



Underground CAFÉ Fund Launch

The rainmaker approach to strategic fund management focused on growth, tax advantage and protecting your assets



5th Avenue Capital
Private Funding from \$10M to \$2B

A Fund is a pool of money created by contributions from investors. The Fund Manager uses that pool to make investments.

When the investments are made, the Investors get paid and the Fund Manager receives a percentage.

While there are three distinct roles, you don't need three people –

You just need to know how to structure the Fund.

Three Distinct Roles Within All Funds



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Underground CAFÉ Fund

Investor/
Expert

1. Deal

Find an
incredible
deal

Fund
Manager

2. Frame

Debt or
Equity –
Model it out

Money
Raiser

3. Raising
Money

60 days to
file with SEC

4. Legal



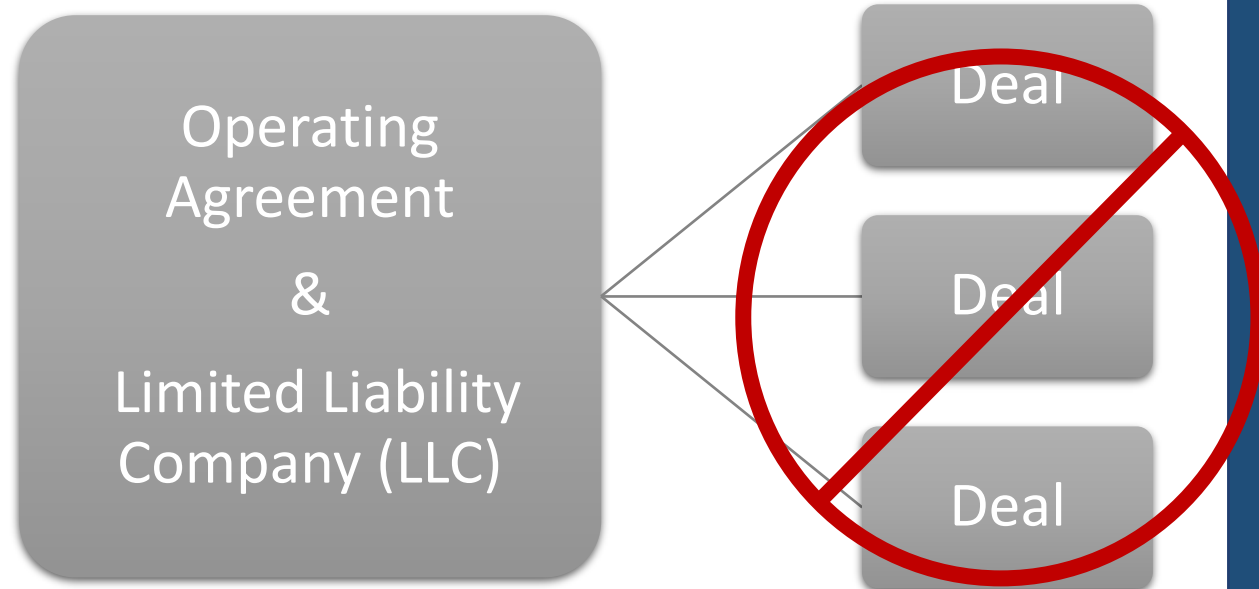
Test it with
investors and go
back to the
drawing board
until you find a
GREAT deal.

This is how
people like us
do it.



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Syndication

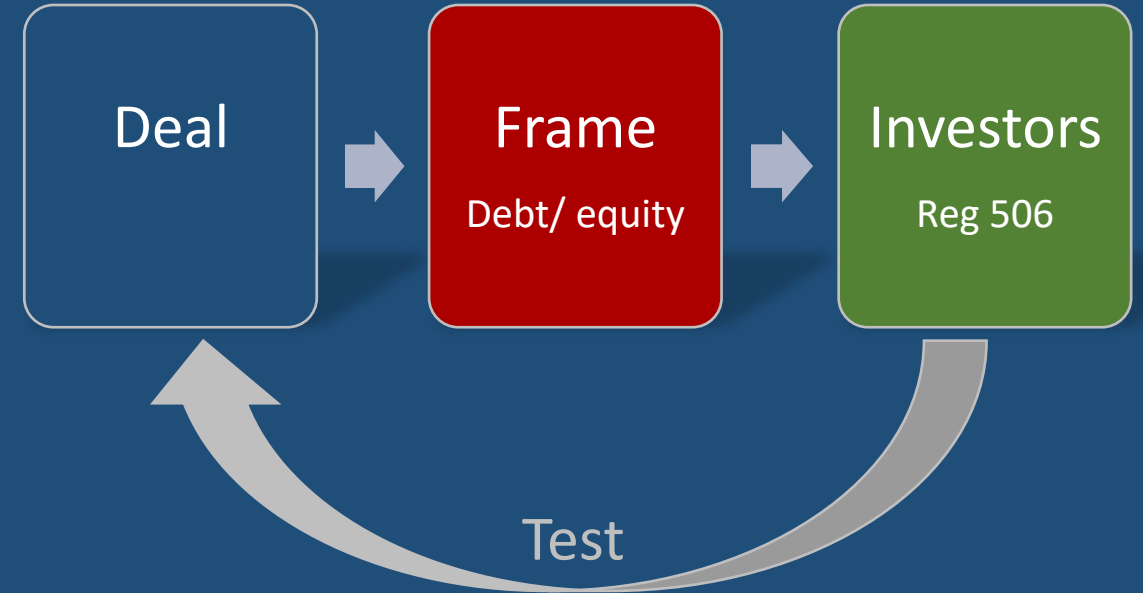



Speed


Deal by Deal
Kicked Out

Vs

Fund




Scalability
Protects Fund Mgr

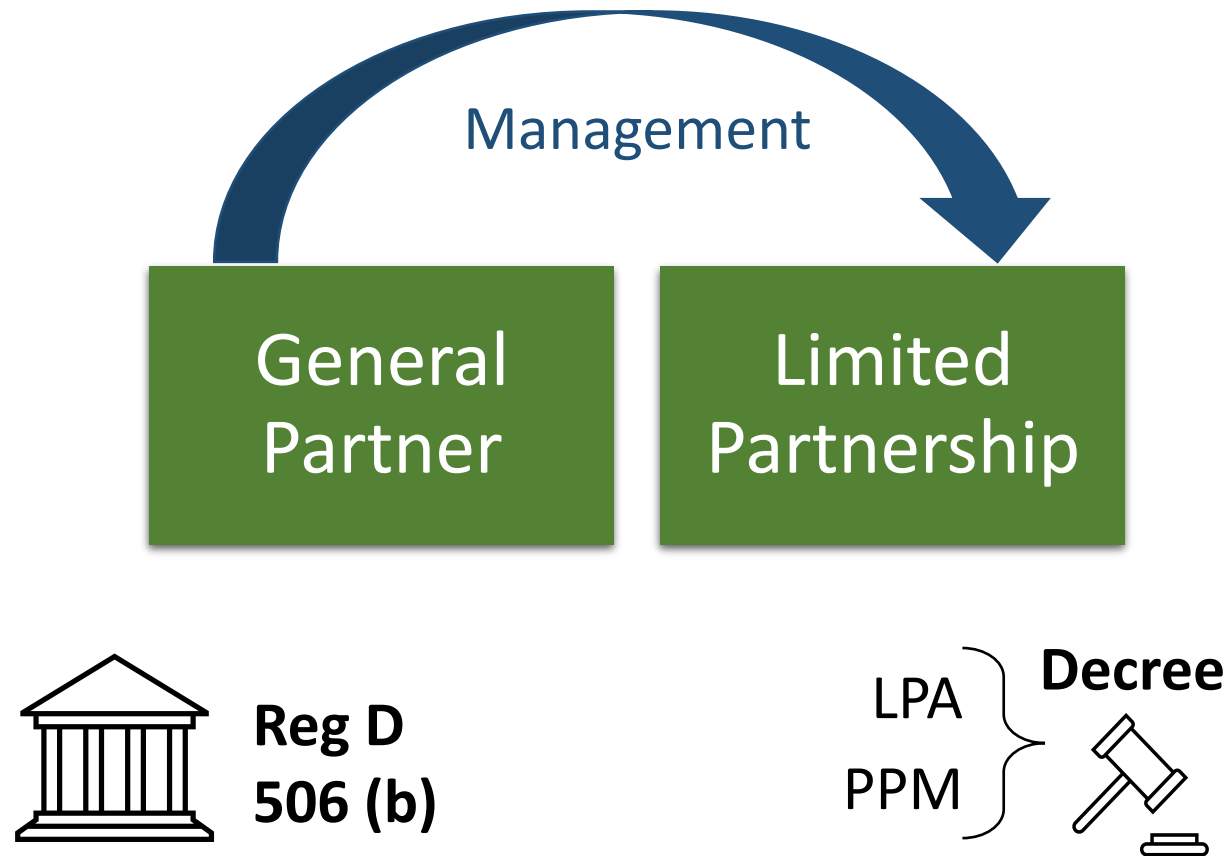

More set up
Limited Partner Agreement (LPA)
Private Placement Memorandum (PPM)



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CAFÉ Fund Structure

Alternative
Energy
Fund



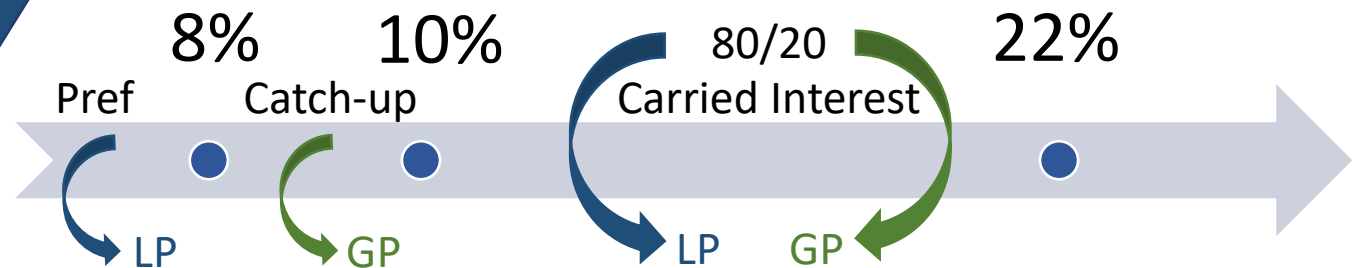
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CAFÉ Fund

General Partner

(LP) Multi-family

(LP) Office



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Peter Thiel

Lord of the Roths:

How Tech Mogul Peter Thiel Turned a Retirement Account for the Middle Class Into a \$5 Billion Tax-Free Piggy Bank [\[article\]](#)

“Using stock deals unavailable to most people, Thiel has taken a retirement account worth less than \$2,000 in 1999 and spun it into a \$5 billion windfall.”



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Rainmaker Advantage Program

It's not how much money you make,
It's how much money you keep.

Optimize your harvest.



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EXAMPLE

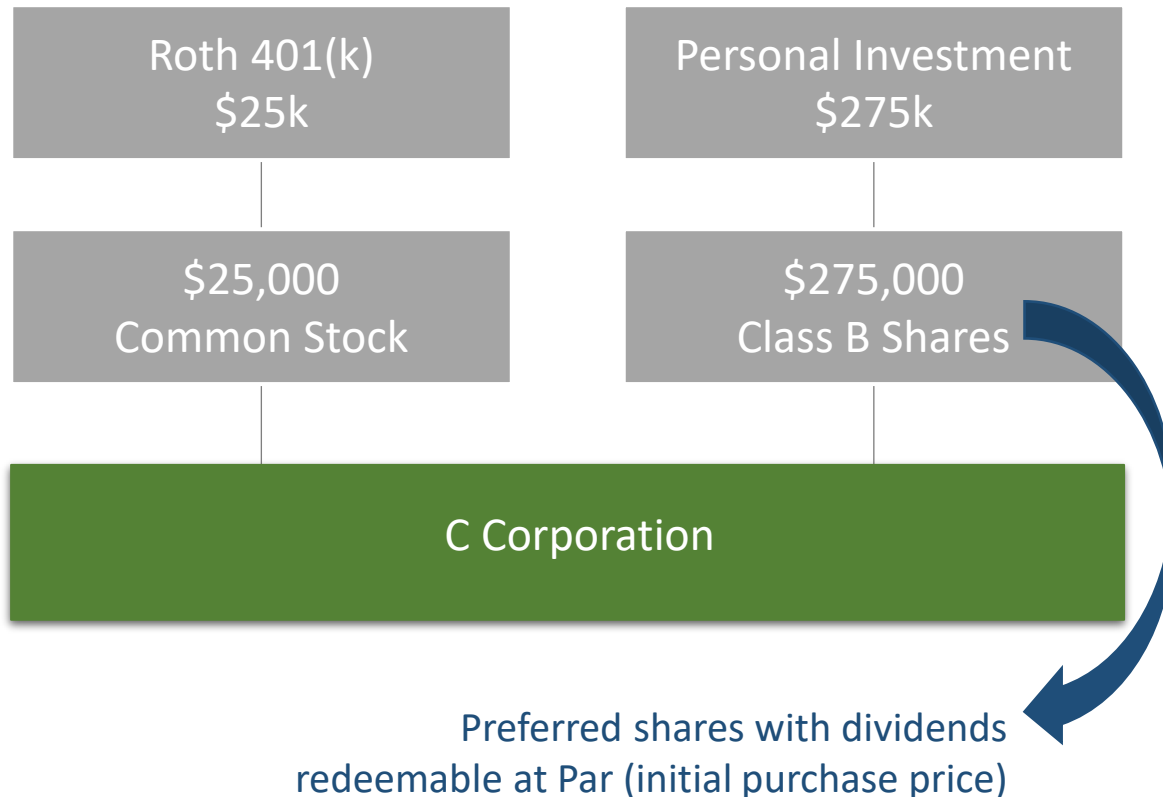
Client Profile

- Buying a business for \$300k
- Using cash or 5th Ave loan
- Has retirement funds available, but doesn't need to use them to purchase the business



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Purchase Structure: Cash



Results of Sale

Business is sold in a stock sale for \$1 million (\$700k gain)

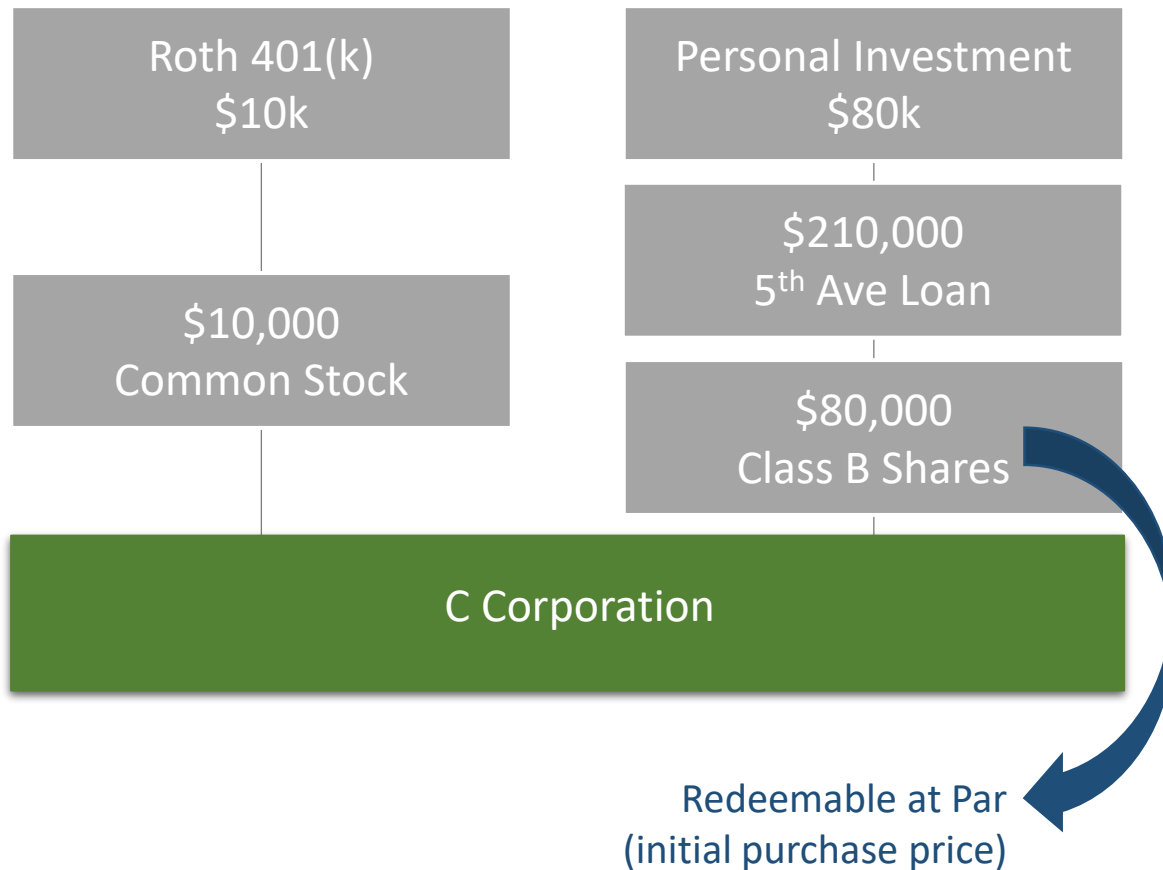
- Class B stock is redeemed at Par value (\$275k) so there is no gain, and therefore no taxes due
- Remaining \$725k from the sale is in the **Rainmaker Advantage Plan** and is not subject to taxes upon withdrawal as long as the plan has been in place for 5 years and the client is at least 59 ½ years old
- Proceeds from the sale in the **Rainmaker Advantage Plan** can remain in the plan and grow tax free
- Plan has provided a \$700k profit to be realized 100% tax free
- No required minimum distribution after rolled into Roth IRA



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Purchase Structure:

\$300k 5th Ave 30% cash injection



Results of Sale

Business is sold in a stock sale for \$1 million (\$700k gain)

- Class B stock is redeemed at Par value (\$80k) so there is no gain, and therefore no taxes due
- Remaining \$920k from the sale is in the **Rainmaker Advantage Plan** and is not subject to taxes upon withdrawal as long as the plan has been in place for 5 years and the client is at least 59 ½ years old
- Proceeds from the sale in the **Rainmaker Advantage Plan** can remain in the plan and grow tax free
- Plan has provided a \$910k profit to be realized 100% tax free
- No required minimum distribution after rolled into Roth IRA



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Who are you kidding, it is most likely going to be an asset sale!



Results of Sale

Business is sold for \$1 million (\$700k gain)

- Corporation pays 21% tax on the \$700k gain

\$147k in taxes!

- Class B stock is redeemed at Par value (\$275k) so there is no gain, and therefore no taxes due
- Remaining \$578k goes into the Roth 401(k)



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Rainmaker Advantage Program

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