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TRUE NORTH GOVERNMENT GP I, LLC INVESTMENT

Executive Summary & Term Sheet

“True North Government GP I, LLC”

TNRE Government Holdings, LLC (“True North” or the “Managing Member”) is sponsoring the formation and management of True North Government GP I, LLC, a Delaware limited liability company, which is proposing to form a general partner to manage a fund to acquire real property (the “Fund”). GP is expecting to acquire properties directly as well.

True North’s established strategy for acquiring buildings leased to the United States of America (the “Tenant” or the “United States”) is now available to investors seeking direct investment in the , True North Government GP I, LLC (the “GP”). This GP will seek to continue the investment strategy implemented by predecessor private offerings, TNRE 3, LLC, TNRE 4, LLC, TNRE 5, LLC, TNRE 6, LLC, and TNRE 7, by seeking opportunities to generate attractive risk-adjusted returns by a combination of both current income, participation in asset management fees, brokerage commissions, and capital appreciation through individual asset sales, a portfolio liquidation, or other strategy.

True North intends to employ an acquisition strategy focused on investing in properties 100% leased to the United States of America and will seek to assemble a portfolio of investments for this Offering that True North anticipates can generate an unleveraged non-compounded annual internal rate of return (“IRR”) of 10% or a leveraged non-compounded annual return of 14%.

Investment Opportunity

True North believes the U.S Federally leased real estate sector presents compelling investment opportunities today because of several key factors:

1. “Essentiality.” The properties we acquire are considered “Essential” assets to the United States; therefore, for most government leased properties, the rent has been fully appropriated by Congress.

2. “Firm Term.” The leases are firm term, aka non-cancelable leases. Typical lease terms exceed ten (10) years, and most leases have CPI adjustments for operating expenses, which operate as a built-in hedge against inflationary price adjustment for operating expenses.
3. “Low Renewal Risk.” The leased facilities have been custom designed or altered to support the specific mission critical activities of the government agency tenant. One of the key agencies is the Veteran’s Administration. A key component of the U.S. Department of Veterans Affairs (the “VA”) is to provide high quality care to veterans closer to where they live. Modern clinical facilities have been constructed in recent years. Because the properties are considered by the General Services Administration (the “GSA”) and the VA to be essential to government services, the likelihood of lease renewal is high. Moody’s credit rating agency has rated Federal Government leased assets as “institutional” and a 98% chance for lease renewal.
4. “GP Income”. Our investors will generate a 10% preferred return from four (4) income generators:
 - i. Participation in rental income from the acquired properties.
 - ii. Participation in fee income derived from Asset Management Fees from the Fund.
 - iii. Participation in fee income derived from Brokerage Commissions from the acquired properties.
 - iv. Participation in capital appreciation achieved upon the sale or refinance of a property from the acquired properties.
5. “GP Distribution”.
 - a. first, 100% to such Member until the aggregate cumulative distributions received by such Member pursuant to this first priority are equal to a cumulative priority return of 10% per annum, non-compounded annually, on such Member’s outstanding Capital Contributions;
 - b. second, 100% to such Member until the aggregate cumulative distributions received by such Member pursuant to this second priority are equal to such Member’s aggregate Capital Contributions;
 - c. third, 50% to such Member, and 50% to the Managing Member.

Offering Summary

- Platform Size: \$10,000,000 USD
- Minimum Investment: \$500,000 USD
- Available Units: 20
- Preferred Return: 10%
- Total Return: 14%
- Investment Period: 3-4 years
- Management Fee Charged 1.75% of Capital Contributions

This Offering will expire December 31, 2023, but may be extended by one year by True North.

Who Is True North Government Holdings

Founded in February 2021, True North is a leading national real estate investment firm, headquartered in Scottsdale, Arizona. A fully integrated owner and operator, True North invests in Class A assets leased to the United States of America, seeking to leverage the breadth and depth of its seasoned investment team and national brand to source attractive off-market investment opportunities in liquid, high barrier-to-entry markets supported by sound fundamentals. Over its 35-year history, True North has developed, acquired, leased, and operated over 10,000,000 square feet (“SF”) of high-quality commercial and industrial properties across the United States, representing \$2,000,000,000 USD in assets under management of total realized investments and produced 24.8% gross leveraged returns.

The Managing Member believes its execution capabilities and competitive advantages are driven by (i) a highly-experienced and motivated team of investment professionals, with a seasoned team of regional partners averaging 25 years of industry experience in their respective markets and having developed and operated in excess of 10,000,000 SF of commercial and industrial space across large institutional portfolios, (ii) an owner-operator approach focused on optimizing operational efficiency and executing value-enhancing asset management initiatives to drive performance and deliver institutional-grade industrial assets, (iii) strong tenant relationships with multiple federal government agencies, and (iv) an established fund management platform supported by a diverse array of investors coupled with a disciplined fiduciary approach and institutional standards to risk mitigation and asset management.

Our Team:

True North has built a powerful investment management team and strategic alliances with regional partners averaging 35 years of industry experience in their respective markets and having developed and/or advised more than 50,000,000 SF of federal commercial and industrial space across large institutional portfolios. True North is led by an executive management team of industry veterans with substantial industrial expertise:

Thomas E. Donahue, Chief Executive Officer & President, is the founder of True North. Mr. Donahue has over 35 years of commercial and industrial real estate experience. He is directly responsible for True North's growth into the institutional federal government real estate.

Connor Donahue, Member, Chief Acquisition Officer, a seasoned industrial and commercial real estate specialist, Mr. Donahue will spearhead acquisitions and portfolio management. Connor has recognized the value this asset class provides to the investment community, alongside Goldman Sachs Co., Inc., and has shifted his focus toward federal government properties.

John Herr, Advisor, was formerly the Executive Vice President of Lincoln Properties West, Northern California. Mr. Herr has over 25 years' experience in commercial and industrial development and investments. Mr. Herr holds an MBA from Stanford and a B.A. from the U.S. Naval Academy.

From 1991 to 2022, prior to the formation of the General Partnership Investment Platform, True North and its affiliated companies successfully acquired over 10,000,000 SF of commercial and industrial real estate on behalf of, and in partnership with, various capital partners through various market cycles.

True North's track record, national platform and deep industry relationships provide key competitive advantages in sourcing transactions. The substantial majority of True North's deal flow is originated and then consummated by leveraging access through Alumni Alliances LLC, a sophisticated and extensive database of real estate professionals across the United States of America. True North believes that such local relationships and national scope provide an execution advantage in the form of identifying off-market and lightly marketed opportunities, which, in turn, result in attractive risk-adjusted returns. In addition, the senior management team works with its national relationships to identify and execute opportunities which may have a national or multinational component. By working both from the market level "up" and the national level "down," and by leveraging its local brand and reputation for fair dealing and execution, True North believes it can optimize deal flow. The vast majority of past and current investments have been sourced in this time-tested manner.

Compelling Market Environment and Strong Underlying Fundamentals

The GSA was established by the U.S. Federal Property and Administrative Services Act of 1949 to support the basic functioning of federal agencies, including the management of the federal government's owned and leased real estate portfolio. Since the passage of Public Law 86-249 in

September 1959, the GSA has had the statutory authority to enter leases with maximum terms of 20 years as stated in 40 U.S.C. § 585. In the latter half of the 20th century, the GSA used leases sparingly for generic office space while the bulk of its portfolio was federally owned. Between FY1967 and FY2020 the GSA's inventory of leased square footage has increased 297% (from 46,000,000 SF to 185,000,000 SF) while its owned space increased just 20% from 156,000,000 SF to 186,000,000 SF.¹ More recently, the government has taken steps to right-size its lease portfolio and address certain space requests with owned assets.

Long term, non-cancelable leases represent the top tier of the federal government's leased portfolio. These leases are exclusively used for mission-critical, sophisticated, specialized, and secure facilities. By maximizing the government's statutory 20-year authority and forgoing termination for convenience rights, the GSA can realize more favorable rates from developers/lessors and lower its annual leasing cost relative to shorter leasing terms with cancelation options.

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