Offeree: ____________________

No: ____________________

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

DATED: MAY 29, 2024

TO ACCREDITED INVESTORS ONLY

F STREET INVESTMENTS, LLC

A WISCONSIN LIMITED LIABILITY COMPANY

$50,000 MINIMUM INVESTMENT

THE SECURITIES OFFERED IN THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM (THIS "MEMORANDUM") HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), OR REGISTERED UNDER ANY STATE'S SECURITIES LAWS. NEITHER THE SECURITIES AND EXCHANGE COMMISSION ("SEC") NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

AN INVESTMENT IN THESE SECURITIES MAY INVOLVE A SUBSTANTIAL RISK OF LOSS. YOU SHOULD REVIEW THE ENTIRE CONTENTS OF THIS MEMORANDUM, INCLUDING THE RISKS SET FORTH BEGINNING ON PAGE 9 BEFORE MAKING YOUR INVESTMENT DECISION.

TABLE OF CONTENTS

IMPORTANT NOTICES TO INVESTORS

F STREET INVESTMENTS, LLC (HEREINAFTER REFERRED TO AS THE "COMPANY" OR IN THE FIRST PERSON AS "WE," "OUR," OR "US") IS OFFERING PROMISSORY NOTES (THE "SECURITIES" OR THE "NOTES") TO PROSPECTIVE INVESTORS ("YOU" OR, INDIVIDUALLY OR COLLECTIVELY, AS THE CONTEXT REQUIRES, "INVESTORS"). THE OFFERING IS A GENERAL SOLICITATION BEING MADE TO SELECT "ACCREDITED INVESTORS" (AS DEFINED IN RULE 501(A) OF REGULATION D PROMULGATED BY THE SEC) ONLY PURSUANT TO RULE 506(C) OF REGULATION D PROMULGATED BY THE SEC. ALL INVESTORS ARE REQUIRED TO COMPLETE AN INVESTOR QUESTIONNAIRE AND PROVIDE SUPPORTING DOCUMENTATION TO CONFIRM "ACCREDITED INVESTOR" STATUS, WHICH SHALL BE VERIFIED BY A THIRD PARTY DESIGNATED BY THE COMPANY. THE SECURITIES WILL BE SOLD ONLY PURSUANT TO A SIGNED SUBSCRIPTION AGREEMENT, AS DEFINED BELOW.

THIS IS AN OFFERING OF UNREGISTERED SECURITIES. THE SECURITIES OFFERED BY THIS MEMORANDUM HAVE NOT BEEN REGISTERED FOR SALE UNDER THE SECURITIES ACT OR REGISTERED UNDER ANY STATE'S SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS THEY HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE. FOR MORE INFORMATION, YOU SHOULD UNDERSTAND THAT YOU MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF YOUR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

THE INFORMATION IN THIS MEMORANDUM IS PROVIDED TO YOU SOLELY TO ENABLE YOU TO EVALUATE THE TERMS OF AN INVESTMENT IN THE COMPANY, AND ON THE UNDERSTANDING THAT YOU WILL NOT USE THIS MEMORANDUM FOR ANY OTHER PURPOSE OR COPY OR REPRODUCE THIS MEMORANDUM OR DISTRIBUTE THIS MEMORANDUM TO ANYONE OTHER THAN YOUR LEGAL, TAX, ACCOUNTING AND INVESTMENT ADVISORS. IF YOU ACCEPT A COPY OF THIS MEMORANDUM, YOU AGREE TO RETURN THIS MEMORANDUM AND ALL RELATED DOCUMENTS TO THE COMPANY IF YOU DO NOT INVEST IN THE COMPANY. IF YOU RECEIVED AN ELECTRONIC COPY, YOU ARE REQUIRED TO DELETE IT FROM YOUR SYSTEM, THOUGH YOU ARE NOT REQUIRED TO DELETE IT FROM YOUR SYSTEM-BACKUP MEDIA (E.G., EMAIL AND FILE BACKUP), SO LONG AS SUCH BACKUP MEDIA ARE MAINTAINED IN CONFIDENCE AND ARE NOT READILY ACCESSIBLE TO OTHERS AND WILL BE OVERWRITTEN IN THE ORDINARY COURSE OF REUSE OF THE SYSTEM-BACKUP MEDIA.

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITY OFFERED HEREBY BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH AN OFFER, SOLICITATION OR SALE. THIS MEMORANDUM IS PERSONAL TO EACH INVESTOR AND DOES NOT CONSTITUTE AN OFFER TO ANY OTHER

PERSON OR TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE SECURITIES DISCUSSED HEREIN.

NEITHER THE DELIVERY OF THIS MEMORANDUM NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF OUR COMPANY OR THAT THE INFORMATION SET FORTH IN THIS MEMORANDUM IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF.

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS MEMORANDUM. WE HAVE NOT AUTHORIZED ANY OTHER PERSON TO PROVIDE YOU WITH DIFFERENT INFORMATION. IF ANYONE PROVIDES YOU WITH DIFFERENT OR INCONSISTENT INFORMATION, YOU SHOULD NOT RELY ON IT.

ANY DISCUSSION OF FEDERAL TAX ISSUES CONTAINED OR REFERENCED IN THIS MEMORANDUM IS NOT INTENDED TO BE USED, AND CANNOT BE USED, BY PROSPECTIVE INVESTORS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE INTERNAL REVENUE CODE OR ANY APPLICABLE STATE CODES; SUCH DISCUSSION IS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING BY THE COMPANY OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THIS MEMORANDUM; AND PROSPECTIVE INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

CONSULT WITH YOUR LEGAL, TAX, ACCOUNTING AND INVESTMENT ADVISORS BEFORE INVESTING. YOU SHOULD NOT VIEW THE CONTENTS OF THIS MEMORANDUM AS LEGAL, TAX, ACCOUNTING OR INVESTMENT ADVICE. YOU SHOULD CONSULT YOUR OWN COUNSEL, ACCOUNTANT OR FINANCIAL ADVISOR AS TO LEGAL, TAX AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE COMPANY.

THE COMPANY HAS PREPARED THIS MEMORANDUM AND IS SOLELY RESPONSIBLE FOR ITS CONTENTS. THIS MEMORANDUM DOES NOT PURPORT TO BE ALL INCLUSIVE OR TO CONTAIN ALL THE INFORMATION THAT YOU MAY DESIRE IN INVESTIGATING THE COMPANY AND THE TERMS OF THIS OFFERING. SEE “RISK FACTORS” BELOW FOR A DISCUSSION OF CERTAIN FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE COMPANY. YOU ARE RESPONSIBLE FOR MAKING YOUR OWN EXAMINATION AND INVESTIGATION OF THE COMPANY AND YOUR OWN ASSESSMENT OF THE MERITS AND RISKS OF INVESTING IN THE COMPANY.

WE RESERVE THE RIGHT IN OUR SOLE DISCRETION, AND FOR ANY REASON WHATSOEVER: (I) TO MODIFY, AMEND AND/OR WITHDRAW THE TERMS OF THE OFFERING OR THE NUMBER OF SECURITIES OFFERED; (II) TO ACCEPT OR REJECT IN WHOLE OR IN PART ANY PROSPECTIVE INVESTMENT IN THE SECURITIES; OR (III) TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE AMOUNT OF THE SECURITIES SUCH INVESTOR HAS SUBSCRIBED TO PURCHASE. WE SHALL HAVE NO LIABILITY WHATSOEVER TO ANY OFFEREE

AND/OR INVESTOR IN THE EVENT THAT ANY OF THE FOREGOING SHALL OCCUR.

FOR FLORIDA RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE FLORIDA SECURITIES AND INVESTOR PROTECTION ACT IN RELIANCE UPON EXEMPTIVE PROVISIONS CONTAINED THEREIN. SECTION 517.061(11)(a)(5) OF THE FLORIDA SECURITIES AND INVESTOR PROTECTION ACT (THE "FLORIDA ACT") PROVIDES WHEN SALES ARE MADE TO FIVE OR MORE PURCHASERS IN THIS STATE THAT ANY SALE OF SECURITIES IN FLORIDA WHICH ARE EXEMPTED FROM REGISTRATION UNDER SECTION 517.061(11) OF THE FLORIDA ACT IS VOIDABLE BY THE PURCHASER IN SUCH SALE EITHER WITHIN THREE (3) DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY SUCH PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER, OR AN ESCROW AGENT OR WITHIN THREE (3) DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER.

FORWARD-LOOKING STATEMENTS

This Memorandum contains forward-looking statements that are based on the Company's current views and assumptions and involve a number of risks and uncertainties that could cause actual results to differ materially. These forward-looking statements are typically identified by terms and phrases such as "anticipate," "believe," continue," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "should," "will," and similar expressions.

These forward-looking statements, wherever they occur in this Memorandum, are estimates reflecting the best judgment of the management of the Company. These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Forward-looking statements should, therefore, be considered in light of various important factors, including those set forth under "Risk Factors" and elsewhere in this Memorandum. The Company has no obligation to revise or update any forward-looking statement for any reason.

This Memorandum updates and supersedes the Confidential Offering Memorandum dated February 1, 2023, as previously amended or supplemented.

SUMMARY OF THE OFFERING

The following is a summary of certain information appearing elsewhere in this Memorandum. This summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Memorandum.

Company Overview

The Company was formed as a Wisconsin limited liability company on November 12, 2008, with the intent of raising capital for the express purpose of investing in yield-creating ventures in which the underlying assets are real estate, including but not limited to real estate development, real estate development lending and Hard Money Lending in association with the various affiliated entities that operate under Scott Lurie's "F Street" brand, including but not limited to the "Milwaukee Hard Money" and "The Hard Money Co." business lines. For the purposes of this Memorandum, "Hard Money Lending" means asset-based loans that typically comes with a short maturity, as well as higher interest rates and fees, but offers much quicker access to funds for real estate investors. Such investments may include, but may not be limited to, direct Hard Money Lending, lending to affiliate Hard Money Lending entities, equity investment in affiliate Hard Money Lending entities, direct lending to affiliate real estate development entities and equity investment in affiliate real estate development entities. The Company generally makes its loans to entities such as limited liability companies and corporations for non-owner occupied single-family units, and as a result its loans are considered commercial loans under applicable law. The Company does not provide consumer financing.

The Company was founded by Scott Lurie, the manager and sole member of F Street Yield, LLC ("F Street Yield") and the founder of the "F Street", "Milwaukee Hard Money" and "The Hard Money Co." brands that operate under various affiliated entities, including but not limited to F Street Investments LLC. Scott Lurie is the manager of the Company (the "Manager").

The Company's principal executive offices are located at 1134 N. 9th Street, Suite 200, Milwaukee, WI 53233. Its telephone number is (414) 269-5300. A company representative may be reached by email at Scott@fstreetgroup.com.

The Offering

Issuer	F Street Investments, LLC, a Wisconsin limited liability company.
Type of Securities Offered	Promissory Notes (the "Securities" or the "Notes").
Goal of Offering	The goal of this Offering is to raise funds to invest in Hard Money Lending in association with the various affiliated entities that operate under Scott Lurie's "F Street" brand, including but not limited to the "Milwaukee Hard Money" and "The Hard Money Co." business lines

operated by the Company.

The Notes

Key terms of the Notes include the following:

- Date of Issuance: An Investor's Note will be issued and dated as of the closing at which the Investor's subscription for a Note has been fully funded and accepted by the Manager.
- Interest: Each Note will bear interest at a rate of 10% per year, accruing from the Date of Issuance of the Note.
- Interest Payments. Each Investor may decide whether to have interest (a) as simple (non-compounding) interest payable in cash monthly during the term of the Note on the last day of each month, (b) capitalized and added to the principal balance of the Note ("PIK Interest") as of the last day of each month or (c) in part as cash interest and in part as PIK Interest. At the time of investment, an Investor will submit an election for either cash interest or PIK Interest. On a monthly basis, an Investor may change its election using the form of Interest Election Notice attached to the Investor's Note.
- Maturity: A Note will mature 90 days after the date on which either the Company or the holder of the Note delivers a written demand for repayment, provided that the maturity date may not be prior to the one-year anniversary of the Date of Issuance.
- Security and Subordination: The Notes will be general unsecured obligations of the Company. The obligations of the Company with respect to the Notes will be subordinated to any obligations of the Company to any secured lender. In addition, each Note provides that all payments of principal and interest (whether a scheduled payment, prepayment or a payment as a result of acceleration hereof) may be subject to restrictions, conditions or tests (*e.g.* financial covenant tests) imposed by any

existing or future secured lender of the Company, and the failure to make any payment under a Note because the Company has failed to satisfy a restriction, condition or test imposed by any existing or future secured lender of the Company will not constitute an event of default under the Note.

See "Summary of the Notes" for more information.

Minimum Purchase	$50,000, subject to exception at the discretion of the Company acting through its Manager.
Continuous Offering; Supplements	The Securities will be offered on an on-going and continuous basis until the Offering Termination Date. During the offering period, we may supplement this Memorandum to add, update or change information contained in this Memorandum. We expect to supplement this on quarterly basis to provide updated financial statements.
Elections by Holders of Existing Notes	As of May 29, 2024, $[______] of Notes with cash interest only had been issued and were outstanding. A holder of such an existing Note will be offered the opportunity to elect PIK Interest instead of cash interest as to all or part of the Note through an amendment to the Note. Any such amendment would take effect as to the interest payment due at the end of the month after the month in which such holder elects PIK Interest (for example, if an election for PIK Interest is made in June, the first date for payment of PIK interest would be July 31 and the June 30 interest payment would still be made in cash).
Offering Period	The Offering will continue until terminated by the Manager (the "Offering Termination Date"). The Company will not accept any subscriptions received after the Offering Termination Date. The Manager reserves the right to terminate the Offering at any time.
Investor Qualification	The Securities will be offered and sold solely to "accredited investors" as that term is defined

in Rule 501(a) of Regulation D promulgated under the Securities Act. The Company will engage a third party to verify each Investor's status as an "accredited investor." Each Investor will be required to submit sufficient information for such verification as a condition to any investment. See “PLAN OF DISTRIBUTION.”

Use of Proceeds

Proceeds remaining after fees and expenses will be used to provide funds for loan financing through our Hard Money Lending Business, either as the sole lender or as part of a loan syndication with an affiliate of F Street Yield. We may also use the net proceeds of this Offering to fund general working capital requirements, including organizational expenses and operating expenses, including but not limited to salaries, consulting fees, lending underwriting, processing and administrative expenses, accounting costs and legal fees, and for other business purposes as may be determined by the Manager.

How to Invest

In order to invest in a Note, a potential new Investor must submit the following to the Manager: (1) a completed and executed Subscription Agreement, (2) a completed and executed Interest Election Notice electing whether to receive cash interest and/or PIK Interest, and (3) payment of the full subscription amount by electronic funds transfer or by check, as described in the Subscription Agreement.

Best Efforts

Pursuant to this Memorandum, the Offering to qualified investors shall be executed upon the terms and condition set forth below. The Company will use the proceeds of the Offering primarily as set out in the Use of Proceeds section set forth below.

RISK FACTORS

EACH PROSPECTIVE INVESTOR IS URGED TO CONSIDER CAREFULLY THE RISK FACTORS DISCUSSED BELOW AND TO CONSULT ITS OWN ADVISORS. ADDITIONAL RISKS AND UNCERTAINTIES THAT WE DO NOT PRESENTLY KNOW ABOUT OR THAT WE CURRENTLY BELIEVE ARE IMMATERIAL MAY ALSO ADVERSELY IMPACT OUR BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS OR THE VALUE OF YOUR INVESTMENT. THE SECURITIES OFFERED HEREBY ARE SUITABLE ONLY FOR ACCREDITED INVESTORS WHO HAVE SUBSTANTIAL FINANCIAL RESOURCES AND HAVE NO NEED FOR LIQUIDITY IN THIS INVESTMENT. ANYONE SUBSCRIBING FOR THE SECURITIES MUST REPRESENT THAT THEY ARE AN ACCREDITED INVESTOR. AN INVESTMENT IN THE SECURITIES IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. PROSPECTIVE INVESTORS MUST BE PREPARED TO BEAR THE ECONOMIC RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME AND BE ABLE TO WITHSTAND A LOSS OF ALL OF THEIR INVESTMENT.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR ANY OTHER JURISDICTION AND ARE BEING OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT. THE SECURITIES OFFERED HEREBY HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS SUBSCRIPTION AGREEMENT OR RELATED DOCUMENTS. CAPITALIZED TERMS USED BUT NOT DEFINED HEREIN SHALL HAVE THE MEANINGS INDICATED IN THE SUBSCRIPTION AGREEMENT OR PROMISSORY NOTE, AS APPLICABLE.

Risks Relating to the Company's Operations

Risks Related to Hard Money Lending

Unlike traditional real estate lending, the underwriting of Hard Money Lending does not include credit checks. As a result, there is a higher potential of issuing loans to borrowers with default risks. Furthermore, borrowers of hard money loans use loan proceeds in real estate investing, including remodeling and reselling real estate usually in a short time period, which is speculative in nature and can have a high risk of failure, resulting in a higher risk of loan default.

General Real Estate Risks

The Company will be subject to the risks that generally relate to investing in real estate related assets because it will principally make loans secured by real estate assets. Real estate historically has experienced significant fluctuations and cycles in performance that may result in reductions in the value of the Company’s real estate-related investments. The performance and value of its investments once acquired depends upon many factors beyond the Company’s control. The ultimate performance and value of the Company’s investments are subject to the varying degrees of risk generally incident to the ownership and operation of the properties in which the Company invests and which collateralize or support its investments. The ultimate performance and value of the Company's investments will depend upon, in large part, the borrower's or the Company's ability to operate any given property so that it produces sufficient cash flows necessary either to pay the interest and principal due to the Company on its loans or pay the Company as an equity investor.

Any of the foregoing factors could adversely impact the return on and cash flow and values of the Company's investments. In addition, property values can decline below their acquisition price or below their appraised, assessed, or perceived values after the acquisition. Appraisals, if obtained, are only the appraiser's opinion of the property values at a given point in time. Material declines in values could result in subsequent losses. The Company's real estate based investments may be difficult to sell in an efficient and expeditious manner, and there can be no assurance that there will be a ready resale market when the Company elects to sell such investments.

Macroeconomic and U.S. residential real estate market conditions

Our results of operations are materially affected by conditions in the mortgage loan and real estate markets, the financial markets and the economy generally. Continuing concerns about inflation, rising interest rates, energy costs, geopolitical issues (including the potential for increased tensions between the United States and Russia resulting from armed conflict involving Russia and Ukraine and related unrest), political gridlock on United States federal budget matters including full or partial government shutdowns, trade wars, any outbreaks of contagious diseases and the availability and cost of credit could contribute to increased volatility and diminished expectations for the economy and markets going forward. If present U.S. and global economic uncertainties persist, loan origination activity may decline and an increasing number of outstanding loans may become non-performing. Should any of these situations occur, our loan originations and revenue could decline, we may experience increased loan losses and our business could be negatively impacted.

Lenient Underwriting Standards and Procedures

The Company will invest in loans with borrowers who will not be required to meet the credit standards of conventional mortgage lenders, which is riskier than investing in loans made to borrowers who are required to meet those higher credit standards.

Because the Manager approves loans more quickly than some other lenders or providers of capital, there may be a risk that the due diligence the Manager performs as part of its underwriting procedures would not reveal the need for additional precautions. If so, the interest rate the Company charges and the collateral the Company requires may not protect the Company adequately or generate adequate returns for the risk undertaken.

Risk of Default on Mortgage Loans / Non-Performing Mortgage Loans

The Company's investment strategy is the origination of loans which are subject to the risk of default. At the time of their origination or thereafter, loans may be nonperforming for a wide variety of reasons. Such nonperforming loans may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such Loan and/or purchasing senior loans. It is possible that the Manager may find it necessary or desirable to foreclose on collateral securing one or more loans purchased by the Company. The foreclosure process will vary from jurisdiction to jurisdiction and can be lengthy and expensive. Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims, and defenses against the holder of a loan, including, without limitation, lender liability claims and defenses, even when such assertions may have no basis in fact, in an effort to prolong the foreclosure action. During the foreclosure proceedings, a borrower may have the ability to file for bankruptcy or its equivalent, potentially staying the foreclosure action and further delaying the foreclosure process. Foreclosure litigation tends to create a negative public image of the collateral property and may result in disrupting ongoing leasing and management of the property. Even if foreclosure can be avoided and a restructuring were successfully accomplished, a risk exists that, upon maturity of such loan, replacement "takeout" financing will not be available.

In certain circumstances, the Company may lose priority of its liens to mechanic or materialmen liens, by reason of the borrower's wrongful acts or the priority allowed to certain tax liens. It is possible that the total amount recovered by the Company upon default may be less than the total amount of its loan, with resultant losses to the Company. In such circumstances, the Manager may pursue deficiency judgments against borrowers, if available. Most, if not all, of the Company's loans will be general obligations of the borrower or principals of the borrower. Properties held as collateral and foreclosed upon may not generate sufficient income from operations to meet associated expenses of the Company. In addition, operation of foreclosed properties may require the Company to spend money for an extended period, and subsequent income and capital appreciation from the foreclosed properties to the Company may be less than competing investments.

The Company may be required to rely totally on its interest in the collateral for repayment of a loan. The value of the collateral may be affected by general or local economic conditions, neighborhood values, interest rates, real estate tax rates, and other operating expenses, the possibility of competitive overbuilding, and of the inability to obtain or maintain full occupancy of the properties, governmental rules and fiscal policies, acts of God, or casualties for which insurance is not available or obtainable for commercially reasonable premiums, and other factors which are beyond the Company's or the Manager's control.

The collateral may be affected in many respects by shortages and increased costs of energy. Transportation difficulties may affect the accessibility and desirability of the collateral to tenants and customers and, together with the increasing cost and possible unavailability of fuels for heating, cooling, and other purposes, may adversely affect the value of properties. The Company may, in addition, require transaction analysis reports for environmental screening or other environmental reports on the collateral. The presence of hazardous substances on such properties may subject the Company to substantial liability for the cost of removal and/or treatment, reduce the value of the collateral or make it unmarketable. That cost may substantially exceed the value of the collateral involved. A borrower's ability to pay a loan balance in a large lump sum may depend on its ability to obtain suitable refinancing or otherwise raise a substantial cash amount. The collateral value could also be negatively impacted if a defaulting borrower were to damage the property, negligently or intentionally, while still in possession.

The loans may become uncollectible or subject to a reduced return due to a voluntary or involuntary bankruptcy, insolvency, or similar proceeding affecting any of the Company's borrowers or guarantors. If the Company invests in a large portion of loans with intermediate and long-term maturities, the Company will be limited in its ability to vary the portfolio promptly in response to changing economic, financial, and investment conditions.

Rights as a Secured Lender

The Company believes that its asset documents will enable it to enforce commercial arrangements with borrowers and other counterparties. However, the rights of borrowers, counterparties, and other secured lenders may limit the Company's practical realization of those benefits. For example:

- Judicial foreclosure is subject to the delays of protracted litigation. Although the Company expects nonjudicial foreclosure to be generally quicker, the Company's collateral may deteriorate and decrease in value during any delay in foreclosing on it.
- The borrower's right of redemption during foreclosure proceedings can deter the sale of the collateral and can for practical purposes require the Company to manage the property.
- Unforeseen environmental hazards may subject the Company to unexpected liability and procedural delays in exercising its rights.
- The rights of junior or senior secured parties in the same property can create procedural hurdles for the Company when it forecloses on collateral.
- The Company may not be able to pursue deficiency judgments after it forecloses on collateral.
- State and federal bankruptcy laws can prevent the Company from pursuing any actions, regardless of the progress in any of these suits or proceedings.
- The courts, particularly the bankruptcy courts, may unilaterally alter the contractual terms of assets, including doing so to the detriment of the Company.

In the event of default, it can be very difficult to predict with any certainty how courts will respond.

Reliance on Financing to Fund Business Operations

We have funded substantially all of the loans we close through borrowings under offerings of debt similar to the Notes and borrowings under our senior credit facility, and in the future we intend to use the proceeds of this Offering, similar debt offerings and borrowings under our senior debt facility to fund our operations. Our borrowings are in turn generally repaid with the proceeds we receive from payments on the loans we hold in our portfolio. As of May 29, 2024, we had outstanding debt in the principal amount of $[___] million, consisting $[___] million of secured debt under our senior credit facility and $[___] million of unsecured debt. In the event that our sources of funding are limited, our ability to maintain or grow our business could be adversely affected.

Risks of Real Estate Ownership

When the Company acquires real estate ("REO") through foreclosure, deed in lieu of foreclosure, or otherwise, it has economic and liability risks as the owner, including but not limited to:

- Earning less income on disposition of REO than costs incurred in acquiring, improving, and maintaining it;
- Keeping the REO leased by tenants;
- Potential damage to the REO by any tenants;
- Lack of availability or lapse in insurance coverage for REO;
- Controlling operating expenses;
- Coping with general and local market conditions;
- Possible exposure to environmental contamination remediation and clean-up costs, which in some cases could exceed the value of the REO;
- Complying with changes in the laws and regulations pertaining to taxes, use, zoning, and environmental protection; and/or
- Possible liability for injury to persons and property.

The Company intends to secure insurance against hazards and contingencies to the extent it can obtain such insurance as an owner at a reasonable cost.

Senior management

The experience of our senior management is a valuable asset to us. Our management team has significant experience in the industry, and, therefore, we are particularly dependent on retaining members of our management with such critical capabilities. If we are unable to do so, our ability to maintain relationships with counterparties and other third parties, operate, innovate and generate new business could be jeopardized, any of which could negatively impact our business, financial condition, and results of operations. We also depend on identifying, developing and retaining top talent to innovate and lead our businesses. In addition, our incentive compensation plans are intended to reward high-performing individuals for their contributions and provide incentives for them to remain with us. If the anticipated value of such incentives does not materialize because of volatility or lack of positive performance in our stock price, or if our total compensation package is not viewed as being competitive, our ability to attract and retain the personnel we need to operate could be adversely affected. The loss of a member of senior management requires the remaining executives to divert immediate and substantial attention to seeking a replacement. The inability to fill vacancies in our senior executive positions on a timely basis could adversely affect our ability to implement our business strategy, which could negatively impact our results of operations.

Failure to attract and retain a highly skilled workforce

Our future success will depend on our ability to identify, hire, develop, motivate, and retain highly qualified personnel for all areas of our organization, in particular skilled managers, loan officers and underwriters. Trained and experienced personnel are in high demand and may be in short supply in some areas. Companies with which we compete for experienced employees may have greater resources than we have and may be able to offer more attractive terms of employment. In addition, we invest significant time and expense in training our employees, which may increase their value to competitors who may seek to recruit them. We may not be able to attract, develop, and maintain an adequate skilled workforce necessary to operate our business and labor expenses may increase as a result of a shortage in the supply of qualified personnel. If we are unable to attract and retain such personnel, we may not be able to take advantage of acquisitions and other growth opportunities that may be presented to us and this could materially affect our business, financial condition and results of operations.

Cyberattacks, information or security breaches and technology disruptions or failures

The financial services industry as a whole is characterized by rapidly changing technologies and we are dependent on the security and efficacy of our infrastructure, computer and data management systems, as well as those of third parties with whom we interact. In the ordinary course of our business, we receive, process, retain, transmit and store proprietary information and sensitive or confidential data, including certain public and non-public personal information concerning employees and borrowers. Additionally, we enter into relationships with third-party vendors to assist with various aspects of our business, some of which require the exchange of personal employee or borrower information. We devote significant resources to maintain and regularly update our systems and processes that are designed to protect the security of our computer systems, software, networks and other technology assets against attempts by unauthorized parties to obtain access to confidential or sensitive information, destroy data, disrupt or degrade service, sabotage systems or cause other damage and we employ extensive layered security at all levels within our organization to help us detect malicious activity, both from within the organization and from external sources.

Despite our efforts to ensure the integrity of our systems, it is possible that we and our third-party vendors may not be able to anticipate or implement effective preventive measures against all security breaches or unauthorized access of our information technology systems or the information technology systems of third-party vendors that receive, process, retain and transmit electronic information on our behalf. The techniques used to obtain unauthorized, improper or illegal access to our systems and those of our third-party vendors, our data, our employees' customers' and loan applicants' data or to disable, degrade or sabotage service are constantly evolving, and have become increasingly complex and sophisticated. Furthermore, such techniques change frequently and are often not recognized or detected until after they have been launched and security attacks can originate from a wide variety of sources, including third parties such as computer hackers, persons involved with organized crime or associated with external service providers, or foreign state or foreign state-supported actors. Those parties may also attempt to fraudulently induce employees, customers or other users of our systems to disclose sensitive information in order to gain access to our data or that of our borrowers.

These risks may increase in the future as we continue to increase our reliance on the internet and use of web-based product offerings.

Cybersecurity risks have significantly increased in recent years. From time to time, we and our third-party vendors that collect, store, process, retain and transmit confidential or sensitive information, including borrower personal and transactional data or employee data (including service providers located offshore who conduct support services for us), are targeted by unauthorized parties using malicious code and viruses or otherwise attempting to breach the security of our or our vendors' systems and data. We and our third-party vendors may in the future experience system disruptions and failures caused by software failure, fire, power loss, telecommunications failures, employee misconduct, human error, unauthorized intrusion, security breaches, acts of vandalism, traditional computer hackers, computer viruses and disabling devices, phishing attacks, malicious or destructive code, denial of service or information, natural disasters, health pandemics and other similar events, which may result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of confidential, proprietary or other sensitive information of ours, our employees or customers, and otherwise interrupt or delay our ability to provide services to our customers. Developments in technological capabilities and the implementation of technology changes or upgrades could also result in a compromise or breach of the technology that we use to protect our employees' and customers' personal information and transaction data. Although we have established, and continue to establish on an ongoing basis, defenses to identify and mitigate cyberattacks, any loss, unauthorized access to, or misuse of confidential or personal information could disrupt our operations, damage our reputation, and expose us to claims from customers, financial institutions, regulators, employees and other persons, any of which could have an adverse effect on our business, financial condition and results of operations.

A successful penetration, compromise, breach or circumvention of the security of our or our third-party vendors' information technology systems through electronic, physical or other means, or a defect in the integrity of our or our third-party vendors' systems or cybersecurity could cause serious negative consequences for our business, including significant disruption of our operations, misappropriation of our proprietary, confidential or sensitive information, including personal information of our borrowers or employees, damage to our computers or operating systems and to those of our borrowers and counterparties, and subject us to significant costs, litigation, disputes, reporting obligations, regulatory action, investigation, fines, penalties, remediation costs, damages and other liabilities. In addition, our remediation efforts may not be successful and we may not have adequate insurance to cover these losses. Any of the foregoing events could result in violations of applicable privacy and other laws, financial loss to us or to our borrowers, loss of confidence in our security measures, customer dissatisfaction, significant litigation exposure and harm to our reputation, and diversion of management attention, all of which could adversely affect our business, financial condition and results of operations.

Risks Relating to an Investment in the Securities

Risks related to Deferral of Interest

An election by an Investor to receive PIK Interest will result in an increase in the principal amount of the Investor's Note, and effectively increase the amount of such Investor's investment that is at risk. PIK Interest elections may also result in tax risks as described below under "Federal Income Tax Risks."

Absence of Public Market for the Notes

There is no public market for the Notes, and it is unlikely that a market for the Notes will ever develop. The Notes are not being registered under the Securities Act or the securities laws of any state and may not be sold, transferred, pledged or hypothecated except in accordance with the registration requirements of federal and state securities laws and regulations or exemptions from these laws and regulations.

No Guaranteed Return of Investment

The investment offered hereby are speculative and involve a high degree of risk. There can be no guarantee that an Investor will not lose the entire investment. For this reason, each prospective Investor should read this Memorandum carefully and should consult with his/her or its own legal counsel, accountant(s), or business advisor(s) prior to making any investment decision.

The Notes are Unsecured and Subordinate to any Secured Lender of the Company

The Notes will be unsecured. The Company's obligations under the Notes will be subordinate to the Company's obligations to any secured lender. In addition, each Note provides that all payments of principal and interest (whether a scheduled payment, prepayment or a payment as a result of acceleration hereof) may be subject to restrictions, conditions or tests (*e.g.* financial covenant tests) imposed by any existing or future secured lender of the Company, and the failure to make any payment under a Note because the Company has failed to satisfy a restriction, condition or test imposed by any existing or future secured lender of the Company will not constitute an Event of Default under the Note. The Company currently has a senior credit facility with $32.6 million outstanding under the facility as of December 15, 2022. The senior credit facility is secured by all of the Company's assets. Accordingly, the Notes are characterized by greater credit risks than those associated with the secured obligations. Adverse changes in the financial condition of the Company and/or in general economic conditions may impair the ability of the Company to make payments on the Notes or result in defaults on, and declines in the value of, the Notes more quickly than in the case of any secured obligations of the Company.

Absence of Voting Rights

As holders of a debt security, the Investors will have no voting or other rights to participate in the management of the Company. The Manager will be the sole manager of the Company and will have the right and power to make all decisions and take any and every action with respect to the property, business and affairs of the Company.

No Audited Financial Statements

The financial information contained in Exhibit B is based upon the Company's internally-prepared historical financial statements. The Company's historical financial statements have never been audited or reviewed by an independent accounting firm. In the absence of an audit, there is no assurance that the financial statements are fairly presented in accordance with generally accepted accounting principles ("GAAP"). To the extent that the Company's financial statements are inconsistent with GAAP, later changes in accounting treatment to conform to GAAP may adversely affect the historical and projected financial information. The Company also expects that any updated financial information contained in any supplements will be unaudited.

Risk That the Company May Become Subject to the Provisions of the Investment Company Act of 1940.

The Company intends to operate so as to not be regulated as an investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act"), based upon certain exemptions thereunder. Companies that are subject to the Investment Company Act must register with the SEC and become subject to various registration, governance, and reporting requirements. Compliance with such restrictions would limit the Company's flexibility, and create additional financial and administrative burdens on the Company. The Company believes it can avoid these restrictions based on one or more exemptions provided for companies like the Company. If the Company fails to qualify for exemption from registration as an investment company, its ability to conduct its business as described herein will be compromised. Any such failure to qualify for such exemption would likely have a material adverse effect on the Company.

Risk that the Manager May Become Subject to the Provisions of the Investment Advisers Act of 1940 and/or State Advisers Acts

The Manager has not registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Investment Advisers Act"), and intends to operate so as to not be required to register as an investment adviser with the SEC for as long as possible (based upon certain exemptions thereunder). If the Manager is required to register under the Investment Advisers Act then it will be subject to various restrictive provisions provided for therein. The Manager cannot determine at this time, what, if any, impact such registration and restrictions will have on its business or the business of the Company.

Though the Manager does not intend to register under the Investment Advisers Act, it may be required to register under one or more state investment adviser acts ("State Advisers Acts"). State Advisers Acts are similar to the Investment Advisers Act but generally apply to investment advisers that are not subject to the Investment Advisers Act because of the amount of assets under management or other exemptions from registration. The Manager intends to seek exemptions from such registration where possible. If the Manager does have to register under one or more State Advisers Acts, such registration may create administrative and financial burdens on the Manager.

U.S. Securities Laws and Foreign Investors

The offer and sale of the Securities will not be registered under the Securities Act pursuant to an exemption from the registration requirements of the Securities Act of 1933, and the securities laws of certain states. Each Investor must furnish certain information to the Manager and represent, among other customary private placement representations, that it is acquiring its Securities for investment purposes and not with a view towards resale or distribution. The acquisition of Securities by each Investor also must be lawful under applicable state securities laws or the laws of the applicable foreign jurisdiction if the Investor is a non-U.S. person.

The Securities have not been, and will not be, registered under the Securities Act. Accordingly, the United States securities laws impose certain restrictions upon the ability of investors to transfer such Securities. Securities may not be offered, sold, transferred, or delivered, directly or indirectly, unless (i) such Securities are registered under the Securities Act and any applicable state securities laws, or (ii) an exemption from registration under the Securities Act and any applicable state securities laws is available. Moreover, there will be no liquid public market for the Securities, and none is expected to develop.

Conflicts of Interest Risks

The Manager, its affiliates, and its principals are subject to various conflicts of interest in managing the Company.

The Manager and/or affiliates may seek reimbursement of reasonable, market-based loan origination, extension, processing, underwriting, and inspection expenses in connection with services provided in connection with the business of the Company. All expense reimbursements paid to the Manager and/or affiliates shall be market-based and commercially reasonable at all times. In these regards, the interests of the Manager and its affiliates are in conflict with the investors.

The Company does not at this time have its own officers, directors, or employees. The Manager supervises and controls the business affairs of the Company, locates lending opportunities for the Company, raises capital for the Company, processes loans for the Company, and renders certain other services. The Manager, however, shall devote only such time to the Company’s affairs as may be reasonably necessary to conduct its business. The Manager, and/or its affiliates and principals, may be a manager of other companies (some of which may directly compete with the business of the Company) and have other business interests of significance.

Federal Income Tax Risks

The Company intends to take the position that the Notes will be treated as indebtedness of the Company for federal income tax purposes. The Code provides special rules for reporting interest that is accrued but not paid over the life of a debt instrument. In general, the rules require interest to be reported as it accrues economically, regardless of when it is paid. Such accrued interest is called original issue discount ("OID"). Because interest on the Notes may not be actually or constructively received at least annually, the Notes may have OID for federal income tax purposes. For federal income tax purposes, OID on a Note will be the excess of the stated redemption price at maturity of the Note over its issue price. The stated redemption price at maturity of a Note will be the sum of all payments to be made on such Note other than "qualified stated interest" payments. Qualified stated interest is stated interest that is unconditionally payable at least annually at a single fixed rate that appropriately takes into account the length of the interval between payments, or interest that will be constructively received for tax purposes. The Notes contain a provision whereby the holder may elect to have the interest paid as PIK Interest, and therefore the interest may not meet the definition of "qualified stated interest" because it may not be unconditionally payable at least annually. Each holder of such a Note may be required to include OID before receipt of the cash or other payment attributable to such income, and the holder of such Note could be required to utilize personal funds to satisfy the resulting tax liability. The Company will send to each such holder a Form 1099-OID reporting the OID-based interest on the holder's Note,

In addition, a holder of an existing Note who elects to change from cash interest to PIK Interest could be deemed to have engaged in a taxable transaction upon such exchange.

The foregoing is not intended to serve as a comprehensive analysis of the risk factors associated with the income tax aspects of this offering. Each prospective investor should <u>consult with his or her own tax advisors</u> with respect to the anticipated tax effects of an investment in the Notes.

USE OF PROCEEDS

We currently plan to use the net proceeds of this Offering to provide funds for loan financing through our Hard Money Lending Business, either as the sole lender or as part of a loan syndication with an affiliate of F Street Yield. We may also use the net proceeds of this Offering to fund general working capital requirements, including organizational expenses and operating expenses, including but not limited to salaries, consulting fees, lending underwriting, processing and administrative expenses, accounting costs and legal fees, and for other business purposes as may be determined by the Manager.

Further, the Manager of the Company will have authority, in its sole discretion, to determine the actual uses of such proceeds.

BUSINESS

Company and Manager Overview

The Company is a yield-bearing investment platform that invests in yield-creating ventures in which the underlying assets are real estate, including but not limited to real estate development, real estate development lending and Hard Money Lending in association with the various affiliated entities that operate under Scott Lurie's "F Street" brand, including but not limited to the "Milwaukee Hard Money" and "The Hard Money Co." business lines operated by F Street Investments LLC. Such investments may include, but may not be limited to, direct Hard Money Lending, lending to affiliate Hard Money Lending entities, equity investment in affiliate Hard Money Lending entities, direct lending to affiliate real estate development entities and equity investment in affiliate real estate development entities. The Company generally makes its loans to entities such as limited liability companies and corporations for non-owner occupied single-family units, and as a result its loans are considered commercial loans under applicable law. The Company does not provide consumer financing.

Scott Lurie's "F Street", "Milwaukee Hard Money" and "The Hard Money Co." brands operating under various affiliated entities, including but not limited to F Street Investments LLC, have been in existence for over a decade. Since that time, the "F Street", "Milwaukee Hard Money" and "The Hard Money Co." brands have funded thousands of Hard Money Lending loans for real estate investors and have participated (either as equity or a loans) of dozens of real estate development projects throughout the country.

Scott Lurie is a Milwaukee businessman who earned his B.A. in Finance from George Washington University in Washington D.C. In 2004, he began investing in real estate and is currently involved in real estate acquisitions, financing, and property management. In addition to real estate, Scott also specializes in hard money financing. As President of Milwaukee Hard Money, Scott has been the driving force behind financing properties in and surrounding the Milwaukee area, and has generated over $50 million in financed deals.

Hard Money Lending Terms

Hard Money Lending loans generally consist of the following terms:

- Loans are issued to both residential and commercial assets
- Loans are made on traditional real estate purchases, REOs, online auctions, and sheriff's sales
- Loan closings typically close in 7-10 days
- Pre-Approval Letters can be provided upon request
- Loans up to 65% ARV (after repair value) for both purchase and repairs
- Loans up to 50% value on cash-out refinance
- Typically, a 10% down payment on the purchase price is required, but F Street Lending and the Company will consider any free and clear assets borrower may have as collateral, in lieu of down payment, and could also roll the fees into the loan amount
- Typical lender fees include 5% origination fee (or minimum $2,500) and $1,900 closing costs
- 6-Month term, no prepayment penalty
- Option to extend the loan at a 5% refinance fee (1st extension 6 months; 2nd and proceeding extensions 3 months)
- 15% annual interest rate
- Interest-only payments made during the loan term, along with property tax escrow
- For borrowers that would like a repair escrow as part of their loan, F Street Lending and the Company requires a scope of work. The Company will then advance $3,000 at closing to get started, then borrower will make a draw request based on completed work. Inspection and funding will be done within 24-48 hours of the request. Includes a $200 draw fee.

SUMMARY OF THE NOTES

The following is a summary of certain provisions of the form of the Notes. This summary does not purport to be complete and is qualified in its entirety by the provisions of form of the Note attached as Exhibit A hereto.

Principal, Maturity and Interest

The Company will issue to each Investor a Note with a principal amount equal to the investment commitment of such Investor that is accepted by the Manager and funded by the Investor. An Investor's Note will be issued and dated as of the closing at which the Investor's subscription has been fully funded and accepted by the Manager.

A Note will mature on the Maturity Date, which is defined the date (1) set forth in a written demand given by the Investor to the Company demanding that the Company repay the unpaid principal balance of the Note and all accrued and unpaid interest thereon in full or (2) set forth in a written notice given by the Company to the Investor stating that the Company is repaying the unpaid principal balance of the Note and all accrued and unpaid interest thereon in full; provided that the Maturity Date (a) shall not be prior to the one year anniversary of the Note and (b) shall be at least 90 days after the date on which [1] written demand is given by the Investor to the Company pursuant to (1) above (if applicable) or [2] written notice is given by the Company to the Investor pursuant to (2) above (if applicable).

Each Note will bear interest at a rate of 10% per year, accruing from the Date of Issuance of the Note. Each Investor may decide whether to have interest (a) as simple (non-compounding) interest payable in cash monthly during the term of the Note on the last day of each month, (b) capitalized and added to the principal balance of the Note ("PIK Interest") as of the last day of each month or (c) in part as cash interest and in part as PIK Interest. At the time of investment, an Investor will submit an election for cash interest, PIK Interest or any combination thereof.

On a monthly basis, an Investor may change its election using the form of Interest Election Notice attached to the Investor's Note. Any change in election will take effect on the interest payment date at the end of the month following the month in which an Investor submits its new Interest Election Notice. For example, if a new Interest Election Notice is submitted in June, the change in the form of payment of interest will take effect as of July 31, provided that at least a year has passed since the Investor's original election.

Optional Prepayment

The Company may prepay the Notes, in whole or in part, at any time at its option. All such optional prepayments will be used to repay accrued interest first and then outstanding principal. The Company may allocate any partial prepayments among the outstanding Notes in its sole discretion, which means that the Company does not need to allocate partial prepayments pro rata and may select which Notes it prepays on any basis it chooses. An Investor may request prepayment due to financial or other hardship, although any such prepayment would be at the Company's sole discretion. Funds invested in Notes by other Investors may be used for such prepayments.

Security and Subordination

The Notes will be general unsecured obligations of the Company. The obligations of the Company with respect to the Notes will be subordinated to any obligations of the Company to any secured lender. In addition, each Note provides that all payments of principal and interest (whether a scheduled payment, prepayment or a payment as a result of acceleration hereof) may be subject to restrictions, conditions or tests (*e.g*. financial covenant tests) imposed by any existing or future secured lender of the Company, and the failure to make any payment under a Note because the Company has failed to satisfy a restriction, condition or test imposed by any existing or future secured lender of the Company will not constitute an Event of Default under the Note.

Events of Default

An "Event of Default" will occur if the Company fails to make any payment due (subject to the subordination provisions described above) or perform any obligation under a Note within 30 days after notice of default is given by the holder of the Note or upon certain events relating to the bankruptcy or insolvency of the Company. Upon the occurrence of an Event of Default, all principal and unpaid accrued interest may be immediately declared due and payable. Following the occurrence and during the continuance of any Event of Default, the unpaid principal balance of a Note will bear interest at an annual rate of 14%.

Governing Law; Proceedings

The Notes will be governed by and construed in accordance with the internal laws of the State of Wisconsin. Any legal proceedings brought under a Note must be brought before a court of competent jurisdiction in the State of Wisconsin.

PLAN OF DISTRIBUTION

Sale Procedures

Each Investor wishing to purchase the Securities must complete a subscription agreement (the "Subscription Agreement"), in the form provided by the Company. Each Investor, by executing the Subscription Agreement, will also represent and warrant to the Company that the Investor: (i) has received, reviewed, and analyzed this Memorandum, and all exhibits attached hereto; (ii) has had the opportunity to ask questions of the Company or its representatives and all such questions were satisfactorily answered and such answers were not inconsistent with the Memorandum; (iii) has the legal ability to enter into the Subscription Agreement in the capacity stated; (iv) has provided correct information and will promptly advise the Company of any changes; (v) is an Accredited Investor; and (vi) agrees to hold the Company harmless from any loss, damage or liability, including reasonable attorneys' fees, due to or arising from a breach of the representations and warranties of such investor as contained in the Subscription Agreement.

If, after careful review of this Memorandum, you wish to invest in the Securities, please:

- Execute the Subscription Agreement via the Company's investment procedures; and
- Submit payment in accordance with the Subscription Agreement.

Note that delivery of an executed Subscription Agreement and submission of payment does not mean that you have successfully subscribed to the Securities. Your subscription will only be complete when the Company notifies you that it has accepted your subscription.

Type of Offering

This offering is only being made pursuant to Rule 506(c) of Regulation D, which permits us to broadly solicit and generally advertise an offering for restricted securities, provided that all Investors in the offering are Accredited Investors, we take reasonable steps to verify each Investor's accredited investor status and certain other conditions in Regulation D are satisfied. The Company will engage a third party to verify each Investor's status as an "accredited investor." Each Investor will be required to submit sufficient information for such verification as a condition to any investment.

Each Investor will be required to certify in the Subscription Agreement whether he or she is an "accredited investor" within the meaning of Rule 501(a) under the Securities Act. The Company intends to only accept subscriptions from the following types of accredited investors:

(a) A natural person whose individual net worth or joint net worth with that person's spouse or spousal equivalent is in excess of $1,000,000 (in calculating net worth, an Investor shall not include his or her primary residence as an asset, nor shall an Investor include the indebtedness secured by his or her primary residence as a liability to the extent the indebtedness does not exceed the estimated fair market value of an Investor's primary residence, but an Investor must include as a liability any indebtedness secured by his or her primary residence that was borrowed during the 60-day period before the closing date for the Investor's subscription).

(b) A natural person who has had an individual income in excess of $200,000 in each of the two most recent years or joint income with the Investor's spouse or spousal equivalent in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

(c) A director or executive officer of the Company.

(d) A natural person holding in good standing one or more of the following licenses: the General Securities Representative license (Series 7), the Private Securities Offerings Representative license (Series 82), and the Investment Adviser Representative license (Series 65).

(e) An entity in which all of the equity owners are "accredited investors" as defined in Rule 501(a) of Regulation D (in which case each such owner's accredited investor status must be verified).

(f) A trust that (i) is revocable at any time by its grantor(s), (ii) may be amended at any time by the grantor(s) and (iii) each of whose grantor(s) is a natural person who is an accredited investor under paragraphs (a), (b), (c) and/or (d) above (in which case each such grantor's accredited investor status must be verified).

FINANCIAL INFORMATION

Copies of unaudited financial statements of the Company for the year ended December 31, 2023 and the three months ended March 31, 2024 are attached as Exhibit B to this Memorandum. We expect to supplement this Memorandum on quarterly basis to provide updated unaudited financial statements.

ADDITIONAL INFORMATION

This is an offering to Accredited Investors only, each of whom accepts the responsibility for conducting its own due diligence investigation and consulting with its own professional advisors in connection with their investment. Accredited Investor status will be verified by a third party engaged by the Company. Prospective investors and their advisors are invited to ask us questions concerning the Company, the Securities, the terms of this offering and such other matters as the prospective investors and their advisors deem pertinent in connection with this investment. We will use reasonable efforts to respond fully to such questions and to supply all information (other than confidential information) available to us that the prospective investors or their advisors request.

Exhibit A

Form of Promissory Note

Exhibit B

Unaudited Financial Statements -Year Ended December 31, 2023 and Three Months ended March 31, 2024