

# MAKE IT HAPPEN!

*result of an action or event*

Merriam-Webster

## CARLOS VAZ



# WHO IS CARLOS VAZ?

- Born in Brazil
- “Son of a Butcher” and a home-maker
- Worked on the farm and butcher shop
- Number 8 of 9 siblings
- Came to the U.S 22 years ago with \$300
- Lived in an attic in Boston
- “Make It Happen” is an attitude
- The U.S. will always be a great country
- Priority: Family - Faith - Country



Vaz Family in 2022

# BIG EVENT: FROM BRAZIL TO THE U.S.

- Federal university in Brazil (free ride doesn't work, someone has to pay for it). 1<sup>st</sup> and 2<sup>nd</sup> years had major strikes
- Found a law office in Boston to do a non-paid internship
- Got to the U.S. with \$300 in my pocket

## Lessons:

“You need to put yourself in such a shape when opportunities come, you are ready to take advantage of them.” Theodore Roosevelt



UNIVERSIDADE  
FEDERAL DE VIÇOSA

GROLMANLLP  
ATTORNEYS

# WELCOME TO THE U.S. 1<sup>ST</sup> HOME: BOSTON



Rented an attic for \$350 per month (negative P&L day one) When you live in an attic, it's always hot

## Work schedule:

- 2am to 6am at newspaper warehouse
- 8am to 3pm at law office
- School at night , and TGI Friday's over the weekends

Had some down moments: Why am I doing this?





# FINDING HOME: DALLAS, TEXAS

Market research in 2007 showed Texas as the place to be. Strong economic and demographic growth.

***“If you think that education is expensive,  
try ignorance” – Derek Bok***

Moved to Dallas in September of 2007 to buy multifamily real estate. I didn't know anyone.

Texas is home. Passionate about the state, the “can do attitude”, and its simplicity.



Dallas skyline

The logo icon consists of a white square with a curved bottom edge. Inside the square, there are three vertical bars of increasing height from left to right, resembling a stylized bar chart or a set of columns.

**CONTI**  
**CAPITAL**

# ABOUT CONTI CAPITAL

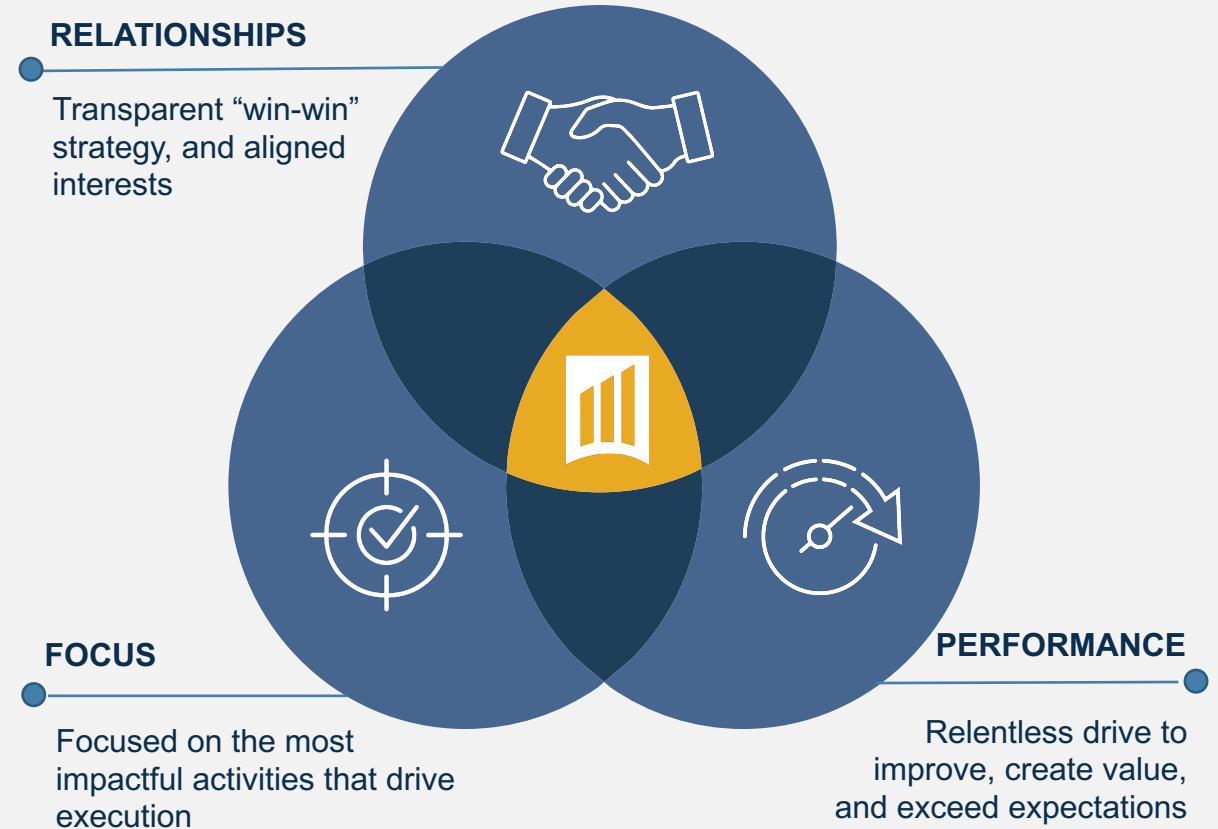
## ✓ OUR CORE VALUES

- **Integrity:** Do the right thing, be accountable, and take responsibility
- **Excellence:** Relentless pursuit of being the best
- **Lifelong Learner:** Stay humble, hungry, and curious
- **Teamwork:** Thrive on winning as a team
- **Adaptability:** Adapt to create better results

## ✓ OUR PURPOSE

- Make a Difference – in the lives of our community residents, our vendors, our team, and our charitable partners.

## OUR STRENGTHS



## THE CONTI ADVANTAGE

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# A FOUNDATION FOR SUCCESS

CONTI Capital's foundation is based on a culture focused on results. Each member of our team is a valuable piece to our collective puzzle, creating a truly unique organization.



### PEOPLE

They Are Our DNA

- Empowering great people to become greater
- Individual accountability
- Ownership / resourceful mindset
- Talent magnet

### PURPOSE

Make A Difference

- Team
- Communities
- Investors
- Partners
- Charities

### PROCESS

Adapt & Improve

- Real-time adaptation
- Constant improvement
- Governance
- Onboarding best practices
- Internal processes
- Team of teams



# CONTI 2022



## CONTI RE High-Growth Fund IV

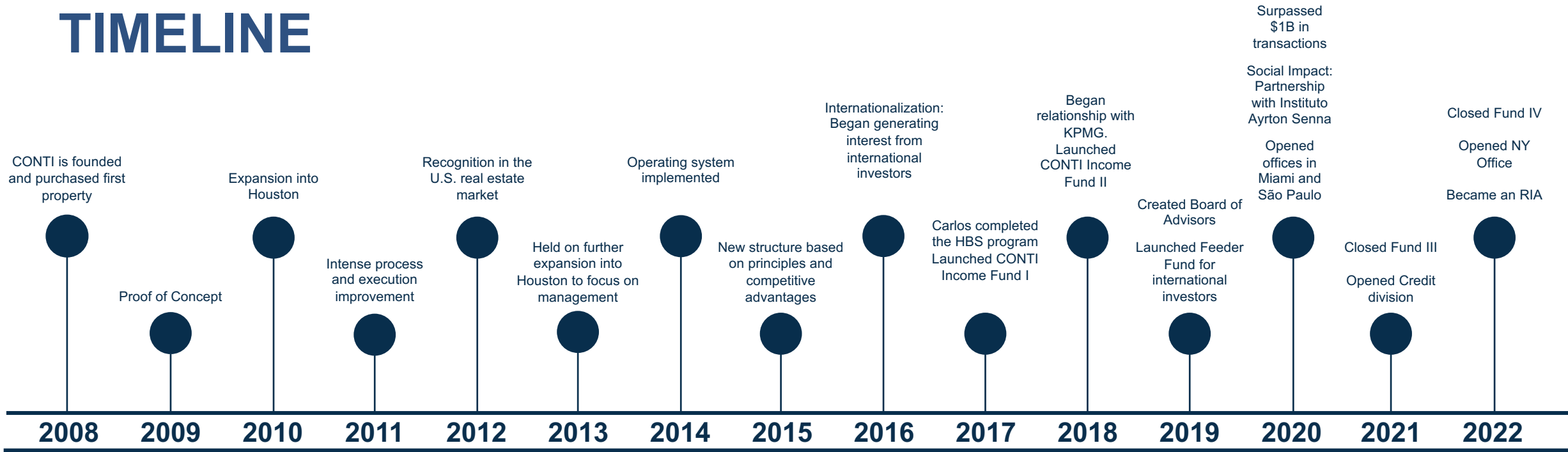
CONTI Real Estate focuses on the strategic acquisition, enhancement, and operation of key categories of multifamily assets across the U.S. Sun Belt



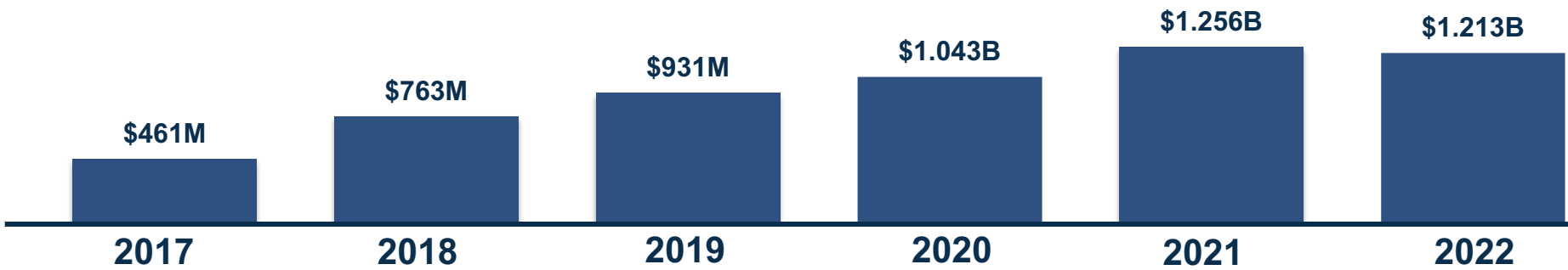
## Credit + Debt

CONTI Finance provides established sponsors with capital solutions to acquire and manage multifamily properties throughout the U.S.

# TIMELINE



## Historical Portfolio Value



- Apartments Acquired: +10,000
- Residents: +20,000

# THE CONTI ADVANTAGE

- ✓ **+125 Years of Team Experience**
- ✓ **Performance Focused**
- ✓ **Alignment of Interests**
- ✓ **Established Operating Systems**
- ✓ **Technical Capacity**
- ✓ **14 Years in Business**
- ✓ **Proven Processes**
- ✓ **Strong Company Culture**

**2008**  
Founded  
in 2008

**+12,000**  
Apartment Units  
Acquired

**+\$1.2B**  
Transactions  
Since Inception

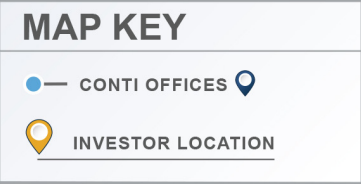
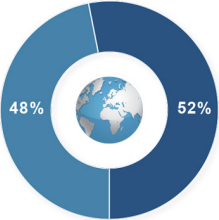
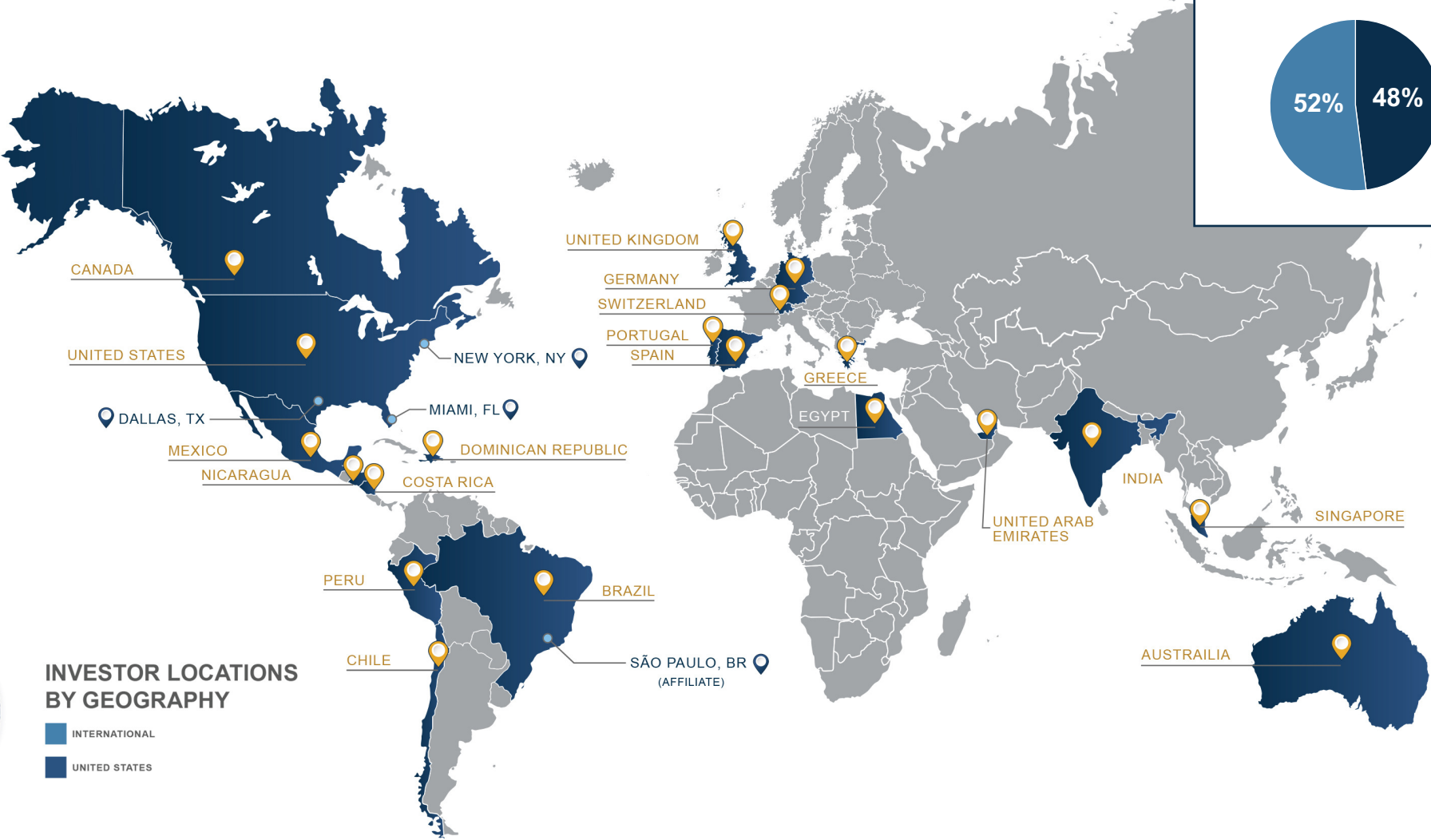
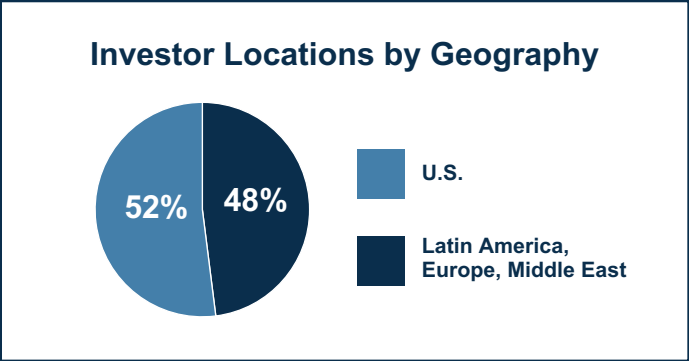
**\$500M**  
Total Equity  
Deployed

**1.77x**  
Investment  
Equity Multiple  
(Fund Performance)

**17.5% IRR**  
Net of Fees  
to Investors  
(Fund Performance)

# CONTI OFFICES AND INVESTOR PRESENCE

INVESTORS RESIDE IN MORE THAN 15 COUNTRIES

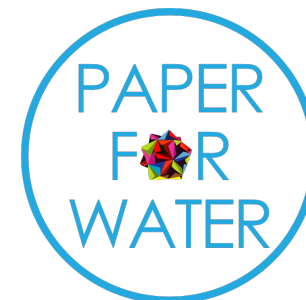




# INDUSTRY RECOGNITION & SOCIAL IMPACT (CONTI CARES)

CONTI Capital is recognized for its process management, industry knowledge, and track record in the U.S. real estate market. Our company culture and professional qualifications are reflected in everything we do.

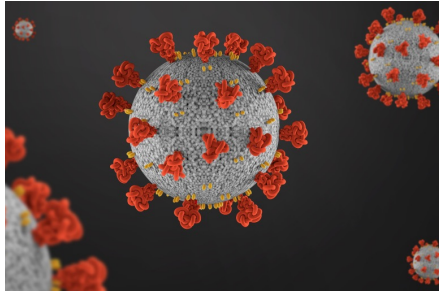
Below are just a few of our charitable partners and organizations that have honored us.



# Real Estate Outlook



# UNPREDICTABLE FACTORS



**A Virus**



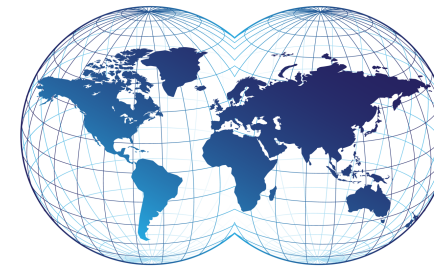
**Oil Prices/  
Inflation/  
Supply Chain  
Issues**



**Ukraine –  
Russia War**



**Negative  
Yields**



**Lack of  
Options  
Worldwide**



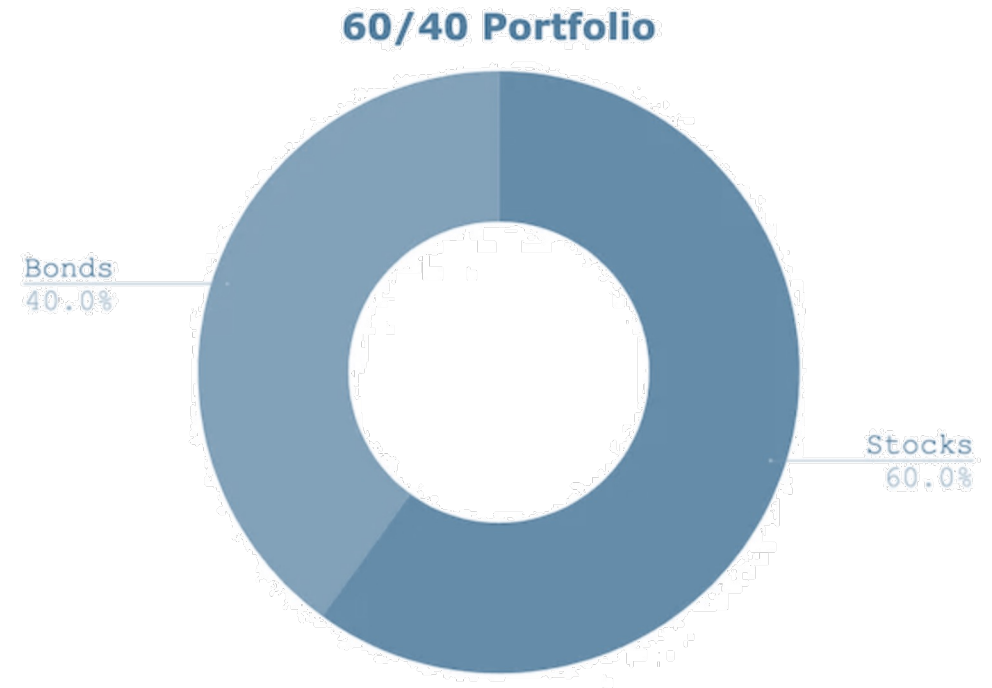
**U.S Rule of  
Law**

# SEARCH FOR ALTERNATIVE

***“The Classic 60-40 Investment Strategy Falls Apart. ‘There’s No Place to Hide.’***

The standard advice to keep retirement savings in a mix of stocks and bonds has helped offset big losses in previous years—but not this one.”

- Wall Street Journal 11/14/22



Source: Optimized Portfolio 8/8/22



# U.S. ECONOMIC PERSPECTIVE\*

*\*Based on our analysis of current economic market trends*

1. **Strong Economy:** Negative GDP growth and recession fears divert focus from the tight labor market and human capital potential in the U.S.
2. **Capacity to Adapt:** Independent Federal Reserve and strong institutions keeps the U.S. nimble in the face of enormous global challenges.
3. **Demand for Dollar Strong Worldwide:** Global financial stress causing “safe haven” flows into U.S. assets.

**“In times of trouble, the dollar is the world’s refuge and strength.”**

*~Financial Times 9/27/22*

4. **10-Year Treasury Rising:** Continues to rise, over 3.5%



# COMMERCIAL REAL ESTATE MARKET SUMMARY\*

*\*Based on our analysis of current economic market trends*

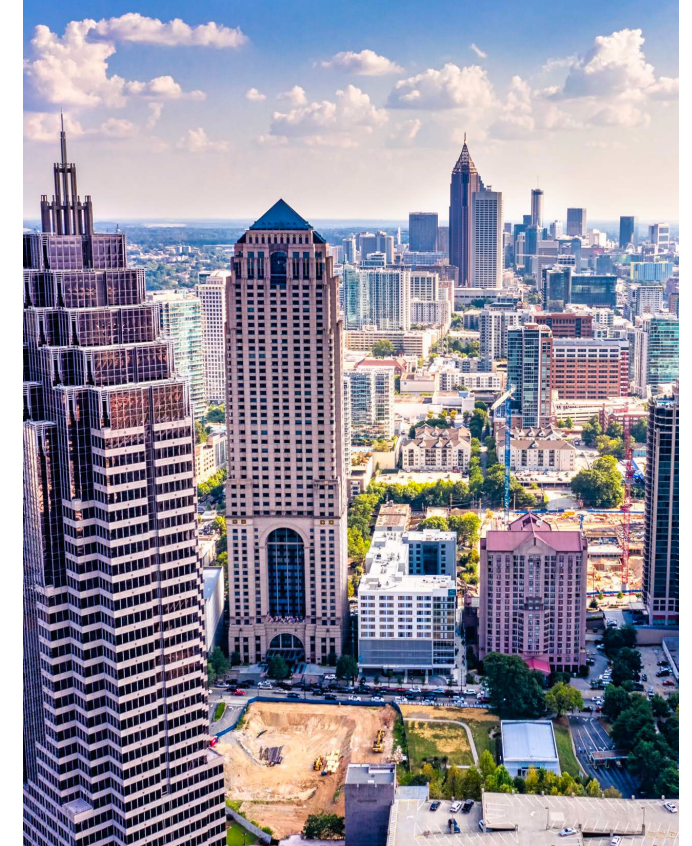
- 1. Office Struggles:** Remote work has caused reduced demand in the office sector. Appreciation in negative territory and income are strong only due to long-term leases.
- 2. Multifamily & Industrial:** Structural and pandemic-related factors continue to favor multifamily and industrial sectors.
- 3. Historic Commercial Real Estate Dry Powder:** As of December 2021, Preqin reports \$288 billion of capital has been amassed for property investments, an increase of 57% compared to this same point in 2019.
- 4. Cap Rates to Remain Low:** Cap rates expanding, but not nearly to the same extent as long-term interest rates. Strong economy and NOI growth will offset value declines to some degree.





# THE COMPLEXITY OF THE U.S. REAL ESTATE MARKET

1. **Supply & Demand:** The demand for housing is greater than the number of houses available.\*
2. **Labor:** The pandemic triggered a widespread labor problem that impacted the entire real estate market.
3. **Lack of Material:** Bottlenecks in supply chains have extended project timelines.
4. **Interest Rates:** The rise in interest rates implies a significant increase in real estate financing and in our opinion, is triggering a race for rent in rising markets.
5. **Cost of Oil:** Rising oil prices directly impact U.S. inflation.
6. **Institutional Buyer:** Wall Street is buying single-family homes in a large scale.
  - In 2021, 1 out of every 7 homes are sold to Institutional Buyers, according to Housing Wire



\*Source: NPR, July 2022

# Acquisitions & Asset Management







# THE CONTI INDEX USING DATA TO EXCEED RESULTS



## DATA AS A STRATEGIC ADVANTAGE

Proprietary, data-science-based site selection to identify multifamily investment opportunities in high-performing metro areas, submarkets, and zip codes.



## BEST-IN-CLASS DATA

Six sub-indexes consists of hundreds of weighted indicators derived from CONTI's multiple data providers.



## ZIP-CODE-LEVEL ANALYSIS

Utilized through real-time data collection and is more precise than submarket analysis.



## RELIABLE DATA SOURCES

The CONTI Index uses data from the following providers: Real Capital Analytics, Axiometrics, redIQ, Markerr, Green Street, CoStar Group.

### CONTI Index: 6 Sub-Indexes



Housing Supply-Affordability Index



Demographics Destiny Index



Labor Market Durability Index



Multifamily Risk-Reward Index




Quality-of-Life Index



Fiscal Health Index

# THE CONTI INDEX PROPRIETARY LOCATION ANALYSIS



CONTI Index Scores by Zip Code

Control Panel    Compared to Zips in    Manually Enter Zip Code    Selected Zip Code

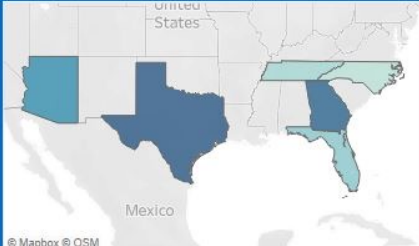
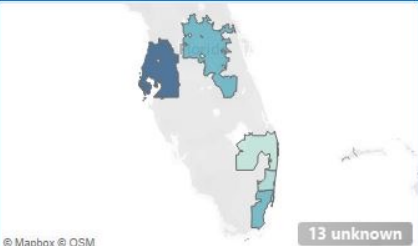
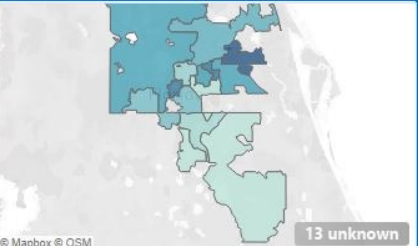
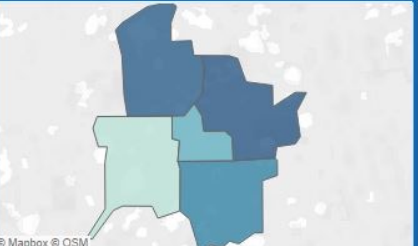
Market     Yes     32804


1. Select a State

2. Select a Market

3. Select a Submarket

4. Select a Zip Code

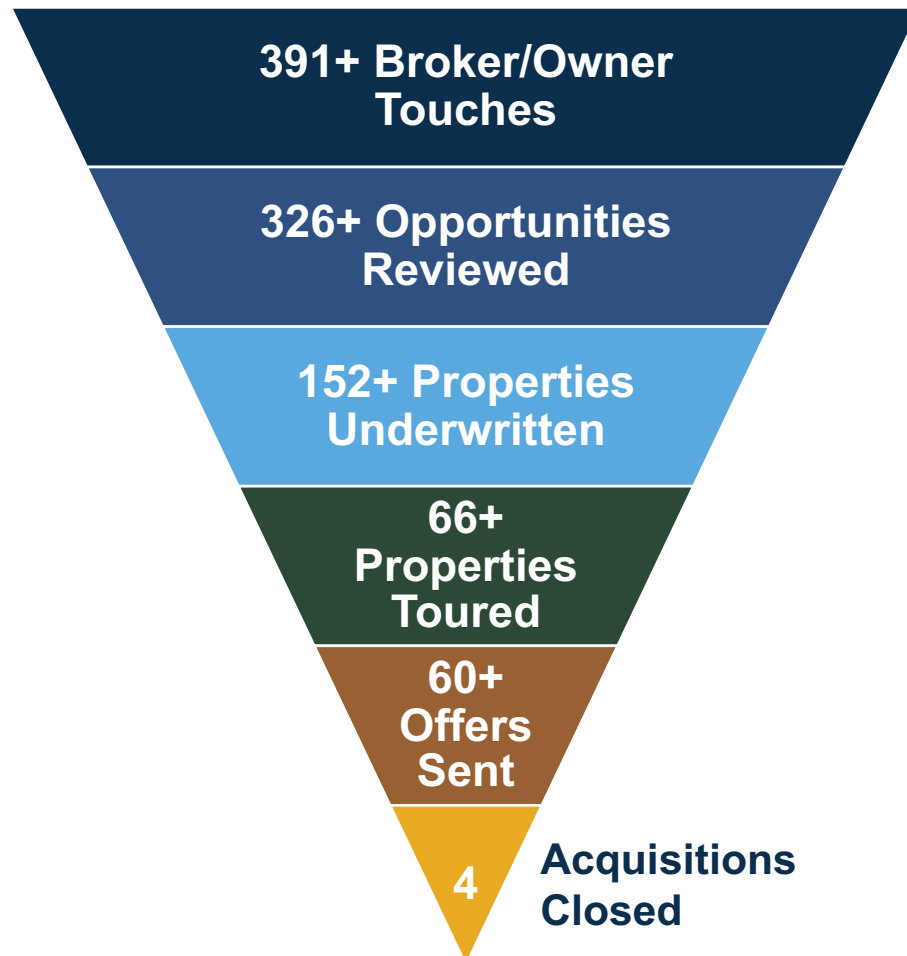


CONTI Index Score	Median Household Income Value	Med. HH Income Percentile	Zip Code Rent Growth Forecast	Submarket Rent Growth Forecast	Median Home Price
48.3%	\$92,160	88.3%	16.0%	12.3%	\$491,975

Employment	Prime Renter %	Millennial Income	Commute Time	% College Grad
20.0%	20.0%	100.0%	63.3%	85.0%

Zip Code Rent Growth	Submarket Rent Growth	Median Home Price	Median Household Income	Submarket Score
20.0%	10.0%	65.0%	88.3%	6.7%

# ACQUISITIONS ACTIVITY



**Total Transaction Volume in 12 Months  
Exceeds \$1.2B in Asset Value**



# Portfolio Update



# PORTFOLIO UPDATE\*

*\*As of October 2022, across all Funds*

**20 Property Dispositions**

**+6,000 Units**

**Over \$800M of Market Value**

**Average Return to Investors: 18% (Net of Fees)**



# CONTI INCOME FUND I

## FULLY REALIZED

ACQUIRED IN 2018 | 4 YEAR HOLD | 17.1% IRR (NET OF FEES)



Nova Park, 198 units



Creekside Village, 480 units



Plaza del Lago, 320 units



Prestonwood, 194 units

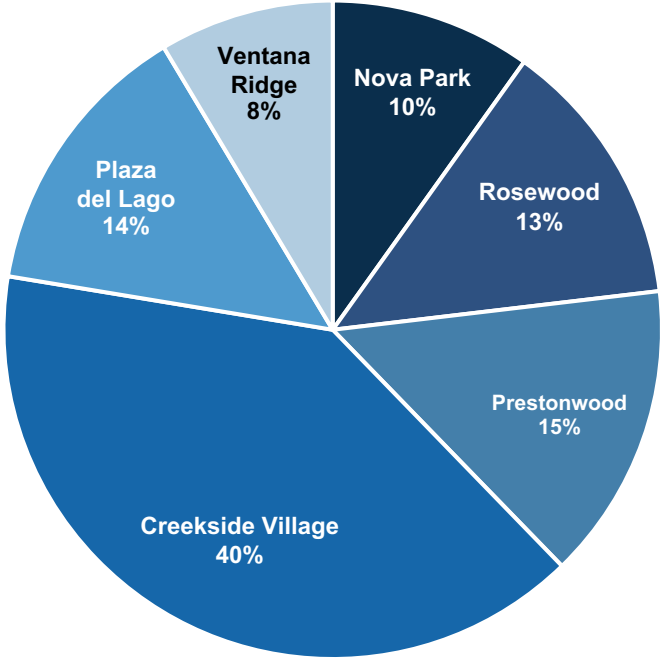


Rosewood, 232 units



Ventana Ridge, 229 units

Fund Breakdown





# CONTI INCOME FUND II

## FULLY REALIZED

ACQUIRED IN 2018 - 2019 | 3 - 4 YEAR HOLD | 17.8% IRR (NET OF FEES)



Chase Place, 205 units



Courtney Place, 221 units



Spanish Breeze, 149 units



Spanish Creek, 302 units



Spanish Pueblo, 224 units



Spanish Village, 437 units



Bella Vista, 400 units

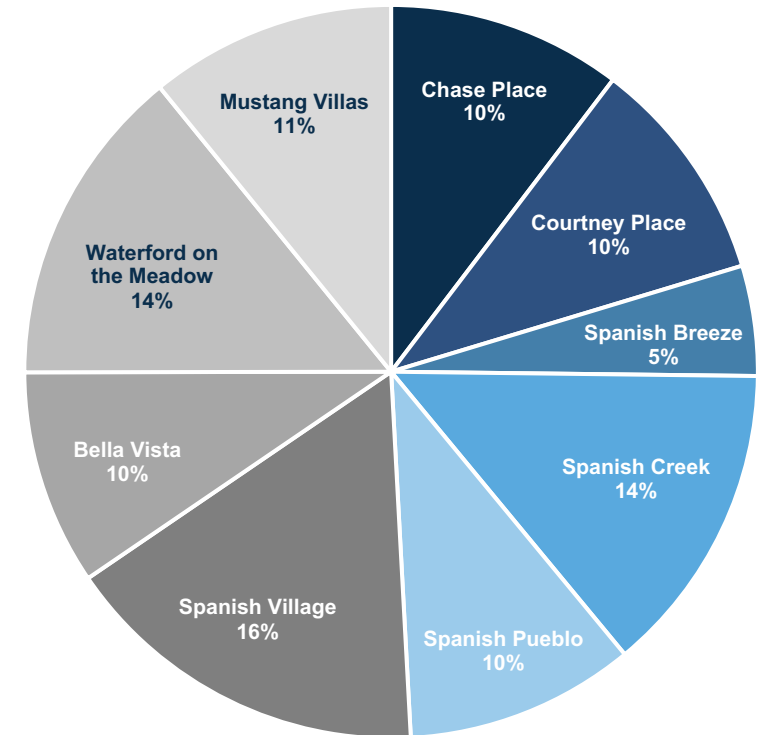


Waterford, 350 units



Mustang Villas, 246 units

### Fund Breakdown



# FUND III PERFORMANCE\*

\*As of September 2022

Property	Units	Current Occupancy	Previous Effective Rent (Last 3 Months)	Current Effective Rent (Last 3 Months)	Lease Trade Out \$ Amount (Last 3 Months)	Lease Trade Out % (Last 3 Months)
Rustic of McKinney	260	93.5%	\$1,235	\$1,544	\$309	25.0%
Hillside Creek	268	90.3%	\$1,101	\$1,427	\$326	29.6%
Vine Apartments	420	94.1%	\$1,086	\$1,178	\$92	8.5%
<b>Fund III</b>	<b>948</b>	<b>92.6%</b>	<b>\$1,141</b>	<b>\$1,383</b>	<b>\$242</b>	<b>21.0%</b>



Rustic of McKinney



Hillside Creek



Vine Apartments



# FUND IV PERFORMANCE\*

\*As of September 2022

## Rent Growth:

- Pioneer Hill** - 24% increase in year-over-year rent growth
- Vida Winter Garden** - Fully leased-up in 6 months (typically 18 months)
- Lumi Hyde Park** - 40% of their annual renewals have been completed
- Avery Oaks** – 93.2% leased and scheduled to complete the lease up by October 2022

Property	Last 3 Months Effective Rent	Current Effective Rent	Lease Trade Out \$ Amount	Lease Trade Out %
Pioneer Hill	\$1,296	\$1,610	\$314	24.2%
Vida Winter Garden	\$1,966	\$2,284	\$318	16.2%
Lumi Hyde Park	\$1,971	\$2,154	\$183	9.3%
Avery Oaks	\$1,593	\$1,677	\$84	5.3%
<b>Fund IV</b>	<b>\$1,506</b>	<b>\$1,776</b>	<b>\$270</b>	<b>19.2%</b>



Pioneer Hill



Vida Winter Garden



Lumi Hyde Park



Avery Oaks

**LEADERSHIP**

**LESSONS LEARNED**

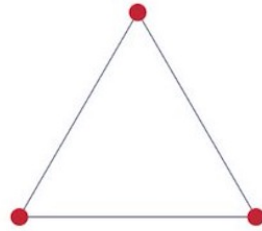
# WHAT IS WORK?

“Work is a rubber ball. If you drop it, it will bounce back. The other four balls - *family, health, friends, integrity* - are made of glass. If you drop one of these, it will be irrevocably scuffed, nicked, perhaps even shattered.”

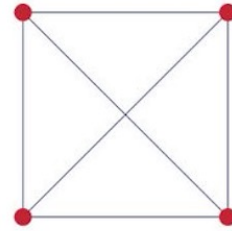
- *Gary Keller, The One Thing*



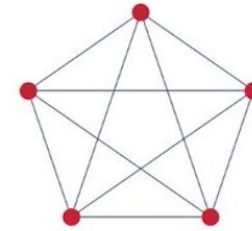
# LINES OF COMMUNICATION



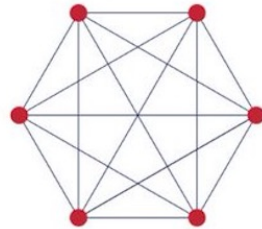
3 people, 3 lines



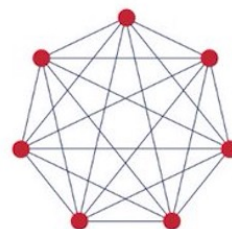
4 people, 6 lines



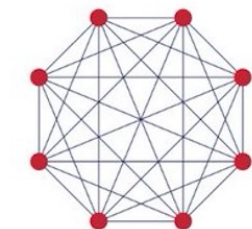
5 people, 10 lines



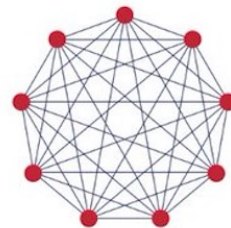
6 people, 15 lines



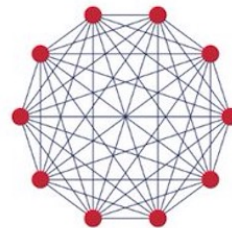
7 people, 21 lines



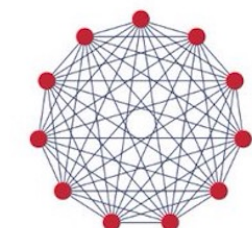
8 people, 28 lines



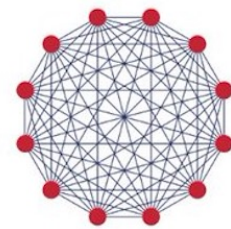
9 people, 36 lines



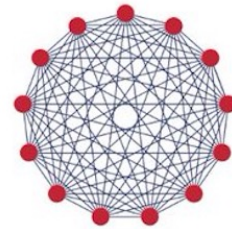
10 people, 45 lines



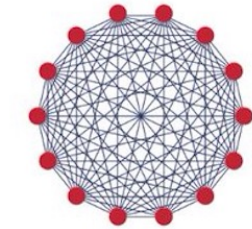
11 people, 55 lines



12 people, 66 lines



13 people, 78 lines

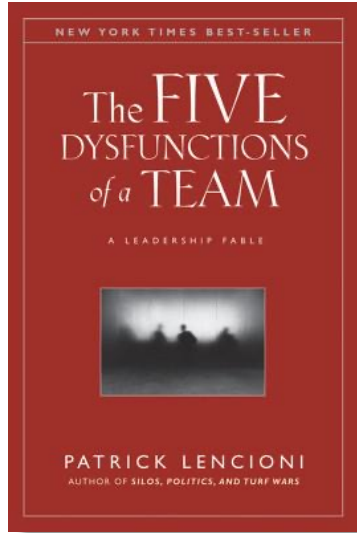


14 people, 91 lines

\*Sources: Crisis Control



# SOME BUSINESS LESSONS



## The Five Behaviors® Model



### **Trust One Another**

When team members are genuinely transparent and honest with one another, it forms a safe environment that creates and builds vulnerability-based trust.

### **Engage in Conflict Around Ideas**

With trust, team members are able to engage in unfiltered, constructive debate of ideas.

### **Commit to Decisions**

When team members are able to offer opinions and debate ideas, they feel heard and respected, and will be more likely to commit to decision.

### **Hold One Another Accountable**

Once everyone is committed to a clear plan of action, they will be more willing to hold one another accountable.

### **Focus on Achieving Collective Results**

The ultimate goal is the achievement of results, unlocked through implementing the model's principles of Trust, Conflict, Commitment, and Accountability.

# LEADERSHIP LESSONS

Always take responsibility

Hard work is a good thing

Don't waste time complaining

Respect has no title: respect everyone

You are the only person who can change yourself

People have different needs: happiness is a personal thing

If you don't like the circumstances, change it

Always have a goal

Don't hang out with the wrong people

Your name is everything, protect it

Take the time to do it right the 1st time around

If you say you are going to do something, always follow through; your word is your bond

# BE GRATEFUL

*a feeling of appreciation or thanks*

Merriam-Webster

# CARLOS VAZ

# DISCLOSURES

This Presentation is neither an offer to sell nor the solicitation of an offer to purchase the securities of the CONTI RE High-Growth Fund (the "Fund"). The purpose of this Presentation is to provide an overview of the Fund and its private placement. Potential investors who express an interest in investing in the Fund will be provided with the Private Placement Memorandum (the "PPM") and other offering documents. An investment in the Fund may be made solely by accredited investors who are provided with the PPM and who complete, execute and deliver the subscription documents. The Fund shall have the right to reject any subscription in its sole and absolute discretion. This Presentation contains certain forward-looking statements regarding the Fund's investment objectives and strategies. The forward-looking statements included herein are based on current expectations that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, political and competitive market conditions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of CONTI. Although CONTI believes that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Presentation or the PPM will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein and in the PPM, the inclusion of such information should not be regarded as a representation by CONTI and/or its affiliates, any placement agent or any other person, that the objectives and strategies of the Fund will be achieved. The PPM sets forth many of the risk factors of an investment in the Fund, and investors are urged to carefully review the risk factors and consider the other uncertainties and risks involved, prior to deciding whether to invest in the Fund. Past performance is not indicative of future results. Investing in the Fund involves substantial risk and is not suitable for all investors.