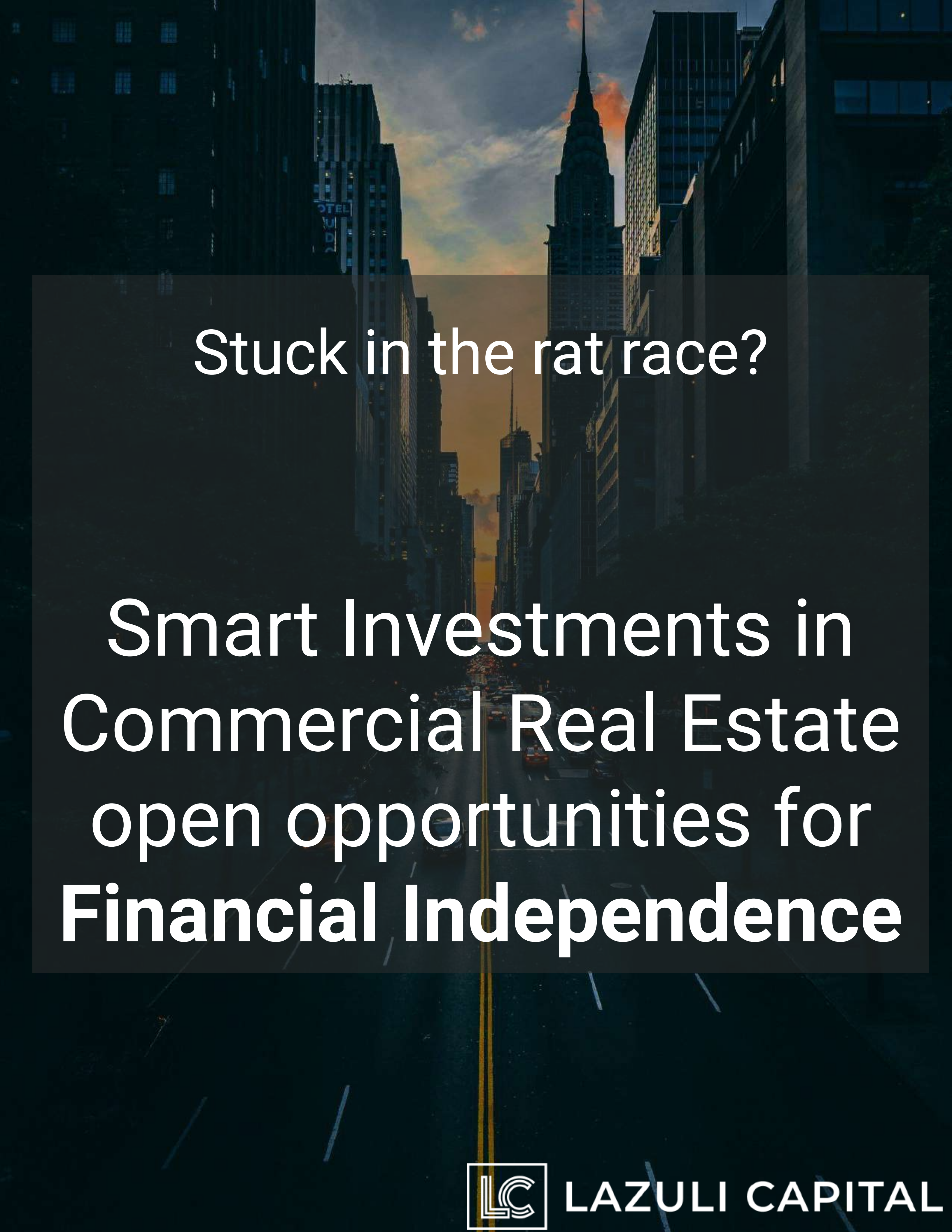


Stuck in the rat race?

Smart Investments in Commercial Real Estate open opportunities for **Financial Independence**

LAZULI CAPITAL

The Quest For Financial Independence

Did you know that once you have saved **25 to 33 times** your yearly expenses, you would have officially become **Financially Independent**?

When you reach that milestone, you can choose and do things that make you happier:

- Work part-time, volunteer, travel
- Spend more time with your children, grandchildren, or friends
- Enjoy things and activities that you kept postponing until “better times”

You have the freedom to decide what is best for you and your family. Most importantly, you’ll gain better control over the most precious resource:

Time

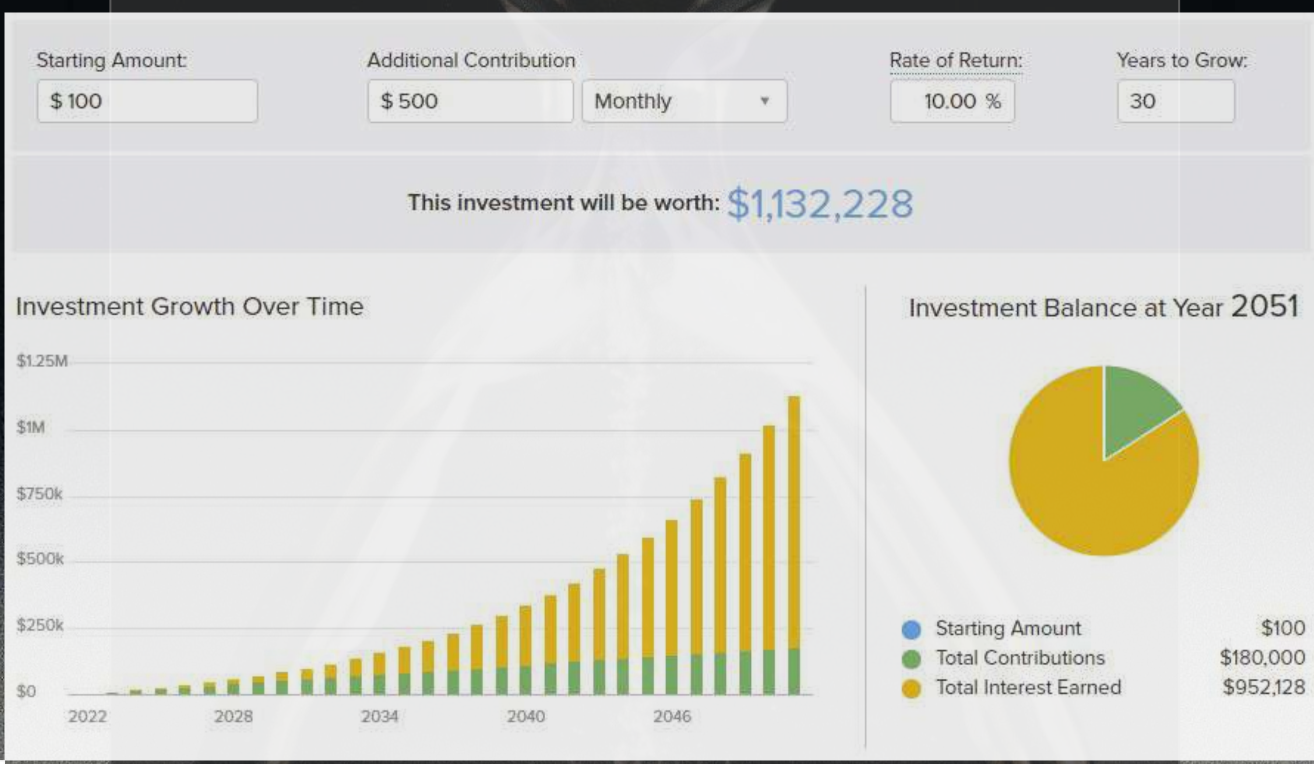
The Power Of Accrual

When $500 per month becomes $1m

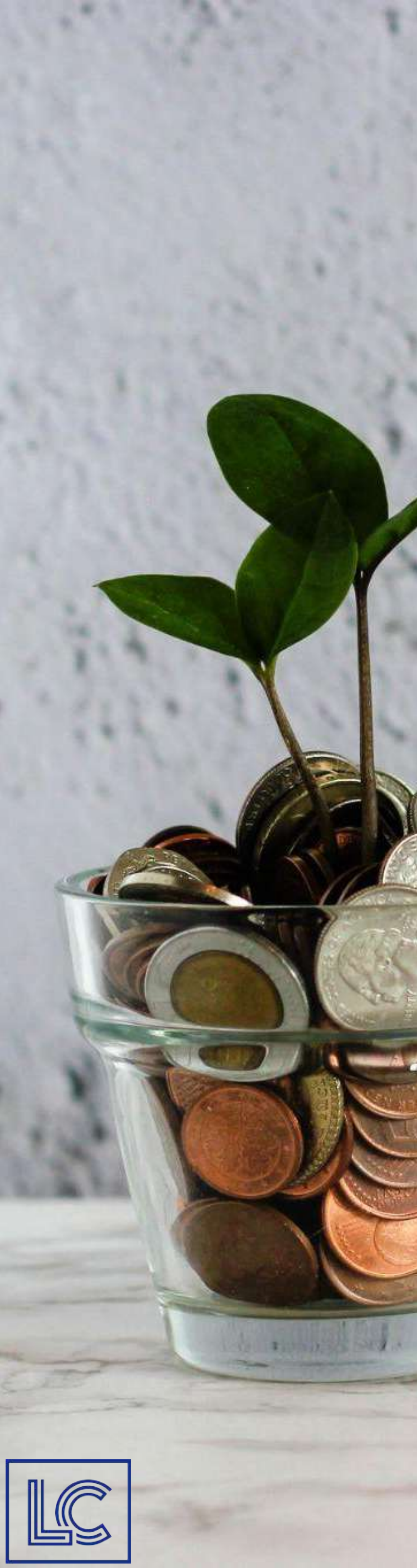
The faster you can build and grow your nest egg, the quicker you can become financially independent.

If you start investing in your 20s and invest $500 monthly for 30 years with a 10% return, you'll become a millionaire in your early 50s. That $1.1m will generate a $34k - $45k passive annual income - for life.

Which means: Goodbye Rat Race!



Source: SmartAsset.com



How to Grow Your Wealth Faster?

Albert Einstein once said *“Compound interest is the eighth wonder of the world. He who understands it, earns it… he who doesn’t… pays it.”*

Even if you are diligently saving money and building your nest egg, are you investing to maximize compound interest?

Simply put:
Is your money working hard for you?

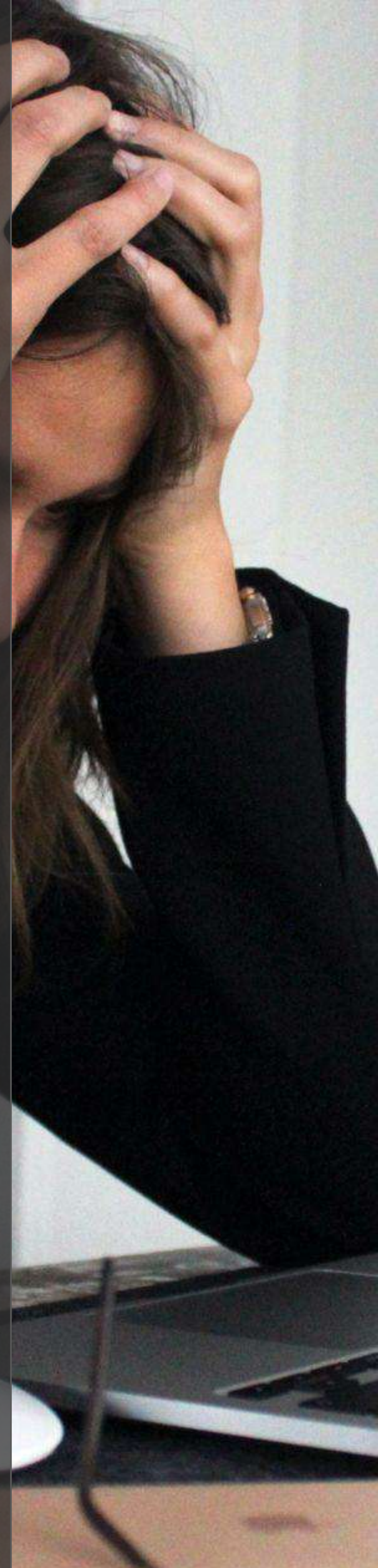
Let’s say you invest in the following:

- Bonds
- Stock Market
- Cryptocurrencies
- Options, Futures, Forex, etc.

If yes, do you sleep well at night?

Do you feel confident about the market, assets performance, and your future?

It can feel overwhelming



Do you stress about inflation and rising interest rates that will negate returns from bonds for many years?

What about the volatility of the stock and cryptocurrency markets?

In March 2020, with the rapid spread of COVID, the market dropped by 33% in a month reflecting the global panic. Two years later, we are still dealing with the devastating impact of COVID. 2022 even started with a market selloff.

Recessions and downturns happened before:

The economic meltdown of 2000-2003; the biggest crisis since The Great Depression in 2008, the 2018 market drop.

There is always going to be something…

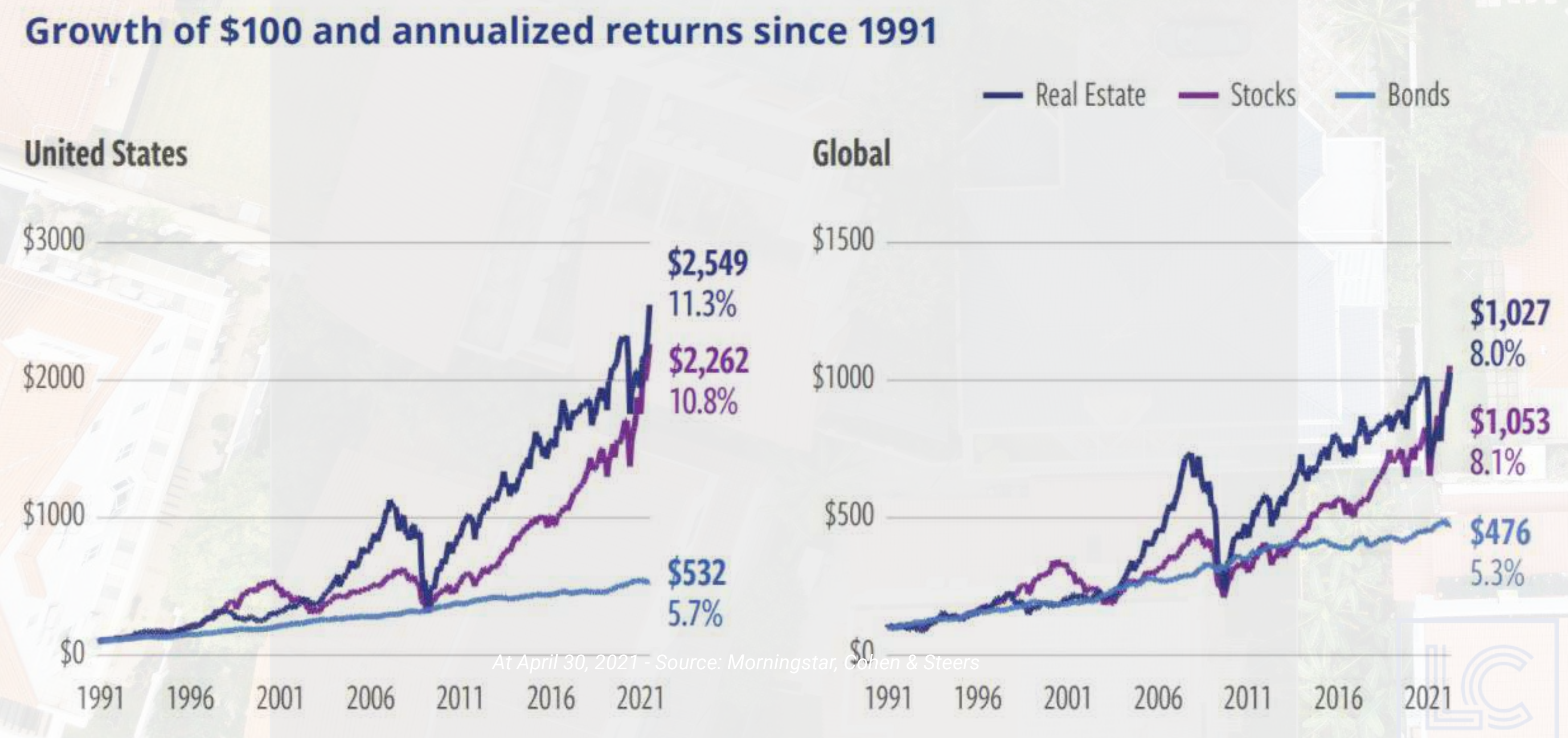
How to build a future with so much uncertainty? Is there a way to better mitigate risks?

Real Estate is a better investment

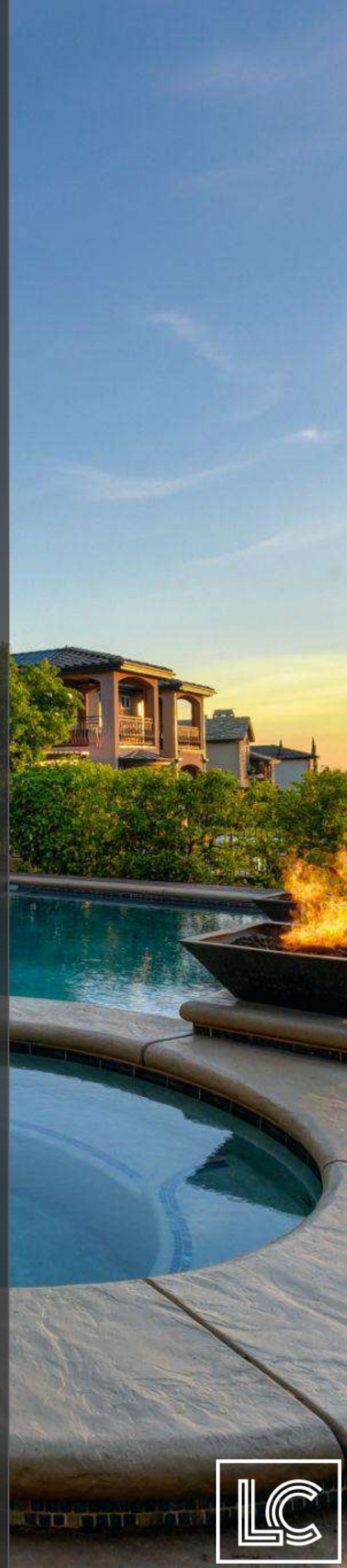
People talk a lot about speculative deals and get-rich-fast schemes, but what you hear less often is that one asset class has consistently performed well, creating more millionaires than any other asset classes.

It’s **Real Estate**.

The graph below vividly demonstrates how Real Estate has done better than the stock market or bonds. We’ll explain how you can mitigate risks and gain greater returns.



At April 30, 2021 - Source: Morningstar, Cohen & Steers



Building Wealth with Real Estate: Solid returns and peace of mind

Data has been consistent.

It shows that between 1970 and 2011, REITs (Real Estate Investment Trusts) returned 11.5% per year, almost 1% higher than U.S. large-cap equities during the same period.

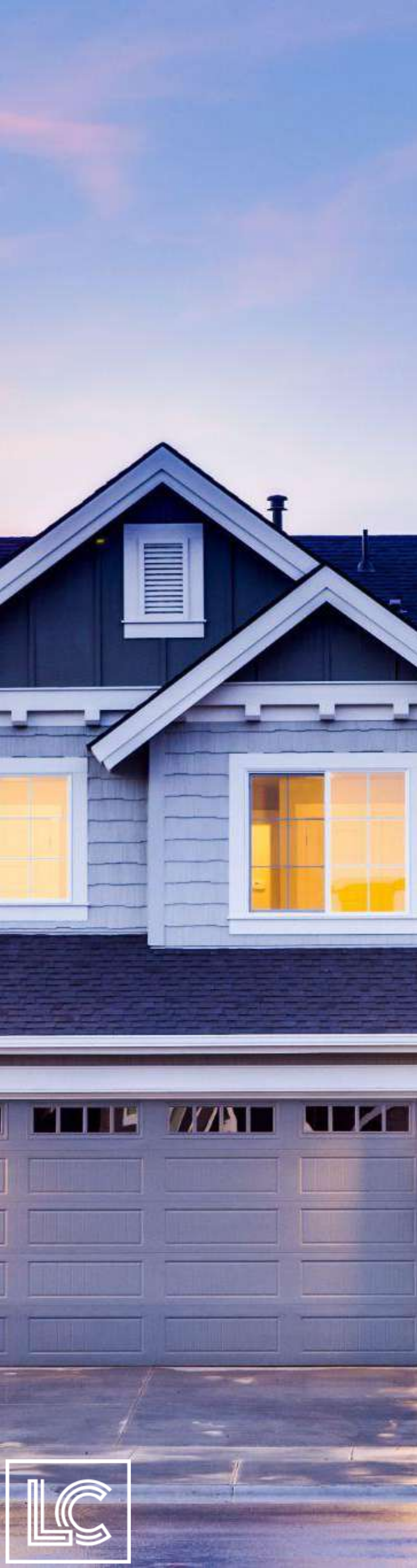
3 main ways to passively invest in Real Estate:

- Buy rental properties,
- Buy REITs,
- Join Commercial Real Estate Partnerships.

We believe that investing in Commercial Real Estate (CRE) through syndication partnerships provides some of the best risk-adjusted returns.

Better yet, you own a portion of a real asset - a tangible asset - not some monopoly money.

Let’s talk about each investment opportunities in detail.



Invest by purchasing rental properties

Let’s be honest. It’s very time-consuming and capital intensive to buy an investment property (1-4 units). Picking the best rental investment, negotiating, dealing with the banks, inspections, closing, tenants, and repairs is work. **A lot of work.**

You may decide to hire a property management company, especially if you invest out of state, unless you want to deal with your tenant’s toilet issues at 4:00 am.

The upside? You do profit from appreciation, amortization, leverage, and rental income.

The downside? You compete with a lot of other small investors. Some are willing to overpay to buy their own rental properties, even if the numbers **do not** make sense.

You may have to deal with **delinquent tenants** and may not be able to evict them because there is a **moratorium.**

While having more units reduces the risk, it also means more **work**, more **capital** needed, and more **headaches**.

Invest through REITs

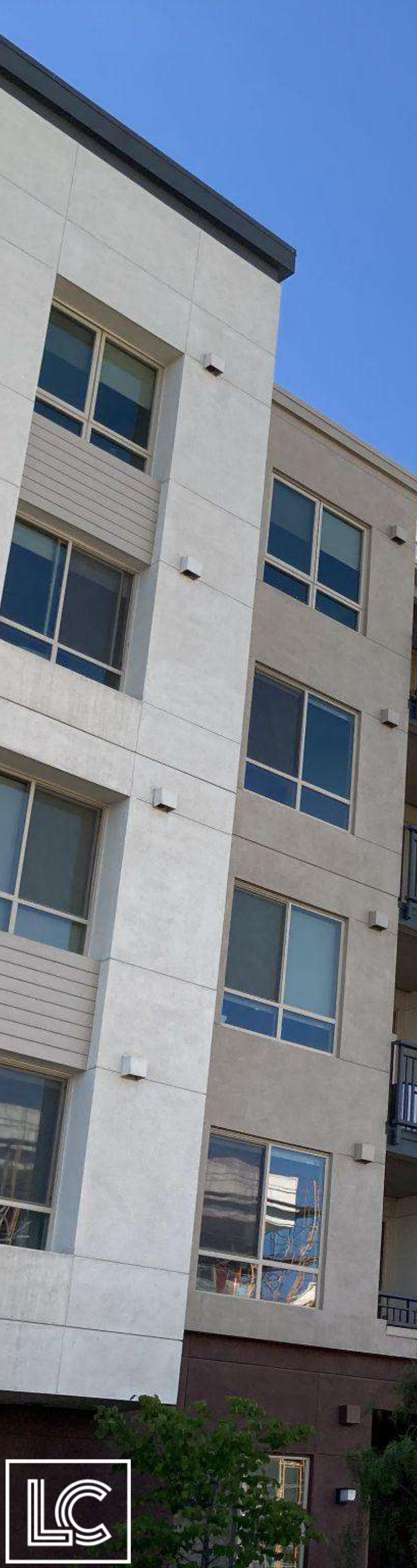
REITs manage Real Estate properties and distribute at least 90% of the profits.

The Upside? This is the main Real Estate asset you can buy and sell quickly. All other RE investments have a long-term commitment (usually several years). This form of investment is completely passive. You indirectly profit from the appreciation, leverage, and rental income, but not from amortization.

The downside? Most REITs are bought and sold as public shares, driven by the yield, so there is greater volatility especially due to the correlation with the stock market. REITs are not tax friendly, so should be invested in via retirement accounts.

Little say or visibility in the C-Suite or other employees' compensations, and overhead, which means less profits for you.

You may want an investment with a stronger alignment of interest between the managers and the investors.

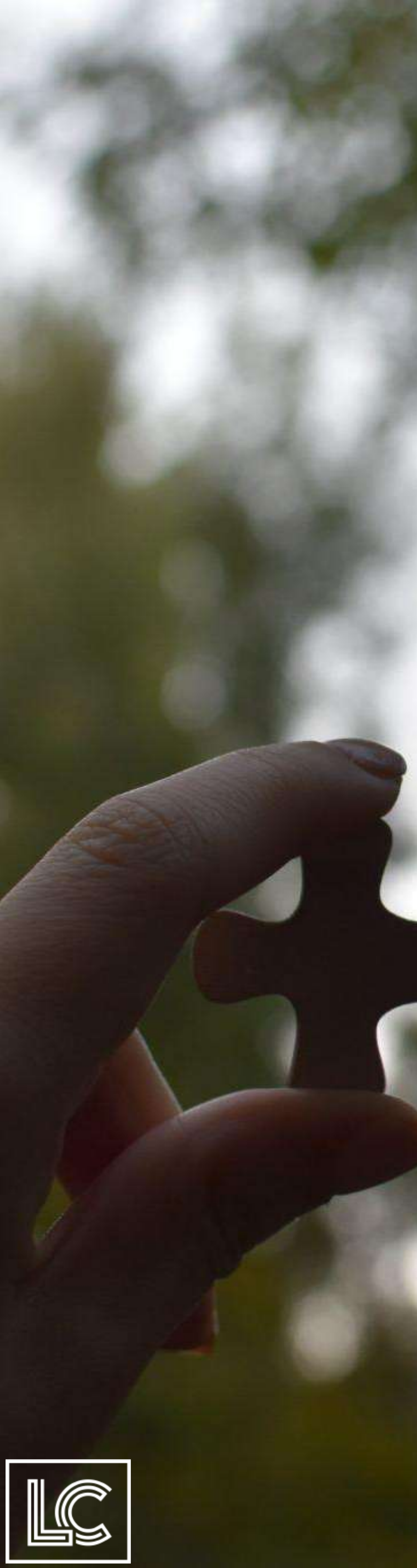


Invest through Commercial Real Estate Partnerships

From our experience, we found that Commercial Real Estate offers one of the best risk-adjusted returns in the investment space while being completely passive.

It brings strong returns from Real Estate growth, and lower volatility.

Like a rental property, you profit from appreciation, amortization, leverage, and rental income. The amortization can even be accelerated (up to 100% the first year!) through cost segregation.



Partnership with an alignment of interest

When you join a Commercial Real Estate Partnership, you know ahead of time all the terms of the deal. For example, how the profits are going to be split between the investors and the manager.

When Everybody Wins

Having this strong alignment of interests is essential. You want to be a considered and respected partner, not someone bringing money to a deal, so the manager can get richer while you get the crumbs.

What kind of investments?

Here are some examples of Commercial Real Estate investments with syndications:

- Hotels
- Offices
- Grocery shops
- Medical offices
- Industrial

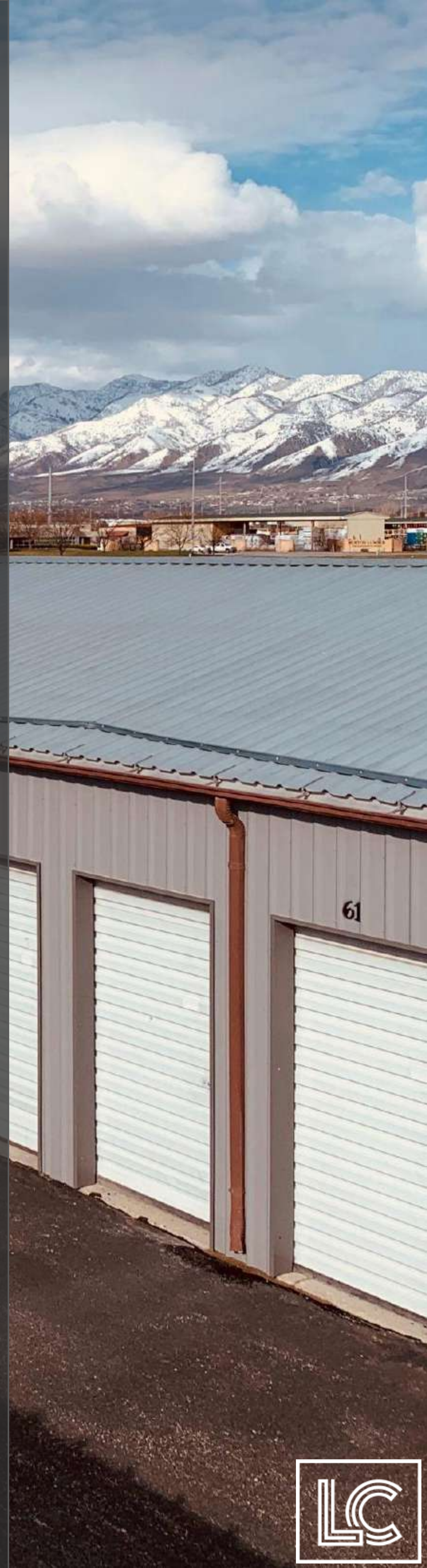
Many of these asset classes can provide a high return, but they are more dependent on the economic climate.

There are some more recession-proof asset classes that also produce great returns:

- Multi Family Homes
- Self storages
- Mobile Homes
- Debt

Additionally, there are some more ‘exotic’ Private Equity investments:

- Properties for Cannabis farms
- AirBnB homes and RV Camps
- ATM Funds (you know those $2 per transaction fees?)



What is a Real Estate Partnership?

Syndications are partnerships created to invest in Commercial Real Estate Properties.

There are two classes of partners:

- GP (General Partners - managers, or sponsors),
- LP (Limited Partners - investors)

GPs use their network and experience to scout the best Real Estate property deals and raise money from the investors.

GPs do all the work: finding the property, negotiating, raising capital, securing loans with banks, closing and managing the properties, managing major remodeling, if needed, taking care of repairs, - until the final exit - the sale of the properties.

LPs have a very limited involvement: they provide capital to purchase the property. It is completely passive.

How are the profits split?

The profit split is defined through what is called a **waterfall.** This allows investors to make sure there is an alignment of interests with the managers.

A waterfall could be defined as an 8% pref and 70/30 split. This means that once your initial capital is returned, you would get 8% of profit per year, and 70% of the profit above that 8% return, and the managers will get the other 30% of the profit.

As an investor, you want the manager to be incentivized to maximize the profits, while also ensuring that you have a solid ROI and are compensated for the risks .

For example, here is a targeted return almost doubling your money in 4 years:

	Year 0	Year 1	Year 2	Year 3	Year 4	Total
Initial Investment	-$100,000					-$100,000
Project Cash Flow		$878	$1,842	$4,856	$8,635	$16,212
Net Sale Proceeds					$174,284	$174,284
TOTAL	**-$100,000**	**$878**	**$1,842**	**$4,856**	**$182,920**	**$90,496**
Targeted Cash Return		0.9%	1.8%	4.9%	8.6%	
Targeted Average Cash Return	4.1%					
Targeted Investor IRR	17.8%					
Targeted Investor Equity Multiple	1.9x					

Market Efficiency...

The Real Estate market is not very efficient, especially when compared to the stock market. This means that for two properties with the same risk, it is possible to have one with a better return.

Furthermore, due to the significant friction, and being hyper-localized, there is much less competition.

Outsmart The Competition
This is even truer in Commercial Real Estate, where investments are in millions of dollars, and retail investors, banks, or wall street won't even compete (too big or too small of an investment).

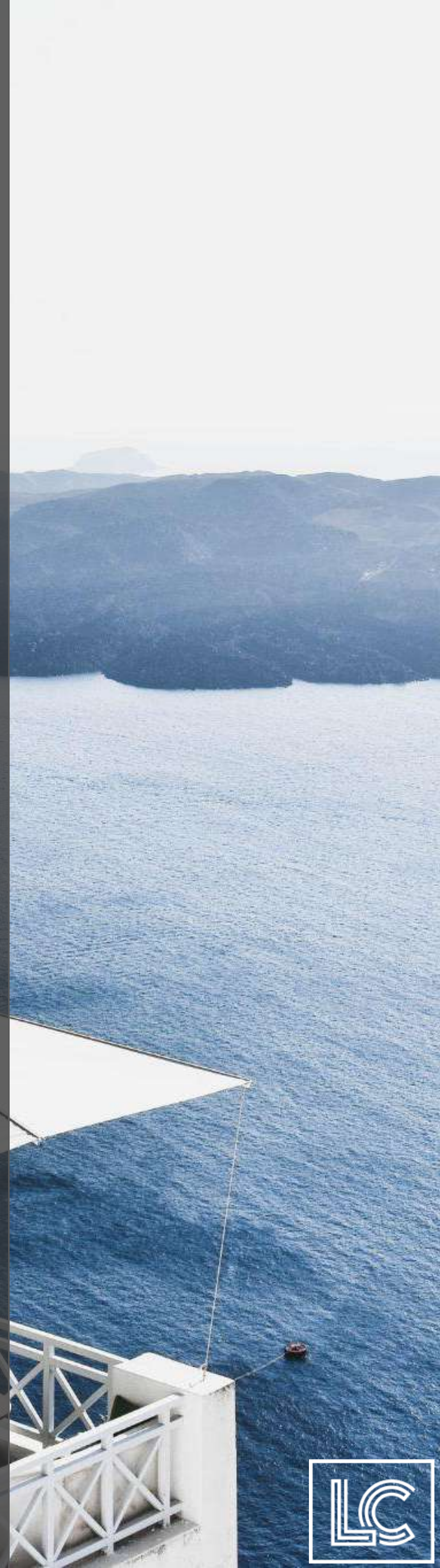
Right connections are GOLD
To land the best opportunities, the network of connections becomes as crucial as the money you put into a deal.

…and Illiquidity Premium

Because it is not as easy to buy and sell a property as to buy or sell a share of a company or REIT on the stock market, it also means that the return can be higher for the same risk, also called the **illiquidity premium.**

Said differently, if more work is needed and the asset is tied up for years, the price and return are **adjusted** to reflect this.

Given the lack of liquidity, the expectation of returns will be higher than buying a REIT share on the market.



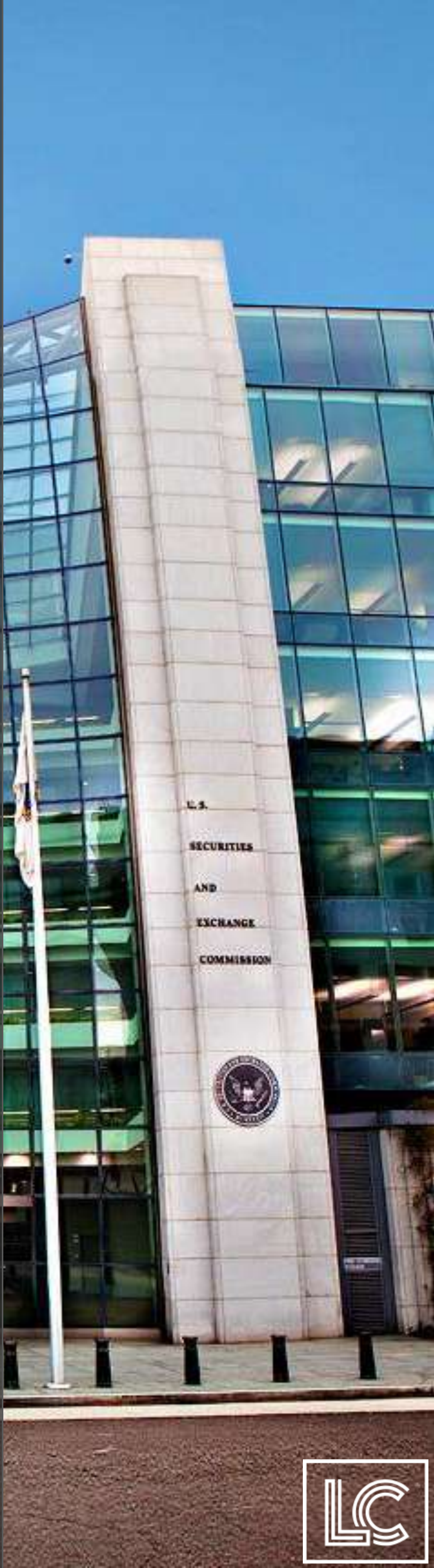
Raising money from Investors

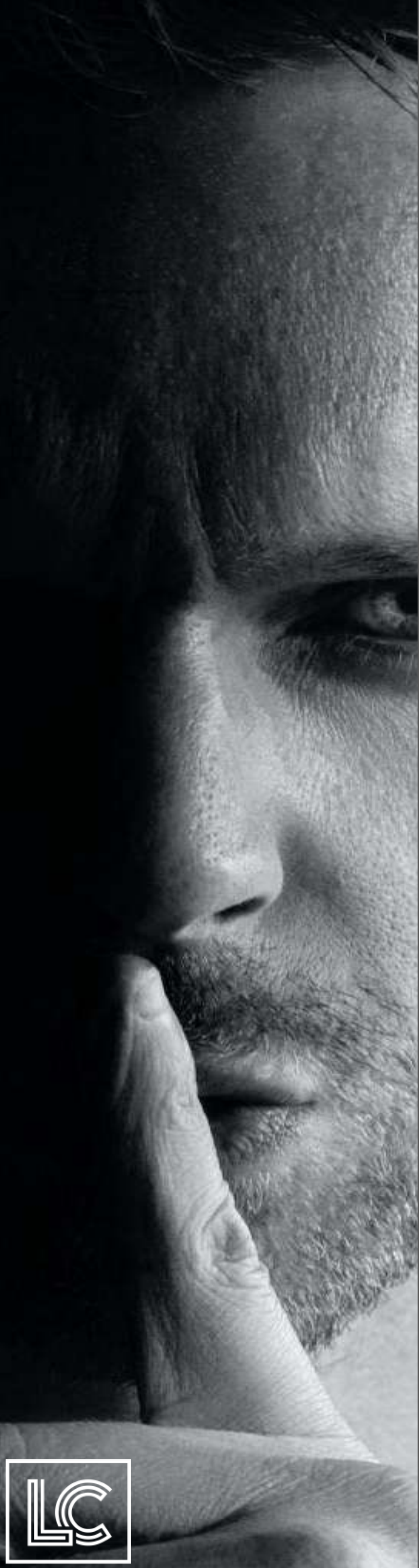
The SEC (Security and Exchange Commission) has established laws and regulations to ensure that investors are protected with their investments.
These laws govern and ensure compliance.

The most common laws for syndications are:

Reg D - exemption 506(c) - Can raise money from **accredited** investors (income over $200k for the past 2 years, and reasonable expectation to stay the same, $300k if married, OR net worth is over $1m without accounting for the main residence). Can advertise deals publicly. Most crowdfunding sites use 506(c).

Reg D - exemption 506(b) - Can raise money from up to **35 non-accredited** investors, but the deal can be shared **only** if the investor has a **pre-existing relationship** with the manager. The deal CANNOT be shared publicly, so no ads, posts, or websites.





Why don't we hear more about syndications?

Wall Street does not deal with syndications, so they won't offer it to you for your brokerage or retirement accounts.

The market for REITs is approximately $1Tn, and it is usually less than 5% of investors' portfolios. 506(c) Syndications have less than $100Bn of investors' money, so less than 1% of the overall portfolios.

Fewer than 120 000 investors funded 506(c) syndications in 2020!

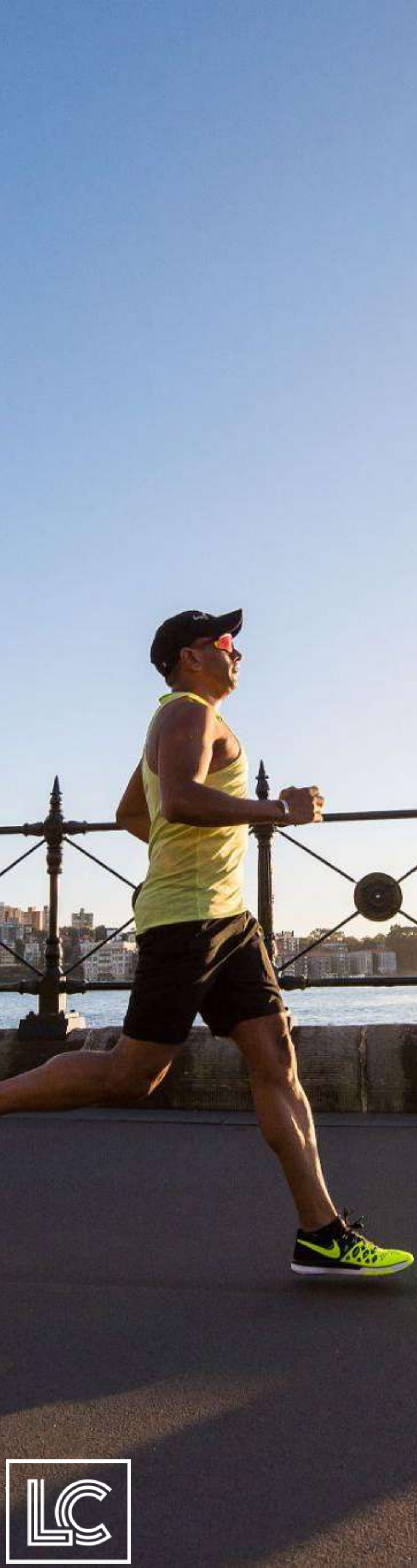
They are not publicly traded, they are illiquid as it's a multi-year investment, so it's no wonder that you don't hear more about them.

Investors have to be accredited, or have to know a manager ahead of time, so it's difficult to get access to syndications. Market for 506(b) syndications is almost as big as REITs. How many do you know?

Finally, the JOBS act of 2012 loosened the regulations for investors, so that's still recent.

Despite being hard to access, these great investments exist, and the illiquidity premium plays in your favor.

Take advantage of these opportunities!



Invest In Commercial Real Estate to Become Financially Independent - FASTER

We've covered how you can become financially independent by saving 25 to 33 times your yearly expenses and investing your nest egg.

We've talked about various asset classes and showed how Real Estate has reliably provided better risk-adjusted returns than the stock market for the past 50 years.

We've explained why passively investing into CRE through syndications can beat individual real estate investments and REITs.

We've shared how you can get access to CRE through syndications, investing with the best managers and properties, taking advantage of local market inefficiencies, and aligning interests between managers and investors with the waterfalls.

We've explained how you can boost your returns by benefiting from the illiquidity premium.

Lazuli Capital - Your Trusted CRE Investment Partner

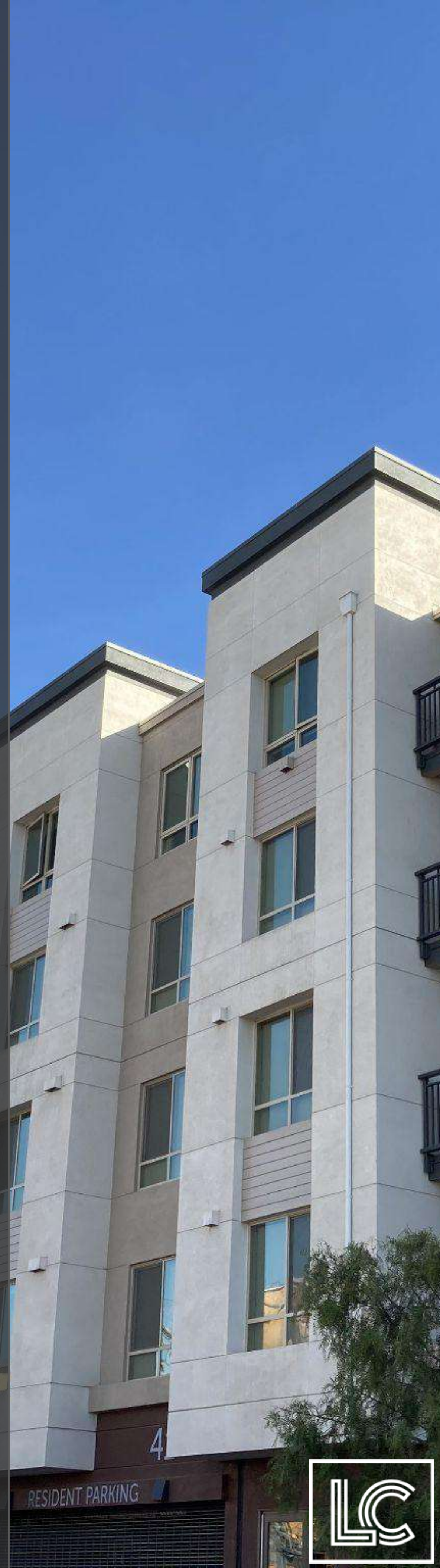
About us

At Lazuli Capital, we are investors like you. We have invested in many syndications. Our experience and strong relationships with many managers and investors allow us to access and select the best deals.

We have created Lazuli Capital Fund 1 as a 506(c) for **accredited** investors to share our expertise and superior deals. It allows our investors to be well-diversified with many syndications to reduce the risk and increase the overall risk-adjusted returns.

We identify and evaluate real estate syndications and make strategic investments via our fund, delivering healthy ROIs, while mitigating risks.

The fund targets a 13% to 15% net IRR and provides superior diversification to investors, with exposure to more than 50 properties and 4000 units.



Ready to improve your financial situation and secure your future? Want to learn more?

We are still accepting accredited investors. Join us to benefit from the best syndication deals.

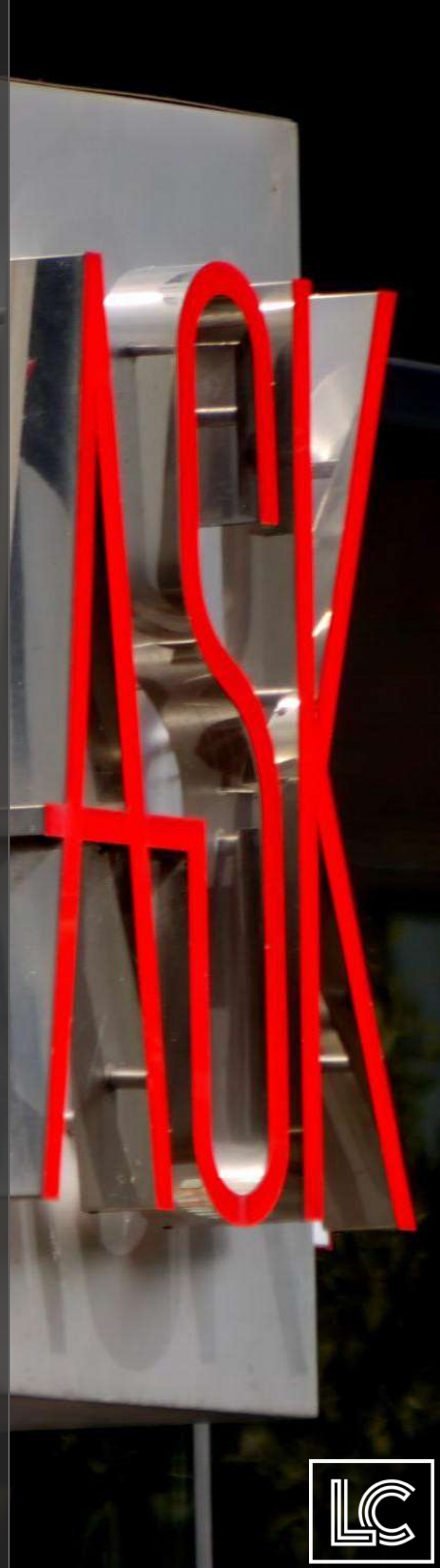
Investments in the fund start at $50,000. Fees are reduced with more significant investments.

Register for free to access the hottest deals and investment opportunities **TODAY**
https://lazuli-capital.invportal.com/setup

Find more information on our website:
https://lazuli-capital.com

Not accredited yet? Fear not!
Contact us and we'll match you with the right investments.

Have questions? We are here to help:
https://lazuli-capital.com/contact/



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Experienced. Strategic. Transparent.

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