



FREEDOM
FINANCIAL FUNDS, LLC

The information contained herein has been prepared solely for informational purposes and is not an offer to buy or sell or a solicitation of any offer to buy or sell any Interest in the Fund. Any offer of Interest will be made pursuant to the Fund's definitive documents and agreements, which shall supersede the information herein, and any decision by a Prospective Investor to invest should be made only after a thorough review of the Fund's definitive documents. Past performance is not predictive of future performance but is supplied for reference only.



About Us

Freedom is a boutique commercial real estate lender that finances sponsors and projects that meet our rigorous criteria. We operate a service-focused model that leverages long-term relationships with established professionals who value our knowledge, efficiency and flexibility. Our mission is to provide attractive risk-adjusted returns for our investors, with an emphasis on capital preservation, through originating and managing senior debt on value-add real estate projects primarily within the Western United States. Underwriting is based on time-tested fundamentals - strong sponsors, proven asset classes, and realistic business plans that always include multiple repayment options.

Our core values drive our every action:

- **People First** - Long-term relationship with our investors, borrowers, and colleagues is what drives us. More than 80% of our business is with repeat borrowers.
- **Culture of Service** – We offer a premium alternative to local and regional banks. We have built this competitive advantage through exceptional service, deep real estate knowledge, and a level of insight that makes us a trusted advisor. We distinguish ourselves by making quick, rational, and profitable decisions.
- **Philosophy of Safety** – We underwrite differently, and more carefully, than our competition. Our more than decade long record without a single loss demonstrates this standard of care. Return of capital must come before return on capital.



The Freedom Difference

- **Bankable Projects & People** – Our borrowers are seasoned professionals with established track records, strong financials, and realistic business plans. Such individuals would otherwise obtain a loan from a local or regional bank, but choose Freedom instead because we make sure to understand the specifics of each requirement, provide unparalleled structural flexibility, and offer a certainty of execution that is unique within our industry.
- **Institutional Underwriting** – We underwrite risk similar to other financial institutions, only we believe better and with the specific goal of avoiding enforcement against collateral. Loans are sized so as to never exceed 65% LTV on a net basis (less 5 - 7% costs) and must always be supported by multiple sources of repayment. We use net value because real estate is seldom sold without a broker.
- **Independent Governance** – Our six-person investment committee is autonomous, independent and approves substantially every loan. Committee members are seasoned investors who together represent more than \$28MM of Fund capital.
- **Multi-Cycle Experience** – Our four-person management team is comprised of former bank and fund executives who collectively have more than 150 years of experience. We have a demonstrated track record of value creation over the last 6 economic cycles and believe that tough markets provide opportunity for the well-prepared.
- **Proven Performance** – Over the last decade, we have originated over \$1.5BN across more than 400 loans. During this time, our average annualized net return to investors is better than 8% without a single loss.
- **Aligned Incentives** – Our fee structure results in an alignment of interest with regards to performance. Fund management is incentivized to make quality investments, not simply originate loans to generate fees.



Philosophy of Safety

Freedom evaluates People, Credit, and Real Estate (in that order). We refer to this approach as our “Philosophy of Safety”. This standard of care has been tested over multiple recessions and is further confirmed by our track record of no losses during our more than ten years as fund managers.

- **People** – We only work with seasoned professionals who dedicate their full-time efforts to the practice to commercial real estate and who have unblemished track records of successful execution. People can make mediocre real estate great or great real estate mediocre. We choose to work exclusively with the former.
- **Credit** – We always complete extensive background checks on new borrowers and work only with people of the highest professional integrity. Other lenders in our space may refer to themselves as “balance sheet lenders,” and while this philosophy may work for them, it does not work for us.
- **Real Estate** – We finance asset classes we understand in well-established trade areas, with high barriers to entry, across the western United States. Asset classes with deep and liquid capital markets tend to assure a higher likelihood of timely repayment. Additionally, we place significant emphasis on geographic, loan type, and product type diversity to further enhance portfolio risk-management.



Management Team

- **Michael Klein, CEO** – Michael brings over 35 years of experience in real estate and corporate finance as well as operations to Freedom. Michael began his career at Union Bank in Los Angeles, where he completed the Management and Credit training program. He has worked for money center, regional and community banks, including Chase Manhattan Bank, Union Bank, and China Trust Bank. Prior to starting Freedom, he co-founded and served as the COO for Partners Capital Solutions (PCS). As a fund manager, Michael has supervised the origination of over \$1.3 billion in loans and returned just under 9% to his investors while suffering zero losses. Michael serves on the Board of Homes 4 Families, an organization dedicated to helping low income veterans attain home ownership. He led the process to gain approval of the Warner Center 2035 Specific Plan, the largest plan in Los Angeles. He was a professor at the USC business school and has a BS in finance from Cal State Northridge and an MBA from USC.
- **Stanley Kafka, Principal** – Stan has been a real estate finance professional for over 50 years. Prior to starting Freedom, he was a Managing Director at PCS. Before PCS, Stan spent 16 years as Executive Vice President and Division Manager at City National Bank's Real Estate Group. Prior to City National Bank, Stan spent 25 years at Union Bank where he underwrote over \$10BN of development financing. Stan is active in the Los Angeles real estate community and serves on the Executive Committee of USC's Lusk Center for Real Estate. He holds dual BAs from the USC in real estate and finance as well as post-graduate certificates from UCLA. He is also an honors graduate of Pepperdine's PKE/MBA program and a graduate of the California Military Academy.
- **Minda Johnstone, Chief Credit Officer** – Minda has over 35 years of experience in commercial real estate lending. She has originated, approved and managed over \$2BN in loans over her career and managed problem loan portfolios exceeding \$500 million. Prior to starting Freedom, Minda spent 4 years at PCS as its Chief Underwriter, contributing materially to the firm's significant increase in volume and absence of troubled loans. Her banking career started at First National Bank of Chicago in Chicago; spanned 16 years as Team Manager and Senior Vice President at City National Bank in Beverly Hills, where she earned its Blue Ladder Award; and continued as Commercial Real Estate Manager and Executive Vice President at a local community bank. Minda served 10 years as Director and Treasurer of HomeAid - Los Angeles-Ventura County Chapter. She is a past president of Commercial Real Estate Women of Los Angeles and served on CREW-LA's Advisory Board. Minda holds a BA from Northwestern University and an MBA from SMU.
- **Yan Lam, Chief Financial Officer** – Yan has held senior accounting and finance rolls in the real estate industry for over 20 years. She began her career with Westrust Ventures, a developer and owner of apartments, offices, retail and mixed-use projects with over \$1BN in value and 4.3MM SF. In this role, Yan was in charge of the accounting department including all cash management, audit, valuation/exit analysis, and tax planning. Yan also oversaw the company's 18 member asset and property management teams. Prior to starting Freedom, Yan was Vice President of Accounting and Finance at PCS where she was responsible for all accounting, tax, reporting and information technology functions at the firm. Yan holds a BA in economics with an emphasis in accounting from UCSB.



Investment Committee

- **George Moss** – George is founder and chairman of the Moss Group, a real estate development and management company responsible for more than 100 projects across Southern California. During his more than 50 years in commercial real estate, George was also a founder and executive of West Valley Bank, First Pacific Insurance, and Marbro Funding. George is active in a variety of local and regional boards and philanthropic efforts. He is a graduate of UCLA.
- **Richard Moss** – Richard is president of the Moss Group, which he runs with his father George and brother Steven. Originally trained as an attorney, Richard practiced law with Rubin & Moss LLP for 9 years before joining the family business. He is former commissioner of the LA Dept. of Power and Water, the nation's largest municipal utility, as well as an officer of the UCSB Foundation. He is a graduate of UCSB, the University of Chicago, and Loyola Law School.
- **Steven Weiss** – Steve has 35 years of direct real estate ownership, management and development experience including ownership, renovation and management of 400,000 SF of office space as well as the construction and sale of hundreds of condominium units. He is a California licensed General Contractor and has a MBA from UCLA.
- **Richard Singer** - Richard is the president of SB Capital Management. Richard began his career with Amway Japan, where he supported the company's IPO and then later transitioned to Hikari Tsushin, where he led the company's venture investments in WebEx and Signal Soft. Richard has over 25 years of experience in alternative investments, including real estate. He holds a BA from UCLA and MBA in finance from University of Washington.
- **Ken Ruby** – Ken has over 50 years of direct real estate ownership, management and development experience across a variety of asset classes including multifamily, office, retail and industrial. He has founded two development companies and been a principal in over 5MM SF of transactions. Ken is active in a variety of philanthropic endeavors, is a licensed CA general contractor and a graduate of the University of Pennsylvania's Wharton School.
- **Gary Freedman** – Gary has been a principal and executive vice president of the Ezralow Company for over 35 years. Prior to Ezralow, Gary was a vice president and manager of the real estate department for the Union Bank of California. He serves on the executive board of USC's Lusk Center and holds a BA in architecture and MBA from USC.



Structure, Terms and Reporting

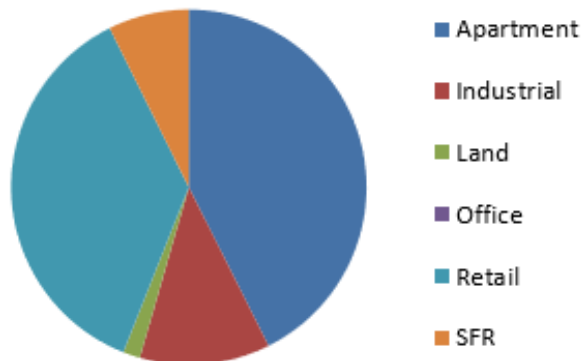
- Investors own an interest in a limited partnership and that entity owns the Freedom REIT. This structure eliminates federal income tax on up to 20% on income generated within the REIT for most investors (please consult with your tax advisor).
- All loan origination fees and interest are collected at the Fund level.
- The manager earns a 2% annual management fee on the aggregate amount of currently disbursed loans.
- All net income is split 88% to investors and 12% to the manager.
- Invested capital must remain invested for one year. After one year, an investor may withdraw funds, subject to limitations in the fund documentation. Withdrawal requests are paid every quarter.
- Earnings are distributed monthly, and quarterly reports are distributed within 15 days after quarter end.
- Cohn Reznick is the auditor for the Fund. The audited financial statements and K-1s are delivered in February.
- Panoptic, an SSAE 16 audited administration firm based in Los Angeles, provides independent cash management and fund administration for the fund.



Portfolio Metrics

Loan Distribution by Property Type - Loan Commitment

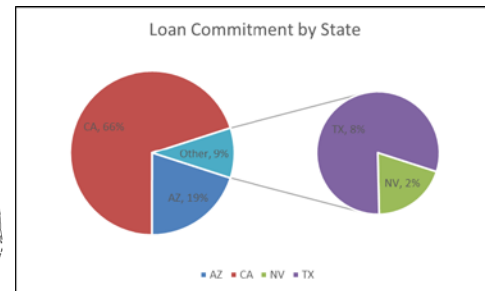
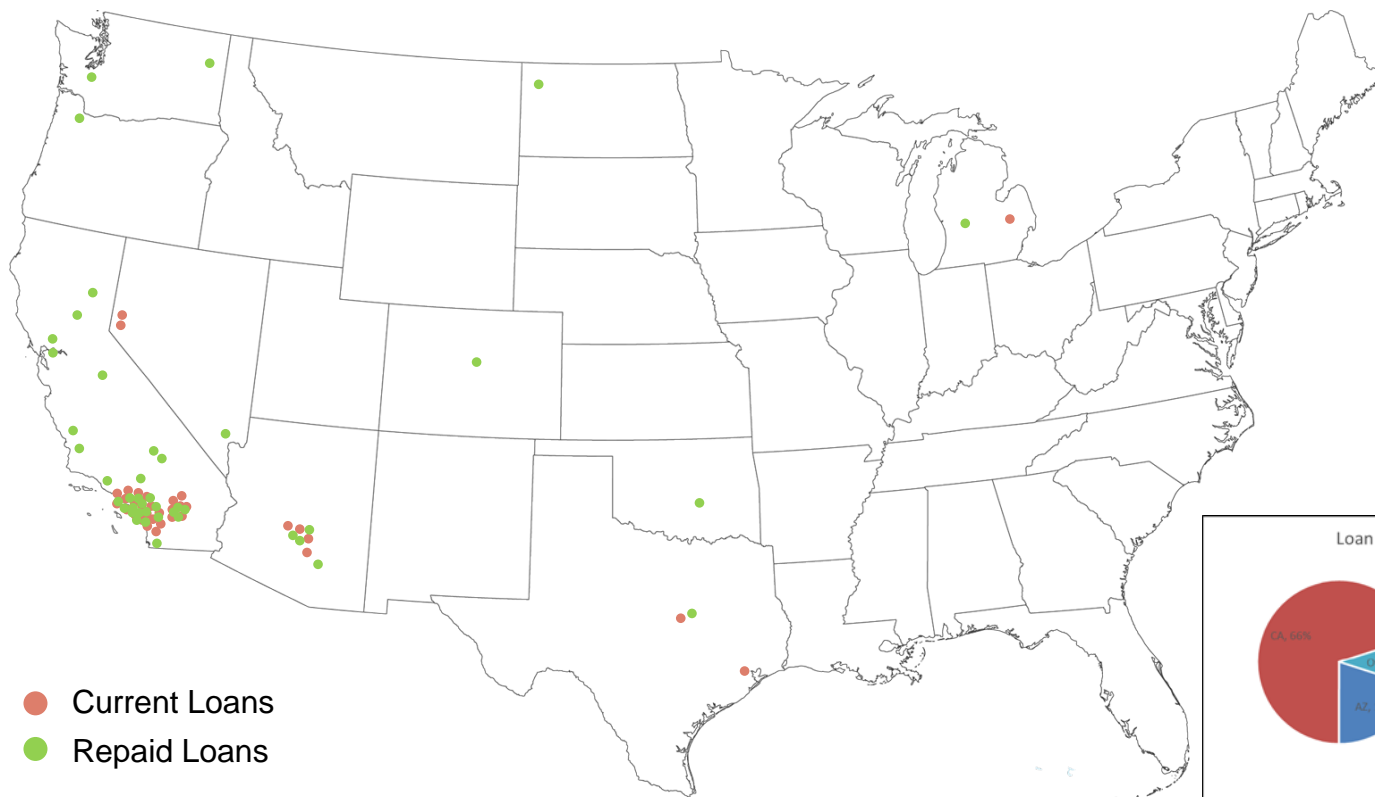
Current as of 2Q 2020



Property Type	Count	LTV	%
Apartment	16	63.74%	42.60%
Industrial	3	58.93%	11.86%
Land	3	46.67%	1.55%
Office	0	0.00%	0.00%
Retail	9	62.33%	36.64%
SFR	3	61.67%	7.35%
Total	34	61.25%	100.00%



Current and Repaid Loans (as of 2Q20)





Thank You

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