

Offeree _____ No. _____

PRIVATE PLACEMENT MEMORANDUM

STEWARDSHIP INVESTMENTS, LLC

First Round: Real Estate Refinance Capital

DEBT CAPITALIZATION

Secured Notes – 5.50% Coupon, Maturity 2024

No. of Notes	Price Per Note	Underwriting Aggregate	Aggregate Discounts & Commissions	Proceeds To Issuer
		Discounts & Commissions Percentage		
42	\$100,000.00	0.00%	\$0.00	\$4,200,000.00

The Securities offered by this Memorandum are offered only to a limited amount of non-accredited investors (35) and an unlimited amount to accredited investors who meet the Accreditation Requirements, as set forth under the Securities Act of 1933 Sub-Section 4(2), Regulation D, 506, and 4(6) the “Accredited Investor Exemption” as denoted within the “Subscription Agreement” contained herein. Only such person(s) or entities are authorized to receive this Private Placement Memorandum and participate in the offering. The Securities offered hereby have not been approved or disapproved by the Securities Exchange Commission, or any State’s Securities Bureau, nor have the forgoing authorities passed on the accuracy or adequacy of the Memorandum. Any representation to the contrary is a criminal offense. These securities may not be sold, transferred, or otherwise disposed of by an investor in the absence of an effective registration statement or an opinion of legal counsel that registration is not required. The securities are to be considered illiquid. No public market exists for these securities. The Management cannot guarantee, warrant, or further assure that any type of liquid market will develop. The securities offered herein are to be considered high risk in nature.

Private Placement Memorandum Dated 10/01/13 Offering expires 9/30/14

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Background & Business Model

History

Bill Syrios started investing in real estate in 1980. He began **Stewardship Properties** in 1989 in Eugene, OR and has accumulated 500 houses and apartment units, mostly campus rentals around the University of Oregon. He is a partner in 37 and 40 unit apartment buildings in Dallas. During 2007-2010 Bill led a team that flipped nearly 200 properties, mostly foreclosures and short sales.

Bill partnered with his sons, Andrew and Phillip, to form **Stewardship Investments, LLC** (Missouri) in January 2011 with a buy and hold strategy in the Kansas City metro area. Bill has been a full-time real estate investor for 22 years, Andrew for eight and Phillip for two years. This partnership owns 80+ houses and 50+ units in smaller multi-family: duplexes and apt. buildings. For more information on this particular offering, see **StewardshipInvestments.com**.

Choice of Investment Market

Stewardship Investments has targeted Kansas City, MO as its primary market to invest based on the following reasons:

- **High Rent-to-Cost Ratio:** many high cash flow submarkets with modest purchase prices
- **Economic Stability:** low unemployment, steady population growth for the last 30+ years
- **Large Population Base:** metro area of 2.2 million with many viable submarkets

Stewardship Investment's Goal

The company does not consider appreciation potential as its primary goal. Instead, the goal is to acquire, rehab and rent properties with at least a 1.2% rent-to-cost ratio in working-class areas that are not too difficult to manage. (Rent-to-cost ratio equals monthly rent divided by the purchase price. The national rent-to-cost average is about .7%.) The company's rent-to-cost criterion leads it to target solid working-class neighborhoods. Kansas City has many neighborhoods that fit such criteria.

INTRODUCTORY STATEMENT

STEWARDSHIP INVESTMENTS, LLC, "The Company is offering the Notes only to a limited number of investors who meet certain qualifications necessary for the offer and sale of the Notes to be exempt from registration under state and federal securities laws. Each Unit is comprised of one Secured Note, coupon of 5.50%, with a maturity date of January 1, 2024.

Only 35 Investors and an unlimited amount of those who meet the Accreditation Requirements, as set forth under the Securities Act of 1933 Sub-Section 4(2), Regulation D, 506, and 4(6) the "Accredited Investor Exemption" as denoted within the "Subscription Agreement" contained herein, are authorized to receive this Private Placement Memorandum and participate in the offering.

The proceeds from this round of financing, through this securities offering, is to be used as general working capital to provide the capital to execute the business plans contained herein.

Forty Two (42) Units consisting of One (1) Secured Note, "Note," priced at \$100,000.00 per Note, are hereby made available to the prospective investor(s) so named on this page as offeree at a per Note price of \$100,000.00.

The purchaser of a Note will become a Noteholder with only those rights, duties, and obligations accorded a Creditor pursuant to the Company's Articles of Organization and Operating Agreement, and under Missouri law.

This Private Placement Memorandum (the "Memorandum" or "PPM") is submitted on a confidential basis for use solely in connection with this Offering of the Notes of STEWARDSHIP INVESTMENTS, LLC, the "Company", This offering is a private placement intended to be exempt from the registration requirements of the Securities Act of 1933, as amended (the "1933 Act"). The Notes are being offered to prospective investors by the Company's managers and licensed FINRA Broker/Dealers only. The use of the Memorandum for any other purpose is not authorized.

By accepting this Memorandum the recipient (and his, hers or its officers, directors, employees, agents, associates or affiliates) agrees that such person(s) will:

1. Not divulge to any other party any information contained herein or in any notes, summaries or analysis derived from this Memorandum, and
2. Not reproduce or redistribute the Memorandum in whole or in part.

This Memorandum does not purport to contain all of the information that a prospective investor may desire in investigating the Company. Each investor must conduct and rely upon his/her or its own evaluation of the Company and of the terms of the offering, including the merits and risks, involved in making an investment decision. The Company hereby offers to the investor the opportunity to ask questions and receive answers concerning the terms and conditions of the offering and to obtain any additional information which the Company possesses or can acquire without unreasonable effort or expense, that is necessary to verify the accuracy of the information furnished to the investor.

This Memorandum is not intended to be, nor shall it be construed as, a complete description of the facts, risks or consequences regarding an investment in the offering or as legal, accounting, tax, business, investment or other expert advice. All potential investors should perform their own independent investigations of the offering, the market potential, the Management, the securities, and similar industries. All potential investors should consult their own qualified advisors concerning the investment and the suitability relating to an individual or an institutional investor's ability to sustain a total financial loss of an investment in the Company.

This Memorandum speaks as of the date shown on the cover. Neither the delivery of this Memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company after the date hereof.

No person has been authorized to give any information other than that contained in this Memorandum, or to make any representations in connection with the Offering made hereby, except information given to you by a manager of the Company on letterhead. If given or made, such other information or representations must not be relied upon as having been authorized by the Company.

Investors will be required to represent that: (1) they are sophisticated in business and financial matters or have been properly advised by someone who is; (2) they are familiar with and understand the terms of the Offering; (3) they are either non-accredited investors or accredited investors as further defined within the subscription agreement; and (4) they, either individually or together with their purchaser-representative/advisor, have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of the investment.

Other information contained herein has been obtained by Management the Company and from sources deemed reliable. Such information necessarily incorporates significant assumptions, as well as, factual matters. Therefore, the Company cannot guarantee the accuracy of the information contained herein.

These securities are subject to restrictions on transferability and resale, and may not be transferred or resold except as permitted under the Securities Act and the applicable state securities laws, pursuant to registration thereunder or exemption therefrom. Investors should be aware that they might be required to bear the financial risks of the investment for an indefinite period of time. Potential investors should be aware that a legend reciting the restrictions on transferability will be placed upon the security, and that they will be asked to sign a written agreement that the securities will not be resold without registration under applicable securities laws or exemptions thereof.

The purchase of Units involves risk. See “Risks and Other Important Factors”. Each prospective investor is urged to read this entire Memorandum, including the Exhibits Section, and make a thorough investigation of the Company in light of the risk factors.

THE RECIPIENT ACCEPTING DELIVERY OF THIS MEMORANDUM AGREES TO ABSOLUTE CONFIDENTIALITY AND TO RETURN THIS MEMORANDUM AND ALL FURNISHED DOCUMENTS HERewith TO THE COMPANY OR ITS AFFILIATED COMPANIES UPON REQUEST, IF THE RECIPIENT DOES NOT PURCHASE ANY OF THE UNITS OFFERED HEREIN.

All potential investors are invited to ask questions and obtain additional information from the management concerning the terms and conditions of the offering, the management and any affiliations thereof, and any other relevant matters, including, but not limited to, additional information to verify the accuracy of the information set forth in this Memorandum. Questions concerning the Company and any requests for additional information should be directed to:

William L. Syrios
Manager
Stewardship Investments, LLC
7215 Troost Ave. Kansas City, MO 64131
Office: 816-333-7368 / Cell: 541-221-4242

This Memorandum contains certain “forward-looking statements” within the meaning of section 27a of the Securities Act and section 21e of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements, other than statements of historical fact included in this Memorandum, including without limitation certain statements under the headings “Summary of the Offering,” “The Company” and other similar headings, may constitute forward-looking statements. Forward-looking statements can often (but not always) be identified by terminology such as “may,” “will,” “could,” “anticipate,” “believe,” “estimate,” “intend,” “expect,” and “continue,” or variations thereof, and similar expressions.

Although Management believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Important factors that could cause actual results to differ materially from the Company’s expectations (“cautionary statements”) are disclosed in this Memorandum, including without limitation in conjunction with the forward-looking statements included in this Memorandum and in the section of this Memorandum entitled “Risks and Other Important Factors,” and under the description of the Company and its business.

All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements set forth herein. The Company disclaims any intention or obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

This Memorandum does not constitute an offer to sell or a solicitation of an offer to sell these securities to anyone other than a limited amount of non-accredited investors, accredited investors with the requirements set forth in the subscription agreement, or to any person to whom it is unlawful to make such an offer or solicitation and does not constitute an offer to sell or solicitation to any member of the general public. This Memorandum constitutes an offer or a solicitation of an offer only to the person named as offeree and to whom this Memorandum is delivered by Management of the Company or through a representative FINRA Member firm(s), if any.

The Units are being offered by the Company hereunder subject to prior sale, withdrawal, cancellation, or modification of the offer without notice, and, when modified by notice, as and if delivered to and accepted by the purchasers thereof. No sale of any of the Units offered hereunder shall be complete unless accepted in writing by the Company. The Company may decline any subscription for any of the Secured Notes at its sole discretion and for any reason or for no reason.

The Company’s Manager and Members may, from time-to-time, be engaged in related or unrelated activities. Such individuals may serve as executive managers and principals of other

organizations, which are not in direct competition with the Company, its financial goals, and objectives.

No dealer, salesperson, finder or any other person has been authorized to give any information or to make any representations or promises other than those contained in this Memorandum, and any such other information, representations, or promises, if given or made, must not be relied upon as having been so authorized. The delivery of this Memorandum or any sale hereunder at any time does not imply that the information herein is correct as of any time subsequent to the date hereof. Securities are sold by this Private Placement Memorandum only.

This Memorandum contains all of the representations made by the Company concerning this offering and no person shall make different or broader statements than those contained herein. Investors are cautioned not to rely upon any information not expressly set forth in this Memorandum.

This Memorandum includes summaries and/or descriptions of various documents. Such summaries do not purport to be complete and are qualified in their entirety by reference to the original documents, which are attached, either as exhibits to this Memorandum or will be made available to any prospective investor upon written request to the Company.

The Company will provide all purchasers of Secured Notes with a detailed written statement of the application of the proceeds of the offering within six (6) months after the completion of the offering and with annual current balance sheets and income statements thereafter.

The Company will make available to any Noteholder or his/her or its designated representative the right to inspect the books and records of the Company at any reasonable time for proper purposes, upon written request to the Company.

The Company agrees to maintain at its offices a list of the names and addresses of all Note holders, which shall be available to any Note holder or his designated representative.

This investment involves a high degree of risk. The Company is in the early stages of development and expansion with a limited record of operating as a real estate investment business in the Kansas City area as described in this Memorandum. An investor could lose his/her or its entire investment in the Notes offered hereby.

Among the risks and other factors to be considered carefully by potential investors are those set forth below under the heading "Risks and Other Important Factors".

This Memorandum has been prepared solely for informational purposes and is for distribution to a limited number of investors. The Company anticipates that this offering may continue through 12/15/2013 unless the Company, in its sole discretion, sooner terminates or extends the offering. Management shall use the proceeds from this offering as received.

STATE RESTRICTIVE LEGENDS

THE INCLUSION OF RESTRICTIVE LEGENDS FOR EACH STATE IN THIS MEMORANDUM IS NOT INTENDED TO IMPLY THAT THE SECURITIES COVERED BY THIS MEMORANDUM ARE TO BE OFFERED FOR SALE IN EVERY STATE, BUT IS MERELY A PRECAUTION IN THE EVENT THIS MEMORANDUM MAY BE TRANSMITTED INTO ANY STATE OTHER THAN AS MAY BE DELIVERED BY THE COMPANY.

NOTICE TO RESIDENTS OF ALL STATES:

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR THE SECURITIES LAWS OF ANY STATE AND ARE BEING OFFERED AND SOLD SOLELY IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND SUCH LAWS. THERE IS NO PUBLIC MARKET FOR THE SECURITIES OF THE COMPANY. EVEN IF SUCH MARKET EXISTED, PURCHASERS OF SECURITIES WILL BE REQUIRED TO REPRESENT THAT THE SECURITIES ARE BEING ACQUIRED FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO SALE OR DISTRIBUTION, AND PURCHASERS WILL NOT BE ABLE TO RESELL THE SECURITIES UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT AND QUALIFIED UNDER THE APPLICABLE STATE STATUTES (OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION AND QUALIFICATION IS AVAILABLE). PURCHASERS OF THE SECURITIES SHOULD BE PREPARED TO BEAR THE ECONOMIC RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES COMMISSION OR ANY OTHER STATE OR FEDERAL REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING, NOR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. SEE "INVESTOR SUITABILITY STANDARDS," "RISK AND OTHER IMPORTANT FACTORS."

THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THAT STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OR SALE MAY BE MADE IN ANY PARTICULAR STATE. THIS MEMORANDUM MAY BE SUPPLEMENTED BY ADDITIONAL STATE LEGENDS.

THE SECURITIES REPRESENTED HEREIN HAVE NOT BEEN REGISTERED WITH THE SECURITIES COMMISSION PURSUANT TO SECTION 5 OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") IN RELIANCE ON EXEMPTIONS FROM REGISTRATION INCLUDING SECTION 3(B), SECTION 4(2), REGULATION D, RULE 504, 505 OR 506 AND SECTION 4(6) THE "ACCREDITED INVESTOR EXEMPTION" THEREUNDER FOR LIMITED OFFERINGS, FOR PRIVATE OFFERINGS AND RELEASE 20-4708 ISSUED BY THE SECURITIES COMMISSION ON JULY 9, 1964, FOR OFFERINGS TO FOREIGNERS.

NOTICE TO ALABAMA RESIDENTS

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE ALABAMA SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ALABAMA SECURITIES COMMISSION. THE COMMISSION DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO ALASKA RESIDENTS

THE SECURITIES OFFERED HAVE BEEN REGISTERED WITH THE ADMINISTRATOR OF SECURITIES OF THE STATE OF ALASKA PROVISIONS OF 3 AAC 08.500—3 THROUGH AAC 08.506. THE INVESTOR IS ADVISED THAT THE ADMINISTRATOR HAS MADE ONLY A CURSORY REVIEW OF THE REGISTRATION STATEMENT AND HAS NOT REVIEWED THIS DOCUMENT SINCE THE DOCUMENT IS NOT REQUIRED TO BE FILED WITH THE ADMINISTRATOR. THE FACT OF THE REGISTRATION DOES NOT MEAN THAT THE ADMINISTRATOR HAS PASSED IN ANY WAY UPON THE MERITS, RECOMMENDED, OR APPROVED THE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A VIOLATION OF A.S. 45.55.170.

THE INVESTOR MUST RELY ON THE INVESTOR'S OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION ON THESE SECURITIES.

NOTICE TO ARIZONA RESIDENTS

THE UNITS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF THE STATE OF ARIZONA (THE "ARIZONA ACT"), AND THEY THEREFORE HAVE THE STATUS OF SECURITIES ACQUIRED IN AN EXEMPT TRANSACTION UNDER ARS SECTION 44-1844 OF THE ARIZONA ACT. THE UNITS CANNOT BE RESOLD WITHOUT REGISTRATION UNDER THE ARIZONA ACT OR UNLESS AN EXEMPTION THEREFROM IS AVAILABLE.

NOTICE TO ARKANSAS RESIDENTS

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER SECTION 14(B)(14) OF THE ARKANSAS SECURITIES ACT AND SECTION 4(2) OF THE SECURITIES ACT OF 1933, AS AMENDED. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ARKANSAS SECURITIES DEPARTMENT OR WITH THE SECURITIES COMMISSION. NEITHER THE DEPARTMENT NOR THE COMMISSION HAVE PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THE OFFERING, OR PASSED UPON THE ACCURACY

OR ADEQUACY OF THE MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO CALIFORNIA RESIDENTS

IT IS UNLAWFUL TO CONSUMMATE A SALE, TRANSFER OF THESE SECURITIES OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFROM WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER'S RULES. THE SALE OF THE SECURITIES DESCRIBED IN THIS MEMORANDUM HAVE NOT BEEN QUALIFIED WITH THE COMMISSIONER OF COMPANYS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR THE RECEIPT OF CONSIDERATION THEREFORE PRIOR TO SUCH QUALIFICATION IS UNLAWFUL, UNLESS THE SALE THEREOF IS EXEMPT UNDER APPLICABLE LAW. THE COMPANY IS RELYING ON THE EXEMPTION FROM SUCH QUALIFICATION PROVIDED BY SECTION 25102(f) OF THE CALIFORNIA COMPANYS CODE.

NOTICE TO COLORADO RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COLORADO SECURITIES ACT OF 1981 BY REASON OF SPECIFIC EXEMPTION THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1981, IF SUCH REGISTRATION IS REQUIRED.

NOTICE TO CONNECTICUT RESIDENTS

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER SECTION 20-485 OF THE CONNECTICUT GENERAL STATUTES, THE UNIFORM SECURITIES ACT, AS AMENDED (THE "CONNECTICUT ACT"), AND THEREFORE CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER SECTION 20-485 OF THE CONNECTICUT ACT OR UNLESS AN EXEMPTION FROM REGISTRATION PURSUANT TO SECTION 20-490(B)(9) OF THE CONNECTICUT UNIFORM SECURITIES ACT OR ANY OTHER SECTION OF THE CONNECTICUT ACT IS AVAILABLE. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE BANKING COMMISSIONER OF THE STATE OF CONNECTICUT, NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO DELAWARE RESIDENTS

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE DELAWARE SECURITIES ACT (THE "DELAWARE ACT"), AND THEREFORE CANNOT BE RESOLD

OR TRANSFERRED BY THE INVESTOR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE ACT.

NOTICE TO FLORIDA RESIDENTS

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE FLORIDA SECURITIES AND INVESTOR PROTECTION ACT (THE "FLORIDA ACT") AND ARE BEING SOLD IN RELIANCE UPON AN EXEMPTION PROVISION CONTAINED THEREIN. PURSUANT TO SECTION 517.061(11)(a)(5) OF THE FLORIDA STATUTES, IF SECURITIES ARE SOLD TO FIVE OR MORE FLORIDA RESIDENTS, FLORIDA INVESTORS WILL HAVE A THREE (3) DAY RIGHT OF RESCISSION. INVESTORS WHO HAVE EXECUTED A SUBSCRIPTION AGREEMENT MAY ELECT, WITHIN THREE (3) BUSINESS DAYS AFTER THE FIRST TENDER OF CONSIDERATION THEREFORE TO WITHDRAW THEIR SUBSCRIPTION AND RECEIVE A FULL REFUND OF ANY MONEY PAID BY THEM. SUCH WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH SUCH WITHDRAWAL, AN INVESTOR NEED ONLY SEND A LETTER OR TELEGRAM TO THE COMPANY AT THE ADDRESS SHOWN HEREIN INDICATING HIS INTENTION TO WITHDRAW. SUCH LETTER OR TELEGRAM MUST BE SENT AND POSTMARKED PRIOR TO THE END OF THE AFOREMENTIONED THIRD BUSINESS DAY. IF SENDING A LETTER, AN INVESTOR SHOULD SEND IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ENSURE THAT IT IS RECEIVED AND TO EVIDENCE THE TIME WHEN IT IS MAILED. ANY ORAL REQUESTS FOR RESCISSION SHOULD BE ACCOMPANIED BY A REQUEST FOR WRITTEN CONFIRMATION THAT THE ORAL REQUEST WAS RECEIVED ON A TIMELY BASIS. THE COMPANY'S ADDRESS IS SET FORTH UNDER "THE COMPANY."

NOTICE TO GEORGIA RESIDENTS

THESE SECURITIES ARE BEING OFFERED AND SOLD IN RELIANCE ON PARAGRAPH (20) OF CODE SECTION 10-5-9 OF THE GEORGIA SECURITIES ACT OF 1973, AND MAY NOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT.

NOTICE TO HAWAII RESIDENTS

NEITHER THIS MEMORANDUM NOR THE SECURITIES DESCRIBED HEREIN HAVE BEEN APPROVED OR DISAPPROVED BY THE COMMISSIONER OF SECURITIES OF THE STATE OF HAWAII, NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM.

NOTICE TO IDAHO RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE IDAHO SECURITIES ACT AND THEREFORE CANNOT BE RESOLD OR TRANSFERRED, UNLESS THEY ARE SO REGISTERED OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

NOTICE TO ILLINOIS RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER SECTION 5 OF THE ILLINOIS SECURITIES ACT OF 1953 (THE "ILLINOIS ACT"). THE SECURITIES MAY NOT BE RESOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY, UNLESS SUBSEQUENTLY REGISTERED UNDER THE ACT OR UNLESS AN EXEMPTION FROM REGISTRATION THEREFROM IS AVAILABLE.

NOTICE TO INDIANA RESIDENTS

THE INDIANA SECURITIES DIVISION HAS NOT IN ANY WAY PASSED UPON THE MERITS OR QUALIFICATION OF, NOR RECOMMENDED, NOR GIVEN APPROVAL TO THE SECURITIES HEREBY OFFERED, NOR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. PENDING PERFECTION OF THE EXEMPTION UNDER SECTION 23-1-2(B) (10) OF THE INDIANA BLUE SKY LAW, THE OFFERING IS PRELIMINARY AND SUBJECT TO MATERIAL CHANGE. THESE SECURITIES ARE SPECULATIVE, HAVE NOT BEEN REGISTERED UNDER SECTION 3 OF THE INDIANA SECURITIES ACT AND THEREFORE, CANNOT BE RESOLD OR TRANSFERRED, UNLESS THEY ARE SO REGISTERED, NOR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

NOTICE TO KANSAS RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES ACT OF ANY JURISDICTION BY REASON OF SPECIFIC EXEMPTION THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAW, IF SUCH REGISTRATION IS REQUIRED.

NOTICE TO KENTUCKY RESIDENTS

FOR KENTUCKY RESIDENTS, THE OPERATOR IN ALL SALES TO NON-ACCREDITED INVESTORS MUST HAVE REASONABLE GROUNDS TO BELIEVE, AFTER MAKING INQUIRY THAT: (1) THE INVESTMENT IS SUITABLE FOR THE PURCHASER ON THE

BASIS OF THE FACTS DISCLOSED BY THE PURCHASER AS TO HIS OR HER OTHER SECURITY HOLDINGS AND TO HIS OR HER FINANCIAL SITUATION AND NEEDS. (THERE IS A PRESUMPTION FOR THE LIMITED PURPOSE OF THIS CONDITION THAT IF THE INVESTMENT DOES NOT EXCEED 10% OF THE INVESTOR'S NET WORTH THAT IT IS SUITABLE). (2) THE INVESTOR, EITHER ALONE OR WITH REPRESENTATIVES, HAS SUFFICIENT KNOWLEDGE AND EXPERIENCE TO EVALUATE THE MERITS AND RISKS OF THE INVESTMENT.

THE SECURITIES REPRESENTED IN THIS MEMORANDUM AND SUBSCRIPTION DOCUMENTS ARE BEING SOLD PURSUANT TO A CLAIM OF EXEMPTION FROM THE REGISTRATION OR QUALIFICATION PROVISIONS OF THE FEDERAL AND STATE SECURITIES LAWS AND MAY NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION OR QUALIFICATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXEMPTIONS THEREFROM.

NOTICE TO LOUISIANA RESIDENTS

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, THE LOUISIANA SECURITIES LAW AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT AND SUCH LAW. THE SECURITIES ARE SUBJECT TO RESTRICTION ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED NOR RESOLD, EXCEPT AS PERMITTED UNDER SAID ACT AND SUCH LAW PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE SECURITIES HAVE NOT BEEN APPROVED NOR DISAPPROVED BY THE SECURITIES EXCHANGE COMMISSION, OR ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING, NOR THE ACCURACY OR ADEQUACY OF THE MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO MARYLAND RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE MARYLAND SECURITIES ACT, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE RESOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY, UNLESS SUBSEQUENTLY REGISTERED UNDER THE ACT OR THE MARYLAND SECURITIES ACT, IF SUCH REGISTRATION IS REQUIRED.

NOTICE TO MASSACHUSETTS RESIDENTS

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MASSACHUSETTS SECURITIES ACT BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MASSACHUSETTS IS SECURITIES ACT, IF SUCH REGISTRATION IS REQUIRED.

NOTICE TO MICHIGAN RESIDENTS

THE SECURITIES REFERRED TO IN THIS MEMORANDUM WILL BE SOLD TO AND ACQUIRED BY THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 4(2)(b)(9) OF THE MICHIGAN BLUE SKY LAW. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID LAW AND MAY NOT BE RESOLD EXCEPT IN ACCORDANCE WITH SAID LAW WITHIN SIX MONTHS OF THE COMMENCEMENT OF THE OFFERING OF THE SECURITIES, OR THE TERMINATION OF THE SUBSCRIPTION PERIOD AS SET FORTH IN THIS PRIVATE PLACEMENT MEMORANDUM, WHICHEVER FIRST OCCURS, THE COMPANY SHALL, IF SALES OF THE SECURITIES ARE MADE TO MICHIGAN RESIDENTS, PREPARE AND FURNISH TO INVESTORS A DETAILED WRITTEN STATEMENT OF THE APPLICATION OF PROCEEDS OF THE OFFERING, AS WELL AS ANY OTHER APPLICABLE STATEMENTS AND REPORTS REQUIRED TO BE FURNISHED UNDER APPLICABLE LAW.

NOTICE TO MINNESOTA RESIDENTS

THESE SECURITIES REPRESENTED BY THIS MEMORANDUM HAVE NOT BEEN REGISTERED UNDER CHAPTER 80A OF THE MINNESOTA SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO REGISTRATION, OR AN EXEMPTION THEREFROM.

NOTICE TO MISSISSIPPI RESIDENTS

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE MISSISSIPPI SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE MISSISSIPPI SECRETARY OF STATE. THE SECRETARY OF STATE HAS NOT PASSED UPON THE VALUE OF THESE SECURITIES AND HAS NOT APPROVED OR DISAPPROVED OF THE OFFERING. THE SECRETARY OF STATE DOES NOT RECOMMEND THE PURCHASE OF THESE OR ANY OTHER SECURITIES. THERE IS NO ESTABLISHED MARKET FOR THESE SECURITIES AND THERE MAY NOT BE ANY MARKET FOR THESE SECURITIES IN THE FUTURE. THE SUBSCRIPTION PRICE OF THESE SECURITIES HAS BEEN ARBITRARILY DETERMINED BY THE ISSUER AND IS NOT AN INDICATION OF THE ACTUAL VALUE OF THESE SECURITIES. THE PURCHASER OF THESE SECURITIES MUST MEET CERTAIN SUITABILITY STANDARDS AND MUST BE ABLE TO BEAR AN ENTIRE LOSS OF HIS INVESTMENT. THESE SECURITIES MAY NOT BE TRANSFERRED FOR A

PERIOD OF ONE YEAR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE MISSISSIPPI SECURITIES ACT OR ANY TRANSACTION IN COMPLIANCE WITH THE MISSISSIPPI SECURITIES ACT.

NOTICE TO MISSOURI RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES ACT OF ANY JURISDICTION BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAW, IF SUCH REGISTRATION IS REQUIRED.

NOTICE TO NEBRASKA RESIDENTS

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH DIRECTOR OF THE DEPARTMENT OF BANKING AND FINANCE OF THE STATE OF NEBRASKA, BUT HAS NOT YET BECOME EFFECTIVE, INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BE SOLD BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PRELIMINARY DOCUMENT SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN NEBRASKA SINCE SUCH OFFER, SOLICITATION, OR SALE WOULD BE UNLAWFUL PRIOR TO QUALIFICATION UNDER SECTION 8-1107 OF THE NEBRASKA SECURITIES ACT.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE UNDER THIS CHAPTER HAS BEEN FILED WITH THE STATE OF NEW HAMPSHIRE, NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT, NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO NEW JERSEY RESIDENTS

THESE SECURITIES ARE OFFERED IN RELIANCE ON AN EXEMPTION FROM REGISTRATION UNDER THE NEW JERSEY UNIFORM SECURITIES LAW. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFER OR RESOLD WITHOUT COMPLIANCE WITH THE REGISTRATION PROVISIONS OF SAID LAW OR AN EXEMPTION THEREFROM. THE BUREAU OF SECURITIES OF NEW JERSEY HAS NOT PASSED UPON THE ACCURACY OR COMPLETENESS OF THIS MEMORANDUM AND DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF THE SECURITIES.

NOTICE TO NEW MEXICO RESIDENTS

THE SECURITIES DESCRIBED HEREIN ARE OFFERED PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF NEW MEXICO, (THE "NEW MEXICO ACT"). ACCORDINGLY, THE NEW MEXICO SECURITIES BUREAU HAS NOT REVIEWED THE OFFERING OF THESE SECURITIES AND HAS NOT APPROVED OR DISAPPROVED THIS OFFERING. THE NEW MEXICO SECURITIES BUREAU HAS NOT PASSED UPON THE VALUE OF THESE SECURITIES OR UPON THE ACCURACY OF THE INFORMATION CONTAINED WITHIN THIS PRIVATE PLACEMENT MEMORANDUM. THESE SECURITIES MAY NOT BE RESOLD OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE ACT OR AN EXEMPTION THEREFROM.

NOTICE TO NEW YORK RESIDENTS

THIS PRIVATE PLACEMENT MEMORANDUM DOES NOT KNOWINGLY CONTAIN AN UNTRUE STATEMENT OF MATERIAL FACT OR KNOWINGLY OMIT TO STATE A MATERIAL FACT NECESSARY TO MAKE THE STATEMENTS MADE, IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH THEY ARE MADE, NOT MISLEADING. IT CONTAINS A FAIR SUMMARY OF THE MATERIAL TERMS OF THE DOCUMENTS PURPORTED TO BE SUMMARIZED HEREIN. ALL PROCEEDS OF THIS OFFERING WILL BE USED ONLY FOR THE PURPOSES SET FORTH UNDER THE CAPTION "USE OF PROCEEDS."

THE OFFERING OF THE SECURITIES HAS NOT BEEN REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW YORK BECAUSE OF THE OFFEROR'S REPRESENTATIONS THAT THIS IS INTENDED TO BE A NON-PUBLIC OFFERING PURSUANT TO REGULATION D AND THAT IF ALL OF THE CONDITIONS AND LIMITATIONS OF REGULATION D ARE NOT COMPLIED WITH, THE OFFERING WILL BE RESUBMITTED TO THE ATTORNEY GENERAL FOR AMENDED EXEMPTION. ANY OFFERING LITERATURE USED IN CONNECTION WITH THE OFFERING HAS NOT BEEN RE-FILED WITH THE ATTORNEY GENERAL AND HAS NOT BEEN REVIEWED BY THE ATTORNEY GENERAL. THE SECURITIES ARE BEING PURCHASED FOR THE INVESTOR'S OWN ACCOUNT FOR INVESTMENT, AND NOT FOR DISTRIBUTION OR RESALE TO OTHERS. EACH NEW YORK INVESTOR WILL

BE REQUIRED TO AGREE THAT HE OR SHE WILL NOT SELL OR OTHERWISE TRANSFER THESE UNITS UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. EACH NEW YORK INVESTOR WILL BE REQUIRED TO REPRESENT THAT HE OR SHE HAS ADEQUATE MEANS OF PROVIDING FOR HIS OR HER CURRENT NEEDS AND POSSIBLE PERSONAL CONTINGENCIES, AND THAT HE OR SHE HAS NO NEED FOR LIQUIDITY OF THIS INVESTMENT. ALL NEW YORK INVESTORS WILL BE REQUIRED TO REPRESENT THAT THEY UNDERSTAND THAT THE OFFERING MAY BE MADE ONLY TO THOSE NON-ACCREDITED RESIDENTS OF NEW YORK WHO: HAVE A NET WORTH (ALONE OR JOINTLY WITH A SPOUSE, BUT EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) OF THREE TIMES THE AMOUNT OF THE INVESTMENT AND AN ADJUSTED GROSS INCOME (ALONE OR JOINTLY WITH A SPOUSE, BUT EXCLUSIVE OF HOME, HOME FURNISHINGS AND AUTOMOBILES) OF FIVE TIMES THE AMOUNT OF THE INVESTMENT.

ALL DOCUMENTS, RECORDS AND BOOKS PERTAINING TO THIS INVESTMENT WILL BE MADE AVAILABLE FOR INSPECTION BY EACH NEW YORK INVESTOR AND HIS OR HER ATTORNEY, ACCOUNTANT OR PURCHASER REPRESENTATIVE. THE BOOKS AND RECORDS OF THE ISSUER WILL BE AVAILABLE AT ITS PRINCIPAL PLACE OF BUSINESS UPON REASONABLE NOTICE FOR INSPECTION BY INVESTORS AT REASONABLE HOURS.

NOTICE TO OHIO RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE OHIO SECURITIES ACT (THE "OHIO ACT"), AND THEREFORE CANNOT BE RESOLD OR TRANSFERRED BY THE INVESTOR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE OHIO ACT, OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE OHIO ACT.

NOTICE TO OKLAHOMA RESIDENTS

THE SECURITIES OFFERED HEREIN HAVE NOT BEEN REGISTERED UNDER THE OKLAHOMA SECURITIES ACT (THE "OKLAHOMA ACT"), AND THEREFORE CANNOT BE RESOLD OR TRANSFERRED BY THE INVESTOR IN A TRANSACTION WHICH IS EXEMPT UNDER THE OKLAHOMA ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE OKLAHOMA ACT.

NOTICE TO OREGON RESIDENTS

THE SECURITIES OFFERED HEREIN HAVE NOT BEEN REGISTERED WITH THE DIRECTOR OF THE DEPARTMENT OF INSURANCE AND FINANCE FOR THE STATE OF OREGON. THE INVESTOR MUST RELY ON THE INVESTOR'S EXAMINATION OF THE COMPANY CREATING THE SECURITIES, AND THE TERMS OF THE OFFERING, INCLUDING THE MAKING OF AN INVESTMENT DECISION ON THESE SECURITIES.

NOTICE TO PENNSYLVANIA RESIDENTS

EACH SUBSCRIBER WHO IS A PENNSYLVANIA RESIDENT HAS THE RIGHT TO CANCEL AND WITHDRAW HIS OR HER SUBSCRIPTION AND HIS OR HER PURCHASE OF SECURITIES THEREUNDER, UPON WRITTEN NOTICE TO THE COMPANY GIVEN WITHIN TWO (2) BUSINESS DAYS FOLLOWING THE RECEIPT BY THE COMPANY OF HIS OR HER EXECUTED SUBSCRIPTION AGREEMENT. ANY NOTICE OF CANCELLATION OR WITHDRAWAL SHOULD BE MADE BY TELEGRAM, CERTIFIED OR REGISTERED MAIL AND WILL BE EFFECTIVE UPON DELIVERY TO WESTERN UNION OR DEPOSIT IN THE UNITED STATES MAIL, POSTAGE OR OTHER TRANSMITTAL FEES PREPAID. UPON SUCH CANCELLATION OR WITHDRAWAL, THE SUBSCRIBER WILL HAVE NO OBLIGATION OR DUTY UNDER THE SUBSCRIPTION AGREEMENT TO THE COMPANY OR ANY OTHER PERSON AND WILL BE ENTITLED TO THE FULL RETURN OF ANY AMOUNT PAID BY HIM OR HER, WITHOUT INTEREST. NEITHER THE PENNSYLVANIA SECURITIES COMMISSION NOR ANY OTHER AGENCY PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING, AND ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

PENNSYLVANIA SUBSCRIBERS MAY NOT SELL THEIR SECURITIES FOR ONE YEAR FROM THE DATE OF PURCHASE IF SUCH A SALE WOULD VIOLATE SECTION 203(D) OF THE PENNSYLVANIA SECURITIES ACT.

PENNSYLVANIA RESIDENTS WHO ARE NOT ACCREDITED INVESTORS MUST MEET THE SUITABILITY REQUIREMENTS SET FORTH IN THIS MEMORANDUM AND MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, HOME FURNISHINGS AND PERSONAL AUTOMOBILES) OF AT LEAST FIVE (5) TIMES THE AMOUNT OF THE PROPOSED INVESTMENT.

NOTICE TO RHODE ISLAND RESIDENTS

ALTHOUGH THE SECURITIES HEREIN DESCRIBED HAVE BEEN EXEMPTED FROM REGISTRATION PURSUANT TO TITLE 7, CHAPTER 11, OF THE RHODE ISLAND GENERAL LAWS, SUCH EXEMPTION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, ACCURATE OR NOT MISLEADING.

NOTICE TO SOUTH CAROLINA RESIDENTS

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE SOUTH CAROLINA UNIFORM SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE SOUTH CAROLINA SECURITIES COMMISSIONER. THE COMMISSIONER DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT

PASS UPON THE ACCURACY OR COMPLETENESS OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO SOUTH DAKOTA RESIDENTS

EACH SOUTH DAKOTA RESIDENT PURCHASING ONE OR MORE WHOLE OR FRACTIONAL SECURITIES MUST WARRANT THAT HE HAS EITHER A MINIMUM ANNUAL GROSS INCOME OF \$30,000.00 OR A MINIMUM NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) OF \$75,000.00. ADDITIONALLY, EACH INVESTOR WHO IS NOT AN ACCREDITED INVESTOR OR WHO IS AN ACCREDITED INVESTOR SHALL NOT MAKE AN INVESTMENT IN THIS PROGRAM IN EXCESS OF TWENTY PERCENT (20%) OF HIS NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES).

NOTICE TO TENNESSEE RESIDENTS

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSIONS OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE TENNESSEE SECURITIES ACT OF 1993, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO TEXAS RESIDENTS

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE TEXAS SECURITIES ACT, AS AMENDED, AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT. THE SECURITIES ARE SUBJECT TO RESTRICTION ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SAID ACT PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE SECURITIES HAVE NOT BEEN APPROVED NOR DISAPPROVED BY THE SECURITIES COMMISSION, ANY STATE SECURITIES COMMISSION NOR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING

AUTHORITIES PASSED UPON NOR ENDORSED THE MERITS OF THIS OFFERING NOR THE ACCURACY NOR ADEQUACY OF THE MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO VIRGINIA RESIDENTS

THE SECURITIES OF THE COMPANY HAVE NOT BEEN REGISTERED UNDER THE VIRGINIA SECURITIES ACT (THE “VIRGINIA ACT”), AND THEREFORE CANNOT BE RESOLD OR TRANSFERRED BY THE INVESTOR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE ACT.

NOTICE TO WASHINGTON STATE RESIDENTS

THE ADMINISTRATOR OF SECURITIES HAS NOT REVIEWED THE OFFERING OR OFFERING CIRCULAR AND THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, AND, THEREFORE, CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

NOTICE TO WISCONSIN RESIDENTS

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY IN THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SECURITIES HAVE NOT BEEN RECOMMENDED BY AND FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY, OR DETERMINED THE ADEQUACY, OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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SUMMARY OF THE OFFERING

Securities Offered. The securities offered, are hereby made available to the prospective investor(s) who are named on the cover page of this Private Placement Memorandum.

The \$4,200,000.00 in this initial first round of financing of Debt, sought through this securities offering, is to be used as funds to provide the initial capital to execute the business plans contained herein.

Forty Two (42) Notes are hereby made available to the prospective investor(s) who are named on the cover page of this private placement memorandum. The securities are offered at a per Note price of \$100,000.00. The minimum purchase amount is one (1) Note for an aggregate dollar amount of \$100,000.00.

The Financial Projections in this prospectus illustrate selling 42 Notes at a per Unit price of \$100,000.00. The Notes offered herein are offered on a first come first served basis.

Capitalization. Management has formulated STEWARDSHIP INVESTMENTS, LLC's capitalization and organizational structure to provide for maximum rate of return potential to all investors. Management may elect to suspend, discontinue, or cease this offering at any time for any reason or for no reason. Management reserves the right to formulate the Company's capitalization strategy on an "as needed" basis.

FOR MORE ONLINE INFORMATION—See: StewardshipInvestment.com

Stewardship Investments
Serving People in Their Housing Needs

Home The PPM & LLC Business Plan Management Offices Our Mission Our History

Home

Good Stewards manage resources wisely... in the service of others.

Stewardship is more than just a name to us, it's our company's calling. A good steward seeks to manage well that which has been entrusted to him or her. Since 1989 we have sought to live up to this honorable namesake by:
carefully managing entrusted resources > to > serve people in their housing needs.

Looking for a solid investment opportunity?

- 1) Learn about our company in Kansas City.
- 2) Review our business plan and team there.
- 3) Invest through Stewardship Funding LLC.
- 4) Contact our CSO (Chief Stewardship Officer):
Bill Syrios
Bill@StewardshipLLC.com
541-221-4242

CONTACT BILL SYRIOS VIA EMAIL

Name:

Email:

WATCH A 10-MINUTE VIDEO ON OUR KANSAS CITY OPERATIONS
Stewardship Investments

THE 9% SOLUTION

THE 9% SOLUTION



COMPANY BUSINESS PLAN

History

Bill Syrios started investing in real estate in 1980. He began **Stewardship Properties** in 1989 in Eugene, OR and has accumulated 500 houses and apartment units, mostly campus rentals around the University of Oregon. He is a partner in 37 and 40 unit apartment buildings in Dallas. During 2007-2010 Bill led a team that flipped nearly 200 properties, mostly foreclosures and short sales.

Bill partnered with his sons, Andrew and Phillip, to form **Stewardship Investments, LLC** (Missouri) in January 2011 with a buy and hold strategy in the Kansas City metro area. Bill has been a full-time real estate investor for 22 years, Andrew for eight and Phillip for two years. This partnership owns 80+ houses and 50+ units in smaller multi-family: duplexes and apt. buildings. For more information on this offering, see StewardshipInvestments.com.

Choice of Investment Market

Stewardship Investments has targeted Kansas City, MO as its primary market to invest based on the following reasons:

- **High Rent-to-Cost Ratio:** many high cash flow submarkets with modest purchase prices
- **Economic Stability:** low unemployment, steady population growth for the last 30+ years
- **Large Population Base:** metro area of 2.2 million with many viable submarkets

Stewardship Investment's Goal

The company does not consider appreciation potential as its primary goal. Instead, the goal is to acquire, rehab and rent properties with at least a 1.2% rent-to-cost ratio in working-class areas that are not too difficult to manage. (Rent-to-cost ratio equals monthly rent divided by the purchase price. The national rent-to-cost average is about .7%.) The company's rent-to-cost criterion leads it to target solid working-class neighborhoods. Kansas City has many neighborhoods that fit such criteria.

Short-Term Financing on the Front-End

Stewardship Investments purchases properties with its own funds or with private money on the "front-end," before the properties are rented and rehabbed. The company does not look for hard money lenders, but instead for private individuals with reasonable means to lend. Given Bill Syrios' and Stewardship's longevity of 33 years in real estate investment and its perfect track record of always making its mortgage payments, the company has a large group of enthusiastic private lenders to use for front-end financing—the acquisition and rehab costs of each property.

Long-Term Financing on the Back-End

After acquisition, rehab and rent up, the company seeks to lower its long-term cost of funds by refinancing its private lenders out of their loans with conventional funds from banks or other entities, such as hedge funds, that place loans of at least \$1,000,000 on groups of properties.

COMPANY MISSION: To Be Good Stewards

Build an enduringly great company

by carefully managing entrusted resources
to serve people in their housing needs.

This will build long-term wealth and
increase opportunities for our team members.

COMPANY PERSONNEL

Stewardship has 30 employees in three locations: Eugene, Kansas City and Dallas.



Eugene Office: 1247 Villard St.



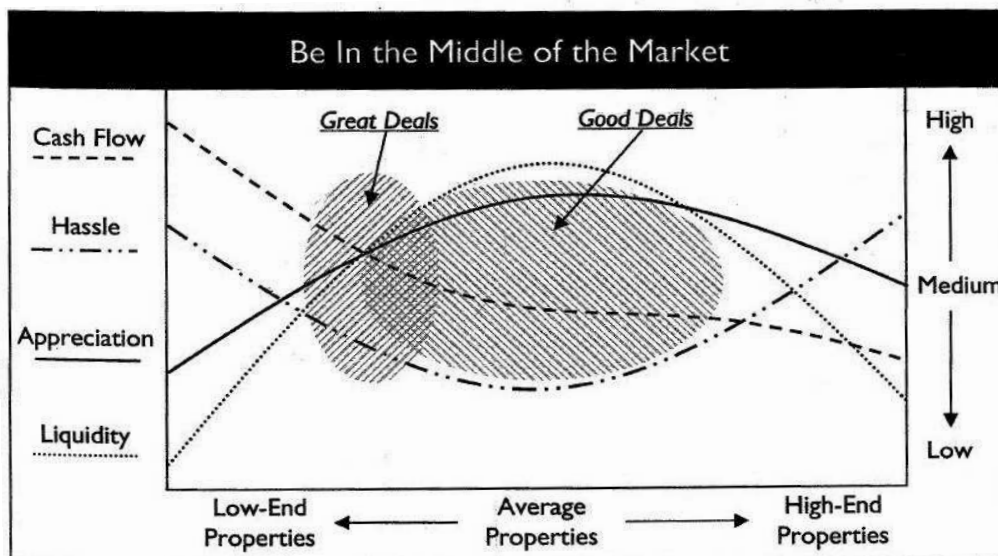
KC Office: 7215 Troost Ave.

Why Kansas City?

Stewardship Investments has targeted Kansas City, MO to invest for the following reasons:

- **High Rent-to-Cost Ratio:** many high cash flow submarkets with modest purchase prices
- **Economic Stability:** low unemployment, steady population growth for the last 30 years
- **Large Population Base:** metro area of 2.2 million with many potential submarkets

The company does not consider appreciation potential as its primary goal. Instead, the goal is to **acquire, rehab and rent properties with at least a 1.2% rent-to-cost ratio in working-class areas that are not too difficult to manage.** (Rent-to-cost ratio equals monthly rent divided by the purchase price. The national rent-to-cost average is about .7%.) The company's rent-to-cost criterion leads it to target solid lower-middle to middle class neighborhoods—the “sweet spot” of the real estate market as seen below. Kansas City has many neighborhoods that fit such criteria.

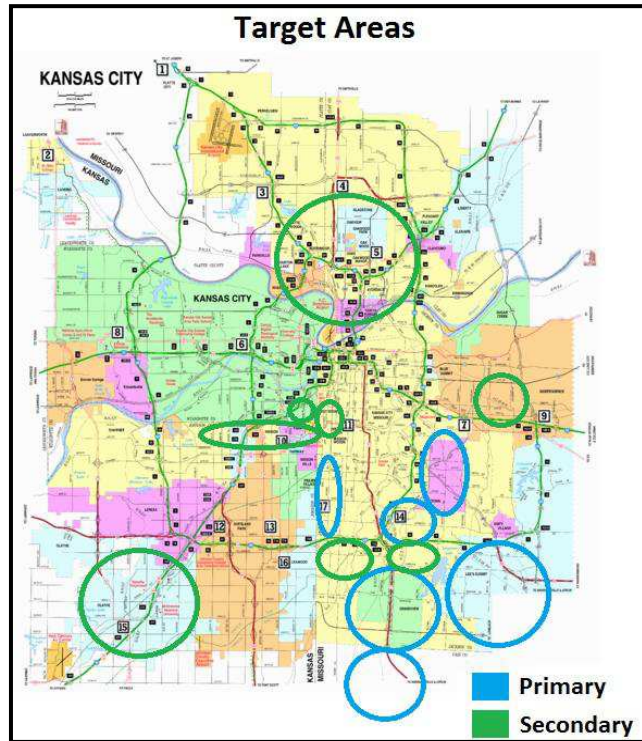


Kansas City, and more particularly the areas chosen within its metro area, fit the “sweet spot” criteria of higher cash flow, lower purchase price and moderate property management hassle. The following neighborhoods make up Stewardship’s primary target areas:

- Raytown
- Grandview
- The Waldo Area of Kansas City
- South KC near Bannister Mall
- Lee’s Summit
- Belton

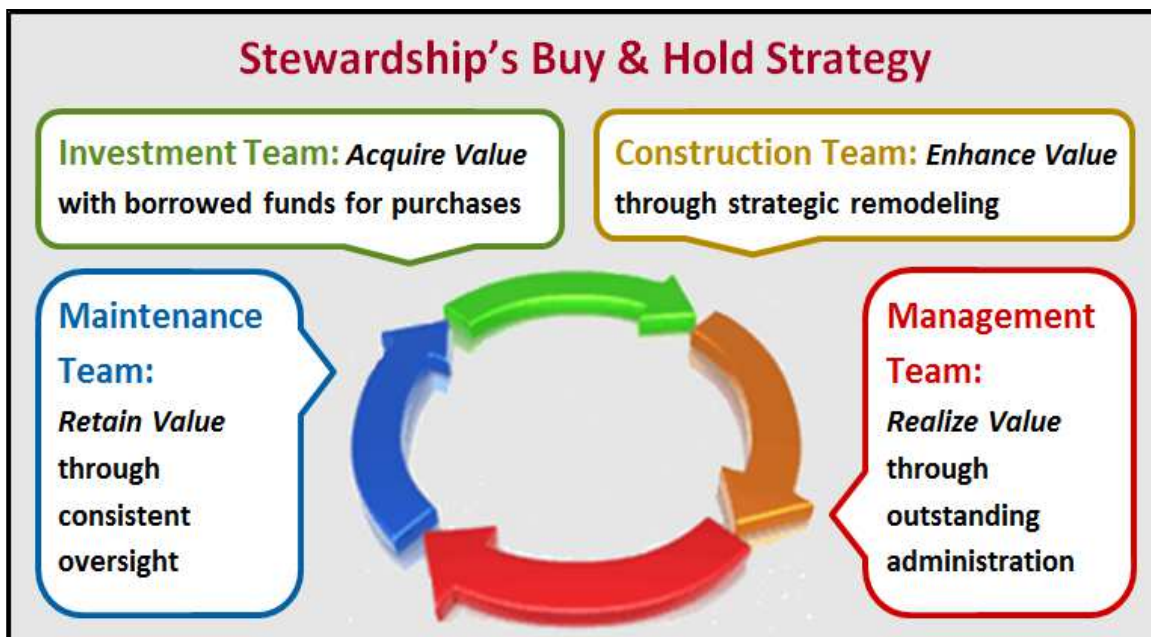
The following areas are secondary target areas throughout the KC metro area:

- North Kansas City
- Riverside
- North of the River in Kansas City
- Hyde Park
- Central Independence
- Olathe
- Roeland Park and Shawnee
- Kansas near KU Med
- The Ruskin area,



The Components of Stewardship Investment’s Strategy

Although Stewardship has “flipped” properties, it has primarily been a “buy & hold” company to take advantage of the wealth-building opportunities real estate brings. This strategy has led to the creation of a financial foundation of strong positive cash flow for current and future growth.



INVESTMENT > CONSTRUCTION > MANAGEMENT > MAINTENANCE

INVESTMENT—Overview

As of now, Stewardship’s primary focus in Kansas City is on houses and small multi-families. As time goes on, however, the company intends to move into larger multi-family properties.

With regards to houses and small multi-family rental properties diverge into three types:

- **Equity Opportunity** – These are properties, in Lee’s Summit or Johnson County, the company is looking to buy for their equity and appreciation potential. The goal is to be all in for 70-80% market value and not to expect a large amount of positive cash flow.
- **Value Opportunity** – These are in between and in cities like Grandview and Raytown.
- **Cash Flow Opportunity** – These lower end properties (not in war zones) have high cash flow but low appreciation because they’re in less desirable areas (i.e. in Ruskin or near the old Bannister Mall).

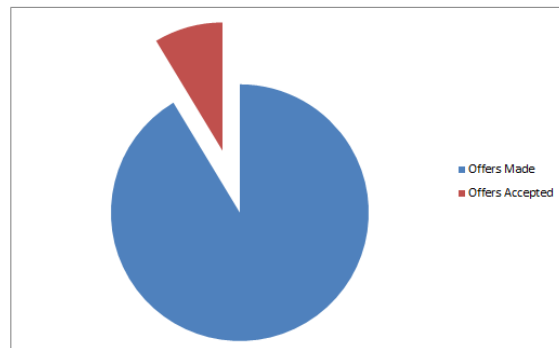
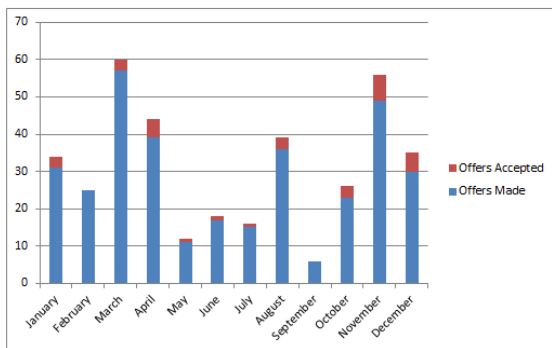
Rent/Cost Ratio			
Unacceptable	Equity Opport.	Value Opport.	Cash Flow Opport.
< 1.2%	1.2 - 1.4%	1.5 - 1.9%	2% +

Stewardship Investments intends to acquire a good mix of properties in order to have some with higher cash flow and others in better areas that allow for a greater likelihood of appreciation and which could be sold at a profit more easily. Cash flow is the most important criteria however.

The company takes advantage of multiple tactics to acquire properties; primarily making offers on listed REO’s, HUD, Fannie and Freddie properties, but in addition, using wholesalers, craigslist, mailings, going to auctions and other such opportunities to acquire the best properties for the best prices on the market today.

The key to acquire properties at deep discounts is to make a large number of offers, and to only accept the best of the best. For example, in 2012, Stewardship made 339 offers and purchased 32 properties. So, Stewardship purchased less than 10% of the properties it made offers on in 2012:

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Offers Made	31	25	57	39	11	17	15	36	6	23	49	30	339
Offers Accepted	3	0	3	5	1	1	1	3	0	3	7	5	32
Percentage	9.68%	0.00%	5.26%	12.82%	9.09%	5.88%	6.67%	8.33%	0.00%	13.04%	14.29%	16.67%	9.44%



INVESTMENT—Due Diligence

The company's due diligence includes the following:

- Preliminary Analysis Sheet with rehab estimate and strike price
- (Upon accepted offer) A walk through/scope of work with our construction manager to determine the necessary repairs
- scoping the sewer line
- A financial analysis to determine the cap rate and rent-to-cost ratio
- A home, foundation, roof or HVAC inspection if deemed necessary by our construction manager.

The preliminary analysis sheet looks as follows:

Property Analysis Sheet											
Address		List Price	Offer	Strike Price							
746 Walnut, KKK Med		\$45,000	\$31K	34K							
Bid	Bath	Approx Sq. Ft.	Seller	Rehab Estimate	Rent Estimate						
1/20/12	1			11K	7.5						
Garage/Carport	Basement	Neighborhood		Age	School						
		A/B/C/D + C									
Location and Detail Notes											
Roof	Years Left	JK	3/2/12/12							Condition	Concrete garage
Ext. Paint	Interior Year	10	3/2/12/12								
Int. Paint	Interior Year	10	3/2/12/12								11200 for bath
Flooring	Carpet/Tile	Hard/Tile	3/2/12/12								floorboard needs
Replaces	Y/N	Year Y/N	3/2/12/12								Refr
Misc?			3/2/12/12								
Rehab Notes and Estimate Breakdown											
Foundation	Has Basement	Basement	Crawl Space / Park	3/2/12/12						Can make	
Basement	Concrete Y/N	Interior Waterproofing	Y/N	3/2/12/12						4 bed	
Electrical	Fir Skins / Stairs	3/2/12/12									
Plumbing	Hot/Cold/Drain	Water/Drain/Seal	3/2/12/12	3/2/12/12							
HVAC	Central A/C	Y/N	3/2/12/12								refine
Kitchen	Cabinets	Y/N	3/2/12/12								
Appliances	Refr	Y/N	3/2/12/12								1.5K for an
Windows	Type	Y/N	3/2/12/12								(1/2) for an
Doors	Interior/Exterior	Y/N	3/2/12/12								for an
Bed	Master/No Master	3/2/12/12								Some missing	
Bed		3/2/12/12									
Bed		3/2/12/12									
Bed		3/2/12/12									
Bath	Full/Partial	Y/N	3/2/12/12								need door
Hall		3/2/12/12								to about door	
Other		3/2/12/12								for	
Other		3/2/12/12								left	

With larger purchases, a Phase 1, Alta-Survey and the bank required appraisal are added. The long list of due diligence ensures that Stewardship will only be buying quality properties.

INVESTMENT—Financing

Stewardship Investment's approach is to finance its purchases short-term on the "front-end," before rehab and rent up, with its own funds or with private money. The company is not looking for hard money lenders, but instead, for private individuals that will lend with no points.

Stewardship then seeks to refinance groups of properties with long-term conventional financing on the "back-end," once the properties have been rehabbed and rented. When refinanced the money is returned to the private lenders who can again loan the money out for front-end financing. Then new rented and rehabbed properties form a new group for conventional, long-term refinance and the private lender's money is returned to them again. The cycle continues.

CONSTRUCTION REHAB

Stewardship's approach is to fix houses up slightly nicer than the neighborhood around it. This attention to detail attracts the best tenants without overspending on remodeling. Since many of the properties purchased were built in the '50's-70's, the goal is to "recreate" them for a more modern lifestyle—with a "great room feel," larger master bedrooms, extra baths, when possible.

The company uses high quality contractors and sub-contractors who are willing to work within Stewardship's guidelines which include a high degree of planning. (All use Home Depot's Pro-Desk and software for ordering consistent materials.) This ensures the work is done in a timely manner at a reasonable cost. The company oversees and constantly reviews its contractors' work as well as their bids to make sure they continue to provide high quality, cost effective work. Before work begins a budget is made and then reviewed after the fact to make sure the results are in line with the expectations and adjusted accordingly.



MANAGEMENT—Leasing

In Kansas City, Stewardship has branded itself with its phone number as an easy to remember name for marketing purposes: (816/913) **333-RENT** and **333Rent.com**.



Because Kansas City provides such favorable rent-to-cost ratios, the company can afford to price its rentals slightly under market. Fixing up its properties better than the neighbors' properties, yet renting for less, allows the company to have its pick of prospective tenants. Such a strategy also helps to insure long-term residents who pay their rent on time. Branding in the marketplace with the phone number, 333-RENT, also gives great name recognition with prospective tenants.

Screening however, is the most important thing. To insure quality residents the company:

1. Does not accept any evictions no matter how old. (Tenants want to avoid an eviction on their record and if they have none, they are much less likely to allow a first to happen.)
2. Does not accept any violent felonies no matter how old.
3. Does not accept any recent felonies.
4. Requires at least 3 times the monthly rent in income and a strong employment reference.
5. Requires a strong rental reference as well or a strong co-signer if they don't have much of a rental history.

MANAGEMENT—Collections

Collections, especially in working class neighborhoods, are of the utmost importance. By having strict screening, the company avoids most collections issues. But when collection problems occur, it is best to deal with them quickly.

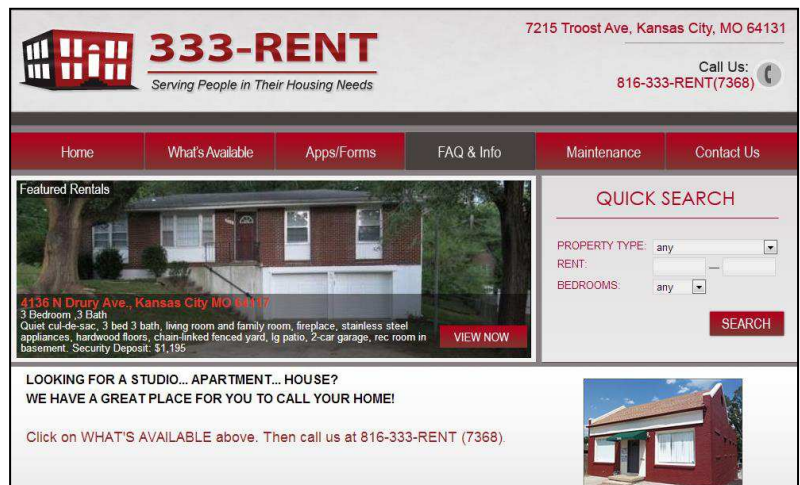
The company offers the residents' one payment plan. If they fail to keep up, an attempt is made to come to an agreement for them to move (as to save an eviction on their record and the eviction costs). If that fails too, the company moves quickly to evict as to avoid losing any more rent.

MANAGEMENT—Accounting

Keeping up to date records is critical for self-evaluation and financing, so Stewardship puts extra emphasis on keeping the books up to date. The company uses a web-based software product called Rent Manager for both its property management and accounting. This product also allows Stewardship's personnel to access its rental incomes, operations expenses along with its construction/rehab expenses from its Eugene office in real time. Eugene Stewardship's office gives accounting support to its Kansas City operations.

MAINTENANCE

Stewardship Investments intends to provide its residents with high quality housing so they will stay a long time and recommend their friends and family. To that end, the company has an on-staff maintenance crew and a shop/garage to operate from. The company makes sure to deal with all emergencies that day and all maintenance concerns within a week.



The screenshot shows the website for 333-RENT, located at 7215 Troost Ave, Kansas City, MO 64131. The site features a navigation menu with links for Home, What's Available, Apps/Forms, FAQ & Info, Maintenance, and Contact Us. A featured rental property is highlighted with a photo of a brick house at 4136 N Drury Ave, Kansas City, MO 64117. The property details include 3 bedrooms, 3 bathrooms, a quiet cul-de-sac, a living room and family room with a fireplace, stainless steel appliances, hardwood floors, a chain-linked fenced yard, a large patio, a 2-car garage, and a rec room in the basement. The security deposit is \$1,195. A 'VIEW NOW' button is provided for this listing. To the right of the featured property is a 'QUICK SEARCH' form with dropdown menus for 'PROPERTY TYPE' (set to 'any'), 'RENT' (set to '\$ - \$'), and 'BEDROOMS' (set to 'any'). A 'SEARCH' button is located below the form. Below the featured property, there is a message: 'LOOKING FOR A STUDIO... APARTMENT... HOUSE? WE HAVE A GREAT PLACE FOR YOU TO CALL YOUR HOME!' followed by a 'Click on WHAT'S AVAILABLE above. Then call us at 816-333-RENT (7368)' and a small image of a red brick house.

The company has also implemented semi-annual maintenance inspections to make sure that long standing problems don't linger. Some residents are hesitant to call in problems, and when it is possible to fix them earlier, it's cheaper and the residents are happier.

The company assigns individual on its staff as responsible solely for turnovers and punch outs on rehabs to make sure vacant properties don't sit around for long.

OTHER: From insurance, to tax appeals, to private lender relations, the Stewardship Investments makes sure to stay on top of every aspect of the business to insure it isn't leaving any money on the table and is also building a strong reputation.

Stewardship Investments has proven systems in place to grow at a fast but sustainable rate in a unique time in the real estate cycle when a great number of opportunities are available.

STEWARDSHIP'S SMaC LIST—Specific, Methodical and Consistent practices

Acquisition

1. Target areas that are lower-middle and middle working class areas, stay out of high end areas and war zones.
2. Make a large number of offers through multiple mediums (property tours, mailings, craigslist, HUD offers, auctions, etc.). No more than 10% to 15% of the houses and apartments that offers are made on will likely be purchased.
3. Perform thorough due diligence on each acquisition. Houses get a final walkthrough, sewer scoping and foundation check. Apartments get a walkthrough, Phase 1, roof inspection, sewer scope and physical inspection and verification of the leases and expenses

Finance

4. Front-End: Use our own funds or short-term private loans from people who are willing to take a reasonable interest rate and no points prior to rehab and rent-up.
5. Back-End: Secure long-term conventional financing sources once groups of properties are rehabbed and rented.

Rehab

6. A scope of work and a preliminary budget will be put together before each rehab. Contractors and employees shall justify any changes to the scope.
7. Contractors will be held to strict due dates to prevent cost overruns and unnecessary holding costs. Contractors will use Home Depot's Pro-Desk to increase efficiencies.
8. The final expenses for each project shall be compared to the preliminary expenses. If there are cost overruns, they need to be justified. Bid out contractors and subcontractors against each other and always be looking for new contractors while evaluating those currently working for the company.

Management

9. All available rentals will be marketed aggressively with craigslist, signs, referrals and newspapers, always pointing people to 333Rent.com. Avoid rent discounts if possible.
10. The company shall be very diligent in its screening. While it may vary from building to building, rental criteria include: No evictions without a co-signer, no violent felonies, no recent felonies and strong recommendations from prior landlords. Tenants must make 3 times the monthly rent and have solid employment and personal references.
11. The company will be very active in collecting the rent by posting notices shortly after rent is late, calling tenants and knocking on their doors when they are behind. They must fill out a payment plan if they are not to be evicted, which will allow the company to email and text reminders to them. The company will also utilize cash-for-keys to get back each rental property quickly when necessary.

Maintenance

12. Before any property is leased after a rehab or turnover, a systems' check and subsequent punch out shall be performed in a timely manner to ensure a quality product
13. All maintenance concerns shall be sent to the office, in writing, and dealt with in a prompt manner; Emergencies within one day, other requests within a week.

Accounting

The company will be diligent in keeping records up to date so we can monitor progress and spot problems to resolve them in a timely manner. In addition, it will automate as much as possible (be paperless/ACH) and monitor to make sure all payments are made.

TERMS OF THE OFFERING

General. The \$4,200,000.00 in this round of financing of Secured Notes, sought through this securities offering, is to be used as funding to provide capital to execute the business plans contained herein.

Forty Two (42) Notes are hereby made available to the prospective investor(s) who are named on the cover page of this private placement memorandum. The securities are offered at a per Note price of \$100,000.00. The minimum purchase amount is one (1) Note for an aggregate dollar amount of \$100,000.00.

The Financial Projections in this prospectus illustrate selling 42 Secured Notes at a per Note price of \$100,000.00. The Notes offered herein are offered on a first come first served basis.

Investor Representations. The securities will be offered to a limited number (35) of “non-accredited investors” who will be required to represent (i) that they meet certain financial requirements, and (ii) that they have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of the prospective investment. (See “Risks and Other Important Factors”). Accredited Investors will be required to represent themselves as such according to the Subscription Agreement.

Representations, Warranties and Covenants of the Company. The Company represents, warrants, and covenants for the benefit of purchasers of the securities that:

There are no options, rights, other warrants or other agreements by the Company entitling any person to purchase or otherwise acquire, or outstanding securities convertible or exchangeable into, any capital stock or other securities of the Company, aside from those described herein. However, this fact in no way shall preclude the Company from issuing any of the aforementioned securities or other similar securities, including debt instruments, to capitalize the Company as Management sees fit. All corporate actions required to be taken by the Company prior to the issuance and sale of the securities to subscribers have been taken. The securities, when sold, issued and delivered in accordance with the terms of the Subscription Agreement, for the consideration expressed in that Agreement, will be duly authorized, validly issued, fully paid and non-assessable. None of the securities are subject to preemptive rights of any Unitholder of the Company. When the securities offered are issued, the expenditures of the Company will be as set forth in this Memorandum.

(b) The Company is duly organized, validly existing and in good standing as a Limited Liability Company under the Missouri Limited Liability Act.

(c) The Company is not in violation of any terms or provisions of any of its charter documents including its Articles of Organization and Operating Agreement; of any material term or provision of any indenture, mortgage, deed of trust, note agreement, lease or other agreement or instrument to which it is a party or by which it is or may be bound or to which any of its assets, property or business is or may be subject; of any material term of any indebtedness; or of

any statute or any judgment, decree, order, rule or regulation of any court, regulatory body or administrative agency or other federal, state or other government body, domestic or foreign, having jurisdiction over its assets, property or business, which violation or violations, either in any case or in the aggregate, might result in any material adverse change, financial or otherwise, in its assets, properties, condition, business, earnings, or prospects; and the delivery of this Memorandum, the consummation by the Company of the transactions contemplated in it and compliance by the Company with the terms of the subscription documents, will not result in any of these violations.

(d) The financial requirements and projections of the Company set forth in this Memorandum are based on Management's best estimates regarding the Company and its business plans.

(e) The Company has filed all federal, state, local and foreign tax returns which are required to be filed or has requested extensions and has paid all taxes due.

(f) There are no facts presently existing or events which have occurred which constitute a material financial liability of the Company, not disclosed herein or in the exhibits hereto.

Capitalization Plan. Management believes that the \$4,200,000.00 in debt acquisition capital sought through this offering will be sufficient to allow Management to develop the opportunity described herein and attract further capital necessary for the future of the company as illustrated herein.

Management plans to keep the Company a closely and privately held Company for an indefinite period of time. However, there is no liquid or public market for the Notes herein and there can be no assurance that a liquid market for the Notes will develop.

Minimum Purchase Requirement. Each qualified investor will be subject to a minimum purchase requirement of one (1) Note for \$100,000.00, with 1 Note increments of \$100,000.00 thereafter. There is no maximum amount of the securities that can be purchased by any qualified investor, up to the maximum amount of the offering. Management may waive the minimum purchase requirement at its sole discretion.

The Offering Period. The offering extends from the offering date of October 1, 2013 to the close of business on September 30, 2014 (or earlier if the total amount of Notes offered are sold) unless the offering is extended at the sole discretion of the Company. The Company may terminate the offering at any time for any reason or for no reason.

Availability of Information. Prospective investors and their investment advisors are invited to communicate with Company principals by phone or in person by appointment using the contact information contained herein. Prospective investors and their purchaser representatives are also invited to request any material information reasonably available from the Company relating to its formation, managers, business activities, or anything else set forth in this Memorandum, which is not competitively confidential.

Plan of Distribution. The Notes will be allocated to purchasers of the Notes. Such Notes shall be mailed within 10 days after receipt of funds and closing of the transaction referenced herein.

Size of Offering.

<u>Amount of Units Offered</u>	<u>Price Per Unit</u>	<u>Commissions</u>	<u>Net Proceeds to Firm</u>
42	\$100,000.00	\$0.00	\$4,200,000.00

NOTE: Proceeds to the Company are computed before deducting expenses of this offering, including legal fees, consulting fees, promotional and marketing expenses associated with this offering, and other offering expenses, which will be paid by the Company out of the proceeds of this offering.

Estimated Use of Proceeds Statement. The \$4,200,000.00 in cash shall be allocated in conjunction with the business plan herein to complete the real estate transactions identified in this prospectus. The funds shall be used in relative concert with the financial projections so denoted in this prospectus. If the full amount of capital is not raised, Management shall make the necessary adjustments in its sole discretion, to further the company's financial and operating plans.

Prior Offerings. There has been no other prior execution of a securities offering for this Company.

Documents Incorporated by Reference. All of the information contained in this Memorandum and the enclosed Exhibits are hereby incorporated herein by reference. This Memorandum contains summaries of certain documents believed to be accurate, but reference must be made to the actual documents for complete information concerning the rights and obligations of the parties thereto. Copies of such documents are made available at the main office of the Company. All such summaries are qualified in their entirety by reference to the actual and complete documents. Specific documents relating to this investment shall be made available to the prospective investors and their advisors or purchaser representatives upon written request received by the Company's Management.

Description of the Notes. Each Unit is comprised of one Secured Note, coupon of 5.50%, with a maturity date of 1/01/24 and shall be fully amortized over Thirty years. Payments shall commence on the first day of the first month after the entire amount of this offering has been reached. No prepayment penalty shall apply should the loan be prepaid and there is no personal guarantee offered by the Members of the LLC.

To Purchase Secured Notes. To purchase the Secured Notes offered herein, the Subscription Agreement furnished with this Memorandum must be completed and received by the Company after the official Offering Date of October 1, 2013 and prior to the Termination Date, of September 30, 2014, with full payment for the purchase of the Notes offered herein, a copy of which is contained at the end of this Memorandum. Management retains the right to reject any subscription for securities in whole or in part, withdrawal, or cancellation of the offer without notice.

All potential investors consent to reasonable inquiries made by the Company and its representatives to assist in verifying that they meet the suitability requirements applicable to this offering. The Company will promptly notify each subscriber of its acceptance or rejection of a subscription hereunder and will promptly return the full purchase price for any portion of a subscription that is rejected.

The Company will not accept a Subscription Agreement unless Forty-eight (48) hours have elapsed after delivery of this Memorandum to the subscriber.

All potential investors consent to reasonable inquiries made by the Company and its representatives to assist in verifying that they meet the suitability requirements applicable to this offering. The Company will promptly notify each subscriber of its acceptance or rejection of a subscription hereunder and will promptly return the full purchase price for any portion of a subscription that is rejected.

RISKS AND OTHER IMPORTANT FACTORS

Any person contemplating an investment in the securities offered herein should be aware of the risk factors relevant to the offering and should consider, among other things, those factors set forth below.

Best Efforts Offering. This offering is being conducted on a “best efforts” basis by the Company’s Managers and/or licensed FINRA Broker/Dealers only. No other individual may solicit or sell the securities offered herein. 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 without the need for further financing if only a portion of the securities are sold.

No Guarantee of Profitability. The Company anticipates that revenues will be sufficient to create net profits for the Company. However, there can be no assurance that revenues will be sufficient for such purpose. Although Management believes in the Company’s economic viability, there can be no guarantee that the business will be profitable to the extent anticipated. Success of the venture is primarily dependent upon the extent that the Company is able to operate the venture in accordance with expectations and assumptions as set forth in the financial projections.

No Guaranteed Return of Investor’s Capital Contributions. The Units 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 offering Memorandum and all Exhibits carefully and should consult with his/her or its own legal counsel, accountant(s), or business advisor(s) prior to making any investment decision.

Reliance upon Management. The success of the Company depends to a large degree upon the efforts of the Company’s Management. Management shall have the exclusive control of all aspects of the business of the Company and in this regard, Management will make all decisions relating to operations such as the selection of personnel and the amount of proceeds to apply to

daily operations and capital raising efforts. Management believes that its accumulated knowledge of the real estate industry will allow the Company successfully to pursue sound management and financial strategies to continue as an ongoing concern. No person should purchase any of the securities offered hereby unless an investor is willing to entrust all aspects of the Company's operations to its Management.

Financial Projections. The Management of the Company, based on information and assumptions Management believes to be reasonable, prepared the financial projections enclosed with this Memorandum. Such projections, therefore, reflect only the Management's current expectation of likely results. There ordinarily will be differences between projected results and actual results because events and circumstances frequently do not occur as expected, and differences can be material. Thus, projected benefits to investors may also vary and there can be no guarantee that the results shown in the enclosed projections will be realized in whole or in part. Neither the Company nor its affiliates or professional advisors guarantee or warrant the projected results. It should also be noted that projections are based on the assumption that all of the securities will be sold for this offering as well as for offerings related to raising the necessary capital. Projected results may vary substantially if less than the entire amount of capital sought is received.

The financial projections provided herein depend on various assumptions, which may prove to be incorrect. There is no assurance that the actual events will correspond with such assumptions. Future results and investment returns are impossible to predict with any real accuracy and no representation or warranty of any kind is made by the company, its management or its representatives respecting the current or future accuracy or completeness of, and no representation is to be inferred from, such projections.

Private Offering Exemption. These securities are being offered in reliance upon the non-public offering exemption as provided in the 1933 Act, 4(6) The Accredited Investor Exemption and or Regulation D Rule 506 promulgated thereunder, and applicable state securities registration exemptions. Although Management shall exercise due care in the offering of these and other securities related to raising capital for the Company, there can be no guarantee that this offering successfully complies with the requirements of the 1933 Act, 4(6) The Accredited Investor Exemption and or Regulation D Rule 506, or applicable state securities laws. If the Company should fail to comply with the requirements of the 1933 Act, 4(6) The Accredited Investor Exemption and or Regulation D Rule 506, or applicable state securities laws, and is not sufficiently profitable to remain attractive to the purchasers of its securities, investors might assert that they have the right to rescind their investment. Because compliance with the securities statutes is highly technical and difficult, an investor seeking rescission potentially could succeed. If a number of investors successfully sought rescission, the Company could face severe financial demands, which could adversely affect the Company and therefore the non-rescinding investors.

No Litigation. There are no actions, investigations, lawsuits or other proceedings against the Company or any of its managers of any nature in effect, pending, or threatened which individually or in the aggregate might result in any material adverse change, financial or otherwise, in the assets, properties, condition, business, earnings or prospects of the Company, or

which question the validity of the capital stock of the Company, the subscription documents or any action taken or to be taken by the Company in connection with this offering.

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

INVESTOR SUITABILITY STANDARDS – See Subscription Agreement

EXHIBIT A

FINANCIAL PROJECTIONS AND USE OF FUNDS

STEWARDSHIP INVESTMENTS, LLC

Stewardship Investments Portfolio Pro Forma

Portfolio Pro Forma

2014		2015		2016		2017		2018	
Portfolio Value	\$5,270,000	Portfolio Value	\$5,533,500	Portfolio Value	\$5,810,175	Portfolio Value	\$5,984,480	Portfolio Value	\$6,164,015
Bank Loan	\$4,216,000	Bank Loan	\$4,159,207	Bank Loan	\$4,099,210	Bank Loan	\$4,035,829	Bank Loan	\$3,968,872
Equity	\$1,054,000	Equity	\$1,374,293	Equity	\$1,710,965	Equity	\$1,948,651	Equity	\$2,195,143
Units	77	Units	77	Units	77	Units	77	Units	77
Rent/Unit	\$783	Rent/Unit	\$806	Rent/Unit	\$830	Rent/Unit	\$847	Rent/Unit	\$864
Annual Rent	\$723,288	Annual Rent	\$744,987.38	Annual Rent	\$767,337.00	Annual Rent	\$782,683.74	Annual Rent	\$798,337
Vacancy	\$72,329	Vacancy	\$74,499	Vacancy	\$76,734	Vacancy	\$78,268	Vacancy	\$79,834
Other Income	\$25,000.00	Other Income	25,750	Other Income	26,523	Other Income	27,053	Other Income	27,594
Gross Income	\$675,959	Gross Income	\$696,239	Gross Income	\$717,126	Gross Income	\$731,468	Gross Income	\$746,098
Taxes	\$77,283	Taxes	\$78,829	Taxes	\$80,405	Taxes	\$82,013	Taxes	\$83,654
Insurance	\$24,793	Insurance	\$25,289	Insurance	\$25,795	Insurance	\$26,311	Insurance	\$26,837
Utilities	\$11,550	Utilities	\$11,781	Utilities	\$12,017	Utilities	\$12,257	Utilities	\$12,502
Repairs & Maintenance	\$46,200	Repairs & Maintenance	\$47,124	Repairs & Maintenance	\$48,066	Repairs & Maintenance	\$49,028	Repairs & Maintenance	\$50,008
Management Fee (6%)	\$39,058	Management Fee (6%)	\$41,774	Management Fee (6%)	\$43,028	Management Fee (6%)	\$43,888	Management Fee (6%)	\$44,766
Contract Services	\$21,450	Contract Services	\$21,879	Contract Services	\$22,317	Contract Services	\$22,763	Contract Services	\$23,218
Advertising	\$7,700	Advertising	\$7,854	Advertising	\$8,011	Advertising	\$8,171	Advertising	\$8,335
Capital Expense	\$23,100	Capital Expense	\$23,562	Capital Expense	\$24,033	Capital Expense	\$24,514	Capital Expense	\$25,004
Net Operating Expenses	(\$251,134)	Net Operating Expenses	(\$258,092)	Net Operating Expenses	(\$263,671)	Net Operating Expenses	(\$268,945)	Net Operating Expenses	(\$274,324)
Net Operating Income	\$424,825	Net Operating Income	\$438,147	Net Operating Income	\$453,454	Net Operating Income	\$462,523	Net Operating Income	\$471,774
Debt Service	(\$287,256)	Debt Service	(\$291,889)	Debt Service	(\$291,889)	Debt Service	(\$291,889)	Debt Service	(\$291,889)
Cash Flow	\$137,570	Cash Flow	\$146,258	Cash Flow	\$161,565	Cash Flow	\$170,634	Cash Flow	\$179,885
Cap Rate	10.08%								
Debt Service Ratio	1.48								
Cash on Cash	13.05%								

STEWARDSHIP INVESTMENTS, LLC

USE OF FUNDS STATEMENT

Private Placement Offering	
Amount	\$4,200,000
Number of properties	66
Pay Off Existing Debt	\$2,926,440

Borrower Fees	
Professional Fees	\$168,000
Title and Recording estimated per First American Title quote	\$10,000
Borrower Legal	\$10,000
	<u>\$188,000</u>
Third Party Fees	
Property Address Verification	\$8,900
	<u>\$8,900</u>
Total transaction Costs	<u>\$196,900</u>
Pay off Existing Debt	\$2,926,440
Increase Operating Reserves	\$200,000
Expansion capital	\$876,660
TOTAL	\$4,200,000

EXHIBIT B

SUBSCRIPTION AGREEMENT

STEWARDSHIP INVESTMENTS, LLC

ROUND 1

Name of Investor

SUBSCRIPTION AGREEMENT FOR SECURED NOTES

STEWARDSHIP INVESTMENTS, LLC

Pursuant to the Private Placement Memorandum dated October 1, 2013 (the "Memorandum"), on the terms and conditions set forth below, I hereby agree to become a Secured Noteholder of STEWARDSHIP INVESTMENTS, LLC, and make a capital contribution to the Company in the amount of \$_____. The minimum purchase amount is One (1) Note for \$100,000.00.

The capital contribution for each Secured Note is One Hundred Thousand U.S. Dollars (\$100,000.00). Such capital contribution for the subscribed Notes is to be tendered herewith. I understand that the Company will place such moneys in an account with a bank of their choosing until the minimum amount of this offering, Four Million, Two Hundred Thousand (\$4,200,000.00) U. S. Dollars has been successfully raised. Collateral for this Note is assignment of interest in Blanket Deed of Trust or Mortgage and Note is first lien position on specified real estate owned by Offeree. The offer to become a Noteholder hereby made shall be deemed to be accepted by the Company only upon the Company's execution of the acceptance set forth below.

A. Representations and Warranties. I represent and warrant to the Company as follows:

I declare that I am at least 21 years of age and am a bona fide RESIDENT of the United States of America or foreign government recognized as such by United States of America and I am not an accredited investor as defined by the definitions below.

_____ Initials

OR

I am or represent an organization, which meets or exceeds at least one of the accreditation requirements contained within this subscription agreement.

(1) Initial all of the following that apply:

_____ A bank as defined in section 3(a)(2) of the Act, or a savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; a insurance company as defined in section 2(20) of the Act; an investment company registered under the Investment Company Act of 1933 or a business development company as defined in section 2(a)(48) of that Act; a Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; a plan

established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered adviser, or if the employee benefit plan has total assets in excess of \$1,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

_____A private business development company as defined in section 202(a)(20) of the Investment Advisers Act of 1933;

_____An organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;

_____A director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

_____A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;

_____A natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

_____A trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in [§ 230.504\(b\)\(2\)\(ii\)](#); and

_____An entity in which all of the equity owners are accredited investors.

- (2) I have such knowledge and experience in financial and business matters that I am capable of evaluating the merits and risks of my investment in the Company, or I have obtained the advice of an attorney, certified public accountant or registered investment advisor with respect to the merits and risks of my investment in the Company. _____Initials
- (3) I acknowledge that the Company provided me with a copy of the Memorandum, which discloses in reasonable detail all material details of the offering, at least Forty-eight (48) hours before my return of this executed Subscription Agreement to the Company. _____Initials

- (4) I am purchasing the Secured Note(s) solely for my own account for investment and not for the account of any other person and not for distribution, assignment, or resale to others. I do not presently intend to resell, transfer, or otherwise dispose of the Note(s). Prior to any such sale or transfer, I will deliver to the Company a written opinion of counsel stating that the securities registration requirements of the Federal Securities Act of 1933 and of all applicable state laws including, but not limited to, any Uniform State Securities Act, have been or are being met or that an exemption from such registration is available and that the sale may proceed without violating any of the applicable state or federal securities laws.
_____Initials
- (5) I understand and acknowledge that the Operating Agreement of the Company places severe limitations on my ability to transfer the Note(s). _____Initials
- (6) I acknowledge that any certificates (if such should ever be created) evidencing Unit(s) shall bear a legend restricting the transfer of the Units. _____Initials
- (7) I and all of my advisors have had access to all information necessary to enable me to make an informed decision to become a Secured Noteholder and a reasonable opportunity to ask questions of and receive answers from the Company concerning the terms and conditions of this offering of the Note(s). All such questions have been answered to my full satisfaction.
_____Initials
- (8) I have the financial ability to bear the economic risk of my investment, including a possible loss of my entire investment, have adequate means of providing for my current needs and contingencies, and have no need for liquidity in my investment in the Company.
_____Initials
- (9) The Secured Note(s) constitutes an investment, which is suitable and consistent for my investment program, and my financial situation enables me to bear the risks of this investment. _____Initials
- (10) I understand that the offering has not been registered under the Securities Act of 1933, as amended (the “Act”), nor the securities laws of any other jurisdictions. Instead, the offering is made in reliance upon certain exemptions, including the exemption for federally “covered securities” under 4(2) Regulation D 506 and the accredited investor exemption 4(6) promulgated thereunder. I am aware and understand that the Note(s) for which I have subscribed are being sold to me in reliance upon the above referenced exemptions and based upon my representations, warranties, and agreements hereunder. I am aware of the restrictions on the sale, transferability, and assignment of the Note(s) and Units and that I must bear the economic risk of my investment hereby for an indefinite period of time because the Note(s) have not been registered under the 1933 Act. _____Initials
- (11) I understand that no federal or state agency has made any finding or determination as to the fairness for investment in, or any recommendation or endorsement of, the Note(s).
_____Initials

- (12) I acknowledge that neither the company nor any of its employees, managers, agents, or other affiliates have made any oral or written representations to me or to any of my advisors which are inconsistent with the Memorandum in any way. _____Initials
- (13) I have included with this Subscription Agreement my capital contribution in full to the Company for the Note(s). I understand that such moneys **will** be deposited into a separate Company bank account but may be used by the Company immediately upon its acceptance of my offer to become an Investor, and at such time as the funds collected and placed in a holding account reach Four Million Two Thousand (\$4,200,000.00) U.S. Dollars. _____Initials
- (14) To the extent I considered it advisable, I have reviewed the merits of this investment with my tax and legal counsel and with an investment advisor. _____Initials
- (15) I understand and acknowledge that no public market for the Note(s) or Units currently exists and that there can be no assurance that any public market for the Note(s) will exist in the future. _____Initials
- (16) All of the information that I have provided to the Company concerning myself, my financial position, and my knowledge of financial and business matters, including the information contained herein, is correct and complete in all material respects as of the date set forth at the end hereof, and I will immediately notify the Company of any adverse change in such information prior to the company accepting my offer to become a Noteholder. _____Initials
- (17) I agree that all of the foregoing representations, warranties, agreements, undertakings, and acknowledgments made by me shall survive my purchase of the Note(s). I further agree that if more than one person is signing this agreement, each foregoing representation, warranty, agreement, undertaking, and acknowledgment shall be a joint and several representation, warranty, agreement, undertaking, and acknowledgment of each person signing this agreement. _____Initials
- (18) I declare that I was not induced or solicited to invest by any form of general solicitation or general advertising, including but not limited to, any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over the television or radio. Including any seminar or meeting in which attendees had been invited by a general solicitation or general advertising. _____Initials
- (19) I declare that I am not relying on the accuracy of the financial data contained within the pro forma projections contained within the business plan of the Private Placement Memorandum dated October 1, 2013. _____Initials
- (20) By executing this Subscription Agreement, I hereby agree to become a Secured Noteholder of the Company under the existing Operating Agreement of the Company and to be bound by the terms of such agreement as though I were an original signatory thereto. _____Initials

(21) I have read the Private Placement Memorandum dated October 1, 2013 and I fully understand it. In particular, I understand that as a Debt Participant I will not have a right to vote as provided by law. I further agree to execute and deliver to the Company such further documents as may be necessary to carry out the purposes of this paragraph.
_____Initials

(22) I agree to indemnify and hold harmless the Company, its promoters, Unitholders, managers, and affiliates or any one acting on their behalf from and against all damages, losses, costs, and expenses (including reasonable attorney fees) that they may incur by reason of my failure to fulfill any of the terms or conditions of this Agreement or by reason of any breach of the representations and warranties made by me herein or in any documents provided by me to the Company. _____Initials

(23) This Agreement constitutes the entire Agreement among the parties with respect to the subject matter hereof and may be amended only by a written instrument executed by all of the parties. _____Initials

This Agreement shall be enforced, governed, and construed in accordance with the laws of the State of Missouri.

Investor Signature Date

Investor Signature Date

ACCEPTANCE:
The person named above
is admitted as a Secured Noteholder
this ___ day of _____ 2013

By: _____
William L. Syrios

SECURITIES REGISTRATION:

Investor's Name _____
Address _____

Home Phone _____
Work Phone _____
Social Security Number or Tax I.D. _____
Employer _____
Title _____

Individual_____
Trust Acct.____
J.T.W.R.O.S.____
T.I.C. _____
T.B.E_____
Corporate_____
Number of Units subscribed for:_____
Total Dollar Amount \$_____

Investor's Signature

Investor's Signature, 2nd Party

Payment & Subscription Agreement is to be sent to:

William L. Syrios,
Manager
Stewardship Investments, LLC
7215 Troost Ave. Kansas City, MO 64131
Office: 816-333-RENT (7368)
Cell: 541-221-4242

EXHIBIT C

SECURITY AGREEMENT

STEWARDSHIP INVESTMENTS, LLC

SECURITY AGREEMENT

A security interest is granted this _____ Day of _____, 2013 by: STEWARDSHIP INVESTMENTS, LLC whose address is Stewardship Investments, LLC 7215 Troost Ave. Kansas City, MO 64131 (“Debtor”) to _____ whose address is _____ (“Secured Party(s”).

1.) **SECURITY INTEREST.**

- A. The Debtor hereby grants to the Secured Party(s) a security interest in the Secured Note, which is attached to this Security Agreement (“The Note”).
- B. Such Security Interest is granted to secure payment of the Secured Note.
- C. Collateral for this Note is an assignment of security interest in trust deed or mortgage secured in first lien position on the real estate owned by the Company. Such interest shall be pro-rated, equally, among the various Note-holders, if more than one. \$4,200,000.00 proceeds from the sale of 1 Note(s) at a cost of \$100,000.00 per Note; by way of the Private Placement Memorandum dated October 1, 2013 shall be the basis of the pro-rated security interests of the various Secured Parties, if more than one.
- D. Stewardship Investments is granted a “partial release” (i. e. release of the collateral of an individual property tied to the security agreement) if 110% of the original designated indebtedness of that particular property is paid off thus reducing the overall indebtedness. (Stewardship does not normally plan on selling properties but it is possible, for example, a tenant may want to buy a particular property. A partial release allows for such an event to occur.)

2.) **FINANCING STATEMENTS.** At any time, and from time to time, the Debtor agrees to join the Secured Party(s) in executing financial statements, in a form satisfactory to the Secured Party(s).

3.) **EVENTS OF DEFAULT.** The Debtor shall be in default of this agreement upon the happening of any of the following events:

- A. Default by the Debtor in the payment of the Secured Note when the same shall be due and payable and such default shall have continued for a period of at least 30 days after written notice from the note holder; or
- B. Any other event of default occurring under the Secured Note; or
- C. The Debtor shall be involved in financial difficulties as evidenced by:
 - i.) An admission in a written notice by the Debtor to the Secured Party(s) of the Debtor’s inability to pay the Debtor’s debts generally as they become due; or

- ii.) The Debtor consenting to the appointment of a receiver for all or a substantial part of the Debtor’s property; or
- iii.) The Debtor filing a petition in bankruptcy for reorganization or for the adoption of an arrangement under the Federal Bankruptcy Code; or
- iv.) The entry of an order for relief by a Federal Bankruptcy Court naming the Debtor as “Debtor”; or
- v.) The Debtor failing to perform any of its responsibilities under this Security Agreement for a period not less than 30 days.

2.) REMEDIES. If any of the events of default shall occur, the Secured Party(s) may exercise and shall have any and all rights and remedies of secured parties as established by the Missouri State Uniform Commercial Code and Real Estate Codes, including the right to repossess/foreclose on, the collateral.

3.) THE DEBTOR NOT TO SELL COLLATERAL. The Debtor will not sell nor offer to sell or otherwise transfer or encumber the collateral or any interest therein without the prior written consent of the majority of note holders.

4.) GOVERNING LAW. The laws of the State of Missouri shall govern this Security Agreement.

5.) EXPENSES. The Debtor shall reimburse the Secured Parties on demand for all reasonable attorney fees, legal expenses and other expenses that the Secured Party(s) incurs in protecting and enforcing its rights under this Security Agreement. This includes fees and expenses incurred in trying to take possession of the collateral from the Debtor, a trustee or receiver in bankruptcy or any other person. The Secured Parties may apply any proceeds of collection or disposition of collateral to the Secured Parties’ reasonable attorney fees, legal expenses and other expenses.

6.) NOTICES. Any notices to the Debtor or to the Secured Party(s) shall be deemed to be given, if and when mailed, by certified mail, to the respective address of the Debtor or the secured Party(s) or if and when delivered personally.

7.) BINDING EFFECT. This agreement shall be binding upon and shall inure to the benefit of the Debtor and the Secured Party(s) and their respective successors and assigns.

WITNESSES:

STEWARDSHIP INVESTMENTS, LLC
 (Debtor) _____
 BY: William L. Syrios, Manager

EXHIBIT D

NOTE INDENTURE

STEWARDSHIP INVESTMENTS, LLC

No. _____

\$100,000.00

STEWARDSHIP INVESTMENTS, LLC

5.50% Secured Note

Due: 1/01/24

**THESE SECURITIES MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE
DISPOSED OF BY AN INVESTOR IN THE ABSENCE OF AN EFFECTIVE
REGISTRATION STATEMENT OR AN OPINION OF LEGAL COUNSEL THAT
REGISTRATION IS NOT REQUIRED.**

**KNOW ALL MEN BY THESE PRESENTS, that STEWARDSHIP INVESTMENTS, LLC, a
Company organized and existing under the laws of the State of Missouri (herein called the "Company") for
value received hereby promises to pay to:**

..... Or registered assigns the sum of One
Hundred Thousand (\$100,000.00) U.S. Dollars on _____ at the office of the Company in the City of
Kansas City in the State of Missouri, and to pay interest thereon from the date of execution and delivery of this
instrument, at an interest rate accruing at Five and One Half (5.5%) percent per annum, until the principal hereof
shall be paid upon maturity 1/01/24.

This Secured Note is one of an authorized 42 issued or to be issued, at a price of \$100,000.00 per Note, due
on the same date as the maturity date as stated above, of the Company limited to the aggregate principal amount of
Four Million Two Hundred Thousand (\$4,200,000.00) U.S. Dollars, all of like tenor and denomination except as to
actual maturity date.

All the Secured Notes of this issue rank equally and ratably without priority of any of said Notes over any
others by reason of maturity date or priority in time of the issue or negotiation thereof or otherwise.

This Secured Note is transferable only on the books of the Company, with the restriction as set forth in the
Private Placement Memorandum Dated 10/01/2013, by the registered owner thereof, in person or by duly authorized
attorney, at the office of the Company in the City of Kansas City in the State of Missouri, on surrender and
cancellation of this Secured Note, and thereupon a new Secured Note or Notes of this issue of the same aggregate
principal amount, will be issued to the transferee in exchange therefore.

This Secured Note is the obligation of the Company only and no recourse shall be had for the payment of
this Secured Note, or interest hereon, against any past, present or future member, Unitholder, manager of the
Company, either directly or through the Company by virtue of any statute or the enforcement of any assessment or
otherwise; all such liability of said Unitholders, managers, as such, being released by the registered owner hereof.

IN WITNESSES WHEREOF, the Company has caused this Secured Note to be signed in its name by its
Managing Partner as of this _____ day of _____ 2013.

STEWARDSHIP INVESTMENTS, LLC.

By.....
William L. Syrios

EXHIBIT E

BALANCE SHEET OF KANSAS CITY PROPERTIES THROUGH 10-11-13

Balance Sheet

KC Refinance -

As Of Thursday October 10, 2013 (cash basis)

ASSETS

Bank		
1001 1001 SILLC Checking - US Bank	-755,927	
1040 Petty Cash - SILLC		225
Total Bank		-755,702
Other Current Asset		
1200 Undeposited Funds		50
1216 Prepaid Property Taxes		-11,645
Total Other Current Asset		-11,595
Fixed Asset		
1500 Buildings & Other Depreciable Assets		
1501 Investment Inventory Asset		2,309,409
1502 Buildings		
1503 Building Improvements		58,231
6101 Contractors		699,262
6102 Labor		16,784
6103 Equipment		5,564
Rental		
6104 Building		126,477
Materials		
6105 Surveying & Inspections		820
6106 Flooring - Carpet/Vinyl		33,708
6107 Roofing & Gutters		41,262
6108 Appliance Replacements		68,124
6110 Construction Plumbing		69,988
6111 Extermination		2,101
6112 Fuel & Travel		80
6113 Painting		45,505
6114 Windows		3,152
6115 Consulting & Contract Payments		7,403
6116 Landscaping		46,519
6117 Electrical CB (Capital)		12,272
6118 Construction Cleaning		8,135
6119 Construction Carpet Cleaning		560
6120 HVAC Instalation/Repair - Rehab		55,730
6121 Electrical - Capital		11,452
6125 Holding Costs		46,653
6126 Maintenance CB's (Capital)		238,382
6135 Permits		253
6401 Gas & Propane		14,173
6402 Water & Sewer		9,620
6403 Electricity		9,230

6404 Garbage/Dumpster/Trash		9,865
1502 Total Buildings		1,641,305
1520 Accumulated Depreciation		-2,344
1500 Total Buildings & Other Depreciable Assets		3,948,370
1510 Intangible Assets		
1507 Intangible Assets		60,156
1510 Other Intangible Assets		114
1510 Total Intangible Assets		60,270
Total Fixed Asset		4,008,640
TOTAL ASSETS		3,241,343
LIABILITIES & EQUITY		
Liabilities		
Other Current Liability		
2009 Security Deposits (non-posting)		
2010 Security Deposits		34,487
2011 Pet Deposits		250
2009 Total Security Deposits (non-posting)		34,737
2900 Prepaid Rent - Unallocated Prepay		1,512
Total Other Current Liability		36,249
Long Term Liability		
2400 N/P - Private Lender Loans		2,461,997
2401 N/P - Private Lender Loans - Karen McCombe		332,000
2402 N/P - Private Lender Loans - Lee Emmett		139,000
Total Long Term Liability		2,932,997
Total Liabilities		2,969,246
Equity		
3000 Net Income		123,993
3001 Retained Earnings		148,104
Total Equity		272,097
TOTAL LIABILITIES & EQUITY		3,241,343

Note: Because of the ramp up of property acquisitions in Kansas City by Stewardship Investments over the past two years and specifically within the past 8 months, the attached financials statements do not reflect the total income which will be in place upon closing of the PPM. That income level will be in-line with the gross and net incomes as stated in the 5-year projections.

Before closing of the PPM, all properties in the group of 66 will be finished with their rehab and most or all of them, will be leased. (Stewardship Investment's leases run for a year.) Stewardship Investments either uses its own funds or private lender funds for initial purchases and rehab.

EXHIBIT F
PROPERTY PHOTOS
AND PROPERTY INSPECTOR VERIFICATION
STEWARDSHIP INVESTMENTS, LLC

Terra Firma Home Inspections 913-915-2293

11307 W 59th Terrace
Shawnee, KS 66203
Serving Kansas City since 1977

October 9, 2013

Subject: Photo/address/ownership verification

To whom it may concern,

The properties listed below and corresponding photographs were cross matched and visually verified to be the correct address for the properties listed and photographed. These properties have been verified to be in the name of Steward Investments, LLC. This scope of this evaluation was for matching of photos to property addresses and ownership; no evaluations in regards to condition were made, nor were properties evaluated for size, value or other detail. Verification was drive by in nature properties were not accessed internally.

Respectfully submitted,

Tim Trickel

913-915-2293

Inspector License registration# 0110-0088
Nachi certification# 06020876

27 W 85th St, Kansas City, MO 64114
104 NE Maple St, Lee's Summit, MO 64063
115 Pacific Dr, Belton, MO 64012
302 SW Main St, Lee's Summit, MO 64063
315 SE Green St, Lee's Summit, MO 64063
404 NE Douglas St, Lee's Summit, MO 64063
511 NW Central St, Lee's Summit, MO 64063
607 S Scott Ave, Belton, MO 64012
617 W 85th St, Kansas City, MO 64114
701 SW 7th St, Lee's Summit, MO 64081
704 S Cedar St, Belton, MO 64012
746 Locust St, Kansas City, KS 66103
800 E 133rd Cir, Grandview, MO 64030
804 SE Browning Ave, Lee's Summit, MO 64063
807 E 100th Ter, Kansas City, MO 64131
916 S Troost St, Olathe, KS 66061
929 E 77th St, Kansas City, MO 64131
1019 S Brookside Ave, Independence, MO 64053
1106 E 75th Ter, Kansas City, MO 64131
1501 E 73rd St, Kansas City, MO 64131
1508 N 63rd Ter, Kansas City, KS 66102
2620 Van Brunt Blvd, Kansas City, MO 64127
4136 N Drury Ave, Kansas City, MO 64117

4415 S Minnie St, Kansas City, KS 66103
5019 Granada St, Roeland Park, KS 66205
5401 E 100th St, Kansas City, MO 64137
5600 E 101st Ter, Kansas City, MO 64137
5908 N Euclid Ave, Gladstone, MO 64118
6101 E 136th St, Grandview, MO 64030
6103 E 153rd Ter, Grandview, MO 64030
6104 E 120th Ter, Grandview, MO 64030
7212 E 83rd St, Kansas City, MO 64138
7611 Harvard Ave, Raytown, MO 64138
7725 E 51st St, Kansas City, MO 64129
8110 E 133rd Ter, Grandview, MO 64030
8200 Holmes Rd, Kansas City, MO 64131
8212 E 133rd Ter, Grandview, MO 64030
8417 Greenwood R, Raytown, MO 64138
8618 Oxford Ave, Raytown, MO 64138
8816 Woodland Ave, Kansas City, MO 64131
8916 Oak Ave, Kansas City, MO 64114
9049 Grand Ave, Kansas City, MO 64114
9351 E 67th Ter, Raytown, MO 64133
9404 E 65th Ter, Raytown, MO 64133
9915 Harrison St, Kansas City, MO 64131
10006 Oakley Ave, Kansas City, MO 64137
10601 W 56th Ter, Shawnee, KS 66203
10803 Bennington Ave, Kansas City, Mo 64134
10816 W 58th St, Shawnee, KS 66203
11209 Corrington Ave, Kansas City, MO 64134
11220 Lewis Ave, Kansas City, MO 64134
11308 McKinley Ave, Kansas City, MO 64134
11400 Crystal Ave, Kansas City, MO 64134
11618 Blue Ridge Blve, Kansas City, MO 64134
11909 Fremont Ave, Grandview, MO 64030
12708 7th St, Grandview, MO 64030
12720 13th St, Grandview, MO 64030
12724 Byars Rd, Grandview, MO 64030
13121 Sycamore Ave, Grandview, MO 64030
13126 8th St, Grandview, MO 64030
13714 10th St, Grandview, MO 64030
13718 Cypress Ave, Grandview, MO 64030
15325 White St, Grandview, MO 64030
15700 Lawrence Ave, Belton, MO 64012
17107 Cerrito Dr, Belton, MO 64012
17235 Montgall, Belton, MO 64012



27 W 85th St, Kansas City, MO 64114

Photos of the other properties available as a separate addendum.