

September 15, 2021

RE: KD Commerce | Loan 4246

Dear Investor,

We are writing to provide an update on the status of the above-referenced loan. As you may recall, as of the last update on May 5, 2021, the property was under contract to be sold with an anticipated close date by the end of October 2021. You may further recall that we did not complete foreclosure on this property as determined through investor ballot vote due to the fact that the borrower has been in communication with Ignite Funding throughout the default and has been actively seeking to resolve this loan in the best interest of investors. Ignite Funding did not believe that foreclosing on the property would produce a more timely or more advantageous resolution, but rather would result in additional costs and fees to the investors.

We are pleased to let you know that the borrower has informed Ignite Funding that the sale is on schedule to close as anticipated by the end of October 2021. It will be closing in a three-part takedown and funds will be processed, as they are received, by Ignite Funding through the final payoff of the loan.

Further, we are pleased to report that the final principal return to investors is expected to be greater than the amount previously agreed to by the investor majority, which would have resulted in a 3% overall loss of principal.

The contracted buyer placed a \$350,000 non-refundable deposit on this property which will be processed to investors within the next few business days. This is the first of the three paydowns you can expect to receive over the coming weeks. All funds received on this property will be processed as they are received until the final payoff of the loan.

If you have any questions or concerns, please do not hesitate to contact your Investment Representative or our Client Service Representatives.

Thank you for your patience as we continue to work to resolve this loan on your behalf.

Sincerely,

Ignite Funding