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Confidential Private Offering Memorandum

SIG ICF-I, LLC

Class B Membership Interests

Capital Contributions of up to $100,000,000

Minimum Capital Contribution of $50,000
Maximum Capital Contribution of $100,000,000

The Class B Membership Interests (the "Interests") of SIG ICF-I, LLC (the "Company") offered hereby have not been registered with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state in reliance upon exemptions under the Securities Act and those state laws. The sale or other disposition of the Interests is severely restricted as set forth in the Company' Limited Liability Company Operating Agreement (the "Operating Agreement"), attached hereto as Exhibit "C". By execution of the Subscription Agreement attached hereto as Exhibit "A" and the acquisition of Interests in the Company, each subscriber represents that he, she or it is acquiring such Interests for investment and without a view to distribution, and that the subscriber will not sell or otherwise dispose of the Interests in violation of the terms of the Operating Agreement or without registration or other compliance with the above acts and the rules and regulations issued thereunder.

THE INTERESTS OFFERED HEREBY ARE HIGHLY SPECULATIVE, AND AN INVESTMENT IN THE SECURITIES INVOLVES A HIGH DEGREE OF RISK. THE COMPANY IS OFFERING THE INTERESTS SOLELY TO INVESTORS THAT SATISFY CERTAIN SUITABILITY STANDARDS, INCLUDING THE ABILITY TO AFFORD A COMPLETE LOSS OF THEIR INVESTMENT. SEE "RISK FACTORS" BEGINNING ON PAGE 6.

THE INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THESE LAWS. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE REGULATORY AUTHORITY NOR HAS THE SEC OR ANY STATE REGULATORY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE INTERESTS MAY NOT BE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS OR AN OPINION OF COUNSEL IN FORM AND SUBSTANCE ACCEPTABLE TO THE COMPANY AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED.

The Interests may be purchased only by persons who are accredited investors that meet certain suitability standards set forth in the Subscription Agreement.

The date of this Memorandum is March 16, 2022

THE COMPANY, PURSUANT TO THIS CONFIDENTIAL OFFERING MEMORANDUM ("MEMORANDUM"), IS OFFERING FOR SALE UP TO $100,000,000 OF CLASS B MEMBERSHIP INTERESTS, WITH A MINIMUM CAPITAL CONTRIBUTION OF $50,000. THE MANAGER INTENDS TO ACCEPT SUBSCRIPTIONS ON A ROLLING BASIS AS HE RECEIVES THEM FROM INVESTORS HE DEEMS, IN HIS SOLE DISCRETION, TO BE QUALIFIED INVESTORS WHO HAVE MET THE SUBSCRIPTION REQUIREMENTS OF THIS OFFERING.

THE INTERESTS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE INTERESTS ARE ALSO SUBJECT TO SEVERE RESTRICTION ON TRANSFERABILITY UNDER THE TERMS OF THE OPERATING AGREEMENT. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

THIS MEMORANDUM IS SUBMITTED ON A CONFIDENTIAL BASIS FOR USE BY A LIMITED NUMBER OF ACCREDITED INVESTORS SOLELY IN CONNECTION WITH THE PURCHASE OF THE INTERESTS AS DESCRIBED HEREIN. THE USE OF THIS MEMORANDUM FOR ANY OTHER PURPOSE IS NOT AUTHORIZED. THIS MEMORANDUM MAY NOT BE REPRODUCED OR REDISTRIBUTED, IN WHOLE OR IN PART, NOR MAY ITS CONTENTS BE DISCLOSED TO, OR RELIED UPON BY, ANY PERSON OTHER THAN THE INVESTORS TO WHOM IT IS SUBMITTED, EXCEPT AS MAY BE REQUIRED BY LAW OR BY ANY REGULATORY AUTHORITY HAVING APPROPRIATE JURISDICTION. NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS (WHETHER ORAL OR WRITTEN) IN CONNECTION WITH THIS OFFERING EXCEPT SUCH INFORMATION AS IS CONTAINED IN THIS MEMORANDUM AND IN THE EXHIBITS HERETO AND DOCUMENTS SUMMARIZED HEREIN. ONLY INFORMATION OR REPRESENTATIONS CONTAINED HEREIN MAY BE RELIED UPON AS HAVING BEEN AUTHORIZED. PURCHASERS OF THE INTERESTS DESCRIBED HEREIN SHOULD NOT RELY ON INFORMATION NOT CONTAINED IN THIS MEMORANDUM.

THE SECURITIES OFFERED HEREBY WILL BE SOLD SUBJECT TO THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT (THE "SUBSCRIPTION AGREEMENT"), ATTACHED HERETO AS EXHIBIT "A," CONTAINING CERTAIN REPRESENTATIONS, WARRANTIES, COVENANTS, TERMS AND CONDITIONS. ANY INVESTMENT IN THE INTERESTS OFFERED HEREBY SHOULD BE MADE ONLY AFTER A COMPLETE AND THOROUGH REVIEW OF THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT.

THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK. IT IS SPECULATIVE AND SUITABLE ONLY FOR PERSONS WHO HAVE SUBSTANTIAL FINANCIAL RESOURCES AND HAVE NO NEED FOR LIQUIDITY IN THIS INVESTMENT. FURTHER, THIS INVESTMENT SHOULD ONLY BE MADE BY THOSE WHO UNDERSTAND OR HAVE BEEN ADVISED WITH RESPECT TO THE TAX CONSEQUENCES OF AND RISK FACTORS ASSOCIATED WITH THE INVESTMENT AND WHO ARE ABLE TO BEAR THE SUBSTANTIAL ECONOMIC RISK OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. SEE "INVESTOR SUITABILITY STANDARDS" AND "SUMMARY OF OPERATING AGREEMENT."

IN CONNECTION WITH THE OFFERING AND SALE OF THE INTERESTS, THE COMPANY RESERVES THE RIGHT, IN ITS DISCRETION, TO REJECT ANY SUBSCRIPTION BY SUBSCRIBERS. THIS MEMORANDUM IS NOT AN OFFER TO SELL TO OR A SOLICITATION OF AN OFFER TO BUY FROM, NOR SHALL ANY SECURITIES BE OFFERED OR SOLD TO, ANY PERSON IN A JURISDICTION IN WHICH SUCH OFFER, SOLICITATION, PURCHASE OR SALE WOULD BE UNLAWFUL UNDER THE SECURITIES LAWS OF SUCH JURISDICTION.

* * * * *

EACH PROSPECTIVE INVESTOR IS HEREBY OFFERED THE OPPORTUNITY TO ASK QUESTIONS OF, AND RECEIVE ANSWERS FROM, THE COMPANY OR PERSONS ACTING ON BEHALF OF THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING AND THE ANTICIPATED BUSINESS AND OPERATIONS OF THE COMPANY, AND TO OBTAIN ANY ADDITIONAL INFORMATION TO THE EXTENT THE COMPANY POSSESSES SUCH INFORMATION. INQUIRIES AND REQUESTS FOR ADDITIONAL INFORMATION SHOULD BE DIRECTED TO THE COMPANY'S MANAGER AS FOLLOWS:

Nicolas DeAngelo, President
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SUMMARY

The following summary is qualified in its entirety by the more detailed information appearing elsewhere in this Memorandum. Certain statements may relate to future events or the future performance of the Company, which involve known and unknown risks and other uncertainties or factors that may cause actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that might cause such differences include, but are not limited to, those discussed under the heading "Risk Factors."

The Company

The Company is a limited liability company organized under the Delaware Limited Liability Company Act (the "LLC Act") in February 2022 to purchase residential and commercial real estate mortgage notes and commercial and residential real estate properties. The Company specifically plans to purchase re-performing and non-performing residential and commercial real estate notes secured by real estate located throughout the United States at a discount with the goal of liquidating these notes in a manner that realizes greater proceeds from the sale of each note than the purchase price paid for that note. The Company will purchase re-performing and non-performing residential real estate notes from wholesalers, banks, servicers and direct originators of these notes. The Company will then work the notes through three stages, administration, risk management and borrower management, and then seek to realize revenue via an exit strategy for the note. The typical exit strategies will include a workout with the homeowner, a refinancing and continued servicing of the note, a re-sale of the note to a third party or foreclosure and re-sale of the property underlying the note.

The Company will also purchase residential and commercial real estate located throughout the United States but primarily will focus on the western and southern United States. The Company will acquire these properties through foreclosure sales, the bankruptcy process, purchases on the open market or as part of note pool purchases Once acquired, the Company will seek to maximize profit, which may sometimes require rehabbing and renovating real property with the intent to either sell the property after the improvements are completed or maintain the property in a portfolio of rental properties. The Company will generally avoid purchasing land tracts, religious properties, drug rehabilitation centers, hospitals, cemeteries, government properties or properties located in rural areas.

The Company's goal is to achieve long term stability and to provide its Class B Members with a consistent, dependable return on their capital. For non-performing mortgage notes, the goal will be to improve their performance by completing a modification or pursuing a foreclosure action. For real properties, the goal will be to renovate the property, locate higher quality tenants and improving the leasing consistency so that the properties have a higher resale value.

The Manager

The Manager has sole responsibility for the day to day management and control of the Company and all day to day aspects of its business. No Member shall take part in, or interfere in

any manner with the management, conduct or control of the business and affairs of the Company and shall not have any right or authority to act for or bind the Company. The Manager shall be elected solely by the Class A Member voting alone as a class. There is one Manager or such other number as may be determined from time to time by the Class A Member. The Class A Member may remove any Manager at any time with or without cause. The present Manager is Saint House 1, LLC. Accordingly, the Class B Members have no right to elect the Manager and shall have no right to participate in the management of the Company. The Company anticipates that it will engage a third party administrator and/or technology platform to assist the Manager in the administration of the Company.

The Members

Saint House I, LLC is the holder of the Class A Membership Interests. Nicolas DeAngelo, the President of the Company and manager of the Manager, is responsible for the overall management of the Company. Nicolas DeAngelo brings 11 years of relevant real estate experience as well as an extensive personal network of real estate professionals such as real estate attorneys, banks, title companies, realtors, brokers, property managers and contractors to assist in locating, valuing, managing and selling residential real estate and mortgage debt assets. Nicolas DeAngelo assists in the performance of various roles for the Company with regards to operations, investor relations, business development and finance.

The purchasers of Class B Membership Interests in this Offering shall become Class B Members of the Company. The Class B Members shall have no right to participate in the management of the Company. The Class B Members shall be entitled to receive a preferred return of eight percent (8%) per annum on their Capital Contributions (the "Operating Preferred Return"). The Operating Preferred Return will be paid to the Class B Members out of net cash from operations on a monthly basis in arrears commencing on the first day of the calendar month beginning after the thirtieth (30th) day subsequent to the date of the Class B Member's Capital Contribution, and thereafter by the fifteenth day of the calendar month subsequent to the month in which it accrues. The Company has the option at any time to force the redemption of the Class B Membership Interests upon written notice to the Class B Member at a price equal to the Class B Member's capital contribution plus any accrued but unpaid Operating Preferred Return on the date of redemption. At any time subsequent to the first anniversary of the date on which a Class B Member makes its capital contribution to the Company, each Class B Member shall have the option to force the Company to redeem its Class B Membership Interest upon ninety (90) days written notice to the Company at a price equal to the Class B Member's capital contribution plus any accrued but unpaid Operating Preferred Return on the date of redemption. Other than payment of preferred returns or redemption payments, the Class B Members shall not be entitled to receive any allocation of the Company's revenues or expenses or distribution of any additional cash from the Company. Any additional revenues shall be allocated solely to the Class A Member and any additional cash available for distribution to the Members, if distributed, shall only be distributed to the Class A Member. Losses shall be allocated to all Members generally in accordance with positive capital accounts. See "Summary of the Operating Agreement."

The Offering

The Company is seeking to raise up to $100,000,000 through an offering of the Class B

Membership Interests (the "Offering"). In connection with the offering and sale of the Interests herein, the Company reserves the right, in its sole discretion, to reject any subscription or portion thereof by any investor and to increase the size of the Offering.

Offering	A maximum of $100,000,000 of Class B Membership Interests of the Company to accredited investors. A minimum capital contribution of $50,000 is required and the Company may, in its sole discretion, accept larger capital contributions in $10,000 increments. See "Terms of the Offering."
Operating Preferred Return	The Class B Members shall be entitled to receive a preferred return of eight percent (8%) per annum with respect to the Interests.
Use of Proceeds	The net proceeds of the Offering will be used to fund general working capital needs of the Company, principally the purchase of residential and commercial real estate notes and residential and commercial real property. See "Use of Proceeds."
Risk Factors	AN INVESTMENT IN THE INTERESTS IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. INVESTORS SHOULD BE ABLE TO WITHSTAND THE TOTAL LOSS OF THEIR ENTIRE INVESTMENT IN THE SECURITIES. PROSPECTIVE PURCHASERS SHOULD CAREFULLY REVIEW THE INFORMATION SET FORTH UNDER "RISK FACTORS" AS WELL AS OTHER INFORMATION CONTAINED IN THIS MEMORANDUM. THERE CAN BE NO ASSURANCE THAT THE COMPANY'S OBJECTIVES CAN BE ACHIEVED (SEE "RISK FACTORS" BEGINNING ON PAGE 6).
Restrictions on Transfer	Sales or other transfers of the Interests may only be made in compliance with federal and state securities laws and are subject to substantial contractual restrictions set forth in the Operating Agreement. Interests are not transferable without the prior written consent of the Manager. In the event that all restrictions have been satisfied and the Manager consents to a transfer, a Class B Member nevertheless may be unable to dispose of his or her Interests, since it is highly unlikely that any market will exist for the Interests.
Redemption Rights	The Company has the option by delivering written notice to a Class B Member at any time to force the redemption of the Class B Membership Interest at a price equal to the Class B

	Member's capital contribution for such Interest plus any accrued but unpaid Operating Preferred Return on the date of redemption. The Company shall fix a date for the redemption which shall not be more than sixty days after the date of such notice. At any time subsequent to the first anniversary of the date on which a Class B Member makes his capital contribution to purchase a Class B Membership Interest, any Class B Member, at their own option, shall have the right to have the Company redeem the Class B Member's Membership Interest by delivering written notice of this election to the Company. The Company shall fix a date for the redemption which shall not be more than ninety days after the date of such notice. On the redemption date, the Company shall pay the Class B Member the amount of its accrued but unpaid Operating Preferred Return plus the amount of its unreturned capital contributions as of the redemption date. The Company shall also have the right to redeem a Class B Member's Interests for the amount of its accrued but unpaid Operating Preferred Return plus the amount of its unreturned capital contributions upon the Class B Member's death, or upon the occurrence of certain other events affecting the Class B Member's ownership of the Interests. See "Summary of the Operating Agreement – Transfer Restrictions."
Subscription Agreement	The purchase of the Interests will be made pursuant to a Subscription Agreement and an Accredited Investor Verification Process with Verify Investor, LLC that will contain, among other things, customary representations and warranties by the Company, certain covenants of the Company, investment representations of the purchasers, including representations that may be required by the Securities Act and applicable state "blue sky" laws, and appropriate conditions to closing, including, but not limited to, qualification of the offer and sale of the Interests under applicable state "blue sky," laws. A form of such Subscription Agreement and Accredited Investor Verification Process with Verify Investor, LLC are attached as Exhibits "A" and "B" hereto.
Suitability Standards	An investment in the Interests offered by this Memorandum is suitable only for the accredited investor who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of an investment in the Company and of protecting the investor's interest in the transaction. Interests may be purchased only by persons who meet the suitability standards set forth herein and in the Subscription Agreement.

Plan of Distribution	The Company plans to offer the Interests through its Manager, officers and Class A Member.
Subscription Procedure	In order to subscribe for the Interests, a Subscriber must complete, execute and deliver to the Company (1) the Subscription Agreement in the form attached hereto as Exhibit "A", (2) the Accredited Investor Verification Process with Verify Investor, LLC described at Exhibit "B", (3) a joinder to the Operating Agreement in the form annexed hereto as Exhibit "C", (4) a Form W-9 – Request For Taxpayer Identification Number and Certification and (5) a wire transfer or check made payable to SIG ICF-I, LLC in the amount of the purchase price of your Interests.

RISK FACTORS

An investment in the Interests offered hereby involves a high degree of risk. Prospective investors should carefully consider the following risk factors, in addition to the other information set forth in this Memorandum in connection with an investment in the Interests offered hereby. The following risk factors are not meant to be an exhaustive listing of all risks associated with an investment in the Company. Each prospective investor should consult his or her own professional advisers and should not construe the contents of this Memorandum or other information furnished by the Company as investment, legal or tax advice.

As there are significant restrictions on transferability of the Interests, you may not be able to sell the Interests when you want to.

As there is no public or private market for the Interests and there can be no assurance that a market will develop at any time in the future, purchase of the Interests should be considered a long-term investment. Sales or other transfers of the Interests may only be made in compliance with federal and state securities laws and are subject to substantial contractual restrictions set forth in the Operating Agreement. See "Terms of the Offering" and "Summary of the Operating Agreement – Transfer Restrictions." The holders of Interests will be required to agree not to transfer their Interests in violation of such laws. In addition, the Operating Agreement and the Subscription Agreement impose substantial limitations on any transfer of the Interests and the Interests are not transferable without the prior written consent of the Manager. In the event that all restrictions have been satisfied and the Manager consents to a transfer, a Class B Member nevertheless may be unable to dispose of his or her Interests, since it is highly unlikely that any market will exist for the Interests. Consequently, any holder of the Interests may be unable to liquidate his or her investment even in the event of an emergency or though his or her personal, financial circumstances would dictate such a liquidation, and the Interests may not be acceptable as collateral for loans.

The Company has no operating history.

The Company was formed in February 2022 and has no operating history on which subscribers can evaluate making an investment decision. Accordingly, there can be no assurance that the Company will be able to continue to implement its business plan or ever generate any substantial net profits.

The Class B Members will have no right to participate in the management of the Company.

Under the Operating Agreement, Members have no right to participate in the management of the Company. Except as specifically provided in the Act, the management of the business and affairs of the Company will be vested exclusively in the Manager and a Member will have no right to participate in many decisions which may materially affect the value of his, her or its investment. Moreover, the Operating Agreement provides the Class A Members with the exclusive right to appoint the Manager and to replace the Manager involuntarily. As the Interests consist solely of Class B Membership Interests, subscribers to this Offering will not have any of these rights. Accordingly, a subscriber should not purchase any Interests unless he, she or it is willing to entrust all aspects of the management of the Company to the Manager.

Other than payment of preferred returns or redemption payments, the Class B Members shall not be entitled to receive any additional allocation of the Company's revenues or expenses or distribution of any additional cash from the Company.

The Class B Members shall only be entitled to receive payment of their Operating Preferred Return and a return of their capital contribution. The Class B Members shall not be entitled to receive any additional distributions of cash or allocations of revenues or expenses from the Company.

The Company is an early stage venture that has limited funds and very limited ability to obtain bank financing.

The Company is an early stage venture which presently has extremely limited funds. The Company is seeking to raise up to $100,000,000 in this Offering to finance its operations and to fund its purchase of performing and non-performing residential and commercial real estate notes and residential and commercial real estate. There is no assurance that such amount of financing will be sufficient for the Company's purposes, or that, if the Company needs additional funds, debt or equity financing will be available on favorable terms or at all. We have no existing bank lines of credit and have not established any definitive sources for additional financing. Failure to obtain such additional financing on acceptable terms when needed could restrict the Company's ability to implement its business plan.

The Company does not have any contractual arrangements with note wholesalers or other direct note sources that guarantee a steady supply of mortgage notes to purchase. Accordingly, the Company may have difficulty locating a sufficient volume of notes that it deems qualified for purchase in order to enable it to pay the preferred returns due to the Class B Members or redeem the Class B Membership Interests.

The Company does not have any contractual arrangements with note wholesalers or other direct note sources that guarantee a steady supply of mortgage notes to purchase. In the event that the Company is unable to locate a sufficient volume of notes that it deems qualified for purchase from wholesalers, originators, servicers or other sources, then it may be unable to pay the preferred returns as they come due to the Class B Members or redeem the Class B Membership Interests upon exercise of the redemption rights.

The Company has not identified any specific properties that it intends to purchase and may not be able to purchase a significant number of properties to enable it to pay the preferred returns due to the Class B Members or redeem the Class B Membership Interests.

The Company does not have a list of real properties or a pipeline of properties on which it can make bids. While the network of the Class A Member is well developed, the Company has not yet identified any properties which it intends to purchase. In the event that the Company is unable to locate a sufficient volume of properties that it deems qualified for purchase, then it may be unable to pay the preferred returns as they come due to the Class B Members or redeem the Class B Membership Interests upon exercise of the redemption rights.

We face risks related to the coronavirus outbreak that could significantly disrupt our business operations, prolong our property development cycle and our asset recovery cycle and result in a material adverse effect on our financial condition, operating results and cash flows.

In March 2020, the World Health Organization declared the coronavirus outbreak a pandemic. In light of the uncertain and rapidly evolving situation related to the spread of coronavirus, including precautionary and preemptive actions by governments to address the outbreak, we are conducting business with substantial modifications to work locations and construction sites which could negatively impact our business. The duration and severity of the coronavirus outbreak and the degree of its impact on our business is uncertain and difficult to predict. As of March 2022, there are a limited number of approved vaccines or effective treatments for coronavirus and it is extremely difficult to predict when a sufficient level of doses will be administered to create the immunity in the population needed to defeat the virus or any of its variants. In addition, new variants continue to emerge and infect the population. As such the continued spread of the outbreak could also have an adverse impact on our tenants and homeowners and potentially result in a sustained economic downturn resulting in their inability to pay us rent or mortgage payments. As a significant portion of our rental properties may be based in California, a state that has experienced a significantly high number of cases in the United States, or in states located in the southeastern United States, where vaccination rates are lower than average, this risk is even more significant for us. State governments have been temporarily suspending a landlord's right to evict tenants and a lender's right to foreclose on a property. Even when these suspensions are lifted, the backlog of cases may be so large that it will take us a significantly long time to exercise any of these rights with respect to our defaulted assets. While we have developed and continue to develop plans to help mitigate the negative impact of the outbreak on our business, these efforts may not be effective and a protracted economic downturn may limit the effectiveness of our mitigation efforts resulting in a material adverse effect on our financial results that may prevent us from paying Operating Preferred Returns to Class B Members and honoring our redemption obligations as they come due.

If the properties that the Company purchases are unprofitable, and the market value of real estate in the respective geographic area where these properties are located declines, then the Company may not be able to recover all or a substantial amount of the purchase price paid for the real property and it will be more difficult for the Company to pay Operating Preferred Returns to its Members or to redeem their Interests after the optional redemption dates.

When the Company purchases real estate, the purchase price of these properties will likely be substantially higher than the purchase price of a residential real estate mortgage note. Accordingly, each of these real estate deals could be more difficult to recover full value on than the purchase of any real estate note or pool of real estate notes with equal value. In the event that any of these properties turn out to be unprofitable, and the market value of real estate in the respective geographic area where these properties are located declines, then the Company may not be able to recover all or a substantial amount of the price paid for such real property, which may make it more difficult to pay Operating Preferred Returns to its Members or to redeem its Members' Interests after the optional redemption dates.

The Company may not be able to resell residential real estate mortgage notes or real property when it wants or needs to do so.

In order to raise additional funds or to realize profits, the Company may sell residential or commercial mortgage notes or real property that it owns. The Company may not be able to sell these notes or properties when it wants to or at a valuation that it deems desirable. If the Company is not able to re-sell these mortgage notes or properties when it wants to or at a valuation that it deems desirable, then it may not be able to raise the funds it needs to generate any net profits or to pay any distributions to the Class B Members.

The Company could face significant competition in implementing its business plan.

The note purchasing business and real estate industry can be highly competitive. While it serves a niche market that has many small companies, if this industry becomes more popular, then the Company's present and potential competitors may be significantly larger and may have, or may be able to obtain, greater financial resources than the Company. Consequently, there can be no assurance that the Company will not encounter increased competition that could limit its ability to implement its business plan. Such increased competition could restrict the Company's ability to locate residential real estate notes or real property for purchase, which could materially adversely affect the Company's operating results and reduce the amount of cash that the Company has available to distribute to its Members.

Upon a default in the Company's payment of the preferred return or redemption payment to a Class B Member, the Class B Members will have limited access to the assets of the Company.

If the Company is unable to pay the preferred returns or redemption payments to the Class B Members when due, the Class B Members will have limited access to the assets of the Company. The Company perfects its security interest in each note that it purchases by recording a mortgage assignment document or similar instrument in the appropriate jurisdictions where the underlying property is located. The Company documents its ownership of real property by recording a deed in the appropriate jurisdictions where the real property is located. As this lien is recorded at the Company level, individual Class B Members have no right to this collateral. While the Class B Members can instruct the Company to execute on its collateral by a majority vote, any proceeds received by the Company from the liquidation of these notes or real property must be shared by the Class B Members, as a whole as no Class B Member has any preference right to any collateral of the Company. Furthermore, as the Company may purchase second lien notes, there is a chance that it will need to complete a higher number of note liquidations in order to realize sufficient proceeds to make any meaningful payments to Class B Members. There may be limited assets available to cure payment defaults to Class B Members at any point in time.

The Manager may alter the use of proceeds in this offering without notice to or approval of the Members.

The Use of Proceeds Table included in this Memorandum on page 24 reflects the Company's anticipated use of proceeds if we are able to raise $25,000,000, $50,000,000 and the

full amount of this Offering. From time to time, the Company will evaluate the uses of its cash to determine whether the current application should be changed. The Manager may alter the use of proceeds in this Offering without notice to or approval of the Members. As a result, there is no assurance that the Manager will follow the Use of Proceeds section of the Memorandum, which may materially change. Accordingly, the Manager will have significant discretion in applying the net proceeds of this Offering. The failure of the Manager to apply such funds effectively could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

If sellers of residential or commercial real estate mortgage notes do not provide the Company with appropriate documentation to support the chain of title showing ownership of the notes it purchases from them, then the Company will not be able to recognize the full value of these notes.

When the Company purchases residential or commercial real estate mortgage notes, it does not always receive the full documentation of the mortgage loan at the closing of the sale. There are occasions where, when it receives this documentation, the Company realizes that a loan does not have the lien position or security interest that the seller represented that it had or that the Company does not have proper title to the loan. While the Company can use the legal system to try to recover funds from the seller, in many situations, the Company will lose the funds that it paid to the seller in these transactions.

Our success will be largely dependent upon our Manager and officers.

Our success will be largely dependent upon the continued involvement of the Manager and officers of the Company, particularly Nicolas DeAngelo. The loss of the services of these individuals could have a material adverse effect on the implementation of the Company's business plan. If the Company loses the services of the Manager or one or more officers or key employees, it would need to devote substantial resources to finding replacements, and until replacements were found, it would be operating without the skills or leadership of such personnel, any of which could have a significant adverse effect on the Company's business. Although the Manager owns Class A Membership Interests and Mr. DeAngelo is eligible to receive guaranteed payments, it is possible that one or more of the officers will terminate his or her relationship with the Company. Although Mr. DeAngelo has limited experience managing a portfolio of performing and non-performing residential and commercial mortgage notes and real property, his understanding of this business will be crucial to the Company's success. In addition, the Company does not presently maintain insurance on the officers' lives. Although the Company believes that it would be able to locate a suitable replacement for Mr. DeAngelo or any of its officers, it may not be able to do so.

If the geographic regions in which the Company purchases assets experience economic downturns or substantial economic events, then the value of the Company's assets may decline and it will be more difficult for the Company to pay Operating Preferred Returns to its Members or to redeem their Interests after the optional redemption dates.

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and it will be more difficult for the Company to pay Operating Preferred Returns to its Members or to redeem their Interests after the optional redemption dates.

Investments in apartment buildings and commercial properties will expose the Company to unique risks.

Investments in apartment buildings and commercial properties involve certain unique risks. Apartment buildings are particularly vulnerable to the risks that the population levels, economic conditions or employment conditions may decline in the surrounding geographic area. Any of these changes likely would have an adverse impact on the size or affluence of the tenant population in the area and a negative impact on the occupancy rates, rent levels and property values of apartment complexes in the area. Unlike many other types of real estate investments, apartment complexes do not have tenants occupying large portions of the property whose lease payments provide reliable sources of income for extended lease terms. Instead, apartment complexes typically have individual residential tenants with limited net worth and with lease terms that are typically for one year or less. Apartment buildings generally experience frequent tenant turnover due to factors such as transient populations, new competition in the area, and changes in the tenants' economic status. In addition to continuously needing to replace vacating tenants, tenant turnover at apartment complexes causes the property owner to incur significant rehabilitation and maintenance costs in order to prepare units for new tenants.

The Company's ownership or operation of residential properties will expose it to risks.

The value and successful operation of residential property may be affected by a number of factors, such as the location of the property, the ability of management to provide adequate maintenance and insurance, the types of services provided by the property, the level of mortgage rates, the presence of competing properties, the relocation of tenants to new projects with better amenities, adverse economic conditions in the locale, the amount of rent charged, and the oversupply of units due to new construction. In addition, ownership or operation of residential properties will expose the Company to governmental regulations and restrictions, particularly the need to comply with municipal building codes and to obtain licenses and permits thereunder and changes in applicable laws and regulations (including tax laws); adverse changes in local market conditions, population trends, neighborhood values, community conditions, general regional and local economic conditions, local employment conditions and unemployment rates, interest rates and real estate tax rates; changes in fiscal policies; and uninsured losses and other risks that are beyond the control of the Manager. In addition, real estate is subject to long-term cyclical trends that give rise to significant fluctuation and cycles in real estate values. There is no assurance that the Company will be able to renovate, lease or sell any of its real estate properties as projected, which could have an adverse effect on the Company's ability to Members pay Operating Preferred Returns to its Members or to redeem their Interests after the optional redemption dates.

The Company's ownership or operation of single tenant properties will expose it to risks.

Certain properties held by the Company may be occupied by only one tenant or derive a majority of their rental income from one tenant. The success of such properties will thereby be

materially dependent on the financial stability of such tenants. In the event of a default by any such tenant, the Company may experience delays in enforcing its legal rights and may incur substantial costs in protecting its investment and re-letting the property. If a single tenant lease is terminated or an existing tenant elects not to renew a lease upon its expiration, there is no assurance that the Company will be able to lease the property at all, or for the rent previously received, or to sell the property without incurring a loss. The Company will still continue to incur and have responsibility to pay all expenses associated with such property regardless of whether or not it is able to locate a new tenant and re-let the property. Accordingly, such tenant defaults or lease terminations will have a material adverse effect on the Company's business.

The Company's ownership or operation of non- residential properties will expose it to risks.

The value and successful operation of non-residential property may be affected by a number of factors, such as the location of the property, the ability of management to provide adequate maintenance and insurance, the types of services provided by the property, the level of mortgage rates, the presence of competing properties, the relocation of tenants to new projects with better amenities, adverse economic conditions in the locale, the amount of rent charged, and the oversupply of units due to new construction. In addition, industrial properties may have issues such as underground tanks or other possible contaminants that can create environmental liabilities, office properties can be subject to lower demand based on changes in work habits of professionals. If any of these issues occur, they may have a material adverse effect on the Company's business.

In many projects involving commercial or residential real estate, the Company will be dependent on the performance of property managers.

In many instances where the Company purchases or invests in commercial or residential real estate projects, either it or its joint venture partners will hire a property manager to supervise daily operations at the property. As such, the performance of the property will be highly dependent on the skills and continued performance of these property managers. If a property manager is not capable of managing a project, the Company or its joint venture partners may not discover this fact for months, which could lead to unexpected losses. In addition, if a skilled property manager terminates his relationship with the project, then the Company may not be able to find a suitable replacement in a timely manner. Any delay in replacing a property manager can lead to increased losses incurred on the project.

Properties that the Company purchases at foreclosure and trustee sales have unperfected security interests for a period of time and there is a risk that the Company will not be able to recover if its purchase price if intervening liens are entered prior to recording of the Company's lien.

When the Company purchases a property at a sheriff's sale, it does not receive the deed to the underlying property for a period of at least one to two months. During this period, the Company's lien cannot be perfected. As a result, the Company's mortgage interest in the

underlying property can be compromised during this period which may result in the Company being unable to recover the value of the property if an intervening lien is entered.

The Company may be unable to recover the value that it pays to purchase properties at forelosure and trustee sales if the underlying property is damaged or destroyed and the insurance policy covering the property is insufficient or the insurance company refuses to pay the claim.

If a property purchased at sheriff sale by the Company is damaged or destroyed, the insurance policy covering the property may be insufficient to cover the full value of the property. In addition, if the Company does not yet have possession of the deed or it is not yet recorded, then the insurance company may decide to delay or deny the claim. In either of these instances, the Company may not receive sufficient proceeds to reimburse the Company's loss and the property may not provide sufficient value to the Company to allow it to recover the value of the loan.

The Manager and Class A Member will have potential conflicts of interest with regards to other businesses which they own and operate.

The Manager is required to devote only so much of its time to the business of the Company as it, in his sole judgment, determines to be reasonably necessary, and neither it nor any of the officers it appoints are restricted from engaging in other activities, even if they are competitive with the Company. Nic DeAngelo has been appointed as the President of the Company by the Manager and Class A Member. Mr. DeAngelo is or may become a principal in other companies that participate in the real estate investment business and may establish or purchase additional companies that will participate in the note purchasing business or other related aspects of the real estate business. For example, Nicolas DeAngelo owns and operates Saint Investment Group, Inc. and Saint House 1, LLC, businesses with a similar business plan to that of the Company that focus on either acquiring nonperforming residential and commercial real estate notes and/or real estate and intend to form similar businesses in the future. Accordingly, the Company will be subject to various conflicts of interest arising out of these activities. Such conflicts may involve arrangements between the Company and the Manager or the other Class A Members which are established by the Manager and may not be the result of arm's length negotiations.

There is a limitation on the personal liability of the Manager and the Class A Members of the Company and these individuals are eligible for receiving indemnification from the Company for expenses or losses that they incur while providing services on behalf of the Company.

The Operating Agreement provides that the Manager and the Class A Member will not be liable to the Company or the other Members for any act, omission or decision performed or omitted by him, provided such act, omission or decision was in good faith and without intent to defraud the Company and did not constitute a breach of any provision of the Operating Agreement. In addition, the Operating Agreement provides for indemnification by the Company of the Manager and Class A Member against liability resulting from any of such acts or omissions, except for those involving the Manager's or Class A Member's willful misconduct or

recklessness. As a result, purchasers of the Interests may have a more limited right of action against the Manager or Class A Member than they would have absent such provisions.

The Company has the right to repurchase the Interests.

The Company has the right to repurchase a Class B Member's Membership Interests for the capital contribution paid by the Class B Member plus any accrued but unpaid preferred returns in the event any of the following events occurs:

- death of a Class B Member;
- the transfer of any Class B Member's Interests in violation of the Operating Agreement;
- the Membership Interests held by a Class B Member shall be attached, levied upon or executed against in connection with the enforcement of any lien or encumbrance or otherwise be transferred by operation of law (other than the laws of descent, distribution or inheritance);
- bankruptcy of a Class B Member; or
- the issuance of an order of a court of competent jurisdiction ordering the transfer of any Class B Membership Interest to any third party including, but not limited to, a Class B Member's spouse pursuant to a divorce decree or property settlement.

Accordingly, a holder of the Class B Membership Interests can be forced to sell his or her Interests prior to the first anniversary of their purchase of the Interests, which means that they will not be entitled to receive the full amount of Preferred Returns that they would otherwise be entitled to receive.

There can be no assurance that the Company will have sufficient funds to make distributions of preferred returns to the Class B Members or to redeem their Interests after the optional redemption dates.

The operating expenses of the Company may exceed its revenues, thereby resulting in no cash available for distribution by the Company to the Class B Members. At the discretion of the Manager, the Class A Members may receive guaranteed payments equal to an aggregate of approximately $3,000 per year per $100,000 raised in this offering for services rendered to the Company. These payments will reduce the amount of cash that is available for distribution to the Class B Members. Furthermore, the Manager has complete discretion to withhold from distribution part or all of any of the Company's net cash from operations which are otherwise available for distribution after the payment of expenses if it determines that such funds are reasonably required for working capital needs or reserves for fixed or contingent liabilities of the Company. Accordingly, there can be no assurance that the operations of the Company will be profitable or that any distributions of the Company's cash flow will be available or made to the Class B Members in payment of their preferred distributions or redemption of their Interests.

Changes in regulations can adversely affect the Company's ability to purchase non-performing residential or commercial real estate notes.

States and local jurisdictions may implement statutes or regulations that make it more

difficult or expensive for the Company to purchase residential or commercial real estate mortgage loans, to service residential or commercial real estate mortgage loans, or to foreclose on the underlying real estate properties in these jurisdictions. If these statutes or regulations are implemented, then the Company may not be able to purchase a sufficient amount of residential or commercial real estate mortgage loans at desirable prices to be able to satisfy its obligations to repay capital contributions to the Class B Members.

Investments by benefit plans are subject to additional regulatory risks.

In considering the acquisition of Interests to be held as a portion of the assets of an "employee benefit plan" within the meaning of Section 3(3) of ERISA ("a Benefit Plan" or "Plan"), a Plan fiduciary, taking into account the facts and circumstances of such trust, should consider, among other things: (a) the effect of the "Plan Asset Regulations" (Labor Regulation Section 2510.3-101) including potential "prohibited transactions" under the Code and ERISA; (b) whether the investment satisfies the "exclusive purpose," "prudence," and "diversification" requirements of Sections 404(a)(l)(A),(B) and (C) of ERISA; (c) whether the investment is a permissible investment under the documents and instruments governing the plan as provided in Section 404 (a)(l)(D) of ERISA; (d) the Plan may not be able to distribute Interests to participants or beneficiaries in pay status because the Manager may withhold its consent; and (e) the fact that no market will exist in which the fiduciary can sell or otherwise dispose of the Units and the Company has a limited history of operations. The prudence of a particular investment must be determined by the responsible fiduciary with respect to each employee benefit plan, taking into account the facts and circumstances of the investment. Any Investor that invests funds belonging to a qualified retirement plan or IRA should carefully review the tax risks provisions of this Memorandum as well as consult with their own tax advisors. The contents hereof are not to be construed as tax, legal, or investment advice.

PROSPECTIVE BENEFIT PLAN INVESTORS ARE URGED TO CONSULT THEIR ERISA ADVISORS WITH RESPECT TO ERISA AND RELATED TAX MATTERS, AS WELL AS OTHER MATTERS AFFECTING THE BENEFIT PLAN'S INVESTMENT IN THE COMPANY. MOREOVER, MANY OF THE TAX ASPECTS OF THE OFFERING DISCUSSED HEREIN ARE APPLICABLE TO BENEFIT PLAN INVESTORS WHICH SHOULD ALSO BE DISCUSSED WITH QUALIFIED TAX COUNSEL BEFORE INVESTING IN THE FUND.

There are federal income tax risks to an investment in the Interests.

The federal income tax consequences of an investment in the Company constitute certain risks. Each potential investor should carefully consider the risks regarding an investment in the Company discussed under "Income Tax Aspects." The tax consequences of an investment in the Interests may be affected by particular circumstances affecting the individual investor, and it is recommended that each investor consult his or her tax adviser before investing in the Company.

THE BUSINESS

The Company is a Delaware limited liability company organized under the Act to purchase reperforming and non-performing residential and commercial real estate notes at a discount with the goal of liquidating these notes in a manner that realizes greater proceeds from the sale of each note than the purchase price paid for that note, and to purchase and rehab residential and commercial real estate properties for either rental or sale at prices reflecting the increased rehab value.

With regards to non-performing notes, its mission is to provide creative financial solutions to distressed property owners through non-traditional methods. In contrast, the traditional banking industry views mortgage defaults as a liability, therefore selling a non-performing mortgage at a deep discount as quickly as possible. Recognizing a profitable business opportunity, the Company seeks to help property owners create successful, long-term workouts by resolving the property owner's immediate financial obstacles. The Company is able to achieve this success by purchasing the non-performing notes at a steep discount and sharing the mortgage purchase discount with the property owner and crafting unique workout plans with a clear exit strategy. With regards to re-performing notes, the Company's mission is to provide its investors with a fixed rate of return through the purchase of cash flowing notes and/or by the sale of such notes at a profit. Recognizing a profitable business opportunity, the Company seeks to provide a fixed rate of return to its investors while the Company retains the excess proceeds from the sale of these notes. Although the Company does not target the purchase of performing residential or commercial notes, it anticipates that there will be times that it acquires such notes that are included as part of a larger pool of notes that is being sold as one package. In such instances, the Company will place the performing notes with a third party servicer or continue using the existing third party servicer while it looks for opportunities to sell the performing notes at a profit.

The Company's goal is to achieve long term stability and to provide its Class B Members with a consistent, dependable return on their capital. The Company will search for value-add opportunities where it purchases a non-performing or partially performing asset and then its stability and market value. For mortgage notes, the goal will be to improve their performance by completing a modification or pursuing a foreclosure action. For real properties, the goal will be to renovate the property, locate higher quality tenants and improving the leasing consistency so that the properties have a higher resale value.

Nicolas DeAngelo, the Company's President, has over 11 years of experience both in residential and commercial real estate as well as the distressed residential and commercial real estate note industry. Nicolas' extensive real estate and mortgage note experience includes successfully managing a portfolio valued at over $100 million.

Residential Notes – Niche Market

The Company purchases and manages non-performing notes that have an upside economic potential with designed exit strategies. In this regard, its focus is to identify and acquire non-performing notes which are undervalued and are tied to residential or commercial

property located in profitable local real estate markets. Purchasing first lien position notes, while more expensive, can provide a more stable collateral position and allow the Company to better control any foreclosure process that arises. Purchasing second lien position notes at a lower purchase price after performing the proper due diligence enables the Company to spread the risk of loss over a greater pool of notes and at a lower cost than purchasing first lien position non-performing notes at a higher purchase price. The Company also purchases and manages re-performing and performing notes that have an upside economic potential with designed exit strategies. In this regard, its primary focus is to identify and acquire performing notes that are undervalued and are secured by residential mortgages for houses located in favorable neighborhoods.

The Company's rationale for focusing on the non-performing note market has five components:

- price point entry,
- risk-reward analysis,
- ability to service,
- recession resilience; and
- competition.

Purchasing a first lien with a note value of $200,000 and a fair market value of $225,000 typically would require the Company to spend $100,000 to $150,000 in capital. Pricing of a note varies based upon factors including, but not limited to, loan-to-value ratio, length of time the note has been in default, pre-foreclosure vs. in foreclosure status, condition of the underlying property and neighborhood value. Using an average purchase price of $6,000 per second lien note, the Company could instead buy 20 second lien notes for the same capital investment. By purchasing up to 20 notes, the Company is able to absorb a lesser return, a break-even or even a loss on a few notes. Thus, the Company's risk of loss is more diversified while the potential reward is increased due to the higher number of notes purchased. Unlike first lien notes, servicing second lien notes requires less care as there is no requirement to maintain tax and insurance escrow accounts. Regardless of economic conditions, there were, are, and always will be residential and commercial mortgages in default. Today's supply of defaulted mortgages remains relatively stable due to an environment of continued restrictive credit, a continued slow recovery from a worldwide economic recession, rising food and energy prices, and current market home prices. As the supply of defaulted mortgages decreases, pricing will rise and come into balance with rising home values. Finally, there is a vacuum in private mortgage investment companies that perform the workouts and subsequent servicing of the mortgages. By simply searching the internet for "note companies" you will be hard pressed to find a self-contained buyer-workout-servicing company. Instead you will find brokers. This is where we anticipate that the market will recognize and rewards the value of the Company's services.

While the Company's ability to research a note is its strength, loss-mitigation is its priority. Before the Company purchases a note, it analyzes the proposed purchase using multiple data points. The Company's review includes, but is not limited to, confirming the fair market value of the note through on-line valuation modules (such as Zillow or Eppraisal), a local realtor, checking location, analyzing credit, checking on the first lien status, checking on bankruptcy status and analyzing exit strategies. The Company's purchased software has been customized to

manage the four stages of the note business discussed below. The program is designed to be simple, yet comprehensive as the Company's business grows and adds agents. Pre-set auto notifications reduce the probability of missing a critical event in the life of a note investment. The Company has designed a property owner notification event calendar, with the appropriate Word document templates, to contact the property owner over a designated period. Each event is captured in the database should the need arise to examine the history of a file.

Four Stages of Processing Notes

Non-Performing Notes

Once the Company purchases a non-performing note, it conducts four stages of operations prior to liquidating the note. These four stages are as follows:

Administration

This stage involves sending the proper legal notices to the owner of the property underlying the note, reviewing collateral files and an accounting of the note, providing the property owner with a letter outlining his or her options, preparing billing statements, reviewing a completed property owner questionnaire and homeowner financial statements and recording the note assignment in the proper jurisdictions. In the event that these steps all end with negative results, then the Company may choose to initiate a foreclosure of the underlying property.

Risk Management

Subsequent to completion of the Administration Stage, the Company begins to assess the risks associated with holding the note. This process involves review of the status of senior liens on the underlying property, the tax and insurance status of the underlying property and a search for any special liens or other title issues that could impact the Company's collateral position.

Borrower Management

Subsequent to assessing the risks associated with the note, the Company follows up with the homeowner to assess his or her intentions and determine the best course of action. The Company assesses the status of the homeowner, which can range from cooperating to hostile, from unlocatable to deceased. The Company also assesses the individual's financial status to determine proximity to bankruptcy. If they are not a pending bankruptcy and they are willing to cooperate, then the Company assesses the homeowner's intentions and designs a mutually beneficial plan to work with the property owner.

Implementing Exit Strategies

In today's environment, the Company estimates that it takes approximately nine to twelve months to exit a non-performing note investment. The Company derives its revenue from a number of exit strategies. The typical strategies are to create a workout with the property owner, thus transforming a non-performing note into a performing note. Then, depending on the cash-

flow and/or market value of the note at that time, the Company decides to continue to hold and service the note or to sell the note to a third party. Workouts come in an almost unlimited number of forms. They may entail partial payments then full payments over time, full payments with arrears paid upon exit, discounted or short-term payment of arrears today plus monthly payments, and numerous combinations thereof. Property owner circumstances drive the workout while the Company's analysis and ability to create a targeted return on investment validate the plan. Another popular exit strategy is to refinance the note. The Company offers seller assistance in situations where the property owner is cooperative due to a shared equity plan and permits the homeowner to stay rent-free until the note is sold. A deed-in-lieu may be executed as loan values exceed property values. The Company derives its revenue by purchasing the note at a discount, negotiating the deed-in-lieu, then selling the note at market value. As a last resort, the Company will initiate a foreclosure primarily due to the property being vacant or occupied by an un-cooperative property owner. It is always the Company's goal to explore creative ways to resolve the situation in the most constructive way possible.

Re-Performing Notes

When the Company purchases re-performing notes, it conducts four stages of operations prior to liquidating the note. These four stages are as follows:

Administration

This stage involves sending or transferring our application for servicing the loan to an independent loan servicing company. Once our application is submitted and approved, we send the required legal notices to the property owner of the property underlying the note. We also review collateral files and an accounting of the note, and record the note assignment, the instrument transferring title to the note from the selling company to the Company, in all of the proper jurisdictions.

Risk Management

Subsequent to completion of the Administration Stage, the Company begins to assess the risks associated with holding the note. This process involves review of the status of senior liens on the underlying property in the case of second liens, as well as the tax and insurance status of the underlying property and a search for any special liens or other title issues that could impact the Company's collateral position with regards to the note.

Borrower Management

The majority of the Borrower Management is handled by the loan servicing company, for example FCI, LLC, unless the loan returns to non-performing status. In the event a note returns to non-performing status, then the Company follows up with the borrower to assess the property owner's intentions and determine the best course of action. The Company assesses the status of the property owner, which can range from cooperating to hostile, from unlocatable to deceased. The Company also assesses the individual's financial status to determine proximity to bankruptcy. If the borrower is not a pending bankruptcy and is willing to cooperate, then the

Company assesses the property owner's intentions and designs a mutually beneficial plan to work with the property owner. If the borrower is in bankruptcy, then the Company either coordinates with the bankruptcy trustee to ensure payment or proceeds with legal action to remove borrower from bankruptcy to ensure payment. If the note was purchased from a company that provides a warranty of performance, then the Company will work with such company to perform these tasks with the Borrower.

Implementing Exit Strategies

The Company derives its revenue from a number of exit strategies. Its primary exit strategy is to hold the note and collect payments until the note is re-sold or cashed out by the borrower. Depending on the cash-flow and/or market value of the note at that time, the Company decides to continue to hold and service the note or to sell the note to a third party or the Company's Class B Members. Revenue may entail partial payments then full payments over time, full payments with arrears paid upon exit, discounted or short-term payment of arrears today plus monthly payments, and numerous combinations thereof. Another exit strategy is to refinance the note. The Company may offer seller assistance in situations where the homeowner is cooperative due to a shared equity plan and permits the homeowner to stay rent-free until the note is sold. The Company derives its revenue by purchasing the note at a discount, then selling the note at market value, which should be a premium to the original purchase price.

Note Acquisition Strategy

The Company will use the net proceeds from this Offering to approach the loan originators, servicers and wholesale note sellers in its network regarding the purchase of non-performing and re-performing notes. The Company is continuously networking throughout the lending community to develop and extend its relationships with wholesalers, loan service companies, originators, and other sources of notes. Once a note source aggregates some notes, the Company reviews these notes and conducts its due diligence review on the underlying properties. Upon completion of this due diligence review, the Company identifies the notes that it wishes to purchase and completes these purchases. Upon receiving title to the notes, the Company completes the appropriate documents to record the assignments of mortgage in each jurisdiction in order to perfect its security interest in the properties.

Residential and Commercial Real Estate

In addition to residential and commercial mortgage notes, the Company intends to purchase 1 to 4 family and mixed use residential real estate as well as commercial real estate including industrial, office, retail, medical office and multifamily opportunities as they arise.

Key Investment Benefits

- Direct exposure to United States residential property at attractive yields;
- Experienced management team; and
- Increased investment liquidity and flexibility.

Real Estate Acquisition Methodology/Approach Highlights:

- Leverage Extensive Personal Networks to Identify Hidden Equity in Real Estate Properties;
- Purchase Assets Below Market Value;
- Quickly and Accurately Value Real Estate Asset Targets to Facilitate Optimal Purchase Offers That Maximize Profits;
- Leverage 'The Law of Large Numbers' Statistical Principle to Increase Number of Accepted Real Estate Purchase Offers;
- Leverage Direct Marketing Techniques to Accurately Locate Distressed Assets (Short Sales, REOs etc.); and
- Sell Some Property Assets for Immediate Profit, Retain Some Real Estate with Attractive Ongoing Rental Yields.

  The Company intends to purchase real estate property at below market prices with substantial 'built-in' equity at purchase. The Company may immediately sell acquired property for profit or retain purchased property to take advantage of additional rental income streams and value appreciation. The Company may renovate acquired property to sell for higher profit or retain renovated property in its real estate portfolio at higher rental yields.

The Company will target many sources to identify and locate property for acquisition, especially from motivated sellers that include but are not limited to:

- Tired landlords
- Pre-foreclosures (defaulted mortgages)
- Pre-foreclosures (property tax liens)
- Foreclosure and trust sales
- Short Sales
- Bank-owned property aka REOs (Real Estate Owned)
- Divorcees
- Empty nesters
- Abandoned property

The Company will also target real estate professionals and other companies and organizations that are directly and indirectly involved in real estate to identify and locate property including but not limited to:

- Realtors;
- Title Companies;
- Real Estate Attorneys;
- General Contractors;
- Property Managers;
- Real Estate Investors;
- Mortgage Brokers;
- Professional Real Estate Groups and Networks;

- Pension Funds;
- Mortgage Note Sellers; and
- Lenders/Banking Institutions.

The Company will focus initially on acquiring property in the western and southern United States for several reasons:

- The President has over 11 years of real estate experience operating in these states; and
- The President has a long-standing, established network of real estate professionals in the western and southern United States to help drive property leads to the Company for evaluation and purchase.

Six Phases of Property Purchasing Process

1. Identify Property
2. Evaluate/Value Property
3. Purchase Property
4. Sell/Renovate/Prepare Property
5. Tenant Selection
6. Property Management

1. **Identify Property:** In this process phase, the Company will focus on attracting as many potential real estate prospects that meet ideal investment criteria as possible while eliminating undesirable property locations and property.
2. **Evaluate/Value Property:** In this process phase, the Company will perform due diligence on targeted property, which includes estimating current and after-repaired market values, evaluating property layout suitability for renting, estimating repairs as well as determining current and estimated property capitalization rates.
3. **Purchase Property:** In this process phase, the Company will formulate purchase offers to maximize profits, prepare, send and follow up on purchase offers and counteroffers, conduct property inspections, potentially abandon purchases due to property defects, begin planning renovations with general contractors, order appropriate property insurance, order title searches and surveys, determine appropriate exit strategy and conclude property purchases.
4. **Sell/Renovate/Prepare Property:** In this process phase, the Company will execute the appropriate exit strategy determined prior to property purchase (i.e. resell, rent, renovate-to-sell, renovate-to-rent etc.) and immediately begin marketing the property to renters or buyers if renting or selling is the exit strategy. The sell, rent, renovate-to-sell, renovate-to-rent decision will be made to maximize Company profit. Property renovation will be done using local market-tested contracts with general contractors that limit upfront payments to contractors, specify payment schedules based on satisfactorily completed renovation milestones and include penalties to contractors for non-weather-related delays.
5. **Tenant Selection (where applicable):** In this process phase, the Company will implement a thorough, market-tested tenant-screening process to identify quality, paying tenants, eliminate unsatisfactory tenant prospects, minimize vacancy income loss and maximize net rental returns.

6. **Property Management (where applicable):** In this process phase, the Company will implement thorough, market-tested property management processes and standards to maximize net rental returns.

Real Estate Acquisition and Exit Strategy

The Company will use direct marketing, extensive personal networks as well as various other sources to identify property primarily in the western and southern United States to purchase substantially below market value. The Company will target motivated sellers including tired landlords, pre-foreclosures (defaulted mortgages), pre-foreclosures (property tax liens), short sales, foreclosure and trust sales, bank-owned property aka REOs (Real Estate Owned), divorcees, empty-nesters, abandoned property etc. to maximize profitability of property purchases.

The Company will quickly and accurately evaluate and value property prospects to make purchase and follow-up offers. The President will leverage "The Law of Large Numbers" statistical principle to maximize the likelihood of accepted purchase offers. Prior to purchase, the Company will make exit strategy decisions on each property, which will be one of the following:

1) Sell
2) Rent
3) Renovate-To-Sell
4) Renovate-To-Rent based on practical feasibility and profit potential.

Risk Management

The Company will mitigate property risks by typically avoiding negative property/features like

- Flood Zones
- Title Problems
- Structural Defects

The Company will also mitigate risks by employing the following real estate best practices:

- Sufficient and appropriate insurance coverage (including vacant house insurance where appropriate)
- Thorough Tenant Screening
- Robust Leasing Standards and Procedures
- Aggressive Rent Collection

Management Software: The Company will use state-of-the-art CRM software like ActiveCampaign and Hubspot, management software such as Asana and property management software selected by the retained third party property management company.

The Company may also purchase real estate assets from any of its affiliates if it believes

that the asset presents an opportunity for the Company to achieve continued increase in the value of such assets.

The Company presently has six employees. For the foreseeable future, the Company anticipates that its Manager and officers, along with a small number of employees, will perform all work in connection with the implementation of the Company's business plan. However, as the business grows, the Company reserves the right to hire additional employees as the Manager deems appropriate.

PROPERTIES

The Company presently occupies approximately 1,500 square feet of office space located in Irvine, California. The annual lease expense for this office space is approximately $35,000. The Company anticipates that this office space will be sufficient to satisfy its needs for the foreseeable future.

LITIGATION

The Company is not presently involved in any legal proceedings. From time to time, the Company may become involved in various lawsuits and legal proceedings that arise in the ordinary course of business. For example, the Company's business plan may require it to commence foreclosure proceedings against homeowners whose loans the Company purchases. Many of these proceedings will settle and result in a modification of the underlying loan. However, litigation is subject to inherent uncertainties and an adverse result in these or other matters may arise from time to time that may harm the Company's business. The Company is currently not aware of any such legal proceedings or claims that it believes will have, individually or in the aggregate, a material adverse effect on its business, financial condition or operating results.

USE OF PROCEEDS

The Company intends to use all of the net proceeds of the Offering over the next twelve months for the following purposes: (1) to fund all expenses related to the completion of this Offering, including without limitation due diligence, legal fees and expenses, audit fees and expenses and other costs and expenses; and (2) to fund operating expenses of the Company such as the purchase of errors and omissions insurance, office rent, utilities, purchase and leasing of office equipment, office supplies and guaranteed payments to the officers, and (3) the purchase of residential real estate mortgage notes, tax liens and real property. Management's estimate of these use of proceeds, assuming completion of $25,000,000, $50,000,000 and the entire Offering, is as follows:

	Amount Raised		
	$ 25,000,000	$ 50,000,000	100,000,000
Offering Expenses and Formation Costs	$ 10,000	$ 10,000	10,000
Payment of Preferred Returns	$ 2,000,000	$ 4,000,000	8,000,000
Purchase, rental or leasing and installation of machinery and equipment	$ 25,000	$ 25,000	25,000
Guaranteed Payments to Officers	$ 750,000	$ 1,500,000	3,000,000
Purchase of Real Estate Notes	$ 13,765,000	$25,000,000	50,000,000
Real Estate Purchases	$ 6,500,000	$15,580,000	31,230,000
Leasing of Office Space	$ 35,000	$ 35,000	35,000
General Administrative: Utilities, Insurance, Office Supplies, Dues.	$ 50,000	$ 100,000	200,000
Professional Fees for Note Workouts and Servicing	$ 1,500,000	$ 3,000,000	6,000,000
Marketing	$ 165,000	350,000	700,000
Professional fees for Accounting and Legal Services	$ 200,000	$ 400,000	800,000
	$25,000,000	$50,000,000	$100,000,000

MANAGEMENT

The Manager

The Manager has the sole right to manage the business of the Company and to make any decisions with respect thereto. No Member shall take part in, or interfere in any manner with the management, conduct or control of the business and affairs of the Company and shall not have any right or authority to act for or bind the Company. The Manager shall be elected solely by the Class A Members voting alone as a class. Accordingly, the Class B Members shall have no right to elect the Manager or vote for his removal and shall have no right to manage the Company. The number of Managers shall be one, or such other number as may be determined from time to time by the Class A Members. The Class A Members may remove any Manager at any time with or without cause. Saint House 1, LLC is currently the Manager.

Officers

The Manager shall have the power to appoint officers to assist him in managing the daily operations of the Company. These officers shall serve at the direction of the Manager and can be removed with or without cause. The current officers and their relevant business experience is as follows:

Nicolas DeAngelo – President

Mr. DeAngelo serves as President of the Company. His chief responsibilities are management of investor relations, human resources and payroll, and marketing and fundraising. He is responsible for overseeing the operations of the Company and key components of the note business including managing the complex cash flow and budgeting for note pool purchases. Mr. DeAngelo is the primary architect in overseeing the due diligence on pre-purchase and sale of

real estate and note pools and provides the analysis and recommendations for which pools of notes or properties the Company will purchase and at what price point. Mr. DeAngelo also oversees the Company's tax, accounting and sales functions. Mr. DeAngelo's expertise is derived from over 11 years of residential and commercial real estate experience, spanning multiple syndications, joint ventures and managing funds that had an aggregate of in excess of $100 million in assets under management. Mr. DeAngelo graduated from Loyola Marymount University with a double major in Finance and English.

Third Party Administration

The Manager anticipates that it will engage a back-office administration and accounting services provider to small balance real estate sponsors, managers and syndicators around the United States in the area of discretionary pooled investment funds and deal syndications and/or a third party investor management "deal room" software offering similar features and aiding in the management of investor data and reporting. The additional vendor's staff of accountants, transaction managers, and support personnel focus strictly on the administration of real estate asset-based strategies and transactions for SBRE entrepreneurs. Prior to its engagement, the Manager will ensure that this vendor has the relevant infrastructure, resources and experience that will enable it to assist the Manager in the administration of the Company.

Guaranteed Payments

The Class A Member of the Company may be paid Guaranteed Payments in exchange for services rendered to the Company. The aggregate amount of these payments to all officers will be no more than $3,000 per year per $100,000 raised in this or any subsequent Offerings. The payments shall be made at the discretion of the Manager out of available cash flow of the Company. The Manager shall have the ability to amend or eliminate the amount of these payments at any time in his sole discretion and shall set the amount paid to each officer in a given year at his sole discretion. In setting these payment amounts, the Manager will consider the amount of time spent in the business purchasing and servicing residential real estate and notes and conducting fundraising efforts, among other factors. These payments will be expenses of the Company and will reduce the amount of cash available for distribution to the Class B Members in payment of their preferred return or redemption of their Class B Interests.

RELATED PARTY TRANSACTIONS

The Company may purchase mortgage notes or real properties from Nicolas DeAngelo, the President of the Company, or entities affiliated with Mr. DeAngelo. In certain circumstances, Mr. DeAngelo or his affiliates will purchase these assets to take advantage of an opportunity and then sell or otherwise assign or transfer the asset to the Company. From time to time, the Company may also sell notes or real properties to Mr. DeAngelo or his affiliates. The Company will conduct any such transactions at fair market value on arms' length terms and conditions, including obtaining a third party valuation of the assets in question. In addition, Saint Investment Group, Inc. and Saint House 1, LLC, each an affiliate of Mr. DeAngelo, will perform asset management services for assets in the Company's portfolios. The fees for these services will be market rate and will be paid by the landlords of these properties.

TERMS OF THE OFFERING

Pursuant to this Memorandum, the Company is offering up to $100,000,000 in Class B Membership Interests. The Company has set a minimum subscription by a subscriber of a capital contribution of $50,000 and will accept higher capital contributions in $10,000 increments. The Company intends to offer and sell the Interests to investors pursuant to an exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), provided in Rule 506 of Regulation D promulgated thereunder.

Investor Qualifications.

Financial Suitability. In order to assure the Company of his or her financial suitability to purchase the Interests, a prospective investor will be required to make certain representations and warranties in the Subscription Agreement (attached as Exhibit "A"), including that he or she is capable of bearing the economic risk of the investment, including the total loss of the investment.

Knowledge and Experience. In addition to requiring the satisfaction of the financial suitability standards, each prospective investor will be required to represent in the Subscription Agreement that he or she has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the prospective investment in the Interests.

Investment Representations. The registration exemptions upon which the Company is relying for the offer and sale of the Interests requires that the subscribers make certain representations to the Company regarding the acquisition and resale of the Interests. Accordingly, each purchaser will be required to represent in the Subscription Agreement that he or she is purchasing the Interests for his or her account only and not with a view to the resale or other disposition thereof or of any interest therein except in accordance with all applicable securities law requirements.

Subscription Agreement.

Each prospective purchaser of the Interests will be required to execute the Subscription Agreement. The Subscription Agreement contains numerous representations, warranties and covenants by the purchaser and indemnity obligations of the purchaser in the event that the representations, warranties and covenants are breached. Upon the acceptance by the Company of the Subscription Agreement with respect to each purchaser, the Company will admit the subscriber to the Company as a Class B Member.

Restrictions on Transfer.

The Interests have not been registered under the Securities Act or the securities laws of any state. The Interests are being offered and sold in reliance upon certain exemptions from the registration requirements of such laws, which depend, in part, on the intent of the purchasers not to make a distribution of the Interests. As a result, there are restrictions imposed by applicable securities laws upon the distribution and transfer of the Interests. The Company has no obligation, and does not intend, to register the Interests under the Securities Act or under any

state securities laws or to take any action which would make available to a purchaser an exemption from the registration requirements of any such laws.

In addition, there are additional restrictions on the transfer of the Interests. No Member may sell, transfer or otherwise dispose of any Membership Interest held by such Member without obtaining the prior written consent of the Manager. In addition, even if the Manager consents to a transfer, it is highly unlikely that any market will exist for the Interests. Consequently, any holder of the Interests will need to negotiate a private transaction in order to transfer his, her or its Interests.

PLAN OF DISTRIBUTION FOR MEMBERSHIP INTERESTS

The Interests are being offered on behalf of the Company through its Manager and officers and the Class A Members. The Company may retain the services of a registered broker-dealer to assist with sales of the Interests. If the Company retains a registered broker-dealer, then it anticipates that it will pay market rate sales commission or compensation in connection with the sales of the Interests completed by the registered broker-dealer.

After reviewing this Memorandum, prospective investors who have questions or wish additional information are invited to contact Nicolas DeAngelo at (714) 334-8640 or arrange an appointment with representatives of the Company to answer questions or provide information.

Procedure for Subscribing for Units.

A prospective investor who, after carefully reviewing this Memorandum and accompanying Exhibits, wishes to subscribe for Interests should complete, sign and date a copy of the Subscription Agreement attached as Exhibit "A" to this Memorandum, an Accredited Investor Verification Process with Verify Investor, LLC described at Exhibit "B" to this Memorandum, a Joinder to the Operating Agreement attached as Exhibit "C" to the Memorandum and a Form W-9 Request for Taxpayer Identification Number and Certification and deliver the executed documents and payment for the subscribed Interests by wire transfer to the account set forth in the Subscription Agreement or a check made payable to SIG ICF-I, LLC to the Company at: 16787 Beach Blvd. #334, Huntington Beach, CA 92647, Attention: Nicolas DeAngelo.

CAPITALIZATION

The table below identifies the membership interest categories of the Company, the capital contribution by membership interest category and the corresponding percentage ownership (i) prior to the Offering and (ii) subsequent to the completion of the offering.

	Pre-Offering		Post-Offering	
	Capital Contribution	%	Capital Contribution	%
Class A Members	$ 25,000	100%	$25,000	90%
Class B Members	0	0%	100,000,000	10%
	$ 25,000	100%	$100,025,000	100%

The Class A Member and/or Manager anticipates that it will purchase approximately $500,000 of Class B Interests from the Company.

SUMMARY OF THE OPERATING AGREEMENT

All rights and obligations of the Members will be governed by the Operating Agreement, a copy of which is attached as Exhibit "C" to this Memorandum. Each prospective investor should read the Operating Agreement carefully with his, her or its advisors before making an investment in the Company. The following is a summary of certain provisions of the Operating Agreement and is intended only for general information:

Capital Accounts

A capital account will be established for each holder of Interests on the books of the Company. The initial capital account of a Member for the taxable year in which the Member was admitted to the Company will be the initial capital contribution made by the Member in the Company. Thereafter, the capital account will be adjusted to reflect allocations of profits and losses, distributions and any additional capital contributions made by the Member, as provided in the Operating Agreement.

Members

No Member shall be personally liable for any debt, obligation, or liability of the Company, whether that debt, obligation, or liability arises in contract, tort or otherwise. The Class A Members shall be entitled to vote on all matters presented to the Members. The Class B Members shall only be entitled to vote on matters related to the execution of collateral of the Company held with regard to real estate mortgage notes or real property that occur during any period in which the Company has not paid an Operating Preferred Return to a Class B Member after its due date. Upon the vote or approval by written consent of a Majority in Interest of the Class B Members in any such instance when a past due Operating Preferred Return remains unpaid, the Manager and the Class A Members shall be obligated to take appropriate legal action as requested by the Class B Members solely with respect to such collateral. The Class A Members shall be the only Members entitled to vote on matters presented to the Members. Except as set forth above, the Class B Members shall not have any voting rights with respect to matters presented to the Members.

No Member acting solely in the capacity of a Member is an agent of the Company, nor can any Member acting solely in the capacity of a Member bind the Company or execute any instrument on behalf of the Company.

Each Member acknowledges that the current President owns and operates Saint Investment Group, Inc. and Saint House 1, LLC, businesses with a similar business plan to that of the Company that focus on either acquiring real estate notes or real property, and that these individuals intend to form similar businesses in the future. The President shall be entitled to continue to operate and expand these businesses and such operation and expansion by the President, the Manager or the Class A Member shall not be a violation of the Operating Agreement or a breach of any fiduciary or other duty owed to the Company or any other

Member. The President, the Manager and the Class A Member shall also be permitted to participate in these and other similar businesses without offering the opportunity to participate in these businesses to the other Members.

Management of the Company

The Manager has sole responsibility for the day to day management and control of the Company and all day to day aspects of its business. In the course of this management, the Manager may, among other things, enter into such agreements and employ such persons as he deems necessary for the operations of the Company. No Member shall take part in, or interfere in any manner with, the management, conduct or control of the business and affairs of the Company and shall not have any right or authority to act for or bind the Company. The Manager shall be elected solely by the Class A Members voting alone as a class. The number of Managers shall be one, or such other number as may be determined from time to time by the Class A Members. The Class A Members may remove any Manager at any time with or without cause. The Manager may delegate the right, power and authority to manage the day-to-day business, affairs, operations and activities of the Company to any officer, employee or agent of the Company, subject to the ultimate direction, control and supervision of the Manager. The Manager will initially designate one officer of the Company. See "Management – Officers" for a description of the recent business experience of each of the officers of the Company.

The Manager and officers of the Company at any time and from time to time may engage in and possess interests in other business ventures of any and every type and description, independently or with others, with no obligation to offer to the Company or any Member or Manager the right to participate therein.

A Manager or officer shall not be personally liable for monetary damages (other than under criminal statutes and under Federal, state and local laws imposing liability on managers for the payment of taxes) for any action taken, or any failure to take any action, unless the conduct of the Manager or Officer constitutes self-dealing, willful misconduct or recklessness.

Class A Members may receive such guaranteed payments, if any, for their services to the Company as may be designated from time to time by the Manager. The Manager and officers are also entitled to reimbursement for out-of-pocket costs and expenses incurred on the Company's behalf in connection with their service as a Manager or officer of the Company, including, but not limited to, costs and expenses incurred in connection with the organization and management of the Company and the offering of the Interests.

Allocations of Profits and Losses

In any taxable year, profits shall be allocated first to each Class B Member in an amount equal to the excess, if any, of the cumulative Operating Preferred Return distributions which each Class B Member has received over the cumulative items of income and gain allocated to each Class B Member, and second to each Class A Member to the extent of and in the reverse order of the aggregate amount of losses (if any) previously allocated to such Member until each Member has been allocated an aggregate amount of profits in the current and all prior years equal

to the aggregate amount of losses allocated to such Member in the current and all prior years. Any remaining profits shall be allocated among the Class A Members in proportion to their Membership Interests.

In any taxable year, losses shall be allocated first to the Members to offset any Profits allocated to the Members in prior years until the aggregate amount of Losses allocated to the Members equals the aggregate amount of Profits previously allocated to them, and second to the Members in proportion to their positive capital account balances, until such capital account balances have been reduced to zero. Any remaining losses shall be allocated among the Class A Members in proportion to their Membership Interests.

Distributions

Net cash flow generated by the Company from its operations, if any, shall, if practicable, be distributed monthly, or at such times as the Manager may determine, first, to each Class B Member, on a *pari passu* basis, to the extent of the excess, if any, of the cumulative Operating Preferred Return for such Class B Member for which the payment due date has occurred from the inception of the Company to the end of such month, over the sum of all prior distributions to such Class B Member in payment of the Operating Preferred Return. A *pari passu* basis means that an equal amount of the aggregate dollars available for distribution will be distributed to the Class B Members and that no Class B Member will receive a distribution in payment of Operating Preferred Return ahead of any other Class B Member and vice versa. The balance of net cash flow generated by the Company from its operations, if any, shall be distributed to the Class A Members in proportion to their Membership Interests.

Net cash flow generated by the Company from a sale event or new financings shall, if practicable, be distributed monthly, or at such times as the Manager may determine, first, to each Class B Member on a *pari passu* basis, to the extent of the excess, if any, of the cumulative Operating Preferred Return for such Member for which the payment due date has occurred from the inception of the Company to the end of such month, over the sum of all prior distributions to such Member; second, to the Members on a *pari passu* basis between the Class B Members, in proportion to and to the extent of their capital contributions; and third to the Class A Members in proportion to and to the extent of their capital contributions. The balance of net cash flow generated by the Company from a sale event or new or financings, if any, shall be distributed to the Class A Members in proportion to their Membership Interests.

Upon liquidation of the Company, its property will be distributed in the following order of priority:

- First, to the payment of debts and liabilities of the Company (other than loans or advances made by the Members to the Company) and expenses of liquidation;
- Second, to the establishment of reserves to cover unforeseen liabilities of the Company;
- Third, to the payment of outstanding Member loans to the Company;
- Fourth, to the Class B Members, on a *pari passu* basis, to the extent of the excess, if any, of (i) the cumulative Operating Preferred Return for such Class B

Members, from the inception of the Company to the end of such year, over (ii) the sum of all prior distributions to such Class B Members in payment of the Operating Preferred Return;

- Fifth, to Class B Members, on a *pari passu* basis, in proportion to and to the extent of their Adjusted Capital Contributions;
- Sixth, to the Class A Members in an amount equal to the credit balance in each of their Capital Accounts, after giving effect to all contributions, distributions and allocations for all periods; and
- The balance, if any, to the Class A Members pro rata in accordance with their Percentage Interests.

Liquidating distributions shall be made by the end of the Company's taxable year in which the Company is liquidated, or, if later, within ninety (90) days after the date of such liquidation.

Transfer Restrictions and Redemption Rights

No Member may sell, transfer or otherwise dispose of any Membership Interest held by such Member without obtaining the prior written consent of the Manager. In addition, the Company shall have the option to repurchase all of a Member's Membership Interests at any time after the occurrence of any of the following events: (i) death of a Class B Member; (ii) the transfer of any Class B Membership Interests in violation of the Operating Agreement; (iii) the Membership Interests held by a Class B Member shall be attached, levied upon or executed against in connection with the enforcement of any lien or encumbrance or otherwise be transferred by operation of law (other than the laws of descent, distribution or inheritance); (iv) an order for relief against a Member shall be entered in an involuntary case under the Federal Bankruptcy Code, or a Member shall be adjudicated a bankrupt or insolvent, or an order shall be entered appointing a receiver or trustee for such Member's property or approving a petition seeking reorganization or other similar relief under the bankruptcy or other similar laws of the United States or any state or any other competent jurisdiction, or a Member shall file a petition, answer or other document seeking or consenting to any of the foregoing or otherwise seeking to take advantage of any debtor's act, or a Member shall make a general assignment for the benefit of his, her or its creditors; or (v) an order of a court of competent jurisdiction ordering the transfer of any Membership Interests of a Member to any third party including, but not limited to, a Member's spouse pursuant to a divorce decree or property settlement. The purchase price for a Member's Membership Interests upon exercise of such option by the Company will be the unreturned capital contribution of the Member plus any accrued but unpaid Operating Preferred Return due to the Member.

The Company has the option by delivering written notice to the Member at any time (the "Redemption Notice") to force the redemption of his or her Membership Interests at a price equal to the Member's capital contribution plus any accrued but unpaid Operating Preferred Return on the date of redemption. The Company shall fix a date for the redemption which shall not be more than sixty days after the date of such notice (the "Redemption Date"). At any time subsequent to the first anniversary of the date on which a Class B Member makes its capital contribution to purchase a Class B Membership Interest, any Class B Member, at their own option, shall have the right to have the Company redeem the Class B Membership Interest by

delivering a Redemption Notice to the Company. The Company shall fix a Redemption Date which shall not be more than ninety days after the date of such notice. On the Redemption Date, the Company shall pay the Class B Member the amount of its accrued but unpaid Operating Preferred Return plus the amount of its unreturned capital contributions as of the Redemption Date.

Indemnification

The Company shall indemnify the Manager and any and all officers of the Company and any other person designated by the Manager against any liability incurred in connection with any threatened, pending or completed action, suit, appeal or other proceeding of any nature, whether civil, criminal, administrative or investigative, whether formal or informal, and whether brought by or in the right of the Company, its Members or otherwise in which such person may be involved as a party or otherwise by reason of the fact that the person is or was serving in such capacity, including, without limitation, liabilities resulting from any actual or alleged breach or neglect of duty, error, misstatement or misleading statement, negligence or act giving rise to strict or products liability. Such indemnification will not be available if it is expressly prohibited by applicable law, where the conduct of the indemnified party has been finally determined to constitute willful misconduct or recklessness or to be based upon or attributable to the receipt by the indemnified party from the Company of a personal benefit to which the indemnified party is not legally entitled.

Financial Statements and Tax Returns

The Manager shall provide the Members with annual financial statements of the Company within ninety (90) days after the end of each calendar year. The financial statements of the Company shall be unaudited, unless the Manager determines otherwise. The Manager shall cause to be prepared at least annually information necessary for the preparation of the Members' federal and state income tax and information returns. The Manager shall send or cause to be sent to each Member within ninety (90) days after the end of each taxable year, or as soon as practicable thereafter, such information as is necessary to complete such Member's federal and state income tax or information returns, and a copy of the Company's federal, state, and local income tax or information returns for that year. The Manager shall cause the income tax and information returns for the Company to be timely filed with the appropriate authorities. Subject to such standards as may be established by the Manager, Members shall have limited rights to inspect the books and record of the Company.

Termination of the Company

The Company will continue perpetually unless its existence is terminated sooner in the event of (i) the affirmative vote of the Class A Members holding at least 50% of the aggregate Class A Membership Interests; (ii) the entry of an order of judicial dissolution of the Company; (iii) the merger or consolidation of the Company with and into another entity where the other entity is the surviving company; or (iv) the sale of substantially all assets of the Company.

INCOME TAX ASPECTS

The following is a summary of some of the federal income tax consequences associated with the purchase of Interests. This summary applies only to individuals who hold their investment in the Company as a capital asset. Other investors could be subject to different rules and should consult their own tax advisers. The rules pertaining to federal income taxation are constantly under review by the Internal Revenue Service ("IRS"), the Treasury Department, Congress and the courts. This Income Tax Aspects section is based upon the law as it exists on the date of this Memorandum, and such tax consequences may be affected by future legislation, regulations, administrative rulings or court decisions. Please note that major tax reform was approved by the United States Congress in the Tax Cuts and Jobs Act ("TCJA" or "New Tax Act") on December 22, 2017, some of which will affect the Company and is detailed herein. As with all new tax legislation, the IRS, through the issuance of regulations and rulings, is working on implementing this major tax legislation that affects both individuals and businesses. No prediction can be made as to the direction this implementation could take, or of the likelihood of passage of any other new tax legislation or other provisions either directly or indirectly affecting the Company or any Member of the Company. Where the New Tax Act affects the Members of the Company, this will be pointed out in this Memorandum. Please note the Company has not sought a ruling from the IRS or any other Federal, state or local agency with respect to any of the tax issues affecting the Company, nor has it obtained an opinion of counsel with respect to any tax issues. YOU SHOULD INDEPENDENTLY CONSULT WITH YOUR TAX COUNSEL REGARDING THE TAX CONSEQUENCES OF AN INVESTMENT IN THE COMPANY.

In addition to the federal income tax considerations discussed below, ownership of Units may subject a Class B Member to state, local, estate, inheritance or intangibles taxes that may be imposed by various jurisdictions. Except as specifically indicated below, the following discussion does not address the various tax implications of an investment in the Company by any corporations, partnerships, tax-exempt entities, trusts, and other non-individual taxpayers.

The Company will make a number of decisions with respect to the tax treatment of particular transactions on the Company's tax return. There can be no assurance that the positions taken by the Company will be accepted by the IRS. Such non-acceptance could adversely affect the Class B Members.

The following summary does not purport to deal with federal income tax consequences applicable to all categories of investors, some of which may be subject to special rules, and is not intended as a substitute for careful tax planning. ACCORDINGLY, IT IS RECOMMENDED THAT EACH INVESTOR INDEPENDENTLY CONSULT HIS OR HER PERSONAL TAX COUNSEL BEFORE INVESTING IN THE COMPANY.

IN CONSIDERING THE INCOME TAX CONSEQUENCES OF AN INVESTMENT IN THE COMPANY, A PROSPECTIVE INVESTOR SHOULD KEEP IN MIND THAT THE COMPANY IS NOT INTENDED TO BE A SO-CALLED "TAX SHELTER." UNLESS OPERATIONS OF THE COMPANY RESULT IN ECONOMIC LOSSES, A RESULT NOT ANTICIPATED, THE OPERATIONS OF THE COMPANY ARE NOT EXPECTED TO GENERATE ANY MATERIAL TAX DEDUCTIONS FOR ALLOCATION TO THE MEMBERS. FURTHERMORE, THE OPERATIONS OF THE COMPANY MAY RESULT IN

A MEMBER BEING TAXED ON INCOME, EVEN THOUGH THE MEMBER DID NOT RECEIVE A DISTRIBUTION OF CASH FROM THE COMPANY.

Partnership Classification

With certain limited exceptions, a limited liability company formed on or after January 1, 1997 that has two or more members will be classified as a partnership for federal income tax purposes unless it makes an election to be treated as an association. The Company will have more than two Members and will not elect to be treated as an association. Therefore, the Company should be treated as a partnership for federal income tax purposes and thus will be a pass-through entity. See "Pass Through of Income", below. However, if such classification were not respected and the Company was taxed as a corporation, the Company would have to pay tax on the Company's income, reducing the amount of cash available for distribution to Class B Members, and Class B Members would not be able to deduct their share of any of the Company's losses should they occur. In addition, Class B Members would be taxed again at the time such Class B Members receive distributions from the Company. Such a classification would adversely affect the after-tax return of Class B Members, especially if the classification were to occur retroactively. Furthermore, a change in the Company's tax status would be treated as a sale or exchange of each Class B Member's Interest by the IRS, which could give rise to additional tax liabilities.

Taxable Year

The Company has a calendar year tax year. The tax year of the Company is important because each Class B Member's share of the Company's deductions, tax credits, if any, income and other items of tax significance must be taken into account on such Class B Member's personal federal income tax return for his, her or its tax year ending within or with which the Company's tax year ends.

Pass Through of Income

As a pass-through entity, the Company itself will not be subject to federal income tax. Instead, each Class B Member will be required to report on his, her or its own income tax return his, her or its share of the Company's taxable income or loss.

Substantially all of the Company's taxable income or loss for the foreseeable future will consist of interest income and revenue generated via completion of a successful exit strategy for notes (i.e., the sale of the Company's investment in such notes or real estate) or real estate. Interest and capital gains are reported separately from trade or business income of the Company and retain the same tax characteristics when reported on each Class B Member's individual tax return. Principles discussed in more detail below limit or preclude the use of tax losses allocable to a Class B Member until, in the case of trade or business losses deemed to be passive losses, such time as such exit strategy has occurred. See "Limitations on Availability of Losses."

The amount of a Class B Member's share of taxable income for a year will not ordinarily be identical to the amount of his or her share of cash distributions. Accordingly, in a particular year, a Class B Member may be allocated taxable income without receiving a distribution of

cash. Cash received by a Class B Member from the Company generally will not cause recognition of taxable income by a Class B Member but will reduce the Class B Member's basis in his or her Interests. However, a distribution of cash in excess of a Class B Member's adjusted basis in his or her Interests immediately prior to the distribution will result in the recognition of taxable income to the extent of such excess. Any such taxable income generally will be treated as capital gain.

In addition, we anticipate that all taxable income allocated to Class B Members and gain from sales of interests in the Company or distributions in excess of tax basis, will be "net investment income" which may be subject to an additional 3.8% federal tax, in addition to ordinary income or capital gains tax. *See* "Net Investment Income Tax."

Tax Treatment of Company Investments

In General. The Company expects to act as a trader or investor, and not as a dealer, with respect to its securities transactions. A trader and an investor are persons who buy and sell securities for their own accounts. A dealer, on the other hand, is a person who purchases securities for resale to customers rather than for investment or speculation.

Generally, the gains and losses realized by a trader or investor on the sale of securities are capital gains and losses. Thus, the Company expects that its gains and losses from its securities transactions typically will be capital gains and capital losses. These capital gains and losses may be long-term or short-term depending, in general, upon the length of time the Company maintains a particular investment position and, in some cases, upon the nature of the transaction. Property held for more than one year generally will be eligible for long-term capital gain or loss treatment. Finally, the Company may realize ordinary income from accruals of interest

The maximum ordinary income tax rate for individuals is 37 percent and the maximum individual income tax rate for long-term capital gains is 20 percent. The excess of capital losses over capital gains may be offset against the ordinary income of an individual taxpayer, subject to an annual deduction limitation of $3,000. For corporate taxpayers, there is no separate capital gains rate. However, the New Tax Act reduced the maximum income tax rate from 35 percent to 21 percent. Capital losses of a corporate taxpayer may be offset only against capital gains, but unused capital losses may be carried back three years (subject to certain limitations) and carried forward five years.

Market Discount

The Company intends to buy mortgages at a significant discount from their stated principal amounts. As a result, the mortgages will be treated as having "market discount" equal to the difference between the purchase price for the mortgages and their stated principal amounts. This "market discount" will accrue ratably over the remaining life of the mortgages, and any accrued market discount with respect to a mortgage will be taxed as ordinary income when that mortgage is sold. Thus, a significant portion of a Member's taxable income from the sale of mortgages, as well as from mortgage interest payments, may be taxed as ordinary income, rather than capital gains.

Net Investment Income Tax

To the extent the Company (and thus a Member) has income from investments, the individual may be subject to net investment income tax. Effective Jan. 1, 2013, individual taxpayers became liable for a 3.8 percent Net Investment Income Tax on the lesser of their net investment income, or the amount by which their modified adjusted gross income exceeds the statutory threshold amount based on their filing status.

The statutory threshold amounts are:

- Married filing jointly — $250,000,
- Married filing separately — $125,000,
- Single or head of household — $200,000, or
- Qualifying widow(er) with a child — $250,000.

In general, net investment income includes, but is not limited to: interest, dividends, capital gains, rental and royalty income, and non-qualified annuities. Net investment income generally does not include wages, unemployment compensation, Social Security Benefits, alimony, and most self-employment income. Additionally, net investment income does not include any gain or income excluded from gross income for regular income tax purposes. To the extent any gain or income is excluded from gross income for regular income tax purposes, it is not subject to the Net Investment Income Tax.

If an individual owes the net investment income tax, the individual must file Form 8960. Form 8960 Instructions provide details on how to figure the amount of investment income subject to the tax.

Limitations on Availability of Losses

Tax Basis Rules

Although the Company is not intended to provide material tax benefits to the Members, if the Company incurs a net taxable loss in any year, a Member will only be able to deduct a portion of the taxable loss on his or her individual tax return to the extent (a) such loss may properly be allocated to such Member (as discussed above), (b) such Member has a sufficient tax basis to deduct such loss, (c) such Member has a sufficient amount "at risk" with respect to the Company, and (d) such loss is not suspended under the passive activity rules. The "at risk" and "passive activity" rules are discussed in more detail below.

A Member's tax basis for his or her Interests generally will be equal to the amount of cash and the adjusted basis of other property contributed by him, her or it to the Company, increased by the Member's share of any Company liabilities and by taxable income allocated to the Member, and decreased by the amount of losses allocated to him, her or it and cash distributed to him, her or it. Subject to the limitations discussed below, each Member may deduct on his, her or its federal income tax return his, her or its share of the Company's taxable losses, if any, to the extent that he, she or it has basis in his, her or its Interests. Any tax loss in

excess of a Member's tax basis may be carried over indefinitely and may be deducted in future years to the extent that the Member's basis has increased above zero.

At-Risk Rules

A Member who is an individual, an S Corporation, or a closely-held C Corporation (*i.e.*, in which five or fewer shareholders directly or indirectly own more than 50% of the stock) must be "at risk" with respect to its investment in the Company in order to deduct the losses and deductions generated by the Company. A Member generally will be considered "at risk" to the extent of the cash and adjusted basis of other property contributed to the Company, as well as any borrowed amounts contributed to the Company with respect to which such Member has personal liability for payment from his or her own assets.

Passive Activity Rules

The passive activity rules are designed to prevent taxpayers from using losses from "passive" activities to offset income from certain other sources, including "active" business income. Whether a particular Member's share of the income or loss of the Company will be characterized as "passive" may depend on his or her personal circumstances. To the extent a Member's interest in the Company is treated as an interest in a passive activity, that Member's allocable share of losses from the Company would only be deductible against the Members' passive income from other investments, and would not be deductible against such Member's income from other non-passive sources, including salary income, income from an active trade or business and income from a portfolio of individual assets. Losses suspended under the passive activity rules may be carried forward indefinitely and used to offset passive income earned in future years or deducted when such Member disposes of his or her interest in the Company. It is not expected that an investment in the Company by a Class B Member will be subject to the passive activity loss limitations.

Investment Expense Deduction.

To the extent any of the expenses of the Company allocated to the Class B Members are determined to be (and are separately stated as) investment expenses, such expenses will not be deductible to Class B Members that are not C corporations. Such expenses were previously deductible as miscellaneous itemized deductions. However, the New Tax Act disallowed all miscellaneous itemized deductions.

Investment Interest Expense Deduction

The amount of investment interest expense that can be deducted in a given year by a Class B Member is capped at his, her or its net taxable investment income for the year. Any leftover investment interest expense gets carried forward to the next year and potentially can be used to reduce taxes in the future. Investment income includes ordinary dividends and interest income but does not include investment income taxed at the lower capital gains tax rates, like qualified dividends or municipal bond interest which is not taxed.

Organization and Offering Expenses

The Company will incur expenses in connection with its organization and this Offering. The Code requires that certain of these organization expenses be capitalized. The Company intends to elect to amortize over one hundred and eighty months as much of these expenditures as qualify as "organizational expenses" as defined in the Code. Offering expenses, including attorneys' fees allocable to the preparation of this Memorandum, and any expenses incurred in connection with the Offering of Interests to the Members, will be capitalized permanently, and no deduction will be obtained by the Company with respect to such expenses. The IRS may challenge the amount of expenses that the Company treats as "organizational expenses," and/or attempt to recharacterize other payments as non-deductible offering or syndication expenses.

Alternative Minimum Tax (AMT)

The New Tax Act completely repealed the corporate AMT. As such, Members that are taxed as corporations (other than S corporations) will not be concerned with the impact of an investment in the Company on AMT.

Non-corporate taxpayers are subject to an alternative minimum tax to the extent the tentative minimum tax ("TMT") exceeds the regular income tax otherwise payable. The rate of tax imposed on alternative minimum taxable income ("AMTI") in computing TMT is 26% and 28%. AMTI consists of the taxpayer's taxable income, as adjusted under Sections 56 and 58 of the Code, plus the taxpayer's items of tax preference, reduced by the applicable exemption amount for such taxpayer, which exemption amount is phased out for taxpayers above a certain income level (i.e., phase out thresholds). The Company will not be subject to the alternative minimum tax, but each Member is required to take into account on that Member's own tax return his or her share of the Company's tax preference items and adjustments in order to compute alternative minimum taxable income. Since the impact of this tax depends on each Member's particular situation, Members are urged to consult their own tax advisors as to the applicability of the alternative minimum tax with respect to an investment in the Company.

The New Tax Act increases the exemption amount threshold to $109,400 for married taxpayers filing a joint return (half this amount for married taxpayers filing a separate return), and $70,300 for all other taxpayers (other than estates and trusts) for tax years beginning after December 31, 2017, and beginning before January 1, 2026. It also increases the phase-out threshold to $1,000,000 for married taxpayers filing a joint return, and $500,000 for all other taxpayers (other than estates and trusts) beginning after December 31, 2017, and beginning before January 1, 2026.

THE AMOUNT OF ANY ALTERNATIVE MINIMUM TAX DEPENDS UPON THE TOTAL INCOME LIABILITY OF THE TAXPAYER. EACH MEMBER SHOULD CONSULT HIS OR HER OWN TAX ADVISOR TO DETERMINE THE EFFECT OF THE ALTERNATIVE MINIMUM TAX ON HIS OR HER INVESTMENT IN THE COMPANY.

Disposition of Interests

Upon the sale or exchange of all or some the Interests or upon the redemption of such

Interests by the Company, if held by the Class B Member as a capital asset for more than 12 months, will result in recognition of long-term capital gain or loss, except for such Class B Member's share of the Company's ''Section 751 assets'' (*i.e.* inventory items and unrealized receivables). ''Unrealized receivables'' includes any right to payment for goods delivered, or to be delivered, to the extent the proceeds would be treated as amounts received from the sale or exchange of non-capital assets, services rendered or to be rendered, to the extent not previously includable in income under the Company's accounting methods, and deductions previously claimed by such Class B Member for depreciation, depletion and Mining and Exploration Costs with respect to the Company. ''Inventory items'' includes property properly includable in inventory and property held primarily for sale to customers in the ordinary course of business and any other property that would produce ordinary income if sold, including accounts receivable for goods and services. These tax items are sometimes referred to as ''Section 751 assets.'' All of these tax items may be recaptured as ordinary income rather than capital gain regardless of how long a Class B Member has owned the Interests. Moreover, due to the operation of Code Section 751, a Class B Member may recognize both ordinary income and a capital loss on the disposition of the same Interests, even if the Interests are disposed at a loss.

If a Class B Member dies, or sells or exchanges all of his, her or its Interests, the tax year of the Company will close with respect to such Class B Member, but not with respect to the remaining Members, and on the date of death, sale or exchange, and there will be a proration of partnership items for the Company's tax year. If a Class B Member sells less than all of his, her or its Interests, the Company's tax year will not terminate with respect to such Class B Member, but such Class B Member's proportionate share of the Company's items of income, gain, loss, deduction and credit will be determined by taking into account such Class B Member's varying interests in the Company during the tax year.

You are urged to seek advice based on your particular circumstances from an independent tax advisor before any sale or other disposition of your Interests, including any redemption of your Interests by the Company.

Company Tax Audits

There is a possibility that, either in the normal course or pursuant to its audit guidelines, the IRS will audit the information returns filed by the Company. An audit could result in the disallowance of certain deductions taken by the investors. In addition, an audit of the Company could lead to an audit of an investor's personal tax return with respect to non-Company items.

The expense of any audit of the Company by the IRS (and by any other taxing authority) will be borne by the Company and not by the Members. All costs of any audit of any Member's return, including any subsequent administrative or court proceedings, will be borne by the Member individually. If a tax deficiency is determined with respect to the return of a Member for any year, the Member will be liable for interest on such deficiency from the due date of the return at the rate set by the IRS on a quarterly basis in accordance with Section 6621 of the Code and may be subject to penalties for underreporting of income and failure to pay tax.

The Code imposes detailed procedures for the auditing of partnerships for federal income tax purposes. These provisions require that the proper tax treatment of partnership items of income, gain, loss, deduction, preference item, and credit must be determined at the partnership level in unified administrative and judicial partnership proceedings rather than in separate proceedings conducted by each partner.

A centralized partnership audit regime is currently in effect that requires the Company to designate a person, whether or not an owner of an interest in the Company, as the "partnership representative." (referred to herein as the "**Company Tax Representative**") to take the place of the Tax Matters Partner from the prior regime. Although the Company Tax Representative will have more powers with respect to the Company audit matters and potentially less accountability to the Members of the Company than the Tax Matters Partner did under the former audit regimen, the Company's Operating Agreement requires the Manager to keep the Members informed of all matters affecting their Interests. Nic DeAngelo will serve as the Company Tax Representative. The biggest change implemented by this new audit regime is that that any adjustment to items of income, gain, loss, deduction, or credit of a partnership (i.e., the Company) for a partnership tax year (and any partner's (i.e., Class B Member's) distributive share thereof) shall be determined, and any tax attributable thereto shall be assessed and collected, at the partnership level. In addition, the applicability of any penalty, addition to tax, or additional amount which relates to an adjustment to any such item or share shall also be determined at the partnership level. The prior audit regime had these adjustments occurring at the individual level, which meant that each Member of an LLC taxed as a partnership (such as the Company) would have to have amended their own personal returns. Because of the new regime, although the Manager will keep Members reasonably apprised of all audit matters, no Member will have the ability to personally contest an adjustment to his or her tax return. Additionally, all amounts collected by the IRS from the Company under the new regime likely would have to be paid prior to distributions to the Members, thus possibly delaying, or in some cases eliminating, distributions that otherwise would have been made to Members, including the Class B Members. Because of these significant procedural changes (which may have substantive tax consequences on Members), each potential Class B Member is urged to consult with his or her personal tax advisor.

Tax-Exempt Members

In general, Members that are otherwise exempt from federal income taxation pursuant to Section 501(a) of the Code ("Tax-Exempt Investors") are subject to taxation with respect to any unrelated business taxable income ("UBTI"). Under Section 512(c) of the Code, when computing UBTI, a Tax-Exempt Investor must include its distributive share of income of any partnership of which it is a partner to the extent that such income would be UBTI if earned directly by the Tax-Exempt Investor.

UBTI is generally defined as gross income from a trade or business regularly carried on by a tax-exempt entity that is unrelated to its exempt purpose (including an unrelated trade or business regularly carried on by a partnership of which the Member is a partner) less the deductions directly connected with that trade or business. Subject to income earned through conducting a U.S. trade or business and to the discussion of the "unrelated debt financed

income" below, UBTI generally does not include interest, most real property rents or gains from the sale, exchange, or other disposition of property (other than inventory or property held primarily for sale to customers in the ordinary course of a trade or business), but does include operating income from businesses owned directly or through a "flow-through" entity for U.S. federal income tax purposes.

If a Tax-Exempt Investor's acquisition of an interest in the Fund is debt-financed, or the Fund incurs "acquisition indebtedness" with respect to an investment, then all or a portion of the income attributable to the debt-financed property will be included in UBTI regardless of whether such income would otherwise be excluded as dividends, interests, rents, gain or loss from sale of eligible property or similar income. Such treatment will apply, in the case of ordinary income, only in tax years in which the Fund had acquisition indebtedness outstanding or, in the case of a sale, if the Fund had acquisition indebtedness outstanding at any time during the 12-month period prior to the sale.

In addition, UBTI can be realized through an acquisition, development, and disposition strategy whereby the Fund would be treated as a "dealer" with respect to all or part of the assets in which it invests. In this case all the gain from the disposition of such assets generally would be UBTI (subject to a limited exception for gain from the sale of certain real estate assets acquired from insolvent financial institutions). Because the Fund expects to incur "acquisition indebtedness" with respect to certain investments, Tax-Exempt Investors will likely recognize UBTI with respect to an investment in the Fund. In addition, the loan programs and some of the direct acquisitions of real property may constitute a U.S. trade or business.

There can be no assurance that the Tax-Exempt Investors will not incur UBTI with respect to any investment. Accordingly, Tax-Exempt Investors are urged to consult with their own tax advisors regarding the possible consequences of an investment in the Fund.

TAX-EXEMPT INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING ALL ASPECTS OF UBTI.

State and Local Taxes

In addition to the federal income tax aspects described above, Class B Members should consider potential state and local tax consequences of an investment in the Company. Each potential Class B Member is advised to consult with his or her own tax advisor to determine if the state or locality in which he or she is a resident imposes a tax upon his or her share of the income or loss of the Company. To the extent that a non-resident investor pays tax to a state or locality by virtue of operations within that state or locality, the investor may be entitled to a deduction or credit against tax owed to the investor's state or locality of residence with respect to the same income and should consult with his or her tax advisor in this regard. The Company may be required to withhold state taxes from distributions to the Class B Members in some instances.

INVESTOR SUITABILITY STANDARDS

A purchase of Interests in the Offering involves a high degree of risk and is not a suitable investment for all potential accredited investors. See "Risk Factors." The offer and sale of

Interests are exempt from registration under the Securities Act and applicable state securities laws pursuant to exemptions therein. Accordingly, the Interests are being offered by the Company to accredited investors who meet the suitability standards set forth below and in the Subscription Agreement. An investment in the Interests is suitable only for persons who have adequate means of providing for their current needs and personal contingencies and have no need for liquidity in an investment of this type. In order to satisfy the suitability standards, each prospective purchaser will be required to represent to the Company, among other things, that he or she meets each of the following requirements: (a) he, she or it is an accredited investor as that term is defined in Rule 501 of Regulation D promulgated under the Securities Act, and he, she or it has the requisite knowledge or has relied upon the advice of his or her own professional adviser with regard to the financial, business, tax and other considerations involved in making such an investment, and (b) he, she or it is acquiring the Interests for investment only and not with a view to resale or distribution thereof. Sales of Interests will be made only to persons who the Company has reasonable grounds to believe immediately prior to sale, and upon making reasonable inquiry, by reason of their business or financial experience, have the capacity to protect their own interest in connection with the Offering. The Company has the unconditional right to reject any subscription.

IF THE COMPANY IS INCORRECT IN ITS ASSUMPTION AS TO THE CIRCUMSTANCES OF A PARTICULAR PROSPECTIVE INVESTOR, THEN THE DELIVERY OF THIS MEMORANDUM TO THAT PROSPECTIVE INVESTOR SHALL NOT BE DEEMED TO BE AN OFFER, AND THIS MEMORANDUM SHALL BE RETURNED TO THE COMPANY IMMEDIATELY.

THE SUITABILITY STANDARDS DISCUSSED ABOVE REPRESENT MINIMUM SUITABILITY STANDARDS FOR PROSPECTIVE INVESTORS. EACH PROSPECTIVE INVESTOR SHOULD DETERMINE WHETHER AN INVESTMENT IN THE COMPANY IS APPROPRIATE IN THAT INVESTOR'S PARTICULAR CIRCUMSTANCES.

ADDITIONAL INFORMATION

The summaries of, and references to, various documents in this Memorandum do not purport to be complete and in each instance, reference should be made to the copy of such document which is either an Exhibit to this Memorandum or which will be made available to potential investors and their professional advisers on request. During the course of the Offering, the Company will answer questions from prospective investors and their professional advisers concerning the Company and the terms and conditions of the Offering and will, on request, make available to such persons, any additional information, to the extent the Company possesses such information and it can be provided without substantial expense, which is necessary to verify the accuracy of the information contained in this Memorandum or otherwise furnished by the Company or which a prospective investor or his or her professional advisers desire in evaluating the merits and risks of an investment in the Interests.

Prospective investors should retain their own professional advisers to review and evaluate the economic, tax and other consequences of ownership of the Interests and are not to construe the contents of this Memorandum or any other information furnished by the Company, as investment, legal, accounting or tax advice.

EXHIBIT A

SUBSCRIPTION AGREEMENT

EXHIBIT B

ACCREDITED INVESTOR VERIFICATION PROCESS WITH VERIFY INVESTOR, LLC ("VERIFY INVESTOR")

After the investor signs the documents, the investor will receive a confirmation email from Investor.Relations@pprnoteco.com with a link to Verify Investor's website: https://www.verifyinvestor.com/. Using the link, the investor will follow the instructions to create an account if one does not already exist for the investor. The investor will then follow the instructions below to upload applicable documents to Verify Investor's website. Verify Investor's licensed attorneys will then approve or deny the accreditation status at no charge to the investor.

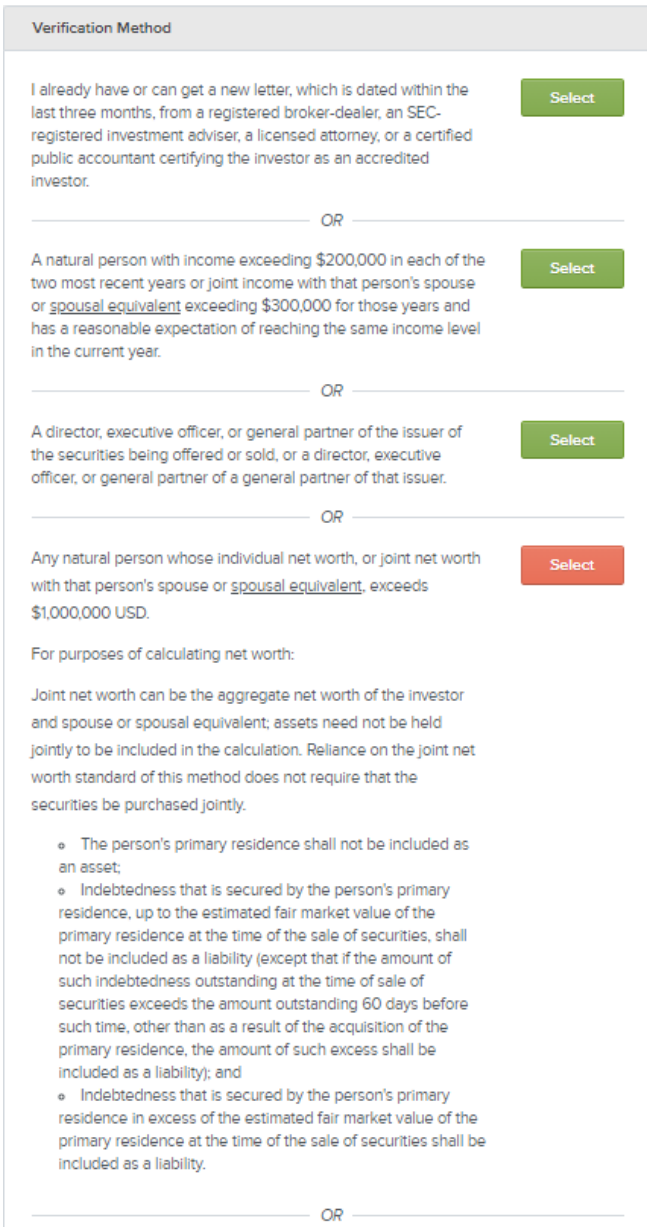

EXHIBIT B (continued)

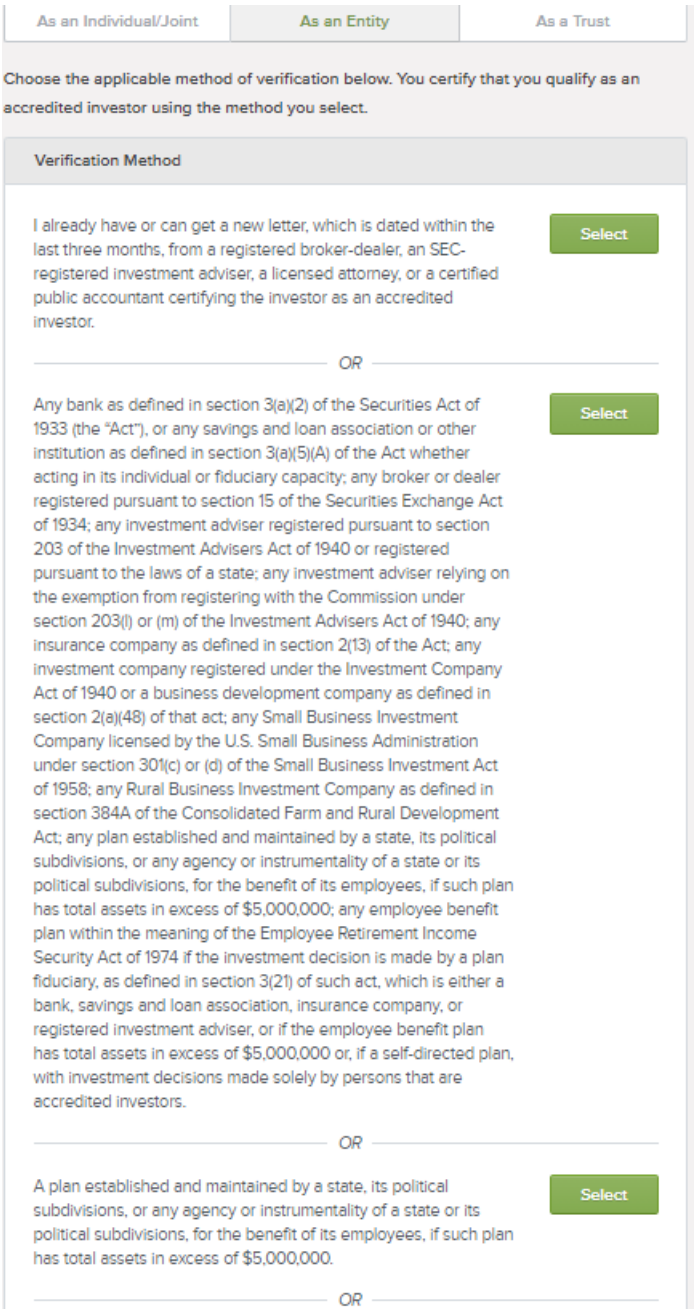

EXHIBIT B (continued)

OR

A private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940. Select

OR

Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, partnership, or limited liability company, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000. Most entities/companies choose this if they have over $5,000,000 in assets. Select

OR

A trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a person who either alone or with his purchaser representative(s) has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment. Select

OR

An entity in which all the equity owners are accredited investors. Select

OR

Any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 **AND**

if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, **OR**

if the employee benefit plan has total assets in excess of $5,000,000, **OR**

if a self-directed plan, with investment decisions made solely by persons that are accredited investors Select

OR

EXHIBIT B (continued)

OR

"Family Offices" as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940 (17 CFR 275.202(a)(11)(G)-1) meeting the requirements below, and any "family client" of such family office whose prospective investment in the issuer is directed by such family office pursuant to paragraph (iii) below:

(i) With assets under management in excess of $5,000,000,

(ii) That is not formed for the specific purpose of acquiring the securities offered, and

(iii) Whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment

Select

OR

Any entity, including Indian tribes, governmental bodies, funds, and entities organized under the laws of foreign countries, of a type not listed in the above methods, not formed for the specific purpose of acquiring the securities offered, owning investments in excess of $5,000,000.

Select

OR

A "Special Situation" which is designed to be a catch-all category for situations where an investor believes that it is so abundantly clear that they are an accredited investor that they don't need to provide the standard evidence that the regulations normally require for a proper verification. **Please note that it doesn't allow deviation from the legal definition of accredited investor; it only allows additional flexibility on how to prove it.** This SEC bulletin does a decent job describing most of the accredited investor categories. **Please contact support@verifyinvestor.com before you select this method of verification.**

Select

EXHIBIT B (continued)

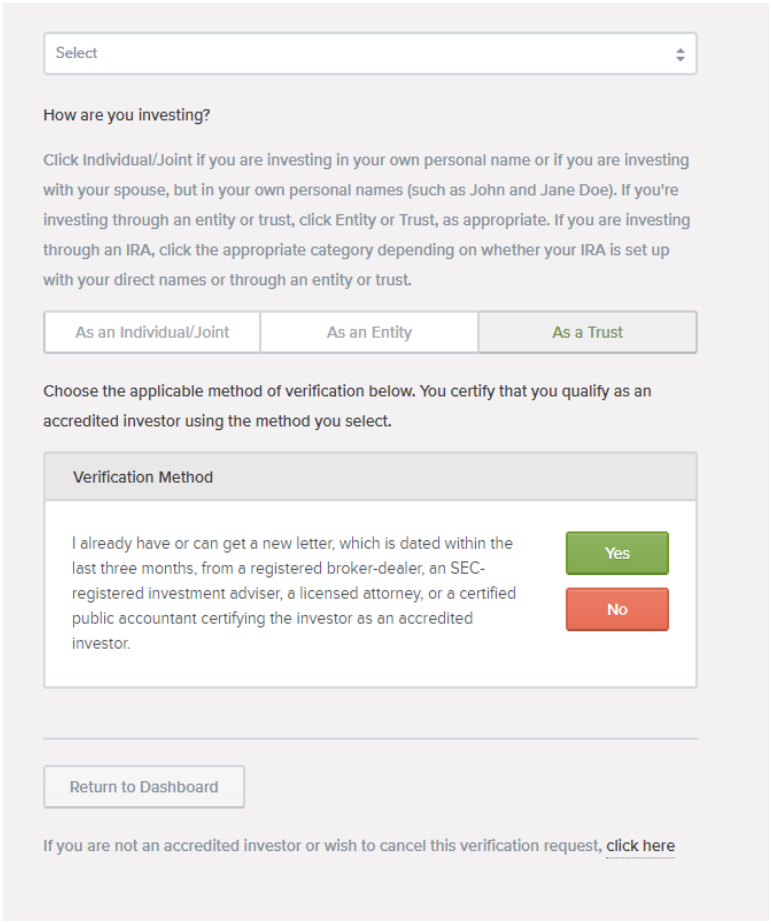
Select
How are you investing?
Click Individual/Joint if you are investing in your own personal name or if you are investing with your spouse, but in your own personal names (such as John and Jane Doe). If you're investing through an entity or trust, click Entity or Trust, as appropriate. If you are investing through an IRA, click the appropriate category depending on whether your IRA is set up with your direct names or through an entity or trust.
As an Individual/Joint
As an Entity
As a Trust
Choose the applicable method of verification below. You certify that you qualify as an accredited investor using the method you select.
Verification Method
I already have or can get a new letter, which is dated within the last three months, from a registered broker-dealer, an SEC-registered investment adviser, a licensed attorney, or a certified public accountant certifying the investor as an accredited investor.
Yes
No
Return to Dashboard
If you are not an accredited investor or wish to cancel this verification request, click here

EXHIBIT C

LIMITED LIABILITY COMPANY AGREEMENT
OF
SIG ICF-I, LLC

EXHIBIT D

FORM W-9
REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION