



DIVERSIFIED REAL ESTATE PORTFOLIO

Real estate is widely considered one of the best investment options around. Investing in real estate usually includes the dual benefit of asset appreciation along with predictable cash flow in the form of rental income. There are many categories of real estate to evaluate, including: residential, commercial, industrial, retail, mix-use, Real Estate Investment Trusts (REITs) and other public and private real estate-related securities. A diversified real estate portfolio may help mitigate investment risk while increasing the opportunity for investment gains. Typically, real estate is partially purchased through financing, thus creating leverage. Leverage adds additional portfolio risk and potential losses but, when done successfully, leverage allows the investor additional capital appreciation while continuing with a reduced out-of-pocket investment.

By building a diversified portfolio of global real estate assets and actively managing them, we expect to take advantage of both current and future opportunities in real estate and real estate-related securities. With a long-term focused, yet primarily liquid investment portfolio, we expect to provide our clients with both a reliable income stream and capital appreciation. This portfolio may also provide our clients with a beneficial tax treatment of gains and distributions.

Diversified Real Estate Portfolio: Global real estate opportunities for both growth and income. High risk, potential high return.

Objective

Our Diversified Real Estate Portfolio seeks capital appreciation over the long-term, while also providing an annual income distribution. Our portfolio expects to accomplish this by making investments in various real estate-related opportunities around the world. We expect to invest primarily through liquid securities, including: debt, equity, ETFs, mutual funds, etc., but may not exceed 20% in any one debt or equity position. Our portfolio may invest up to 40% in private equity related to real estate and may acquire, hold, leverage, hedge, and liquidate securities with the objective of achieving superior investment returns with reduced risk.

Key Facts

Asset Class/Market Cap:
Real Estate/All Cap

Geographic Exposure:
Global

Expected IRR:
10-20% per annum

Expected Distribution:
8-10% per annum

Investment strategy

This strategy utilizes our proprietary research techniques to find global stocks, ETFs, mutual funds, and other primarily liquid investments. Our methodology and execution not only creates short-term investment opportunities within the portfolio but, more importantly, reduces the amount of risk taken. We also believe our thematic asset allocation tilts and active rebalancing will reduce volatility and add to the total portfolio return over the long-term. As a portfolio hedge, we may invest up to 25% of the portfolio outside of real estate-related investments.

Great Lakes Wealth | 22260 Haggerty Road, Suite 160 | Northville, MI 48167 | T 248.378.1200 | www.greatlakeswealth.us

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