

About Kingsbarn



Kingsbarn is a multi-disciplinary, alternative asset manager covering real estate, ETFs, and various private equity strategies. Over the last decade, Kingsbarn has constantly focused on niche products in markets that solve problems and create the desired risk-adjusted returns for its clients. Kingsbarn is based in Las Vegas, Nevada and manages approximately \$1B in assets.

Kingsbarn Private Equity is focused on supporting buyouts in the lower middle market that are being led by management teams and independent sponsors. Our goal is to facilitate more successful buyouts by providing the much-needed last mile of equity required to meet the selling owner's needs.

FUND DETAILS

Issuer	Kingsbarn Independent Sponsor Equity Fund, LP
Minimum Investment	\$250,000
Eligible Investors	Accredited Investors & Qualified Clients
Fund Administration	Apex Group, Ltd.
Fund Auditor	BBD, LLP
Legal	Carman Lehnhof Israelsen, LLP
Reporting	Monthly Financials Quarterly Reports
IRA Eligibility	Yes
Management Fee	2%
Performance Fee	20%
LP Preferred Return	8%

The Silver Tsunami

Baby boomers own over **50%** of all privately held businesses in the United States

Roughly **500** businesses each day will be either changing hands or shutting down

This Silver Tsunami of retiring business owners own over **2.9M** businesses

These businesses are the heart of the U.S. economy and employ over **32M** workers and generate nearly **6.5T** in revenue

Census 2018 Annual Business Survey (Data from 2017)

Investment Criteria



- Revenue > \$5 million
- EBITDA > \$1 million (3-year average)
- Sponsor- or management-led buyouts
- Industry-agnostic
- Companies based in the U.S. and Canada

Investment Profile



- \$2-7 million
- High-level oversight and board representation
- Deal structure flexibility
- Liquidity requirement at 60 months

Independent Sponsor Profile

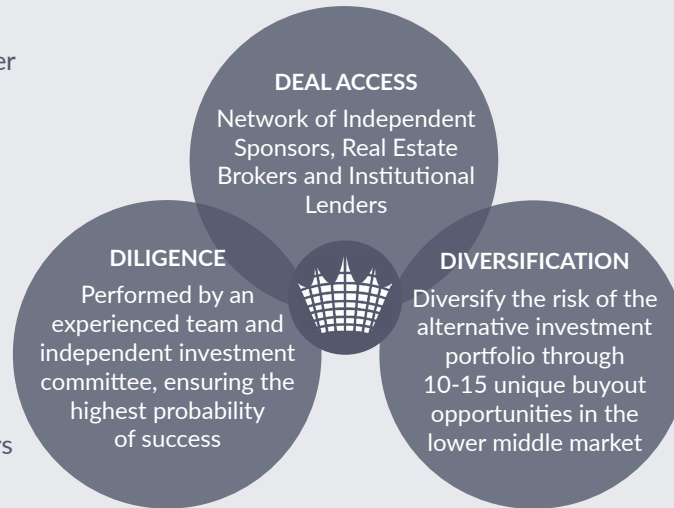


- Proven track record in PE / buyout industry
- Investment or operational experience in the target industry

THE KINGSBARN DIFFERENCE

Filling a Void

- Many private equity funds do not participate in the lower middle market.
- To cover their costs, even small funds require \$300 - \$500M in AUM which prohibits investing less than \$10M.
- Many lucrative transactions never get to the finish line, because buyers can't produce the last mile of equity needed to close.



Infrastructure

- Kingsbarn's existing infrastructure can easily manage a smaller fund and will invest in deals that have a greater potential return profile.
- Access to lower leverage ratios reduce risk in smaller opportunities, while benefiting from lower valuation multiples at purchase and EBITDA expansion at exit.

WHY INVEST IN THE LOWER MIDDLE MARKET

Financially Opportunistic

- Larger businesses (greater than \$5M EBITDA) typically trade at higher multiples which reduces the return profile to investors
- Acquisition multiples for companies under \$5mm EBITDA are much lower
- This creates a form of double return for investors

Value Creation

- Easily implemented systems and processes that immediately create unrealized value in a small business

Operational Best Practices

- Inventory controls
- Utilization tracking and analysis
- ERP / financial software integration

