GAME PLAN
FRAMEWORK

STRONGBROOK™

OVERVIEW

Over the past decade, Strongbrook has established a reputation as an industry leader in assisting clients with placing and managing real estate within their investment and retirement portfolios. Strongbrook analyzes each client's current financial situation to help the client determine their immediate and long-term cash flow needs.

The Strongbrook staff then creates a financial "Game Plan" the client may use in guiding their choices to use Investment-Grade Real Estate to accelerate net worth growth, and create positive monthly cash flow that does not erode retirement account value.[1]

Strongbrook's history of producing positive results with real estate is due to its proprietary short-term buy and hold strategy of purchasing investment-grade, single-family rental homes in Equity Growth Markets and in Cash Flow Markets, a strategy Strongbrook teaches to the client. Positive results have occurred during all economic climates, including market highs, lows and crashes.

Real estate investment, however, is not without risks. The Strongbrook team will also teach you about many of these risks and how to avoid them, although no investment can ever be entirely risk free.

The sample financial Game Plans provided in this report are for illustrative purposes only. They demonstrate how our Equity Growth Markets and Cash Flow Market strategies can assist you in growing your net worth and increasing your disposable monthly income at retirement.

The examples in this report are based on more conservative assumptions than Strongbrook's actual performance to date. As with all financial investment examples, past performance is not a guarantee of future results. Current performance may also be lower or higher than these examples.

GROWING A REAL ESTATE PORTFOLIO

The following financial Game Plans demonstrate how investment-grade single-family homes can be used to build wealth and provide positive monthly cash flow. They also demonstrate how these homes can then be sold or refinanced into additional or paid-off properties. The key benefit of growing your portfolio with Strongbrook is that you will receive training to recognize when to buy, sell and exchange real estate for additional properties in order to increase your monthly net cash flow.

The ultimate goal in building a portfolio is to consolidate your assets into paid-off homes once your monthly net cash flow goal is realized. This portfolio will continue to have the ability to provide significant monthly cash flow for life.

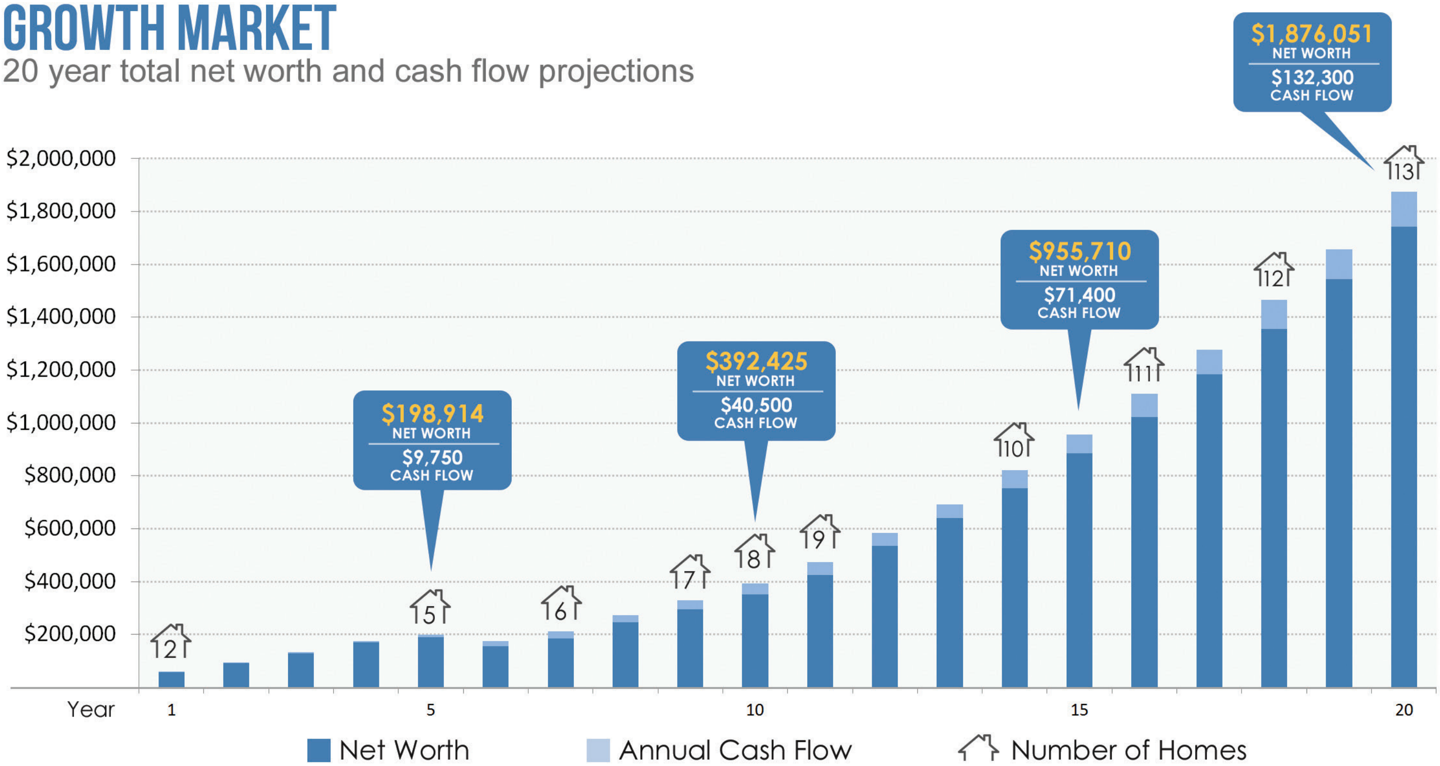
RISKS OF REAL ESTATE INVESTING

All investments, including real estate, contain risks, including the risk of your entire investment. You should never invest more than you can afford to lose. You will learn about many of the risks associated with real estate and certain risk management strategies as part of your program with Strongbrook.

The following graph illustrates cash flow based on Strongbrook's Equity Growth Market strategy.

GROWTH MARKET

20 year total net worth and cash flow projections



[1]At Strongbrook, we define Investment-Grade Real Estate as properties that meet the criteria we have found to have the greatest potential overall return, when used for investment purposes. We describe these properties to our clients in detail so they know how to identify them.

SELECTING YOUR GAME PLAN STRATEGY

Strongbrook will teach you about the following three Game Plan strategies that you can use to create the framework for how you can choose to grow your portfolio with Strongbrook.

Equity Growth Markets

Individuals who choose to focus on net worth growth work with Strongbrook to obtain properties in our Equity Growth Markets. These markets have the highest short-term property appreciation potential. This provides the opportunity for clients to produce higher profits in shorter periods of time.

Cash Flow Markets

Individuals who choose to focus on producing the highest immediate and long-term positive monthly cash flow work with Strongbrook to obtain properties in our Cash Flow Markets.

These markets create the highest net monthly income as a ratio to the cost of the property. This provides the opportunity for clients to produce higher monthly cash-flows in the initial phase of building a portfolio.

The market dictates when to use Equity Growth Market strategies and/or Cash Flow Market strategies.

Strongbrook's investment strategies teach clients to use cross-strategy hedging to protect asset value in both up and down markets. Understanding how real estate markets behave on the long-term macro level allows clients to know when to rely primarily on Equity Growth Market strategies or Cash Flow Market strategies. The following diagram illustrates long-term macro-level real estate market behavior.

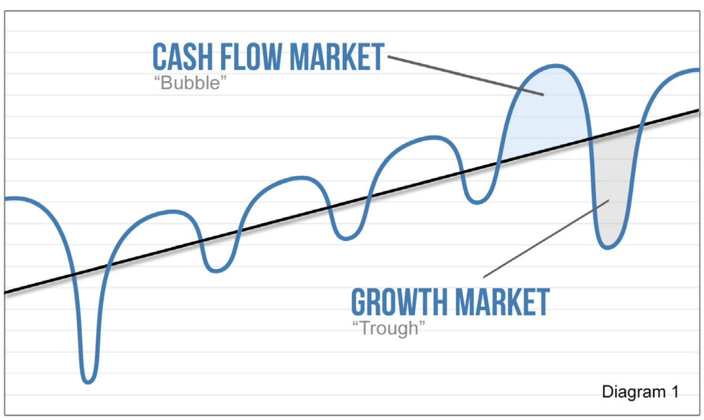


Diagram 1 illustrates a typical market cycle. Notice that the median home prices averaged over the long-term (as represented by the straight line) have always increased. However, actual home prices at any given time do not follow the long-term average price line - they have "bubbles" and "troughs."

Diagram 1: The shaded blue and gray areas show a full "market cycle," comprised of the following:

- The initial formation of a bubble
- The peak, the fall to long-term average, the formation of a trough
- The bottom, and the return to long-term average

How "Bubbles" Form

A bubble begins to form when current real estate prices increase above the long-term average median price line (the left side of the shaded blue area shown in Diagram 1).

During the early stages of bubbles, investors and spec builders begin building more and more homes in an effort to capitalize on what appear to be "ever rising" prices and profits. Eventually, a significant surplus of homes is created, at which point the bubble begins to "lose air" (the top of the blue area) and prices begin to fall (the right side of the blue area).

Bubbles Are Followed by "Troughs"

A home is only worth what someone is willing to pay. Eventually, the extra supply of homes created during a bubble suppresses prices enough that they fall below the long-term average price line. This is the signal that a trough is beginning to form (gray area). During some troughs, homes may become available for less than the cost to build them. Of course, if one can't sell a home for more than it costs to build, the building of new homes grinds to a near halt. This typically happens when an economic downturn forces homeowners into foreclosure and banks want to "unload" the homes – even if it may mean doing so at a loss.

Once the surplus in home inventory is purchased, a supply shortfall is created. A reduction in supply stops the downward pressure on prices (the lowest point of the gray area) and eventually drives the prices back up to the rebuild value, and then to the long-term average price line (the right side of the gray area). This leads into the formation of the next bubble.

Troughs Create Equity Growth Markets

At the bottom of these troughs, when the surplus inventory of homes is finally depleted, the prices will begin to rise high enough to exceed the cost to build. At this point, construction of new homes once again makes economic sense. Builders will resume building, and of course, they will not sell these homes for less than they cost to build. A good indicator of future appreciation potential is how far below the replacement cost you can purchase a home. Strongbrook deems markets where this can be done as "Equity Growth Markets." Investors can capitalize on the tremendous appreciation that is predicted to occur once active and shadow inventory have run out and prices are forced to rise above replacement cost.

Cash Flow Markets Are Found in Troughs and Bubbles

Significant Equity Growth Markets will appear only occasionally during a person's investing life, while Cash Flow Markets are more common and can usually be found in any market cycle.

Putting It All Together

By understanding how to identify each market and when to deploy Equity Growth Market strategies and/or Cash Flow Market strategies, Strongbrook helps its clients create sustainable growth and positive cash flow by teaching them how, and when, to navigate in and out of these markets. The Strongbrook system is predictable and duplicable. Get your free financial Game Plan and see what Strongbrook can help you accomplish.

EXAMPLE OF EQUITY GROWTH MARKET GAME PLAN

Equity Growth Markets are markets with high short-term property appreciation potential, but lower positive cash flow potential. The Equity Growth Market strategy is deployed in markets where homes can be purchased below the current replacement cost. The replacement cost is the cost of land combined with the cost to build the home. The homes are typically held for five years and then sold; the funds are then reinvested into Cash Flow Markets until you reach your desired monthly retirement income goal.

STRATEGY ADVANCEMENT

After selling the Equity Growth Market home(s), proceeds are then used to purchase properties in the Cash Flow Markets.

The illustration below starts with the purchase of two homes. The purchases of all future homes are made with accumulated proceeds from these two initial purchases. This way, out-of-pocket expenses are only generated on the first two investment homes.

You can download actual results in Strongbrook 2013 Hot Market Acquisitions Report: http://www.strongbrook.com/realestate/real-results_real-deals.html

Equity Growth Market Example Assumptions:

The following Equity Growth Market to Cash Flow Market strategy assumptions are based on clients' historical performance, adjusted for today's market conditions. Your real estate investment strategy begins in an Equity Growth Market, where the home is sold at the five-year point.

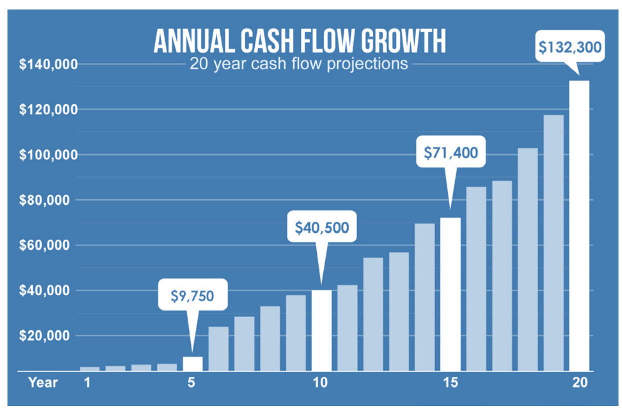
Initial purchase price: $140,000.00
20% down payment: $28,000.00
Closing costs, coordination fees and rehab: $14,000.00
Total out-of-pocket: $42,000.00
Initial positive cash flow: $100/month
Property management fees: 8% of monthly rent
Annual rent increase: 3%
Average days of vacancy per year: 42
Average cost of vacancy and repairs: 12%
Anticipated annual appreciation (5 yrs): 10%, 10%, 10%, 5%, 5%
Sell home at five-year mark (Selling costs: 6%)

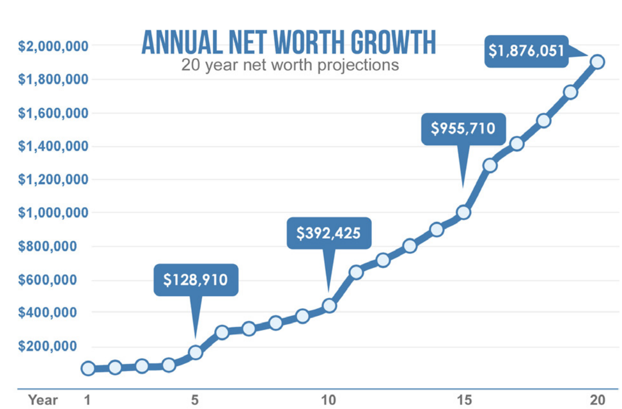
Cash Flow Market Example Assumptions:

The following Cash Flow Market strategy assumptions are based on clients' historical performance, adjusted for today's market conditions. Years 6-20 are reinvested into Cash Flow Markets.

Initial purchase price: $100,000.00
20% down payment: $20,000.00
Closing costs, coordination fees and rehab: $10,000.00
Total out-of-pocket: $30,000.00
Initial positive cash flow: $325/month
Property management fees: 8% of monthly rent
Annual rent increase: 3%
Average days of vacancy per year: 42
Average cost of vacancy and repairs: 16%
Anticipated annual appreciation (fifteen years): 3% per year
Home is retained (not sold)

YR	MEMO	HOUSES	ANNUAL CASH FLOW	NET WORTH	RATE OF RETURN
1	**Purchase 2 houses ($140,000/ea)** *Growth Market*	2	**$2,400**	**$58,400**	**NA**
2	Hold houses 1 and 2	2	$3,000	$93,400	5.5%
3	Hold houses 1 and 2	2	$3,600	$131,800	16.0%
4	Hold houses 1 and 2	2	$4,200	$173,880	19.8%
5	**Sell house 1-2** *Mid Year Growth Market* *Growth Market* ↑	**2**	**$2,400**	**$198,914**	**18.8%**
5	**Purchase houses 1-5** *Cash Flow Market* ↓ *Mid Year*	**5**	**$9,750**	**$128,910**	**8.9%**
6	Hold houses 1-5	5	$21,000	$174,994	13.0%
7	**Purchase house #6 ($119,405)** *Hold houses 1-5*	**6**	**$26,400**	**$211,842**	**14.1%**
8	Hold houses 1-6	6	$28,200	$273,059	15.9%
9	**Purchase house #7 ($126,677)** *Hold houses 1-6*	**7**	**$34,500**	**$329,031**	**16.4%**
10	**Purchase house #8 ($130,477)** *Hold houses 1-7*	**8**	**$40,500**	**$392,425**	**16.6%**
11	**Purchase house #9 ($134,392)** *Hold houses 1-8*	**9**	**$46,800**	**$472,487**	**17.0%**
12	Hold houses 1-9	9	$49,500	$583,780	17.5%
13	Hold houses 1-9	9	$52,200	$691,357	17.6%
14	**Purchase house #10 outright ($146,853)** *Hold houses 1-9*	**10**	**$68,400**	**$822,250**	**17.7%**
15	Hold houses 1-10	10	$71,400	$955,710	17.6%
16	**Purchase house #11 outright ($155,797)** *Hold houses 1-10*	**11**	**$88,500**	**$1,109,590**	**17.5%**
17	Hold houses 1-11	11	$91,800	$1,276,804	17.4%
18	**Purchase house #12 outright ($165,285)** *Hold houses 1-11*	**12**	**$109,800**	**$1,464,559**	**17.3%**
19	Hold houses 1-12	12	$113,400	$1,657,455	17.0%
20	**Purchase house #13 outright ($175,351)** *Hold houses 1-12*	**13**	**$132,300**	**$1,876,051**	**16.8%**





The illustration assumes: That over the 15-year period, a maximum of nine homes will be held at any given time with leverage (under mortgage) and every home purchased thereafter will be purchased outright (paid for in full with accumulated cash). All cash flow and other profits generated are reinvested to compound results, until your desired monthly income goal is achieved. This illustration does not include potential positive tax benefits of owning real estate, including (but not limited to) interest and depreciation deductions and other valid business deductions.

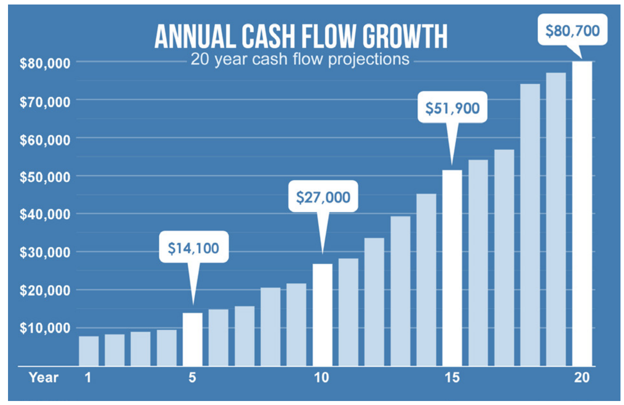
EXAMPLE OF CASH FLOW MARKET GAME PLAN

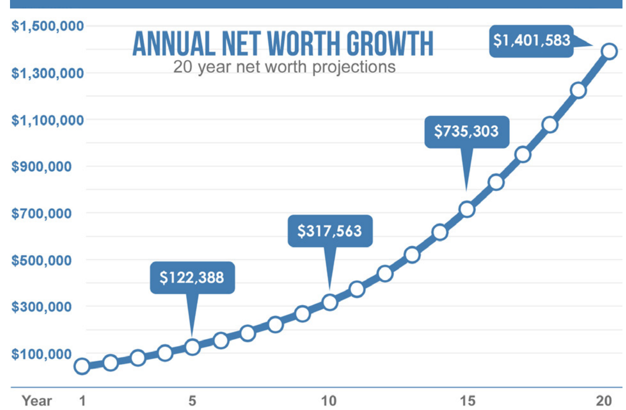
Cash Flow Markets are markets with lower property appreciation potential and higher immediate positive cash flow potential. The Cash Flow Market strategy is deployed in markets where the ratio of home prices to available rent is highly favorable – thus creating higher positive monthly cash flow.

In the example, the homes are not sold; instead, they are held indefinitely. In reality, the home may be refinanced and/or sold and the proceeds deployed into Equity Growth Market opportunities as they arise. This has the potential to substantially accelerate the illustrated results. The following assumptions are based on clients' historical performance, adjusted for today's market conditions.

The illustration below starts with the purchase of two homes. The purchases of all future homes are made with accumulated proceeds from these two initial purchases; this way, out-of-pocket expenses are only generated on the first two investment homes.

YR	MEMO	HOUSES	ANNUAL CASH FLOW	NET WORTH	RATE OF RETURN
1	**Purchase 2 houses ($100,000/ea)** *Cash Flow Market*	**2**	**$7,800**	**$47,800**	**NA**
2	Hold houses 1 and 2	2	$8,400	$66,200	5.0%
3	Hold houses 1 and 2	2	$9,000	$83,380	11.6%
4	Hold houses 1 and 2	2	$9,600	$103,345	14.6%
5	**Purchase house #3 ($112,551)** *Hold houses 1 and 2*	**3**	**$14,100**	**$122,388**	**15.3%**
6	Hold houses 1-3	3	$15,000	$152,917	16.8%
7	Hold houses 1-3	3	$15,900	$185,251	17.4%
8	Hold houses 1-3	3	$20,700	$220,917	17.7%
9	**Purchase house #4 ($122,987)** *Hold houses 1-4*	**4**	**$21,900**	**$265,447**	**17.9%**
10	**Purchase house #5 ($130,477)** *Hold houses 1-4*	**5**	**$27,000**	**$317,563**	**18.1%**
11	Hold houses 1-5	5	$28,500	$375,053	18.1%
12	**Purchase house #6 ($138,423)** *Hold houses 1-5*	**6**	**$33,900**	**$445,968**	**18.1%**
13	**Purchase house #7 ($142,576)** *Hold houses 1-6*	**7**	**$39,600**	**$527,586**	**18.2%**
14	**Purchase house #8 ($146,853)** *Hold houses 1-7*	**8**	**$45,600**	**$623,142**	**18.2%**
15	**Purchase house #9 ($151,259)** *Hold houses 1-8*	**9**	**$51,900**	**$735,303**	**18.2%**
16	Hold houses 1-9	9	$54,600	$849,133	18.0%
17	Hold houses 1-9	9	$57,300	$966,498	17.7%
18	**Purchase house #10 ($165,285 Outright)** *Hold houses 1-9*	**10**	**$74,700**	**$1,101,525**	**17.5%**
19	Hold houses 1-10	10	$77,700	$1,249,810	17.3%
20	**Purchase house #11 ($175,351 Outright)** *Hold houses 1-10*	**11**	**$80,700**	**$1,401,583**	**17.0%**

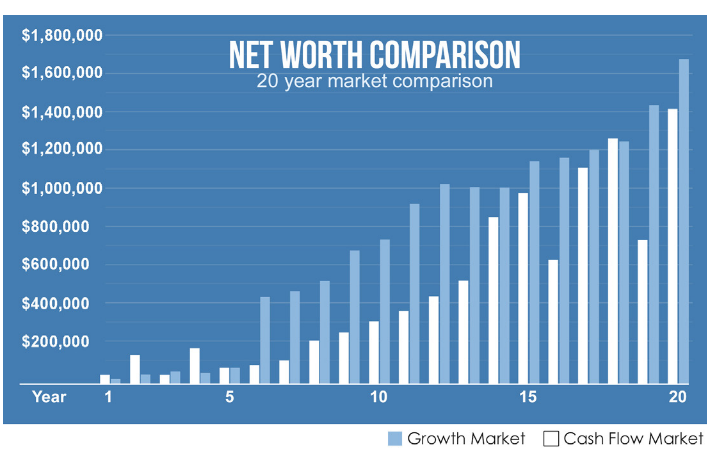


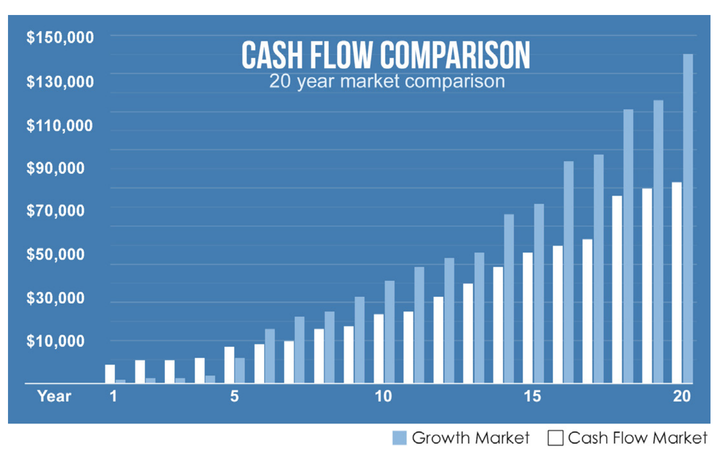


The illustration assumes: That over the 15-year period, a maximum of nine homes will be held at any given time with leverage (under mortgage) and every home purchased thereafter will be purchased outright (paid for in full with accumulated cash). All cash flow and other profits generated are reinvested to compound results, until your desired monthly income goal is achieved. This illustration does not include potential positive tax benefits of owning real estate, including (but not limited to) interest and depreciation deductions and other valid business deductions.

EQUITY GROWTH VS. CASH FLOW MARKET COMPARISON:

The following graphs illustrate how the Cash Flow and Equity Growth markets compare to each other in net worth growth and income.

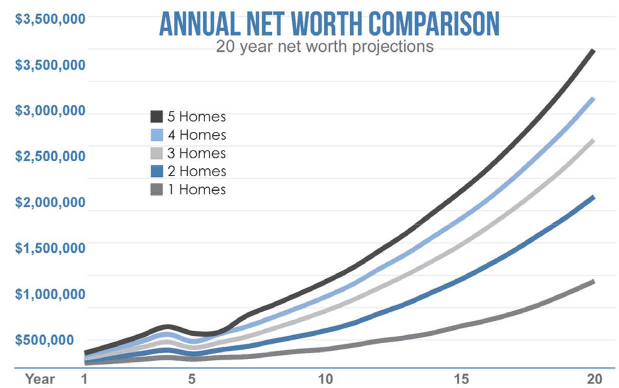


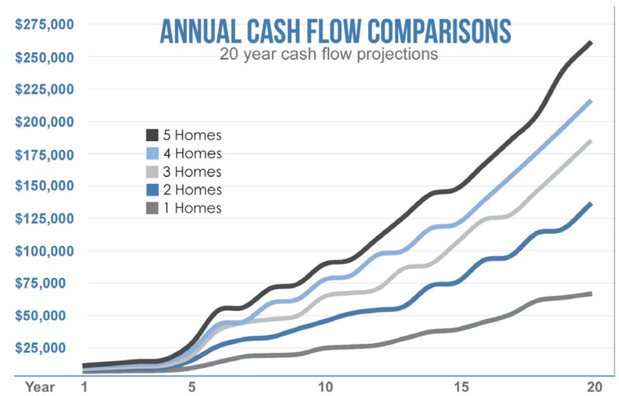


HOW MUCH REAL ESTATE SHOULD I BEGIN WITH?

Strongbrook's team of experts teaches clients about each option so the client can understand their options for funding their real estate purchases. The following graph illustrates the difference between starting with one, two, three, four, or five homes. Note that the rate of return (ROR) decreases slightly with each additional house over time because Strongbrook conservatively caps the number of leveraged homes to nine.

# OF HOUSES	PORTFOLIO	5 YEAR SUMMARY	10 YEAR SUMMARY	15 YEAR SUMMARY	20 YEAR SUMMARY
1 House Average Initial Investment **$42,000**	# of Houses	2	4	6	9
	Annual Cash Flow	$7,800	$19,500	$34,200	$62,100
	Net Worth	$69,107	$181,950	$436,347	$933,483
	Average ROR	10.5%	15.8%	16.9%	16.7%
2 Houses Average Initial Investment $84,000	# of Houses	5	8	10	13
	Annual Cash Flow	$19,500	$40,500	$71,400	$132,300
	Net Worth	$128,910	$524,905	$957,710	$1,878,046
	Average ROR	8.9%	16.6%	17.6%	16.8%
3 Houses Average Initial Investment **$126,000**	# of Houses	7	10	12	16
	Annual Cash Flow	$27,300	$60,000	$102,600	$181,800
	Net Worth	$198,017	$614,342	$1,340,141	$2,512,068
	Average ROR	9.4%	17.2%	17.1%	16.2%
4 Houses Average Initial Investment **$168,000**	# of Houses	9	11	13	18
	Annual Cash Flow	$35,100	$73,200	$117,300	$213,300
	Net Worth	$267,125	$772,619	$1,631,658	$2,979,956
	Average ROR	9.7%	16.5%	16.4%	15.5%
5 Houses Average Initial Investment **$210,000**	# of Houses	10	12	15	20
	Annual Cash Flow	$45,900	$85,500	$144,900	$259,200
	Net Worth	$360,242	$930,163	$1,937,167	$3,516,055
	Average ROR	11.4%	16.0%	16.0%	15.1%



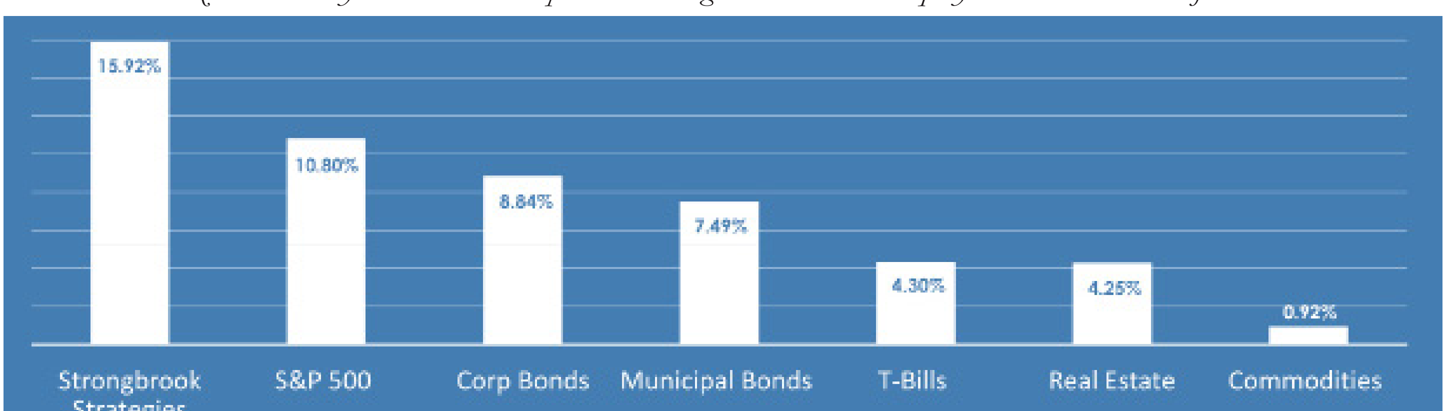


STRONGBROOK'S STRATEGIES COMPARED TO OTHER ASSET CLASS PERFORMANCE

The following chart shows the long-term average annual pre-tax returns of the most common retirement investment asset classes. While Strongbrook does not yet have such long-term historical data, we have taken the last five years of our data, and normalized it to reflect today's market conditions.

We then forecast what we expect our 20-year average annual return will be. Real estate has the potential to outperform other common consumer-grade investments. The difference between earning 15.92% in real estate over 20 years creates over 2.4 times more growth than the 30-year S&P average. This 5.1% difference in earnings has a significant impact on total earnings because of the compounded interest. This can reduce the risk of outliving your assets because the significantly higher dividends from real estate makes less necessary or eliminates the need for spending down principle on the asset.

30-Year Annualized Returns by Asset Class Compared to Strongbrook's 20-Year Equity Growth Market Projections



Sources: Index data for the S&P 500 and the Russell 2000 were obtained from FactSet. Corporate and municiple bond data were obtained from Barclays. Real Estate data were obtained from the U.S. Census Bureau. All data is based on 30 year Average Annual Returns, with the exception of the Strongbrook Real Estate data which based on Equity Growth Market assumptions outlined in the Game Plan Framework document. As with all financial examples, past performance is not a guarantee of future results.

HOW TO FIND FUNDS TO BUILD YOUR REAL ESTATE PORTFOLIO

The following are typical assets that Strongbrook clients access to finance their diversification into real estate. [2]

Savings, cash value life insurance, stocks, mutual funds & precious metals. These more liquid assets may be combined and used to acquire real estate.

Investment property equity

Typically, you may borrow up to 70% of the value of existing investment homes to purchase additional real estate. In general, the returns of the new investment properties are sufficient to cover the added mortgage expenses while accelerating the investment strategy.

Primary residence equity

You may be able to borrow up to 80% of the value of your primary home through a cash-out refinance or home equity line of credit to access funds to purchase investment real estate properties. The returns of the investment purchased are typically sufficient to cover the added mortgage expense while accelerating your investment strategy. This strategy is often used to accelerate the payoff of a primary residence or to produce additional funds in order to enhance retirement cash flow.

Roth IRA

You may be able to "self-direct" your Roth IRA to buy free-and-clear real estate, if you have sufficient funds. You may also access your Roth IRA with a penalty up to 10% (in most cases, this may be considered a tax deductible cost of business) to acquire real estate with leverage.

IRAs, 401(k) plan rollovers, and annuities

If your IRAs and/or 401(k) plans exceed $100,000, you may be able to avoid taxes and penalties by rolling these qualified funds into a self-directed fund. Self-directed funds are typically prohibited from using leverage (such as a mortgage). If you have less than $100,000, or you wish to use leverage, you may pay taxes and penalties to access these funds to produce income and growth in real estate.

Current 401(k) plan

You may be eligible to borrow up to 50% against your existing 401(k) plan to access funds for acquiring real estate.

Primary residence purchase

Strongbrook assists clients in advancing their portfolio with the purchase of a primary residence with a secure equity position. This option usually requires less than $10,000, and applies to first-time homebuyers or those seeking to purchase a new primary residence.

Partnering by combining assets

You may combine assets with other clients, family members, friends or acquaintances to acquire real estate using one of Strongbrook's partnering strategies.

Referral-based real estate

Strongbrook offers an optional system whereby individuals can earn income as well as $35,000 real estate portfolio home bonuses by referring others to Strongbrook. This is a valuable tool for individuals who may not have assets that can be reallocated into real estate. This form of partnering is also an investor portfolio acceleration tool.[3]

BENEFITS OF ADDING STRONGBROOK'S INVESTMENT-GRADE REAL ESTATE TO YOUR INVESTMENT PORTFOLIO

Real estate investments have the ability to augment retirement income and overall net worth. A Strongbrook-based real estate portfolio could be a powerful complement to your retirement portfolio, with the following benefits:

- Tangible, controllable assets held in your name
- Interest, depreciation and business tax write-offs
- Monthly residual income that does not deplete the principal
- Natural hedge against inflation and market volatility
- A professional team to help you build and manage your portfolio

REVIEW YOUR OPTIONS WITH A CUSTOM GAME PLAN ASSESSMENT

If you would like to schedule a custom Game Plan Assessment, you can get in touch with your Strongbrook representative or call **888-228-1553** to schedule an appointment. When you request a customized Strongbrook Game Plan Assessment, you will receive:

1. A phone call within two business days to begin your confidential basic financial assessment. This gives Strongbrook an understanding of your current financial needs and abilities, and allows Strongbrook to build a customized plan around your priorities.

2. A confidential teleconference with a Game Plan Specialist to help you understand and take full advantage of your specific investment options (qualified applicants only).

[2]Not all options are right for everyone and your individual circumstances will vary. Clients are encouraged to speak with their own financial advisors and attorneys before making a decision. [3]Referral Program Financial Disclaimer: Strongbrook provides a detailed explanation of the Compensation Plan. Any explanation of the Compensation Plan is strictly to explain how the plan works. This explanation must necessarily include percentage payout on personal and group sales, specific dollar payout on personal and group sales and various rank or reward advancements based on achieving stated personal and group sales volume.

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