



PRG
PROACTIVE
REALTY GROUP

The ProActive Realty Group, LLC

IMPACT INVESTOR UPDATE

YEAR-END 2024

Welcome to Our 2024 Year-End Update

Dear Investors and Stakeholders,

As we close 2024, ProActive Realty Income Fund II, LLC (PRIF II), managed by ProActive Realty Group, LLC, is excited to share our progress in delivering affordable housing and sustainable impact. This combined Newsletter and Impact Report highlights our achievements, financial growth, and commitment to underserved communities. For the year ending December 31, 2024, we've increased cash flow and continually improved impact metrics, and sustainable outcomes compared to December 31, 2023, reinforcing our mission to balance investor returns with social good.

A key 2024 milestone was our acquisition of a manufactured home park at **121 FountainVue Drive, LaFontaine, IN 46940** in November 2024, previously featured on national news due to its water supply being shut off, leaving residents in distress¹. PRIF II intervened, restored water access, and implemented measured impact initiatives. Residents now benefit from a **30% monthly rental cost savings** compared to area market rents, as benchmarked by HUDUser.gov, significantly enhancing their financial stability.

We are **actively raising funds** through PRIF II, our **Sustainable Bond Offering vetted by Morningstar Sustainalytics**², projecting an **Internal Rate of Return (IRR) of 25%+ in 2024** while continuing to hit our impact goals and measurement targets.

The global affordable housing market size was valued at \$52.2 billion in 2021, and is projected to reach \$84.7 billion by 2031, growing at a CAGR of 4.9% from 2022 to 2031³. This growth is driven by high interest rates favoring renting. In the United States, specifically, the CBRE Affordable Housing found \$1.28B in affordable housing properties financing closed in 2024⁴. ProActive's proven track record positions us to capitalize on this opportunity while advancing our impact goals.

Thank you for partnering with PRG The Proactive Realty Group, LLC to create a lasting impact. We look forward to **another** impactful year in 2025!



Dr. Canaan Van Williams
Managing Founder

Contact us at Invest@proactivefunds.com or 1-800-626-2089

¹ See [news](#).

² See Morningstar Sustainalytics' [Proactive Realty Income Fund II, LLC Sustainable Finance Framework Second-Party Opinion \(2024\)](#).

³ Allied Market Research; see [link](#).

⁴ CBRE; see [link](#).

About The ProActive Realty Income Fund LLC

The Proactive Realty Income Fund, LLC (PRIF) is a high-yield social impact fund focused on affordable housing. We acquire deeply discounted Class B and C properties—primarily Manufactured Home Parks (MHPs) & Multi-Family properties—in underserved communities where institutional players are largely absent.

Our Edge: Operational Alpha

We specialize in rapid turnaround and value creation:

- On-site execution with hands-on property rehab and management
- Infrastructure and occupancy improvements within 90 days
- 6 successful transactions completed as of 8/1/23, delivering 20%+ total returns⁵
- Investor income typically begins within 90 days of funding

PRIF generates strong, stable cash flow while reducing rental housing costs for low-income residents by 20% to 30% per month every month.

About The ProActive Realty Income Fund II, LLC (PRIF II)

Since June 2020, The ProActive Realty Income Fund and affiliated offerings have returned over \$7.5 million to investors and lenders. This consistent track record underscores our ability to deliver strong financial outcomes while advancing social impact. Additionally, the Sponsor, Dr. Canaan Van Williams, is personally invested with \$5.2 million of capital across the Fund and affiliated impact initiatives, demonstrating deep alignment with investors.

Our track record continues to strengthen since June 2020 with over \$7.5 million has been returned to investors and lenders across PRIF-related initiatives. The Sponsor, Dr. Canaan Van Williams, has personally invested \$5.2 million into the Fund and affiliated social impact platforms. This alignment demonstrates both leadership and unwavering commitment to mission-aligned investing.

PRIF II is a social impact-focused investment vehicle actively raising \$25 million through our Sustainable Bond Offering, vetted by Morningstar Sustainalytics, to address housing needs in underserved communities. We acquire, redevelop, and operate residential properties, including manufactured housing communities, multi-family complexes, and single-room occupancy (SRO) units, serving low-income (<80% AMI), very low-income (<50% AMI), undocumented individuals, veterans, and those with disabilities.

⁵ *Total returns include interest, capital gains, dividends, and distributions.

A \$100,000 investment, for example, made in January 2024, is performing in alignment with Proactive Realty's fund goals: a sustained 15% IRR since the initial investment date, yielding a 9% annual preferred return, paid quarterly, and continued principal protection through real estate-backed assets.

We remain committed to delivering deeply affordable housing to underserved populations while generating strong returns for investors. Our work is rooted in advancing the United Nations Sustainable Development Goals (SDGs), noted above.

Exposure to rising asset values and steady income distributions

Looking ahead, we project a 20-25% annual return for 2025, with quarterly distributions continuing on schedule. We anticipate potential upside from our Orangeburg, Illinois, Nevada, and our upcoming Ohio acquisition (89 space manufactured home Park), which could increase overall returns by 9% to 22% as these properties reach stabilization by year-end.

Fund Goals & Capital Status

Proactive remains dedicated to creating sustainable, affordable housing communities while generating competitive returns. Our dual-impact approach continues to focus on revitalizing NOAH (Naturally Occurring Affordable Housing), properties neighborhoods and providing quality housing near integrated wrap around social services. By end of 2024, we have \$15.9M Assets Under Management (AUM), with Dr. Williams personally investing \$5.2M of personal capital. For our capital raising, our discussions with a broader array of individual, institutional, and impact-oriented investors have broadened our potential to raise capital for the Fund.

Milestones & Progress

We are looking to engage Q1-2025 with Impact Evaluation Labs (IEL), after Dr. Williams met Robert Brown, Chief Research Officer at IEL at SOCAP2024 at The Yorba Buena Arts Center in San Francisco (Dr. William also represented Proactive at SOCAP 2022 and had a feature Interview with Laurie Zucker of Impact Entrepreneur at the SOCAP2022), and an upcoming Opal Group conference Q1- in West Palm Beach, Florida for their annual Impact Investment Conference.

Also in 2024, we completed four of our six planned property acquisitions, with the Oakland and Las Vegas properties closing ahead of schedule in March 2025. Renovations are proceeding on time at our South Carolina properties, with 62% of units upgraded and 74% leased. Construction financing for our Chicago development was secured in February 2025, with groundbreaking scheduled for June 2025.

Our original plan projected full capital deployment by Q2 2025 across eight markets. We adjusted this strategy in late 2024 to focus on six key markets with stronger growth potential and more favorable impact opportunities. This strategic pivot allowed us to increase our allocation to the Oakland and Las Vegas markets, where demographic trends and housing demand have exceeded our initial projections. While this represents a modest deviation from our original geographic diversification goals, the concentrated approach has improved our risk-adjusted return profile and deepened our community impact. The enhanced scale in our target markets has also enabled more comprehensive resident service programs, particularly in workforce development and financial literacy, which are showing promising early results with 118 residents participating to date.

We remain optimistic about the fund's trajectory and are confident that our strategic adaptations position us well to deliver both strong financial returns and meaningful social impact.

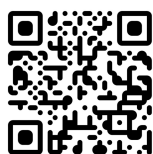
Investment Opportunity: Above Market Sustainable Returns



[SEE REPORT](#)

ProActive Sustainable Bonds:

9%–30% annual returns with current quarterly income, 2–10 year maturities, \$20,000 minimum, for accredited investors. Vetted by Morningstar Sustainalytics, we project a 25%+ IRR for 2025, aligning with our history of strong returns, such as the 25% yield from a 2022 REIT sale.



[SEE REPORT](#)

ProActive Realty Income Fund, LLC:

- **Option 1:** \$50,000 investment for 35% total targeted return with current quarterly income with a 3-year hold.
- **Option 2:** \$100,000 investment for 66% total targeted return with current quarterly income with a 4-year hold.

Properties in Our Portfolio

As of December 2024, ProActive Realty Income Group, LLC owns 296 units across 13 properties, managed by The ProActive Realty Group, LLC:

Table 2: Properties Managed by The ProActive Realty Group, LLC as of Q4'2024

#	Address	Total Units	Purchase Price	Date Purchased	Est. Value	Value Multiple
1	1905 Ellis Ave Orangeburg SC 29118	46	\$610,000	9/1/2022	\$1,610,000	1.6x
2	926 Moseley Orangeburg SC 29115	40	\$1,150,000	2/15/2024	\$1,700,000	0.5x
3	50 Old Train Road Greeleyville SC 29056	14	\$1,400,000	8/30/2024	\$1,780,000	0.3x
4	252 Cecile St Denmark SC 29042	13	\$175,000	1/8/2024	\$800,000	3.6x
5	145 Raymond Dr. Orangeburg SC 29118	1	\$358,000	6/13/2024	\$725,000	1.0x
6	526, 518, 520, 522 Stilton Orangeburg SC 29115	4	\$240,000	4/16/2023	\$335,000	0.4x
7	UMH (Citris Circle)	6	\$400,000	5/1/2020	\$700,000	0.8x
8	121 Fountaineview Dr, LaFontaine, IN 46940	136	\$1,825,000	11/27/2024	\$3,800,000	1.1x
9	13845 S. Atlantic Ave. Riverdale, IL 60827	3	\$110,000	9/2/2023	\$255,000	1.3x
10	105 W. 154 Street, Harvey, IL 60426	6	\$40,000	9/2/2020	\$175,000	3.4x
11	113 W. 154 Street, Harvey, IL 60426	6	\$17,800	8/19/2020	\$175,000	8.8x
12	715 E 155th Ct. Phoenix, IL 60426	1	\$81,000	5/1/2020	\$235,000	1.9x
13	1735 N Rancho Dr Las Vegas NV 89101	20	\$950,000	9/20/2022	\$2,995,000	2.2x
		296				

2024 Impact Highlights

Morningstar Sustainalytics' June 2024 analysis, aligned with the ICMA Harmonized Framework for Impact Reporting for Social Bonds, quantifies PRIF II's impact:

- **Allocated Funds:** \$29.43 million across 14 projects in Alabama, Illinois, Nevada, and South Carolina.
- **Housing Units Financed:** 926 units.
- **Beneficiaries:** 4,122 individuals.
- **Total Beneficiary Savings:** \$3.97 million annually, averaging \$357 monthly per beneficiary.
- **Savings per Allocated Dollar:** \$0.14.

Year-Over-Year Progress:

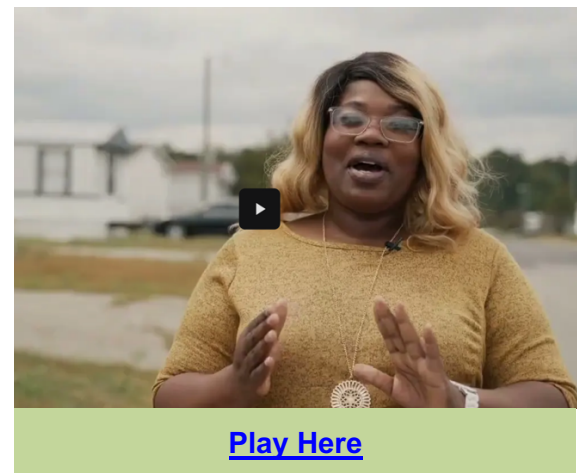
- **Increased Cash Flow:** Enhanced operational efficiency and property improvements drove higher cash flow in 2024 compared to 2023.
- **Improved Impact Metrics:** Metrics like housing stability and beneficiary savings showed consistent gains, aligning with our impact goals.
- **Sustainable Outcomes:** Advances in energy efficiency, water management with AI technology, and renewable energy outperformed 2023 benchmarks, hitting our clean water and sanitation targets.

Notable Projects:

- **LaFontaine, IN:** Acquired a 136-unit park in 2024, resolving a water shutoff crisis that made national news. Our interventions, including AI-driven water systems, restored access and delivered 30% monthly rental savings compared to market rates (HUDUser.gov), significantly improving resident quality of life.
- **Orangeburg, SC:** Revitalized a 39-acre, 187-space park, creating 50 energy-efficient homeowners, with a \$2.8 million return to investors upon sale to UMH Properties.
- **Las Vegas, NV:** Transformed a 20-unit property in 14 months, restoring Section 8 vouchers and providing second-chance housing.**Property purchased for: \$950k September 2022, and has a current **Appraised value of:** \$2,995,995 (after \$450k in investment/renovation)

Resident Stories:

- Fredelicia P., a resident, credits PRIF II's support for enabling her to pursue nursing school while maintaining stable housing for her children, showcasing our impact on gender equality and poverty reduction.
- We provided **second-chance housing** to several residents across our portfolio, including those with past evictions or financial challenges, fostering stability and opportunity.
- Through **AI water technologies**, we are hitting our targets for clean water and sanitation, ensuring efficient water use and reliable access, as demonstrated in LaFontaine, IN.



Advancing UN Sustainable Development Goals (SDGs)

PRIF II's activities directly support:

- **SDG 1: No Poverty:** Affordable housing and rent relief, including 30% savings in LaFontaine, IN, reduce financial burdens, with \$4 million in beneficiary savings supporting 4,122 individuals.
- **SDG 5: Gender Equality:** Second-chance housing aids single mothers and domestic violence survivors, reducing eviction risks.
- **SDG 6: Clean Water and Sanitation:** AI technology in water systems, notably in LaFontaine, Indiana and Lowellville, Ohio optimizes usage and ensures access to clean water, meeting our sanitation targets.
- **SDG 7: Affordable and Clean Energy:** Energy-efficient retrofits, like those in Orangeburg, SC, lower resident costs and align with global efficiency goals.
- **SDG 10: Reduced Inequalities:** Housing access for 2nd Chance individuals, veterans, low-income, Blue-Collar workforce, and those with disabilities addresses disparities.
- **SDG 11: Sustainable Cities and Communities:** Property revitalizations create inclusive, resilient communities.

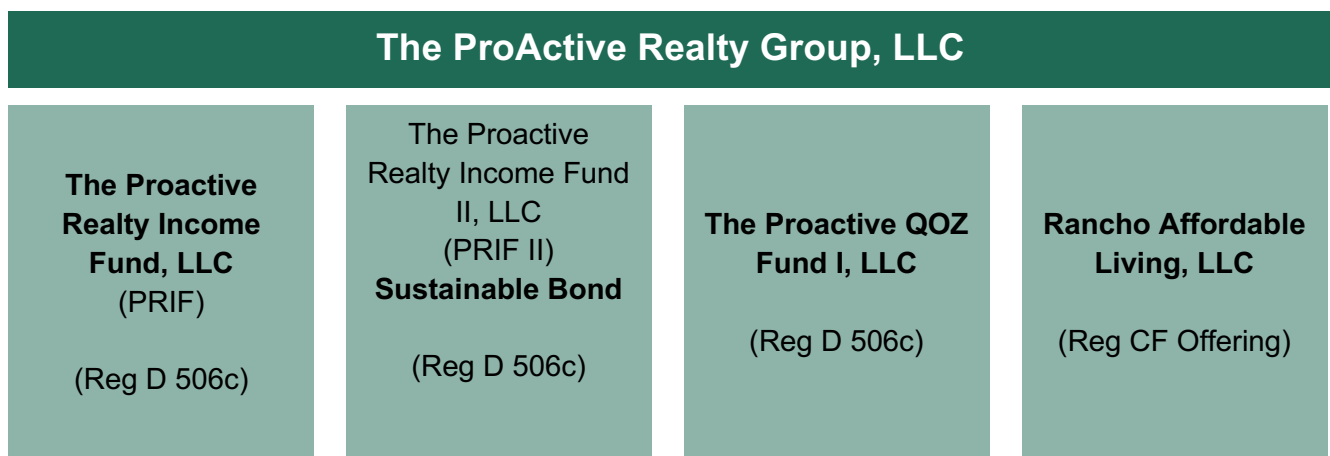
Sustainability & Management

Use of Proceeds:

- Redevelop 550+ units for underserved residents.
- Enhance livability through renovations.
- Develop new manufactured housing communities.
- Implement sustainability initiatives, including AI technology in water systems.
- Support community-focused initiatives with excess returns.

Management: ProActive Realty Group, LLC oversees The Proactive Realty Income Fund, LLC (PRIF I), The Proactive Realty Income Fund II, LLC (PRIF II), ProActive QOZ Fund I, LLC and Rancho Affordable Living, LLC, ensuring operational excellence.

Figure 1: The ProActive Realty Group, LLC Entity Organization Chart



Impact Measurement: We track outcomes like energy savings, water efficiency (enhanced by AI technology), and resident stability, with 2024 showing marked improvement over 2023, including the LaFontaine park's 30% rental savings. We are committed to continuing these measurements to hit our impact goals in 2025.

Risks:

- Economic and real estate market volatility.
- Dependence on management.
- Renovation challenges (supply chain, weather).
- Environmental liabilities.

Compassionate Expulsion Policy

Expulsions (Evictions) are an **Absolute last resort**, with a focus on resident dignity:

- **Process:** Manager interventions, payment plans, and extended vacate times.
- **Partners:** HUD, Catholic Charities, and Salvation Army provide aid.
- **Impact:** Reduced evictions foster community stability.

Looking Ahead

In 2025, we aim to expand our portfolio, deepen sustainability efforts with AI-driven technologies, and enhance impact measurement to continue hitting our impact goals. With a projected **25%+ IRR**, our 550-unit pipeline and partnerships with local governments and NGOs will drive further progress, building on successes like the LaFontaine acquisition.

Join Our Fundraise: We are actively raising funds through PRIF II's Sustainable Bond Offering, vetted by Morningstar Sustainalytics, and the ProActive Realty Income Fund, LLC, to support our mission while offering attractive returns with current quarterly income.

Disclaimer

This Annual Report is published by **The Proactive Realty Group, LLC**, together with its affiliated funds: **The Proactive Realty Income Fund, LLC**, **The Proactive Realty Income Fund II, LLC**, **Proactive QOZ Fund I, LLC**, and **Rancho Affordable Living, LLC** (collectively, “Proactive” or “the Firm”). It is provided for general informational purposes only and is intended for a public audience, including current and prospective investors.

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