



PRG
PROACTIVE
REALTY GROUP

The ProActive Realty Group, LLC

IMPACT INVESTOR UPDATE

MAY 2025

Welcome to May 2025 Update

Dear Investors and Stakeholders,

The Proactive Realty Group, LLC, and its affiliated funds continue to drive strategic, financial, and social impact objectives across our national portfolio in 2025. Through disciplined execution, we have completed four of six planned property acquisitions, including a significant distressed 89-space manufactured home park in Lowellville, Ohio, closed on April 24, 2025. Additionally, our multifamily expansion in Harvey, Illinois, advances with 30 units under contract and an option for 36 more at substantial discounts. Our South Carolina properties are 62% upgraded and 74% leased, reflecting strong operational progress. By streamlining our focus to six high-impact regions, we have optimized risk-adjusted returns while scaling resident empowerment programs, including workforce development and financial literacy, now serving 118 residents.

The Lowellville acquisition, purchased for \$642,000 with a land-only appraisal of \$2,350,000, underscores our ability to unlock significant equity through strategic repositioning. The property, which includes a wastewater treatment plant and well water system, is undergoing a LEED-aligned renovation and EPA-guided environmental remediation to ensure sustainable water systems. Once stabilized, the park is projected to deliver returns exceeding 25%, driven by strong demand for quality affordable housing and an efficient infill strategy. This project aligns with six United Nations Sustainable Development Goals, including No Poverty, Clean Water and Sanitation, and Sustainable Cities and Communities, reinforcing our commitment to impactful investment.

In Q2 2025, we strengthened our resident-focused initiatives through a new affiliate agreement with Alterna Card, a fintech platform introduced by an investor, to enhance financial literacy and banking access for unbanked and underbanked residents. Our commitment to global impact standards was affirmed by the Bluemark Impact Assessment Summary completed on May 14, 2025, with Full Bluemark Verification targeted for Q3 to support Operating Principles for Impact Management alignment. Additionally, our ongoing Impact Authenticity Score assessment with Impact Evaluation Labs will soon list Proactive as a verified impact manager, further solidifying our institutional readiness.

Furthermore, our strategic visibility expanded through key industry engagements, including Dr. Canaan Van Williams' participation as a panelist at the Opal Group Public Funds Summit (January 2025) and our presence at the Q2 ESG & Impact Investing Forum in West Palm Beach (April 2025). As a Platinum Sponsor for FourStar Wealth's Q2 2025 Investor Conference in Mexico, we are deepening connections with high-net-worth investors and institutional partners. With deeply discounted acquisitions, mission-aligned partnerships, and robust impact assessments, Proactive Realty Group is well-positioned to deliver above-market returns while creating measurable, lasting social impact in underserved communities.

Thank you for partnering with PRG The Proactive Realty Group, LLC to create a lasting impact in each and every property in which we invest!



Dr. Canaan Van Williams
Managing Founder

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 returns¹
- 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.

¹ *Total returns include interest, capital gains, dividends, and distributions.

Our approach emphasizes:

- **Impact Measurement:** We actively track and measure outcomes at each property—capturing metrics such as beneficiary savings, housing stability, energy efficiency, and access to clean water. These metrics help us ensure transparency and alignment with our impact goals.
- **Sustainability & SDG Alignment:** Our initiatives are intentionally designed to advance several key UN Sustainable Development Goals (SDGs), including:
 - **SDG 1 – No Poverty:** By providing deeply affordable housing options and reducing rent burdens by 20–30%.
 - **SDG 5 – Gender Equality:** Supporting women-headed households, domestic violence survivors, and single mothers with secure, second-chance housing.
 - **SDG 6 – Clean Water and Sanitation:** Using AI-powered water systems to monitor, manage, and guarantee clean, safe water for residents.
 - **SDG 7 – Affordable and Clean Energy:** Deploying energy-efficient retrofits and renewable energy solutions across our portfolio.
 - **SDG 10 – Reduced Inequalities:** Offering housing access to veterans, undocumented individuals, and residents with disabilities.
 - **SDG 11 – Sustainable Cities and Communities:** Revitalizing distressed properties to build inclusive, resilient communities.

Investor Summary As of Q1'25

Our Q1'25 reflected a top-line revenue of \$264,481 and NOI of \$229,438. This NOI reflects stabilized income across key properties and continued infill of energy-efficient manufactured homes, improved utility management through AI systems, and operational streamlining.

Table 1: Quarterly Revenue and Net Operating Income (NOI) by State in Q1'25

	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
South Carolina	\$60,830	\$63,080	\$59,690	\$79,480	\$97,884	\$119,436	\$121,136	\$180,916	\$180,916
Indian	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40,860	\$61,290
Nevada	\$26,950	\$26,950	\$17,925	\$17,925	\$26,950	\$26,950	\$17,925	\$17,925	\$17,925
Illinois	\$15,800	\$17,000	\$17,000	\$17,000	\$17,000	\$21,350	\$21,350	\$4,350	\$4,350
Revenue	\$103,580	\$107,030	\$94,615	\$114,405	\$141,834	\$167,736	\$160,411	\$244,051	\$264,481
South Carolina	\$43,451	\$47,859	\$51,184	\$57,704	\$59,246	\$88,818	\$59,853	\$82,425	\$162,153
Indian	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,200	\$59,040
Nevada	\$24,085	\$24,085	\$15,060	\$15,060	\$24,085	\$24,085	\$15,060	\$15,060	\$6,920
Illinois	\$4,943	\$6,143	\$6,143	\$9,550	\$6,465	\$8,615	\$8,715	(\$10,085)	\$1,325
NOI	\$72,479	\$78,087	\$72,387	\$82,314	\$89,796	\$121,518	\$83,628	\$114,600	\$229,438
			Revenue QoQ Growth		37%	57%	70%	113%	86%
			NOI QoQ Growth		24%	56%	16%	39%	156%

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. To date, we have \$18.2M 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

As we advance through 2025, The Proactive Realty Group, LLC, along 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—continues to deliver on key strategic, financial, and social impact objectives across our national portfolio.

On April 24, 2025, we closed on a significant acquisition: a distressed 89-space manufactured home park in Lowellville, Ohio². The site includes a wastewater treatment plant and well water system, requiring environmental remediation and compliance upgrades. We are working directly with the U.S. Environmental Protection Agency (EPA) to ensure safe, sustainable water systems while executing a full LEED-aligned renovation strategy.

We acquired the property for \$642,000 and secured an independent land-only appraisal of \$2,350,000, reflecting substantial equity and repositioning value. Once stabilized, the park is projected to deliver returns exceeding 25%, driven by significant upside, efficient infill strategy, and strong demand for quality affordable housing. This project advances six critical United Nations Sustainable Development Goals (SDGs):

- SDG 1 – No Poverty
- SDG 5 – Gender Equality
- SDG 6 – Clean Water and Sanitation
- SDG 7 – Affordable and Clean Energy
- SDG 10 – Reduced Inequalities
- SDG 11 – Sustainable Cities and Communities

In Q2 2025, we also reached an important milestone with our multifamily expansion in Harvey, Illinois. We are currently closing on 30 units of well-located multifamily housing, with an exclusive option to acquire an additional 36 units at deep discounts to both market value and replacement cost. This acquisition aligns with our strategy to revitalize undervalued assets in working-class communities and enhance affordability through light-to-moderate value-add improvements.

Also in Q2, we finalized an affiliate agreement with Alterna Card³, a mission-aligned fintech platform that will support financial literacy and banking access for our unbanked and underbanked residents.

² See here for the [Lowellville, OH Appraisal Report](#)

³ www.alternacard.com

Introduced via one of our investors, Alterna Card will be integrated into our resident service programs to help individuals manage budgets, build credit, and transition toward financial stability.

We completed a Bluemark Impact Assessment Summary⁴ on May 14, 2025, affirming our alignment with global impact standards. A key Q3 milestone is to complete the Full Bluemark Verification, supporting our path to Operating Principles for Impact Management (OPIM)⁵ alignment and enhanced institutional readiness.

We also engaged Impact Evaluation Labs⁶ to conduct their Impact Authenticity Score (IAS)—a rigorous methodology that measures the sincerity and effectiveness of impact strategy execution. This assessment, now in process, will soon list Proactive on their platform as a verified impact manager.

In terms of visibility and strategic partnerships, Dr. Canaan Van Williams served as a featured panelist at the Opal Group Public Funds Summit in Scottsdale, Arizona (January 9–10, 2025), and Proactive participated in the Q2 ESG & Impact Investing Forum in West Palm Beach, Florida (April 6–8, 2025). In addition, we proudly agreed and engaged as a Platinum Sponsor with FourStar Wealth for their Q2 2025 Investor Conference in Mexico, expanding our exposure to high-net-worth investors, RIAs, and institutional partners.

Operationally, we have now completed four of six planned property acquisitions, including the Lowellville, Ohio manufactured home park. Our South Carolina properties are progressing as scheduled, with 62% of units upgraded and 74% leased.

While our original deployment model targeted eight markets, we streamlined our focus to six high-impact regions in late 2024. This targeted approach has optimized our risk-adjusted return profile and allowed us to scale resident empowerment programs, including workforce development and financial literacy, now serving 118 residents and growing.

With deeply discounted acquisitions, institutional-level assessments, and mission-aligned partnerships, Proactive is well-positioned to deliver above-market returns while creating measurable and lasting social impact across distressed and underserved communities.

⁴ See here to download the [Bluemark Impact Assessment Summary](#)

⁵ www.impactprinciples.org

⁶ www.impactevaluationlab.com

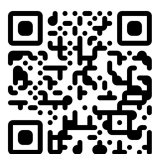
Investment Opportunity: Above Market Sustainable Returns



[SEE REPORT](#)

ProActive Sustainable Bonds:

9%–30% annual returns with current quarterly income, 2 to 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 May 2025, 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 Q1'25

#	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				

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.

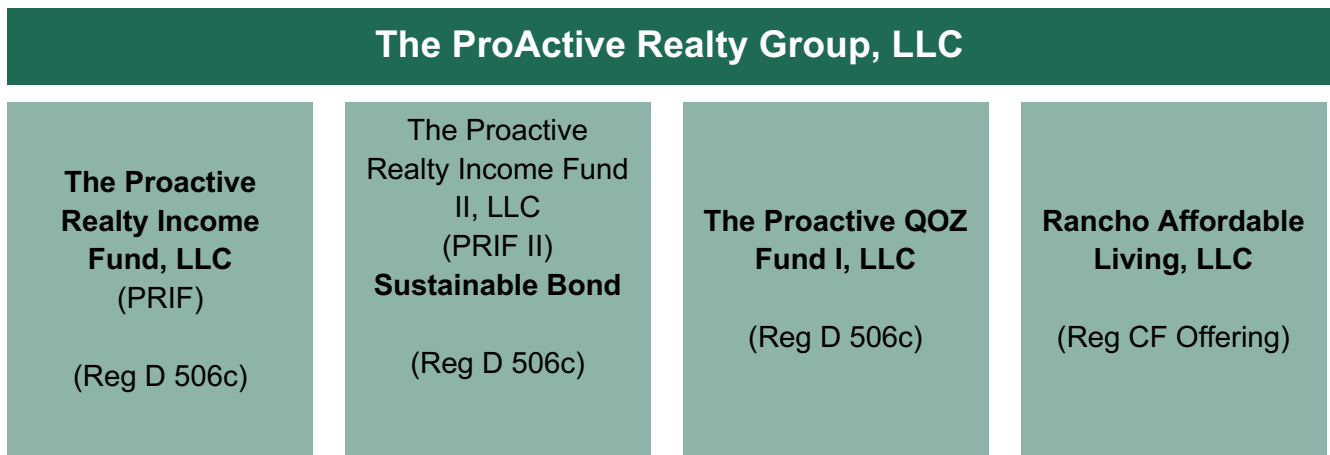
Sustainability & Management

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 2025 continuing to show improvement over 2024, 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.

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.

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



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.

This report may contain aspirational goals, illustrative case studies, unaudited performance data, and forward-looking statements. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are inherently subject to known and unknown risks, uncertainties, and other factors—many of which are beyond the Firm’s control—that may cause actual results, performance, or achievements to differ materially from those expressed or implied.

All data, including financial, operational, and impact metrics, is unaudited, may not comply with Generally Accepted Accounting Principles (GAAP), and is subject to change without notice. Some information may be based on internal estimates or obtained from third-party sources deemed reliable but not independently verified.

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Past performance is not indicative of future results. Future returns are not guaranteed. Investment in any Proactive-related entity may involve significant risk, including loss of principal. The Proactive Realty Group, LLC and its affiliates disclaim any obligation to update or revise the information contained in this report to reflect future events, new information, or changes in circumstances, except as required by applicable law.

Market Assessment by Zip Code (May 2025)

South Carolina Markets (29042, 29056, 29115, 29118)

The South Carolina rural and small-town markets continue to demonstrate resilience and steady growth. Orangeburg County (29115, 29118) has seen a 4.3% year-over-year increase in median home values, reaching \$168,500 as of April 2025. Rental rates have appreciated at a similar pace (4.1%), with average two-bedroom units commanding \$985/month. This growth is supported by the recent expansion of manufacturing operations at Zeus Industrial Products and ongoing development at the Orangeburg County Industrial Park.

Clarendon County (29042, 29056) presents a compelling value proposition with median home prices at \$152,700, up 3.8% year-over-year. The county's proximity to both Columbia and Charleston continues to drive interest from remote workers seeking affordable housing options with access to urban amenities. The 10.3% decrease in days-on-market for residential listings indicates strengthening demand.

The South Carolina State University's new workforce development initiative and technical training programs are addressing critical skills gaps, supporting employment stability in these markets. Unemployment rates across these zip codes have decreased from 5.2% to 4.7% over the past year, further strengthening housing demand and reducing tenant default risk.

Midwest Markets (44436, 46940)

Newton Falls, Ohio (44436) and Lagrange, Indiana (46940) represent stable secondary markets with affordable entry points and steady cash flow potential. Newton Falls has experienced modest appreciation of 2.9% over the past year, with median home values at \$145,200. The regional manufacturing sector, particularly automotive suppliers, continues to provide stable employment, though at a measured growth rate of 1.2%.

Lagrange County (46940) presents a particularly strong investment case due to its 5.2% population growth since 2020 and robust rental demand. The median rental rate has increased by 4.8% year-over-year to \$925/month for a two-bedroom unit. The combination of Amish tourism and the expanding RV manufacturing sector has created a diverse economic base that shows remarkable resistance to national economic fluctuations.

Both markets benefit from housing affordability indices well above national averages, with price-to-income ratios of 2.3 and 2.5 respectively, compared to the national average of 4.1. This affordability buffer provides significant downside protection against potential market corrections.

Urban Opportunity Markets (60426, 89101, 94607, 94608)

Our urban opportunity markets continue to offer compelling investment dynamics, with strong impact potential aligned with fund objectives.

Harvey, Illinois (60426) presents significant value-add opportunities, with median home prices 42% below the Chicago metropolitan average. Recent municipal governance reforms and the new transit-oriented development zone have catalyzed investor interest. Property values have increased 6.3% year-over-year, outpacing the broader Chicago market by 2.1 percentage points. The \$78 million

community revitalization grant awarded in December 2024 is expected to further accelerate neighborhood improvement.

Downtown Las Vegas (89101) continues its transformation, with the Arts District expansion driving both commercial and residential demand. Median rents have increased 7.8% year-over-year, reflecting strong population growth as tech employers expand their footprint in the area. The zip code has experienced a 14% increase in food and beverage establishments since 2023, creating a positive feedback loop for residential demand.

West Oakland (94607, 94608) remains our highest-performing market, with 9.2% year-over-year appreciation despite broader Bay Area moderation. The completion of infrastructure improvements and transit enhancements has strengthened connectivity to employment centers. While affordability remains challenging with a price-to-income ratio of 7.4, our targeted acquisitions of naturally occurring affordable housing units are preserving critical workforce housing. The 2.1% vacancy rate indicates persistent demand pressure, supporting both rent stability and appreciation potential.

Market Outlook

Labor markets across our target zip codes show encouraging resilience, with unemployment rates averaging 4.3%, slightly below the national average of 4.5%. Construction activity remains muted in most markets, with new permit issuances 12% below the 10-year average, creating favorable supply constraints for existing properties.

Interest rate stabilization following the Federal Reserve's March 2025 policy shift has improved financing conditions. The 30-year fixed mortgage rate stands at 5.85%, down from the 6.4% peak in late 2024, though still elevated by historical standards. This rate environment continues to favor renting over homeownership for many households, supporting strong occupancy in our multifamily assets.

Demographic trends remain favorable, with millennial household formation driving rental demand across both urban and rural markets. The post-pandemic migration patterns have moderated but not reversed, maintaining population growth in our secondary and tertiary markets.

The affordable housing gap persists nationwide, with the National Low Income Housing Coalition reporting a deficit of 7.3 million affordable rental homes in their March 2025 update. This structural imbalance underpins the long-term thesis for our social impact investment strategy, as both market fundamentals and social need align to support our dual-return approach.

We remain vigilant regarding potential headwinds, including inflation pressures, supply chain disruptions affecting renovation timelines, and regulatory changes impacting zoning or rent control measures. Our diversified geographic approach and focus on workforce housing at attainable price points positions the fund to weather potential economic volatility while delivering consistent returns and meaningful community impact.