

RE: TBH Series 4370, LLC (f/k/a Tailor Built Homes, LLC Loan 4370)

April 12, 2019

Dear Investor,

We are writing to provide an update on the above-referenced loan.

BALLOT RESULTS to PROCEED WITH FRAUD LAWSUIT

The investor majority voted to approve proceeding with a fraud claim and lawsuit against the borrower, Tailor Built Homes, LLC, on this loan. As discussed in the previous communication dated April 1, 2019, the costs to pursue the claim will be borne by investors and distributed pro-rata among the investors on all loans electing to proceed with the lawsuit. A total of 18 loans have elected to file suit against Tailor Built Homes for the alleged fraud and as such the costs for the case will be distributed pro-rata among all participating loans.

The lawsuit and deficiency claim has been filed with the courts in the state of Utah and notice is being made to the borrower and all guarantors for Tailor Built Homes. The borrower has 21 days to respond to the claim. We will continue to update you on the status of the lawsuit as it makes its way through the legal process.

PROPERTY STATUS UPDATE

In addition to the results of the recent ballot described above, we are writing to provide an update on the status of this property. As we discussed in the February 26, 2019 communication, the home was nearly complete, but a few items were still needed to receive the Certificate of Occupancy (COO) and be able to market and sale the home. Ignite Funding, on behalf of investors, provided the necessary capital to complete the remaining work in order to add value to the property and ultimately be able to provide investors with a potential return of principal of 100%.

As of today, the COO is pending the final plumbing inspection report. In addition, a refundable bond will be paid to the City so that the existing utility box can be moved away from the driveway. It is anticipated that the remaining work will be completed, and the COO will be issued in early May. The home is under contract to be sold with an estimated close in May 2019.

We will continue to keep you informed regarding the status of the property, including final sale of the home, 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