

PROCESS TO PURCHASE REAL ESTATE - REAL ESTATE FUND INVESTMENT



CLIENT



INVESTMENT SPONSOR



CUSTODIAN

<p>Client performs due diligence and selects Real Estate Investment Sponsor.</p>	<p>Real Estate Investment Sponsor is typically familiar with the use of IRA or Qualified Funds and will ensure the investment is in the name of the IRA (ex. Preferred Trust Company, LLC FBO John Doe, IRA and Account Number).</p>	
<p>Client provides Custodian with a copy of the Private Placement Memorandum, Operating Agreement, Articles of Organization, Subscription Agreement, and wire instructions. Client completes an Investment Authorization & Direction Form to grant Custodian authority to send funds to the Real Estate Investment Sponsor. Client will be assessed an Alternative Investment Transaction Fee and Wire Fee.</p>	<p>Real Estate Investment Sponsor must use the EIN of Custodian on all subscription documentation. This is important for tax reporting purposes as the Real Estate Investment Sponsor will be producing a K-1 each year that is sent to the Custodian on the Client's behalf to report the Fair Market Value of the investment.</p>	<p>Custodian receives investment documents and processes the investment request.</p>
	<p>Real Estate Investment Sponsor sends interest/dividend income to the Custodian based on the terms of the PPM.</p>	<p>Custodian receives investment income and in rare cases expenses associated with the real estate investment from Real Estate Investment Sponsor.</p>