THE MOUNTAIN

(Trinity Private Equity Group)

Senior Living Investment Opportunity in Nevada and Utah

MaGiC USA Inc.

Executive Summary

April 2022

Equity Investment
in Senior Living Asset Portfolio

Investment Overview

- MaGiC is pleased to announce an opportunity to participate in the equity raise for the acquisition and lease up of Five Assisted Living (AL) and Memory Care (MC) senior living communities located in Las Vegas (Nevada), Salt Lake City (Utah) and St. George (Utah).
- Investment is expected to yield **Net IRR of ~19.3% and Cash-on-Cash return of ~196% (denominated in US$) over its Four year investment horizon.**
- MaGiC is co-investing up to **US$ 1.5 Mn** in a **total Equity raise of ~US$ 16 Mn** in the project along with **Trinity private Equity Group** (TPEG).
- With TPEG, MaGiC has partnered and executed **TWENTY ONE** deals successfully and exited **THIRTEEN** deals. The equity investment exits have delivered an average IRR of ~25%. Remaining **EIGHT** investments are currently on track. To learn more about TPEG **–** please click here.
- TPEG has partnered with Medcore Partners for this investment. Medcore Partners is a Dallas based full service real estate firm focused on healthcare and senior living segment. This is TPEG's fifth deal with Medcore. To learn more about Medcore – please click here.
- Total expected fund utilization is ~**US$ 73.9 Mn** with senior debt contributing US$ 54.4 Mn (73%). Balance being raised as mix of Mezzanine debt **(US$ 3.2 Mn, 4.3%)** and Equity (**US$ 16.3 Mn, 22%)**. The Sponsor has budgeted **~US$ 2.2 Mn** (approx. 3% of the total cost) for property renovations.
- The Investment offers an opportunity to acquire Five undermanaged senior living communities, in an off-market transaction, and benefit from portfolio diversification across three different submarkets in two states.
- MaGiC is attracted to this investment due to a **combination of factors including Opportunity to raise occupancy levels, Improve property operations and Superior track record of the sponsor.**

Expected Cash Yield:

- Year 1: 6%
- Year 2: -
- Year 3: 2%
- Year 4: 189%

Min - Max Investment:

$50K – $100k

Investment Timelines:

Commitment: Apr 11th, 2022

Documentation: Apr 15th, 2022

Fees :

Admin Fee – 2%

AMC – 0.5% p.a.

Carry – 15% after hurdle of 10% IRR without catch up

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Asset Overview and Background

- The Mountain portfolio comprises of 5 assets, totalling 565 units, spread across 3 cities – Salt Lake City (Utah), Las Vegas (Nevada) and St. George (Utah).
- The Properties are being acquired for **US$ 58.7 mn,** which translates to **US$128K per unit**. This is an off market transaction and in the Manager's view priced attractively as the current seller is approaching end of fund life.
- The properties are currently performing below market potential due to an inefficient third party manager, higher supply in the market at the time of earlier acquisition and Covid related slump.
- All units are outfitted with large windows, kitchenette area, private bathrooms, oversized closet space, balconies (select units), individually controlled air conditioning/heating, wireless internet and 24 hour emergency alert system. Community amenities include movie theatre, bistro, private dining options, salon, library & billiards, laundry and onsite parking.
- All five properties are located in high growth markets that exhibit strong senior living fundamentals. The Salt Lake City communities are well located in the East Millcreek and Cottonwood Heights neighborhoods and are expected to benefit from limited new competition. Medcore has deep experience operating senior living communities in this market. The St George property (Meadows), benefits from the one of the highest concentrations of residents over the age of 65. Similarly, the asset in Las Vegas benefits from favorable demographics, as this submarket expects ~20% annualized growth for seniors over the age of 85.

Community	Coventry	Meadows	Willow Creek	Las Vegas	East Millcreek
Year Built	2002	2004	2001	1998	1999
Bed Breakdown	65 IL / 46 AL / 34 MC	122 AL / 52 MC	33 AL / 22 MC	76 AL / 69 MC	46 AL
Current Occupancy	70%	70%	69%	67%	89%
Location	Salt Lake City, UT	St. George, UT	Salt Lake City, UT	Las Vegas, NV	Cottonwood Heights, UT

Business Plan

The business plan involves increasing the Net Operating Income over the Four year holding period. Key drivers:

- Performing an operational overhaul to include new programming and incorporating MedCore's best practices, in addition to possible rebranding upon takeover.
- Increasing executive salary budgets in order to acquire and retain better operational talent at property level.
- Performing minor capital expenditures to modernize the appearance of the portfolio.
- Leasing up the properties to stabilized levels over 30 month period.

The Manager expects to stabilize the property and achieve an occupancy of ~82% by end of the lease-up period. The higher average occupancy and projected rent increase, are expected to drive the returns to equity investors. The Manager also expects to sell the East Millcreek property with 3 months of the acquisition, leaving the Manager to focus on high potential properties.

Sponsor – MedCore Partners

- MedCore Partners exclusively focuses on healthcare and senior living industry. Its inhouse capabilities include brokerage advisory services, development, construction management, fund raise advisory and healthcare research & analytics.
- MedCore's experience till date includes 130+ projects totaling over US$ 1.2 Bn in transaction volume. Their greenfield development experience spans 60+ completed projects across Texas, California, Nevada, Arkansas and Delaware totaling to 1.7 mn sq ft and approx. US$ 600 mn in development cost.
- MedCore's partners – Kyle Libby, Nick Farris, Michael Graham and Brian Bollich. All partners bring significant experience in healthcare business development & asset acquisition, deal structuring, debt & equity sourcing, lease negotiations and operations management.
- In 2018, 2019 and 2020, MedCore was selected by the Caruth Institute (Southern Methodist University) as one of the fastest growing privately owned companies in Dallas/Fort Worth.
- MedCore's current portfolio consists of Fifteen properties located in Arizona, California, Texas, Utah, Oregon and Washington. They have exited multiple investments across their healthcare and senior living portfolio, generating gross IRR of 124% and 40% respectively. Senior Living exit track record summary is as below:

Asset	Location	Strategy	Units	Opening / Acquisition Date	Total Cost	Sale Price	Gross IRR
Spring Cypress	Cypress, TX	Development	80	May-18	$16,977,000	$29,000,000	28.5%
Cooks Hill Manor	Centralia, WA	Acquisiton	72	Jul-20	$2,156,867	$3,850,000	63.6%
Birchview Memory Care	Sedro-Woolley, WA	Acquisiton	60	Jul-20	$12,712,406	$15,900,000	50.8%
Westminster Terrace	Westminster, CA	Acquisiton	85	Jul-20	$7,653,673	$9,000,000	21.5%
Del Obispo Terrace	San Juan Capistrano, CA	Acquisiton	94	Jul-20	$12,488,362	$18,000,000	35.7%
Total			**391**		**$51,988,308**	**$75,750,000**	**40.0%**

MedCore's partnership with Trinity Private Equity Group

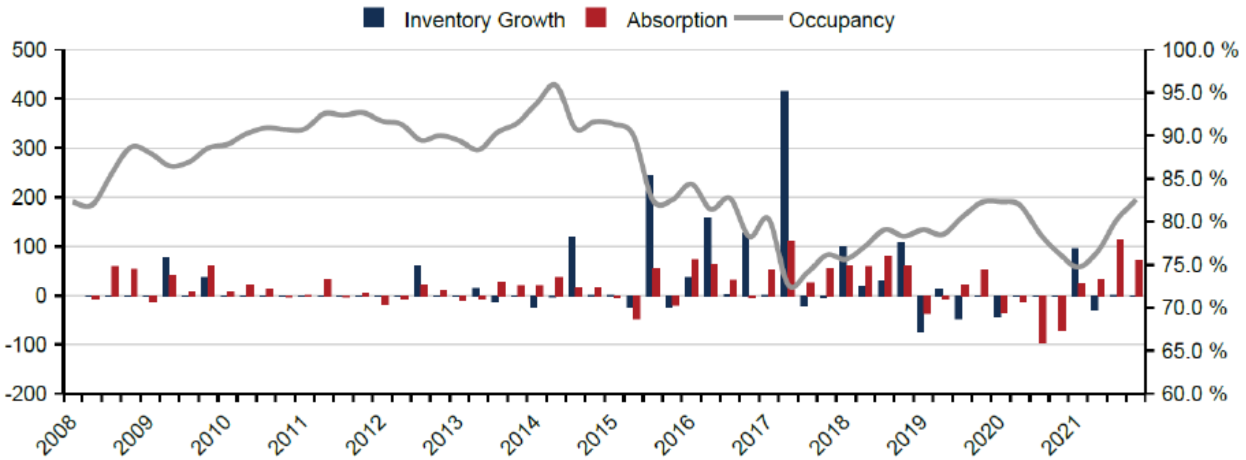
- TPEG has partnered with MedCore to acquire Seven properties in 3 transactions. The assets were acquired in the northwest and southwest parts of US, which share similar characteristics to properties under consideration.
- While some of the properties could not perform as per the initial projections due to Covid impact, MedCore has been able to complete the turnaround and expertly managed the communities back towards stabilization.

Asset	Location	Type	Beds	Acquisition Date	Trinity Investment
White Cliffs Senior Living	Kingman, AZ	AL/MC	107	Feb-19	$14,085,000
Caliche Senior Living	Casa Grande, AZ	AL/MC	116	Feb-19	
Joshua Springs Senior Living	Bullhead City, AZ	AL/MC	104	Feb-19	
Summit Senior Living	Kearns, UT	AL/MC	111	Feb-19	
The Lodge at North Ogden	North Ogden, UT	IL/AL/MC	130	Sep-19	$8,400,000
Holi Senior Living	Hillsboro, OR	AL/MC	90	Sep-21	$8,550,000
Escalante at Draper	Draper, UT	AL/MC	92	Nov-21	
Total			**750**		**$31,035,000**

Location Market Overview

Salt Lake City, Utah:

- Three of the Five properties are situated in the East Mill Creek and Cottonwood Heights, suburbs of Salt Lake City
- **East Millcreek** represents the smallest community in the portfolio and is situated near Wasatch Memorial Park, in the desirable Upper East Side neighborhood of Salt Lake City. The property shares proximity to healthcare facilities such as St Marks Hospital, University of Utah Health and other amenities like Creek Shopping Center, Ted Butte gardens etc.
- **Coventry** is located just south of I-215 and is surrounded by Hillside Shopping Center, The Shops at Fort Union and The Whitmore Library. Local medical services are provided by St Mark's Hospital, Intermountain Medical Center and Alta View Hospital.
- **Willow Creek** is strategically located between Cottonwood Heights and Sandy, with convenient proximity to Alta View Hospital, Lone Peak Hospital and Intermountain Medical Center along with local amenities like Fort union Shopping Center, Black Bear Diner and Willow Creek Park.
- Salt Lake City is the population hub of Utah – the fastest growing state in terms of residents, according to ESRI demographics. According to Manager's estimates, immediate area has a projected need for an additional 241 Assisted Living beds and 250 Memory Care beds by 2025. The Salt Lake City MSA has exhibited one of the lowest new construction starts (as percentage of inventory) over past three years (since 2019), leading to attractive demand supply scenario.



Las Vegas, Nevada:

- **The Wentworth of Las Vegas** is located along Lake Sahara Drive, approx. 8 miles from Downtown Las Vegas. The community offers convenient access to Mountain View Hospital, Summerlin Hospital and Southern Hills Hospital as well as local retail destinations including Boca Park, Tivoli Village Shopping Center and Downtown Summerlin
- Las Vegas city offers senior residents the opportunity to enjoy outdoor recreational activities during the winter months, including golf, tennis and swimming. It also offers multiple options for entertainment, dining and gambling activities.
- According to the Vision LTC study, the projected annualized growth rate (2020-27) for seniors (85+ age group) is ~20% in Las Vegas. There is a projected need for 673 Assisted Living beds and 614 Memory Care beds within the 5 mile primary service area.

Location Market Overview

St. George, Utah:

- **Meadows** is located in St. George, a retirement community adjacent to some of the most popular mountain and recreational areas in the country. The Property is located near local health facilities including Intermountain Health Care as well as local destinations such as The Shoppes at Zion, Zion National park and Snow Canyon State Park.
- St. George is the eighth largest city in this state and consistently ranked as one of the fastest growing regions in last two decades. Over the last 10 years, St. George's population has grown ~30% and according to US Census Bureau, 19% of city's total population is over the age of 65.
- Due to the large elderly population, senior housing fundamentals continue to remain strong in this submarket. According to MedCore's internal estimates, St. George has a projected need for an additional 214 Assisted Living beds and 275 Memory Care beds by 2025.

Sources and Uses

The projected sources and uses of funds for the project are shown below-

Sources	Amount (US$)	Uses	Amount (US$)
New Senior Debt	$35,783,746	Purchase Price	$58,730,000
Fannie Mae Debt	$18,600,000	Capital Improvements	$2,200,000
Mezzanine Debt	$3,200,000	Operating/ Int. reserves	$7,650,896
Equity	$16,332,263	Closing & Financial costs	$5,335,113
Total Sources	**$73,916,009**	**Total Usage**	**$73,916,009**

Financial Plan

Pro forma financial performance at the property is presented below. TPEG's underwriting includes following assumptions:

- Occupancy to increase from 60% in Year 1 to 82% in Year 4
- Average market rent growth of 3-5% across all properties
- Exit cap rate has been assumed at 7%. Entry cap rate basis Year 2 NOI (which is the first full year with positive NOI) is 3.2% and basis Year 4 NOI (full year with stabilized occupancy) is 11.64%. This demonstrates the potential value of the assets on steady state basis.

NOI & Projected Value	Year 1	Year 2	Year 3	Year 4
Total Rental Revenue	12,670,561	17,417,440	21,712,104	23,173,146
Total Revenue	14,299,986	19,668,840	24,342,157	26,792,923
Operating expenses	**15,642,428**	**17,873,278**	**19,570,565**	**20,258,405**
NOI	(1,342,442)	1,795,562	4,771,592	6,534,519
Non Operating expenses	370,500	474,236	566,938	610,908
Cash available before Debt service	**(1,712,942)**	**1,321,327**	**4,204,654**	**5,923,611**
Debt Service	**(2,736,026)**	**(3,009,808)**	**(3,009,808)**	**(3,009,808)**
Operating Cashflow to Investors (Net of Operating/Interest reserve release)	**-**	**182,065**	**1,228,228**	**2,913,803**

Potential Investor Returns

- The expected investment cash flows and returns are depicted in the below table. We believe that investment could potentially yield a Net Investor IRR of 19.3% and Cash on cash return of 196% over its Four year term in US$ terms.
- The projections assume sale of the Millcreek asset in the third month at a valuation of US$3.2 mn and remaining portfolio sale by end of year 4 at a valuation of US $39.35 mn.

Particulars		Year 1	Year 2	Year 3	Year 4
Equity investment	(1,530,000)				
Annual Distributions		29,850	(7,650)	26,765	497,681
Return of Principal		60,676	-	-	1,439,324
Exit Proceeds		-	-	-	954,431
Total Cashflows	**(1,530,000)**	**90,526**	**(7,650)**	**26,765**	**2,891,437**
Potential Cash Flows per US$ 100,000 investment	(1,00,000)	5,917	(500)	1,749	188,983
Cash Yield		**5.9%**	**-0.5%**	**1.7%**	**189%**
Net IRR *	**19.3%**				
COC*	**196%**				

* IRR and COC is net of fee and expenses

MaGiC LLC Fee Structure

i. Admin Fee: 2% of the Net Investment Amount. This fee will be paid for Magic efforts to curating the deal, deal structuring, legal expenses, documentation, annual filings, closure of the SPV at the exit;

ii. Annual management fee: 0.5% of the Investment Amount, from the second year onwards; This fee will be paid for Magic efforts involved in preparation of monthly investor reports, monthly updates, quarterly deal updates, filing of annual tax returns, preparation of K-1s and other costs till exit.

iii. Performance Fee: 15% of profit share, AFTER minimum IRR of 10% payable at maturity; (Fee is provided to MaGiC).

Net IRR and Cash on cash return to investors, as depicted in previous section, are computed by deducting MaGiC fee from gross investment returns.

MaGiC gets compensated towards costs for curating, carrying out due diligence, negotiating, documenting and managing the asset till exit but doesn’t make any commission or fees for sourcing. The reimbursement for such expenses is generally made by the SPV.

MaGiC doesn’t get remunerated in fees or commission for sourcing the deal. As discussed above, SPV does not give fees or commission to Magic or Magic executives. SPV only shares profit beyond agreed hurdle with MaGiC.

About Magic

- Magic USA Inc, is a deal by deal Private Equity Firm that is headquartered in Nevada, USA. Magic Capital Services Private Limited, (MaGiC India) an associate of Magic USA INC., helps Magic USA in sourcing, processing and structuring domestic and international private investments (in Debt and Equity). Once invested, MaGiC also helps in managing investee relationships, and assist in monitoring performance and distribution of invested capital and returns to investors.
- Hammurabi Code - At MaGiC "We firmly believe that the interests of the partners of MaGiC should be aligned with those of our investors. Having own skin in the game demonstrates the willingness to link our financial well-being with yours This also places an implicit onus on us to make optimum use of our time abilities in order to find the best asset offerings for the investors. Therefore, our partners resolved to invest a sizeable portion (2% to 15%) into MaGiC offerings.
- Set up in July 2015, MaGiC has successfully concluded **EIGHTY SIX structured Equity and Debt investments in USA and India**. Till date, MaGiC has achieved **THIRTY ONE major liquidity events**:

86

Total deal count

31

Total Exits/Capital Return Events

24%

Average IRR in
US Exited Equity Deals (US$ Terms)
including deals exited at loss.

17%

Average IRR in
Indian Exited Debt Deals (INR terms)

Key Investment Risks

Investors are advised to take a decision after understanding the risks involved. Key risks involved are as follows:

General Risks of Real Estate Ownership: The investments of the Company will be subject to the risks generally incident to the ownership of real property, including uncertainty of cash flow to meet fixed and other obligations; adverse changes in local market conditions, population trends, neighborhood values, community conditions, general economic conditions, local employment conditions, interest rates, and real estate tax rates; changes in fiscal policies; competition from other properties; and uninsured losses and other risks that are beyond the control of the Company. There can be no assurance of profitable operations because the cost of owning the Company's investments may exceed the income produced, particularly since certain expenses related to real estate and its development and ownership, such as property taxes, utility costs, maintenance costs and insurance, tend to increase over time and are largely beyond the control of the owner.

Risks Associated with Property Acquisitions: The Company intends to acquire real property. Such acquisitions are subject to many risks. The Company may acquire property that is subject to liabilities or that has problems relating to environmental condition, state of title, physical condition or compliance with zoning laws, building codes or other legal requirements. In each case, the Company's acquisition of a real estate property may be without any recourse, or with only limited recourse, with respect to unknown liabilities or conditions. As a result, if any liability were asserted against the Company relating to the property, or if any adverse condition existed with respect to the properties, the Company might have to pay substantial sums to settle or cure it, which could adversely affect the cash flow and operating results of the Company.

Real Estate Investments Are Illiquid: Investments in real estate or interests in real estate are highly illiquid and subject to industry cyclicity, downturns in demand, market disruptions and the lack of available capital for potential purchasers. Accordingly, there can be no assurance that the Company will be able to realize on its investments in a timely manner.

Liquidity Risk: The Membership Interests have not been registered under any federal or state securities laws and are being sold in reliance on exemptions from registration under the 1933 Act and the provisions of applicable state securities laws. The Operating Agreement restricts the Transfer of the Interests. Among other things, the Operating Agreement provides that, except for certain permitted estate planning transfers, investors may not transfer or encumber their interests without the prior written consent of Managing Members. Thus, holders of the membership interests may not be able to liquidate their investment in such securities in the event of an emergency or for any other reason.

Absence of Investor Counsel: Counsel hired and paid for by the Company in connection with this offering has rendered services only to the manager of the Company in structuring this Offering and does not represent the MaGiC investors. Unless an investor requests the investor's own counsel to review this offering, the investor will not have been represented by counsel in connection with this offering. Each prospective investor should consult the investor's own advisor or counsel concerning this investment.

Competitive Risks: The project might face increasing competition for rental, multi-family housing in its catchment area. Such competition might make it difficult for the project to adhere to leasing and rent projections.

Market and Interest Rate Risks: The acquisition loan has a favorable interest rate. However, in the event that interest rates should dramatically increase during the holding period, the LLC's ability to maintain high cash flows could be hampered. Furthermore, the projected fair value of the project will be based upon the market supply and demand for similar properties, as well as the overall economy, which is uncertain and volatile. Therefore, the fair value of the project upon any exit might be better or worse than anticipated.

The Project's assets are subject to a secured Loan in Favor of the Senior Lender: The Sponsor will obtain senior debt financing for the purchase of the property. This loan and any other senior debt will have priority in any distribution of assets of the project. As a result, if the project fails to make required payments on such debt, the lender could put such loan in default and foreclose on the Property. A foreclosure under such loan would likely cause all capital invested by the investors in the project to be lost. Sponsor's affiliates intend to make certain guarantees related to the senior bank loan, but such guarantees will not provide any additional protection to the capital of investors in the project in the event of default or foreclosure. In addition, the agreements with the senior lender stipulate that no cash distributions shall be made to any equity investor until the project has paid the payment required to any lender so that the obligations with such lender are current.

The financial stability of the project could be negatively impacted by future economic conditions:
The target market relies heavily upon different financial resources, such as employment income, loans, or money from friends and family. It is possible that unfavorable economic conditions such as a weak employment markets or lagging economic environments could have a negative impact on the financial stability of the project.

The project may need additional capital and may not be able to refinance or sell the Property: It is possible that the Company may need to raise additional capital to refinance or otherwise carry out their business plans. It is possible that the planned features are not sufficient to achieve the desired rent levels. If either of these two events were to occur, the Company may require additional capital to complete the project's goals. It is possible that the Company might be unable to sell or refinance the project for a profit or even upon commercially reasonable terms at the maturity of the senior debt financing. In such an event, the Company would be forced to seek replacement financing, additional capital, or a combination of both to hold the project. The Company may not be able to obtain such additional financing.

General Tax Risks: The Company does not intend to request a ruling from the Internal Revenue Service (the "IRS") nor an opinion of counsel regarding any of the federal income tax matters related to this Offering. Accordingly, before making an investment decision, prospective investors are urged to consult their own tax advisors as to the federal income and other tax consequences (including state or local and foreign tax consequences) of the purchase and ownership of the Membership Interest offered hereby, including the possible effects of changes in U.S. federal, foreign, state or other tax laws.

As Investor Members, Investors Will Have Limited Ability to Control the Management of the Property: Except in certain limited circumstances, investors will have no authority to make decisions or to exercise business discretion on behalf of the project. The authority for all such decisions is delegated to the manager. Investors must be willing to entrust management to the manager, including any decisions relating to the operation, sale or refinancing of the property.

Possible Future Dilution and LLC Agreements: Should the LLC need to raise additional funds from time to time through equity or convertible debt financings in order to meet its operating and capital needs, existing investors will have preemptive rights to such securities If existing investors do not participate in these issuances of equity and convertible debt securities, pursuant to their preemptive rights or otherwise, such investors could suffer significant dilution in their percentage ownership of the LLC Further, the entity could also issue new equity or debt with rights, preferences, and privileges senior to persons who invest pursuant to this offering. Investors should carefully review the Limited Liability Company Agreement closely to understand the details of such additional fund-raising avenues and the rights thereunder. Each prospective investor in this LLC is encouraged to review the Limited Liability Company Agreement carefully, in addition to consulting appropriate legal and tax advisors. To the extent of any inconsistency between this Private Placement Memorandum and the Limited Liability Company Agreement of the same, the terms of the Limited Liability Company Agreement shall control.

Coronavirus and other Public Health Risks: The recent outbreak of the novel coronavirus (COVID-19) in many countries is adversely impacting global commercial activity and has contributed to significant volatility in financial markets. The global impact of the outbreak has been rapidly evolving and has created significant disruptions in global demand and supply chains. Government and self-imposed quarantines and restrictions on travel may continue for a long period of time. Such actions are adversely impacting a wide range of different industries, including commercial real estate. While the longer-term scope of the potential impact of the novel coronavirus (COVID-19) on global markets cannot be known at this time, the coronavirus outbreak and any other outbreak of any infectious disease or any other serious public health concern, together with any resulting restrictions on travel or quarantines imposed, are likely to have a profound negative impact on economic and market conditions and trigger a period of global economic slowdown. Any such economic impact could adversely affect the performance of this investment. As a result, the novel coronavirus (COVID-19) presents material uncertainty and risk with respect to the investment's overall performance and financial results may also be materially and adversely affected.

Loss Limitations: The ability of investors to deduct losses for U.S. federal income tax purposes related to an investment in the Membership Interest may be subject to certain limitations.

UBTI: Tax-exempt investors may be subject to tax related to unrelated business taxable income resulting from an investment hereunder.

Taxes Applicable to Foreign Investors: Foreign investors may be subject to certain U.S. federal income and other tax liabilities, as well as certain withholding and reporting requirements with respect to investment hereunder.

Changes in Tax Laws: The discussion of the tax aspects contained in this offering is based on law presently in effect. No assurance can be given that legislative or administrative changes or court decisions will not be forthcoming that would significantly modify the statements and opinions relating to taxes that expressed herein. Any such changes may or may not be retroactive with respect to transactions prior to the date of such changes. Prospective investors should be aware that new legislative, administrative or judicial action could significantly change the tax aspects of the Company or an investment therein.