

February 22, 2024

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# AFC Gamma to Spin-Off Commercial Real Estate Lending Business

NASDAQ: AFCG



# Forward-Looking Statements

Some of the statements contained in this presentation constitute forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and we intend such statements to be covered by the safe harbor provisions contained therein. The information contained in this section should be read in conjunction with our financial statements and notes thereto appearing elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2022, our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2023, June 30, 2023, and September 30, 2023, and the other documents we file from time to time with the SEC, including the registration on Form 10 filed by SUNS on February 22, 2024. This description contains forward-looking statements that involve risks and uncertainties. We use words such as “anticipate,” “believe,” “project,” “expect,” “intends,” “will,” “should,” “may” and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words.

Actual results could differ significantly from the results discussed in the forward-looking statements due to the factors set forth in “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2022, our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2023, June 30, 2023, and September 30, 2023, and the other documents we file from time to time with the SEC, including the registration statement on Form 10 filed by SUNS on February 22, 2024. In addition, some of the statements in this presentation constitute forward-looking statements, which relate to future events or the future performance or financial condition of AFC Gamma, Inc. (“AFCG” and the “Company,” “we,” “us” and “our”). The forward-looking statements contained in this presentation involve a number of risks and uncertainties, including statements concerning: our business and investment strategy; our projected operating results including our projections for distributable earnings, originations and repayments; the estimated growth in and evolving market dynamics of the (i) commercial real estate and (ii) cannabis markets; the impact of economic conditions on our business and the United States; the ability of our Manager to locate suitable loan opportunities for us, monitor, service and administer our loans and execute our investment strategy; allocation of loan opportunities to us by our Manager; our projected operating results; actions and initiatives of the U.S. or state governments and changes to government policies and the execution and impact of these actions, initiatives and policies, including the fact that cannabis remains illegal under federal law; the state of the United States and Canadian economies generally or in specific geographic regions; the demand for cannabis cultivation and processing facilities; shifts in public opinion regarding cannabis; the state of the U.S. economy generally or in specific geographic regions; economic trends and economic recoveries; the collectability and timing of cash flows, if any, from our loans; our ability to obtain and maintain financing arrangements; our expected leverage; changes in the value of our loans; our expected portfolio of loans; our expected investment and underwriting process; rates of default or decreased recovery rates on our loans; the degree to which our hedging strategies may or may not protect us from interest rate volatility; changes in interest rates of our loans and impacts of such changes on our results of operations, cash flows and the market value of our loans; interest rate mismatches between our loans and our borrowings used to fund such loans; the departure of any of the executive officers or key personnel supporting and assisting us from our Manager or its affiliates; impact of and changes in governmental regulations, tax law and rates, accounting guidance and similar matters; our ability to maintain our exemption from registration under the Investment Company Act of 1940 (the “1940 Act”); our ability to qualify and maintain our qualification as a real estate investment trust (“REIT”) for United States federal income tax purposes; estimates relating to our ability to make distributions to our stockholders in the future; our understanding of our competition; market trends in our industry, interest rates, real estate values, the securities markets or the general economy. Additionally, these forward-looking statements are based upon current estimates and assumptions and include statements regarding AFC Gamma's plans to spin-off all of the outstanding shares of Sunrise Realty Trust, Inc. (“SUNS”) to AFC Gamma's stockholders, the spin-off enabling each company's management to more effectively pursue its own distinct investment priorities and strategies, the spin-off permitting AFC Gamma to allocate its financial resources to meet the unique needs of its business, which will allow it to specialize on its distinct strategic priorities and to more effectively pursue its distinct capital allocation and portfolio management strategies, the spin-off allowing each company to more effectively articulate a clear investment thesis to attract a long-term investor base suited to their business and providing investors with a distinct and targeted investment opportunity and the spin-off enhancing access to financing to support the SUNS business, which will no longer be subject to the current regulatory environment with respect to lending to cannabis industry operators and our ability to complete the spin-off by mid-2024. SUNS has filed a registration statement on Form 10 with the Securities and Exchange Commission which provides additional details about the spin-off. Nothing in this presentation shall constitute a solicitation to buy or an offer to sell shares of common stock of AFC Gamma or SUNS common stock.

We have based the forward-looking statements included in this presentation on information available to us on the date of this presentation, and we assume no obligation to update any such forward-looking statements. We undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised to consult any additional disclosures that we may make through reports that we have filed or in the future may file with the SEC, including the registration statement on Form 10 related to the spin-off, filed on February 22, 2024, Annual Reports on Form 10-K, registration statements on Form S-11, Quarterly Reports on Form 10-Q and current reports on Form 8-K.

# Legal Disclaimers

## Important Notices

This presentation is by AFC Gamma, Inc. (“AFCG” or the “Company”), a publicly traded company that has elected to be taxed as a REIT for federal income tax purposes and is being furnished in connection with AFCG’s financial results. This presentation is provided for informational purposes only and is not an offer to sell, or a solicitation of an offer to buy, any security or instrument. AFCG is not a registered investment adviser. AFCG is managed by AFC Management, LLC (“AFCM”), a registered investment adviser. This presentation is not a communication by AFCM and is not designed to maintain any existing AFCM client or investor or solicit new AFCM clients or investors.

We routinely post important information for investors on our website, [www.afcgamma.com](http://www.afcgamma.com). We intend to use this webpage as a means of disclosing material information, for complying with our disclosure obligations under Regulation FD and to post and update investor presentations and similar materials on a regular basis. AFCG encourages investors, analysts, the media and others interested in AFCG to monitor the Investors section of our website, in addition to following our press releases, SEC filings, public conference calls, presentations, webcasts and other information we post from time to time on our website. To sign-up for email-notifications, please visit the “Email Alerts” section of our website under the “IR Resources” section and enter the required information to enable notifications. Past performance is no guarantee of future results. There is no guarantee that any investment strategy referenced herein will work under all market conditions. You alone assume the responsibility of evaluating the merits and risks associated with any potential investment or investment strategy referenced herein. The information contained herein is not intended to provide, and should not be relied upon for accounting, legal or tax advice or investment recommendations for AFCG or any of its affiliates. Certain information contained in the presentation discusses general market activity, industry or sector trends, or other broad-based economic, market or political conditions and should not be construed as research or investment advice.

## Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures, including Distributable Earnings to evaluate our performance excluding the effects of certain transactions and certain GAAP adjustments that we believe are not necessarily indicative of our current loan activity and operations. We believe the non-GAAP financial measures are useful for management, investors, analysts, and other interested parties in evaluating our performance but should not be viewed in isolation and are not a substitute for financial measures computed in accordance with GAAP.

The determination of Distributable Earnings is substantially similar to the determination of Core Earnings under our Management Agreement, provided that Core Earnings is a component of the calculation of any Incentive Fees earned under the Management Agreement for the applicable time period, and thus Core Earnings is calculated prior to Incentive Fee expense, while the calculation of Distributable Earnings accounts for any Incentive Fees earned for such time period. We define Distributable Earnings as, for a specified period, the net income (loss) computed in accordance with GAAP, excluding (i) stock-based compensation expense, (ii) depreciation and amortization, (iii) any unrealized gains, losses or other non-cash items recorded in net income (loss) for the period, regardless of whether such items are included in other comprehensive income or loss, or in net income (loss); provided that Distributable Earnings does not exclude, in the case of investments with a deferred interest feature (such as OID, debt instruments with PIK interest and zero coupon securities), accrued income that we have not yet received in cash, (iv) increase (decrease) in provision for current expected credit losses, (v) taxable REIT subsidiary (“TRS”) (income) loss, net of any dividends received from TRS, and (vi) one-time events pursuant to changes in GAAP and certain non-cash charges, in each case after discussions between our Manager and our independent directors and after approval by a majority of such independent directors.

We caution readers that our methodology for calculating Distributable Earnings may differ from the methodologies employed by other REITs to calculate the same or similar supplemental performance measures, and as a result, our reported Distributable Earnings may not be comparable to similar measures presented by other REITs. We have not provided reconciliations of expected distributable earnings for the future period(s), in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. We are unable, without unreasonable efforts, to forecast certain items required to develop meaningful comparable GAAP financial measures. These items include changes in unrealized gains, non-cash equity compensation expenses and the impact of non-cash adjustments for current expected credit losses that are difficult to predict in order to include in a GAAP estimate.

Please see the section entitled “Reconciliation of Distributable Earnings to GAAP Net Income” in the attached Appendix C for a reconciliation to the most directly comparable GAAP financial measures.

# Creating Two Pure-Play Credit Providers in Cannabis & CRE



## Solely Focused on Cannabis Credit Investments

12<sup>(1)</sup>

Funded Cannabis Loans

~\$330M<sup>(1)</sup>

Assets

- A leading provider of institutional loans to state-licensed cannabis operators
- Originates and funds loans to established cannabis operators in states with attractive licensing and favorable supply/demand environments
- Objective to provide compelling risk-adjusted returns with loans that typically include amortization and/or cash flow sweeps, significant collateral and favorable pricing, driving average portfolio gross yields of approximately 12-20%

**NASDAQ: AFCG**

## Pure-Play Commercial Real Estate Credit Portfolio in the Southern U.S.

2<sup>(1)</sup>

Funded CRE Loans

~\$115M<sup>(1)</sup>

Assets

- Provider of capital to high-quality borrowers and sponsors of transitional business plans in the Southern U.S.
- Intends to create diversified investment portfolio, targeting investments in senior mortgage loans, mezzanine loans, whole loans, B-notes and debt-like preferred equity securities across CRE asset classes
- Target investment mix includes high quality residential for rent and for-sale condominiums, industrial, office, retail, hospitality, mixed-use and specialty-use real estate

**NASDAQ: SUNS<sup>(2)</sup>**

(1) Based on September 30, 2023 balance sheet, numbers are approximate as if AFC Gamma and Sunrise Realty Trust were separated today.  
(2) Upon completion of spin-off.

# AFC Gamma + Sunrise Realty Trust Portfolio Summaries

Cannabis Loan Names	Status	Original Funding Date <sup>(1)</sup>	Loan Maturity	AFCG Loan, net of Syndication	% of Total	TOTAL OID <sup>(2)(3)</sup>	Principal Balance as of 2/1/24	Cash Interest Rate <sup>(4)</sup>	Paid In Kind ("PIK") <sup>(5)</sup>	Fixed/Floating	Amortization During Term	YTM <sup>(2)(3)</sup>
Public Co. A - Equipment Loans	Funded	8/5/2019	3/31/2025	4,000,000	0.9%	0.1%	2,041,744	12.0%	N/A	Fixed	Yes	9%
Private Co. A	Funded	5/8/2020	5/8/2024	77,785,000	18.0%	7.9%	53,618,886	13.0%	3.0%	Fixed	Yes	25%
Private Co. B	Funded	9/10/2020	9/1/2023	16,402,988	3.8%	5.6%	18,774,898	14.6%	3.7%	Fixed	Yes	30%
Private Co. C	Funded	11/5/2020	12/1/2025	24,000,000	5.6%	4.0%	9,781,043	17.5%	2.0%	Floating	Yes	26%
Sub of Private Co. G	Funded	4/30/2021	5/1/2026	73,500,000	17.0%	4.0%	79,215,887	18.8%	N/A	Floating	Yes	20%
Private Co. I	Funded	7/14/2021	8/1/2026	3,500,298	0.8%	4.0%	3,767,454	17.3%	4.5%	Floating	Yes	25%
Private Co. K	Funded	4/28/2022	5/3/2027	13,229,626	3.1%	4.0%	13,815,961	17.3%	2.0%	Floating	Yes	26%
Private Co. J	Funded	8/30/2021	9/1/2025	23,000,000	5.3%	4.0%	21,392,100	17.3%	2.0%	Floating	Yes	25%
Sub of Public Co. H	Funded	12/16/2021	1/1/2026	84,000,000	19.5%	4.0%	84,000,000	14.3%	N/A	Floating	No	19%
Private Co. L	Funded	4/20/2022	5/1/2026	63,000,000	14.6%	4.2%	42,193,079	13.7%	N/A	Floating	Yes	18%
Sub of Public Co. M	Funded	8/26/2022	8/27/2025	18,822,000	4.4%	8.9%	18,822,000	9.5%	N/A	Fixed	No	18%
Private Co. M	Funded	7/31/2023	7/31/2026	30,000,000	7.0%	16.0%	31,158,023	9.0%	N/A	Fixed	Yes	18%
<b>Cannabis Portfolio</b>			<b>Subtotal<sup>(5)</sup></b>	<b>\$ 431,239,912</b>	<b>100.0%</b>	<b>5.8%</b>	<b>\$ 378,581,075</b>	<b>14.7%</b>	<b>0.9%</b>			<b>21%</b>

Real Estate Loan Names	Status	Original Funding Date <sup>(1)</sup>	Loan Maturity	AFCG Loan, net of Syndication	% of Total	TOTAL OID <sup>(2)(3)</sup>	Principal Balance as of 2/1/24	Cash Interest Rate <sup>(4)</sup>	Paid In Kind ("PIK") <sup>(5)</sup>	Fixed/Floating	Amortization During Term	YTM <sup>(2)(3)</sup>
Private Co. A	Funded	1/4/2024	1/31/2025	28,224,559	50.0%	0.0%	27,104,802	20.6%	N/A	Floating	No	24%
Private Co. B	Funded	1/31/2024	5/12/2027	28,188,776	50.0%	1.0%	20,696,367	13.0%	N/A	Fixed	No	14%
<b>Real Estate Portfolio</b>			<b>Subtotal<sup>(5)</sup></b>	<b>\$ 56,413,335</b>	<b>100.0%</b>	<b>0.5%</b>	<b>\$ 47,801,169</b>	<b>17.3%</b>	<b>0.0%</b>			<b>16%</b>

<b>Consolidated Portfolio</b>			<b>Subtotal<sup>(5)</sup></b>	<b>\$ 487,653,247</b>	<b>100.0%</b>	<b>5.2%</b>	<b>\$ 426,382,244</b>	<b>15.0%</b>	<b>0.8%</b>			<b>21%</b>
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(1) All loans originated prior to July 31, 2020 were purchased from affiliated entities at fair value which approximated accreted and/or amortized cost plus accrued interest on July 31, 2020 and does not include early pre-payments by borrowers.

(2) Estimated YTM includes a variety of fees and features that affect the total yield, which may include, but is not limited to, OID, exit fees, prepayment fees, unused fees and contingent features. OID is recognized as a discount to the funded loan principal and is accreted to income over the term of the loan. Loans originated before July 31, 2020 were acquired by us, net of unaccreted OID, which we accrete to income over the remaining term of the loan. In some cases, additional OID is recognized from additional purchase discounts attributed to the fair value of equity positions that were separated from the loans prior to our acquisition of such loans. The estimated YTM calculations require management to make estimates and assumptions, including, but not limited to, the timing and amounts of loan draws on delayed draw loans, the timing collectability of exit fees, the probability and timing of prepayments and the probability of contingent features occurring. For example, certain credit agreements may contain provisions pursuant to which certain PIK interest rates and fees earned by us under such credit agreements will decrease upon the satisfaction of certain specified criteria which we believe may improve the risk profile of the applicable borrower. To be conservative, we have not assumed any prepayment penalties or early payoffs in our estimated YTM calculation. Estimated YTM is based on current management estimates and assumptions, which may change. Actual results could differ from those estimates and assumptions.

(3) Estimated YTM for the loan with Private Co. A is enhanced by purchase discounts attributed to the fair value of equity warrants that were separated from the loans prior to our acquisition of such loans. The purchase discounts accrete to income over the respective remaining terms of the applicable loans.

(4) Future Cash Interest Rate on loans with Floating rates are based on its February 1, 2024 benchmark rate.

(5) The Cash Interest Rate, OID and PIK subtotal rates are weighted-average rates.

# Overview and Timeline

## **Transaction Structure**

*AFCG shareholders will retain their current AFCG shares  
AFCG shareholders receive pro-rata dividend of shares in new SUNS stock*

## **Ownership**

*AFCG shareholders will receive proportional ownership in SUNS immediately post spin-off (i.e. 1% ownership of AFCG = 1% ownership of SUNS)*

*We anticipate that AFC Gamma shareholders as of the record date of the SUNS distribution will receive a special cash dividend of \$0.15 per share of AFC common stock*

## **Stock Exchange**

*AFC Gamma – NASDAQ: AFCG  
Sunrise Realty Trust – NASDAQ: SUNS (upon completion)*

## **Path to Spin-off**

- ✓ Analysis and planning
- ✓ Establish new corporate and organizational structure
- ✓ Approval by Board of Directors
- ✓ Form 10 filed with SEC
- SEC approval and declared effective
- Final approval by Board of Directors
- Upon completion of spin-off, Sunrise Realty Trust (NASDAQ: SUNS)

**Spin-off expected to be completed in mid-2024**

# AFC Gamma

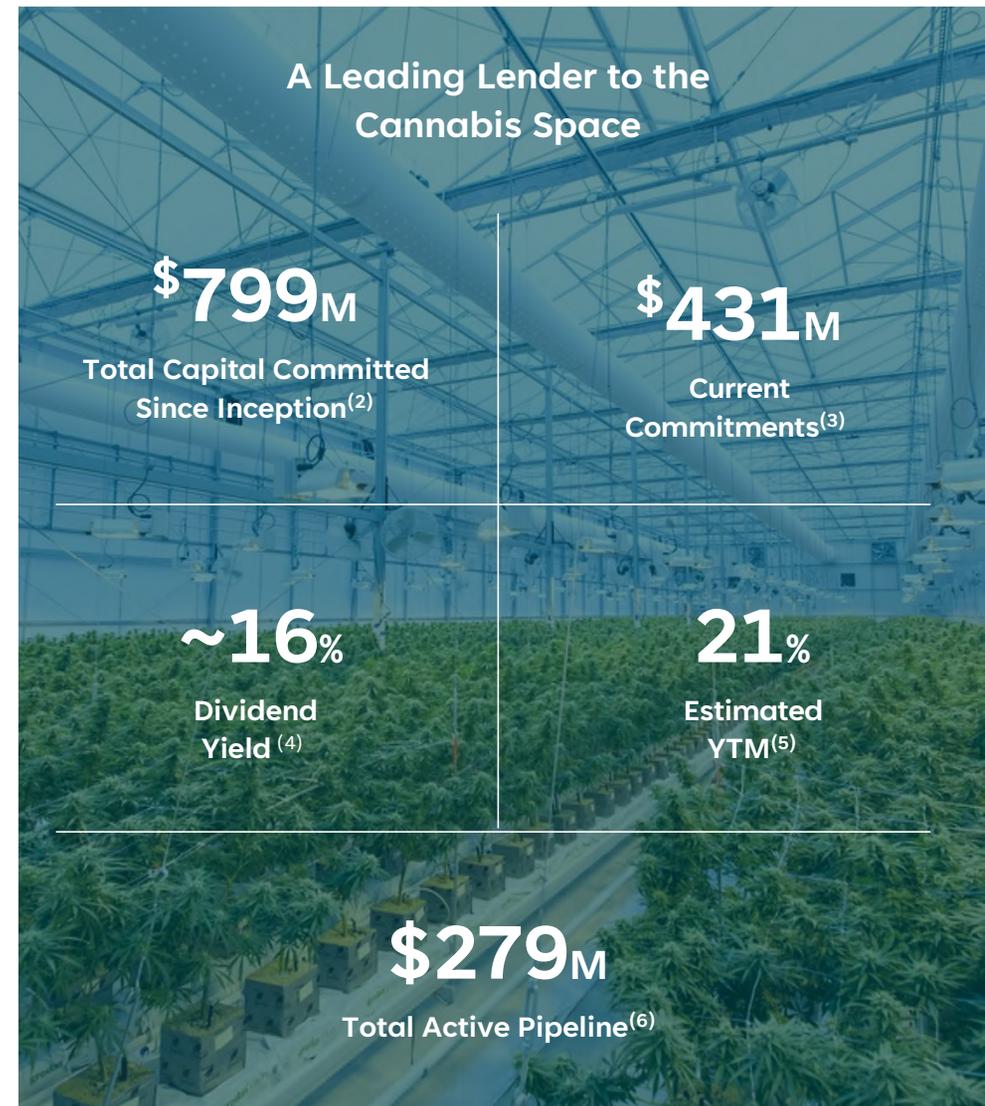
- 08 Company Overview
- 09 Portfolio & Strategy
- 10 Leadership Team
- 11 Portfolio & Geographic Footprint
- 12 Market Opportunity



# AFC Gamma

## Company Overview

- A leading NASDAQ-listed provider of institutional loans to cannabis industry
- Founded in July 2020 by veteran investor Leonard Tannenbaum
- Robust investment review process including market research, management underwriting and in-depth due diligence<sup>(1)</sup>
- Collectively, the management team has directly structured over \$10 billion in loan transactions and taken four companies public
- AFCG affirmed a BBB+ investment grade rating from Egan-Jones in September 2023



All company data as of February 1, 2024

(1) The diligence we conduct differs for loans that are agented by us or an affiliate as compared to the loans for which we are a syndicate partner. For prospective loans where we are a syndicate partner, we typically focus our own due diligence efforts on the prospective borrower's financial performance.

(2) Includes amounts committed by predecessor entity before AFC Gamma, Inc.

(3) Current commitments reflect cannabis only.

(4) Q4 2023 dividend of \$0.48 per share annualized and divided by closing stock price of \$11.98 as of February 1, 2024.

(5) Estimated YTM calculations require management to make estimates and assumptions, including, but not limited to, the timing and amounts of loan draws on delayed draw loans, the timing collectability of exit fees, the probability and timing of prepayments and the probability of contingent features occurring. For example, our credit agreements with certain borrowers contain provisions pursuant to which certain PIK interest rates and fees earned by us under such credit agreements will decrease upon the satisfaction of certain specified criteria, which we believe may improve the risk profile of the applicable borrower. To be conservative, we have not assumed any prepayment penalties or early payoffs in our estimated YTM calculation. Estimated YTM is based on current management estimates and assumptions, which may change. Actual results could differ from those estimates and assumptions.

(6) Includes potential syndications.

# AFC Gamma: Recommitment to Cannabis Investments

## Portfolio & Strategy

### Focusing on Cannabis

- Continued legalization at the state level creates new influx of opportunities
- Demand for capital is high with limited number of institutional lenders
- Robust pipeline of \$279 million with one deal in documentation

### Experienced, Cycle-Tested Leadership Team

- Experience navigating rapidly evolving markets and underwriting complex credits
- Management team aligned through significant investment; beneficially own or control over 20% of Company
- Significant lending, investment management and operator experience

### Diversified Portfolio & Strong Balance Sheet

- Diversified portfolio across operators and geographies focused on limited license states
- BBB+ investment grade rating affirmed by Egan-Jones in September 2023
- Current annualized dividend yield of ~16%<sup>(1)</sup>

### Attractive Risk-Adjusted Returns on Investment

- Attractive ROE with modest leverage ratio and access to additional financing sources
- Targeting annual gross yields on our portfolio within the range of 12-20%
- Current weighted average YTM of ~21%<sup>(2)</sup>

(1) Q4 2023 dividend of \$0.48 per share annualized and divided by closing stock price of \$11.98 as of February 1, 2024.

(2) Estimated YTM calculations require management to make estimates and assumptions, including, but not limited to, the timing and amounts of loan draws on delayed draw loans, the timing collectability of exit fees, the probability and timing of prepayments and the probability of contingent features occurring. For example, our credit agreements with certain borrowers contain provisions pursuant to which certain PIK interest rates and fees earned by us under such credit agreements will decrease upon the satisfaction of certain specified criteria, which we believe may improve the risk profile of the applicable borrower. To be conservative, we have not assumed any prepayment penalties or early payoffs in our estimated YTM calculation. Estimated YTM is based on current management estimates and assumptions, which may change. Actual results could differ from those estimates and assumptions.

# AFC Gamma

## *Experienced, Cycle-Tested Leadership Team*



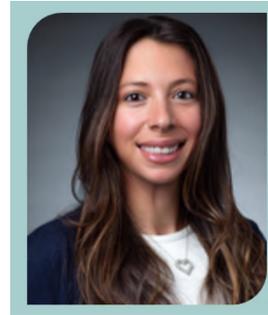
**Leonard  
Tannenbaum, CFA**  
Founder, Executive  
Chairman

- 25+ years of experience in credit investing
- Founder and former CEO of Fifth Street, a ~\$5 billion credit-focused asset manager



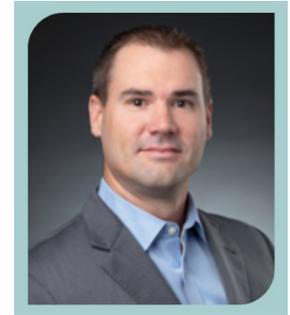
**Dan  
Neville**  
Chief Executive  
Officer

- 15+ years of experience in various finance roles
- Former CFO of Ascend Wellness Holdings, responsible for accounting, finance, M&A activity and deal structuring



**Robyn  
Tannenbaum**  
Partner, President

- 15+ years of experience in finance and investor relations
- Former Head of Investor Relations at Fifth Street
- Previous experience in healthcare mergers & acquisitions and leveraged finance at CIT Group



**Brandon  
Hetzel**  
Chief Financial Officer  
and Treasurer

- 14+ years of experience primarily in real estate accounting
- Former Vice President of Finance for El-Ad National Properties

**Leadership's focus on credit quality, risk management and institutional infrastructure has supported investments through multiple economic and capital markets cycles**

# AFC Gamma

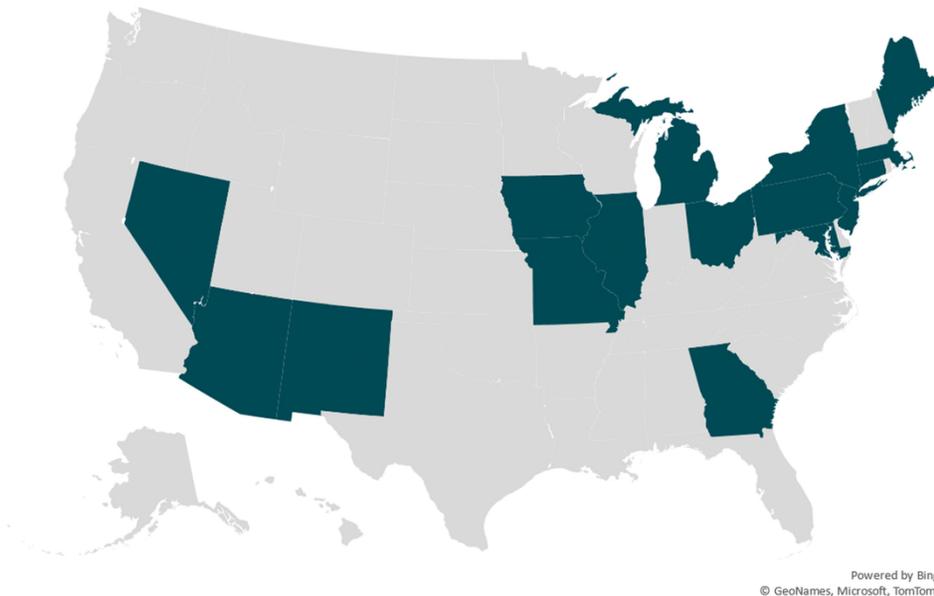
## Diversified Cannabis Portfolio Across the United States

Cannabis is a rapidly expanding market in the United States with a limited supply of institutional capital

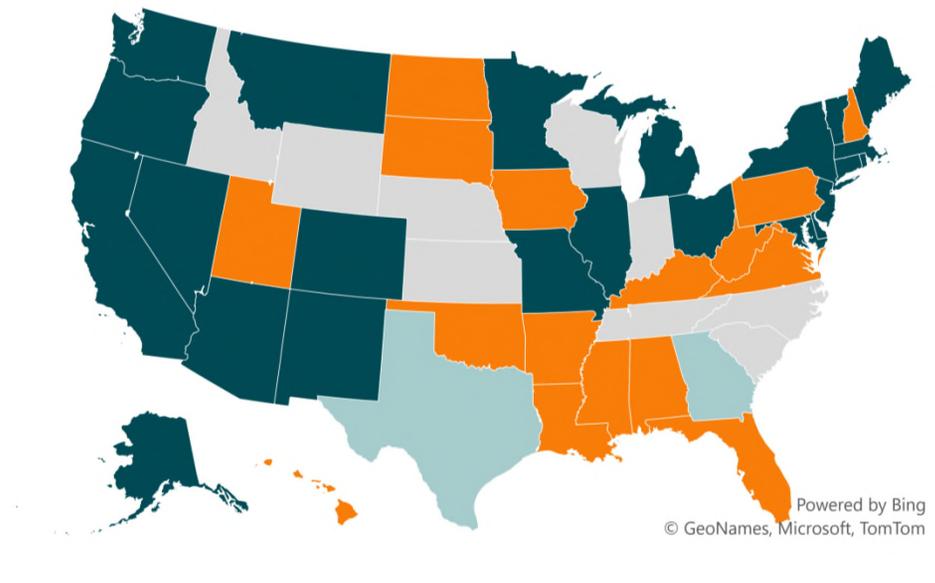
41 states and DC have legalized medical cannabis; of those, 24 states and DC have legalized adult-use cannabis, and two states have legalized high-CBD, low-THC with official medical programs<sup>(1)</sup>

Loan portfolio includes 12 cannabis loans to borrowers with significant operations and/or collateral across 16 states<sup>(1)</sup>

### AFCG Portfolio Diversification



### Current Legalization by State<sup>(2)</sup>



Medical    Recreational    None    High CBD/Low THC

(1) Data as of February 1, 2024. The 2018 Farm Bill permits state regulation of the increased cannabidiol ("CBD") and lower tetrahydrocannabinol ("THC") programs.  
(2) Source: DISA Marijuana Legality by State - Updated February 1, 2024. <https://disa.com/marijuana-legality-by-state>.

# AFC Gamma

*Poised to Capitalize on Target Market Opportunity*

## AFCG's Competitive Advantages



✓ **First Mover Advantage:** First NASDAQ-listed cannabis lender



✓ **Effective Access To Public Markets:** Public debt and equity capital



✓ **Direct Origination Platform:** Increases selectivity



✓ **Experienced Founders:** Significant lending and operating expertise



✓ **Focused and Disciplined:** Agenting and leading transactions, focused on timely execution



✓ **Depth and Breadth of Team:** Experienced cannabis lending professionals

# Sunrise Realty Trust

- 14 Portfolio & Strategy
- 15 Leadership Team
- 16 Geographic Footprint
- 17 Market Opportunity



# Sunrise Realty Trust: Immediate Opportunity

## Portfolio & Strategy

### Immediate Opportunity

- SVB and Signature Bank's collapse have increased the pressure facing other banks to tighten credit conditions
- Lenders dealing with legacy assets have neither the time nor capital to fund new transitional business plans
- Target transitional business plans with strong sponsors, attractive risk profiles and value creation potential
- Investing in senior loans, mezzanine loans, preferred equity, special situations, note purchases and recapitalizations

### Experienced Leadership Team

- Seasoned professionals who have worked through multiple real estate economic cycles
- Focus on downside protection, tight structuring and quality credits to reduce risk profile
- Access to a diversified pipeline and specialized expertise to leverage in sourcing, underwriting and structuring
- Resident expertise with local insights and connections believed to provide a comparative advantage over other lenders

### Targeted Geographical Focus

- COVID accelerated pre-existing population and employment migration trends to Southern states
- The business environment, climate and talent pool are among the factors driving corporations south
- Manufacturing 'reshoring' and a shift to value-added sectors further improve the region's growth prospects
- The Southern U.S. has seen persistent undersupply of real estate – in terms of quantity and quality

# Sunrise Realty Trust

## Experienced Leadership Team<sup>(1)</sup>



**Brian Sedrish**  
Chief Executive  
Officer

- 20+ years of leadership experience within real estate private equity
- Former Managing Director and Portfolio Manager at Related Fund Management and Head of CRE Acquisitions for Deutsche Bank Special Situations RE group



**Brandon Hetzel**  
Chief Financial  
Officer

- 14+ years of experience primarily in real estate accounting
- Former Vice President of Finance for El-Ad National Properties



**Leonard  
Tannenbaum, CFA**  
Executive Chairman

- 25+ years of experience in credit investing
- Founder and former CEO of Fifth Street, a ~\$5 billion credit-focused asset manager



**Anna Kim**  
Chief Legal  
Officer

- 10+ years as General Counsel for family office overseeing traditional and alt. assets
- Former CLO and CCO at Tykhe Capital
- Former primary attorney for the Private Investments team at JPM Private Bank

**Seasoned professionals who have worked through multiple real estate economic cycles**

(1) Expected officers upon the occurrence of the spin-off.

# Sunrise Realty Trust

## Why the Southern U.S.



### Population Migration

- COVID accelerated pre-existing population migration to Southern U.S. states
- Remote work has induced younger cohorts to move, with many staying permanently given quality of life, tax laws and weather



### Broad Economic Drivers

- Business environment, climate, intellectual capital and lower fixed expenses have attracted corporations to the South
- State incentive programs anticipated to continue to galvanize undecided firms into action



### Employment Migration

- The expanding economies of SUNS target states that offer job opportunities in coveted sectors – tech and finance
- The widening gap in quality of life and affordability will likely continue to attract workers from Northern States



### Growth Across Diverse Sectors

- Southern states are prime candidates for manufacturing 'reshoring'
- Diversification from agriculture and oil & gas into growth sectors



### Lagging Supply of CRE

- Office and industrial capacity per capita has lagged national averages

# Sunrise Realty Trust

*Near-Term Opportunity with Runway for Growth*

## SUNS' Competitive Advantages



✓ **Strong Markets:** Identifiable unmet demand in Southern U.S. markets



✓ **Direct Origination Platform:** Driving favorable pricing and strong lender protections



✓ **Attractive Market Opportunity:** CRE market dislocations converging with migration trends to the Southern U.S.



✓ **Focused and Disciplined:** Agenting and leading transactions, focused on timely execution



✓ **Depth and Breadth of Team:** Seasoned CRE professionals with proven track record

# Creating Two Pure-Play Credit Providers in Cannabis & CRE



**Solely Focused on Cannabis  
Credit Investments**

**NASDAQ: AFCG**



**Pure-Play Commercial Real Estate  
Credit Portfolio in the Southern U.S.**

**NASDAQ: SUNS<sup>(1)</sup>**

**“As separate companies, we believe each business will be better positioned to pursue tailored growth strategies given the respective needs of their clients and capital partners. Furthermore, each company will benefit from separate cost of capital and will be able to attract an investor base ideally suited for the growth opportunities of its industry.”**

**Dan Neville**  
CEO of AFC Gamma

(1) Upon completion of spin-off.