PRIVATE PLACEMENT MEMORANDUM[1]
Of
CWS Investments, Inc.
a Virginia corporation
Offering $75,000,000.00
Series B, Class D4, D5 & E5 Bonds
Minimum Member Investment Amount: $100,000.00[2]
CWS Bond Offering Dated 01/17/2025
Amended March 7, 2025

CWS Investments, Inc. (the "Company") is a Virginia based corporation formed on February 22, 2022, that acquires and manages real estate backed loans, as well as other real estate related assets, to include single family homes and smaller, multi-family residential properties. The Company purchases performing and non-performing promissory notes, lines of credit, and land installment contracts secured by real property (the "Notes") throughout the United States with loan to value characteristics typically less than 100%. Meaning, the Company intends on purchasing Notes that are fully secured with additional equity coverage. We define loan to value ("LTV") as a percentage of the sum of the unpaid balance plus all senior debt, divided by the estimated value of the collateral. The Company also engages in originating business purpose loans[5] throughout the United States. While the Company primarily invests in first mortgages, the Company may opportunistically invest in second mortgages and lease options if they meet the aforementioned characteristics. The Company also invests in middle and upper class single family homes and smaller multi-family residential properties. While the Company will typically make the aforementioned investments on a cash basis, it reserves the right to employ the use of credit facilities to enhance its buying power. In no event will the Company acquire debt from a credit facility in excess of 70% of loan to value to purchase assets. The Company may also take any action incidental and conducive to the furtherance of the stated purposes.

The Company is hereby offering to investors ("Investors"), pursuant to this Private Placement Memorandum ("Memorandum"), an opportunity to purchase Series B, Class D4, D5 and E5 Bonds ("Bonds")[3] issued by the Company in the minimum aggregate amount of One Hundred Thousand

[1] Neither the Securities and Exchange Commission, nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy of this Memorandum. Any representation to the contrary is a criminal offense. This offering is made in reliance on an exemption from registration with the Securities and Exchange Commission provided by Section 4(2) of the Securities Exchange Act of 1933, as amended (the "Act"), and Rule 506 of Regulation D promulgated thereunder. This investment involves a degree of risk that may not be suitable for all persons. Only those investors who can bear the loss of their entire investment should participate in the investment.

[2] The minimum investment amount rages from $100,000 to $500,000 depending on the Class of Membership, as more fully stated herein.

[3] The Bonds available for purchase as part of this Offering are Series B, Class D4, D5 and E5. The Company has previously engaged in offerings of preferred stock. Information, to include financial reporting, can be found at: https://www.sec.gov/edgar/search/#/ciks=0001920508&entityName=CWS%2520Investments%2520Inc%2520(CIK%25200001920508).

Dollars ($100,000) and up to the maximum aggregate amount of Seventy Five Million Dollars ($75,000,000) (the “Maximum Offering Amount”) (the "Offering"). The Company has the sole discretion to raise the Maximum Offering Amount, to accept investments in a lesser amount or require a higher amount.

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THIS MEMORANDUM HAS BEEN PREPARED SOLELY FOR THE BENEFIT OF AUTHORIZED PERSONS INTERESTED IN THE OFFERING. IT CONTAINS CONFIDENTIAL INFORMATION AND MAY NOT BE DISCLOSED TO ANYONE, OTHER THAN AUTHORIZED PERSONS SUCH AS ACCOUNTANTS, FINANCIAL PLANNERS, OR ATTORNEYS RETAINED FOR THE PURPOSE OF RENDERING PROFESSIONAL ADVICE RELATED TO THE PURCHASE OF SECURITIES OFFERED HEREIN. IT MAY NOT BE REPRODUCED, DIVULGED, OR USED FOR ANY OTHER PURPOSE UNLESS WRITTEN PERMISSION IS OBTAINED FROM THE COMPANY. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO ANY PERSON EXCEPT THOSE PARTICULAR PERSONS WHO SATISFY THE SUITABILITY STANDARDS DESCRIBED HEREIN.

THE SALE OF BONDS COVERED BY THIS MEMORANDUM HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), IN RELIANCE UPON THE EXEMPTIONS FROM SUCH REGISTRATION REQUIREMENTS SET FORTH IN SECTION 4(2) OF THE ACT AND RULE 506 OF REGULATION D THEREUNDER. THESE SECURITIES HAVE NOT BEEN QUALIFIED OR REGISTERED IN ANY STATE IN RELIANCE UPON THE EXEMPTIONS FROM SUCH QUALIFICATION OR REGISTRATION UNDER STATE LAW. THESE SECURITIES ARE "RESTRICTED SECURITIES" AND MAY NOT BE RESOLD OR OTHERWISE DISPOSED OF UNLESS A REGISTRATION STATEMENT COVERING DISPOSITION OF SUCH MEMBERSHIP INTERESTS IS THEN IN EFFECT, OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

THERE IS NO PUBLIC MARKET FOR THE BONDS AND NONE IS EXPECTED TO DEVELOP IN THE FUTURE. SUMS INVESTED ARE ALSO SUBJECT TO SUBSTANTIAL RESTRICTIONS UPON WITHDRAWAL AND TRANSFER, AND THE BONDS OFFERED HEREBY SHOULD BE PURCHASED ONLY BY INVESTORS WHO HAVE NO NEED FOR LIQUIDITY IN THEIR INVESTMENT. NON-U.S. INVESTORS HAVE CERTAIN RESTRICTIONS ON RESALE AND HEDGING UNDER REGULATION S OF THE ACT. DISTRIBUTIONS UNDER THIS OFFERING MIGHT RESULT IN A TAX LIABILITY FOR THE NON-U.S. INVESTORS. EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT HIS, HER OR ITS OWN TAX ADVISOR OR PENSION CONSULTANT TO DETERMINE HIS, HER OR ITS TAX LIABILITY. NO PERSON HAS BEEN AUTHORIZED IN CONNECTION WITH THIS OFFERING TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS MEMORANDUM, AND ANY SUCH INFORMATION OR REPRESENTATIONS SHOULD NOT BE RELIED UPON. ANY PROSPECTIVE PURCHASER OF BONDS WHO RECEIVES ANY SUCH INFORMATION OR REPRESENTATIONS SHOULD CONTACT THE COMPANY IMMEDIATELY TO DETERMINE THE ACCURACY OF SUCH INFORMATION. NEITHER THE DELIVERY OF THIS MEMORANDUM NOR ANY SALES HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY OR IN THE INFORMATION SET FORTH HEREIN SINCE THE DATE HEREOF.

PROSPECTIVE INVESTORS SHOULD NOT REGARD THE CONTENTS OF THIS MEMORANDUM OR ANY OTHER COMMUNICATION FROM THE COMPANY AS A SUBSTITUTE FOR CAREFUL AND INDEPENDENT TAX AND FINANCIAL PLANNING. EACH PROSPECTIVE INVESTOR IS ENCOURAGED TO CONSULT WITH HIS, HER, OR ITS OWN INDEPENDENT LEGAL COUNSEL, ACCOUNTANT AND OTHER PROFESSIONALS WITH RESPECT TO THE LEGAL AND TAX ASPECTS OF THIS INVESTMENT AND WITH SPECIFIC REFERENCE TO HIS, HER, OR ITS OWN TAX SITUATION, PRIOR TO SUBSCRIBING FOR BONDS. THE PURCHASE OF BONDS BY AN INDIVIDUAL RETIREMENT ACCOUNT ("IRA"), KEOGH PLAN OR OTHER QUALIFIED RETIREMENT PLAN INVOLVES SPECIAL TAX RISKS AND OTHER CONSIDERATIONS THAT SHOULD BE CAREFULLY CONSIDERED. INCOME EARNED BY QUALIFIED PLANS AS A RESULT OF AN INVESTMENT IN THE COMPANY MAY BE SUBJECT TO FEDERAL INCOME TAXES, EVEN THOUGH SUCH PLANS ARE OTHERWISE TAX EXEMPT.

THE BONDS ARE OFFERED SUBJECT TO PRIOR SALE, ACCEPTANCE OF AN OFFER TO PURCHASE, AND TO WITHDRAWAL OR CANCELLATION OF THE OFFERING WITHOUT NOTICE. THE COMPANY RESERVES THE RIGHT TO REJECT ANY INVESTMENT IN WHOLE OR IN PART.

THE COMPANY WILL MAKE AVAILABLE TO ANY PROSPECTIVE INVESTOR AND HIS, HER, OR ITS ADVISORS THE OPPORTUNITY TO ASK QUESTIONS AND RECEIVE ANSWERS CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING, THE COMPANY OR ANY OTHER RELEVANT MATTERS, AND TO OBTAIN ANY ADDITIONAL INFORMATION TO THE EXTENT THE COMPANY POSSESSES SUCH INFORMATION. THE INFORMATION CONTAINED IN THIS MEMORANDUM HAS BEEN SUPPLIED BY THE COMPANY. THIS MEMORANDUM CONTAINS SUMMARIES OF DOCUMENTS NOT CONTAINED IN THIS MEMORANDUM, BUT ALL SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCES TO THE ACTUAL DOCUMENTS. COPIES OF DOCUMENTS REFERRED TO IN THIS MEMORANDUM, BUT NOT INCLUDED AS AN EXHIBIT, WILL BE MADE AVAILABLE TO QUALIFIED PROSPECTIVE INVESTORS UPON REQUEST.

SUMMARY OF THE OFFERING

The following information is only a brief summary of, and is qualified in its entirety by, the detailed information appearing elsewhere in this Memorandum. This Memorandum, together with the exhibits attached including, but not limited to, the Bylaws of the Company (the "Bylaws"), a copy of which is attached hereto as Exhibit A, should be read in their entirety before any investment decision is made. All capitalized terms used herein but not defined herein shall have the meaning ascribed to them in the Bylaws. If there is a conflict between the terms contained in this Memorandum and the Bylaws, then this Memorandum shall prevail.

The Company	CWS Investments, Inc. (the "Company") is a Virginia corporation located at 5242 Port Royal Road, #1785, Springfield, Virginia, 22151. The Company, sometimes by and through wholly owned subsidiary companies, intends to purchase performing and non-performing promissory notes, lines of credit, and land installment contracts secured by real property (the "Notes") throughout the United States with loan to value characteristics typically less than 100%. Meaning, the Company intends on purchasing Notes that are fully secured with additional equity coverage. We define loan to value ("LTV") as a percentage of the sum of the unpaid balance plus all senior debt, divided by the estimated value of the collateral. The Company also engages in originating business purpose loans[5] throughout the United States. While the Company primarily invests in first mortgages, the Company may opportunistically invest in second mortgages and lease options if they meet the aforementioned characteristics. The Company also invests in middle and upper class single family homes and smaller multi-family residential properties. While the Company will typically make the aforementioned investments on a cash basis, it reserves the right to employ the use of credit facilities to enhance its buying power. In no event will the Company acquire debt from a credit facility in excess of 70% of loan to value to purchase asset. The Company may also take any action incidental and conducive to the furtherance of the stated purposes.
Management	The Management team controls the management of the Company. Christopher Seveney owns 100% of the common stock and is the President of the Company and the Chairman of the Board. The Board of Directors consists of four (4) members.
The Offering	The Company is offering Investors the opportunity to purchase varying classes of Bonds. Each Bond is priced at $1,000. The minimum number of Bonds available for purchase is

	$100,000. The Bonds will begin to be offered on January 1, 2025, with the goal of raising a maximum of $75,000,000. There is no minimum offering amount. The Bonds will be offered on a rolling basis. The Company intends to deploy capital shortly after receipt thereof. The Class D4 Bonds will accrue interest at a rate of 9% per annum, based on a 365-day calendar and the actual number of days in the month. The Class D5 Bonds will accrue interest at a rate of 9.5% per annum, based on a 365-day calendar and the actual number of days in the month. The first $25,000,000 in Class D5 Bonds purchased will also be entitled to receive a 10% profit share (defined below). The Class E5 Bonds will accrue interest at a rate of 11% per annum, based on a 365-day calendar and the actual number of days in the month. The Class E5 Bonds do not have a profit share component.
Financial Reporting & Statements	The Company expects to use the accrual basis of accounting and shall prepare its financial statements in accordance with Generally Accepted Accounting Principles ("GAAP"). The Company may, its sole discretion, change to a cash basis if the Company determines it is in its best interests. The Company intends to produce a minimum of semi-annual financial reports to investors. Additionally, the Company is subject to annual audited financials and semi-annual SEC unaudited financials as part of the Reg A Offering. Audit information will be available on the SEC's website
Suitability Standards	This offering is limited to certain individuals, Keogh plans, IRAs and other qualified Investors who meet certain minimum standards of income and/or net worth. Each purchaser must execute a Subscription Agreement and Investor Questionnaire making certain representations and warranties to the Company, including such purchaser's qualifications as an "Accredited Investor" as defined by the Securities and Exchange Commission in Rule 501(a) of Regulation D who are U.S. or foreign investors (See "Investor Suitability").
Bondholder's Accounts	Upon the first day of the first month following the Company's deposit of a Bondholder's accepted funds into the Company's bank account, such Bondholder will, thereby, become a Bondholder of the Company and an account will be established on the books and records of the Company.

Interest Payments	Interest payments on the Bonds will be made in monthly installments on the first day of each month (or the next following business day thereafter in the event such date is not a business day with no additional interest accruing). Interest will begin accruing on, and will be cumulative from, the first day of the month following the month in which the Bondholder Agreement is executed and the funds are accepted by the Company Interest payments will be provided to Bondholders by way of check delivered to the address provided to the Company. The Company reserves the right to make payments to the Bondholders by way of electronic means.
Redemption	The Company intends to operate indefinitely. Class D4 Bondholders will be required to hold their Bonds for a minimum of four (4) years from the first day of the first month following receipt of the Bondholder's purchase. Class D5 and E5 Bondholders will be required to hold their Bonds for a minimum of five (5) years from the first day of the first month following receipt of the Bondholder's purchase. Any request for redemption will be considered in the sole discretion of the Company. Upon the maturity or redemption of the bonds, the bondholder will be responsible for covering a third-party processing fee, which is $285 at the time of this offering
Affiliates and Originators	Chris Seveney is the President and Chairman of the Board. He also owns 100% of the common stock of the Company. He is also a principal in other companies involved in affiliated businesses that are expected to provide services to the Company for which they will be compensated (the "Affiliates"). The Affiliates include but are not limited to:, Sunnyhill Ventures 2020, LLC, , 7E Investments Inc., and Greyt Estates LLC,
Management Track Record	Christopher Seveney is an experienced real estate professional who has been actively buying and selling mortgage notes since 2016. During this time, he has acquired over 500 notes with Unpaid Principal Balances in excessive of $50M in over forty states. Prior to investing in mortgage notes, Chris built a $2M portfolio of assets through new construction and rehabilitating existing properties in his own portfolio along with having managed the construction of over $750M in new construction in his professional career.

	Mr. Seveney has managed five (5) prior funds, each of which progressed though the fund's full life cycle. The average duration of these funds was 22 months and the total combined AUM was approximately $42,500,000. These funds had an average weighted net investor return of 14.5% and a 24.1% average weighted gross portfolio return. The performance represented is historical and is not a reliable indicator of future results and investors may not recover the full amount invested.
Ownership of the Company	The Company is comprised of common stock and preferred stock. The common stock of the Company is owned by Christopher Seveney. The Preferred Stock currently consists of four subclasses of Series A Preferred Stock. The Series A, Class A, B, C, and D Preferred Stock.
Minimum Investment	The minimum investment for the Bonds is $100,000 for Class D4 and D5 Bonds and $500,000 for E5 Bonds.
Management Compensation	Senior level management, consisting of Christopher Seveney and Lauren Wells, currently have annual salaries in the combined amount of $500,000. The Company's Board of Directors do not receive additional compensation for their service on the Board or attendance at Board meetings.
Activities of the Company	All identification of Assets, property, due diligence, and underwriting of Assets for the Company will be done by the Company and/or Affiliates. The Company may subcontract and/or seek out assistance in some due diligence functions to third parties (e.g., appraisers, inspectors, subcontractors, real estate brokers, abstractors, attorneys, accountants, bookkeepers, special servicers, collateral storage firms, and software necessary for the operations of the Company, etc.) for the benefit of the Company, which shall be considered Company Expenses. The Company plans to retain Securities Transfer Corporation ("STC") to serve as the transfer agent and registrar for the Bonds. STC will receive monthly and one-time fees in exchange for the services provided. The fees consist of the following: Monthly maintenance fee of $1,000 plus $2.25 per bondholder. STC will also receive $125/month for reporting CUSIP numbers STC will also charge a one-time setup fee of:

	- $5,000 for this offering - $162 for each new CUSIP assigned to any class of Bonds after the firsdt CUSIP assigned for each bond.. - $400 for the initial CUSIP assignment and $64 for each additional CUSIP The Company intends to employ the services of MIT Associates as its Broker-Dealer of record. The fees associated with the use of MIT and its wholesalers will be no more than 3% and will be considered a Company Expense. Fees are shown on page 17 of this offering under Dealer Manager Fees.
Company Administration	The Company intends to initially handle administration in house but may retain the services of an outside third-party administrator to provide administration and investor relations functions. This cost will be considered a Company Expense. Loan servicing will be handled by a third-party loan servicer, selected by the Company.
Company Expenses	Company Expenses (including SPV expenses) shall include, but not necessarily be limited to the following: employee salaries and bonuses and benefits, fund organizational costs, broker-dealer costs, CPA related costs for tax return preparation, financial statement preparation and/or audits, legal fees and costs, filing, licensing or other governmental fees, other third party audits, loan servicing fees, fund administration costs**;** costs associated with ownership of real property, e.g., property improvement and rehabilitation costs not otherwise capitalized, sales commissions, property taxes, property management, hazard insurance, utilities, and any other deferred offering costs or expenses associated with operation of the Company or management of its Assets. Company Expenses shall not be apportioned between the various Share Classes. The Company Expenses will be spread across the entire Company, regardless of whether such expenses arose out of the Reg A Offering or the instant Offering.
Minimum Offering	There is no minimum offering.
Maximum Offering	The Company shall seek to raise the Maximum Offering of up to $75,000,000.00 in capital, which amount may be increased in the sole discretion of the Company.

Term	The Company is an open-end fund. Management expects to operate the Company indefinitely. The Company shall retain the sole discretion to close and dissolve the Company at any time. In such event, the Company shall provide the Bondholders with 90 days written notice, during which time no Redemption requests will be allowed.
Use of Leverage/Credit Facilities	The Company may use debt to finance operations, such as loans and credit lines.
Eligible Investors	For U.S. Investors, Membership Units will be offered solely to Accredited Investors, as that term is defined by Rule 501 of the Securities Act of 1933, and who satisfy eligibility requirements set from time to time by the Company.
Waterfall	The following outlines the priority ("Waterfall") for the distribution of cash from the Company: 1. Interest and principal payments on any credit facility (depending on what collateral is pledged to a particular facility); 2. Company Expenses; 3. Preferred Return to Stockholders, and interest payments to Bondholders, payable monthly;(Stockholders and Bondholders are pari passu). 4. Last, to the common stockholders. Upon dissolution of the Company, the Company will be liquidated, and the proceeds of liquidation will be applied as follows: 1. Interest and outstanding principal balance of any credit facility (which may be limited to individual or a group of Company Assets depending on specific collateral for any Facility); 2. Liquidation and/or other Company Expenses; 3. Return of Shareholder and Boldholder capital on a Pari Passu basis (or by order of priority for Redemption requests, if any, in the sole discretion of the Company); 4. Stockholders and Bondholders Pari Passu as to the Preferred Return; 5. Last, to the common stockholders.
Redemption Period	All Members will be required to hold their Bonds until maturity. Early redemption requests for reasons of financial hardship or emergency during the Lockup Period may be considered on a case-by-case basis at a price equal to $800 per

	Bond plus any third-party processing fees and Broker or RIA fees*. A Member is required to provide the Company a 90-day notice for any Redemption request. Redemptions will be considered on a first-come, first-served basis. In no event shall the Company be required to redeem more than 20% of the aggregate principal of Bonds outstanding at the commencement of the current calendar year; provided, however, during the pendency of the Offering, such amount shall be updated to equal 20% of the aggregate principal of Bonds outstanding at the commencement of the current calendar quarter. No Member will be given priority for Redemption requests over any other Member for any reason other than the date upon which the request was made. The Company may redeem Bonds at any time at par value plus any accrued but unpaid interest up to but not including the date of redemption. The Bonds are redeemable upon ninety (90) days' notice by the Company to the bondholder and the outstanding principal balance together with the interest will be credited to the Bondholder's account within ninety (90) business days following the redemption date *In the event that Company incurred any broker's or RIA fees or related expenses as part of the redeeming Bondholder's investment into the Company, said fees shall be prorated and reduce the Bonds value.

DEFINITION OF TERMS

The following terms shall have the meaning ascribed to them below when used elsewhere in this PPM with the initial letter capitalized. Other capitalized terms found throughout this PPM and not defined below or in the body of the PPM shall have the meaning as ascribed to them in the Bylaws:

"Affiliates" shall mean, Sunnyhill Ventures 2020, LLC, , 7E Investments Inc., Greyt Estates LLC,
"Bonds" means Series B, Class D4, D5 or E5 Bonds offered in this Offering.

"Bondholders" means the purchasers of the Bonds offered herein.

"Borrowers" mean the individuals or entities who are the payors of the Mortgage Loans or Notes.

"Bylaws" means the Bylaws of the Company, dated March 31, 2022, as thereafter amended.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral" shall mean the property and interests securing a Mortgage Loan, primarily real property.

"Credit Facility" or "Facility" means any secured line of credit, warehouse lines, and/or individual loans from any lender, secured in first position by one or more of the Company Assets.

"Cumulative" means that any shortfall of a Preferred Return in a month shall carry forward until paid.

"Company Assets" or "Assets" means any and all assets of the Company including Mortgage Loans, real property, contracts or notes receivable, cash, or any other asset or receivable of the Company.

"Company Expenses" means Company organizational costs, employee salaries and bonuses and benefits, broker-dealer fees, CPA related costs for tax return preparation, financial statement preparation, and/or audits, legal fees and costs, filing, licensing, software costs attributable to managing the Company or other governmental fees, other third party audits, loan servicing fees, Company administration costs, capital acquisition fees and costs (including payment to duly licensed third parties who are contracted by the Company to raise capital), loan origination and/or other fees associated with any Credit Facilities, costs associated with ownership of real property, e.g., property improvement and rehabilitation costs not otherwise capitalized, sales commissions, property taxes, property management, hazard insurance, utilities, and any other expenses associated with operation of the Company or management of its Assets.

Excess Distributable Cash - The amount of cash received by the Company from operations and the sale of Company Assets, less all expenses and deferred offering costs attributable thereto and less amounts set aside for reasonable reserves, contingencies and anticipated obligations, each as determined by the Manager.

"Interest Return" means the annualized return on the Bonds correlating to the Bondholder's Membership Class. The Interest Return is Cumulative non-compounding and is expected to be paid monthly. The Interest Return for the Class D4 Bonds is 9% per annum. The Interest Return for the Class D5 Bonds is 9.5% per annum. The Interest Return for the Class E5 Bonds is 11% per annum.

"Investor" means the purchaser of Bonds pursuant to this Offering ("Bondholder").

"IRS" means the United States Internal Revenue Service.

"Leverage" means any note obligations of the fund on credit facilities; participations agreements; or fund note offerings.

"LTV" means the ratio of the loan amount (or unpaid principal balance) of any Mortgage Loan to the real property Collateral that secures that Mortgage Loan.

"Lockup Period" means four (4) years for Class D4 Bonds and five (5) years for Class D5 and E5 Bonds.

"Mortgage Loans" means the loans originated or acquired by the Company (either in whole or in participation interests) from or through the Company and which are secured by real estate. The definition of Mortgage Loans shall also include contracts for deeds, land installments contacts, or any other arrangements whereby the Company retains an ownership interest in property as part of the financing transaction.

"Offering" shall mean the issuance of Bonds pursuant to the terms of the instant PPM, the Bylaws, the Subscription Booklets, and other related documents.

"Pari Passu" means proportionally, at an equal pace with, and without preference over other Investors of the same status.

"Participation" shall mean an investment by the Company in which it owns some undivided percentage interest in a Mortgage Loan.

"Redemption" means the Company's paying of cash to a Bondholder at the principal amount, plus accrued interest, on the Bond. There are significant restrictions on Redemption as more fully described in this PPM and the Bylaws.

"Early Redemption Fee" means redemption of the bonds at a value of $800 per bond.

The Company may or may not approve a request for a premature Redemption in its sole discretion.

"REO" means real estate owned by the Company (and may also refer to other real property taken back by a lender) through a foreclosure, deed in lieu of foreclosure, or other means.

"SEC" means the United States Securities and Exchange Commission.

"Stated Value" means the face value of the Bonds.

"Subscription Booklets" shall mean that package of documents provided to Investors for the purposes of evaluating the Offering and purchasing Bonds of the Company. The Subscription Booklet shall include this PPM, the Bylaws, the Subscription Agreement, the Form of Bond, and the Investor Suitability Statement.

"UPB" shall mean the unpaid principal balance of any given Mortgage Loan.

STRUCTURE OF THE COMPANY

The Company has endeavored to structure this Company in a way that balances the Company's need for flexibility, autonomy, and control with respect to Company's policies and investment decisions with the Investor's natural desire for safety, oversight, and transparency. We have given extensive consideration to the Company's fee structure, administrative procedures, and third-party

service providers including Company administration, accounting, and auditing services, and have attempted to create a beneficial and proper alignment of interests between the Company and the Investors.

The Company is organized as a Virginia corporation and governed by the Bylaws, dated March 31, 2022. The Company consists of common stock and various classes of Preferred Stock. 100% of the common stock is owned by Christopher Seveney, the President and Chairman of the Board. There are currently four (4) classes of Preferred Stock. More information on the Company's previous offerings, can be found at:

https://www.sec.gov/edgar/search/#/ciks=0001920508&entityName=CWS%2520Investments%2520Inc%2520(CIK%25200001920508).

The instant Offering is made pursuant to this Private Placement Memorandum ("PPM") under Rule 506(c) of Regulation D. The Bonds made available through this Offering were approved pursuant to a Resolution of the Board of Directors, dated October 22, 2024 The Company reserves the right to make future offerings.

Each Investor in the Company must be an "accredited investor" as such term is defined in Regulation D promulgated by the SEC under the Securities Act. Some of the ways U.S. Investors can qualify are:

- For natural person Investors, having a net worth of at least $1,000,000, excluding the value of a primary residence; or
- For natural person Investors, having an adjusted gross income of at least $200,000 for the last 2 years (or $300,000 with a spouse); or
- For entity Investors, having assets of at least $5,000,000, or
- For entity Investors, having all of the owners of the entity otherwise be Accredited Investors.

Each Investor will be required to provide such documentation as the Company, in the Company's sole discretion, deems necessary to ensure that the Investor meets the SEC's definition of an "accredited investor."

Each person and/or entity accepted as a Bondholder is referred to herein as an "Investor."

Investor Suitability Standards

This is a private Offering which is being made only by delivery of a copy of this PPM. Furthermore, the Offering and sales of the Bonds offered hereby will be made only to persons and/or entities who meet or exceed certain suitability standards which have been adopted by the Company for the purpose of determining who will be permitted to purchase Bonds. Subscription Agreements from prospective Investors may be accepted or rejected by the Company. The Company reserves the right to reject any Subscription Agreement for any reason. If accepted, an Investor will become a Bondholder without any further action by any person. If the Company

rejects the subscription of any subscriber, the Subscription Agreement and funds will be returned promptly to the subscriber.

Investment Options

Investors purchasing Bonds shall become Bondholders of the Company. By executing a Subscription Agreement, an Investor unconditionally and irrevocably agrees to purchase Bonds in the amounts shown thereon. The Company shall seek to raise the Maximum Offering of up to $75,000,000 in Investor capital. The Company will begin to deploy capital immediately upon the receipt thereof. There is no minimum offering amount. The minimum investment amount is $100,000.

The Company hereby offers the following Bonds as part of this Offering:

Class	Min. Investment	Interest	Maturity		Profit Share[4]
D4	$100,000	9%	**Date of Investment**	**Maturity**	No
			1/1/25 – 6/30/25	1/1/29	
			7/1/25 – 12/31/25	7/1/29	
			1/1/26 – 6/30/26	1/1/30	
			7/1/26 – 12/31/26	7/1/30	
			1/1/27 – 6/30/27	1/1/31	
			7/1/27 – 12/31/27	7/1/31	
D5	$100,000	9.5%	**Date of Investment**	**Maturity**	10%*
			1/1/25 – 6/30/25	1/1/30	
			7/1/25 – 12/31/25	7/1/30	
			1/1/26 – 6/30/26	1/1/31	
			7/1/26 – 12/31/26	7/1/31	
			1/1/27 – 6/30/27	1/1/32	
			7/1/27 – 12/31/27	7/1/32	
E5	$500,000	11%	**Date of Investment**	**Maturity**	No
			1/1/25 – 6/30/25	1/1/30	
			7/1/25 – 12/31/25	7/1/30	
			1/1/26 – 6/30/26	1/1/31	
			7/1/26 – 12/31/26	7/1/31	
			1/1/27 – 6/30/27	1/1/32	
			7/1/27 – 12/31/27	7/1/32	

*The 10% Proft Share for Class D5 bonds is limited to the first 25,000 bond issuances ($25,000,000) of Class D5 bonds only. The company has reserved 10% of the common stock (100,000 shares) for distributions relating thereto to be provided to the holders of the first 25,000 D5 bonds issued pursuant to this Offering. Therefore, each D5 Bondholder who holds a profit-sharing bond will be entitled to receive distributions equal to four (4) common shares for every profit-sharing bond held by the Bondholder.

[4] Profit Share is the defined as a given percentage of any excess distributable cash available for distribution to the common stockholders in any given quarter.

The holders of profit-sharing bonds do not hold or have any ownership interest in the related common stock shares. Upon redemption of the profit sharing bonds, the profit-sharing entitlement shall cease.

We will not issue common stock distributions until the accumulated deficit is positive per the audited financial statements. Profit sharing will not be paid until there is accumulated earnings. We anticipate this to occur around the maturity of the first bond issuances.

INVESTMENT OBJECTIVES

The Company's objectives with respect to acquiring Company Assets are to effectively deploy the proceeds of this Offering in Assets which are expected to:

- Provide the Bondholders with their respective Interest Return; and
- Ultimately provide Bondholders with a full return of their capital contributions.

No assurance can be given that these objectives will be attained or that the Company's capital will not decrease.

USE OF FUNDS AND STRATEGY TO ACHIEVE COMPANY INVESTMENT OBJECTIVES

The strategy of the Company will be to pay the bond interest by primarily purchasing performing and non-performing promissory notes, lines of credit, and land installment contracts secured by real property (the "Notes") throughout the United States with loan to value characteristics typically less than 100%. Meaning, the Company intends on purchasing Notes that are fully secured with additional equity coverage. We define loan to value ("LTV") as a percentage of the sum of the unpaid balance plus all senior debt, divided by the estimated value of the collateral. The Company also engages in originating business purpose loans[5] throughout the United States. While the Company primarily invests in first mortgages, the Company may opportunistically invest in second mortgages and lease options if they meet the aforementioned characteristics. The Company also invests in middle and upper class single family homes and smaller multi-family residential properties. While the Company will typically make the aforementioned investments on a cash basis, it reserves the right to employ the use of credit facilities to enhance its buying power. In no event will the Company acquire debt from a credit facility in excess of 70% of loan to value to purchase assets.

The table below sets forth our estimated use of proceeds from this Offering, assuming we sell $75,000,000 in Bonds in the coming twelve months of this Offering. The use of funds from this Offering may reasonably vary based on changing market and business conditions and the needs of the Company as determined by the business judgment of our management. The following is the current planned use of proceeds from the Offering.

	25% Sold	50% Sold	75% Sold	100% Sold
Gross Proceeds	$18,750,000	$37,500,000	$56,250,000	$75,000,000
MIT Dealer Manager Fee (Up to 3%)	$562,500	$1,125,000	$1,687,500	$2,250,000
Net Proceeds Before Expenses	**$18,187,500**	**$36,375,000**	**$54,562,500**	**$72,750,000**
Offering Expenses				
Legal & Accounting	$125,000	$125,000	$125,000	$125,000
Publishing/Edgar	$10,000	$10,000	$10,000	$10,000
Marketing Expenses	$200,000	$200,000	$200,000	$200,000
Employee Salaries/Expenses	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Transfer Agent Fees	$10,000	$20,000	$30,000	$40,000
Technology Costs	$75,000	$75,000	$75,000	$75,000
Total Offering Expenses	**$2,420,000**	**$2,430,000**	**$2,440,000**	**$2,450,000**
Approximate Amount Available For Portfolio Investments	**$15,767,500**	**$33,945,000**	**$52,122,500**	**$70,300,000**
Acquisitions	$15,373,313	$33,096,375	$50,819,438	$68,542,500
Working Capital Reserves	$394,188	$848,625	$1,303,063	$1,757,500
Total Use of Proceeds	**$18,750,000**	**$37,500,000**	**$56,250,000**	**$75,000,000**

MANAGEMENT

The company's management and operations team has more than 25 years combined experience in mortgage notes, as well as 70 years of combined real estate experience, led by a CEO who has completed five full cycle mortgage note funds, with an average investor return of 14.53%. That being said, the performance represented is historical and the past performance is not a reliable indicator of future results and investors may not recover the full amount invested.

Christopher Seveney is the President and CEO of the Company.

Christopher Seveney is an experienced real estate professional who has been actively buying and selling mortgage notes since 2016. During this time, he has acquired over 500 notes with Unpaid Principal Balances in excess of $50M in over forty states. Prior to investing in mortgage notes, Chris built a $2M portfolio of assets through new construction and rehabilitating existing properties in his own portfolio along with having managed the construction of over $750M in new construction in his professional career.

Mr. Seveney has managed five (5) prior funds, each of which progressed through the fund's full life cycle. The average duration of these funds was 22 months, and the total combined AUM was approximately $42,500,000. These funds had an average weighted net investor return of 14.5% and a 24.1% average weighted gross portfolio return. The performance represented is historical and is not a reliable indicator of future results and investors may not recover the full amount invested.

Lauren Wells is the Chief Strategy Officer.

Lauren Wells leads the strategic evaluation of market research and implementation and heads business strategies. Lauren has over 10 years of business development, sales and project

management experience to the company. Prior to joining the company, she worked as a senior consultant with SAAS startups including Procore and LinkedIn to build and scale their sales organizations. This included developing forecasts, defining target markets, identifying acquisition opportunities, and establishing new sources of revenue. Lauren has also been a real-estate investor since 2010. During this time, she has helped grow and manage a portfolio of over 100 assets which include both residential real estate and mortgage notes.

RISK FACTORS

There are risks associated with investing in the Company, the majority of which are not within the Company's control. These risks include, among others, trends in the economy, particularly the real estate and capital markets, fluctuations in the interest rate environment, income tax laws, government regulations, and the availability of satisfactory investment opportunities. Prior to investing in the Company, Investors should perform their own analysis of the investment opportunities and objectives presented and discuss investing in the Company with their own advisors.

Risks Relating to an Investment in the Company – General

Best Reasonable Efforts Offering

This Offering is being conducted on a "best reasonable efforts" basis by the Company only. No guarantee can be given that all or any of the securities will be sold, or that sufficient proceeds will be available to conduct successful operations. Receipt of a relatively small amount of capital contributions may reduce the ability of the Company to spread investment risks through diversification of its portfolio.

No Guarantee of Profitability

Company anticipates that revenues will be sufficient to create net profits for the Company and provide the Bondholders with their respective Interest Return. However, there can be no assurance that revenues will be sufficient for such purpose. Although the Company believes in each investment's economic viability, there can be no guarantee that the investments will be profitable to the extent anticipated. Poor performance by a few of the investments could significantly affect the total returns to Investors.

No Guaranteed Return of Investor's Capital Contributions

The investment Bonds offered hereby are speculative and involve a high degree of risk. There can be no guarantee that an Investor will realize a substantial return on the investment, or any return at all, or that the Investor will not lose the entire investment. For this reason, each prospective Investor should read this PPM and all documents in the Subscription Agreement carefully and should consult with his/her or its own legal counsel, accountant(s), or business advisor(s) prior to making any investment decision.

Borrowing by the Company – Leverage

The Company may borrow or otherwise use certain credit facilities (a "Credit Facility" or "Facility") and in doing so, use Company Assets as collateral. In the event that the Company elects to use a Credit Facility, it will not utilize a Facility in an amount in excess of 70% of the Stated Value of any Company Asset at the time of procurement of that debt. The use of leverage is inherently risky and can increase the risk of loss.

Governmental Regulation

The industry in which the Company intends to participate is regulated at both state and federal levels, both with respect to its activities as an issuer of securities and its investing activities. Some of these regulations are discussed in greater detail below under "U.S. Securities Laws and Foreign Investors," "Compliance with Anti-Money Laundering Requirements," "Usury Risk," "Risk that the Company May Become Subject to the Provisions of the Investment Company Act of 1940," "The Company's Reliance on Exclusions from the Investment Company Act May Impact Certain Investment Decisions," and "Recent and Anticipated Legislative and Regulatory Activity." The Company or its Assets may be subject to governmental regulations in addition to those discussed in this PPM, and new regulations or regulatory agencies may develop that affect the Company's operations and ability to generate revenue. The Company will attempt to comply with all applicable regulations affecting the markets in which it operates. However, such regulation may become overly burdensome and therefore may have a negative effect on the Company's ability to perform as illustrated.

Ministerial Errors and Omissions

Any clerical mistakes or errors in the PPM should be considered ministerial in nature and not a factual misrepresentation or a material omission of fact.

U. S. Securities Laws and Foreign Investors

The offer and sale of the Bonds will not be registered under the Securities Act or the laws of any applicable state pursuant to an exemption from the registration requirements of the Securities Act, and the securities laws of certain states. Each Investor must furnish certain information to the Company and represent, among other customary private placement representations, that it is acquiring its Bonds for investment purposes and not with a view towards resale or distribution. The acquisition of Bonds by each Investor also must be lawful under applicable state securities laws or the laws of the applicable foreign jurisdiction if the Investor is a non-U.S. person.

The Bonds have not been, and will not be, registered under the Securities Act. Accordingly, the United States securities laws impose certain restrictions upon the ability of a Bondholder to transfer such Bonds. Bonds may not be offered, sold, transferred, or delivered, directly or indirectly, unless (i) such Units are registered under the Securities Act and any applicable state securities laws, or (ii) an exemption from registration under the Securities Act and any applicable state securities laws is available. Moreover, there will be no liquid, public market for the Bonds, and none is expected to develop.

Further, Bonds may not be offered, sold, transferred, assigned, or delivered, directly or indirectly, to any "Unacceptable Investor." Unacceptable Investor means any person who is known to be a:

a. person or entity who is a "designated national," "specially designated national," "specially designated terrorist," "specially designated global terrorist," "foreign terrorist organization," or "blocked person" within the definitions set forth in the Foreign Assets Control Regulations of the United States Treasury Department, 31 C.F.R., Subtitle B, Chapter V, as amended;
b. person acting on behalf of, or an entity owned or controlled by, any government against whom the United States maintains economic sanctions or embargoes under the Regulations of the United States Treasury Department, 31 C.F.R., Subtitle B, Chapter V, as amended--including, but not limited to – the "Government of Sudan," the "Government of Iran," the "Government of Cuba," the "Government of Syria," and the "Government of Burma"; or
c. a person or entity subject to additional restrictions imposed by the following statutes or Regulations and Executive Orders issued thereunder: the Trading with the Enemy Act, the Iraq Sanctions Act. Pub. L. 101-5 13, Title V, §§ 586 to 586J, 104 Stat. 2047, the National Emergencies Act, 50 U.S.C. §§ 1601 et seq., the Antiterrorism and Effective Death Penalty Act of 1996, Pub. L. 104 132, 110 Stat. 1214 1319, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq., the United Nations Participation Act. 22 U.S.C. § 287c, the International Security and Development Cooperation Act, 22 U.S.C. § 2349aa-9, the Nuclear Proliferation Prevention Act of 1994, Pub. L. 103 236, 108 Stat. 507, the Foreign Narcotics Kingpin Designation Act, 21 U.S.C. §§* 1901 et seq., the Iran and Libya Sanctions Act of 1996, Pub. L. 104 172, 110 Stat. 1541, the Cuban Democracy Act. 22 U.S.C. §§ 6001 et seq., the Cuban Liberty and Democratic Solidarity Act. 22 U.S.C. §§ 6021-91, and the Foreign Operations, Export Financing and Related Programs Appropriations Act, 1997, Pub. L. 104 208, 110 Stat. 3009 172, or any other law of similar import as to any non U.S. country, as each such Act or law has been or may be amended, adjusted, modified, or reviewed from time to time.

In the event of a registered public offering of Bonds in the U.S., the Company would become subject to the reporting obligations under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Under such circumstances, Investors that own more than 5% of the Company's outstanding Bonds may be obligated to make certain information filings with the Commission pursuant to the Exchange Act. Each prospective Investor is advised to consult with its own legal advisor regarding the securities law consequences of ownership of Bonds if the Bonds become subject to the Exchange Act.

Compliance with Anti-Money Laundering Requirements

The Company may be subject to certain provisions of the USA PATRIOT Act of 2001 ("the Patriot Act"), including, but not limited to, Title III thereof, the International Money Laundering and Abatement and Anti-Terrorist Financing Act of 2001 ("Title III"), certain regulatory and legal requirements imposed or enforced by the Office of Foreign Assets Control ("OFAC") and other similar laws of the United States. In response to increased regulatory concerns with respect to the sources of the Company's capital used in investments and other activities, the Company may request that Investors provide additional documentation verifying, among other things, such

Investor's identity and source of LLCs to be used to purchase Bonds. The Company may decline to accept a subscription if this information is not provided or on the basis of the information that is provided. Requests for documentation and additional information may be made at any time during which a Bondholder's holds Bonds. The Company may be required to report this information or report the failure to comply with such requests for information, to appropriate governmental authorities, in certain circumstances without informing a Bondholder that such information has been reported. The Company will take such steps as it determines are necessary to comply with applicable law, regulations, orders, directives or special measures, including, but not limited to, those imposed or enforced by OFAC, the Patriot Act and Title III. Governmental authorities are continuing to consider appropriate measures to implement anti-money laundering laws and at this point it is unclear what steps the Company may be required to take; however, these steps may include prohibiting a Bondholder from making further contributions of capital to the Company, depositing distributions or interest to which such Bondholder would otherwise be entitled into an escrow account or causing the withdrawal of such Investor from the Company.

Compliance with Other Regulations

Other laws, regulations, such as the Dodd-Frank Wall Street Reform and Consumer Protection Act, and programs at the federal, state, and local levels are under considerations that seek to address the economic climate and real estate and other markets and to impose new regulations on various participants in the financial system. The effect that these or other actions will have on the Company's business, results of operations, and financial condition and not completely foreseeable at this time. Further, the failure of these or other actions and the financial stability plan to stabilize the economy could harm the Company's business, results of operations, and financial condition.

Conflicts of Interest Risks

The Company is subject to various conflicts of interest. Mr. Seveney is the President and majority holder of the common stock. He receives compensation through his management duties, as well as through excess distributable cash as the majority common stockholder.

Risk of Additional Investors

The Company is open-ended, which means it will continue to solicit or accept further investment past the Closing Date.

Management Experience

Our Management team has limited experience in non-performing loans: We began buying mortgage loans in 2018. A limited number of our Management team has experience in non-performing mortgage loans See "Management Discussion". If the method adopted by us for evaluating potential non-performing loans proves flawed, investors may not receive the expected returns. Although our Valuation System utilized by the Company is based upon historical data and certain quantifiable characteristics that have been developed and is primarily driven by asset value and Borrower's ability to repay, there is no assurance that the Valuation System will accurately assess the risks associated with the Borrower or the property for which the loan is being sought.

The Company has less than three years of an Operating History: Although the principal of the Company has been engaged in the real estate, finance, and construction industries for over 25 years, the Company is a relatively new business. Like any new business, the Company faces numerous challenges, including attracting and retaining qualified employees, marketing, and capital formation. If the Company failed in any of these or other key areas, the whole business could fail.

We have incurred net losses in the past, and we may incur net losses in the future. Our Net Operating Loss was $1,049,822 and $882,621 for the years ended December 31, 2023 and December 31, 2022, respectively. We have not been profitable since our inception, and we may not become profitable. In addition, we expect our operating expenses to 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.

Limitation on Rights in Bylaws:

The Bylaws limits your rights in several important ways, including these:

- The Bylaws limits the rights of Investors to bring legal claims against Management.
- The Bylaws limits the rights of Investors to obtain information about the Company and to inspect its books and records.
- Investors have a limited right to remove Management.
- Management is empowered to amend the Bylaws in certain respects without Investor consent.
- Investors have a limited ability to sell or otherwise transfer their interest in the Company
- The Bylaws provide that all disputes will be adjudicated in Fairfax County, Virginia. A copy of the Bylaws is attached hereto as Exhibit 2.2

Risks Related to Mortgage Loans and Real Estate Asset Based Model

General Real Estate Risks

The Company will be subject to the risks that generally relate to investing in real estate. Real estate historically has experienced significant fluctuations and cycles in performance that may result in reductions in the value of the Company's real estate related investments. The performance and value of its investments once originated or acquired depends upon many factors beyond the Company's control. The ultimate performance and value of the Company's investments are subject to the varying degrees of risk generally incident to the ownership and operation of the properties in which the Company invests and which collateralize or support its investments.

Borrower's Failure to Pay

The Company intends to primarily purchase performing Notes, as well as originate commercial Notes. There is the risk that the Notes may become non-performing through no fault of the Company. The Company may need to re-negotiate non-performing Notes so that they become performing. A risk associated with this business is that non-performing Notes may never perform or may start performing, but then stop performing. The Company considers numerous factors when contemplating the purchase of Notes, as set forth in the Investment Summary attached hereto. There is no guaranty that a Note will always perform or that it can be re-negotiated with the Borrower, or that the Borrower will uphold its obligations under the re-negotiated Note.

Risks Related to Status as Noteholder

The Company may have difficulty protecting its rights as a noteholder, which may result in the Company incurring additional costs and expenses.

These additional risks include, but are not limited to:

a. Foreclosure proceedings may be subject to protracted delays and/or litigation, during which time the secured property may deteriorate and/or decrease in value;
b. The Company may not be able to pursue deficiency judgments after it forecloses for various legal and/or practical reasons;
c. The Borrowers may file for bankruptcy protection during the re-negotiation/liquidation process or may have obtained a Bankruptcy discharge prior to the purchase of the Note. In such situations, federal Bankruptcy law will govern the Company's liquidation options. In the event of a Bankruptcy filing, the Company's ability to liquidate the asset will be severely impacted and protracted.

The ultimate performance and value of the Company's investments will depend upon, in large part, the Borrower's ability to perform and the Company's ability to operate any given property so that it produces sufficient cash flows necessary to generate profits. Revenues and cash flows may be adversely affected by: changes in national or local economic conditions; changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics, including, but not limited to, changes in the supply of and demand for competing properties within a particular local property market; competition from other properties offering the same or similar services; changes in interest rates and the credit markets which may affect the ability to finance, and the value of, investments; the ongoing need for capital improvements, particularly in older building structures; changes in real estate tax rates and other operating expenses; changes in governmental rules and fiscal policies, civil unrest, acts of God, including earthquakes, hurricanes, and other natural disasters, acts of war, or terrorism, which may decrease the availability of or increase the cost of insurance or result in uninsured losses; changes in governmental rules and fiscal policies which may result in adverse tax consequences, unforeseen increases in operating expenses generally or increases in the cost of borrowing; decreases in consumer confidence; government taking investments by eminent domain; various uninsured or uninsurable risks; the bankruptcy or liquidation of Borrowers or tenants; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Risks Related to Non-Performing Mortgage Loans

Mortgage Investment business is heavily regulated: The mortgage investment business is complex and heavily regulated. Our business is subject to extensive licensing requirements, consumer protection laws, foreclosure laws and regulatory oversight by federal, state and local governmental authorities. We may be required to devote substantial resources to compliance matters, and we may incur significant ongoing costs to comply with new and existing laws and governmental regulation. If we fail to operate our business in compliance with both existing and future laws, our business, reputation, financial condition, and results of operations could be materially and adversely affected. Our failure to comply with all applicable federal, state and local laws could result in, among other things, (i) loss of our licenses to engage in the mortgage investment businesses, (ii) government investigations and enforcement actions against us, (iii) fines, penalties and judgments against us, (iv) civil lawsuits, including class actions, (v) criminal liability, and (vi) breaches of covenants and representations under our servicing agreements, debt agreements or other agreements.

Licensing Requirements

Licensing requirements applicable to mortgage investing business: Many states impose certain licensing requirements on investors who buy and sell mortgage loans secured by 1-4 family residential properties. Any failure to be appropriately licensed may prevent us from pursuing business opportunities that could be beneficial to the Company, and could expose us to investigations, lawsuits, administrative proceedings, costs (including attorneys' fees), fines, judgments, penalties, or other consequences, which could materially and adversely affect our financial condition.

Property Condition

We may not be able to effectively control the timing and costs relating to the renovation and maintenance of our properties, which may adversely affect our operating results and ability to make distributions to our shareholders. Nearly all of our properties require some level of renovation either immediately upon their acquisition or in the future. We may acquire properties that we plan to extensively renovate. We may also acquire properties that we expect to be in good condition only to discover unforeseen defects and problems that require extensive renovation and capital expenditure. In addition, from time to time, we may perform ongoing maintenance or make ongoing capital improvements and replacements and perform significant renovations and repairs that insurance may not cover. Because our portfolio may consist of geographically dispersed properties, our ability to adequately monitor or manage any such renovations or maintenance may be more limited or subject to greater inefficiencies than if our properties were more geographically concentrated.

Our properties may have infrastructure and appliances of varying ages and conditions. Consequently, we routinely retain independent contractors and trade professionals to perform physical repair work and are exposed to all of the risks inherent in property renovation and maintenance, including potential cost overruns, increases in labor and materials costs, delays by

contractors in completing work, delays in the timing of receiving necessary work permits, and poor workmanship. If our assumptions regarding the costs or timing of renovation and maintenance across our properties prove to be materially inaccurate, our operating results and ability to make distributions to our shareholders may be adversely affected.

We may from time to time in the future acquire some of our homes through the auction process, which could subject us to significant risks that could adversely affect us. We may from time to time in the future acquire some of our homes through the auction process, including auctions of homes that have been foreclosed upon by us or third-party lenders. Such auctions may occur simultaneously in a number of markets, including monthly auctions on the same day of the month in certain markets. As a result, we may only be able to visually inspect properties from the street and will purchase these homes without a contingency period and in "as is" condition with the risk that unknown defects in the property may exist. Upon acquiring a new home, we may have to evict residents who are in unlawful possession before we can secure possession and control of the home. The holdover occupants may be the former owners or residents of a property, or they may be squatters or others who are illegally in possession. Securing control and possession from these occupants can be both costly and time-consuming or generate negative publicity for our business and harm our reputation.

Pricing of Loans

The ability of the Company to generate revenue and to make distributions to Investors depends on the Company's ability to accurately value prospective loans for purchase. Although the Company and its advisors rely on various objective criteria, the value of these loans has generally proven to be a fairly subjective endeavor that depends on a variety of factors. The factors include issues related to the underlying note (length of default, borrower bankruptcy, value of collateral, ability to modify, etc.) as well as issues related to the seller (need for capital, dissolution requirements, and varying other business objectives). There is no guaranty that the Company and its advisors will be successful.

Incomplete Due Diligence

The Company performs significant "due diligence" on the Notes prior to purchase. This includes the review of any available information about the loans and the underlying collateral. Despite best efforts, it is impossible to review all of the information about a given loan and there is no assurance that all of the information that was provided/obtained is accurate. It is also possible that we have reached inaccurate conclusions concerning the information we have reviewed.

Information supplied by Borrowers may be inaccurate or intentionally false: Borrowers supply a variety of information to servicing companies which are reviewed during our underwriting process, of which is not independently verified. For example, since we are not owners of the loan, there is no independent verification of the information about the financial condition of the Borrower. Further, the information the Borrowers supply may be inaccurate or intentionally false.

Risks Related to Business Purpose Mortgage Loans

Potentially Limited Recourse

A standard Business Purpose Mortgage Loan will be secured by a lien against the underlying real property for which the loan was provided, as well as guaranty agreements executed by the principals of the corporate borrower. Despite the presence of the guaranty agreements, it is possible that the our remedy in the event of nonpayment may be limited to the value of the real property securing the debt. Further, our remedies against the Borrower may be limited by state law in certain jurisdictions. For instance, some jurisdictions restrict a lender's right to seek a deficiency against the Borrower in the event the amount realized from a foreclosure sale is insufficient to repay the underlying debt, commonly referred to as anti-deficiency statutes. Moreover, in jurisdictions where deficiency actions are permitted, the burden of proof with respect to the adequacy of the amount realized from the foreclosure is often imposed on the party seeking the deficiency, such that deficiency actions may result in costly and protracted litigation. Further, some jurisdictions continue to apply the common-law doctrine of "election of remedies" pursuant to which a lender must elect either to sue for recovery under the obligation or pursue foreclosure against the real property subject to the mortgage lien. While such restrictions can frequently be waived as a matter of contract, the election of remedies doctrine represents a potential defense in certain circumstances. Other jurisdictions may implement a judicial foreclosure process, where the lender must first petition the courts of that jurisdiction in order to obtain title to the real property. This process delays foreclosure efforts (by up to a year) and increases collection expenses, both of which increase the chance that we will not recoup all of our investment. If the Borrower fails to make payments on the loan and our remedy is limited to the value of the real property securing the loan, it is possible that it will have an impact on our ability to deliver returns and could impact the Company's ability to return the investment.

Potential risks associated with construction loans

Construction loans are typically those loans provided to borrowers to fund the cost of renovations to real property. The success of construction loans is dependent on the performance of third parties, including the Borrower and its principal(s), over which we have no control. The Borrower typically owns and controls the construction project and is responsible for various management functions that are essential to the success of the project. Poor management on the part of the Borrower, or its principals, could adversely affect the financial performance of the project or expose the project to unanticipated operating risks, which could reduce the project cash flow and adversely affect the Borrower's ability to repay the loan.

Potential risks associated with inaccurate or incomplete information.

The Company does its best to obtain complete and accurate information from prospective borrowers in the underwriting phase. Sometimes, credit information may be inaccurate or may not accurately reflect the creditworthiness of the Borrower or its principals. In the course of our underwriting, we obtain credit information about the Principals of the Borrower from consumer reporting agencies, such as TransUnion, Experian or Equifax. A credit score assigned to a principal may not reflect the actual creditworthiness of the Borrower or its principals. In addition, the

information obtained from the credit report is not verified and the credit score of the principal may be based on outdated, incomplete or inaccurate consumer reporting data. Additionally, there is a risk that, after the underwriting team has completed our credit review, the principal may have:

- become delinquent in the payment of or defaulted under an outstanding obligation;
- taken on additional debt; or
- sustained other adverse financial events.

Inaccuracies in the credit information obtained or subsequent events that materially impact the ability to repay the Loan or reduce creditworthiness may increase the risk that the Borrower will default on its Loan, which will increase risk.

Information supplied by Borrowers, including information on the project summaries, may be inaccurate or intentionally false. Much of the information provided by Borrowers during the application and underwriting process is not independently verified, and, although Borrowers represent and warrant in the Loan Agreement as to the accuracy of such information, it may nevertheless be inaccurate or incomplete. For example, there is no independent verification of the information about the financial condition and past business experience of the Borrower and business experience of its principals, including the proposed costs of a given construction project or the capabilities, and the experience of any contractors or sub-contractors. Further, the information the Borrowers supply may be inaccurate or intentionally false. Borrowers may misrepresent their intentions for the use of Loan Proceeds, and, such misrepresentations negatively impact the Borrower's ability to make its payments under the Loan, which could lead to a default,

Risks relating to Management's limited experience in business purpose loans.

Our management team has limited experience in mortgage loan underwriting: We began originating business purpose loans in 2023. A limited number of our Management team has experience in mortgage loan underwriting See "Management Discussion." Mistakes and/or errors in the underwriting or evaluation of potential business purpose loans may have an impact on the Company's ability to provide a return. Although the Company's evaluation system is based upon certain quantifiable characteristics that have been developed and is primarily driven by leverage and asset value, there is no assurance that the evaluation will accurately assess the risks associated with the Borrower or the property for which the Loan is being sought.

Risks relating to balloon payments.

Business Purpose Loans typically do not provide for any principal amortization prior to a balloon principal payment at maturity. Real estate loans that have a balloon principal payment at maturity may have a higher risk of default at maturity than fully amortizing loans. In addition, since the principal of these loans is repaid at maturity, the amount of loss upon default is generally greater than on other loans that provide for more principal amortization.

The Company's Investments are Illiquid in Nature

Although some of the Company's investments may generate current income, the illiquidity commonly associated with real estate investments may limit the Company's ability to vary its portfolio of investments in response to changes in economic and other conditions. Illiquidity may result from the absence of an established market for investments as well as the legal or contractual restrictions on their resale. In addition, illiquidity may result from the decline in value of a property comprising one of the Company's investments. There can be no assurances that the fair market value of any property held by the Company will not decrease in the future, leaving the Company's investment relatively illiquid.

Other Real Estate Related Risks

The Company's real estate related investments will be subject to the varying degrees of risk and significant fluctuations in their value. The value of the Company's investments depends upon the Borrower's ability to make the necessary loan payments. Revenues may be adversely affected by changes in national or international economic conditions; changes in local market conditions due to changes in general or local economic conditions and neighborhood characteristics; the financial condition of tenants, buyers, and sellers of properties; competition from other properties offering the same or similar services; changes in interest rates and in the availability, cost, and terms of mortgages; the impact of present or future environmental legislation and compliance with environmental laws; the ongoing need for capital improvements (particularly in older structures); changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; civil unrest; acts of God, including earthquakes, hurricanes, and other natural disasters; acts of war; acts of terrorism (any of which may result in uninsured losses); adverse changes in zoning laws; and other factors that are beyond the control of the real property owners and the Company. In the event that any of the properties underlying the Company's investments experience any of the foregoing events or occurrences, the ability of the real property owner to pay the interest and principal on any debt securities would be negatively impacted.

Digital Operations Risk

The Company is nearly paperless, with all documents secured and managed digitally. The Company utilizes industry proven software that allows it to track and manage its investments with confidence and accuracy. However, there are risks associated with technology. Defects in software products and errors or delays in processing of electronic transactions could result in:

- transaction or processing errors;
- diversion of technical and other resources from other efforts;
- loss of credibility with current or potential customers;
- harm to reputation; or
- exposure to liability claims.

In addition, the Company relies on technologies supplied by third parties that may also contain undetected errors, viruses, or defects that could have a material adverse effect on the Company's financial condition and results of operations.

We rely upon Microsoft Web Services ("MWS") to operate certain aspects of our service and any disruption of or interference with our use of the Microsoft Web Services operation would impact our operations and our business would be adversely impacted. Microsoft Web Services provides a distributed computing infrastructure platform for business operations, or what is commonly referred to as a "cloud" computing service. Our software and computer systems have been designed to utilize data processing, storage capabilities and other services provided by MWS. Currently, we run our loan management software on MWS. Given this, along with the fact that we cannot easily switch our MWS operations to another cloud provider, any disruption of or interference with our use of MWS would impact our operations and our business would be adversely impacted.

Other General Risks of an Investment in the Company

Unspecified Investments

Investors must rely upon the ability of the Company in making investments consistent with the Company's investment objectives and policies. Although the principals have been successful in locating investments in the past, past success does not guaranty future success. The Company may experience trouble in sourcing and locating potential assets for a variety of reasons, to include market saturation, inflated pricing, and other economic reasons outside of the control of the Company.

Furthermore, there may be periods of time between when the Company is unable to make distributions or payments due to lifecycle of the Company's investments. The Company will attempt to invest the proceeds as quickly as prudence and circumstances permit; however, no assurance can be given as to how quickly the proceeds will be invested. Consequently, the distributions you receive on your investment may be reduced pending the investment of the Offering proceeds in real estate loans or direct real estate acquisition.

The Company's Due Diligence May Not Reveal All Factors Affecting an Investment and May Not Reveal Weaknesses in Such Investments.

There can be no assurance that the Company's due diligence processes will uncover all relevant facts that would be material to an investment decision. Before making an investment, the Company will assess the strength of the underlying properties and any other factors that they believe are material to the performance of the investment. In making the assessment and otherwise conducting customary due diligence, the Company will rely on the resources available to them and, in some cases, investigations by third parties.

Reliance on Company Management

Investors will have no right to vote. The Company will make all management decisions, including Asset selection. The Company will be relying in large part on Management's acquisition expertise.

Chris Seveney is an integral part of the Company. If he were to leave the Company, die, or become permanently disabled, the Company's ability to continue the management of the Company could be materially and adversely affected. Upon the death or permanent disability of Mr. Seveney, the

Board of Directors will search for and identify a replacement. The Company is confident in its ability to continue the Company's operations in the event that Mr. Seveney is no longer a part of the Company.

Risk of Litigation

The Company's investment activities may include activities that will subject it to the risks of becoming involved in litigation by third parties. The expense of defending claims against the Company by third parties and paying any amounts pursuant to settlements or judgments would be borne by the Company and would reduce net assets.

Lender Liability Risks Including Equitable Subordination

In recent years, a number of judicial decisions in the U.S. have upheld the right of Borrowers to sue lending institutions on the basis of various evolving legal theories (collectively termed "lender liability"). Generally, lender liability is founded upon the premise that an institutional lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the Borrower or has assumed a degree of control over the Borrower resulting in creation of a fiduciary duty owed to the borrower or its other creditors or shareholders. Because of the nature of certain of the Company's investments, the Company could be subject to allegations of lender liability.

In addition, under common law principles that, in some cases, form the basis for lender liability claims, if a lending institution (a) intentionally takes an action that results in the undercapitalization of a Borrower to the detriment of other creditors of such Borrower, (b) engages in other inequitable conduct to the detriment of such other creditors, (c) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (d) uses its influence as an equity holder to dominate or control a Borrower to the detriment of the other creditors of such Borrower, a court applying bankruptcy laws may elect to subordinate the claim of the offending lending institution to the claims of the disadvantaged creditor or creditors, a remedy called "equitable subordination." The Company could be subject to claims from creditors of an obligor that the Company's investments in debt obligations of such obligor should be equitably subordinated. Alternatively, in bankruptcy a court may re-characterize the Company's claims or restructure the debt using "cram down" provisions of the bankruptcy laws.

Risks Associated with a Changing Economic Environment

As a result of the credit crisis and the occurrence of several high-profile bankruptcies, recent government bailouts, bank failures, other negative corporate events, and certain other recent events, the financial markets have been disrupted in general and the availability and cost of capital for the Company and that of the Company's competitors have been adversely affected. The achievement of the Company's targeted rate of return is dependent, at least in part, upon the Company's ability to access capital at rates and on terms the Company determines to be acceptable. If the Company's ability to access capital becomes significantly constrained, the Company's financial condition and future investments may be significantly adversely affected.

Risks of Uninsured Losses

The Company will require that all real property securing the Assets is insured against hazard. However, some events may be uninsurable or insurance coverage for such events may not be economically practicable and may result in an Asset being undersecured or completely unsecured. Losses from earthquakes, floods, or other weather phenomena, for example, that could occur may be uninsured and cause losses to the Company. In addition, insurance may lapse without proper notice to the Company and/or Assets may become temporarily uninsured and sustain damage during this period.

Risk of Repayment of Company Assets and Redeployment of Cash

There is a risk that when Assets are paid off, there may not be sufficient quality opportunities to immediately redeploy the proceeds received from these payoffs into new Assets. If the Company is unable to locate new Assets in a timely manner, the excess cash may water down the overall yield to the Company.

Competition for Assets

The business and arena in which the Company is engaged is highly competitive, and the Company competes with numerous established entities, some of which have more financial resources and experience in the business than the Company. The Company expects to encounter significant competition from other market participants including private lenders, private equity managers, real estate developers, pensions, real estate investment trusts, other private parties, potential investors or homeowners, and other people and/or entities with objectives similar in whole or in part to those of the Company. Any general increase in the availability of capital for such purposes may increase competition for Assets and could reduce the yields they produce, including those of the Company.

Absence of Registration Under Applicable Securities Laws

This Offering is being made under certain federal and state securities laws exemptions. As such, the Bonds offered pursuant to this Offering have not been registered under the Securities Act, or applicable state securities laws. Therefore, no regulatory authority has reviewed the terms of this Offering, including the nature and amounts of the compensation, the disclosure of risks and tax consequences, and the fairness of the terms of this Offering.

Further, Investors do not have all of the protection afforded in registered and/or qualified offerings, and they must judge the adequacy of disclosure and the fairness of the terms of this Offering without the benefit of prior review by any regulatory authority.

Absence of Regulatory Oversight

While the Company may be considered similar to an investment company, it is not presently and does not propose in the future, to register as such under the Investment Company Act of 1940 or the laws of any other country or jurisdiction and, accordingly, the provisions of the Investment Company Act (which, among other matters, require investment companies to have a majority of

disinterested directors, require securities held in custody to be individually segregated at all times from the securities of any other person and to be clearly marked to identify such securities as the property of such investment company, and regulate the relationship between the adviser and the investment company) will not be applicable to the Company.

Risk That the Company May Become Subject to the Provisions of the Investment Company Act of 1940.

The Company intends to operate so as to not be regulated as an investment company under the Investment Company Act (as defined herein) based upon certain exemptions thereunder. Companies that are subject to the Investment Company Act must register with the SEC and become subject to various registration, governance, and reporting requirements. Compliance with such restrictions would limit the Company's flexibility and create additional financial and administrative burdens on the Company. The Company believes it can avoid these restrictions based on one or more exemptions provided for companies like the Company. Specifically, the Company will be primarily engaged in purchasing or acquiring mortgages and other liens on, and interests in, real estate as determined under exemptions from the Investment Company Act and rules issued thereunder. As such, the Company will not be in the business of investing, reinvesting, owning, holding or trading in securities and it owns or proposes to acquire, investment securities having a value exceeding 40 percent of the value of its total assets, exclusive of government securities and cash items, on a consolidated basis. If the Company fails to qualify for exemption from registration as an investment company, its ability to conduct its business as described herein will be compromised. Any such failure to qualify for such exemption would likely have a material adverse effect on the Company.

The Company's Reliance on Exclusions from the Investment Company Act May Impact Certain Investment Decisions

The Investment Company Act excludes a real estate program from the definition of an "investment company" if it is "primarily engaged" in, the origination or acquisition of mortgages and other liens on, and/or interests in, real estate. The Company has not sought a no-action letter from the SEC to confirm that the Company is eligible for this exemption. However, the Company will rely on guidance issued by the SEC stating that so long as qualifying percentages of the Company assets consist of (1) mortgages and other liens on or interests in real estate; and (2) the remaining percentage of the Company's assets consist primarily of real estate related assets, the Company will remain exempt from the Investment Company Act registration requirements. Because the Company is relying on an exemption that is dependent on the nature of the Company's investment holdings, the Company may need to consider such restrictions when assessing a potential investment for the Company and may decide not to pursue an asset because such asset would jeopardize the Company's use of the exemption, as opposed to whether the asset would otherwise be a sound investment for the Company.

Recent and Anticipated Legislative and Regulatory Activity

The U.S. Congress, the SEC, and other regulators have taken, or represented that they may take, action to increase or otherwise modify the laws, rules, and regulations applicable to techniques

and instruments in which the Company may invest. New (or modified) laws, rules, and regulations may prevent, or significantly limit the ability of, the Company from using certain such instruments or from engaging in such transactions. This may impair the ability of the Company to carry out the Company's investment strategy and may otherwise have an adverse impact on the Company's returns. Compliance with such new or modified laws, rules, and regulations may also increase the Company expenses and therefore, may adversely affect the Company's performance. It is not possible at this time to predict with certainty what, if any, impact the new or modified regulations will have on the Company, and it is possible that such impact could be adverse and material.

Risks Specific to Bondholders

The Bonds are Unsecured

The Bonds offered herein by the Company are unsecured general debt obligations of the Company. The Bonds are not secured by any mortgage, lien, pledge, charge, financing statement, security interests, hypothecation, or other security device of the Company of any type, and is a general obligation of the Company.

Risk that the Stated Value of Individual Company Assets is Incorrectly Determined

The Company will develop and utilize a consistent methodology to calculate the Stated Value of each individual Asset on an ongoing basis, typically calculating this Stated Value for each Asset at the time of origination or acquisition and at the end of each calendar quarter. The Company will use methodologies that it deems reasonable based on various valuation practices commonly used in similar businesses in the industry including Broker Price Opinions ("BPOs"), Comparative Market Analyses ("CMAs"), appraisals, comparable sales of other assets similar to Assets, historical data and trends from actual sales, disposition, or performance of Assets, cash balances (in the case of cash Assets), and other such methodologies generally used and accepted in the market. This being said, the determination of Stated Value of any given Asset may be highly subjective and may change continuously on an ongoing basis. There is no guarantee that any Stated Value as determined by the Company of one or more of the Assets is an accurate representation of the true current value of any Asset and as such, the Share Price may not fairly represent the then current true value of the Shares. Furthermore, the Company may be subject to certain conflicts of interest in determining the Stated Value since such Stated Value will be the basis for the calculation of its management fees.

Although the Company will use methodologies that it believes are based on reasonable approaches to establishing value, it may modify, alter, or improve its methodologies in its sole discretion at any time during the life of the Company. The Company shall make all determinations as to Stated Value of the Assets in its sole discretion.

Bonds are not Liquid/Restrictions on Withdrawal of Member Capital

The Bonds are being offered and sold without registration under the Securities Act, and without registration or qualification under the securities laws of any state, in reliance upon the exemptions from registration provided by Securities 3(b), and 4(2) of the Securities Act and Regulation D,

Rule 506(c) promulgated thereunder and certain exemptions from registration and/or qualification under applicable state securities laws and regulations. When subscribing for Bonds, each Investor agrees to not resell or offer for resale any Bonds or any interest in any Bonds.

Bondholders will be required to hold their Bonds for a minimum of four (4) years for Class D4 Bonds and five (5) years for Class D5 and E5 Bonds. The Company shall have no obligation to grant any early redemption request and shall retain sole discretion as to whether to grant any early redemption request. No Bondholder will be given priority for redemption over any other Bondholder and all redemption requests will be processed in accordance with the order they were received.

Restrictions on Transfer of Bonds

The Bonds are restricted as to transfer under the state and federal tax and securities laws. There is no market for the Bonds, public or private, and there is no likelihood that one will ever develop. Bondholders must be prepared to hold their Bonds as a long-term investment. To comply with applicable tax and securities laws, the Company may refuse advice to consent to a transfer or assignment of Bonds.

Rights of Bondholders are Restricted

No Bondholder is entitled to exercise any control over the Company's day-to-day operations, which operations shall be entirely in the hands of the Company. Bondholders do not have any voting rights.

Federal Income Tax Risks

As with any investment that generates income and/or loss and distributes cash, an investment in the Company has federal income tax risks. The significant tax risks are discussed in greater detail later in this PPM. All Investors are encouraged to review the tax risk section with competent tax counsel. Investors should understand the role of the Company and the IRS concerning the tax issues involved in any investment in the Company.

The Company will:

- Defend any investigation by any state agency that seeks to make adverse tax adjustments to the Company.;
- Retain an accounting firm to annually prepare a financial statement on the Company's behalf; and
- Not apply to the IRS for any ruling concerning the establishment or operation of the Company.

CONFLICTS OF INTEREST

Other Investments

Personnel of the Company and its respective Affiliates involved in managing and executing responsibilities of the Company may have investments in other companies or accounts and real estate interests sponsored by or affiliated with the Company as well as investments in non-affiliates. The performance of and financial returns on such other investments may be at odds with those of the Company.

Diverse Membership

The Investors may include taxable and tax-exempt persons and entities and may include persons or entities organized in various jurisdictions. As a result, conflicts of interest may arise in connection with decisions made by the Company that may be more beneficial for one type of Bondholder than for another. In addition, the Company may make investments for the Company that may have a negative impact on other investments made by certain Investors in separate transactions. In selecting investments appropriate for the Company, the Company will consider the investment objectives of the Company as a whole, not the investment, tax, or other objectives of any Bondholder individually.

Indemnification

The Company will indemnify its Management, agents, or attorneys from any action, claim, or liability arising from any act or omission made in good faith and in performance of its duties. If the Company becomes obligated to make such payments, such indemnification costs would be paid from Company that would otherwise be available to distribute to Investors or invest in further Assets. To the extent these indemnification provisions protect the Company and its Affiliates, agents, or attorneys at the cost of the Investors in the Company, a conflict of interest may exist.

Other Services or Potential Compensation

The Company may engage Affiliates to perform services for and on behalf of the Company and the Company may, in connection with such services, pay to such Affiliates fees, property management fees, and other compensation. Affiliates of the Company may receive commissions or fees from unrelated third parties with whom the Company is purchasing or selling a real property asset or engaging in another transaction and, that in such event, such Affiliate may have a potentially conflicting division of loyalties and responsibilities regarding the Company and the other parties to the transaction.

TAX ASPECTS OF THE OFFERING

THE TAX CONSIDERATIONS RELATING TO THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE BONDS ARE SIGNIFICANT AND COMPLEX. IT IS IMPOSSIBLE FOR ANY MEMORANDUM SUCH AS THIS TO ADDRESS ALL OF THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO MEMBERS IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES OR TO MEMBERS SUBJECT TO SPECIAL RULES UNDER U.S. FEDERAL INCOME TAX LAWS.

THEREFORE, ALL PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR INDIVIDUAL TAX ADVISORS WITH RESPECT TO THE TAX RAMIFICATIONS OF ANY INVESTMENT IN THE COMPANY.

THIS COMPANY IS NOT A TAX-ORIENTED INVESTMENT.

SPECIAL NOTICE AND DISCLAIMER:
U.S. Partnership Tax Audit Risk

Under current law, the Company, which intends to be treated as a corporation for U.S. tax purposes, will be required to file a tax return with the IRS. If the tax returns of the Company are audited by the IRS, the tax treatment of the Company's income and deductions generally is determined at the Company level and U.S. tax deficiencies arising from the audit, if any, are paid by the Company, which could affect distributions.

The Bipartisan Budget Act of 2015 ("BBA"), changed many of the rules relating to the Tax Matters Member or Partnership Representative and their representation of the entity (in this case the Fund) with respect to all tax matters. Specifically, under the general rule imposed under new legislation, an audit adjustment of the Company's tax return filed or required to be filed for any tax year beginning during or after 2018 (a "Filing Year") could result in a tax liability (including interest and penalties) imposed on the Company for the year during which the adjustment is determined (the "Adjustment Year"). The tax liability generally is determined by using the highest tax rates under the Code applicable to U.S. taxpayers, in which case any Adjustment Year partners of the Company would bear the audit tax liability at significantly higher rates (including interest and penalties) arising from audit adjustments and in amounts that are unrelated to their Filing Year economic interests in the Company partnership items that were adjusted.

To mitigate the potential adverse consequences of the general rule, the Company may be able to elect to pass through such audit adjustments for any year to the Bondholders who invested in the Company for the Filing Year (instead of those who are partners/members in the Adjustment Year), in which case those partners generally would be responsible for the payment of any tax deficiency, determined after including their Bonds of the adjustments on their tax returns for the Adjustment Year. The ramifications of the BBA changes to the audit procedures and rules could be significant, and prospective investors are strongly encouraged to consult with competent and experienced tax advisors and counsel with respect to the BBA changes, before making an investment in the Company.

AS REQUIRED BY U.S. TREASURY REGULATIONS GOVERNING TAX PRACTICE, YOU ARE HEREBY ADVISED THAT ANY WRITTEN TAX ADVICE CONTAINED HEREIN WAS NOT WRITTEN OR INTENDED TO BE USED (AND CANNOT BE USED) BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED UNDER THE INTERNAL REVENUE CODE OF THE UNITED STATES; THE ADVICE WAS PREPARED TO SUPPORT THE PROMOTION OR MARKETING OF TRANSACTIONS OR MATTERS ADDRESSED BY THE WRITTEN ADVICE; AND PROSPECTIVE INVESTORS REVIEWING THIS DISCUSSION SHOULD CONSULT THEIR OWN TAX ADVISERS CONCERNING THE U.S. FEDERAL, STATE, AND LOCAL INCOME TAX CONSEQUENCES IN THEIR PARTICULAR SITUATIONS OF THE PURCHASE, OWNERSHIP, AND DISPOSITION OF INTERESTS, AS WELL AS ANY CONSEQUENCES UNDER THE LAWS OF ANY OTHER TAXING JURISDICTION.

ERISA CONSIDERATIONS

In considering the acquisition of Units to be held as a portion of the assets of an "employee benefit plan" within the meaning of Section 3(3) of ERISA ("a Benefit Plan" or "Plan"), a Plan fiduciary, taking into account the facts and circumstances of such trust, should consider, among other things: (a) the effect of the "Plan Asset Regulations" (Labor Regulation Section 2510.3-101) including potential "prohibited transactions" under the Code and ERISA; (b) whether the investment satisfies the "exclusive purpose," "prudence," and "diversification" requirements of Sections 404(a)(l)(A),(B) and (C) of ERISA; (c) whether the investment is a permissible investment under the documents and instruments governing the plan as provided in Section 404 (a)(l)(D) of ERISA; (d) the Plan may not be able to distribute Units to participants or beneficiaries in pay status because the Company may withhold its consent; and (e) the fact that no market will exist in which the fiduciary can sell or otherwise dispose of the Bonds and the Company has no history of operations. The prudence of a particular investment must be determined by the responsible fiduciary with respect to each employee benefit plan, taking into account the facts and circumstances of the investment.

Any Investor that invests funds belonging to a qualified retirement plan or IRA should carefully review the tax risks provisions of this PPM as well as consult with their own tax advisors. The contents hereof are not to be construed as tax, legal, or investment advice. PROSPECTIVE BENEFIT PLAN INVESTORS ARE URGED TO CONSULT THEIR ERISA ADVISORS WITH RESPECT TO ERISA AND RELATED TAX MATTERS, AS WELL AS OTHER MATTERS AFFECTING THE BENEFIT PLAN'S INVESTMENT IN THE COMPANY. MOREOVER, MANY OF THE TAX ASPECTS OF THE OFFERING DISCUSSED HEREIN ARE APPLICABLE TO BENEFIT PLAN INVESTORS WHICH SHOULD ALSO BE DISCUSSED WITH QUALIFIED TAX COUNSEL BEFORE INVESTING.

ADDITIONAL INFORMATION AND UNDERTAKINGS

Fictitious Name Designation

The Manager is operating under a fictitious business name, specifically, 7e Investments (7e). A fictitious business name is a trade name in which a business may operate under a different name than that of a legal name, which in this case, is CWS Investments Inc. The use of a fictitious business name does not create limited liability protection, as a fictitious business name is not a separate entity.

The fictitious business name is used in addition to the official legal name and was created and is used for the purposes of operations and marketing efficiencies. The fictitious business name is not a separate or distinct legal entity. It is distinguishable in name only.

The Company undertakes to make available to each offeree every opportunity to obtain any additional information from the Company necessary to verify the accuracy of the information contained in this Memorandum, to the extent that it possesses such information or can acquire it without unreasonable effort or expense. This additional information includes, without limitation, all the organizational documents of the Company, and all other documents or instruments relating to the operation and business of the Company and material to this Offering and the transactions contemplated and described in this Memorandum.

As of December 30, 2024 the current portfolio of CWS Investments consists of the following mortgage loans:

- 55 Assets
- Assets located in 22 states
- Average Unpaid Balance: $398,000
- Average Estimated Property Value: $968,000

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File No. 024-12637

CWS Investments, Inc.
SUPPLEMENT NO. 2 DATED SEPTEMBER 17, 2026
TO THE OFFERING CIRCULAR DATED FEBRUARY 11, 2026

This document supplements, and should be read in conjunction with, the offering circular of CWS Investments, Inc. (the "Company," "we", "our" or "us"), dated **February 11, 2026** and filed by us with the Securities and Exchange Commission (the "Commission") on **February 11, 2026,** as supplemented by that Supplement No. 1 dated February 25, 2026 (the "Offering Circular"). Unless otherwise defined in this supplement, capitalized terms used in this supplement shall have the same meanings as set forth in the Offering Circular.

The purpose of this supplement is to disclose updates to the Offering Circular dated **February 11, 2026,** which will be effective as of **September 17, 2026.**

The risk factor with the below heading on page 18 of the Offering Circular is replaced in its entirety with the following:

Risk of Litigation

The Company's investment activities may include activities that will subject it to the risks of becoming involved in litigation by third parties including borrowers of the Company's loans. The Company settled a borrower claim on August 24, 2026, pursuant to which the Company agreed to pay approximately $1,875,000 (including $285,000 paid by insurance) in full resolution of a claim in connection with a loan of over $6 million thereof, without any admission of liability, fault, or wrongdoing. The lawsuit has been dismissed with prejudice. The expense of defending claims against the Company by third parties and paying any amounts pursuant to settlements or judgments are borne by the Company and will reduce the Company's assets and liquidity, which may have an adverse effect on the Company's ability to make payments of interest and principal on its Bonds.

SUPPLEMENT NO. 1 DATED JANUARY 28,2025
TO THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM
OF CWS INVESTMENTS, INC., A VIRGINIA CORPORATION OFFERING $75,000,000.00 SERIES B, CLASS D4, D5 AND E5 BONDS
MINUMUM MEMBER INVESTMENT AMOUNT: $100,000
JANUARY 17, 2025

Redemption Upon Death or Disability

Provided the Bondholder has been invested for a minimum of 90 days, within 90 days of the death or total permanent disability of a Bondholder who is a natural person (or the beneficiary of an irrevocable trust that holds bonds who is a natural person), the estate of such Bondholder, such Bondholder, or legal representative of such Bondholder may request that we repurchase, in whole, but not in part, the Bonds held by such Bondholder by delivering to us a written notice requesting such Bonds be redeemed. Any such request shall specify the particular event(s) giving rise to the right of the holder or beneficial holder to have his or her Bonds redeemed. If a Bond is held jointly by natural persons who are legally married, then such request may be made by (i) the surviving Bondholder upon the death of the spouse, or (ii) the disabled Bondholder (or a legal representative) upon total permanent disability of the spouse. In the event a Bond is held together by two or more natural persons that are not legally married, neither of these persons shall have the right to request that the Company repurchase such Bonds unless each Bondholder can demonstrate that it has been financially or monetarily damaged by such an event.

Upon receipt of a redemption request in the event of death or total permanent disability of a Bondholder, we will designate a date for the redemption of such Bonds, which date shall not be later than after 120 days we receive facts or certifications establishing, to the reasonable satisfaction of the Company, the right to be redeemed. On the designated date, we will redeem such Bonds at a price per Bond of $1,000* plus any accrued and unpaid interest, to but not including the date on which the Bonds are redeemed.

Disability shall mean with respect to any Bondholder or beneficial holder, a determination of disability based upon a physical or mental condition or impairment arising after the date such Bondholder or beneficial holder first acquired Bonds. Any such determination of disability must be made by any of: (1) the Social Security Administration; (2) the U.S. Office of Personnel Management; or (3) the Veteran's Benefits Administration, or the Applicable Governmental Agency, responsible for reviewing the disability retirement benefits that the applicable Bondholder or beneficial holder could be eligible to receive.

Redemptions due to death or disability shall be treated as early redemptions and any profit sharing shall be forfeited. Redemptions due to death or disability shall also count towards the quarterly 20% Limit on redemptions described above. Redemptions will be processed in the order they were received. Any redemptions in excess of the 20% Limit, will be carried over to the next calendar quarter and redeemed at such time unless such carryover redemptions would exceed the 20% Limit for the new calendar quarter in which case they will be carried over to successive calendar quarters until redeemed; provided, however that if, during the pendency of the Offering, the 20% Limit is adjusted upward at the beginning of any succeeding calendar quarter, then such carried over redemptions will be redeemed as of such adjustment to extent they do not exceed the then in effect 20% Limit.

*In the event that Company incurred any broker's or RIA fees or related expenses as part of the redeeming Bondholder's investment into the Company, said fees shall be prorated and reduce the Bonds value.

Added risk

We may have to liquidate some of our investments at inopportune times to redeem Bonds in the event of the death or disability of a Bondholder and redeem Bonds pursuant to the Optional Redemption.

The Bonds carry an early redemption right and a redemption right in the event of death or disability of the Bondholder. As a result, one or more Bondholders may elect to have their Bonds redeemed prior to maturity. In such an event, we may not have access to the necessary cash to redeem such Bonds, and we may be required to liquidate certain assets in order to make such redemptions. Liquidation of assets may result in additional delay surrounding redemption, particularly around redemptions upon death or disability. Our investments are not intended to be liquid, and as a result any such liquidation may be at a price that represents a discount to the actual value of such investment.

FORM OF CWS INVESTMENTS, INC. BOND

Effective Date:_____

FOR VALUE RECEIVED, the undersigned, CWS Investments, Inc., a Virginia corporation, (the "Company," and in its capacity as maker of this Bond, the "Maker") PROMISES TO PAY to the order of _____ (together with its permitted successors and assigns, the "Bondholder") the principal sum of _____ **dollars** (**$**_____), together with interest at the rate specified below. This CWS Investments, Inc. Bond (the "Bond") is being issued pursuant to the terms of the CWS Investments, Inc. Subscription Agreement by and between the Maker and the Bondholder (the "Subscription Agreement").

1. **Principal and Term**. The Outstanding Principal Balance (as defined herein) shall be due and payable on the applicable maturity date as set forth in Section 2(a) hereof, or upon earlier redemption pursuant to Sections 2(c), 2(d), 2(e) or 2(f) of this Bond. If no redemption request is made upon maturity, the Bond will continue to be outstanding and accrue interest pursuant to its terms, subject to the conditions described below. The term "Outstanding Principal Balance" means, as of any date of determination, the principal amount of this Bond that remains unpaid.

2. Interest.

(a) Calculation; Payment of Interest. The Bonds are priced at $1,000 per Bond. The Bondholder has purchased the following Bonds:

___ Class D5 Bonds at 9.5% per annum (five-year maturity).

Date of Investment	Maturity
1/1/25 – 6/30/25	1/1/30
7/1/25 – 12/31/25	7/1/30
1/1/26 – 6/30/26	1/1/31
7/1/26 – 12/31/26	7/1/31
1/1/27 – 6/30/27	1/1/32
7/1/27 – 12/31/27	7/1/32

___ Class E5 Bonds at 11% per annum (five-year maturity).

Date of Investment	Maturity
1/1/25 – 6/30/25	1/1/30
7/1/25 – 12/31/25	7/1/30
1/1/26 – 6/30/26	1/1/31
7/1/26 – 12/31/26	7/1/31
1/1/27 – 6/30/27	1/1/32
7/1/27 – 12/31/27	7/1/32

Total Purchase Amount: **$**_____

Date of Investment: _____

Interest shall be computed based on the actual number of days elapsed in a year consisting of 365 days, accruing daily based on the actual number of days elapsed in each month. Interest shall be credited monthly to the Bondholder's Account. Upon credit of interest to the Bondholder's Account, such interest shall be deemed paid in full.

(b) Payment of Outstanding Principal Balance. Payments of the Outstanding Principal Balance will be credited by Maker to Bondholder's Account on or prior to the applicable maturity date as set forth in Section 2(a), or upon earlier redemption pursuant to Sections 2(c), 2(d), 2(e) or 2(f) of this Bond. Upon credit of the Outstanding Principal Balance to the Bondholder's Account, the Outstanding Principal Balance shall be deemed paid in full.

(c) Redemption by Bondholder

i. Upon maturity, the Bond shall be redeemable, in whole or in part, upon the Bondholder's written request. Said written request shall provide the Maker with at least ninety (90) days' notice. The Bonds shall be redeemed at par value plus any accrued but unpaid interest up to but not including the date of redemption (the "Redemption Date"). Interest shall cease accruing on the Bond on the Redemption Date. The Outstanding Principal Balance together with interest through the Redemption Date shall be credited to the Bondholder's Account within ninety (90) days following the Redemption Date. If no redemption request is made upon maturity, and subject to the terms and conditions described in the Private Placement Memorandum, the Bonds will continue to be outstanding and accrue interest pursuant to its terms.

ii. Bond redemptions occur in the order that notices are received. The Company's obligation to redeem Bonds is limited to an aggregate principal amount equal to the 20% Limit (as defined below) during any Redemption Period. Any Bond not redeemed or accepted for redemption due to the 20% Limit shall roll over and will continue to be outstanding and accrue interest pursuant to its terms and will be redeemed at the next available Redemption Period once the 20% Limit is no longer exceeded.

iii. Any Bonds redeemed as a result of a Bondholder's death, disability or bankruptcy will be included in calculating the 20% Limit and will thus reduce the number of Bonds available to be redeemed pursuant to this Section.

iv. "20% Limit" shall mean 20% of the aggregate principal amount of Bonds outstanding at the commencement of the current calendar year; provided, however, during the pendency of the Offering, such amount shall be updated to equal 20% of the aggregate principal amount of Bonds outstanding at the commencement of the current calendar quarter.

(d) Optional Redemption by Maker. Each Bond is redeemable by the Company at any time at par value plus any accrued but unpaid interest up to but not including the redemption Date. The Bonds are redeemable upon ninety (90) days' notice by the Company to the Bondholder. The outstanding principal balance together with the interest will be credited to the Bondholder's account within ninety (90) days following the redemption date.

(e) Redemption upon death or disability. Within 90 days of the death or total permanent disability of a Bondholder who is a natural person, the estate of such Bondholder, such Bondholder, or legal representative of such Bondholder may request that the Company repurchase, in whole but not in part, the Bonds held by such Bondholder by delivering to the Company a written notice requesting such Bonds be redeemed. Any such request shall specify the event giving rise to the right of the holder or beneficial holder to have his or her Bonds redeemed. If a Bond held jointly by natural persons who are legally married, then such request may be made by (i) the

surviving Bondholder upon the death of the spouse, or (ii) the disabled Bondholder (or a legal representative) upon total permanent disability of the spouse. In the event a Bond is held together by two or more natural persons that are not legally married, neither of these people shall have the right to request that the Company repurchase such Bond unless each Bondholder has been affected by such an event.

Upon receipt of redemption request in the event of death or total permanent disability of a Bondholder, the Company will have 90 days from the date the Company receives facts or certifications establishing to the reasonable satisfaction of the Company supporting the right to be redeemed to designate a date for the redemption of such Bonds which shall be the last day of the corresponding quarterly period.

(f) Early Redemption Requests. All Members will be required to hold their Bonds until the Bond's maturity date. Early redemption requests for reasons of financial hardship or emergency prior to maturity may be considered on a case-by-case basis at a price equal to $800 per Bond. The Bondholder will also be responsible for third-party processing fees and Broker or RIA fees.

3. Transfer Agent and Registrar. The Company plans to retain Computershare Trust Company, NA ("Computershare") to serve as the transfer agent and registrar for the Bonds.

4. Unsecured. This Bond is not secured by any mortgage, lien, pledge, charge, financing statement, security interest, hypothecation, or other security device of Maker of any type, and is a general obligation of the Maker.

5. Events of Default. . Each of the following shall constitute an "Event of Default" hereunder: (i)the Maker fails to pay interest when due and the failure continues for 90 days after the due date; (ii) the Maker fails to pay the Outstanding Principal Balance or Interest when due, whether upon maturity or upon earlier redemption pursuant to Sections 2(c) or 2(d);(iii) (iii) the Maker ceases operations, is dissolved, makes a general assignment for the benefit of creditors, or files or has filed against it a petition in bankruptcy or insolvency that is not dismissed within ninety (90) days of filing. Upon the occurrence of any Event of Default, the entire Outstanding Principal Balance together with all interest accrued and unpaid thereon shall automatically become due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Maker.

6. Binding Effect; Assignment. This Bond shall be binding upon the Maker and its successors and inure to the benefit of the Bondholder. This Bond may not be assigned by the Bondholder. The obligations of the Maker under this Bond may not be delegated to or assumed by any other party, and any such purported delegation or assumption shall be null and void.

7. Persons Deemed Owners. The registered holder of the Bonds may be treated as its owner for all purposes.

8. Miscellaneous.

(a) Both the Outstanding Principal Balance and interest are payable in lawful money of the United States of America. If any payment due hereunder falls on a Saturday, a Sunday or any other day on which commercial banks in New York City are authorized or required to close under applicable law, such payment shall be payable on the next succeeding business day, with interest accruing thereon until the date of payment thereof.

(b) If the Maker fails to pay any amount payable hereunder on the due date therefor, the Maker shall pay all reasonable costs of collection, including reasonable attorneys' fees and expenses, incurred by Bondholder on account of such collection.

(c) The Maker waives presentment, demand, protest and notice of any kind (including notice of presentment, demand, protest, dishonor and nonpayment). The Maker shall pay the Bondholder all sums which are payable pursuant to the terms of this Bond without setoff, recoupment or deduction of any kind or for any reason whatsoever.

(d) No delay on the part of the Bondholder in exercising any option, power or right hereunder, shall constitute a waiver thereof, nor shall the Bondholder be estopped from enforcing the same or any other provision at any later time or in any other instance. No waiver of any of the terms or provisions of this Bond shall be effective unless in writing, duly signed by the party to be charged. This Bond shall not be modified except by a writing signed by both the Maker and the Bondholder.

(e) Treatment of Bonds as Debt. It is intended that the Bonds will be treated as indebtedness and not as equity for federal income tax purposes. The provisions of this Bond shall be interpreted to further this intention.

(f) This Bond shall be governed by and construed in accordance with the internal laws of the State of Virginia, without giving effect to principles of conflict of laws. Any dispute arising under this Bond shall be resolved in accordance with the dispute resolution provisions set forth in the Subscription Agreement.

IN WITNESS WHEREOF, the Maker has caused this Bond to be duly executed by conformed signature of its authorized officer, effective as of the Effective Date set forth below.

CWS Investments, Inc.

Officer's Signature:

Name: Christopher Seveney

Title: Chief Executive Officer

Effective Date: _____

D5 BONDHOLDER PHANTOM EQUITY AGREEMENT

REV 2_September 3, 2026

This PHANTOM EQUITY AGREEMENT ("Agreement") is entered into as of the Effective Date, by and between CWS Investments Inc., a Virginia corporation (the "Company"), and the undersigned holder ("Bondholder") of the Company's Class D5 Profit-Sharing Bonds (the "Bonds").

1. **Purpose and Background**. This Agreement sets forth the terms under which the Bondholder shall be entitled to receive certain profit-sharing payments in addition to the fixed interest payments specified under the Bonds. The profit-sharing rights are granted solely by contract, and are intended to replicate, for limited economic purposes, the cash distributions that would be payable to holders of common equity, without conveying any equity interest in the Company. These rights are consistent with the Class D5 Bond provisions disclosed in the Company's Private Placement Memorandum and related offering documents. The issuance of Class D5 Profit-Sharing Bonds and the grant of profit-sharing rights under this Agreement were duly authorized by a resolution of the Company's Board of Directors dated May 8, 2025.

2. **Phantom Share Allocation**. Each Class D5 Profit-Sharing Bond entitles the Bondholder to a contractual economic right based on four (4) phantom common shares per bond (the "Phantom Shares"). These Phantom Shares are not actual shares of the Company and do not confer any legal or beneficial ownership interest. They are used solely to calculate the amount of profit-sharing distributions that may be payable to the Bondholder under this Agreement.

3. **Definitions**.

    a. "Board" means the Board of Directors of CWS Investments Inc., as constituted from time to time in accordance with the Company's Bylaws.
    b. "Common Stock Distribution" means any declared distribution to holders of the Company's common stock, including dividends, return of capital, or other equity-based payments.
    c. "Company Assets" means any and all assets of the Company, including mortgage loans, real property, contracts or notes receivable, cash, or any other asset or receivable of the Company.
    d. "Effective Date" means the date on which the Bondholder's subscription for Class D5 Profit-Sharing Bonds is accepted by the Company and the Bondholder Agreement is executed.
    e. "Excess Distributable Cash" means, with respect to any fiscal period, the cash received by the Company from operations and the sale of Company Assets, as determined in good faith by the Company's Board of Directors, after payment or provision for: (i) all accrued and unpaid interest on outstanding bonds; (ii) repayment of any deferred offering costs, including broker-dealer and marketing fees; (iii) Company Expenses, including taxes, operating expenses, and liabilities;

(iv) reasonable reserves for contingencies and anticipated obligations as determined appropriate by the Board; and (v) any other amounts required under applicable law or contractual obligations.

f. "Private Placement Memorandum" means the Private Placement Memorandum of CWS Investments Inc., dated January 17, 2025, as amended March 7, 2025, governing the offering of the Class D5 Profit-Sharing Bonds.
g. "Subscription Agreement" means the agreement executed by the Bondholder and accepted by the Company as part of the Subscription Booklet, pursuant to which the Bondholder purchases the Class D5 Profit-Sharing Bonds.

4. **Profit-Sharing Distributions**.

   a. If and when the Company declares a Common Stock Distribution, and determines that Excess Distributable Cash exists for such purpose, each Phantom Share shall entitle the Bondholder to receive a corresponding cash payment equal to the amount paid per share of common stock. The aggregate profit-sharing amount payable to the Bondholder shall be calculated as:

Number of Bonds Held × 4 Phantom Shares × Amount Distributed Per Common Share

   b. Payment shall be made concurrently with, or promptly after, the distribution to common shareholders, subject to the availability of Excess Distributable Cash and compliance with applicable legal and financial requirements. No profit-sharing distributions shall be made until the Company's accumulated deficit is positive, as determined by the Company's audited financial statements, which is anticipated to occur around the maturity of the first bond issuances.

5. **Termination of Profit-Sharing Rights**. The Bondholder's rights under this Agreement shall automatically terminate, without further action, upon the earliest of: (i) the full repayment or redemption of the Bondholder's Class D5 Bonds; (ii) the sale, liquidation, winding down, or dissolution of the Company; (iii) the repurchase or cancellation of the Bonds by the Company; (iv) the Bondholder's transfer of the Bonds, unless expressly permitted under applicable subscription documents.

6. **No Equity, Ownership, or Voting Rights**. The Bondholder acknowledges and agrees that:

   a. This Agreement does not constitute a grant of stock, equity, or ownership interest in the Company;
   b. The Phantom Shares do not represent securities of the Company and are not convertible into shares of common or preferred stock; and
   c. The Bondholder shall not have any voting rights, rights to receive notices, inspection rights, or any other shareholder rights under Virginia law or the Company's governing documents.

7. **Representations and Warranties**. The Bondholder represents and warrants that: (a) the Bondholder is an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended; (b) the Bondholder has received and reviewed the Private Placement Memorandum and related offering documents; (c) the Bondholder is acquiring the rights under this Agreement for investment purposes only and not with a view to resale or distribution; and (d) the Bondholder has consulted with its own legal, tax, and financial advisors regarding the risks and benefits of this Agreement.

8. **Tax Treatment**. All payments under this Agreement shall be treated as ordinary income to the Bondholder, unless otherwise determined by applicable tax authorities, and shall be reported by the Company on IRS Form 1099-MISC, 1099-INT, or other applicable tax form as required by law. The Company shall comply with all applicable federal, state, and local tax reporting and withholding requirements. The Company makes no representation or warranty as to the tax treatment of any payment made under this Agreement. The Bondholder is solely responsible for any tax obligations arising from amounts received and is urged to consult with a qualified tax advisor regarding the tax consequences of payments under this Agreement.

9. **ERISA and Retirement Plan Considerations**. Bondholders that are employee benefit plans subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or individual retirement accounts ("IRAs") should consult with their ERISA or tax advisors regarding the potential tax consequences of receiving payments under this Agreement, including the possibility of unrelated business taxable income (UBTI) or prohibited transactions under ERISA or the Internal Revenue Code.

10. **Withholding and Offset**. The Company may withhold from any amount payable under this Agreement such amounts as are required to be withheld pursuant to applicable federal, state, or local tax laws. The Company may also offset any amounts owed to the Bondholder against any amounts the Bondholder owes to the Company, provided such offset is permitted under applicable law.

11. **Assignment; Successors and Assigns**.

    a. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. The rights and obligations of the Bondholder hereunder may not be assigned, transferred, or encumbered except with a permitted transfer of the Bonds in accordance with the Subscription Agreement or applicable law.
    b. The Bonds are restricted securities under the Securities Act of 1933, as amended, and applicable state securities laws, and may not be offered, sold, transferred, or delivered, directly or indirectly, unless registered or exempt from registration. The Company reserves the right to refuse consent to any transfer or

assignment of the Bonds or the rights under this Agreement in its sole discretion, as provided in the Subscription Agreement and the Private Placement Memorandum.

12. **No Guarantee of Distributions**. Nothing in this Agreement shall be construed to require the Company to declare Excess Distributable Cash or make any Common Stock Distribution. The determination of whether to make any such distribution shall remain within the sole discretion of the Company's Board of Directors.

13. **Governing Law and Dispute Resolution**. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without regard to conflict of laws principles. Any dispute, controversy, or claim arising out of or relating to this Agreement shall be resolved exclusively in the state or federal courts located in Fairfax County, Virginia, and the parties hereby submit to the jurisdiction of such courts.

14. **Entire Agreement**. This Agreement, together with the Subscription Agreement and related offering documents, constitutes the entire understanding between the parties with respect to the subject matter hereof. In the event of a conflict, this Agreement shall govern solely with respect to the profit-sharing rights described herein. No modification of this Agreement shall be effective unless in writing and signed by both parties.

15. **Severability**. If any provision of this Agreement is held to be invalid, illegal, or unenforceable under applicable law, such provision shall be deemed modified to the extent necessary to render it valid and enforceable, or if such modification is not possible, severed from this Agreement, and the remaining provisions shall continue in full force and effect.

16. **Confidentiality**. The Bondholder acknowledges that the terms of this Agreement and any information provided by the Company in connection with profit-sharing distributions are confidential. The Bondholder agrees not to disclose such information to any person or entity, except to the Bondholder's accountants, financial planners, or attorneys for the purpose of rendering professional advice related to this Agreement, without the prior written consent of the Company.

17. **Survival**. The provisions of Sections 8 (Tax Treatment), 9 (ERISA and Retirement Plan Considerations), 13 (Governing Law and Dispute Resolution), 15 (Severability), and 16 (Confidentiality) shall survive the termination of this Agreement for any reason.

18. **Notices**. Any notice or communication required or permitted under this Agreement shall be in writing and delivered (i) by certified mail, return receipt requested, (ii) by overnight courier service with tracking capability, or (iii) by email with confirmation of receipt, to the addresses provided in the Subscription Agreement or such other addresses as the parties may designate in writing. Notices shall be deemed received on the date of

delivery if sent by courier or email, or five (5) business days after mailing if sent by certified mail.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates set forth below:

CWS INVESTMENTS INC.

By: _____
Name: Christopher Seveney
Title: President and CEO
Date: _____

BONDHOLDER

By: _____
Name: _____
Title: _____
Date: _____