



PACIFIC PRIVATE MONEY GROUP FAMILY OF FUNDS



	Pacific Freedom Fund	Pacific Private Money Fund	North Star Capital Fund	Pacific Southwest Note Fund
Financial Strategy	Short-term mortgages for resale	Traditional hard money loans	California construction loans	Discounted seller carry-back notes
Financial Objective	7%	7%–8%	10%–12%	12%+
Preferred Return	7.0% Fixed	7.0%	8.0%	9.0%
Minimum Investment	\$250,000	\$50,000	\$100,000	\$50,000
Lockup Period	Not Enforced	12 months	12 months	12 months
Liquidation Terms	30 Day Notice	30 Day Notice	30 Day Notice	30 Day Notice
Distribution Schedule	Monthly	Monthly	Quarterly	Monthly
Use of Leverage	No	No	Up to 33%	Optional, to 25%
Assets Under Management	\$12M	\$62M	\$5M	\$2M
Fund Launch Date	May 2020	June 2013	July 2020	August 2020
Description	Earn 7% on capital with no enforced lockup period. Designed for investors who want ready access to their capital	Our most popular fund since 2013, paying nearly 8% secured by a diversified loan portfolio	A fund that specializes in making loans to developers and contractors. Highly experienced management team	A fund that specializes in purchasing discounted seller carryback notes, generating atypically high returns
More Information	PacificPrivateMoney.com/invest	PacificPrivateMoney.com/invest	NorthStar.fund	PacificSWFund.com

The Pacific Private Money Group family of companies includes Pacific Private Money Inc., an institutional-grade alternative finance lender specializing in real estate-backed loans for West Coast borrowers. Our unique Family of Funds are designed to each provide collateral secured, above-market risk adjusted returns with varying risk/reward features.

Open to accredited investors only. Must qualify in order to invest. Information in this summary is not intended to be, nor does it constitute an offer to sell or solicit the purchase of interests in any fund or security. No such offer or solicitation in any fund will be made prior to the delivery of a Private Placement Memorandum and other corresponding materials relating to each particular fund. Before making an investment decision, potential investors are advised to read carefully the fund's investment documents and to consult with their tax, legal and financial advisors.



Pacific Private Money Group

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Family of Funds

INVESTMENT SUMMARY

A Mortgage Pool Fund With Liquidity
and No Enforced Lockup



FUND OBJECTIVE

The objective of the Pacific Freedom Fund is to provide investors a place to park funds that they prefer to keep relatively liquid, with no lockup or long-term commitment. The Fund is designed to be highly liquid, allowing investors to withdraw their funds anytime within 30 days or less. Fund member investments are secured by California deeds of trust.

THE OPPORTUNITY

Bank lines of credit are difficult to obtain for companies in the private lending industry, despite the fact that they are part of the fastest growing segment of the mortgage lending marketplace. The Pacific Freedom Fund is designed to provide the capital our firm needs to close certain real estate loans which we then sell to institutional investors. The Fund pays its members a flat rate of 7.0% per annum, with monthly distributions.

INVESTMENT STRATEGY

In 2019, Pacific Private Money funded, closed and sold \$65 million in loans to institutional buyers, while using our limited internal capital sources. The Freedom Fund allows PPM to close and sell more loans and meet the growing demand for its loan products. The Fund acts like a warehouse line of credit, which we clear every two-three weeks. The Freedom Fund capital is only used to fund loans for which we have a ready buyer commitment. The Fund does not hold loans long term, and will not be a portfolio lender. The only assets of the Fund are cash or real estate-secured loans.

MANAGEMENT

The Fund's management team is comprised of three experienced real estate professionals.



MARK HANF

is CEO of Pacific Private Money Inc., and his real estate career spans over 38 years, including 25 years in commercial development and property management and 13 years in private lending. He founded Pacific Private Money in 2008, and he and his team have grown the company to over \$175 million in annual volume, 350 investor clients and are currently manager of four mortgage funds. Mark is a licensed real estate broker and mortgage loan originator.



NAM PHAN

is a 21-year real estate professional specializing in business development, management and investor relations. He is COO of Pacific Private Money Inc. and has helped lead the development and growth of the Pacific Private Money Group of Companies.



EDWARD BROWN

was CEO for 20 years of a \$40 million alternative lending company based in Marin County. Today he assists Pacific Private Money with capital raising, investor relations and live presentations. Edward has held multiple licenses and certifications throughout his career.

KEY TERMS

Minimum Investment: **\$250,000**

Fixed Investor Return: **7.0%**

Distributions: **Monthly**

Profit Split: **n/a**

Loan Asset Criteria:

- Primarily 1st position notes
- Primarily SFR 1-4
- Some small commercial properties

More Information:

PacificPrivateMoney.com/invest

CONTACT INFORMATION

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LOAN SALES





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INVESTMENT SUMMARY

A Mortgage Pool Fund Specializing in
Short Term Real Estate Loans



FUND OBJECTIVE

In addition to preservation of investor capital, the Fund's objective is to provide reliable above-market yields with relative liquidity by identifying and funding short term residential and small balance commercial loans primarily in California.

THE OPPORTUNITY

The Pacific Private Money Fund was formed in 2013 and has consistently produced returns for its members between 7.5%–8%. The fund is designed to be conservative, and uses no leverage to create reliable above-market yields to its members. As of August 2020 the fund has assets under management totaling over \$62 million.

INVESTMENT STRATEGY

The strategy of the Fund is to produce attractive risk adjusted returns to Members by originating and acquiring relatively short term real estate bridge loans secured by non-owner occupied residential, multifamily, small commercial properties, and on select owner-occupied residences. Over the last decade-plus, Pacific Private Money has grown to become one of California's most well-respected private money bankers and one of the state's few non-bank sources of consumer real estate loans. It's strategy is to focus on mostly short-term duration loans of 12-months or less, with a smaller percentage of 24–36 month term loans. The result is a fund that not only maintains relative liquidity, but the short-term nature of the portfolio helps to reduce risk of asset price fluctuations.

MANAGEMENT

The Fund's management team is comprised of three experienced real estate professionals.



MARK HANF

is CEO of Pacific Private Money Inc., and his real estate career spans over 38 years, including 25 years in commercial development and property management and 13 years in private lending. He founded Pacific Private Money in 2008, and he and his team have grown the company to over \$175 million in annual volume, 350 investor clients and are currently manager of four mortgage funds. Mark is a licensed real estate broker and mortgage loan originator.



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EDWARD BROWN

was CEO for 20 years of a \$40 million alternative lending company based in Marin County. Today he assists Pacific Private Money with capital raising, investor relations and live presentations. Edward has held multiple licenses and certifications throughout his career.

KEY TERMS

Minimum Investment:	\$50,000
Target Returns:	7.0%–8.0%
Preferred Return:	7.0%
Distributions:	Monthly
Profit Split:	50-50 Fund/manager
Fund Leverage:	Unleveraged

Loan Asset Criteria:

- Primarily 1st position notes
- Primarily residential with some small balance commercial loans
- Primarily SFR 1–4

More Information:

PacificPrivateMoney.com/invest

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NORTH STAR
CAPITAL FUND

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INVESTMENT SUMMARY

A Mortgage Pool Fund Specializing
in Construction Loans



FUND OBJECTIVE

The Fund's investment objective is to provide a significantly higher yield than most California mortgage funds. It does this by leveraging the lack of competition in this credit space. The Fund employs the Management team's extensive network of contacts and relationships with private lenders, developers, contractors and brokers with their robust marketing resources, developed over their combined 100+ years in the real estate industry, to source and identify the highest quality lending opportunities.

THE OPPORTUNITY

Construction loan financing is in high demand in today's marketplace. For most developers, financing is difficult to find, and for two reasons. First, banks are very tough on builders, and second, most private lenders won't touch ground-up construction or major remodels.

The North Star Capital Fund specializes in underwriting and originating construction and rehab loans in California. It's Managers have solid construction experience along with a long track record of successful construction loans. Assets will be primarily first position loans, with a smaller allocation of subordinated debt and preferred equity investments.

INVESTMENT STRATEGY

California's housing stock remains inadequate in 2020. Recent years' fires have decimated thousands of homes in both northern and southern California. Existing housing stock is aging and in need of updating. Construction financing remains a seriously underserved credit space, and presents an opportunity for savvy investors to earn strong, secured yields.

MANAGEMENT

The Fund's management team is comprised of three highly experienced real estate lending and development professionals.



MARK HANF

is CEO of Pacific Private Money Inc., and his real estate career spans over 38 years, including 25 years in commercial development and property management and 13 years in private lending. He founded Pacific Private Money in 2008, and he and his team have grown the company to over \$175 million in annual volume, 350 investor clients and they currently manage four mortgage funds.



JOHN SIMONSE

brings over 40 years real estate experience and a vast knowledge in managing multiple construction funds. He founded LHJS Investments in 1999 and has underwritten and funded over \$1 billion in real estate loans and investments.



MATT COORDES

is a loan agent and construction loan underwriter for Pacific Private Money. Matt brings over 20 years of real estate and development experience.

KEY TERMS

Minimum Investment: **\$100,000**

Target Returns: **10%–12%**

Preferred Return: **8.0%**

Distributions: **Quarterly**

Profit Split: **50-50**
Fund/manager

Fund Leverage: **Up to 33%**

Loan Criteria:

- Rates: 8%–15%
- Terms: 3–24 months
- Fees: 1–5 points
- Assets: Residential, Commercial, Industrial

More Information:

NorthStar.Fund

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INVESTMENT SUMMARY

A Mortgage Pool Fund Specializing in
Discounted Seller Carry-Back Notes



FUND OBJECTIVE

In addition to preservation of investor capital, the Fund's objective is to provide extraordinary investor returns by identifying opportunities to purchase primarily performing, first-position notes from holders seeking to quickly cash out.

THE OPPORTUNITY

The Pacific Southwest Note Fund is a unique and exciting new mortgage fund designed to target significantly higher yields than other traditional mortgage funds by utilizing proprietary software developed over 20 years to identify, negotiate and purchase seller carry-back mortgages (notes) at steep discounts. These discounts allow the fund to target yields in the double-digits, and create immediate fund member equity value due to the difference between the amount owed on the note and the discounted price paid.

INVESTMENT STRATEGY

Purchasing existing notes as an investment strategy has evolved dramatically over the last 20 years. Once the domain of financial institutions and Wall Street private equity firms, Pacific Southwest Note Fund makes profiting from discounted notes accessible to the average investor, providing the type of attractive returns once available only to sophisticated real estate investors.

Notes are sold at discount for many reasons. Oftentimes it is due to the seller being in some form of financial distress and in need of liquidity. Other scenarios include death, divorce, or simply to desire to convert the note they hold into ready cash.

MANAGEMENT

The Fund's management team is comprised of three experienced real estate professionals.



MARK HANF

has a real estate career spanning over 38 years, including, including 25 years in commercial development and property management and 13 years in private lending. He founded Pacific Private Money in 2008, and he and his team have grown the company to over \$175 million in annual volume, 350 investor clients and are currently manager of four mortgage funds. Mark is a licensed real estate broker and mortgage loan originator.



MARK BROWN

is a 28-year professional private investor with a singularly specific specialization in private mortgage loan securities. Mr. Brown has been a party to more than 50,000 note acquisitions in the seller finance mortgage market.



EDWARD BROWN

was CEO for 20 years of a \$40 million alternative lending company based in Marin County. Today he assists Pacific Private Money with capital raising, investor relations and live presentations. Edward has held multiple licenses and certifications throughout his career.

KEY TERMS

Minimum Investment: **\$50,000**

Target Returns: **12.0+%**

Preferred Return: **9.0%**

Distributions: **Monthly**

Profit Split: **50-50
Fund/manager**

Fund Leverage: **Optional,
to 25%**

Loan Asset Criteria:

- Primarily 1st position notes
- Primarily residential with some small commercial properties
- Primarily performing notes

More Information:

PacificSWFund.com

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