

# Creating the Perfect Fact Sheet

## What is a fact sheet NOT supposed to be?

A fact sheet is not a marketing piece nor a brochure. It should be void of any superfluous language or any other marketing “fluff”. It should not contain an investment thesis, justify a sponsor’s or program’s existence, or rationalize any particular asset class.

## So, why then have a fact sheet?

Registered Investment Advisers (RIAs) are bombarded with a tremendous amount of sales content each day. They’ve become weary of investment programs making bold of claims, regardless of whether those claims may be true or not.

When making a buying or allocation decision, RIAs want to rely on sources of information they believe to be truthful and unbiased. That’s why the lack of sales or marketing positioning in a fact sheet is so important. It demonstrates to the RIA that a sponsor has the ability to just provide the material facts. It also helps an RIA quickly get to the essential pieces of information without having to read through an entire prospectus or due diligence report. A good fact sheet can ultimately serve as the most valuable sales collateral for the very fact that it is not sales-oriented at all.

## How to create the “Perfect” fact sheet?

We recommend investment sponsors create word tables with the section header on the left column and the response content on the right column. This will make scanning the tables easier. Each word table should be organized by larger topic with a useful header.

Below is a list of pieces of information most RIAs will want to know when making a decision whether to engage in due diligence or not. We believe the order of this content is correct as it will walk an RIA down through their natural line of questioning, such as: Who are you? What do you do? What else should I know?

A fact sheet shouldn’t be longer than two pages and its content should be as concise and factual as possible. There is no need for pictures, unless it is of a specific property or properties that are directly related to the offering.

## 1.1 Contact Information

#	Section Header	Explanation
1.1.1	Primary Contact	Provide the name, address, email, and phone number for the main point or points of contact an RIA should contact with any questions. This should go on top because it's the one piece of information that needs to be easily accessible.
1.1.2	Sponsor Name	
1.1.3	Sponsor Inception	Identify year sponsor was formed.
1.1.4	Sponsor Description	Enter a brief description about the sponsor, its focus, and experience. Remember, this should just be the facts, using as few as words as possible and without any hyperbolic marketing language.
1.1.5	Mission Statement	What is the sponsor's mission statement?
1.1.6	Sponsor Website	
1.1.7	Managing Broker / Dealer	If there is a managing broker/ dealer, include the company name, plus the contact information of the key person an RIA could contact. If there is no MBD, then state "none".

## 1.2 Offering Information

#	Question	Response						
1.2.1	Offering Name							
1.2.2	Offering Description	In briefest terms, explain the purpose of the offering. Remember to not make this a sales pitch.						
1.2.3	Offering Structure	Describe the offering's structure in a single line of text. To help, you may begin by selecting one of the following: <table border="1" data-bbox="721 1619 1437 1856"> <tbody> <tr> <td><input type="checkbox"/> Preferred Stock</td> <td><input type="checkbox"/> Public Non-Traded LLC</td> </tr> <tr> <td><input type="checkbox"/> Interval Mutual Fund</td> <td><input type="checkbox"/> Regulation A / A+</td> </tr> <tr> <td><input type="checkbox"/> Closed-Ended Non-Traded Mutual Fund</td> <td><input type="checkbox"/> Regulation D 506(B)</td> </tr> </tbody> </table>	<input type="checkbox"/> Preferred Stock	<input type="checkbox"/> Public Non-Traded LLC	<input type="checkbox"/> Interval Mutual Fund	<input type="checkbox"/> Regulation A / A+	<input type="checkbox"/> Closed-Ended Non-Traded Mutual Fund	<input type="checkbox"/> Regulation D 506(B)
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<input type="checkbox"/> Closed-Ended Non-Traded Mutual Fund	<input type="checkbox"/> Regulation D 506(B)							

		<input type="checkbox"/> Closed-Ended Non-Traded Mutual Fund – Accredited Investors Only	<input type="checkbox"/> Regulation D 506(C) - General Solicitation Allowed
		<input type="checkbox"/> Non-Traded Business Development Company	<input type="checkbox"/> Mutual Fund
		<input type="checkbox"/> Non-Traded Real Estate Investment Trust (REIT)	<input type="checkbox"/> Common Stock
		<input type="checkbox"/> Non-Traded Real Estate Investment Trust (REIT) - Accredited Investors Only	<input type="checkbox"/> Non-Traded Bond
		<input type="checkbox"/> Intrastate Offering	<input type="checkbox"/> Traded Bond
<b>1.2.4</b>	Offering Structure Info	This is optional and only should only be used if additional explanation is required.	
<b>1.2.5</b>	Minimum Suitability Standard	Outline any minimum investor suitability requirements.	
<b>1.2.6</b>	Effective Date		
<b>1.2.7</b>	Anticipated Cost Date	If there is a hard close date, list it. If there is only an approximate close date, be sure to identify that. If the offering is perpetual, identify that information here.	
<b>1.2.8</b>	Min / Max Raise	If there is an escrow or minimum raise, identify it here. If there is a maximum raise, identify it here. If there is a green shoe option, identify it here, as well.	
<b>1.2.9</b>	Capital Raise to Date	This may be updated quarterly or semi-annually	
<b>1.2.10</b>	Share Classes	Describe share classes, especially those utilized by RIAs.	
<b>1.2.11</b>	RIA Commission Rebates	If there is not RIA-specific share class, for example, there is an internal commission, describe how it is rebated to RIAs. Include a discussion on dealer reallowance rebates, if any.	
<b>1.2.12</b>	Minimum Investment	Describe the minimum investment for qualified and non-qualified accounts, and if partial shares may be accepted.	
<b>1.2.13</b>	Blue Sky Requirements	Describe if the offering is subject to state blue sky laws, particularly those involving adjusted suitability requirements or concentration limits.	

<b>1.2.14</b>	<b>Investment Risk Strategy</b> Select one only.	<p>While a program may have multiple investment goals, for the purpose of a quick evaluation, investment sponsors should highlight the primary goal as the fund’s investment risk strategy. Pick from one of the below options or identify a unique risk strategy, if necessary:</p> <table border="1" data-bbox="719 447 1435 791"> <tr> <td><input type="checkbox"/> Capital Preservation</td> <td><input type="checkbox"/> Core Plus</td> </tr> <tr> <td><input type="checkbox"/> Current Income Only</td> <td><input type="checkbox"/> Value Add</td> </tr> <tr> <td><input type="checkbox"/> Variable Income</td> <td><input type="checkbox"/> Growth / Opportunistic</td> </tr> <tr> <td><input type="checkbox"/> Opportunistic Income</td> <td><input type="checkbox"/> Speculative</td> </tr> <tr> <td><input type="checkbox"/> Core</td> <td><input type="checkbox"/> Tax</td> </tr> </table>	<input type="checkbox"/> Capital Preservation	<input type="checkbox"/> Core Plus	<input type="checkbox"/> Current Income Only	<input type="checkbox"/> Value Add	<input type="checkbox"/> Variable Income	<input type="checkbox"/> Growth / Opportunistic	<input type="checkbox"/> Opportunistic Income	<input type="checkbox"/> Speculative	<input type="checkbox"/> Core	<input type="checkbox"/> Tax		
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<input type="checkbox"/> Core	<input type="checkbox"/> Tax													
<b>1.2.15</b>	<b>Asset Class</b> Select one only.	<p>Investment sponsors should identify a program’s primary asset class from one of the options below:</p> <table border="1" data-bbox="719 932 1435 1344"> <tr> <td><input type="checkbox"/> Annuity</td> <td><input type="checkbox"/> Insurance</td> </tr> <tr> <td><input type="checkbox"/> Energy</td> <td><input type="checkbox"/> Option Trading</td> </tr> <tr> <td><input type="checkbox"/> Equities - Non-Traded</td> <td><input type="checkbox"/> Private Equity</td> </tr> <tr> <td><input type="checkbox"/> Equities – Traded</td> <td><input type="checkbox"/> Real Estate</td> </tr> <tr> <td><input type="checkbox"/> Fixed Income - Non-Traded</td> <td><input type="checkbox"/> Tax Incentives</td> </tr> <tr> <td><input type="checkbox"/> Fixed Income – Traded</td> <td></td> </tr> </table>	<input type="checkbox"/> Annuity	<input type="checkbox"/> Insurance	<input type="checkbox"/> Energy	<input type="checkbox"/> Option Trading	<input type="checkbox"/> Equities - Non-Traded	<input type="checkbox"/> Private Equity	<input type="checkbox"/> Equities – Traded	<input type="checkbox"/> Real Estate	<input type="checkbox"/> Fixed Income - Non-Traded	<input type="checkbox"/> Tax Incentives	<input type="checkbox"/> Fixed Income – Traded	
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<input type="checkbox"/> Fixed Income – Traded														
<b>1.2.16</b>	<b>Asset Sub-Class(es)</b> Select as many as needed.	<p>To provide further clarity, investment sponsors should list which sub-classes are targeted for the fund. Select options from the list below or create more accurate bullets. However, descriptions should be as brief as possible.</p> <table border="1" data-bbox="719 1554 1435 1925"> <tr> <td><input type="checkbox"/> Annuity - Index Annuity</td> <td><input type="checkbox"/> Private Equity - Diversified - Early Stage</td> </tr> <tr> <td><input type="checkbox"/> Energy - Drilling</td> <td><input type="checkbox"/> Private Equity - Diversified - Later Stage</td> </tr> <tr> <td><input type="checkbox"/> Energy - Infrastructure</td> <td><input type="checkbox"/> Private Equity - Energy Focused</td> </tr> <tr> <td><input type="checkbox"/> Energy - Lease Banking</td> <td><input type="checkbox"/> Real Estate - Cellular Towers / Billboards</td> </tr> </table>	<input type="checkbox"/> Annuity - Index Annuity	<input type="checkbox"/> Private Equity - Diversified - Early Stage	<input type="checkbox"/> Energy - Drilling	<input type="checkbox"/> Private Equity - Diversified - Later Stage	<input type="checkbox"/> Energy - Infrastructure	<input type="checkbox"/> Private Equity - Energy Focused	<input type="checkbox"/> Energy - Lease Banking	<input type="checkbox"/> Real Estate - Cellular Towers / Billboards				
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<input type="checkbox"/>	Energy - Natural Gas	<input type="checkbox"/>	Real Estate - Commercial Properties
<input type="checkbox"/>	Energy - Royalties	<input type="checkbox"/>	Real Estate - Diversified Global
<input type="checkbox"/>	Equity - Life Settlements	<input type="checkbox"/>	Real Estate - Diversified Global (Perpetual)
<input type="checkbox"/>	Equity - Diversified Alternatives	<input type="checkbox"/>	Real Estate - Diversified U.S.
<input type="checkbox"/>	Equity - Listed Securities	<input type="checkbox"/>	Real Estate - Diversified U.S. (Perpetual)
<input type="checkbox"/>	Equity - Preferred Stock	<input type="checkbox"/>	Real Estate - DST - Commercial
<input type="checkbox"/>	Income - Commercial Mortgage Backed	<input type="checkbox"/>	Real Estate - DST - Industrial
<input type="checkbox"/>	Income - Commercial Real Estate Backed	<input type="checkbox"/>	Real Estate - DST - Multi-Family
<input type="checkbox"/>	Income - Corporate First Lien	<input type="checkbox"/>	Real Estate - DST - Student Housing
<input type="checkbox"/>	Income - Corporate High Yield	<input type="checkbox"/>	Real Estate - Farm Land
<input type="checkbox"/>	Income - Corporate Senior Secured - Global	<input type="checkbox"/>	Real Estate - Healthcare
<input type="checkbox"/>	Income - Corporate Senior Secured - US	<input type="checkbox"/>	Real Estate - Hospitality
<input type="checkbox"/>	Income - Diversified	<input type="checkbox"/>	Real Estate - Industrial
<input type="checkbox"/>	Income - Equipment Leasing	<input type="checkbox"/>	Real Estate - Land
<input type="checkbox"/>	Income - First Trust Deed	<input type="checkbox"/>	Real Estate - Multi-Family
<input type="checkbox"/>	Income - Residential Mortgage Backed	<input type="checkbox"/>	Real Estate - NNN
<input type="checkbox"/>	Income - Residential Real Estate Backed	<input type="checkbox"/>	Real Estate - Parking Lots
<input type="checkbox"/>	Income - Sub Prime Automotive Loans	<input type="checkbox"/>	Real Estate - Renewable Energy
<input type="checkbox"/>	Income - Tax Based	<input type="checkbox"/>	Real Estate - Retail

		<input type="checkbox"/> Insurance - Whole Life	<input type="checkbox"/> Real Estate - Senior Living						
		<input type="checkbox"/> Insurance - Variable	<input type="checkbox"/> Real Estate - Single Family Residential						
		<input type="checkbox"/> Options - Risk Hedging	<input type="checkbox"/> Real Estate - Storage						
		<input type="checkbox"/> Options - Total Return	<input type="checkbox"/> Real Estate - Student Housing						
		<input type="checkbox"/> Private Equity - Concentrated - Early Stage	<input type="checkbox"/> Tax - Conservation Easement						
		<input type="checkbox"/> Private Equity - Concentrated - Later Stage	<input type="checkbox"/> Tax - Tax Credits						
<b>1.2.17</b>	Asset Class(es) Description	Provide a brief overview of the target asset -subclass(es), only if needed.							
<b>1.2.18</b>	Redemption / Liquidity Provision Select one only.	<table border="1"> <tr> <td> <input type="checkbox"/> Fully Liquid from Day One         </td> <td> <input type="checkbox"/> Subject to Redemption Fee Through Hold         </td> </tr> <tr> <td> <input type="checkbox"/> Subject to Time-Based Liquidity (e.g., Interval)         </td> <td> <input type="checkbox"/> Not Redemption Until Partial / Full Cycle         </td> </tr> <tr> <td colspan="2"> <input type="checkbox"/> Subject to Redemption Fee for X Number of Months, then Fully Liquid (enter hold period):         </td> </tr> </table>		<input type="checkbox"/> Fully Liquid from Day One	<input type="checkbox"/> Subject to Redemption Fee Through Hold	<input type="checkbox"/> Subject to Time-Based Liquidity (e.g., Interval)	<input type="checkbox"/> Not Redemption Until Partial / Full Cycle	<input type="checkbox"/> Subject to Redemption Fee for X Number of Months, then Fully Liquid (enter hold period):	
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<b>1.2.19</b>	Anticipated Hold Period / Exit Strategy	Describe the anticipated hold period and likely exit scenarios. If the fund is perpetual, identify it here.							
<b>1.2.20</b>	Preferred Return	Describe the offering's preferred return and sponsor promote, if any.							
<b>1.2.21</b>	Current Cash Distributions	Describe current distributions, if any, including amount, frequency, and consistency.							
<b>1.2.22</b>	Are Distributions Fully Covered?								
<b>1.2.23</b>	Are Distributions Subject to UBTI?								

### 1.3 Other Questions

#	Question	Response
<b>1.3.1</b>	Custodial Platforms	List any custodial platforms offering is available through. Be specific (i.e., Schwab OneSource vs. Schwab Marketplace).
<b>1.3.2</b>	Data Solution	Describe how the offering provides data regarding pricing, distributions, return of capital, etc., into an intermediary's accounting software (i.e., Orion, etc.).
<b>1.3.3</b>	Tax Reporting	Identify whether investors will receive a 1099 or K-1.
<b>1.3.4</b>	Due Diligence Reports	Identify with which third-party due diligence firms the sponsor and offering have completed reports. Identify when were they last completed. If there are n? If none, does the sponsor intend on completing a report soon?