



SL Management Group

SL Management is a subsidiary of SL Companies, formed to manage investment funds purposed for revenue-generating real estate.

1

Apartment rental demand soars as more millennials believe it's cheaper than owning a home.

2

Nationally, 12.3 percent of millennial renters say they plan to "always rent," up from 10.7 percent just one year ago.

3

A record 82% of renters say renting is more affordable than owning, according to a new survey from Freddie Mac, up from 67% just a year ago.

Opportunity

Multi-Family Real Estate Investment.

The Value

Secured Pension Plan

1

By investing with SL Management Group, Investors can earn a six percent (5%) Annual Preferred Return (paid quarterly).

2

With significant upside resulting in IRRs of 12% to 15%, or more.

3

Adding investment real estate to your portfolio will help offset the volatility of other high risk investments, such as stocks and bonds, leading to increased stability in your investment portfolio.



Multi-Family Real Estate Investing

The combination of strong fundamentals, low interest rates, and strong interest from investors should make for another white hot year for the multifamily sector.

INVESTMENT CAPITAL
RAISE

PROPERTY
ACQUISITION

MONETIZE ASSET

Next Investment
Steps



Attractive Returns

Apartments remain stable during recessions, as well as during both balanced and rising interest rate environments.

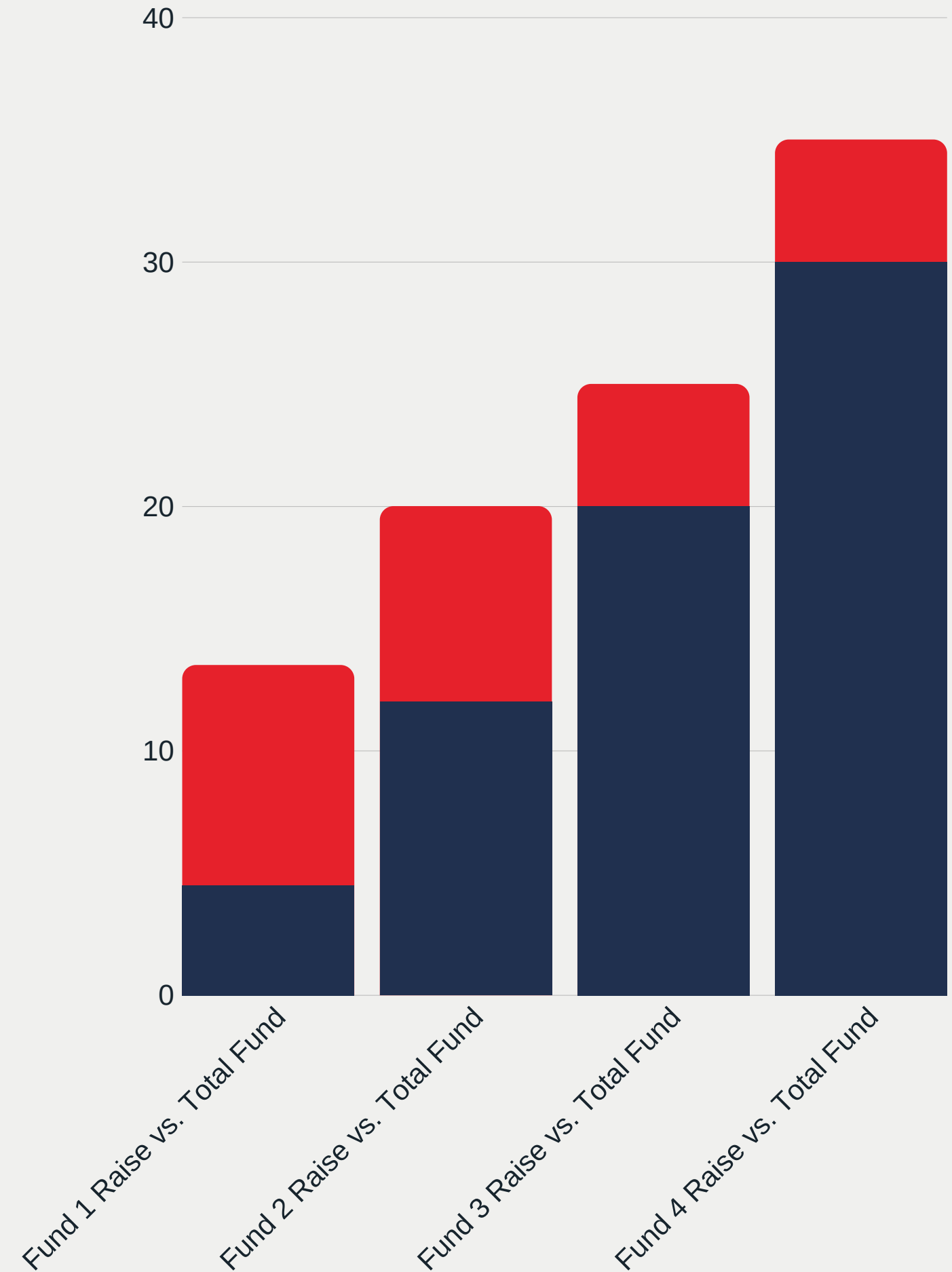
The Housing Market

Rising mortgage rates, continued high prices, and a lack of supply present significant headwinds for Single-Family Assets. Apartments should continue to benefit.

Timing

Traction

Management invests alongside institutional partners, family offices, and accredited Investors.



North Carolina

Demographic Highlights



3Q19 Median Household Income

Metro **\$64,824**

U.S. Median **\$65,205**



3Q19 Median Home Price

Metro **\$250,670**

U.S. Median **\$272,227**



3Q19 Affordability Gap

Renting is **\$273** Per Month Lower

Average Effective Rent vs. Mortgage Payment*



Five-Year Household Growth**

107,300 or **2.1%** Annual Growth

U.S. **1.0%** Annual Growth



Multifamily (5+ Units) Permits*

8,093 1H 2019

↗ **34%** Compared with 1H 2016-2018



Single-Family Permits*

15,306 1H 2019

↗ **1%** Compared with 1H 2016-2018

*Mortgage payments based on quarterly median home price with a 30-year fixed-rate conventional mortgage, 90% LTV, taxes, insurance and PMI.

**2019-2024 * Annualized Rate

North Carolina

Rental growth and tightening vacancy will continue to increase capital migration into North Carolina, specifically for luxury complexes. Sellers are coming off the sidelines as they are enticed by aggressive offers.

Investment Markets

Multi-family Rentals

Atlanta, Georgia

MULTIFAMILY TRENDS

Atlanta's average effective year-over-year rent growth rate was 190 basis points higher than the national average, demonstrating the strength of major markets in the Southeast region.

+6.7
% YOY

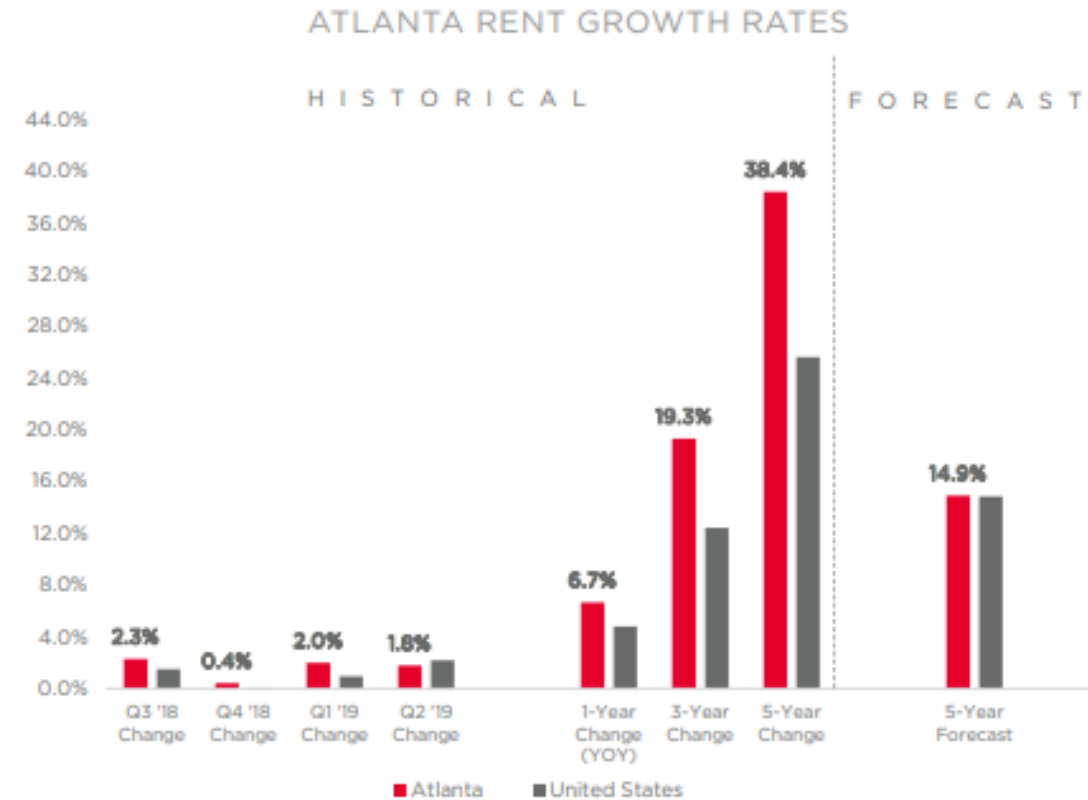
Average effective rent increased to \$1,247.

-81
BPS YOY

Vacancy decreased to an average of 4.7%.

HISTORICAL & FORECASTED METRO RENT GROWTH RATES

Atlanta's local rent trends over the first and second quarter of 2019 demonstrate a positive uptick in rent growth rates as compared to the end of 2018, resulting in strong year-over-year growth of 6.7%. Effective rent growth through 2024 is projected to increase by 14.9%, or nearly 3.0% annually.



Source: AXIOMetrics

DEVELOPMENT / INVENTORY

The number of market-rate units under construction in the metro Atlanta area slowed noticeably to approximately 17,000 as of the second quarter, a lower figure than the amount of units under construction in 2018. The most active submarkets in terms of units under construction are: Upper West Side (1,370 units), Tuxedo Park (1,281 units), Cherokee County (878 units), Reynoldstown (870 units), and Coweta County (780 units). Larger properties in the pipeline include: **Point on Scott Phase II** (450 units) in Decatur, **SouthLawn** (600 units) in Lawrenceville, **Madison Yards** (550 units) in Reynoldstown, **The Bishop** (424 units) in Sandy Springs/Dunwoody, and **Star Metal Residences** (409 units) in Home Park.

DEMOGRAPHIC FUNDAMENTALS

The MSA is projected to add 82,500 renter households from 2018 to 2023. Net migration is projected to accelerate during the next five years.

POPULATION



2000: 4,263,470
2010: 5,286,710
2018: 5,867,564
2023: 6,391,550

PERCENT RENTER HOUSEHOLDS



2000: 31.3%
2010: 33.9%
2018: 37.2%
2023: 37.1%

MEDIAN HOUSEHOLD INCOME



2000: \$51,848
2010: \$56,465
2018: \$62,807
2023: \$70,419

MULTIFAMILY FORECAST

The following are Cushman & Wakefield's projections over the near term:



RENTS



VACANCY



PIPELINE % GROWTH

Forecast is 12-month outlook

Atlanta, Georgia

The outlook for Atlanta's multifamily market is bright. The strong economy is creating jobs and renter demand at a pace to absorb cycle-peaking unit deliveries, with investors still able to raise rents organically or through value-add efforts.

Average Atlanta rents remain meaningfully below the U.S. average. With Atlanta's development pipeline set to slow, the overall market should maintain a healthy occupancy balance, giving owners solid income growth and investment returns.

Investment Markets

Multi-family Rentals

Market Identification

Identify early opportunities in the emerging markets with untapped potential for rental growth and property appreciation.



Property Acquisition

Leverage clearly defined acquisition criteria and the operating platform to acquire properties where value will be created. Strong partnerships with lenders and financial sponsors provide financing, as well as relationships with developers, property owners, brokers, and other real estate professionals to provide access to proprietary deal flow.



Competitive Approach

Improve Asset



We have longstanding partnerships with renovation and repositioning professionals with local market knowledge and expertise to complete the high-quality, high-amenity property renovations that command higher rents.

In addition, we have relationships with third-party property management companies to improve tenant profile.

Monetize Asset



Monetize asset at favorable IRR's with a proven track record of generating superior returns while never having lost any investment capital.

Competitive Approach

Property Size: 100 units and above

Vintage: 1970 and newer

Markets: North Carolina and Georgia

Location Grade: A+ to B

Property Grade: A to C

Hold Period: 3 to 10 years

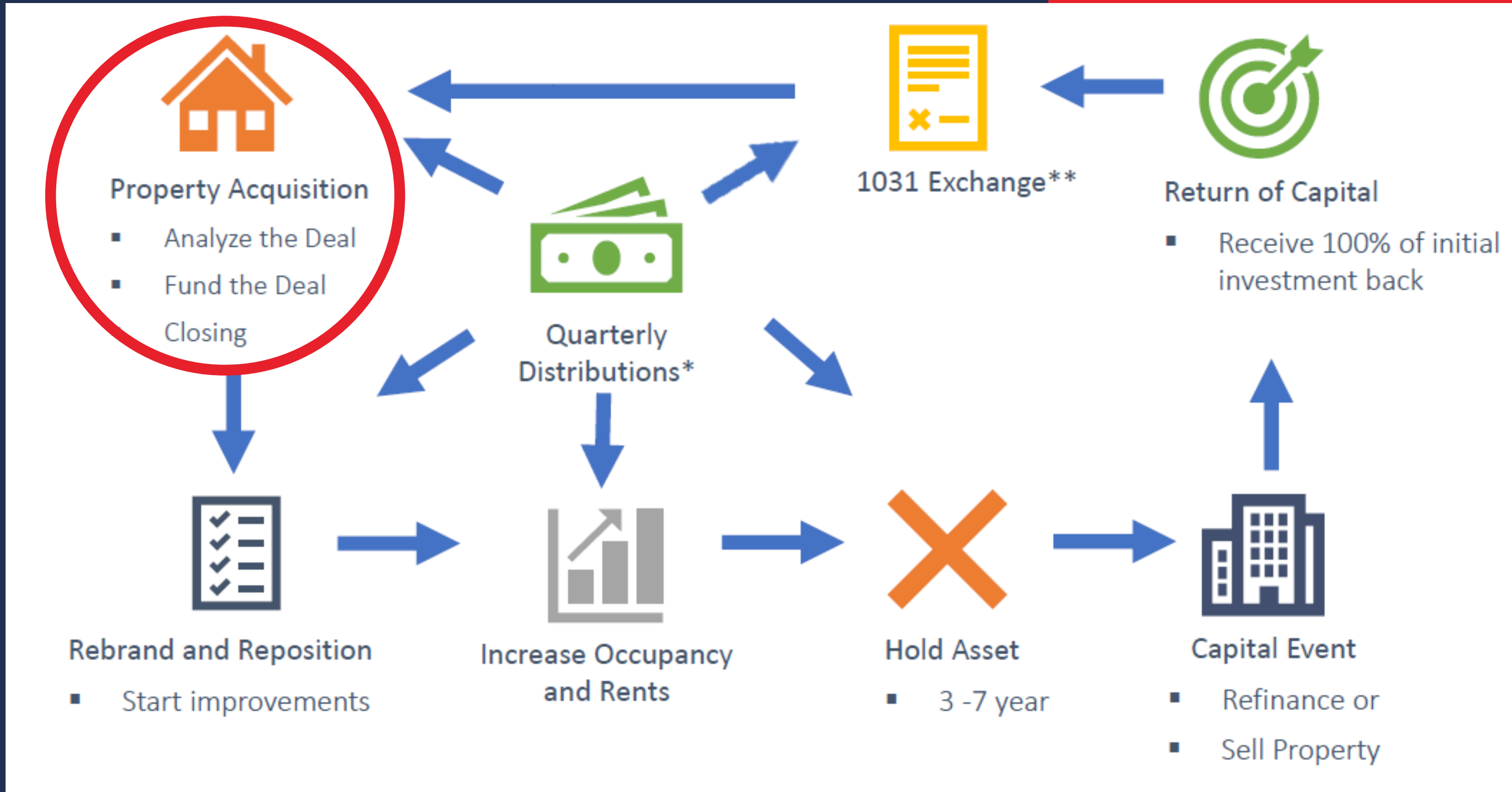
Price: \$5 million to \$100 million

Purchase Terms: All cash or cash plus debt from lenders and financial sponsors.

Due Diligence: Ability to purchase with an aggressive due-diligence window and fast close.

Acquisition Criteria

Business Model





JEREMY S. SIMPSON

Acquistion Manager/Partner



NICK BURNS

Licensed Fund Manager



ADRIANNA ADAMS

Capital Markets Manager

The Team

Future Roadmap

SL Management Group provides Investors with opportunities that deliver superior rates of return in a straightforward, ethical, and transparent manner leading to long-lasting relationships.

Capital Raise



Raise Deadline

Goal:

Property Acquisition

Dividend Dispersement

Contact Us

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www.SLManagement.com

www.SLCompaniesInc.com/real-estate-investment

