

August 30, 2023

RE: Thunder Mountain by Bakerson, LLC | Loan 5078

Dear Investor,

We are writing to provide an update on the above-referenced loan. As you may recall the borrower ceased making interest payments on this loan at the end of 2022 and the investor majority subsequently voted to begin foreclosure proceedings on the property. The initial foreclosure sale date was scheduled for May 2023; however, Ignite Funding postponed this date as we sought to explore all viable resolution strategies with the borrower that might avoid the added time and expense of taking ownership of the property through foreclosure on behalf of the investors.

You may not realize that the borrower had a loan on another property with Ignite Funding that also went into default earlier this year. The borrower continued to work with Ignite Funding to explore resolution options on this property and was ultimately able to sell the property and return 100% of principal and all back due interest to the investors on that loan. One of the stipulations Ignite Funding placed on the borrower was that any excess capital earned through the sale of the property be allocated back to the loan obligation for Loan 5078. As such, we are happy to inform you that a principal paydown has been processed on your investment. You should expect to see the payment post to your account within the next few business days.

We continue to work with the borrower to identify resolution strategies that will allow a satisfactory outcome for all investors on this property and are optimistic based on the outcome of the other property that we may be able to achieve a resolution without the need to complete the foreclosure of the property, which would result in additional expenses to investors and possibly delay a resolution of the investment. As such, we have temporarily put a stay of the foreclosure as we explore opportunities to work with the borrower to finish this project and get the property sold and their debt to Ignite Funding investors paid off.

We will continue to keep you updated on the progress of this loan and if all resolution strategies are exhausted, we will reschedule the trustee sale date and proceed with foreclosure.

Thank you for your continued patience and belief in Ignite Funding's ability to achieve the best possible outcome for our investors.

Sincerely,

Ignite Funding