

### WHAT IS THE MINIMUM INVESTMENT?

The minimum investment amount is \$150,000.

### HOW WILL I BE INFORMED ABOUT THE FUND'S PERFORMANCE?

CNC India Group plans to inform the investors about the fund activity through quarterly newsletters. The newsletters will contain updates on recent acquisitions and progress on projects under development.

### WHAT ABOUT TAXES?

The CNC India Funds are entities formed in tax havens and are not required to file Corporate US returns. Individual investors of the fund should discuss taxation issues and how to report distributions with their CPA's.

### HOW IS THIS FUND MANAGED AND WHAT ARE ITS CREDENTIALS?

The Fund will be managed by professionals with extensive knowledge and experience in Indian and US Real Estate under a leadership team that has more than 75 years of commercial real estate experience combined. The fund activity will be controlled through the Houston office and will be managed locally through regional offices in Hyderabad, Bangalore and New Delhi. All financial controls will be with the Houston office.

### WHY IS THIS FUND DIFFERENT?

#### NO PROMOTER FEES

Most funds demand at least a 20% promoter fee, which means the management takes 20% of the profits even before a hurdle rate is achieved.

#### LOW EXPENSES

Most funds have management fees ranging from 3-6%. CNC India Fund is only charging 2%.

#### HIGH PREFERRED RATE OF RETURN

Most funds split the profit 20/80 before a certain hurdle rate is achieved and then split the profit 50/50. In our case, we don't make anything until you have received a 21% per annum return.

#### PARTNERSHIPS WITH MAJOR FINANCIAL INSTITUTIONS

CNC has plans to partner with large equity partners funding up to 90% of each project. In doing so, CNC India Fund can greater diversify your risk across many real estate projects.



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## WHAT IS CNC INDIA FUND?

CNC India Fund is a Private Equity Real Estate Fund comprised of high net worth individuals and financial institutions which will invest in Real Estate throughout India. The fund will primarily be used to develop world class land parcels, residential, office, retail, and hospitality properties in Tier I and II cities throughout India.

The fund is managed by a subsidiary Real Estate Development Company under the brand name CNC India Group. This subsidiary will acquire land, develop it and manage or sell it to create above average returns.

The entities are formed as per US law and Indian FDI laws.

## WHAT KIND OF FUND IS CNC INDIA FUND?

A seven (7) year self-liquidating close-end fund.

## WHO IS BEHIND THE FUND?

CNC India Fund has been coordinated and promoted by the founder of CNC Investments, Ltd. LLP, a Real Estate Investment company based out of Houston, TX, USA. The first CNC India Fund was in partnership with a major financial institution. In the future, CNC plans to launch similar funds with other banking institutions with which it currently has relationships.

## POTENTIAL INVESTMENT LOCATIONS

- Delhi
- Pune
- Chennai
- Hyderabad
- Bangalore
- Chandigarh
- Ahmedabad
- Bhubaneshwar
- Mysore
- Jaipur
- Nagpur
- Coimbatore
- Calcutta
- Mangalore
- Cochin
- Vizag

## WHAT ARE CNC INVESTMENTS' CREDENTIALS?

CNC Investments, Ltd. LLP was founded in 1982 and since then has invested in land, multi-family residential, retail, and office assets. The company has experienced phenomenal growth that encompasses over 160 properties, comprised of over 41,000 units and over 300,000 square feet of multi-level professional office buildings throughout the United States. The company currently manages more than \$2.3 billion in real estate assets [as of May 2007].

The company has developed relationships with many banks and financial institutions over the last 25 years. What sets CNC Investments Ltd. LLP apart from the other investment companies is its integrity and commitment towards its investors; additionally CNC Investments, Ltd. LLP has a flawless financial history. This track record is the main reason that world class banks would consider forming partnerships with this real estate fund.

For more information about CNC Investments, Ltd. LLP visit [www.cncinvestments.com](http://www.cncinvestments.com)

## WHEN WILL I GET MY MONEY BACK?

There will be two types of returns: dividend distributions and capital gains. The first type, dividend distributions, will be distributed as per the FDI laws of Indian Government. The current laws do not permit returning initial investments prior to the end of the third year. However, the fund does have the right to distribute operational profits as dividends when earned. The second type of return, capital gains, will be distributed at the end of the seventh year.



## WHAT IS THE TOTAL SIZE OF THE COLLECTIVE INDIA FUND?

It is a \$1 billion fund that will be comprised of CNC India Funds I, II, and III totaling \$100 million and partnering with equity partners who will contribute up to \$900 million. Please refer to the chart for details.

Year	Fund	CNC
2007 – 2Q	Fund I * Closed	\$30MM
2008 – 2Q	Fund II	\$30MM
2008 – 4Q	Fund III	\$40MM
Total		<b>\$100MM</b>

## WHAT TYPES OF PROPERTIES WILL THE FUND DEVELOP?

- Land Development
- Residential
- Office
- Hospitality

## WHY SHOULD I INVEST IN INDIAN REAL ESTATE?

The Indian stock markets have outperformed the world average the past several years and real estate has been no different. In fact, Indian real estate has outperformed the Indian Stock Exchange with annual returns exceeding well beyond 25%. With projected annual GDP growth rate in excess of 8%, real estate is expected to continue to experience above average returns.

## WHY WILL THE HOUSING DEMAND REMAIN STRONG?

The housing sector in the United States has been flourishing for the past few years and the demand for housing was only around 2-3 million units. A study by Deutsche Bank indicates that the demand for residential units in India for the next several years will be in excess of 10 million units per year. The main reasons for increased demand in the housing sector are:

- Higher income levels
- Increasing trend of more than one earning member per household has increased the gross household income
- Easier availability of financing options
- Population migration from rural to urban areas
- Joint families are increasingly becoming nuclear

The trends clearly indicate that the demand in the housing sector in India is sustainable.

## WHY SHOULD I INVEST IN THIS FUND, WHEN I CAN INVEST ON MY OWN IN INDIAN REAL ESTATE?

The main reasons that a fund is a better investment are:

- You diversify your risk by investing
  - o Across various asset classes such as residential, hospitality, office and retail
  - o Across geographical areas such as both Tier I and Tier II cities
- Your money will be repatriated legally in US dollars
- CNC India Group has a highly qualified team that acquires and disposes of properties, so you don't have to deal with the bureaucracy, squatters, etc.
- CNC India Group has already have established relationships with brokers, contractors, marketing organizations, and property managers to manage your investment.
- CNC India Group can achieve higher returns with the same risk by securing non-recourse debt and through our construction activity.

