



The PIR FixedFunds Program®



Acquire. Renovate. Stabilize. Grow.

The PIR FixedFunds Program® is a specified industrial real estate debt fund designed for accredited investors. It offers two investment options:

- 1. Income Notes:** 8.0% fixed interest and monthly interest payments
- 2. Growth Notes:** 8.0% fixed interest that is compounded monthly

Both note types have a five-year term with a two-year extension option. The minimum investment is \$50,000 with \$10,000 increments thereafter.

Participants in the PIR FixedFunds Program® lend their capital to PIC Secured Income Fund 1, Inc., (the “**Fund**”) a C-corporation wholly owned by Phoenix Industrial Capital, Inc. (“**PIC**”) and serving as a specified industrial real estate debt fund. Investors receive promissory notes issued by the Fund.

The Fund invests its capital as preferred equity into property-specific LLCs (**Project LLCs**) as we purchase additional small-bay, multi-tenant industrial properties to add to our existing portfolio. Investors receive full repayment of their loan to the Fund when we refinance the properties purchased using capital from the Fund.

This investment involves risks. Prospective investors should carefully review the full offering documents, including the Master Private Placement Memorandum, and consult with their financial advisors before making an investment decision. Offering made pursuant to Regulation D Rule 506(c). Available to Accredited Investors only.

About Us And Our Strategy

Phoenix Industrial Redevelopment, LLC (“PIR”) was founded in 2017. PIR buys, renovates, and holds value-add multi-tenant industrial properties in primary markets nationwide. Industrial properties of interest to PIR are typically 20,000 to 100,000 square feet and need moderate to substantial capital improvements to bring them to the standard of other similar industrial properties in their local submarket.

We acquire these properties with new institutional lender financing or with seller financing. We use our PIR FixedFunds Program® to provide us with the additional capital we need to fund the acquisition, renovation, and stabilization of the properties we buy.

PIR’s strategy is to acquire each property, complete a campaign of renovation, and bring all tenants to market lease rates on multi-year triple net leases. The result is a renovated and stabilized industrial property with good cash flow, solid tenants, and substantially higher value.

When the property is fully stabilized, we refinance the property with a new institutional first mortgage. We use this refinance to repay all PIR FixedFunds Program® capital associated with and secured by the property. We then hold the property long term as part of our growing portfolio of stabilized industrial properties.

As of October 1, 2024, PIR, through its affiliate Phoenix Industrial Holdings, LLC (“PIH”), owns a portfolio of 19 industrial parks stretching coast-to-coast and valued at approximately \$110 million.



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Our goal is to acquire approximately one property each calendar quarter in the years ahead.

PIR FixedFunds Program® Objectives

We designed the PIR FixedFunds Program® to achieve the following objectives:

Reliable PIR Capital Source: Create a reliable capital source for PIR to allow us to fund the purchase, renovation, and stabilization of value-add multi-tenant industrial properties in our markets of interest.

Attractive Returns for Investors: Offer accredited investors the opportunity to earn attractive fixed returns through a simple, transparent investment vehicle.

Tailored Entity and Capital Structure: Create an entity and capital structure that allows us to place capital into each Project LLC in a way that complies with requirements placed on us by institutional first-mortgage loans we originate for our property purchases.

Enhanced Security: Provide investors with asset-backed security through a comprehensive Security Agreement.

Flexibility: Offer investment options (Income and Growth Notes) to meet different investor preferences and financial goals.

We are happy to provide references from existing FixedFunds Program® participants upon request.

PIR FixedFunds Program[®] Mechanics

To help us achieve our investment objectives, the following entities work in coordination:

PIR

Phoenix Industrial Redevelopment, LLC

PIR is the public face of our property purchasing activities. PIR sources, analyzes, contracts, conducts due diligence, and then closes on all our industrial properties.

Project LLCs

PIR “Property Street Name,” LLC

Each industrial property is acquired by and owned in a Project LLC formed to own a single industrial property.

PIH

Phoenix Industrial Holdings, LLC

PIH is the entity that owns the majority of the membership interests of each of the property-specific LLCs and thus is the primary owner of the entire PIR industrial property portfolio.

PIC

Phoenix Industrial Capital, Inc.

PIC is our affiliated umbrella entity for various capital facilities and funds. Its subsidiary, PIC Secured Income Fund 1, Inc., (the “Fund”) is a specified industrial real estate debt fund structured as a C-corporation. The Fund raises capital by issuing notes to accredited investors and then uses this capital to make preferred equity investments in the Project LLCs.

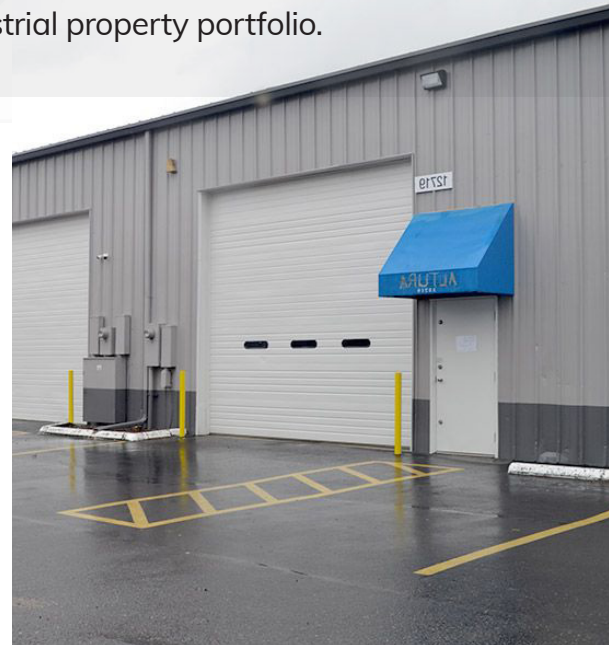
GPM

Grid Property Management, LLC

GPM is our affiliated property management firm that acts as the operations and management team for our industrial property portfolio.

If you’d like to know more about the FixedFunds Program[®], go to www.FixedFunds.com.

Click on the “Invest Now” button on this website and you’ll have access to a series of short videos that cover our history, investment strategy, case studies, and how we employ capital from the Fund in PIR’s industrial property investments.



How Our Entities Work Together

For each property acquisition, we follow a 6-step process:

- 1 > PROPERTY SELECTION.** PIR finds, analyzes, and contracts for the purchase of an industrial property that meets our purchase criteria. We begin the due diligence process and begin the process of securing an institutional loan.
- 2 > PROPERTY ENTITY.** We form a Project LLC that will own the property after closing. The Project LLC is owned by both the Fund, which holds all the Class A preferred non-voting membership interests and by Phoenix Industrial Holdings, LLC (“PIH”), which holds all the Class B common voting membership interests.
- 3 > PROPERTY PURCHASE.** The Project LLC closes the property purchase, using the funds from a new institutional first mortgage and additional funds provided by the Fund through our PIR FixedFunds Program®.
- 4 > PROPERTY OPERATIONS.** GPM operates the property. Each month, the Project LLC first makes a mortgage payment to the institutional lender for the property, next makes a distribution to the Fund, and finally makes a distribution to PIH. The Fund receives the distribution from the Project LLC and makes the interest payments to Fund noteholders whose capital is tracked to or associated with the property.
- 5 > REFINANCE.** PIH initiates a refinance of the property when the property is fully stabilized. This refinance allows the Project LLC to redeem the Fund’s preferred equity investment, which in turn allows the Fund to repay the PIR FixedFunds Program® notes associated with that property.
- 6 > POST-REFINANCE OPERATIONS.** After the refinance and resulting redemption of the Fund’s preferred equity investment, PIH is the sole owner of the Project LLC and continues to employ GPM to operate the property as part of PIH’s long-term hold industrial portfolio.

ABBREVIATIONS

PIR – Phoenix Industrial Redevelopment, LLC
PIH – Phoenix Industrial Holdings, LLC
GPM – Grid Property Management, LLC
PIC – Phoenix Industrial Capital, Inc.
Fund – PIC Secured Income Fund 1, Inc.

Case Study of a Completed PIR Project

Dunbar Avenue Industrial Park

Address:	798 NW Dunbar Avenue, Troutdale, OR
Details:	6.1 Acres, 52,000 Square Feet, 19 Suites
Purchase Date:	July 2017
Purchase Price:	\$2,170,000 (\$42 per SqFt)
Renovation:	\$ 850,000 (\$16 per SqFt)
All-In Basis:	\$3,020,000 (\$58 per SqFt)
Status:	Stabilized
Leases:	BOMA, 1-3 Years, Yearly Escalations, Tenant Personal Guarantees
Current Value:	\$10,200,000 at 6.5% Cap on In-Place Lease Rates



Purchase Condition – 2017



Current Condition

Case Study of a Completed PIR Project

Frazier Street Industrial Park

Address:	1300 S Frazier Street, Conroe (Houston), TX
Details:	5.0 Acres, 101,000 SqFt, 92 Suites
Purchase Date:	September 2020
Purchase Price:	\$6,310,000 (\$62.50 per SqFt)
Renovation:	\$ 480,000 (\$4.75 per SqFt)
All-In Basis:	\$6,790,000 (\$67.25 per SqFt)
Status:	Stabilized
Leases:	BOMA, 1-3 Years, Yearly Escalations, Tenant Personal Guarantees
Current Value:	\$12,400,000 at 6.5% Cap on In-Place Lease Rates



Purchase Condition – 2020



Current Condition

Key Features of the PIR FixedFunds Program®

TWO INVESTMENT OPTIONS

1

INCOME NOTES: 8.0% ANNUAL RETURN, PAID MONTHLY

2

GROWTH NOTES: 8.0% ANNUAL RETURN, COMPOUNDED MONTHLY

STEPPED UP INTEREST RATES

TIER 1 (\$50,000 TO \$499,999):	8.00%
TIER 2 (\$500,000 TO \$999,999):	8.25%
TIER 3 (\$1,000,000+):	8.50%

FAVORABLE TERM

5-year notes with a 2-year extension option

SECURITY

All notes are equally and ratably secured by the Fund's pledge of assets, including its preferred equity investments in Project LLCs

EARLY PAYBACK OPTION

Up to \$2 million available annually for early payback requests, subject to certain conditions

TRANSPARENCY

Investors review deal-specific information before their capital is called

TAX EFFICIENCY

Interest payments are typically treated as ordinary income for investors

INSTITUTIONAL QUALITY

The Fund's C-corporation structure provides enhanced professionalism and governance

Participating in the PIR FixedFunds Program®

If you are an accredited investor interested in participating in our PIR FixedFunds Program®, please contact us. We'll discuss the program in detail and ensure that all your questions are answered fully.

The investment process involves the following steps:

1. Review the Master Private Placement Memorandum (PPM).
2. Complete a Subscription Agreement.
3. Review Property Funding Summaries (deal-specific supplements to the PPM).
4. Sign a Note Purchase Agreement.
5. Transfer funds when requested.

We look forward to your participation in the PIR FixedFunds Program® and are happy to address any questions you may have.

The PIR Management Team

Steve Kreitzberg, President
Phoenix Industrial Redevelopment, LLC.
975 SE Sandy Blvd Suite 150
Portland, OR 97214

www.PhoenixIndustrialRedevelopment.com
503-358-4567



The PIR Management Team



Steve Kreitzberg, President of PIR

stevek@PhoenixIndustrialRedevelopment.com

Steve is the founder, owner, and President of The Phoenix Redevelopment Group of Companies. Steve has thirty-three years' experience in real estate redevelopment and investment after founding the first of the Phoenix-related companies in 1991. Steve has a Bachelor of Science in Mechanical Engineering '83 from the University of Washington and an MBA '88 from Santa Clara University. Steve is responsible for the overall acquisition strategy of the company and selects the properties that PIR acquires for its portfolio.



James Christensen, Vice President of PIR

jamesc@PhoenixIndustrialRedevelopment.com

James joined the Phoenix companies in 1995 and has twenty-nine years' experience in real estate redevelopment and investment. He has a Bachelor of Science in Accounting '97 from Portland State University. James is the CFO of the Phoenix Redevelopment Group of Companies.



Jon Laufenberg, Vice President of PIR

jonl@PhoenixIndustrialRedevelopment.com

Jon joined the Phoenix Redevelopment Group of Companies in 1996 and has twenty-eight years' experience in real estate redevelopment and investment. He has a Bachelor of Science in Marketing '92 from Boston College. Jon is responsible for developing and maintaining the flow of opportunities that PIR considers when sourcing each industrial property.



Kohle Kreitzberg, President of GPM

kohle@GridPropertyManagement.com

Kohle joined the Phoenix Redevelopment Group of Companies in 2012 and has thirteen years' experience in real estate redevelopment, investment, and management. He has a Bachelor of Science in Mechanical Engineering 2011 from Stanford University. Kohle is the President of Grid Property Management, LLC and is responsible for the redevelopment and operations of the properties that make up the PIR portfolio.



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