



Sovereign Property Investments, LLC

“COMMITTED TO IMPROVING
OUR CITY ONE PROPERTY AT A TIME”



Founder Introduction

In the beginning we leveraged our passion for investing, every mentor and learning resource we could find, and every connection we had to pursue our ultimate dream. We built Sovereign Property Investments to be different. Our Christian values permeate throughout all of our business practices and relationships. Over and over again we are proving that the morally correct action is ultimately the most profitable action. In every investment we seek to improve our community and leave it better than we found it.

In a real estate investing world full of negative storylines, we are proud to treat our tenants fairly and provide affordable housing. We are proud that our contractors want to work with us on project after project because they know that they can trust us to clearly communicate expectations and pay them on time. And we are proud that our investors know that they can count on us to provide excellent due diligence and analytics, radical transparency, and top-notch integrity.

We want you to know that as you evaluate investment opportunities, you can always feel free to reach out to us with any questions that you have about us or our business.

Sincerely,

Jordan & Lee

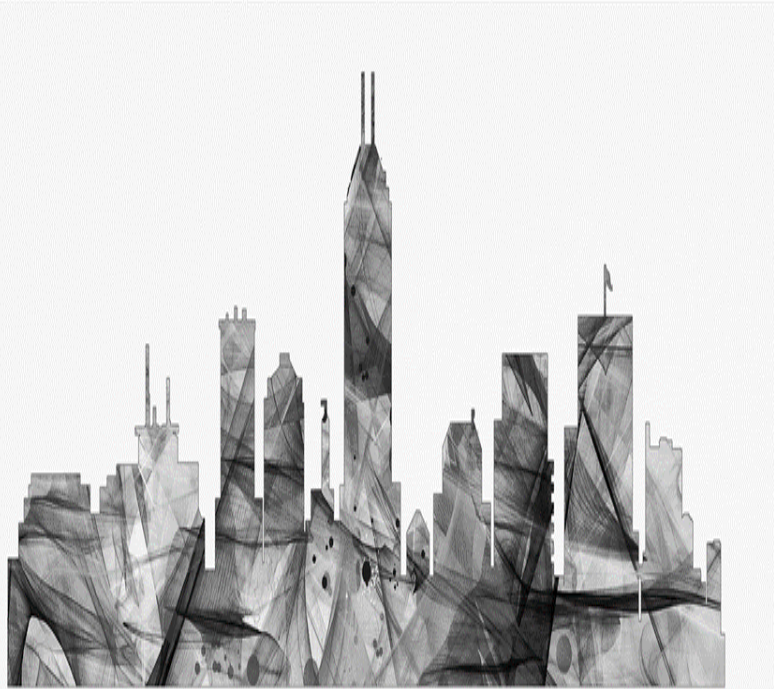


What is Sovereign Property Investments?

SPI is a Real Estate Syndication Company based on a crowd-funding model.

We give accredited and non-accredited investors opportunities in our real estate holdings as debit or equity investors.

SPI was formed as a way to give our investment partners the opportunities to invest in income producing properties at a lower capital requirement. This is done by investing in real estate projects with a pool of investment partners to reduce the capital needed for each partner to invest in income producing properties.



INDIANAPOLIS

Our Purpose



SPI's purpose is to grow the wealth of its partners through investing in real estate opportunities and seeking reliable returns on investments.

At SPI we believe in helping our investing partners achieve their financial goals through investing in real estate opportunities. We achieve this by generating rental incomes with multifamily housing, self-storage facilities, single family housing and RV/trailer Park investments.




Opportunity For All

We want people from all walks of life to have the opportunity to invest in properties and build their financial futures. We also welcome institutional investors who want to put their resources to help improve the communities they serve and still receive profitable returns on their investments.



Indianapolis Market

A 3D bar chart with six bars of increasing height, colored purple, blue, cyan, green, yellow, and red. A white 3D figure of a person in a suit sits on top of the tallest red bar, holding a laptop. A large red arrow curves upwards from the left side of the chart, pointing towards the top right.

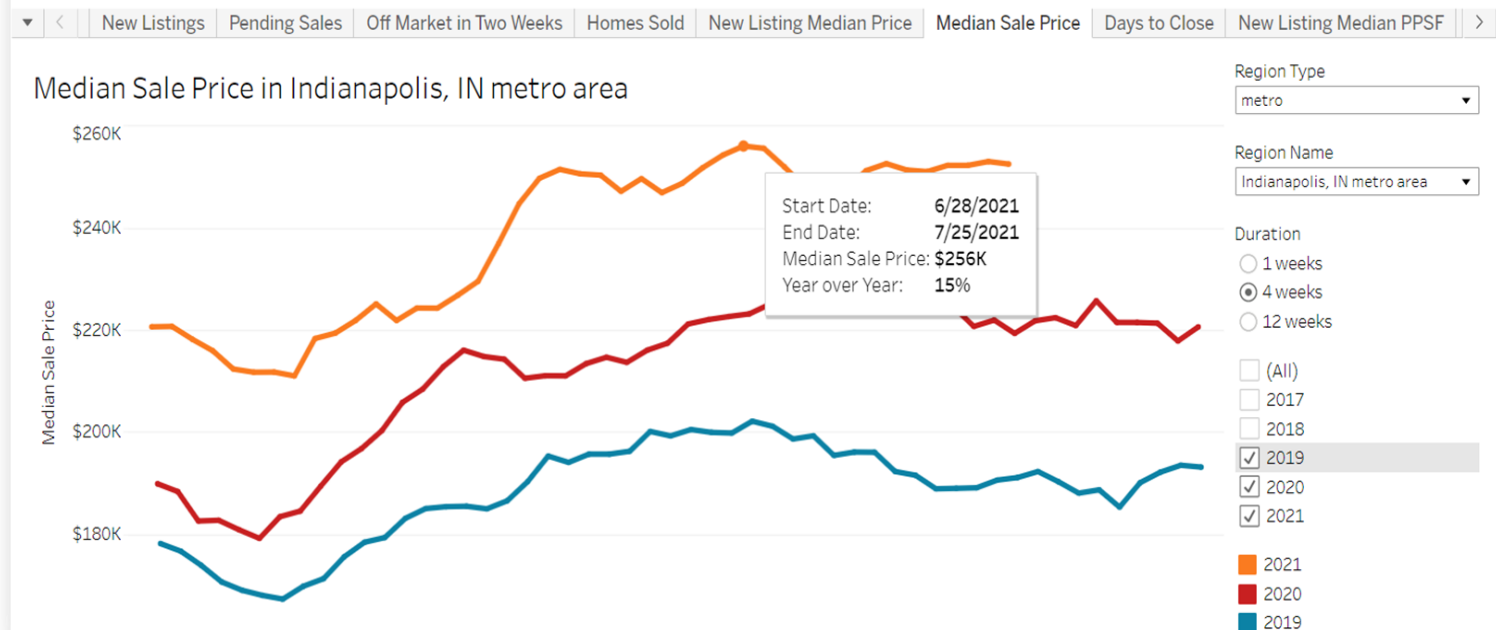
Historically, multifamily and single-family real estate have offered one of the highest returns on investment, and we intend to capitalize on this trend. We look for distressed single-family and multi-unit properties where we can add value and help revitalize the neighborhood while returning great profits to our investing partners.



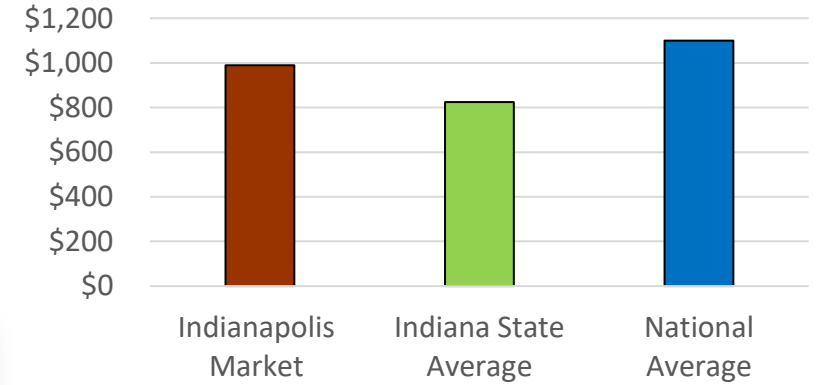
Indianapolis Market

Housing values have increased by 25% over the last two years.

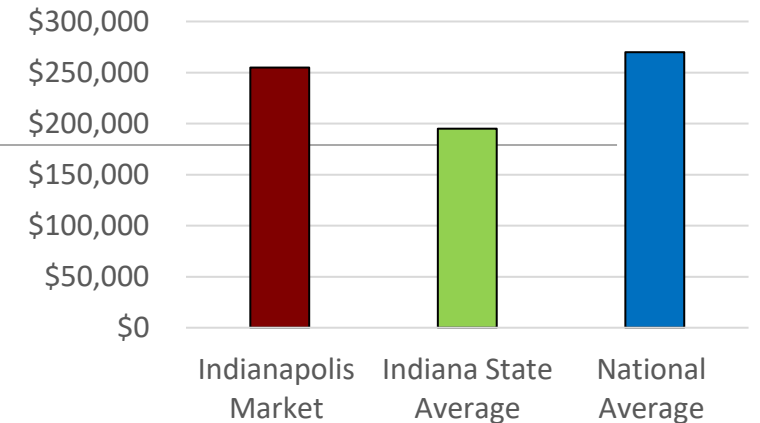
Redfin Weekly Housing Market Data



Median Rents



Median Property Prices



Advantages of Investing in Sovereign Property Investments



Why Choose Sovereign Property Investments?



Flexible Real Estate Investing Strategies & Diversification of Real Estate Assets



Advance Investing Models for Real Estate Analysis & Maximization of Profits




Managed \$650,000 in Real Estate Assets & \$450,000 in Invested Money from our Partners

10 Years of Real Estate Experience




PROJECTED REAL ESTATE VALUE
650,000


RENTS COLLECTED
90,000


MONEY INVESTED
450,000


RENTABLE SQUARE FOOTAGE
10,500

Our Pro Forma



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SOVEREIGN PROPERTY INVESTMENTS III, LLC				INVESTMENT SUMMARY - 7/16/2021																			
General Information				Sources & Uses of Funds				Financing & Funds Raised				Investment Returns											
Unit information and types				Mortgage Debt \$725,000				Bank Debt				Projected ROI 12.1%											
Number of Units	Avg. # of units	Avg. Unit BR/BA	Total Project SF	Term Loan Debt \$0				Total Monthly (P&I) \$0				Projected CoC 7.5%											
16	2/1	625	11,000	Equity Partners \$700,000				Amortization (yrs.) 30				Equity Multiple 1.6 X											
Rents/Revenue				Managing Partners \$0				Interest Rate 5.00%				Projected Profits \$423,639											
Avg. Rents	Price per SF-yr.	Gross Scheduled Income (annual)		Total Money Raised \$1,425,000				Private Debt				Projected CAGR 9.9%											
\$ 950	\$16.93	\$ 186,240		Usage Cost				Term Loan (yrs.) 7				Projected IRR 11.5%											
Cost of Investment & Timing				Purchase Cost \$600,000				Equity Partners \$700,000				Projected GRM 7.7											
# of building/properties	Closing Date			Rehab Cost \$800,000				Managing Partners \$0															
1	7-Sep			Legal fees \$2,500				Limited Partners n/a															
Cash Invested	All-In Cost			Debt Servicing \$23,352				General Partners n/a															
\$ 700,000	\$ 1,425,000			Operating Reserve \$19,988																			
SPI-Admin fees	Cap Rate on Purchase			Misc. and Closing \$2,500																			
\$ 14,250	7%			Asset Acquisition Fee \$6,000																			
Hold Period (Years)	Total Usage Cost			\$1,454,340																			
5-7																							
Net Sale Price to equity info				Projected Cash Flows																			
Sale at End of Year	Commission % of sale price			Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Year 9		Year 10	
5 years	7%			Revenue		Revenue		Revenue		Revenue		Revenue		Revenue		Revenue		Revenue		Revenue		Revenue	
Cap Rate on Sale	Taxes & Insurance			Gross Scheduled Rent		Less Vacancy		Net Rental Income		Property Sales		Other Income		Total Revenue		Expenses		Property Management		Property Maintenance		Taxes, Insurance	
6%	\$ 8,686			\$ 182,400		\$ 15,504		\$ 166,896		\$ -		\$ -		\$ 166,896		\$ 16,690		\$ 18,240		\$ 8,686		\$ 3,600	
Commission % of sale price	Sale Price (yr-5)			\$ 182,400		\$ 15,504		\$ 166,896		\$ -		\$ -		\$ 166,896		\$ 16,690		\$ 18,240		\$ 8,686		\$ 3,600	
7%	\$ 1,680,947			\$ 182,400		\$ 15,504		\$ 166,896		\$ -		\$ -		\$ 166,896		\$ 16,690		\$ 18,240		\$ 8,686		\$ 3,600	
	less: Loan balance			\$ 182,400		\$ 15,504		\$ 166,896		\$ -		\$ -		\$ 166,896		\$ 16,690		\$ 18,240		\$ 8,686		\$ 3,600	
	\$ 665,758			\$ 182,400		\$ 15,504		\$ 166,896		\$ -		\$ -		\$ 166,896		\$ 16,690		\$ 18,240		\$ 8,686		\$ 3,600	
	less: commission			\$ 182,400		\$ 15,504		\$ 166,896		\$ -		\$ -		\$ 166,896		\$ 16,690		\$ 18,240		\$ 8,686		\$ 3,600	
	\$ 117,666			\$ 182,400		\$ 15,504		\$ 166,896		\$ -		\$ -		\$ 166,896		\$ 16,690		\$ 18,240		\$ 8,686		\$ 3,600	
	less other Fees			\$ 182,400		\$ 15,504		\$ 166,896		\$ -		\$ -		\$ 166,896		\$ 16,690		\$ 18,240		\$ 8,686		\$ 3,600	
	\$ -			\$ 182,400		\$ 15,504		\$ 166,896		\$ -		\$ -		\$ 166,896		\$ 16,690		\$ 18,240		\$ 8,686		\$ 3,600	
	Net Sale Price			\$ 182,400		\$ 15,504		\$ 166,896		\$ -		\$ -		\$ 166,896		\$ 16,690		\$ 18,240		\$ 8,686		\$ 3,600	
	\$ 897,523			\$ 182,400		\$ 15,504		\$ 166,896		\$ -		\$ -		\$ 166,896		\$ 16,690		\$ 18,240		\$ 8,686		\$ 3,600	
Investor & Project Fees				Legal and Prof Fees		Debt Service		Property Purchases		Rehab Cost		Turn Over Expenses		Lawn & Snow Care		Other Expenses		Total Expenses		Net Operating Income		Projected Distributions	
Manager Equity Fee	Annual Management Fee			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	
8.0%	1.0%			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	
Annual Management Fee	Asset Acquisition Fee			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	
1.0%	1.0%			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	
Asset Acquisition Fee	Debt Servicing Fee			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	
1.0%	0%			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	
Debt Servicing Fee	Projected Annual Cash on Cash Return			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	
0%	0.00%			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	
	14.25%			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	
	7.56%			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	
	7.56%			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	
	7.94%			\$ 800		\$ 46,704		\$ 600,000		\$ 800,000		\$ 15,504		\$ -		\$ -		\$ 1,510,223		\$(1,343,327)		\$ -	

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Our Portfolio



Lawrence, IN Duplex

Project date 2019

Projected CAGR of **15%**

Projected Cash on Cash Return **10%**

Projected Return On Investment **100%**

Projected Equity Multiple is **2.00x**



Hiatt, IN Duplex

Project Date 2020

Actual CAGR of **28%**

Actual Cash on Cash Return **0%**

Actual Return on Investment **45%**

Actual Equity Multiple is **1.45x**



Richland, IN Duplex

Project Date 2020

Actual CAGR of **28%**

Actual Cash on Cash Return **0%**

Actual Return on Investment **45%**

Actual Equity Multiple is **1.45x**



56th St, IN Warehouse

Project Date 2021

Projected CAGR of **10%**

Projected Cash on Cash Return **10%**

Projected Return on Investment **215%**

Projected Equity Multiple is **2.15x**

Before Rehab of Property

During Rehab of Property

After Rehab of Property



Richland, IN Duplex (2020)

C - Class Neighborhood

The duplex in West Indianapolis was purchased on March 20 and rehab was finished on May 1 of 2020. Projected rents for both units of the duplex will be **\$700** per-side.

The annual Gross Schedule Income of the property is **\$16,800**

Actual Compound Annual Growth Rate (CAGR) of **28%**

Actual Cash on Cash Return is **0%**

Actual Gross Rent Multiplier is **4.55**

Actual Return On Investment **45%**

Actual Equity Multiple is **1.45x**

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Our Portfolio

SPI-1	SPI-2	SPI-3	SPI-4
Lawrence, IN Duplex (2019) C – Class Neighborhood	Hiatt, IN Duplex (2020) C – Class Neighborhood Richland, IN Duplex (2020) C – Class Neighborhood	56th St, IN Warehouse (2021) B – Class Neighborhood	
Gross Schedule Income \$15,600: \$650 per-side	Gross Schedule Income \$16,800: \$700 per-side	Gross Schedule Income \$29,760: \$2,480 per month	Gross Schedule Income
CAGR of 15%	CAGR of 28%	CAGR of 10%	CAGR of
Cash on Cash Return is 10%	Cash on Cash Return is 0%	Cash on Cash Return is 10%	Cash on Cash Return is
Equity Multiple is 2.00x	Equity Multiple is 1.45x	Equity Multiple is 2.15x	Gross Rent Multiplier is
Total ROI 100%	Total ROI 45%	Total ROI 215%	Total ROI

Executive Team

Lee Phillabaum

CO-FOUNDER



Lee is the Co-Founder of SPI. Lee is a real estate business operations expert. He has acquired strong business acumen through running various businesses and representing other investors in real estate transactions.

Jordan Scott

CO-FOUNDER



Jordan is the Co-Founder of SPI and currently holds a position at Indiana University Health as a Lead Senior Financial Analyst where he is responsible for supporting pediatric care leadership.

Vladimir Lindman

CONTRACTOR



Vlad is the owner and operator of Refix, llc a construction business. Refix, llc is SPI main contractor for rehabs and property maintenance. Vlad has been with us from the start and has high quality craftsmanship at affordable prices.

Pat Johnston

PROPERTY MANAGER



Pat is the owner and operator of Comprehensive Management Services, Inc a property management business. CMS, Inc is SPI main property manager for property management services and property maintenance. Pat has been with us from the start and has high quality management services at affordable prices.



FOR MORE INFORMATION OR TO JOIN SPI:

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Jordan Scott

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Please visit our website for more information:

<https://sovereignspi.com/>

Or Visit our Facebook page:

<https://www.facebook.com/sovereignpropertyinvestments>