



Q4 2024

## DISCLOSURES

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The information in this presentation is provided for informational purposes only and should not be considered investment advice or a recommendation or solicitation of an offer to invest in any fund or security, including, but not limited to, Humphreys Real Estate Income Fund (the “Fund,” or “HREIF”). This information is confidential and is for the use of Humphreys Capital, LLC (“Humphreys Capital”) only. The information contained herein has been obtained from reliable sources, but it is not guaranteed for accuracy or completeness and has not been independently verified.

There are a number of risks associated with real estate investing. In addition, there are a number of risks associated with investing in the Fund, and those risks are outlined in the Fund’s offering documents which should be read carefully and used as the offering document for any consideration of an investment in the Fund.

Past performance does not predict future returns. Performance information and certain projected or forecasted amounts contained in this report include assumptions that Humphreys Capital believes are reasonable under the circumstances. There is no guarantee that the conditions on which such assumptions are based will materialize as anticipated and will be applicable to these investments. Actual transaction conditions may differ from the assumptions and such differences could be material. Among other assumptions, calculating projected or forecasted returns involves applying current market conditions and investment strategy with comparable historical results. Historic results are not reliable indicators of actual future performance of any particular investment or the Fund. Investors should be aware that: (1) projected or forecasted returns are hypothetical and do not reflect the impact that future material economic and market factors might have on the decision-making process, and (2) there is no guarantee that the projected or forecasted returns will be achieved.

Any portfolio investments contained herein were selected based on objective, non-performance based criteria and are not meant to be indicative or reflective of the portfolio or any fund managed by Humphreys Capital. Such cases are meant to exemplify the firm’s investment strategy and should be viewed as examples of the types of successful investing Humphreys Capital strives for. Not all investments are successful and profitable, and there is no guarantee that similar investments will be included in any fund managed by Humphreys Capital. Data on all properties can be provided upon request.

The selected images of certain properties in this presentation are provided for illustrative purposes only, are not representative of all HREIF investments of a given property type, and are not representative of HREIF’s entire portfolio. It should not be assumed that HREIF’s investment in the properties identified and discussed herein were or will be profitable, and the properties were not selected based on performance. Please refer to HREIF’s Property Book for a complete list of HREIF’s real estate investments, including HREIF’s ownership interest in such investments.

All values referenced in this presentation are informed by a third-party valuation, unless otherwise noted. Net returns include the deduction of all management fees, incentive fees and expenses paid during the time period reflected.

Monthly distributions are not guaranteed and may be funded from sources other than net operating income.

Redemptions are not guaranteed and are subject to a Redemption Policy as stated in the current Operating Agreement, which was amended and restated effective 12/31/2022. Prospective investors should read the policy in its entirety before making an investment decision.

Humphreys Capital has established underwriting criteria that defines best-in-class partner, institutional-quality real estate, and high-quality real estate and is available upon request.

Structured for stable income.



**HREIF is designed to be an income-producing investment in professionally managed real estate.**

The Fund combines cash flow from stabilized property with value-add projects and new construction for a diversified strategy. We believe this creates a tax-efficient vehicle with aligned incentives and defined deliverables.

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### Investment Expertise

Established expertise and deep relationships in the real estate industry to identify, analyze, and manage investment opportunities on your behalf

### Stable Income

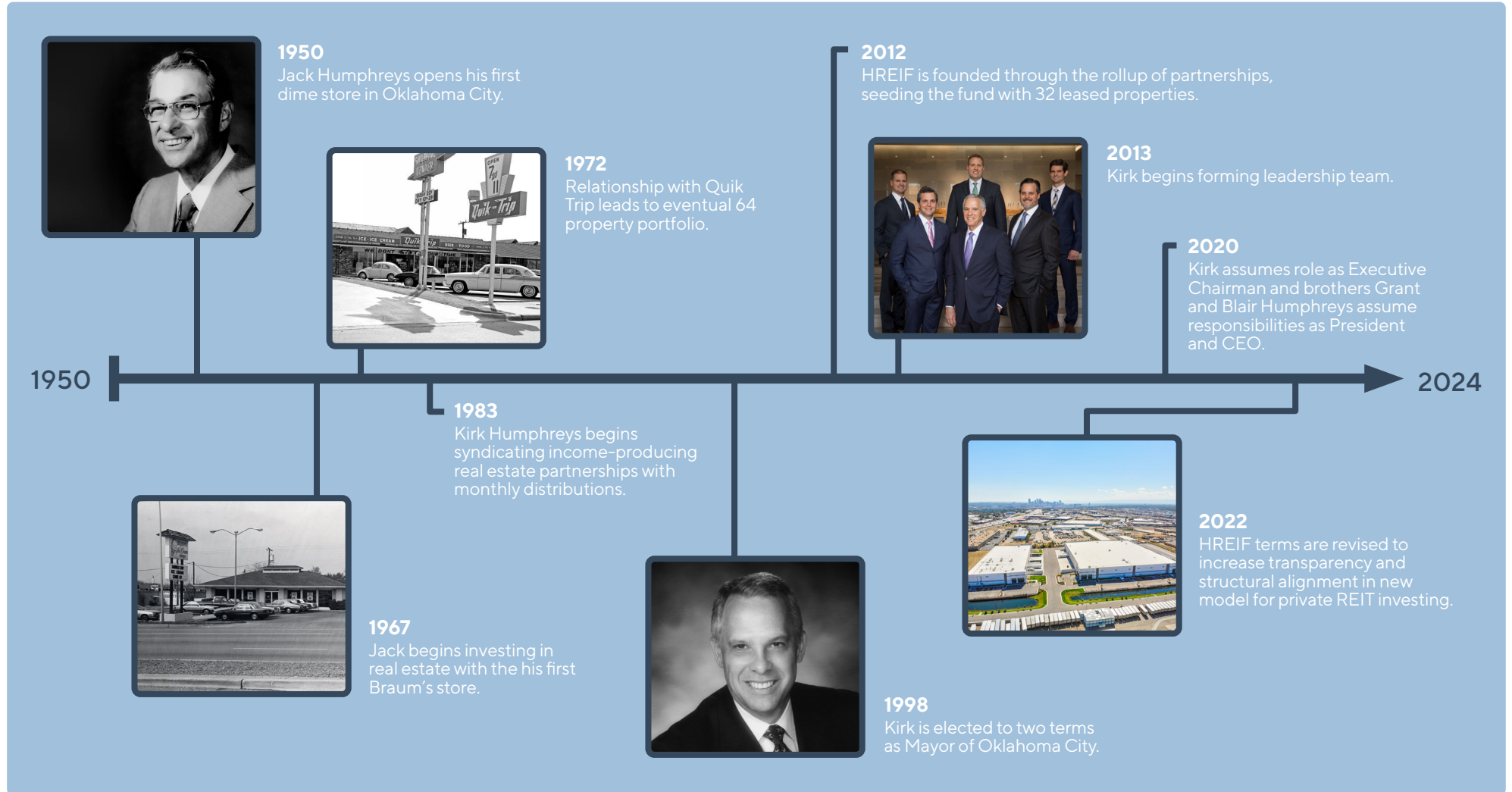
Intentionally managed capital which targets a sustainable distribution that you can count on throughout changing market cycles

### Objective Value

A robust and fair valuation process that determines unit price with independent appraisals, transparent communication, and board governance



Humphreys has a storied history anchored in meaningful relationships and integrity.



Through decades of investing, we've grown to appreciate the impact of trustworthy and capable partners. Our firm is built on co-invested relationships for long-term alignment.

Associates participate in a long-term equity structure to think and act like owners.

INVESTMENT COMMITTEE



**KIRK HUMPHREYS**  
Chairman & Founder



**BLAIR HUMPHREYS**  
CEO



**GRANT HUMPHREYS**  
President



**BRADEN MERRITT**  
Head of HREIF



**TODD GLASS**  
Head of Investments

OPERATIONAL LEADERSHIP



**CHASE ALMEN**  
Finance & Valuation



**BRETT MERRITT**  
CCO & General Counsel



**ELLE PRATER**  
Fund Administration



**OHM DEVANI**  
Analytics

*This vision for partnership alignment inspires our foundational values and unites our team with crystal clear fiduciary focus.*

SEE THE REST OF THE  
TEAM HERE →





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## Stewarding Trust

We take our fiduciary relationship seriously and act in the best interest of the funds we advise on behalf of our investors.

## Fostering Relationships

We want our investors to know who we are, how we think, and understand our approach to long-term value creation.

## Pursuing Excellence

Our culture is built on constructive feedback and collaboration to discover our next opportunity to be better.

## **Invest in relationships**

We aim to ensure that partnerships are established in principles of fairness that win together and appropriately share risk through skin in the game.

## **Compete on consistency**

We do not target spectacular short-term results but rather focus on constructing portfolios that can deliver across a variety of environments.

## **Evaluate risk holistically**

We believe market inefficiency is the result of divergent assessments of risk. With each investment, we seek to understand both the probability and asymmetry of potential outcomes.

## **Value optionality**

Thoughtful agreements preserve optionality and make key decision points clearly understood by all parties. We seek the ability to monitor circumstances and change direction.

## **Adapt proactively**

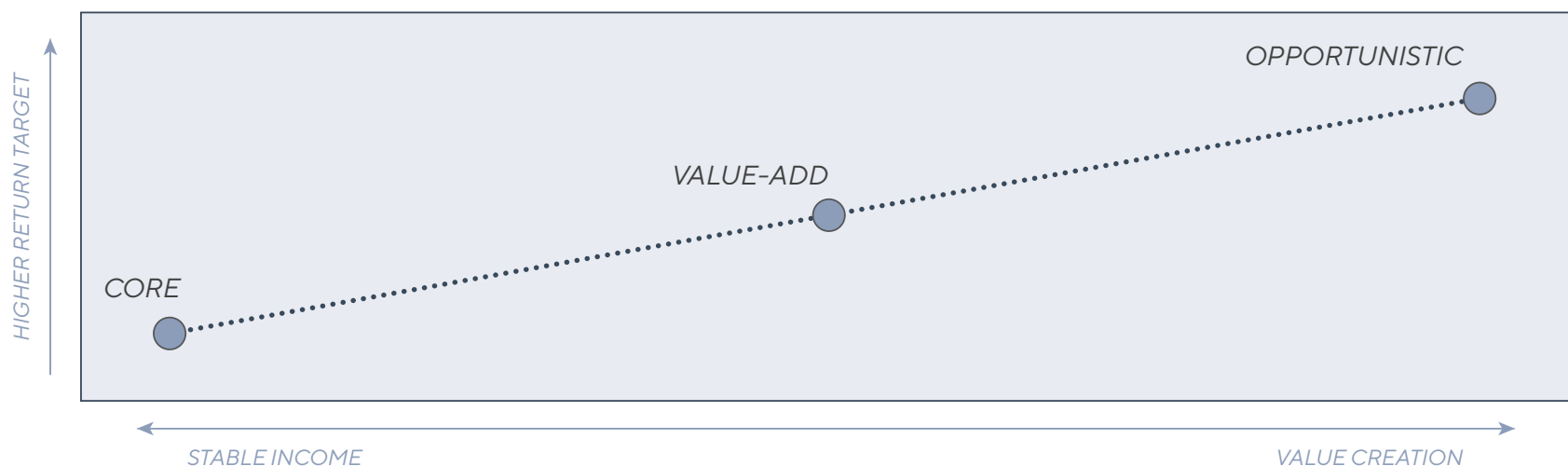
While our philosophy is enduring, effective investment strategies are temporary and must respond to market opportunities. We are vigilant to assess changing norms and revise our allocation exposure accordingly.



## STRATEGY

With each investment, we underwrite based on probability and analyze the asymmetry of potential outcomes for risk/reward. Even assets considered historically safe can become high-stakes bets when demand drives unsustainable prices and imprudent leverage.

### STRATEGIC SPECTRUM



### HREIF'S CURRENT STRATEGIC ALLOCATION

**35%** Core

**31%** Value-Add

**34%** Opportunistic

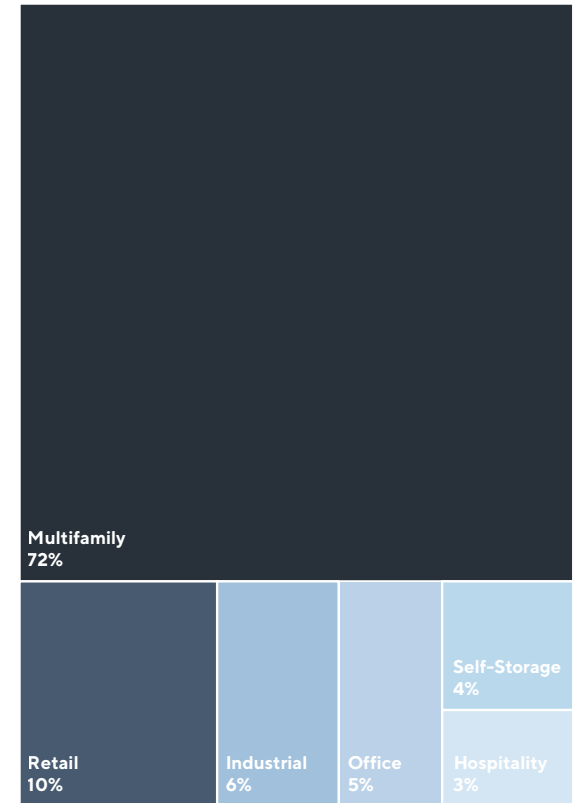
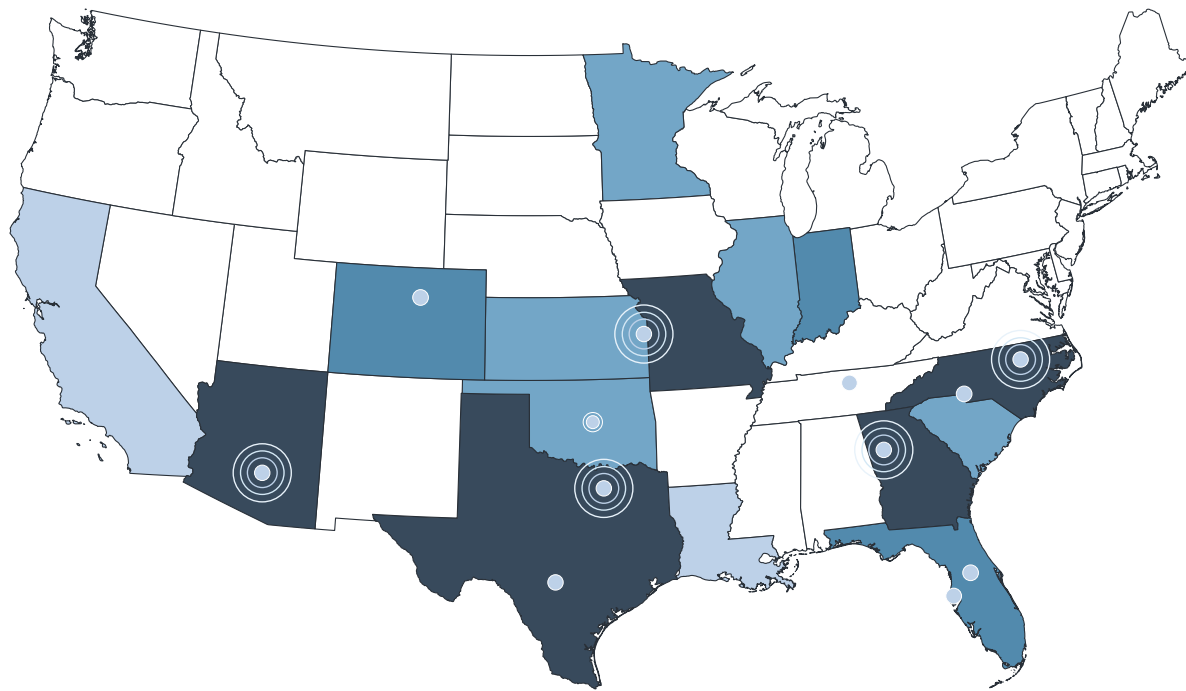
We take a hands-on approach to real estate operations that are controllable, while we mitigate exposure to hidden and unforeseeable risks through diversification.

Note: Portfolio data is as of 9/30/2024 and includes all properties in Humphreys Real Estate Income Fund.

## DIVERSIFICATION

**We believe geographic and sector diversification can enhance the resilience and performance of a real estate portfolio.** Each market and sector faces unique challenges and opportunities influenced by economic conditions, consumer behavior, and technological changes.

### GEOGRAPHY AND SECTOR



Intelligent evaluation requires a robust process to determine when, where, and with whom to invest.

*Note: Portfolio data is as of 9/30/2024 and includes all properties in Humphreys Real Estate Income Fund.*

**A network of best-in-class partners is crucial to provide a robust pipeline of opportunities.**

### DEAL FLOW

**500**

#### **Proposals Reviewed**

We screen proposals for sponsor track record and relationship in addition to our target markets, sectors, and strategies.

**80**

#### **Opportunities Underwritten**

We subject properties to a meticulous underwriting process to evaluate their financial viability and growth potential.

**40**

#### **Letters of Intent (LOI) Submitted**

The team presents the opportunity before the Investment Committee, a bi-weekly meeting that provides transparency, open dialogue, and decisive negotiating authority.

**10**

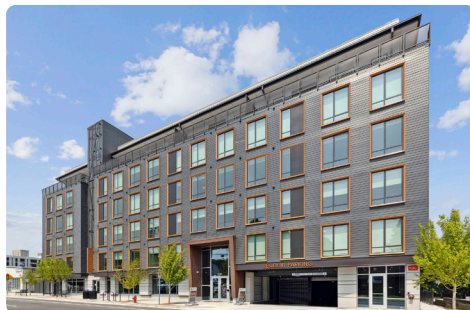
#### **Investments Closed**

We maintain optionality as we negotiate terms and align interests of the sponsor, culminating in a new opportunity to create value for investors.

Limited opportunities meet our relational criteria and align with our strategic objectives to complement the portfolio.

*Note: Best-in-class partner is defined based on internal underwriting. Deal Flow metrics are estimates based on the average deal activity experienced by the Investments team in any given year.*

# PORTFOLIO



**62** Properties

**\$1.3B** TAV

**17** Project Sponsors

SEE THE ENTIRE HREIF  
PORTFOLIO HERE →



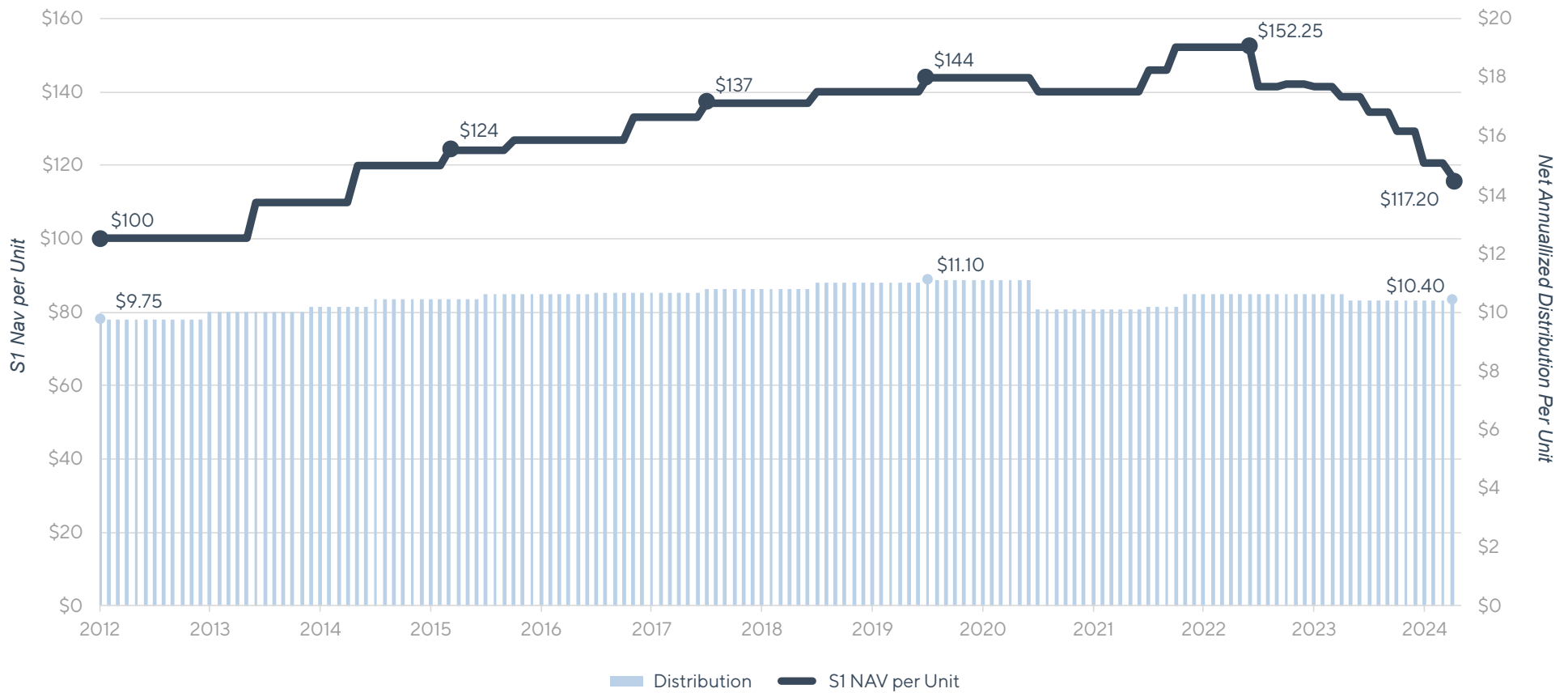
*Note: Portfolio data is as of 9/30/2024 and includes all properties in Humphreys Real Estate Income Fund. Total Asset Value (\$1.268B) is measured as the balance sheet assets of each fund (based on fair value) in addition to the pro rata share of debt based on the fund's contractual interest in joint ventures in accordance with the NCREIF PREA Reporting Standards (4/2023) calculation of Gross Asset Value.*

**\$117.20** Unit Price

**\$10.40** Distribution

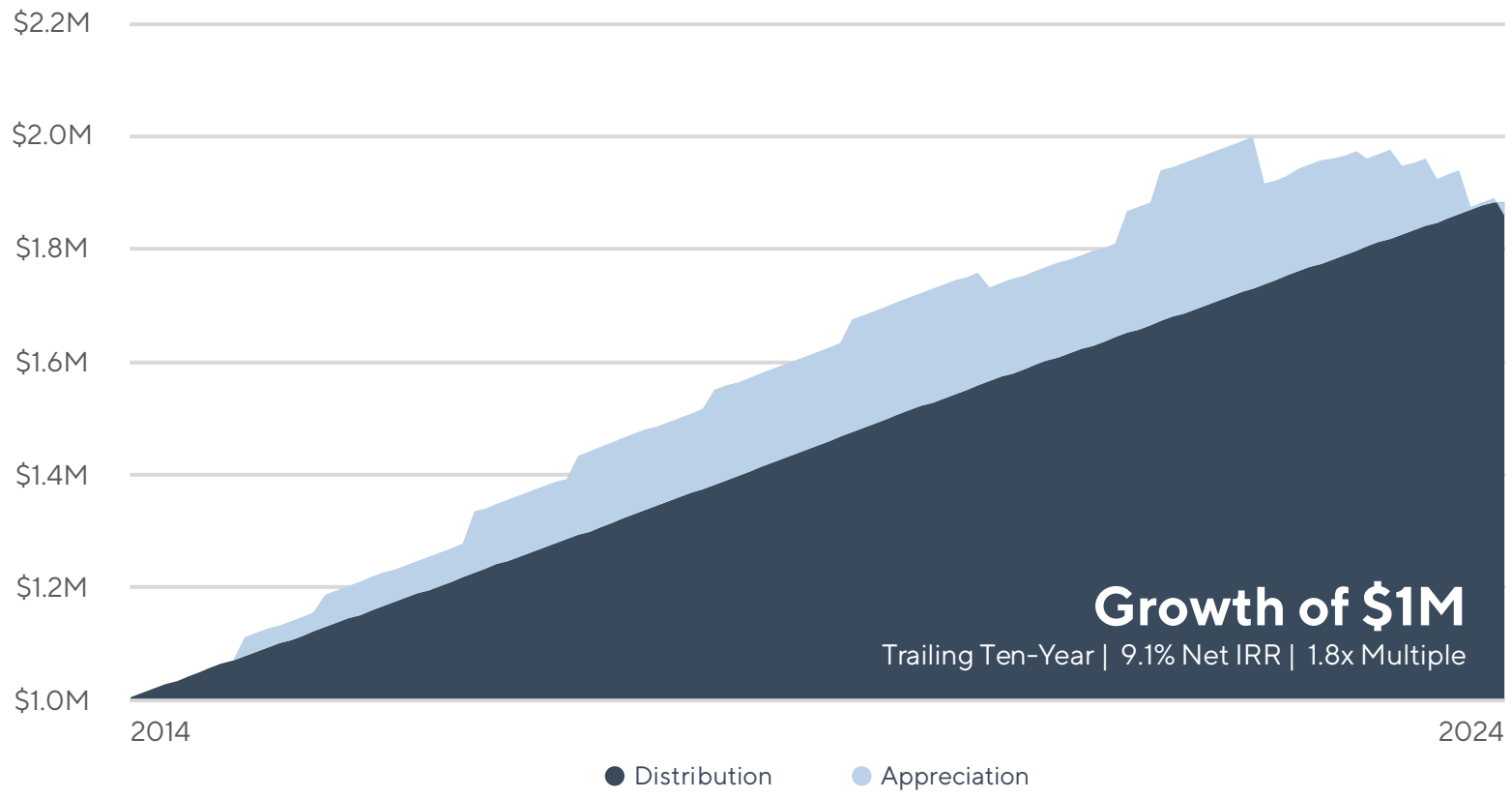
**8.9%** Cash Yield

HISTORICAL DISTRIBUTION



Note: Monthly distributions are not guaranteed and may be funded from sources other than net operating income. Yield is calculated as the annualized distribution approved by the Board of Directors for the forward quarter divided by the current offering price. Distributions are displayed as per unit on an annualized basis based on the approved rate for Q4 2024.

# RETURNS



**8.9%**

Current Annual  
Cash Distribution

Past Returns

**-8.4%**

1-Year Net IRR

**4.8%**

5-Year Net IRR

**9.1%**

10-Year Net IRR

Beginning Value	+	Appreciation	+	Distributions	=	Ending Value
\$1,000,000		(\$23,333)		\$883,888		\$1,860,554

*Note: Past performance does not predict future returns. Past returns are as of 9/30/2024. Internal Rates of Return ("IRR") are calculated based on a stream of cash flows, the date of each cash flow and the NAV per Series One Unit as of the calculation date. IRRs represent an annualized return but assume reinvestment of interim cash flows in projects with equal rates of return. Monthly distributions are not guaranteed and may be funded from sources other than net operating income. Yield is calculated as the annualized distribution approved by the Board of Directors for the forward quarter divided by the current offering price. Distributions are displayed as per unit on an annualized basis based on the approved rate for Q4 2024.*

## TERMS

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**The semi-liquid fund is intentionally structured to align investors and the manager for long-term value creation, as evaluated through a robust third-party valuation process.**

<b>Structure</b>	Perpetual life private fund with subsidiary REIT
<b>Price Per Unit</b>	\$117.20
<b>Cash Distribution</b>	8.9% annualized
<b>Returns (Net IRR)</b>	1-Year: -8.4%   5-Year: 4.8%   10-Year: 9.1%
<b>Investor Suitability</b>	Accredited Investors
<b>Minimum Initial Investment</b>	\$500,000 \$100,000 for clients of approved financial advisor platforms
<b>Rolling Private Offering</b>	- Series One NAV per Unit updated on the first business day of each quarter - Subscriptions must be received at least 15 days prior to the end of the quarter
<b>Advisory Fee</b>	0.65%
<b>Hurdle Rate</b>	6% annualized over trailing 36 months
<b>Shared Distribution</b>	Manager's distributions (inclusive of the Advisory Fee) is capped at 25% of total distributions
<b>Redemptions</b>	- Quarterly after one-year lockup; 60 days written notice required - Fund can repurchase up to 2.5% of existing fund equity each quarter
<b>Distributions</b>	- Monthly (\$10.40 annualized); distributions are not guaranteed and may be funded from sources other than cash flow from operations - Record date for monthly distributions is set by the Board as the 15 <sup>th</sup> of each month
<b>Tax Reporting</b>	Form K-1; anticipated delivery in the summer of each year

We believe these terms start from an industry-standard baseline and proceed to an improved and differentiated value proposition for like-minded investors.

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## BOARD OF DIRECTORS



**GRANT HUMPHREYS<sup>1</sup>**  
President  
Humphreys Capital



**MAX MYERS<sup>2</sup>**  
Founding Partner & CFO  
Tall Oak Midstream



**JILL CASTILLA**  
President & CEO  
Citizens Bank of Edmond



**CHAD EDWARDS**  
Senior Vice President  
Young Life



**BLAIR HUMPHREYS**  
CEO  
Humphreys Capital



**KIRK HUMPHREYS**  
Executive Chairman  
Humphreys Capital



**LANCE HUMPHREYS**  
CEO  
410 Investments



**SCOTT MCLAIN**  
CIO  
HL Investments



**GENE PARK**  
President & Co-Founder  
TNB USA Inc

*"The distinguishing nature of any investment opportunity is the people managing the entity. Humphreys Capital engages people who are discerning, judicious, and sensible, but most importantly, people of integrity."*

*- Don Powell, Former Lead Director*

LEARN MORE ABOUT  
THE BOARD HERE →



1. Chairman of the Board 2. Lead Director



# INVESTOR RELATIONS

## TEAM



**BEN STEWART**  
Investor Relationships  
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**SEAN CROWLEY**  
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**JAKE MEYER**  
Investor Due Diligence  
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*"At the core of our mission lies a commitment to stewarding trust, fostering relationships, and pursuing excellence. Our firm's foundation is built on genuine partnerships, anchored in transparent communication and fairness, creating a legacy of trust that now spans generations."*

*- Joshua Fahrenbruck, Sr. Director, Investor Relations*

SCHEDULE A VIRTUAL  
MEETING HERE →



# APPENDIX

## REAL ESTATE TEAM

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### TEAM



**TODD GLASS**  
Investment Relationships



**JUSTIN LEWELLEN**  
Investment Relationships



**NICHOLAS HARRIS**  
Investment Analysis



**JAMES WILLIAMS**  
Portfolio Management



**EASTON MOORE**  
Investment Analysis



**PRYOR THOMAS**  
Portfolio Analysis



**RACHEL STRINGFELLOW**  
Administrative Support

*“Strong partnerships are key to our strategy. Investment success lies not just in assets, but in nurturing relationships. By collaborating with developers, we create investments that deliver returns and enhance communities.”*

*- Todd Glass, Head of Investments*

LEARN MORE ABOUT  
THE TEAM HERE →



# INVESTMENT CASE STUDY

## Lynvue

Multifamily | Development



### Property Details

**Minneapolis, MN** market

**2023** vintage year

**159** units

**\$49.6M** project capitalization

### Investment Details

**June 2022** investment date

**\$11.9M | 85%** of equity

**75%** project level debt

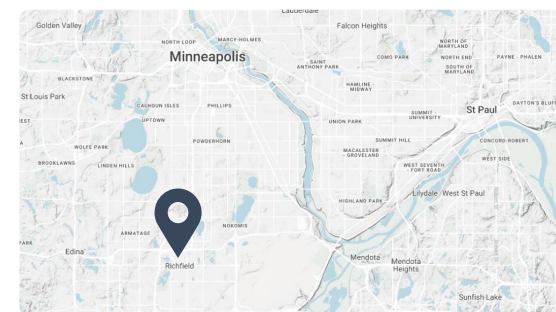
**7 yr | 15.5% Net IRR** underwriting

### Investment Thesis

Minneapolis is among the largest commercial centers between Chicago and the West Coast, with 16 of the Fortune 500 being headquartered in the Twin Cities area.

Lynvue's location provides walkable access to retailers, Richfield Schools, and Richfield Lake Park. The Mall of America, MSP Airport, and the University of Minnesota are within a 15-minute drive via I-35.

The 159-unit development project will provide an upscale living option in an infill submarket where very little new product has been delivered.



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## Carolina Pines Industrial Park

Industrial | Development



### Property Details

**Columbia, SC** market

**2022** vintage year

**210,600** square feet

**\$18.2M** project capitalization

### Investment Details

**April 2022** investment date

**\$5.7M | 90%** of equity

**65%** project level debt

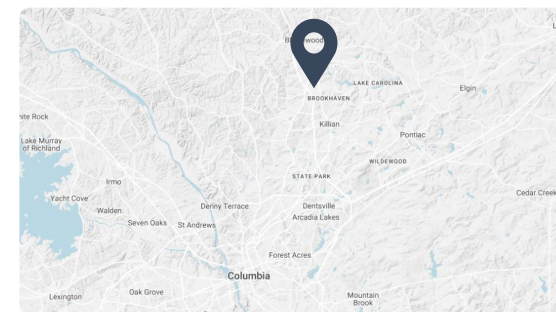
**10 yr | 14.1% Net IRR** underwriting

### Investment Thesis

Columbia's industrial market benefits from direct access to three interstates, connecting the region to major southeastern population centers and the globally connected Port of Charleston.

The Blythewood industrial submarket had an average rent of \$5.85 PSF and had grown 9.7% over the 12 months prior to the beginning of construction. Vacancy was less than 1% in Blythewood at the time.

New job announcements from companies like Amazon, UPS, GE, Scout Motors, and International Paper point to growth in non-governmental sectors, particularly for industrial users.



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## Camelback Collective

Office | Core



### Property Details

**Phoenix, AZ** market

**2018** vintage year

**115,838** square feet

**\$67.2M** project capitalization

### Investment Details

**April 2022** investment date

**\$26.9M | 100%** of equity

**60%** project level debt

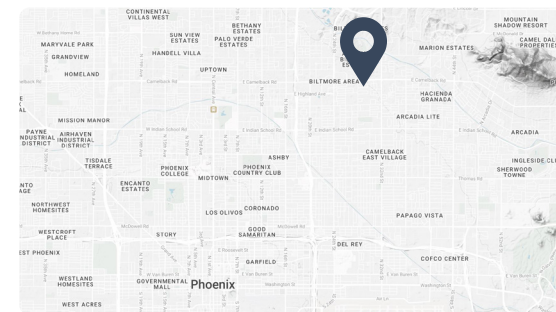
**5 yr | 11.9% Net IRR** underwriting

## Investment Thesis

The Camelback Corridor office submarket is one of the premier office submarkets in Phoenix. The average rent for Class A properties in this submarket is \$38.20 PSF, the highest in the metro.

The multi-tenant office property, with a near-maximum 95.1% occupancy, faces little competition in the sub-market. The property's modern 'trophy' architecture is ideal for post-Covid success.

Strategically located in the suburbs near decision-makers and employees, it's surrounded by high-end amenities. It also has convenient access and a direct elevator link from the underground garage.



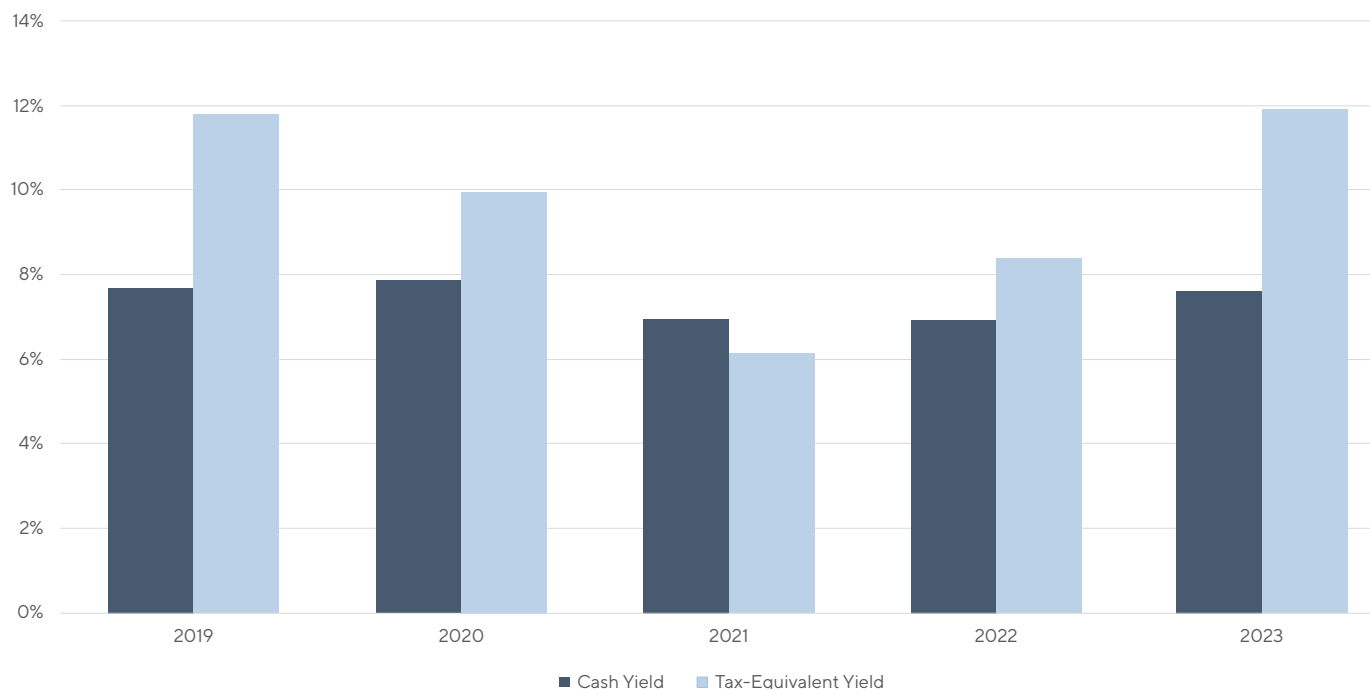
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## TAX-EFFICIENCY

Private real estate can provide tax efficient income through mechanisms like property depreciation, which offsets taxable income, and the potential for taxation of capital gains rates upon sale.

### TAX-EQUIVALENT YIELD



**9.6%**

tax equivalent yield of annualized distribution (5-year average)

**147**

months of consecutive S1 Unit distributions

**100%**

of distributions characterized as Return of Capital (ROC) in 2023

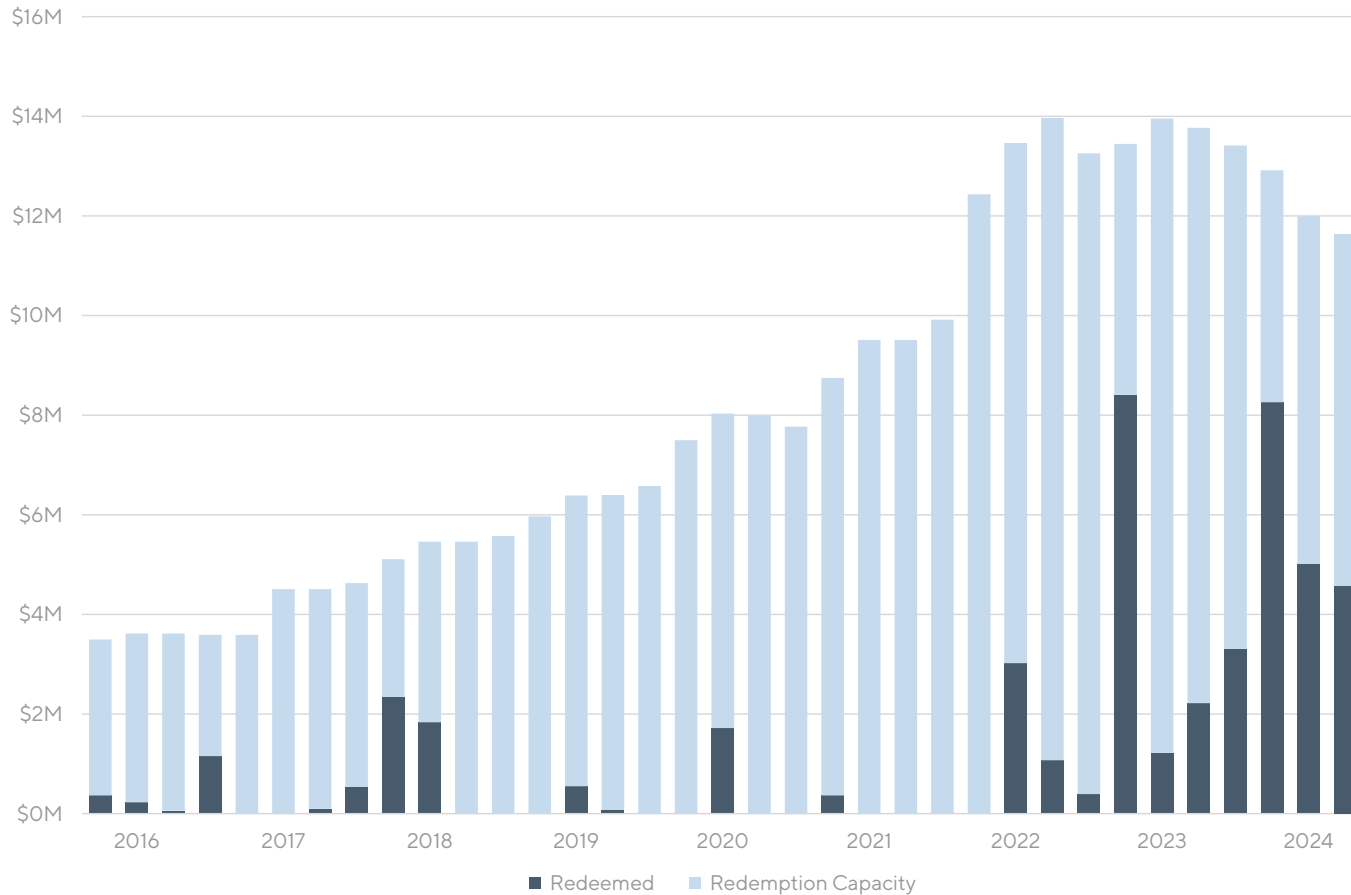
HREIF is structured as a partnership that invests in real estate properties through a REIT, allowing for pass-through taxation that avoids double taxation and offers the potential for more favorable rate treatment.

*Note: This data is as of 9/30/2024. This page is for informational purposes only and nothing contained herein should be construed as professional tax advice. You should consult a tax professional as it relates to these matters. Tax treatment can vary significantly each year depending on portfolio activity and performance. The Taxable Equivalent Yields are yields that would have to be achieved for income taxed at ordinary rates to equal the after-tax yield from a tax-advantaged investment. Returns of Capital result in a reduction of an investor's cost basis, and serve to defer, but not avoid, the tax consequences of a profitable investment. Returns of Capital calculation is based upon tax information provided to the partnership from its underlying investments. The partnership has not received taxable income information from all of its underlying investments and has not received all estimates of income sourced to various states. Therefore, results could be materially different than the amount shown above. Please consult your tax advisor. Monthly distributions are not guaranteed and may be funded from sources other than net operating income. Past performance does not predict future returns.*

# REDEMPTION

HREIF’s semi-liquid structure allows investors access to liquidity on a quarterly basis while enabling the Fund to manage liquidity fairly for all investors.

## REDEMPTION UTILIZATION



**2.5%**

of Series One Units are eligible for redemption quarterly

**1.06%**

of units were redeemed per quarter, on average (T-12)

**\$5.3M**

value of redemptions met per quarter, on average (T-12)

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# DEBT

## PORTFOLIO SUMMARY

**\$805M**

Total Portfolio Debt

**5.78%**

Weighted Average Interest Rate

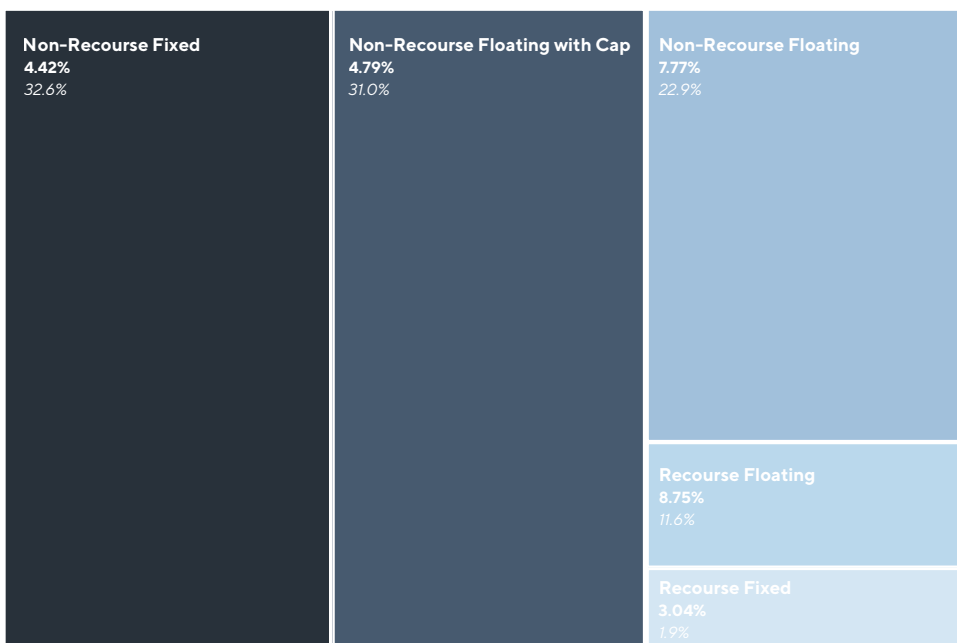
**63%**

Total Effective Leverage

**10/2026**

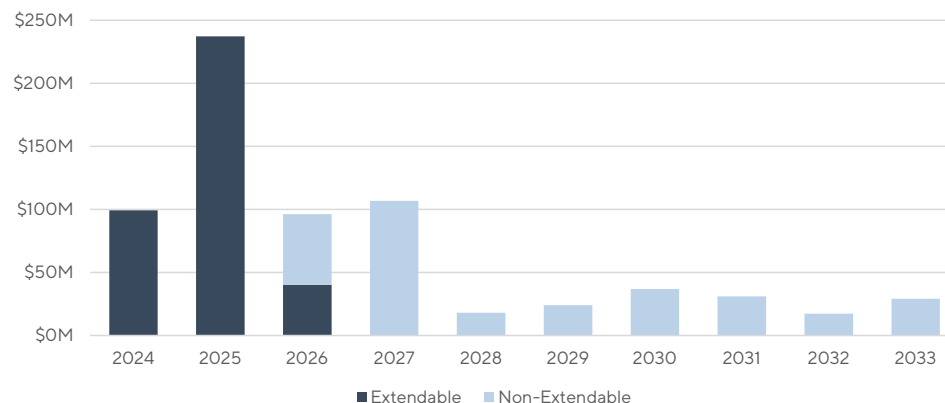
Weighted Average Maturity

## INTEREST RATE EXPOSURE



interest rate  
% of total debt

## NON-RECOURSE MATURITY SCHEDULE



## RATE SENSITIVITY

Base Rate	New Rate	Rate Δ	Current weighted rate: 5.44%
25 bps	5.51%	+8 bps	
50 bps	5.59%	+15 bps	
75 bps	5.66%	+22 bps	

Note: This data is as of 9/30/2024. This page is intended to give a general understanding of the overall debt exposure of the HREIF portfolio and is for informational purposes only. The recourse debt represents a credit facility collateralized by properties 100% owned by HREIF. The non-recourse debt represents HREIF's pro rata share of debt in joint venture partnerships. Total Effective Leverage includes current assets and liabilities not depicted on this sheet and is calculated by taking the total recourse and non-recourse debt / Total Asset Value. Total Asset Value is measured as the balance sheet assets of each fund (based on fair value) in addition to the pro rata share of debt based on the fund's contractual interest in joint ventures in accordance with the NCREIF PREA Reporting Standards (4/2023) calculation of Gross Asset Value. The uncapped floating rates vary by property but can be based on the Prime Rate, 1mo LIBOR, SOFR, 1mo SOFR, or 30-day avg SOFR. The "Rate Sensitivity" table represents the impact of potential increases on debt effective rates based on the present balance.

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