

Message

From: Dary Stone [dstone@hicksholdings.com]
Sent: 3/3/2016 5:08:56 PM
To: Farley Dakan [/O=MACKPAZZ/OU=First administrative group/cn=Recipients/cn=fdakan]
Subject: Re: budget.....

I get it. I am back late tonight. How about 1:30 tomorrow?

Sent from my iPhone

> On Mar 3, 2016, at 12:04 PM, Farley Dakan <fdakan@mackinacpartners.com> wrote:
>
> Dary,
>
> Probably a better conversation in person, because I think it depends.
>
> What I have been thinking initially is a "fundless sponsor" structure, if the decision to initially raise a fund is made then the economics would shift in favor of Goff/Stone/Hicks.
>
> Here were my initial thoughts:
>
> - Goff/Stone/Hicks would be the working capital partners of the GP.
> - All potential opportunities/acquisitions (portfolios, single loans, assets, companies, originations) above \$5mm generated by Dakan would go exclusively to NEWCO.
> - Goff/Stone/Hicks would have LP co-investment rights up to 10% that would be un-promoted.
> - Goff/Stone/Hicks would agree to use "best efforts" on a non-exclusive basis to utilize the NEWCO platform for "special situation" type investments
> - All non-NEWCO (special situations) type opportunities/assets generated by Dakan to be sent to Goff and/or Hicks and/or Stone
> - Investment Committee structure TBD (pursuit, go/no-go, etc.)
> - I would build the platform/team and get going initially on UDF, but also have a very interesting pipeline to
>
> I hate throwing out economics that might get taken out of context.
>
> When can we discuss?
>
> Farley
>
>

> -----Original Message-----

> From: Dary Stone [mailto:dstone@hicksholdings.com]
> Sent: Wednesday, March 02, 2016 8:29 PM
> To: Farley Dakan <fdakan@mackinacpartners.com>
> Subject: Re: budget.....

> Hey Farley, how were you seeing the promote being shared?

> Sent from my iPad

>> On Mar 2, 2016, at 11:13 AM, Farley Dakan <fdakan@mackinacpartners.com> wrote:
>>
>> Dary,
>>
>> Attached is a 2 year budget for the "Special Situations Platform". A couple of things to note:
>>
>> - This has no revenue projections only expense burn for 2 years.
>> - 2016 is broken out monthly.
>> - 2017 is annualized.
>> - I put \$240,000 per year in as a salary/draw. That has been my base for the past 5 years, and I can walk you through total comp if you need that context. Would like to discuss this piece further, the level of comp is intertwined with the ultimate partnership structure.
>> - I have not included an assumption on bonus comp for the "other" employees so that we can discuss further.
>> - All occupancy costs are eliminated from this spreadsheet per your request.
>> - I would assume that we would also need funds for deal specific pursuit, which I have NOT included in this projection. I would say that initially that amount should be in the \$250k range and drawn on a case by case basis.
>>
>> Safe travels back from NYC and let me know when you want to circle up to discuss.

>>
>> Best,
>>
>> Farley
>>
>> -----Original Message-----
>> From: Dary Stone [mailto:dstone@hicksholdings.com]
>> Sent: Monday, February 29, 2016 8:32 PM
>> To: Farley Dakan <fdakan@mackinacpartners.com>
>> Subject: Re: budget.....
>>
>> Farley. I would have preferred in person but am off to NY tomorrow for Hunt Bd mtgs. You can wait til I get back Fri email and I will call from the road
>>
>> Sent from my iPhone
>>
>> On Feb 29, 2016, at 5:46 PM, Farley Dakan
>> <fdakan@mackinacpartners.com<mailto:fdakan@mackinacpartners.com>> wrote:
>>
>> Dary,
>>
>> I have completed a preliminary 2 year budget. Do you want me to email to you or do you want to meet up and discuss in person?
>>
>> Farley
>>
>>
>>
>> W. Farley Dakan
>> 200 Crescent Court
>> Suite 240
>> Dallas, TX 75201
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>>
>> <scout ssg budget v1.pdf>