CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM
FOR OFFERINGS OF REAL ESTATE SECURITIES THROUGH THE

PeerStreet Platform

A Real Estate Investment Platform Sponsored by
Peer Street, Inc. ("**PSI**") and its affiliates (collectively, "**PeerStreet**")

SUMMARY OF THE OFFERINGS

Effective as of: December 2, 2019

Please note the following:

- This master private placement memorandum ("**PPM**") covers several types of Real Estate Securities that may be sponsored by PeerStreet and offered by PS Issuer in multiple offerings.
- All Real Estate Securities are being offered through www.PeerStreet.com, an online investment platform owned and operated by PSI.
- Before investing in any Real Estate Securities offered under this PPM, you should carefully review this PPM and the following materials on www.PeerStreet.com (collectively, the "**Offering Materials**"):
    - The supplement to this PPM for specific information and risks about the type of Real Estate Securities being offered ("**PPM Supplement**");
    - The listing of terms for the specific offering of Real Estate Securities ("**Listing**");
    - The form of instrument describing the terms of the specific real estate security being offered ("**Form Instrument**"); and
    - The investor agreement providing the terms and conditions of your investment commitment in one or more Real Estate Securities being offered ("**Investor Agreement**").
- PeerStreet reserves the right to withdraw any offering under this PPM and to accept or reject any investment in whole or in part at its discretion.

Important Terms:

Issuer of Real Estate Securities ("PS Issuer")

- Will be the PeerStreet entity identified on the PPM Supplement and Listing for each specific offering of Real Estate Securities;
- May periodically and privately offer, sell and issue certain Real Estate Securities in one or more Series and one or more offerings; and
- Will indirectly or directly own the right to receive payments from one or more underlying investments related to the Real Estate Securities.

Real Estate Securities

- May be debt or equity securities issued by a PS Issuer, in noncertificated form;
- Will be dependent on one or more underlying real estate investments that may be originated, purchased or co-invested in by PeerStreet, as described in this PPM; and
- Will entitle Investors to receive certain payments or distributions conditioned on PS Issuer receiving payments, directly or indirectly, on the underlying investments, net of any applicable fees and expenses.

Investors in Real Estate Securities

- Must be U.S. persons; and
- Must be accredited investors.

THIS SUMMARY IS A SUMMARY AND DOES NOT COVER ALL THE INFORMATION YOU NEED TO KNOW BEFORE YOU INVEST. YOU ARE RESPONSIBLE FOR REVIEWING AND UNDERSTANDING ALL OF THE OTHER INFORMATION RELEVANT TO YOUR INVESTMENT IN REAL ESTATE SECURITIES PRIOR TO INVESTING.

You should make your own decision as to whether any offering of Real Estate Securities under this PPM meets your investment objectives and risk tolerance level. Any offering of Real Estate Securities under this PPM is highly speculative, and the Real Estate Securities offered through it involve a high degree of risk that may not be suitable for you. The Real Estate Securities will not be insured by PeerStreet or any governmental agency or other third party. You should only invest in the Real Estate Securities if you can afford the loss of your entire investment.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has reviewed, approved, disapproved, endorsed or recommended any offering of Real Estate Securities under this PPM. Neither the SEC nor any state securities commission has confirmed the accuracy or truthfulness of this PPM or any of the other Offering Materials, nor whether they are complete. Any representation to the contrary is illegal.

The Real Estate Securities are being offered in reliance on an exemption from registration with the SEC provided by Rule 506(b) of Regulation D under the Securities Act of 1933 (the "Securities Act"). This PPM is written for Rule 506(b) only. The Real Estate Securities have not been qualified or registered federally or in any state, in reliance on exemptions under federal and state law.

The Real Estate Securities are "restricted securities" and may not be resold or otherwise disposed of unless a registration statement under the Securities Act covering disposition of the Real Estate Securities is then in effect or an exemption for the transfers is available. Accordingly, the Real Estate Securities are subject to restrictions on transferability and resale and may not be transferred or resold without PeerStreet's prior written consent, and only then as permitted under the Securities Act and applicable state securities laws.

There is no public market for the Real Estate Securities, and none is expected to develop in the future. The Real Estate Securities offered through this PPM and the other Offering Materials should be purchased only by investors who have no need for liquidity in their investment, as investors will have to bear the financial risks of an investment in the Real Estate Securities for an indefinite period of time.

No person has been authorized by PeerStreet in connection with any offering of Real Estate Securities under this PPM to give information or to make any representations other than those contained in the Offering Materials. You should not rely on information you have received or any representations that have been made to you that are not contained in the Offering Materials.

The discussion contained in this PPM and the other Offering Materials has been prepared solely for the benefit of and is directed solely to prospective investors that are U.S. persons and accredited investors. PeerStreet is not making an offer to sell Real Estate Securities in any jurisdiction where it is unlawful, in any jurisdiction where the person making the offer is not qualified to make an offer or sell them, or to any person who cannot legally be offered the Real Estate Securities.

The Offering Materials contain confidential information and may not be provided to anyone other than authorized persons, such as accountants, financial planners or attorneys retained by you for the purpose of rendering professional advice related to the purchase of Real Estate Securities offered under this PPM. This PPM may not be reproduced, divulged or used for any other purpose without PeerStreet's prior written consent.

You should not regard the contents of this PPM or any other communication from PeerStreet as a substitute for careful and independent tax and financial planning. You are encouraged to consult with your own independent accountants, financial planners, attorneys and other professionals with respect to the legal and tax aspects of an investment in the Real Estate Securities with specific reference to your own tax situation before investing in any offering of Real Estate Securities under this PPM.

The statements and descriptions in this PPM regarding terms and provisions of the other Offering Materials and any Real Estate Securities are summaries, do not purport to be complete and are subject to, and qualified in their entirety by reference to, all of the terms and provisions of the other Offering Materials. All of the Offering Materials are available on the Listing and at https://www.peerstreet.com/agreements. The specific terms and provisions of the applicable Listing and Form Instrument for Real Estate Securities issued to you, not any summaries of those terms and provisions in this PPM, will govern your rights as an investor in those Real Estate Securities.

This PPM contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, included in this PPM or any other Offering Materials are forward-looking statements. The words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "predict," "project," "will," "would" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

PeerStreet may not actually achieve its plans, intentions or expectations disclosed in forward-looking statements, and you should not place undue reliance on forward-looking statements. Actual results or events could differ materially from plans, intentions and expectations disclosed in forward-looking statements, and PeerStreet does not assume any obligation to update any statements in this PPM or any of the other Offering Materials, whether as a result of new information, future events or otherwise, except as required by law. Any forward-looking statements contained in this PPM or any of the other Offering Materials should be considered with these risks and uncertainties in mind.

PeerStreet has included important factors in the cautionary statements included in this PPM—particularly in the "General Risk Factors" section of this PPM and the description of risk factors in the PPM Supplements for each type of real estate security offered under this PPM—that could cause actual results or events to differ materially from forward-looking statements contained in this PPM. Forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments that PeerStreet may make.

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FOR OFFERINGS OF REAL ESTATE SECURITIES THROUGH THE

PeerStreet Platform

GENERAL INFORMATION

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1. About this Master PPM

This PPM describes the terms by which a PS Issuer may issue Real Estate Securities in multiple offerings at prices and on terms that will be determined at the time of the applicable offering. The Real Estate Securities will:

- Either be debt or equity securities;
- Be dependent, directly or indirectly, on one or more Underlying Investments in real estate, real estate loans or other real estate investments that may be originated, purchased or co-invested in by PeerStreet; and
- Entitle Investors in Real Estate Securities to receive certain payments or distributions conditioned on PS Issuer either indirectly or directly receiving payments from the Underlying Investments, net of any applicable fees and expenses.

In addition to this PPM, each time we offer to sell Real Estate Securities, we will provide the following other Offering Materials:

- The Listing on the PeerStreet Platform setting forth information about the specific Series (as defined below) of Real Estate Securities;
- The Form Instrument setting forth the terms of each real estate security being offered, which will be provided on the Listing;
- The Investor Agreement (and Investor Agreement Supplements, if any) setting forth the additional terms and conditions of your investment commitment in Real Estate Securities being offered, which is available on the PeerStreet Platform at **https://www.peerstreet.com/agreements**; and
- The PPM Supplement setting forth information and risks about the specific type of Real Estate Securities being offered in the Listing, which will be provided on the Listing.

The general terms and provisions described in this PPM apply to all offerings of different Series of Real Estate Securities, but the PPM Supplement, the Listing and the Form Instrument may add, update or change information contained in this PPM. You should carefully read this PPM and all of the other Offering Materials before you make your investment decision.

In this PPM, unless otherwise specified or required by context, we use the following terms:

- "**Borrower**" is any third-party borrower to whom a third-party lender or PeerStreet loans funds.

- "**Dashboard**" is a personalized, password-protected portion of the PeerStreet Website unique to each Investor that allows that Investor to, among other things, view Real Estate Securities that they invested in.

- "**Final Instrument**" is the final document you will receive, through the Platform, evidencing your ownership of a Real Estate Security, if your Investment Commitment Amount has been accepted by PeerStreet and the other conditions of this Investor Agreement have been met. The Final Instrument will (i) set forth the specific terms that apply to the Real Estate Security, (ii) be substantially similar to the Form Instrument, and (iii) be subject to the limitations set forth in this Transaction Documents. If there is a conflict between the terms of the Final Instrument and the Form Instrument or any other Offering Materials, the Final Instrument shall prevail.

- "**Form Instrument**" is the form template of the Final Instrument that sets forth the specific terms that are intended to apply to the particular Series of Real Estate Securities being offered.

- "**Investor Agreement**" is the investor agreement for purchases of Real Estate Securities, which you must agree to in order to commit to invest in any Series of Real Estate Securities under this PPM.

- "**Investors**" are holders of Real Estate Securities offered pursuant to this PPM.

- "**Lender**" is any third-party or PeerStreet affiliated lender, broker, or real estate company that requests funding for Underlying Investments through offerings of Real Estate Securities.

- "**Listing**" is the listing on a webpage of the PeerStreet Website that sets forth the particular terms that apply to a Series of Real Estate Securities being offered under this PPM.

- "**Offering Materials**" refers collectively to the Listing, this PPM, the relevant PPM Supplement, and the Transaction Documents for the Real Estate Securities being offered under this PPM.

- "**PeerStreet**" or "**we**" refers collectively to PSFLLC, PSI, PSFI and any PSI affiliate.

- "**PeerStreet Platform**" or "**Platform**" is the investing platform sponsored by PeerStreet that is described in the PPM.

- "**PeerStreet Website**" is the http://www.peerstreet.com website, domain name, and other related applications, owned and operated by PSI and is the mechanism through which the PeerStreet Platform operates.

- "**PPM**" is this private placement memorandum for offerings of Real Estate Securities through the PeerStreet Platform.

- "**PPM Supplement**" is the section of this PPM that sets forth the terms and conditions of the specific type of Real Estate Securities being offered under this PPM and describes the specific risk factors that apply to those Real Estate Securities.

- "**PSI**" is Peer Street, Inc., a Delaware corporation.

- "**PSI affiliate**" is any affiliate of PSI, PSFLLC or PSFI.

- "**PS Issuer**" is the issuer of the particular Series of Real Estate Securities being offered in any given offering under this PPM. The PS Issuer will be named in the Final Instrument, PPM Supplement and Listing for that specific Series.

- "**PSFI**" is PS Funding, Inc., a Delaware corporation, or another similar PSI affiliate that may hold legal title to investments and enter into participation agreements with a PS Issuer.

- "**PSFLLC**" is Peer Street Funding, LLC, a Delaware limited liability company.

- "**Real Estate Securities**" are the specific real estate-related securities being offered by PS Issuer in a Series as set forth on the applicable Listing. The Real Estate Securities will, subject to the terms and conditions of the Transaction Documents, entitle Investors to receive certain payments or distributions that are either indirectly or directly tied to one or more Underlying Investments.

- "**Series**" are specific Real Estate Securities associated with a particular Underlying Investment, offered in the same offering and with the same terms, which represent a portion or all of the Real Estate Securities to be issued in connection with any given Underlying Investment. A Series may be any type of debt or equity covered by this PPM and its PPM Supplements, and the specific terms of a Series will be provided in a Listing. The terms of a Series may differ from that of other Series issued in connection with a common Underlying Investment.

a. "**Transaction Documents**" refers collectively to the Investor Agreement, the Final Instrument, and any other contracts or other agreements you agree to in connection with investing in Real Estate Securities being offered under the terms of this Investor Agreement. If there is a conflict between the Transaction Documents and any other document, the Transaction Documents will prevail.

- "**Underlying Investment(s)**" are generally real estate loans, equity investments, or other investments related to real estate that are each associated with one or more specific Series of Real Estate Securities. Investors in Real Estate Securities will be entitled to receive certain payments or distributions generally based on the underlying investments' performance, as described in the Offering Materials tied to those underlying investments.

Investing in Real Estate Securities involves certain risks. Before deciding to invest in the Real Estate Securities offered under this PPM, you should carefully read and consider the general risks set forth in the "General Risk Factors" section of this PPM and the specific risks that apply to the type of Real Estate Securities being offered as set forth in the PPM Supplement for that type of Real Estate Securities. PeerStreet makes all PPM Supplements available on the PeerStreet Website here: **https://www.peerstreet.com/agreements**.

2. About the Real Estate Securities We May Offer

PeerStreet sponsors an online marketplace where investors can view, analyze, and elect to invest in various real estate investments. Through the PeerStreet Platform, investors can invest in certain Real Estate Securities that may have been historically difficult for them to invest in, and lenders, borrowers (such as sponsors of real estate projects), and other actors in the real estate industry can access capital that may have been historically difficult for them to access.

For investors, the PeerStreet Platform enables them to invest from their desktop or mobile computing device and provides them with easy access to the possibility of attractive risk-adjusted returns on Real Estate Securities all offered and issued electronically. By aggregating funds from multiple investors, the

PeerStreet Platform allows investors to invest smaller amounts in multiple Series and, thus, more easily diversify their investment portfolio across a greater number of investment opportunities. For borrowers, lenders, and real estate companies, the PeerStreet Platform allows them to possibly find lower rates, better terms, and/or a more efficient funding process compared to those provided by traditional sources.

PeerStreet works with lenders, brokers, borrowers and other actors in the real estate industry to provide new investment opportunities to investors using the PeerStreet Platform. These opportunities may include Real Estate Securities tied to, among other things, a specific mortgage loan, a line of credit that PeerStreet extends to a lender, or a fund investing in real estate opportunities.

PeerStreet will initially evaluate whether or not to list an investment opportunity on the PeerStreet Platform based on its evaluation of the features and risk factors associated with the Underlying Investments and the lenders, borrowers or other key persons sponsoring the Underlying Investments. PeerStreet may, in some cases, structure proprietary investment vehicles (such as funds) that pool Underlying Investments. In other cases, a Real Estate Security offered through the PeerStreet Platform will track a single Underlying Investment.

Information about each offering of a Series Real Estate Securities under this PPM will be provided on the PeerStreet Website. Through the PeerStreet Website, investors may:

- Review Listings of various Real Estate Securities issued under this PPM;
- Select specific Listings for Real Estate Securities they are interested in investing in;
- Review Offering Materials relating to the Real Estate Securities being issued;
- Transfer funds to their PeerStreet accounts in order to fund investment commitments;
- Commit to invest in the Series of Real Estate Securities described on a Listing;
- Receive Real Estate Securities in electronic form if their investment commitment is accepted by PeerStreet; and
- Review information about Real Estate Securities they hold on the Dashboard.

Real Estate Securities may be debt securities (such as notes, bonds, lines of credit, debentures, collateral assignments of membership interests, or other evidences of indebtedness) or equity securities (such as equity interests in limited partnerships, limited liability companies, corporations or similar entities) and will be issued by the PS Issuer.

PeerStreet will provide the terms of each investment opportunity on the PeerStreet Platform through Listings made available on the PeerStreet Website. The terms of each Underlying Investment associated with an issuance of Real Estate Securities will be described in the applicable Listing, PPM Supplement and Form Instrument for that specific Series of Real Estate Securities. Investors should also carefully review the Investor Agreement.

After investing in Real Estate Securities through the PeerStreet Platform, Investors may receive reports on their investments through their Dashboard. Such reports, if any, would typically include the investment payment status and other updates that PeerStreet deems pertinent or material, such as third-party opinions of value, descriptions of comparable properties, and other information.

The Listing will generally include some of the following types of information:

- *For Real Estate Securities that are primarily debt-related securities*, a description of the type of debt security being offered, the aggregate principal amount, the maturity date, the interest rate, and/or other similar terms.

- *For Real Estate Securities that are primarily equity-related securities*, a description of economic rights associated with the type of equity security being offered, minimum commitment amount, distributions, the timing of distributions and other similar terms.

As noted above, different PeerStreet entities may issue a particular type or Series of Real Estate Securities. The PeerStreet entity that is the PS Issuer in any given Series will also be named on the Listing for a Series, the relevant PPM Supplement, and the corresponding Form Instrument and may change from Series to Series. **You should carefully review the Listing for the specific Series of Real Estate Securities that you are considering investing in, any corresponding PPM Supplement, and the Investor Agreement.**

The aggregate amount of Real Estate Securities that may be issued under this PPM is indefinite. Each Series will have a minimum investment commitment amount indicated on the Listing for that Series. Unless otherwise stated in the applicable Listing, PS Issuer may issue additional Real Estate Securities relating to a specific Underlying Investment without the consent of the Investors in any Real Estate Securities outstanding at the time of issuance.

3. About PeerStreet and the PeerStreet Platform

PeerStreet has been operating the PeerStreet Platform since the end of 2014. For investors that have confirmed their eligibility to invest in offerings of Real Estate Securities, the PeerStreet Platform contains Listings of various issuances of Real Estate Securities that investors may invest in, along with updated information on the total amounts of investments raised through the PeerStreet Platform and other updated information about PeerStreet and its business activities.

- Headquarters. PeerStreet's headquarters are located at:

  2121 Park Place, Suite 250
  El Segundo, CA 90245

- Financial Information. PSI was formed in December 2013. PSFLLC was formed in July 2014. To date, PSI has incurred business losses and anticipates such losses will continue for the foreseeable future. PeerStreet's operations are currently principally financed by proceeds from the issuance of equity ownership in its business to various venture capital, angel investors, and institutional firms. From time to time, PeerStreet may post (but has no obligation to post) on www.PeerStreet.com pertinent information about its financial condition, business activities and investment results. Investors can review such information, if any, as is posted from time to time by PeerStreet on www.PeerStreet.com.

- Management Team. Information about our management team is available at: https://www.peerstreet.com/managementteam

4. Restrictions on Transfers

Real Estate Securities issued under this PPM cannot be resold, transferred, exchanged or otherwise disposed of without the PS Issuer's prior written consent, unless the applicable Listing provides otherwise. PeerStreet may charge Investors in Real Estate Securities a transfer fee in connection with any resale, transfer or other disposition of those Real Estate Securities and will notify Investors in advance of any such fee. The restrictions on transfer include transfers to and from accounts that you control. For example, PeerStreet may not be able, allowed, or willing, to transfer Real Estate Securities from an individual account to a trust account.

5. Investor Qualifications

In order to invest in any Real Estate Securities offered under this PPM, you will be required to provide PeerStreet with information about you in order for PeerStreet to verify your eligibility to invest in any offering under this PPM, and you must electronically sign the Investor Agreement. PeerStreet will only accept investments in Real Estate Securities from you if you qualify as a "U.S. person" within the meaning of Rule 902(k) under the Securities Act and as an "accredited investor" within the meaning of Rule 501(a) of Regulation D under the Securities Act.

- The term "U.S. person" generally includes, among other things, a U.S. citizen or permanent resident in the United States or a corporation, partnership, limited liability company or equivalent legal entity organized or incorporated under the laws of any state of the United States.

- The term "accredited investor" generally includes, among other things, a person who has a net worth of at least $1 million (excluding their primary residence) or a person who earned more than $200,000 in income for the last two years (or $300,000 as a married couple).

You should consult your attorney to confirm your qualification as a U.S. person and/or an accredited investor. You are responsible for providing accurate and complete information regarding your accreditation status, and if you provide PeerStreet inaccurate, incomplete, or misleading information, you may be required to indemnify PeerStreet for any resulting losses or liabilities.

In addition, you will also be required to represent that you are investing in Real Estate Securities offered under this PPM for your own account, for investment purposes and not with a view to resale or distribution.

6. ERISA Considerations

The Employee Retirement Income Security Act of 1974 ("**ERISA**"), and corresponding provisions of the Internal Revenue Code (the "**Code**"), impose certain requirements on pension, profit sharing, and other employee benefit plans to which they apply, including individual retirement accounts and annuities, Keogh plans and other tax-exempt plans ("**Plans**"), and on those persons who are fiduciaries or "parties in interest" with respect to such Plans. PeerStreet has the right, in its sole discretion, to permit or restrict investments in the Real Estate Securities by "benefit plan investors" as that term is defined by ERISA. PeerStreet presently intends to restrict investments in the Real Estate Securities by benefit plan investors. As a result, it is not expected that any of the Real Estate Securities will be treated as "plan assets" of those benefit plan investors for purposes of the fiduciary responsibility standards and prohibited transaction restrictions of ERISA and the parallel prohibited transaction excise tax provisions of the Code.

7. Investment Process and Plan of Distribution

PeerStreet will typically make the following available on the PeerStreet Website when making an offering of Real Estate Securities:

- The Investor Agreement;
- This PPM, including the applicable PPM Supplement for the type of Real Estate Securities being offered;
- The applicable Listing for the specific Series of Real Estate Securities; and
- The Form Instrument for the specific terms of each real estate security being offered.

You should carefully review these Offering Materials before deciding to invest in offerings of Real Estate Securities under this PPM.

To commit to invest in your first offering of Real Estate Securities, you must do the following:

- Complete your profile on the PeerStreet Website;
- Complete and electronically sign the Investor Agreement and this PPM;
- Transfer funds to your PeerStreet account in order to fund your investment commitment; and
- Review, acknowledge, and agree to the relevant Offering Materials and other related documentation.

Before investing in a Series of Real Estate Securities, you are strongly advised to review the details of your commitment to invest in that Series, as well as the terms provided in this PPM, the applicable PPM Supplement, the Investor Agreement, and any supplements thereto, if any. Upon confirming your investment in a specific issuance, you will be legally bound to purchase the Real Estate Securities for the amount you committed to invest. Minimum investment amounts will be listed on the Listing or in a similarly identifiable portion of the Platform related to that issue of Real Estate Securities. PeerStreet may also offer certain programs, features, or special promotions, allowing certain investors to invest a smaller (or greater) amount than the required minimum (or maximum) listed on the Listing.

Please note that PeerStreet may choose, or be contractually bound, not to disclose all available information to you about an Underlying Investment. We may not provide information about, for example, the name or identity of a lender, borrower or sponsor, or the address of a property. If PeerStreet chooses to not disclose all available information as a result of an internal business decision, or because we are legally bound to keep that information in confidence, you must make your investment decision based solely on information made available to you on the PeerStreet Website about the Series of Real Estate Securities being offered and the Underlying Investment. Even after you invest in Real Estate Securities, PeerStreet may not share much of the information it gathers with you. In no case does PeerStreet intend to distribute copies of loan or other similar documents related to an Underlying Investment. PeerStreet also reserves the right not to disclose specific, itemized, or otherwise cataloged financial information regarding the management of a loan or REO property.

We are not responsible for and are not liable for any information provided to you by unaffiliated third parties.

Recurring Deposits

PeerStreet may offer you the option of setting up automatic recurring deposits from your bank account into your account on the PeerStreet Platform ("**Recurring Deposits**"). It is not necessary for you to enable Recurring Deposits to invest on the Platform. If you do enable Recurring Deposits, however, PeerStreet and some of its employees will have access to your bank account information and will have the ability to transfer funds to the Platform. PeerStreet will not monitor the availability of funds on an ongoing basis and cannot prevent overdrafts should you request Recurring Deposits in excess of your bank account balance.

Automated Investing

You may decide to enroll in a program that allows you to automatically invest your funds in Real Estate Securities that meet certain investment criteria you provide to PeerStreet or across any Series available on the Platform ("**Automated Investing**"). Automated Investing works on an "opt-in" basis, meaning that you must individually and affirmatively enroll in Automated Investing for your funds to be automatically invested. You can do this through the Platform at https://www.peerstreet.com/auto_investment. Once Automated Investing is activated, you will be allocated to Series without any further consents or opt-ins required, through the process described below and more particularly described here https://www.peerstreet.com/auto_investment.

Once you have opted into Automated Investing and set your investment criteria (if any) and investment amount thresholds, PeerStreet will allocate you Real Estate Securities that meet those criteria in accordance with its regular allocation process. In general, this means that an investment will be allocated to the investors whose criteria it meets that have gone the longest without investing. PeerStreet will notify you, either via email or on the Platform, when you have been allocated a given Series; if you do not wish to accept the allocated Real Estate Securities, you must actively opt out of the investment by following the instructions provided in the notification, in accordance with the then-prevailing Automated Investing rules and procedures, which shall remain accessible on the Platform. Activating Automated Investing will not preclude you from also manually selecting investments on the Platform, although funds invested through Automated Investing will not be available to you until the underlying Series pays off, the Property is disposed of, or another similar liquidation event occurs.

By activating Automated Investing, you are deemed to accept, agree, and consent to the related Transaction Documents for each subsequent transaction. If your funds are allocated to a given Series through the process described above, you will not be re-prompted to accept to the Transaction Documents for each Automated Investing investment, but will invest by default unless you tell us otherwise.

Investment minimums and other terms may be different for investments made via Automated Investing versus investments chosen independently by an investor. For example, Automated Investing may allow you to invest smaller sums than the minimum amount for manual investing.

PeerStreet does not, by allocating investments to you through the Automated Investing program, make any recommendation as to whether the investments are appropriate investments for you or otherwise provide any investment advice to you. PeerStreet has no liability or responsibility regarding allocations of Real Estate Securities to you through Automated Investing.

You do not need to enable Automated Investing to invest in Real Estate Securities. When you enable Automated Investing, however, you will be required to acknowledge and agree that any funds committed through Automated Investing will not be available for you to withdraw or invest in different Real Estate Securities until the earliest of (i) your timely request to opt-out of a Series or Automated Investing generally, if applicable, (ii) the offering of the Series Real Estate Securities allocated to you being cancelled, and (iii) the applicable Underlying Investment paying off or otherwise being disposed of in

accordance with the terms of the applicable Series. The Real Estate Securities you invest in through the Automated Investing feature may differ from the ones you would manually choose on the Platform. The frequency at which investments are made via Automated Investing will vary based on the number of corresponding Real Estate Securities available at any given moment and, if applicable, their match with the criteria you provide. If you enable Automated Investing, you are agreeing to rules and restrictions of this feature as provided in this Agreement and more fully described here. In the event of conflict between this Agreement and the Automated Investing page on the PeerStreet Website, the terms on the PeerStreet Website shall control. Once Automated Investing is activated, you are solely responsible for disabling it, should you no longer want to use this feature.

Acceptance

If PeerStreet accepts your investment, it will notify you that your investment has been accepted. PeerStreet may, in its sole discretion, determine to wait to accept your investment until the aggregate minimum investment amount set forth in applicable Listing has been met and/or exceeded. Unless the Listing for a Series states otherwise, you will not receive any interest for the periods of time between your commitment to invest, PeerStreet's acceptance of your investment, and the Series tied to the investment closes.

Funds in your account will generally not accumulate interest or earn returns until you invest these funds in a given issuance of Real Estate Securities, PeerStreet accepts your investment, and the Series tied to the investment closes. If the requested minimum aggregate investment amount for a specific Underlying Investment, or Series of that Underlying Investment, has not been realized prior to the scheduled closing date, or if PeerStreet must cancel the offering for any other reason, then one of the following will occur:

- The issuance described in the Listing will terminate, there will be no closing on the Real Estate Securities being offered, and any requested Underlying Investment will not be funded.

- Alternatively, PeerStreet may close the Series of Real Estate Securities, in which case it may fund any portion of an Underlying Investment left unfunded through the purchase of the applicable Real Estate Securities.

- If PeerStreet believes that additional investors may later elect to participate in the Series described in the Listing, PeerStreet may also elect (in its sole discretion) to arrange bridge financing to close on any Underlying Investment, in which case the Listing will remain active on the PeerStreet Website until the Underlying Investment is fully funded and the bridge loan repaid. Generally, if PeerStreet retains a portion of the Underlying Investment, it will do so on similar terms as those offered to investors.

If your commitment has been accepted by PeerStreet and the requested minimum aggregate investment amount for the Underlying Investment has been realized, then the applicable PS Issuer will issue a real estate security to you as soon as practicable.

All Real Estate Securities will be issued and tracked in electronic form only. Processing and payment systems are automated and electronic. PeerStreet does not have any physical branches and does not engage in any deposit-taking activities.

From the time you commit to investing in the real estate security to the time that the Series closes and your Real Estate Securities are issued, the funds in your PeerStreet account will not be available for investment in other Real Estate Securities or for withdrawal from your PeerStreet account. In addition,

your funds will not earn interest until the issuance of the real estate security, so you will not receive any return on your investment during that time period.

Because certain terms (e.g., issuance date) of an offering of a Series of Real Estate Securities may not be known until all investment commitments have been received, and the closing for that offering of Real Estate Securities has occurred, there may be changes in the terms of the real estate security you ultimately receive. In the event we are required to materially amend the Listing, any other terms of the offering, or any of the other Transaction Documents as a result of those changes, we will notify you by phone, through the PeerStreet Website or via email, and/or post a notice on the portion of the PeerStreet Website where the affected offering of Real Estate Securities is listed, indicating that a material amendment to the terms is pending, and providing applicable instructions and requirements related to any of those pending amendments. In the event of material changes to the Listing, you will be provided the opportunity to rescind your investment or commitment as applicable. To do so, you must send a written cancellation notice to PeerStreet through the PeerStreet Website within two business days of receiving such notice. In the event that PeerStreet discovers a material mistake or change after a Series has closed, PeerStreet reserves the right to terminate the affected Series and return investors their principal amount invested. PeerStreet generally defines material changes as events that meaningfully and significantly increase the risk of loss on a given investment.

8. Real Estate Securities Are Noncertificated Interests

All Real Estate Securities offered under this PPM will be issued by the applicable PS Issuer in online, uncertificated form only. Investors will be required to hold any real estate security in PeerStreet's electronic registry system, which is accessible only to PeerStreet through a secure portion of the PeerStreet Platform, or through alternative digital ledgers as will be indicated in the relevant Listing and PPM Supplement. Real Estate Securities you own can be viewed through your Dashboard.

9. General Risk Factors

Investing in the Real Estate Securities involves a high degree of risk. In deciding whether to purchase Real Estate Securities, you should carefully consider the following risk factors and the specific risk factors set forth in the PPM Supplement for the type of Real Estate Securities being offered, as indicated on the applicable Listing. Any of those and the following risks could have a material adverse effect on the value of the Real Estate Securities you invest in, could cause you to lose all or part of your investment, and could adversely affect future payments or distributions you expect to receive on the Real Estate Securities. You should only invest in the Real Estate Securities if you can bear the loss of your entire investment.

Consider carefully the following risks related to investments in real estate generally:

- Investing in Real Estate Carries Significant Important Risks. PeerStreet is subject to risks generally attributable to the ownership of real estate investments. These include changes in global, national, regional or local economic, demographic or capital market conditions; current and future adverse national real estate trends, including increasing vacancy rates, which may negatively impact resale value, declining rental rates and general deterioration of market conditions; changes in supply of or demand for properties in a given market or metropolitan area that result in changes in market rental rates or occupancy levels; increased competition for real property assets; bankruptcies, financial difficulties or lease defaults by borrowers and/or tenants; changes in interest rates and availability of financing; potential misconduct by third-parties, including, but not limited to, borrowers, tenants, lenders, vendors, and service providers; and changes in government rules, regulations and fiscal policies, including changes in tax, real estate,

environmental and zoning laws. All of these factors are beyond our control. Any changes in these factors may adversely affect the payments made to PeerStreet on the investments related to Real Estate Securities, and subsequently affect PS Issuer's ability to make payments or distributions to Investors in those Real Estate Securities.

- Real Estate Investments Are Highly Competitive. The current market for properties that meet our investment objectives is extremely competitive, and many of our competitors have greater resources than we do. We will compete with numerous other entities engaged in real estate investment activities, including individuals, corporations, banks and insurance company investment accounts, real estate investment trusts ("**REITs**"), real estate limited partnerships, the U.S. government, and other entities to acquire, manage and sell real estate and real estate-related assets. Many of our competitors enjoy significant competitive advantages that result from, among other things, a lower cost of capital and enhanced operating efficiencies. In addition, the number of entities and the amount of funds competing for suitable investments may increase. Competition with these entities may result in even greater demand for the acquisition of real estate and real estate-related assets, which would result in increased prices for real estate and real estate-related assets and/or in lower returns for related debt securities as competition drives rates down.

- Unsuccessful Real Estate Investments May Result in Poor Returns. Real estate investments entail risks such as, without limitation, the risk of not correctly anticipating conditions or trends in the real estate market or misevaluating a sponsor's ability to adequately complete a project, and therefore not being able to generate profit from the real estate investments that may be tied to Underlying Investments. Misconduct from parties involved in a given real estate investment (such as the borrower, broker, escrow agent, appraiser, etc.) may also result in poor returns or complete less. If such events occur, they may adversely affect returns on Underlying Investments related to the Real Estate Securities we sponsor. This could, in turn, negatively affect the ability of a PS Issuer to make payments or distributions to Investors in the applicable Real Estate Securities. Poor returns may also include total loss of Investor funds.

- Real Estate Valuation Is Inherently Inexact. Real estate valuation is an inherently inexact process and depends on numerous factors, all of which are subject to change. The property valuation models and methods used by PeerStreet and/or its vendors may be deficient and may increase the risk of default. Appraisals or opinions of value may prove to be insufficiently supported, and PeerStreet's review of the value of the underlying property in determining whether to invest in an Underlying Investment and the value of the Real Estate Securities tied to that Underlying Investment may be based on information that is incorrect or opinions that are overly optimistic. The risk of default in such situations is increased, and the risk of loss to Investors will be commensurately greater.

- Returns and Loss Rates on Underlying Investments May Be Uncertain. PeerStreet does not have significant historical performance data about returns or the rates of loss on many of the Underlying Investments and, even if an abundance of data was available, historical returns are not necessarily an accurate indicator or predictor of future performance. Underlying investments may lose value at a faster rate than PeerStreet anticipates. Prior to investing in any Real Estate Securities, you should consider the risk of non-payment and default on the Underlying Investments. We cannot predict what the long-term rates of return or loss will be on any of the Underlying Investments, which could increase or decrease as a result of factors beyond PeerStreet's control and beyond the control of any lender, borrower or other person involved in the performance of an Underlying Investment, including prevailing interest rates, the rate of unemployment, the level of consumer confidence, decline in property values, degradation of

specific properties, the value of the U.S. dollar, energy prices, changes in consumer spending or sentiment, the number of personal bankruptcies, disruptions in the credit markets and other factors.

- Delays in Filling Vacancies or Selling Real Estate Could Adversely Affect Underlying Investments. The Real Estate Securities offered under this PPM are tied to Underlying Investments, such as, among other things, residential and commercial properties, loans, funds, or lines of credit. Some of these real estate investments may house tenants and incur vacancies either by the expiration of tenant leases or the continued default of tenants under their leases. Some properties may be vacant at the time an investment is funded. Some properties may be believed to be occupied at the time an investment is made, but such leases may have been fraudulent, breached, or cancelled. If vacancies continue for a prolonged period of time or tenants cannot be found at the projected rates, Underlying Investments may suffer reduced revenues. In addition, the resale value of an Underlying Investment could be diminished, because the market value of a particular property may depend upon the value of its cash flow. Either of these scenarios, prolonged vacancies or diminished market value, may negatively affect returns on Underlying Investments and subsequently affect a PS Issuer's ability to make payments or distributions to Investors in the applicable Real Estate Securities.

- Returns on Underlying Investments May Rely on Payments from Tenants. Some Underlying Investments may rely on rental payments from tenants under leases in order to generate payments to PeerStreet. If tenants, especially significant tenants, fail to make rental payments under their leases, an Underlying Investment may not generate payments to PeerStreet and, therefore, payments or distributions to Investors in the applicable Real Estate Securities.

  The bankruptcy or insolvency of a major tenant may also adversely affect the income produced by a property tied to an Underlying Investment. If a tenant becomes a debtor in a case under the U.S. Bankruptcy Code, the borrower cannot evict that tenant solely because of its bankruptcy. The bankruptcy court may authorize the tenant to reject and terminate its lease, and any claim against such a tenant for uncollectible future rent would be subject to a statutory limitation that might be substantially less than the remaining rent actually owed under the tenant's lease. Any shortfall in rent payments could adversely affect returns generated by Underlying Investments and subsequently adversely affect a PS Issuer's ability to make payments or distributions to Investors in the applicable Real Estate Securities.

- Underlying Investments May Be Dispersed Geographically and Across Various Markets and Sectors. Underlying investments may be located in different locations throughout the United States and in different markets and sectors. The success of the Underlying Investments will depend largely on the availability of effective managers and service providers in each area, market and sector where the Underlying Investments are located. We cannot guarantee that any given manager or service provider will be adequate and/or effective. Failure to meet these challenges could negatively affect payments generated by an Underlying Investment to PeerStreet and subsequently affect a PS Issuer's ability to make payments or distributions to Investors in the applicable Real Estate Securities.

- Payments on Underlying Investments May Be Affected By Natural Disasters. Underlying investments may be located in areas in the United States that have increased risk of earthquakes, hurricanes or high winds, tornadoes, wildfires and floods. An earthquake, hurricane, tornado, wildfire or flood could cause structural damage to or destroy the Underlying Investments. PeerStreet does not intend to obtain earthquake, wind or flood insurance for the Underlying Investment and does not intend to require lenders, borrowers or other sponsors of Underlying

Investments to obtain such insurance. It is possible that any such insurance, if obtained, will not be sufficient to pay for damage to any Underlying Investments. Any damage that these lenders, borrowers or other sponsors must pay for may affect payments generated by an Underlying Investment to PeerStreet and could, in turn, negatively affect the ability of a PS Issuer to make payments or distributions to Investors in the applicable Real Estate Securities.

- Underlying Investments May Be Subject to Indirect or Direct Environmental Risks. Environmental issues may affect the operation of a lender's or borrower's property or related Underlying Investment. If toxic environmental contamination is discovered to exist on a property tied to an Underlying Investment, it might affect the viability of and returns generated by an Underlying Investment, and any security interest held by PeerStreet in an underlying property could, in turn, be devalued or worthless. To the extent that PeerStreet is forced to foreclose and/or operate such a property, potential additional liabilities include reporting requirements, remediation costs, fines, penalties and damages, all of which would adversely affect the likelihood that Investors would be paid payments or distributions on the applicable Real Estate Securities. Of particular concern may be those properties that are, or have been, the site of manufacturing, industrial or disposal activity. These environmental risks may give rise to a diminution in value of the security interest or to liability for cleanup costs or other remedial actions. This liability could exceed the value of PeerStreet's security interest or the principal balance of the Underlying Investment. For this reason, we may choose not to foreclose even if we have foreclosure rights on contaminated property rather than risk incurring liability for remedial actions.

  Under the laws of certain states, an owner's failure to perform remedial actions required under environmental laws may give rise to a lien on mortgaged property to ensure the reimbursement of remedial costs. In some states this lien has priority over the lien of an existing mortgage against the real property. Because the costs of remedial action could be substantial, the value of a mortgaged property as collateral for a loan could be adversely affected by the existence of an environmental condition giving rise to a lien.

  In addition, the state of law is currently unclear as to whether and under what circumstances clean-up costs, or the obligation to take remedial actions, can be imposed on PeerStreet as a secured lender. If a lender, borrower, or other sponsor of an Underlying Investment becomes liable for cleanup costs, it may bring an action for contribution against the parties who contributed to the environmental hazard, but these persons or entities may be bankrupt or otherwise judgment-proof.

- Underlying Investments May Have Toxic Mold That Could Result in Substantial Liabilities. Litigation and concern about indoor exposure to certain types of toxic molds has been increasing as the public becomes aware that exposure to mold can cause a variety of health effects and symptoms, including allergic reactions. It is impossible to eliminate all mold and mold spores in the indoor environment. There can be no assurance that the Underlying Investments acquired by borrowers will not contain toxic mold. The difficulty in discovering indoor toxic mold growth could lead to an increased risk of lawsuits by affected persons and the risk that the cost to remediate toxic mold will exceed the value of the Underlying Investments. There is a risk that Underlying Investments may involve properties that contain toxic mold, which may affect the ultimate returns of the Underlying Investments, and subsequently affect a PS Issuer's ability to make payments or distributions to Investors in the applicable Real Estate Securities. Other defects may have similar effects on the Underlying Investment's performance.

Consider carefully the following risks related to investing in the Real Estate Securities sponsored by PeerStreet:

- The Real Estate Securities Being Offered Are Highly Risky and Speculative. You may lose some or all of your initial purchase price for the Real Estate Securities, because the Real Estate Securities are highly risky and speculative. Returns on the Real Estate Securities are special, limited, ***unsecured*** obligations of the PS Issuer that depend entirely on the performance of one or more Underlying Investments. Only investors who can bear the loss of their entire purchase price should commit to invest in the Real Estate Securities. Real Estate Securities are suitable purchases only for investors of adequate financial means. No prospective investor should purchase Real Estate Securities offered under this PPM, if they cannot afford to lose all of the money they plan to invest in those Real Estate Securities.

- The Real Estate Securities Being Offered Are Unsecured, and PS Issuer May Not Own the Underlying Investment. Although your investment in a given Series may be tied to the performance of a secured real estate loan (such as a mortgage) or another equity or debt investment, the Real Estate Securities you purchase are derivative investment product that do not grant you actual, legal, recorded or unrecorded, interests in the Underlying Investment itself. Furthermore, the PS Affiliate who owns the Underlying Investment may be different and/or separate from PS Issuer. PS Affiliates holding the legal interests in the Underlying Investments or security instruments may not be bankruptcy-proof entities and their creditors, regulators, and/or state or federal governments may seize their assets. In such an event, the Real Estate Securities in which you invested may lose all their value.

- PS Issuer Needs to Receive Returns Based on Underlying Investments Before Paying Any Interest or Principal Payments or Other Distributions on Real Estate Securities. Payments or distributions on the Real Estate Securities depend entirely on the performance of the Underlying Investments. If an Underlying Investment fails to generate payments or returns, payments or distributions on your real estate security will be correspondingly reduced. While PeerStreet intends for payments or distributions on Real Estate Securities offered under this PPM to generally correspond to payments PeerStreet may receive from any related Underlying Investment, there is no guarantee that a PS Issuer will be able to make payments or distributions on Real Estate Securities in any specific amount or at all.

- PeerStreet May Not Provide You All the Information and Documentation It Has Regarding the Underlying Investments. PeerStreet may choose, or be contractually bound, not to disclose all available information to you about an Underlying Investment. For example, we not disclose or have the contractual ability to disclose the name or identity of a lender, borrower, or sponsor, or the address of a property. If PeerStreet chooses to not disclose all available information as a result of an internal business decision, or because we are legally bound to keep that information in confidence, you must make your investment decision based solely on information made available to you on the PeerStreet Website about the Series of Real Estate Securities being offered and the Underlying Investment. Even after you invest in Real Estate Securities, PeerStreet may not share much of the information it gathers with you. In no case does PeerStreet intend to distribute copies of underlying loan or other real estate documents related to an Underlying Investment. PeerStreet also reserves the right not to disclose specific, itemized, or otherwise cataloged financial information regarding the management of a loan or REO property. We are not responsible for and are not liable for any information provided to you by unaffiliated third parties.

- Investors in Real Estate Securities from One Series May Make Claims Against Your Investment. PeerStreet pools assets in several ways. First, PeerStreet offers Real Estate Securities in multiple Series, but often pools the related Underlying Investments in a single entity. PeerStreet may also in certain cases issue more than one Series, with potentially different terms, with respect to the same Underlying Investment. In addition, although PeerStreet's recordkeeping practices identify cash belonging to each Investor, those funds may be held in a single bank account. Similarly, although PeerStreet internally records Investors' ownership interests in each Series of Real Estate Securities, many or all Underlying Investments may be legally held in a single entity's name.

  These aspects of PeerStreet's structures increase the risk that Investors in Real Estate Securities from one Series may make claims against assets related to Real Estate Securities from another Series, a risk that is even more acute when there is more than one Series related to the same Underlying Investment. Even if Underlying Investments were held by different PSI affiliates, Investors in Real Estate Securities tied to Underlying Investments in one PSI affiliate could make claims against the assets held in another PSI affiliate. As a result, an Investor of in one Series may be adversely affected by claims made by an Investor of another.

  In addition, if a court or arbiter commingled PeerStreet's assets, your rights as an Investor may be negatively affected due to this structure.

- There May Be a Delay Between When You Fund Your PeerStreet Account and When You Earn Returns. When you commit to purchase a real estate security, you must commit funds toward your purchase, but the funds may not be deployed until an extended period of time from when the Series of those Real Estate Securities closes. Each funding request remains open until PeerStreet has received a minimum level of funding commitments for the relevant Series of Real Estate Securities, all due diligence on the Underlying Investment has been completed, and negotiations of terms on the Underlying Investment with the lender, borrower, seller, or tenant have successfully concluded. This could take an extended period of time. Once this is complete, the PS Issuer will issue Real Estate Securities as soon as practicable. However, because commitments to purchase Real Estate Securities are irrevocable, during the period between the time of your purchase commitment and the time when your real estate security is issued, you will not have access to your funds. Because your funds do not earn interest or other returns prior to the time when real estate security is issued, the delay in issuance of your real estate security will have the effect of reducing the effective rate of return on your investment.

- Once You Confirm Your Intention to Invest in a Series, You Will Be Legally Bound to Purchase the Applicable Real Estate Securities. If you choose your own investments, once you commit to purchase Real Estate Securities in a Series through the website, or if you enroll in Auto-Investing, once you have been allocated a given Series and the opt-out period (if any) has passed, you are legally bound to purchase the Series to which you have committed. As a result, you should carefully review the Offering Materials for each Series in which you invest prior to making a commitment.

- You May Not Receive Incentives, Promotions, or Features Offered to Other Investors. From time to time PeerStreet may provide incentives, promotions, or extra features to certain investors that are not available to all investors. You are not guaranteed to receive these types of benefits, and as a result, you may not invest on as favorable terms as other investors. PeerStreet is under no obligation to provide all investors the same terms, including any or all incentives, promotions, or extra features.

- Under the Investment Agreement You Are Subject to Mandatory Merger of Claims and Arbitration. To protect us from having to respond to multiple claims by Investors in the event of an alleged breach or default with respect to any Series of Real Estate Securities, the Investor Agreement restricts your right to pursue remedies individually in connection with an alleged breach or default. In addition, we require any claims against us to be resolved through binding arbitration rather than in the courts. The arbitration process may be less favorable to you than court proceedings and is likely to limit your right to engage in discovery proceedings or to appeal an adverse decision. PLEASE CONSULT THE INVESTOR AGREEMENT FOR ADDITIONAL DETAILS REGARDING YOUR ELECTION TO CONSENT TO MANDATORY ARBITRATION.

- The Real Estate Securities Are Restricted Securities and Highly Illiquid. The Real Estate Securities in which you may invest are being offered in private offerings in reliance on Rule 506(b) of Regulation D of the Securities Act. As a result, the Real Estate Securities are restricted securities, will not be listed on any securities exchange, and have no liquid market. There is no trading market for the Real Estate Securities, and we do not expect that such a trading market will develop in the foreseeable future, nor do we intend in the near future to offer any features on the PeerStreet Platform to facilitate or accommodate such trading. Any investment in the Real Estate Securities will be highly illiquid, and Investors may not be able to sell or otherwise dispose of their Real Estate Securities in the open market. The restrictions on transfer include transfers to and from accounts that you control. For example, PeerStreet may not be able, allowed, or willing, to transfer Real Estate Securities from an individual account to a trust account. Accordingly, you should be prepared to hold the Real Estate Securities you purchase for an extended period of time.

- Other Investors May Be Given the Option to Invest in Real Estate Securities Before or Instead of You, and/or on Better Terms Than You, and You Will Not Have the Right to Invest in Those Real Estate Securities or Demand Equal Terms. PeerStreet sponsors a variety of investment programs and may choose to first offer a given investment to other investors or investor classes before offering them through the Platform. This may mean that Series and Underlying Investments you would otherwise invest in are not available to you. In addition, certain other investors may invest in larger amounts, pay higher fees, or be shareholders in PeerStreet itself, which may provide PeerStreet an incentive to provide those investors the most desirable investments. There is no guarantee whatsoever that you will have access to all of the investment opportunities offered by PeerStreet or to the best investment opportunities.

- All Real Estate Securities Are Noncertificated Interests. All Real Estate Securities offered under this PPM will be issued by a PS Issuer in online form only. All Investors will be required to hold any real estate security in PeerStreet's (or a PeerStreet-approved third party's) electronic registry system, which is accessible only to PeerStreet through the Dashboard. Investors will not be provided any physical certificates representing the Real Estate Securities and must rely on PeerStreet to maintain a record of all Real Estate Securities. If any Real Estate Securities become lost or the record of the ownership of any Real Estate Securities cannot be found, Investors may not be able to collect any returns on their Real Estate Securities, which may result in a complete loss of their investment.

- Specific Risks Apply to Different Types of Real Estate Securities Offered under this PPM. You should carefully read and consider the additional risk factors set forth in the PPM Supplement for the type of Real Estate Securities you are interested in investing in, as set forth on the Listing for that specific Series. In addition to the risks contained in this PPM related to investing in Real Estate Securities, each of the different types of Real Estate Securities in which you may invest

raise specific risks, any one of which may result in a complete loss of your investment. PeerStreet makes no guarantees as to the profitability of any investment you make in Real Estate Securities offered under this PPM.

- The Recurring Deposits Program Raises Particular Risks. If you enable the Recurring Deposits feature, PeerStreet and some of its employees will have access to your bank account information and the ability to transfer funds to the Platform. PeerStreet does not have systems in place to prevent overdrafts should you request Recurring Deposits in excess of your bank account balance. In addition, PeerStreet does not take on any liability when implementing the Recurring Deposit program for providing you investment advice as to how the funds are used, including based on your allocation of funds or investment decisions. If you also participate in the Automated Investing Program, funds automatically transferred into your PeerStreet account may be invested in Real Estate Securities, subject to the terms of Automated Investing.

- If You Participate in Automated Investing, You May Not Invest in the Same Investments You Would Choose for Yourself. By participating in this program, you will be automatically allocated Series of Real Estate Securities that meet your investment criteria. Although you may have the ability to opt out of any Series allocated to you, you may not, through Automated Investing, build the same portfolio you would by choosing investments yourself by browsing the Platform. In certain cases, you may not be allocated Series you would otherwise be interested in and that match the criteria you choose, because they are allocated to other investors before you. In others, you may be allocated Series that you would otherwise not be interested in. There is no guarantee whatsoever that the portfolio of Real Estate Securities you build will have the same or better returns than the portfolio you would have chosen yourself. PeerStreet takes no responsibility for any returns based on the Real Estate Securities you hold based on Automated Investing.

- If You Enroll in Automated Investing, and Do Not Opt Out of a Particular Series Allocated to You in Time, You May Invest in Real Estate Securities You Would Otherwise Not Have Purchased. You are solely responsible for determining whether to opt out of any Real Estate Securities allocated to you and for notifying us of your decision to opt out. If you do not do so within the time period for opting out indicated in the notice of allocation, you will invest in it. As a result, you may invest in Series you may not want to invest in.

- If You Do Not Turn Off the Automated Investing Feature, You May Be Allocated Series Even Though You Wish to Withdraw from the Program. You will stay enrolled in Automated Investing until you turn the feature off. As a result, you may be allocated Series on an ongoing basis even though you wish to withdraw from Automated Investing.

- If You Have Insufficient Funds in Your Account on the Platform, You Will Not Be Able to Invest. If you do not fund your account prior to choosing an investment (or being allocated an investment through the Automated Investing feature), you will not be able to invest. As a result, you may miss out on opportunities you would otherwise like to invest in. You are solely responsible for ensuring you have sufficient funds in your Platform account.

- Investments Made Through Auto-Investing May Have Different Terms Than Investments Made in the Same Real Estate Securities Through Investor-Chosen Investments. Investment minimums and other terms may be different for investments made via Automated Investing and investments chosen independently by an investor. You do not have the right to receive notification of the terms of any investments of any other potential investor in the same Series as you or in other Series. You may invest on terms that are not as advantageous to you.

Consider carefully the following risks related to relying on third parties, including lenders, borrowers, other sponsors of Underlying Investments, and service providers to Underlying Investments:

- We Do Not Control Third Parties Who Affect the Success of the Real Estate Securities. The success of each real estate security is dependent on the success of each Underlying Investment, which in turn is dependent on the performance of third parties that we do not control, such as lenders, borrowers, sponsors, etc. While PeerStreet may set the terms of the Real Estate Securities being offered, these third parties are solely responsible for operating their respective businesses, and their poor management, poor financial condition, engaging in illegal or otherwise ill-advised activities could adversely affect the performance of the Underlying Investments or expose those Underlying Investments to unanticipated operating risks. As a result, the ability of the lender, borrower, or sponsor, to repay or provide returns on the Underlying Investment may be adversely affected, and the expected payments or distributions on Real Estate Securities tied to that Underlying Investment may be reduced, if received at all.

- Real Estate Securities May Depend on Third Parties with Limited to No Operating History. The management teams of the various key actors on which Real Estate Securities rely, including any lenders and borrowers associated with the Real Estate Securities or other similar sponsors, may lack experience in the types of actions we rely on them to engage in. For example, sponsors may be required to obtain insurance on property tied to an Underlying Investment, but may be unable to do so at competitive rates for lack of knowledge and experience or due to providers charging higher rates to those with limited operating history. In these cases, operations of an Underlying Investment will be subject to all of the risks inherent in the establishment of a new business enterprise, including, but not limited to, hurdles or barriers to the implementation of business plans, successful completion of construction work, and other related real estate business activities. Further, because there is no history of operations, there is also no operating history from which to evaluate the ability of a management team to achieve its business goals.

- We Rely on Information Provided by Third Parties. We rely on information provided to us by third parties, such as lenders, borrowers, other sponsors of Underlying Investments, appraisers, title agencies, escrow companies, data providers, machine-learning systems, etc., in our underwriting and vetting of potential investments. That information may be incomplete, inaccurate or intentionally false. For example, borrowers provide a variety of information to us regarding their management of Underlying Investments. When we evaluate a potential loan for investment, some of this information may be included in the Listing for the applicable Series of Real Estate Securities. Information provided by third parties may be incomplete, inaccurate, intentionally false or may misrepresent the intentions of the third parties. We make attempts to verify some of the information provided to us by third parties, but, as a practical matter, we cannot verify all of it.

  Typically, when we finance or make available an Underlying Investment, our primary assurances that the financing proceeds will be properly spent by the third party are the contractual covenants agreed to by that third party. Though we perform due diligence on lenders, borrowers and other relevant actors that we work with, you may lose all or a portion of your investment in the Real Estate Securities if any of these people or any other third party supplies false, misleading or inaccurate information.

- You Do Not Have Recourse Against Any Third-Party Service or Information Providers. You will not have the right to seek, and under the terms of the Transaction Documents you must agree not to seek, any claims or recourse against any third-party providing information on the Platform or

services relating to the operation of the Platform or management of the Underlying Investments, including lenders, servicers, and other entities. PeerStreet may have recourse against such parties and may elect to pursue such recourse in certain circumstances, but these rights do not flow to Investors. In addition, you must agree by executing the Transaction Documents that if a court or other proper authority were to deem that you have recourse against any third parties, those third parties would not agree to provide services or information to PeerStreet, the Platform, and/or investors without obtaining satisfactory releases of liability, and you will release, waive, and discharge these third-parties of any liability, claims, or damages relating to your use of the Platform and investment activities with PeerStreet. These provisions of the Transaction Documents significantly limit your ability to take action in the event of default or other issues related to an Underlying Investment, and require you to rely solely on PeerStreet's efforts for these purposes.

- You Do Not Have Recourse Against Any Borrowers or Owners of Underlying Investments. By investing in Real Estate Securities, you will not have privity of contract or any other legal relationship with any borrower, owner, sponsor or other third party involved with the Underlying Investment or any direct interest in the Underlying Investment. Unless explicitly provided otherwise in a Listing, you do not have any voting rights and/or decision-making authority beyond your decision to invest or not invest in a Series of Real Estate Securities. PeerStreet is the only entity you have a legal relationship with in relation to the Real Estate Securities or the Underlying Investments and is the only entity with which you have any contractual privity. In fact, you will not be permitted to communicate with or otherwise contact any borrower, lender, sponsor, or other third party. These restrictions limit your ability to take action in the event of default or other issues related to an Underlying Investment, and require you to rely solely on PeerStreet's efforts for these purposes.

- Underlying Investments May Rely on Third-Party Property Managers and Leasing Agents for Effective Operations. We expect that, in some instances, lenders, borrowers and other sponsors of Underlying Investments will rely on third party property managers and leasing agents. PeerStreet itself may rely on third-party property managers and leasing agents in certain situations, such as when we take properties over at foreclosure sales. The third party property managers will have significant decision-making authority with respect to the management of the Underlying Investments. Our ability to direct and control how the Underlying Investments are managed may be limited. We will not supervise any of the property managers or leasing agents or any of their respective personnel on a day-to-day basis. Thus, the success of the Underlying Investments may depend in part on the ability of third party property managers to manage the day-to-day operations and the ability of leasing agents to lease vacancies in the Underlying Investments. Any adversity experienced by the property managers or leasing agents could adversely impact the payments or other returns to PeerStreet on the Underlying Investments, and subsequently affect a PS Issuer's ability to make payments or distributions to Investors in the applicable Real Estate Securities.

- Many Third Parties on Which We Rely Are Subject to Regulation. The lending industry is a highly regulated industry. Many third parties we work with (e.g., banks,private lenders, servicers, appraisers, etc.) are responsible for their compliance with applicable state and federal lending laws, and we have no control over their compliance. These third parties may be subject to licensing requirements in one or more states. While we conduct due diligence on the third parties we work with, we do not and cannot guarantee their compliance with applicable laws, including with respect to their compliance with applicable licensing requirements.

Consider carefully the following business risks related to PeerStreet as sponsor of the Real Estate Securities:

- PeerStreet is an Early-Stage Company and Its Operations Involve Significant Risks. PeerStreet is an early-stage company and its operations involve significant risks. PeerStreet's operating capital depends on its ability to finance its operations from the sale of equity or other financing alternatives for the foreseeable future. There can be no assurance that we will be able to successfully raise operating capital. The failure to successfully raise operating capital from venture capital or institutional firms, and the failure to attract qualified real estate companies or lenders and sufficient investment commitments from investors, could result in our bankruptcy or cause us to cease operations.

- We Have a Limited Operating History. PeerStreet, our parent company, PSI, and the PSI affiliates have limited operating histories. We began offering online Underlying Investments in 2014 and did not issued Real Estate Securities prior to 2014. As companies in the early stages of our development, we face increased risks, uncertainties, expenses and difficulties.

- We May Need Substantial Additional Capital to Fund Our Operations. PSI will need to raise substantial additional capital to fund its operations, and if it fails to obtain additional funding, it may be unable to continue operations. In these early stages of development, PSI has funded substantially all of its operations with proceeds from equity investments from various venture capital firms and similar institutional investors.

- To meet its financing requirements in the future, PeerStreet may raise funds through equity offerings, debt financings or strategic alliances. Raising additional funds may involve agreements or covenants that restrict PeerStreet's and PSI affiliates' business activities and options. Additional funding may not be available to us on favorable terms, or at all. If we are unable to obtain additional funds, we may be forced to reduce or terminate our operations. Any inability of PSI to fund operations could have a substantial and deleterious effect on our viability and operations. As a result, among other things, PeerStreet may not have sufficient resources to take actions it would otherwise deem necessary or desirable to protect the value of and returns on the Underlying Investments related to the Real Estate Securities. If such actions are not, or cannot be, undertaken, the value of the Underlying Investments may degrade.

- We Have Incurred Net Losses Before. We have incurred net losses in the past and expect to incur net losses in the near-to-mid term. Our failure to become profitable could impair the operations of the PeerStreet Platform. We have not been profitable since our founding and may never become profitable. In addition, we expect our operating expenses will increase in the future as we expand our operations. If our operating expenses exceed our expectations, our financial performance could be adversely affected. If our revenue does not grow to offset these increased expenses, we may never become profitable. In future periods, we may not have any revenue growth, or our revenue could decline.

- You Will Not Receive Financial Statements Regarding PeerStreet, a PS Issuer, or the Real Estate Securities in Which You Invest. We do not intend to provide you with financial statements at this time nor do we currently intend to do so in the future. Thus, you will not be in a position to independently evaluate our financial health, the health of any PS Issuer, or the financial viability of any Real Estate Securities in which you invest, in determining whether to purchase the Real Estate Securities.

- Our Operations Rely on Maintaining and Attracting Key Personnel. If we fail to retain our key personnel, we may not be able to achieve our anticipated level of growth and our business could suffer. Our future depends, in part, on our ability to attract and retain key personnel. Our future also depends on the continued contributions of our executive officers and other key personnel, each of whom would be difficult to replace. In particular, the Founder/Chief Executive Officer of PSI is critical to the management of our business and operations and the development of our strategic direction. The loss of the services of Brewster Johnson or other executive officers or key personnel and the process to replace any of our key personnel would involve significant time and expense and may significantly delay or prevent the achievement of our business objectives.

- Your Rights If PS Issuer or Any Other PSI Affiliate Dissolve Are Uncertain. If PS Issuer or any other PSI affiliate becomes subject to a bankruptcy or similar proceeding, your rights as an Investor of a real estate security are uncertain, and your recovery, if any, may be substantially delayed and substantially less than the amounts due and that may become due on the real estate security you hold. In the event of our bankruptcy or a similar proceeding, your right to continue receiving payments or distributions on any real estate security held could be subject to the following risks and uncertainties:

    - Interest payments or distributions on the Real Estate Securities may not accrue during a bankruptcy proceeding. Accordingly, if you receive any recovery, it might be based on your claims for principal and interest payment accrued only up to the date the proceeding commenced.

    - Our obligation to continue making interest payments on the Real Estate Securities would likely be suspended even if the funds to make those interest payments were available. Because a bankruptcy or similar proceeding may take months or years to complete, even if the suspended payments were resumed, the suspension might effectively reduce the value of any recovery that you might receive by the time your recovery occurs.

    - The Real Estate Securities are unsecured, and you do not have a security interest in the Underlying Investments. Accordingly, you may be treated the same as other general creditors of ours and thus be required to share the proceeds of Underlying Investments with those creditors.

    - Because the Real Estate Securities only entitle Investors to receive payments or distributions tied to one or more Underlying Investments, you might not be entitled to share in the other assets of PeerStreet available for distribution to general creditors, even though other general creditors might be entitled to a share of the proceeds of such Underlying Investments.

    - Even if a lender or a borrower has paid PeerStreet on any Underlying Investment before any bankruptcy proceedings commenced, there can be no assurance that PeerStreet will be able to use those funds to make payments or distributions on any Real Estate Securities.

    - If a bankruptcy proceeding commences after your total investment commitment has been paid to PeerStreet, you may not be able to obtain a return of that amount even if the proceeds from the offering in which you committed to invest in a Series of Real Estate Securities have not yet been used.

- Our ability to transfer our obligations to a back-up entity may be limited and subject to the approval of the bankruptcy court or other presiding authority. The bankruptcy process may delay or prevent the implementation of back-up services, which may impair the collection or management of Underlying Investments to the detriment of the Real Estate Securities.

If we were to enter bankruptcy proceedings, similar proceedings or otherwise cease operations, our activities with respect to any Underlying Investment and any Series of Real Estate Securities would be interrupted, and we would be required to find other ways to meet our obligations regarding the Underlying Investments and the Real Estate Securities. Such alternatives could result in substantial delays in the disbursement of payments or distributions on your Real Estate Securities or could require us to pay significant fees and expenses to another company that we engage to perform services for the Underlying Investments and the Real Estate Securities, and any funds you do recover may be substantially less than the amount you originally invested in the Real Estate Securities.

In a bankruptcy or similar proceeding, your rights to access any funds sent to PeerStreet in connection with one or more Real Estate Securities held by you are uncertain. If we became a debtor in a bankruptcy proceeding, the legal right to administer our funds may vest with the bankruptcy trustee or debtor in possession. In that case, you may have to seek a bankruptcy court order lifting an automatic stay in order to withdraw your funds. You may suffer delays in accessing your funds in any PeerStreet account as a result.

Also, U.S. bankruptcy courts have broad discretionary powers, and a bankruptcy court could determine that some or all of your funds were beneficially owned by PeerStreet. In any such case, those funds become available to other general creditors of ours.

- We Face Significant Competition from Major Financial Institutions. The market in which we participate is competitive and, if we do not compete effectively, our operating results could be harmed. The real estate market is competitive and rapidly changing. We expect competition to persist and intensify in the future, which could harm our ability to increase lending volume.

  Our principal competitors include traditional lenders, such as major banking institutions, and other real estate investment firms, such as real estate investment trusts, as well as other online lending platforms. Competition could result in reduced volumes, reduced fees or the failure of the PeerStreet Platform to achieve or maintain more widespread market acceptance, any of which could harm our business. In addition, in the future we may experience new competition from more established online and other companies possessing large, existing customer bases, substantial financial resources, and established distribution channels. If any of these companies or any major financial institution decides to enter the online lending business, acquire one of our existing competitors or form a strategic alliance with one of our competitors, our ability to compete effectively could be significantly compromised, and our operating results could be harmed.

  Many of our current or potential competitors have significantly more financial, technical, marketing and other resources than we do and may be able to devote greater resources to the development, promotion, sale and support of their platforms and distribution channels. Our potential competitors may also have longer operating histories, more extensive customer bases, greater brand recognition and broader customer relationships than we have. These competitors may be better able to develop new products, to respond quickly to new technologies and to undertake more extensive marketing campaigns. Our industry is driven by constant innovation.

If we are unable to compete with such companies and meet the need for innovation, the demand for our loans and corresponding Real Estate Securities could stagnate or substantially decline.

Consider carefully the following risks related to the operation of the PeerStreet Platform:

- The Continued Operation of the PeerStreet Website Is Critical to Our Business. Any significant disruption to the PeerStreet Website and our systems supporting the PeerStreet Website could reduce the attractiveness of the PeerStreet Website and result in a loss of users. If a catastrophic event resulted in the PeerStreet Website temporarily shutting down or in data loss on the PeerStreet Website or our systems supporting the PeerStreet Website, then our ability to perform our obligations with respect to the Real Estate Securities offered under this PPM and the Underlying Investments tied to those Real Estate Securities would be materially and adversely affected. The satisfactory performance, reliability and availability of the PeerStreet Website and our systems supporting the PeerStreet Website is critical to our business, customer service, reputation and ability to attract new users and retain existing users.

- The PeerStreet Website Is Hosted by Third Parties. The PeerStreet Website and our systems run on a cloud-based platform that spans multiple digital and physical locations. While we own, operate and maintain certain elements of the PeerStreet Website and our systems, significant elements of the PeerStreet Website and our systems are hosted and maintained by one or more third-party technology service providers that we do not control. In particular, the PeerStreet Website and our systems is hosted by third-party technology services providers (the "Hosting Provider") that we do not control.

  Our operations and systems depend on the Hosting Provider's ability to protect its systems and facilities against damage or interruption from, among other things, natural disasters, power or telecom failures, adverse environmental factors (e.g., web servers that host the PeerStreet Website being subject to high temperature and humidity levels), computer viruses or other attempts to harm our systems and criminal acts. We have entered into an agreement with the Hosting Provider for it to provide us with standard computing, storage capacity and other services (including related support services) in exchange for us providing timely payments to the Hosting Provider. Neither that agreement nor the Hosting Provider guarantees, however, that users' access to the PeerStreet Website will be uninterrupted, error-free or secure.

  If our agreement with the Hosting Provider is terminated, or there is a lapse of service or damage to its systems or facilities, then the PeerStreet Website and our systems could experience interruptions as well as delays and additional expenses in finding a new Hosting Provider. Interruptions or delays like these, irrespective of their origin, could harm our ability to perform services for Real Estate Securities offered under this PPM and the Underlying Investments (e.g., making payments or distributions to Investors in Real Estate Securities); our relationships with Investors and other users of the PeerStreet Website; our brand and reputation; and our operations and business.

  We have implemented a disaster recovery plan relating to the continued operation of the PeerStreet Website and our systems supporting the PeerStreet Website. As part of that plan, we maintain backups of the PeerStreet Website and our systems at a separate region from the regions the Hosting Provider uses generally to host and maintain the PeerStreet Website and our systems. These backups occur daily, cover all user and Investor data and replicate securely to a web server at a separate region within the Hosting Provider's cloud infrastructure.

Our disaster recovery plan has never been tested under actual disaster conditions, and we may not have sufficient capacity to recover all data and provide all services in the event of an interruption or delay to the PeerStreet Website and our systems because of any actual disaster affecting the Hosting Provider. Additionally, in the event of any interruptions, delays and resulting damages, our insurance policies may not adequately cover all or any of the losses that we may incur.

- Your Confidential Information on the PeerStreet Website Is Susceptible to Cybersecurity Risks. The PeerStreet Website and our systems store confidential information about the Real Estate Securities offered under this PPM and the Investors in those Real Estate Securities, including information about your bank account and other personally identifiable sensitive data. We collect this information from the PeerStreet Website, our systems supporting the PeerStreet Website and several other sources (e.g., information about Investors may be provided to us through Investors completing the Investor Agreement or from reports generated by credit reporting agencies, title insurance companies or other third parties and then stored on our systems). If any of the confidential information stored on the PeerStreet Website or our systems is compromised, your confidential information and other Investors' confidential information may be stolen. This could occur as the result of any accidental or willful cybersecurity breach or other unauthorized access of the PeerStreet Website and our systems. If your confidential information is stolen, it may be used for criminal purposes, and you would be subject to increased risk of fraud or identity theft.

  Because techniques used to obtain unauthorized access to or to otherwise sabotage computer systems change frequently and generally are not recognized until they are launched against a target, we and any of our technology service providers (e.g., web hosting service providers) may be unable to anticipate these techniques or to implement adequate preventative measures.

  If Investors' confidential information becomes subject to a data security breach, then we would need to provide any disclosures required by applicable law, which may prove costly to provide and are likely to lead to widespread negative publicity about PeerStreet and the PeerStreet Website. Any negative publicity of this nature may cause our investors, affiliates and partners to lose confidence in the effectiveness of our data security measures. Any actual or perceived security breach would harm our reputation, potentially cause us to lose investors and could adversely affect the value of your investment in the Real Estate Securities.

  PeerStreet's privacy policies with respect to confidential information stored on the PeerStreet Platform and our systems supporting the PeerStreet Platform are set forth on the PeerStreet Website.

- The PeerStreet Platform Relies on Third-Party Service Providers. We rely on certain third-party service providers, including third-party financial institutions and technology service providers. If we are unable to continue utilizing these services, our business and ability to service the Real Estate Securities and the Underlying Investments may be adversely affected. We rely on third-party depository institutions that are insured by the Federal Deposit Insurance Corporation (the "FDIC") to process our transactions, including for transfers of payments or distributions on Real Estate Securities to Investors and for transfers of payments on Underlying Investments to PeerStreet or one of its PSI affiliates. Under Automated Clearing House ("ACH") rules, if we experience a high rate of reversed transactions (known as "chargebacks"), we may be subject to sanctions and potentially disqualified from using the ACH system to process payments.

  We also rely on computer hardware and software developed and licensed by certain technology service providers in operating the PeerStreet Platform. The computer hardware or software we use may be physically located off-site, as is often the case with cloud-computing services, and

may not continue to be available on commercially reasonable terms (or at all). If we cannot continue to obtain computer hardware and software from third-party technology service providers, or if we cannot transition to other technology service providers quickly, our ability to process payments will suffer and your ability to receive payments or distributions on the Real Estate Securities will be delayed or impaired.

- The PeerStreet Platform Is Dependent on the Success of Multiple PSI Affiliates. The PeerStreet Platform relies on PSI affiliates to perform certain services and activities in order for the PeerStreet Platform to continue operating. Because PeerStreet's financial success is tied to the volume of financings that are originated through the PeerStreet Platform, to increase that volume, PeerStreet relies on its PSI affiliates (especially its parent, PSI) to increase its facilities, personnel and infrastructure in order to accommodate greater obligations of and demands on the PeerStreet Platform. This includes relying on PSI to constantly update its software and the PeerStreet Platform, expand its customer support services, and retain an appropriate number of employees to maintain the operations of PSI.

  If PSI is unable to increase capacity and maintain the necessary infrastructure, you may experience delays in receipt of payments or distributions on the Real Estate Securities and periodic downtime of the PeerStreet Platform, through which many functions of PSI and PeerStreet are run. In addition, PeerStreet also relies on PSI and the PeerStreet Platform to maintain new Listings and to facilitate transactions in Real Estate Securities. Any periodic downtime of the PeerStreet Platform will result in a decrease in the volume of financings being originated through the PeerStreet Platform, which will have a negative effect on our financial success.

Consider carefully the following risks relating to federal and state regulation:

- Non-Compliance with Federal and State Regulations Could Harm Our Business. There are many state and federal laws and regulations that may potentially apply to our business, and non-compliance with those laws and regulations could impair our ability to arrange or service the Real Estate Securities and Underlying Investments. Failure to comply with any of these laws and regulations that apply to our business may, among other things, limit our, or a collection agency's, ability to collect all or part of the payments on the Underlying Investments on which the Real Estate Securities are dependent for payment. In addition, our non-compliance could subject us to damages, revocation of required licenses or other authorities, class action lawsuits, administrative enforcement actions, and civil and criminal liability, which may harm our business and our ability to maintain our business and may result in third parties rescinding their Underlying Investments.

- PeerStreet and PSI Affiliates May Be Required to Obtain Lending Licenses in Certain States. Some states require companies like ours to obtain a real estate, broker, lending or other license in order to originate commercial loans. We may originate loans directly, but we do not intend to finance any Underlying Investments in states where these licenses are required until we obtain the required licenses. We may partner with either a PSI affiliate or unaffiliated third party (such as a bank or other depository institution) with a required license to originate loans in the jurisdictions where we would otherwise be restricted from doing so. It is possible that some of these states might impose mortgage broker or licensing requirements on PeerStreet.

- The Statuses of PeerStreet and PSI affiliates under the Investment Company Act May Change. Neither PeerStreet nor any PSI affiliate is currently registered with the SEC as an investment company under the Investment Company Act of 1940 (the "**Investment Company Act**"). The

SEC heavily regulates the manner in which "investment companies" are permitted to conduct their business activities. If PeerStreet or any PSI affiliate is required to register with the SEC as an investment company under the Investment Company Act, PeerStreet or that PSI affiliate would become subject to extensive compliance requirements that would increase its costs and that could materially and/or adversely affect its business.

While we believe we conduct our business in a manner that does not result in us being characterized as an investment company, the SEC may ultimately disagree with our determination. We intend to continue to operate our business and operations in a manner that does not subject us to registration as an investment company under the Investment Company Act, but we cannot guarantee we will be able to continue to be successful at doing so.

- The Statuses of PeerStreet and PSI Affiliates as Broker-Dealers under the Exchange Act May Change. Neither PeerStreet nor any PSI affiliate is currently registered with the SEC as a broker-dealer under the Securities Exchange Act of 1934 (the "**Exchange Act**") or any comparable state law. The SEC heavily regulates the manner in which broker-dealers are permitted to conduct their business activities.

  While we believe that neither PeerStreet nor any PSI affiliate is required to register as a broker-dealer, the SEC or a state regulator may disagree with our determination. If PeerStreet or any PSI affiliate is required to register with the SEC or any state regulator as a broker-dealer under the Exchange Act, PeerStreet or that PSI affiliate would become subject to extensive compliance requirements that would increase its costs and that could materially and/or adversely affect its business.

- The Statuses of PeerStreet and PSI Affiliates as Investment Advisers under the Advisers Act May Change. No PSI affiliate that provides services related to the Real Estate Securities described in this PPM is currently registered or has notice filed with the SEC or any state regulator as an investment adviser or exempt reporting adviser under the Investment Advisers Act of 1940 (the "**Advisers Act**") or comparable state law. As a result, you will not have the protection of the Advisers Act or comparable state law based on your investments in the Real Estate Securities.

  While we believe that neither PeerStreet nor any PSI affiliate is required to register as an investment adviser based on activities related to the Real Estate securities described in this PPM, the SEC or a state regulator may ultimately disagree with our determination, in light of PeerStreet's various activities related to the Real Estate Securities, including, without limitation, how offerings of Real Estate Securities are conducted, the Automated Investing feature, and the nature of the information provided through the Platform. In addition, a PSI affiliate that conducts activities unrelated to the Real Estate Securities covered in this PPM has noticed filed with the state of California. We intend to continue to operate our business and operations related to the Real Estate Securities in a manner that does not subject any PSI affiliate to registration as an investment adviser under the Advisers Act or comparable state law, but a regulator might disagree that we do not have an obligation to register or notice file. If we were required to register, or subject to other penalties, it could disrupt our business related to the Real Estate Securities, and could result in significant costs to PeerStreet, which could have a negative effect on the Platform and the Real Estate Securities.

- We Are Not Currently Subject to Banking Regulations or Examinations. As a result, we are not currently subject to the banking regulations of any state or federal regulatory agency. We are not subject to the periodic examinations to which commercial banks and other thrift institutions are subject. Consequently, our financing decisions and our decisions regarding establishing loan loss

reserves are not subject to periodic review by any governmental agency. Moreover, we are not subject to regulatory oversight relating to our capital, asset quality, management or compliance with laws.

- Changes in Regulation of Financial Institutions May Affect Our Business. Recent legislative and regulatory initiatives have imposed restrictions and requirements on financial institutions that could have an adverse effect on our business. There has been, and may continue to be, a related increase in regulatory investigations of the trading and other investment activities of alternative investment funds. Those investigations may impose additional expenses on us, may require the attention of senior management, and may result in fines if we are deemed to have violated any regulations.

- Changes in Regulation of Internet Commerce May Affect Our Business. As online commerce develops, federal and state governments may adopt new laws to regulate it, which may negatively affect our business. The cost to comply with such laws or regulations could be significant and would increase our operating expenses, and we may be required to pass along those costs to you and other Investors in Real Estate Securities in the form of increased fees. In addition, federal and state governmental or regulatory agencies may decide to impose taxes on services provided over the Internet. These taxes could discourage the use of the Internet as a means of commercial financing, which would adversely affect the viability of the PeerStreet Platform.

- Cost of Complying with Regulations May Affect PS Issuer's Ability to Make Payments or Distributions to Investors. All Underlying Investments and the operations conducted in connection with those investments are subject to federal, state and local laws and regulations, as well oversight from independent agencies. There are various local, state and federal fire, health, life-safety, building code, zoning, environmental, and similar regulations with which lenders and borrowers may be required to comply and which may subject lenders and borrowers to liability in the form of fines or damages for noncompliance.

  For example, the presence of hazardous substances on the property, or the lack of wheelchair access, can violate various laws, rules, and regulations. Violations may exist at the time the loan is funded or may arise post-funding. Certain laws, rules, and regulations may impose joint and several liability on customers, lenders, owners or operators for fines and/or the costs to investigate and remediate, regardless of fault or whether the acts causing the violations were legal.

  In connection with the acquisition of Real Estate Securities, lenders and borrowers may be exposed to such costs in connection with such regulations. The cost of defending against claims, of any damages or fines lenders and borrowers must pay, of compliance with regulatory requirements or of remediating any related issues could materially and adversely affect returns provided to PeerStreet on Underlying Investments, which could, in turn, negatively affect the ability of a PS Issuer to make payments and distributions to Investors in the applicable Real Estate Securities.

- We Must Comply with Anti-Money Laundering Laws and Regulations. Laws intended to prohibit money laundering may require us to disclose your information or information about other Investors in Real Estate Securities to regulatory authorities. The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**PATRIOT Act**") requires financial institutions to establish and maintain compliance programs to guard against money laundering activities, and requires the Secretary of the U.S. Department of the Treasury (the "**Treasury**") to prescribe regulations in connection with anti-

money laundering policies of financial institutions. It is possible that new legislation or regulations could require us or our third-party service providers to share information with governmental authorities with respect to prospective investors in connection with the establishment of anti-money laundering procedures.

Any legislation and/or regulations like this could require us to implement additional restrictions on the transfer of the Real Estate Securities. For example, we will not consent to Investors purchasing or transferring Real Estate Securities unless we receive information necessary to verify the identity of any prospective Investor and the source of the any funds paid to us, or as is necessary to comply with any customer identification programs required by FinCEN or the SEC to comply with customer identification program rules. No Investor will be accepted by us that is named on the Treasury's list of "Specially Designated Nationals," "Blocked Persons," or "Sanctioned Countries or Individuals." In the event of delay or failure by a prospective investor to produce any information required for verification purposes, a request to transfer any Real Estate Securities may be refused.

10. Conflicts of Interest

PeerStreet may be subject to certain conflicts of interest in selling Real Estate Securities to you. The following are a list of certain potential conflicts of interest that may arise in connection with any Real Estate Securities you may hold. This list is not exhaustive, and you should carefully consider the risks associated with PeerStreet' potential conflicts of interest.

- PSI Controls PeerStreet Platform and Is Unlikely to Serve as PS Issuer. It is likely that different PS Issuers will issue Series of Real Estate Securities under this PPM over time. The Real Estate Securities will all be issued in electronic form through the PeerStreet Platform, which is owned and operated by PSI. While PSI may serve as PS Issuer, it is more likely that another PS affiliate, such as PSFLLC, will serve as PS Issuer. This means that the PS Issuer of Real Estate Securities in which you invest may be dependent on PSI to, among other things, maintain a record of and track Investors' Real Estate Securities on the PeerStreet Platform. If anything were to negatively affect the PeerStreet Platform, PSI may choose to fix certain elements of the PeerStreet Platform prior to addressing other elements of it affecting Investors in Real Estate Securities issued by a PS Issuer. For example, the PeerStreet Platform may face a cybersecurity threat, and PeerStreet may choose to protect the personal information of users of the PeerStreet Platform before protecting any information contained in its online recordation of ownership system built into the PeerStreet Platform for Real Estate Securities.

- PSI Affiliates May Receive Fees in Connection with Servicing Underlying Investments. One or more PSI affiliates may be hired by PSI, PSFLLC, PSFI or any other PSI affiliate to perform certain services and activities with respect to the Real Estate Securities described in this PPM or the Underlying Investments. These services and activities may include, among other things, loan origination, due diligence, servicing, payment processing, collections and workouts. Any PSI affiliate performing these services and activities may receive fees from another PSI affiliate as compensation. Because PeerStreet may delegate its services, duties and obligations under this PPM to any PSI affiliate, PeerStreet may receive additional revenue in connection with offerings of Real Estate Securities under this PPM through any PSI affiliate performing these services and activities. This may incentivize PeerStreet to charge higher fees for, or provide additional, services and activities with respect to, the Real Estate Securities offered under this PPM or any of the Underlying Investments, or sell Underlying Investments associated with low quality loans, regardless of the negative affect on Investors. All fees charged by PeerStreet may reduce

amounts paid to Investors. Fees charged to and/or by PeerStreet may have priority in payment over the Real Estate Securities you invested in.

- PeerStreet May Consider its Relationship With Lenders or Sponsors in Electing Which Course of Action to Follow. There may be events where third-party lenders and/or sponsors' interests and your interests are at odds, and PeerStreet may not always strictly pursue its full legal recourse against lenders and/or sponsors. For example, in the event of a breach of contract by a lender, where PeerStreet deems it detrimental to investors or its business to pursue legal action against the lender, PeerStreet may elect not to pursue its full legal rights and remedies against the lender.

- PeerStreet May Prioritize Servicing More Profitable Real Estate Securities. Real Estate Securities offered under this PPM may be sold in multiple Series and offerings, so PeerStreet may arrange and service other Real Estate Securities and Underlying Investments for other investors at the same time that Real Estate Securities are being offered to you. These Real Estate Securities may be more secure or more profitable than the Real Estate Securities offered to you or the Underlying Investments funded by them. PeerStreet may be incentivized to service more secure and more profitable Real Estate Securities before servicing less secure and less profitable Real Estate Securities, which may further negatively affect the returns on otherwise less secure or profitable Real Estate Securities.

- PeerStreet May Offer Investments to Other Investors That Are Not Available Through the Platform. PeerStreet offers a variety of investments, some of which are available through the Platform and some of which are offered through other investing programs. There is no guarantee that a particular investment opportunity will be accessible on the Platform. In addition, if all or some of the investment programs offered by PeerStreet other than through the Platform generate more fees than those offered through the Platform, or certain investments are desired by investors who pay higher fees, invest greater amounts, or are investors in PeerStreet's business, PeerStreet may have an incentive to prioritize those other programs and investors and offer any investments through them before offering them through the Platform. This could result in investors that use the Platform receiving lower quality investment opportunities.

- Poor Performing Sponsors May Affect PeerStreet's Foreclosure Decisions. PeerStreet may arrange to invest in multiple Underlying Investments for a single lender, borrower, or other sponsor of Underlying Investments. Where a sponsor with multiple Underlying Investments arranged by PeerStreet does not generate returns on one or more of those Underlying Investments (e.g., by defaulting on a single loan), PeerStreet may choose or be required to enforce or forbear from enforcing its foreclosure rights, if any, associated with Real Estate Securities held by you to your detriment to maintain its relationship with the sponsor. PeerStreet may also be incentivized in its decisions to minimize harm to PeerStreet from a single sponsor's failure, which may not result in the same decisions that would maximize returns to Investors in Real Estate Securities associated with the defaulting sponsor's failure.

- PeerStreet Has an Incentive to Fund as Many Underlying Investments As Possible. Substantially all of PeerStreet's revenues are derived from listing, origination, and servicing fees or "spreads" generated through making and arranging real estate loan investments. As a result, PeerStreet may have an incentive to fund as many Underlying Investments as possible in order to maximize the amount of fees that PeerStreet is able to generate. Increased project volume increases the demands on PeerStreet's management resources and its ability to devote adequate attention and resources to collection of payments or returns on Underlying Investments. In the event that PeerStreet takes on volumes of Underlying Investments that exceed its ability to manage them,

PS Issuer's ability to make timely payments and distributions on the Real Estate Securities will suffer.

- Investors in PeerStreet May Control Third Parties that Are Involved in the Real Estate Securities Offered Through the PeerStreet Platform. Some of the investors and principals in PeerStreet may own, control or be affiliated with entities or organizations that are involved in the Real Estate Securities offered through the PeerStreet Platform. PeerStreet may have past, present or future business or commercial relationships with any of these third parties, including lenders, borrowers or other sponsors of Underlying Investments, and these third parties may indirectly receive funds from investors through the PeerStreet Platform. PeerStreet may, in its sole discretion, conduct business with these third parties without providing any notice or disclosure to you. These arrangements may create potential conflicts of interest, as investors in PeerStreet that control these third parties may be incentivized to encourage PeerStreet to do additional business with third parties associated with those investors.

11. Where to Find Additional Information

In addition to this PPM, the other Offering Materials will be available to you on the PeerStreet Website at www.PeerStreet.com. Should you have any questions on the offerings covered by this PPM, the Real Estate Securities being offered or any of the above materials, please do not hesitate to contact PeerStreet through the Platform or as follows:

Peer Street Funding, LLC.
2121 Park Place, Suite 250
El Segundo, CA 90245
info@PeerStreet.com

You can also access and review information about any Real Estate Securities you hold through your PeerStreet account on the PeerStreet Platform by logging into your Dashboard. From your Dashboard, you can review your PeerStreet account statement and review messages from PeerStreet. PeerStreet may communicate with you through the PeerStreet Website at www.PeerStreet.com or through email if there are material developments regarding your Real Estate Securities and any Underlying Investments tied to those Real Estate Securities that we deem necessary to transmit. PeerStreet, either directly or through a third-party custodian, will maintain possession of all original documents for the Underlying Investments and related security instruments, to the extent not held by the originators.

End of Master PPM Document

ADDENDUM #1 TO PRIVATE PLACEMENT MEMORANDUM
May 22, 2020

COVID-19 and future pandemics may negatively impact our business operations and it is difficult to predict the full extent of such effects.

The spread of pandemics and disease across the world has resulted in the temporary closure of many corporate offices, county recording offices, courts, and other venues, as well as the implementation of travel restrictions and remote working, quarantine, and similar policies by numerous companies and national and local governments. These actions have impacted companies' ability to conduct their business activities efficiently and has impacted companies' ability to access liquidity and funding. The overall impact of COVID-19 on the operations of the Company and our performance is difficult to predict. Any potential impact on such operations and performance will depend to a large extent on future developments and actions taken by authorities and other entities to contain COVID-19 and its economic impact.

COVID-19 and future pandemics may negatively impact investment performance and the reliability of property valuations.

Real estate lending, servicing, asset management, and investment companies' activities and performance may be materially impacted by the COVID-19 pandemic. Restrictions on travel and gatherings have resulted in the closure of many county recording offices, title agencies, courthouses, and other venues. As such, lending activity may slow down significantly, potentially making it more difficult for borrowers to refinance their properties or for buyers to obtain acquisition loans. Timelines to record documents and/or resolve delinquent loans may also be impacted indefinitely. Property valuations reflect opinions of value and are inherently subjective, but pandemics can increase their volatility and uncertainty. Appraisers and brokers may not have physical access to the properties and market participants may not be willing to transact until prices stabilize. These potential impacts, while uncertain, could adversely affect the performance of our investments.

FOR OFFERINGS OF REAL ESTATE SECURITIES THROUGH THE

PeerStreet Platform

PPM SUPPLEMENT:
MORTGAGE-PAYMENT-DEPENDENT NOTES ("MPDN")
OFFERED BY PEER STREET FUNDING, LLC

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1. About this PPM Supplement

This PPM Supplement provides information on the Mortgage-Payment-Dependent Notes, or MPDNs, that PeerStreet intends to offer, and issue through its affiliate Peer Street Funding, LLC, or PSFLLC, from time to time, in one or more Series, and describes the specific risks associated with MPDNs. In general, as described in more detail below, the MPDNs provide investors the indirect right to payments made by a borrower on an underlying loan.

In this PPM Supplement, unless otherwise specified or required by context, we use the following terms:

- "**Borrower**" is a borrower that ultimately receives funds from an underlying loan originated or purchased by a lender that requested that underlying loan be funded by PeerStreet through an offering of Series of MPDNs as described in this PPM Supplement;

- "**Investors**" are holders of MPDNs;

- "**Form Instrument**" refers to the form of MPDN available as an exhibit following this PPM Supplement;

- "**Lender**" is any third-party or PeerStreet-affiliated lender, broker, or real estate company that requests funding for Underlying Investments;

- "**MPDNs**" are debt securities issued by PSFLLC in one or more Series of notes that provide Investors with the right to receive certain interest and principal payments that are dependent on an underlying loan, as set forth on the applicable Listing for a Series of MPDNs;

- "**PeerStreet**" refers collectively to PSFLLC, PSI, PSFI and any PSI affiliate;

- "**PeerStreet Platform**" is the investing platform sponsored by PeerStreet that is described in the PPM;

- "**PPM**" is the private placement memorandum associated with this PPM Supplement that summarizes the terms and conditions for various offerings of Real Estate Securities, including MPDNs, through the PeerStreet Platform;

- "**PPM Supplement**" is this supplement to the PPM for MPDNs that summarizes the terms and conditions of the MPDNs and describes the specific risk factors that apply to MPDNs;

- "**PSFLLC**" is Peer Street Funding, LLC, a Delaware limited liability company, and is the issuer of MPDNs offered under the PPM and this PPM Supplement;

- "**PSFI**" is PS Funding, Inc., a Delaware corporation. For purposes this MPDN PPM Supplement, any reference to PSFI shall also include other PSI Affiliates whose role and structure will be similar to PS Funding, Inc.'s;

- "**PSI**" is Peer Street, Inc., a Delaware corporation;

- "**PSI Affiliate**" is any affiliate of PSI, PSFLLC or PSFI; and

- "**Underlying Loan**" is a specific mortgage loan that one or more lenders requested to be funded and/or that is originated, purchased or co-invested in by PeerStreet. Such loans may be senior, junior, tranched, or otherwise vary in priority, term, and other conditions.

Any capitalized term not defined in this PPM Supplement shall have the same meaning as in the Master PPM. This PPM Supplement contains summaries of the other Offering Materials related to the MPDNs being offered. You should refer to the other Offering Materials for complete information. Each time we offer a Series of MPDNs, we will also prepare a Listing—which will be posted to the PeerStreet Website—with specific terms for and relevant information about that Series of MPDNs, the terms of the Underlying Loan, the lender and the borrower, the priority of the Underlying Loan, and the nature of any security interest (if any) in the Underlying Loan.

All summaries in this PPM are qualified in their entirety by reference to the other Offering Materials. Please refer to "Where to Find Additional Information" in the PPM for information on how to contact PeerStreet for additional information. You should consult the applicable Listing and Form Instrument for the Series of MPDNs being offered in order to review and evaluate the specific terms and conditions that apply to that Series of MPDNs.

2. About the MPDNs We May Offer

The MPDNs are notes that provide Investors the indirect right to payments that are made on an Underlying Loan described in a given Listing and offered in a given Series. The MPDNs are originated and structured as described below.

PeerStreet works with numerous Lenders that source borrowers and lending opportunities. Lenders may fund Underlying Loans independently and then sell them to PeerStreet, or request that PeerStreet fund the loan at origination. On some occasion, Borrowers may directly request funding from PeerStreet. Once PeerStreet receives a funding request, it will begin performing its own data-driven diligence on the Underlying Loan and the associated borrower. PeerStreet will review, among other things, the lender's or borrower's prior use of the PeerStreet Platform, as well as other information regarding the borrower, underlying property, and loan. Such information may include the loan purpose, the borrower's credit score, third-party opinions of value, and other information.

Based on its evaluation of these and other factors, PeerStreet may originate, purchase, or participate in a loan and offer it on its Platform through the sale of MPDNs. PeerStreet operates a marketplace and its decision to fund a loan is neither indicative of that loan's creditworthiness nor a recommendation to invest in a corresponding MPDN. PeerStreet will create a Listing for the MPDNs and seek funding for the Series. In the Listing, PeerStreet will provide information relevant to the investment, such as, among other things, the property associated with the Underlying Loan, the priority of the Underlying Loan, the principal amount of the Underlying Loan and certain information regarding the borrower.

PeerStreet generally only closes offerings of Series of MPDNs if the requested Series amount for the loan is realized. PeerStreet does not recommend any investments in MPDNs or the Underlying Loans. Investors using the PeerStreet Platform are solely responsible for their decision to invest, or not invest, in any Real Estate Securities.

PSFLLC is the issuer of the MPDNs, but PSFLLC may not itself purchase or hold any Underlying Loans tied to MPDNs. Though PSFLLC may directly hold Underlying Loans tied to MPDNs, it may alternatively enter into participation agreements with affiliated entities, who in turn hold those loans. For example, after PSFLLC receives investors' investments, it may transfer those investments to its affiliate, including PSFI, in consideration for a whole participation interest in the Underlying Loan. These participation interests would grant PSFLLC the right to, among other things, receive payments from the borrower payable on the Underlying Loan and/or engage in collections or related efforts in the case of default. Under this structure, PSFI retains title, legal ownership, and some servicing rights with respect to the Underlying Loan. Information related to which entity holds the loans and whether PSFLLC has collections or foreclosure rights will be provided in the applicable Listing.

As holder of or participant in the Underlying Loans, PSFI receives payments from borrowers on the Underlying Loans. As payments are received by PSFI, PSFI first uses these funds to pay out fees and expenses, including, without limitation, PeerStreet's own fees, and then transfers the remainder, if any, to PSFLLC under the terms of the participation. Investors in MPDNs are, in turn, entitled to receive these net payments from PSFLLC. In situations where PSFLLC directly holds legal title to the Underlying Loan, in addition to the rights it would hold if it held a whole participation in the Underlying Loan, it may still retain PSFI as master servicer and payments may first flow through PSFI in that capacity. Section 3 below provides greater insights into fees, costs, and priority of payment.

While PeerStreet generally uses the participation structure to lower PSFLLC's exposure to certain bankruptcy risks, you should note that PSFLLC will not have entered into a contract with the lender directly and PSFI is not a bankruptcy-remote entity. In situations where PSFLLC holds legal title to the Underlying Loans, it may still retain PSFI to perform certain servicing-related functions.

3. Summary of Terms

This summary provides key terms of the MPDNs and highlights selected information contained elsewhere in or incorporated by reference into this PPM Supplement. It does not contain all of the information that you should consider before making an investment decision. For a more complete understanding of the applicable offering of a Series of MPDNs, you should read the entirety of this PPM Supplement, the PPM, the Listing and Form Instrument for that Series of MPDNs, and the Investor Agreement. Please read this PPM Supplement and the PPM in their entirety (including the risk factors described in the "Risk Factors Related to the MPDNs" section of this PPM Supplement and the "General Risk Factors" section of the PPM for more information about important factors you should consider before investing in the MPDNs).

Issuer	Peer Street Funding, LLC, a Delaware limited liability company, or PSFLLC.
MPDNs Offered	MPDNs, to be issued in Series, with each Series of MPDNs corresponding to a specific Underlying Loan that provides PeerStreet with the right to receive payments of principal and interest from the borrower. Investors are entitled to receive principal and interest payments from PSFLLC, net of applicable fees and expenses, from amounts PeerStreet receives on that Underlying Loan. **Neither PSFLLC nor PeerStreet has any obligation to make any payments on MPDNs, unless, and only to the extent that, PeerStreet has received payments from the applicable borrower on that Underlying Loan, net of any applicable fees and expenses. Neither PSFLLC nor PeerStreet guarantees Investors will receive payments on MPDNs or that borrowers will pay PeerStreet amounts due on Underlying Loans, in accordance with the applicable Listing.**
Purchase Price	Unless specified otherwise on any given Listing, the purchase price for any MPDNs you purchase through the Platform will equal 100% of the principal amount of the MPDN that you decide to purchase. The MPDNs, and your rights as an investor in the MPDNs, are at all times subject to the Investor Agreement, which will also be available on the Platform for your reference and review. You must commit to purchase the MPDN through the Platform prior to the closing of the applicable Series. At the time you commit to purchase an MPDN, you must have sufficient funds in your account with PeerStreet to complete the purchase.
Underlying Loan and Security Interest Therein	PeerStreet expects each Underlying Loan will be secured by a deed of trust, mortgage, security agreement or legal title to the underlying real estate. The Underlying Loans will be whole mortgage loans, unless the Listing indicates otherwise. The loans are either originated by third-party lenders and purchased (in whole or in part) by PSFI (an affiliate of PSFLLC) or are originated by PSFI itself. PSFLLC may elect to either purchase loans from PSFI, to participate in loans (or whole participations in loans) held by PSFI, or to participate in portions of loans shared by PSFI and third-party lenders. In cases where PSFI or PSFLLC holds only a partial participation in an Underlying Loan, it may not have the ability to foreclose on a loan. In addition, in certain cases PeerStreet may not have first priority of payment relative to other loans or other obligations on a property, meaning that the holder of loans or portions of loans with higher priority will receive payments before PSFLLC or PSFI. In scenarios where PSFI holds the Underlying Loans or participates in the Underlying Loans with other lenders, it will then issue participations to PSFLLC that provide PSFLLC the right to some of PSFI's economic interests in the Underlying Loan (net of fees and costs). In any case, Investors in the associated MPDNs will have the right to payments received by PSFLLC under the participation.

	The Listing for each Series of MPDNs will describe the Underlying Loan in more detail. The Listing for each Series of MPDNs will be available to you on the PeerStreet Website. In the event of a borrower default, PSFI, PSFLLC, or an affiliate or third-party participating Lender, may need to foreclose on the underlying real estate or sell the Underlying Loan, potentially at a loss, and such risk of loss is borne by you, as an Investor in the MPDNs. If PSFLLC does not have foreclosure rights, its ability to collect payments will be dependent on a third party with that authority, and you may incur losses based on that third party's efforts or lack thereof. In other words, payment to Investors in any Series of MPDNs is entirely dependent on PeerStreet receiving payment from the borrower associated with the Underlying Loan or on the liquidation of the loan or collateral securing the loan. Investors are bound by PeerStreet's or a third party's, as applicable, good faith decision-making regarding the servicing, managing, and disposition of any Underlying Loan.
No Security Interest Held by Investors in MPDNs	Investors in MPDNs will not have any security interest in the assets of PSFLLC, PSFI, PeerStreet, any borrower or lender, any Underlying Loan, any proceeds from any Underlying Loan or in the assets of any borrower or lender (including any PSI affiliate acting as lender) associated with any Underlying Loan. MPDNs will be unsecured special, limited obligations of PSFLLC. The priority and security interest of an Underlying Loan in the property securing it will be disclosed in the applicable Listing.
Interest	Subject to the limitations described in this PPM Supplement, the amount of interest an Investor will receive may vary among the Series of MPDNs tied to an Underlying Loan. Generally, MPDNs will bear interest from the date of issuance and different Series of MPDNs may have different interest rates. PeerStreet anticipates interest will be at a fixed or variable rate and tied to a specific mortgage loan constituting the Underlying Loan for that Series of MPDNs. You should consult the applicable Listing for each Series of MPDNs—a copy of which will be posted on the PeerStreet Website—to determine the applicable interest rate for that Series of MPDNs.
Interest Payment Dates	Each Series of MPDNs will state the type of periodic payments (monthly, quarterly, etc.) applicable to that Series of MPDNs. Typically, PeerStreet holds the right to receive interest payments on the Underlying Loans on certain, set due dates. PeerStreet, directly or through a third-party servicer, expects to receive these payments within ten business days of the due dates. Once interest payments are received in its bank account, PSFLLC will distribute the funds, net of applicable PeerStreet fees and any other recoverable fees and costs, pro rata to Investors' PeerStreet accounts as soon as practicable. In its sole and absolute discretion, PSFLLC may elect to advance distributions of funds to Investors after a third-party servicer acknowledges receipt of funds, but before those funds are actually transferred to PSFLLC. In such an event, should the

	funds advanced not have actually been collected by the servicer, PSFLLC reserves the right to reverse the distribution and/or offset the distribution at a later time. In the event PeerStreet receives interest payments on Underlying Loans after the applicable payment dates, PSFLLC will deem the payment date of a Series of MPDNs to be the same as the dates applicable to the Underlying Loan. Final proceeds collected by PSFLLC will be distributed to Investors, net of any fees, charges and reimbursements of advances payable to PeerStreet, as soon as practicable.
Principal Payment Dates	The payment process upon maturity and PSFLLC's treatment of the maturity date will occur in the same way for principal payments as described above for interest payments. Loans may be paid off by a borrower prior to their maturity date, in which case, interest will usually only be payable by the corresponding borrower through the payoff date. In such scenarios, Investors may not receive as much interest as anticipated.
Limitations on Payments of Interest and Principal	All payments made to Investors will be net of any fees and expenses, charges or other reimbursements payable to PeerStreet or any PSI affiliate. Principal and interest payments will only be made to Investors by PSFLLC to the extent that PeerStreet receives payments on the Underlying Loan, in all cases subject to the payment or repayment of any PeerStreet fees, costs, or other fees advanced by PeerStreet in connection with collection or similar efforts made with respect to the Underlying Loan. To the extent PeerStreet has not received all (or a portion) of a required payment on the Underlying Loan, PSFLLC will not make all (or that corresponding portion) of payments to Investors in the Series of MPDNs tied to that delinquent or defaulted Underlying Loan. Investors will have no rights with respect to the Underlying Loan and any event of default on that Underlying Loan by the borrower. In the event the Underlying Loan is serviced by a third-party servicer (whether or not affiliated with PeerStreet), that servicer may charge a servicing fee on amounts collected, which will be paid prior to any interest payment being made to Investors.
Fees	<u>Standard Fee Paid to PeerStreet</u> For each Series of MPDNs, PeerStreet anticipates that it will receive a portion of the proceeds generated by the Underlying Loan or corresponding property as a fee for its efforts servicing and providing other services with respect to the Underlying Loan and the MPDNs (the "**Standard Fee**"). The Standard Fee may be collected in installments from interest payments and principal repayments or, in the event of default, upon the sale of the underlying property or other liquidity event. PeerStreet's Standard Fee is earned on a daily basis and is payable prior to any disbursements being made to Investors. PeerStreet generally expects that its Standard Fee will be between 0% and 2% (annualized) of the loan amount, but the Standard Fee may vary beyond this range. Some factors affecting the size of the Standard Fee include, without limitation, liquidity premiums and seniority premiums, where applicable. The applicable Standard Fee for any Series of MPDNs

	will be specifically identified on the PeerStreet Website and/or the applicable Listing. Additional Fees and Charges Paid to PeerStreet by Third Parties At the time of origination or loan purchase, PeerStreet may collect origination fees from the Borrower or Lender. Once a loan is purchased, PeerStreet may also retain any deferred origination fees, pre-negotiated exit fees, late fees, and other similar fees and charges, if any. Fees Shared with Investors Borrowers may also be required to pay extension fees, prepayment penalties, forbearance fees, and/or default interest (collectively, "**Shared Charges**"). PeerStreet will share any collected Shared Charges equally with Investors. Other Fees; Foreclosure PSFI may hire affiliated entities to perform certain activities associated with MPDNs, and these affiliates may receive fair, market-rate compensation for those services. Such fees may be paid out of funds that would otherwise go to Investors and may affect returns on the Underlying Loan. Non-sufficient funds or other unsuccessful payment fees shall be fully retained by PeerStreet or third-party servicers. In the event of foreclosure, PeerStreet may recover the aforementioned fees from the sale proceeds and will share equally with the Investors any net gain on sale. Interests Held by PeerStreet PeerStreet may fund and retain an interest in the Underlying Loans. If so, it will receive returns based on those Underlying Loans alongside, and on similar terms, to Investors.
Advances and Expenses	Throughout the life of any given investment, including post-foreclosure if the ownership of underlying property reverts to PeerStreet after foreclosure or work-out ("real estate owned" and/or "REO"), PeerStreet may, in its sole and absolute discretion, elect to advance certain fees, taxes, costs, and expenses to protect its security interest and/or the property ("Advances"). For example, without limitation, if PeerStreet is made aware that the property insurance policy on a given property has lapsed, PeerStreet may elect to bind a new policy to protect the collateral. Other examples of advances that PeerStreet may elect to make include, without limitation: (i) foreclosure related fees and costs (such as attorneys' and property management fees), (ii) property taxes, (iii) property maintenance and/or repairs, (iv) broker fees, (v) miscellaneous legal or other professional fees and expenses, (vi) other encumbrances, etc. In order of make advances, PeerStreet may need to take loans from third-parties or related entities, in

	which case these loans may have priority in repayment over funds to be distributed to Investors. PeerStreet may make these advances when, in its sole and absolute discretion, it determines in good faith that making these advances will ultimately be the most effective course of action with respect to the returns on an Underlying Loan. PeerStreet is under no obligation to make any advance, and PeerStreet's decisions regarding when to make an advance may differ from what an Investor would do. PeerStreet may also, in its sole and absolute discretion, reduce or waive some fees and costs. When PeerStreet elects to make advances, it shall be entitled to recover such advances prior to any payments being made to Investors. Advances will be reimbursed prior to any funds being distributed on MPDNs. Any advances made by PeerStreet will, at PeerStreet's sole discretion, bear interest at reasonable rates, not to exceed the maximum rate allowed by law, and will be reimbursable to PeerStreet upon receipt of funds from the applicable borrower, sale of the property, or other source of funds.
Defaults and Deferrals	Pursuant to the terms of the applicable Underlying Loan, the borrower may have a grace period from the date that payments are due to PeerStreet. After the expiration of any grace period and/or in accordance with applicable state law, PeerStreet or its retained servicing provider will generally notice the borrower of any delinquency. If that borrower does not reinstate the loan or adequately respond to the notice of delinquency within a reasonable time, then in accordance with state law, to the extent that PeerStreet has foreclosure rights, PeerStreet or its retained service provider generally will initiate legal proceedings, if applicable, with respect to the Underlying Loan. PeerStreet may exercise its discretion in the timing of the filing of any legal action and may also exercise its discretion in the timing of any foreclosure under the power of sale contained in the applicable security instrument (if any), including granting extensions of the foreclosure date. If PeerStreet does not hold foreclosure rights, it will be dependent on any third party that does to make decisions regarding when to initiate and how to conduct those proceedings. Where PeerStreet has such rights, PeerStreet retains the authority to grant appropriate payment deferrals or waivers based on its overall assessment of the borrower, the Underlying Loan and market conditions generally. In such cases, the payment terms of MPDNs will be correspondingly adjusted, deferred, or waived, and PeerStreet will communicate any relevant adjustment to you through the PeerStreet Website.
Term	The term of MPDNs may vary by Series as may the term of the Underlying Loan. PeerStreet anticipates that the term of MPDNs will generally be the same as the term of the Underlying Loan. PeerStreet anticipates the applicable term will typically range between one months and five years, but the exact term for any Series of MPDNs offered under this PPM Supplement and the PPM will be listed on the Listing for that Series of MPDNs. The term may be automatically modified, concurrently with the term of

	the Underlying Loan, so as to make the MPDN and the Underlying Loan co-terminus.
Maturity	MPDNs in each Series will mature upon the maturity date of the Underlying Loan, unless any payments of that loan remain due and payable after the loan's maturity date. If there are amounts owed to PeerStreet on the Underlying Loan at the end of the initial maturity date provided in the Listing, the term of MPDNs may be extended to allow for more time for PeerStreet to receive further payments due on the Underlying Loan and for Investors to thus receive further interest payments on the corresponding MPDNs. If any of those payments are delinquent and remain due and payable on that date, the maturity of MPDNs will be automatically extended to the time when all payments from the Underlying Loan are received by PeerStreet, unless PeerStreet determines, in our sole discretion, to amend, modify, sell (at a gain, par, or loss), or write off the Underlying Loan at any time. If PeerStreet chooses to exercise our discretion accordingly, then MPDNs may not reach the stated maturity date. In the event of a foreclosure sale, unless PeerStreet determines otherwise in accordance with the terms of this section, the term of the MPDN will further extend until the underlying property is sold and all collection efforts have ceased. For the avoidance of doubt, PeerStreet will use commercially reasonable efforts to negotiate and/or will pursue collection efforts with respect to any delinquent or defaulted Underlying Loan. To the extent that PSFLLC is able to receive payments on any delinquent or defaulted Underlying Loan, it will distribute that unpaid interest to Investors, net of any applicable fees and expenses.
Ranking	MPDNs will not be contractually senior to any other indebtedness incurred by PSFLLC or PeerStreet. MPDNs will be limited, unsecured obligations of PSFLLC only and are not obligations of any borrower or lender (including any PSI affiliate acting as lender) associated with any Underlying Loan.
No Sinking Fund	MPDNs will not benefit from any sinking fund, which is a means of repaying debt through the issuance of a debt instrument requiring periodic payments to a trustee who retires part of that debt by purchasing the debt in the open market.
Denomination	Each MPDN will be denominated in U.S. dollars.
Issuance, Form and Registration of Ownership	The exact form of MPDN for each particular Series of MPDNs offered by PSFLLC under this PPM Supplement and the PPM will vary based on the terms and conditions of that Series of MPDNs. Because certain terms (e.g., issuance date) of a Series of MPDNs may not be known until all funding commitments have been received and the closing for that Series of MPDNs has occurred, the Form Instrument for each MPDN will simply be posted on the PeerStreet Website, along with the applicable Listing, this PPM Supplement, the PPM and the Investor Agreement. After the closing of a Series of MPDNs, PSFLLC will create a final form of note for the MPDNs, which will be available on an Investor's Dashboard.

	PeerStreet will treat the Investors in whose names MPDNs are registered as the owners of MPDNs for the purpose of receiving payments and for all other purposes. MPDNs are issued in electronic form on the Platform as soon as practicable after completion of funding and due diligence, and you will not receive a physical instrument. Instead, the MPDNs you have purchased are visible through your account on the Platform. There, you can view the number of MPDNs you own, as well as other details, such as the interest rate and interest payment date.
Use of Proceeds	For each Series of MPDNs offered, the proceeds will be used, net of any applicable fees and costs, to facilitate the funding of a specific loan or investment purchased and held by PeerStreet.

4. Our Diligence Process

PeerStreet does not provide investment advice or make any representation as to any Underlying Loan's desirability. In performing diligence, PeerStreet generally limits its role to reviewing mortgage loan files associated with the borrower on the loan, obtaining some background information for the borrower, obtaining third-party opinions of value for any underlying real estate, and obtaining title insurance or coverage protection letters. Despite its good faith efforts in performing this diligence, however, PeerStreet cannot guarantee accuracy, absence of mistakes, and/or outcomes.

After performing the above diligence, PeerStreet will decide whether to purchase or fund the loan and whether it will subsequently offer and issue MPDNs that will entitle Investors in those MPDNs to receive certain payments or distributions that will be indirectly or directly tied to that borrower repaying funds to PeerStreet. PeerStreet may also have other sources of capital and/or other third-parties seeking to purchase interests in (or all of) its loans. PeerStreet will apportion investment opportunities, based on allocation processes developed in its sole and absolute discretion, among all such parties.

While PeerStreet evaluates and analyzes all Underlying Loans, you should perform your own respective due diligence and should not rely on any evaluation or analysis performed by PeerStreet. You should independently assess the risks associated with any investment, including, without limitation, repayment risk associated with the borrower, market risk associated with the property, value of the security interest in the Underlying Loan held as collateral, and regulatory, casualty and environmental risks.

5. Risk Factors Related to MPDNs

Investing in the MPDNs involves a high degree of risk. In deciding whether to purchase MPDNs, you should carefully consider the following risk factors ***in addition to those risk factors provided in the "General Risk Factors" section of the PPM****. Any of the following risks could have a material adverse effect on the value of the MPDNs you purchase and could cause you to lose all or part of your purchase price or could adversely affect future payments you expect to receive on the MPDNs. Only investors who can bear the loss of their entire purchase price should purchase MPDNs.*

Consider carefully the following risks related to the structure of the MPDNs specifically:

- You May Not Receive Interest Payments. If PeerStreet does not receive all or part of the payments on the Underlying Loans relating to your MPDNs, you will not receive the full principal and interest payments that you expect to receive on your MPDNs, and you may not recover your original investment. Although we will seek to protect our investment in any

underling investment through various strategies, those strategies will vary by type of and Series of MPDNs offered and may not provide full protection, if any.

If an Underlying Loan becomes past due or is otherwise in default, PeerStreet may need to extend the borrower's time to payoff the loan, structure alternative settlements and resolutions, and/or enter into foreclosure proceedings (where it has foreclosure rights) against the relevant borrower. Foreclosure proceedings are costly and PeerStreet may need to advance funds to cover such costs. In that event, any costs advanced by PeerStreet may be reimbursed prior to any funds being distributed to Investors. Foreclosure and/or real estate owned ("REO") holding costs alone may significantly, or completely, impair the value of your investment. If a third party controls foreclosure, the success of its efforts (if any) to foreclose may also negatively affect your returns.

In certain cases, we may not be able to recover any of the unpaid balance even if an Underlying Loan is fully secured. As a result, an Investor that purchased an MPDN from the corresponding Series of MPDNs may receive little, if any, of the unpaid principal and interest payable on that MPDN. You must rely on PeerStreet's collection efforts or any applicable collection agency to which we refer Underlying Loans in default. YOU MUST NOT ATTEMPT TO CONTACT THE ORIGINATING LENDER, BORROWER, OR THIRD-PARTY SERVICE PROVIDERS, WHETHER OR NOT RETAINED DIRECTLY BY PEERSTREET, FOR ANY PURPOSES, INCLUDING, BUT NOT LIMITED TO, COLLECTION EFFORTS.

- Security on, or Participation in, Underlying Loans Does Not Eliminate Risk of Default. As noted above, the security or participation we obtain for certain Underlying Loans does not remove the risk associated with default. Underlying loans will be generally (but not always) secured by a lien security interest such as a mortgage, deed of trust or security deed on the underlying real estate. The exact type of security interest related to a particular Underlying Loan will involve specific types of risk in terms of realizing on the collateral in the event that the borrower defaults. These risks include, among others, completion costs for incomplete projects, an owner's ability to lease out office space, or difficulties in selling the underlying property or obtaining a refinance loan. These risks are not mitigated by foreclosure, even where PeerStreet has foreclosure rights.

  If an Underlying Loan becomes past due or is otherwise in default, PeerStreet or a third party may need to foreclose on any property tied to that Underlying Loan at a foreclosure sale unless the property is purchased by a third-party bidder at the foreclosure sale. In certain cases, PeerStreet may act as manager for the foreclosed real estate, and the costs of foreclosure may be advanced by PeerStreet, but if PeerStreet cannot quickly sell such property and the property does not produce any significant income, the cost of owning, maintaining, and selling the property would reduce any proceeds gained through the sale. If the foreclosed property cannot be sold for net proceeds that can fully return the outstanding amount of the Real Estate Securities, then you may lose all or part of your investment.

  Foreclosure statutes vary widely from state to state. Properties tied to defaulted Underlying Loans will need to be foreclosed upon in compliance with the laws of the state where any underlying property is located. Many states require lengthy processing periods or the obtaining of a court decree before a mortgaged property may be sold or otherwise foreclosed upon. Further, statutory rights to redemption and the effects of anti-deficiency and other laws may limit the ability for PeerStreet or a third party to timely recover the value of the Underlying Loan in the event that a borrower defaults on an Underlying Loan. A bankruptcy of the borrower will prevent PeerStreet from exercising its foreclosure remedy promptly.

Where an Underlying Loan is secured, if the borrower or any other party claiming to have some form of interest in the property or Underlying Loan enters bankruptcy, all proceedings and collection efforts against the property are automatically stayed. This stay will prevent PeerStreet from foreclosing on the property (even where it has such rights) unless relief from the stay can be obtained from the bankruptcy court, 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 from the bankruptcy court and, even if such relief is ultimately granted, it may take several months or more to obtain. In such event, PeerStreet will be unable to promptly exercise its foreclosure remedy and realize any proceeds from a property sale.

Bankruptcy courts have broad powers to permit a sale of the real property free of PeerStreet's lien, to compel PeerStreet to accept an amount less than the balance due under the Underlying Loan and to permit the borrower to repay the loan over a term which may be substantially longer or at different interest rates than the original terms of the Underlying Loan.

- If PeerStreet Does Not Have Foreclosure Rights Related to an Underlying Loan, PeerStreet Will Not Control the Process of Collecting in the Case of Default. In situations where PSFI participates in loans with other lenders, as opposed to acquiring the entire loan, its ability to make decisions in the foreclosure process may be limited. Although PSFLLC will be owed its share of economic interest in the Underlying Loan, other participating parties may control the servicing or asset management processes. This may decrease Investors' returns, due to our dependence on such third-parties' management ability.

- Our Security Interest in Underlying Loans May Decline in Value. If we have a security interest in an Underlying Loan, that security interest may decline in value. The value of our security interest will be subject to the risks generally incident to the ownership of improved and unimproved 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. Many real estate companies expect to use resale proceeds to repay their loans. A decline in property values could result in loan amounts being greater than the associated property value, which could increase the likelihood of the borrower failing to make payments on the Underlying Loan. Factors negatively impacting the property, such as, without limitation, deferred maintenance, upkeep costs, lack of occupancy, etc., may completely eradicate the value of the security interest and/or the property itself.

- Our Security Interest May Not be Valid or Have the Stated Priority. Listings on the Platform will typically outline the security interest that PSFI will have in connection with any given loan. Such information represents the security interest that PeerStreet determines it has in the property, but such determination may be wrong. For example, without limitation, borrowers may acquire title to the underlying via fraud or forgery, which may invalidate any security interest that borrower has granted. As another common example, without limitation, there may be prior liens against the property that PeerStreet believed to be paid off and which may foreclose out PSFI's lien. Generally, PeerStreet will procure title insurance policies to protect against these types of risks, but title insurance companies may refuse to disburse insurance proceeds, may disburse a smaller amount than the Underlying Loan, and/or may take years to issue payment on a policy. PeerStreet may also, in its sole and absolute discretion, elect to advance funds to satisfy senior liens and/or to defend its security interest in court, which advances would be repaid before any funds were disbursed to you.

- An Underlying Loan May Not Have First Priority of Payment, Which May Affect Returns. In certain cases, a Series may be associated with an Underlying Loan that does not provide PSFLLC

or PSFI as holder first priority to receive payments. In such cases, PSFLLC or PSFI will only receive payments as provided for in the terms of the Underlying Loan, after the holders of any higher priority loans receive all funds they are entitled to. In some cases, this could mean that PSFLLC or PSFI receive reduced or no payments based on the Underlying Loan or the MPDNs, because there are insufficient cash flows generated to reach PSFLLC or PSFI. If a third-party with higher priority forecloses on the borrower, your investment may be completely lost and valueless.

- PeerStreet May Retain Funds for Payment of Certain Fees. PeerStreet may retain a portion of funds received from the relevant borrower to pay any non-sufficient funds fees, attorneys' fees or collection fees incurred by us or imposed by any third-party service provider or collection agency in connection with collection efforts. If any of these fees are collected or imposed, it may reduce your return. Under the terms of the MPDNs, if PeerStreet does not receive any or all payments on the Underlying Investment, payments on your MPDNs will be correspondingly reduced in whole or in part. If the relevant borrower does not make a payment due to us on any specific payment due date, or if the payment isn't sufficient to cover advances, fees, and costs, no payment will be made on your MPDNs on the corresponding succeeding MPDN payment date.

- All MPDNs Offered Are Unsecured. All MPDNs offered under this PPM are special, limited obligations of PSFLLC only and are not secured by any collateral or guaranteed or insured by any governmental agency or instrumentality of any third party. While Underlying Loans may be secured by a mortgage, deed of trust, security agreement, legal title, personal guarantee or other mechanism, MPDNs will not represent an obligation of the borrower, original lender or any other third party except PSFLLC. Investors may look only to PSFLLC for interest payments on MPDNs. Furthermore, if a borrower fails to make any payments on the Underlying Loan, Investors in MPDNs tied to that Underlying Loan will not receive interest payments from PSFLLC on those MPDNs. You will not be able to pursue collection against the borrower and are prohibited from contacting the borrower about the Underlying Loan.

- PeerStreet Pools Participations and Underlying Loans Which Creates Risks. PSFLLC pools the participations it receives from PSFI with respect to MPDNs, and PSFI pools Underlying Loans it holds that are associated with MPDNs. It is possible that if either PSFLLC, PSFI or any PSI affiliate became bankrupt that Investors in MPDNs would be unable to recover their investment, as claimants against PSFLLC, PSFI or the applicable PSI affiliate may claim all participations and Underlying Loans were commingled and, thus, should not be treated as segregated assets for purposes of that PeerStreet entity's dissolution under bankruptcy law. If a court commingles PeerStreet's assets, creditors may make claims against assets that would otherwise have been used to make payments to Investors. If this were to occur, you may be unable to recover all or part of your investment in MPDNs. If PSFLLC becomes bankrupt, but not PSFI, you may be unable to receive payments on your MPDNs. If PSFI becomes bankrupt, but not PSFLLC, PSFLLC may be unable to recover payments from PSFI and, in turn, would be unable to make payments to Investors in MPDNs. Alternatively, if PeerStreet were sued by borrowers, other parties related to the Underlying Loan, Investors, etc., assets pooled into same accounts may be exposed to such risks. If PeerStreet were to run out of funds, it may also be unable to make advances to protect its or Investors' interests in the Underlying Loans.

- Other Investors May Receive Better Terms. Because the interest rate for MPDNs will vary for each Series, the yield an Investor earns on one Series of MPDNs may differ from the yield earned by Investors in other Series of MPDNs. In addition, PeerStreet may offer different terms on MPDNs related to the same Underlying Loan, meaning that different Investors may have different terms and/or priorities even though the Underlying Loan is the same. PeerStreet also reserves the

right to offer incentives to individuals or classes of individuals, in the form of online promotions that are open to all investors (but only certain investors participate in) or on a discretionary basis to individual investors. These incentives may increase the rate of return for Investors who receive them.

Consider carefully the following risks related to PSFLLC's dependence on the borrowers of Underlying Loans:

- Defaulting Borrowers. If a borrower remains in default on any Underlying Loan and fails to cure that default after a reasonable period of time, then PSFI or PSFLLC may foreclose on the real estate corresponding with that Underlying Loan, in cases where PSFI or PSFLLC has such rights. PSFI or PSFLLC might have difficultly enforcing its foreclosure rights, however. The terms with respect to default and foreclosure will vary with each Series of MPDNs and each Underlying Loan. Some states have far longer and costlier foreclosure processes than others. It is the Investors' responsibility to familiarize themselves with various states' foreclosure laws prior to making an investment in MPDNs. Even if PSFI, or another PeerStreet entity or third-party participant, can successfully foreclose on a property, it may not be able to then sell the collateral for prolonged periods of time or to recover all (if any) funds back from such a sale.

- PeerStreet May Provide Additional Financing to Borrowers. PeerStreet may provide multiple loans to any given borrower, to be used on any number of projects. Such other loans extended by PeerStreet to a specific borrower will generally not be disclosed on any given Listing. Because PeerStreet works with many lenders and borrowers more than once, PeerStreet may choose not to act in the same manner that an Investor of MPDNs or a typical lender to a borrower would, which could adversely affect Investors in MPDNs. For example, and without limitation, PeerStreet may decide to pursue resolutions that prioritize certain loans over, or at the expense of, another loan.

- PeerStreet May Advance Funds to Borrowers. PeerStreet may determine to advance funds to a borrower if it finds such an advance to be necessary and prudent to protect the interests of Investors. For example, PeerStreet might do so upon finding that a borrower's casualty insurance was cancelled or expired or that a borrower is delinquent on paying property taxes. These advances will be added to the amount of the Underlying Loan and will bear interest at reasonable rates (not to exceed the maximum rate allowed by law). Advances at these rates may be significantly more expensive for the borrower than if that borrower had paid for those expenses originally. These advances will also need to be repaid by borrowers before any existing balance of the Underlying Loan is paid down, which, as a result, may delay payments on the existing balance of the Underlying Loan that would otherwise be ultimately provided to Investors.

- Borrowers May Misuse Funds. PeerStreet does not control any third-party borrower. Should the proceeds of any financing of an Underlying Loan on the PeerStreet Platform be diverted improperly or otherwise misused, the Investors in any MPDNs associated with that borrower could lose their entire investment.

- Borrowers May Incur Debt and May Be Over Leveraged. Borrowers are generally able to incur unsecured or secured indebtedness besides any Underlying Loans, regardless of whether the terms of a loan impose restrictions on their ability to incur additional indebtedness. Any increase in the debt loads held by borrowers that we work with may adversely affect their creditworthiness and could result in their financial distress, insolvency or bankruptcy. Borrowers who incur additional debt may also be less likely to make payments on the Underlying Loans to PSFI. As PSFLLC only provides payments and distributions on MPDNs to Investors upon PSFI receiving

payments on Underlying Loans, if borrowers incur additional debt and cannot make payments to PSFLLC, Investors will receive less in payments or distributions on MPDNs held by them.

- Borrowers Face Insurance Risks. PeerStreet may, in its sole and absolute discretion, require certain borrowers to obtain insurance against risks faced by the Underlying Loan. This insurance may prove costly or could become unavailable for borrowers altogether. Real estate properties are typically insured against risk of fire damage and certain other property casualties, but these casualties 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 borrower's ability to continue insuring any underlying property at a reasonable cost or could result in insurance being unavailable altogether. Moreover, any hazard losses not then covered by the borrower's insurance policy would result in the Underlying Loan becoming significantly under secured, and an Investor of an MPDN tied to that Underlying Loan could sustain a significant reduction, or complete elimination of, any principal and interest payments from that MPDN.

- Lenders and Borrowers Rely on Projected Revenues. In determining funding requests, lenders rely on projected revenues from Underlying Loans typically developed by borrowers, which may prove inaccurate and overestimated over time. The payment schedules with respect to many Underlying Loans are based on these projected revenues, which are based on factors such as expected vacancy rates, expense rates, and other projected income and expense figures relating to the Underlying Loan. The actual revenues generated by the Underlying Loan could fall short of projections due to factors such as, among others, lower-than-expected rental revenues, greater-than-expected vacancy rates or higher property management expenses than anticipated. In such event, the borrower's cash flow could be inadequate to repay the Underlying Loan in full.

- Lenders and Borrowers May Provide False Information. PeerStreet relies on information provided to it by lenders and borrowers. That information may be incomplete, inaccurate or intentionally false. For example, borrowers provide a variety of information to us regarding their management of properties that PeerStreet may take a security interest in. When PeerStreet evaluates a potential Underlying Loan for investment, some of this information may be included in the Listing for the applicable Series of MPDNs. Information provided by third parties may be incomplete, inaccurate, intentionally false or may misrepresent the intentions of the third parties. We make attempts to verify some of the information provided to us by third parties, but, as a practical matter, we cannot verify all of it.

Consider carefully the following risks related to the Underlying Loans:

- Underlying Loans May Require Borrowers to Make Balloon Payments. Some Series of MPDNs and their Underlying Loans may provide for monthly payments of interest, as applicable, and will require the borrower to make a "balloon" payment of the unpaid principal and interest at the end of the Underlying Loan term. Borrowers may be unable to make principal payments out of their own funds and, if so, be compelled to refinance or sell their property. Fluctuations in real estate values, interest rates, and the unavailability of mortgage funds could adversely affect the ability of real estate companies to refinance their loans at maturity or successfully sell the property for enough money to pay off the Underlying Loans. If borrowers cannot pay any applicable "balloon" payment, you may lose all or part of your investment in MPDNs tied to the Underlying Loan subject to the "balloon" payment.

- Underlying Loans May Payoff Early. Prepayments of Underlying Loans by borrowers may extinguish or limit your ability to earn additional returns on the corresponding Series of MPDNs.

Prepayments occur if a borrower decides to pay some or all of the principal amount on the Underlying Loan earlier than originally scheduled. With many of the Underlying Loans financed on the PeerStreet Platform, the borrower may prepay all or a portion of the remaining principal amount or redemption amount at any time without penalty. Upon a prepayment of the entire remaining unpaid principal amount of the Underlying Loan, you will receive your share of that prepayment, but further interest will not accrue after the date on which the prepayment is made. If the borrower prepays a portion of the remaining unpaid principal balance on the Underlying Loan, the term for repayment of the Underlying Loan may not change, but you will not earn a return on the prepaid portion, and your anticipated total investment return may thus decrease. In addition, you may not be able to find a similar rate of return on another investment at the time at which the Underlying Loan is prepaid.

- Increased Principal Amount Due to Origination Fee. To the extent that PeerStreet (or any PSI affiliate or a third party) charges a borrower certain loan origination fees ("points"), the principal amount of the Underlying Loan may be increased, which may adversely affect the ability of the borrower to repay the Underlying Loan. In addition, these points increase the gross amount of the Underlying Loan amount borrowed on a loan, which decreases the borrower's equity in the corresponding property and, in turn, decreases our security interest in that property.

- Underlying Loans May Be in or Related to Construction and Rehabilitation Loans, Which Have Their Own Specific Risks. An Underlying Loan may constitute a construction or rehabilitation loan. These loans 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, the priority of the lien sold to Investors, and the length of ultimate sale process.

  Disbursements are typically made on construction or rehabilitation loans only as portions of the construction work are completed, with the amount of disbursement based upon a percentage of work completed or certain milestones being reached. Borrowers may misrepresent the progress made, which may lead to funds being disbursed where no work (or insufficient work) has been done. If the borrower defaults on the loan, construction or improvements have not been completed within the time period set forth in the construction or rehabilitation agreement, or if PeerStreet determines that the balance of the loan proceeds is not sufficient to complete the construction or rehabilitation, then PeerStreet or its servicer may use any remaining retained funds to pay down sums due on the loan, to complete the redevelopment, or may require the borrower to deposit additional funds with PeerStreet or the construction or builder's fund control company.

  If construction work is not completed (due to contractor abandonment, unsatisfactory work performance or various other factors) and all funds have already been expended, then in the event of a default PeerStreet may have to invest significant additional funds to complete the construction work. Any such investment would be recuperated by PeerStreet prior to you being paid back on the MPDN.

  If the value of an uncompleted property is materially less than the amount of the loan, even if the work were completed, then upon a default PeerStreet might need to invest additional funds in order to recoup all or a portion of the investment. Default risks also exist where it takes a borrower longer than anticipated either to construct or then sell the property, or if the borrower does not receive sufficient proceeds from the sale to repay the Underlying Loan in full.

PeerStreet may require a borrower receiving funds from a construction or rehabilitation loan to have special builder's risk insurance (or "course of construction" insurance), which could reduce Investors' return on any MPDNs tied to Underlying Loans that are construction or rehabilitation loans, as borrowers will be required to expend funds toward retaining insurance instead of using those funds to make payments to PeerStreet on the MPDNs.

In some jurisdictions, contractors or other parties performing work on a given property may record mechanic's liens against the associated property, and such liens may be legally granted priority over the lien for the Underlying Loan. This may result in the Underlying Loan being foreclosed out or the mechanic's lien being paid off first, either of which scenario may negatively affect Investors' returns and the loss of some, or all, of your investment.

Consider carefully the following risks related to state and federal regulation:

- Lenders Are Subject to Regulation. The lending industry is a highly regulated industry. The lenders we work with (e.g., banks and private lenders) are responsible for their compliance with applicable state and federal lending laws, and we have no control over their compliance. Although we may purchase mortgage loans from lenders and then act as lender to the borrowers associated with those loans, none of those lenders are our agents, and we have no control over their compliance with applicable federal or state law. These lenders may be subject to licensing requirements in one or more states. While we conduct due diligence on the lenders we work with, we do not and cannot guarantee their compliance with applicable laws, including with respect to their compliance with applicable licensing requirements.

  In the event that a lender fails to comply with applicable laws, it is possible that the loans originated by the lender would be deemed void in full or in part or would be otherwise unenforceable. Similarly, any Underlying Loan provided to a borrower by that lender that PeerStreet subsequently funded and purchased may prove unenforceable as a result of lender's non-compliance with applicable laws. As a result, payments on any Underlying Loans tied to these lenders could be reduced or never paid to us and, in turn, interest payments on the MPDNs could be reduced or never paid to Investors in MPDNs tied to those lenders, as the borrowers may no longer have to make payments on Underlying Loans tied to those lenders given their non-compliance in originating those Underlying Loans.

  We do not intend to make Underlying Loans that violate these laws, but do not have control over lenders, and it is possible that one or more Underlying Loans may violate these laws, in which case your investment in any MPDNs tied to those Underlying Loans may be adversely affected.

- Federal Regulation of MPDNs. Some of the Underlying Loans tied to MPDNs may also be subject to certain provisions of the Truth-In-Lending Act of 1968, the Home Ownership and Equity Protection Act, or other applicable laws and rules concerning loans. These regulations may impose additional disclosure and other requirements on creditors.

- There Will Be No Trustee for MPDNs. Because there is no trustee involved in the structure of the MPDNs, Investors in the MPDNs will not have the protection of a trustee, an indenture or the provisions of the Trust Indenture Act of 1939, which would require a trustee to represent your interests and the interests of other Investors in MPDNs.

6. Material U.S. Federal Income Tax Considerations

Investing in MPDNs issued under this PPM Supplement may carry significant tax implications. You should not regard the contents of this PPM Supplement or any other communication from PeerStreet as a substitute for careful and independent tax and financial planning. You are encouraged to consult with your own independent accountants, financial planners, attorneys and other professionals with respect to the legal and tax aspects of an investment in the Real Estate Securities with specific reference to your own tax situation before investing in any Series of Real Estate Securities. PeerStreet makes no representations as to any tax implication of investing in the Real Estate Securities offered on its Platform.

End of PPM Supplement Document

FORM INSTRUMENT

MASTER MORTGAGE PAYMENT DEPENDENT NOTE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER ANY STATE SECURITIES LAWS. THIS NOTE IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED, SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THIS NOTE UNDER THE ACT OR APPLICABLE STATE SECURITIES LAWS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY (AS DEFINED BELOW) THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. SEE THE PRIVATE PLACEMENT MEMORANDUM (THE "MEMORANDUM") ISSUED BY COMPANY, DATED AS OF DECEMBER 2, 2019, AND THE INVESTOR AGREEMENT BETWEEN THE COMPANY AND THE INVESTOR WITH RESPECT TO THIS NOTE FOR MORE DETAILS.
FOR PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THIS NOTE IS BEING ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") BECAUSE PAYMENTS ON THIS NOTE ARE DEPENDENT ON PAYMENTS ON THE CORRESPONDING MORTGAGE LOAN (AS DEFINED IN THE MEMORANDUM). THIS NOTE'S ISSUE PRICE IS THIS NOTE'S STATED PRINCIPAL AMOUNT, AND THE ISSUE DATE IS THE ORIGINAL ISSUE DATE. FOR FURTHER INFORMATION REGARDING THE AMOUNT OF OID AND THE YIELD TO MATURITY OF THIS NOTE, THE HOLDER OF THIS NOTE SHOULD CONTACT THE COMPANY AT 2121 PARK PL., SUITE 250, EL SEGUNDO, CA 90245.

Mortgage Payment Dependent Note Series No: _____
Note No: _____
Company: Peer Street Funding, LLC
Investor: _____
Corresponding Mortgage Loan: _____
Stated Principal Amount of This Note: U.S. _____
Aggregate Principal Amount Of this Note: U.S. _____
Interest Rate: _____
PeerStreet Standard Fee: _____
As defined in Private Placement Memorandum
Original Issue Date: _____
Initial Maturity Date: _____

This Master Mortgage Payment Dependent Note ("Master Note") contains the terms that shall apply to each investment (a "Loan Investment") made by _____ ("Investor") via the platform located at www.peerstreet.com (the "PeerStreet Website") in accordance with the Investor Agreement and Memorandum. References herein to a "Note" shall apply to each Loan Investment made by Investor on the PeerStreet Website. Capitalized terms that are not defined herein shall have the meaning prescribed to them in the Memorandum, the MPDN Supplement to

the Memorandum, or Investor Agreement. Company will issue Notes in electronic form only. This means that each Note will be stored on the PeerStreet Website. Investor can view a record of the Notes owned by Investor online and print copies of this Master Note and the online record of your Notes for your records by visiting your secure, password-protected webpage in the "Dashboard" section of the PeerStreet Website. Company will not issue certificates for the Notes.

FOR VALUE RECEIVED, the undersigned, Peer Street Funding, LLC, a Delaware limited liability company (the "Company"), hereby promises to pay Investor the principal sum(s) of each Loan Investment, together with interest on the unpaid principal balance thereon in accordance with the terms contained herein:

1. Special Limited Obligation.

This Note represents a special limited obligation of the Company, and (1) no payments of principal and interest on this Note shall be payable unless the Company has received payments relating to the corresponding mortgage loan, and then only to the extent of the amount of such payments received by the Company (less any fees and costs allowed to be charged under the MPDN Supplement to the Memorandum), and (2) no Investor of this Note shall have any recourse against the Company unless, and then only to the extent that, the Company has received payment relating to the corresponding mortgage loan and has failed to pay such Investor their pro rata share of the payments that the Company actually received under the corresponding mortgage loan (less any fees and costs allowed to be charged under the MPDN Supplement to the Memorandum). The principal and interest payable on any payment date will be paid to the party in whose name this Note is registered.

2. Interest.

Interest on the unpaid principal balance will accrue at an annual rate equal to the Interest Rate identified in a particular on the first page of this Note.

3. Payment of Principal and Interest.

3.1 Payments. Payments shall be due and payable in arrears in consecutive periodic installments in accordance with this Note's payment schedule identified on the PeerStreet Website. All payments of principal and interest on this Note due to the Investor shall be made in U.S. dollars, in immediately available funds, by intra-institution book entry transfer to the Investor's designated account indicated through the Company's online platform. Such payments shall continue until the entire indebtedness evidenced by this Note and all accrued and unpaid interest and fees are fully paid, with any unpaid principal and interest due and payable on the Initial Maturity Date, unless the Company has extended the maturity date to the Final Maturity Date or unless the Company has otherwise sold the underlying mortgage loan, accepted a discounted payoff, or otherwise incurred a loss of principal and/or interest. Notwithstanding any payment schedule, the Company shall only be obligated to make any payment on this Note if and only if, and only to the extent that, Company receives payment relating to the corresponding mortgage loan (less any fees and costs allowed to be charged under the MPDN Supplement to the Memorandum). Should the Company not receive any payments relating to the corresponding mortgage loan, Company will not owe anything to Investor. The Note will mature on the Maturity Date;

provided, however, that if on the Maturity Date any principal or interest payments in respect of the corresponding mortgage loan remain due and payable to the Company, the Maturity Date of this Note will be extended until all amounts due under the corresponding mortgage loan are fully paid, the corresponding property is liquidated, or similar events, as further described in the Memorandum.

3.2 Amounts Advanced by Company. As set forth in the Memorandum and the MPDN Supplement to the Memorandum, the Company will, at its sole discretion, advance any and all amounts necessary to protect its interest in the corresponding mortgage loan, including (without limitation) foreclosure fees and related costs as well as payments necessary to pay property taxes, senior liens, junior liens, and other fees and costs Company deems necessary to protect its position in the corresponding mortgage loan (the "Company's Advances"). Any fees advanced by the Company will earn interest at the interest rate applicable to the corresponding mortgage loan. Any amounts paid to the Company under the corresponding mortgage loan shall be payable as follows: (1) to the Company, to recoup the Company's Advances, (2) to the Company or third parties for any fees and costs allowed to be charged under the Memorandum and the MPDN Supplement to the Memorandum and (3) the balance, if any, pro rata to the Investors of the Notes.

3.3 Withholding. If any withholding tax is imposed on any payment made by the Company to an Investor pursuant to this Note, such tax shall reduce the amount otherwise payable with respect to such payment. Upon request of the Company, a Investor shall provide the Company with an Internal Revenue Service Form W-9, W-BEN, W-8ECI, W-8IMY or other similar withholding certificate of a state, local or foreign governmental authority such that the Company may make payments under the Note without deduction for, or at a reduced rate of deduction for, any tax.

4. Events of Default.

On (a) the Company's failure to pay any installment or other sum due under this Note when due and payable when the Company has received the same from the corresponding mortgage loan (whether by extension, acceleration, or otherwise), (b) the Company has become subject to a voluntary or involuntary proceeding of bankruptcy, insolvency, or otherwise subject to receivership and remains so for a period of 60 days, or (c) any breach of any other promise or obligation in this Note or in any other instrument now or hereafter securing the indebtedness evidenced by this Note (collectively, "Default"), then after upon sixty (60) days from the date of receiving written notice of such default from the Investor, and if the Company fails thereafter to cure said default, the Investor may, at its option, declare this Note (including, without limitation, all accrued interest) due and payable immediately regardless of the applicable Maturity Date. The Company must receive notice of the exercise of this option. For the purposes of this paragraph, shall be deemed to receive Investor's notice if Investor follows the notice provisions in paragraph 8 of this Note.

5. Prepayment.

Company may prepay this Note in whole or in part at any time without any penalty. All prepayments of principal on this Note shall be applied to the most remote principal installment or installments then unpaid.

6. Sale Clause.

Subject to compliance with the Act and applicable securities laws and regulations, Company may sell, convey, assign or otherwise transfer (a) all or any part of the corresponding mortgage loan or (b) any interest in the corresponding mortgage loan, whether any such sale, conveyance, assignment or other transfer occurs directly or indirectly, voluntarily or involuntarily or by operation of law, without the prior written consent of the Investor.

7. Waiver.

The Company, endorsers, and all other persons liable or to become liable on this Note waive diligence, presentment, protest and demand, and also notice of protest, demand, nonpayment, dishonor and maturity and consents to any extension of the time or terms of payment hereof, any and all renewals or extensions of the terms hereof, any release of all or any part of the security given for this Note, any acceptance of additional security of any kind and any release of any party liable under this Note.

8. Notice.

Any notice required to be provided in this Note shall be given and received via electronic mail, unless applicable law requires that such notice be given in writing. All notices shall be addressed to the party to whom such notice is to be given at (i) investor-relations@peerstreet.com or such other email address the Company may provide to Investor via the PeerStreet Website, if the recipient is the Company or (ii) the electronic mail address used by Investor when registering online at the Company's investment platform if the recipient is the Investor; subject to the parties updating such addresses by providing notice pursuant to this Section 8.

9. Forbearance Not a Waiver.

If the Investor delays in exercising or fails to exercise any of its rights under this Note, that delay or failure shall not constitute a waiver of any the Investor rights or of any breach, default, or failure of condition under this Note. No waiver by the Investor of any of its rights or of any such breach, default, or failure of condition shall be effective, unless the waiver is expressly stated in a writing signed by Investor.

10. Assignment.

This Note inures to and binds the heirs, legal representatives, successors, and assigns of the parties; *provided* that the Investor may only assign or transfer this Note in connection with the terms outlined in the Investor Agreement and this Note, and under no circumstances may Investor assign or transfer this Note in violation of the Act.

11. Governing Law.

This Note shall be construed and enforce able according to the laws of the State of Delaware (without giving effect to its conflicts of laws principles) for all purposes.

12. Time Is of the Essence.

Time is of the essence with respect to all obligations of the Company under this Note.

13. No Modifications or Amendments; No Waiver.

Except as specified herein or the Investor Agreement, this Promissory Note may not be amended, modified or changed, nor shall any waiver of the provisions hereof be effective, except only by an instrument in writing signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought. Additionally, a waiver of any provision in one event shall not be construed as a waiver of any other provision at any time, as a continuing waiver, or as a waiver of such provision on a subsequent event.

14. Severability.

Any provision of this Promissory Note which shall be held by a court of competent jurisdiction to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision or term hereof, and all other provisions or terms hereof shall remain in full force and effect.

15. Nonrecourse Generally.

(i) The Company shall not be personally liable, and Investor shall not commence or prosecute any action against the Company, for the nonpayment or non- performance of any obligation on this Note (the "Loan Obligations") due to failure or default of the corresponding mortgage loan; (ii) Investor shall not seek, obtain, or enforce a deficiency judgment against the Company; (iii) Investor's recourse for the Company's payment obligations shall be limited to the payments and amounts, if any, received by Company relating to the corresponding mortgage loan; (iv) the Investor shall not be entitled to obtain specific performance or any other similar order, remedy, or relief against the Company relating to any claim arising from the Note; and (v) the Investor waives any right to exercise any lenders' right of set-off arising from the Note, against any funds of the Company in the Investor's custody, control, or possession. No recourse under or upon any obligation, covenant or agreement contained in this Note, or because of any indebtedness evidenced thereby, shall be had against any past, present or future shareholder, officer, director or agent, as such, of the Company, either directly or through the Company, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or penalty or otherwise, all such personal liability of every such incorporator, shareholder, officer, director or agent, as such, being expressly waived and released by the acceptance hereof and as a condition of and as part of the consideration for the issuance of this Note.

16. Note Series Limitation.

Investor understands and agrees that each Note is part of a series of Notes, which series of Notes is held in the aggregate by multiple holders. The Investor shall not assert any right of action, including (without limitation) any arbitration, lawsuit or otherwise, except in conjunction or aggregation with other holders of the Notes as set forth in the Investor Agreement.

17. Tax Matters.

Each Investor, by acceptance of a Note, shall be deemed to have agreed to treat, and shall treat, such Note as debt of the Company for United States federal income tax purposes and shall refrain from taking any action inconsistent with such treatment.

18. Incorporation by Reference.

The terms contained in the Investor Agreement are hereby incorporated herein by this reference for all purposes. In the event any provisions of this Master Note conflict with provisions of the Investor Agreement or any other agreement, the provisions of this Note shall control.

IN WITNESS WHEREOF, Peer Street Funding, LLC has caused this instrument to be signed by its duly authorized officer.

Dated: _____

/s/ Brewster Johnson
Peer Street Funding, LLC
By: Brewster Johnson, Chief Executive Officer