Properties has generated an average IRR in excess of

20%

and greater since inception.

INVESTMENT PHILOSOPHY



Improve and enhance undermanaged multifamily residences in growing submarkets.



Leverage our team's unique expertise to optimize all elements of the investment process, from deal sourcing to financial modeling and design decisions.



Maximize occupancy, drive rents and deliver compelling returns by implementing resident-focused renovations with high-quality finishes to create the best Class B products in the marketplace.

VERTICAL INTEGRATION AS A COMPETITIVE ADVANTAGE

WE STRIVE TO KEEP ALL FUNCTIONS IN HOUSE, INCLUDING:

Project management



Construction

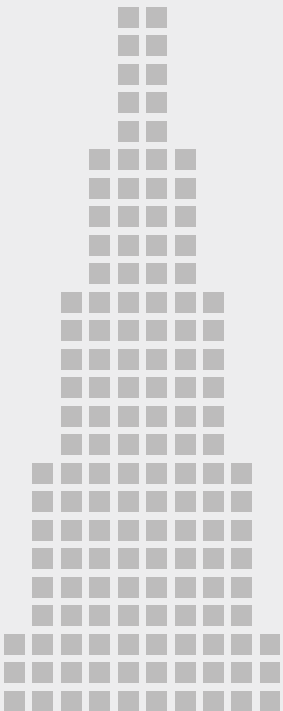


Property management

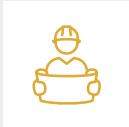


THE END RESULT:

HIGHER
RETURNS FOR
INVESTORS



BENEFITS OF VERTICAL INTEGRATION:



Complete oversight of renovations



Accelerated timelines



Better control of quality and costs, including capital expenditures and operating expenses

SENIOR TEAM

Supported by a vertically integrated team of **110+** people

MAX SHARKANSKY

Managing Partner,
Co-Founder

- Responsible for all aspects of acquisition, disposition and property analysis
- Led Trion Properties' investment in more than \$1 billion of multifamily assets
- Oversees management of Trion's almost 5,000 units



MITCH PASKOVER

Managing Partner,
Co-Founder

- Responsible for acquisitions, dispositions, asset management and expansion planning
- Involved in more than \$2 billion in commercial real estate transactions throughout career
- Over 20 years of experience in debt and equity multifamily transactions



SENIOR TEAM

Supported by a vertically integrated team of 110+ people



FARHAN MAHMOOD

Managing Partner,
West Coast
Acquisitions

- Head of West Coast operations and management
- Responsible for sourcing, structuring and financing investment opportunities



ANDREW LUCAS

Managing Director,
Capital Markets

- Leads Capital Raising and Investor Relations

SENIOR TEAM

Supported by a vertically integrated team of **110+** people

DAVID MOGHAVEM

Director of
Acquisitions, Southeast

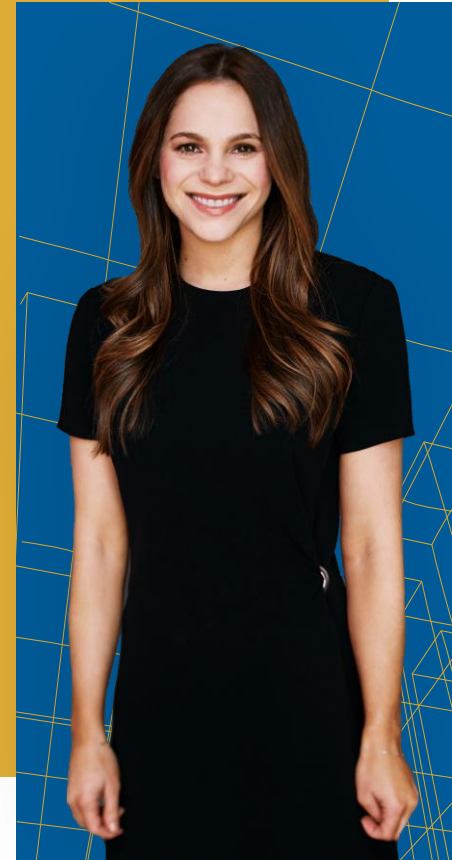
- Responsible for sourcing deals throughout the southeast US



LAUREN FEDER

Director of Asset
Management

- Responsible for carrying out the business and management plan for the firm's portfolio. This includes all aspects of property life cycles including acquisition, normal operations, renovation, capital expenditures, market conditions, and all day-to-day management



SENIOR TEAM

Supported by a vertically integrated team of **110+** people

STEVEN SAPP

Director of Property Management

- Responsible for day to day operations of portfolio in the Western States



MATT TUCKER

Director of Property Management

- Responsible for day to day operations of portfolio in the Southeast



SENIOR TEAM

Supported by a vertically integrated team of **110+** people



MAX SANCHEZ

Director of
Project Management

- Responsible for project and property management across all assets



SIMON LEONOV

Director of
Project Management

- Responsible for project management and construction oversight

SENIOR TEAM

Supported by a vertically integrated team of 110+ people



MAHSHAD HUBBARD, CPA

Chief Financial Officer

- Responsible for all accounting, financial reporting, HR and administrative functions



FRANK BOCCHINO

Director of Marketing

- Responsible for overall Trion Properties brand and investor facing marketing and advertising

TEAM

Supported by a vertically integrated team of 110+ people

MAX SANCHEZ

*Managing Director,
Project Management*



SIMON LEONOV

*Managing Director,
Project Management*



MAHSHAD HUBBARD

Chief Financial Officer



FRANK BOCCHINO

Director of Marketing



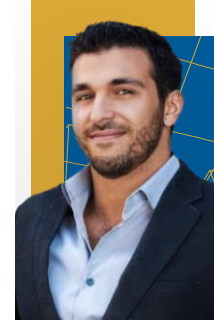
HANNAH HA

Accounting Manager



DAVID MOGHAVEM

Director of Acquisitions



KARELINE DEKER

Director of Resident Marketing



STEVEN SAPP

Director of Property Mgmt.



MATT TUCKER

Director of Property Mgmt.



LAUREN FEDER

Dir. of Asset Management



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Acquisitions Associate



OLEG ENIK

Acquisitions Analyst



NICOLETTE DORIA

Investor Relations Associate



NATALIE MAKABI

Executive Assistant



FELIPE MONTES DE OCA

Acquisitions Analyst



NICK PASKHOVER

Acquisitions Analyst



INVESTMENT PROCESS

SECTION 2

INVESTMENT PROCESS

Our rigorous investment approach is designed to meet our long-term objective of delivering outsized returns without taking outsized risks.



IDENTIFY TARGET
MARKETS AND ASSETS

1



ASSET
ACQUISITION

2



VALUE-ADD
STABILIZATION:

Property rehabilitation,
market repositioning,
property management

3



EXIT

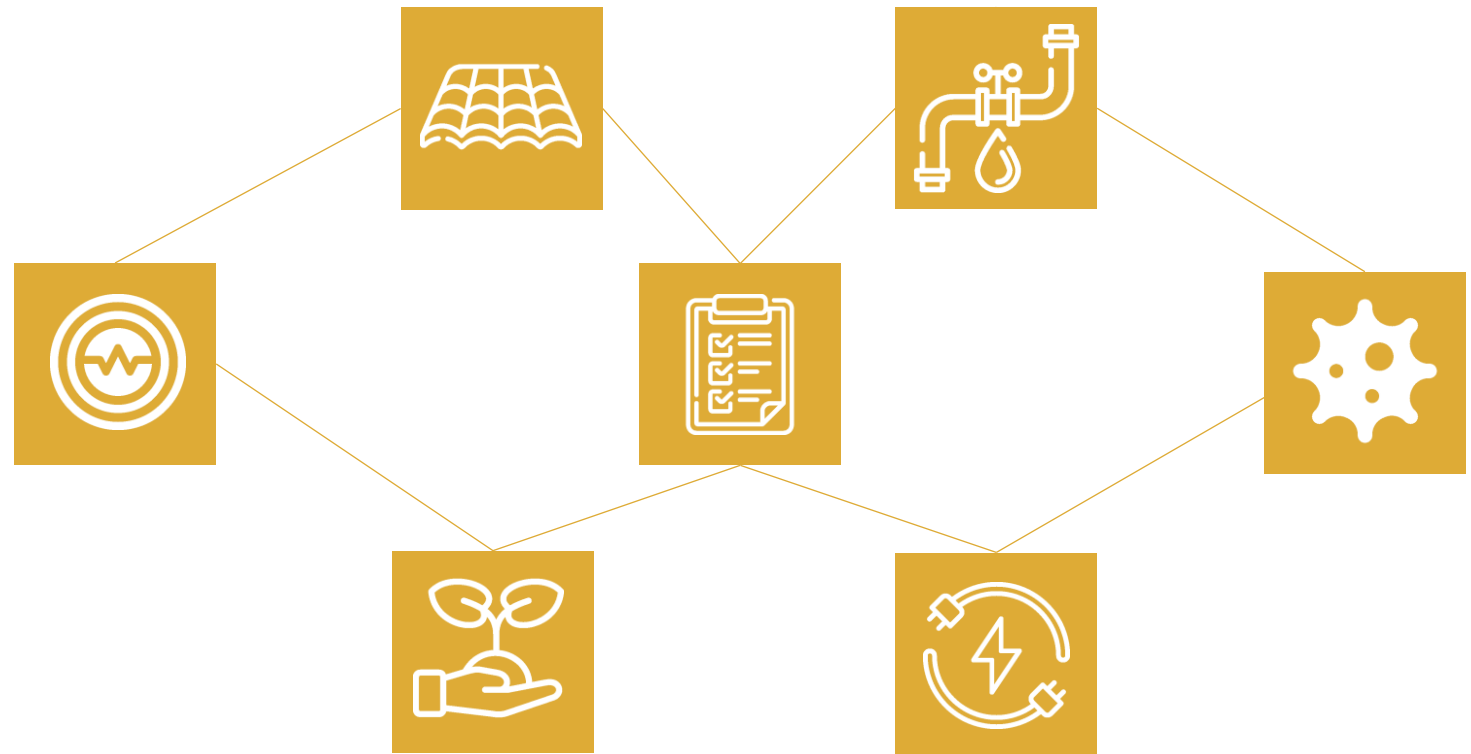
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DUE DILIGENCE



Upon acquiring an asset, our team conducts a thorough due diligence process with multiple third-party reports including but not limited to:

- Site Survey
- PCR (Property Condition Report)
- Phase 1 Environmental
- Seismic
- Mold
- Roofing
- Electrical
- Plumbing Scope
- Service Warranties
- Termites
- Flood Zone Verification
- Lease Audit



TARGET MARKETS

We focus on areas with sustainable growth supported by a diverse set of economic and demographic drivers, including:

- Strong demand for multifamily residential properties.
- Ample tech, entertainment and service industry employment.
- Robust young professional class with upwardly mobile individuals and families seeking rental units at great value.
- High barriers to entry.

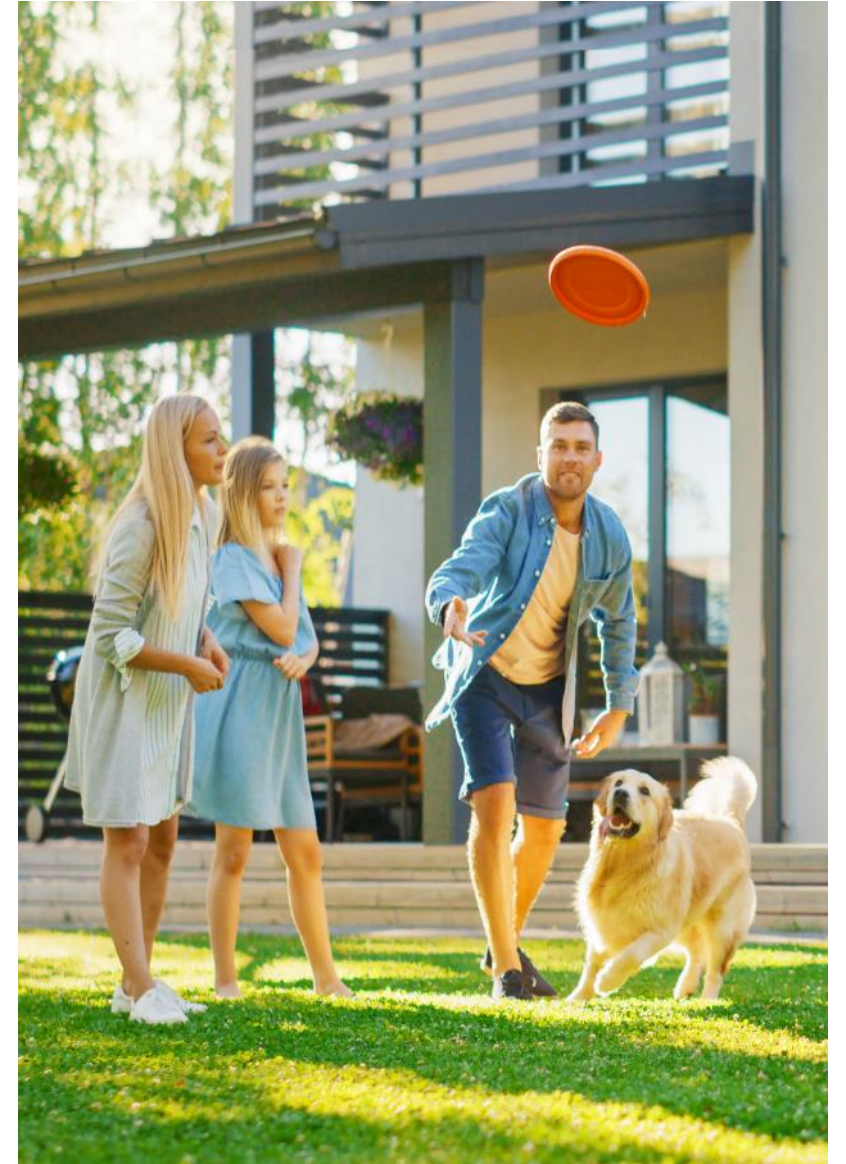


We target urban and suburban population centers in high-performing markets where we can successfully operate throughout the real estate cycle.



TARGET MARKETS

Current target markets and areas of interest:



TARGET ASSET CRITERIA

To identify the most attractive acquisitions, our team completes block-by-block diligence:

- In-depth analysis of neighborhoods based on employers, restaurants, nightlife and other attractions.
- Identification of culturally vibrant neighborhoods with high walkability indexes.
- Determination of the dividing line between up-and-coming and stagnant neighborhoods.



We target undermanaged properties aged 50 years or less with 50-500 units requiring largely cosmetic upgrades.



ASSET ACQUISITION

Our ability to capture favorable entry prices is driven by:

- Exceptional skill in sourcing off-market deals – We draw on our trusted reputation and deep network to secure attractive acquisition valuations and actively circumvent competition.
- Expertise in modeling potential investments – We plan and budget rehabilitation and development strategies before underwriting. Our detailed models include highly accurate budgets backed by years of hands-on experience; final project costs typically land within a few percentage points of our initial budgets.

We believe the ultimate success of any of our investments is dictated in large part by the purchase price.



VALUE-ADD STABILIZATION – PROPERTY REHABILITATION

Our team works to:

- Implement design-forward, resident-focused renovations.
- Complete cosmetic upgrades and mild infrastructure repairs.
- Add high-value amenities and communal spaces with an aesthetic designed to appeal to higher-paying residents.



During the renovation phase, we take a customized approach determined by target rental rates for the given property.

Units are transformed into clean, modern and desirable apartments with a focus on higher rent and/or income optimization through reduced vacancies and increased lease renewals.



VALUE-ADD STABILIZATION – MARKET REPOSITIONING

Residents love the distinct Trion Properties look and feel:

“ Everything was renovated: New laminate floors, bathroom, appliances, cupboards, counters, double-glazed windows that keep any noise out and Nest Wi-Fi A/C that you can control remotely.

– Resident of 4620 S. Slauson

“ What I love about this property, management and community is that there is absolute premium quality control. Management truly wants us to feel at home and the exquisite detail they put into the property is a good representation of how they treat the residents.

– Resident of the Eleanor

We leverage corporate-level leasing and marketing efforts aimed at young adults with the discretionary income to afford contemporary housing.



VALUE-ADD STABILIZATION – PROPERTY MANAGEMENT

- Property management is overseen from a central location as part of our vertical integration strategy.
- Modern software and property-specific websites create a high-quality online experience for renters.
- Maintenance team is strategically positioned to quickly respond to requests at all properties.



Our commitment to resident satisfaction drives sustained high occupancy at premium rents.



EXIT

When exiting our investments, we focus on maximizing value by offering buyers properties that are:

- High-quality, turn-key assets with attractive cash flow.
- Differentiated and well maintained, featuring some of the most desirable improvements in the market.
- Distinguished by consistently strong, stable tenancy.



Each asset typically has a two-phase holding period, starting with an 18-month reposition followed by one to three years of stabilized operations.

Exit opportunities are analyzed during underwriting and throughout ownership. Refinancing is an option once a significant percentage of units are renovated, and the asset is largely stabilized.

Our prudent investment approach enables us to ride out difficult environments, then exit once conditions have improved.



PERFORMANCE

SECTION 3



TRACK RECORD SINCE INCEPTION



8,604

residential
units acquired



84

assets
acquired



\$1,816,694,748

total
capitalization



25%

investor level return
IRR

CASE STUDIES

SECTION 4

METRO 77 & 85

LOCATION: San Leandro, CA

NUMBER OF UNITS: 146

ACQUISITION DATE: March 2017

ACQUISITION PRICE: \$36.6 million

Q4 2019 RECAPITALIZATION: \$51 million

INVESTOR LEVEL RETURN: 23.50% IRR, 1.76x equity multiple



BEFORE



AFTER



BEFORE



AFTER

Located in the rapidly growing East Bay, the property is within walking distance to the San Leandro BART station. Its close proximity to Highways 880 and 580 also provides convenient access to employers in Oakland, San Francisco, Fremont, Tri-Valley and Silicon Valley. We repositioned this 1960s vintage asset through new signage, modern paint schemes, upgraded pool, gym, leasing offices and hallways, and modernized unit interiors.

ANDINA

LOCATION: Hayward, CA

NUMBER OF UNITS: 89

ACQUISITION DATE: September 2019

ACQUISITION PRICE: \$25 million

DISPOSITION DATE: March 2022

DISPOSITION PRICE: \$33.5 million

HOLDING PERIOD: 29 months

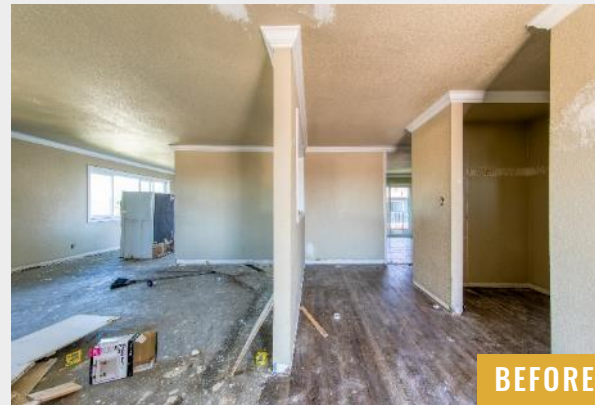
INVESTOR LEVEL RETURN: 18.80% IRR, 1.50x equity multiple



BEFORE



AFTER



BEFORE



AFTER

Our team saw an opportunity to create value through effective management and strategic renovations. Trion implemented interior renovations, professional management practices and cost control efficiencies to maximize the asset's operation. Based on comps, existing rents could prove out to increase by 20% while still maintaining a level of affordability in the area where homeownership was not. Geographically central, Hayward is known as the "heart of the bay", easily accessible to jobs in Oakland and San Francisco, as well as Fremont and Palo Alto.

HUDSON APARTMENTS

LOCATION: Tigard, OR

NUMBER OF UNITS: 227

ACQUISITION DATE: March 2018 (North), June 2018 (South)

ACQUISITION PRICE: \$38.1 million

RECAPITLIZATION DATE: July 2022

RECAPITILIZATION AMOUNT: \$59.2 million

HOLDING PERIOD: 51 months

PROJECT LEVEL RETURN: 21.51% IRR, 2.05x equity multiple



- Acquired as two adjacent properties in 2018.
- Solid economic drivers, affordability, and income growth have made Tigard one of the strongest performing submarkets in the Portland MSA.
- Great opportunity to purchase two assets at below market value and to capitalize on proven rental upside through re-branding and renovations.
- Recapitalized both assets in 2022 and combined them into The Hudson Apartments, while securing a new loan through Freddie Mac for \$39.4 million.

WILLOW GLEN

LOCATION: San Diego, CA

NUMBER OF UNITS: 97

ACQUISITION DATE: June 2015

ACQUISITION PRICE: \$9.65 million

DISPOSITION DATE: February 2019

DISPOSITION PRICE: \$17.9 million

HOLDING PERIOD: 44 months

INVESTOR LEVEL RETURN: 37.23% IRR, 2.14x equity multiple



The multifamily community of Willow Glen is located in the rapidly growing Rolando/College Area submarket of San Diego. After implementing \$2.2 million in capital improvements and rebranding the community, our team nearly doubled the asset's value and tripled the net operating income within the first 18 months of ownership. The property was repositioned with full exterior and interior renovations, new signage, upgraded common areas, and beautiful drought-resistant landscaping.

PATTERSON COURT

Current property in Trion Multifamily Opportunity Fund III

LOCATION: Orlando, FL

NUMBER OF UNITS: 384

ACQUISITION DATE: November 2021

ACQUISITION PRICE: \$107.75 million

PROJECTED HOLDING PERIOD: 4 years

PROJECTED INVESTOR LEVEL RETURN: 21.3% IRR,
1.86x equity multiple



Constructed in 2008, Patterson Court is a luxury apartment community featuring extensive amenities, including a lavish sundeck with cabanas and lounges, swimming pool, fitness center, student rooms with individual work centers, a car wash center, and four on-site laundry facilities. The property is directly across the highway from the entrance to Disney World and is within the International Drive corridor, the epicenter of Orlando's Tourist Corridor submarket. 10 of Orlando's 12 largest employers are located within this Corridor.

The property is 100% NNN master-leased to Walt Disney World Resort through April 2023. Disney recently relocated all tenants at the property and pivoted to hiring Lincoln Property Company as manager to sublease the units to new renters. The property has since fully re-leased at rents 50% below the competitive set and is positioned to benefit from the strategic implementation of a value-add program of both interiors and exteriors to bring rents in line with the market.

CONTACT

CONTACT US TO LEARN MORE

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Trion Properties is an experienced multifamily real estate sponsor with a proven business plan and unique competitive advantages, including vertical integration.

Our high-yielding funds offer investors diversity from multiple assets and are designed to maximize returns while mitigating risk.



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THANK YOU

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