



CONCREIT FUND MANAGEMENT LLC

Form ADV Part 2 Brochure

Item 1 Cover Page

This Disclosure Brochure provides information about the qualifications and business practices of Concreit Fund Management LLC. If you have any questions about the contents of this Brochure, please contact us at (206) 607-6080. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Concreit also is available on the SEC's website at www.adviserinfo.sec.gov.

Concreit is registered as an investment adviser with the SEC pursuant to the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Recipients of this Brochure should be aware that registration with the SEC does not in any way constitute an endorsement by the SEC of an investment adviser's skill or expertise. Further, registration does not imply or guarantee that a registered adviser has achieved a certain level of skill, competency, sophistication, expertise or training in providing advisory services to its Clients.

Concreit Fund Management LLC

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Brochure Prepared on March 27, 2024

Item 2 Material Changes

We will promptly update this Disclosure Brochure when material changes occur. Material changes are summarized in this section.

We initially provide you with a copy of our Disclosure Brochure when we enter into an agreement with you. On an annual basis, we will provide you with a Summary of Material Changes within 120 days of our December 31 fiscal year end. In the alternative, we may choose to provide you with a complete copy of our brochure.

Since our last annual update on April 11, 2023, we have made the following material changes:

Under Item 8, we have added information regarding Concreit Series LLC, (the “Series” or “Home Shares”) which is being offered to our Clients, but will be externally managed by our parent, Concreit Inc.

Concreit will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Currently, Concreit’s Brochure may be requested by calling (206) 607-6080 or emailing help@concreit.com. Additional information about Concreit is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with Concreit who are registered, or are required to be registered, as investment adviser representatives of Concreit.

IMPORTANT NOTE ABOUT THIS DISCLOSURE BROCHURE

This Disclosure Brochure is not:

- *an offer or agreement to provide advisory services to any person*
- *an offer to sell nor a solicitation of any offer to purchase any security*
- *an offer to sell interests or shares (or a solicitation of an offer to purchase interests or shares) in any pooled investment vehicle managed or represented by Concreit*
- *a complete discussion of the features, risks or conflicts associated with any security*

As required by the Advisers Act, Concreit provides this Brochure to current and prospective Clients and may also, in its discretion, provide this Brochure to current or prospective investors or shareholders in a pooled investment vehicle, together with other relevant governing documents, such as the pooled investment vehicle’s prospectus and statement of additional information, private placement memoranda, limited partnership agreement or offering circular, prior to, or in connection with, such persons’ investment in a pooled investment vehicle.

Although this publicly available Brochure describes investment advisory services and products of Concreit, persons who receive this Brochure (whether or not from Concreit) should be aware that it is designed solely to provide information about Concreit as necessary to respond to certain disclosure obligations under the Advisers Act. Clients are encouraged to review the governing documents for more complete information about each investment product, certain of which may be provided to current and eligible prospective investors only by Concreit.

Item 3 Table of Contents

Item 1 Cover Page	1
Item 2 Material Changes	2
Item 3 Table of Contents	3
Item 4 Advisory Business	4
Firm Overview	4
Advisory Services	5
Individual Clients	5
Concreit Fund I LLC	6
Regulatory Assets Under Management	7
Item 5 Fees and Compensation	7
Individual Clients	7
Offerings	8
Terminated Accounts	8
Other Compensation	8
Item 6 Performance-Based Fees and Side-By-Side Management	8
Item 7 Types of Clients	8
Item 8 Methods of Analysis, Investment Strategies, & Risk of Loss	9
Investment Strategies	9
Concreit Fund I LLC	9
Concreit Series LLC	9
Methods of Analysis	10
Investment Risks	10
Item 9 Disciplinary Information	16
Item 10 Other Financial Industry Activities and Affiliations	16
Affiliated Broker-Dealers	16
Affiliated CPO and/or CTA	16
Relationship or Arrangements with Affiliates and/or Related Persons	16
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	16
Potential Conflicts	17
Item 12 Brokerage Practices	17
Brokerage Selection	18
Soft Dollars	18
Brokerage for Client Referrals	18
Clients Directing Which Broker/Dealer/Custodian to Use	18
Aggregating (Block) Trading for Multiple Client Accounts	18
Item 13 Review of Accounts	19
Item 14 Client Referrals and Compensation	19

Compensation to Non –Advisory Personnel for Client Referrals	19
Item 15 Custody	19
Item 16 Investment Discretion	20
Item 17 Voting Client Securities (Proxy Voting)	20
Item 18 Financial Information	20

Item 4 Advisory Business

Firm Overview

Concreit Fund Management LLC (“Concreit” or the “Firm”), a Delaware limited liability company, is an investment adviser registered with the U.S. Securities and Exchange Commission (the “SEC”) pursuant to the Advisers Act. Concreit is based in Seattle, Washington and serves as a wholly owned subsidiary of Concreit Inc., a company dedicated to commercial real estate fractional investing for everyday investors. Concreit Inc. is working on reshaping the experience of investing in commercial real estate (“CRE”) by making it social and changing its behaviors of liquidity and payouts. Concreit Inc. leverages distributed ledger tech in its approach to fund and asset management. Concreit Inc. is also the owner of an interactive website, invest.concreit.com, and a mobile application (collectively the “Platform”), intended for use by individual investors (“Individual Clients”). Concreit operates the aforementioned services. Sean Hsieh serves as the Founder and Chief Executive Officer of Concreit Inc. Jordan Levy serves co-Founder and Chief Technology Officer of Concreit Inc., William “Chris” Garnett serves as Chief Compliance Officer at Concreit Inc., and Christopher Carsley serves as Chief Investment Officer of Concreit Inc.

Basis of Registration

Concreit is classified as a registered investment adviser under the SEC Rule 203A-2(e) (“Exemption from Prohibition on Commission Registration”) of the Advisers Act, which creates an eligibility to operate as a registered investment advisor under the Exemption from Prohibition on Commission Registration, provided the elements of that rule are met. The elements of that rule include the following:

- An adviser provides investment advice to advisory clients through an interactive website.¹
- The adviser provides advice to all of its clients exclusively through the interactive website.
- And, finally, the registered investment adviser maintains documentation demonstrating that it provides investment advice to clients exclusively through an interactive website.

Concreit notes that the Exemption from Prohibition on Commission Registration includes an exception that would permit an adviser relying on the rule to advise clients through means other than its interactive website, so long as the adviser had fewer than 15 of these non-Internet clients during the preceding 12 months. Concreit also manages Concreit Fund I LLC (the “Fund” or the “Offering”), and may manage additional Offerings that become available in the future. The Fund

¹ An interactive website means a site in which computer software-based models or applications provide investment advice based on personal information each client submits through the website.

filed an offering statement on Form 1-A, or the Offering Statement, with the SEC, on March 5, 2020, which was qualified by the SEC on May 21, 2020 (the "Offering"). On February 26, 2021, the Fund filed for a post-qualification amendment with the SEC to update the business plan, as well as, the redemption plan, distribution plan, retainment of services of Dalmore Group as broker-dealers, among others, which was qualified by the SEC on May 13, 2021.

Individual Clients and Offerings are collectively referred to in this Brochure as Concreit's "Clients." Individual Clients are encouraged to review the Offering Circular, prospectus, statement of additional information, or other similar disclosures and governing documents of each Offering.

Advisory Services

Individual Clients

Concreit tailors its investment advice to the specific needs of Individual Clients. Through its Platform, Concreit will seek information from Individual Clients such as age, investment objectives, investment experience, time horizon, risk tolerance, exit timing, liquidity needs, financial situation, and employment. Based on the Individual Client's responses, Concreit may recommend that an investment in its Offerings may not be suitable.

Through the Platform, investors can receive updates, make investments, enroll in auto-investment plans, request redemptions, access account-related documentation and other account-related functions.

An Individual Client's investment in an Offering may not exceed 10% of the greater of the Individual Client's annual income or net worth. Individual Clients are encouraged to review Rule 251(d)(2)(i)(C) of Regulation A under the Securities Act of 1933, as amended, for additional information on this limitation. The Platform includes methodology to ensure that an Individual Client's total investments, including investments made through an automatic investment plan, do not exceed 10% of the greater of the Individual Client's annual income or net worth. If you attempt to make an investment that exceeds these thresholds, you will not be able to complete the intended investment, or you will be directed to invest a smaller amount.

Concreit, as the investment manager of the Offerings, has discretion with respect to the selection of specific investments and the purchase and sale of assets within the Offerings. In addition, the advice provided to Individual Clients is given on a discretionary basis. Individual Clients have the discretion to decide to accept our recommended allocations in the Offerings, to select other allocations, or to not invest. Once the Client selects an allocation, we manage the Client's investment on a discretionary basis.

Auto-Invest Function and Goals Feature

An Individual Client may establish an automatic investment plan through Concreit's Auto-Invest Function or "Goals" Feature for recurring investments into the Offerings on a predefined schedule. The Individual Client will be required to read the Offering Circular and any supplements.

Both the Auto-Invest Function and Goals Feature permit Concreit to periodically pull funds from the Client's account via ACH, in the frequency and amount as indicated by the Client via the Platform. The Platform offers functionality whereby Clients, upon successful set of the Auto-Invest Function or the Goals Feature, can indicate the amount and frequency of investments. Clients can choose to enroll in the Auto-Invest Function or Goals Feature upon their initial account opening, and anytime while their account remains active. Clients may terminate the Auto-Invest Function or Goals Feature at any time by providing notice at least 5 business days prior to the date the Client desires to terminate either of them via the Platform.

The Goals feature is a hypothetical guide for investors and not a guarantee for achieving the desired outcome in a defined period of time. Concreit's investment advisory services includes advice to help investors achieve a particular set of financial goal(s) designated by them in their account. The expected investment portfolio returns used in the goal forecast graph are based on the hypothetical returns and/or [historical returns](#) of investments in the portfolio. Actual individual investor performance results will vary depending on the market performance, the time of the initial investment, amount and frequency of contributions or withdrawals, intraperiod allocation changes, investment options, and taxes.

Concreit Fund I LLC

The Fund has engaged Concreit to manage the assets, operations and affairs of the Fund pursuant to the Management Services Agreement, dated July 12, 2019 (the "Original Management Agreement") and the First Amended and Restated Management Services Agreement, dated May 13, 2020 (the "Amended Management Services Agreement"). Concreit provides asset management, marketing, investor relations, and other administrative services. Concreit also manages all of the decisions regarding the selection, negotiation, financing and disposition.

The Fund is a Delaware organized limited liability company formed to invest in and manage a diversified portfolio of commercial real estate investments located in the United States and Real Estate-Related Securities. The Fund expects to use substantially all of the net proceeds from the Offering to originate, structure and acquire (i) commercial real estate, including industrial, multifamily, office, retail and other real property types ("Direct CRE") and (ii) real estate-related securities, including equity and debt securities of both publicly traded and private companies, including REITs and pass-through entities that own real property or loans secured by real estate, including investments in commercial mortgage-backed securities and derivative instruments ("Real Estate-Related Securities," collectively with Direct CRE sometimes referred to as "Real Estate Investments").²

Concreit will seek to create and maintain a portfolio of investments that generate a low volatility income stream of attractive, frequent, and consistent cash distributions. Our focus on investing in debt instruments will emphasize the payment of current returns to investors and preservation of

² Real Estate-Related Securities may include equity and debt securities of both publicly traded and private companies, including REITs and pass-through entities that own real property or loans secured by real estate, including investments in commercial mortgage-backed securities and derivative instruments.

invested capital. We also intend to diversify our portfolio by investing in equity instruments in real estate-related companies, subject to certain limitations related to the Fund's intended qualification as a REIT and to maintain our exclusion under the Investment Company Act. We will also seek to realize growth in the value of our investments by timing their sale to maximize value.

With the exception of offering our shares online through the Platform, our shares will be sold by the Issuer. Please see the Offering Circulars for additional information about the Fund and other Offerings (when available).

Redemption Plan

An individual Client can request to liquidate all or part of the securities in their account in accordance with Concreit Fund I's redemption plan. Concreit, at its discretion, reserves the right to choose to redeem such Investor Shares presented for redemption for cash to the extent it has sufficient funds available. There is no assurance that there will be sufficient funds available for redemption nor that Concreit will exercise its discretion to redeem such Investor Shares and, accordingly, a Member's Investor Shares may not be redeemed in such redemption period, or at any point thereafter.

Regulatory Assets Under Management

As of December 31, 2023, Concreit managed approximately \$8,158,816 of regulatory assets under management. The SEC has adopted a uniform method for advisers to calculate assets under management for regulatory purposes which it refers to as an adviser's "regulatory assets under management." Regulatory assets under management are generally an adviser's gross assets, i.e., assets under management without deduction for outstanding indebtedness or other accrued but unpaid liabilities. Concreit reports its regulatory assets under management in Item 5 of Part 1 of Form ADV which you can find at www.adviserinfo.sec.gov.

Item 5 Fees and Compensation

Individual Clients

Concreit currently charges each Individual Client an annualized fee of 0.25% of such Individual Client's assets under management. Individual Clients with assets under management of less than \$5,000 will incur a flat advisory fee of \$5 per month. Fees are typically charged on a monthly basis in arrears. Fees for partial billing periods will be prorated based on the number of days the Individual Client's investment is active during the billing period. Because fees are collected in arrears, no refunds will be given upon termination. Fees are generally not negotiable; however, Concreit reserves the right, in its sole discretion, to reduce or waive fees at any time, or to collect fees on a frequency other than monthly. In addition, Concreit may reduce or waive fees for certain Individual Clients without notifying or reducing or waiving fees for all Individual Clients. Concreit, in its sole discretion, may also waive or charge lower management fees and waive account minimums for employees, including investment managers, or relatives of such persons.

In addition to Concreit's investment advisory fee, Clients may incur operating and transaction fees, costs and expenses imposed by custodians, brokers, and other third parties. Examples of

these charges include but are not limited to custodial fees, margin, deferred sales charges, transfer taxes, handling charges, exchange fees (including foreign currency exchange fees), interest to cover short positions, wire transfer fees, electronic fund fees, and other fees and taxes. Concreit does not receive any portion of these commissions, fees or costs.

Offerings

For its management services, Concreit typically receives an annual asset management fee (the "Management Fee") in an amount equal to one percent (1.00%) *per annum* multiplied by the NAV as of the last day of the preceding month, calculated and paid monthly in arrears. With regard to assets of Individual Clients invested in the Offerings, this annualized fee is reduced to 0.75% of assets under management to mitigate the potential conflict of interest which may exist between Concreit and the Fund regarding individual Clients investment in the Fund.

Concreit receives additional fees from the Offerings related to the management of the Offerings, such as financing fees, acquisition/origination fees, servicing fees, property management fees, and disposition fees. Please see the Offering Circular(s) for details on management fees.

Terminated Accounts

Individual Clients may terminate Concreit's advisory services at any time by providing notice to Concreit. Fees for partial billing periods will be prorated based on the number of days the account is open during the billing period. Because fees are collected in arrears, no refunds will be given upon termination.

Other Compensation

Neither Concreit nor its supervised persons accept any compensation for the sale of investment products. For an additional discussion of other compensation, please refer to Item 14 – Client Referrals and Other Compensation of this Brochure.

Item 6 Performance-Based Fees and Side-By-Side Management

Concreit does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a Client.

Item 7 Types of Clients

As discussed in *Item 4 – Advisory Business* of this Brochure, Concreit currently provides investment management services, as an investment adviser, to Individual Clients (including individuals and high-net worth individuals), and to the Offerings. We do not require a minimum dollar amount to open and maintain an advisory account. All Individual Clients are required to enter into an advisory agreement with Concreit through the Platform.

In addition, Concreit may seek to obtain, verify, and record information that identifies each Individual Client who retains Concreit to manage its account in order to help the U.S. Government fight the funding of terrorism and money laundering activities.

Item 8 Methods of Analysis, Investment Strategies, & Risk of Loss

Investing in securities involves risk of loss that Clients should be prepared to bear.

Investment Strategies

Concreit Fund I LLC

The Fund may invest in (i) commercial real estate, including industrial, multifamily, office, retail and other real property types (“Direct CRE”) and (ii) real estate-related securities, including equity and debt securities of both publicly traded and private companies, including REITs and pass-through entities that own real property or loans secured by real estate, including investments in commercial mortgage-backed securities and derivative instruments (“Real Estate-Related Securities,” collectively with Direct CRE sometimes referred to as “Real Estate Investments”). The Fund may invest in other instruments or securities, whether currently existing or developed in the future, when consistent with Client guidelines, objectives, and policies. The Fund generally invests for long-term growth of capital and income. Within that framework, Client objectives and unique circumstances may dictate that short-term positions be taken.

The Fund plans to create and maintain a portfolio of investments that generate a low volatility income stream of attractive, frequent, and consistent cash distributions. Our focus on investing in debt instruments will emphasize the payment of current returns to investors and preservation of invested capital. We also intend to diversify our portfolio by investing in equity instruments in real estate-related companies, subject to certain limitations related to the Fund’s intended qualification as a REIT and to maintain our exclusion under the Investment Company Act. We will also seek to realize growth in the value of our investments by timing their sale to maximize value.

The Fund’s primary objective is to seek consistent positive absolute returns while employing an investment strategy appropriate to the Client’s investment goals and objectives.

Concreit Series LLC

Concreit Series LLC, (the “Series” or “Home Shares”) is being offered to our Clients, but will be externally managed by our parent, Concreit Inc. Concreit Inc. will manage the assets, operations and affairs of the Series. Concreit Inc. also manages all of the decisions regarding the selection, negotiation, financing and disposition of the Series.

The Series is a Delaware organized series limited liability company and intends to conduct a Series Offering of Membership Interests to acquire, manage, value-add, develop, construct, lease, and/or sell real properties located throughout the United States (each, a “Property,” and collectively, “Properties”). Each Series intends to acquire Property prior to the commencement or closing of that Series Offering. Each Series will be established for the purpose of owning a single Property, and generally intends to acquire the Series Property prior to the commencement or closing of that Series Offering. The offer and sale of Membership Interests for each Series shall be made pursuant to a supplement to the Offering Circular, which shall provide information relating to the Series Property such as the description and specifications of the Series Property, the acquisition price, and other relevant terms of the purchase of the Series Property (the “Series

Supplement"). Each Series will own a single Property and have a separate closing, its own profit and loss allocation, fees, and expenses.

Properties are currently anticipated to be held for a period of Five (5) to Seven (7) years, and each Series shall generally begin the dissolution and wind up of its business activities, including the sale of the Series Property, Three (3) years after the end of the Investment Period (including any extensions, as applicable), subject to market conditions and the Property's performance and status, as determined by its Manager. Notwithstanding the foregoing, the Manager may determine that it is in the best interests of the Members to sell a Series Property earlier than Five (5) years or to hold a Series Property for more than Seven (7) years. Additionally, any sale of a Property will be subject to lessee rights. The Manager will seek to achieve a selling price that maximizes the capital appreciation for the Series' Members based on then-current market conditions.

Methods of Analysis

The investment guidelines are established in each Offering's governing documents. Existing and prospective investors of each Offering should refer to the Offering Circular for complete information on the methods of analysis, investment objectives and investment restrictions with respect to each Offering. There is no assurance that any investment objectives of any Offering will be achieved.

Investment Risks

Clients should understand that all investment strategies and the investments made when implementing those investment strategies involve risk of loss and Clients should be prepared to bear the loss of assets invested. There can be no assurance that Clients will achieve their investment objectives or that investments will be successful or profitable. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a Client's investments fluctuates due to market conditions and other factors. Nothing in this Brochure is intended to imply, and no one is or will be authorized to represent, that Concreit's investment strategies and services are low risk or risk free. The investment decisions made, and the actions taken for Clients accounts are subject to various market, liquidity, currency, economic and political risks, and will not necessarily be profitable. Past performance of Clients accounts is not indicative of future performance. Investors and advisory Clients are urged to consult with their own independent financial, legal and tax advisors before making any investment decisions. This Brochure does not include every potential risk associated with an investment strategy, or all of the risks applicable to a particular Client account. Rather, it is a general description of the nature and risks of the strategies and securities and other financial instruments in which Client accounts may invest. The following risks may apply to existing and prospective Clients. Investors of an Offering should refer to the Offering Circular for a more comprehensive list of Investment Risks associated with respect to the Offering.

- Concreit uses algorithms to advise clients and recommend allocations to Offerings. These algorithms are developed, overseen, and monitored by Concreit's investment advisory personnel. Through the Platform, an algorithm developed by Concreit's investment advisory personnel, establishes Concreit's suggested allocation based on inputs from the

client. The algorithms described above will generate recommendations only from information that is input into the algorithm. Although Concreit collects a variety of information from clients, individualized information about every aspect of a client's personal financial situation is not prompted through the Platform, and therefore, not considered by Concreit's algorithms. Clients should be aware of this limitation when considering Concreit's service. Additional information regarding relevant considerations for clients considering an automated digital investment advisory program is contained in the Investor Bulletin issued February 23, 2017 by the SEC, available at https://www.sec.gov/oiea/investor-alerts-bulletins/ib_robo-advisers.html.

- Concreit does not recommend investments to Individual Clients other than Concreit Offerings, but Individual Clients are able to choose to invest in any Offering for which they are eligible. Using information provided by the Individual Client, the Platform recommends which Offerings are suitable for the Client based on the Individual Client's investment objectives.
- All investors will be provided with, or given information to access, an offering circular. You should review the offering circular before making your investment decision. The offering circular will contain important information such as information about the offering and the securities offered, risks of the investment, use of proceeds, any selling shareholders, the company's business, management, performance, plans and financial statements. There may be additional materials that you receive in addition to the offering circular.
- Real estate funds (including REITs): REITS face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.
- The Offerings and Concreit are newly formed entities with no operating history upon which you can evaluate our performance. As a result, prospective investors have no track record or history on which to base their investment decision. The Offerings and Concreit are subject to all of the business risks and uncertainties associated with any new business, including the risk that the Offerings and/or Concreit will not achieve their investment objectives and that the value of Offerings' investments could decline substantially.
- Concreit has minimal operating capital and for the foreseeable future will be dependent upon our ability to finance our operations from the sale of equity or other financing alternatives. There can be no assurance that we will be able to successfully raise operating capital. The failure to successfully raise operating capital could result in our bankruptcy or other event which would have a material adverse effect on us and our Clients.

- Regulation A+ allows companies to offer and sell securities to the public, but with more limited disclosure requirements than what is required for publicly reporting companies. In comparison to registered offerings, smaller companies in earlier stages of development may be able to use this rule to more cost-effectively raise money. Regulation A+ may provide an opportunity for you to invest in early stage and smaller companies and businesses. Before investing, you should be fully aware that your investment will involve risk. Following are some general risks to keep in mind:
 - Speculative. Investments in startups and early-stage ventures are speculative and the businesses may fail. Unlike an investment in a mature business where there is a track record of revenue and income, a startup often relies on the development of a new business, product or service that may or may not find a market.
 - Illiquidity. Even though there is no resale restriction, you may need to hold your investment for an indefinite period of time. If the securities are not, and if there are no plans for the securities to be, listed on an exchange where you can quickly and easily trade the securities, you will have to locate an interested buyer when you do seek to resell your investment. Concreit Offerings may implement redemption plans, but there is no guarantee of liquidity securities purchased
- Investments in Series Offerings: An investment in a Series Offering constitutes only an investment in that Series only and not directly in any Property. An Investor will acquire an ownership interest in the Series related to that Series Offering and not, for the avoidance of doubt, in (i) Concreit, (ii) any other Series, (iii) the Manager, or (iv) directly in a Property associated with the Series, or any Property owned by any other Series. This results in limited voting rights of the Member, which are solely related to a particular Series, and are further limited by the Operating Agreement, described further herein. Members will have voting rights only with respect to certain matters, primarily relating to amendments to the Operating Agreement that would adversely change the rights of the Members and removal of the Manager for “cause.” The Manager thus retains significant control over the management of Concreit, each Series, and the Series Properties. Furthermore, because the Membership Interests in a Series do not constitute an investment in Concreit as a whole, Membership Interests in a Series are not expected to receive any economic benefit from, or be subject to the liabilities of, the assets of any other Series. In addition, the economic interest will not be identical to owning a direct undivided interest in a Property.
- Delaware Series Membership: Delaware series membership structure carries certain inherent risks. For example, Delaware series membership is a recently established entity structure under the 6 Delaware Code § 18-215, as amended. Accordingly, there are uncertainties in this type of structure. For example, some states may not recognize Delaware membership, and will treat all Series as one entity under Concreit. In such instance, the Member’s incurrence of tax may be blended across all Series, such that the profit and loss of all Series will be allocated to such Member. In an other instance, if one Series becomes bankrupt or insolvent, the bankruptcy court, or equivalent thereof, may enact the “doctrine of substantive consolidation” such that the Series will collapse into one

for purposes of bankruptcy or liquidation. In short, the Member may become adversely affected from other Series in which the Member did not invest in. The Member's investment in one particular Series also carries its own risk. It is presently anticipated that each Series will hold one Property in accordance with the investment objective of Concreit. A Property may be more profitable than another Property, or that one Property may have higher loss than the other. The Member investing in one Series may not be able to take advantage of another Series' gain or loss. In addition, each Series will lack diversification, and that such lack of diversification may have significant impact on the Member's investments. Each Property carries its own challenges, benefits, costs, administration, and risks. The Manager is entitled to call additional capital in the event the Property incurs cost overrun, unanticipated expenditure, among others. It is highly encouraged that the Member seek its own counsel when investing in the Delaware Series Membership.

- Individual Series Investments Are Not Diversified: Each Series is intended to own and operate a single Property. Each Series' return on its investment will depend on the revenues generated by such Property and the appreciation of the value of the Property over time. These, in turn, are determined by such factors as national and local economic cycles and conditions, financial markets and the economy, competition from existing properties as well as future properties and government regulation (such as tax and building code charges). The value of a Property may decline substantially after a Series purchases it. Each Series will own a single Property and as a result of this non-diversified investment strategy, unanticipated capital expenditures could lead to a Series' inability to pay dividends or the loss of Members' investment entirely. Each Series' dividend stream will depend on the revenues generated by such Property and the appreciation of the value of the Property over time. Additionally, a Series might not be able to fund an unexpected major capital expenditure and this could lead to a complete loss of a Member's investment.
- Fixed Income Securities: Concreit may invest Client assets in bonds or other fixed income securities of issuers including, without limitation, bonds, notes and debentures issued by corporations; debt securities and commercial paper. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities in which Concreit invest will change in response to fluctuations in interest rates. In addition, the value of certain fixed income securities can fluctuate in response to perceptions of creditworthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk).
- Interest Rate Risk: In a rising rate environment, the value of fixed-income securities generally declines and the value of equity securities may be adversely affected.
- Liquidity Risk: Liquidity risk exists when particular investments would be difficult to purchase or sell, possibly preventing clients from selling such securities at an advantageous time or price.

- **Credit Risk:** Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and, thus, impact the fund's performance.
- Private placements carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.
- Venture capital funds invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development.
- **General Economic and Market Conditions:** The success of Concreit's activities is affected by general economic and market conditions, such as changes in interest rates, availability of credit and debt-related issues, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of Client investments), trade barriers, unemployment rates, release of economic data, currency exchange controls and national and international political circumstances (including wars, terrorist acts, natural disasters, security operations, the European debt crisis or the U.S. budget negotiations). These factors may affect the level and volatility of securities prices and the liquidity of Client investments. Volatility and/or illiquidity could impair a Client's profitability or result in losses. Clients could incur material losses even if Concreit reacts quickly to difficult market or economic conditions, and there can be no assurance that Clients will not suffer material losses and other adverse effects from broad and rapid changes in economic and market conditions in the future. Clients should realize that markets for the financial instruments in which Concreit invest Client assets can correlate strongly with each other at times or in ways that are difficult for Concreit to predict. Even a well-analyzed approach may not protect Clients from significant losses under certain market conditions.
- **Cybersecurity Risk:** In addition to the Material Risks listed above, investing involves various operational and "cybersecurity" risks. These risks include both intentional and unintentional events at Allied or one of its third-party counterparties or service providers, that may result in a loss or corruption of data, result in the unauthorized release or other misuse of confidential information, and generally compromise Concreit's ability to conduct its business. A cybersecurity breach may also result in a third-party obtaining unauthorized access to our clients' information, including social security numbers, home addresses, account numbers, account balances, and account holdings. Concreit has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including that certain risks may not have been identified, in large part because different or unknown threats may emerge in the future. As such, there is no guarantee that such efforts will succeed, especially because Concreit does not directly

control the cybersecurity systems of our third-party service providers. There is also a risk that cybersecurity breaches may not be detected.

- Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues: The United States and other countries have experienced, and may experience in the future, major health epidemics related to viruses, other pathogens, and other unforeseen or catastrophic events, including natural disasters, extreme weather events, power loss, acts of war, and terrorist attacks. For example, there was an outbreak of COVID-19, a novel virus, which has spread to the United States and other countries and declared a global pandemic. The global spread of COVID-19 has created significant volatility and uncertainty in financial as well as real estate markets. Although COVID-19 is currently not material to our results of operations, there is significant uncertainty relating to the potential impact of COVID-19 on our business. The extent to which COVID-19 impacts our current capital raise and our ability to obtain future financing, as well as our results of operations and financial condition, generally, will depend on future developments which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and the actions taken by governments and private businesses to contain COVID-19 or treat its impact, among others. If the disruptions posed by COVID-19 continue for an extensive period of time, our business, results of operations, and financial condition may be materially adversely affected.

Item 9 Disciplinary Information

This Item requests information relating to legal and disciplinary events in which Concreit or any supervised persons, as defined by the Advisers Act, have been involved that are material to Client's or prospective Client's evaluations of Concreit's advisory business or management. There are no reportable material legal or disciplinary events related to Concreit or any of its supervised persons. In the ordinary course of Concreit's business, Concreit and employees have not in the past been subject to any formal or informal regulatory inquiries, subpoenas, investigations, legal or regulatory proceedings involving the SEC, or any other regulatory authorities, including private parties and self-regulatory organizations ("SRO").

Item 10 Other Financial Industry Activities and Affiliations

Affiliated Broker-Dealers

Concreit is not registered, and does not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer. Certain affiliated persons listed in Schedule A of Concreit's Part 1 of Form ADV and affiliated persons (i.e., personnel) of Concreit may hold FINRA licenses but do not receive any compensation from a broker dealer.

Affiliated CPO and/or CTA

Neither Concreit nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

Relationship or Arrangements with Affiliates and/or Related Persons

Concreit does not have specific arrangements with any affiliate or related person.

Concreit does not have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities.

Our firm nor any of its management persons are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Concreit maintains a policy of strict compliance with the highest standards of ethical business conduct and the provisions of applicable federal securities laws, including rules and regulations promulgated by the SEC, and has adopted policies and procedures described in its code of ethics. The code of ethics has been adopted by Concreit in compliance with Section 204A of the Advisers Act. The code of ethics applies to each employee of Concreit and any other “access person” as defined under the Advisers Act. It is designed to ensure compliance with legal requirements of Concreit’s standard of business conduct.

A complete copy of Concreit’s code of ethics (“Code of Ethics”) is available upon request to Clients or prospective Clients.

The Code of Ethics is based upon the premise that all Concreit personnel have a fiduciary responsibility to render professional, continuous and unbiased investment advisory services. The Code of Ethics requires all personnel to: (1) comply with all applicable laws and regulations; (2) observe all fiduciary duties and put Client interests ahead of those of Concreit; (3) observe Concreit’s personal trading policies so as to avoid “front-running” and other conflicts of interests between Concreit and its Clients; (4) ensure that all personnel have read the Code of Ethics, agreed to adhere to the Code of Ethics, and are aware that a record of all violations of the Code of Ethics will be maintained by Concreit’s Chief Compliance Officer, and that personnel who violate the Code of Ethics are subject to sanctions by Concreit, up to and including termination.

Standards of Conduct: Concreit and its access persons are expected to comply with all applicable federal and state laws and regulations. Access persons are expected to adhere to the highest standards of ethical conduct and maintain confidentiality of all information obtained in the course of their employment and bring any risk issues, violations, or potential violations to the attention of the Chief Compliance Officer. Access persons are expected to deal with Clients fairly and disclose any activity that may create an actual or potential conflict of interest between them and Concreit or Client.

Confidentiality: Employees must maintain the confidentiality of Concreit’s proprietary and confidential information and must not disclose that information unless the necessary approval is obtained. Concreit has a particular duty and responsibility, as investment adviser or sub-adviser, to safeguard Client information. Information concerning the identity and transactions of Clients is

confidential, and such information will only be disclosed to those employees and outside parties who may need to know it in order to fulfill their responsibilities.

Potential Conflicts

As a registered investment adviser, Concreit has a fiduciary duty to provide fair and equitable treatment of its Clients. To fulfill this obligation, Concreit has established a policy for the equitable allocation of an investment opportunity among Clients to avoid favoring one Client over another. While a variety of allocation methods may be acceptable, consistency in application is an essential element of an appropriate policy.

Concreit will allocate investments fairly and not favor certain Offerings with respect to investment opportunities. In addition, Concreit will prohibit allocating profitable or unprofitable investments that may fall outside of Concreit's normal allocation policies that would disproportionately favor certain Offerings.

Concreit may conduct business with institutions such as broker-dealers or investment banks that invest, or whose Clients invest, in pooled vehicles sponsored or advised by Concreit, or may provide other consideration to such institutions or recognized agents, and as a result Concreit may have a conflict of interest in placing its brokerage transactions.

Item 12 Brokerage Practices

Brokerage Selection

Concreit does not currently use broker-dealers for brokerage trading activities for Individual Clients. Concreit retained the services of a registered broker-dealer, Dalmore Group, LLC ("Dalmore") to act as broker of record for Concreit Fund I LLC. Pursuant to the Broker-Dealer Agreement, Concreit pays a 1.0% commission of the purchase price per Investor Share. These commissions will not be paid by, or charged to, Investor Members.

Concreit Inc. retained the services of a registered broker-dealer, Cultivate Capital Group LLC ("Cultivate Capital") to act as broker of record for the Concreit Series Offerings. Pursuant to the Broker-Dealer Agreement, Concreit pays at most 0.9% commission of the purchase price per Investor Share. These commissions will not be paid by, or charged to, Investor Members.

Soft Dollars

Section 28(e) of the Exchange Act provides a "safe harbor" to investment advisers who use soft dollars generated by their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to such investment advisers in the performance of investment decision-making responsibilities. The term "soft dollars" refers to the receipt by an investment adviser of products and services provided by brokers, without any cash payment by such investment adviser, based on the volume of revenues generated from brokerage commissions for transactions executed for Clients of the investment adviser. The products and

services available from brokers include both internally generated items (such as research reports prepared by employees of the broker) as well as items acquired by the broker from third parties. Research services furnished by brokers may include (but are not limited to) written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing or appraisal services; discussions with research personnel; and invitations to attend conferences or meetings with management or industry consultants.

Concreit does not currently participate in any soft dollar program. In the event that Concreit utilizes soft dollars, it will do so solely to pay for products or services that qualify as “research and brokerage services” within the meaning of Section 28(e) of the Exchange Act.

Brokerage for Client Referrals

Concreit receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

Clients Directing Which Broker/Dealer/Custodian to Use

We do not routinely recommend, request, or require that you direct us to execute transactions through a specified broker dealer. Additionally, we do not permit you to direct brokerage.

Aggregating (Block) Trading for Multiple Client Accounts

Item 13 Review of Accounts

Concreit reviews all Individual Client accounts on at least an annual basis. The review is performed using the Platform’s algorithmic model software. Additional reviews may be triggered by certain global events or activity within an Individual Client account.

Item 14 Client Referrals and Compensation

Compensation to Non –Advisory Personnel for Client Referrals

From time to time, Concreit may compensate certain affiliated and unaffiliated persons or entities for referrals or introductions to Concreit or placements of interests in investment management services, in compliance with applicable law, including circumstances where, in connection with discrete advisory transactions, Concreit will pay or split a portion of the fees with an unaffiliated third-party for assisting in obtaining a specific Client. The material terms of such arrangements will be disclosed to relevant Clients or investors. Concreit will inform each account investor and any other Client that is the subject of such solicitation services that the third-party solicitor will be compensated by the investor, the Client or Concreit, as the case may be.

In an effort to attract new clients, Concreit offers a rewards program to current Clients. The rewards program periodically changes but the typical reward is a waiver of fees up to a certain dollar amount. The reward will be given to the referrer and the referee. We follow the guidelines

established in the new Marketing Rule of the Advisers Act (which overhauls the traditional Advertising Rule under Rule 206(4)-1 and the Cash Solicitation Rule under Rule 206(4)-3).

The name of the third-party providing the services will also be disclosed to each relevant account investor and any other Client that is the subject to such solicitation services, along with the nature of any affiliation between the third-party and Concreit. With respect to Client solicitation arrangements, Concreit will comply with the new Marketing Rule of the Advisers Act.

Item 15 Custody

Under Section d(2)(iii) of Rule 206(4)-2 of the Advisers Act, when the registered investment adviser acts in a capacity such as the managing member of a limited liability company or comparable position for another type of pooled investment vehicle that gives the adviser access to the fund's securities, then such adviser is considered to have custody over those assets. Therefore, Concreit, as the investment manager of the Offerings, has constructive custody of assets in the Offerings under the rule.

Concreit will cause each Offering, with assets over which it is deemed to have custody, to be audited annually and will distribute audited financial statements, prepared in accordance with U.S generally accepted accounting principles ("GAAP"), to investors in the Offerings no later than 120 days after the end of each fiscal year. In addition, upon the final liquidation of any such Offering, Concreit will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to each Offering to all investors in such Offering promptly after completion of the audit.

With respect to Individual Clients, an Individual Client's funds are held in the Individual Client's external bank account not affiliated with Concreit until such point in time that (i) such Individual Client initiates an ACH transaction to invest in an Offering, or (ii) an ACH transaction is initiated on behalf of the Individual Client pursuant to an automatic investment plan to invest in an Offering. When investing, an Individual Client's funds are transferred from such Individual Client's external bank account to an escrow account held with a qualified custodian, until such time the escrow releases the funds directly into the account of an Offering. At no point in time are an Individual Client's funds aggregated or collected into a bank account registered to Concreit. Therefore, other than the constructive custody by virtue of its management of the Offerings as described above, Concreit does not have custody or possession of Individual Client's funds or securities.

Item 16 Investment Discretion

Concreit, as the investment manager of the Offerings, has discretion with respect to the selection of specific investments and the purchase and sale of assets within the Offerings. In addition, the advice provided to Individual Clients is given on a discretionary basis. Individual Clients have the discretion to decide to accept our recommended allocations in the Offerings, to select other allocations, or to not invest. Once the Client selects an allocation, we manage the Client's investment on a discretionary basis.

Item 17 Voting Client Securities (Proxy Voting)

Concreit will not vote Client proxies. If at any time in the future, Concreit chooses to allow the voting of proxies on behalf of Clients, all requirements previously referenced will be implemented prior to accepting proxy voting responsibilities.

Item 18 Financial Information

Concreit does not solicit prepayment of more than \$1,200 in fees per Client six months or more in advance, and thus has not provided a balance sheet according to the specifications of 17 CFR Parts 275 and 279.

Concreit has discretionary authority or custody of Client funds or securities. There is no financial condition that is reasonably likely to occur that would impair Concreit's ability to meet contractual commitments to Clients. Concreit has not been the subject of a bankruptcy petition during the past ten years.