



THE PASSIVE INVESTORS GUIDE TO

PARKING LOT PROFITS

Real Estate Investing for
Cash Flow & Legacy Wealth



SunriseCapitalInvestors.com



TABLE OF CONTENTS

5 THE KEY TO BUILDING REAL WEALTH

6 THE CASE FOR INVESTING IN
PARKING LOTS

10 PARKING LOT DEMAND AND SUPPLY

14 HOW PARKING LOT INVESTORS MAKE
MONEY

18 TAX BENEFITS OF PARKING LOT
INVESTING

23 RISK ADJUSTED RETURNS

28 OUR STRATEGY FOR INVESTING IN
PARKING LOTS

34 ADVANTAGES OF OUR APPROACH

36 HOW WE HELP INVESTORS

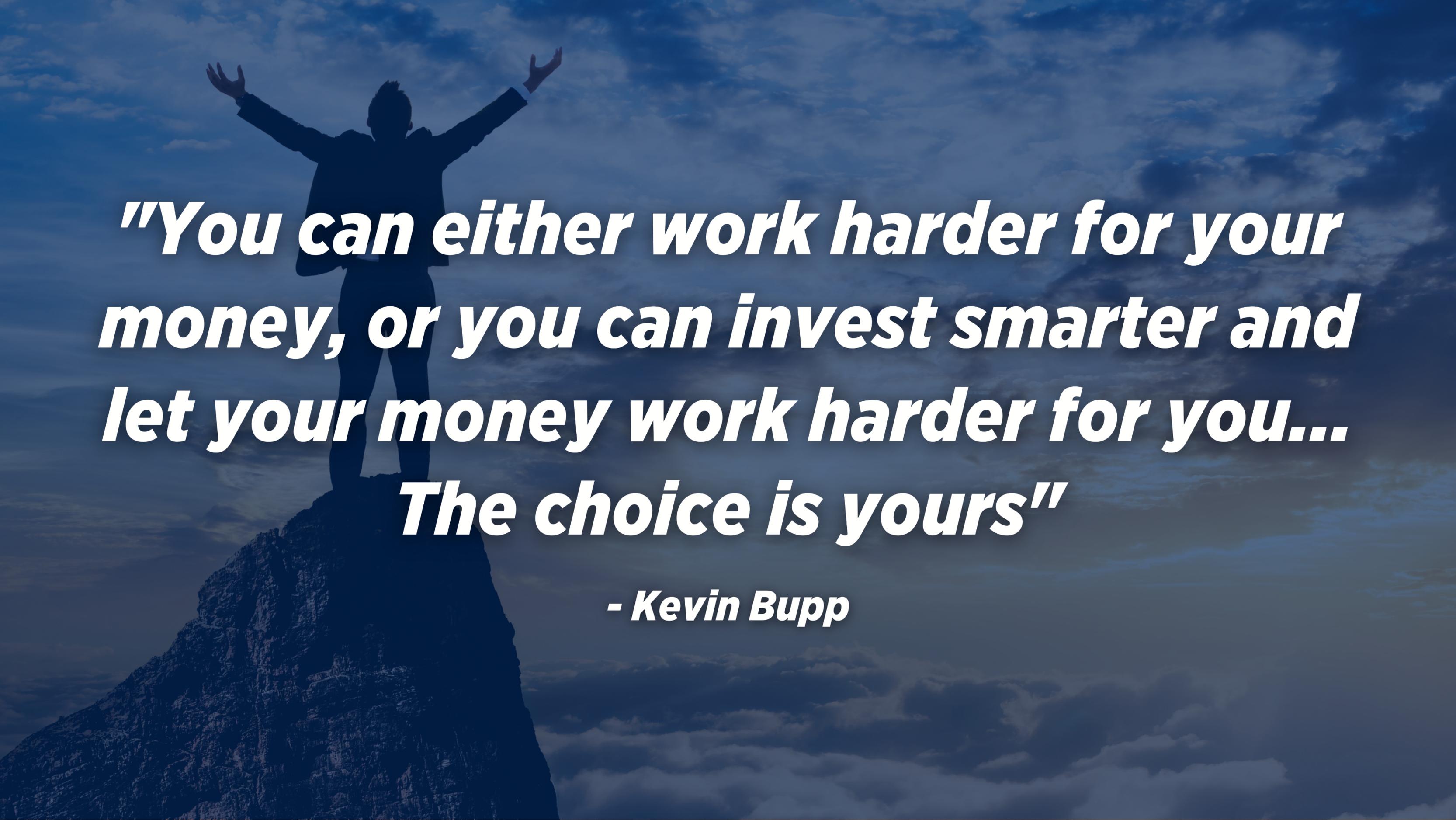
38 OUR 4 STEP BUSINESS MODEL FOR
PARKING LOT INVESTING

40 MEET OUR TEAM

42 CASE STUDY

44 SCI GROWTH & INCOME FUND 3, LLC

46 CONTACT US

A silhouette of a person standing on the peak of a rocky cliff, with their arms raised in a gesture of triumph or freedom. The background is a vast, cloudy sky with a blue and grey color palette. The overall mood is one of achievement and choice.

***"You can either work harder for your money, or you can invest smarter and let your money work harder for you...
The choice is yours"***

- Kevin Bupp

HOW TO ACCELERATE YOUR WEALTH BUILDING

Would you like to achieve better risk-adjusted returns than which you might find in traditional investment vehicles?

Are you concerned about the extreme valuations of common investments such as stocks, bonds, and single-family rental properties, knowing that prices and returns eventually move back towards the average in the long-term?

This report is designed to provide you with a thought-provoking look at an under-the-radar, commercial real estate investment niche, along with essential data and facts to help you decide if this is an asset class you should have in your portfolio.

While this investment may not be considered 'sexy,' it is very appealing from an investment standpoint because it has the potential to generate cash flow and build long-term legacy wealth.

This investment is also a perfect fit for busy professionals and business owners looking for passive investments with a favorable risk to reward ratio that can perform well in both good and bad economies.

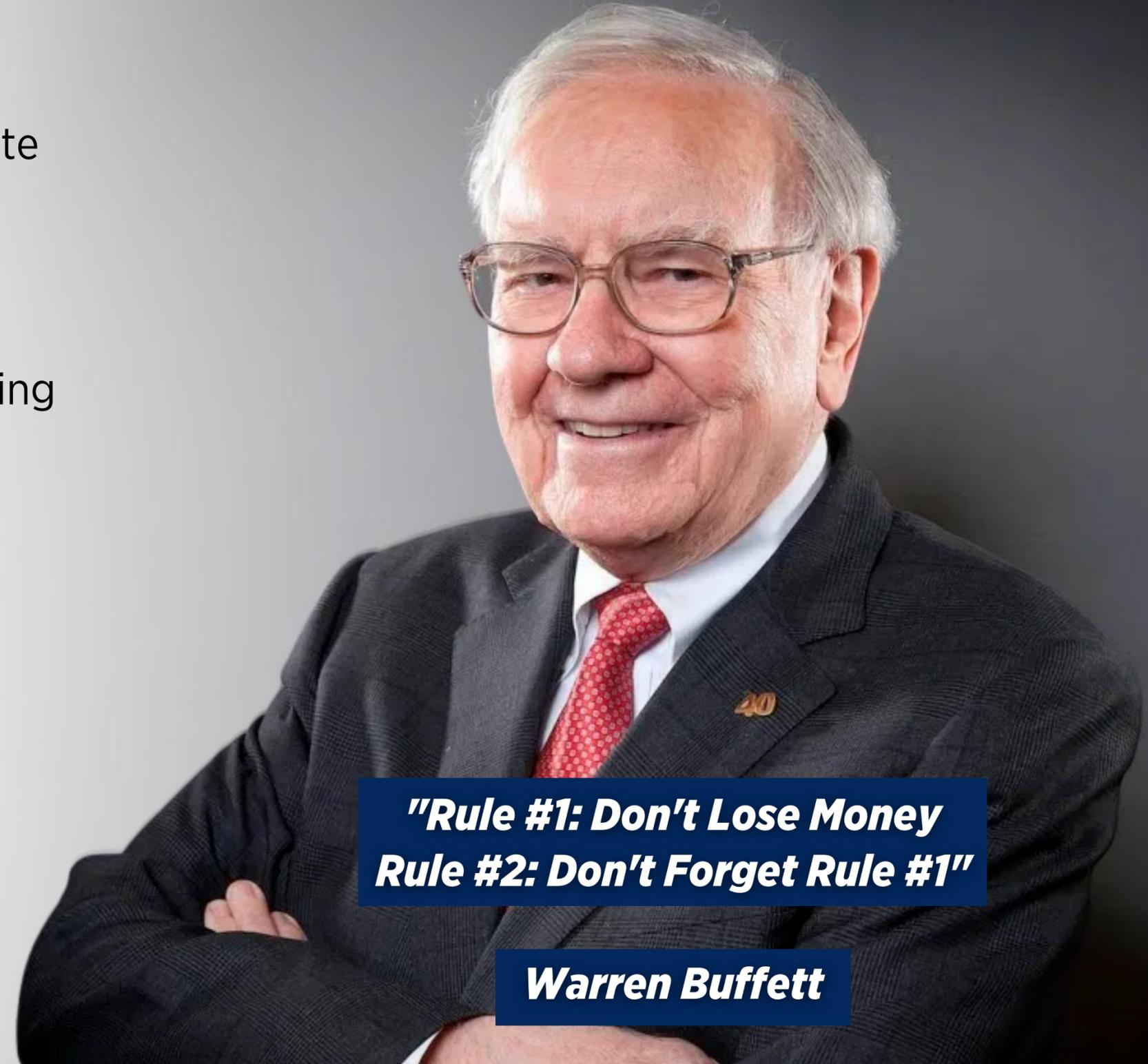


THE KEY TO BUILDING REAL WEALTH

Astute investors know that real wealth doesn't happen overnight by taking outsized risk in an effort to generate lofty returns. Real wealth grows over time through efficient management of capital, buying right, and investing for the long term.

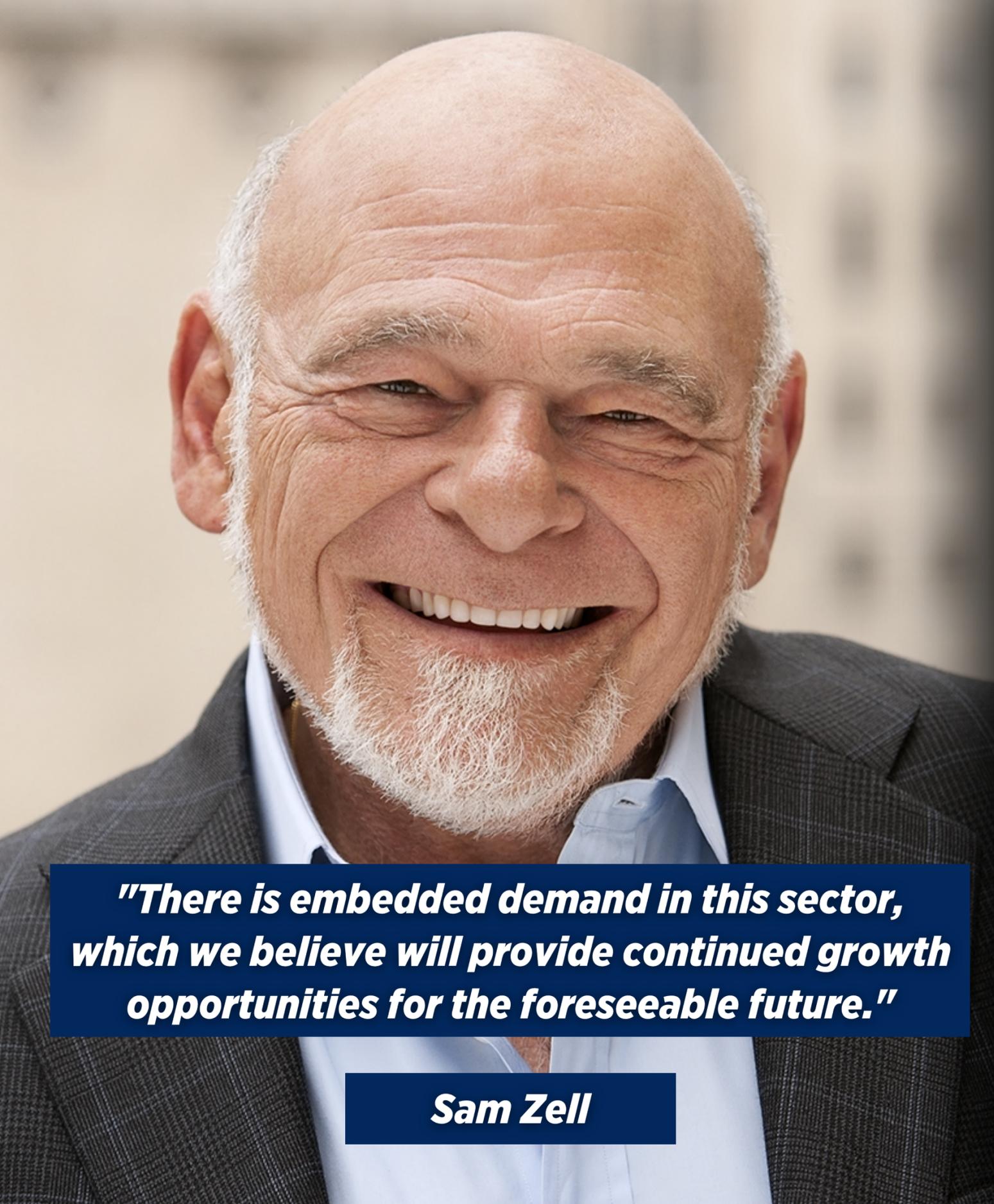
They know that capital preservation is the key to building legacy wealth. With stocks and many other assets at extremely questionable valuations, it is especially important to take a step back and look at the bigger picture and the risk to reward ratios of traditional investments nearing bubble territory.

The cost not to do so could be extremely painful, as anyone who suffered the dotcom crash in 2000 or the financial meltdown in 2008 will tell you.



***"Rule #1: Don't Lose Money
Rule #2: Don't Forget Rule #1"***

Warren Buffett



"There is embedded demand in this sector, which we believe will provide continued growth opportunities for the foreseeable future."

Sam Zell

THE CASE FOR INVESTING IN PARKING LOTS

Smart investors focus on niches with favorable long-term economics. That means investing in a niche where the demand grows at a rate higher than the new supply coming online. These favorable long-term, supply-and-demand economics provide a tailwind that helps contribute to outsized investment returns over time.

It is in a fragmented market that is inefficient and has a lot less competition than you will find in other real estate segments, opening the door for substantial returns.

Forbes

Parking Your Cash: A Primer On The Unique Niche Of Parking Lot Investments

SIZE OF THE MARKET

With roughly 40,000+ paid parking facilities nationwide the market is large and fragmented, but shrinking. From 2008 to 2017 the number of parking facilities decreased 7% as a result of burdensome zoning and moratoriums on new parking facilities in many downtown areas.

As the population grows, cities become more dense, and land must be repurposed to fit the needs of the larger population. Parking lots don't generate as much value to the local economy as office space, retail, or entertainment, so there is little incentive to preserve them.

Too much parking in a city damages the economy, raises housing costs, and penalizes people who cannot afford or choose not to own a car. As a result, some cities have actually banned the creation of new parking spaces in their downtown district.

Plus parking lots are one of the easiest types of properties to redevelop.



BIG CITIES HAVE A WAR ON PARKING



[Parking Lots, Once Asphalt Wasteland, Become Golden Opportunities](#) - New York Times



[Death by parking: How minimum parking requirements are a drag on Dallas](#) - May 2021



[Minneapolis eliminates minimum parking requirements for new developments](#) - May 2021



[Denver City Council approved a major change to the city's affordable housing zoning code by reducing the minimum parking requirements](#) - July 2021



[Lower Parking Minimums Means Higher Value for Parking Spaces](#) - NAIOP



[Parking in Cities Gets Pricey as Demand Soars](#) - CNBC September 2021

A LOOK AT HOUSTON PARKING



In the photo of 1978 Houston, note the vast amount of parking in the central business district, and the lone skyscraper in downtown at that time.



Today the entire landscape has shifted. Nearly every parking lot has been redeveloped into a higher-and-better use. And the lone skyscraper on the right side of the screen? It's still there... but it's no longer alone....



And the value of the underlying real estate has risen tremendously over time. The shrinking supply of parking lots is very beneficial for investors in this asset class!



DEMAND FOR PARKING

The demand for parking is massive and continues to increase. Parking demand is a function of population growth and transportation habits. And as everybody knows, the population has historically increased and is expected to increase precipitously over the next several decades, from 325 million today to 400 million by 2050.

We're specifically highlighting the Millennials and Generation-Z because cumulatively, these two generations account for more than half the entire population.

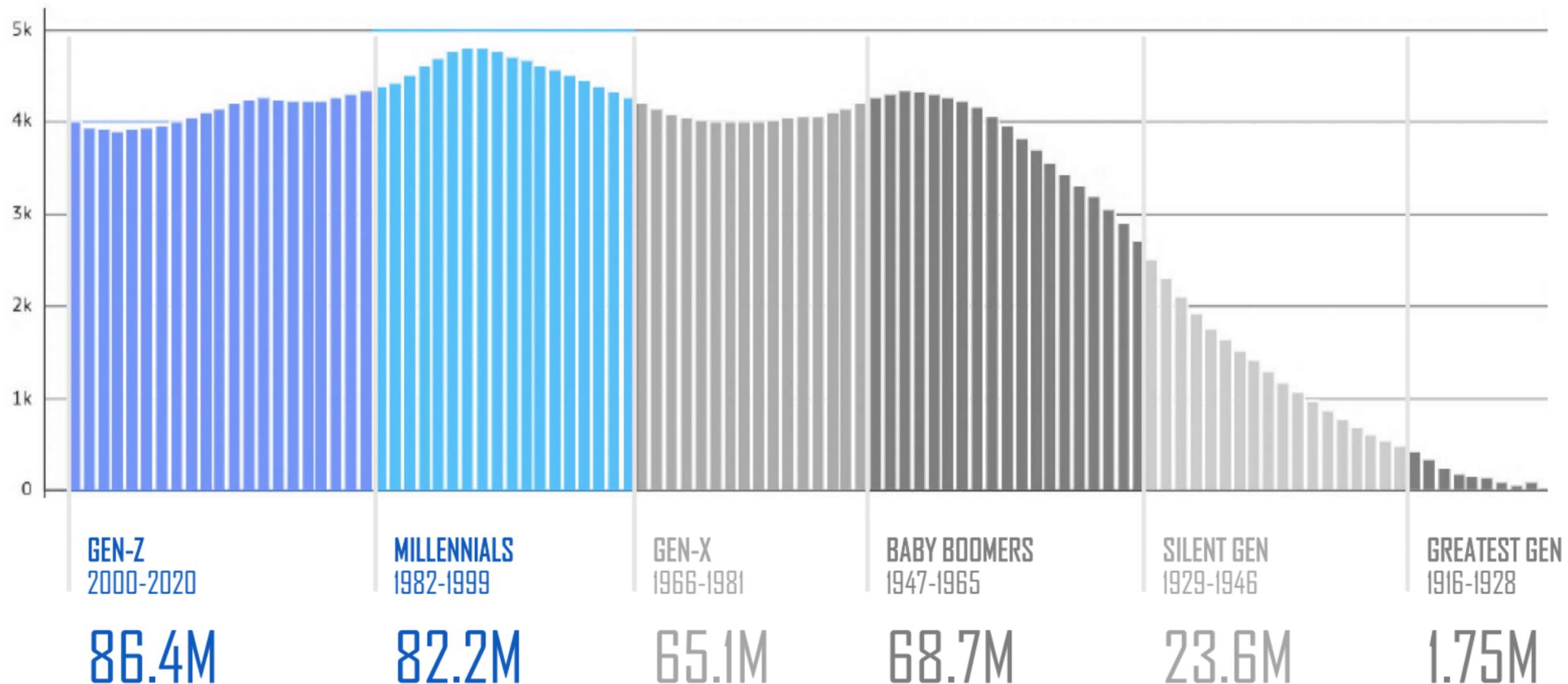
When millennials establish households, they need somewhere to park their cars.

DEMAND FOR PARKING BY AGE

US Population Grows

TOTAL US POPULATION BY AGE IN 2020

Gen-Z and the Millennials comprise over half the US population

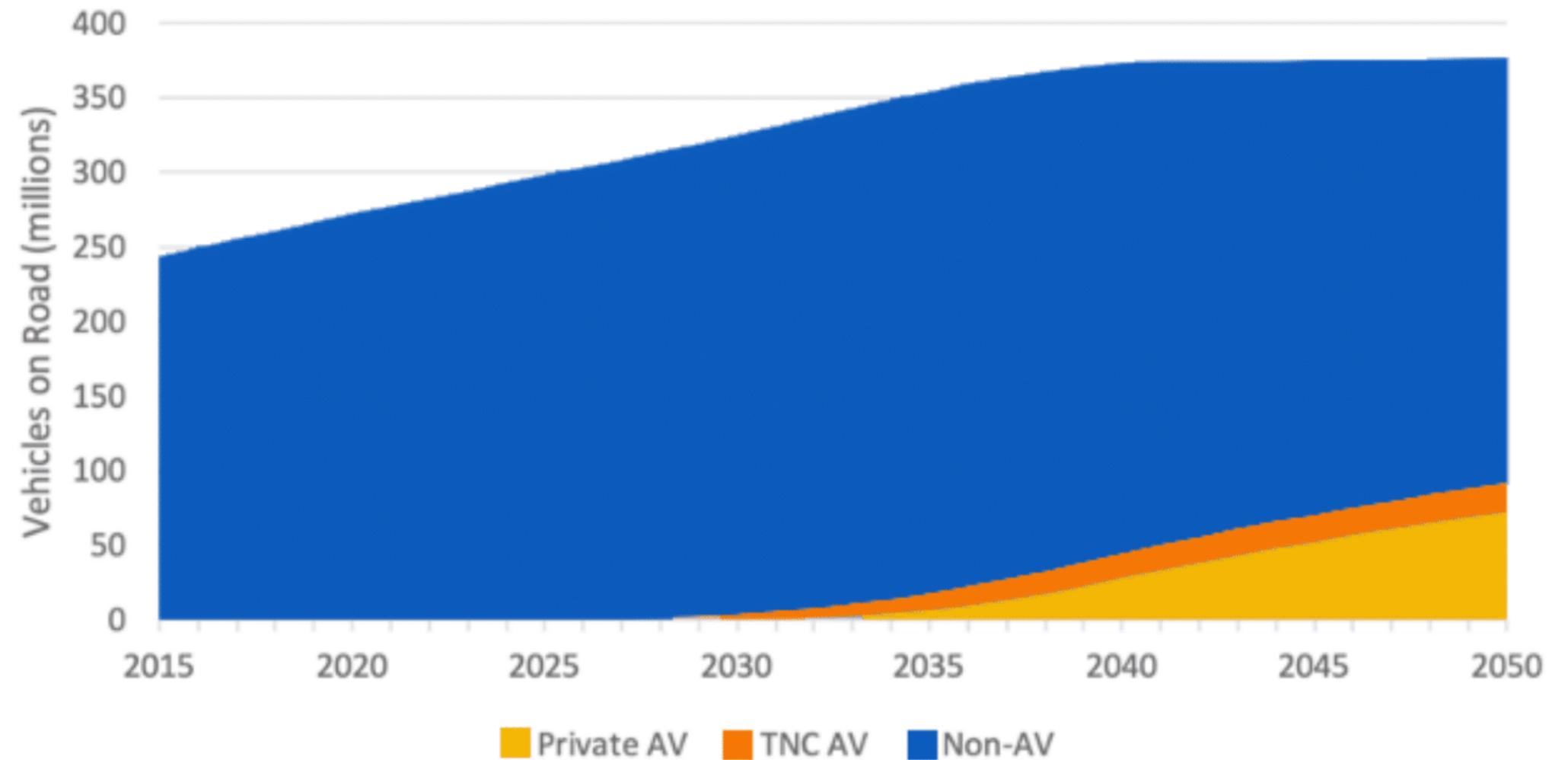


VEHICLE GROWTH AND PARKING

Furthermore, there are more than 285 million vehicles on the road today, and that number is projected to increase to over 350 million by 2040. These vehicles will need somewhere to park.

A surge in demand will likely occur within the next 15 years based on a combination of factors, including a stable, long-term preference for vehicle use and the size of the post baby boom population.

PASSENGER VEHICLES ON ROAD



AV = Autonomous Vehicle , TNC = Transportation Network Company (Uber, Lyft, etc)

SUPPLY AND DEMAND CONCLUSION

So we know that the demand for our product is steady and it's continuing to increase... and it will increase at a higher rate than the new supply coming online. And what that ultimately does is create pricing power in the marketplace.

The asset class has what is known as very inelastic demand. It is not perfectly inelastic, but it is very inelastic demand.

When the price of gas jumps 15% or 20% or 30%, do people stop driving? No. They continue to drive because there is relatively constant need for their vehicles.

And in the same vein, the price of Parking is relatively inelastic.

If you're going downtown to watch a sporting event, or you're going downtown to work there for your 9-5, are you going to stop going there because the price of parking went from \$10 a day to \$11 a day?

No, that is a nominal increase of just a mere \$1. However, that is a substantive increase to the bottom line Net Operating Income (NOI). We're increasing the NOI 10% every time we do something like that.



HOW PARKING LOT INVESTORS MAKE MONEY

- 1 Produces consistent cash flow that is 100% passive
- 2 Leverage due to the lender providing a large part of the cash
- 3 Equity, with the parking income paying off the mortgage over time
- 4 Appreciation due to rising property values
- 5 Tax benefits for real estate investors

TOP 10 KEY BENEFITS OF INVESTING IN PARKING

- ✓ Increasing Demand
- ✓ Shrinking Supply
- ✓ Mom-and-Pop Owners
- ✓ Stable Recurring Income
- ✓ Low Competition
- ✓ Location, Location, Location
- ✓ Dynamic Pricing
- ✓ Low Maintenance
- ✓ Recession Resistance
- ✓ Covered Land Play

KEY BENEFITS OF PARKING INVESTING

1 HEAVY DEMAND AND LIMITED SUPPLY

The long-term supply and demand imbalance of the industry can create a rising tide that may prove beneficial to parking owners and investors. As the supply of parking shrinks, parking rates for these facilities will continue to increase, which improves cash flow.

2 MOM-AND-POP OWNERS

Per IBIS World, the parking industry is “highly fragmented, with most operators being small private companies that often operate as single-parking facilities.” Acquiring these assets in off-market, direct-to-owner transactions creates an opportunity to improve the value of the assets shortly after acquisition, giving investors a nice margin of safety. Oftentimes, mom-and-pop folks don’t leverage sophisticated business systems and processes to maximize the NOI of their parking facility. Several owners still take cash, manage the facility themselves or trust parking lot attendants with their revenue. Acquiring these assets in off-market, direct-to-owner transactions provides great opportunities to add operational expertise and leverage technology to improve margins.

3 STABLE RECURRING INCOME

Our strategy is to sign favorable long-term, five to ten-year NN or NNN leases with credible third-party operators. These long-term leases provide stable, recurring income for many years into the future. The visibility of income over the next decade provides safe, predictable cash flow (and clarity) for our partners.

4 LOW COMPETITION

To date, the parking niche has flown under the radar. Over time, asset ownership in the industry will consolidate. Today, parking assets are similar in their consolidation to what MHPs were ten years ago before large players got in the market, causing compressed cap rates and shrinking profit margins. This provides more than enough runway to roll up a nice portfolio of parking assets while the competition is still low.

5 LOCATION, LOCATION, LOCATION!

The mere fact that a given parking facility generates income conveys that the parcel of land is in a highly desirable area. Real estate is about location, location, location and parking lots are premium parcels.

KEY BENEFITS OF PARKING INVESTING

6 DYNAMIC PRICING

Many mom-and-pop operators are late adopters of new technology. While we always negotiate the purchase price based on historical financials, we have the ability to increase the value of the property shortly after acquisition by improving operations. With recent advancements in technology, we can leverage sophisticated third-party operators who institute a dynamic pricing model to maximize revenue.

7 LOW MAINTENANCE

Parking lots are extremely low maintenance, providing a great alternative to the typical tenants, trash, toilets, and termites you find in other niches such as multifamily or commercial buildings. In a surface parking lot, you typically have nothing other than asphalt, parking lines and bumper blocks. There is usually very little maintenance necessary, which equates to very low capital reserves and improved margins.

8 TAX ADVANTAGES

Parking Lots are remarkably tax efficient. In addition, bonus depreciation can be used in year one if needed to offset other passive income.

9 RECESSION AND INFLATION RESISTANT

Parking is a recession-resistant niche that has historically outperformed during periods of economic downturn. With wild fluctuations in the stock market and unpredictability in many cyclical real estate sectors, investing in long-term, guaranteed NN and NNN-leased parking facilities can offer reliable, predictable income for decades, regardless of the economy. Historically, real estate, including parking, has served as a hedge during inflationary times.

10 COVERED LAND PLAY

Parking generates positive cash flow today while providing the potential for outsized returns through redevelopment in the future. The current income 'covers' carrying costs and provides a secure return in the short-medium term. The 'land play' conveys there is upside potential via redevelopment into a higher-and-better use in the long term.

ARE YOUR TAXES A BURDEN?

If you feel like you are getting crushed by taxes, you are not alone. We hear it over and over again when we talk with investors. They sacrifice and work harder to get ahead and then tax time comes and they get slammed with a giant tax bill.

The sad truth is the average accredited investor's biggest expense is taxes. Between state, federal, and local taxes, we pay \$5.29 trillion of taxes a year as a nation, or 29% of national income!

Sure, you can invest in municipal bonds to create tax-free income, but with the paltry returns it will take you centuries to get ahead.

One of the things that makes commercial real estate investing so attractive to the wealthy is the ability to create highly tax-advantaged income that doesn't require you to trade your precious time for dollars. These tax advantages are not available to stock and bond investors, another strike for traditional asset classes touted by most financial advisors.

THE IMPORTANCE OF TAX SHIELDING

It's important to understand what tax shielding you will have for all of your investments. Real estate has tax advantages in excess of practically every other type of investment, whether you are starting a business, investing in bonds, precious metals, stocks, etc.

The United States government wants to incentivize investors to invest in real estate, so it provides lucrative tax breaks for real estate investors. Let's take a closer look.

All deals should pass through the standard 27.5 - 39 year depreciation schedule depending on the property type. This is passed through to the investors each year.

This results in a 'paper' loss for the investor.



HOW TO GET EXTRAORDINARY TAX BENEFITS

The U.S. government encourages people to invest in real estate by providing exceptional tax benefits when they do so.



DEPRECIATION

Parking Lots are remarkably tax efficient. The majority of the purchase price can be allocated to the capital improvements (pavement, bumper blocks, underground utilities, etc).

These items are depreciated over an accelerated 15 year timeframe versus the standard 27.5 years for residential real estate or 39 years for commercial real estate.



BONUS DEPRECIATION

Recent updates to the tax code further expedite the tax write-off through favorable language regarding bonus depreciation.

This extraordinary benefit allows commercial real estate investors to use cost segregation studies to take 100% of the tax write-off associated with capital improvements in year one of ownership.

TAX SHIELDING EXAMPLE

Purchase Price	\$10,000,000	Year 1 Depreciation % of Sales Price	52.6%
Down Payment (40%)	\$4,000,000	Year 1 Total Depreciation Paper Loss	\$5,260,000
Loan Amount	\$6,000,000	Depreciation Pass-through to each Investor	\$ (131,000)
Total Investors	40	Net Tax on Investors Cash-on-Cash Return	\$ (123,000)
Investment per Investor	\$100,000		
Investor Cash-on-Cash Return	8%		
Investor Cash-on-Cash Return (Yearly)	\$8,000		



It's important to note that as the investor you aren't paying any tax on your cash-on-cash return. In fact, you will show a taxable loss that will carry forward for future years that can be used to offset gains from this property or even other current or future passive income you will generate!

PARKING LOT INVESTING AND TAX SHIELDING

The tax write-off from investing in parking lots exceeds many other types of real estate investments including office, commercial and apartments.



The Tax Cuts and Job Act of 2017 provides extremely favorable treatment for parking lot investments



Our Grow & Income Fund investors are projected to receive a substantive tax write-off on their investment in the first year.



This tax shield benefits investors with passive income and can also be carried forward in subsequent years



The tax shield can also be used as a more favorable alternative to a 1031 Exchange

RISK ADJUSTED RETURNS

 Mobile Home Parks (MHPs) and Parking Lots (Net Lease in the chart) provide the best risk-adjusted returns out of any investment niche. A recent webinar from Green Street Advisors reported that “not only are long-term returns the highest, but there is also near-term upside.”

Sector	Nominal Cap Rate	Cap Ex % of NOI	Economic Cap Rate	SS NOI Growth '19-'22	SS NOI Growth Long Term	Adjustment for Risk ¹	Risk-Adjusted Expected Return (Private Market)
Manuf Home	5.4%	8%	5.0%	3.6%	2.8%	+0.2%	8.1
Net Lease	7.2%	3%	6.9%	0.0%	0.0%	+0.1%	7.0
Health Care	6.1%	9%	5.5%	2.7%	1.1%	-0.0%	6.8
Self Storage	5.4%	5%	5.2%	1.5%	1.6%	+0.1%	6.8
Apartment	4.7%	10%	4.3%	2.3%	2.2%	+0.1%	6.6
Single-Family Rental	5.0%	12%	4.4%	3.6%	1.8%	+0.2%	6.6
Industrial	5.1%	15%	4.4%	4.3%	1.2%	-	6.4
Hotel	7.9%	30%	5.6%	1.1%	1.3%	-0.3%	6.1
Student Housing	5.4%	8%	5.0%	1.0%	1.0%	+0.2%	6.1
Mall	5.7%	17%	4.7%	2.1%	1.2%	-0.1%	6.0
Strip Center	6.1%	19%	5.0%	1.4%	0.9%	-	6.0
Office	5.0%	28%	3.6%	2.8%	1.5%	-0.1%	5.3
U.S. Wtd. Average	5.6%	16%	4.7%	2.3%	1.4%	-0.0%	6.2

RISK VS REWARD

Parking Lot investing is a blue ocean strategy, just like mobile home parks a decade ago.

Mobile home parks have been the best performing asset class for decades, providing the best risk adjusted returns. Even still, they have flown under the radar for years.

Then big players like Blackstone, Carlyle and others jumped into the space which has resulted in consolidation, more competition, harder to win properties, and compressed cap rates.

Parking Lots have many of the same investment attributes as MHPs, but it is a completely blue ocean strategy with few competitors. Profit margins are not shrinking and cap rates are not compressing. It is still an untapped market with tons of potential for investors!

As we have seen the long-term supply and demand economics are very favorable, with demand increasing higher than supply, paving the way for outsized risk-adjusted returns.



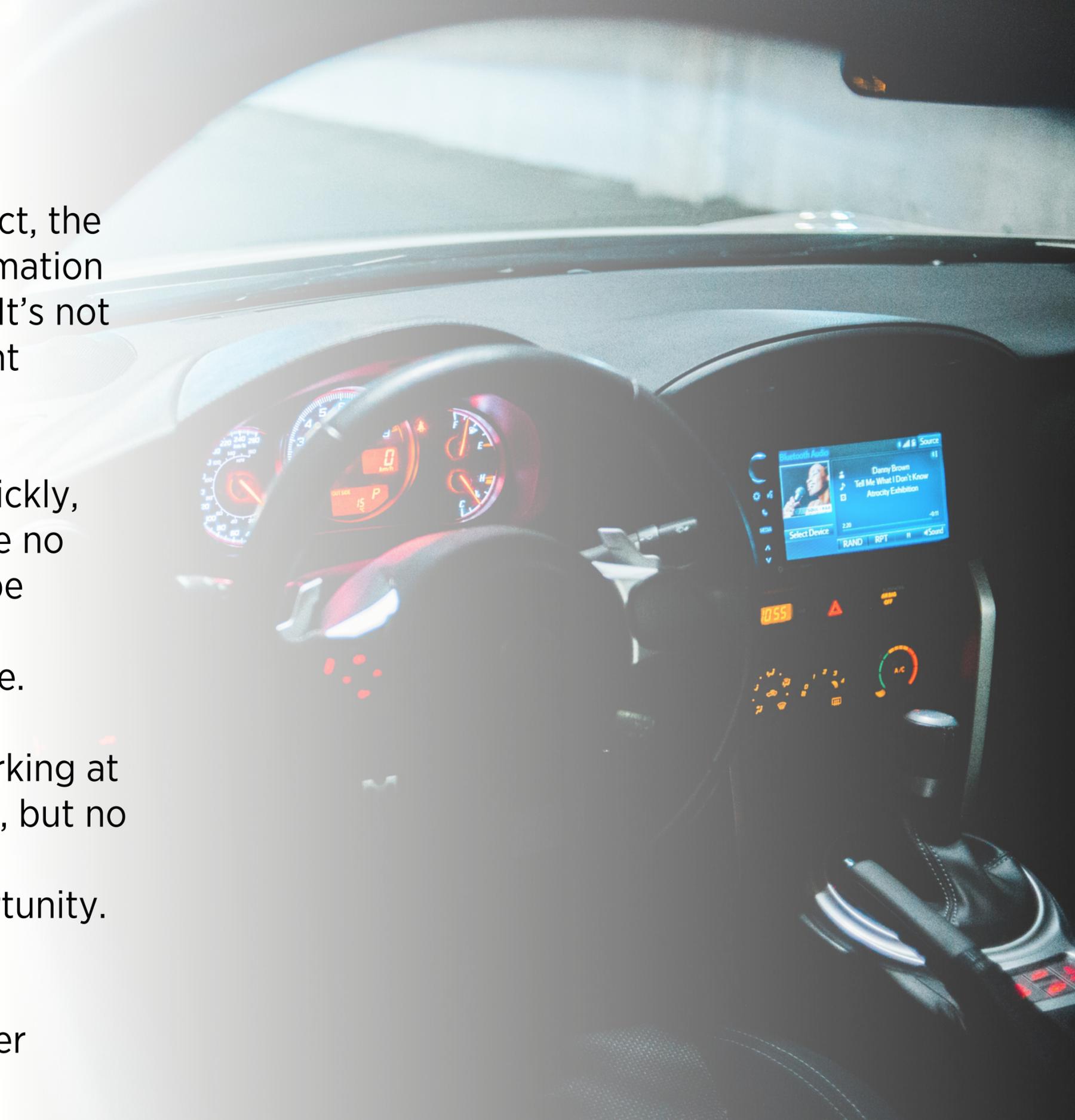
RISKS

No asset class is without risk, and as you would expect, the #1 risk to buying parking lots is the adoption of automation and AI in autonomous vehicles and self-driving cars. It's not a matter of if, but when this risk becomes a significant factor.

While advances in this area have been happening quickly, there are significant hurdles to get to the point where no driver is needed and the parking lot industry would be disrupted. Getting to this stage requires enormous infrastructure replacement which will take a long time.

Autonomous vehicles are not expected to impact parking at all from 2020 - 2030, then there will be some impact, but no significant impact for 25 - 30 years, plenty of time to capitalize and reap the rewards of the existing opportunity.

And remember, redevelopment is our safety net that provides an alternative when the property is no longer beneficial as a parking facility.



ARGUMENTS AGAINST AUTONOMOUS VEHICLES LOWERING PARKING DEMAND



[Apple Co-Founder Steve Wozniak Doesn't Believe in Self-Driving Cars - The Drive](#)

After some frustration with the technology, Woz has relinquished his faith in autonomous cars. Wozniak told CNBC that he once had dreams of Apple building the first self-driving car but now feels as though technology is not quite advanced enough.



[Ford CEO confession: We "overestimated" the arrival of self-driving cars - Fast Company](#)

"Self-driving cars are coming. But will most people interact with them or even see them? Probably not anytime soon. The self-driving future is still a relatively distant dream."



[Electrification and Autonomy won't gain widespread adoption for decades - Automotive News](#)



[Study Finds Americans Ambivalent to Electric and Self-Driving Cars - JD Power & Associates](#)

One J.D. Power survey respondent noted, "We've already had deaths by driverless vehicles. How many will it take before we realize that giving control to a computer programmed by a human, whose motivations we don't know, is probably not a great idea?"



[Ex-Uber CEO Travis Kalanick invests \\$150 million to redevelop parking lots - MarketWatch via WSJ](#)

We would argue that nobody knows more about Uber than the CEO, who recently rolled out an investment fund specifically designed to acquire parking lots.

***“There is embedded demand in this sector,
which we believe will provide continued
growth opportunities for the foreseeable
future.”***

– Sam Zell, Forbes 400 Member

OUR CORE PLUS STRATEGY FOR PARKING INVESTMENTS

Our team was ahead of the curve, touting the merits of the asset class long before mobile home parks became the darling of private equity. Today, we see a similar opportunity in parking.

Our strategy for parking assets is similar to our mobile home park strategy in that we acquire properties, improve operations, cash flow, and provide distributions to our partners.

There is a sufficient runway to acquire a nice portfolio of parking assets while the niche is still overlooked and under the radar!

Our approach is to acquire parking lots and garages in exceptional locations with solid demand generators:

- ✔ Strategically allocated in highly desirable CBDs - aka Central Business Districts
- ✔ Tourist locations where a high demand for parking exists along with a decreasing supply of developable land
- ✔ Governments and Courthouses
- ✔ Hospitals
- ✔ Sporting and event venues



OUR STRATEGY

We acquire assets that are in premium markets that offer stable cash flowing covered land plans as well as the potential for future redevelopment.

Our core competency has been buying MHP deals direct from mom-and-pop owners. Parking lots provide an excellent opportunity for us to leverage over 20 years of experience in real estate, which includes sending hundreds of thousands of direct mail pieces, making tens of thousands of cold calls, and negotiating deals directly with owners.

We will leverage our team and our systematic approach in the Parking Lot industry, where there is minimal competition. We are ahead of the curve and no one else is doing what we are doing in parking. We are uniquely positioned to execute an off-market, direct-to-owner approach on a large scale!

We buy deals where the micro and macro economics are good and our approach allows us to buy below the true market value of the property. This gives our investors a margin of safety from day one coupled with a stable recurring income stream.

PREDICTABLE RETURNS

Safe, predictable cash flow is created by negotiating favorable leases with operators prior to acquisition:

- ✓ Secure guaranteed long-term net leases (NN or NNN) with annual base rent
- ✓ Include annual CPI increases to mitigate the risk of inflation
- ✓ Receive revenue participation based on a percentage of profits above a threshold

While we're negotiating the purchase with the owner, we are simultaneously negotiating with a Parking Operator who will ultimately become our tenant.

Because we negotiate the new lease PRIOR to acquisition, our rate of return is baked into the deal in advance of closing.

The long-term leases provide stable, recurring income for many years into the future. The visibility of income over the next decade provides safe, predictable cash flow (and clarity) for our partners.

INCREASE THE NOI (NET OPERATING INCOME)

Lease renegotiation - Parking leases are generally terminable on sale to a third party so we can grow the NOI substantially upon purchase by terminating the previous lease and negotiating better terms.

With recent advancements in technology, SCI can leverage sophisticated operators to improve operational efficiency and increase cash flow

- ✓ Optimize operations through automation, which can reduce cash theft from both employees and customers up to 30%
- ✓ Implement demand-based dynamic pricing to maximize revenues

The operating process can also be optimized by implementing a more efficient parking layout or using valet nesting to increase inventory.

Lastly, as the demand for parking rises, it creates upward pricing pressure and parking rates can be raised over time.

The maintenance requirements are very modest and capital expenditures are low. Unlike apartments and MHPs, there are few operational challenges, allowing us to focus on our core competency of buying deals in off-market, direct-to-owner transactions.

REDEVELOPMENT

An investment in parking can be viewed as what's referred to as a covered land play. Parking lots are often redeveloped into higher and better use: think high-rise condos and office buildings in urban environments.

The covered land play is an investment strategy that mitigates the downside risk by generating positive cash flow today while providing the potential for outsized returns through redevelopment in the future.

The current income "covers" carrying costs and provides a secure return in the short to medium term. The "land play" suggests there is upside potential via redevelopment into a higher and better use in the long term.

Because parking is often the least valuable zoning in a central business district, these assets (and their associated air rights) become prime candidates for redevelopment in a future real estate bull market. When the development cycle turns and builders consider options, they call owners of parking facilities first.

It is becoming more and more common for parking investments to be worth more as developments than parking facilities and represents a very exciting aspect of the opportunity.

SUMMARY



We view Parking as a Core-Plus investment because it creates very stable, very predictable, recurring income for many years into the future... The visibility of income over the next decade provides safe, predictable cash flow (and clarity) for our partners.

In addition, real estate is all about Location, Location, Location. And parking lots are premium parcels.

Once we own the asset, we allow the beautiful tailwind of the favorable long-term supply & demand economics to take hold over time and increase the value of the underlying parcel.

During the hold period, we'll be able to tap into that equity by refinancing the property and distributing the proceeds back to our partners in a non-taxable event.

KEY ADVANTAGES OF THIS APPROACH

-  Relatively low capital expenditures, and technology is driving down operating costs.
-  No tenant improvement requirements
-  Geographically diverse investment opportunity available in any metropolitan location and many suburban areas
-  Leases are generally cancelable on sale and can be renegotiated or the operator replaced
-  Reduced risk of tenant termination results in generally reliable cash flows with operators competing for profitable locations
-  Generally, there are no leasing commissions and turnaround to find new operators is very quick

REAL ESTATE BENEFITS



CASH FLOW



**PROPERTY
APPRECIATION**



LEVERAGE



STABILITY



TAX BENEFITS



AMORTIZATION



**HEDGE AGAINST
INFLATION**



**LOW RISK
HIGH RETURNS**



HOW WE HELP INVESTORS

Our mission at Sunrise Capital Investors (SCI) is to help as many people as possible generate cash flow and build legacy wealth through commercial real estate investing. We help accredited investors earn passive income that gets them closer to financial freedom.

Our investment strategy is to buy mobile home parks and parking lots in niche market segments which are currently out of favor, inefficient and in which there is less competition. We acquire properties, improve operations and cash flow, and provide distributions to our investors.

SCI specifically targets low-risk, cash-flowing assets that generate capital preservation, immediate income, and equity growth through repositioning and increasing the net operating income.

5 PILLARS OF OUR INVESTMENT STRATEGY

1 SEEK FAVORABLE LONG-TERM ECONOMICS

We invest in niches where the demand grows at a higher rate than the new supply coming online to help create outsized investment returns.

2 BUY RECESSION-RESISTANT ASSETS

Capital protection is key to building legacy wealth. Focusing on recession-resistant assets allows us to protect the downside risk. When the economy is going well, the rising tide lifts all boats.

3 FIND A FRAGMENTED NICHE

We like asset classes where institutional capital hasn't yet consolidated the space. In a fragmented niche, we are often able to acquire assets from smaller 'mom-and-pop' owners who may be less sophisticated than institutional players.

4 CREATE OFF-MARKET TRANSACTIONS

Our core competency is to buy deals in off-market transactions directly from the owner. We use unique marketing tactics that have been refined over 20 years and have sent out tens of thousands of pieces of direct mail and made hundreds of thousands of phone calls.

5 INVEST FOR CASH FLOW & LEGACY WEALTH

To avoid outsized risk, we only acquire assets which have positive cash flow from day one. We do not attempt to time the market. Our acquisitions must also have the opportunity to create legacy wealth. Real wealth grows over time through efficient management of capital, buying right, and investing for the long term.

4 STEP BUSINESS MODEL FOR PARKING LOTS

Our goal is to invest in high-quality assets that will generate attractive risk-adjusted returns over a long-term hold period.

We intend to buy, improve efficiencies & hold these assets in an effort to help you generate cash flow & build legacy wealth over time.

STEP 1: ACQUIRE

We will seek to acquire each parking facility at a discount to its intrinsic value, providing investors with a comfortable margin of safety.

STEP 2: NN and NNN LEASES

We will secure long-term net leases with well-known parking operators who will manage and run the facility on behalf of SCI and our investors.

STEP 3: CASH FLOW

We will structure guaranteed fixed leases to include CPI increases, revenue participation, or both.

STEP 4: DISTRIBUTIONS

Distributions from cash flow are provided quarterly for investors until each asset is sold and the final return is distributed.

BENEFITS OF INVESTING WITH US



PASSIVE INCOME



**BEST RISK-
ADJUSTED RETURNS**



DIVERSIFICATION



TAX BENEFITS



**STRONG COVID-19
PERFORMANCE**



**RECESSION-
RESISTANT**

MEET OUR TEAM



KEVIN BUPP

Kevin Bupp leads the strategic vision of SCI. As host of two top-ranked real estate investing podcasts, his real estate investment advice has been downloaded millions of times by people in over 190 countries. A Co-Manager of multiple investment funds, Mr. Bupp has over \$150 million of real estate transactions under his belt. His extensive investment experience includes apartment buildings, single-family homes, office buildings, parking facilities, raw land, condos, and mobile home parks.

With over two decades of experience, Mr. Bupp also educates investors how to locate, negotiate, and acquire commercial real estate to generate cash flow and legacy wealth for their families. He shares his experience through “The Mobile Home Park Investing Podcast” and the “Real Estate Investing for Cash Flow” podcast, which provide listeners with insights into his investment philosophy.



BRIAN SPEAR

Brian Spear currently handles investor relations, marketing, and regulatory compliance for Sunrise. Over the past decade, he has raised tens of millions of dollars and has helped hundreds of accredited investors diversify into mobile home parks and parking investments. His company implements a buy, improve, and hold strategy to help passive investors generate cash flow & build legacy wealth.

As co-host of the Mobile Home Park Investing podcast, Brian also educates investors how to locate, negotiate, and acquire properties to generate outsized risk-adjusted returns that can change your family tree. He has been featured in numerous media outlets, and is an official member of the Forbes real estate council.

MEET OUR TEAM



AL KHLEIF

Al Khleif brings unparalleled management, sales, negotiation, analytical and operational expertise to SCI. Mr. Khleif has been overseeing investment real estate for over thirty-five years and has the primary responsibility of managing operations at Sunrise. After graduating with a petroleum engineering degree, Al spent some time climbing the management ranks with major oil companies. Ultimately, he decided to pursue real estate full-time, and has been a principal in over 300 real estate transactions. Mr. Khleif has garnered the prestigious CCIM (Certified Commercial Investment Member) designation. Having managed thousands of residential units, spanning single-family homes, multifamily, and mobile home parks, Mr. Khleif has personally supervised extensive leasing, renovation and capital improvement projects. He has spent the last decade focused exclusively on MHPs. At present, he oversees property management operations for mobile home parks in thirteen different states throughout the country.



KIRK BAUSCH

Kirk Bausch guides the acquisitions team at SCI, building customized owner databases, overseeing CRM administration and deploying direct-to-owner marketing initiatives. Mr. Bausch has fifteen years of real estate investment experience across single-family residential and mobile home parks. He has a rich background in sales, operations, finance and data analytics and is most passionate about bringing data to life. On a regular basis, Mr. Bausch can be found holed up in the office analyzing migration patterns, income generators, population growth and emerging markets. Kirk is also a competitive road cyclist who holds two U.S. National Championship titles and is featured in four documentary films, The Hard Road, Pro, Personal Gold and he makes a cameo in the most watched documentary of all time on Netflix, The Game Changers.

CASE STUDY

Wilmington, NC | [Off-Market Acquisition](#) | Q4 2020

Purchase Price: \$695k

What We Did: While under contract, Sunrise negotiated a 10-year NN lease with a regional parking lot operator, providing base rent of \$72,000 annually as well as annual rent escalators to protect the investment from inflation risk.

Outcome: Knowing in advance how much revenue the property would generate, Sunrise went back to the owner and agreed to a \$695k purchase price, which pencils out to a 9.3 cap rate. At acquisition, the property appraised for \$1mm

[Sunrise created a 43% return on equity on day one!](#)

This asset is a very profitable cash flowing covered land play in a phenomenal downtown area at almost a 10 cap! A deal like this would be extremely difficult to find in any other asset class, but it is not an anomaly in the Parking Lots.

[SEE MORE CASE STUDIES HERE](#)



HOW YOU CAN INVEST PASSIVELY WITH US



WE FIND THE PROPERTY

We leverage our extensive national network to find great deals, negotiate the purchase, and finance the properties. We seek to acquire each property at a discount to its intrinsic value, providing investors with a comfortable margin of safety.



YOU INVEST

You invest in our SCI GROWTH & INCOME FUND III and become a direct-owner of the actual real estate.



WE ADD VALUE AND MANAGE EVERYTHING

We oversee every aspect of the deal including management, maintenance, tenant issues and rent collections. SCI improves operations to increase the cash flow and add value to the property.



YOU RECEIVE PASSIVE INCOME

You sit back, relax and enjoy the benefits of passive income from the rents we collect. Distributions from cash flow are distributed quarterly.

SCI GROWTH & INCOME FUND 3, LLC ("FUND 3")

When you invest in the fund, you get immediate diversification into multiple assets that we acquired in off-market, direct-to-owner transactions that are already performing and have built-in sweat equity.

[REVIEW FUND 3](#)

For a brief overview of the fund, see our [Fund 3 one-pager](#). Also, feel free to [download the Offering Package and watch the webinar](#) at your leisure.

In the interest of fairness, investments are being accepted on a first-come, first-serve basis. To make an investment into SCI Growth & Income Fund III LLC, navigate to the [Fund 3 webpage](#) and click the “Invest Now” button to begin our online investment process.

BOTTOM LINE

There's a reason ultra successful investors choose real estate; it's one of the most powerful tools for generating wealth. Not only does it generate highly tax-advantaged income, but investors benefit from its stability and natural appreciation.

Do you have this essential component in your portfolio? If not, maybe it's time to see if you qualify to review our investment opportunities. We're here to help you take advantage of the many benefits of this amazing asset class!

There is no obligation, so let's connect.





For additional Information



SunriseCapitalInvestors.com



ir@scinvestors.com



(833) 227-4359