



REALTYSHARES

Tech-Enabled Platform for Real Estate Investing

What is the mission of RealtyShares?



“Transforming the real estate investment landscape by delivering efficiency, transparency and accessibility through technology”



“Technology has enabled radical changes in how and where people invest in real estate...”

– TechCrunch

The screenshot displays the RealtyShares website interface. At the top, there is a navigation bar with 'REALTYSHARES', 'MY ACCOUNT', 'EXPLORE INVESTMENTS', 'LEARN', and a phone number '1-800-880-4532'. Below the navigation bar, the main content area is titled '1 Open Investment' and lists '458 Total Investments to Date'. The page features several investment cards, each with a photo of the property and key details:

- SPD Package II - NATIONWIDE:** \$10K investment, 12mo term, 10% APY. Includes a multi-state single family package and a third-year rising multi-property package with the sponsor.
- FREE EQUITY - Philadelphia Multifamily:** \$10K investment, 36mo term, 11.25% APY. Includes a 100% Property 'The "Spinnor" Fund on the RealtyShares platform' and preferred equity investment of \$1M at 8.25% cost.
- FREE EQUITY - Loftech Fund II:** \$10K investment, 5yr term, 13.5% APY. Includes a preferred equity investment in a fourhouse home fund to be offered on the platform.
- SPD - 2017 Hopkins Avenue:** \$2K investment, 12mo term, 10% APY. RealtyShares is excited to offer investors an opportunity to participate in the acquisition and build a four-unit residence in Cincinnati, Ohio.
- SPD - Nashville Checkers NNN:** \$5K investment, 12mo term, 9.50% APY. Debt securities related to a loan for the acquisition and development of a Checkers franchise. Property is located in Nashville, Tennessee.

Where are we now?



Key Milestones

Number of Deals

550+

Deal Capital Raised

\$300mm+

Value of Properties

\$1bn+

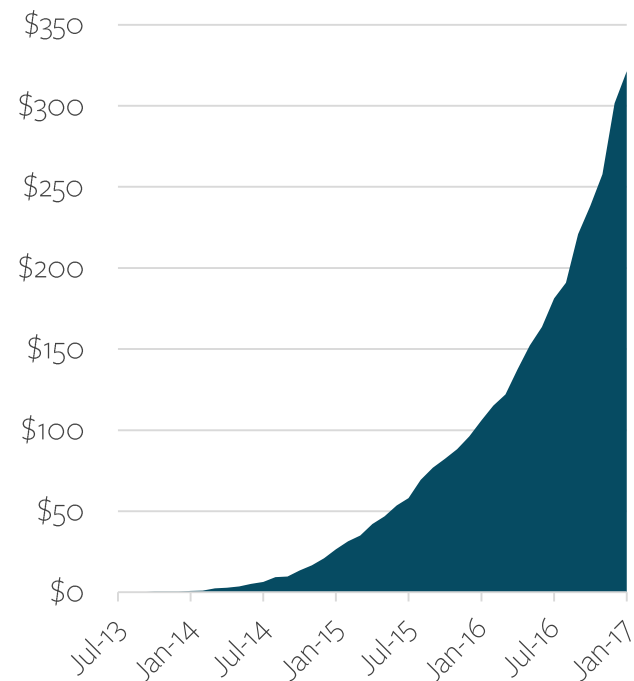
Accredited Investors

38,000+

Active Sponsors

200+

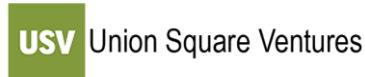
Cumulative Origination Dollar Volume for Completed Deals (\$mm)






Who helped us get here?



- RealtyShares has raised \$32mm in total venture funding
- In February 2016, RealtyShares closed its \$20mm Series B lead by *Union Square Ventures*
- Menlo Ventures*, who led the Company's Series A financing, and *General Catalyst*, who provided seed funding, also participated in the Series B



Deal Lead	 <p>John Buttrick, Partner <i>RealtyShares Board Member</i></p>	 <p>John Jarve, Managing Director <i>RealtyShares Board Member</i></p>	 <p>Niko Bonatsos, Managing Director <i>RealtyShares Advisor</i></p>
Sample Portfolio Companies			

What problem are we solving?



RealtyShares seeks to transform the middle market real estate investment landscape by delivery efficiency, transparency and accessibility through technology



Current State

- Traditionally fragmented and illiquid market
- Finite capital networks
- Large due diligence cost
- Potentially steep CRE learning curve
- Availability of bank debt, but no equity
- Protracted financing / fundraising timelines
- Below institutional radar
- Investor relations lacks consistency



REALTYSHARES

Future State

- Single source of debt and equity financing
- Submission through technology front-end
- Full underwriting of each sponsor and deal
- Ready access to RealtyShares marketplace
- High certainty and speed of execution
- Full-servicing, internal investor relations
- Use of technology to achieve lower fees and higher net returns for investors and sponsors

What are we doing differently?



Seizing the Middle Market Real Estate Opportunity

- In current low yield environment, real estate is an attractive, higher yielding investment strategy
- Historically wide spreads between yield in major metros vs. non-major metros
- Capture value in the historically illiquid and fragmented middle market through RealtyShares platform

Leveraging RealtyShares' Tech-Enabled Sourcing, Underwriting and Asset Management

- More efficient capital raising platform than traditional fundraising methods
- Ease and speed of funding has attracted best-in-class local operators to the platform
- Thorough due diligence on sponsors / projects with access to that diligence online
- Vertically-integrated sponsor, payment (servicing), asset and risk management capabilities

Lower Fees, Increased Net Returns and Managed Risk

- Operational savings through RealtyShares' technology equals lower fees than REITS and other funds
- Fee-light structure reduces the need to reach for risk to obtain the same return in other funds
- Mix of sponsors, geographies, property types and strategies diversifies risk and minimizes volatility

How do we work with our partners?



RealtyShares has four main ways in which it works with its Partners (e.g. investment firms, family offices, etc.)

Sponsor Relationship

Ideal for: Partners who are real estate operators and would function as the GP

Check size: <\$1mm

Off-Platform Relationship

Ideal for: Partners with internal investment infrastructure

Check size: \$1mm+

Platform Relationship

Ideal for: Partner who appreciate portfolio construction without deal-by-deal negotiations

Check size: \$5k+

Fund LP Relationship

Ideal for: Partners who typically make LP allocations to funds

Check size: \$250k+

More Active Investor

More Passive Investor

What do typical transactions look like?



Selected Multifamily Transaction

Location:	Austin, TX
Year Built:	2002
Building Size:	254,184 rentable square feet
Apartment Unit Mix:	156 1 BR and 128 2 BR Units
Parking:	1.85 per unit
Purchase Price :	\$35.1 million
Other Notes:	Fully amenitized with gym, pool, lounge and BBQ areas



Selected Retail Transaction

Location:	Las Vegas, NV
Year Built:	2006
Building Size:	39,212 rentable square feet
Commercial Unit Mix:	18 suites with a 2,178 square foot average
Parking :	5 spaces per 1,000 sf
Purchase Price :	\$13.7 million
Other Notes:	Notable tenants include Chipotle, Panera Bread and Verizon



Selected Office Transaction

Location:	Philadelphia, PA
Year Built:	2000
Building Size:	30,266 rentable square feet
Commercial Unit Mix:	6 suites with a 5,044 square foot average
Parking :	4 spaces per 1,000 sf
Purchase Price:	\$5.2 million
Other Notes:	Top office submarket in Philadelphia

How do you sign up?



1 Sign-up and Accreditate at www.realtyshares.com/signup

REALTHYSHARES

How Are You Accredited?

Securities regulations require us to present our investments to accredited investors only. In order to proceed please indicate your accreditation status.

- INDIVIDUAL INCOME**
I have an individual income of more than \$200,000 per year in the last two years and expect to reasonably maintain the same level of income in the current year.
- NET WORTH**
I have a net worth exceeding \$1 million, excluding my primary residence, individually or jointly with my spouse.
- JOINT INCOME**
I have combined income with my spouse exceeding \$300,000 in the last two years and expect to reach the same this year.
- BUSINESS**
I invest on behalf of an entity with at least \$5M in assets or a business with at least 5 owners who are accredited investors (e.g. a venture capital fund, LLC).

None of these apply to me

2 Enter SEC Cooling-off

REALTHYSHARES MY ACCOUNT EXPLORE INVESTMENTS LEARN 1-855-880-6050 Zari test t.

You are almost ready to invest

Welcome Zari test! We're excited to have you join our community of passionate investors.

29 Days 23 Hours 53 Minutes

Time left in cooling off period

You are now in the cooling off period. This is a 30-day waiting period recommended by the U.S. Securities & Exchange Commission (SEC). [Learn more](#)

Looking to invest sooner?

Complete your investor profile and schedule a follow-up with our investor team to exit the cooling off period.

Complete Investor Profile

Estimated 8-15 minutes to complete

3 Complete Preferences

REALTHYSHARES MY ACCOUNT EXPLORE INVESTMENTS LEARN

Personal Information > Investor Profile Information > Investor Preferences

Investor Profile

Let's get to know you.

Date of Birth *

mm / dd / yyyy

Phone Number *

555 - 555 - 1234

Residential Address *

Street address

Street address continued (optional)

City State Zip

[Exit Profile](#) **Next**

How do you start your diligence?



4 Browse Investments

8 Open Investments
503 Total Investments to Date [See Exited Investments](#)

Property Name	Property Type	Minimum Investment	Target Hold	Annual Interest	Current Status
183 Connecticut Avenue Greenwich, CT	DEBT SINGLE FAMILY	\$10K	12mo	10.0%	\$1,650,000 54%
Madison at Black Mountain Apartments Las Vegas Valley, NV	PREF. EQUITY MULTIFAMILY	\$15K	36mo	15.0%	\$2,250,000 98%
350 Galina Lane Mohawk, NY	DEBT COMMERCIAL	\$5K	12mo	9.5%	\$1,388,000 3%
Jennings Station Self-Storage Saint Louis, MO	EQUITY SELF-STORAGE	\$10K	48mo	-	\$1,330,000 FUNDED
4520 Maple Lane Carmichael, CA	DEBT SINGLE FAMILY	\$5K	12mo	9.5%	\$579,000 59%
ROIIPGM Unlevered Diversified F... Birmingham, AL	PREF. EQUITY RESIDENTIAL	\$15K	24mo	14.0%	\$2,000,000 72%

5 Conduct Diligence

WATCH DRONE VIDEO

Nathan Family Office & MADISON RESIDENTIAL

PREF. EQUITY MULTIFAMILY
Madison at Black Mountain Apartments
Las Vegas Valley, NV

\$2,250,000 98%

\$15K Minimum | 36mo Target Hold | 15.0% Ann. Pref. Return

Overview Financials **Property** Market Summary Management Documents

Property Summary

[Click Here to View the Drone Video](#)

Cha Cha Cha Apartments (the "Property") is a 1994 built 124-unit apartment community located in Henderson, Nevada, part of the Las Vegas MSA. In accordance with the Sponsor's plan, the Property will be rebranded as "Madison at Black Mountain Apartments."

Located at 640 E Horizon Drive, the Property is situated on a 5.59-acre parcel across the street from an Albertson's supermarket anchored shopping center that includes Subway, H&R Block and AT&T. The Property offers a mix of spacious 1/1's, 2/2's, and 3/2's that average 931 square feet.

The Property offers community amenities in line with its comparable set including a pool with locker rooms, a clubhouse, a fitness center, and picnic areas. According to a report performed by Partners Engineering in October 2016, the exteriors of the Property have been very well maintained and have only \$250 of immediate repairs identified. However, the Sponsor has set aside capital to address it.

How do you close your first deal?



6 Select Investment

Investment Information

Investment Amount *
\$5,000 - \$100,000

Amount must be in increments of \$1,000

Ownership Type *
Individual Ownership

First Name *
Zamger

Last Name *
Zahn

Residential Address *
1735 Stoner Street
#502
San Francisco California 94115

Phone Number *
415 7266862

Phone Code
1531

Next

7 Finish Suitability Check

Accreditation

Please input accreditation information of the investing person or entity.

Net Worth *
From \$1,000,000 to \$1,500,000

Projected 2015 Income *
Greater than \$100,000

2015 Income *
Greater than \$100,000

2014 Income *
From \$200,000 to \$300,000

I verify that the investor or investing entity is an accredited investor. I am over 18 and have sufficient knowledge in investing & finance to evaluate the risks of investments in Real Estate. I understand I could lose my entire investment and further can bear such loss.

I confirm the above information as being accurate and truthful. I verify the above information as being accurate and truthful, and understand that RealtyShares relying on the above to determine whether I meet the qualifications for an accredited investor, and to meet its compliance requirements with US securities regulations.

OPTIONAL: I am foreign citizen living outside of the United States

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8 eSign and Complete

REALTHYSHARES

INVESTOR PACKAGE

RealtyShares1, LLC

GET STARTED



Any Questions?

Thank you

Javier Benson, VP of Capital Markets
javier@realtyshares.com

Disclaimer



This presentation provides an opportunity to review the RealtyShares Diversified Marketplace Equity Fund I, LLC (the “Fund”) and the RealtyShares Platform (the “Platform”), but is not an offer to sell or the solicitation of an offer to buy any security or interest in the Fund or Platform, which only can be made through official offering documents that contain important information about risks, fees and expenses. The presentation is distributed for informational purposes only and is not intended to be a recommendation or to serve as investment advice. There is no guarantee that any investment will achieve its investment objectives. As with all investment strategies, there is a risk of loss of all or a portion of the amount invested. Past results are not indicative of future performance.

Interests in the Fund or the Platform are “private placements” of securities that are not publicly traded, are subject to holding period requirements, and are intended for investors who do not require liquidity. The Fund and Platform investments are illiquid, long-term investments involving real property; investors should be prepared to hold any Fund or Platform investment for a significant period of time. There is no secondary market for these investments and there is no current liquidity for these investments. These investments are not insured by the FDIC, nor are they guaranteed by RealtyShares. They may lose some or all of their value. Private placement investments are NOT bank deposits (and thus NOT insured by the FDIC or any other federal governmental agency), and are NOT guaranteed by RealtyShares or North Capital Private Securities Corporation (“North Capital”), member FINRA/SIPC. Neither the Securities and Exchange Commission nor any federal or state securities commission or regulatory authority has recommended or approved any investment or the accuracy or completeness of any of the information or materials provided by or through the website. Investors must be able to afford the loss of their entire investment.

Any financial projections or other forward-looking statements are subject to uncertainty and not guaranteed. Any investment information contained herein has been secured from sources believed to be reasonable, but all of the assumptions underlying such information are subject to uncertainty and there can be no assurance as to the accuracy of such information. The project transactions will bear the usual cost reimbursement fee for RealtyShares investments, including not only the Fund but also those raised from its online marketplace Platform; generally these fees are up to 3.5% of raised amounts. Each project also generally has certain sponsor fees charged to invested amounts; these vary among transactions. RealtyShares will also charge Fund investors an annual 0.85% management / advisory services fee and Platform investors an annual management advisory service fee of 1%.

RealtyShares offers Fund and Platform securities through North Capital. North Capital generally invoices the companies sponsoring real estate projects into which the Fund or Platform SPEs invest for North Capital’s execution and other services; RealtyShares is separately paid by North Capital for RealtyShares’ technology, reporting, communications and administrative efforts. Several officers and employees of RealtyShares are registered representatives of North Capital, and thus may realize compensation through North Capital as the result of any Fund or Platform transaction. RealtyShares Advisor, LLC is a wholly-owned subsidiary of RealtyShares, Inc. and an exempt reporting adviser to the Fund and Platform SPEs, which will be pursuing a venture capital strategy. The client of RealtyShares Advisor, LLC is the Fund and Platform SPEs; it does not advise individual investors.

Risk Factors



Real estate investments' value and income fluctuate due to various factors. The value of real estate fluctuates depending on conditions in the general economy and the real estate business. These conditions may also adversely impact revenues and cash flows. The factors that affect the value of real estate investments include, among other things: global, national, regional and local economic conditions; competition from other available space; local conditions such as an oversupply of space or a reduction in demand for real estate in the area; how well the properties are managed; the development and/or redevelopment of the properties; changes in market rental rates; the timing and costs associated with property improvements and rentals; whether the operators are able to pass all or portions of any increases in operating costs through to tenants; changes in real estate taxes and other expenses; whether tenants and users such as customers and shoppers consider a property attractive; changes in space utilization by tenants due to technology, economic conditions and business environment; the financial condition of tenants, including the extent of tenant bankruptcies or defaults; availability of financing on acceptable terms or at all; inflation or deflation; fluctuations in interest rates; ability to obtain adequate insurance; changes in zoning laws and taxation; government regulation; potential liability under environmental or other laws or regulations; natural disasters or acts of terror general competitive factors; and climate changes.

The rents or sales proceeds received and the occupancy levels of the assets may decline as a result of adverse changes in any of these factors. If rental revenues, sales proceeds and/or occupancy levels decline, operators generally would expect to have less cash available to pay indebtedness and for distribution to shareholders. In addition, some of the major expenses, including mortgage payments, real estate taxes and maintenance costs generally do not decline when the related rents decline.

Capital markets and economic conditions can materially affect liquidity, financial condition and results of operations as well as the value of debt and equity securities.

There are many factors that can affect the value of our debt and equity securities, including the state of the capital markets and the economy. Demand for real estate space may decline nationwide, as it did in 2008 and 2009 due to the economic downturn, bankruptcies, downsizing, layoffs and cost cutting. Government action or inaction may adversely affect the state of the capital markets. The cost and availability of credit may be adversely affected by illiquid credit markets and wider credit spreads, which may adversely affect liquidity and financial condition of firms generally, including results of operators' operations, and the liquidity and financial condition of tenants. And operator's inability or the inability of its tenants to timely refinance maturing liabilities and access the capital markets to meet liquidity needs may materially affect the operator's financial condition and results of operations and the value of its debt and equity securities.

Real estate is a competitive business. Our operators compete with a large number of real estate property owners and developers, some of which may be willing to accept lower returns on their investments. Principal factors of competition are rents charged, sales prices, attractiveness of location, the quality of the property and the breadth and the quality of services provided. Success depends upon, among other factors, trends of the global, national, regional and local economies, the financial condition and operating results of current and prospective tenants and customers, availability and cost of capital, construction and renovation costs, taxes, governmental regulations, legislation, population and employment trends.

Operators depend on leasing space to tenants on economically favorable terms and collecting rent from tenants who may not be able to pay. Financial results depend significantly on leasing space to tenants on economically favorable terms. In addition, because a majority of income will come from renting of real property, the assets' income, funds available to pay indebtedness and funds available for distribution to shareholders will decrease if a significant number of tenants cannot pay their rent or if assets are not able to maintain occupancy levels on favorable terms. If a tenant does not pay its rent, the operator may not be able to enforce rights as landlord without delays and may incur substantial legal costs. During periods of economic adversity, there may be an increase in the number of tenants that cannot pay their rent and an increase in vacancy rates.

Operators may be unable to renew leases or relet space as leases expire. When tenants decide not to renew their leases upon their expiration, the operator may not be able to relet the space. Even if tenants do renew or the operator can relet the space, the terms of renewal or reletting, taking into account among other things, the cost of improvements to the property and leasing commissions, may be less favorable than the terms in the expired leases. In addition, changes in space utilization by tenants may impact the operator's ability to renew or relet space without the need to incur substantial costs in renovating or redesigning the internal configuration of the relevant property. If the operator is unable to promptly renew the leases or relet the space at similar rates or if the operator incurs substantial costs in renewing or reletting the space, cash flow and ability to service debt obligations and pay dividends and distributions to security holders could be adversely affected.

Bankruptcy or insolvency of tenants may decrease operators' revenue, net income and available cash. From time to time, some tenants have declared bankruptcy, and other tenants may declare bankruptcy or become insolvent in the future. The bankruptcy or insolvency of a major tenant could cause the asset to suffer lower revenues and operational difficulties, including leasing the remainder of the property. As a result, the bankruptcy or insolvency of a major tenant could result in decreased revenue, net income and funds available to pay indebtedness or make distributions to shareholders.