

Executive Summary
AARE Investment Trust Offering
A Community Transformation and Real Estate Income Fund

This investment opportunity focuses on commercial real estate with an emphasis on multifamily and the flexibility to invest in office, retail, and industrial properties when market conditions are ripe. It aims to positively impact communities and deliver above-market-rate returns to purpose-driven investors.

Market Opportunity

The current real estate market presents a prime investment opportunity, especially in the multi-family property sector. Various economic factors have aligned to create an environment ripe for strategic acquisition at reduced prices. Key factors include valuation adjustments, loan maturities, institutional portfolio rebalancing, forecasted inventory, prudent underwriting, interest rate cycles, and market volatility advantages. Over the next 3 years, approximately 42% of commercial real estate loans are set to mature amidst substantial increases in interest rates and tightened underwriting standards. This presents a unique window for AARE to develop a real estate investment trust (REIT) and launch a Community Transformation and Real Estate Income Fund to engage in advantageous acquisitions.

Investment Philosophy

Our investment philosophy aims to achieve strong financial returns while positively impacting society. We combine careful financial management with a dedication to social responsibility, targeting properties with potential for added value and thriving communities. This strategy aligns with our broader objectives of generating superior returns while contributing to our communities' well-being. Our core mission goes beyond financial stewardship to focus on tenant well-being and community enrichment. We partner with organizations like Apartment Life and Marketplace Chaplains to foster vibrant communities and directly support residents. Our initiatives aim to generate financial returns and create inclusive communities where every resident can thrive.

Competitive Advantage

- Proven Track Record: Our success with previous funds underscores our experience and capability.
- Inflation Resilience: Real estate is a hedge against inflation
- Acquisition Deal Flow: AARE's extensive network of brokers in multiple states gives us an edge in securing off-market deals.
- Conservative Leverage: To avoid over-leveraging risks, we use prudent financial strategies and typical loan-to-value ratios between 50% and 60%.
- Renovation Expertise: We have extensive experience in value-adding renovations and enhancing property value.
- Vertical Integration: Benefit from the operational excellence of a vertically integrated fund that captures the best opportunities and enhances asset value with exceptional efficiency.

Unique Benefits for Investment Partners

- Consistent and Transparent Communication (monthly updates, quarterly reports, annual audits)
- Diversification & Risk Mitigation - Investments are spread across a variety of markets, properties, and operators to reduce risk. Further, our experience with economic cycles and risk mitigation positions us to navigate market fluctuations to your advantage.
- Benefit from direct ownership in real estate, opening the door to potential tax advantages such as 1031 exchanges, accelerated depreciation and cost segregation. Avoid double taxation and UBTI, evaluate DST Opportunities, and the possibility of a 20% tax deduction from the Tax Cuts and Jobs Act ("TCJA") (see IRS code 199A). Also, only one 1099-DIV vs. multiple K-1's.
- Regular Distributions & Cash Flow: 90% of income sent via dividend payouts per IRS guidelines
- Liquidity: Subsequent offerings and listing on an exchange offers investors liquidity (redemptions) on their investment.

- Legitimate Community Impact: We partner with organizations proven to bring hope and build relational communities which, in turn, can benefit investors. (See [Witten Advisors Impact Report](#))
- Retirement Plan Compatibility: Self directed IRA, 401k and other retirement plans accepted
- Scale: AARE breaks down barriers, allowing individual investors privileged access to institutional quality assets and preferential terms, including reduced operator fees.
- Passive Investment: Avoid the typical challenges of day-to-day property management hassles.

Management Team

A seasoned team with deep roots in real estate, finance, and market analysis drives AARE's investment trust. Chairman and CEO Andrew Arroyo leads the team with a track record of over \$1 billion in real estate transactions across 25 years of experience. He is licensed in 24 states and the District of Columbia.

Andrew Arroyo: Mr. Arroyo's visionary leadership and strategic foresight guide the Fund's mission forward. His extensive experience and unwavering commitment ensure the company's growth and the prosperity of its shareholders. He meticulously guides the Fund's expansion strategies, ensuring every transaction aligns with the ethos of creating value for investors and the communities served.

Nick Bonner: At the acquisition and disposition helm, Mr. Bonner underwrites every property and operator that is considered by the Company, measuring the financial returns and humanitarian impact. Mr. Bonner is also the primary point of contact for investor relations.

Clark Anctil: At the operational and financial reporting helm, Mr. Anctil oversees and actively manages the Company's day-to-day operations, driving performance and societal impact benchmarks. Mr. Anctil is also the primary point of contact for SEC filings and financial audits.

Tiffany Mohler: At the property management helm, Mrs. Mohler oversees and actively manages the Company's day-to-day property management operations and oversees outside property managers. Mrs. Mohler is also the primary point of contact for our nationwide network.

Conclusion

The upcoming season presents numerous opportunities for savvy individuals in the commercial real estate market. Real estate is more than just a transaction - it's a journey that requires dedication, thorough research, and careful diligence. Looking back at the past twenty five years, the real estate landscape has significantly changed. To thrive in this industry, it's crucial to understand demographic shifts, supply and demand dynamics, the impacts of rapid interest rate changes, and the ability to support sellers during uncertain market conditions. The road ahead looks promising for those with patience, faith, and resilience. AARE is prepared to guide our investors through these times, using our experience and insight to create financial returns and lasting legacies. We invite you to join us as we embrace this season of opportunity and move towards a future where patience and strategic thinking lead to financial rewards and the satisfaction of contributing to the growth and vitality of our communities.

Corporate Structure Disclosure

AARE is currently registered with the SEC as a public company (not publicly traded) under Regulation A+. The company has not yet elected to be classified with the IRS as a Real Estate Investment Trust. Upon the successful capital raise of at least \$5 million for the forthcoming offering, the company will begin to invest the capital per the Use of Proceeds in the offering circular. Upon the successful capital raise of at least \$25 million in the forthcoming offering, the company's brokerage operations will become a taxable REIT subsidiary ("TRS") in order to comply with IRS guidelines which will allow the corporation to elect to become a Real Estate Investment Trust (REIT). Investors in this Regulation A+ offering will receive shares in both the Real Estate Investment Trust (REIT) entity and TRS entity. See the offering circular for details.

Investment Track Record

Available upon request. Contact Andrew Arroyo or Nick Bonner for more information.