CONFIDENTIAL | PRIVATE PLACEMENT

Fixed Income backed by Distressed Multifamily Real Estate

Preferred equity for *discounted multifamily*

Distressed Income Fund, LLC —
Units from $100K (12%) to $1M (18%) Target Rate

The opportunity

Acquire institutional-quality multifamily exposure at a discount to market value through preferred equity in Manager-controlled SPEs.

The Company makes preferred equity investments in special purpose entities owned or controlled by the Manager or its affiliates, formed to acquire multifamily and other real estate at a discount to market value. The Company does not hold real estate directly.

- Target acquisition basis of approximately $0.50–$0.70 on the dollar of multifamily fair market value (illustrative underwriting target — not a guarantee).
- Focus on markets where the Sponsor has prior execution or relationships.
- Three Unit classes with Target Rates of 18%, 15%, and 12% (non-compounded; see PPM).

Why now

Three forces supporting a multi-year buying window.

Rate-driven repricing

Owners who bought or refinanced near peak valuations on short-duration floating-rate debt face maturity pressure the conventional market is slow to resolve.

Constrained CRE credit

Regional bank pullback has narrowed refinancing paths; motivated lenders and owners are disposing of nonperforming loans and assets at discounts.

Supply cycle inflection

Near-term delivery pressure coincides with collapsed construction starts; buyers acquiring into this window are positioned for a tighter supply backdrop as the cycle normalizes.

Investment thesis

Three pillars that drive underwriting.

01 · Source

- Off-market deal flow from banks, special servicers, and private owners, built on long-standing relationships.

02 · Acquire

- All-cash purchases through SPE vehicles at targeted discounts; speed and certainty of close are pricing power.

03 · Exit

- Multiple paths underwritten per asset: wholesale to operator, refinance and hold, or light reposition.

Acquisition strategy

Targeting discounted basis. All cash at the SPE level.

- **All-cash closes** — no lender contingency, no rate-cap financing risk on the acquisition.
- **Speed of close** — weeks, not months; wins deals slower capital cannot.
- **Off-market sourcing** — direct bank, servicer, and owner relationships.
- **Distress dynamics** — forced sellers facing maturities and capital-stack stress.
- **Note plays where appropriate** — foreclosure-friendly jurisdictions (e.g. Texas non-judicial process) can shorten time-to-control.

Exit strategy

Every deal underwritten with at least two viable exits.

Primary · Wholesale to operator

Hold period typically 60–180 days; resell asset or assign contract/note to a vetted operator arranging take-out financing.

Case-by-case · Light reposition

Hold period 6–12 months; lease burn-off, modest interior work, or expense re-engineering before sale.

Selective · Refinance & hold

On exceptional assets, refinance to recoup invested capital and retain for income and appreciation.

Target markets

Markets with prior transactions or established relationships.

- Florida (statewide) · Charleston, SC · Raleigh / Charlotte, NC

- San Antonio · Houston · Dallas, TX

- Salt Lake City, UT · Phoenix, AZ · Las Vegas, NV · San Diego, CA

- Why these markets: track record or relationships; boots-on-the-ground partners; long-term population and job growth; meaningful share of the recent delivery wave; Texas non-judicial foreclosure advantage on note strategies.

Offering structure

Summary terms — non-binding. Read the PPM, Operating Agreement, and Subscription Agreement before investing.

- **Issuer:** Distressed Income Fund, LLC (Delaware LLC)
- **Manager:** DiversyFund, Inc.
- **Securities:** Units of membership interest at $1,000 per Unit
- **Offering size:** Up to $35,000,000 across three Classes
- **Regulation:** Regulation D, Rule 506(c) — accredited investors only; identity and accreditation verification required
- **Strategy:** Preferred equity investments in Manager-controlled SPEs formed to acquire multifamily and other real estate at a discount; the real estate directly
- **Target Rates:** Non-compounded; accrue only while capital is deployed in Fund Investments (see PPM)

Unit classes

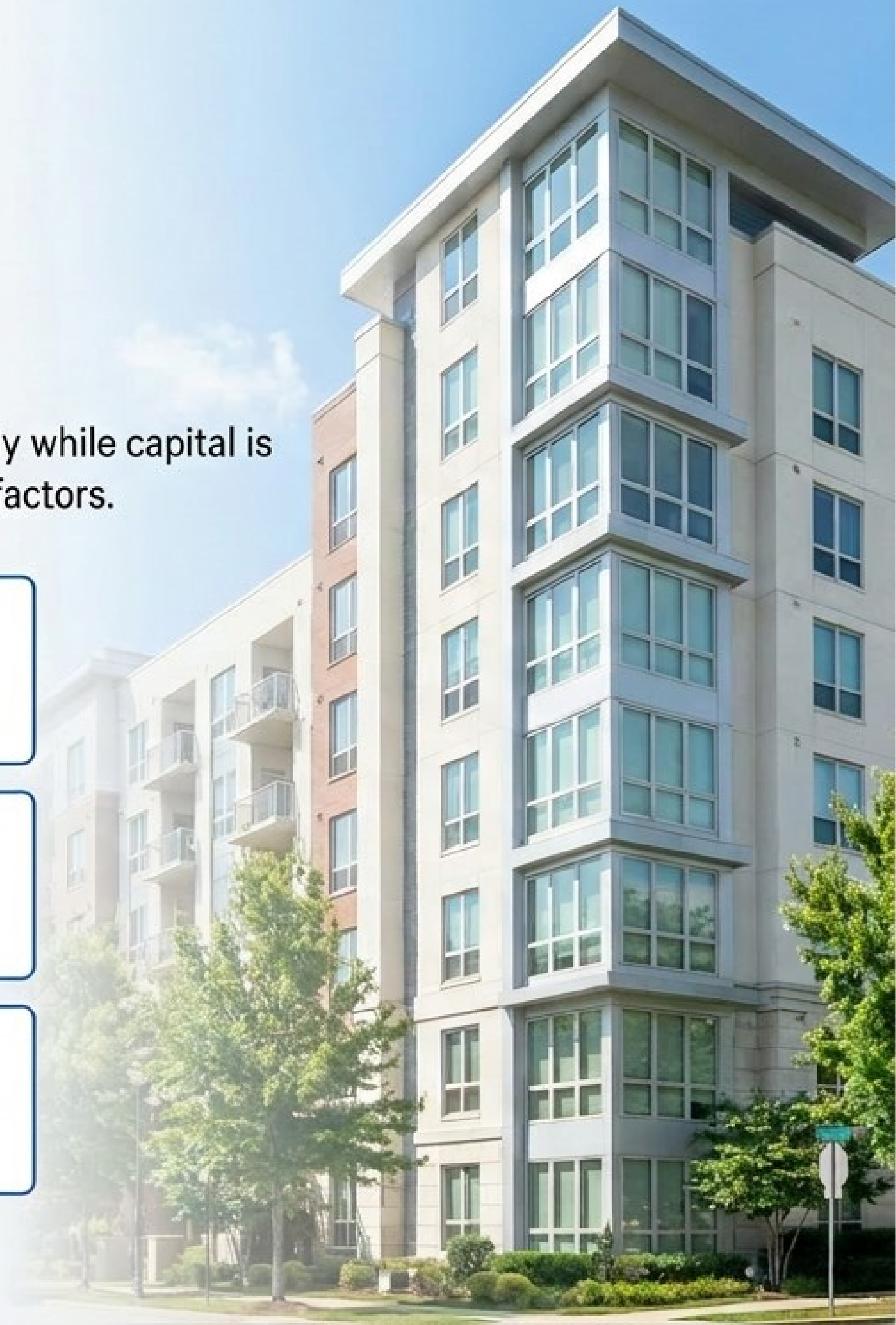
Three Classes — choose commitment and Target Rate.

Target Rates are objectives, not guarantees. They are non-compounded and accrue only while capital is deployed in Fund Investments. See the PPM for payment mechanics, priority, and risk factors.

Class A-1 — $1,000,000 minimum · 18% Target Rate
suited to larger commitments seeking the highest Target Rate class

Class A-2 — $250,000 minimum · 15% Target Rate
mid-tier commitment

Class A-3 — $100,000 minimum · 12% Target Rate
entry class for accredited investors



How capital is used

Preferred equity into acquisition SPEs — not a direct real estate hold

1 Subscribe

Commit to Units; complete subscription and 506(c) accreditation steps in the investor portal.

2 Deploy

The Fund invests preferred equity into SPEs owned or controlled by the Manager or affiliates that acquire discounted multifamily (and other) real estate or related note positions.

3 Accrue

Class Target Rates accrue on capital deployed in Fund Investments (non-compounded; see PPM).

4 Realize

SPE-level exits (wholesale, refinance/hold, or reposition) support distributions per the Operating Agreement and PPM.

5 Report

Investor reporting per governing documents.

Leadership

Craig Cecilio — Founder & CEO, DiversyFund, Inc. (Manager)

Nearly three decades in real estate as sponsor, lender, and equity partner across single-family and commercial properties. Founded DiversyFund (DBA 2014; incorporated 2016). Track record includes raising substantial capital and serving a large retail and accredited investor base across multiple cycles.

PROOF POINTS

- 30+ years across multiple real estate cycles
- Bank, servicer, and operator relationships in target markets
- **All-cash** credibility — known to close with speed and certainty

Fund structure

Preferred equity — not a direct real-estate hold by the Fund.

Investors → Distressed Income Fund, LLC (issuer of Units; Class A-1 / A-2 / A-3)

Fund → Preferred equity in SPEs owned or controlled by DiversyFund, Inc. or affiliates

SPEs → Acquire multifamily and other real estate (or related note positions) at a discount to market value

Manager: DiversyFund, Inc. — manages the Company per the Operating Agreement

The Company does not hold real estate directly

Risk considerations

An investment involves significant risk, including possible loss of principal.

- Market values may decline further after acquisition — discount basis is a buffer, not protection from loss.
- Exit paths may be delayed or unavailable if operator demand, credit markets, or asset performance deteriorate.
- Target Rates may accrue without current cash payment; payment depends on Fund Investments and governing-document priorities.
- Related-party SPE structure creates conflicts of interest disclosed in the PPM.
- Illiquidity — Units are not expected to be freely transferable; hold through the investment program.
- Read the PPM risk factors in full before investing.

The offer

Why this structure. Why now. Why DiversyFund.

Why this investment

Three Unit classes with 18% / 15% / 12% Target Rates via preferred equity into discounted multifamily acquisition SPEs.

Why now

Rate-driven distress, constrained CRE credit, and a supply-cycle inflection support a disciplined buying window.

Why us

Decades of relationships across banks, brokers, and operators in markets where we have already executed.

Next step

Request the Private Placement Memorandum and complete 506(c) accreditation in the DiversyFund investor portal.

Important disclosures

Confidential. For accredited investors only.

- This presentation is provided for informational and discussion purposes only. It does not constitute an offer to sell or a solicitation of an offer to buy any securities.
- Any such offer or solicitation will be made only to qualified investors pursuant to a Confidential Private Placement Memorandum and the Fund's definitive subscription and governing documents, which contain material information not included herein, including risk factors and conflicts of interest.
- Investments involve risk, including potential loss of principal. Target Rates are objectives, not guarantees; they are non-compounded.