CONFIDENTIAL PRIVATE OFFERING MEMORANDUM

SERIES A PREFFERED ECONOMIC INTERESTS
INLAND CAPITAL FUND LLC

Price per Unit - $100,000
Minimum Investment - $250,000 (2.5 Units)
Minimum Offering - $8,000,000 (80 Units)
Maximum Offering - $50,000,000 (500 Units)

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THE SERIES A PREFFERED ECONOMIC INTERESTS ARE SPECULATIVE SECURITIES THAT INVOLVE RISK. THEY ARE SUITABLE ONLY FOR INVESTORS OF SUBSTANTIAL MEANS WHO HAVE NO NEED FOR LIQUIDITY IN THEIR INVESTMENTS.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS MEMORANDUM IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Confidential Private Offering Memorandum is June 1, 2019.

SERIES A PREFERRED ECONOMIC INTERESTS
INLAND CAPITAL FUND LLC

This is an offering of units of Preferred Economic Interests-Series A of Inland Capital Fund LLC, a Washington limited liability company. The offering commenced in January 2017, an initial closing was held in July 2017, when we sold 80 Series A Preferred Interests for an aggregate of $8,000,000. To date we have sold 137.21 Series A Preferred Interests for an aggregate of $13,720,649.47. We are offering a maximum of 500 units ($50,000,000) at the price of $100,000 per unit. The minimum purchase is 2.5 units ($250,000) unless we agree to accept a lesser amount. Throughout this Memorandum we often refer to Inland Capital Fund LLC and its managing member, Inland Capital, LLC (the "Managing Member"), as "the Fund" or "we". We also refer to the units of Preferred Economic Interests-Series A as the "Series A Preferred Interests". Other capitalized terms appearing in this Memorandum have the meanings set forth in the Operating Agreement.

The proceeds from prior sales in this offering were used to purchase a portfolio of existing short-term loans made to real estate investors who specialize in the purchase and sale of distressed residential and commercial properties. Proceeds have been and will continue to be used to fund new short term residential and commercial loans to such real estate investors. The existing portfolio of loans, purchased by the Fund in July 2017, was owned by the Managing Member or its sister limited liability company, with all the loans secured by mortgages or deeds of trust on real property and improvements located primarily in Washington and, to a lesser extent, in Idaho and Oregon. Most of the existing loans were originated by the Managing Member. All the new loans will also be originated by the Managing Member for the Fund; however, the Fund may also purchase some loans from unaffiliated third parties. Because the Fund will leverage its capital, these deeds of trust may in some instances be subordinated to the liens and security interests of the Fund's lender.

The Series A Preferred Interests will be issued pursuant to our operating agreement (the "Operating Agreement"), a copy of which is included in this Memorandum as Exhibit A. Holders of the Series A Preferred Interests will make an election to receive cumulative preferred distributions at one of three fixed rate distribution and redemption options, namely: (1) a nine percent (9%) per annum distribution with optional redemption after three years; (2) a seven and one fourth percent (7.25%) distribution per annum with optional redemption after two years; or (3) a five and one fourth percent (5.25%) distribution per annum with optional redemption after one year. All distribution payments are payable quarterly in arrears in equal installments on January 15th, April 15th, July 15th and October 15th of each year. Payments commenced on October 15, 2017. The Series A Preferred Interests will not share in any other profits of the Fund. The optional redemption of the Series A Preferred Interests will commence on the third, second, or first anniversary of issuance, depending on the holder's election.

Depending on prevailing market conditions, we intend to cease making new loans following the tenth anniversary of the final issuance of the Series A Preferred Interests and thereafter liquidate our loan portfolio.

The Series A Preferred Interests are economic interests only and purchasers of the Series A Preferred Interests will have no voting rights and all decisions concerning the Fund will be made by the Managing Member to the maximum extent permitted by applicable law.

This offering will terminate on June 30, 2019, unless it is terminated earlier or formally extended by the Managing Member prior to June 30, 2019. Persons who subscribe for the purchase of Series A Preferred Interests must complete and sign the subscription agreement and the purchaser questionnaire, which are included in the accompanying subscription booklet.

This investment involves risk.
See "Risk and Other Important Factors" at pages 4 through 6.

	Price	Finders' Fees and Commissions [1]	Proceeds to the Fund[2]
Per Unit	$100,000	$0	$100,000
Minimum Purchase	$250,000 (2.5 units)	$0	$250,000
Minimum Offering	$8,000,000 (80 units)	$0	$8,000,000
Maximum Offering	$50,000,000 (500 units)	$0	$50,000,000

(1) The Series A Preferred Interests will be offered and sold by certain of the Fund's affiliates, none of whom will receive commission or other any other sales-related remuneration.

(2) Before deducting estimated legal expenses, filing fees and printing costs of $35,000.

Our Operating Agreement is included in this Memorandum as Exhibit A. We encourage you to examine this document carefully before investing in the Series A Preferred Interests, in particular Schedule A of the Operating Agreement, which sets forth the relative rights, preferences, limitations and other characteristics of the Series A Preferred Interests. All of the statements we make in this Memorandum concerning the Operating Agreement are qualified by reference to the Operating Agreement itself. In the event of any inconsistency between any provision of the Operating Agreement and any statement made in this Memorandum, the Operating Agreement will control.

We are offering the Series A Preferred Interests in reliance on the exemption from the registration requirements of the federal Securities Act of 1933, as amended (the "Securities Act"), afforded by Section 4(a)(2) and Rule 506(b) of Regulation D adopted thereunder. This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy the Series A Preferred Interests in any jurisdiction where such offer and sale is prohibited.

No person has been authorized by us to give any information or to make any representation not contained in this Memorandum. Neither the delivery of this Memorandum nor any sale of the Series A Preferred Interests shall create any implication that the information contained in this Memorandum is correct subsequent to its date.

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Exhibit A: Operating Agreement
Exhibit B: Loan Portfolio Information

Included in the accompanying Subscription Booklet:

Subscription Agreement
Purchaser Questionnaire

MEMORANDUM SUMMARY

This summary is qualified in its entirety by the more detailed financial and other information appearing elsewhere in this Memorandum.

The Fund and the Managing Member

The Fund. Inland Capital Fund LLC is a Washington limited liability company. Since inception, the Fund has used the offering proceeds to purchase a portfolio of existing short-term loans made to real estate investors who specialize in the purchase and sale of distressed residential and commercial properties, and to fund new short term residential and commercial loans to such real estate investors. The existing loans were owned by the Managing Member or its sister limited liability company and are secured by mortgages or deeds of trust on real property and improvements located primarily in Washington and, to a lesser extent, in Idaho and Oregon. Most of the existing loans were originated by the Managing Member, and we expect that all of our new loans will be originated by the Managing Member. However, the Fund may also purchase some loans meeting our underwriting and yield criteria from unaffiliated third parties. Because the Fund will leverage its capital, these deeds of trust may in some instances be subordinated to the liens and security interests of the Fund's lender.

The Managing Member. Inland Capital, LLC is a Washington limited liability company that was organized in 2009 to originate, service and administer short-term loans to residential real estate investors collateralized by mortgages or deeds of trust on properties located primarily in Washington, Idaho and Oregon. Prior to inception of the Fund, the Managing Member make these loans for its own account and for the account of a sister limited liability company, Inland Capital Group, LLC ("Inland Capital Group"), utilizing bank warehousing and line of credit financing. The Managing Member and Inland Capital Group retained these short-term loans for investment, applied the interest and principal they receive from their borrowers to repay their bank lenders, pay general and administrative expenses, generate capital to fund future loans, and return a profit to their members. Prior to operating under the Fund, the Managing Member and Inland Capital Group had cumulatively originated and funded approximately $100 million in principal amount of short-term loans to real estate investors since inception.

We believe current economic conditions and the policies of financial institution regulators have created unique lending opportunities for non-bank lenders like us that make short-term loans to non-occupier real estate investors rather than longer-term conventional and nonconforming loans to owner-occupiers. The Fund will use the proceeds of this offering to make loans to qualified real estate investors whose financial needs are not being met by the regulated financial institutions with whom it competes. See "The Fund" and "Business."

The Series A Preferred Interests

The Series A Preferred Interests will accrue and make preferred distributions at a fixed rate equal to 9.00%, 7.25%, or 5.25% per annum, calculated on the basis of a 360-day year comprised of twelve 30-day months. The distribution rate is dependent of the respective no redemption period of 3 years, 2 years, or 1 year. Distributions will be payable quarterly in arrears in equal installments on January 15th, April 15th, July 15th and October 15th of each year, commencing in the fiscal quarter following a holder's investment. *The Series A Preferred Interests will not share in any other profits of the Fund.* Such other profits will instead be allocated and distributed to the Managing Member, which currently owns all of the outstanding units of common membership interest. The Series A Preferred Interests are subject to optional redemption by the Fund, at the election of the holder, commencing on the third, second, or first anniversary of issuance, timeframe to be chosen by holder. Depending on prevailing market conditions, we intend to cease making new loans and collect the remaining principal and interest on such loans or sell them to unaffiliated buyers following the tenth anniversary of the final issuance of the Series A Preferred Interests and thereafter liquidate our loan portfolio.

Terms of the Offering

Finder's Fees and Commissions. The Series A Preferred Interests will be offered and sold by the Managing Member's executive officers and other personnel, none of whom will receive commission or any other sales-related remuneration. The Managing Member does not presently anticipate paying finders' fees or commissions to any other person in conjunction with this offering of Series A Preferred Interests but reserves the right to do so in the future if it determines that such payments are necessary to ensure that the Fund is adequately capitalized.

Purchase Price and Payment Procedures. The minimum subscription for the Series A Preferred Interests is $250,000 (2.5 units) unless we elect to accept a lesser amount in our discretion. Purchases must be made by delivery of a signed subscription agreement and purchaser questionnaire, accompanied by delivery of a check or wire made payable to Inland Capital Fund LLC for the full purchase price of the Series A Preferred Interests.

Offering Termination Date. This offering will terminate on June 30, 2019, unless it is terminated earlier or formally extended by the Managing Member prior to June 30, 2019.

Investor Suitability Standards

Substantial Means and Net Worth; Sophistication; Accredited Investor Status. The Series A Preferred Interests are suitable only for persons who demonstrate to us that they meet certain minimum standards of economic means and investment expertise, and have such knowledge and experience in business and financial matters that they, or their purchaser representative, are fully capable of evaluating the merits and risks of this investment.

Subscribers for the Series A Preferred Interests must qualify as "accredited investors" within the meaning of Rule 501(a) of the General Rules and Regulations under the Securities Act. A corporation, partnership, trust, limited liability company or other entity purchasing the Series A Preferred Interests will generally qualify as an accredited investor if it has total assets in excess of $5,000,000 and was not formed for the specific purpose of investing in the Series A Preferred Interests, and if its purchase of the Series A Preferred Interests is directed by a sophisticated person as described in Rule 506(b)(2)(ii). Any such entity will also be an accredited investor if all of its equity owners are themselves accredited investors. A corporation, partnership or other entity purchasing the Series A Preferred Interests will generally be counted as one purchaser for purposes of the exemptions. However, if such entity is organized for the specific purpose of investing in the Series A Preferred Interests and is not itself an "accredited investor" within the meaning of Rule 501(a) of the General Rules and Regulations under the Securities Act, then each beneficial owner of equity securities or equity interests in the entity purchasing the Series A Preferred Interests will be counted as a separate purchaser. An entity organized for the specific purpose of investing in the Series A Preferred Interests will be deemed to be an accredited investor (and counted as a single purchaser) only if each beneficial owner of equity securities or equity interest in the entity is itself an accredited investor.

Generally, a natural person will be deemed to be an accredited investor if (a) such subscriber had individual income of more than $200,000 in each of the two most recent tax years ($300,000 inclusive of any income attributable to such subscriber's spouse) and reasonably expects to have individual income in excess of $200,000 ($300,000 inclusive of any income attributable to such subscriber's spouse) in the current tax year or (b) has an individual net worth, or together with such subscriber's spouse, has a combined net worth in excess of $1,000,000, excluding the value of the subscriber's primary residence.

Ability and Willingness to Accept Risks. The economic benefit of an investment in the Series A Preferred Interests depends upon many factors beyond our control. Such an investment also involves a high degree of business and financial risk and can result in substantial losses, including the possibility of total loss of your investment. Whether a purchase of the Series A Preferred Interests is suitable for you will depend, among other things, upon your investment objectives and your ability to accept speculative risks.

Ability to Accept Limitations on Transferability. Holders of the Series A Preferred Interests may not be able to liquidate their investments in the event of emergency or for any other reason because there is no public market for the Series A Preferred Interests. Moreover, the transferability of the Series A Preferred Interests may be affected by restrictions on resales imposed by the Securities Act and the securities laws of some states. The Managing Member may further restrict

the transferability of Series A Preferred Interests if, in the sole discretion of the Managing Member, such transfer could cause the Fund to be treated as a publicly traded partnership for U.S federal income tax purposes.

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RISK AND OTHER IMPORTANT FACTORS

An investment in the Series A Preferred Interests involves a high degree of financial risk. Purchasers should consult their own professional advisors concerning the risks of investment and should consider, among other things, the following risks and other important factors.

No Guarantees or Insurance against Loss. The Series A Preferred Interests are not guaranteed against loss by the Fund or any other person, nor are they insured against loss. See "The Series A Preferred Interests."

No Rating for Series A Preferred Interests. The Series A Preferred Interests have not been rated by any securities rating agency. See "The Series A Preferred Interests."

No Financial Covenants in Operating Agreement. We are not required by the Operating Agreement to maintain any specific capitalization ratio, debt service ratio, cushion ratio, or other financial ratio with respect to the Series A Preferred Interests. The absence of such requirements may expose the holders of the Series A Preferred Interests to increased financial risk. See "The Series A Preferred Interests."

Conflicts of Interest. A material portion of the initial proceeds of the offering were used to purchase a portfolio of existing loans from our Managing Member and its sister limited liability company, Inland Capital Group, which originated these loans and held them for their own accounts. The Fund bought these loans at their face value, which was the sum of their accrued but unpaid principal and interest, without discount. As a consequence, the Fund will bear any losses that are incurred with respect to these loans. The Fund intends to use additional proceeds of the offering to acquire new loans originated by the Managing Member. The Managing Member may in the future sponsor and manage additional pooled investment vehicles to acquire loans similar to the loans that will be acquired by the Fund. In addition, the Fund itself may issue other series of preferred economic interests or other securities to raise capital to fund and hold real estate loans. These activities could result in conflicts of interest in the selection of loans that are funded for the account of the Fund and those that are selected and funded for the accounts of other affiliated entities and security holders. We have established guidelines and operating policies to address these conflicts of interest, all of which are described in the section of this Memorandum entitled "Business." These guidelines and operating policies generally prohibit the Fund from selling or purchasing loans to or from the Managing Member, Inland Capital Group or any of their direct or indirect affiliates (but do not prohibit them from originating loans on the Fund's behalf), and generally give the Fund a priority in selecting and purchasing loans for its portfolio.

Historical Operating Results May Not be Indicative of Future Operating Results. Purchasers of the Series A Preferred Interests should not rely on our historical operating results as an indication of future performance. Although the Fund has successfully originated $44 million in principal amount of loans to residential and commercial real estate investors, and prior to that, the Managing Member and Inland Capital Group have successfully originated $110 million in principal amount of loans to residential and commercial real estate investors since their inception, with very few defaults, this might not continue. The years following the collapse of the residential mortgage market in 2008 were marked by numerous foreclosures and abandonments of residential real estate, creating a substantial inventory of properties that were available for sale to real estate investors at reduced prices. This inventory has decreased as market conditions have stabilized, one consequence of which could be a narrowing of the spread between the prices that real estate investors pay for foreclosed or abandoned properties, and the prices at which those investors later resell those properties to owner-occupiers. If a narrowing of this spread were to occur, it could affect our ability to make preferred distributions on the Series A Preferred Interests and the overall value of your investment. While we continue to believe profitable opportunities for lending to non-occupier real estate investors currently exist, these opportunities may not be as abundant as they once were.

Unaudited Financial Statements and Information. The 2017 and 2018 financial statement information included in this Memorandum was internally prepared by us and has been neither audited nor reviewed by our independent public accountants, Moss Adams LLP, Spokane, Washington. The Fund information should be read in conjunction with the audit reports prepared by Moss Adams, which both 2017 and 2018 reports are available upon request.

Because the financial statements shown in the Memorandum have not been audited or in some instances even reviewed, these financial statements and related information have not been examined or tested to assure that they are free

of material misstatement or that the accounting principles and estimates we used and made are reasonable and in accordance with generally accepted accounting principles. Although we believe our financial statements include all adjustments necessary for a fair presentation of our results for the periods indicated, this may not be the case. Moss Adams, LLP also prepared the Fund's tax returns for 2017 and 2018. We will continue to engage an independent accounting firm to conduct an annual audit of our financial statements and prepare the Fund's tax returns for each year that the Fund continues to operate. See "Capitalization of the Managing Member," Business" and "Financial Statements."

Reliance on Management. All decisions affecting management of the Fund will be made exclusively by the Managing Member. Purchasers of the Series A Preferred Interests will receive detailed quarterly and annual reports concerning the Fund's activities, but will have no right or power to take part in the Fund's management. See "The Fund and the Managing Member."

Risks Associated with Evaluations. We evaluate all of the properties that secure our loans using real estate tracking information and other market information that is available to us. These evaluations typically do not include independent appraisals of value. Although we are careful in selecting independent appraisers in those limited instances in which we engage them, purchasers of the Series A Preferred Interests should understand that an appraisal is nothing more than an opinion of value of a given property, not a guarantee of the price that might be received for it. Moreover, the value of a given property will necessarily change, either upward or downward, following the date of the appraisal because of changes in general or local economic local conditions, changes in the supply of or demand for similar or competing properties in an area, increased interest rates, changes in the availability of other mortgage funds (which may render the sale or the refinancing of a property difficult or unattractive), and changes in tax, real estate, environmental and zoning laws. See "Business."

Risks of Default. We will use the proceeds of this offering to fund short-term loans to residential real property investors and to a lesser extent to buy similar property investor loans from unaffiliated parties. We may also use a portion of the offering proceeds to fund short term commercial loans, though historically commercial loans have made up less than 10% of the portfolio. The loans will be secured by mortgages or deeds of trust on real property and improvements located primarily in Washington and, to a lesser extent, in Idaho and Oregon. Most if not all of these loans will be secured by liens on real property and improvements having values substantially in excess of the loan amounts. In determining whether to make such loans, we are primarily motivated by the borrower's ability to repay the loan through the sale of the collateral (which places a high importance on the value of subject property), and, to a lesser extent, by other factors indicative of the borrower's credit. We anticipate that, at any given time, some of the loans we originate or purchase will be delinquent by at least 90 days and will be determined to be non-earning loans. We also anticipate that, at any given time, we will hold properties obtained through foreclosure or by other means for resale, and will incur significant costs in doing so. These delinquencies and costs will reduce our overall profitability and could have a material adverse effect on our ability to make preferred distributions to the holders of the Series A Preferred Interests or to redeem such interests. See "The Fund and the Managing Member" and "Business."

Difficulties in Obtaining Deficiency Judgments. In the event of default, we will have to elect whether to pursue foreclosure of the mortgage or deed of trust judicially or nonjudicially. Should we elect nonjudicial foreclosure, we may be precluded from recovering a deficiency judgment, being the difference between what we are owed on the loan and what we are able to obtain from the sale of the mortgaged property. However, even if we can obtain a deficiency judgment against a defaulting borrower, it may be difficult for us to collect, especially if the borrower does not have other assets to satisfy such a judgment. Moreover, judicial foreclosure is more costly and time-consuming than nonjudicial foreclosure. We will likely utilize nonjudicial foreclosure in the event we cannot restructure a loan that is in default or otherwise obtain payment from personal guarantors or other collateral sources. See "Business."

Differences in State Laws. The laws and regulations pertaining to real property lending vary, sometimes materially, from state to state. Loans secured by out of state real property are also subject to certain additional risks, including the possibility of higher property management costs in the event the real property is acquired through foreclosure, added legal costs arising from the need to retain counsel authorized to practice in the state in which the real property is located, the risk of default arising from local market conditions that may not be known to us, and, in general, the risks associated with doing business in locations and jurisdictions removed from our offices in Spokane, Washington.

Inadequate Insurance. Although it is our policy to make loans that are secured by real property that is insured against damage or destruction, such insurance cannot always be obtained. For example, insurance may not be obtained in

some circumstances if the property is located in a rural area and inaccessible for fire protection or emergency services. Even if insurance is obtained, it may prove insufficient in amount or may not cover certain risks of loss, such as earthquakes. See "Business."

Regional Economic Factors. We will make loans to non-occupier real estate investors secured by properties located primarily in Washington and, to a lesser extent, in Idaho and Oregon. Unfavorable economic conditions in Washington, Idaho or Oregon could result in increased loan delinquencies and a widespread decline in the market values of the property and improvements given as security for these loans. This could have a material adverse effect on our ability to make preferred distributions to the holders of the Series A Preferred Interests or to redeem such interests. See "The Fund and the Managing Member" and "Business."

General Economic Conditions. The economic value of the Series A Preferred Interests may also be materially and adversely affected by changes in prevailing economic conditions, changes in interest rates, and the monetary and fiscal policies of the federal government. For example, an increase in the interest rates payable on comparable securities could reduce the market "yield" of the Series A Preferred Interests, thereby reducing their relative value. See "The Fund and the Managing Member" and "Business."

Restrictions on Transferability; No Market for Series A Preferred Interests. Transferability of the Series A Preferred Interests may be affected by restrictions imposed by the Securities Act and the securities laws of some states. Moreover, there is presently no public market for the Series A Preferred Interests and it is not anticipated that any public market will develop. Consequently, purchasers of the Series A Preferred Interests may not be able to liquidate their investments in the event of emergency or for any other reason. This may also limit the price, which a purchaser would be able to obtain for his or her Series A Preferred Interests. In addition, the Managing Member may further restrict the transferability of Series A Preferred Interests if, in the sole discretion of the Managing Member, such transfer could cause the Fund to be treated as a publicly traded partnership for U.S federal income tax purposes. See "The Series A Preferred Interests."

Liquidity Risk Factors. Defaults on loans and redemptions by holders of the Series A Preferred Interests could have a detrimental effect on the Fund's liquidity. Although the Fund has taken certain measures to mitigate these risks, such mitigation efforts could be insufficient should we experience a significant number of defaults on our loans or should a significant number of the holders of Series A Preferred Interests exercise their redemption rights, especially if such events happen in the same timeframe.

Tax Liabilities May Exceed Cash Distributions. Holders of Series A Preferred Interests are required to report on their federal income tax returns their respective shares of the Fund's items of income and gain, whether or not such income is actually distributed by the Fund. Further, the Fund's Operating Agreement authorizes us to withhold from distributions or with respect to allocations to holders of Series A Preferred Interests and to pay to the appropriate government authority any amounts required to be withheld pursuant to applicable tax laws, which amounts shall be treated as distributions to such holders. The Operating Agreement also provides that if the Fund incurs any liability for income taxes, interest or penalties as a result of any audit of the Fund by any governmental taxing authority, the Managing Member can allocate such company level taxes among the persons who were unit holders, including holders of Series A Preferred Interests, during the applicable taxable year, and treat such allocated amount as a withheld tax recoverable from the holders. If any such withheld taxes are subsequently determined to exceed the amount otherwise distributable to a holder, or to be insufficient to satisfy the withholding requirements, then such holder will indemnify and hold harmless the Fund and the other holders for such excess amount, withholding requirement or payment. Accordingly, a holder of Series A Preferred Interests may not receive cash distributions from the Fund sufficient to allow the holder to pay tax liabilities arising from allocations of Fund income, in which case the holder would be required to satisfy that tax liability with funds from other sources.

THE FUND AND THE MANAGING MEMBER

General. Prior to the establishment of the Fund, the Managing Member and Inland Capital Group were in the business of making short-term loans to non-occupier real estate investors. The Managing Member and Inland Capital Group commenced operations in 2009 and 2013, respectively, and since then have originated and serviced approximately $110 million in principal amount of mortgage loans. Approximately $89 million in principal amount of these loans were originated and funded by the Managing Member with working capital and bank borrowings, and approximately $21 million in principal amount were originated and funded with the working capital and bank borrowings of Inland Capital Group. These bank borrowings were collateralized by the respective loans that were originated and held by each company, and by the personal guaranties of the principals of each company. The Managing Member and Inland Capital Group held most of these originated loans to maturity; however, they also sold or participated some of these loans to unaffiliated third parties. As described elsewhere in this Memorandum, the Managing Member and Inland Capital Group effected a reorganization concurrent with our receipt and acceptance of minimum subscriptions of $8,000,000 (80 units) of the Series A Preferred Interests we are offering. As a result of this reorganization, among other things, Inland Capital Group (but not the Managing Member) began the dissolution process and the ownership of the Managing Member was reconstituted.

At inception of operations, the Fund purchased a portfolio of existing loans from the Managing Member and Inland Capital Group using a material portion of the proceeds of this offering and the Fund will make similar loans for its own account (which may be originated by the Managing Member on behalf of the Fund) from the additional proceeds of this offering. The loans acquired consisted of short-term loans to residential and commercial real estate investors, collateralized by mortgages or deeds of trust on real property located primarily in Washington and, to a lesser extent, in Idaho and Oregon. The Fund intends to retain and hold the loans to maturity, which will generally be no more than 12 months.

These loans have and will primarily be made to qualified borrowers who find working with conventional lenders to be time consuming and inefficient or find it difficult to obtain financing from conventional lenders due to the lenders' lack of loan products for this business line. Because of the moderately higher levels of risk associated with these loans, these borrowers are charged rates of interest that exceed the rates charged by conventional financial institutions. These loans typically bear interest at rates ranging from 9 percent to 14 percent per annum, have default rates of interest ranging from 18 percent to 28 percent per annum, and are secured by real property and, in some instances, also by personal property. In determining which loans will be funded, we will emphasize the borrower's ability to repay the loan through the sale of the collateral, thus a heightened importance is placed on the value of the collateral at the time of loan origination.

We do not do business in Washington, Idaho or Oregon as a mortgage broker/lender and we do not currently plan to seek authorization to operate as a mortgage broker, banker or lender in those states or in any other state. However, we may take necessary actions to be certified if economic conditions warrant or state legislation redefines our business as a mortgage broker/lender business.

Our principal executive offices are located at 120 North Stevens Street, Suite 300, Spokane, Washington 99201.

Operating Strategy. We believe current economic conditions and the regulatory response to these conditions have created unique lending opportunities for non-bank lenders like us who cater exclusively to real estate investors. We intend to capitalize on this opportunity by making loans to qualified borrowers whose financial needs are not met by banks and other regulated financial institutions.

Management and Key Personnel. The Managing Member of the Fund is Inland Capital, LLC, a Washington limited liability company. The Managing Member currently has three members, Aaron Cunningham, John Urquhart, , and Nick Barnes. The Managing Member also employs six other individuals, five of whom are full-time employees and one of whom is a part-time employee.

Upon receipt and acceptance of the minimum subscriptions for $8,000,000 (80 units) of the Series A Preferred Interests, on July 1, 2017, Inland Capital Group LLC ceased business activity and began the formal dissolution process.

As of the date of this Memorandum, Inland Capital, LLC's outstanding equity interests are owned beneficially and of record by Mr. Cunningham (42.5%), Mr. Urquhart (37.5%), Nick Barnes (5.0% - not an active employee). Inland Capital, LLC has entered into Compensation Plans that include provisions for the grant of membership interests to the following key

executives: Ty Rembe, Jason Delp and Landon Cunningham.

Biographical information concerning the Managing Member's majority members and other key employees is set forth below.

Aaron Cunningham is a co-founder and the chief executive officer of the Managing Member and its sister company, Inland Capital Group LLC. He has held these positions for each company since 2009 and 2013, respectively. Prior to this time, he was principally involved in private real estate lending for his own account. Since 2008, Mr. Cunningham and the private lending companies with whom he is involved have financed over 800 loans totaling approximately $100,000,000. His experience in the larger real estate industry began in 2001, when he joined a real estate agency team in the Puget Sound area, where he represented first time home buyers and home sellers, and was involved in over 200 purchases and sales of real estate investment properties. In addition to his involvement with the Managing Member and Inland Capital Group LLC, Mr. Cunningham currently serves as the president of Citibrokers LLC, a Spokane real estate brokerage firm; as the co-owner and president of Northwest Foreclosure Services, Inc., also of Spokane, which assists real estate investors in acquiring and disposing of their investment properties; and as co-owner and president of Community Restoration LLC, which purchases, holds and sells real estate investments in the Puget Sound and Spokane areas. Mr. Cunningham attended Green River Community College in 1999 and Prairie Bible College in 2001. Mr. Cunningham is 38 years old.

John Urquhart is a co-founder and president of the Managing Member and of the sister company Inland Capital Group LLC. He has held these and other executive level positions for each company since 2009 and 2013, respectively. Mr. Urquhart graduated from the University of Montana in 1988 with a bachelor of sciences degree in computer science. After college, he joined Boeing, where he worked until 2004 in its human resources department helping to build and manage payroll processing and tracking systems. In early 2002, he began selling real estate on a part-time basis with the goal of assisting his friends and family. Mr. Urquhart and his partners eventually started purchasing, rehabilitating and selling foreclosed properties In addition to his involvement with the Managing Member and Inland Capital Group LLC, he is also a co-owner and chief financial officer of Northwest Foreclosure Services, Inc. of Spokane, which assists real estate investors in acquiring and disposing of their investment properties; and co-owner and president of Addison Street Investments, LLC, which purchases, holds and sells real estate investments in the Spokane area. Mr. Urquhart is 53 years old.

Ty Rembe is the chief financial officer and controller of the Managing Member, positions he has held since October 2014. He is responsible for overseeing the financial risk and cash management functions for Inland Capital entities. Mr. Rembe's management also includes accounting policies and operations, financial reporting and maintaining internal control systems. Prior to joining the Managing Member, Mr. Rembe's developed and grew his financial services and business management experience through the following ventures: from 2012 to 2014, he owned and operated Padgett Business Services in Missoula, Montana, which provided accounting and tax services to small businesses; from 2011 to 2012, he worked as a mortgage loan originator for Wells Fargo Bank in Missoula; and from 2006 to July 2011, he was a registered representative and licensed insurance agent in Great Falls, Montana. Mr. Rembe graduated from the University of Montana with a Bachelor of Sciences degree in business administration in 1987 and is 53 years old.

Jason Delp is the chief operating officer of the Managing Member and its sister limited liability company, Inland Capital Group, LLC, a position he has held since May 2016. Prior to joining the Inland Capital companies, Mr. Delp was employed by Sterling Savings Bank and its successor, Umpqua Bank, for seventeen years in the following capacities in the Spokane, Washington area: from 1998 to 2002, he was a customer service representative and personal banker, gathering experience and knowledge of retail banking operations, sales and consumer lending; from 2003 to 2006, he served as an assistant vice president and branch manager, and was responsible for managing a $30 million rural branch and a $60 million urban branch; from 2006 to 2009, he managed a commercial loan portfolio, consisting of commercial and investment loans, commercial real estate loans, and commercial construction loans; from 2010 to 2014, he served as a vice president and asset management department manager, where is was responsible for overseeing collections on charge-off debt, repossessions and liquidations of personal property assets, management and liquidation of the bank's real estate owned (REO) assets, management of foreclosures and short sales and troubled debt restructuring, and portfolio management, where he and his team oversaw the bank's $3 billion non-owner occupied commercial real estate portfolio; and from 2014 to 2016, he served as a vice president and commercial real estate servicing manager, where he helped to redevelop the department that managed the bank's commercial real estate portfolio and performed annual asset quality reviews, ongoing loan monitoring, loan refinancing and problem loan workouts. Mr. Delp graduated from Eastern Washington University in 2003 with a bachelor of sciences degree in government and business administration. He later

graduated from the Pacific Coast Banking School in 2009, a graduate-level program focused on the executive management and leadership aspects of the financial services industry. Mr. Delp is 40 years old.

Landon Cunningham is the vice president of client relations for the Managing Member. He began his career in real estate lending in 2009, when he purchased his first investment property, and since then has renovated and sold over 60 properties with his brother, Aaron Cunningham. Aside from his own investing, Mr. Cunningham also works with real estate investors as the lead sales representative for Northwest Foreclosure Services, which provides data to real estate investors on houses that are selling at trustee sales. Since 2013, he has assisted approximately 30 investors in purchasing over 125 properties at these sales, and has underwritten nearly $5,000,000 in loans solely for trustee sale purchases. Mr. Cunningham graduated from Eastern Washington University in 2010 with a degree in business administration and economics. He is 30 years old.

Christopher Vincent is the director of investor relations and marketing, positions held since joining the firm October 2018. He is responsible for maintaining relationships with our current fund investors and recruit new investors for Inland Capital. Recruitment of new capital will be primary focus and, also is responsible for Inland Capital marketing. Prior to joining Inland Capital, Mr. Vincent worked for his parent's family business - a retail and long-term care pharmacy operation in both Nebraska and South Dakota. There he held positions from 2009 of VP of Operations and the President/CEO in 2013 until 2018. Mr. Vincent owned a private lending company focusing on new construction residential real estate. He also was a marketing manager at Gee Automotive in Liberty Lake from 2009 to 2010. From 1999 to 2008 Mr. Vincent worked for American Century investments in Kansas City, MO. In 1999 he was a call center representative then transferring in 2000 to Mountain View, CA to work face to face with investors. Mr. Vincent held Series 6, 63, & 65 NASD licenses during that time. Later in 2004, promoted to portfolio management as execution fixed income trader for the American Century municipal bond portfolios supporting 4 portfolio managers until 2008. Mr. Vincent graduated from The University of Kansas in 1998 and is 45 years old.

Competition. We have historically competed with other non-bank lenders whose yield expectations are similar to ours, several of which may have greater financial resources than we have. We may also compete, in the future, with commercial banks, savings and loan associations, and other regulated lenders. We believe the current economic and the regulatory environment creates a unique opportunity for us to make loans to otherwise qualified borrowers whose financing needs cannot be met by these regulated institutions, however there is no assurance these conditions will continue. Competition for loans to professional real estate investors is substantial.

Legal Proceedings. The Fund, the Managing Member and sister limited liability company are not currently subject to any pending or threatened legal proceedings. Because of the nature of our business, from time to time we may be subject to claims and legal actions in the ordinary course of business involving the collection of delinquent accounts or the validity of liens.

Current Borrowing Agreements. Upon commencement of the Fund's operations, it entered into a borrowing agreement with First Interstate Bank as successor via merger to Inland Northwest Bank. General terms of the agreement are listed below:

- Facility Amount: $15,000,000.00
- Facility Type: Asset Based Revolving Line of Credit
    - Collateral: Fund's loan portfolio
    - Advance Rate: 60% of Fund's note amount or 75% of property value, whichever is less
- Borrower: Inland Capital Fund LLC
- Guarantors: Inland Capital LLC, Aaron Cunningham, John Urquhart
- Balance Outstanding as of 12/31/2018: $9,860,915.52

THE SERIES A PREFERRED INTERESTS

The following *discussion of the Series A Preferred Interests is qualified in its entirety by reference to the Operating Agreement, a copy of which is included in this Memorandum as Exhibit A. Capitalized terms used herein that are not otherwise defined have the same meanings as are ascribed to them in the Operating Agreement.*

General. The Series A Preferred Interests will be issued in an aggregate amount of not more than $50,000,000, will be dated the date of issue and will pay preferred distributions as set forth below. We used the initial proceeds of the Series A Preferred Interests to purchase an existing portfolio of short-term loans made to real estate investors who specialize in the purchase and sale of distressed residential and commercial properties, and to fund new short term residential and commercial loans to such real estate investors. The existing loans were owned by the Managing Member or its sister limited liability company and are secured by mortgages or deeds of trust on real property and improvements located primarily in Washington and, to a lesser extent, in Idaho and Oregon. Most of the existing loans were originated by the Managing Member. Most of the new loans will also be originated by the Managing Member on behalf of the Fund, although the Fund may also purchase some loans meeting our underwriting and yield criteria directly from unaffiliated third parties. Because the Fund will leverage its capital, these deeds of trust may in some instances be subordinated to the liens and security interests of the Fund's lender.

Preferred Distributions and Distributions to the Managing Member. The Series A Preferred Interests will receive preferred distributions at a fixed rate equal to 9.00%, 7.25%, and 5.25% per annum, calculated on the basis of a 360-day year comprised of twelve 30-day months. Accrual rates are dependent on the No Redemption Period selected by the holder, 3 years-9.00%, 2 years-7.25%, and 1 year-5.25%. Distributions will be payable quarterly in arrears, in equal installments, on January 15th, April 15th, July 15th and October 15th of each year, commencing in the fiscal quarter following receipt of the holder's funds. *Holders of the Series A Preferred Interests will not share in any other profits of the Fund.* Such profits will instead accrue to the Managing Member, which holds the outstanding units of common membership interest of the Fund. The Managing Member will not receive any other compensation for acting as manager, but does receive compensation as the loan servicing agent for the loan portfolio.

Optional Redemption. The Series A Preferred Interests are subject to optional redemption by the Fund in whole or in part at the request of the holder commencing on the first, second or third anniversary of issuance, depending on the election made by the holder. The redemption price in either case is the sum of (a) the holder's initial capital contribution to the Fund, being the purchase price of the holder's Series A Preferred Interests ($100,000 per unit) plus (b) accrued and unpaid preferred distributions (calculated at a fixed rate per annum equal to 5.25%, 7.25% or 9.00% of the holder's purchase price for the Series A Preferred Interests, depending on the election made by the holder) to the redemption date. If fewer than all of the Series A Preferred Interests are to be redeemed, the Fund will select or cause the selection of the Series A Preferred Interests to be redeemed on a "first come first serve basis". While it is Management's intent to issue redemption payments, on eligible requests, within 90 days of the written requests, Management acknowledges that "then-prevailing" market conditions and/or the Fund's liquidity position could restrain such a timely payment. In these cases, Management will immediately notify the interest holder and provide guidance for payment issuance, with terms not to exceed monthly payments of principal and accrued interest, amortized over a period of no more than 24 months. Depending on then-prevailing market conditions, we intend to stop funding new loans following the tenth anniversary of the final issuance of Series A Preferred Interests and perhaps sooner if market conditions so dictate, and thereafter liquidate the Fund's loan portfolio.

Optional Redemption due to Death of Holder(s). In instances where an individual holder or both joint holders become deceased and the units are still within the non-redemption period, the legal representative of the estate of the holder(s) may request an early redemption of the units. The estate representatives will need to provide Management with 120 days written notice requesting redemption, with such notice accompanied by proper legal documentation showing proof of authority over the estate. Amounts paid in connection with an early redemption under this provision will depend on the year the redemption is paid, with the rate of such payment based on the total time the investments are held in the Fund and the corresponding accrual rate for that time period, as follows:

- Redemption from issuance through 12-month anniversary of investment – Accrual Rate – 5.25%
- Redemption between the 13-month through 24-month anniversary of investment – Accrual Rate – 7.25%
- Redemption between the 25-month through 36-month anniversary of investment – Accrual Rate – 9.00%

Example: Initial Investment - $250,000 with a 3 Year Non-Redemption Option – 9.00% accrual rate

- Redemption paid after 18th month
    - Total Earned: $250,000 at 7.25% accrual equals $27,187.50
    - Total Previously Paid (15 months): $250,000 at 9.00% (3Yr) equals $28,125.00
    - Final Redemption Payout: $249,062.50 ($250,000 + $27,187.50 - $28,125.00)

Sources of Preferred Distributions; No Security. Preferred distributions on the Series A Preferred Interests are payable equally and ratably solely from the principal and interest the Fund receives from the borrowers to whom it loans funds. The Series A Preferred Interests are not obligations of the Managing Member, or its sister limited liability company, Inland Capital Group, LLC, or any of their respective affiliates. As equity, the Series A Preferred Interests are unsecured, and Rights to receive preferred distributions on the Series A Preferred Interests are subordinated to the liens and security interests of the Fund's lender and other creditors of the Fund.

Company Borrowing. We borrow money in the name of the Fund from one or more banks or other financial institutions in order to leverage the subscriptions we receive from investors and increase the capital that will be available to us to fund new loans. Initially, the borrowings were approximately 1.90 times the amount of equity in the Fund, equity being the difference between the Fund's loan assets and its liabilities. Management has been able to decrease this leverage ratio over time to be no more than 1.0 times equity in the Fund. Management believes it will be able to operate at a level not to exceed 1.0. These anticipated borrowings will be collateralized or secured by a first priority lien and security interest in the Fund's loan portfolio.

Disbursements of Company Funds. The Managing Member is authorized to disburse monies from the Fund's account to pay loan funding costs, which primarily consist of the principal amount of the loan that is advanced to the borrower at closing plus fees and costs that are incurred by the Fund for property appraisal reports, title searches and related loan underwriting information that are not paid by the borrower. The Managing Member will not disburse any Company monies to pay loan funding costs unless:

- the Managing Member or its designated closing agent has received executed copies of the following documents concerning the loan, all of which are in form and substance satisfactory to the Managing Member: the promissory note of the borrower; the mortgage or deed of trust securing the loan; if the promissory note, mortgage or deed of trust are in a name other than the Fund, an assignment of the promissory note, mortgage or deed of trust to the Fund, which assignment shall be duly acknowledged and in all respects in recordable form; and the credit application package, which includes the credit application, a preliminary title search, evidence of insurance and, if we require it, a credit report of the borrower and copies of an appraisal or other collateral valuation documents;

- the documents and instruments set forth in the preceding subparagraph are in all respects genuine and as they appear on their face or as are represented in the books and records of the Fund or the Managing Member; all of the information set forth in such documents and instruments is true and correct, and is not misleading or incomplete in any respect; such documents and instruments have been duly executed by the parties thereto and constitute valid and binding obligations of such parties, enforceable in accordance with their respective terms, which terms have in no way been amended, altered, changed, modified or waived;

- the loan meets all of the Fund's and the Managing Member's terms and conditions for such loans;

- no payment of principal or interest on the loan has been prepaid or is past due (except the amount, if any, specifically identified in writing as prepaid interest which amount the Fund or the Managing Member confirms as having been prepaid and as the only amount thereof which has been prepaid);

- there exists no default with respect to the loan; and

- the origination, underwriting and closing of the loan, and the terms and provisions of all of the documents and instruments pertaining to the loan, including the loan security documents, comply with all applicable federal and state laws.

- the obligations of the borrower under the loan are not subject to any defense, offset, reduction or counter-claim of any kind or nature whatsoever;

- to the Managing Member's knowledge, no event has occurred which has materially impaired or is likely materially to impair the value of the loan or the property and improvements that will be encumbered by the mortgage or deed of trust securing the loan;

- to the Managing Member's knowledge, there has not been any physical damage or deterioration to the property or improvements encumbered by the mortgage or deed of trust securing the loan and such property and improvements have been constructed or are being maintained in full accordance with applicable land use laws and land use permits;

- there is no pending litigation and, to the Managing Member's knowledge there is no threatened litigation that may affect in any way, by attachment or otherwise, the Fund's title or interest of the loan;

- the Managing Member does not have any knowledge of any existing, proposed or intended condemnation, exercise of any eminent domain, or any other facts or circumstances that might materially and adversely affect the value or marketability of the loan or the property and improvements encumbered by the mortgage or deed of trust;

- the borrower under the loan has qualified for the loan in accordance with, and the loan complies in all respects with, the underwriting policies and practices and all other requirements of the Fund and the Managing Member;

- if the property and improvements encumbered by the mortgage or deed of trust securing the loan are either a condominium or a unit in a planned unit development, the constituent documents establishing the condominium project or planned unit development, as the case may be, meet all applicable requirements;

- if the mortgage or deed of trust securing the loan creates a first lien, such lien is reflected in and insured by a lender's policy issued by a recognized title insurance company acceptable to the Managing Member in an amount at least equal to the original principal amount of the loan, with an assignment or endorsement to the Fund, and if the mortgage or deed of trust securing the loan creates a second lien, such lien is reflected as being in second position behind a first lien that is reflected in and insured by a lender's policy issued by a recognized title insurance company acceptable to the Managing Member;

- the property and improvements encumbered by the deed of trust or mortgage are or will be covered by a policy of fire and extended coverage hazard insurance written by a recognized insurance company acceptable to the Managing Member in an amount not less than the lesser of the original principal amount of the loan, or in the case the deed of trust or mortgage create a second lien, in an amount not less than the lesser of the original principal amount of the first and second liens combined, or the replacement value of the structural improvements situated on the property encumbered by the deed of trust or mortgage, with a loss payable endorsement or other mortgage protection clause that has been approved in writing by the Managing Member for the benefit of the Fund; and

- all policies of mortgage insurance, title insurance, hazard insurance and flood insurance, as applicable, with respect to the loan and the property and improvements encumbered by the deed of trust or mortgage are in full force and effect and have been issued by sound and financially responsible insurance companies duly licensed and qualified to transact business in the state or jurisdiction where the encumbered property and improvements are located, and to the Managing Member's knowledge, there are no facts or circumstances that reasonably could provide a basis for revocation of any of the policies or defense to any claim or claims made thereon.

The Managing Member may delay or cancel any requested disbursement of loan funding costs if all of the criteria set forth above have not been satisfied as of the closing date of the loan. Upon cancellation of a disbursement, the Managing Member will instruct its designated closing agent to return all funds it has received with respect to the affected disbursement, if any, to the Fund in immediately available funds.

Investment of Funds. The Managing Member will invest or reinvest Company funds that have not been segregated to pay loan funding costs in a money market or other interest-bearing account maintained at a federally insured financial institution in Spokane, Washington. Such investments and reinvestments will be held in the name of the Fund.

Amendments, Changes and Modifications to the Operating Agreement. The Managing Member may amend or modify the Operating Agreement without the consent or approval of the holders of the Series A Preferred Interests to the maximum extent permitted under applicable law; provided, however, that, no such amendment or modification will be permitted that would reduce the preferred distributions payable to the holders of the Series A Preferred Interests, change the optional and mandatory redemption features in a manner that adversely affects the holders of the Series A Preferred Interests or that otherwise materially adversely affects the holders of the Series A Preferred Interests without the consent or approval of the holders of a majority of the outstanding Series A Preferred Interests.

CAPITALIZATION OF THE FUND

The following table sets forth the Fund's capitalization as of December 31, 2018 and December 31, 2017. The information set forth below should be read in conjunction with the unaudited financial statements appearing elsewhere in this Memorandum. The Fund information should be read in conjunction with the audit reports prepared by Moss Adams, which are available upon request.

	Fund At December 31, 2018 12 Months	**Fund At December 31,2017 6 Months (July-Dec)**
Current assets	23,109,686	17,596,860
Property and equipment	0	0
Other assets	257,313	561,764
Total assets	23,366,999	18,158,624
Current liabilities	10,161,639	7,747,690
Long-term liabilities	0	0
Total liabilities	10,161,639	7,747,690
Preferred Interest	12,269,850	9,605,762
Managing Member's Equity	935,510	805,172
Total liabilities and members' equity	23,366,999	18,158,624

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BUSINESS

Overview. Our lending activities consist of originating, holding for investment, and sometimes selling short term loans to real estate investors who specialize in the purchase and sale of distressed residential and commercial properties for investment purposes. We do not originate, hold or sell permanent residential real estate loans to owner-occupiers. Because we do not make permanent mortgage loans to owner-occupiers, we are not subject to extensive local, state and federal regulation, such as the Home Ownership and Equity Protection Act, Title 1 of the Consumer Credit Protection Act of 1968, as amended (including certain provisions thereof commonly known as the "Truth in Lending Act"), the Equal Credit Opportunity Act of 1975, as amended, the Fair Credit Reporting Act of 1970, as amended, the Fair Debt Collection Practices Act, as amended, the Real Estate Settlement Procedures Act, and state laws and regulations, known as usury laws, that regulate the amount of interest and other charges we can collect from our investor borrowers.

Our loans are made to real estate investors whose credit needs are not being met by traditional lends (such as banks, savings and loan associations, and credit unions), who are precluded or impeded by existing regulations and internal lending practices from making such loans. Because of the moderately higher levels of risk associated with such loans, borrowers are required to pay rates of interest in excess of the rates quoted by such regulated financial institutions. We hold most of these loans for investment but sell a portion of them to purchasers, usually as whole loans but sometimes as undivided participatory interests in such loans.

Our Loan Products. We intend to use the proceeds of this offering to originate and fund short term residential and commercial loans to real estate investors to finance the acquisition, renovation, and remarketing of distressed and under-utilized properties that have significant latent value. They typically have an average term of twelve months (and an average duration of seven months) and bear interest at above-market rates when compared to conventional mortgages.

Risk Management. Like all lenders, we are exposed to various operating risks, the foremost being interest rate risk and credit risk. We control our interest rate risk by making short-term fixed-rate loans at interest rates that are significantly higher than the rates we pay for borrowed funds, thereby preserving a sufficient gross margin in the event prevailing interest rates increase. We manage our credit risk by requiring our borrowers to make a sufficient down payment on the purchase price of the property being financed, by imposing a loan-to-post-repair value ratio of not greater than 75 percent, by limiting the amount we will loan in any transaction (currently $750,000) and the amount we will loan to any one borrower (currently $1,250,000), and by limiting the maturities of our loans to generally no more than twelve months.

We also adhere to a risk rating system that is applicable to all of our loans. The risk rating system enables us to assess and quantify the perceived risk of loss on each loan at the time a loan is originated and periodically thereafter for so long as we service the loan, and takes into account changes in overall credit risk and systematic credit risk variables. It also enables us to assess the risk of proposed transactions, monitor customer and portfolio quality trends, establish a basis for appropriate pricing, and gauge the degree of attention, servicing and monitoring that may be required with respect to a loan. The more salient features of our risk rating system are described below:

Initial Underwriting Risk Ratings. Assessing risk at the origination of a loan is a key element in monitoring credit risk. All of the loans we originate for retention in our portfolio are assigned a risk rating at the time of approval, using the following risk factor matrix:

Risk Rating 5: Prime (minimal risk level)
Risk Rating 4: Good – High Quality (modest risk level)
Risk Rating 3: Satisfactory (acceptable credit risk)
Risk Rating 2: Marginal (acceptable with care and special attention)
Risk Rating 1: Loan is substandard, doubtful/potential loss

Our loan underwriters consider all relevant factors in assigning a risk rating to a loan and may introduce compensating or risk reduction and mitigation factors in making such assessment. Risk factors and weighting of risk factors may be changed from time to time by management, to adjust as economic market conditions strengthen and weaken. These adjustments are made to help mitigate negative effects on the loan portfolio. All loans are approved and risk rating assigned by an executive of the Managing Member. Loans with risk rating of from 3 to 5 are deemed

acceptable and generally desirable, with loans having a risk rating of 3 or 4 potentially having more mitigating factors than loans rated as 5. Loans having a risk rating of 1 or 2 are generally not eligible for financing.

The various criteria we use to assess risk varies depending on the nature of the loan. The primary criteria we employ in evaluating a loan and assigning a risk rating are as follows:

- Borrower and Purpose of Loan Request (Loan Type). Risk factors vary with the nature and purpose of each requested loan. For example, a loan request from a borrower for the purpose of rehabilitating and selling residential real estate has different characteristics and credit risk than a commercial loan to a real estate investor purchasing a 3-bay strip mall to rehab and hold in its rental portfolio.

- Real Property Collateral. In assessing the collateral for a loan, we consider the loan-to-value ratio (utilizing the after repair value, or ARV) of the collateral, market research and marketability analyses of the collateral, relevant entitlement and permitting issues, the proposed loan terms and their relation to our loan policy guidelines, the results of title searches, and insurance coverage. We also conduct a thorough review of all relevant legal documents to ensure the integrity of our lien position and our ability to enforce the agreements. We may also consider additional compensating factors such as additional property or cash collateral arrangements, additional personal guarantees, and permanent or take-out financing commitments. In addition, we require receipt of a policy of title insurance covering the real property given as security for the loans we originate, and the receipt of satisfactory evidence of property insurance in an amount equal to the lesser of the principal balance of the loan or the replacement cost of any improvements, and naming us as a co-insured. The loan to ARV ratios we generally employ in making loans are set forth in the following table.

Loan to ARV %	Risk Code for LTV
Less than 55%	5
55% - 59.9%	4
60% - 64.9%	3
65% - 70%	2
Greater than 70%	1

- Credit Characteristics. We do not typically assess a borrower's credit characteristics, but rely instead on our market analysis of the value of the real property that is funded by a loan. That said, we are not oblivious to a borrower's credit history and, when necessary, will examine his or her existing mortgages and business debts, obtain personal and business references, and conduct an analysis of the borrower's experience and success as a real estate investor.

- Cash Assets and Net Worth. Among the factors we consider are the borrower's liquid assets and cash on hand, the value of the borrower's equity in his or her business and other real estate holdings, the borrower's equity in the property that is the subject of the proposed loan, and the borrower's ability to cover cost overruns and other unforeseen events.

- Local and Regional Systemic Analysis. We also consider local and regional market variances, as well as general economic conditions. This may result in the imposition of loan-to-value restrictions or other "soft-market" limitations as a condition to loan approval.

Ongoing Monitoring and Risk Assessment. Due to the short duration of our loans (average 7 months) risk is re-assessed and an appropriate risk rating re-assigned upon a renewal or extension of a loan or upon the occurrence of a significant event. A significant event could be one that is related to a specific loan or could be one that is more generic or widespread (such as a dramatic change in prevailing interest rates, war or hostilities, or a breakdown in national or international financial markets) that reasonably could have a material effect on our loans. In all cases, the risk rating will be determined by the appropriate risk factor definition matrix described earlier in this Memorandum. Our underwriting personnel are responsible for this review, for reporting any improvement or deterioration in credit risk, and for determining any needed changes in the initial risk rating following closing. Changes in risk are based on an ongoing portfolio management and loan performance monitoring, which includes payment history.

Loan Loss Policy. We implemented an allowance for loan loss policy when the Fund commenced lending operations. Management reviews the policy no less than annually, making any adjustments to the policy's calculation methodology as of the end of the month following their approval by the Managing Member's executive committee. The policy represents management's estimate of credit losses inherent in the Fund's loan portfolio that have not yet been realized, based on a variety of factors, including past loan loss experience, adverse situations that have occurred but are not yet known that may affect the borrower's ability to repay, the estimated value of underlying collateral and general economic conditions. The policy is based on ongoing assessments of the probable estimated losses inherent in the loan portfolio. Due to the expected short average duration of the Fund's loans (approximately seven months), the ongoing assessments of loan performance focus primarily on payment monitoring of each loan. The resulting allowance is increased by the provision for credit losses, which is charged against current period operating results, and is decreased by charge-offs, net of recoveries. The policy incorporates the interrelated general risk factors of historical losses by loan type, an assessment of portfolio trends and conditions, and an assessment of specific economic and credit risk factors tracked by management.

The methodology for assessing the appropriateness of the loan loss policy consists of two key elements: general allocations that are based on management's tracking and assessment of key economic and credit factors (such as lending market home price trends, unemployment levels, bankruptcy filing levels, and commercial real estate vacancy trends) that could increase loan loss reserves and are applied against the loan portfolio as a whole; and specific allocations that could increase loan loss reserves by a percentage of each loan's outstanding principal balance if payment is past due by 31 days, 60 days and 90 days. Loan balances identified in this allocation method are not subject to further general allocations—the first of the two methodologies—as it would result in a doubling of the reserve on those loan balances.

Loan Administration and Servicing. Loan servicing includes matters associated with the closing of the loan itself (including the recording of appropriate security instruments and the retention of closing documents) and post-closing matters such as collecting payments under the loan documents, maintaining records of payment, notifying the borrower in the event of delinquency and, if necessary, retaining counsel to pursue collection, loan workout, or foreclosure remedies. The Managing Member anticipates acting as the primary servicer for the Fund's loans, but in some instances will utilize third party vendors to undertake certain servicing actions, such as, for example, retaining attorneys to initiate and complete a foreclosure action. As is disclosed elsewhere in this Memorandum, the Fund may from time-to-time purchase loans that were originated and are held by nonaffiliated entities that wish to retain the servicing rights to the loans, at a cost to the Fund. Although the Managing Member may not obtain the servicing rights with respect to these loans, it will continue to represent the Fund in conjunction with the loans and the third-party seller-servicers of the loans.

Conflicts of Interest. A material portion of the Fund's proceeds were used to purchase a portfolio of existing loans from our Managing Member and its sister limited liability company, Inland Capital Group, which originated these loans and holds them for their own accounts. The Fund bought these loans at their face value, which is the sum of their accrued but unpaid principal and interest, without discount. As a consequence, the Fund will bear any losses that are incurred with respect to these loans. The Fund will continue to finance new loans that are originated by the Managing Member. The Managing Member may in the future sponsor and manage additional pooled investment vehicles to acquire loans similar to the loans that will be acquired by the Fund. In addition, the Fund itself may issue other series of preferred economic interests or form new entities to raise capital to fund and hold real estate loans. These activities could result in conflicts of interest in the selection of loans that are funded for the account of the Fund and those that are selected and funded for the accounts of other affiliated entities and security holders.

These conflicts of interest could arise in a number of ways, owing to the differing characteristics of the borrowers with whom we do or will do business and the real property that is or will be given as security for repayment of the loans we make or will make. For example, loans made to qualified real estate investors that are secured by residential real estate may have less risk than loans to other qualified investors secured by rural, commercial or recreational real estate because residential real estate is typically easier to market. And while all of the loans we fund must meet certain underwriting criteria, those having greater risk profiles could be more susceptible to default and risk of loss. Conflicts could also arise if, for example, we were to have a higher concentration of specific types of loans in one portfolio and more diverse portfolios in others, or if the geographic concentration of loans is skewed more heavily against or in favor of one portfolio as opposed to another.

In addition, the Fund may contract with the Managing Member or any of its direct or indirect affiliates for the provision of escrow, closing, foreclosure or other loan administrative services (although it does not have any current intentions to do so) - in addition to the Managing Member's duties and obligations to the Fund as its managing member.

We recognize that these conflicts of interests do and will exist, and have established the following guidelines and operating policies to address and ameliorate them to the extent possible:

(a) The Fund will not purchase loans from the Managing Member, Inland Capital Group or any of their direct and indirect affiliates, other than loans that are originated and closed in the name of the Managing Member for administrative purposes pending their assignment to the Fund.

(b) The Fund will not sell any loans to the Managing Member, Inland Capital Group or any of their direct and indirect affiliates.

(c) To the extent reasonably practicable, any loans that are originated or purchased by the Managing Member, Inland Capital Group or any of their direct and indirect affiliates shall first be made available for purchase by the Fund, to the extent it has funds available therefore.

(d) The Fund will not purchase or sell participatory interests in loans—these being loans the fractional undivided interests in which are also purchased by or sold to the Managing Member, Inland Capital Group or any of their direct or indirect affiliates—except upon the same terms and conditions, and then only if the Fund does not have sufficient funds to purchase the whole loan or the Managing Member determines in its reasonable discretion that the loan presents certain risk or other characteristics that make such participation necessary or advisable.

(e) The Managing Member does not anticipate providing escrow, closing, foreclosure and other services to the Fund, but will instead contract with third-party providers of such services. Should the Managing Member later determine to provide any such services to the Fund, it will be upon terms and conditions that are at least as favorable to the Fund as those that could have been obtained by the Fund from a third-party provider.

Loan Performance. The following table sets forth information for the six-month period ended December 31, 2017 and the year ended December 31, 2018 concerning the performance of the loans that the Fund originated during such periods.

	Year Ended December 31, 2018 12 Months	**Year Ended December 31, 2017 6 Months (July-Dec)**
Number and gross principal amount of loans	184/$33,702,288	67/ $10,866,838
Average principal amount of loans	$183,164	$162,192
Weighted average interest rate	11.10%	12%
Average loan to value ratio	52%	55%
Percentage of loans paid in full*	100%	100%
Number / percentage of defaulted loans	0 / 0.00%	2 / 1.37%
Number / percentage of foreclosed loans	0 / 0.00%	1 / 0.68%

**only includes loans that have paid off. As of 12/31/2018 there are loans from these years that are still active*
> 2017 – 6 loans for $869,868
> 2018 – 111 loans for $19,957,968.52

Fees, Costs and Compensation. The amounts we charge in connection with the origination, administration and servicing of loans vary depending upon the particular attributes of each loan. The following table sets forth only general information concerning these fees.

Type of Fee	Amount of Fee	Payor and Recipient of Fee
Loan origination fee	4% - 2% but discounted by 2% - 0% if the loan is fully paid within five months	Paid by the borrower at loan payoff (financed at origination).
Loan processing and closing fee	Currently approximately $1,090 per loan	Paid by the borrower, at loan payoff.
Delinquency charges	The rate of interest charged on defaulted loans is currently 24% per annum. Late Fee – 10% of monthly payment	Paid by the borrower Paid by borrower at loan payoff.
Closeout, reconveyance and miscellaneous escrow fees	Included in loan processing and closing fees	Paid by the borrower at loan payoff.

Marketing and Sources of Loans. We actively market our lending services to a variety of real estate professionals in our market areas, including multiple listing services, realtors, boards of realtors, on-line realty services, and other lending institutions whose lending criteria prevent them from making the types of loans we offer.

THE LOAN PORTFOLIO

Overview. We used a portion of the initial proceeds we received from the sale of the Series A Preferred Interests to purchase a portfolio of existing short-term loans to non-occupier real estate investors from Managing Member and its sister limited liability company, Inland Capital Group, LLC. Since July 1, 2017, we have used the proceeds of the initial issuance of the Series A Preferred Interests to fund loans.

The Loan Portfolio. Important information concerning the existing portfolio of loans as of December 31, 2018, is set forth in Exhibit B to this Memorandum. In management's opinion, the existing portfolio is representative of the portfolio of loans that will exist within the portfolio going forward. Prospective purchasers of the Series A Preferred Interests are encouraged to review Exhibit B carefully. Prospective purchasers are further advised that the Managing Member and its personnel are available to answer any questions concerning the loan portfolio, and will provide prospective purchasers with additional updated information concerning the loan portfolio that they may reasonably request, without charge.

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SUMMARY OF THE OPERATING AGREEMENT

Following is a brief summary of certain provisions of our Operating Agreement, a copy of which is included in full as Exhibit A to this Memorandum. The summary highlights only the most important information about this operating agreement, and is not complete.

Formation and Business; Differences from Corporate Form. We were organized as a limited liability company under the Washington Limited Liability Company Act on March 8, 2016. Our purpose is to fund short term residential and commercial loans to real estate investors and, generally, to exercise all legally exercisable powers necessary or incident to that business. (See Sections 2.5 and Article 3 of the Operating Agreement.)

A limited liability company differs in many respects from a corporation, which *i*s the form in which most business enterprises are organized. For example, a limited liability company is managed by a managing member or members selected by its voting members, whereas a corporation is managed by a board of directors selected by its shareholders who, in turn, appoint executive officers to manage the corporation on a day-to-day basis. Unlike a corporation, which pays taxes at the corporate or entity level, profits and losses of a limited liability company, and other tax items, are, except as described below under the heading *Certain Material U.S. Federal Income Tax Considerations – Federal Income Tax Audits*, passed through to its members, according to their respective ownership interests.

Management.

Exclusive Authority of the Managing Member. Our business and affairs are managed exclusively by our Managing Member, Inland Capital, LLC. The Managing Member has complete authority, power and discretion to manage virtually all aspects of our business, including the power to authorize the creation and issuance of one or more classes of membership interest or economic interest.

Limitation of Liability. The Managing Member is not liable for, and will be indemnified by the Fund against any damages resulting from any acts or omissions performed by it in good faith and in a manner reasonably believed by it to be within the scope of its authority and in the best interests of the Fund. This said, the Managing Member is not entitled to be indemnified if its act or omission involved intentional misconduct or was a knowing violation of law, or if it resulted in the making of an unpermitted distribution or conferred an improper personal benefit upon them. (See Section 5.2 of the Operating Agreement.)

Fiduciary Duties. The Managing Member has a fiduciary duty to conduct the Fund's affairs in the best interests of the members. In order to fulfill this duty, it must discharge its obligations in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner reasonably believed to be in the Fund's best interests.

Liability of Members to Third Parties. The Operating Agreement provides that no member shall be personally liable for the Fund's debts or other obligations beyond the amount of his or her capital contribution. This said, in the event we are unable to meet our obligations, the members might be obligated under applicable law to return or to pay to creditors any distributions previously received by them, to the extent such distributions are deemed to have been paid impermissibly under applicable law. (See Sections 6.1 and 6.2 of the Operating Agreement.)

Liability of Members to the Fund. The Operating Agreement authorizes us to withhold from distributions or with respect to allocations to holders of Series A Preferred Interests and to pay over to the appropriate government authority any amounts required to be withheld pursuant to applicable tax laws, which amounts shall be treated as distributions to such holders. The Operating Agreement also provides that if we incur any liability for income taxes, interest or penalties as a result of any audit of us by any governmental taxing authority, the Managing Member can allocate such company level taxes among the persons who were unit holders, including holders of Series A Preferred Interests, during the applicable taxable year, and treat such allocated amount as a withheld tax recoverable from the holders. If any such withheld taxes are subsequently determined to exceed the amount otherwise distributable to a holder, or to be insufficient to satisfy the withholding requirements, then such holder will indemnify and hold harmless the Fund and the other holders for such excess amount, withholding requirement or payment. (See Sections 9.3 and 10.6 of the Operating Agreement.)

Capital Contributions and Capital Accounts.

Capital Contributions. The initial capital contribution of each unit holder will be the amount he or she pays for the Series A Preferred Interests we are offering, and such holder's capital contribution and percentage interest will be set forth on a schedule to the Operating Agreement. If the capital contribution of any unit holder changes, the Managing Member will reflect the change in a revised schedule, and will provide each unit holder with a copy of the revision. (See Section 7.1 of the Operating Agreement.)

Capital Accounts. We will maintain a separate capital account for each unit holder in accordance with the requirements in applicable Treasury regulations. Each unit holder's capital account will initially be the amount he or she pays for the Series A Preferred Interests we are offering, and generally will be increased by any additional capital contributions by the unit holder, any allocated net profits and any specially allocated income and gain. Each unit holder's capital account will generally be decreased by the amount of money (or the fair market value of any property) distributed to such holder, the amount of any allocated net losses and any specially allocated losses and deductions . (See Sections 7.2 and 7.3 of the Operating Agreement.)

Allocations of Profits and Losses. Our net profits from operations will first be allocated to the holders of the Series A Preferred Interests at a per annum fixed rate equal to 9.00%, 7.25% or 5.25% percent, depending on the corresponding non-redemption period. All other net profits will be allocated to the holders of common units. Net losses, if any, will be allocated to the holders of Series A Preferred Interests only after allocations of net losses have been allocated solely to the common members and reduced the capital account balance of the common members (as adjusted) to zero. Net profits and net losses are based upon the Fund's taxable income or loss for the reported period. Certain special allocation rules may apply to certain tax items, such as deductions attributable to non-recourse indebtedness. (See Article 8 of the Operating Agreement.)

Distributions. Distributions of distributable cash will first be made to the holders of the Series A Preferred Interests at a per annum fixed preferred distribution rate equal to 9.00%, 7.25% or 5.25% percent, depending on the corresponding non-redemption period. All other distributions of distributable cash will be made to the holders of common units. Liquidating distributions will first be made to the holders of the Series A Preferred Interests to satisfy their accrued but undistributed preferred return and return their unreturned capital contributions. Thereafter, all liquidating distributions will be made to the holders of common units.

Dispute Resolution. Any disputes regarding the terms of the Operating Agreement, its interpretation or the performance of any of the duties and obligations of any party to the agreement will be resolved by binding arbitration in Spokane, Washington conducted in accordance with the Washington Arbitration Act. (See Section 14.13 of the Operating Agreement.)

Term and Termination. The Fund will exist in perpetuity, subject to the right of the members to seek an earlier termination or termination upon the sale of all or substantially all of its assets or upon the occurrence of other specified events. Upon termination and dissolution, the Managing Member will take steps to liquidate and distribute the Fund's assets. (See Section 2.5 and Article 13 of the Operating Agreement.)

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Certain Material U.S. Federal Income Tax Considerations

Important Cautionary Note: The following discussion summarizes certain, although not all, U.S. federal income tax considerations relating to an investment in the Fund by an investor who is a U.S. person, as defined below. These considerations may vary with the identity and status of the investor. This summary provides only a general discussion and does not represent a complete analysis of all potential tax consequences arising from an investment in the Fund. It is based on the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury Regulations promulgated thereunder, and judicial and administrative interpretations thereof, all as of the date hereof. No assurance can be given that future legislation, Treasury Regulations, administrative pronouncements or court decisions will not significantly change applicable law, perhaps retroactively, and materially affect the following discussion. No advance rulings have been or will be requested from the Internal Revenue Service (the "Service") as to any matter, and there can be no assurance that the Service will not successfully assert, or that a court would not sustain, a position contrary to anything outlined in this summary. Moreover, no legal opinion has been received or requested by the Fund regarding tax consequences relating to the Fund or an investment in the Fund.

The effects of any foreign, state or local tax law, alternative minimum tax, net investment income tax, or federal tax law other than income tax law, are not addressed in the following discussion. This summary also does not address tax considerations that may apply to prospective investors who are subject to special tax rules, such as banks, insurance companies, tax-exempt organizations (including individual retirement accounts and qualified retirement plans (except to the limited extent of the discussion under the heading "Retirement Plan and IRA Investors," below)), regulated investment companies, real estate investment trusts, dealers or traders in securities or currencies, persons who hold their interests in the Fund as part of a hedging, "straddle" or "conversion" transaction or otherwise as part of a holding with any other position. This summary applies only to prospective investors who are U.S. persons, defined as (i) individual citizens or residents of the United States, (ii) corporations created or organized under the laws of the United States or any state or political subdivision thereof (including the District of Columbia), (iii) estates, the incomes of which are subject to U.S. federal income taxation regardless of the source of such income or (iv) trusts subject to the primary supervision of a U.S. court and the control of one or more U.S. persons.

An investment in the Series A Preferred Interests does not confer upon the purchaser any special tax benefits, and this offering is not made as a "tax shelter."

Status as a Partnership. Under applicable Treasury Regulations, a unincorporated entity formed in the U.S. which has two or more owners, such as the Fund, will be treated as a partnership for U.S. federal income tax purposes unless it elects to be treated as an association taxable as a corporation or is a "publicly traded partnership" that is taxable as a corporation. The Managing Member does not intend to elect to have the Fund be treated as an association taxable as a corporation. The Managing Member does not believe that the Fund will be treated as a publicly traded partnership, as it expects the Fund to satisfy a safe harbor under applicable Treasury Regulations. The balance of this discussion assumes that the Fund will be treated as a partnership for U.S. federal income tax purposes and that the common members and the Series A Preferred Interest holders (collectively, the "***Members***") will be treated as partners of the Fund for U.S. federal income tax purposes.

Pass-Through of Tax Attributes; Limitations on Use of Losses. Except as described below under the heading "Federal Income Tax Audits," the Fund will not be subject to federal income taxes on its income. Instead, each Member will be required to report on his, her or its federal income tax return such Member's allocable share of all items of income, gain, loss or deduction of the Fund for the Member's taxable year within which the Fund's taxable year ends. The ability of a Member to utilize his, her, or its share of Fund losses (if any) to offset income from other sources may be substantially limited by, among other restrictions, the basis limitation rules of Code Section 704(d), the at-risk rules of Code Section 465, the passive activity loss rules of Code Section 469, and the excess business loss rules of Code Section 461(l) (applicable to non-corporate members for taxable years after December 31, 2017 and before January 1, 2026). The Managing Member will cause the Fund to provide tax reporting information to the Series A Preferred Interest holders no later than 90 days following the end of each calendar year. Members should consult their own accountants or tax professionals for individual tax planning and tax return preparation and filing advice.

Allocations of Net Profit and Loss. Allocations of net profit, net loss and other tax items under the Fund's

Operating Agreement will be respected by the Service only if they either have "substantial economic effect" or are in accordance with the "partners' interests in the partnership." The Fund's Operating Agreement is not written in such a way that these allocations will have substantial economic effect. Instead, the allocations of net profit, net loss, and other items are "forced" on an annual basis to follow the manner in which distributions would be made to the Members if (hypothetically) the Fund's assets were sold for their book value at the end of the relevant year and the Fund paid its liabilities and liquidated. This approach provides certainty regarding the manner in which distributions will be made among the Members, but does not have the benefit of complying with the substantial economic effect safe harbor rules in the Treasury Regulations. The "partner's interest in the partnership" test is applied on the basis of all of the facts and circumstances relating to a Member's investment in the Fund and can be difficult to apply. Accordingly, the Service could challenge allocations of net profit, net loss, and other tax items among the Members, which could result in a Member being allocated a greater share of Fund income or gain, or a lesser share of Fund losses or deductions, which in turn could increase the Member's tax liability.

Pass-through Deduction for Qualified Business Income. For taxable years beginning after December 31, 2017 and ending on or before December 31, 2025, a Member that is an individual, a trust or an estate is entitled to a deduction of up to 20% of his or her allocable share of the Fund's "qualified business income" (the "Section 199A Deduction"). The Section 199A Deduction is subject to a number of complex limitations and there is some uncertainty regarding the application of the Section 199A Deduction to various types of income. Members should consult with their tax advisors regarding the availability of the Section 199A Deduction.

Character of Fund Income. The Fund expects that all or substantially all of its income will be taxable as ordinary income.

Tax Liabilities May Exceed Cash Distributions. Members of the Fund are required to report on their federal income tax returns their respective shares of the Fund's items of income and gain, whether or not such income is actually distributed by the Fund. Accordingly, a Member may not receive cash distributions from the Fund sufficient to allow the Member to pay tax liabilities arising from allocations of Fund income, in which case the Member would be required to satisfy that tax liability with funds from other sources.

Disallowance of Certain Expenses Deducted by the Fund. The Fund will deduct certain operating expenses and an amortizable portion of the Fund's organizational expenses. It is possible that the deduction of some or all of such expenses may be challenged by Service. If any such challenge were to be successful (and there can be no assurance that it would not be successful), it could result in materially reduced tax deductions or an increase in taxable income to a Member in the years with respect to which such deductions are disallowed. Certain of the Fund's expenses may be treated as "miscellaneous itemized deductions." For taxable years beginning before January 1, 2026, otherwise deductible expenses incurred by noncorporate taxpayers constituting miscellaneous itemized deductions, generally including investment-related expenses (other than interest and certain other specified expenses), are not deductible. For taxable years beginning on or after January 1, 2026, such miscellaneous itemized deductions are deductible only to the extent they exceed 2 percent of the taxpayer's adjusted gross income for the year.

Limitations on Interest Deductions. The Fund generally is entitled to a deduction for interest paid or accrued on indebtedness properly allocable to its trade or business during its taxable year. The Fund expects that all of its interest expense will be properly treated as business interest, rather than investment interest. Code Section 163(j) imposes a limitation on the deductibility of business interest, generally equal to the sum of business interest income and 30% of "adjusted taxable income." Adjusted taxable income is computed without regard to any business interest or business interest income, and in the case of taxable years beginning before January 1, 2022, any deduction allowable for depreciation, amortization or depletion. Code Section 163(j) does not, however, apply to certain small businesses. The Fund expects to be able to qualify for the small business exception for the foreseeable future and, consequently, does not expect its business interest expense to be subject to limitation under Code Section 163(j). Nonetheless, each Member will be required to take Code Section 163(j) into account in calculating the Member's own federal income tax liability, as the business interest expense of the Fund will retain its character as such in the hands of the Member if the small business exception applies to the Fund. Each Member should consult his, her or its own tax advisor regarding the application of Code Section 163(j) to the Member's particular tax situation.

Any interest expense incurred to purchase Series A Preferred Interests may be limited as to immediate

deductibility. Code Section 163(d) limits the amount of "investment interest" that non-corporate taxpayers may deduct for U.S. federal income tax purposes. A taxpayer subject to Code Section 163(d) may deduct investment interest only to the extent of the taxpayer's "net investment income." Any deduction for investment interest that is disallowed may be carried over to subsequent years to offset the net investment income. The interest expense on indebtedness incurred to purchase or carry Series A Preferred Interests will be subject to the investment interest limitation.

Distributions and Sales of Series A Preferred Interests. A Series A Preferred Interest holder will recognize gain on receiving a cash distribution from the Fund to the extent that the distribution exceeds the Series A Preferred Interest holder's adjusted basis in its interest in the Fund, calculated after taking into account allocations of Fund income and loss for the taxable year in which the distribution occurs. For these purposes, distributions include any preferred distribution to the Member, any payments in partial or complete redemption of the Member's Series A Preferred Interests and any reduction in the Member's share of Fund liabilities previously included in the Member's basis in his, her or its interest in the Fund.

Gain recognized as a result of a non-liquidating distribution from the Fund generally will be taxable to a Member as either short-term or long-term capital gain, depending on the Member's holding period for his, her or its interest in the Fund, except to the extent that the gain is attributable to so-called "hot assets" held by the Fund. The Fund expects that the only hot assets it may have are certain accrued receivables, which are considered unrealized receivables for purposes of Code Section 751, although it is possible that the Fund could hold other hot assets in the future. If a distribution from the Fund to a Series A Preferred Interest holder is attributable to hot assets, the tax impact will be governed by the complex provisions of Code Section 751, but generally could result in the recognition of ordinary income by the Member and/or the Fund.

A Member whose interest in the Fund is completely repurchased by the Fund upon optional redemption, on liquidation of the Fund, or otherwise, will recognize gain or loss, depending upon whether the amount realized exceeds or is less than the Member's adjusted tax basis in the Fund interest. The gain or loss will generally be taxable to the Member as either short-term or long-term capital gain or loss, depending on the Member's holding period, except to the extent it is subject to recharacterization as ordinary income or ordinary loss as a result of the application of the rules of Code Section 751.

A Member who sells all or a part of such Member's interest in the Fund to a third party will recognize gain or loss, depending upon whether the amount realized exceeds or is less than the Member's adjusted tax basis in the Fund interest that is sold. The gain or loss will generally be taxable to the Member as either short-term or long-term capital gain or loss, depending on the Member's holding period, except to the extent it is subject to recharacterization as ordinary income or ordinary loss as a result of the application of the rules of Code Section 751.

The U.S. federal income tax rates currently applicable to long-term capital gains recognized by non-corporate taxpayers are lower than the rates applicable to ordinary income of such taxpayers. The ability to use capital losses is subject to significant limitations under the Code.

Tax Basis of Members' Interests. Generally, the tax basis of a Member in his, her or its interest in the Fund is equal to the Member's cash capital contributions to the Fund, increased by (A) the Member's share of the Fund's income and gain and its share of certain Fund liabilities and reduced by (B) the Member's share of Fund losses (if any), Fund distributions made to the Member, reductions in the share of Fund liabilities previously included in the Member's tax basis and the Member's share of certain other expenditures—*i.e.*, nondeductible Fund expenditures not properly chargeable to capital account.

Section 754 Election. The Fund may file, at the discretion of the Managing Member, an election under Code Section 754 to adjust the tax basis of Fund property in connection with certain distributions to a Member, or upon transfer of an interest in the Fund by sale or exchange or on the death of a Member.

In general, if this election is made, and a Member recognizes gain as a result of a distribution from the Fund, the Fund must increase the tax basis of its remaining property by the amount of gain recognized. Conversely, if a Member recognizes a loss as a result of a distribution from the Fund, the Fund must decrease the basis of its remaining property by the amount of the loss recognized by the distributee Member.

Where an election under Section 754 has been made and a transferee Member's tax basis in its interest in the Fund is either greater or less than its proportionate share of the Fund's tax basis in its assets, the Fund's tax basis in its assets shall increase or decrease (as the case may be) by such difference. Such increase or decrease will constitute an adjustment to the basis of the Fund's property with respect to the transferee Member only.

In certain circumstances where a partnership has substantial built-in losses inherent in its assets or a distribution from the partnership would result in a substantial basis reduction, the basis adjustments described above are mandatory even if the partnership does not have a Section 754 election in effect.

Retirement Plan and IRA Investors. All or a portion of the net income of the Fund allocated to an individual retirement account ("IRA") or qualified retirement plan ("Retirement Plan") that invests in the Fund is expected to constitute unrelated business taxable income. As a result, if an IRA or Retirement Plan invests in the Fund, a portion of any net income of the Fund allocated to such Series A Preferred Interest holder may constitute income taxable to the IRA or Retirement Plan in the year it is allocated, notwithstanding that the IRA or Retirement Plan is otherwise exempt from federal income tax.

Federal Income Tax Audits. Under partnership tax audit rules applicable for taxable years beginning after December 31, 2017, the Managing Member, initially acting through its chief financial officer, Ty Rembe, will be the Fund's "partnership representative" with the authority to determine the Fund's response to any federal income tax audit and to make all related decisions and elections. Under these tax audit rules, the Fund (rather than the Members) will generally be required to pay any "imputed underpayments" (as defined in the Code), including interest and penalties, resulting from an adjustment to the Fund's items of income, gain, loss, deduction or credit, or an adjustment to the allocation of such items among the Members. Any such imputed underpayment will be based on the highest individual or corporate income tax rate in effect for the year being audited, unless the Fund is able to establish that all or part of the underpayment would have otherwise been taxed at a lower rate.

If the Fund undergoes a federal income tax audit and has to pay an imputed underpayment, which may include penalties and interest, the Managing Member may treat such amount as a Fund expense or, alternatively, may allocate such amount among the current and former Members in such equitable manner as it determines, with the result that (i) the amount may be treated as a distribution to such person or may be required to be repaid by such person upon demand by the Managing Member and (ii) such person will be required to indemnify the Fund and the other Members from and against any and all liability with respect to such amount. As an alternative to having the Fund pay the imputed underpayment, the partnership representative may elect under Code Section 6226 to cause each person that was a Member in the taxable year to which the audit adjustments relate to take into account on such person's tax return for the taxable year in which the audit adjustments become final and pay to the Service the tax attributable to such person's share of any adjustment, including such person's share of penalties. In such a case, the current and former Members subject to the liability attributable to such audit adjustment would be subject to a higher rate of interest with respect to any underpayment than would have applied if the Fund were subject to the underpayment.

Any actions taken by the partnership representative will be binding on both the Fund and the Members. The Service will not be required to provide notice of any audit or proceeding to any person other than the partnership representative. The application of certain aspects of these new partnership audit rules is unclear. As a result, potential investors are encouraged to consult with their tax advisors regarding the possible implications of the new partnership audit rules on an investment in the Fund.

State and Local Taxes. Investing in the Fund may subject a Member to certain state and local income or excise taxes in states in which the Fund may be deemed to be doing business or own property. At the request of a Member, the Fund may, but is not required to, include such Member in a composite state or local income tax filing in states in which the Member is a non-resident or does not otherwise already have an income tax return filing obligation. Any amounts paid by the Fund on behalf of a Member in connection with any composite return filing will be treated as advances against distributions to which the Member would otherwise be entitled under the Operating Agreement and are subject to reimbursement obligation on behalf of such Member under certain circumstances set forth in the Operating Agreement. If a Member is included in a composite state or local tax return filed by the Fund, the Member's share of the composite tax liability may exceed the tax liability that would otherwise be incurred by the Member if the Member filed its own non-resident income tax return in that jurisdiction.

Future Federal Income Tax Legislation or Changes in Regulations or Other Administrative Guidance. The federal income tax laws are the subject of continuing scrutiny and proposals for amendment. Any new legislation may affect, possibly retroactively, the tax treatment of an investment in the Fund by a Series A Preferred Interest holder. An assessment of the effect of this or any tax law changes must await the enactment of such legislation. Even without new legislation, the Service might issue new regulations or other administrative guidance, or judicial authority may change, any of which may have retroactive effect, and any of which could affect an investment in the Fund by a Series A Preferred Interest holder. In particular, the Service and Treasury expect to continue issuing a significant number of regulations and other items of administrative guidance interpreting the provisions of the 2017 Tax Act and the tax provisions of the Consolidated Appropriations Act, 2018.

REPORTS

We will furnish holders of the Series A Preferred Interests with quarterly financial and operating information within 45 days of the end of each of the first three fiscal quarters of each calendar year. We will also furnish holders of the Series A Preferred Interest with tax information within 90 days of the end of each calendar year, and will furnish such holders with an annual report containing our financial statements, which will be audited by the Fund's independent public accountants, within 120 days of the end of each calendar year. Such annual reports will also include financial and nonfinancial information concerning our operations for the year.

LEGAL MATTERS

Davis Wright Tremaine LLP, Seattle, WA, advised the Fund as to legal matters related to the Offering and reviewed the statements under the section of this Memorandum entitled "*Certain Material U.S. Income Tax Considerations*". Davis Wright Tremaine LLP represents the Fund and does not represent investors in the Series A Preferred Interests, and such counsel disclaims any fiduciary or attorney-client relationship with investors in the Series A Preferred Interests with respect to the Fund and the Offering. The attorneys, accountants and other experts who perform services for the Fund all perform such services at the request of and solely for the benefit of the Fund and its Affiliates, and do not represent, or intend to provide any benefit to, or take into consideration the interests of, the holders Series A Preferred Interests.

ADDITIONAL INFORMATION

Prospective investors who have questions about this offering are encouraged to contact us. We will provide such additional, non-confidential information about us and our business as is reasonably requested, without charge. These inquiries should be directed to Aaron Cunningham, Jason Delp, or Chris Vincent at (509) 473-0096 or (253) 642-6602.

FINANCIAL STATEMENTS

The balance sheets and statements of operations for the year ended December 31, 2018 included in this Memorandum have been prepared internally by the Managing Member and are neither audited nor reviewed. The Managing Member believes the balance sheets and statements of income include all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of our results for such year and such period. Moss Adams LLP has performed an audit for this period and the full report is available upon request.

The balance sheet and statement of income for Inland Capital Fund LLC as of December 31, 2017 for the 6- month period (7/1/2017 – 12/31/2017) then ended that are included in this Memorandum have been prepared internally by the Managing Member and are neither audited nor reviewed. The Managing Member believes the balance sheets and statements of income include all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of our results for such year and such period. Moss Adams LLP has performed an audit for this period and the full report is available upon request.

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INLAND CAPITAL FUND LLC
BALANCE SHEET
AS OFDECEMBER 31, 2018

ASSETS		LIABILITIES AND MEMBERS' EQUITY	
Current Assets:		**Current Liabilities:**	
Cash	1,116,547	Accounts Payable	1,100
Loans Receivable	21,994,186	Interest payable	37,932
less Reserves for Loan Loss	(66,671)	Bank - LOC	9,860,916
Due from Managing Member	257,313	Preferred Equity - Investor Pmt Accrual	250,937
Loan Fee's Amortized	65,625	Other Current Liabilities	10,755
Total Current Assets	23,366,999	**Total Current Liabilities**	10,161,639
Total Assets	23,366,999	**Total Long-Term Liabilities**	-
		Total Liabilities	10,161,639
		Preferred Equity - Series A	12,269,849
		Common Equity	(452,645)
		Net Income	1,388,155
		Members' Equity	13,205,360
		Total Liabilities and Members' Equity	23,366,999

INLAND CAPITAL FUND LLC
STATEMENT OF INCOME
FOR THE YEAR ENDING DECEMBER 31, 2018

	Amount	% of Int & Fee Income
Revenues:		
Interest Income	2,227,243	64.59%
Interest Expense	1,517,230	44.00%
Net Interest Income before Loan Losses	710,013	20.59%
Provision For Loan Loss	1,824	0.05%
Bad Debt Expense (Loss)	-	0.00%
Net Interest Income after Provision & Loss	708,189	20.54%
Noninterest Income:		
Loan related fees	1,221,300	35.41%
Total Noninterest Income	1,221,300	35.41%
Noninterest Expenses:		
Legal - Foreclosure/BK	38,283	1.11%
Misc Loan related	223,567	6.48%
Management Servicing Fee	239,310	6.94%
Total Noninterst Loan Expense	501,160	14.53%
Operating Expenses:		
Licenses & Permits	502	0.01%
Bank Fees	1,468	0.04%
Supplies	65	0.00%
Professional Fees	37,877	1.10%
State & Local Taxes	(843)	-0.02%
Computer & Internet	1,104	0.03%
Total Operating Expense	40,174	1.16%
Net Income	1,388,155	40.25%

INLAND CAPITAL FUND LLC
BALANCE SHEET
AS OFDECEMBER 31, 2017

ASSETS		LIABILITIES AND MEMBERS' EQUITY	
Current Assets:		**Current Liabilities:**	
Cash	808,129	Accounts Payable	2,760
Loans Receivable	16,778,578	Interest payable	23,197
less Reserves for Loan Loss	(64,847)	Bank - LOC	7,510,915
Due from Managing Member	561,764	Preferred Equity - Investor Pmt Accrual	203,327
Loan Fee's Amortized	75,000	Other Current Liabilities	7,491
Total Current Assets	**18,158,624**	**Total Current Liabilities**	**7,747,690**
Total Assets	**18,158,624**	**Total Long-Term Liabilities**	-
		Total Liabilities	**7,747,690**
		Preferred Equity - Series A	9,605,762
		Common Equity	-
		Net Income	805,172
		Members' Equity	**10,410,934**
		Total Liabilities and Members' Equity	**18,158,624**

INLAND CAPITAL FUND LLC
STATEMENT OF INCOME
FOR THE YEAR ENDING DECEMBER 31, 2017

	Amount	% of Int & Fee Income
Revenues:		
Interest Income	1,016,243	65.83%
Interest Expense	633,079	41.01%
Net Interest Income before Loan Losses	383,164	24.82%
Provision For Loan Loss	64,847	4.20%
Bad Debt Expense (Loss)	-	0.00%
Net Interest Income after Provision & Loss	318,317	20.62%
Noninterest Income:		
Loan related fees	527,550	34.17%
Total Noninterest Income	527,550	34.17%
Noninterest Expenses:		
Legal - Foreclosure/BK	8,681	0.56%
Misc Loan related	23,904	1.55%
Management Servicing Fee	-	0.00%
Total Noninterst Loan Expense	32,585	2.11%
Operating Expenses:		
Licenses & Permits	100	0.01%
Bank Fees	249	0.02%
Supplies	-	0.00%
Professional Fees	-	0.00%
State & Local Taxes	7,491	0.49%
Computer & Internet	270	0.02%
Total Operating Expense	8,110	0.53%
Net Income	805,172	52.16%

Exhibit A to Memorandum
(Amended and Restated Operating Agreement)

AMENDED AND RESTATED
OPERATING AGREEMENT

OF

INLAND CAPITAL FUND LLC

(a Washington limited liability company)

Dated and Effective

as of

June 1, 2019

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AMENDED AND RESTATED
OPERATING AGREEMENT
OF
INLAND CAPITAL FUND LLC

THIS AMENDED AND RESTATED OPERATING AGREEMENT (the "Agreement") is made and entered into effective as of June 1, 2019, by and among the Persons who have executed this Agreement, and supersedes in its entirety the Operating Agreement of Inland Capital Fund LLC dated March 8, 2016, as amended.

ARTICLE 1 -- DEFINITIONS

The following terms used in this Agreement shall have the following meanings (unless otherwise expressly provided herein):

"*2015 Act*" has the meaning given to that term in Section 10.6.2.

"*Act*" means the Washington Uniform Limited Liability Company Act.

"*Capital Account*" means the capital account determined and maintained for each Unit Holder pursuant to Section 7.2.

"*Capital Contribution*" means any contribution by a Unit Holder to the capital of the Company in money or property, whenever made.

"*Certificate of Formation*" means the certificate of formation pursuant to which the Company was formed, as originally filed with the office of the Secretary of State of the State of Washington on March 8, 2016, and as amended from time to time.

"*Code"* means the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

"*Company*" means "Inland Capital Fund LLC" and its successors.

"*Company Level Tax*" has the meaning given to that term in Section 10.6.6.

"*Deficit Capital Account*" means, with respect to any Unit Holder, the deficit balance, if any, in such Unit Holder's Capital Account as of the end of the taxable year, after giving effect to the following adjustments: credit to such Capital Account any amount that such Unit Holder is obligated to restore to the Company under Regulation Section 1.704-1(b)(2)(ii)(c), as well as any addition thereto pursuant to the next to last sentence of Regulation Sections 1.704-2(g)(1) and 1.704.2(i)(5); and debit to such Capital Account the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6). This definition is intended to comply with the provisions of Regulation Sections 1.704-1(b)(2)(ii)(d) and 1.704-2, and will be interpreted consistently with those provisions.

"*Designated Individual*" has the meaning given to that term in Section 10.6.2.

"*Distributable Cash*" means all cash received by the Company, less the sum of the following to the extent paid or set aside by the Company: (a) all short-term principal and interest payments on indebtedness of the Company and other sums paid or payable to lenders; (b) all short-term cash expenditures incurred or to be incurred incident to the normal operation of the Company's business; and (c) reasonable Reserves.

"*Economic Interest*" means a Unit Holder's share of Net Profits, Net Losses, and other tax items of the Company and distributions of the Company's assets pursuant to this Agreement and the Act, but shall not include any right to participate in the management or affairs of the Company, including, the right to vote on, consent to or otherwise participate in any decision of the Members. The Economic Interests shall be divided into Common Economic Interests

and one or more classes or series of Preferred Economic Interests, the relative rights, preferences, limitations and other characteristics of which may be established from time-to-time or at any time by the Managing Member. These relative rights, preferences, limitations and other characteristics of the Common Economic Interests and each class or series of Preferred Economic Interests (if any such Economic Interests are issued) shall be set forth on attached Schedule A, as amended or restated from time to time.

"*Economic Interest Owner*" means the owner of an Economic Interest who is not a Member.

"*Entity*" means any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association or any other organization that is not a natural person.

"*Majority Interest of the Members*" means the vote or approval by holders of a majority of the outstanding Common Units held by Members holding Common Membership Interests.

"*Managing Member*" means Inland Capital, LLC, a Washington limited liability company.

"*Member"* means each Person whom now or hereafter is qualified to, and does, execute a counterpart of this Agreement thereby agreeing to become a Member. If a Person is a Member and holds an Economic Interest, such Person shall have all the rights of a Member with respect to such Economic Interest.

"*Membership Interest*" means all of a Member's share in the Net Profits, Net Losses, and other tax items of the Company and distributions of the Company's assets pursuant to this Agreement and the Act and all of a Member's rights, if any, to participate in the management or affairs of the Company, including the right to vote on, consent to, or otherwise participate in, any decision of the Members. The Membership Interests shall be divided into Common Membership Interests and one or more classes or series of Preferred Membership Interests, the relative rights, preferences, limitations and other characteristics of which may be established from time-to-time or at any time by the Members. The relative rights, preferences, limitations and other characteristics of the Common Membership Interests and each class or series of Preferred Membership Interests shall be set forth on attached Schedule A, as amended or restated from time to time.

"*Net Profit*" and "*Net Loss*" shall have the meaning given to those terms in Section 8.4.

"*Partnership Representative*" has the meaning given to that term in Section 10.6.2.

"*Percentage Interest*" or "*Fractional Interest*" means, with respect to any Unit Holder, the percentage or fraction determined based upon the ratio that the number of Units held by such Unit Holder bears to the total number of outstanding Units.

"*Person*" means any individual or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such "Person" where the context so permits.

"*Regulations*" includes proposed, temporary and final Treasury regulations promulgated under the Code and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

"*Reserves*" means, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Members for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

"*Revised Partnership Audit Rules*" has the meaning given to that term in Section 10.6.5.

"*Tax Matters Partner*" has the meaning given to that term in Section 10.6.1.

"*Unit Holder*" means a Person who is a Member or who holds an Economic Interest but is not a Member. A Unit Holder may be either a Common Unit Holder, if it holds Common Units, or a Preferred Unit Holder, if it holds

Preferred Units.

"*Unit(s)"* means the Unit(s) issued to any Member or Economic Interest Owner under this Agreement as reflected in attached Schedule A, as amended from time to time to reflect further contributions. Such Units shall be designated either as Common Units, if the Membership Interest evidenced thereby is a Common Membership Interest, or one or more classes or series of Preferred Units, if the Membership Interest evidenced thereby is a Preferred Membership Interest.

"*Withheld Taxes*" has the meaning given to that term in Section 9.5.

ARTICLE 2 -- FORMATION OF COMPANY

2.1 *Formation*. The Company was formed as of March 8, 2016, when the Certificate of Formation was filed with the office of the Secretary of State of Washington in accordance with and pursuant to the Act.

2.2 *Name*. The name of the Company is Inland Capital Fund LLC.

2.3 *Principal Place of Business*. The principal place of business of the Company shall be at 120 North Stevens Street, Suite 300, Spokane, Washington 99201. The Company may locate its places of business at any other place or places as the Director(s) may from time to time deem advisable.

2.4 *Registered Office and Registered Agent*. The Company's initial registered agent and the address of its initial registered office in the State of Washington are as follows:

Name	Address
Aaron Cunningham	120 North Stevens Street, Suite 300 Spokane, Washington 99201

The registered office and registered agent may be changed by the Managing Member at any time by filing an amendment to the Certificate of Organization.

2.5 *Term*. The term of the Company shall be perpetual unless, unless the Company is earlier dissolved in accordance with either Article 13 hereof or the Act.

ARTICLE 3 -- BUSINESS OF COMPANY

The business of the Company shall be to fund short-term residential and commercial loans to real estate investors, and to exercise all other powers necessary to or reasonably connected with the Company's business that may be legally exercised by limited liability companies under the Act.

ARTICLE 4 -- NAMES AND ADDRESSES OF MEMBERS AND ECONOMIC INTEREST OWNERS

The names and addresses of the Members are set forth on attached Schedule A, as amended or restated from time to time.

ARTICLE 5 -- MANAGEMENT OF THE COMPANY

5.1 *Management by the Managing Member*. The business and affairs of the Company shall be managed exclusively by the Managing Member except as is otherwise expressly provided in this Agreement or the Act.

5.2 *Limitation on Liability; Indemnification*. The Managing Member shall not be liable, responsible or accountable in damages or otherwise to the Company or the Members for any act or omission performed in good faith pursuant to the authority granted to it by this Agreement or in accordance with its provisions, and in a manner reasonably believed by it to be within the scope of its authority and in the best interest of the Company; provided that such act or

omission did not involve intentional misconduct or a knowing violation of law, any violation of the Act pertaining to unpermitted distributions or loans, or the bestowing of an improper personal benefit. The Company shall indemnify and hold harmless the Managing Member against any liability, loss, damage, cost or expense incurred on behalf of the Company or in furtherance of the Company's interests without relieving any such officer of liability for fraud, misconduct, bad faith or gross negligence. No Member shall have any personal liability with respect to the satisfaction of any required indemnification of the Managing Member. Any indemnification required to be made by the Company shall be made promptly following the fixing of the liability, loss, damage, cost or expense incurred or suffered by a final judgment of any court, settlement, contract or otherwise. In addition, the Company, if so requested, shall advance funds to the Managing Member if it claims indemnification under this Section 5.2 for legal expenses and other costs incurred as a result of a legal action brought against the Managing Member if (a) the legal action relates to the performance of duties or services by the Managing Member on behalf of the Company, (b) the legal action is initiated by a party other than a Member, and (c) the Managing Member undertakes to repay the advanced funds to the Company if it is determined that it is not entitled to indemnification pursuant to the terms of this Agreement.

ARTICLE 6 -- RIGHTS AND OBLIGATIONS OF MEMBERS

6.1 *Limitation of Liability*. Each Member's liability shall be limited as set forth in this Agreement and the Act.

6.2 *Liability for Company Obligations.* Except as otherwise required by applicable law, no Member shall be personally liable for any debts, obligations or liabilities of the Company beyond its respective Capital Contribution, any obligation it may have under Article 7 to make Capital Contributions, or any obligation it may have under Section 9.1.2 to restore a negative account balance in its Capital Account upon liquidation.

6.3 *Inspection of Records*. Upon reasonable request, each Member shall have the right to inspect and copy, at such Member's expense, during ordinary business hours, the records required to be maintained by the Company pursuant to Section 10.5.

6.4 *No Priority and Return of Capital*. Except as expressly provided in Articles 8, 9, and 13, no Unit Holder shall have priority over any other Unit Holder, either as to the return of Capital Contributions or as to Net Profits, Net Losses or distributions; provided, that this Section 6.4 shall not apply to loans made to the Company by a Unit Holder.

6.5 *Withdrawal of Member*. Except as expressly permitted in this Agreement, no Member shall voluntarily resign or otherwise withdraw as a Member. Unless otherwise approved by Members holding a Majority Interest, a Member who resigns or withdraws shall be entitled to receive only those distributions to which such Person would have been entitled had such Person remained a Member (and only at such times as such distribution would have been made had such Person remained a Member). Except as otherwise expressly provided herein, a resigning or withdrawing Member shall become an Economic Interest Owner. The remedy for breach of this Section 6.5 shall be monetary damages (and not specific performance), which may be offset against distributions by the Company to which such Person would otherwise be entitled.

ARTICLE 7 -- CONTRIBUTIONS TO THE COMPANY AND CAPITAL ACCOUNTS

7.1 *Contributions*. The Capital Contribution of each Unit Holder as of the date of this Agreement (and the number and class of Units and Percentage Interest of each Unit Holder) are set forth on Schedule A. To the extent the Capital Contribution of any Unit Holder changes subsequent to such date, the Managing Member shall reflect such changes in a revised Schedule A which shall be attached to and become a part of this Agreement. The Company shall provide each Unit Holder with a copy of any such revision.

7.2 *Capital Accounts*.

7.2.1 *Establishment and Maintenance*. A separate Capital Account will be maintained for each Unit Holder throughout the term of the Company in accordance with the rules of Regulation Section 1.704-1(b)(2)(iv). Each Unit Holder's Capital Account will be increased by (a) the amount of money contributed by such Unit Holder to the

Company; (b) the fair market value of property contributed by such Unit Holder to the Company (net of liabilities secured by such contributed property that the Company is considered to assume or take the property subject to under Code Section 752); (c) allocations to such Unit Holder of Net Profits and specially allocated items of income and gain; and (iv) allocations to such Unit Holder of income and gain exempt from federal income tax. Each Unit Holder's Capital Account will be decreased by (w) the amount of money distributed to such Unit Holder by the Company; (x) the fair market value of property distributed to such Unit Holder by the Company (net of liabilities secured by such distributed property that such Unit Holder is considered to assume or take the property subject to Code Section 752);; and (y) allocations to such Unit Holder of Net Losses and other specially allocated items of income and gain. In the event of a permitted sale, exchange or other transfer of a Membership Interest or an Economic Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest or Economic Interest.

7.2.2 *Revaluations; Capital Account Adjustments*. The book value of all Company properties may, in the discretion of the Managing Member, be adjusted to equal their respective gross fair market values, as determined by Managing Member as of the following times: (a) in connection with the acquisition of a Unit by a new or existing Member for more than a *de minimis* capital contribution; (b) in connection with the liquidation of the Company as defined in Regulation Section 1.704-1(b)(2)(ii)(g); (c) in connection with the grant of an interest in the Company (other than a *de minimis* interest) as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a member capacity, or by a new Member acting in a member capacity or in anticipation of becoming a Member; (d) in connection with a more than *de minimis* distribution to a retiring or a continuing Member as consideration for all or a portion of such Member's Interest; or (e) under such other circumstances as may be permitted under Regulation Section 1.704-1(b)(2)(iv)(f).

7.2.3 *Compliance with Regulations*. The manner in which Capital Accounts are to be maintained pursuant to this Section 7.2 is intended to comply with the requirements of Code Section 704(b) and the Regulations promulgated thereunder. If, in the opinion of the Company's legal counsel or accountants, the manner in which Capital Accounts are to be maintained pursuant to the preceding provisions of this Section 7.2 should be modified in order to comply with Code Section 704(b) and the Regulations thereunder, then, notwithstanding anything to the contrary contained in the preceding provisions of this Section 7.2, the method in which Capital Accounts are maintained shall be so modified; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members.

7.3 *Withdrawal or Reduction of Unit Holders' Contributions to Capital*. A Unit Holder shall not receive any part of its Capital Contribution out of the Company's property until all liabilities of the Company other than liabilities to Unit Holders on account of their Capital Contributions have been paid or there remains property of the Company sufficient to pay them. A Unit Holder has only the right to demand and receive cash in return for his Capital Contribution, irrespective of the nature of its Capital Contribution.

ARTICLE 8 -- ALLOCATIONS OF NET PROFITS AND LOSSES

8.1 *Allocation of Net Profit and Loss - In General*.

8.1.1 *Allocation of Net Profit or Loss to Unit Holders*. After giving effect to limitations and special allocations set forth in Sections 8.1.2, 8.2m and 8.1.3 the Net Profit or Net Loss of the Company for any fiscal year or other relevant period (and, to the extent necessary, items of Company income, gain, loss and deduction) shall be allocated among the Unit holders in such a manner that causes each Unit Holder's Capital Account as nearly as possible to have a balance equal to (i) the amount such Unit Holder would receive (or be obligated to contribute) if all assets of the Company (including cash) were sold for their book values (as determined under Regulation Section 1.704-1(b)(2)), all liabilities of the Company were satisfied in accordance with their terms (limited with respect to each nonrecourse liability to the book values of the assets securing such liability) and all remaining assets were then distributed pursuant to Section 13.3.3, less (ii) such Unit Holder's share of "partnership minimum gain" and "partner nonrecourse debt minimum gain" (both as defined in Regulations Section 1.704-2) immediately prior to such hypothetical sale, less such Unit Holder's obligation (if any) to make Capital Contributions. This Section 8.1.1 is intended to satisfy the requirements of the "economic effect equivalence" test set forth in Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted

and applied consistently therewith.

8.1.2 *Loss Limitation; Special Allocations*. Notwithstanding Section 7.1.1, allocations shall be made to the Unit Holders as set forth in Regulations Sections 1.704-1(b) and 1.704-2 (relating to allocations of partnership income or loss) as such regulations relate to limitations on loss allocations determined by reference to a Member's negative Capital Account balance for which such Member is not economically responsible, allocations of gross income in connection with "qualified income offsets" (such as distributions causing negative Capital Account balances), and allocations attributable to the presence of nonrecourse debt (including exculpatory liabilities as described in the preamble to Regulations Section 1.704-2).

8.2 *Corrective Allocations*. The allocations set forth in Section 8.1.2 are intended to comply with the regulatory requirements under Code Section 704(b). Accordingly, the Managing Member is hereby authorized and directed to make offsetting allocations of Company income, gain, loss or deduction under this Section 8.2 in whatever manner the Managing Member, in consultation with the Company's accountants, determines is appropriate so that, after such offsetting special allocations are made (and taking into account the reasonably anticipated future allocations of income and gain that may be made pursuant to Section 8.1.2), the Capital Accounts of the Unit Holders are, to the extent possible, equal to the Capital Accounts each would have had if all income, gain, loss and deduction of the Company were instead allocated pursuant to Section 8.1.1.

8.3 *Other Allocation Rules*.

8.3.1 *General*. Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Unit Holders in the same proportions as they share Net Profits or Net Losses, as the case may be, for the Company fiscal year.

8.3.2 *Allocation of Recapture Items*. In making any allocation among the Unit Holders of income or gain from the sale or other disposition of a Company asset, the ordinary income portion, if any, of such income or gain resulting from the recapture of cost recovery or other deductions shall be allocated among those Unit Holders who were previously allocated (or whose predecessors-in-interest were previously allocated) the cost recovery deductions or other deductions resulting in the recapture items, in proportion to the amount of such cost recovery deductions or other deductions previously allocated to them.

8.3.3 *Allocation of Excess Nonrecourse Liabilities*. Solely for purposes of determining a Unit Holder's proportionate share of the "excess nonrecourse liabilities" of the Company within the meaning of Regulation Section 1.752-3(a)(3), the Unit Holders' interests in the Company's profits shall be the same as their Percentage Interests.

8.3.4 *Allocations in Connection with Varying Interests*. If, during a Company fiscal year, there is (a) a permitted transfer of a Membership Interest or Economic Interest under this Agreement, or (b) the admission of a Member or additional Members, Net Profit, Net Loss, each item thereof, and all other tax items of the Company for such period shall be divided and allocated among the Unit Holders by taking into account their varying interests during such fiscal year in accordance with Code Section 706(d) and using any conventions permitted by law and selected by the Managing Member.

8.4 *Determination of Net Profit or Loss.*

8.4.1 *Computation of Net Profit or Loss*. The Net Profit or Net Loss of the Company, for each fiscal year or other period, shall be an amount equal to the Company's taxable income or loss for such period, determined in accordance with Code Section 703(a) (and, for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) , shall be included in taxable income or loss), with the following adjustments:

(a) all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1), including income and gain exempt from federal income tax, shall be included in taxable income or loss;

(b) expenditures described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulation Section 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Net Profit or Net Loss shall be subtracted from such taxable income or added to Net Loss;

(c) any adjustment to the book value of the assets of the Company pursuant to the second paragraph of Section 3.6 shall be treated as an item of gain or loss, as the case may be; and

(d) for purposes of computing taxable income or loss on the disposition of an item of Company property or for purposes of determining the cost recovery, depreciation, or amortization deductions with respect to such property, the Company shall use such property's book value determined in accordance with Regulation Section 1.704-1(b).

8.4.2 *Items Specifically Allocated*. Notwithstanding any other provision of this Section 8.4, no items that are specially allocated pursuant to Sections 8.1.1, 8.1.2 or 8.2 shall be taken into account in computing Net Profit or Net Loss.

8.5 *Mandatory Tax Allocations Under Code Section 704(c).* In accordance with Code Section 704(c) and Regulation Section 1.704-3, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Unit Holders so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial book value. Prior to the contribution of any property to the Company that has a fair market value that differs from its adjusted tax basis in the hands of the contributing Unit Holder on the date of contribution, the contributing Unit Holder and the Managing Member shall agree upon the allocation method to be applied with respect to that property under Regulation Section 1.704-3. If the book value of any Company property is adjusted, subsequent allocations of income, gain, loss and deduction with respect to such property shall take account of any variation between the adjusted basis of such property for federal income tax purposes and its book value in the same manner as under Code Section 704(c). The choice of allocation methods under Regulation Section 1.703-3 with respect to such revalued property shall be made by the Managing Member and set forth in an attachment to this Agreement. Allocations pursuant to this Section 8.5 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Unit Holder's Capital Account or share of Net Profit, Net Loss, or other items as computed for book purposes, or distributions pursuant to any provision of this Agreement.

ARTICLE 9 -- DISTRIBUTIONS

9.1 *Cash Distributions*.

9.1.1 *Non-liquidating Distributions*. The Company may, but shall not be obligated to declare and make distributions of Distributable Cash to the Unit Holders (this in addition to distributions to the Preferred Unit Holders in an amount necessary to satisfy the amount of any preferred distributions in respect of the Preferred Units, and distributions in liquidation pursuant to Section 9.1.2). Any such distributions shall be declared and made only with the prior consent or approval of a Majority Interest of the Members.

9.1.2 *Distributions in Liquidation*. Notwithstanding anything to the contrary in Section 9.1, distributions in liquidation of the Company shall be made in the manner set forth in Section 13.3.3.

9.2 *Distributions in Kind*. Non-cash assets, if any, shall be distributed in a manner that reflects how cash proceeds from the sale of such assets for fair market value would have been distributed (after any unrealized gain or loss attributable to such non-cash assets have been allocated among the Unit Holders in accordance with Article 8).

9.3 *Withholding; Amounts Withheld Treated as Distributions; Composite Return Filings*. The Company is authorized to withhold from distributions, or with respect to allocations, to Unit Holders and to pay over to the appropriate federal, state or local governmental authority any amounts required to be withheld pursuant to the Code or provisions of applicable federal, state, local or foreign law ("Withheld Taxes"), as reasonably determined by the

Managing Member. All Withheld Taxes attributable to any distribution or allocation to any Unit Holder shall be treated as distributions to such Unit Holder for all purposes of this Agreement. Each Unit Holder shall provide the Managing Member with such information, forms and certifications as it may require and as are necessary to comply with the regulations governing the obligations of withholding tax agents, as well as such information, forms and certifications as are necessary with respect to any withholding taxes. If any Withheld Taxes attributable to a current or former Unit Holder exceed the amount otherwise distributable to such Unit Holder under this Agreement, or if any withholding requirement was not satisfied with respect to any amount previously allocated or distributed to such Unit Holder, such Unit Holder shall pay to the Company such excess amount, withholding requirement or payment, as the case may be, within fifteen (15) days after demand therefor and hereby indemnifies and agrees to hold the Company and the other Unit Holders harmless therefor. The obligations of a Unit Holder set forth in this Section 9.3 shall survive such Unit Holder ceasing to be a Unit Holder in the Company and/or the termination, dissolution, liquidation and winding up of the Company.

The Company may, but is not required to, file composite state and local tax income returns on behalf of nonresident Unit Holders in states in which the Unit Holders have obligations to file state and/or local income tax returns as a result of the Company's business activities in that jurisdiction. Each Unit Holder who requests that the Company include such Unit Holder in composite tax return filings hereby grants the Managing Member all authority required by the respective state or local laws or tax agencies to be held by a person filing composite returns on behalf of nonresident Unit Holders. Any amounts paid by the Company on behalf of a Unit Holder in connection with the filing of one or more composite tax returns in which the Unit Holder is included shall be treated as Withheld Taxes for purposes of this Section 9.3.

9.4 *Limitation upon Distributions*. No distribution shall be declared or paid unless, after the distribution is made, the assets of the Company exceed the liabilities of the Company (other than liabilities to Unit Holders on account of their contributions).

ARTICLE 10 -- ACCOUNTING, BOOKS, AND RECORDS

10.1 *Accounting Principles*. The Company's books and records shall be kept, and its income tax returns prepared, under such permissible method of accounting, consistently applied, as the Managing Member determines is in the best interest of the Company.

10.2 *Interest on and Return of Capital Contributions*. No Unit Holder shall be entitled to interest on its Capital Contribution or to a return of its Capital Contribution, except as otherwise specifically provided for herein.

10.3 *Loans to Company*. Nothing in this Agreement shall prevent any Unit Holder from making a secured or unsecured loan to the Company on such terms as shall have been approved in advance by the Managing Member.

10.4 *Accounting Period; Fiscal Year*. The Company's accounting period and fiscal year shall be the calendar year.

10.5 *Records and Reports*. The Company shall maintain records and accounts of all operations and expenditures. At a minimum the Company shall keep at its principal place of business the following records: a list, current and historic, setting forth the full name and last known mailing address of each Member, Managing Member, and Economic Interest Owner; a copy of the Certificate of Formation and all amendments thereto; a copy of this Agreement and all amendments hereto and copies of all limited liability company agreements no longer in effect; a copy of the Company's federal, state, and local tax returns and financial statements and reports, if any, for the three most recent years; minutes of every meeting of the Members and written consents of the Members as to actions taken by Members without a meeting; and a copy of the initial and annual reports, if any, to the Washington Secretary of State; and copies of any filed Articles of Conversion or Merger, as well as copies of any Certificate of Dissolution or Certificate of Revocation of Dissolution .

10.6 *Tax Controversies.*

10.6.1 *Tax Matters Partner.* With respect to taxable years of the Company beginning before January 1, 2018, the Managing Member shall be the "Tax Matters Partner" of the Company for purposes of Code Section 6221 et seq. (as in effect prior the effective date of the Bipartisan Budget Agreement of 2015, P.L. 114-74 (the "2015 Act") and corresponding provisions of any state or local tax law.

10.6.2 *Partnership Representative*. With respect to taxable years of the Company beginning on or after January 1, 2018, the Managing Member shall be the "Partnership Representative" of the Company (as such term is defined in Code Section 6223(a), as amended by the 2015 Act). The Managing Member shall designate an individual (the "Designated Individual"), who initially shall be Ty Rembe, the chief financial officer of the Managing Member, through whom the Partnership Representative will act. Any resignation or removal of the Designated Individual shall be in accordance with the procedures set forth in applicable Regulations or administrative guidance. The Managing Member may revoke an individual's designation as the Designated Individual in accordance with the procedures set forth in applicable Regulations or administrative guidance. Any Designated Individual shall, in connection with his or her resignation or removal, cooperate with the Managing Member and any successor Designated Individual.

10.6.3 *General Authority and Responsibilities.* The Person serving as the Tax Matters Partners or the Partnership Representative, as applicable, is authorized and required to represent the Company in accordance with direction provided by the members of the Managing Member in connection with all examinations of the Company by any federal, state or local taxing authority, including any resulting administrative and judicial proceedings, and to expend funds of the Company for professional services and costs associated therewith. The Tax Matters Partner and the Partnership Representative shall keep the members of the Managing Member reasonably informed of all audit activity or non-ministerial correspondence to and from taxing authorities pertinent to Company affairs.

10.6.4 *Expenses of the Tax Matters Partner, Partnership Represent6ative and Designated Individual; Indemnification.* The Company shall pay and be responsible for all third-party costs and expenses incurred by the Tax Matters Partner, Partnership Representative and Designated Individual in performing their respective duties. The Company shall indemnify and hold harmless the Tax Matters Partner, Partnership Representative and Designated Individual from and against all claims, liabilities, losses and damages incurred by such person in his, her or its capacity as Tax Matters Partner, Partnership Representative or Designated Individual. The payment of all such expenses shall be made before any distributions are made to Unit Holders (and such expenses shall be taken into consideration for purposes of determining Distributable Cash) or any discretionary Reserves are set aside by the Managing Member. None of the Tax Matters Partner, Partnership Representative, Designated Individual, or any Unit Holder shall have any obligation to provide funds for such purpose. The provisions for exculpation and indemnification of the Managing Member set forth in Section 5.2 shall be equally applicable to the Person acting as the Tax Matters Partner, Partnership Representative or Designated Individual.

10.6.5 *Authority of Partnership Representative.* The Partnership Representative shall have the authority to take any and all actions under the provisions of subchapter C of Chapter 63 of the Code, as amended by the 2015 Act (and any successor rules thereto and any comparable provisions of state and local law) (collectively, the "Revised Partnership Audit Rules"), and shall have any powers necessary to perform fully in such capacity; provided, however, that the Partnership Representative shall take action with respect to any non-ministerial matter only as directed by the members of the Managing Member. In addition, the Partnership Representative shall have the authority, subject to the approval of the members of the Managing Member, to make any elections available under the Revised Partnership Audit Rules including, but not limited to, the election available under Code Section 6226. The Unit Holders shall provide such information (or, if applicable, certify as to filing tax returns) and take such actions as are reasonably requested by the Partnership Representative including (but not limited to) the filing of amended tax returns and the payment of any tax due in accordance with Code Section 6225(c)(2), if approved by the members of the Managing Member.

10.6.6 *Responsibility for Company Level Taxes.* If the Company incurs any liability for income taxes, interest or penalties as a result of any audit of the Company by any federal, state or local taxing authority, including any resulting administrative and judicial proceedings (a "Company Level Tax"), the the Managing Member may, in its reasonable discretion, (i) have the Company bear the Company Level Tax or (ii) allocate the Company Level Tax among the Persons who were Unit Holders in the Company during the taxable year or years to which the Company Level Tax relates and treat the amount allocated to a Unit Holder as Withheld Taxes recoverable from the Unit Holder as set forth in Section 9.3.

10.6.7 *Responsibility for Unit Holder Costs*. Notwithstanding anything to the contrary in this Section 10.6, each current and former Unit Holder (other than a Unit Holder acting in his, her, or its capacity as Tax Mattes Partner, Partnership Representative, or Designated Individual) shall be solely responsible for any costs incurred by such Unit Holder with respect to any tax audit or tax-related administrative or judicial proceeding relating to the income tax liability of such Person as a result of being a Unit Holder in the Company, and such Person shall indemnify and hold harmless the Company and the other Unit Holders against any such costs

.

10.6.8 *Continuing Obligations*. The obligations of a Unit Holder set forth in this Section 10.6 shall survive the Unit Holder ceasing to be a Unit Holder in the Company and/or the termination, dissolution, liquidation and winding up of the Company.

10.7 *Returns and Other Elections.* The Managing Member shall cause the preparation and timely filing of all tax and information returns required to be filed by the Company pursuant to the Code and all other tax and information returns deemed necessary and required in each jurisdiction in which the Company does business. Within ninety (90) calendar days after the end of each fiscal year, the Company shall furnish to each Unit Holder a statement suitable for use in the preparation of such Person's income tax return. Except as otherwise expressly provided in this Agreement, all elections permitted to be made by the Company under federal or state laws, including but not limited to an election under Section 754 of the Code, shall be made by the Managing Member in its sole discretion.

ARTICLE 11 -- TRANSFERABILITY

A Unit Holder shall have the right to sell, assign, transfer, exchange or otherwise dispose or transfer (collectively, a "Transfer") all or any part of its Membership Interest or Economic Interest, whether or by operation of law or otherwise, without restriction, other than (a) such restrictions as may be imposed by applicable federal and state securities laws and (b) any restrictions that may be imposed by the Managing Member on the Transfer of Membership Interests or Economic Interests if such Transfer could, in the sole discretion of the Managing Member, cause the Company to be treated as a publicly traded partnership under Code Section 7704 and applicable Regulations. The provisions of this Article 11 shall not be interpreted or construed to preclude the Company and any or all of the Unit Holders from entering into a written agreement imposing such restrictions, rights of first refusal or other obligations relating or pertaining to the transfer of all or any part of a Unit Holder's Membership Interest or Economic Interest as the Company and such Unit Holder(s) may agree. In the event of conflict between this Article 11 and such written agreement, the provisions of the written agreement shall be controlling. A transferee of a Membership Interest or Economic Interest shall have only the rights of an Economic Interest Owner with respect to the Transferred Membership Interest or Economic Interest unless and until such transferee is admitted to the Company as a substituted Member, in the sole discretion of the Managing Member.

ARTICLE 12 -- ADDITIONAL MEMBERS

Additional Members or Economic Interest Holders may be added to the Company only with the approval of the Managing Member.

ARTICLE 13 -- DISSOLUTION AND TERMINATION

13.1 *Dissolution.* The Company shall be dissolved upon the occurrence of any of the following events:

13.1.1 Upon expiration of the term specified in Section 2.5;

13.1.2 Upon the sale of all or substantially all of the assets of the Company other than in the normal course of the Company's business;

13.1.3 By the written agreement of all Common Members;

13.1.4 Upon the entry of a decree of judicial dissolution under RCW 25.15.274; or

13.1.5 Upon the expiration of five (5) years after the effective date of dissolution of the Company under RCW 23.95.610 without the reinstatement of the Company.

The Members agree that, except as provided in this Agreement, the Company shall not be dissolved and the business of the Company shall be continued by the remaining Members and Economic Interest Owners upon the occurrence of any event of dissociation of a Member or Economic Interest Owner described in RCW 25.15.131.

13.2 *Allocation of Net Profit and Loss in Liquidation*. The allocation of Net Profit, Net Loss and other items of the Company following the date of dissolution, including but not limited to gain or loss upon the sale of all or substantially all of the Company's assets, shall be determined in accordance with the provisions of Articles 8 and 9, and shall be credited or charged to the Capital Accounts of the Unit Holders in the same manner as Net Profit, Net Loss, and other items of the Company would have been credited or charged if there were no dissolution and liquidation.

13.3 *Winding Up, Liquidation and Distribution of Assets*. Upon dissolution, the Managing Member shall immediately proceed to wind up the affairs of the Company. The Managing Member shall sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent the Managing Member may determine to distribute any assets to the Unit Holders in kind) and shall apply the proceeds of such sale and the remaining Company assets in the following order of priority;

13.3.1 Payment of creditors, including Unit Holders who are creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the Company, other than liabilities for distributions to Unit Holders;

13.3.2 To establish any Reserves that the Managing Member deems reasonably necessary for contingent or unforeseen obligations of the Company and, at the expiration of such period as the Managing Member deems advisable.

13.3.3 By the end of the taxable year in which the liquidation occurs (of, if later, within ninety (90) days after the date of such liquidation), as follows: (i) first, to the holders of Series A Preferred Units in accordance with paragraph 1(d) of Section B of Schedule A and (ii) thereafter to the Common Unit Holders pro-rata on the basis of the number of Common Units held.

13.4 *Termination.* The Managing Member shall comply with any applicable requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets. Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.

13.5 *Certificate of Cancellation*. When all debts, liabilities and obligations have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and assets have been distributed to the Unit Holders, the Managing Member shall cause the Company to file a certificate of cancellation as required by Section 203 of the Act. Upon filing the certificate of cancellation, the existence of the Company shall cease, except as otherwise provided in the Act.

13.6 *Return of Contribution Nonrecourse to Other Unit Holders*. Except as provided by law or as expressly

provided in this Agreement, upon dissolution each Unit Holder shall look solely to the assets of the Company for the return of its Capital Contribution. If the property remaining after the payment or discharge of liabilities of the Company is insufficient to return the contributions of Unit Holders, no Unit Holder shall have recourse against any other Unit Holder.

ARTICLE 14 -- MISCELLANEOUS PROVISIONS

14.1 *Notices.* Any notice, demand, or communication required or permitted under this agreement shall be deemed to have been duly given if delivered personally to the party to whom directed or, if mailed by registered or certified mail, postage and charges prepaid, addressed (a) if to a Unit Holder, to the Unit Holder's address specified on attached Schedule A and (b) if to the Company, to the address specified in Section 2.3. Except as otherwise provided herein, any such notice shall be deemed to be given when personally delivered or, if mailed, three business days after the date of mailing. A Unit Holder, the Managing Member, or the Company may change their address for the purposes of notices hereunder by giving notice to the others specifying such changed address in the manner specified in this Section 14.1.

14.2 *Governing Law*. This Agreement shall be construed and enforced in accordance with the laws of the State of Washington.

14.3 *Amendments*. This Agreement generally may not be amended without the written approval of a Majority Interest of the Members; provided, however, that the Managing Member may amend this Agreement without such approval to add or delete any provision necessary to conform this Agreement to Internal Revenue Code section 704(b) or regulations adopted thereunder, or to add information concerning a new Unit Holder and; provided, further, that, any amendment or modification that would reduce the preferred distributions payable to the holders of the Series A Preferred Interests, change the optional redemption features in a manner that adversely affects the holders of the Series A Preferred Interests or that otherwise materially adversely affects the holders of the Series A Preferred Interests shall require the consent or approval of the holders of a majority of the outstanding Series A Preferred Interests.

14.4 *Construction.* Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine and neuter genders shall include the masculine, feminine and neuter genders and vice versa.

14.5 *Headings*. The headings in this Agreement are inserted for convenience only and shall not affect the interpretations of this Agreement.

14.6 *Waivers.* The failure of any Person to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

14.7 *Rights and Remedies Cumulative*. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

14.8 *Severability*. If any provision of this Agreement or the application thereof to any Person or circumstances shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

14.9 *Heirs, Successors and Assigns*. Each of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors and assigns.

14.10 *Creditors*. None of the provisions of this Agreement shall be for the benefit of, or enforceable by, any creditors of the Company.

14.11 *Counterparts*. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

14.12 *Investment Representations*. The Units have not been registered under the Securities Act of 1933, as amended, the Securities Act of Washington or any other state securities laws (collectively, the "Securities Acts") because the Company is issuing the Units in reliance upon exemptions from the registration provisions of the Securities Acts, and the Company is relying upon the fact that the Units are to be held by each Unit Holder for investment. Accordingly, each Unit Holder hereby confirms the Units have been acquired for such Unit Holder's own account, for investment and not with a view to the resale or distribution thereof and may not be offered or sold to anyone unless there is an effective registration or other qualification relating thereto under all applicable Securities Acts or unless such Unit Holder delivers to the Company an opinion of counsel, satisfactory to the Company, that such registration or other qualification is not required. The Unit Holders understand that the Company is under no obligation to register the Units or to assist any Unit Holder in complying with any exemption from registration under the Securities Acts.

14.13 *Dispute Resolution*. Any controversy or claim arising out of or relating to this interpretation or performance of this Agreement shall be resolved by binding arbitration conducted before a panel of three arbitrators, each of whom shall be either an attorney, an accountant or a business person from eastern Washington having significant experience in business and financial matters generally. The Managing Member shall choose one arbitrator, the Unit Holder or Unit Holders who have asserted the controversy or claim shall choose one arbitrator, and the two arbitrators so chosen shall choose the third arbitrator. The arbitration of any dispute hereunder shall be conducted in accordance with 7.04A of the Revised Code of Washington, and the costs and fees of the arbitrators shall be borne by the nonprevailing party as determined by the arbitrators. The venue of any such arbitration shall be in Spokane, Washington, and any arbitration award may be entered in a court of competent jurisdiction in Spokane County, Washington. By executing this Agreement or otherwise agreeing to be bound by its terms, each person hereby consents to arbitration and to the personal jurisdiction of the courts of Spokane County, Washington (including the United States District Court for the Eastern District of Washington) for the purposes of entering any arbitration award.

14.14 *Attorney's Fees*. In the event that it shall become necessary for either of the parties to obtain the services of an attorney in order to enforce the provisions hereof, then, in that event, the non-prevailing party shall pay the prevailing party all reasonable attorney's fees and all costs incurred in connection therewith, including the costs of any appeal.

Executed by the undersigned Members effective as of the date first above written.

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Schedule A
Unit Holder Information

Holders of Common Membership Interests

	Initial Capital Contributions		
Name and Address	Description	Number of Units	Percentage
Inland Capital, LLC 120 North Stevens Street, Suite 300 Spokane, Washington 99201	Services	100	100

Holders of 9% Preferred Economic Interests-Series A

	Initial Capital Contributions		
Name and Address	Description	Number of Units	Percentage

[to be added upon completion of the offering]

Holders of 7.25% Preferred Economic Interests-Series A

	Initial Capital Contributions		
Name and Address	Description	Number of Units	Percentage

[to be added upon completion of the offering]

Holders of 5.25% Preferred Economic Interests-Series A

	Initial Capital Contributions		
Name and Address	Description	Number of Units	Percentage

[to be added upon completion of the offering]

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Schedule A (cont'd)
Designations, Relative Rights, Preferences and Limitations
of Common Membership Interests and Preferred Economic Interests-Series A

A. *Common Membership Interests:*

1. Designation of Common Membership Interests. One hundred (100) Units of Membership Interests shall be designated Common Membership Interests (the "Common Membership Interests"). The Common Membership Interests shall have the following voting powers, preferences and relative, participating, optional and other special rights, qualifications, limitations and restrictions:

(a) Voting. A holder of Common Membership Interests (a "Common Membership Holder") will vote as a single voting group or class on all matters submitted to the Members for a vote, and the Common Membership Holders will have one vote for each unit of Common Membership Interest held.

(b) Distributions. Each issued and outstanding Unit of Common Membership Interest shall entitle the Common Membership Holder of record thereof to receive distributions (whether payable in cash, additional Common Units or otherwise), when, as and if declared by the Members, out of funds legally available therefore, subject only to (i) the right of each holder of Preferred Economic Interests to receive preferential distributions equal to the applicable percentage of such holder's Capital Contribution per annum and (ii) the rights, if any, of other holders of Preferred Economic Interests or Preferred Membership Interests to receive preferential and participating distributions.

(c) Liquidation, Dissolution or Winding Up. In the event of any liquidation, dissolution or winding up of the affairs of the Company, whether voluntary or involuntary, each issued and outstanding Unit of Common Membership Interest shall entitle the Common Membership Holder of record thereof to receive ratably and equally all the assets and funds of the Company available for distribution to its Unit Holders, whether from capital or surplus, subject only to the right of each holder of Preferred Economic Interests to receive preferential liquidating distributions in such amount as is determined under Section 1(d) of Section B of this Schedule A.

(d) Merger, Consolidation, Etc. Upon the merger or consolidation of the Company (in a merger or consolidation in which Unit Membership Holders of the Company receive cash or securities of any other person or entity upon such merger or consolidation), or upon the sale or other disposition of all or substantially all of the properties and assets of the Company as an entirety to any person or entity, the aggregate consideration therefore payable to the Unit Holders, if any, shall be distributed as if such merger, consolidation, sale or other disposition were a distribution in liquidation, dissolution or winding up of the affairs of the Company.

(e) Preemptive Rights. A Common Membership Holder shall not be entitled as a matter of right to preemptive rights to acquire additional Units of the Company. This provision shall not be interpreted or construed as negating any contractual right such holder may have to acquire such additional Units.

B. *Preferred Economic Interests-Series A:*

1. Designation of Preferred Economic Interests. Up to 500 Units of Membership Interests shall be designated Preferred Economic Interests-Series A (the "Series A Preferred Interests"), the actual number of such Series A Preferred Interests to be fixed by amendment to this Schedule A following the consummation of the Company's offering of such Units to reflect the actual number of Units sold. The Series A Preferred Interests shall have the following preferences and relative, participating, optional and other special rights, qualifications, limitations and restrictions:

(a) Nonvoting. A holder of Series A Preferred Interests (a "Series A Preferred Interest Holder") shall not be entitled to vote on any matter.

(b) Distributions. Each issued and outstanding Unit of Series A Preferred Interest shall entitle each Series A Preferred Interest Holder of record thereof to receive cumulative preferred distributions (payable in cash), when, as and if declared by the Managing Member, out of funds legally available therefor, equal to one of the following

amounts, which shall be at the election of the Series A Preferred Interest Holder: (1) nine percent (9%) (the "9% Interests"), (2) seven and one-fourth percent (7.25)% (the "7.25% Interests") and (3) five and one-fourth percent (5.25%) (the "5.25% Interests"), in each case of such holder's Capital Contribution per annum, subject only to the rights, if any, of other holders of Preferred Economic Interests or Preferred Membership Interests to receive preferential and participating distributions. Such distributions shall be payable quarterly in arrears in equal installments, on January 15th, April 15th, July 15th, and October 15th of each year commencing in the fiscal quarter following the Company's receipt of minimum subscriptions of 80 Units ($8,000,000) of Series A Preferred Interests pursuant to the offering of such interests pursuant to the Company's January 20, 2016 private offering memorandum. The Series A Preferred Interests will not share in any other distributions of the Company, whether upon liquidation or otherwise, other than amounts tendered by the Company in redemption of the Series A Preferred Interests.

(c) Optional Redemption. The Series A Preferred Interests are subject to optional redemption by the Company, at the election of the holder thereof, commencing (1) on the one-year anniversary of issuance for the 5.25% Interests, (2) on the second anniversary of issuance for the 7.25% Interests, and (3) on the third anniversary of issuance for the 9% Interests, in each case at a redemption price equal to 100 percent of the Capital Contribution of the holder thereof plus accrued but unpaid cumulative preferred distributions (calculated at the rate of 5.25%, 7.25% or 9%, as elected by such holder) as provided in subsection B.1 (b), above.

(i) A Series A Preferred Interest Holder shall notify the Company of its election to be redeemed not less than 15 days nor more than 30 days before the redemption date with respect to such interest. Such notice shall be sent to the Company by overnight courier or first-class mail, postage prepaid . All expenses incurred in giving any notice of redemption of the Series A Preferred Interests shall be paid by the holder thereof.

(ii) Each such notice of a redemption election of the Series A Preferred Interests shall state: (1) that it is being given by the holder thereof; (2) the date of the notice; (3) the name and address of the holder; (4) the redemption date; and (5) in the case of Series A Preferred Interests to be redeemed in part only, the respective portions thereof to be so redeemed. Each such notice shall be accompanied by the certificates for the Series A Preferred Interests being surrendered, if any.

The notice requirement shall be satisfied when notice in accordance herewith is sent as provided herein regardless of whether such notice is actually received by the Company. However, if notice of any redemption election shall not have been sent as provided herein, then the purported redemption shall be void until such notice is properly provided.

(iii) While it will be the Company's intent to issue redemption payments, on eligible requests, within 90 days of the written requests, the Company acknowledges that "then-prevailing" market conditions and/or the Company's liquidity position could restrain such a timely payment. In these cases, the Company will immediately notify the interest holder and provide guidance for payment issuance, with terms not to exceed monthly payments of principal and accrued interest, amortized over a period of no more than 24 months.

(iv) On the redemption date, provided the Company or other paying agent is then holding funds sufficient to pay the price (including preferential distributions accrued to the redemption date at the applicable rate of the Series A Preferred Interest Holder's Capital Contribution per annum) of all the Series A Preferred Interests to be redeemed on such date, the right to receive such preferential distributions on the Series A Preferential Interests (or portions thereof) duly called for redemption shall cease to accrue and said Series A Preferential Interests (or portions thereof) shall cease to be entitled to any benefit and the holders of said Series A Preferred Interests shall have no rights in respect thereof except to receive payment of said redemption price and preferential distributions accrued to the redemption date.

(v) All Series A Preferred Interests redeemed pursuant to the provisions of this Section B.1(c) shall be canceled upon surrender.

(d) Optional Redemption upon Death of Holder. Upon the death of an individual holder or of both joint holders of Series A Preferred Interests, the legal representative of the estate of the holder(s) may request an early redemption of the units. Amounts paid in connection with an early redemption under this provision will depend on the year the redemption is paid, with the rate of such payment based on the total time the investments are held in the Fund and the corresponding accrual rate for that time period corresponding to the election set forth in Section B.1(c) above, as follows:

- Redemption from issuance through 12-month anniversary of investment – Accrual Rate – 5.25%
- Redemption between the 13-month through 24-month anniversary of investment – Accrual Rate – 7.25%
- Redemption between the 25-month through 36-month anniversary of investment – Accrual Rate – 9.00%

(i) The estate representative shall provide the Company with notice of its election to be redeemed not less than 120 days before the redemption date with respect to such interest. Such notice shall be sent to the Company by overnight courier or first-class mail, postage prepaid. The notice shall otherwise comply with the notice provisions set forth in Section B.1(c) above.

(ii) Each such notice of a redemption election of the Series A Preferred Interests shall state: (1) that it is being given by the estate representative on behalf of the estate as the successor in interest to the holder thereof; (2) the date of the notice; (3) the name and address of the holder; (4) the redemption date; and (5) in the case of Series A Preferred Interests to be redeemed in part only, the respective portions thereof to be so redeemed. Each such notice shall be accompanied by proper legal documentation showing proof of authority over the estate.

(iii) Optional redemption pursuant to this Section B.1(d) shall be subject to the provisions set forth in Section B.1(c)(iii)-(v) above.

(e) Liquidation, Dissolution or Winding Up. In the event of any liquidation, dissolution or winding up of the affairs of the Company, whether voluntary or involuntary, each issued and outstanding Unit of Series A Preferred Interest that has not theretofore been redeemed shall entitle the Series A Preferred Interest Holder of record thereof to receive preferential liquidating distributions in such amount which, when combined with any preferential distributions theretofore paid to such holder, is equal to such holder's Capital Contribution plus an amount equal to the applicable rate (5.25%, 7.25% or 9%) applied to such holder's Capital Contribution, subject only to the rights, if any, of other holders of Preferred Economic Interests or Preferred Membership Interests to receive preferential liquidating distributions.

(f) Merger, Consolidation, Etc. Upon the merger or consolidation of the Company (in a merger or consolidation in which the Series A Preferred Interest Holders receive cash or securities of any other person or entity upon such merger or consolidation), or upon the sale or other disposition of all or substantially all of the properties and assets of the Company as an entirety to any person or entity, the aggregate consideration payable to the Series A Preferred Interest Holders, if any, shall be distributed as if such merger, consolidation, sale or other disposition were a distribution in liquidation, dissolution or winding up of the affairs of the Company.

(g) Preemptive Rights. A Series A Preferred Interest Holder shall not be entitled as a matter of right to preemptive rights to acquire additional Units of the Company. This provision shall not be interpreted or construed as negating any contractual right such holder may have to acquire such additional Units.

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Exhibit B to Memorandum
(Information Concerning the Portfolio of Existing Loans)

The table set forth in the following pages contains information as of December 31, 2018, concerning the loans that were owned by Inland Capital Fund LLC at such date. Such information is included in this Memorandum as being representative of the types and characteristics of the loans that have been and will continue to be originated and held in Inland Capital Fund LLC – Series A. Loans that are highlighted in the following table represent loans in which additional advances were made to a borrower that are secured by a second lien position that is subordinated only to the senior lien position held by Series A, given in conjunction with the original loan. The "Estimated Loan to ARV%" information in the table has been determined by taking both the senior and subordinated loan balances into account.

Collateral City	Collateral State	Int Rate %	Ln Fee %	Purchase Price	Ln Amount	Est ARV	Est. Ln to ARV	Ln Orig Date	Maturity Date
Portland	OR	12.0	4	$500,000.00	$450,000.00	$600,000.00	75%	5/12/2016	2/12/2017
Spokane	WA	12.00	4	$106,000.00	$95,400.00	$175,000.00	55%	2/14/2017	11/14/2017
Boise	ID	11.00	3	$175,000.00	$148,750.00	$239,000.00	62%	12/14/2018	12/14/2019
Spokane	WA	11	3	$129,900.00	$113,900.00	$225,000.00	51%	12/28/2018	12/28/2019
Spokane	WA	11	3	$161,251.00	$145,251.00	$299,000.00	49%	12/28/2018	12/28/2019
Puyallup	WA	10	2	$210,000.00	$210,000.00	$600,000.00	35%	12/21/2018	12/21/2019
Salem	OR	11	3	$87,001.00	$73,950.85	$210,000.00	35%	12/19/2018	12/19/2019
Burien	WA	12	4	$230,000.00	$207,000.00	$415,000.00	50%	12/19/2018	12/19/2019
Boise	ID	11	3	$237,000.00	$201,450.00	$300,000.00	67%	12/17/2018	12/17/2019
Spokane	WA	10	2	$176,000.00	$176,000.00	$300,000.00	59%	12/14/2018	12/14/2019
Kent	WA	11	2	$345,000.00	$303,600.00	$550,000.00	55%	12/13/2018	12/13/2019
Spokane	WA	11	3	$85,000.00	$80,750.00	$140,000.00	58%	12/12/2018	12/12/2019
Spokane	WA	11	3	$130,000.00	$117,000.00	$245,000.00	48%	12/6/2018	12/6/2019
Everett	WA	10	2	$110,000.00	$96,800.00	$255,000.00	38%	11/28/2018	11/28/2019
Bellingham	WA	10	2	$98,900.00	$79,120.00	$350,000.00	23%	11/30/2018	11/30/2019
Boise	ID	11	3	$215,000.00	$189,200.00	$320,000.00	59%	11/30/2018	11/30/2019
Spokane	WA	10	3	$90,000.00	$90,000.00	$130,000.00	69%	11/27/2018	11/27/2019
Spokane	WA	12	4	$65,000.00	$65,000.00	$290,000.00	22%	11/26/2018	11/26/2019
Aloha	OR	11	3	$321,000.00	$130,000.00	$415,000.00	31%	11/20/2018	11/20/2019
Spokane	WA	12	4	$91,100.00	$81,990.00	$145,000.00	57%	11/16/2018	11/16/2019
Portland	OR	11	3	$225,000.00	$225,000.00	$425,000.00	53%	11/15/2018	11/15/2019
Happy Valley	OR	11	3	$225,000.00	$225,000.00	$375,000.00	60%	11/15/2018	11/15/2019
Spokane	WA	11	3	$106,000.00	$95,000.00	$215,000.00	44%	11/14/2018	11/14/2019
Gig Harbor	WA	12	4	$355,000.00	$319,500.00	$800,000.00	40%	11/6/2018	11/6/2019
Maple Valley	WA	12	3	$268,000.00	$241,200.00	$385,000.00	63%	11/6/2018	11/6/2019
Spokane	WA	11	3	$120,000.00	$120,000.00	$240,000.00	50%	11/2/2018	11/2/2019
Spokane Valley	WA	11	3	$180,700.00	$153,700.00	$260,000.00	59%	11/2/2018	11/2/2019
Spokane	WA	10	2	$200,000.00	$200,000.00	$400,000.00	50%	11/2/2018	11/2/2019
Bow	WA	11	3	$303,000.00	$266,640.00	$525,000.00	51%	11/1/2018	11/1/2019
Spokane Valley	WA	11	3	$160,000.00	$140,800.00	$240,000.00	59%	10/29/2018	10/29/2019
Kent	WA	11	2	$285,000.00	$250,800.00	$395,000.00	63%	10/24/2018	10/24/2019
Coeur D'Alene	ID	10	2	$215,000.00	$100,000.00	$335,000.00	30%	10/24/2018	10/24/2019
Lakewood	WA	11	2	$165,000.00	$148,500.00	$230,000.00	65%	10/19/2018	10/19/2019
Spokane Valley	WA	11	3	$118,015.13	$100,015.13	$200,000.00	50%	10/19/2018	10/19/2019
Spokane	WA	11	3	$190,001.00	$161,501.00	$265,000.00	61%	10/19/2018	10/19/2019
Everett	WA	10.0	2	$1,800,000.00	$900,000.00	$5,000,000.00	18%	10/17/2018	10/18/2019
Molalla	OR	10	3	$264,001.00	$232,320.88	$315,000.00	74%	10/10/2018	10/10/2019
Spokane	WA	11	3	$109,900.00	$96,712.00	$190,000.00	51%	10/2/2018	10/2/2019
Spokane Valley	WA	12	4	$115,000.00	$103,500.00	$190,000.00	54%	9/27/2018	9/27/2019
Sandpoint	ID	11	3	$425,000.00	$361,250.00	$600,000.00	60%	9/27/2018	9/27/2019
Wallace	ID	11	3	$140,000.00	$90,000.00	$200,000.00	45%	9/26/2018	9/26/2019
Burlington	WA	11	3	$180,000.00	$153,000.00	$250,000.00	61%	9/21/2018	9/21/2019
Deer Park	WA	10	2	$178,059.44	$78,059.44	$280,000.00	28%	9/21/2018	9/21/2019
Vancouver	WA	11	3	$210,001.00	$210,001.00	$400,000.00	53%	9/21/2018	9/21/2019
Spokane	WA	11	3	$97,000.00	$65,000.00	$170,000.00	38%	9/13/2018	9/13/2019
Kingston	WA	12	6	$107,000.00	$107,000.00	$650,000.00	16%	9/27/2018	9/27/2019
Cascade Locks	OR	11	3	$165,001.00	$140,250.85	$235,000.00	60%	9/5/2018	9/5/2019
Spokane	WA	11	3	$300,000.00	$300,000.00	$900,000.00	33%	9/4/2018	9/4/2019
Spokane	WA	11	3	$88,000.00	$79,200.00	$170,000.00	47%	9/4/2018	9/4/2019
Greenacres	WA	11	3	$60,000.00	$60,000.00	$275,000.00	22%	8/23/2018	8/23/2019
Ridgefield	WA	11	3	$256,000.00	$217,600.00	$225,000.00	97%	8/17/2018	8/17/2019
Beaverton	OR	11	3	$279,000.00	$237,405.00	$400,000.00	59%	8/16/2018	8/16/2019
Hayden Lake	ID	12.0	4	$620,000.00	$589,000.00	$975,000.00	60%	8/16/2018	8/16/2019
Spokane Valley	WA	12	4	$190,000.00	$190,000.00	$250,000.00	76%	8/15/2018	8/15/2019
Pocatello	ID	12	4	$60,000.00	$51,000.00	$140,000.00	36%	8/15/2018	8/15/2019
Portland	OR	12	4	$251,100.00	$225,990.00	$400,000.00	56%	8/7/2018	8/7/2019
Spokane	WA	11	3	$140,000.00	$119,000.00	$225,000.00	53%	8/1/2018	8/1/2019
Spokane	WA	11	3	$225,000.00	$275,000.00	$375,000.00	73%	7/25/2018	7/25/2019
Tacoma	WA	12	4	$250,000.00	$225,000.00	$350,000.00	64%	7/18/2018	7/18/2019
Lynnwood	WA	12	4	$420,000.00	$378,000.00	$600,000.00	63%	7/18/2018	7/18/2019
Spokane	WA	11	3	$136,400.00	$136,400.00	$199,000.00	69%	7/17/2018	7/17/2019
Spokane	WA	11	3	$114,900.00	$79,900.00	$180,000.00	44%	7/10/2018	7/10/2019
Milwaukie	OR	12	3	$250,000.00	$220,000.00	$450,000.00	49%	7/9/2018	7/9/2018
Valley	WA	11	3	$155,000.00	$147,250.00	$275,000.00	54%	7/9/2018	7/9/2019
Pasco	WA	12	4	$227,500.00	$209,300.00	$290,000.00	72%	7/3/2018	7/3/2019
Spokane	WA	10	2	$116,000.00	$116,000.00	$250,000.00	46%	7/2/2018	7/2/2019
Blaine	WA	10	2	$281,000.00	$281,000.00	$390,000.00	72%	6/29/2018	6/29/2019
Worley	ID	12	4	$275,000.00	$125,000.00	$290,000.00	43%	6/28/2018	6/28/2019
Ocean Shores	WA	12	3	$160,000.00	$50,000.00	$175,000.00	29%	6/25/2018	6/25/2019
Coeur D'Alene	ID	11	2	$166,500.00	$50,000.00	$225,000.00	22%	6/25/2018	3/25/2019

Collateral City	Collateral State	Int Rate %	Ln Fee %	Purchase Price	Ln Amount	Est ARV	Est. Ln to ARV	Ln Orig Date	Maturity Date
Milton Freewater	OR	12	4	$127,000.00	$120,650.00	$235,000.00	51%	6/20/2018	6/20/2019
Milwaukie	OR	12	4	$270,000.00	$243,000.00	$375,000.00	65%	6/20/2018	6/20/2019
Kent	WA	10	2	$280,000.00	$266,000.00	$475,000.00	56%	6/7/2018	6/7/2019
Spokane Valley	WA	10	2	$34,835.58	$34,835.58	$100,000.00	35%	6/1/2018	6/1/2019
Puyallup	WA	12	4	$199,000.00	$169,150.00	$450,000.00	38%	6/5/2018	6/5/2019
Vancouver	WA	12	4	$298,500.00	$283,575.00	$400,000.00	71%	5/23/2018	5/23/2019
Burien	WA	10	2	$198,000.00	$148,500.00	$400,000.00	37%	5/22/2018	5/22/2019
Spokane	WA	10	2	$140,100.00	$140,100.00	$250,000.00	56%	5/18/2018	5/18/2019
Spokane	WA	10	2	$106,000.00	$106,000.00	$225,000.00	47%	5/18/2018	5/18/2019
Portland	OR	10	2	$330,000.00	$247,500.00	$450,000.00	55%	5/10/2018	5/10/2019
Vancouver	WA	12	4	$265,000.00	$238,500.00	$400,000.00	60%	5/10/2018	5/10/2019
Lakewood	WA	11	2	$550,000.00	$180,000.00	$550,000.00	33%	5/9/2018	11/9/2019
Marysville	WA	12	4	$285,250.00	$270,987.50	$450,000.00	60%	5/8/2018	5/8/2019
Sedro-Wooley	WA	10	2	$179,000.00	$179,000.00	$315,000.00	57%	5/8/2018	5/8/2019
Portland	OR	12	4	$250,000.00	$225,000.00	$400,000.00	56%	5/2/2018	5/2/2019
Moses Lake	WA	12	4	$143,500.00	$14,350.00	$220,000.00	65%	5/1/2018	5/1/2019
Moses Lake	WA	12	4	$143,500.00	$129,150.00	$220,000.00	59%	5/1/2018	5/1/2019
Bend	OR	12	1	$290,000.00	$290,000.00	$450,000.00	64%	4/27/2018	7/27/2018
Spokane Valley	WA	12	4	$130,500.00	$117,450.00	$225,000.00	52%	4/27/2018	4/27/2019
Seatac	WA	10	2	$273,000.00	$245,700.00	$375,000.00	66%	4/25/2018	4/25/2019
Spokane	WA	10	2	$84,500.00	$59,150.00	$150,000.00	39%	4/25/2018	4/25/2019
Spokane Valley	WA	10	2	$124,950.00	$93,712.50	$200,000.00	47%	4/24/2018	4/24/2019
University Place	WA	11.0	3	$490,000.00	$490,000.00	$850,000.00	58%	3/12/2018	3/12/2019
Omak	WA	12	4	$185,000.00	$110,000.00	$300,000.00	37%	4/11/2018	4/11/2019
Kent	WA	10	2	$349,950.00	$262,462.50	$500,000.00	52%	4/5/2018	4/5/2019
Tacoma	WA	12	4	$167,000.00	$167,000.00	$350,000.00	48%	4/2/2018	4/2/2019
Seattle	WA	12	4	$100,000.00	$100,000.00	$750,000.00	13%	3/15/2018	3/15/2019
Spokane	WA	12	4	$110,000.00	$99,000.00	$175,000.00	57%	3/14/2018	3/14/2019
Tacoma	WA	12	4	$320,000.00	$304,000.00	$600,000.00	51%	3/9/2018	3/9/2019
Spokane	WA	12	4	$123,000.00	$108,240.00	$225,000.00	48%	3/9/2018	3/9/2019
Seattle	WA	10	2	$239,500.00	$239,500.00	$550,000.00	44%	3/2/2018	3/2/2019
Davenport	WA	12	4	$60,000.00	$60,000.00	$200,000.00	30%	3/2/2018	3/2/2019
Davenport	WA	12	4	$60,000.00	$70,000.00	$200,000.00	65%	3/2/2018	3/2/2019
Federal Way	WA	12	4	$325,000.00	$325,000.00	$485,000.00	67%	2/28/2018	2/27/2019
Spokane	WA	12	4	$62,000.00	$55,800.00	$125,000.00	45%	2/22/2018	2/22/2019
Lakewood	WA	11	3	$400,000.00	$380,000.00	$500,000.00	76%	2/12/2018	2/12/2019
Tacoma	WA	12	4	$120,000.00	$96,000.00	$350,000.00	27%	2/12/2018	2/12/2018
Milwaulkie	OR	11	3	$221,000.00	$194,480.00	$350,000.00	56%	2/8/2018	2/8/2019
Spokane	WA	10	2	$143,416.54	$107,562.54	$225,000.00	48%	1/26/2018	1/26/2019
Spokane	WA	10	2	$77,361.00	$57,953.25	$175,000.00	33%	1/26/2018	1/26/2019
Portland	OR	11.0	3	$455,000.00	$409,500.00	$750,000.00	55%	1/25/2018	1/25/2019
Spokane	WA	12	4	$50,000.00	$50,000.00	$250,000.00	20%	1/11/2018	1/11/2019
Maple Valley	WA	12.0	4	$625,000.00	$562,500.00	$1,000,000.00	56%	1/8/2018	1/8/2019
Spokane	WA	12	4	$117,002.00	$93,602.00	$160,000.00	59%	12/29/2017	9/29/2018
Medical Lake	WA	12	4	$116,816.00	$93,416.00	$169,000.00	55%	12/22/2017	9/22/2017
Edmonds	WA	12	4	$435,000.00	$391,500.00	$540,000.00	73%	11/20/2017	8/20/2018
Blackfoot	ID	12	4	$59,000.00	$47,200.00	$135,000.00	35%	9/13/2017	6/13/2018
Coupeville	WA	12	4	$175,000.00	$148,750.00	$325,000.00	46%	8/2/2017	5/2/2018
	Average	11.19	3.13	$25,779,911.69	$21,527,734.02	$45,536,000.00	51%	Average	