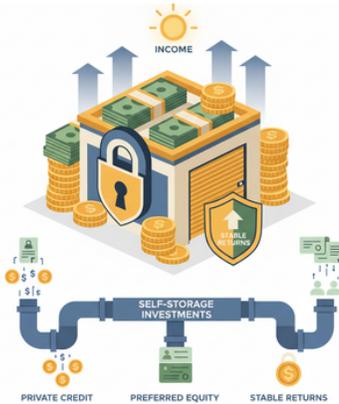


HEARTHFIRE INCOME INVESTMENT STRATEGIES

Reliable Cash Flow • Capital Preservation • Flexible Terms



Investment Strategy & Objectives

Hearthfire offers investors access to high-yield, income-generating opportunities through our Hearthfire Income Fund and select Joint Venture Private Credit investments. Our focus is on structured income strategies within the self-storage industry—an asset class known for low default rates, stable demand, and recession resilience. The Income Fund pays fixed preferred returns of 7-11% through consistent distributions, emphasizing capital preservation and flexibility across different investor time horizons.

What is an Income or Private Credit Investment?

Private credit and preferred equity investments provide fixed-income-like returns, backed by real estate collateral or structured equity participation. As an investor, you earn contractual returns secured by hard assets and personal guarantees—rather than relying on market speculation. This approach bridges the gap between cash and equity, offering reliable income with reduced risk.

Investment Structure Comparison

STRUCTURE	RETURN PROFILE	LIQUIDITY	RISK PROFILE
Hearthfire Income Fund	7-11% Fixed Preferred	6-36 Months	Low-Moderate
Preferred Equity JV	7-8% Current + Upside	24-36 Months	Moderate
Common Equity	17-23% Growth Focused	4-7 Years	Moderate-High

Hearthfire Income Fund I – Class Options

CLASS	MINIMUM	PREF RETURN	LOCK-UP PERIOD	WITHDRAWAL NOTICE	FEATURES
A	\$200K*	10-11%*	2-3 yrs*	90 days	Highest Yield, Quarterly Compound
B	\$100K*	8.5-9%*	1-2 yrs*	60 days	Balanced, Quarterly Compound
C	\$50K	7%	6 months	30 days	Entry Level, No Compound

* Enhanced yields (11% Class A, 9% Class B) and reduced minimums (\$100K Class A, \$50K Class B) apply when paired with common equity investment. Compounding available quarterly on direct investments only.

Capital Stack, Funding & Tax Treatment

TYPICAL CAPITAL STACK	JV PRIVATE CREDIT	FUNDING OPTIONS	TAX TREATMENT
Senior Debt • 60-70% First-lien, market rate	Deal-specific preferred equity and mezzanine investments offering:	Cash	Fixed returns treated as ordinary income
PRIVATE CREDIT / PEF EQUITY (Hearthfire) • 10-25% 7-14% returns, secured/priority	7-8% current income 12-14% total coupon value	Self-Directed IRA	K-1 issued annually
Common Equity • 10-20% Junior position, highest risk/return	Secured or priority positions Direct project participation	Solo 401(k)	Some preferred equity may include depreciation
		<i>Ideal for tax-advantaged retirement accounts</i>	<i>Consult tax professional for guidance</i>



Key Advantages

- Fixed preferred returns across both lending and preferred equity structures
- Enhanced yields and lower minimums when paired with common equity investments
- Secured by institutional-grade self-storage real estate
- Predictable income with defined liquidity windows
- Ideal for income-oriented and retirement portfolios
- Diversified exposure to stable, cash-flowing assets in recession-resilient sector

For Accredited Investors Only | Past performance does not guarantee future results - Refer to official offering materials for complete details.