YIELDSTREET INVESTMENT MEMORANDUM

YS HTF REQ I

TRANSACTION

Overview: YS HTF REQ I LLC ("YS SPV" or "Yieldstreet") has made a $19.4M equity investment ("Investment") in a limited liability company ("JV"). The JV was created to acquire Crossways Commerce Center I & II ("Property" or "Crossways"), a three-building, 525k SF, 100% occupied industrial/flex building complex in Chesapeake, VA for $61.05M ($116 per SF and 7.2% cap rate). The Property's square footage is broken into 63% high-bay industrial, 28% flex industrial, and 9% office. The Property is currently 100% occupied by 8 tenants. 83% of the Property is occupied by three investment-grade tenants who have been a tenant at the Property for an average term of 21 years. The expected hold period of the Investment is 5 years. The lease relating to all but one tenant expires within the expected hold period. The Sponsor expects the investment-grade tenants to renew their leases, thereby capturing upside from rent growth and then plans to sell the property upon stabilization. The target IRR to Yieldstreet investors is 17.2%, 1.89x equity multiple and 11.4% average cash on cash.

The Property is sponsored by Heritage Capital Group (the "Principal Sponsor") and a commercial real estate co-GP and operations service provider (the "Co-Sponsor", collectively the "Sponsor" or "GP"). Heritage is a private, third-generation, family-owned real estate investment, development and management company. Since the 1980s, Heritage has owned and managed over 10M SF of office, industrial and multifamily properties in over 20 states across the US. Its current portfolio includes over 4.4M SF of industrial, 444 units of multifamily and 1M SF of office/retail. On the 19 realized investments across industrial, office, and multifamily assets, the firm has generated 28% IRR and 2.4x Equity Multiple. The Co-Sponsor is a real estate investment firm which co-GPs with middle market sponsors and provides capital markets and back-office services including fund administration, accounting, tax and investor relations functionality.

The total project capitalization is $68.8M, or $126 per SF, which includes $1.7M in general reserves, a portion of which is intended for potential tenant improvement (TI) costs. To finance the transaction, the JV (through its wholly-owned subsidiaries) obtained a $42.0M, $79.99 per SF, first mortgage loan ("Senior Loan") from an investment-grade publicly listed bank ("Leverage Provider") and $24.2M equity ("Equity"). Yieldstreet provided $19.4M, or 80%, of the Equity. The Principal Sponsor and Co-Sponsor each provided $1.2M, 5% of total equity each, and other investors provided the remaining $2.4M, 10% of total equity. All equity investors are pari passu.

Sources	**$**	**%**		**Uses**	**$**	**%**
Senior Loan	$42,000,000	63.4%		Purchase Price	$61,050,000	92.2%
Equity	$24,235,144	36.6%		Reserve	$1,700,000	2.6%
Yieldstreet	*$19,400,000*	*29.3%*		Interest Rate Cap	$460,000	0.7%
Heritage	*$1,208,786*	*1.8%*		YS Commitment Fee	$388,000	0.6%
Co-Sponsor	*$1,208,786*	*1.8%*		Sponsor Acquisition Fee	$610,500	0.9%
Other Investors	*$2,417,572*	*3.6%*		Other Closing Costs and Fees	$2,026,644	3.1%
Total	**$66,235,144**	**100.0%**		**Total**	**$66,235,144**	**100.0%**

** Italicized items show the breakdown of Equity*

Distribution: The Issuer was established for this investment and is a fund managed by Yieldstreet Management, LLC, an SEC-registered investment advisor ("Manager"). The Manager has advised the Issuer to close on the Investment which represents the Issuer's sole asset. Yieldstreet investors have an opportunity to invest in the Issuer and thus indirectly participate economically in the Investment. In connection with making the Investment, the Issuer received a commitment fee of $388k, which commitment fee has or will be distributed to the Manager (or an affiliate thereof). For the avoidance of doubt, such commitment fee will not reduce the target rate of interest paid to the investors.

The Manager anticipates that it will offer a range of incentives from $100 to $1,000 based on a number of factors including but not limited to: (i) whether this offering has not been fully allocated and remains open after a certain amount of time (approximately 60-90 days), (ii) an investor's investment exceeding a certain amount (approximately $150k-250k) and (iii) an investor making an investment for the first time or after a pre-determined period. Incentives are expected to fall in the lower end of the range if they are offered because the deal has not been fully allocated, and the higher end of the range if they are offered based on the amount of an investor's investment. Please also be aware that the Manager has offered and plans on offering promotions and incentives to investors. Investors who have received or will receive these promotions or incentives may invest in this offering, even if such promotions or incentives were not available to all investors at the time of their investment. No investor will be automatically entitled to a promotion or incentive based on the foregoing.

Structure: The Property is financed by the $42.0M Senior Loan and $24.2M Equity. As the equity in the transaction, YS SPV's returns are determined by the cash flow available after the Leverage Provider has received its scheduled interest payments and principal repayment. Cash flow after debt service is distributed to equity investors (including Yieldstreet) in accordance with the cash flow waterfall detailed below.

Senior Loan

The Senior Loan is structured as an interest-only instrument (subject to a debt yield test as detailed below) bearing an annualized interest rate of the greater of SOFR +161, with SOFR floor of 0%. At closing, the JV purchased an interest rate cap for the total amount of the Senior Loan with cap rate of 2.39% (cap does not include the 1.61% spread). The Senior Loan is secured by a first priority lien on the Property and all income and revenue derived therefrom. The Senior Loan has a term of five years, with no option to extend. Upon an event of a default under the Senior Loan, all obligations under the Senior Loan would become immediately due and payable. The Leverage Provider would have the right to utilize any amounts, including all amounts in the cash collateral reserve, for the payment of obligations at its discretion.

- **Debt Yield Test:** The Senior Loan is interest-only for the first three years of the five year term. There is a debt yield test during the three months prior to the third and fourth anniversary of the loan (5/24/24 and 5/24/25 respectively). If the debt yield is below 9.2% during the three months, then the principal amount of the Senior Loan would be required to be paid down in accordance with a schedule calculated by a 30 year amortization assuming interest rate at the greatest of 150 above the asking yield of the 10 year US Treasury Note, 6.0% and the actual interest on the Senior Loan.
- **Deposit Account**: All income and revenue generated by the Property shall be deposited into a deposit account. Prior to an event of default, the deposit account shall be under the full control of the JV. In the event of a default, the deposit account will constitute collateral for the Senior Loan and the Leverage Provider shall be able to offset any amounts contained therein against any amounts owed under the Senior Loan.
- **Leasing Reserve Account**: Upon the earlier to occur of the required renewal notice of a major lease (defined as the lease with General Dynamics, First Data or any lease comprising over 20% of the overall revenues) and 6 months prior to the expiration of a major lease, the JV is required to deposit into the leasing reserve account the lesser of $250,000 per month and 100% of the monthly net cash flow. The leasing reserve account would be controlled by the Leverage Provider, and provided that no event of default is ongoing, funds from the leasing reserve may be used for leasing costs and tenant improvement.
- **Guarantor Net Worth Covenant**: The principal of the Principal Sponsor ("Principal") has provided a bad actor carve-out guaranty to the Leverage Provider. The guaranty contains a net worth covenant whereby the Principal must at all time maintain a net worth greater than or equal to $21M with unencumbered liquid assets greater than or equal to $2.1M.

YS SPV and YS Investors Economics

Cash flow received by the JV (after debt service and other costs and expenses) is distributed as follows:

- *First,* to the members (includes YS SPV) pro rata and pari passu until each member has received distributions equivalent to a non-compounded preferred return of 8.0% per annum,
- *Second,* to the members 100% of capital contributions,
- *Third,* 80% to the members pro rata and pari passu and 20% to the Sponsor, until the members have realized an IRR of 14.0%,
- *Thereafter,* 65% to the members pro rata and pari passu and 35% to the Sponsor

The terms of the Sponsor's compensation were structured in an attempt to align its incentives with the YS SPV. The Sponsor's compensation increases when the transaction generates higher returns.

Yieldstreet investors are expected to receive a net annualized rate of return (IRR) of 17.2% over the life of their investment. As YS SPV's interest is in the equity in the transaction, Yieldstreet investors are entitled to participate in upside that may be generated. While the target return is 17.2%, actual returns could be higher or lower. Yieldstreet Management, LLC will receive an asset management fee of 2.25%.

Additional Considerations

- Yieldstreet may compel a sale of the Property after 48 months ("Forced Sale").
- Yieldstreet has approval rights over certain major decisions including: changes or updates to the approved budget and plan, any decision with respect to leasing any portion of the Property which involves 10% or more of square footage or 50,000 SF and the entering into of any capital transaction (incl. sale and refinance) involving any portion of the Property.
- Both the Sponsor and Yieldstreet may initiate a capital call to fund emergency expenditures and/or expenses set forth in the approved budget. Yieldstreet would be required to contribute its pro rate share. If Yieldstreet chooses not to contribute capital, the Sponsor may choose to contribute such capital. Such capital would be treated as a loan to the JV and accrue interest at the rate of 15% per annum compounded quarterly. Repayment of such loan(s) shall be senior to equity distributions.
- The Principal has provided a bad actor carve-out guaranty to the Leverage Provider in the event of fraud, negligence, or willful misconduct. This helps to protect Yieldstreet from being held responsible for actions outside of its control.

Composition: The Property is a three-building, 525k SF, 100% occupied industrial/flex complex in Chesapeake, VA. The Property is situated on a 30-acre business park located directly off I-64, which links the area to Richmond and the Midwest, as well as to I-95, the East Coast's primary north-south corridor. The immediate area provides a "last-mile" location with direct access to 220,000 residents within a five-mile radius. The Hampton Roads MSA maintains a thriving economy due to the presence of its military installation, specifically, the world's largest naval base in Norfolk and the Port of Virginia. Norfolk International Airport is located just 11 miles from Property.

The Norfolk market has seen a significant amount of tenant interest, as evidenced by over 130 potential tenants looking for over 10 million square feet of space in the market, including both tenants currently in-market and out-of-market, according to Colliers, a commercial real estate services company. An increase in demand for e-commerce and port-related uses has been especially prevalent in recent quarters. With tight industrial vacancy and little quality space available, rents have moved higher with fewer concessions. According to CoStar, a commercial real estate analytics company, the Property is located in the Bainbridge Industrial submarket which reported a vacancy rate of 3.4%. Rents grew by 6.6% over the past 12 months, easily exceeding the 2.6% average annual change over the past decade.

The Property's square footage is broken into 63% high-bay industrial, 28% flex industrial, and 9% office. The Property is currently 100% occupied by 8 tenants. 83% of the property is occupied by three investment-grade tenants who have been a tenant at the property for an average term of 21 years. The investment-grade tenants include:

1) <u>General Dynamics Corporation, a defense contractor ("General Dynamics")</u> - General Dynamic's lease comprises 42% of NRA. The corporation has a Moody's rating of A2 and a market capitalization greater than $50Bn
2) <u>Fiserv, Inc, a financial services firm ("Fiserv")</u> - Fiserv's lease comprised 22% of NRA. The corporation has a Moody's rating of Baa2 and a market capitalization greater than $70Bn
3) <u>Sentara Healthcare, a non-for-profit healthcare organization ("Sentara")</u> - Sentara's lease comprised 19% of NRA. The corporation has a Moody's rating of Aa2.

A summary of the full tenant list is shown in the *Appendix* as Exhibit A. No other tenant accounts for greater than 10% of NRA or rental income. The property has averaged 95% occupancy over the last 10 years. The Sponsor is engaging Colliers as leasing agent to manage, amongst other things, the expected roll-over. The historical occupancy rate of Property is shown in the *Appendix* as Exhibit B. Valbridge Property Advisors, a commercial real estate advisory firm, was engaged by the Leverage Provider to conduct an appraisal ("Appraisal") of the Property. The Appraisal valued the Property at $61.3M. The Appraisal's rent comparisons and sale comparisons are shown in the Appendix as Exhibit C and D respectively. The purchase price of the Property and rent assumptions by the Sponsor are in line with the Appraisal's conclusions.

The lease of all but one tenant expires within the 5-year hold period. Additionally, there are three tenants with termination/contraction options: (i) The largest tenant, General Dynamics (34% of rental income) has a one-time right to terminate the entire lease or give up 60k SF effective 10/31/22 with 12 months notice, (ii) Sentara can terminate the warehouse space (7% of rent) with 6 months' notice, and (iii) a tenant constituting 3% of rental income can terminate the lease effective 10/1/22 with nine months' notice. However, based on tenant interviews with the Sponsor, all tenants have indicated they intend to renew upon lease expiration (except Sentara warehouse space leased at $4 PSF which General Dynamics is in discussion for leasing at a significantly higher price).

As of 5/1/21, total in place rent at the Property was $4.7M. Gross Potential Rent is projected to increase from $4.8M in Year 1 to $5.7M in Year 5, corresponding to Effective Gross Rent (includes vacancy and tax, insurance and utilities reimbursements) of $6.0M in Year 1 and growing to $6.6M in Year 5. Assuming an NOI Margin of 72-74%, Net Operating Income (NOI) is projected to grow from $4.4M in Year 1 to $4.8M in Year 5. Utilizing a 6.5% cap rate in Year 5, the Property has a projected sale price of $84M ($83M inclusive of 1% sales cost). The Sponsor's projected cash flows and a summary of investor returns are shown in the table below.

	Year 1	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Base Rent Revenues	$4,820,462	$5,219,451	$5,347,489	$5,459,077	$5,667,231
Effective Gross Revenue	$6,046,706	$6,414,618	$6,735,823	$6,787,702	$6,563,916
Net Operating Income	4,391,532	4,719,952	5,002,139	5,022,664	4,774,764
Property Cash Flow	$4,312,770	$4,334,342	$4,923,377	$4,484,953	$3,206,067
Cash After Debt Service	$3,610,145	$3,631,717	$4,218,827	$3,782,328	$2,503,442
Cash After Capital Event	$3,610,145	$3,631,717	$4,218,827	$3,782,328	$43,704,598
Property Levered Cash Yield	16.2%	16.3%	18.9%	16.9%	11.2%
Property Level IRR					24.5%
LP Cash Yield	14.1%	14.2%	16.6%	14.8%	8.6%
LP IRR					19.6%
YS Investor Cash Yield	11.8%	11.9%	14.4%	12.5%	6.4%
YS Investor IRR					17.2%

Principal Sponsor: Heritage Capital Group ("Heritage") is a private, third-generation, family-owned real estate investment, development and management company. In the mid-1900's, Heritage started as an owner and manager of residential garden apartments in New Jersey. By the 1980's, the firm owned more than 7,000 residential units and was one of the leading owners of residential real estate in the state. The firm then began investing in a diversity of commercial property types, growing over the next two decades as an investor in office, industrial and multifamily properties totaling more than 10 million SF in more than 20 states across the US. Beginning in 1993, Heritage started to accept outside equity partners. It has played an active part in Newark, New Jersey's renaissance since 2000, having redeveloped over 800,000 square foot of CBD office buildings in downtown Newark, including 550 Broad Street, 570 Broad Street and Gateway 4 Center.

Heritage's current portfolio consists of 18 properties across 8 states with an estimated value of approximately $1.0Bn. The portfolio includes owns 4.4 million square feet of industrial, 444 units of multifamily, 1 million SF of office/retail, and other development/land assets. On the 19 realized investments across industrial, office, and multifamily assets, the firm has generated 28% IRR and 2.4x Equity Multiple.

Jefferey Greenberg - Managing Partner

Jefferey is a member of the third generation of the Greenberg family and leads Heritage. Jefferey oversees all disciplines involved in the acquisition, financing and leasing of Heritage's properties. Jeffrey received a B.A. in Philosophy from Colgate University, a J.D. from Boston University School of Law, and an M.S. in Real Estate from New York University. Jeffrey is a licensed real estate broker in New York and is licensed to practice law in New York, New Jersey and Colorado.

APPENDIX

Exhibit A – In-Place Rent Summary

Tenant	SF	Industry	Rating	% SF	Annual Rent	Rent PSF	% Rent	Expire	# of Yrs at Prop	Renewal Option	Term. Option
General Dynamics	220,302	Defense	A2 / A+	42%	$1,618,477	$7.35	34%	Jan-24	14	1 x 3yrs	Y
First Data Resources	117,336	Financial	Baa2 / BBB	22%	$1,369,311	$11.67	29%	Nov-25	23	None	N
Sentara Healthcare - Warehouse	76,769	Healthcare	Aa2 / A1+	15%	$307,076	$4.00	7%	Dec-22	1	None	Y
Sentara Healthcare - Office	22,500	Healthcare	Aa2 / A1+	4%	$418,050	$18.58	9%	Mar-22	25	1 x 5yrs	N
IG Tenants - Subtotal	**436,907**			**83%**	**$3,712,914**	**$8.50**	**79%**		**21**		
Tenant 1	34,188	Automotive		7%	$229,743	$6.72	5%	Jul-25	11	1 x 5yrs	N
Tenant 2	19,253	Engineering		4%	$161,725	$8.40	3%	Apr-26	12	None	N
Tenant 3	14,789	Co-working		3%	$346,506	$23.43	7%	Nov-24	8	2 x 5yrs	N
Tenant 4	12,580	Air Ambulance		2%	$113,849	$9.05	2%	Apr-22	5	None	N
Tenant 5	7,365	Employment		1%	$158,642	$21.54	3%	Jan-25	8	1 x 3yrs	Y
Total / Wtd. Avg.	**525,082**			**100%**	**$4,723,380**	**$9.00**	**100%**		**12**		

Exhibit B – Historical Occupancy

Year	%
2021	100%
2020	85%
2019	85%
2018	100%
2017	84%
2016	98%
2015	98%
2014	98%
2013	100%
2012	100%
2011	96%
10-yr Average	**95%**

Exhibit C – Rent Comparables

Industrial Properties							
No.	**Size (SF)**	**Clear Height**	**Type**	**Rent PSF**	**Term (Mo.)**	**Lease**	**Date**
1	7,700	20-22'	New	$8.15	60	NNN	1/7/2021
2	12,000	31'	New	$8.65	84	NNN	12/1/2020
3	73,500	28'	New	$7.40	84	NNN	2/1/2020
4	17,483	24'	Renewal	$7.75	60	NNN	1/1/2021
5	6,416	22'	New	$9.65	36	NNN	1/1/2021
6	10,000	22-24'	Renewal	$7.65	36	NNN	1/1/2021
7	6,600	18'	New	$7.63	60	NNN	12/1/2020
8	22,000	20'	Renewal	$8.28	36	NNN	3/1/2020
9	10,000	22-24'	New	$8.25	60	NNN	6/1/2020
Total/Avg.	**165,699**			**$7.84**			**6/9/2020**

Flex Properties					
No.	**Size (SF)**	**Type**	**Rent PSF**	**Term (Mo.)**	**Lease**
1	5,400	New	$11.89	62	NNN
2	14,200	New	$13.52	60	NNN
3	14,274	New	$11.00	84	NNN
4	4,500	Renewal	$12.50	36	NNN
5	1,800	Renewal	$11.95	36	NNN
6	5,000	Renewal	$11.82	60	NNN
Total/Avg.	**45,174**		**$12.18**		

Exhibit D – In-Place Rent Summary

Flex Properties					
No.	**Distance**	**Size (SF)**	**Sale Price**	**Sale Price PSF**	**Sale Date**
1	0.1 miles	51,209	$7,500,000	$146	2/1/2021
2	0.1 miles	143,398	$26,200,000	$183	8/1/2020
3	0.5 miles	34,642	$5,400,000	$156	1/1/2019
4	10 miles	15,676	$2,300,000	$147	4/1/2021
5	10 miles	18,400	$2,100,000	$114	6/1/2020
Total/Avg.		**263,325**	**$43,500,000**	**$168**	

Warehouse Properties				
No.	**Distance**	**Size (SF)**	**Sale Price**	**Sale Price PSF**
1	9 miles	22,180	$3,000,000	$135
2	2 miles	24,000	$2,900,000	$121
3	9 miles	130,510	$20,800,000	$159
4	6 miles	60,000	$8,200,000	$137
5	4 miles	712,339	$74,100,000	$104
6	10 miles	389,000	$40,500,000	$104
7	30 miles	198,839	$25,750,000	$130
Total/Avg.		**1,536,868**	**$175,250,000**	**$117**

Exhibit F - Certain Flat Expenses Allocated to Investors

SPV

Annual SPV expenses include (i) mandated expenses required by the Securities and Exchange Commission (SEC) such as Form D filings, (ii) State blue sky filings, and (iii) the Fund’s annual Delaware franchise and registered agent fees, (iv) annual audit fees conducted by a PCAOB compliant firm, and costs associated with preparation of the Fund’s annual tax returns.

The flat expense allocations per investor (“Flat Expenses”) are applied per calendar year. The Flat Expenses will be $150 per Class A participating investor in the first year of each offering, and $70 per Class A participating investor in subsequent years if the offering is active for more than one calendar year.

YieldStreet has determined the Flat Expenses based on historical averages of these expenses per SPV and dividing by the average number of Class A investors per SPV.

The Flat Expenses will reduce the interest distributions in each calendar year. Once the Flat Expenses for that year have been applied in full on an individual investor basis, such investor will receive interest distributions to their account per the waterfall set forth in the Operating Agreement.

Exhibit C – Statement of Confidentiality

This Confidential Investment Memorandum (the “Memorandum”) was prepared by the Issuer, solely for informational purposes, from materials and information supplied by the Sponsor. This Memorandum is furnished through the Platform operated by YieldStreet, Inc. (the “Platform Operator”) solely for use by prospective investors considering an investment in membership interests in the Issuer. Except as may be required by applicable law, this Memorandum may not be used by you for any other purpose, nor may it be reproduced or distributed, nor may its contents be disclosed, to persons who are not directly involved with your evaluation of your investment, without our prior written consent. Your acceptance and review of the Memorandum shall constitute your acceptance and acknowledgement to the foregoing, and your agreement to ensure that any person with whom you share any portion of the Memorandum does not do, or omit to do anything which, if done or omitted to be done by you, would constitute a breach of your obligations hereunder.

The information contained herein was prepared to assist interested parties in making their own evaluation of an investment in membership interests in the Issuer and does not purport to be all-inclusive or to contain all of the information that may be required to evaluate an investment in such membership interests. In all cases, interested parties should conduct their own investigation and analysis of the Issuer and the data set forth in this Memorandum and supplementary documents available on the YieldStreet Platform. The Platform Operator, the Issuer and YieldStreet Management, LLC as manager ("Manager") of the Issuer, expressly disclaim any and all liability for any representations (whether expressed or implied) contained in, or any omissions from, this Memorandum or any other written or oral communication transmitted to prospective investors in the course of such prospective investor's evaluation of its purchase of membership interests in the Issuer.

Exhibit F - Risk Factors

When analyzing this offering to invest in the membership interests of the Issuer (the "Interests"), prospective investors are advised to carefully read and consider the following risks.

AS A RESULT OF THESE FACTORS, THE OFFERING IS ONLY SUITABLE FOR THOSE INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT IN THE INTERESTS.

GENERAL INVESTMENT RISKS

The Interests are Generally Risky and Speculative Investments for Suitable Investors Only

Investors should be aware that the Interests are risky and speculative investments and by investing, each investor assumes the risk of losing its entire investment. The Interests depend entirely for distributions on the receipt of payments under the loan, participation interest or assignment owned by the Issuer (also referred to herein as an "investment"). The Interests are suitable only for investors of adequate financial means. Accordingly, only investors who are able to bear the loss of their entire investment should invest in the Interests.

The Interests are Restricted Securities and are Subject to Transfer Restrictions

The offering of Interests has not been registered under the Securities Act or with any State securities regulator or authority, nor is registration contemplated. Rather the Interests are being offered in reliance upon the exemption from such registration requirements set forth in Section 4(A)(2) of the Securities Act of 1933, as amended ("Securities Act") and Rule 506(c) of Regulation D thereunder. The Interests will not be listed on any securities exchange or interdealer quotation system. There is no trading market for the Interests, and the Issuer does not expect that such a trading market will develop in the foreseeable future. Although the Issuer has the right, but not the obligation, in its sole and absolute discretion, to repurchase Interests, there is no public market for the Interests and none is expected to develop in the future. Even if a potential buyer could be found, the transferability of these Interests are also restricted by the provisions of the Securities Act and Rule 144 promulgated thereunder. Unless an exemption is available, these Interests may not be sold or transferred without registration under the Securities Act and the prior written consent of applicable State securities regulator(s). Any sale or transfer of these Interests also requires the prior written consent of the Issuer. Therefore, investors must be capable of bearing the economic risks of the Interests and holding them for an indefinite period of time.

The Issuer and the Manager have no way of Knowing or Predicting Whether such Target Return is Realistic and Achievable or Whether such Return will ever be Realized for an Investment

Any projected return or estimate for an Issuer's investment is only a target and is in no way a financial projection, estimated result, guarantee, warranty, representation or promise of the Issuer or its Manager. The Issuer and the Manager have no way of knowing or predicting whether such target return is realistic and achievable or whether such return will ever be realized for an investment.

The Loss Position of Interests Creates a Risk that an Investor may not Receive any of its Capital Investment

Although investors will be able to assess the assets securing or relating to the Issuer's investment, in the event of a default or other performance issue, the Issuer may not be able to foresee or prevent a potential foreclosure and subsequent sale of such assets or diminution in value of the pertinent underlying asset(s). If this were to occur, and insufficient proceeds remained after the sale of such assets, the loss position of the Interests creates a risk that the investor may not receive any of its capital investment. In addition, the investor will have no recourse against the Issuer or the Manager.

Loss Rates on Investments May Increase as a Result of Economic Conditions, Natural Disasters, War, Terrorist Attacks, or Acts of God beyond the Issuer's Control

Loss rates on investments may be significantly affected by economic downturns or general economic conditions, natural disasters, war, terrorist attacks, or Acts of God beyond the Issuer's control and beyond the control of any investors. In particular, loss rates on the Issuer's investments may increase due to factors such as (among other things) local real estate market conditions, prevailing interest rates, the rate of unemployment, the level of consumer confidence, the value of the U.S. dollar, energy prices, changes in consumer spending, the number of personal bankruptcies, disruptions in the credit markets and other factors. Price movements may also be influenced by, among other things, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and national and international political and economic events and policies. Loss rates may also increase due to certain natural disasters, such as fires, floods, hurricanes, tornados, tsunamis, or earthquakes, war, terrorist attacks, or other Acts of God.

Fluctuations in Interest Rates May Cause Investors to Suffer Loss of Yield on their Investment

If prevailing interest rates rise above the average distribution being earned and/or returned by the Issuer's investment, the investors may wish to liquidate their investment to take advantage of higher available returns but may be unable to do so due to restrictions on transfer and redemption.

Borrower Prepayments Will Extinguish or Limit the Ability to Earn Additional Returns on an Interest

Prepayment by a borrower occurs when a borrower decides to pay some or all of the principal amount on the underlying investment earlier than originally scheduled. If the Issuer invests in fixed interest rate investments and interest rates rise, the value of such investments may decline. Moreover, to the extent that the investments may be prepaid without penalty or premium, the value of such investments may be negatively affected by increasing prepayments. Such prepayments tend to occur more frequently as interest rates decline. Upon a prepayment of the entire remaining unpaid principal amount of an investment, the investor will receive its share of such prepayment as a distribution, but further interest will not accrue after the date on which the distribution is made, and the investor's anticipated total investment return may thus decrease. In addition, the investor may not be able to find a similar rate of return on another investment at the time at which the Issuer's investment is prepaid.

Management Discretion with Respect to Investments is With the Manager and not Investors

The Manager will manage the Issuer's investment as it sees fit in its sole discretion, including relying on third-party servicers to undertake such management. The Manager may use certain strategies that may subject the investment to additional risks. Manager may, at its discretion, delay notification of or not notify investors of distressed or defaulting investments, unless the Manager determines that investors will probably lose some or all of their investment.

Information Supplied by Borrowers and/or Guarantors and/or Other Obligors or Third Parties May be Inaccurate or Intentionally False

Borrowers and/or guarantors and/or other obligors or third parties supply a variety of information regarding asset, property and other collateral valuations, market data, their experience, personal identifying information, use of proceeds, and other information. The Issuer makes an attempt to verify portions of this information, but as a practical matter, portions of the information may be incomplete, inaccurate or intentionally false. If a third party supplies false, misleading or inaccurate information, an investor may lose all or a portion of its investment in the Interests. An investor will not have any contractual or other relationship with any third party that would enable them to make any claim against such third party for fraud or breach of any representation or warranty in relation to any false, incomplete or misleading information supplied by such third party in relation to the Issuer's investment.

Borrower or Other Third Party Bankruptcy Will Prevent the Prompt Exercise of Foreclosure Remedies

If a borrower or other pertinent third party enters bankruptcy, an automatic stay of all proceedings against such party's assets will be granted. This stay will prevent the Issuer (if it is the lender of record under the loan) or the lender of record under a loan in which a participation interest or assignment has been acquired, from foreclosing on assets unless relief from the stay can be obtained, and there is no guarantee that any such relief will be obtained. Significant legal fees and costs may be incurred in attempting to obtain relief from a bankruptcy stay and it may take several months or more to obtain. In such event, the lender of record will be unable to promptly exercise its foreclosure remedy and realize any proceeds from an asset sale. In addition, bankruptcy courts have broad powers to permit a sale of assets free of the lender of record's lien, to compel the lender of record to accept an amount less than the balance due under the loan and to permit a borrower to repay the loan over a term which may be substantially longer than the original term of the loan.

If Issuer is Required to Register under the Investment Company Act it could be Materially Adversely Affected

The Investment Company Act of 1940, as amended (the "Investment Company Act") contains substantive legal requirements that regulate the manner in which "investment companies" are permitted to conduct their business activities. The Issuer believes it has conducted, and will conduct, its business in a manner that does not result in being characterized as an investment company. If, however, the Issuer is deemed to be an investment company under the Investment Company Act, it may be required to institute burdensome compliance requirements and its activities may be restricted, which would materially adversely affect its business, financial condition and results of operations.

Failure of Third-Party Vendors to Meet Compliance Requirements Could Have an Adverse Effect on the Issuer

The Issuer either internally conducts or contracts out certain compliance services to meet regulations pertaining to "Know Your Customer", anti-money laundering and Rule 501 accredited investor compliance. The Issuer believes its internal procedures and vendors meet industry compliance standards. However, the SEC or other regulatory agencies could determine, for example, that the Issuer has failed to use "reasonable steps" for verification of accredited investor status. This determination could result in, among other things, penalties to the Issuer, a loss of some or all returns for certain investors, revocation of an investor's accredited investor status, loss of a valid exemption from registration under the Securities Act, delays in distributions to investors and cessation of Issuer's operations.

If Yieldstreet or the Manager Were to Enter Bankruptcy Proceedings, the Operation of the Platform and the Activities with Respect to the Investments and Interests Would be Interrupted

If Yieldstreet and/or the Manager were to enter bankruptcy proceedings or were to cease operations, the Issuer would be required to find other ways to meet obligations regarding its investments and the Interests. Such alternatives could result in delays in distributions on the Interests or could require the Issuer and/or investors to pay significant fees to another company to perform such services on its behalf.

The Issuer Relies on Third-Parties and FDIC-Insured Banks to Process Transactions

The Issuer relies on third-party and FDIC-insured depository institutions to process its transactions, including payments on investments and distributions to investors. If its third-party vendor and/or FDIC-insured bank that processes transactions, were no longer able to do so for any reason, the Issuer would be required to transition such services. In such event, the Issuer could experience significant delay in its ability to process payments timely and the investors' ability to receive distributions on the Interests will be delayed or impaired.

Security Breaches Could Materially Adversely Affect Issuer's Ability to Perform its Obligations

The platform operated by Yieldstreet ("Platform") may store investors' bank information and other personally-identifiable sensitive data. The Platform is compliant with payment card industry security standards and uses daily security monitoring services and intrusion detection services monitoring malicious behavior. However, any willful security breach or other unauthorized access could cause investors' secure information to be stolen and used for criminal purposes, and investors would be subject to increased risk of fraud or identity theft. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, the Platform and its third-party hosting facilities may be unable to anticipate these techniques or to implement adequate preventative measures. Certain security breaches could materially adversely affect the Issuer's ability to perform its obligations.

Any Significant Disruption in Service on the Platform or in its Computer Systems Could Materially and Adversely Affect the Issuer's Ability to Perform its Obligations

If a catastrophic event resulted in a Platform outage and physical data loss, the Issuer's ability to perform its obligations would be materially and adversely affected. The satisfactory performance, reliability, and availability of the Platform's technology and its underlying hosting services infrastructure are critical to the Issuer's operations and level of customer service. The Platform's hosting services infrastructure is provided by a third-party hosting provider (the "Hosting Provider"). The Platform also maintains a backup system at a separate location that is owned and operated by a third party. The Hosting Provider does not guarantee that users' access to the Platform website will be uninterrupted, error-free or secure. The Platform's operations depend on the Hosting Provider's ability to protect its and the Platform's systems in its facilities against damage or interruption from natural disasters, power or telecommunications failures, air quality, temperature, humidity and other environmental concerns, computer viruses or other attempts to harm the Issuer's systems, criminal acts and similar events. If the Platform's arrangement with the Hosting Provider is terminated, or there is a lapse of service or damage to its facilities, the Issuer could experience interruptions in its service as well as delays and additional expense in arranging new facilities. Any interruptions or delays in the Platform's service, whether as a result of an error by the Hosting Provider or other third-party error, the Issuer's error, natural disasters or security breaches, whether accidental or willful, could harm the Issuer's ability to perform any services with respect to its investment or maintain accurate accounts. The Issuer's disaster recovery plan has not been tested under actual disaster conditions, and there would be some delay in recovering data and services in the event of an outage at a facility operated by the Hosting Provider. In addition, there is no guarantee that all data would be recoverable. These factors could prevent and/or delay the Issuer from processing distributions on the Interests.

ERISA Risks

An investment in the Issuer involves certain risks specifically applicable to Keogh accounts, Individual Retirement Accounts and other tax-exempt investors. If a prospective investor is a trustee or other fiduciary of an Employee Benefit Plan or Other Benefit Arrangement, before purchasing Interests, they should consult with their own independent legal counsel to assure that the investment does not violate any of the applicable requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") or the Internal Revenue Code of 1986, as amended (the "Code"), including, without limitation, the ERISA fiduciary rules and the prohibited transaction requirements of ERISA and the Code.

Certain Investments Purchased by the Issuer May Be or Become Non-Performing, Which Could Significantly and Adversely Affect the Issuer's Ability to Make Distributions to Investors

It is anticipated that some of the investments purchased by the Issuer may be or become non-performing and possibly in default. Furthermore, the obligor and/or relevant guarantor may also be in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments with respect to the loans. By their nature, these investments will involve a high degree of risk. Such non-performing assets may require substantial workout negotiations or restructuring that may entail, among other things, a substantial reduction in the interest rate, a substantial write-down of the principal of the loan and/or the deferral of distributions. Commercial and industrial assets in workout and/or restructuring modes and the bankruptcy or insolvency laws of non-U.S. jurisdictions are subject to additional potential liabilities, which may exceed the value of the Issuer's original investment. For example, borrowers often resist foreclosure on collateral by asserting numerous claims, counterclaims and defenses against the holder of loans, including lender liability claims and defenses, in an effort to delay or prevent foreclosure. Even assuming that the collateral securing each loan provides adequate security for the loans, substantial delays could be encountered in connection with the liquidation of non-performing assets. In the event of a default by a borrower, these restrictions as well as the ability of the borrower to file for bankruptcy protection, among other things, may impede the ability to foreclose on or sell the collateral or to obtain net liquidation proceeds sufficient to repay all amounts due on the related loan. Under certain circumstances, payments earned from these non-performing assets may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment. Bankruptcy laws may delay the ability of the Issuer to realize on collateral for loan positions held by it or may adversely affect the priority of such loans through doctrines such as equitable subordination or may result in a restructure of the debt through principles such as the "cramdown" provisions of the Bankruptcy Code. Any loss incurred on these types of investments may be significant and adversely affect the Issuer's performance and ability to make distributions to investors.

Issuer's Claims Against a Borrower May Be Equitably Subordinated to Other Claims Against the Borrower

Under the laws of certain jurisdictions, a court may use its equitable powers to subordinate the claim of a lender to some or all of the other claims against the borrower under certain circumstances. The concept of equitable subordination is that a claim may normally be subordinated only if its holder is guilty of some misconduct. The remedy is intended to be remedial, and not penal. In determining whether equitable subordination of a claim is appropriate in any given circumstance, courts may look to whether the following conditions have been satisfied: (i) whether the claimant has engaged in some type of inequitable conduct; (ii) whether the misconduct has resulted in injury to the creditors of the bankrupt company or conferred an unfair advantage on the claimant; and (iii) whether equitable subordination would be inconsistent with other applicable provisions of the Bankruptcy Code. While the stated test could be interpreted broadly, equitable subordination is usually confined to three general paradigms: (x) when a fiduciary of the debtor (who is also a creditor) misuses its position to the detriment of other creditors, (y) when a third party (which can include a lender) controls the debtor to the disadvantage of other creditors; and (z) when a third party actually defrauds other creditors. The Issuer may be subject to claims from creditors of an obligor that debt assets of such obligor which are held by the Issuer should be equitably subordinated. The concept of equitable subordination (or the equivalent thereof) may vary from jurisdiction to jurisdiction. To the extent the concept of equitable subordination were to apply either where the Issuer is the lender or it has acquired a participation interest from the originating lender, the Issuer (and in turn the investors) could be adversely affected.

Fraudulent Misrepresentations or Behavior by Borrowers or other Third Parties or the Issuer's Partners Could Negatively Affect the Value of the Collateral

The Issuer could be adversely affected by material misrepresentations or omissions on the part of a borrower or other parties or by fraudulent behavior by a joint venture partner, manager or other service provider. Inaccuracies or incompleteness of representations may adversely affect the valuation of collateral securing the investment and may adversely affect the ability of the Issuer to perfect or effectuate a lien on the collateral securing said investment. The Issuer will rely upon the accuracy and completeness of representations made by borrowers, other counterparties, joint venture partners, managers and other service providers and cannot guarantee that it will detect occurrences of fraud. In addition, under certain circumstances, payments by borrowers to the Issuer may be reclaimed if any such payment is later determined to have been a fraudulent conveyance or a preferential distribution.

RISK FACTORS ASSOCIATED WITH MULTI-FAMILY PROPERTIES GENERALLY AND THIS INVESTMENT

Changes in value and cash flows of the underlying properties

The value of real property and its ability to generate cash flow is subject to volatility and may be adversely affected by many factors, including, without limitation: changes in national, regional or local economic conditions; changes in the supply and demand factors for the real property; rising interest rates; changing environmental regulations; unknown or unanticipated environmental related liabilities; costs associated with the need to periodically repair, renovate and re-lease space; withdrawal of tenants and difficulty of replacing tenants; bankruptcies, financial difficulties or lease defaults by tenants; adverse use of adjacent neighboring real estate; changes in the demand for or supply of competing property; uninsured losses; inability of the sponsor or borrower to obtain any required permits or entitlements for a reasonable cost or on reasonable conditions or within a reasonable time frame or at all; inability of the sponsor or borrower to obtain the services of appropriate consultants at a reasonable cost; changes in legal requirements for any needed permits or entitlements; the willingness and ability of the property's owner to provide capable management and adequate maintenance; changes or continued weakness in specific industry segments, convenience, services and attractiveness of the property; changes in government rules, regulations and fiscal policies, including changes in tax, real estate, environmental and zoning laws; retroactive changes to building or similar codes; increases in construction costs; lack of adequate availability of liability insurance or all-risk or other types of required insurance at a commercially reasonable price; shortages in available energy; acts of God or other calamities; and other factors beyond the control of the Issuer or the Manager.

The investment will be additionally subject to the risks and other factors generally incident to the ownership of real property, including such things as the effects of inflation or deflation; inability to control future operating costs; vandalism; uncertainty of cash flow; the availability and costs of borrowed funds; exposure to non-recourse carve-out guaranty obligations; the ultimate valuation of real estate serving as collateral, whether determined at foreclosure or otherwise; competition from other property; residential patterns and uses; the general suitability of a property to its market area; and other factors beyond the control of the Issuer or the Manager.

Adverse changes in the factors above could affect cash flow and value of an underlying property. Certain expenditures associated with real estate investments, principally mortgage payments, real estate taxes and some maintenance costs, generally remain constant despite a decrease in income derived from such investments. Thus, the cost of operating a given property may exceed the income earned therefrom.

Furthermore, a decline in the value of the property or loss of liquidity in the capital markets could negatively impact the a sponsor or borrower's ability to refinance a loan or sell the property. It is common for loans secured by real estate loans to be repaid through a refinance by another lender. A decrease in the value of the property would negatively impact the a borrower's ability to obtain refinancing of a loan, which could have a material adverse effect on the Interests. Furthermore, if the sale of the property is required to repay a loan, a decrease in the value of the property to the extent that the underlying loan exceeds the value of the property would result in the sale of the property failing to generate sufficient proceeds to repay the underlying loan, which would have a material adverse effect on the Interests.

The success of the real estate project investment is dependent on the performance of the sponsor and other third parties over which the Issuer has no control

With respect to the property, either the sponsor (or a third-party real estate management company affiliated with or engaged by sponsor) is responsible for various management functions that are essential to the success of a real estate project, including property marketing and leasing rates, payment of bills, maintenance of insurance, and property management generally. Poor management on the part of the real estate company could adversely affect the financial performance of the project investment or expose it to unanticipated operating risk, which could reduce the property's cash flow and adversely affect the value of the property, which could have a material adverse effect on the Interests.

This risk also pertains to construction of, or renovations to, the real estate. Real estate construction brings with it the risk of cost overrun and time delays. Construction projects are also contingent on correct zoning, various approvals, and regulation. These situations may require additional capital or delay the completion of the project and impair the value of the property, which could have a material adverse effect on the Interests.

Loans ending with large "balloon" payments carry particular risks

An underlying loan may be an interest-only loan providing for relatively small monthly payments with a large "balloon" payment of principal due at the end of the term. A sponsor or borrower may be unable to repay such balloon payments out of its own funds and will be compelled to refinance or sell its property. Fluctuations in real estate values, interest rates and the unavailability of mortgage funds could adversely affect the ability of a borrower to refinance its loan at maturity or successfully sell the properties for enough money to pay off the underlying loan.

Insurance against risks faced by the properties could become costlier or unavailable altogether

Real estate properties are typically insured against risk of fire damage and other typically insured property casualties, but are sometimes not covered by severe weather or natural disaster events such as landslides, earthquakes, or floods. Changes in the conditions affecting the economic environment in which insurance companies do business could affect the sponsor's ability to continue insuring the properties at a reasonable cost or could result in insurance being unavailable altogether. Moreover, any hazard losses not then covered by the sponsor's insurance policy could result in a significant decrease in the value of the property, which could have a material adverse effect on the Interests.

Title insurance may not cover all title defects

It is possible that uninsured title defects could arise in the future, which may impact the profitability and/or value of the properties and could as a result have a material adverse effect on the Interests.

Construction and rehabilitation projects carry particular risks

Construction and rehabilitation projects involve a number of particular risks, involving, among other things, the timeliness of the project's completion, the integrity of appraisal values, whether or not the completed property can be sold for the amount anticipated, unanticipated extra construction costs, and the length of ultimate sale process. Unanticipated extra construction costs may be caused by inaccurate budgets, increases in materials or transportation expenses, material or labor shortages, substandard work performed by a sponsor's or contractor's employees or subcontractors that must be redone to satisfy contract performance conditions or to meet local building codes, increased interest expense, or delays caused by inclement weather. Projects that rehabilitate or extensively modify existing buildings can be exceptionally vulnerable to overruns because costs in these cases are more difficult to project. If construction work is not completed (due to contractor abandonment, unsatisfactory work performance, or various other factors) and all an investment's funds have already been expended, then a sponsor or other equity investor may have to invest significant additional funds to complete the construction work. Any such investment, if made by the Issuer or any other party, would be recuperated by the Issuer or such other party prior to investors being paid in respect of the Interests. If the value of an uncompleted property is materially less than the amount of the investment even if the work were completed, then a sponsor or equity investor might need to invest additional funds in order to recoup all or a portion of the investment. Risks also exist where it takes a sponsor longer than anticipated either to construct or then resell the property, or if a sponsor does not receive sufficient proceeds from the sale to repay the corresponding underlying investment in full. When a construction loan is obtained, these risks are similarly present, and the sponsor and an equity investor will be below the construction lender in the capital structure.

The Interests are highly risky and speculative; The Investment has no guarantee cash flow

Only investors who can bear the loss of their entire investment should purchase Interests. The Interests are highly risky and speculative. No assurance can be provided that the Property will have operating results that will enable the Issuer to satisfy the return objectives to a holder of an Interest ("Investor"). All statements related to return objectives are estimates only, and are not intended to suggest that such return rates are in any way assured. Returns are subject to all of the risks set forth herein, and others. There can be no assurance that Investors will have their investment returned to them at a particular time, or ever. Investors could lose their entire investment in the Interests (including any expected distributions), in addition to the use of their investment principal during the lifetime of their investment. Interests are suitable purchases only for investors of adequate financial means. Investors who cannot afford to lose all of the money invested in the Interests should not purchase an Interest.

There can be no assurance that cash flow or profits will be generated by the investment. NEITHER THE ISSUER, ANY YIELDSTREET ENTITY, THE SPONSOR NOR ANY OF THEIR RESPECTIVE AFFILIATES IS OBLIGATED TO PROVIDE ANY OF THE INVESTORS WITH A GUARANTEE AGAINST A LOSS ON THE INVESTMENT IN THE PROPERTY OR NEGATIVE CASH FLOWS, AND NEITHER THE ISSUER, ANY YIELDSTREET ENTITY, THE SPONSOR, NOR ANY OF THEIR RESPECTIVE AFFILIATES HAS OR INTENDS TO PROVIDE SUCH A GUARANTEE.

There is a risk that Investors may not receive distributions.

The amount of distributions will fluctuate. The ability to pay distributions may be adversely affected by a number of factors, including the risk factors described in this Investment Memorandum. Among the factors that could adversely affect the results of operations and impair the ability to pay distributions to Investors are:

- the profitability of the Investment;
- capital calls or other expenses that reduce our cash flow;
- decreases in the value of our portfolio; and
- the fact that anticipated operating expense levels may not be accurate, as actual results may vary from estimates.

A change in any one of these factors could affect the Issuer's ability to make distributions. No assurance can be made to Investors that the Investment will achieve results that will allow the Issuer to make a specified level of cash distributions. The Issuer may not be able to make distributions in the future or the Issuer may change the distribution policy in the future.

There is risk that the Investment may not perform as projected; Estimates/Valuations are inherently uncertain

The ability to purchase the Property at an attractive basis is a critical component of the Investment strategy. As such, the veracity of the valuations and thus, the expected sale price are key to the performance of the Investment. Estimates made by the Sponsor or otherwise might not prove accurate and consequently, the assumptions underlying the investment may unreliable.

The investment price is based, in part, on third-party valuation reports on the Property. Such reports are based on certain estimates, assumptions and projections, all of which are subject to change from time to time. No assurance can be given that the information in these reports including any values assigned or estimates of future results will be accurate. Actual values and results of operations may be materially lower than stated or derivable from such reports.

Real estate valuation is an inherently inexact process and depends on numerous factors, all of which are subject to change. Opinions of value may prove to be insufficiently supported, and the Originator's review of the value of an underlying property may be based on information that is incorrect or opinions that are overly optimistic, increasing the risk of loss to Investors.

Through this Investment Memorandum, certain estimates and projections, as to events that may occur in the future relating to, among other things, the timing, costs and scope of the expansion of selling efforts, the development, introduction and other matters, have been relied upon. While sometimes presented with numerical specificity, these forward-looking statements are based upon a variety of assumptions relating to the business of Yieldstreet, which, although considered reasonable, may not be realized. Because of the number and range of the assumptions underlying forward-looking statements, many of which are subject to significant uncertainties and contingencies that are beyond reasonable control, some of the assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of this Investment Memorandum. Therefore, the actual experience and results achieved by Yieldstreet during the period covered by any particular forward-looking statements may differ substantially from those projected as a result of the differences between actual experience and the assumptions. Consequently, the inclusion of forward-looking statements should not be regarded as a representation by the Issuer, Yieldstreet, the Sponsor or any other person that those estimates will be realized, and actual results may vary materially. These forward-looking statements are based on current expectations, and we assume no obligation to update this information.

THERE CAN BE NO ASSURANCE THAT THE ASSUMPTIONS AND ESTIMATES CONTAINED IN ANY FINANCIAL PROJECTIONS WILL ACCURATELY REFLECT THE ACTUAL ECONOMIC PERFORMANCE OF THE INVESTMENT. SOME ASSUMPTIONS INEVITABLY WILL NOT MATERIALIZE, AND UNANTICIPATED EVENTS AND CIRCUMSTANCES MAY OCCUR SUBSEQUENT TO THE DATE THAT THE FINANCIAL PROJECTIONS WERE PREPARED. ACCORDINGLY, FINANCIAL PROJECTIONS SHOULD NOT BE GIVEN UNDUE EMPHASIS IN MAKING AN INVESTMENT DECISION IN PURCHASING ANY INTEREST.

Yieldstreet may remove the sponsor and/or property manager.

Yieldstreet may remove the sponsor and/or property manager in certain circumstances. There is a high risk of a disruption in operations and possible lapse in quality when the Property experiences a change in operators or key leadership personnel, particularly in the transition period immediately following such changes. No assurance can be made that an adequate replacement property manager, or replacement property managers, with the experience, scale and operations to manage the Property can be identified or would be available for engagement or engagement upon acceptable terms. Even if one or more replacement property managers were engaged, there is no assurance that such replacement managers individually or collectively would be able to perform management services adequately or within existing cost and expense assumptions.

Risks associated with the need for skilled personnel.

Successful management of the Property by the property manager depends to a significant degree upon the continued contributions of key personnel of the property manager who may be difficult to replace. No guarantee can be made as to the continued employment of any other key executives or personnel. Increases in the number of properties under management by the property manager will require the hiring of additional qualified personnel. Continued and future success also depends, in part, upon the ability of the property manager to efficiently hire and retain highly skilled managerial, investment, financial and operational personnel. Competition for highly skilled managerial, investment, financial and operational personnel is intense. No assurance can be made that the property manager will be successful in attracting and retaining such skilled personnel or in integrating any new personnel into its organization.

Risks associated with the use of vendors and service providers.

The property manager also uses local, third-party vendors and service providers to provide certain services for the Property, such as third-party realtors. Selecting, managing and supervising these third-party service providers requires significant resources and expertise. The property manager does not generally have exclusive or long-term contractual relationships with these third-party providers and no assurance can be provided. Loss of services of these third-party providers could create disruptions in the operations of the property manager which may adversely affect management of the Property. If the property manager fails to properly select, manage and supervise appropriate third parties to provide these services, the operation of the Property may be adversely affected.

Performance of the Investment depends on the sale of the property

Real estate is not readily marketable and capital markets can tighten. Interests in private companies, including ones pursuing real estate ventures, are highly illiquid, and this lack of liquidity may limit the ability to react promptly to changes in economic or other conditions.

Strategic selling of the property in response to applicable real estate appreciation or for any other reason may increase the rate of prepayment and may tend to shorten the weighted average period during which investors accrue return on the Investment, which can adversely affect the distributions on the Interests.

In addition to macroeconomic and local economic factors, technical factors could cause the value of the Property to decline. Depressed prices in certain jurisdictions are attracting investments from traditional sources such as local investors, as well as institutional capital and as a result, prices have begun to increase in some of these jurisdictions. However, no assurance can be given that investors that such increases are sustainable or will not reverse. An increase in the length of time required to sell the Property or a decrease in the ultimate sale price received for the Property could adversely affect the Investment.

The Property faces competition for tenants.

Substantially all of the ongoing cash flow will come from rental payments and other fees paid by tenants. The financial performance of the Investment will depend upon the ability of the property manager to attract and retain qualified tenants for the Property. The continuing development of comparable units in any market increases the supply and exacerbates competition for tenants. Competing properties may attract tenants, possibly including existing tenants at the properties, with better location, convenience, appearance or amenities, newer properties, lower rents or greater leasing incentives than those existing or available with respect to the property. Additionally, some competing options may qualify for governmental subsidies that may make such options more affordable and therefore more attractive than the property. Competition for tenants could reduce the occupancy and rental rates, increase the management practice to offer rental incentives (including grant of concessions), cause a decline in the number and credit quality of tenants, and adversely affect the financial results and, accordingly, payment and performance on the investment.

Leasing activity will be affected by economic conditions.

Leasing activity at the Property will be affected by the general conditions in the geographic markets where the property is located and the alternatives for commercial leasing. Rental rates and occupancy levels in the Property may have benefited in recent periods from macroeconomic trends affecting the United States economy generally and the commercial rental markets in particular

Changes in value and cash flows of the underlying property.

The value of real property and its ability to generate cash flow is subject to volatility and may be adversely affected by many factors, including, without limitation: changes in national, regional or local economic conditions; changes in the supply and demand factors for the real property; rising interest rates; changing environmental regulations; unknown or unanticipated environmental related liabilities; costs associated with the need to periodically repair, renovate and re-lease space; withdrawal of tenants and difficulty of replacing tenants; bankruptcies, financial difficulties or lease defaults by tenants; adverse use of adjacent neighboring real estate; changes in the demand for or supply of competing property; uninsured losses; inability to obtain any required permits or entitlements for a reasonable cost or on reasonable conditions or within a reasonable time frame or at all; changes in legal requirements for any needed permits or entitlements; changes or continued weakness in specific industry segments, convenience, services and attractiveness of the property; changes in government rules, regulations and fiscal policies, including changes in tax, real estate, environmental and zoning laws; retroactive changes to building or similar codes; increases in construction costs; lack of adequate availability of liability insurance or all-risk or other types of required insurance at a commercially reasonable price; shortages in available energy; acts of God or other calamities; and other factors beyond the control of the Issuer or the property manager.

The Interests will be additionally subject to the risks and other factors generally incident to the ownership of real property, including such things as the effects of inflation or deflation; inability to control future operating costs; vandalism; uncertainty of cash flow; the availability and costs of borrowed funds; exposure to limited-recourse carve-out guaranty obligations; competition from other property; residential patterns and uses; the general suitability of a property to its market area; and other factors beyond the control of the Issuer or the property manager.

Certain expenditures associated with real estate investments, principally mortgage and other loan payments, real estate taxes and some maintenance costs, generally remain constant despite a decrease in income derived from such investments. Thus, the cost of operating a given property may exceed the income earned therefrom. The Issuer's obligation to make payments on the Interests is dependent on cashflows from rentals and therefore the inability of tenants to make payments either timely or at all, will have a material adverse effect on the distributions in respect of the Interests or ability of the Issuer to repay Investors.

Furthermore, a decline in the value of the property or loss of liquidity in the capital markets could negatively impact the ability to sell the property, which would have a material adverse effect on the Issuer's ability to repay the Investors and make distributions in respect of the Interests.

Liability for environmental issues.

Under various federal, state and local environmental and public health laws, regulations and ordinances, the Sponsor, the property manager or Yieldstreet may be required, regardless of knowledge or responsibility, to investigate and remediate the effects of hazardous or toxic substances or petroleum product releases (including in some cases natural substances such as methane or radon gas) and may be held liable under these laws or common law to a governmental entity or to third parties for property, personal injury or natural resources damages and for investigation and remediation costs incurred as a result of the real or suspected presence of these substances in soil or groundwater beneath a property. These damages and costs may be substantial and may exceed insurance coverage the property manager, the Sponsor or Yieldstreet has for such events. The Sponsor will attempt to limit exposure to such conditions by conducting due diligence on the properties, however, all or some of these conditions may not be timely discovered or occur until after the Investment has been made or the Interests have been purchased by the Investors.

A tenant's default in performing lease obligations, or the tenant's bankruptcy, could adversely affect cash flow from the property and materially adversely affect Investors.

In the event that a tenant defaults in performing its lease obligations or there is an early termination of a lease by a bankrupt tenant and the tenant is not promptly replaced, this will have a materially adverse effect on a property's operating cash flow, which could materially adversely affect the Issuer's ability to make distributions in respect of the Interests. In the event such tenant is not promptly replaced, such early termination may also result in unanticipated expenses to re-let the premises, in which case a lender and/or servicer may incur legal costs and other costs that would not likely be recouped and could reduce the amount payable to the Investors.

Real estate equity investments will be subject to risks inherent in ownership of real estate; Unexpected costs.

Real estate cash flows and values are affected by a number of factors, including competition from other available properties and the property manager ability to provide adequate property maintenance and insurance and to control operating costs. Real estate cash flows and values are also affected by such factors as government regulations (including zoning, usage and tax laws), interest rate levels, the availability of financing, property tax rates, utility expenses, potential liability under environmental and other laws and changes in environmental and other laws.

Lease payment defaults or lease defaults by tenants could reduce or eliminate cash flow from the Property and the property manager may experience delays in enforcing rights as landlord and may be forced to incur costs in protecting and re-leasing of a property. If a tenant is not paying rent, causing problems for other tenants, damaging a property, and/or whose conduct otherwise makes it unwise to continue renting to such tenant, the property manager may need to institute eviction proceedings and may incur costs in evicting the tenant, costs associated with repairing any damage to the property caused by the tenant, delays in removing the tenant from the property, loss of income during the eviction process and damages for a potential wrongful eviction. In addition, tenants may not have the same interest as an owner in maintaining a property and its contents and do not participate in any appreciation in the value of the property. Accordingly, tenants may damage a property and its contents, and may not be forthright in reporting damages or amenable to repairing them completely or at all.

Even if a tenant does not mistreat a property, a leased property may need repairs due to ordinary course wear and tear, general maintenance and general capital expenditure costs could also require significant expenditures by the property manager. In such cases, the amount of funds available for distributions to Investors would be reduced. In that case, it is possible that there may not be enough proceeds for an investor to recoup all or even part of its initial investment.

Local market conditions may significantly affect occupancy and rental rates.

In any such case, the value of the Interests may be adversely affected. Other risks include:

- unfavorable trends in the national, regional or local economy, including changes in interest rates or the availability of financing as well as plant closings, industry slowdowns, a decline in household formation or employment (or lack of employment growth), conditions that could cause an increase in the operating expenses of a property (such as increases in property taxes, utilities, property management fees and routine maintenance), and other factors affecting the local economy;
- adverse changes in local real estate market conditions, such as a reduction in demand for (or an oversupply of) properties or increased competition;
- construction or physical defects in the Property that could affect market value or cause Yieldstreet to make unexpected expenditures for repairs and maintenance;
- adverse use of adjacent or neighboring real estate;
- changes in real property tax rates and assessments, zoning laws or regulatory restrictions, including rent control or rent stabilization laws or other laws regulating similar properties that could limit the property manager's ability to increase rents or its ability to sell a property; or
- damage to or destruction of a property, or other catastrophic or uninsured or uninsurable losses.

The Property may decline in value.

The value of the Property will be subject to the risks generally incident to the ownership of real estate, including changes in general or local economic conditions, increases in interest rates for real estate financing, physical damage that is not covered by insurance, zoning, entitlements, and other risks. A decline in the value of the Property could result in the obligations relating to the Property being greater in amount than the Property's value, which could result in losses to Investors.

In addition, although physical inspections were performed by the sponsor and/or property manager, it is possible that the property could have defects that are unknown to the sponsor and/or property manager and/or Yieldstreet and such defects could significantly reduce the value of the Property.

Property insurance may not cover all liabilities or may be unavailable.

Insurance against risks faced by the property could become more costly or could become unavailable altogether. The property will be insured against damage from fire, flood and other standard items, but will not cover all possible causes of damage. Changes in the conditions affecting the economic environment in which insurance companies do business could affect the sponsor's and/or property manager's ability to continue insuring the property at a reasonable cost or could result in insurance being unavailable altogether. Moreover, any losses not then covered by the property's insurance policy would adversely affect the ability of the Issuer to make distributions in respect of the Interests.

Insurance against risks faced by the property, such as earthquake, fire and flood could become costlier or unavailable altogether.

Although the Property will be required to be insured against certain risks, there is a possibility of casualty loss with respect to the Property for which insurance proceeds may not be adequate or which may result from risks not covered by insurance. In addition, there is a possibility of uninsured losses for damage caused by severe weather or natural disaster events such as landslides or floods.

In addition, the Issuer cannot assure investors that the amount of insurance required or provided would be sufficient to cover damages caused by any casualty, or that such insurance will be commercially available in the future. The Issuer cannot assure investors that any loss incurred will be of a type covered by such insurance and will not exceed the limits of such insurance. Should an uninsured loss or a loss in excess of insured limits occur, Yieldstreet could suffer disruption of income, potentially for an extended period of time, while remaining responsible for any financial obligations relating to the Property.

There may be conflicts of interest between the property manager and the Sponsor on one end and Yieldstreet on the other end.

The property manager and the Sponsor may be partially or wholly owned affiliates. Their interests may not always align with those of the YS SPV because it is possible for property manager, and thus the Sponsor, to earn money from the cash flow generated by the Property through fees they are entitled to under the management agreement and other investment agreements even if the Investors do not. The sponsor and/or property manager and its affiliates may also pursue other investments. Such activities would require the commitment of certain resources by the principals, including their time and attention to such other activities. The property manager and its affiliates may make investments in nearby real estate developments, the terms of which conflict with or may compete with the Property.

Investors may be more likely to sustain a loss on their investment because the Sponsor may not have as strong an economic incentive to avoid losses as do sponsors who have made significant equity investments.

The Sponsor may have very little exposure to loss. Investors may be at a greater risk of loss because the Sponsor does not have as much to lose from an adverse development in the Investment as do those sponsors who make more significant equity investments.

Investors will have very limited rights to control or influence the operations of Yieldstreet, and the management of the Property.

The Interests do not grant the Investors the right to cause Yieldstreet, the Manager, the Sponsor or the property manager to take or not take any other action. This means Investors will have very limited ability to control or influence the operations or management of the Property.

The strategy may involve leverage, which may cause substantial loss.

The investments may use leverage. The leverage will be incurred by borrowing against a portion of the market value of the total assets. By incurring this leverage, the equity investors, including Yieldstreet (and thereby the Investors), can enhance their returns. Nevertheless, this leverage, which is fundamental to the investment strategy, also creates significant risks. Because of such leverage, Yieldstreet may incur substantial losses if borrowing costs increase or if distributions are insufficient to cover borrowing costs.

Yieldstreet will be subordinate to any lender of Yieldstreet or other property-owning entity.

Yieldstreet, as a direct or indirect owner of the fee interest (i.e., the equity) in the Property, will be subordinate to any lender to Yieldstreet or other property-owning entity. This means that in the case of a default under such indebtedness, any cash flows will first be used to repay any lender before flowing to equity investors, such as the YS SPV. Because indebtedness is being incurred in connection with the Investment, a failure to make payments under a loan or the occurrence of any other event that would constitute a default under any indebtedness may adversely affect the ability of the Issuer to make distributions in respect of the Interests.

Distributions to Investors will be subordinated to payments made to the senior loan provider and several service providers.

Distributions to Investors occurs last in the payment waterfall. In addition to payments made under indebtedness owing under the senior loan, payment of fees and reimbursement of certain expenses to each of Yieldstreet, YS SPV, Issuer, property manager and the Sponsor will also be made before any funds are distributed to Investors. No assurance can be given that funds sufficient to pay all of these amounts and also make a distribution to Investors will be available, and it is possible that there will be no funds available for distribution to an Investor.

The only source of cash for distributions to Investors will be the Property.

Each Interest will have only the Property as the potential source of cash flow for distributions to its Investors, and neither the Issuer, YS SPV, Yieldstreet, the property manager, the Sponsor nor any other person is obligated to make payments on an Interest. Neither the Interest nor the Property will be guaranteed or insured by any governmental agency or instrumentality, the Manager, the property manager, the Sponsor, any of their affiliates, or any other person. In the event that the Interests do not perform as expected, the Investors will have no recourse to any of the aforementioned persons, or any other person.

The Investment has a lack of diversification.

YS SPV has indirectly invested in the Property. The lack of diversification increases risk because the aggregate return of the Investment may be substantially adversely affected by the unfavorable performance or value of the Property.

Investors may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, which may have a material effect on global financial markets.

The Investors may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters; terrorism; and public health crises, including the occurrence of a contagious disease. To the extent that any such event occurs and has a material effect on global financial markets or specific markets in which Yieldstreet, the manager, Sponsor or third-party partner operates or participates (or has a material effect on locations in which the any of the foregoing entities operate or participate) the risks of loss can be substantial and this will have a material adverse effect on the distributions in respect of the Interests or ability of the Issuer to repay Investors.

The Interests may be subject to risks arising from a novel strain of coronavirus (known as COVID-19), which has had a material effect on global financial markets and has caused a disruption of manufacturing supply chains and local and global economies.

In December 2019, COVID-19 surfaced in Wuhan, China, which has resulted in the temporary closure of many corporate offices, retail stores, and manufacturing facilities across China and South Korea, among other affected countries. These closures have caused the disruption of manufacturing supply chains and local and global economies, the duration of which remains uncertain. As of April 2020, COVID-19 has spread across the world, which has resulted in additional market disruptions. The extent to which COVID-19 may negatively affect the operations or performance of Yieldstreet, the manager, Sponsor or third-party partner is difficult to predict. Any potential impact on such operations and performance will depend to a large extent on future developments and new information that may emerge regarding the duration and severity of COVID-19 and the actions taken by authorities and other entities to contain COVID-19 or treat its impact. These potential impacts, while uncertain, could have a material adverse effect on the distributions in respect of the Interests or ability of the Issuer to repay Investors.

Additional Funds; Dilution; Failure to Make Additional Capital Contributions

There is no assurance that the JV will not require funds in addition to the amounts contributed to it by YS SPV, any cash contribution which may be made by the Sponsor, and any debt financing received by the JV. Further, there is no assurance that YS SPV will not require additional funds, including to fund any capital call which may be made by the GP.

In the event that the GP determines that additional capital contributions are necessary, appropriate or desirable, including to fund any capital call which may be made by the JV, then the Manager may request that the Investors provide additional capital contributions. If YS SPV chooses not to contribute capital, any other member may choose to contribute such capital. Such capital would be treated as a loan or as contributed capital, diluting YS SPV's membership interests in the JV. Such dilution or subordination to a loan may have a material adverse effect on the Interests.

Sponsor Discretion Over Use of Proceeds

The GP, as the manager of the JV, will have broad discretion over the use of the JV's funds, including the initial capital contribution made to the JV by YS SPV. Accordingly, while the expected use of funds by the JV in connection with the Property is set forth herein, such information is based on current estimates and assumptions, which may not prove to be accurate and is subject to change over time in the GP's sole discretion. Accordingly, the use of funds in connection with the Property, including the allocation of funds to specific portions of the Property, may differ from the expected uses described herein.

Dependence on Key Personnel

The success of the Property will depend, in large part, on the efforts and availability of the principals who indirectly control the Sponsor. There is no assurance that any of such individuals will continue to be involved with the Sponsor or the Property. The loss of services of any of those individuals could have a material adverse impact on the Project and, in turn, the Interests.

Risks Relating to Financial Projections

Statements contained in this Investment Memorandum and its exhibits that are not historical facts, including, without limitation, the projections, forecasts and estimates relating to the Property are based on various assumptions and current expectations, estimates, projections, opinions and beliefs of the Sponsor. Such statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Sponsor and its affiliates. Actual results and events are difficult to predict. Some important factors which could cause actual results to differ materially from those in or contemplated by any projections or other forward-looking statements include, but are not limited to, local or general real estate, market and economic conditions, changes in interest rates, debt incurred with respect to the Property and the amount and terms thereof, the continuing impact of the COVID-19 pandemic and the risk of future public health crises, and the occurrence of any other events which may adversely impact the performance of the Property, including those described in this "Risk Factors" section. Accordingly, prospective investors should not place undue reliance on any projections or other forward-looking statements. Without limiting the generality of the foregoing, no assurance can be given that returns to the YS SPV or otherwise relating to the Property will be similar or equal to the projections set forth in this Investment Memorandum, including that actual returns may be materially lower than projected, or that actual results will otherwise meet the Sponsor's expectations or objectives.

No Assurance as to Distributions

An investment in the YS SPV should not be viewed as a current income vehicle. YS SPV's sole source of cash flow is expected to be distributions, if any, received from the GP MemberCo. There is no assurance that the GP MemberCo will be in a position to pay, or otherwise determine to pay, any distributions at any time.

NONE OF YS SPV, THE MANAGER, THE SPONSOR OR ANY OF THEIR RESPECTIVE AFFILIATES OR PRINCIPALS, NOR ANY OTHER PERSON MAKES ANY REPRESENTATION OR WARRANTY AS TO THE SUCCESS OF THE PROPERTY OR THE RESULTS OF YS SPV.

Transactions with, and Fees and Compensation to, Affiliates

The YS SPV, Sponsor and the JV and their subsidiaries and affiliates may enter into transactions, contracts, agreements or arrangements with the any other entity relating to the Project or Property or any of their respective affiliates, including to provide loans, services or materials in connection with the Project or Property, provided the transaction or other arrangement is specifically set forth in the applicable LLC Agreement or the which may include, without limitation, loans made to fund operating needs prior to the required due date of an additional capital call or to fund any portion of an additional capital call that is not contributed by the members of the applicable company or joint venture, as the case may be, permitted fee, cost and expense payments or reimbursements, and transactions, fees and payments.

In addition, the Sponsor is entitled to substantial performance-based payments from the Property. As a result, the Sponsor will be entitled to receive distributions in excess of the amount that it would receive based solely on its percentage interest in the JV.

The fees, distributions, transactions, contracts, agreements and arrangements between the entities and/or parties and their affiliates relating to or involved with the Property, may result in conflicts of interest, which may not be resolved favorably for the YS SPV.