

RE: TBH Series 4421, LLC (f/k/a Tailor Built Homes, LLC Loan 4421)

February 20, 2019

Dear Investor,

We are writing to provide an update on the above-referenced loan. Since the completion of foreclosure in January, Ignite Funding, as Asset Manager, has been able to assess the current status of the property, as well as the marketability of the property “as is” and if additional work is done on the home to complete the construction that was begun by the borrower. As communicated in August 2018 when the borrower initially defaulted on the loan, the construction of the home was underway, with most of the flooring installed. As of the date foreclosure was complete, the home still needed some additional work to be complete and achieve a Certificate of Occupancy.

The estimated value of the property, “as is”, without completing construction, is approximately \$575,000. Selling the property, “as is” would result in a slight loss of principal due to the hard costs associated with taking the property back through foreclosure and the cost of the Asset Management fees incurred between the time of foreclosure and the final sale of the property.

Ignite Funding determined that the cost to complete the remaining construction work would be approximately \$120,000 and would take approximately three months to finish. Upon the completion of the construction the value of the property will be approximately \$760,000, based on an actual purchase offer that is expected to close in April 2019, which will allow the potential for a 100% return of principal, or greater, to investors.

As always, our top priority is your investment. Therefore, Ignite Funding, as Asset Manager, provided the capital needed to complete the construction and will recoup the expense and costs for providing the loan upon the final sale of the property. By completing the home, the final value of the property is substantially higher than it is valued at in its original condition and will allow a greater return to investors. Once the construction is complete the buyer anticipates closing on the property by the end of April.

We will continue to keep you informed regarding the status of the property, including the close of the pending sale, through additional correspondence.

Additionally, all updates are posted on the Tailor Built Homes portal at:

<https://ignitefunding.com/tailor-built-homes-investments-default-updates/>

The password to enter the page is: **Tailor**

Please contact your Investment Representative should you have any questions.

Sincerely,

Ignite Funding