PRIVATE PLACEMENT MEMORANDUM
AMENDED AS OF AUGUST 15, 2019

REALTOKEN LLC – SERIES #1-9943 Marlowe

Offering of
UP TO ONE THOUSAND (1,000) SERIES #1-9943 MARLOWE INTERESTS DELIVERABLE IN THE FORM OF CRYPTOGRAPHIC DIGITAL TOKENS ("REALTOKENS")

Offering Price Per Series #1-9943 Marlowe RealToken: U.S. $63.75
The minimum investment amount for Series #1-9943 Marlowe RealTokens for U.S. Persons is $637.50

This private placement memorandum (as it may be amended and supplemented from time to time, this "**Memorandum**") has been prepared by RealToken, LLC, a Delaware series limited liability company ("**RealToken**," "**RealT**," "**we**," "**us**," "**our**" or the "**Company**") for use by certain qualified potential investors ("**Investors**") to whom the Company is offering (this "**Offering**") the opportunity to purchase up to a maximum of one thousand (1,000) limited liability company membership interests ("**Interests**") of Series #1-9943 Marlowe of the Company ("**Series #1**") in the form of cryptographic digital tokens ("**RealTokens**") which are a new series of Ethereum blockchain-based smart contract digital tokens meeting the ERC-20 standard as modified to meet transfer restriction requirements under applicable U.S. securities laws. Purchases of the Series #1 RealTokens will be paid for in U.S. dollars, though RealT, in its sole discretion, may determine to accept Bitcoin ("**BTC**"), Ethereum ("**ETH**") or other cryptocurrencies as payment for RealTokens. The offering price of a Series #1 RealToken is $63.75 (the "**Offering Price**") and the maximum amount of the Offering (the "**Maximum Offering Amount**") is $63,750.

The Series #1 RealTokens have not been, and will not be, registered under the Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Series #1 RealTokens are being offered and sold only (i) to "accredited investors" (as defined in Rule 501 of Regulation D under the Securities Act) in reliance on Regulation D under the Securities Act and (ii) in offshore transactions to persons other than "U.S. persons" (as defined in Regulation S under the Securities Act) in reliance upon Regulation S under the Securities Act. See "Plan of Distribution." U.S. persons seeking to invest will be required to provide documentary evidence of their accredited investor status satisfactory to the Company.

Investors who are U.S. persons must purchase a minimum of ten (10) Series #1 RealTokens at an aggregate purchase price of $637.50 to participate in this Offering, although RealT, in its sole discretion, may determine to accept a lesser amount. Investors who are not included in the Regulation S definition of "U.S. persons" investing under the Regulation S exemption may purchase a minimum of one (1) Series #1 RealToken.

Prospective Investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposition of the RealTokens, and any foreign exchange restrictions and foreign qualification, filing and reporting obligations that may be relevant thereto.

The date of this Amended Memorandum is August 15, 2019

NONE OF THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION, ANY FOREIGN SECURITIES OR ANY OTHER FEDERAL, STATE OR FOREIGN AUTHORITY HAS APPROVED OR DISAPPROVED OF THESE SERIES #1 REALTOKENS, NOR HAVE ANY OF THE FOREGOING PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Series #1 RealTokens are securities; they are not digital currency, cryptocurrency or commodities. The Series #1 RealTokens are subject to substantial restrictions on transfer. No secondary market currently exists for trading in the Series #1 RealTokens and there is no assurance that one will ever develop. Investors may be required to hold their Series #1 RealTokens indefinitely.

Investing in the Series #1 RealTokens involves a high degree of risk and is suitable only for Investors of substantial means and who have no need for liquidity in the foreseeable future with regard to this investment. Please carefully review the section of this Memorandum titled "RISK FACTORS."

THIS PRIVATE PLACEMENT MEMORANDUM WAS PREPARED BY REPRESENTATIVES OF THE COMPANY. PRIMARY CAPITAL, LLC AND ITS OFFICERS, DIRECTORS, PARTNERS, MANAGING MEMBERS, MEMBERS AND EMPLOYEES (COLLECTIVELY THE "INVESTMENT BANKING ADVISOR"), ACTING IN AN INVESTMENT BANKING ADVISORY CAPACITY, EXPRESSLY DISCLAIM ANY REPRESENTATION OR WARRANTY REGARDING INVOLVEMENT IN OR RESPONSIBILITY FOR ANY INFORMATION OR FORWARD-LOOKING STATEMENTS CONTAINED IN THIS PRIVATE PLACEMENT MEMORANDUM. PRIMARY CAPITAL, LLC IS ACTING AS INVESTMENT BANKING ADVISOR TO THE COMPANY, AND, IN THAT CAPACITY, IS NOT ACTING AS INVESTMENT ADVISOR TO PROSPECTIVE INVESTORS IN CONNECTION WITH THE REALTOKENS BEING OFFERED IN THIS PRIVATE PLACEMENT MEMORANDUM. PROSPECTIVE INVESTORS MUST MAKE THEIR OWN INVESTMENT DECISIONS. IN MAKING THOSE DECISIONS, PROSPECTIVE INVESTORS SHOULD BE AWARE THAT PRIMARY CAPITAL, LLC WILL RECEIVE CERTAIN FEES IN CONNECTION WITH THE OFFERING.

	Offering Price	**Offering Fees (1) (2)**	**Proceeds to Company (2) (3)**
Per Series #1 RealToken	$63.75	$3.19	**$**63.75
Maximum Series #1 RealTokens Sold	$63,750.00	$3,187.50	**$**63,750.00

(1) We have entered into an agreement with Primary Capital, LLC ("**Primary Capital**"), a Delaware limited liability company and broker-dealer registered with the Securities and Exchange Commission (the "**SEC**") and other necessary state or other regulators, and a member of the Financial Industry Regulatory Authority Inc. (**FINRA**"), pursuant to which Primary will provide certain investment banking and administrative services relating to this Offering. Primary may enter into co-advisory agreements with other broker-dealers who are members of FINRA ("**Advisory Group Members**") to provide investment banking advisory services relating to the sale of Series #1 RealTokens in this Offering. Primary Capital will receive a cash service fee (the "**Cash Service Fee**") in an amount equal to 5% of the Offering Price of the Series #1 RealTokens sold in this Offering, which it will re-allow to the Advisory Group Members. This Cash Service Fee will be paid by the Asset Seller (as defined below) Primary Capital has also been paid an investment banking retainer fee of $25,000 related to the Offering, which fee was paid by the Managing Member (as defined below), and we have agreed to reimburse Primary Capital for all of its reasonable out-of-pocket expenses (including attorney's fees). Except for Primary Capital and any Advisory Group Members, there are no other brokers or finders involved in the transaction. Please refer to the section entitled "Plan of Distribution" for additional information regarding total compensation to Primary Capital.

(2) All Offering costs excluding investment banking service fees, primarily legal, accounting and marketing expenses payable to our counsel, auditor, accounting firm and consultants and advisors, will be borne by the Managing Member and will not be an expense of the Company or Series #1. Investment banking service fees to be paid to Primary Capital will be borne by the Asset Seller (as defined below) and will not be an expense of the Company or Series #1.

(3) We are offering up to one thousand (1,000) Series #1 RealTokens on a "best efforts" basis with no minimum contingency. No assurance can be given that all or any portion of the Series #1 RealTokens offered hereby will be sold. RealT has not engaged a third-party bank or financial institution to act as escrow agent. Investor funds will be placed in RealT's general corporate bank account and immediately available for Company use. RealT is not required to raise any minimum amount in this Offering before it

may utilize the funds received in this Offering. Accordingly, no assurance can be given to Investors that any investment will be made in this Offering other than their own investment. RealT may hold a series of closings (each, a "**Closing**") on a rolling basis as funds and investment documents are received. This Offering will terminate on the earlier of (i) the date at which the Maximum Offering Amount in this Offering has been sold, (2) August 15, 2020, or (3) the date at which the offering is earlier terminated by RealT in our sole discretion.



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IMPORTANT NOTICES

THE INTERESTS, OR REALTOKENS (THE "SECURITIES"), OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR FOREIGN JURISDICTION AND ARE BEING OFFERED AND ARE BEING SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH STATE OR FOREIGN JURISDICTION LAWS. THE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND SUCH LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. OFFEREES SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY DOMESTIC OR FOREIGN, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE SECURITIES MAY BE SOLD ONLY TO "ACCREDITED" INVESTORS" OR TO NON-U.S. PERSONS AS DEFINED IN REGULATION S.

THIS MEMORANDUM CONSTITUTES AN OFFER ONLY IF THE DELIVERY OF THIS MEMORANDUM IS PROPERLY AUTHORIZED BY US. THIS MEMORANDUM HAS BEEN PREPARED BY US SOLELY FOR THE BENEFIT OF INVESTORS INTERESTED IN THE PROPOSED PURCHASE OF SERIES #1 REALTOKENS, AND ANY REPRODUCTION OF THIS MEMORANDUM, IN WHOLE OR IN PART, OR THE DIVULGENCE OF ANY OF ITS CONTENTS, MAY NOT BE MADE WITHOUT OUR PRIOR WRITTEN CONSENT.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS OR PROVIDE ANY INFORMATION WITH RESPECT TO THE SERIES #1 REALTOKENS EXCEPT SUCH INFORMATION AS IS CONTAINED IN THIS MEMORANDUM. NEITHER THE DELIVERY OF THIS MEMORANDUM NOR ANY SALES MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE MATTERS DISCUSSED HEREIN SINCE THE DATE HEREOF.

WE HAVE USED OUR BEST EFFORTS TO OBTAIN AND PROVIDE ACCURATE INFORMATION FOR THIS MEMORANDUM, BUT NO WARRANTY IS MADE WITH RESPECT TO THE ACCURACY OF SUCH INFORMATION. WE HAVE NOT KNOWINGLY MADE ANY UNTRUE STATEMENT OF A MATERIAL FACT OR OMITTED TO STATE ANY MATERIAL FACTS REQUIRED TO BE STATED IN ORDER TO MAKE THE STATEMENTS HEREIN NOT MISLEADING. NONETHELESS, FUTURE EVENTS MAY AFFECT THE CONTINUING ACCURACY OF THE FACTS AND CONCLUSIONS CONTAINED HEREIN. IN SUCH CASE, DURING THE CONTINUANCE OF THIS OFFERING, WE MAY, TO THE EXTENT THAT WE ARE AWARE OF SUCH EVENTS AND DEEM THEM MATERIAL, SUPPLEMENT THIS MEMORANDUM, AND PROVIDE COPIES OF SUCH SUPPLEMENTS TO ALL OFFEREES WHO HAVE EXPRESSED A POSITIVE INTEREST IN THE PURCHASE OF THE SERIES #1 REALTOKENS, EXCEPT PERSONS WHO HAVE ALREADY BECOME INVESTORS, BY MAILING A COPY THEREOF TO THE ADDRESS PROVIDED BY SUCH OFFEREE FOR SUCH PURPOSES.

EACH INVESTOR IN THE SECURITIES OFFERED HEREBY MUST ACQUIRE SUCH SECURITIES SOLELY FOR INVESTOR'S OWN ACCOUNT, FOR INVESTMENT PURPOSES ONLY AND NOT WITH AN INTENTION OF DISTRIBUTION, TRANSFER OR RESALE, EITHER IN WHOLE OR IN PART.

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR OTHER JURISDICTION IN WHICH AN OFFER OR SOLICITATION IS NOT LAWFUL OR AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO.

THE CONTENTS OF THIS MEMORANDUM SHOULD NOT BE CONSTRUED AS INVESTMENT, LEGAL OR TAX ADVICE. EACH PROSPECTIVE INVESTOR IS URGED TO SEEK INDEPENDENT INVESTMENT, LEGAL AND TAX ADVICE CONCERNING THE CONSEQUENCES OF INVESTING IN OUR COMPANY. THE PURCHASE OF THE SECURITIES SHOULD BE CONSIDERED ONLY BY PERSONS WHO UNDERSTAND OR WHO HAVE BEEN ADVISED OF THE NATURE OF, THE TAX CONSEQUENCE OF, AND THE RISK FACTORS ASSOCIATED WITH, SUCH INVESTMENT AND CAN AFFORD A TOTAL LOSS OF THEIR INVESTMENT WITHOUT MATERIALLY ADVERSE CONSEQUENCES TO THEIR STANDARD OF LIVING. OFFEREES MUST RELY ONLY ON THE

ADVICE OF THEIR OWN LEGAL, ECONOMIC AND TAX ADVISORS IN ANALYZING THE ACCURACY OF THE PRESENTATIONS, ESTIMATES, FORECASTS, AND LEGAL CONCLUSIONS CONTAINED IN THIS MEMORANDUM. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY, THIS MEMORANDUM AND EXHIBITS HERETO, AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

ANY ESTIMATES AND FORECASTS CONTAINED IN THIS MEMORANDUM ARE BASED ON ASSUMPTIONS AND HYPOTHESES, THE ACCURACY OF WHICH IS SUBJECT TO SUBSTANTIAL RISKS AND CONTINGENCIES BOTH INITIALLY AND THROUGHOUT THE EXISTENCE OF OUR COMPANY. THEY ARE ILLUSTRATIVE ONLY AND EACH OFFEREE IS URGED TO CONSULT WITH HIS/HER OR ITS OWN LEGAL, ECONOMIC AND TAX ADVISORS WHO SHOULD, ON THE BASIS OF THEIR OWN EXPERTISE AND EXPERIENCE, RENDER THEIR ESTIMATES AND FORECASTS ON WHICH THE OFFEREE SHOULD RELY.

THIS OFFERING CAN BE WITHDRAWN AT ANY TIME BEFORE A CLOSING AND IS SPECIFICALLY MADE SUBJECT TO THE TERMS DESCRIBED IN THIS MEMORANDUM AND SET FORTH IN THE DEFINITIVE TRANSACTION DOCUMENTS. WE RESERVE THE RIGHT TO REJECT ANY SUBSCRIPTION, IN WHOLE OR IN PART, OR TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE NUMBER OF SECURITIES SUBSCRIBED FOR BY SUCH PROSPECTIVE INVESTOR.

THE AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE SECURITIES LAWS FOR THE SALE OF THE SECURITIES HEREBY, DEPENDS IN PART UPON FULL COMPLIANCE WITH ALL PROVISIONS OF SECTION 4(a)(2) OF THE SECURITIES ACT AND/OR RULE 506 OF REGULATION D, OR REGULATION S, AS APPLICABLE. EACH INVESTOR WILL BE REQUIRED TO REPRESENT TO US THAT HE IS KNOWLEDGEABLE ABOUT AND EXPERIENCED IN INVESTMENTS OF THIS TYPE AND THAT HE IS ABLE TO BEAR THE ECONOMIC RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD.

NO ACTION HAS BEEN TAKEN IN ANY JURISDICTION TO PERMIT A PUBLIC OFFERING OF THE SECURITIES. THERE IS NO PUBLIC MARKET FOR THE SECURITIES AND NONE IS EXPECTED TO DEVELOP IN THE FUTURE. ANY SUMS INVESTED IN THE COMPANY ARE ALSO SUBJECT TO SUBSTANTIAL RESTRICTIONS UPON WITHDRAWAL AND TRANSFER. THE SECURITIES OFFERED HEREBY SHOULD BE PURCHASED ONLY BY PURCHASERS WHO HAVE NO NEED FOR LIQUIDITY IN THEIR INVESTMENT.

NO LEGAL, ACCOUNTING OR BUSINESS ADVISORS RETAINED BY US FOR THE PREPARATION OF THIS MEMORANDUM SHALL BE LIABLE TO ANY INVESTOR FOR MALPRACTICE OR OTHERWISE, EXCEPT IN THE EVENT OF ACTIONABLE FRAUD. FURTHERMORE, SUBSIDIARIES, AFFILIATES, TRUSTEES, BENEFICIARIES, OFFICERS OR DIRECTORS THEREOF WILL NOT BE LIABLE TO INVESTORS FOR ANY REASON, EXCEPT IN THE EVENT OF SUCH PERSON'S MATERIAL: (1) MISREPRESENTATIONS; (2) INTENTIONAL OMISSIONS; OR (3) RECKLESSNESS.

OFFEREES ARE HEREBY INVITED TO ARRANGE FOR MEETINGS WITH OUR MANAGING MEMBER OR ITS DULY AUTHORIZED REPRESENTATIVES TO DISCUSS THE TERMS OF THIS OFFERING OR ANY OF THE MATTERS DISCUSSED HEREIN. AT ANY SUCH MEETING, REPRESENTATIVES OF OUR MANAGING MEMBER WILL ALSO ANSWER ANY MATERIAL QUESTIONS RAISED BY PROSPECTIVE INVESTORS. OFFEREES ARE INVITED TO REQUEST FROM OUR MANAGING MEMBER COPIES OF ANY DOCUMENTS OR INSTRUMENTS WHICH AN OFFEREE DEEMS MATERIAL TO HIS, HER OR ITS INVESTMENT DECISION.

INVESTING IN THE REALTOKENS INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD CAREFULLY CONSIDER THE RISKS SUMMARIZED UNDER "RISK FACTORS" IN THIS MEMORANDUM FOR A DISCUSSION OF IMPORTANT FACTORS YOU SHOULD CONSIDER BEFORE PURCHASING REALTOKENS.

THIS MEMORANDUM CONTAINS A SUMMARY OF CERTAIN PROVISIONS OF THE DOCUMENTS ASSOCIATED WITH INVESTMENT IN THE SECURITIES AND SUMMARIES OF VARIOUS PROVISIONS OF RELEVANT STATUTES AND OF REGULATIONS PROMULGATED THEREUNDER. WHILE OUR MANAGEMENT BELIEVES THAT THESE SUMMARIES FAIRLY REFLECT THE SUBSTANCE OF SUCH DOCUMENTS, STATUTES OR REGULATIONS, THE SUMMARIES DO NOT PURPORT TO BE COMPLETE, OR, IN LIGHT OF THE DYNAMIC NATURE OF GOVERNMENT STATUTES OR REGULATIONS, PURPORT TO REFLECT ACCURATELY EITHER CURRENT STATUTES OR REGULATIONS, OR CORRECT BINDING INTERPRETATIONS THEREOF.

CONSEQUENTLY, ALL SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE TEXTS OF THE ORIGINAL DOCUMENTS, STATUTES AND REGULATIONS.

PROSPECTIVE INVESTORS ARE EXPECTED TO CONDUCT THEIR OWN INQUIRIES INTO THE COMPANY, AND ITS MANAGING MEMBER, OFFICERS, AFFILIATES AND BUSINESS AND OPERATIONS. EACH OFFEREE MAY, IF HE OR SHE SO DESIRES, MAKE INQUIRIES OF APPROPRIATE MEMBERS OF MANAGEMENT OF OUR COMPANY WITH RESPECT TO OUR BUSINESS OR ANY OTHER MATTERS SET FORTH HEREIN, AND MAY OBTAIN ANY ADDITIONAL INFORMATION WHICH SUCH PERSON DEEMS TO BE NECESSARY IN ORDER TO VERIFY THE ACCURACY OF THE INFORMATION CONTAINED IN THIS MEMORANDUM (TO THE EXTENT THAT WE POSSESS SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE). IN CONNECTION WITH SUCH INQUIRY, ANY DOCUMENTS THAT ANY OFFEREE WISHES TO REVIEW WILL BE MADE AVAILABLE FOR INSPECTION AND COPYING.

JURISDICTIONAL NOTICES

Appendix A to this Memorandum contains several important legends that we are required to disclose to investors under the various jurisdictional laws where different investors may reside. It is important that you review applicable jurisdictional legends contained in Appendix A carefully so that you are informed of your rights and other important information relating to your investment decision.

CONFIDENTIALITY AND RELATED MATTERS

Each recipient hereof agrees by accepting this Memorandum that the information contained herein is of a confidential nature and that such recipient will treat such information in a strictly confidential manner and that such recipient will not, directly or indirectly, disclose or permit its affiliates or representatives to disclose, any information to any other person or entity, or reproduce such information, in whole or in part, without our prior written consent. The recipient of this Memorandum further agrees to use the information solely for the purpose of analyzing the desirability of an investment in our company to such recipient and for no other purpose whatsoever.

The foregoing obligation will not apply to information that: (i) at the time of disclosure by us is, or thereafter becomes, generally available to the public, other than as a direct result of a breach by you of the above confidentiality obligations; (ii) prior to or at the time of disclosure by us, was already in your possession; or (iii) at the time of disclosure by us or thereafter, is obtained by you or any of your affiliates from a third party whom you reasonably believe to be in possession of the information not in violation of any contractual, legal or fiduciary obligation to the us or our affiliates with respect to that information.

CAUTIONARY NOTE ON FORWARD LOOKING STATEMENTS

This Memorandum contains forward-looking statements, including statements relating to RealT's operations, financial results, business and products. Other statements in this Memorandum, including words such as "anticipate," "may," "believe," "could," "should," "estimate," "expect," "intend," "plan," "predict," "potential," "forecasts," "project," and other similar expressions, also are forward-looking statements. Forward-looking statements are made based upon management's current expectations and beliefs concerning future developments and their potential effects on RealT. Such forward-looking statements are not guarantees of future performance. The following important factors, and those important factors described elsewhere in this offering memorandum, including the matters set forth under the section entitled "Risk Factors," could affect (and in some cases have affected) RealT's actual results and could cause such results to differ materially from estimates or expectations reflected in such forward-looking statements:

- the use of the net proceeds of this Offering;
- our goals and strategies;
- our future business development, financial condition and results of operations;
- our future capital needs and costs of acquiring and maintaining our underlying assets;
- our expectations regarding demand for our RealTokens;

- market trends in the rental and investment real estate industry and related changes;
- trends in the market value of cryptocurrencies;
- general economic and business conditions in the United States and in local real estate markets;
- RealToken transactions may be irreversible and losses due to fraudulent or accidental transactions may not be recoverable;
- there is no assurance that purchasers of the RealTokens will receive a return on or of their investments;
- the lack of operational secondary markets or market makers for our RealTokens and for security tokens in general;
- the slowing or stopping of the development or acceptance of blockchain networks and blockchain assets would have an adverse material effect on the successful development and adoption of the RealTokens;
- the popularity of cryptocurrencies and cryptosecurities offerings may decrease in the future, which could have a material impact on RealT's operations and financial conditions;
- RealT has limited operating history, which makes it hard to evaluate its ability to generate revenue through operations; and
- cybersecurity breaches and attacks.

Forward-looking statements, which involve assumptions and describe our future plans, strategies, and expectations, are generally identifiable by use of the words "may," "should," "expect," "anticipate," "estimate," "believe," "intend," or "project" or the negative of these words or other variations on these words or comparable terminology. Actual results, performance, liquidity, financial condition, prospects and opportunities could differ materially from those expressed in, or implied by, these forward-looking statements as a result of various risks, uncertainties and other factors, including the ability to raise sufficient capital to continue our company's operations. These statements may be found under "Management's Discussion and Analysis" and "Business," as well as in this Memorandum generally. Actual events or results may differ materially from those discussed in forward-looking statements as a result of various factors, including, without limitation, the risks outlined under "Risk Factors" and matters described in this Memorandum generally. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements contained in this Memorandum will in fact occur.

Potential investors should not place undue reliance on any forward-looking statements. Except as required by the federal securities laws, there is no undertaking to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason.

The specific discussions herein about our Company include financial projections and future estimates and expectations about our Company's business. The projections, estimates and expectations are presented in this Memorandum only as a guide about future possibilities and do not represent actual amounts or assured events. All the projections and estimates are based exclusively on our company management's own assessment of its business, the industry in which it works and the economy at large and other operational factors, including capital resources and liquidity, financial condition, fulfillment of contracts and opportunities. The actual results may differ significantly from the projections.

Potential investors should not make an investment decision based solely on our Company's projections, estimates or expectations.

COMMUNICATIONS AND INQUIRIES

ALL COMMUNICATIONS AND INQUIRIES RELATED TO THIS MEMORANDUM SHOULD BE DIRECTED TO THE AUTHORIZED OFFICERS OF THE COMPANY OR PRIMARY CAPITAL AS INDICATED BELOW. THE INDIVIDUALS BELOW WILL MAKE THEMSELVES AVAILABLE AT A REASONABLE TIME PRIOR TO YOUR PURCHASE TO ANSWER YOUR QUESTIONS AND PROVIDE INFORMATION IN ADDITION TO WHAT IS IN THIS MEMORANDUM.

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SUMMARY

The following summary is qualified in its entirety by the more detailed information appearing elsewhere herein. You should read the entire Memorandum and carefully consider, among other things, the matters set forth in the section captioned "Risk Factors." You are encouraged to seek the advice of your attorney, tax consultant, and business advisor with respect to the legal, tax, and business aspects of an investment in the Interests. All references in this Memorandum to "$" or "dollars" are to United States dollars.

THE COMPANY

Overview

RealToken LLC has created a system for tokenizing real property in the United States that allows a token holder to purchase and retain all legal rights and protections that are provided by traditional ownership of real estate. This RealToken system utilizes a series Delaware limited liability company ("**LLC**") as an intermediary entity between a token-owning individual and a piece of real estate property. Ownership of a series of the LLC (each, a "**Series**") is divided into approximately one thousand (1,000) membership interests, or Interests, and the Interests are represented by the same number of unique cryptographic digital tokens, or RealTokens, on the Ethereum blockchain. As digital representations of Interests, the RealTokens embody the legal characteristics of the Interests and carry all of the rights and obligations associated with the Interests. The RealTokens, like the Interests, are securities for purposes of U.S. securities laws and they are designed to be compliant with applicable U.S. federal and state securities laws and regulations. See "Securities Being Offered – The RealTokens" for further details.

Each Series of the LLC will purchase and own one discrete real property asset. Ownership of any or all of the 1,000 or so RealTokens of a particular Series gives an individual ownership and limited governing rights over the Series which has issued the RealTokens and, therefore, over the discrete property owned by the Series. Because the sole purpose of a Series is to own one single property, ownership of all of the RealTokens issued by a Series is effectively ownership of the property held by that Series with, however, very limited control over the management and disposition of the property. Through the services of a property management company, or Property Manager, the Series, and the real property asset that it holds, can be managed and maintained with little-to-no engagement from any RealToken holding individuals, while the RealToken holding individuals themselves retain full economic ownership rights in the property. Through the use of Ethereum's InterPlanetary File System ("IPFS"), a peer-to-peer distributed file system hosted on the Ethereum Network which RealT expects to implement in the future, all necessary documents that prove ownership of the real estate by the Series and ownership of the Series by the RealToken holders will be accessible on the Ethereum blockchain via the internet at any time, by anyone, from anywhere.

RealT itself will be taxed as a partnership, with pass-through to its members of profits and losses. We intend, however, to elect that each Series will be treated as an association taxable as a corporation. Holders of the Interests in a Series, therefore, will receive a 1099 information return each year reciting the dividends, if any, paid to the holder and certain other tax information appropriate for an interest in a corporation.

Initially, RealT will focus on the purchase by each series of income producing rental properties. Rents from tenants in these properties will be collected by a third-party property management service under the direction of an Property Manager. Collected rents will then be exchanged for equivalent amounts of a "stablecoin" such as Dai, an asset-backed cryptocurrency on the Ethereum blockchain whose value is stable relative to the U.S. Dollar, and distributed, pro rata, to Investors' Ethereum Digital Wallets (as defined below). Investors will then be able to exchange their Dai (or similar) coins for other cryptocurrencies or fiat currency such as the U.S. Dollar.

We plan to target for purchase by a Series the acquisition of one or more renter-occupied distressed properties in and around mid-sized cities offering higher yielding returns. These properties will be renovated by the Asset Sellers (as defined below) prior to their purchase by a Series in order to increase resale value and rental income. RealToken expects that it will also be engaging in capital improvement efforts throughout the neighborhoods where the Series acquired real property assets are located, to assist in neighborhood revitalization and property value enhancement. Prior to a Series acquiring any particular real property asset, we plan to engage a third-party real estate valuation advisory firm to appraise the value of the property being acquired. We did not, however, obtain an appraisal of the property acquired by Series #1, and we valued that property under a capitalization rate method described below.

Our RealToken business approach is discussed in more detail below and in our RealToken White Paper. Our RealT White Paper is not incorporated by reference into this Memorandum.

Series #1

The Interests and related RealTokens described in this Memorandum are being offered and sold by the first Series of RealT, Series #1-9943 Marlowe.

History and Structure

RealT is a series limited liability company formed on February 14, 2019 pursuant to Section 18-215 of the Delaware Limited Liability Company Act (the "**LLC Act**").

As a series limited liability company, title to RealT's underlying assets will be held by, or for the benefit of, the applicable series of interests. We intend that each series of interests will own its own underlying asset, which will be a real estate property. A new series of interests will be issued for future real estate properties to be acquired by RealT.

Section 18-215(b) of the LLC Act provides that, if certain conditions are met (including that certain provisions are in the formation and governing documents of the series limited liability company, and if the records maintained for any such series account for the assets associated with such series separately from the assets of the limited liability company, or any other series), then the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a particular series shall be enforceable only against the assets of such series and not against the assets of the limited liability company generally or any other series. As such, the assets and liabilities of a series include only the real estate property associated with that series and other related assets (e.g., cash reserves) and liabilities.

On April 25, 2019, we established the Series #1 membership interests of RealT in connection with the purchase of the Underlying Asset.

The Underlying Asset

The rental producing real property asset associated with Series #1 (the "**Underlying Asset**") is an 887 square foot three-bedroom, one-bathroom single family brownstone bungalow located within the Fiskhorn neighborhood of Detroit at 9943 Marlowe, Detroit, MI 48227. The interiors in every room have been newly renovated including a new fireplace mantle and new floors, tiling and windows. This home features a sizeable side yard and backyard, and a finished attic area for storage along with a free-standing garage. The Series #1 Underlying Asset has a tenant and is currently generating rental income in the amount of $850 on a monthly basis.

It is not anticipated that the Series would own any assets other than the Underlying Asset, plus cash reserves for maintenance, insurance and other expenses pertaining to the Underlying Asset and amounts earned by the Series from the monetization of the Underlying Asset, if any. See "Description of Business—The Underlying Asset" for further details.

The Series has contracted to acquire the Underlying Asset from Merlow Street MI, LLC (the "**Asset Seller**"), an affiliate of the Managing Member, for $57,300 (the "**Purchase Price**") and has issued to the Asset Seller a promissory note (the "**Note**") in the full amount of the Purchase Price. The Series will repay the Note, along with accruing interest at the rate of three percent (3%) per annum, with net proceeds from the Offering. If the Series does not raise sufficient funds in the Offering to fully repay the Note within the 12 months following the date of this Memorandum, the balance due on the Note, along with accrued but unpaid interest, will be converted into Series #1 RealTokens at the Offering Price per Series #1 RealToken. Title to the Underlying Asset will be transferred to the Series by warranty deed upon transfer of the Underlying Asset to the Series and will be held by the Series in escrow on behalf of the holders of the Series #1 RealTokens.

The Purchase Price of the Underlying Asset was determined by the Company and the Asset Seller based on the following valuation methodology: The Company used a capitalization rate method to calculate the Purchase Price. Under this method, annual operating costs of the Underlying Asset, including property management fees, insurance and local real estate taxes, were subtracted from the annual gross rental income to calculate net operating income for the property. The net operating income was then divided by a capitalization rate. For the Underlying Asset of Series #1, the Company chose a capitalization rate[1] of 13.9%, which the Company believes is at the high end of the range for low income, single family rental property in Detroit. RealT has not obtained an independent appraisal of the market value of the Underlying Asset.

[1] The capitalization rate reflects the Underlying Asset's annual rental income minus Property Manager fees, local real estate taxes and property insurance, divided by the Purchase Price.

Managing Member

RealToken Inc., a Delaware corporation incorporated on February 14, 2019, is the Managing Member (the "**Managing Member**") of RealT and the manager (the "**Manager**") of the Series. The Managing Member also owns and operates a web-based investment platform called RealToken (the RealToken website and any successor platform used by RealT for the offer and sale of RealToken interests, the "**RealToken Website**") through which the Interests and other Series interests will be sold, in the form of RealTokens. The address of the RealToken Website is www.RealT.co. The Managing Member will not be paid any management fees in its capacity as Manager or be entitled to receive or purchase any Series #1 RealTokens in connection with its role as Managing Member; however, the Managing Member will receive one percent (1%) of the gross proceeds from the sale of the Underlying Asset upon its disposition by a Series. The Managing Member's offices are located at 2750 NE 185th Street, Suite 306, Aventura, Florida, 33180 and the telephone number is 305-720-8459.

Operating Expenses

After the initial Closing, the Series will be responsible for the following costs and expenses attributable to the activities of RealT related to the Series (together, the "**Operating Expenses**"):

- any and all ongoing fees, costs and expenses incurred in connection with the management of the Underlying Asset, including the Management Fees and real estate taxes, security, valuation, marketing and utilization of the Underlying Asset;
- fees, costs and expenses incurred in connection with preparing any reports and accounts of the Series, including any blue-sky filings required in certain states, bookkeeping and any annual audit of the accounts of the Series (if applicable);
- fees, costs and expenses of a third-party registrar and transfer agent appointed in connection with the Series;
- fees, costs and expenses incurred in connection with making any tax filings on behalf of the Series;
- any indemnification payments;
- any and all insurance premiums or expenses incurred in connection with the Underlying Asset; and
- any similar expenses that may be determined to be Operating Expenses, as determined by the Manager in its reasonable discretion.

The Managing Member, also acting in its capacity as Manager of the Series, will bear its own expenses of an ordinary nature, including, all costs and expenses on account of rent, supplies, secretarial expenses, stationery, charges for furniture, fixtures and equipment, payroll taxes, remuneration and expenses paid to employees and utilities expenditures (excluding utilities expenditures in connection with the operation of the Underlying Asset).

If the Operating Expenses exceed the amount of revenues generated from the Underlying Asset and cannot be covered by any Operating Expense reserves on the balance sheet of the Underlying Asset, the Managing Member will loan the amount of the Operating Expenses to the Series, on which the Managing Member may impose a reasonable rate of interest, and be entitled to reimbursement of such amount from future revenues generated by the Underlying Asset (an "**Operating Expenses Reimbursement Obligation(s)**").

We anticipate that the Series will generate revenues in 2019 but we expect the Series to incur Operating Expenses Reimbursement Obligations.

Property Manager

The Company will appoint a third-party property management company to serve as property manager (the "**Property Manager**") to manage the Underlying Asset pursuant to a property management agreement (the "**Property Management Agreement**").

The Company has appointed Live Detroit Management LLC, as the Property Manager for Series #1. Live Detroit Management LLC, which is located at 190966 Livernois Ave., Detroit, MI 48221, is owned and operated by Dario Domfrocht,

the brother-in-law of Remy Jacobson, who is the Chairman of the Managing Member.

The services provided by the Property Manager will include:

- creating the asset maintenance policies for the collection of rents;
- investigating, selecting, and, on behalf of the applicable series, engaging and conducting business with such persons as the Property Manager deems necessary to ensure the proper performance of its obligations under the Property Management Agreement, including but not limited to consultants, insurers, insurance agents, maintenance providers, bookkeepers and accountants and any and all persons acting in any other capacity deemed by the Property Manager necessary or desirable for the performance of any of the services under the Property Management Agreement; and
- developing standards for the care of the underlying assets.

See "Description of Business—Description of the Property Management Agreement."

Management Fees

As compensation for the services provided by the Property Manager under the Property Management Agreement, the Property Manager will be paid a cash fee equal to 5% of rents collected on the Underlying Asset. The Property Manager will also receive a cash fee equal to 1.5% of the cost of all repairs to an Underlying Asset while it is owned by the Series (together, the "**Management Fees**"). The Management Fees will only be distributed if there is sufficient Free Cash Flow to distribute as described in the subsection "Distribution Rights" below. For tax and accounting purposes the Management Fees will be accounted for as an expense on the books of the Series.

"**Free Cash Flow**" consists of the net income (as determined under U.S. generally accepted accounting principles ("GAAP")) generated by the Series plus any change in net working capital and depreciation and amortization (and any other non-cash Operating Expenses) and less any capital expenditures related to the Underlying Asset. The Manager may maintain Free Cash Flow funds in a deposit account or an investment account for the benefit of the Series.

Additionally, the Managing Member will receive one percent (1%) of the gross proceeds from the sale of the Underlying Asset upon its disposition by the Series.

Distribution Rights

The Managing Member has sole discretion in determining what distributions of Free Cash Flow, if any, are made to holders of the Interests (the "**Interest Holders**"). Any Free Cash Flow generated by the Series from the ownership and leasing of the Underlying Asset shall be applied within the Series in the following order of priority:

- repay any amounts outstanding under Operating Expenses Reimbursement Obligations plus accrued interest;
- thereafter, to create such reserves as the Managing Member deems necessary, in its sole discretion, to meet future Operating Expenses; and
- thereafter, 100% (net of corporate income taxes applicable to the Series) by way of distribution to the Interest Holders.

Additionally, with respect to income to the Series generated through the rental of the Underlying Asset ("**Rental Income**"), net of the 5% fee to the Property Manager and other applicable Operating Expenses, the Manager expects to distribute such net Rental Income to the Interest Holders as a dividend. The Manager plans to declare this dividend on the last day of every month and pay it to persons in whose names Interests are registered on the books of the Company (the "**Record Holders**") as of the opening of business on the day of declaration (the "**Record Date**"). The Manager plans to distribute these dividend payments to the Record Holders in Dai stable coins on a daily basis over the one-month period following the Record Date.

See "Securities Being Offered—Distribution Rights."

Timing and Form of Distributions

The Manager may make semi-annual distributions of Free Cash Flow, and more frequently, periodic distributions of Rental Income, to Interest Holders subject to it having the right, in its sole discretion, to withhold distributions including the Management Fees in order to meet anticipated costs and liabilities of the Series.

The Manager expects to make the distributions of net Rental Income to the Interest Holders in the form of Dai (or similar) stable coins directly to the Interest Holders Digital Wallets.

The Manager may change the timing of potential distributions in its sole discretion.

Distributions upon Liquidation and sale of the Underlying Asset

Upon the occurrence of a liquidation event relating to RealT as a whole or any series, the Manager (or a liquidator selected by the Manager) is charged with winding up the affairs of the series of interests or RealT as a whole, as applicable, and liquidating its assets. Upon the liquidation of a series of interests or RealT as a whole, as applicable, the Underlying Asset of a series will be liquidated and one percent (1%) of the gross proceeds from the sale of the Underlying Asset will be distributed to the Manager while three (3%) will be distributed to the Investment Banking Advisor. Any after-tax proceeds will then be distributed: (i) first, to any third party creditors, (ii) second, to any creditors that are the Managing Member or its affiliates (e.g., payment of any outstanding Operating Expenses Reimbursement Obligation), and thereafter, 100% to the interest holders of the relevant series of interests, allocated pro rata based on the number of interests held by each interest holder (which may include the Asset Seller and which distribution within a series will be made consistent with any preferences which exist within such series). See "Securities Being Offered—Liquidation Rights."

Transfer Restrictions

The Manager may refuse a transfer by an Interest Holder of its Interest(s) for any reason in its sole discretion, including if such transfer would result in (a) there being more than 2,000 beneficial owners in the Series or more than 500 beneficial owners that are not "accredited investors," (b) the assets of the Series being deemed "plan assets" for purposes of the Employee Retirement Income Security Act of 1974 and regulations thereunder, as amended ("**ERISA**"), (c) a change of U.S. federal income tax treatment of RealT and/or the Series, or (d) RealT, the Series or the Manager being subject to additional regulatory requirements. Furthermore, as the Interests are not registered under the Securities Act, transfers of Interests into or within the United States may only be effected pursuant to exemptions under the Securities Act and if permitted by applicable state securities laws. See "Securities Being Offered—Transfer Restrictions" for more information.

RealT Affiliate Program

Investors who purchase at least one Series RealToken may be eligible to participate in the RealT affiliate program (the "**RealT Affiliate Program**"). Under the RealT Affiliate Program, RealToken holders who refer new Investors to RealT will be entitled to receive certain perks for their referrals. These perks may include, for limited periods of time, cash payments up to three percent (3%) of the dollar amount of RealTokens purchased by the referred Investor, competitions awarding cash prizes to referral leaders, VIP access to RealT events and early notice of new listings on the RealT.co website.

The RealT Affiliate Program is open only to any "non-U.S. person" located outside of the United States who has purchased at least one RealToken of any Series of RealToken LLC. For purposes of the RealT Affiliate Program, a "non-U.S. person" is any natural person who is not a resident of, or located in, the United States, and partnership or corporation that is not organized or incorporated under the laws of, or located in, the United States, and any trust of which all of the trustees are not residents of, or located in, the United States.

To enroll in the RealT Affiliate Program, a RealToken holder will have to agree to, and abide by, the terms and conditions of the RealT Affiliate Program participation agreement, which can be found on the RealT.co website.

For specific details about current promotions under the RealT Affiliate Program, please click on the "Join Our Affiliate Program!" tab on the RealT.co website.

THE OFFERING

The Series:	Series #1-9943 Marlowe ("**Series #1**") is a newly formed series of RealToken LLC, a Delaware series limited liability company (the "**Company**").
Securities being offered:	We are offering a maximum of 1,000 Interests in the Series for a maximum aggregate amount of $63,750. The Interests are intended to be of a separate series of RealT for purposes of assets and liabilities accounting. See "Securities Being Offered" for further details. The purchase of the Interests is an investment only in the Series and not an investment in RealT as a whole.
Series #1 RealTokens:	The Interests will be issued in the form of cryptographic digital tokens referred to herein as "**Series #1 RealTokens**." The Series #1 RealTokens are a new series of Ethereum blockchain-based smart contract digital tokens consisting of software code meeting the ERC-20 protocol standard as modified to meet transfer restriction requirements under applicable U.S. securities law. The software code of the Series #1 RealToken Smart Contract will be based on open source code but will be proprietary and will not published at this time. The Series #1 RealToken will be coded with a "restricted security" legend as a token attribute. The Series #1 RealToken will generally have a one (1) year holding period before U.S. holders may freely trade such digital Tokens on a Designated Token Exchange (as defined below).
Token Identifier	RET-9943-MARLOWE-STREET-MI
Offering Price per Series #1 RealToken:	The Offering Price per Series #1 RealToken is $63.75.
Investment Minimum:	The minimum investment amount by an Investor who is a U.S. Person is ten (10) Interests in the form of ten (10) Series #1 RealTokens, although RealT, in its sole discretion, may determine to accept a lesser amount. Investors who are excluded from the Regulation S definition of "U.S. persons" investing under the Regulation S exemption may purchase a minimum of one (1) Series #1 RealToken.
No Minimum Offering Amount; No Escrow Agent:	The Series has not engaged a third-party bank or financial institution to act as escrow agent. Cash or cryptocurrency payments will be held by RealT in a segregated business account until the earlier of a Closing (or the rejection of the Investor's subscription), and will thereafter be immediately available for Series use in accordance with the use of proceeds set forth in this Memorandum
Form of Payment for Series #1 RealTokens:	The Offering Price of the Series #1 RealTokens will be designated in U.S. Dollars. Purchases of the Series #1 RealTokens will be paid for in U.S. dollars, although the Series, in its sole discretion, may determine to accept Bitcoin ("**BTC**"), Ethereum ("**ETH**") or other cryptocurrencies as payment for Series #1 RealTokens. If an Investor pays in ETH, BTC or another cryptocurrency, such amount shall be valued at the applicable exchange rate to U.S. dollars published on the Coinbase Pro (or comparable exchange) at the time the cryptocurrency is delivered to RealT by the investor.
Exchange Rates for Purchases:	Investors in this Offering will receive a number of Series #1 RealTokens equal in number to the amount or value in U.S. dollars they have tendered, divided by the price per Series #1 RealToken. Funds collected in BTC, ETH or other cryptocurrencies shall be valued in U.S. dollars at the applicable exchange rate to U.S. dollars published on the Coinbase Pro (or comparable

exchange) at the time the cryptocurrency is delivered to the Series by the Investor. If a subscription is rejected, the subscription payment will be returned to the Investor in the number of U.S. dollars received by the Series upon conversion of the original cryptocurrency payment.

Any payments made for Series #1 RealTokens in the form of BTC or ETH will have fluctuating value due to volatility in the cryptocurrencies market. While the USD price per Series #1 RealToken in this Offering is set $63.75 per Series #1 RealToken, fluctuations in the BTC and ETH value may result in some price discrepancies. Should there be a significant change in BTC or ETH value between the date of submission by an Investor of a subscription agreement indicating the purchase of a certain number of Series #1 RealTokens and the date the payment for those Series #1 RealTokens is made in BTC or ETH, the Series reserves the right to change the number of Series #1 RealTokens delivered per BTC or ETH contribution. The amount of Series #1 RealTokens actually delivered shall be determined within five (5) business days of the respective purchase. All Series #1 RealToken sales are final, irrespective of the BTC or ETH to Series #1 RealToken price, and no refunds will be made after Series #1 RealToken delivery.

In the event we terminate this Offering, or we do not accept a particular purchase, any U.S. dollars or BTC, ETH or other cryptocurrency tendered by potential Investors will be promptly returned to such investors without interest and net of any outgoing wire or other fees applied to such transmission. In such event, for investors that previously tendered amounts of any BTC, ETH or other cryptocurrency to RealT, such investors shall be returned an amount of such cryptocurrency valued in U.S. dollars at the applicable exchange rate to U.S. dollars published on the Coinbase Pro (or comparable exchange) at the time of such remittance as determined by RealT in the exercise of its discretion without interest and net of any fees discussed in the preceding sentence.

Digital Wallets:

In order to receive Series #1 RealTokens purchased from the Series, Investors in this Offering will be required to obtain a ERC-20 compatible crypto-wallet or other storage mechanism ("**Digital Wallet**"), including an accurate digital address associated with such Digital Wallet or other storage mechanism (the "**Digital Asset Receipt Address**"), that supports the Series #1 RealTokens. The Series is not responsible for any delays, losses, costs, non-delivery or refunds of Series #1 RealTokens or other issues arising from a holder of any Series #1 RealTokens failing to provide a Digital Asset Receipt Address, or providing an inaccurate or incomplete Digital Asset Receipt Address. Failure to follow the above procedures will result in failure to receive Series #1 RealTokens. The Series reserves the right to impose additional requirements with respect to a storage mechanism for the Series #1 RealTokens. See "Subscription Procedures."

Divisibility:

Following issuance of the Series #1 RealTokens, the Series may determine to allow the Series #1 RealTokens to be divisible (or fractionalized) up to ten (10) decimal places.

Best Efforts:

This Offering is being made on a "best-efforts" basis. The Series does not warrant that all 1,000 Series #1 RealTokens will be sold and reserves the right to terminate the Offering prior to the sale of all of the Series #1 RealTokens.

Investment Banking Advisor:

RealT has entered into an agreement with Primary Capital, LLC ("**Primary Capital**" or the "**Investment Banking Advisor**"), a Delaware limited liability company and a broker-dealer registered with the SEC and a member of the Financial Industry Regulatory Authority, Inc. ("**FINRA**"). The Investment Banking Advisor will be registered in each state where the Offering will be made.

Investment Banking Advisor Fees:

In connection with this Offering, Primary Capital has or will receive the following fees (the "**Investment Banking Advisor Fees**"):

- An investment banking fee of $25,000 (the "**Retainer Fee**"). This Retainer Fee was paid by the Managing Member;

- A cash service fee equal to 5% of the gross proceeds of the Offering (the "**Cash Service Fee**") This Cash Service Fee will be borne by the Asset Seller;

- A cash fee equal to 3% of the gross proceeds received by the Series resulting from the sale or disposition of the Underlying Asset (the "**Asset Disposition Fee**"); and

- Reimbursement of all of its reasonable out-of-pocket expenses (including attorney's fees) (the "**Expense Reimbursement**"). Such expenses are estimated to be approximately $20,000. This Expense Reimbursement will be paid by the Managing Member.

Please refer to the section entitled "Plan of Distribution" for additional information regarding total Investment Banking Advisor compensation.

Purchasers; Eligibility:

Each Investor: (a) if in the United States, or a U.S. Person (as defined in Regulation S under the Securities Act), must be a verified "accredited investor" (as defined in Regulation D under the Securities Act) or (b) if outside of the United States, must be an investor excluded from the Regulation S definition of a "U.S. Person" who is not purchasing for the account or benefit of a U.S. Person (as defined under Regulation S) and who is eligible to purchase and hold Series #1 RealTokens under the applicable laws of the Investor's jurisdiction. In the United States, the Offering is being conducted pursuant to Rule 506(c) of Regulation D under the Securities Act.

Closings; Offering Termination:

RealT may hold a series of Closings on a rolling basis as funds and investment documents are received. This Offering will terminate on the earlier of (i) the date at which the maximum offering dollar amount in this Offering has been sold, (2) August 15, 2020, or (3) the date at which the offering is earlier terminated by RealT in our sole discretion.

Use of proceeds:

The proceeds received in the Offering will be applied in the following order of priority of payment:

- *Cost of the Underlying Asset*: The actual Purchase Price of the Underlying Asset to be paid to the Asset Seller, including accrued interest thereon, shall be paid through the issuance, prior to the Offering, of the Note to the Asset Seller, which Note shall be repaid, along with accrued interest at the rate of three percent (3%) per annum, out of the net proceeds of the Offering as Closings occur. Title fees, to be incurred upon the transfer of the Underlying Asset's title from the Asset Seller to the Series, will be borne by the Asset Seller; and

- *Working Capital:* The balance of proceeds remaining after the repayment of the Note shall be reserved for ongoing Operating Expenses.

The Managing Member will bear all Offering Expenses on behalf of the Series and will not be reimbursed by the Series through the proceeds of the Offering. The Acquisition Expenses for a particular Series will be built into the Purchase Price of the Underlying Asset for that Series. The Series may, however, incur certain post-Closing acquisition related expenses such as property appraisal costs. The Cash Service Fee and title fees will be borne by the Asset Seller. See "Use of Proceeds to Issuer" and "Plan of Distribution—Fees and Expenses" sections for further details.

Rights of Series #1 RealTokens:

The Series #1 RealTokens will carry such rights as described in the operating agreement of RealT (the "**Operating Agreement**"), a copy of which is attached hereto as Exhibit A, and the Series Designation of Series #1 of RealT (the "**Series #1 Designation**"), a copy of which is attached hereto as Exhibit B, and summarized below:

Voting: Each Record Holder of a Series #1 RealToken will be entitled to those certain, limited voting rights allocated to the Interests as set forth in the Operating Agreement and Series #1 Designation. See the "Securities Being Offered – Limited Voting Rights" section for further details. These voting rights include one vote for each Series #1 RealToken on all matters submitted to a vote of RealT's Members. All Record Holders of Series #1 Interests shall be entitled to one vote per Interest for all matters submitted for the consent or approval of the Members of Series #1.

Dividends: Holders of Series #1 RealTokens will be entitled to receive dividends as may be declared from time to time by the Manager. Monthly rental Income collected from tenants of the Underlying Asset, net of the 5% fee to be paid to the Property Manager and other Operating Expenses, will be distributed as a dividend to be declared every month and paid to persons who are RealToken Record Holders of record on the day of declaration. The Series plans to distribute dividend payments to the RealToken Record Holders in Dai stable coins on a daily basis over the one month following the Record Date. Net rental income will be exchanged for equivalent amounts of a "stablecoin" such as Dai, an asset-backed cryptocurrency on the Ethereum blockchain whose value is stable relative to the U.S. Dollar, and distributed in Dai, pro rata, to Investors' Digital Wallets on a daily basis, or on such other timing basis as may be determined by the Manager in its sole discretion. Investors will then be able to exchange their Dai coins for other cryptocurrencies or fiat currency such as the U.S. Dollar.

Liquidation: In the event of our liquidation, dissolution, or winding up, after the payment of all of our debts and other liabilities, including payment to the Managing Member of one percent (1%) and to the Investment Banking Advisor of three percent (3%) of the gross proceeds from the sale of the Underlying Asset, the holders of Series #1 RealTokens will be entitled to share ratably in the net assets legally available for distribution to the Interest Holders.

Documentation: To purchase Series #1 RealTokens, each Investor will be required to complete such documentation as may be requested by or on behalf of the Series, which may include, without limitation: (1) the execution and delivery of a Subscription Agreement, (2) completion of Purchaser qualification requirements and (3) completion of any anti-money laundering (AML) and know-your-customer (KYC) forms or documents.

Governing Law: The Subscription Agreement will be governed by the laws of Delaware.

Risk factors: Investing in the Series #1 RealTokens involves risks. See the section entitled "Risk Factors" in this Memorandum and other information included in this Memorandum for a discussion of factors you should carefully consider before deciding to invest in the Series #1 RealTokens.

RISK FACTORS

The Interests, in the form of Series #1 RealTokens, offered hereby are highly speculative in nature, involve a high degree of risk and should be purchased only by persons who can afford to lose their entire investment. There can be no assurance that the Company's investment objectives will be achieved or that a secondary market would ever develop for the Interests, whether via the RealToken Website, via third party registered broker-dealers or otherwise. The risks described in this section should not be considered an exhaustive list of the risks that prospective Investors should consider before investing in the Series #1 RealTokens. Prospective Investors should obtain their own legal and tax advice prior to making an investment in the Series #1 RealTokens and should be aware that an investment in the Series #1 RealTokens may be exposed to other risks of an exceptional nature from time to time. The following considerations are among those that should be carefully evaluated before making an investment in the Series #1 RealTokens.

Risks Related to the Structure, Operation and Performance of RealT

An investment in the Offering constitutes only an investment in the Series and not in RealT or the Underlying Asset.

A purchase of the Interests does not constitute an investment in either RealT or the Underlying Asset directly. This results in limited voting rights of the Investor, which are solely related to the Series. Investors will have voting rights only with respect to certain matters, primarily relating to amendments to the Operating Agreement that would adversely change the rights of the Interests. The Managing Member and the Property Manager thus retain significant control over the management of RealT and the Underlying Asset. Furthermore, because the Interests do not constitute an investment in RealT as a whole, holders of the Interests will not receive any economic benefit from, or be subject to the liabilities of, the assets of any other series of interest. In addition, the economic interest of a holder in the Series will not be identical to owning a direct undivided interest in the Underlying Asset because, among other things, the Series will be required to pay corporate taxes before distributions are made to the holders, and the Property Manager will receive a fee in respect of its management of the Underlying Asset.

RealT and the Series were recently formed, have no track record and no operating history from which you can evaluate RealT or this investment.

RealT and the Series were recently formed and have not generated any revenues and have no operating history upon which prospective Investors may evaluate their performance. No guarantee can be given that RealT and the Series will achieve their investment objectives, the value of the Underlying Asset will increase or the Underlying Asset will be successfully monetized or tokenized.

Given our start-up nature, investors may not be interested in making an investment and we may not be able to raise all of the capital we seek for the initial Series or any future series and this could have a material adverse effect upon our Company and the value of your Interests.

Due to the start-up nature of RealT, there can be no guarantee that we will reach our funding target from potential Investors with respect to the Series or future proposed series of interests. In the event we do not reach a funding target, we may not be able to achieve our investment objectives by acquiring additional underlying assets through the issuance of further series of interests and monetizing them together with the Underlying Asset to generate distributions for Investors. If we are unable to raise funding for additional series of interests, this may impact any investors already holding interests as they will not see the benefits which arise from economies of scale following the acquisition by other series of interests of additional underlying assets and other monetization opportunities. Additionally, our failure to fund this or additional Series could cause us to terminate the business without having achieved our business objectives, and you may experience difficulties in realizing a return on, or of, your investment.

There are few, if any, businesses that have pursued a strategy or investment objective similar to RealT's which may make it difficult for RealT and the Interests to gain market acceptance.

We do not believe that any other company crowd funds tokenized real property assets or proposes to run a platform for crowd funding of tokenized interests in real property. RealT and the Interests may not gain market acceptance from potential Investors, potential Asset Sellers or service providers within the real estate industry, including insurance companies, appraisers, and strategic partners. This could result in an inability of the Manager to operate the Underlying Asset profitably. This could impact the issuance of further series of interests and additional underlying assets being acquired by us. This would further inhibit market acceptance of RealT and if we do not acquire any additional underlying assets, Investors would not receive any benefits which arise from economies of scale such as more efficient administration, service provider expenses,

and access to sufficient deal-flow. Additionally, the failure of our business model being accepted by investors could lead us to terminate the business which may make it difficult for you to receive any distributions on, or return of, your investment in the Series.

Operating Expenses that are incurred after the initial Closing will reduce potential distributions, if any, and the potential return on investment resulting from the appreciation of the Underlying Asset, if any.

Operating Expenses incurred post-initial Closing shall be the responsibility of the Series. However, if the Operating Expenses exceed the amount of revenues generated from the Underlying Asset, the Managing Member will loan the amount of the Operating Expenses to the Series, on which the Managing Member may impose a reasonable rate of interest, and be entitled to Operating Expenses Reimbursement Obligations.

If there is an Operating Expenses Reimbursement Obligation, this reimbursable amount between related parties would be taken out of the Free Cash Flow generated by the Series and could reduce the amount of any future distributions payable to Investors. If additional Interests are issued, this would dilute the current value of the Interests held by existing Investors and the amount of any future distributions payable to such existing Investors.

Our success depends in large part upon our Managing Member and its ability to execute our business plan.

The successful operation of RealT (and therefore, the success of the Interests) is in part dependent on the ability of the Managing Member and the Property Manager to source, acquire and manage the underlying assets. As the Managing Member has only been in existence since February 14, 2019 and is an early-stage startup company, it has no significant operating history within the real estate sector, which evidences its ability to source, acquire, manage and utilize the underlying assets. Failure of the Managing Member to successfully operate and build our business could result in your losing your investment in the Series.

The success of RealT (and therefore, the Interests) will be highly dependent on the expertise and performance of the Managing Member and its team, its expert network and other investment professionals (which include third party experts) to source, acquire and manage the underlying assets. There can be no assurance that these individuals will continue to be associated with the Managing Member or the Property Manager. The loss of the services of one or more of these individuals could have a material adverse effect on the underlying assets, in particular, their ongoing management and use to support the investment of the Interest Holders.

Furthermore, the success of RealT and the value of the Interests is dependent on there being critical mass from the market for the Interests and also RealT being able to acquire a number of underlying assets. In the event that we are unable to source additional underlying assets due to, for example, competition for such underlying assets or lack of underlying assets available in the marketplace, this could materially impact the success of RealT and its objectives of acquiring additional underlying assets through the issuance of further series of interests and monetizing them together with the Underlying Asset. RealToken intends to monetize the underlying distressed assets through revitalization with the intention of introducing improvements that increase rentability while maximizing resale value and rental income. RealT expects to make commitments to capital improvements during the next five to 10 years within in the neighborhoods housing the underlying asset properties to be owned by the multiple Series in order to drive community improvements and asset appreciation. There can be no assurances at this time, however, that such planned commitments will be make or that if they are made, they will have a positive impact on the values of the underlying assets.

The power of attorney provisions of the Operating Agreement could act to negatively impact an Investor's investment in the Interests.

Investors who purchase Interests will be bound by the provisions of the Operating Agreement including those provisions pursuant to which the Investor grants to the Managing Member of a power of attorney to, among other things, execute and file documents required for RealT's qualification, continuance or dissolution. This power of attorney also includes a provision pursuant to which the Investor waives any and all defenses that may be available to contest, negate or disaffirm the action of the Managing Member taken in good faith under the power of attorney. This power of attorney and waiver may limit the ability of an Investor to take certain actions the Investor deems prudent and could result in outcomes unfavorable to the Investor.

If RealT's series limited liability structure is not respected, then Investors may have to share in any liabilities of RealT with all investors and not just those who hold the same series of interests as them.

RealT is structured as a Delaware series limited liability company that issues different series of interests for each underlying asset. Each series of interest will merely be a separate series and not a separate legal entity. Under the LLC Act, if certain conditions (as set forth in Section 18-215(b) of the LLC Act) are met, the liability of investors holding one series of interests is segregated from the liability of investors holding another series of interests and the assets of one series of interests are not available to satisfy the liabilities of other series of interests. Although this limitation of liability is recognized by the courts of Delaware, there is no guarantee that if challenged in the courts of another U.S. State or a foreign jurisdiction, such courts will uphold a similar interpretation of Delaware corporation law, and in the past certain jurisdictions have not honored such interpretation. If our series limited liability company structure is not respected, then Investors may have to share any liabilities of RealT with all investors and not just those who hold the same series of interests as them. Furthermore, while we intend to maintain separate and distinct records for each series of interests and account for them separately and otherwise meet the requirements of the LLC Act, it is possible a court could conclude that the methods used did not satisfy Section 18-215(b) of the LLC Act and thus potentially expose the assets of the Series to the liabilities of another series of interests. The consequence of this is that Investors may have to bear higher than anticipated expenses which would adversely affect the value of their Interests or the likelihood of any distributions being made by the Series to the Investors. In addition, we are not aware of any court case that has tested the limitations on inter-series liability provided by Section 18-215(b) in federal bankruptcy courts and it is possible that a bankruptcy court could determine that the assets of one series of interests should be applied to meet the liabilities of the other series of interests or the liabilities of RealT generally where the assets of such other series of interests or of RealT generally are insufficient to meet our liabilities.

If any fees, costs and expenses of RealT are not allocable to a specific series of interests, they will be borne proportionately across all of the series of interests. Although the Managing Member will allocate fees, costs and expenses acting reasonably and in accordance with its allocation policy (see "Description of Business—Allocations of Expenses"), there may be situations where it is difficult to allocate fees, costs and expenses to a specific series of interests and therefore, there is a risk that a series of interests may bear a proportion of the fees, costs and expenses for a service or product for which another series of interests received a disproportionately high benefit.

If a Series cannot be treated as a corporation for tax purposes, Investors may be taxed as partners in a tax partnership.

The rule that a separate series of a Series LLC is an eligible entity that may elect to be treated as a corporation for federal tax purposes is contained in proposed Treasury regulations not yet technically in force (Prop. Treas. Reg. section 301.7701-1(a)(5)) and could be subject to change if and when those regulations are issued in final form. If such a change were to occur, Investors in the Series would likely be treated as partners in a tax partnership and would be subject to current federal income tax on their proportional share of the income of the Series or of the Company.

Potential breach of the security measures of the RealToken Website could have a material adverse effect on RealT, each series and the value of your investment.

The highly automated nature of the RealToken Website through which potential investors acquire or transfer interests may make it an attractive target and potentially vulnerable to cyber-attacks, computer viruses, physical or electronic break-ins or similar disruptions. The RealToken Website processes certain confidential information about investors, the Asset Sellers and the underlying assets. While we intend to take commercially reasonable measures to protect our confidential information and maintain appropriate cybersecurity, the security measures of the RealToken Website, RealT, the Managing Member or our service providers (including the Investment Banking Advisor) could be breached. Any accidental or willful security breaches or other unauthorized access to the RealToken Website could cause confidential information to be stolen and used for criminal purposes or have other harmful effects. Security breaches or unauthorized access to confidential information could also expose us to liability related to the loss of the information, time-consuming and expensive litigation and negative publicity, or loss of the proprietary nature of the Managing Member's and RealT's trade secrets. If security measures are breached because of third-party action, employee error, malfeasance or otherwise, or if design flaws in the RealToken Website software are exposed and exploited, the relationships between RealT, investors, users and the Asset Sellers could be severely damaged, and RealT or the Managing Member could incur significant liability or have their attention significantly diverted from utilization of the underlying assets, which could have a material negative impact on the value of interests or the potential for distributions to be made on the interests.

Because techniques used to sabotage or obtain unauthorized access to systems change frequently and generally are not recognized until they are launched against a target, RealT, the third-party hosting used by the RealToken Website and other third-party service providers may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, federal regulators and many federal and state laws and regulations require companies to notify individuals of data security breaches involving their personal data. These mandatory disclosures regarding a security breach are costly to

implement and often lead to widespread negative publicity, which may cause investors, the Asset Sellers or service providers within the industry, including insurance companies, to lose confidence in the effectiveness of the secure nature of the RealToken Website. Any security breach, whether actual or perceived, would harm our reputation and the RealToken Website and we could lose investors and the Asset Sellers. This would impair our ability to achieve our objectives of acquiring additional underlying assets through the issuance of further series of interests and monetizing them together with the Underlying Asset.

The Managing Member may sell its interests post-final Closing which may result in a reduction in value of your interests if there are too many series interests available and not enough demand for those interests.

The Managing Member may arrange for some of the interests that it may purchase in a specific series of interests to be sold in regulatory compliant resale transactions. There is a risk that this may result in too many interests being available for resale and the price of the relevant series of interests decreasing as supply outweighs demand.

Non-compliance with regulations may result in the abrupt cessation of business operations, rescission of any contracts entered into, an early termination of any series of interests sold or, if RealT were deemed to be subject to the Investment Advisers Act, the liquidation and winding up of any series of interests sold.

The Interests are being sold by the Managing Member, which is not a registered broker-dealer under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and which will not be registered in each state where the Offering and sale of the Interests will occur. If a regulatory authority determines that the Managing Member, who is not a registered broker-dealer under the Exchange Act or any state securities laws, has itself engaged in brokerage activities, the Managing Member may need to stop operating and, therefore, RealT may not have an entity managing the Underlying Asset. In addition, if the Managing Member is required to register as a "broker-dealer," there is a risk that any series of interests offered and sold while the Managing Member was not registered may be subject to a right of rescission, which may result in the early termination of the Series.

Furthermore, RealT is not registered and will not be registered as an investment company under the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and neither the Managing Member nor the Property Manager is or will be registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "**Investment Advisers Act**"), and thus the Interests do not have the benefit of the protections of the Investment Company Act or the Investment Advisers Act. RealT and the Managing Member have taken the position that the underlying assets are not "securities" within the meaning of the of the Investment Company Act or the Investment Advisers Act, and thus RealT's assets will comprise of less than 40% investment securities under the Investment Company Act and the Managing Member and Property Manager will not be advising with respect to securities under the Investment Advisers Act. This position, however, is based upon applicable case law that is inherently subject to judgments and interpretation. If RealT were to be required to register under the Investment Company Act or the Managing Member were to be required to register under the Investment Advisers Act, it could have a material and adverse impact on the results of operations and expenses of the Series or any other series of interests and the Managing Member may be forced to liquidate and wind up the Series or rescind the Offering of the Interests or the offering for any other series of interests.

Risks Related to the Real Estate Industry

The Series is expected to invest only in the Underlying Asset; therefore, your investment will not be diversified and will appreciate or depreciate based on the value of the Underlying Asset regardless of market conditions.

It is not anticipated that the Series would own any assets other than the Underlying Asset, plus potential cash reserves for maintenance, insurance and other expenses pertaining to the Underlying Asset and amounts earned by the Series from the monetization of the Underlying Asset, if any. Investors looking for diversification will have to create their own diversified portfolio by investing in other opportunities in addition to the Series.

Each series of RealT is expected to invest in real estate property. If there is a downturn in this industry or the economy in general, then the value of the underlying assets is likely to decrease.

Given the concentrated nature of the underlying assets (i.e., only real estate properties) any downturn in the real estate industry is likely to impact the value of the underlying assets, and consequently the value of the Interests. Furthermore, the value of such investment property may be impacted if an economic downturn occurs and there is less disposable income for individuals to invest in products such as real estate related securities. In the event of a downturn in the industry, the value of the underlying assets is likely to decrease.

The geographic concentration of RealToken's investment properties and fluctuations in local markets may adversely impact RealToken's financial condition and results of operations.

RealT will own a relatively small number of properties, located in a few geographic areas. As a result of this geographic concentration, if a local investment property market performs poorly, the income from the investment property in that market could decrease. The performance of the economy in each of these areas affects occupancy, market rental rates and expenses, and consequently impacts the ability of RealToken to resell its projects to third parties on a timely basis and at a profit. Accordingly, economic downturns in the local markets in which RealToken owns investment properties could have a negative impact on RealToken's cash flow and its ability to satisfy its financial obligations to Investors.

RealT may be adversely affected by increases in real estate operating costs.

Residential investment properties are subject to increases in operating expenses such as maintenance, insurance and administrative costs, and other general costs associated with security, landscaping, repairs and maintenance. If operating expenses increase, competition in the local rental markets may limit the extent to which rents may be increased to meet increased expenses without decreasing occupancy rates, consequently impacting the ability of RealToken to resell its properties to third parties on a timely basis and at a profit.

Discovery of previously undetected environmentally hazardous conditions may adversely affect RealToken's operating results.

Under various federal, state and local environmental laws, ordinances and regulations, a current or previous owner or operator of real property may be liable for the cost of removal or remediation of hazardous or regulated substances on, under, in or about such property. The costs of investigation, removal or remediation of such substances could be substantial. Those laws may impose liability whether or not the owner or operator knew of, or was responsible for, the presence of the substances.

Environmental laws also may impose restrictions on the manner in which property may be used or businesses may be operated, and compliance with those restrictions may require substantial expenditures. Environmental laws provide for sanctions in the event of noncompliance and may be enforced by governmental agencies or, in certain circumstances, by private parties. Certain environmental laws and common law principles govern the presence, maintenance, removal and disposal of certain building materials, including mold, asbestos and lead-based paint.

The cost of defending against such claims of liability, of compliance with environmental requirements, of remediating any contaminated property, or of paying personal injury claims could materially adversely affect RealToken's business, assets or results of operations and, consequently, its ability to satisfy its financial obligations to RealToken.

There are inherent risks with real estate investments

Investments in real estate assets such as the RealToken Series #1 are subject to varying degrees of risk, including:

- General economic conditions;
- Rising level of interest rates;
- Local oversupply, increased competition or reduction in demand for student housing;
- Inability to collect rent from tenants;
- Vacancies or our inability to rent beds on favorable terms;
- Changes in senior management or key personnel;
- Costs of complying with changes in governmental regulations;
- Our inability to repay or refinance indebtedness we incur; and
- Natural disasters or similar events.

In addition, periods of economic slowdown or recession, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur, could result in a general decline in rents or an increased incidence of defaults under existing leases, which would adversely affect us.

Condemnation of Land

The Property or a portion thereof could become subject to an eminent domain or inverse condemnation action. Any such action could have a material adverse effect on the value or marketability of the Property as well as the amount received on ultimate sale.

Increases in Property Taxes

Each Series of the LLC will be subject to property taxes that may increase as tax rates change and as the asset is assessed or reassessed by taxing authorities. Failure to pay any taxes may result in a lien being placed on the asset and the asset may be subject to a tax sale.

Costs associated with moisture infiltration and resulting mold remediation may be costly.

As a general matter, concern about indoor exposure to mold has been increasing. As a result, there have been a number of lawsuits against owners and managers of property relating to moisture infiltration and resulting mold. Mold growth may be attributed to the use of exterior insulation finishing systems. The terms of our property and general liability policy generally exclude certain mold-related claims. In this case, we would be required to use our funds to resolve the issue, including litigation costs. Liabilities resulting from moisture infiltration and the presence of or exposure to mold will have an adverse impact on our business, results of operations and financial condition and the value of the Series of the LLC tokens.

The costs of complying with environmental laws and other governmental laws and regulations may adversely affect us.

We must comply with various federal, state and local laws and regulations relating to environmental protection and human health and safety. These laws and regulations generally govern wastewater discharges, air emissions, the operation and removal of underground and above-ground storage tanks, the use, storage, treatment, transportation and disposal of solid and hazardous materials, and the remediation of contamination associated with disposals. We also are required to comply with various local, state and federal fire, health, life-safety and similar regulations. Some of these laws and regulations may impose joint and several liability on owners or operators for the costs of investigating or remediating contaminated properties. These laws and regulations often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of the hazardous or toxic substances. The cost of removing or remediating could be substantial. In addition, the presence of these substances, or the failure to properly remediate these substances, may adversely affect our ability to rent units or sell the Series RealTokens.

Environmental laws and regulations also may impose restrictions on the manner that we use or operate the asset. These restrictions may require us to make substantial expenditures. Environmental laws and regulations provide for sanctions in the event of noncompliance and may be enforced by governmental agencies or, in certain circumstances, by private parties. Third parties may seek recovery from owners or operators of real properties for personal injury or property damage associated with exposure to released hazardous substances. Compliance with new or more stringent laws or regulations or stricter interpretations of existing laws may require material expenditures by us. For example, various federal, regional and state laws and regulations have been implemented or are under consideration to mitigate the effects of climate change caused by greenhouse gas emissions. Among other things, "green" building codes may seek to reduce emissions through the imposition of standards for design, construction materials, water and energy usage and efficiency, and waste management. These requirements could increase the costs of maintaining or improving the asset.

Risks Related to the Underlying Asset

Potential damage to the Underlying Asset could adversely impact the value of the Underlying Asset, the Interests related to the Underlying Asset, or the likelihood of any distributions made by us to Investors.

The Underlying Asset may be damaged by causes beyond our reasonable control. Any damage to the Underlying Asset, could adversely impact the value of the Underlying Asset or adversely increase the liabilities or Operating Expenses of its related Series. Although we intend for the Underlying Asset to be insured (subject to policy terms and conditions), in the event of any claims against such insurance policies, there can be no guarantee that any losses or costs will be reimbursed, that the Underlying Asset can be replaced on a like-for-like basis or that any insurance proceeds would be sufficient to pay the full market value (after paying for any outstanding liabilities including, but not limited to any outstanding balances under Operating Expenses Reimbursement Obligations), if any, of the Interests. In the event that damage is caused to the Underlying Asset, this will impact the value of the Underlying Asset, and consequently, the Interests related to the Underlying Asset, as well as the likelihood of any distributions being made by us to the Investors.

Potentially high maintenance and insurance costs for the underlying assets may adversely impact the value of the Interests and the amount of distributions made holders of Interests.

In order to protect and care for the underlying assets, the Managing Member must ensure adequate maintenance work and insurance coverage. The cost of care may vary from year to year depending on the amount of maintenance performed on a particular underlying asset and changes in the insurance rates for covering the underlying assets. It is anticipated that as we acquire more underlying assets, the Managing Member may be able to negotiate a discount on the costs of maintenance and insurance due to economies of scale. These reductions are dependent on our acquiring a number of underlying assets and service providers being willing to negotiate volume discounts and, therefore, are not guaranteed.

If costs turn out to be higher than expected, this would impact the value of the Interests, the amount of distributions made to Investors holding the Interests, on potential proceeds from a sale of the Underlying Asset (if ever), and any capital proceeds returned to Investors after paying for any outstanding liabilities, including, but not limited to any outstanding balances under Operating Expenses Reimbursement Obligation.

Restoration or repair of the Underlying Asset may result in a decrease in the value of the Underlying Asset.

Although we do not intend to undertake restoration or repair of the Underlying Asset, there may be situations in the future that it is required to do so (e.g., due to natural wear and tear and through the use of such Underlying Asset). Where it does so, it will be dependent on the performance of third-party contractors and sub-contractors and may be exposed to the risks that a project will not be completed within budget, within the agreed timeframe or to the agreed specifications. While we will seek to mitigate our exposure by negotiating appropriate contracts, including appropriate warranty protection, any failure on the part of a contractor to perform its obligations could adversely impact the value of the Underlying Asset and therefore, the value of the Interests.

Insurance may not cover all losses which may result in an operating loss and likelihood that distributions will not be made by us.

Insurance of the Underlying Asset may not cover all losses. There are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods, hurricanes, terrorism or acts of war that may be uninsurable or not economically insurable. Inflation, environmental considerations and other factors, including terrorism or acts of war, also might make insurance proceeds insufficient to repair or replace an asset if it is damaged or destroyed. Under such circumstances, the insurance proceeds received might not be adequate to restore our economic position with respect to any affected underlying assets. Furthermore, the series of interests related to such affected underlying assets would bear the expense of the payment of any deductible. Any uninsured loss could result in both loss of cash flow from and the value of the affected underlying assets and, consequently, the series of interests that relate to such underlying assets.

We may be associated with third party liability and exposed to reputational harm as a result of wrongful actions by certain third parties.

The Series will assume all of the ownership risks attached to its Underlying Asset, including third party liability risks. Therefore, the Series may be liable to a third party for any loss or damages incurred by it in connection with the Underlying Asset. This would be a loss to RealT and therefore deductible from any income or capital proceeds payable in respect of the Series from the Underlying Asset, in turn adversely affecting the value of the Series to which the Underlying Asset relates and the likelihood of any distributions being made by us.

Title claims on an underlying asset may diminish value in the Underlying Asset as well as the Series that relate to the Underlying Asset.

There is no guarantee that an underlying asset will be free of any claims regarding title, or that such claims may arise after acquisition of an underlying asset by a series of interests. We may not have complete ownership history for an underlying asset or a future underlying asset. In the event of a title claim against us, although we will have title insurance, we may not have recourse against the Asset Seller and the value of the Underlying Asset and the Series, may be diminished.

Forced sale of the Underlying Asset at a lower value than when the Underlying Asset was first acquired may diminish the value of the Series of Interests that relate to the Underlying Asset.

We may be forced to sell the Underlying Asset (e.g., upon the bankruptcy of the Managing Member) and such a sale may occur at an inopportune time or at a lower value than when the Underlying Asset was first acquired or at a lower price than

the aggregate of costs, fees and expenses used to purchase the Underlying Asset. In addition, there may be liabilities related to the Underlying Asset, including, but not limited to Operating Expenses Reimbursement Obligations on the balance sheet of the Underlying Asset at the time of a forced sale, which would be paid off prior to Investors receiving any distributions from a sale. In such circumstances, the capital proceeds obtained for the Underlying Asset, and therefore, the return available to Investors, may be lower than could have been obtained if the Underlying Asset continued to be held by us and sold at a later date.

Risks Related to Potential Conflicts of Interest

Our Operating Agreement contains provisions that reduce or eliminate duties (including fiduciary duties) of the Managing Member.

Our Operating Agreement provides that the Managing Member, in exercising its rights in its capacity as the Managing Member, will be entitled to consider only such interests and factors as it desires, including its own interests, and will have no duty or obligation (fiduciary or otherwise) to give any consideration to any interest of or factors affecting us or any of our investors and will not be subject to any different standards imposed by our Operating Agreement, the LLC Act or under any other law, rule or regulation or in equity. These modifications of fiduciary duties are expressly permitted by Delaware law.

We do not have a conflicts of interest policy.

RealT, the Managing Member, the Asset Seller and their affiliates will try to balance our interests with their own. However, to the extent that such parties take actions that are more favorable to other entities than Series #1, these actions could have a negative impact on our financial performance and, consequently, on distributions to Investors and the value of the Interests. RealT has not adopted, and does not intend to adopt in the future, either a conflicts of interest policy or a conflicts resolution policy.

Conflicts may exist among the Managing Member, the Property Manager and their respective employees or affiliates.

The Managing Member and the Property Manager will engage with, on behalf of RealT, a number of brokers, dealers, Asset Sellers, insurance companies, maintenance providers and other service providers and thus may receive in-kind discounts, for example, free shipping or servicing. In such circumstances, it is likely that these in-kind discounts may be retained for the benefit of the Managing Member or the Property Manager and not RealT, or may apply disproportionately to other series of interests. The Managing Member or the Property Manager may be incentivized to choose a broker, dealer or Asset Seller based on the benefits it is to receive or all series of interests collectively are to receive rather than that which is best for the Series.

In the event that the Operating Expenses exceed the revenue from the Underlying Asset, if any, and any cash reserves, the Managing Member has the option to cause the Series to incur an Operating Expenses Reimbursement Obligation to cover such excess. As interest may be payable on such loan, the Managing Member may be incentivized to cause the Series to incur an Operating Expenses Reimbursement Obligation to pay Operating Expenses rather than look elsewhere for additional sources of income or to repay any outstanding Operating Expenses Reimbursement Obligation as soon as possible rather than make distributions to Investors. The Managing Member may also choose to issue additional Interests to pay for Operating Expenses instead of causing RealT to incur an Operating Expenses Reimbursement Obligation, even if any interest payable by the Series on any Operating Expenses Reimbursement Obligation may be economically more beneficial to Interest Holders than the dilution incurred from the issuance of additional Interests.

Ownership of multiple series of interests may cause conflicts of interest.

The Managing Member or its affiliates may acquire interests in each series of interests for their own accounts and may transfer these interests, either directly or through brokers, via the RealToken Website, or otherwise. Depending on the timing of the transfers, this could impact the interests held by the investors (e.g., driving price down because of supply and demand and over availability of interests). This ownership in each of the series of interests may result in a divergence of interests between the Managing Member and the investors who only hold one or certain series of interests (e.g., the Managing Member or its affiliates, once registered as a broker-dealer with the SEC, may disproportionately market or promote a certain series of interests, in particular, where they are a significant owner, so that there will be more demand and an increase in the price of such series of interests).

Conflicts may arise from allocations of income and expenses as between series of interests.

There may be situations when it is challenging or impossible to accurately allocate income, costs and expenses to a specific series of interests and certain series of interests may get a disproportionate percentage of the cost or income, as applicable. In such circumstances, the Managing Member would be conflicted between acting in the best interests of RealT as a whole or the individual series of interests. While we presently intend to allocate expenses as described in "Description of Business—Allocations of Expenses," the Managing Member has the right to change this allocation policy at any time without further notice to Investors.

There may be conflicting interests of the Managing Member, the Property Manager and the Investors.

The Managing Member will determine whether or not to liquidate the Underlying Asset, should an offer to acquire the whole Underlying Asset be received. As the Managing Member or its affiliates, once registered as a broker-dealer with the SEC, will receive fees on the trading volume in the interests connected with an underlying asset, they may be incentivized not to realize such underlying asset even though investors may prefer to receive the gains from any appreciation in value of such underlying asset. Furthermore, when determining to liquidate an underlying asset, the Managing Member will do so considering all of the circumstances at the time, this may include obtaining a price for an underlying asset that is in the best interests of a substantial majority but not all of the investors.

The Managing Member has the ability to unilaterally amend the Operating Agreement and allocation policy. As the Managing Member is party, or subject, to these documents, it may be incentivized to amend them in a manner that is beneficial to it as Managing Member of RealT or the Series or may amend it in a way that is not beneficial for all investors. In addition, the Operating Agreement seeks to limit the fiduciary duties that the Managing Member owes to its investors. Therefore, the Managing Member is permitted to act in its own best interests rather than the best interests of the investors. See "Securities Being Offered" for more information.

Fees for arranging events or monetization in addition to the Management Fees may cause conflicts of interest.

As the Managing Member may acquire a percentage of each series of interests, it may be incentivized to attempt to generate more earnings with those underlying assets owned by those series of interests in which it holds a greater stake. Any profits generated from the RealToken Website (e.g., through advertising) will be for the benefit of the Managing Member. In order to increase its revenue stream, the Managing Member may therefore be incentivized to issue additional series of interests and acquire more underlying assets rather than focus on monetizing any underlying assets already held by existing series of interests.

Conflicts may exist between legal counsel, RealT and the RealToken Parties.

The counsel of RealT is also counsel to the Managing Member and its affiliates, and may serve as counsel with respect to other series of interests. Because such legal counsel represents both RealT and such other parties, certain conflicts of interest exist and may arise. To the extent that an irreconcilable conflict develops between RealT and any of the other parties, legal counsel may represent such other parties and not RealT or the Series. Legal counsel may, in the future, render services to RealT or other related parties with respect to activities relating to RealT as well as other unrelated activities. Legal counsel is not representing any prospective Investors of the Series in connection with this Offering and will not be representing interest holders of RealT other than the Managing Member. Prospective Investors are advised to consult their own independent counsel with respect to the other legal and tax implications of an investment in the Interests.

Conflicts may arise between the Property Manager and the Managing Member.

The Series is buying the Underlying Asset from the Asset Seller which is an entity controlled by, or under common control with, the Managing Member. The Purchase Price of the Underlying Asset being sold to RealT has been set by the Asset Seller and approved by the Managing Member, thus creating a potential conflict of interest. While the Managing Member will endeavor to purchase investment properties at the best possible valuation and to obtain an independent third-party appraisal of an Underlying Asset prior to its acquisition by the Series, it may not be possible to obtain an appraisal and, as a result of the affiliate relationship between the Asset Seller and the Managing Member, the appearance of a conflict or an actual conflict may not be avoidable. Additionally, the Company, the Managing Member and the Asset Seller arrived at a Purchase Price for the Series #1 Underlying Asset based on a capitalization rate method using a capitalization rate of 13.9%. Although the Company believes this capitalization rate is fair and reflects typical rates in the Detroit market, the choice of this rate was subjective and may not represent the best outcome available to investors.

Risks Related to this Offering and Ownership of our Interests

Transfer Restrictions imposed by our Operating Agreement may result in your not being able to sell your RealTokens.

The Interests represented by the RealTokens are subject to restrictions on transferability. An Interest Holder may not transfer, assign or pledge its Interests without the consent of the Managing Member. The Managing Member may withhold consent in its sole discretion. As a result of these limitations, you may not be able to sell your RealTokens when you want to, if at all.

There is currently no public trading market for our securities.

There is currently no public trading market for the Interests, and an active market may not develop or be sustained. If an active public trading market for the Interests does not develop or is not sustained, it may be difficult or impossible for you to resell your Interests at any price. Even if a public market does develop, the market price could decline below the amount you paid for your Interests.

If a market ever develops for the Interests, the market price and trading volume of the Interests may be volatile.

If a market develops for the Interests, the market price of the Interests could fluctuate significantly for many reasons, including reasons unrelated to our performance, the Underlying Asset or the Series, such as reports by industry analysts, investor perceptions, or announcements by our competitors regarding their own performance, as well as general economic and industry conditions. For example, to the extent that other companies, whether large or small, within our industry experience declines in their share price, the value of the Interests may decline as well.

In addition, fluctuations in operating results of a particular series of interest or the failure of operating results to meet the expectations of investors may negatively impact the price of our securities. Operating results may fluctuate in the future due to a variety of factors that could negatively affect revenues or expenses in any particular reporting period, including vulnerability of our business to a general economic downturn; changes in the laws that affect our operations; competition; compensation related expenses; application of accounting standards; seasonality; and our ability to obtain and maintain all necessary government certifications or licenses to conduct our business.

There may be state law restrictions on an Investor's ability to sell the Interests making it difficult to transfer, sell or otherwise dispose of the Interests.

Each state has its own securities laws, often called "blue sky" laws, which (1) limit sales of securities to a state's residents unless the securities are registered in that state or qualify for an exemption from registration and (2) govern the reporting requirements for broker-dealers and stock brokers doing business directly or indirectly in the state. Before a security is sold in a state, there must be a registration in place to cover the transaction, or it must be exempt from registration. Also, the broker must be registered in that state. We do not know whether the Interests will be registered, or exempt, under the laws of any states. A determination regarding registration will be made by the broker-dealers, if any, who agree to serve as the market-makers for the Interests. There may be significant state blue sky law restrictions on the ability of Investors to sell, and on purchasers to buy, the Interests. Investors should consider the resale market for the Interests to be limited. Investors may be unable to resell their Interests, or they may be unable to resell them without the significant expense of state registration or qualification.

Investors lack voting rights and the Managing Member may take actions that are not in the best interests of Investors.

The Managing Member has a unilateral ability to amend the Operating Agreement and the allocation policy in certain circumstances without the consent of the Investors, and the Investors only have limited voting rights in respect of the Series. Investors will therefore be subject to any amendments the Managing Member makes (if any) to the Operating Agreement and allocation policy and also any decision it takes in respect of RealT and the Series, which the Investors do not get a right to vote upon. Investors may not necessarily agree with such amendments or decisions and such amendments or decisions may not be in the best interests of all of the Investors as a whole but only a limited number.

Furthermore, the Managing Member can only be removed as Managing Member of RealT and as Manager of each series of interests in a very limited circumstance, following a non-appealable judgment of a court of competent jurisdiction to have committed fraud in connection with RealT or a series of interests. Investors would therefore not be able to remove the Managing Member merely because they did not agree, for example, with how the Managing Member was operating an underlying asset.

This is a fixed price offering and the fixed Offering Price may not accurately represent the current value of RealT or our assets at any particular time. Therefore, the price you pay for the Interests may not be supported by the value of our assets at the time of your purchase.

This is a fixed price offering, which means that the Offering Price for the Series #1 RealTokens is fixed and will not vary based on the underlying value of our assets at any time. The Managing Member has determined the Offering Price in its sole discretion without the input of an investment bank or other third party. The fixed Offering Price for the Series #1 RealTokens will be based on our assessment of the value of any assets we own or may own, or on the results of independent third-party appraisals which we may obtain. The fixed Offering Price established for the Series #1 RealTokens, however, may not be supported by the current value of RealT or our assets at any particular time.

Possible Changes in Federal/Local Tax Laws or the application of existing Federal/Local Tax Laws may result significant variability in our results of operations and tax liability for the Investor.

The Internal Revenue Code of 1986, as amended, is subject to change by Congress, and interpretations may be modified or affected by judicial decisions, by the Treasury Department through changes in regulations and by the Internal Revenue Service through its audit policy, announcements, and published and private rulings. Although significant changes to the tax laws historically have been given prospective application, no assurance can be given that any changes made in the tax law affecting an investment in any series of interest of RealT would be limited to prospective effect. Accordingly, the ultimate effect on an Investor's tax situation may be governed by laws, regulations or interpretations of laws or regulations which have not yet been proposed, passed or made, as the case may be. This analysis would apply as well to local property tax laws which are also subject to change on a periodic basis.

Furthermore, investors may reside in various tax jurisdictions throughout the world. To the extent that there are changes to tax laws or tax reporting obligations in any of these jurisdictions, such changes could adversely impact the ability and/or willingness of our clients to purchase interests in real estate property. Failure to assess or pay the correct amount of tax on a transaction may expose us to claims from tax authorities.

Risks Related to Blockchain Technology, the Ethereum Network, the Series #1 RealTokens, and Cryptocurrencies

The potential application of existing regulatory regimes governing blockchain technologies, cryptocurrencies, tokens, and token offerings such as the Series #1 RealToken is not fully developed and so remains substantially uncertain in many respects. New regulations or policies may materially adversely affect the utility of Series #1 RealTokens.

Regulation of tokens (including Series #1 RealTokens) and token offerings such as this Offering, cryptocurrencies (such as BTC or ETH), financial intermediaries such as spot cryptocurrency exchanges, and blockchain networks (such as the Ethereum Network on which the Series #1 RealTokens are intended to be issued), currently is relatively undeveloped and is likely to rapidly evolve. Such regulation may vary and may conflict among international, federal, state and local jurisdictions and the potential applications of existing regulations remain subject to significant uncertainty in many respects. In addition, various legislative and executive bodies in the United States and other countries may in the future adopt new laws, regulations, guidance, or other actions (including applying existing laws and regulations in ways that are adverse), which may severely impact the ability to access marketplaces or exchanges on which to trade Series #1 RealTokens, and the structure, rights, value and transferability of Series #1 RealTokens. In addition, failure by us to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines.

This Offering of Series #1 RealTokens has been designed to comply with securities registration exemptions under U.S. federal law, and securities laws will limit the ability to resell Series #1 RealTokens.

This Offering has been structured in a manner designed to qualify for valid exemptions from registration under U.S. federal and state securities laws. Investors agree only to resell Series #1 RealTokens in compliance with applicable securities laws and the restrictions on resale set forth in the subscription agreement and this Memorandum. In addition, no ATS or other exchange is currently committed to list Series #1 RealTokens, and treatment of Series #1 RealTokens as a security may limit or prevent their listing on certain exchanges in the future. Although we intend to list Series #1 RealTokens on one or more ATSs or other exchanges, no assurance can be made that our attempts to list the Series #1 RealTokens on any ATS or other exchange will be successful.

The Company does not expect to have a cybersecurity audit performed on the RealToken smart contract and holders of RealTokens could suffer losses if the RealToken smart contract or the digital wallets in which the RealTokens are held are hacked.

We do not expect to have a cybersecurity audit performed on the RealToken smart contract. We believe that because all purchasers of the RealTokens will be whitelisted and all transactions in the RealTokens recorded, tracked, and reversible, the risk of loss from the possible hacking of a RealToken smart contract or a digital wallet holding RealTokens will be mitigated.

If Series #1 RealTokens are purchased using cryptocurrencies, our proceeds from this offering may be significantly reduced.

We may allow investors to purchase Series #1 RealTokens using BTC, ETH or other cryptocurrencies. We may need to convert the cryptocurrencies received from investors into U.S. dollars. It is expected that we shall use one or more digital currency exchanges or OTC desks for such conversions. Depending on the total sums of cryptocurrency received, the timing of our conversion of the cryptocurrency received and the liquidity of the applicable cryptocurrency markets, conversion may not be instantaneous. In such an event, we will be subject to risks related to fluctuations in the value of such cryptocurrency and U.S. dollars, as applicable, and may also be subject to fees from exchanges and intermediaries that vary with currency value and transaction volume, among other factors. Such risks and fluctuations could result in significantly lower proceeds to us in this Offering.

The further development and acceptance of blockchain networks, which are part of a new and rapidly changing industry, as well as blockchain-based assets such as BTC and ETH, are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of blockchain networks and blockchain assets would have an adverse material effect on the successful development and adoption of Series #1 RealTokens.

The utilization and growth of the blockchain industry is subject to a high degree of uncertainty. The factors affecting the continuing utilization and further development of the cryptocurrency industry, as well as blockchain networks, include, without limitation:

- Worldwide growth, or a decline, in the adoption and use of BTC or ETH and other blockchain assets as well as the decreasing use of blockchain technology;
- Government and quasi-government regulation of BTC or ETH and other blockchain assets and their use, or restrictions on, or regulation of access to and operation of blockchain networks (such as the Ethereum Network) or similar systems, including in jurisdictions outside the United States;
- The maintenance and development of the open-source software protocol of the Ethereum Network;
- Changes in consumer demographics and public tastes and preferences;
- The availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using sovereign currencies (such as the U.S. dollar) or existing networks; or
- General economic conditions and the regulatory environment relating to cryptocurrencies.

The slowing or stopping of the development, general acceptance, adoption, and usage of blockchain networks (such as the Ethereum Network) and blockchain assets may deter or delay the acceptance and adoption of the Series #1 RealTokens.

The prices of blockchain assets are extremely volatile. Fluctuations in the price of digital assets could materially and adversely affect our business, and Series #1 RealTokens may also be subject to significant price volatility.

The prices of blockchain assets such as BTC and ETH have historically been subject to dramatic fluctuations and are highly volatile, and the market price of Series #1 RealTokens may also be highly volatile. Several factors may influence the market price of Series #1 RealTokens, including, but not limited to:

- Global blockchain asset supply;
- Global blockchain asset demand, which can be influenced by the growth of retail merchants' and commercial businesses' acceptance of blockchain assets like cryptocurrencies as payment for goods and services, the security of online blockchain asset exchanges, and digital wallets that hold blockchain assets, the perception that the use and holding of blockchain assets is safe and secure, and the regulatory restrictions on their use;
- Investors' expectations with respect to the rate of inflation;
- Interest rates;
- Currency exchange rates, including the rates at which digital assets may be exchanged for fiat currencies;
- Fiat currency withdrawal and deposit policies of exchanges, such as an ATS or other exchange, on which Series #1 RealTokens may be traded and liquidity on such exchanges;
- Interruptions in service from or failures of exchanges on which Series #1 RealTokens may be traded;
- Investment and trading activities of large investors, including private and registered funds, that may directly or indirectly invest in Series #1 RealTokens or other blockchain assets;
- Monetary policies of governments, trade restrictions, currency devaluations and revaluations;
- Regulatory measures, if any, that affect the use of blockchain assets such as Series #1 RealTokens;
- The maintenance and development of the open-source software protocol of the Ethereum Network;
- Global or regional political, economic or financial events and situations; or
- Expectations among blockchain assets participants that the value of Series #1 RealTokens or other blockchain assets will soon change.

A decrease in the price of a single blockchain asset may cause volatility in the entire blockchain asset industry and may affect other blockchain assets including Series #1 RealTokens.

Blockchain networks utilize code that is subject to change at any time. These changes may have unintended consequences for Series #1 RealTokens.

Series #1 RealTokens are intended to be ERC-20 tokens built on the Ethereum blockchain (or similar) protocol as modified to meet transfer restriction requirements under applicable U.S. securities law. Changes, such as upgrades to Ethereum's blockchain, may have unintended, adverse effects on all blockchains utilizing the ERC-20 tokens. Also, the Ethereum Network operates based on an open-source protocol maintained by contributors, and contributors are generally not compensated for maintaining and updating the Ethereum Network protocol. The lack of guaranteed financial incentive for contributors to maintain or develop the Ethereum Network and the lack of guaranteed resources to adequately address emerging issues with the Ethereum Network may reduce incentives to address the issues adequately or in a timely manner. This may adversely affect either the market value or the operational status of Series #1 RealTokens.

Additionally, RealT, in its sole discretion may determine to issue the Series #1 RealTokens on a blockchain other than Ethereum, which may adversely impact an investment in Series #1 RealTokens.

Only a few SEC-registered ATSs currently exist to trade blockchain-based security tokens; we may be unsuccessful in listing Series #1 RealTokens on any ATS or, once listed, maintaining such listing; trading over a blockchain-capable ATS currently offers the only legal way to trade securities tokens such as Series #1 RealTokens.

Currently there are only a small number of SEC-registered ATSs which have the technological capabilities to permit the trading of securities tokens, such as the Series #1 RealTokens. Because the Series #1 RealTokens are intended to be issued as ERC-20 tokens on the Ethereum blockchain, they currently cannot be traded using a conventional securities trading platform such as a national securities exchange (*e.g.,* the New York Stock Exchange). However, because Series #1

RealTokens are securities, they are not permitted to be traded on most spot cryptocurrency exchanges that are capable of handling blockchain assets (*e.g.,* Coinbase), because most spot cryptocurrency exchanges are not registered with the SEC to offer trading securities. If we are unable to list on an SEC-registered ATS that is capable of handling blockchain tokens, our Series #1 RealTokens may not legally be permitted to trade in the United States, which could result in a decrease in value of a Series #1 RealToken.

Banks and financial institutions may not provide banking services, or may cut off services, to businesses that provide cryptocurrency-related services or that accept cryptocurrencies as payment.

A number of companies that provide services relating to cryptocurrency or blockchain tokens (like the Series #1 RealTokens) have been unable to find banks or financial institutions that are willing to provide them with bank accounts and other services. Similarly, a number of companies and individuals or businesses associated with cryptocurrencies and blockchain tokens may have had and may continue to have their existing bank accounts closed or services discontinued with financial institutions. Banks and other established financial institutions may refuse to process funds for cryptocurrency or blockchain token (including the Series #1 RelToken) transactions, process wire transfers to or from cryptocurrency exchanges, cryptocurrency-related companies or service providers, or maintain accounts for persons or entities transacting in cryptocurrency.

Cyber security threats could result in misappropriation, hacking, infection by malware, or other damage to Series #1 RealTokens or the blockchain network on which it is issued which could adversely affect an investment in Series #1 RealTokens.

Security breaches, computer malware and computer hacking attacks have been a prevalent concern since the launch of blockchain networks. Any security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and inadvertent or intentional infection by computer viruses, could harm or damage the software behind Series #1 RealTokens, which are intended to use the Ethereum blockchain, resulting in a loss of functionality, value, possession, or other damage to the holders of such Series #1 RealTokens. Any breach of the software infrastructure supporting Series #1 RealTokens could adversely affect an investment therein.

The security system and operational infrastructure supporting the Series #1 RealTokens may be breached due to various causes, including, without limitation, the actions of outside parties, error or malfeasance of an employee or other third party service providers, or other reasons, and, as a result, an unauthorized party may obtain access to private keys, data, or the software infrastructure for the Series #1 RealTokens, or BTC, ETH, or other cryptocurrencies. As the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, or may be designed to remain dormant until a predetermined event and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures. If an actual or perceived breach of the security system or operational infrastructure supporting the Series #1 RealTokens occurs, part or all of a tokenholder's Series #1 RealTokens could be lost, stolen or destroyed, and the value of an investment in Series #1 RealTokens may be adversely affect.

Loss of private keys may render Series #1 RealTokens worthless.

If a private key is lost, destroyed or otherwise compromised and no backup of the private key is accessible, an investor will not be able to access the blockchain asset associated with the corresponding address. Any loss of private keys relating to digital wallets used to store Series #1 RealTokens could result in an investor's complete loss of the Series #1 RealTokens it holds.

Smart contracts are subject to limitations.

Smart contract technology is still in its early stages of development, and its application is experimental in nature. This carries significant operational, technological, regulatory, reputational, and financial risks. Smart contracts may not be fit for the purpose intended by Company and may contain flaws, vulnerabilities, or other issues, which may cause technical problems or the complete loss of Series #1 RealTokens.

Intellectual property rights claims may adversely affect the operation of blockchain networks.

Third parties may assert intellectual property claims relating to the holding and transfer of blockchain tokens such as Series #1 RealTokens, or BTC, ETH or other cryptocurrencies, and their source code. Regardless of the merit of any intellectual

property or other legal action, any threatened action that reduces confidence in the Ethereum Network's or the Series #1 RealTokens' long-term viability or the ability of holders to hold and transfer Ether or Series #1 RealTokens may adversely affect an investment in the Series #1 RealTokens, which are intended to use the Ethereum blockchain. Additionally, a meritorious intellectual property claim could prevent us or our tokenholders from accessing the Ethereum Network or Series #1 RealTokens or holding or transferring their Ether or Series #1 RealTokens. As a result, an intellectual property claim against us or against the Ethereum Network could adversely affect an investment in the Series #1 RealTokens.

Risks Related to Cryptocurrencies and Crypto-Backed Real Estate Tokenization

The Dai Stablecoin that will be used for rental income dividend distributions could malfunction and lose its stability.

A Stablecoin is a cryptocurrency pegged to a stable asset, such as fiat currency like U.S. dollars or managed algorithmically via software. Stablecoins are distinct from other cryptocurrencies like bitcoin, where the price is driven by market dynamics (i.e., supply and demand) and not from the asset to which it corresponds.

RealToken expects to use the Dai stablecoin to make rental income dividend distributions to RealToken holders. The Dai Stablecoin, which is issued via an open-source software smart contract on the Ethereum blockchain, is intended to trade with diminished volatility compared to other cryptocurrencies while maintaining a close relationship to the U.S. Dollar. Failure of the software underlying the Dai stablecoin, its governance process, or underlying assumptions underpinning the processes used to maintain stability could result in the Dai stablecoin diverging materially from its peg and lead to loses for Investors who may hold receive and hold the Dai stablecoin.

Excessive volatility or a significant decline in Ether could result in loses for Dai Stablecoin holders.

The Dai stablecoin is a collateral-backed cryptocurrency whose value is stable relative to the U.S. Dollar. The Dai stablecoin was created by the Maker Platform on the Ethereum blockchain. Maker uses smart contracts on the Ethereum blockchain to support and stabilize the value of the Dai stablecoin through a dynamic system of Ether based Collateralized Debt Positions (CDPs), autonomous feedback mechanisms, and appropriately incentivized external actors. Maker enables anyone to leverage their Ethereum assets to generate Dai on the Maker Platform.

Excessive volatility in Ether could result in the CDPs used to maintain stability being liquidated in an unorderly process which could lead to a material divergence in the peg to the U.S. Dollar and potentially significant loses for holders of the Dai stablecoins.

Investors may be unable to efficiently convert the Dai Stablecoins that they receive as rental income dividend distributions.

RealToken expects to make rental income dividend distributions using the Dai stablecoin which is based on the Ethereum blockchain. Failure of the Ethereum blockchain to process transactions efficiently or a breakdown in the underlying function of the Ethereum blockchain network could result in difficulty accessing and exchanging the Dai stablecoin. Any delay caused by a network dislocation or excessive congestion could result in loses if the holder of Dai stablecoins is not able to exchange the Dai stablecoin in an efficient manner, if at all.

In the event the Series #1 RealToken's smart contract does not work as anticipated, remedies may be more limited than in the traditional securities market.

The utilization of tokenized smart contracts for the conveyance of securities has only recently developed. The reliability of smart contracts has not been tested over any significant term. The risks that could emerge as the use of securities tokens increases are considerable, including risks of hacking, risks of poor programming, risks of lack of clarity, and others. Any failure of the smart contract to operate as expected may result in unintended transactions that cannot be reversed, and Series #1 RealToken holders may have more limited remedies than are available in the traditional securities market.

Transfers of digital assets are controlled only by those who know the unique private cryptographic key relating to the assets. If your private key is lost, destroyed, or otherwise compromised and no backup of the private key is accessible, RealToken or you may not be able to access the digital asset associated with this private key. Further, the private key may not be able to be reissued, restored, or otherwise reset. In addition, to the extent a third party gains access to a private key, that third party may be able to access the digital asset to which the private key relates. Moreover, any breach of data security that exposes or compromises the security of the private keys used to authorize or validate transaction orders, or that enables any unauthorized person to generate any private keys, could result in unauthorized transfers that may be impossible to reverse or remedy. Any

loss of private keys relating to digital wallets used to store the RealTokens or the BTC or ETH used to participate in the Offering could have a material adverse effect on your investment.

The Ethereum blockchain, which will be used for RealTokens, is susceptible to mining attacks.

The Ethereum blockchain, which will be used for RealTokens, is susceptible to mining attacks, including double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and race condition attacks, as well as other new forms of attack that may be created in the future. Any successful attacks present a risk to RealTokens and expected proper execution and sequencing of RealTokens in general. Mining attacks may also target other blockchain networks with which RealTokens interact, which may consequently impact RealTokens in a materially and significantly negative way.

PLAN OF DISTRIBUTION

The Offering

RealT is Offering directly, and with the assistance of Primary Capital, LLC, as Investment Banking Advisor, along with any Advisory Group Members engaged by the Investment Banking Advisor, up to one thousand (1,000) Series #1 RealTokens to persons who are "accredited investors" (as defined in Rule 501 under Regulation D promulgated under the Securities Act) in reliance upon Regulation D under the Securities Act, or in transactions outside the United States to persons who are not "U.S. Persons" (as defined in Regulation S under the Securities Act) pursuant to Regulation S under the Securities Act and who meet the other investor suitability standards established by RealT.

The Offering Price of a Series #1 RealToken is $63.75 and the Maximum Offering Amount is $63,750.00. Investors who are U.S. persons must purchase a minimum of ten (10) Series #1 RealTokens to participate in this Offering unless RealT, in its sole discretion, determines to accept a lesser amount. Investors who are not U.S. persons (as defined under Regulation S) investing under the Regulation S exemption may purchase a minimum of one (1) Series #1 RealToken.

The Offering began on April 25, 2019 and last until the earlier of: (i) the date on which all the Maximum Offering Amount has been sold; (ii) the date on which the Managing Member terminates the Offering, or (iii) August 15, 2020 unless such date is extended by the Managing Member in its sole discretion for up to an additional 90 days. RealT may hold a series of Closings on a rolling basis as funds and investment documents are received. RealT reserves the right to terminate the Offering of the Series #1 RealTokens at any time.

The Interests will be issued in the form of cryptographic digital tokens, Series #1 RealTokens, which are a new series of Ethereum blockchain-based smart contract digital tokens meeting the ERC-20 standard modified to meet transfer restriction requirements under applicable U.S. securities law.

The Managing Member, and not RealT, will pay all of the expenses incurred in this Offering including fees to legal counsel, but excluding fees for counsel or other advisors to the Investors and fees associated with the filing of a Form D sales report with the SEC and future blue-sky filings with state securities departments, as applicable. Any Investor desiring to engage separate legal counsel or other professional advisors in connection with this Offering will be responsible for the fees and costs of such separate representation.

Best Efforts Offering

RealT has not engaged an underwriter for the Offering. No one has made a firm commitment to purchase or sell any Series #1 RealTokens. The Investment Banking Advisor will not purchase any Series #1 RealTokens for its own account. As a "best efforts" offering, RealT cannot assure prospective Investors that RealT will sell any of the Series #1 RealTokens. Investors have no right to obtain a return of their subscriptions unless RealT does not accept the subscription, or a Closing does not occur. RealT is not required to raise any minimum amount in this Offering before it may utilize the funds received in this Offering as described elsewhere in this Memorandum.

Rule 506(c) of Regulation D; Regulation S

RealT is distributing this Memorandum and Offering Series #1 RealTokens in the U.S. pursuant to Rule 506(c) of Regulation D under the Securities Act. Accordingly, RealT may employ general solicitation and advertising in connection with the sale of the Series #1 RealTokens.

All U.S. Investors who participate in the Offering must be accredited investors and we will take reasonable steps to verify that each Investor is accredited. Each Investor must provide any and all additional documentation that we may reasonably request, to confirm that the Investor meets any applicable minimum financial suitability standards. Investors will be asked or required to provide documentation to verify their accredited investor status. This documentation may be retained and reviewed by us and copies of this documentation may be provided to our affiliates or to the Investment Banking Advisor or its affiliates. RealT may not accept an Investor's subscription if the Investor is not able to provide documentation that is acceptable to RealT and the Investment Banking Advisor. For Investors in this Offering providing statements of assets to support accreditation via net worth, RealT and/or the Investment Banking Advisor may be required to run a credit score to determine a purchaser's current offsetting liabilities.

RealT is also distributing this Memorandum and Offering Series #1 RealTokens to prospective Investors who are not "U.S.

persons," as defined in Regulation S, in offshore transactions. Such non-U.S. Persons will be required to represent to RealT in writing that they are excluded from the Regulation S definition of "U.S. person" purchasing in an offshore transaction not for the account or benefit of a U.S. Person. They must also represent in writing that they are purchasing the Series #1 RealTokens for their own account and not for the account of others and not with a view to reselling or distributing Series #1 RealTokens.

Affiliates of RealT may Participate in the Offering

RealT's affiliates, including its officers, directors and significant interest owners, may purchase Series #1 RealTokens in this Offering.

Investor Suitability Standards

Only persons of adequate financial means who have no need for present liquidity with respect to this investment should consider purchasing the Series #1 RealTokens offered hereby because: (i) an investment in the Series #1 RealTokens involves a number of significant risks (See "Risk Factors"); and (ii) no market exists for the Series #1 RealTokens and none is likely to develop in the reasonably foreseeable future. This Offering is intended to be a private offering that is exempt from registration under the Securities Act and applicable state and foreign securities laws.

U.S. Purchaser Eligibility Requirements

This Offering is limited in the U.S. solely to "accredited investors" as defined in Regulation D under the Securities Act, meaning only those persons or entities coming within any one or more of the following categories:

For Individuals:

(a) an individual with a net worth[2], or a joint net worth together with his or her spouse, in excess of $1,000,000. (In calculating net worth, you may include equity in personal property and real estate (however, you cannot include your primary residence), cash, short term investments, stock and securities. Equity in personal property and real estate (excluding your primary residence) should be based on the fair market value of such property minus debt secured by such property.)

(b) an individual that had an individual income in excess of $200,000 in each of the prior two years and reasonably expects an income in excess of $200,000 in the current year. (In calculating net income, you may include earned income and other ordinary income, such as interest, dividends and royalties.)

(c) an individual that had with his/her spouse joint income in excess of $300,000 in each of the prior two years and reasonably expects joint income in excess of $300,000 in the current year. (In calculating net income, you may include earned income and other ordinary income, such as interest, dividends and royalties.)

For Corporations, Partnerships and other Entities:

(a) an entity in which all of the equity owners are "accredited investors" because each equity owner meets one of the criteria set forth in paragraphs (a) through (c) in the Questionnaire for Individuals in Part B.1 of this Questionnaire above or paragraphs (b) through (p) below;

(b) a trust (other than an employee benefit or pension plan) with total assets in excess of $5,000,000 not formed for the specific purpose of acquiring securities in connection with the proposed Investment, whose voting decision with

[2] The term "net worth" means the excess of total assets over total liabilities, exclusive of the value of your primary residence net of any mortgage debt and other liens. In determining income, you should add to your adjusted gross income any amounts attributable to tax-exempt income received, losses claimed as a limited partner in any limited partnership, deductions claimed for depreciation, contributions to an IRA or Keogh retirement plan, alimony payments and any amount by which income from long-term capital gains had been reduced in arriving at adjusted gross income.

respect to the proposed Investment would be directed by a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the Investment and of the consideration that would be received in the Investment;

(c) a partnership, a corporation, or a Massachusetts or similar business trust, not formed for the specific purpose of acquiring securities in the Investment, with total assets in excess of $5,000,000;

(d) an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, not formed for the specific purpose of acquiring securities in the proposed Investment, with total assets in excess of $5,000,000;

(e) a bank as defined in Section 3(a)(2) of the Act, whether acting in its individual or fiduciary capacity;

(f) 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;

(g) a broker dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended;

(h) an insurance company as defined in Section 2(13) of the Act;

(i) an investment company registered under the Investment Company Act of 1940, as amended (the "**Investment Company Act**");

(j) a business development company as defined in Section 2(a)(48) of the Investment Company Act;

(k) 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;

(l) 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, with total assets in excess of $5,000,000;

(m) an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), if the investment decision to vote in favor of an Investment is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment adviser;

(n) an employee benefit plan within the meaning of ERISA with assets in excess of $5,000,000;

(o) a self-directed employee benefit plan within the meaning of ERISA with investment decisions made solely by persons that are "accredited investors" as defined in Rule 501(a) of the Act; or

(p) a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.

As a U.S. person, you will be required to represent to the Series in writing that you are an accredited investor under Regulation D, as described above, and will be required to provide certain documentation in support of such representation. In addition to the foregoing requirement, you must also represent in writing that you are acquiring the Series #1 RealTokens for your own account and not for the account of others and not with a view to resell or distribute such securities.

Non-U.S. Purchaser Eligibility Requirements

Each Investor who is a Non-U.S. Person must represent in writing that it has satisfied and is in full observance of the laws of such Investor's jurisdiction in connection with any invitation to purchase a Series #1 RealToken, including:

(a) The legal requirements within the Investor's jurisdiction for the purchase of Series #1 RealTokens and the subsequent conversion in Series #1 RealTokens;

(b) The purchase of Series #1 RealTokens and subsequent ownership of Series #1 RealTokens will not violate any applicable securities or other laws in the Investor's jurisdiction;

(c) Any foreign exchange restrictions applicable to such purchase;

(d) Any governmental or other consents that may need to be obtained; and

(e) The income tax and other tax consequences, if any, that may be relevant to the purchase, holding, and sale of the Series #1 RealTokens.

The following classes of Investors are specifically excluded from the Regulation S definition of "**U.S. Person**" by Rule 902(k)(2) under the Securities Act:

- Any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a Non-U.S. person by a dealer or other personal fiduciary organized, incorporated, or (if an individual) resident in the United States;

- Any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if (a) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate; and (b) the estate is governed by foreign law;

- Any trust of which any professional fiduciary acting as trustee is a U.S. Person, if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person;

- An employee benefit plan established and administered in accordance with the law of a country other than United States and customary practices and documentation of such country;

- An agency or branch of a U.S. Person located outside the United States if (a) the agency or branch operates for valid business reasons; and (b) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and

- The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

Other Requirements

In addition to submitting documentation to confirm their status as non "U.S. Persons," all potential purchasers of the Series #1 RealTokens will need to complete requisite know-your-customer and anti-money laundering procedures to execute a Subscription Agreement.

The USA PATRIOT Act	**What is money laundering?**	**How big is the problem and why is it important?**
The USA PATRIOT Act is designed to detect, deter and punish terrorists in the United States and abroad. The Act imposes anti-money laundering requirements on brokerage firms and financial institutions. Since April 24, 2002, all United States brokerage firms have been required to have comprehensive anti-money laundering programs in effect. To help you understand these efforts, the Issuer wants to provide you with some information about money laundering and the Issuer's efforts to help implement the USA PATRIOT Act.	Money laundering is the process of disguising illegally obtained money so that the funds appear to come from legitimate sources or activities. Money laundering occurs in connection with a wide variety of crimes, including illegal arms sales, drug trafficking, robbery, fraud, racketeering and terrorism.	The use of the United States financial system by criminals to facilitate terrorism or other crimes could taint its financial markets. According to the United States State Department, one recent estimate puts the amount of worldwide money laundering activity at $1 trillion a year.

RealT, or the Issuer, reserves the right to request such information as is necessary to verify the identity of purchasers of the Series #1 RealTokens, and the source of the payment of subscription monies, or as is necessary to comply with any customer identification programs or such information as may be required in order for the Issuer to discharge its obligations under Delaware law (including pursuant to the Proceeds of Crime Law (as revised)).

In the event of delay or failure by the applicant to produce any information required for verification purposes, an application for or transfer of the Tokens and the subscription monies relating thereto may be refused.

You should check the Office of Foreign Assets Control (the "*OFAC*") website at http://www.treas.gov/ofac before making the following representations:

(i) you represent that the amounts invested by you in this Offering were not and are not directly or indirectly derived from any activities that contravene Federal, state or international laws and regulations, including anti-money laundering laws and regulations. Federal regulations and Executive Orders administered by the OFAC prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of the OFAC-prohibited countries, territories, individuals and entities can be found on the OFAC website at http://www.treas.gov/ofac. In addition, the programs administered by the OFAC (the "***OFAC Programs***") prohibit dealing with individuals[3] or entities in certain countries, regardless of whether such individuals or entities appear on any OFAC list;

(ii) you represent and warrant that none of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this investment is a country, territory, entity or individual named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Please be advised that the Issuer may not accept any subscription amounts

[3] These individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs.

from a prospective purchaser if such purchasers cannot make the representation set forth in the preceding sentence. You agree to promptly notify the Issuer should you become aware of any change in the information set forth in any of these representations. You are advised that, by law, the Issuer may be obligated to "freeze the account" of any purchaser, either by prohibiting additional subscriptions from it, declining any redemption requests and/or segregating the assets in the account in compliance with governmental regulations, and that the Issuer may also be required to report such action and to disclose such purchaser's identity to the OFAC;

(iii) you represent and warrant that none of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this investment is a senior foreign political figure[4], or any immediate family[5] member or close associate[6] of a senior foreign political figure, as such terms are defined in the footnotes below; and

(iv) if you are affiliated with a non-U.S. banking institution (a "***Foreign Bank***"), or if you receive deposits from, make payments on behalf of, or handle other financial transactions related to a Foreign Bank, you represent and warrant to the Issuer that: (1) the Foreign Bank has a fixed address, and not solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities; (3) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct its banking activities; and (4) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.

The Issuer is entitled to rely upon the accuracy of your representations. The Issuer may, but under no circumstances will it be obligated to, require additional evidence that a prospective purchaser meets the standards set forth above at any time prior to its acceptance of a prospective purchaser's subscription. You are not obligated to supply any information so requested by the Issuer, but the Issuer, upon advice of the Investment Banking Advisor, may reject a subscription from you or any person who fails to supply such information.

An investment in the Interests may involve significant risks. Only Investors who can bear the economic risk of the investment for an indefinite period of time and the loss of their entire investment should invest in the Interests. See "Risk Factors."

Investment Banking Advisor

Primary Capital, LLC, a Delaware limited liability company, has been engaged by RealT on an exclusive basis as the Investment Banking Advisor for this Regulation D, Rule 506(c) and Regulation S "best efforts" Offering, and for any additional "best efforts" private placement offerings of future to-be-organized series of RealT, pursuant to a Financing and Additional Services Agreement dated June 11, 2019 (the "**Investment Banking Advisor Agreement**"). Pursuant to the terms of the Investment Banking Advisor Agreement, the Investment Banking Advisor will provide to RealT regular and customary investment banking services as may be requested by RealT including, but not limited to, reviewing and commenting on the Offering materials, business plan, Company capital structure, white paper and marketing materials, advising RealT on the investment and private placement offering process, and advising RealT with respect to initial offer and sale of security tokens and the listing of the same for secondary trading on alternative trading systems. The Investment Banking Advisor is a broker-dealer registered with the SEC and a member of FINRA and SIPC and will be registered in each state where the Offering and sale of the Interest will occur, prior to the launch of the Offering, but will not act as an underwriter or placement agent in connection with this Offering. The Investment Banking Advisor will receive Investment Banking Advisor Fees, including the Cash Service Fee but will not be required to purchase any Interests and, therefore, will not be eligible to receive any discounts or any underwriting fees in connection with the Offering.

RealT will indemnify the Investment Banking Advisor, and its respective affiliates and their respective directors, officers, employees, agents, representatives and controlling persons against any losses which are incurred in connection with providing

[4] A "senior foreign political figure" is defined as a senior official in the executive, legislative, administrative, military or judicial branch of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a "senior foreign political figure" includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

[5] "Immediate family" of a senior foreign political figure typically includes such figure's parents, siblings, spouse, children and in-laws.

[6] A "close associate" of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with such senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of such senior foreign political figure.

the services under the Investment Banking Advisor Agreement other than losses which arise out of the indemnified party's willful misconduct or gross negligence.

Fees and Expenses

Offering Expenses

Each series of interests will generally be responsible for certain fees, costs and expenses incurred in connection with the offering of the interests associated with that series (the "**Offering Expenses**"). Offering Expenses consist of legal, accounting, compliance and marketing costs, as applicable, related to a specific offering (and excludes commissions paid to the Investment Banking Advisor and ongoing costs included in Operating Expenses). The Managing Member has agreed to pay and not be reimbursed for Offering Expenses incurred with respect to this Offering.

Acquisition Expenses

Each Series will incur costs and expenses in relation to the evaluation, discovery, investigation, repair and acquisition of the underlying asset related to such Series prior to a Closing, including brokerage and sales fees and commissions (but excluding the Investment Banking Advisor Fees), appraisal fees, research fees, transfer taxes, third party industry and due diligence experts, bank fees and interest (if the underlying asset is acquired using debt prior to completion of an offering), travel and lodging for inspection purposes, and photography and videography expenses in order to prepare the profile for the underlying asset on the RealToken Website (the "**Acquisition Expenses**"). The Acquisition Expenses will be built into the Purchase Price of the Underlying Asset in each Series offering. The Series may incur, however, certain post-Closing acquisition related expenses such as property appraisal costs and title transfer costs. Title transfer costs with respect to the Series #1 Underlying Asset, including a title insurance premium, will be borne by the Asset Seller.

Investment Banking Advisor Fees

As compensation for providing certain broker-dealer services to RealT in connection with this and future offerings, the Investment Banking Advisor has already received an investment banking Retainer Fee of $25,000. Additionally, the Investment Banking Advisor will receive a Cash Service Fee equal to 5% of the amount raised through this Offering (which, for clarification purposes, excludes any Interests purchased by the Managing Member, its affiliates or the Asset Sellers), the Expense Reimbursement of all of its reasonable out-of-pocket expenses (including attorney's fees) and the Asset Disposition Fee equal to 3% of the gross proceeds received by the Series resulting from the sale or disposition at any time of the Underlying Asset. The Retainer Fee and the Expense Reimbursement will be paid by the Managing Member; the Cash Service Fee will be paid by the Asset Seller. The Series will be responsible for paying the Asset Disposition Fee to the Investment Banking Advisor.

With respect to any future offerings of any properties on the RealT platform in which the asset sellers are affiliates of RealT, the Investment Banking Advisor will receive a Cash Service Fee equal to 3% of the amount raised through any such offering, but solely with respect to investments made under Regulation D. With respect to any future offerings of any properties on the RealT platform by third parties which are not owned or controlled by RealT (each, a "**Third Party Offering**"), the Investment Banking Advisor will receive a Cash Service Fee equal to 1% of the amount raised through any such Third Party Offering but solely with respect to investments made under Regulation D. No cash service fee will be paid with respect to any investments in any offering made under Regulation S and no Asset Disposition Fee will be paid in any case.

Additionally, during the 24-month period following termination of the Investment Banking Advisor Agreement, the Investment Banking Advisor will receive the Cash Service Fee with respect to any sales of RealTokens made to any party introduced to RealT by the Investment Banking Advisor or introduced to RealT by a party originally introduced by the Investment Banking Advisor, in each case prior to the termination of the Series #1 Offering.

Additional Information Regarding this Memorandum

We have not authorized anyone to provide you with information other than as set forth in this Memorandum. Except as otherwise indicated, all information contained in this Memorandum is given as of the date of this Memorandum. 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 our affairs since the date hereof.

From time to time, we may provide a "Memorandum Supplement" that may add, update or change information contained in this Memorandum. Any statement that we make in this Memorandum will be modified or superseded by any inconsistent

statement made by us in a subsequent Memorandum Supplement. You should read this Memorandum and the related exhibits and any Memorandum Supplement.

How to Subscribe

Potential Investors who are "accredited investors" or excluded from the Regulation S definition of "U.S. persons" may subscribe to purchase the Series #1 RealTokens. Any potential Investor wishing to acquire the Series #1 RealTokens must:

1. Carefully read this Memorandum, and any current supplement, as well as any documents described in the Memorandum and attached hereto or which you have requested. Consult with your tax, legal and financial advisors to determine whether an investment in the Interests is suitable for you.

2. Review the subscription agreement (including the "Accredited Investor Questionnaire" attached thereto), which was pre-populated following your completion of certain questions on the RealToken Website application and if the responses remain accurate and correct, sign the completed subscription agreement along with the related RealToken LLC operating agreement member signature page using electronic signature. Additionally, you will need to provide entity information such as address and social security number or tax ID number to pass KYC (Know Your Customer) and AML (Anti Money Laundering) checks. Except as otherwise required by law, subscriptions may not be withdrawn or cancelled by subscribers.

3. If you are an Investors who is not a U.S. person and you will be purchasing Series #1 RealTokens pursuant to the securities registration exemption provided by Regulation S, you will be asked to make payment for your purchases of RealTokens prior to the completion of the AML/KYS investor review process. For Investors who are U.S. persons and who will be purchasing Series #1 RealTokens pursuant to the securities registration exemption provided by Regulation D, once the completed subscription agreement is signed and accreditation and KYC/AML steps are complete, you must follow the payment instructions provided with the subscription agreement to make payment to finalize your purchase of the Series #1 RealTokens. Funds collected from you as payment for the Series #1 RealTokens will be transferred directly to a segregated Series bank account where they will be held until your subscription is either accepted or rejected.

4. The Manager and the Investment Banking Advisor will review the subscription documentation completed and signed by you. You may be asked to provide additional information. The Manager or the Investment Banking Advisor will contact you directly if required. We reserve the right to reject any subscriptions, in whole or in part, for any or no reason, and to withdraw the Offering at any time prior to a Closing.

5. Once the review is complete, the Manager will inform you whether or not your application to subscribe for the Series #1 RealTokens is approved or denied and if approved, the number of Series #1 RealTokens you are entitled to subscribe for. If your subscription is accepted, your subscription payment will then become available to the Series for use. If your subscription is rejected in whole or in part, then your subscription payments (being the entire amount if your application is rejected in whole or the payments associated with those subscriptions rejected in part), if any, will be refunded promptly, without interest or deduction. The Manager accepts subscriptions on a first-come, first served basis subject to the right to reject or reduce subscriptions.

6. If you make your subscription payment in BTC, ETH or other cryptocurrencies, your funds will be converted into U.S. dollars upon receipt. If your subscription is rejected, your subscription payment will be returned to you in the number of U.S. dollars received by the Series upon conversion of the original cryptocurrency payment.

7. If all or a part of your subscription is approved, then the number of Series #1 RealTokens you are entitled to subscribe for will be issued to your electronic Digital Wallet upon a Closing.

By executing the subscription agreement and the RealToken LLC operating agreement member signature page, you agree to be bound by the terms of the subscription agreement and Operating Agreement. RealT, the Managing Member and the Investment Banking Advisor will rely on the information you provide in the subscription agreement, including the "Accredited Investor Questionnaire" attached thereto and the supplemental information you provide in order for the Managing Member and the Investment Banking Advisor to verify your status as an "accredited investor." If any information about your "accredited investor" status changes prior to you being issued the Series #1 RealTokens, please notify the Managing Member immediately using the contact details set out in the subscription agreement.

For further information on the subscription process, please contact the Managing Member using the contact details set out in the “Where You Can Find Additional Information” section.

USE OF PROCEEDS TO ISSUER

We estimate that the gross proceeds of this Offering will be approximately $63,750.00 assuming the full amount of this Offering is sold, and will be used as follows:

Uses	Dollar Amount	Percentage of Gross Cash Proceeds
Purchase Price of the Underlying Asset[1]	$57,300.00	89.88%
Investment Banking Advisor Fees[2]	$0.00	0.00%
Offering Expenses[3]	$0.00	0.00%
Acquisition Expenses[4]	$0.00	0.00%
Working Capital[5]	$6,450.00	10.12%
Total Fees and Expenses	**$63,750.00**	**100.00%**
Total Proceeds	**$63,750.00**	**100.00%**

(1) Consists of the Note in the principal amount of $57,300 issued by RealT to the Asset Seller.

(2) The 5% Cash Service Fee to the Investment Banking Advisor, which will total, $3,187.50, will be borne by the Asset Seller. Does not include an estimated $20,000 in expense reimbursements to be paid to the Investment Banking Advisor by the Managing Member. The Investment Banking Advisor Cash Service Fee will not be paid on the gross proceeds from the sale of any Interests purchased by the Managing Member or its affiliates.

(3) Solely in connection with this Offering, the Managing Member has assumed, and will not be reimbursed for, the Offering Expenses.

(4) Although Acquisition Expenses are typically built into the Purchase Price of the Underlying Asset, the Series may incur certain post-Closing acquisition related expenses such as property appraisal costs.

(5) Includes 3% per annum interest accrued on the Note to Asset Seller.

The Series is acquiring the Underlying Asset from the Asset Seller for a total Purchase Price of $57,300. The Asset Seller is an affiliate of RealT, the Managing Member and their respective officers or directors. Consideration for the Underlying Asset will be in the form of a convertible promissory note issued to the Asset Seller. Upon acquisition of the Underlying Asset from the Asset Seller, title to the Underlying Asset will be transferred to the Series to be held in escrow on behalf of the holders of the Series #1 RealTokens, and related title fees will be borne by the Asset Seller.

Upon each Closing of the Offering, proceeds from the sale of the Interests will be distributed to the account of the Series. The Series will then pay back the Note made to acquire the Underlying Asset plus accrued interest at the rate of three percent (3%) per year. Upon payment in full of the Note (including all accrued interest), the Underlying Asset will be owned outright by the Series and not subject to any liens or encumbrances..

If the Series does not raise sufficient funds in the Offering within 12 months from the date of this Private Placement Memorandum to fully repay the Note, the balance due on the Note, along with accrued but unpaid interest, will be converted at that time into Series #1 RealTokens at the Offering Price per Series #1 RealToken.

Acquisition Expenses of Series #1 will paid by the Asset Seller although the Series may incur certain acquisition related expenses such as property appraisal costs post-Closing. See “Plan of Distribution—Fees and Expenses” for additional information.

The allocation of the net proceeds of this Offering set forth above represents our intentions based upon our current plans and assumptions regarding industry and general economic conditions, our future revenues, if any, and expenditures. The amounts and timing of our actual expenditures will depend upon numerous factors, including market conditions, cash generated by our operations, business developments, and related rate of growth. Other than with respect to the payment of the Investment Banking Advisor Fees, the Managing Member reserves the right to modify the use of proceeds based on the factors set forth above. Neither RealT nor the Series is expected to keep any of the proceeds from the Offering.

DESCRIPTION OF BUSINESS

Overview

RealToken LLC has created a system for tokenizing real property in the United States and worldwide that allows a token holder to purchase and retain all economic and legal rights and protections that are provided by traditional ownership of real estate. This RealToken system utilizes a series Delaware limited liability company, or LLC, as an intermediary entity between a token-owning individual and a piece of real estate property. Ownership of a series of the LLC, or Series, is divided into one thousand (1,000) membership interests, or Interests, and the Interests are represented by the same number of unique cryptographic digital tokens, or RealTokens, on the Ethereum blockchain. As digital representations of Interests, the RealTokens embody the legal characteristics of the Interests and carry all of the rights and obligations associated with the Interests. The RealTokens, like the Interests, are securities for purposes of U.S. securities laws and they are designed to be compliant with U.S. federal and state applicable securities laws and regulations. See "Securities Being Offered – The RealTokens" for further details.

Each Series of the LLC will purchase and own one discrete real property asset. Ownership of any or all of the 1,000 RealTokens of a particular Series gives an individual ownership and governing rights over the Series which has issued the RealTokens and, therefore, over the discrete property owned by the Series. Because the sole purpose of a Series is to own one single property, ownership of all of the RealTokens issued by a Series is effectively ownership of the property held by that Series. Through the services of a property management company, the Series, and the real property asset that it holds, can be managed and maintained with little-to-no engagement from any RealToken holding individuals, while the RealToken holding individuals themselves retain full economic rights in the property. Through the use of Ethereum's IPFS, which RealT expects to implement in the future, all necessary documents that prove ownership of the real estate by RealToken holders will be accessible on the Ethereum blockchain via the internet at any time, by anyone, from anywhere.

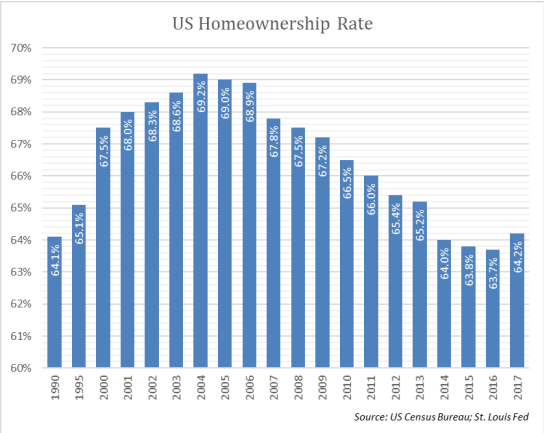
Initially, RealT will focus on the purchase by each series of income producing rental properties. Rents from tenants in these properties will be collected by a third-party property management service under the direction of a Property Manager. Collected rents will then be exchanged for equivalent amounts of a "stablecoin" such as Dai, an asset-backed cryptocurrency on the Ethereum blockchain whose value is stable relative to the U.S. Dollar, and distributed, pro rata, to Investors' Ethereum-based Digital Wallets. Investors will then be able to exchange their Dai coins for other cryptocurrencies or fiat currency such as the U.S. Dollar.

We plan to target the acquisition of underlying assets ranging in price anywhere from $80,000 to $200,000. Our mission is to democratize the purchase and sale of real property by providing access, liquidity and transparency to a rather opaque industry.

For a more detailed discussion about our business, we refer you to the RealToken White Paper available on the RealT website.

Market Opportunity

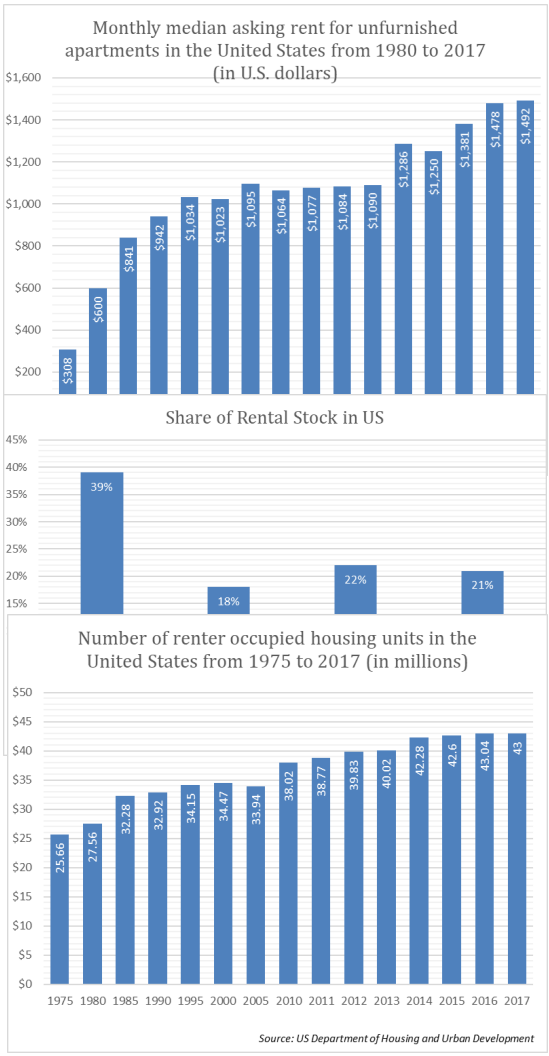
The marketplace for single-family homes experienced a number of significant changes over the past decade with the Financial Crisis marking the origin. During this period, American homeowners lost $17 trillion in home equity[7] with as many as 10 million[8] losing their homes to foreclosure as the housing market collapsed. The resulting years saw single-family home prices hit a two-decade low, renter occupancy rates surge, followed by an increase in construction to meet the demand.



[7] https://www.stlouisfed.org/publications/regional-economist/july-2012/household-financial-stability--who-suffered-the-most-from-the-crisis
[8] https://www.businessinsider.com/heres-where-those-who-lost-homes-during-the-us-housing-crisis-are-now-2018-8

This period was marked by a decline in the US homeownership rate from 69% to 64%[9] with approximately 5.4 million single-family homes transitioning from owner-occupied to rental between 2006 and 2017[10] with the rental stock increasing by 7.2 million units across single and multifamily properties[11]. According to U.S. Census estimates, the number of single-family rentals in the U.S. grew by 31% in the ten-year period immediately following the housing crisis (2007 to 2016), while multifamily rentals grew by 14%[12].

The housing downturn that contributed to the Financial Crisis provided an opportunity for liquid investors and institutional players to purchase properties at an extreme discount, helping to arrest the sell-off that threatened the livelihood of many. These dynamics resulted in the materialization of a new asset class of single-family rental portfolios which were securitized and now accessible via private and public markets. The growth of this asset class can be attributed to the compelling economics for investors given the mismatch between the supply of available rentals and demand, resulting in a surge in rental prices throughout the country. That said, the share of institutional owners in the single-family rental market is still very small. Institutional investors own 190,000 homes, approximately 1.2% of single-family rental homes by number of units which is dwarfed by the 55% institutional ownership rate in multifamily rentals[13].



In previous real estate cycles, these properties would be resold once the prices recovered from their deep discounts. However, this recovery was different in that so many that were displaced did not return, resulting in the scenario which now sees nearly half of the country renting with a large portion doing so from single-family residences.

Market Opportunity

With homeownership rates expected to remain at depressed levels for the next number years and many still priced out of the market, an increasing number of tenants are turning toward single-family rental homes as an intermediary step between apartment living and homeownership. The main factors helping drive demand for single-family rentals include tighter mortgage lending standards, the large size of the millennial generation, higher student debt, changes in preferences between owning and renting, and the high cost of purchasing and then maintaining a single-family home[14].

Analysis conducted by the Urban Institute found that from 2010 to 2030, the growth in rental households will exceed that of homeowners by 4 million, with an increase of 13 million rental households and 9 million homeowner households. That breaks down to five renters for every three homeowners over this period[15]. With occupancy rates near 90%[16], higher average rental prices compared to typical apartments[17], and tenancy lengths nearly double that of apartment tenants[18], the case for an income producing single-family rental investment becomes even more compelling.

[9] https://www.statista.com/statistics/184902/homeownership-rate-in-the-us-since-2003/
[10] https://www.zillow.com/research/single-family-rentals-bottom-17595/
[11] http://ternercenter.berkeley.edu/uploads/Single-Family_Renters_Brief.pdf
[12] https://www.rentcafe.com/blog/rental-market/real-estate-news/single-family-homes-rent-increased-faster-than-apartments/
[13] https://www.amherstcapital.com/documents/20649/22737/US+SFR+Emerging+Asset+Class/9d84e0da-4a9f-4665-9880-88a4515d9d2b
[14] https://mf.freddiemac.com/docs/single-family-rental-markets.pdf
[15] https://www.urban.org/urban-wire/we-are-not-prepared-growth-rental-demand
[16] https://www.marketwatch.com/story/the-new-housing-play-helping-priced-out-renters-become-long-distance-landlords-2018-07-30
[17] https://www.rentcafe.com/blog/rental-market/real-estate-news/single-family-homes-rent-increased-faster-than-apartments/
[18] https://www.marketwatch.com/story/the-new-housing-play-helping-priced-out-renters-become-long-distance-landlords-2018-07-30

Locations

For investors looking to gain exposure to this tight property sector, finding locations which provide job growth, population growth and affordability is absolutely critical. The vast majority of single-family rental stock reside outside of less populated, mid-sized cities whereas apartment stock tends to favor dense metro areas. On average, 77.2% of single-family rentals are located in suburban communities whereas only 62.3% of all single-family residences can say the same thing[19].

RealToken intends to target mid-sized cities particularly hard-hit by the financial crisis with a focus on locations that maintain the infrastructure, access to capital, employment, and culture. Of particular interest are cities which still remain depressed and offer higher yielding returns such as Detroit, Michigan and Cleveland, Ohio. These locations typically maintain a large stock of homes which would benefit significantly from rent-maximizing property improvements.

Property Types

RealToken endeavors to locate distressed properties in lower-income neighborhoods in and around mid-sized cities that stand to benefit from renovations and improvements which maximize rentability, underlying property value and rental income. RealToken expects to invest significant capital to restore purchased properties in order to achieve these goals. RealToken is taking additional steps to bring revitalization to the communities where the properties are located. This includes enacting capital improvement plans designed to support revitalization over a five to 10-year timeframe in each of the neighborhoods where properties are purchased. The aim is to align investment goals with community improvements in order to benefit all parties involved.

Detroit Market Overview

The Detroit metropolitan area, or Metro Detroit, after reaching its population peak in the 1950s and declining 62.6% since that time, has been under pressure stemming from the reduction in manufacturing jobs concentrated in the automotive sector. This pressure accelerated during the period from 1990 to 2010 as automobile manufacturing continued to shift offshore, with firms cutting jobs and pensions in an attempt to stay solvent. These attempts were ultimately unsuccessful with Chrysler filing for Chapter 11 bankruptcy followed by General Motors, both in 2009. Two years later, Detroit filed for Chapter 9 bankruptcy becoming the largest metropolitan municipality by debt and population to file for bankruptcy in US history.

Detroit's economy was hit particularly hard during the financial crisis which began in 2008. During this period, four of this country's top ten zip codes areas with the highest number of foreclosures could be found within Detroit's city limits[20]. Investors responded by entering the market to take advantage of the combination of the strong cash flows offered by low property prices, established infrastructure, sophisticated urban culture, and access to numerous fortune 500 companies and academic institutions.

While a national recovery from the 2008 financial crisis has been slow, between 2013 and 2018, Detroit has experienced a 97% increase in average housing prices, the greatest increase during this period for large US cities[21]. Between the first half of 2015 and the first half of 2018, Detroit experienced a 46.4% decrease in housing inventory, with 16,299,000 square feet of housing being absorbed by the market[22]. More recently, on-market listings decreased 11.5% between January 2018 to January 2019[23], primarily due to decreasing inventory and continued strong demand.

The Metro Detroit property market remains underpinned by strong demand fundamentals including continued revitalization efforts, continued decline in unemployment to its lowest level in a decade[24], increasing median income[25], and strong cash flow opportunities provided for property investors. It is for these reasons that we have chosen to focus our initial property acquisition efforts in Metro Detroit.

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[19] https://www.zillow.com/research/single-family-rentals-bottom-17595/
[20] https://money.cnn.com/2007/06/19/real_estate/500_top_foreclosure_zip_codes/index.htm
[21] https://www.statista.com/chart/17094/us-cities-with-fastest-growing-home-prices/
[22] https://www.realtor.com/news/trends/historic-housing-shortage-and-cities-it-is-hitting-hardest/
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[24] https://www.detroitnews.com/story/business/2018/11/08/labor-statistics-unemployment-rate-detroit-lower/1932604002/
[25] https://www.deptofnumbers.com/income/michigan/detroit/

The Underlying Asset

The Asset

The Series expects to purchase the Underlying Asset prior to the commencement of the Offering. The description and specifications of the Underlying Asset are set forth below.

The Series will acquire the Underlying Asset from Merlow Street MI, LLC, the Asset Seller, for $57,300, the Purchase Price, and will issue to the Asset Seller a promissory note (the "**Note**"), in the full amount of the Purchase Price. The Series will repay the Note, along with accruing interest at the rate of three (3%) per annum, with net proceeds from the Offering. If the Series does not raise sufficient funds in the Offering within 12 months from the date of this Private Placement Memorandum to fully repay the Note, the balance due on the Note, along with accrued but unpaid interest, will be converted at that time into Series #1 RealTokens at the Offering Price per Series #1 RealToken. Upon the closing of the acquisition of the Underlying Asset, title to the Underlying Asset will be transferred to the Series to be held in escrow on behalf of the holders of Series #1 RealTokens.

The Purchase Price of the Underlying Asset was determined by the Company and the Asset Seller based on the following capitalization rate methodology. Under this method, annual operating costs of the Underlying Asset, including property management fees, insurance and local real estate taxes, were subtracted from the annual gross rental income to calculate net operating income for the property. The net operating income was then divided by a capitalization rate. For the Underlying Asset of Series #1, the Company chose a capitalization rate of 13.9%, which the Company believes is at the high end of the range for low income, single family rental property in Detroit. RealT has not obtained an independent appraisal of the market value of the Underlying Asset.

The Underlying Asset rental producing real property asset associated with Series #1 is an 887 square foot three-bedroom, one-bathroom single family brownstone bungalow located within the Fiskhorn neighborhood of Detroit at 9943 Marlowe, Detroit, MI 48227. The interiors in every room of this property have been newly renovated including a new fireplace mantle and new floors, tiling and windows. This home features a sizeable side yard and backyard, and a finished attic area for storage along with a free-standing garage. The Series #1 Underlying Asset has a tenant and is currently generating rental income in the amount of $850 on a monthly basis. The tenant has signed a one-year, renewable lease which will terminate on February 29, 2020, has paid a security deposit equal to one month's rent and is responsible for the payment of all utilities. Real estate taxes on this property are $1,083 per year and homeowner's insurance is approximately $53 per year.

Ownership and Pricing of the Underlying Asset

The Series #1 Underlying Asset was originally constructed in 1940 on a lot size of 4,269 square feet. The property was purchased by Merlow Street MI, LLC for $32,500 on January 2, 2019 and was sold to the Company on or about April 25, 2019 for $57,300. Between January 2, 2019 and April 25, 2019, the Asset Seller incurred approximately$14,000 in expenses related to improvements to the Underlying Asset.

Our Managing Member

The Operating Agreement designates the Managing Member as the managing member of RealT. If the Managing Member decides to submit a matter to vote of the Interest Holders, the Managing Member will generally not be entitled to participate in the votes. The Managing Member will not have any distribution, redemption, conversion or liquidation rights by virtue of its status as the Managing Member.

In the event the Managing Member resigns as managing member of RealT, the holders of a majority of all interests of RealT may elect a successor managing member. Holders of interests in each series of RealT have the right to remove the Managing Member as Managing Member of the series, by a vote of two-thirds of the holders of all interests in each series of RealT (excluding the Managing Member), in the event the Managing Member is found by a non-appealable judgment of a court of competent jurisdiction to have committed fraud in connection with a series of interests or RealT. If so convicted, the Managing Member shall call a meeting of all of the holders of the series within 30 calendar days of such non-appealable judgment at which the holders may vote to remove the Managing Member as Managing Member of the series. If the Managing Member fails to call such a meeting, any interest holder will have the authority to call such a meeting. In the event of its removal from a series, the Managing Member shall be entitled to receive all amounts that have accrued and are due and payable to it. If the holders vote to terminate and dissolve the series, the liquidation provisions of the Operating Agreement shall apply (as described in "Securities Being Offered—Liquidation Rights").

See “Directors, Executive Officers and Significant Employees” for additional information regarding the Managing Member.

Operating Expenses

Upon the initial Closing, the Series will be responsible for the following Operating Expenses:

- any and all ongoing fees, costs and expenses incurred in connection with the management of the Underlying Asset, including income taxes, security, valuation, maintenance and repairs, marketing and utilization of the Underlying Asset;
- fees, costs and expenses incurred in connection with preparing any reports and accounts of the Series, including any blue-sky filings required in certain states and any annual audit of the accounts of the Series (if applicable);
- fees, costs and expenses of a third-party registrar and transfer agent appointed in connection with the Series;
- fees, costs and expenses incurred in connection with making any tax filings on behalf of the Series;
- any indemnification payments;
- any and all insurance premiums or expenses incurred in connection with the Underlying Asset; and
- any similar expenses that may be determined to be Operating Expenses, as determined by the Managing Member in its reasonable discretion.

The Managing Member has agreed to pay and to be reimbursed for Operating Expenses incurred prior to the initial Closing. The Managing Member will bear its own expenses of an ordinary nature, including, all costs and expenses on account of rent, supplies, secretarial expenses, stationery, charges for furniture, fixtures and equipment, payroll taxes, remuneration and expenses paid to employees and utilities expenditures.

If the Operating Expenses exceed the amount of revenues generated from the Underlying Asset and cannot be covered by any Operating Expense reserves on the balance sheet of the Underlying Asset, the Managing Member may (a) pay such Operating Expenses and seek reimbursement, (b) loan the amount of the Operating Expenses to the Series, on which the Managing Member may impose a reasonable rate of interest, and be entitled to the Operating Expenses Reimbursement Obligations, and/or (c) cause additional Interests to be issued in the Series in order to cover such additional amounts.

Limits to Liability; Indemnification of the Managing Member

The Operating Agreement provides that none of the Managing Member, nor any current or former directors, officers, employees, partners, shareholders, members, controlling persons, agents or independent contractors of the Managing Member, nor persons acting at the request of RealT in certain capacities with respect to other entities (collectively, the “Indemnified Parties”) will be liable to RealT, any series or any interest holders for any act or omission taken by the Indemnified Parties in connection with the business of RealT or any series that has not been determined in a final, non-appealable decision of a court, arbitrator or other tribunal of competent jurisdiction to constitute fraud, willful misconduct or gross negligence.

Each series will indemnify the Indemnified Parties out of its assets against all liabilities and losses (including amounts paid in respect of judgments, fines, penalties or settlement of litigation, including legal fees and expenses) to which they become subject by virtue of services performed with respect to RealT or such series and with respect to any act or omission that has not been determined by a final, non-appealable decision of a court, arbitrator or other tribunal of competent jurisdiction to constitute fraud, willful misconduct or gross negligence.

Description of the Property Management Agreement

The Company will appoint a third party to serve as the Property Manager to manage the Underlying Asset pursuant to the Property Management Agreement.

The Company has appointed Live Detroit Management LLC, as the Property Manager for Series #1. Live Detroit Management LLC is owned and operated by Dario Domfrocht, the brother-in-law of Remy Jacobson, who is Chairman of

the Managing Member.

The services provided by the Property Manager will include:

- creating the asset maintenance policies for the Underlying Asset;
- investigating, selecting, and, on behalf of the applicable series, engaging and conducting business with such persons as the Property Manager deems necessary to ensure the proper performance of its obligations under the Property Management Agreement, including but not limited to consultants, insurers, insurance agents, maintenance providers, and logistics providers and any and all persons acting in any other capacity deemed by the Property Manager necessary or desirable for the performance of any of the services under the Property Management Agreement; and
- developing standards for the care of the underlying assets.

The Property Management Agreement will terminate on the earlier of: (i) one year after the date on which the relevant underlying asset has been liquidated and the obligations connected to the underlying asset (including, contingent obligations) have been terminated, (ii) the removal of the Managing Member as managing member of RealT (and thus all series of interests), (iii) upon notice by one party to the other party of a party's material breach of the Property Management Agreement or (iv) such other date as agreed between the parties to the Property Management Agreement.

Each series will indemnify the Property Manager out of its assets against all liabilities and losses (including amounts paid in respect of judgments, fines, penalties or settlement of litigation, including legal fees and expenses) to which they become subject by virtue of serving as Property Manager under the Property Management Agreement with respect to any act or omission that has not been determined by a final, non-appealable decision of a court, arbitrator or other tribunal of competent jurisdiction to constitute fraud, willful misconduct or gross negligence.

Management Fees

As consideration for managing the Underlying Asset, the Property Manager will be paid a cash fee pursuant to the Property Management Agreement equal to 5% of rents collected on the Underlying Asset. The Property Manager will also receive a cash fee equal to 1.5% of the cost of all repairs to an Underlying Asset made while it is owned by the Series. The Management Fees will only be distributed if there are sufficient proceeds to distribute Free Cash Flow to the Interest Holders.

As full compensation for services as Manager with respect to Series #1, the Managing Member will receive one percent (1%) of the gross proceeds from the sale of the Underlying Asset upon its disposition by the Series. In connection with this Offering, the Managing Member has assumed, and will not be reimbursed for, the Offering Expenses.

Asset Liquidity

Direct Sale of Asset

The property purchased by a Series will be managed until such date as the Interest Holders elect to sell the property. RealToken will facilitate resale inquiries which will be sent on a periodic basis in the form of a notice to the Interest Holders requesting input on whether to sell the property, under specific conditions, at a given price. Interest Holders will be required to approve the sale of the property and will be given 10 days following receipt of an inquiry notice within which to respond in the affirmative or negative. Failure to respond within the 10-day period will result in the Manager making the sale decision based on the responses of the majority of the Interests of the Interest Holders who have replied to the inquiry notice.

Security Token Benefits to Liquidity

Fractional Ownership: The fractional ownership of individual assets through digital tokenization enables issuers to offer securities at lower unit prices which allows for greater participation across a wider range of investors. The tokenization of real properties also provides a means to break up individual holdings of a real property asset into smaller pieces to facilitate secondary market demand.

Greater Access to Liquidity: The usage of programmable securities for RealTokens serves to reduce frictions associated with liquidity in the marketplace. We believe that through easier transferability, tokenization can contribute to the reduction in the

20%-30%[26] liquidity discount typical in private securities. It is through the usage of smart contracts that security tokens like the RealToken can deliver on improved efficiency associated with transfer as well as the straightforward handling of contractual legal and tax obligations typical of these types of investments.

Access to Alternative Trading Systems ("ATSs"): RealToken plans to list individual Series RealTokens on participating SEC regulated exchanges or ATSs in the future. This will provide holders with a compliant mechanism to transfer RealTokens outside of the framework of RealToken website, without having to worry about a liquidation of the asset or having to rely on peer-to-peer exchanges.

Faster Trade Settlement: RealTokens utilize a streamlined compliance process that makes it easier to onboard while codifying investor eligibility within a smart contract. This also enables near-instantaneous trade settlement for secondary transactions following restricted securities holding periods and a less onerous experience for approved investors.

Employees

The Managing Member has three (3) full-time employees and two (2) part-time contractors. RealT does not have any employees. RealT intends to rapidly expand to 20 – 30 employees.

Allocations of Expenses

To the extent relevant, Offering Expenses, Acquisition Expenses, Operating Expenses, revenue generated from underlying assets and any indemnification payments made by RealT will be allocated among the various Series interests in accordance with the Managing Member's allocation policy set forth below. The allocation policy requires the Managing Member to allocate items that are allocable to a specific Series to be borne by, or distributed to (as applicable), the applicable Series of interests. If, however, an item is not allocable to a specific Series but to RealT in general, it will be allocated pro rata based on the value of underlying assets or the number of interests, as reasonably determined by the Managing Member or as otherwise set forth in the allocation policy. By way of example, as of the date hereof it is anticipated that revenues and expenses will be allocated as follows:

Revenue or Expense Item	**Details**	**Allocation Policy (if revenue or expense is not clearly allocable to a specific underlying asset)**
Revenue	RealToken will have monthly Rental Income from the Underlying Assets.	Allocable directly to the applicable underlying asset
Acquisition Expenses	Appraisal and valuation fees (if incurred pre-Closing)	Not allocable; to be borne by the Asset Seller
	Appraisal and valuation fees (if incurred post-Closing)	Allocable directly to the applicable underlying asset
	Interest expense when an underlying asset is pre-purchased by RealT through a loan prior to the closing of an offering	Allocable directly to the applicable underlying asset
Offering Expenses	Legal expenses related to the preparation of regulatory paperwork (offering materials) for a series	Not allocable; to be borne by the Managing Member
	Audit and accounting work related to the regulatory paperwork or a Series	Allocable directly to the applicable underlying asset
	Compliance work including diligence related to the preparation of a Series	Not allocable; to be borne by the Managing Member
	Insurance of Underlying Asset as at time of acquisition	Allocable directly to the applicable underlying asset
	Investment Banking Fee	Not allocable; to be borne by the Managing Member
	Investment Banking Advisor fees other than Cash Service Fee (i.e. expense reimbursement)	Not allocable; to be borne by the Managing Member
	Preparation of marketing materials	Not allocable; to be borne by the Managing Member

[26] http://people.stern.nyu.edu/adamodar/pdfiles/country/illiquidity.pdf

	Pre-Purchase Inspection	Not allocable; to be borne by the Asset Seller
Operating Expense	Property Management Fees	Allocable directly to the applicable underlying asset
	Audit and accounting work related to the regulatory paperwork or a Series	Allocable pro rata to the number of underlying assets
	Security (e.g., surveillance and patrols)	Allocable pro rata to the value of each underlying asset
	Insurance	Allocable directly to the applicable underlying asset
	Maintenance	Allocable directly to the applicable underlying asset
	Audit, accounting and bookkeeping related to the reporting requirements of a Series	Allocable pro rata to the number of underlying assets
Indemnification Payments	Indemnification payments under the Operating Agreement	Allocable pro rata to the value of each underlying asset

Notwithstanding the foregoing, the Managing Member may revise and update the allocation policy from time to time in its reasonable discretion without further notice to the Investors.

DIRECTORS, EXECUTIVE OFFICERS AND SIGNIFICANT EMPLOYEES

The Managing Member

RealT operates under the direction of the Managing Member, which is responsible for directing the operations of our business, directing our day-to-day affairs, and implementing our investment strategy. The Managing Member has established a Board of Directors that will make decisions with respect to all asset acquisitions, dispositions and maintenance schedules. The Managing Member and its officers and directors are not required to devote all of their time to our business and are only required to devote such time to our affairs as their duties require. The Managing Member is responsible for determining maintenance required in order to maintain or improve the asset's quality, determining how to monetize the underlying assets in order to generate profits and evaluating potential sale offers, which may lead to the liquidation of the underlying asset or other series as the case may be.

RealT will follow guidelines adopted by the Managing Member and implement policies set forth in the Operating Agreement unless otherwise modified by the Managing Member. The Managing Member may establish further written policies and will monitor our administrative procedures, investment operations and performance to ensure that the policies are fulfilled. The Managing Member may change our objectives at any time without approval of our interest holders. The Managing Member itself has no track record and is relying on the track record of its individual officers, directors and advisors.

The Managing Member performs its duties and responsibilities pursuant to the Operating Agreement. The Managing Member maintains a contractual, as opposed to a fiduciary relationship, with us and our interest holders. Furthermore, we have agreed to limit the liability of the Managing Member and to indemnify the Managing Member against certain liabilities.

The responsibilities of the Managing Member with respect to RealT include the following:

Asset Sourcing and Disposition Services

- define and oversee the overall underlying asset sourcing and disposition strategy;
- manage our asset sourcing activities including, creating the asset acquisition policy, organizing and evaluating due diligence for specific asset acquisition opportunities, and structuring partnerships with collectors, brokers and dealers who may provide opportunities to source quality assets;
- negotiate and structure the terms and conditions of acquisitions of assets with Asset Sellers;
- evaluate any potential asset takeover offers from third parties, which may result in asset dispositions, sales or other liquidity transactions;
- structure and negotiate the terms and conditions of transactions pursuant to which underlying assets may be sold or otherwise disposed;

Services in Connection with an Offering

- create and manage all series of interest for offerings related to underlying assets on the RealToken Website;
- develop offering materials, including the determination of its specific terms and structure and description of the underlying assets;
- prepare all marketing materials related to offerings and obtain approval for such materials from the Investment Banking Advisor of record;
- together with the Investment Banking Advisor of record, coordinate the receipt, collection, processing and acceptance of subscription agreements and other administrative support functions;
- create and implement various technology services, transactional services, and electronic communications related to any offerings;
- all other necessary offering related services;

Asset Monetization Services

- approve potential activities and joint ventures, limited partnerships and other such relationships with third parties related to asset monetization;

Interest Holder Relationship Services

- provide any appropriate updates related to underlying assets or offerings electronically or through the RealToken Website;
- manage communications with interest holders, including answering e-mails, preparing and sending written and electronic reports and other communications;
- establish technology infrastructure to assist in providing Interest Holder support and services;
- determine our distribution policy and determine amounts of and authorize Free Cash Flow distributions from time to time;
- maintain Free Cash Flow funds in deposit accounts or investment accounts for the benefit of a series;

Administrative Services

- manage and perform the various administrative functions necessary for our day-to-day operations;
- provide financial and operational planning services and collection management functions including determination, administration and servicing of any Operating Expenses Reimbursement Obligation made to RealT or any series by the Managing Member to cover any Operating Expense shortfalls;
- administer the potential issuance of additional interests to cover any potential Operating Expense shortfalls;
- maintain all appropriate books and records for RealT and all the series of interests;
- obtain and update market research and economic and statistical data in connection with the underlying assets and the general collectible automobile market;
- oversee tax and compliance services and risk management services and coordinate with appropriate third parties, including independent accountants and other consultants, on related tax matters;
- supervise the performance of such ministerial and administrative functions as may be necessary in connection with our daily operations;

- provide all necessary cash management services;
- manage and coordinate with the transfer agent, if any, the process of making distributions and payments to interest holders or the transfer or re-sale of securities as may be permitted by law;
- evaluate and obtain adequate insurance coverage for the underlying assets based upon risk management determinations;
- provide timely updates related to the overall regulatory environment affecting RealT, as well as managing compliance with regulatory matters;
- evaluate our corporate governance structure and appropriate policies and procedures related thereto; and
- oversee all reporting, record keeping, internal controls and similar matters in a manner to allow us to comply with applicable law.

Directors, Executive Officers and Key Employees of the Managing Member

The following table sets forth the name and position of each of the current executive officers, directors and significant employees of the Managing Member.

Name	Position	Age	Term of Office (Beginning)	Approximate hours per week for part-time employees
Remy Jacobson	Chief Executive Officer and Director	38	February 14, 2019	Full Time
Jean-Marc Jacobson	President and Director	49	February 14, 2019	5 hours
Gary Krat	Director	71	February 14, 2019	5 hours

Officers and Directors of the Managing Member

Remy Jacobson: Remy Jacobson is the Chief Executive Officer and a director of the Managing Member. Remy is also the Chairman, Managing Partner and Co-Founder of Bunker Capital, a blockchain consulting and advisory firm based in Aventura, Florida and founded in November 2016. Remy brings a wealth of experience in sales, investor relations, and security token structure to the Managing Member. In addition, Remy has been deeply involved in real estate since 1999. Since 2012, Remy has been the Chief Executive Officer of J Cube Development, a real estate investment and development company based in the Miami area, where he has built multiple real estate investment portfolios which have had positive growth.

In 2011, Remy decided to transition into crypto, where he quickly developed a passion for cryptocurrency and blockchain technology. He began his career in blockchain as a miner, building his first mining operation called Liquid Bits. This operation quickly evolved into a more substantial company called CoinWare, which became one of the first commercial mega mines in 2013.

Jean-Marc Jacobson. Jean-Marc Jacobson is the President and a director of the Managing Member. Jean-Marc has more than 25 years of financial, information technology, and executive management experience. Early in his career Jean-Marc focused on financial strategy and trading algorithms. Later he transitioned into real estate where he developed novel software that helped his company manage entire real estate portfolios.

More recently, in 2011, Jean-Marc initiated a fintech project called Liquid Gold. It was at that time that he first learned about Bitcoin. He quickly transitioned from Liquid Gold and in 2012 he founded Liquid Bits, a crypto-mining company focused solely on Bitcoin.

In 2013, Jean-Marc founded Bitcoin Embassy, the world's first entrepreneurial hub for developers, professionals and startups in the Bitcoin industry. His vision for the Embassy was to foster a cryptocurrency community where people from different backgrounds and experiences could come together and create mutually-beneficial relationships that could help further develop and advance this disruptive technology.

Remy Jacobson and Jean-Marc Jacobson are brothers.

Gary Krat: Gary Krat is a director of the Managing Member. Gary began his professional career in 1973 as an attorney at the Proskauer law firm in New York City, after having graduated from the School of Law at Fordham University.

In 1977 he joined a client, Integrated Resources, Inc. ("Integrated"), a publicly-held financial services company, and spent 13 years in the marketing, structuring and acquiring of more than 600 leveraged real estate, equipment leasing, cable TV and other operating company transactions. He also headed and built, from 1982 to 1989, the largest financial planning broker dealer group in the United States at that time, consisting of four wholly owned broker-dealers subsidiaries of Integrated.
In 1990, Gary moved to SunAmerica Inc. ("SunAmerica") after SunAmerica's acquisition of Integrated's trust company, annuity company, brokerage business and mutual fund company. During his career with SunAmerica, from 1990 to 1999, Gary served as Chairman, CEO and/or President of the Integrated acquired companies as well as other SunAmerica companies.

In 1999, following the acquisition of SunAmerica by American International Group, Inc. ("AIG"), Gary stepped away from many of his day-to-day responsibilities and worked directly with AIG's Chairman, Hank Greenberg, traveling extensively in Europe and the Far East to recreate the SunAmerica core businesses in AIG strongholds located in those places. After serving for a while in the capacity of Senior Consultant to SunAmerica and AIG, Gary ended his formal relationship with both companies at the end of 2001.

After leaving SunAmerica/AIG in 2001, Gary formed a series of companies to lend to, invest in and manage operating real estate and storage businesses, which to this day have been involved in more than 250 transactions.

Since 2010, Gary has focused on developing what has become a 40 acre real estate assemblage in the Wynwood area of Miami, a 10 acre assemblage encompassing more than 50 buildings in the Flagler Street area in downtown Miami and a 20 acre real estate assemblage in Jersey City, New Jersey, named Mana Contemporary, which today represents one of the largest 100% art related business/real estate assemblages in the world.

Other than discussed herein, there are no family relationships between any director, executive officer, person nominated or chosen to become a director or executive officer or any significant employee of the Managing Member.

To the best of our knowledge, none of our directors or executive officers of the Managing Member has, during the past five years:

- been convicted in a criminal proceeding (excluding traffic violations and other minor offences); or
- had any petition under the federal bankruptcy laws or any state insolvency law was filed by or against, or a receiver, fiscal agent or similar officer was appointed by a court for the business or property of such person, or any partnership in which he was general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer at or within two years before the time of such filing.

Significant Employees or Consultants

Dario Domfrocht – Owner of Live Detroit Management LLC, the Property Manager for Series #1.

Darío began his career in New York City's Goldman Sachs Credit Derivative Product Control, where he developed an understanding of complex financial products. His team monitored market risks associated with trading activities as well as reporting key financial data.

After working in one of the leading financial global firms, Dario transitioned into the retail sector as C.F.O of a high-end luggage chain, where he oversaw the company's day to day operations, and commercial and market development. Darío also spearheaded the company's expansion into both U.S and Latin America territory. Eventually, Dario became a partner of the company and helped it become acquired profitably by an international chain.

Darío currently specializes in real estate investments in emerging markets. His current focus is in Detroit, South Florida and Buenos Aires.

COMPENSATION OF MANAGING MEMBER AND AFFILIATES

Compensation of Executive Officers

We do not currently have any employees nor do we currently intend to hire any employees who will be compensated directly by RealT. Each of the executive officers of the Managing Member manage our day-to-day affairs, oversee the review, selection and recommendation of investment opportunities, service acquired investments and monitor the performance of these investments to ensure that they are consistent with our investment objectives. Each of these individuals may receive compensation for his or her services, including services performed for us on behalf of the Managing Member, from the Managing Member. Although we may indirectly bear some of the costs of the compensation paid to these individuals, through fees we pay to the Managing Member, we do not intend to pay any compensation directly to these individuals.

Compensation of Managing Member

The Managing Member, as Manager of the Series, will not receive any fees for its services during the life of the Series. However, the Managing Member will receive one percent (1%) of the gross proceeds from the sale of the Underlying Asset upon its disposition by the Series. The Managing Member will not receive reimbursement for costs incurred relating to this and other offerings (e.g., Offering Expenses). See "Description of Business—Management Fees" for additional information regarding the Management Fees. Neither the Managing Member nor its affiliates will receive any selling commissions or placement fees in connection with the offer and sale of the Interests.

INTEREST OF MANAGEMENT AND OTHERS IN CERTAIN TRANSACTIONS

The following includes a summary of transactions since our inception, or any currently proposed transaction, in which we were or are to be a participant and the amount involved exceeded or exceeds $120,000, and in which any related person had or will have a direct or indirect material interest (other than compensation described under "Compensation of Directors and Executive Officers"). We believe the terms obtained or consideration that we paid or received, as applicable, in connection with the transactions described below were comparable to terms available or the amounts that would be paid or received, as applicable, in arm's-length transactions.

Remy Jacobson is a 50% owner of RealToken Inc., the Managing Member of RealT. Remy is also the owner of Merlow Street MI, LLC, the Asset Seller who is selling the Underlying Asset to Series #1 for $57,300. Upon the disposition of an Underlying Asset by a Series, the Managing Member will be entitled to one percent (1%) of the sale price of such asset.

Remy may, in the future, be the owner of other real properties that are sold to future Series of RealT.

Remy Jacobson is also the Chairman, Managing Partner and co-founder, and a 25% owner, of Bunker Capital, a blockchain consulting and advisory firm based in Aventura, Florida. Jean-Marc Jacobson, Remy's brother, is a 50% owner of RealToken Inc., the Managing Member, and a 25% owner of Bunker Capital. Bunker Capital, among other services provided to RealT, has designed and developed the RealToken smart contract. RealT will pay Bunker Capital an $80,000 fee for the services Bunker Capital is providing to RealT.

SECURITIES BEING OFFERED

The following is a summary of the principal terms of the Series, and is qualified by reference to, the Operating Agreement, attached hereto as Exhibit A, the Series Designation, attached hereto as Exhibit B, and the subscription agreement, attached hereto as Exhibit C, relating to the purchase of the Series #1 RealTokens*. This summary is qualified in its entirety by reference to the detailed provisions of those agreements, which should be reviewed in their entirety by each prospective Investor. In the event that the provisions of this summary differ from the provisions of the Operating Agreement or the subscription agreement (as applicable), the provisions of the Operating Agreement or the subscription agreement (as applicable) shall apply. Capitalized terms used in this summary that are not defined herein shall have the meanings ascribed thereto in the Operating Agreement.*

Description of the Interests

RealT is a series limited liability company formed pursuant to Section 18-215 of the LLC Act. The purchase of the Interests is an investment only in the Series and not an investment in RealT as a whole. In accordance with the LLC Act, the Interests are, and any other series of interests if issued in the future will be, a separate series of limited liability company interests of RealT and not in a separate legal entity, although for purposes of accounting, taxation and liability, each Series is treated as

a single legal entity. RealT has not issued, and will not issue, any class of series interests entitled to any preemptive, preferential or other rights that are not otherwise available to the Interest Holders purchasing Interest in connection with this Offering.

Title to the underlying assets will be held by, or for the benefit of, the applicable series of interests. We intend that each series of interests will own its own underlying asset, which will be a single real estate property. We do not anticipate that the Series will acquire any other real estate properties other than the Underlying Asset. A new series of interests will be issued for each future real estate property to be acquired by RealT. An Investor who invests in this Offering will not have any indirect interest in any asset other than the Underlying Asset unless the investor also participates in a separate offering associated with that other underlying asset.

Section 18-215(b) of the LLC Act provides that, if certain conditions are met (including that certain provisions are in the formation and governing documents of the series limited liability company, and if the records maintained for any such series account for the assets associated with such series separately from the assets of the limited liability company, or any other series), then the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a particular series shall be enforceable only against the assets of such series and not against the assets of the limited liability company generally or any other series. Accordingly, RealT expects the Managing Member to maintain separate, distinct records for each series and its associated assets and liabilities. As such, the assets of a series include only the real estate property associated with that series and other related assets (e.g., cash reserves). As noted in the "Risk Factors" section, the limitations on inter-series liability provided by Section 18-215(b) have never been tested in federal bankruptcy courts and it is possible that a bankruptcy court could determine that the assets of one series of interests should be applied to meet the liabilities of the other series of interests or the liabilities of RealT generally where the assets of such other series of interests or of RealT generally are insufficient to meet RealT's liabilities.

Section 18-215(c) of the LLC Act provides that a series of interests established in accordance with Section 18-215(b) may carry on any lawful business, purpose or activity, other than the business of banking, and has the power and capacity to, in its own name, contract, hold title to assets (including real, personal and intangible property), grant liens and security interests, and sue and be sued. RealT intends for each series of interests to conduct its business and enter into contracts in its own name to the extent such activities are undertaken with respect to a particular series and title to the relevant underlying asset will be held by, or for the benefit of, the relevant series.

All of the Interests offered by this Memorandum will be duly authorized and validly issued. Upon payment in full of the consideration payable with respect to the Interests, as determined by the Managing Member, the Interest Holders will not be liable to RealT to make any additional capital contributions with respect to the Series (except for the return of distributions under certain circumstances as required by Sections 18-215, 18-607 and 18-804 of the LLC Act). Holders of the Interests have no conversion, exchange, sinking fund, redemption or appraisal rights, no pre-emptive rights to subscribe for any Interests and no preferential rights to distributions.

In general, the Interest Holders (which may include the Managing Member, its affiliates or the Asset Sellers) will participate exclusively in 100% of the available Free Cash Flow derived from the Underlying Asset (as described in "—Distribution Rights" below). The Managing Member may acquire for the same price as all other Investors RealToken Interests in the Offering. The Manger may sell its Interests purchased in the Offering from time to time after the final Closing of the Offering. The Managing Member has the authority under the Operating Agreement to cause RealT to issue Interests to investors as well as to other persons for such cost (or no cost) and on such terms as the Managing Member may determine, subject to the terms set forth in the Series #1 Designation.

The Series will use the proceeds of the Offering to repay the Note issued to acquire the Underlying Asset as well as pay certain fees and expenses related to the acquisition and the Offering (see the "Use of Proceeds to Issuer" section for further details). If the Series does not raise sufficient funds in the Offering within 12 months from the date of this Private Placement Memorandum to fully repay the Note, the balance due on the Note, along with accrued but unpaid interest, will be converted at that time into Series #1 RealTokens at the Offering Price per Series #1 RealToken.

An Investor in this Offering will acquire an ownership interest in the Series and not, for the avoidance of doubt, in (i) RealT, (ii) any other series of interests other than the Series, (iii) the Managing Member, (iv) the RealToken Website or (v) the Underlying Asset or any underlying asset owned by any other series of interest. Although our RealTokens will not immediately be listed on a stock exchange or alternative trading system ("**ATS**") and a liquid market in the RealTokens cannot be guaranteed, we plan to create our own trading platform or partner with an existing website to allow for trading of the RealTokens (please review additional risks related to liquidity in the "Risk Factors" section).

Further Issuance of Interests

Only the Interests are being offered and sold pursuant to this Memorandum. The Operating Agreement provides that RealT may issue a maximum of 2,000 Interests to no more than 2,000 purchasers (no more than 500 of which may be non-accredited investors). The Manager has the option to issue additional Interests (in addition to those issued in connection with this Offering) on the same terms as the Interests offered hereunder as is required from time to time in order to pay any Operating Expenses which exceed revenue generated from the Underlying Asset.

Distribution Rights

The Manager has sole discretion in determining what distributions of Free Cash Flow, if any, are made to Interest Holders except as otherwise limited by law or the Operating Agreement. RealT expects the Manager to distribute any Free Cash Flow on a semi-annual basis as set forth below. However, the Manager may change the timing of distributions or determine that no distributions shall be made in its sole discretion.

Any Free Cash Flow generated by the Series from the ownership and leasing of the Underlying Asset shall be applied, with respect to the Series, in the following order of priority:

- repay any amounts outstanding under Operating Expenses Reimbursement Obligation plus accrued interest;
- thereafter, to create such reserves as the Manager deems necessary, in its sole discretion, to meet future Operating Expenses; and
- thereafter, 100% (net of corporate income taxes applicable to the Series) by way of distribution to the Interest Holders, which may include the Asset Sellers of the Underlying Asset or the Managing Member or any of its affiliates.

Monthly rental Income collected from tenants of the Underlying Asset, net of the 5% fee to be paid to the Property Manager and other Operating Expenses, will be distributed as a dividend to be declared every month and paid to persons who are RealToken Record Holders on the day of declaration. The Series plans to distribute these dividend payments to the RealToken Record Holders in Dai stable coins on a daily basis over the one month period following the Record Date. The Manager reserves the right to change the timing of these distributions in its sole discretion.

The LLC Act (Section 18-607) provides that a member who receives a distribution with respect to a series and knew at the time of the distribution that the distribution was in violation of the LLC Act shall be liable to the series for the amount of the distribution for three years. Under the LLC Act, a series limited liability company may not make a distribution with respect to a series to a member if, after the distribution, all liabilities of such series, other than liabilities to members on account of their limited liability company interests with respect to such series and liabilities for which the recourse of creditors is limited to specific property of such series, would exceed the fair value of the assets of such series. For the purpose of determining the fair value of the assets of the series, the LLC Act provides that the fair value of property of the series subject to liability for which recourse of creditors is limited shall be included in the assets of such series only to the extent that the fair value of that property exceeds the nonrecourse liability. Under the LLC Act, an assignee who becomes a substituted member of a company is liable for the obligations of his assignor to make contributions to RealT, except the assignee is not obligated for liabilities unknown to it at the time the assignee became a member and that could not be ascertained from the operating agreement.

No Redemption Provisions

The Interests are not redeemable.

No Registration Rights

There are no registration rights in respect of the Interests.

Limited Voting Rights

The Managing Member is not required to hold an annual meeting of interest holders. The Operating Agreement provides that meetings of interest holders may be called by the Managing Member and a designee of the Managing Member shall act

as chairman at such meetings. Interest holders do not have any voting rights as an interest holder in RealT or a series except with respect to:

- the removal of the Manager of a Series by a super majority (two-thirds ($2/3^{rds}$) of the outstanding Interests in the Series) vote, in the event that an authorized adjudicator determines that the Managing Member committed fraud with respect to RealT or a Series;
- the removal of the Manager by a vote of 100% of the outstanding Interests in the Series, for any reason;
- the dissolution of RealT upon the for-cause removal of the Managing Member; and
- an amendment to the Operating Agreement that would:
    - enlarge the obligations of, or adversely effect, an interest holder in any material respect;
    - reduce the voting percentage required for any action to be taken by the holders of interests in RealT under the Operating Agreement;
    - change the situations in which RealT and any series can be dissolved or terminated;
    - change the term of RealT (other than the circumstances provided in the Operating Agreement); or
    - give any person the right to dissolve RealT.

Additionally, holders of Interests of a particular Series may vote to remove and replace the Property Manager for that Series for any reason by a unanimous vote of one hundred percent (100%) of that Series' outstanding Interests.

When entitled to vote on a matter, each interest holder will be entitled to one vote per interest held by it on all matters submitted to a vote of the interest holders of an applicable series or of the interest holders of all series of RealT, as applicable. The removal of the Managing Member as Managing Member of RealT and Manager of all series of interests must be approved by two-thirds of the votes that may be cast by all interest holders in any series of RealT. All other matters to be voted on by the interest holders must be approved by a majority of the votes cast by all interest holders in any series of RealT present in person or represented by proxy.

The consent of the holders of a majority of the Interests is required for any amendment to the Operating Agreement that would adversely change the rights of the Series, result in mergers, consolidations or conversions of the Series and for any other matter as the Managing Member, in its sole discretion, determines will require the approval of the Interest Holders voting as a separate class.

The Managing Member or its affiliates (if they hold interests of a series) may vote as an interest holder in respect of any matter put to the interest holders. The submission of any action of RealT or a series for a vote of the interest holders shall first be approved by the Managing Member and no amendment to the Operating Agreement may be made without the prior approval of the Managing Member that would decrease the rights of the Managing Member or increase the obligations of the Managing Member thereunder.

The Managing Member has broad authority to take action with respect to RealT and any series. See "Directors, Executive Officers and Significant Employees—The Managing Member" for more information. Except as set forth above, the Managing Member may amend the Operating Agreement without the approval of the interest holders to, among other things, reflect the following:

- the merger of RealT, or the conveyance of all of the assets to, a newly-formed entity if the sole purpose of that merger or conveyance is to effect a mere change in the legal form into another limited liability entity;
- a change that the Managing Member determines to be necessary or appropriate to implement any state or federal statute, rule, guidance or opinion;
- a change that the Managing Member determines to be necessary, desirable or appropriate to facilitate the trading of interests;

- a change that the Managing Member determines to be necessary or appropriate for RealT to qualify as a limited liability company under the laws of any state or to ensure that each series will continue to qualify as a corporation for U.S. federal income tax purposes;

- an amendment that the Managing Member determines, based upon the advice of counsel, to be necessary or appropriate to prevent RealT, the Managing Member, or the officers, agents or trustees from in any manner being subjected to the provisions of the Investment Company Act, the Investment Advisers Act or "plan asset" regulations adopted under ERISA, whether or not substantially similar to plan asset regulations currently applied or proposed;

- any amendment that the Managing Member determines to be necessary or appropriate for the authorization, establishment, creation or issuance of any additional series;

- an amendment effected, necessitated or contemplated by a merger agreement that has been approved under the terms of the Operating Agreement;

- any amendment that the Managing Member determines to be necessary or appropriate for the formation by RealT of, or its investment in, any corporation, partnership or other entity, as otherwise permitted by the Operating Agreement;

- a change in the fiscal year or taxable year and related changes; and

- any other amendments which the Managing Member deems necessary or appropriate to enable the Managing Member to exercise its authority under the Agreement.

In each case, the Managing Member may make such amendments to the Operating Agreement provided the Managing Member determines that those amendments:

- do not adversely affect the interest holders (including any particular series of interests as compared to other series of interests) in any material respect;

- are necessary or appropriate to satisfy any requirements, conditions or guidelines contained in any opinion, directive, order, ruling or regulation of any federal or state agency or judicial authority or contained in any federal or state statute;

- are necessary or appropriate to facilitate the trading of interests or to comply with any rule, regulation, guideline or requirement of any securities exchange on which the interests may be listed for trading, compliance with any of which the Managing Member deems to be in the best interests of RealT and the interest holders;

- are necessary or appropriate for any action taken by the Managing Member relating to splits or combinations of interests under the provisions of the Operating Agreement; or

- are required to effect the intent expressed in this Memorandum or the intent of the provisions of the Operating Agreement or are otherwise contemplated by the Operating Agreement.

Furthermore, the Managing Member retains sole discretion to create and set the terms of any new series and will have the sole power to acquire, manage and dispose of underlying asset of each series.

Liquidation Rights

The Operating Agreement provides that RealT shall remain in existence until the earlier of the following: (i) the election of the Managing Member to dissolve it; (ii) the sale, exchange or other disposition of substantially all of the assets of RealT; (iii) the entry of a decree of judicial dissolution of RealT; and (iv) at any time that RealT no longer has any members, unless the business is continued in accordance with the LLC Act. Under no circumstances may RealT be wound up in accordance with Section 18-801(a)(3) of the LLC Act (i.e., the vote of members who hold more than two-thirds of the interests in the profits of RealT).

A series shall remain in existence until the earlier of the following: (i) the dissolution of RealT, (ii) the election of the Managing Member to dissolve such series; (iii) the sale, exchange or other disposition of substantially all of the assets of the series; or (iv) at any time that the series no longer has any members, unless the business is continued in accordance with the

LLC Act. Under no circumstances may a series of interests be wound up in accordance with Section 18-801(a)(3) of the LLC Act (i.e., the vote of members holding more than two-thirds of the interests in the profits of the series of interests).

Upon the occurrence of any such event, the Managing Member (or a liquidator selected by the Managing Member) is charged with winding up the affairs of the series of interests or RealT as a whole, as applicable, and liquidating its assets. Upon the liquidation of a series of interests or RealT as a whole, as applicable, the underlying assets will be liquidated and any after-tax proceeds distributed: (i) first, to any third party creditors, (ii) second, to any creditors that are the Managing Member or its affiliates (e.g., payment of any outstanding Operating Expenses Reimbursement Obligation), and thereafter, 100% to the interest holders of the relevant series of interests, allocated pro rata based on the number of interests held by each interest holder (which may include the Managing Member, any of its affiliates and the Asset Seller and which distribution within a series will be made consistent with any preferences which may exist within such series). The Managing Member, however, will receive one percent (1%) and the Investment Banking Advisor will receive three percent (3%) of the gross proceeds from the sale of the Underlying Asset upon its disposition by the Series prior to any of the distributions listed in the previous sentence.

Transfer Restrictions

The Interests are subject to restrictions on transferability. An Interest Holder may not transfer, assign or pledge its Interests without the consent of the Managing Member. The Managing Member may withhold consent in its sole discretion, including when the Managing Member determines that such transfer, assignment or pledge would result in (a) there being more than 2,000 beneficial owners of the Series or more than 500 beneficial owners of the Series that are not "accredited investors," (b) the assets of the Series being deemed "plan assets" for purposes of ERISA, (c) result in a change of US federal income tax treatment of RealT and the Series, or (d) RealT, the Series or the Managing Member being subject to additional regulatory requirements. The transferring interest holder is responsible for all costs and expenses arising in connection with any proposed transfer (regardless of whether such sale is completed) including any legal fees incurred by RealT or any broker or dealer, any costs or expenses in connection with any opinion of counsel and any transfer taxes and filing fees. The Managing Member may transfer all or any portion of the interests held by the Managing Member at any time and from time to time.

Additionally, unless and until the Interests of RealT are listed or quoted for trading, there are restrictions on the holder's ability to the pledge or transfer the Interests. There can be no assurance that we will, or will be able to, register the Interests for resale. Therefore, Investors may be required to hold their Interests indefinitely. Please refer to the subscription agreement (Exhibit C) for additional information regarding these restrictions. The Series #1 RealToken smart contracts, issued in this Offering to evidence the Interests, will incorporate a legend setting forth these restrictions on transfer and any legends required by state or foreign securities laws.

Agreement to be Bound by the Operating Agreement; Power of Attorney

By purchasing Interests, the Investor will be admitted as a member of RealT and will be bound by the provisions of, and deemed to be a party to, the Operating Agreement. Pursuant to the Operating Agreement, each Investor grants to the Managing Member a power of attorney to, among other things, execute and file documents required for RealT's qualification, continuance or dissolution. The power of attorney also grants the Managing Member the authority to make certain amendments to, and to execute and deliver such other documents as may be necessary or appropriate to carry out the provisions or purposes of, the Operating Agreement.

Duties of Officers

The Operating Agreement provides that, except as may otherwise be provided by the Operating Agreement, the property, affairs and business of each series of interests will be managed under the direction of the Manager. The Managing Member has the power to appoint the officers and such officers have the authority and exercise the powers and perform the duties specified in the Operating Agreement or as may be specified by the Managing Member. The Managing Member will be appointed as the Manager of each series of interests to manage the underlying assets.

RealT may decide to enter into separate indemnification agreements with the directors and officers of RealT and the Managing Member (including if the Manager appointed is not RealToken Inc.). If entered into, each indemnification agreement is likely to provide, among other things, for indemnification to the fullest extent permitted by law and the Operating Agreement against any and all expenses, judgments, fines, penalties and amounts paid in settlement of any claim. The indemnification agreements may also provide for the advancement or payment of all expenses to the indemnitee and for reimbursement to RealT if it is found that such indemnitee is not entitled to such indemnification under applicable law and the Operating Agreement.

Books and Reports

RealT will keep appropriate books of the business at its principal offices. The books will be maintained for both tax and financial reporting purposes on a basis that permits the preparation of financial statements in accordance with GAAP. For financial reporting purposes and tax purposes, the fiscal year and the tax year are the calendar year, unless otherwise determined by the Managing Member in accordance with the Internal Revenue Code.

Series #1 will elect and be qualified, and the Company intends that each future Series will elect and qualify, to be taxed as a corporation under the Internal Revenue Code of 1986.

We will provide annual and semi-annual financial reports and periodic updates electronically through the RealToken Website. As documents and periodic updates become available, we will notify Interest Holders of this by sending the Interest Holders an email message or a message through the RealToken Website that will include instructions on how to retrieve the periodic updates and documents. If our email notification is returned to us as "undeliverable," we will contact the Interest Holder to obtain an updated email address. We will provide Interest Holders with copies via email or paper copies at any time upon request. The contents of the RealToken Website are not incorporated by reference in or otherwise a part of this Memorandum.

Documentation will be separately available via the use of the IPFS. IPFS provides a high-throughput, content-addressed block storage model, with content-addressed hyperlinks. Through IPFS, all necessary documents that prove ownership of the real estate by RealToken Interest Holders can be accessible on the Ethereum blockchain via the internet at any time, by anyone, from anywhere. RealT expects to implement an IPFS system for the documentation of the Series investments at some time in the future. Details describing this process will be provided to Interest Holders.

Exclusive Jurisdiction

Any dispute in relation to the Operating Agreement is subject to the exclusive jurisdiction of the Court of Chancery of the State of Delaware, and each Investor will covenant and agree not to bring any such claim in any other venue. If an Interest Holder were to bring a claim against RealT or the Managing Member pursuant to the Operating Agreement, it would have to do so in the Delaware Court of Chancery.

RealTokens; Series #1 RealTokens

In this Offering Interests will be issued in the form of RealTokens, and the Series RealTokens will be issued as Series #1 RealTokens. The terms of the Series #1 RealTokens are derived from the smart contracts and our Operating Agreement and Series Designation.

The Series Interests will be issued in the form of electronic, digital tokens, which are effectively digital limited liability company membership interests. The Series #1 RealTokens will be issued as Ethereum-based smart contracts on the Ethereum Blockchain. The Series #1 RealTokens will be a new series of Ethereum-based smart contract digital tokens meeting the ERC-20 protocol standard as modified to meet transfer restriction requirements under applicable U.S. securities law. Although we are currently proposing that the Series #1 RealTokens will use the Ethereum Blockchain, we reserve the right, in our sole discretion, to issue Series #1 RealTokens on another blockchain network under a different, non-ERC smart contract token protocol.

As of the date of this Memorandum, no Series #1 RealTokens have been issued. After giving effect to this Offering, it is expected that 1,000 Series #1 RealTokens representing the same number of Interests will be issued and outstanding.

As the Series #1 RealTokens are digital representations of our Interests. The rights of holders of our Series #1 RealTokens come from two sources: our Operating Agreement and Series Designation, which sets out the terms of the Interests, whether held in token form or not, and the ERC-20 smart contract, as modified to meet transfer restriction requirements under applicable U.S. securities law, which establishes the terms upon which Series #1 RealTokens holders will hold the Series #1 RealTokens. There is no substantive difference between the rights of Interests held as Series #1 RealTokens and the rights of Interests held directly. Other than specifying the manner of holding and transfer of the Series #1 RealTokens, the smart contract does not confer any rights or restrictions on the holders of Series #1 RealTokens that differ from those of investors not holding Interests in token form.

Each Series #1 RealTokens confers upon the Series #1 RealTokens holder the same rights conferred upon a holder of one Interests, that is:

- The limited right to one vote at a meeting of the Members of RealT or the Series or on any resolution of shareholders, as described in the Operating Agreement and Series Designation;

- The right to an equal share in any dividend paid by the Series; and

- The right to an equal share in the distribution of the surplus assets of RealT on its liquidation.

The Series #1 RealTokens will be delivered to Digital Wallet addresses on the Ethereum Blockchain and governed by the RealToken smart contracts. We do not control the Ethereum Blockchain or the Investors' Digital Wallets.

The protocol, or code, for the RealToken smart contracts is based on the ERC-20 standard, modified to meet transfer restriction requirements under applicable U.S. securities law and to limit the ability of Digital Wallet holders to transfer or otherwise change the number of Series #1 RealTokens in a Digital Wallet. Our code for the RealToken smart contracts, which is proprietary and will not be published at this time, has been created under the ERC-20 protocol, modified for compliance with applicable securities laws governing the transfer and sale of securities. Our ERC-20 based code is fully developed and available to be used as the basis for our RealToken smart contracts. The ownership of Interests recorded by the RealToken smart contracts may be changed only by the Series. Investors who have lost access to their Series #1 RealTokens (for a number of reasons) may have their Series #1 RealTokens cancelled and re-issued upon providing the Series with a signed notarized sworn affidavit attached to the letter explaining the loss and providing a new Ethereum Digital Wallet address (if required). The Series will make publicly available the number of securities issued on the Ethereum Blockchain.

The RealToken smart contract has been developed by Bunker Capital, a blockchain consulting and advisory firm based in Aventura, Florida and founded in November 2016. Remy Jacobson, who is a 50% owner of the Managing Member of RealT is also the Chairman, Managing Partner and co-founder, and a 25% owner, of Bunker Capital. Jean-Marc Jacobson, Remy's brother, is a 50% owner of RealToken Inc., the Managing Member, and a 25% owner of Bunker Capital.

We do not expect to have a cybersecurity audit performed on the RealToken smart contract. We believe that because all purchasers of the RealTokens will be whitelisted and all transactions in the RealTokens recorded, tracked and reversible, the risk of loss from the possible hacking of a RealToken smart contract or a digital wallet holding RealTokens will be mitigated.

Because the Series #1 RealTokens represent our Interests, there is no limitation embedded in the RealToken smart contracts on the number of Series #1 RealTokens that can be created. The overall potential number of Series #1 RealTokens will be a function of corporate law and will be increased or fractionalized in accordance with laws of the State of Delaware and our Operating Agreement and Series #1 Designation.

Initially, under the terms of the RealToken smart contracts, a single Series #1 RealToken may not be divided into fractions of a token and only whole Series #1 RealTokens may be transferred or accepted. We may in the future, however, determine to allow the Series #1 RealTokens to be fractionalized up to ten (10) decimal places.

Our RealToken smart contract architecture consists of three components – a deed contract, a security token contract and a KYC/AML registry. A detailed discussion of this RealToken smart contract framework is set forth in Appendix B attached hereto.

Listing

The Interests, evidenced by the Series #1 RealTokens, are restricted securities and are not currently listed or quoted for trading on any national securities exchange, ATS or national quotation system.

We intend to list Series #1 RealTokens in the future on one or more ATSs or other exchanges which are registered with the SEC to trade unregistered securities and have the technological capability to handle security token trading. If Series #1 RealTokens are listed on any such exchange, one or more of our affiliates (or other parties) may engage in market-making activities with respect to Series #1 RealTokens. No assurance can be made that our attempts to list Series #1 RealTokens on any such ATS or other exchange will be successful or that an active trading market for Series #1 RealTokens will develop, or if one develops, be maintained. Currently, there is no public market for Series #1 RealTokens and a market may never develop, which could cause Series #1 RealTokens to trade at a discount and make it difficult for holders of Series #1 RealTokens to sell them.

Securities Law Restrictions

Series #1 RealTokens have not been registered under the Securities Act or any securities laws of any state or any jurisdiction anywhere in the world, and, unless so registered, Series #1 RealTokens may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and such other applicable securities laws. As a result, Series #1 RealTokens are being offered and sold only in jurisdictions where such registration or qualification is not required, including pursuant to applicable exemptions that generally limit the investors who are eligible to purchase Series #1 RealTokens and that restrict the resale of Series #1 RealTokens. Accordingly, Series #1 RealTokens are being initially offered and sold only (1) to "accredited investors" (as defined under Regulation D) in compliance with Regulation D, in each case, in a private transaction in reliance on the exemption from the registration requirements of the Securities Act provided by Regulation D under the Securities Act, and (2) outside the United States to investors who are not "U.S. persons" in offshore transactions in reliance upon Regulation S under the Securities Act

Digital Notices

The Series #1 RealTokens are digital instruments and, as such, will not contain legends. However, purchasers (including secondary purchasers) of Series #1 RealTokens will be presented with the information regarding restrictions on transfer of the Series #1 RealTokens, including the legends set forth below, and, at a minimum, must affirmatively signal their understanding of the information and provide RealT with certain representations on their investor status and location. Each Series #1 RealToken will incorporate legends substantially to the following effect:

> THIS SECURITY, *I.E.*, THE TOKEN (THE "***TOKENS***"), HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "***SECURITIES ACT***"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY, NOR ANY INTEREST OR PARTICIPATION HEREIN, MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF UNDER ANY CIRCUMSTANCES. EACH HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF REPRESENTS THAT (A) IT IS AN "ACCREDITED INVESTOR" (AS DEFINED IN REGULATION D UNDER THE SECURITIES ACT) OR (B) IT IS NOT A "U.S. PERSON" AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT AND IN ACCORDANCE WITH THE LAWS APPLICABLE TO IT IN THE JURISDICTION IN WHICH SUCH ACQUISITION IS MADE.
>
> THE TOKENS WHEN ISSUED WILL BE ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, AND MAY NOT BE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("***REGULATION S***")) EXCEPT PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS. EXCEPT AS SET FORTH BELOW, THE TOKENS SHALL NOT BE EXCHANGEABLE FOR TOKENS THAT ARE NOT SUBJECT TO A LEGEND CONTAINING RESTRICTIONS ON TRANSFER UNTIL THE EXPIRATION OF THE APPLICABLE ONE-YEAR "***DISTRIBUTION COMPLIANCE PERIOD***" (WITHIN THE MEANING OF REGULATION S) AND THEN ONLY UPON CERTIFICATION IN A FORM REASONABLY SATISFACTORY TO ISSUER AND ITS TRANSFER AGENT, IF ANY, THAT SUCH TOKENS ARE OWNED EITHER BY NON-U.S. PERSONS OR U.S. PERSONS WHO PURCHASED SUCH INTERESTS IN A TRANSACTION THAT DID NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT. THE HOLDER OF ANY TOKENS AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH TOKENS, PRIOR TO THE EXPIRATION OF THE APPLICABLE ONE-YEAR HOLDING PERIOD WITH RESPECT TO RESTRICTED SECURITIES SET FORTH IN RULE 144 UNDER THE SECURITIES ACT (THE "***RESALE RESTRICTION TERMINATION DATE***"), ONLY (A) TO ISSUER OR ANY OF ISSUER'S AFFILIATES, (B) PURSUANT TO A COMPLIANT REGULATION S SALE, OR (C) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, SUBJECT, IN EACH OF THE FOREGOING CASES, TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH PURCHASER ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND, IN EACH CASE, IN COMPLIANCE WITH APPLICABLE SECURITIES LAWS OF ANY

APPLICABLE JURISDICTION. HEDGING TRANSACTIONS INVOLVING THE TOKENS MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

All the material terms in the smart contracts have been disclosed in this section.

MATERIAL UNITED STATES TAX CONSIDERATIONS

The following is a summary of the material United States federal income tax consequences of the ownership and disposition of the Interests to United States holders but does not purport to be a complete analysis of all the potential tax considerations relating thereto. This summary is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations promulgated thereunder, administrative rulings and judicial decisions, all as of the date hereof. These authorities may be changed, possibly retroactively, so as to result in United States federal income tax consequences different from those set forth below. We have not sought any ruling from the Internal Revenue Service (the "IRS"), with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS will agree with such statements and conclusions.

This summary also does not address the tax considerations arising under the laws of any United States state or local or any non-United States jurisdiction or under United States federal gift and estate tax laws. In addition, this discussion does not address tax considerations applicable to an Investor's particular circumstances or to Investors that may be subject to special tax rules, including, without limitation:

- banks, insurance companies or other financial institutions;
- persons subject to the alternative minimum tax;
- tax-exempt organizations;
- dealers in securities or currencies;
- traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;
- certain former citizens or long-term residents of the United States;
- persons who hold the Interests as a position in a hedging transaction, "straddle," "conversion transaction" or other risk reduction transaction;
- persons who do not hold the Interests as a capital asset within the meaning of Section 1221 of the Code (generally, for investment purposes); or
- persons deemed to sell the Interests under the constructive sale provisions of the Code.

In addition, if a partnership, including any entity or arrangement, domestic or foreign, classified as a partnership for United States federal income tax purposes, holds Interests, the tax treatment of a partner generally will depend on the status of the partner and upon the activities of the partnership. Accordingly, partnerships that hold Interests, and partners in such partnerships, should consult their tax advisors.

You are urged to consult your tax advisor with respect to the application of the United States federal income tax laws to your particular situation, as well as any tax consequences of the purchase, ownership and disposition of the Interests arising under the United States federal estate or gift tax rules or under the laws of any United States state or local or any foreign taxing jurisdiction or under any applicable tax treaty.

Taxation of Each Series of Interests as a "C" Corporation

RealT, although formed as a Delaware series limited liability company eligible for tax treatment as a "partnership," has affirmatively elected for each series of interests to be taxed as a "C" corporation under Subchapter C of the Code for all federal and state tax purposes. Thus, each series of interests will be taxed at regular corporate rates on its income before making any distributions to interest holders as described below.

Taxation of Distributions to Investors

A "U.S. Holder" includes a beneficial owner of Interests that is, for U.S. federal income tax purposes, an individual citizen or resident of the United States.

Distributions to U.S. Holders out of the Series' current or accumulated earnings and profits will be taxable as dividends. A U.S. Holder who receives a distribution constituting "qualified dividend income" may be eligible for reduced federal income tax rates on that distribution. U.S. Holders are urged to consult their tax advisors regarding the characterization of corporate distributions as "qualified dividend income." Distributions in excess of the Series' current and accumulated earnings and profits will not be taxable to a U.S. Holder to the extent that the distributions do not exceed the adjusted tax basis of the U.S. Holder's Interests. Rather, such distributions will reduce the adjusted basis of such U.S. Holder's Interests. Distributions in excess of current and accumulated earnings and profits that exceed the U.S. Holder's adjusted basis in its Interests will be taxable as capital gain in the amount of such excess if the Interests are held as a capital asset. In addition, under Section 1411 of the Code, a U.S. Holder may be subject to an additional 3.8% tax (the "3.8% NIIT") on certain investment income. In general, in the case of individuals, this tax is equal to 3.8% of the lesser of (i) the taxpayer's "net investment income" or (ii) the excess of the taxpayer's adjusted gross income over the applicable threshold amount ($250,000 for married taxpayers filing a joint return, $125,000 for married individuals filing separate returns and $200,000 for most other taxpayers). In the case of an estate or trust, the 3.8% tax will be imposed on the lesser of (x) the undistributed net investment income of the estate or trust for the taxable year, or (y) the excess of the adjusted gross income of the estate or trust for such taxable year over a beginning dollar amount (currently $12,750) of the highest tax bracket for such year). Under Section 1411(c) of the Code, dividends are included as investment income in the determination of "net investment income."

Holders of Interests who are not U.S. Holders (for example, non-U.S. individuals or corporations) may be subject to U.S. withholding tax on dividend payments at 30 percent (or a lower rate fixed by treaty between the United States and the Holder's country of residence). The rules relating to taxation of non-U.S. persons holding interests in a U.S. corporation are highly complex, and non-U.S. holders are strongly urged to consult their own tax advisors as to the potential federal income tax consequences of ownership of the Interests.

Taxation of Dispositions of Interests

Upon any taxable sale or other disposition of Interests, a U.S. Holder will recognize gain or loss for federal income tax purposes on the disposition in an amount equal to the difference between the amount of cash and the fair market value of any property received on such disposition; and the U.S. Holder's adjusted tax basis in the Interests. A U.S. Holder's adjusted tax basis in the Interests generally equals his or her initial amount paid for the Interests and decreased by the amount of any distributions to the Investor in excess of RealT's current or accumulated earnings and profits. In computing gain or loss, the proceeds that U.S. Holders receive will include the amount of any cash and the fair market value of any other property received for their Interests, and the amount of any actual or deemed relief from indebtedness encumbering their Interests. The gain or loss will be long-term capital gain or loss if the Interests are held for more than one year before disposition. Long-term capital gains of individuals, estates and trusts currently are taxed at a maximum rate of 20% (plus any applicable state income taxes) plus the 3.8% NIIT. The deductibility of capital losses may be subject to limitation and depends on the circumstances of a particular U.S. Holder; the effect of such limitation may be to defer or to eliminate any tax benefit that might otherwise be available from a loss on a disposition of the Interests. Capital losses are first deducted against capital gains, and, in the case of non-corporate taxpayers, any remaining such losses are deductible against salaries or other income from services or income from portfolio investments only to the extent of $3,000 per year.

Dispositions of Interests by non-U.S. Holders are generally not subject to federal income tax, unless held in the conduct of a U.S. trade or business or through a U.S. office or other place of business. The rules relating to taxation of non-U.S. persons holding interests in a U.S. corporation are highly complex, and non-U.S. holders are strongly urged to consult their own tax advisors as to the potential federal income tax of any disposition of Interests.

Backup Withholding and Information Reporting

Generally, RealT and/or the Series must report annually to the IRS the amount of dividends paid to you, your name and address, and the amount of tax withheld, if any. A similar report will be sent to you.

Payments of dividends or of proceeds on the disposition of the Interests made to you may be subject to additional information reporting and backup withholding at a current rate of 28% unless you establish an exemption. Notwithstanding the foregoing, backup withholding and information reporting may apply if either we or our paying agent has actual knowledge, or reason to know, that you are a United States person.

Backup withholding is not an additional tax; rather, the United States income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund or credit may generally be obtained from the IRS, provided that the required information is furnished to the IRS in a timely manner.

The preceding discussion of United States federal tax considerations is for general information only. It is not tax advice. Each prospective Investor should consult its own tax advisor regarding the particular United States federal, state and local and foreign tax consequences, if applicable, of purchasing, holding and disposing of the Interests, including the consequences of any proposed change in applicable laws.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

The statements contained in this Memorandum constitute only a brief summary of certain provisions of the documents referred to and the transactions contemplated. The statements contained in this document do not purport to be a complete description of every term and condition of such documents and are qualified in their entirety by reference to such documents. As with any summary, some details and exceptions have been omitted. If any of the statements made in this Memorandum are in conflict with any of the terms of any of such documents, the terms of such documents will govern. Reference is made to the actual documents for a complete understanding of what they contain. Copies of all documents in connection with the transaction described in this Memorandum are available from RealT at the address listed below. Each prospective Investor and his advisor are invited and encouraged to ask us questions with respect to the terms and conditions of the Offering, the structure and function of the Series #1 RealTokens and our business and request additional information necessary to verify information in this Memorandum. We will seek to provide answers and such information to the extent possessed or obtainable without unreasonable effort or expense. Potential Investors may be required to execute non-disclosure agreements as a prerequisite to reviewing documents determined by us to contain proprietary, confidential or otherwise sensitive information. To obtain such information or to make arrangements to ask such questions of us, prospective Investors should can contact us through the following address:

RealToken Inc.
2750 NE 185th Street, Suite 306, Aventura, Florida, 33180
Telephone: 305-720-8459
remy@realt.co
Attention: Remy Jacobson

APPENDIX A - JURISDICTIONAL NOTICES

NOTICE TO RESIDENTS OF THE UNITED STATES AND "U.S. PERSONS"

THE OFFER AND SALE OF THE REALTOKENS CURRENTLY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR UNDER THE SECURITIES LAWS OF ANY STATE THEREOF. THE REALTOKENS MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED WITHIN THE UNITED STATES OR TO A "U.S. PERSON" (AS DEFINED IN REGULATION S PROMULGATED UNDER THE SECURITIES ACT), EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM.

NASAA UNIFORM LEGEND

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. THE TOKENS HAVE NOT BEEN RECOMMENDED BY ANY 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, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION. PROSPECTIVE INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO RESIDENTS OF AUSTRALIA

THE REALTOKENS ARE NOT "SECURITIES" FOR THE PURPOSES OF CHAPTER 6D OF THE CORPORATIONS ACT 2001 (CTH) (OR THE CORPORATIONS ACT). NO PROSPECTUS, PRODUCT DISCLOSURE STATEMENT OR OTHER DISCLOSURE DOCUMENT HAS BEEN LODGED WITH THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION (ASIC) IN RELATION TO THIS OFFERING OF REALTOKENS. ANY OFFER IN AUSTRALIA OF THE REALTOKENS MAY ONLY BE MADE TO "WHOLESALE CLIENTS" (WITHIN THE MEANING OF SECTIONS 761G AND 761GA OF THE CORPORATIONS ACT) AND ANY PERSONS IN AUSTRALIA WHO APPLY TO BE ALLOTTED REALTOKENS UNDER THIS OFFERING WARRANT TO THE ISSUER OF THE REALTOKENS THAT THEY ARE A "WHOLESALE CLIENT" (WITHIN THE MEANING OF SECTIONS 761G AND 761GA OF THE CORPORATIONS ACT). THE REALTOKENS MUST NOT BE OFFERED FOR SALE IN AUSTRALIA IN THE PERIOD OF 12 MONTHS AFTER THE DATE OF ALLOTMENT OF THE REALTOKENS UNDER THIS OFFERING TO ANY "RETAIL CLIENT" (WITHIN THE MEANING OF SECTIONS 761G AND 761GA OF THE CORPORATIONS ACT). ANY INVESTOR ACQUIRING THE REALTOKENS MUST OBSERVE SUCH AUSTRALIAN ON-SALE RESTRICTIONS.

NOTICE TO RESIDENTS OF BRAZIL

THE REALTOKENS HAVE NOT BEEN AND WILL NOT BE ISSUED NOR PUBLICLY PLACED, DISTRIBUTED, OFFERED OR NEGOTIATED IN THE BRAZILIAN CAPITAL MARKETS. THE ISSUANCE OF THE REALTOKENS HAS NOT BEEN NOR WILL BE REGISTERED WITH THE BRAZILIAN SECURITIES AND EXCHANGE COMMISSION ("**CVM**"). ANY PUBLIC OFFERING OR DISTRIBUTION, AS DEFINED UNDER BRAZILIAN LAWS AND REGULATIONS, OF THE REALTOKENS IN BRAZIL IS NOT LEGAL WITHOUT PRIOR REGISTRATION UNDER BRAZILIAN LAWS AND CVM REGULATIONS. DOCUMENTS RELATING TO THE OFFERING OF THE REALTOKENS, AS WELL AS INFORMATION CONTAINED THEREIN, MAY NOT BE SUPPLIED TO THE PUBLIC IN BRAZIL (AS THE OFFERING OF THE REALTOKENS IS NOT A PUBLIC OFFERING OF SECURITIES IN BRAZIL), NOR BE USED IN CONNECTION WITH ANY OFFER FOR PURCHASE OR SALE OF THE REALTOKENS TO THE PUBLIC IN BRAZIL. THEREFORE, THE COMPANY HAS NOT OFFERED OR SOLD, AND WILL NOT OFFER OR SELL, THE REALTOKENS IN BRAZIL, EXCEPT IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING, PLACEMENT, DISTRIBUTION OR NEGOTIATION OR AN UNAUTHORIZED DISTRIBUTION OF SECURITIES IN THE BRAZILIAN CAPITAL MARKETS REGULATED BY BRAZILIAN LEGISLATION.

PERSONS WISHING TO OFFER OR ACQUIRE THE REALTOKENS WITHIN BRAZIL SHOULD CONSULT WITH THEIR OWN COUNSEL AS TO THE APPLICABILITY OF REGISTRATION REQUIREMENTS OR ANY EXEMPTION THEREFROM.

NOTICE TO RESIDENTS OF THE EUROPEAN ECONOMIC AREA

WITH RESPECT TO PUBLIC OFFER SELLING RESTRICTIONS UNDER THE PROSPECTUS DIRECTIVE IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA WHICH HAS IMPLEMENTED THE PROSPECTUS DIRECTIVE (EACH A "**RELEVANT MEMBER STATE**"), WITH EFFECT FROM AND INCLUDING THE DATE ON WHICH THE PROSPECTUS DIRECTIVE IS IMPLEMENTED IN THAT RELEVANT MEMBER STATE (THE "**RELEVANT IMPLEMENTATION DATE**"), THE COMPANY HAS NOT MADE AND WILL NOT MAKE AN OFFER OF REALTOKENS WHICH ARE THE SUBJECT OF THE OFFERING CONTEMPLATED BY THIS MEMORANDUM TO THE PUBLIC IN THAT RELEVANT MEMBER STATE, EXCEPT THAT IT MAY, WITH EFFECT FROM AND INCLUDING THE RELEVANT IMPLEMENTATION DATE, MAKE AN OFFER OF SUCH REALTOKENS TO THE PUBLIC IN THAT RELEVANT MEMBER STATE:

(A) QUALIFIED INVESTORS: TO ANY LEGAL ENTITY WHICH IS A QUALIFIED INVESTOR AS DEFINED IN THE PROSPECTUS DIRECTIVE;

(B) FEWER THAN 100 OFFEREES: TO FEWER THAN 100 OR, IF THE RELEVANT MEMBER STATE HAS IMPLEMENTED THE RELEVANT PROVISION OF THE 2010 PD AMENDING DIRECTIVE, 150, NATURAL OR LEGAL PERSONS (OTHER THAN QUALIFIED INVESTORS AS DEFINED IN THE PROSPECTUS DIRECTIVE), AS PERMITTED UNDER THE PROSPECTUS DIRECTIVE; OR

(C) OTHER EXEMPT OFFERS: IN ANY OTHER CIRCUMSTANCES FALLING WITHIN ARTICLE 3(2) OF THE PROSPECTUS DIRECTIVE; PROVIDED THAT NO SUCH OFFER OF NOTES SHALL REQUIRE THE ISSUER OR THE MANAGER TO PUBLISH A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE OR SUPPLEMENT A PROSPECTUS PURSUANT TO ARTICLE 16 OF THE PROSPECTUS DIRECTIVE.

FOR THE PURPOSES OF THIS PROVISION, THE EXPRESSION AN "OFFER OF REALTOKENS TO THE PUBLIC" IN RELATION TO ANY REALTOKENS IN ANY RELEVANT MEMBER STATE MEANS THE COMMUNICATION IN ANY FORM AND BY ANY MEANS OF SUFFICIENT INFORMATION ON THE TERMS OF THE OFFER AND THE REALTOKENS TO BE OFFERED SO AS TO ENABLE AN INVESTOR TO DECIDE TO PURCHASE OR SUBSCRIBE THE REALTOKENS, AS THE SAME MAY BE VARIED IN THAT MEMBER STATE BY ANY MEASURE IMPLEMENTING THE PROSPECTUS DIRECTIVE IN THAT MEMBER STATE, THE EXPRESSION "PROSPECTUS DIRECTIVE" MEANS DIRECTIVE 2003/71/EC (AND AMENDMENTS THERETO, INCLUDING THE 2010 PD AMENDING DIRECTIVE, TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATE), AND INCLUDES ANY RELEVANT IMPLEMENTING MEASURE IN THE RELEVANT MEMBER STATE AND THE EXPRESSION "2010 PD AMENDING DIRECTIVE" MEANS DIRECTIVE 2010/73/EU.

NOTICE TO RESIDENTS OF BRITISH VIRGIN ISLANDS

THE REALTOKENS AND ANY DOCUMENTS USED IN CONNECTION THEREWITH DO NOT CONSTITUTE A PUBLIC OFFER OF THE SECURITIES, WHETHER BY WAY OF SALE OR SUBSCRIPTION, IN THE BRITISH VIRGIN ISLANDS. THE COMPANY WILL NOT CARRY ON BUSINESS IN THE BRITISH VIRGIN ISLANDS. THE REALTOKENS HAVE NOT BEEN OFFERED OR SOLD, AND WILL NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN THE BRITISH VIRGIN ISLANDS, EXCEPT AS MAY BE PERMITTED BY LAW WITHOUT CREATING AN OBLIGATION FOR THE COMPANY TO REGISTER IN THE BRITISH VIRGIN ISLANDS.

NOTICE TO RESIDENTS OF CANADA

THIS MEMORANDUM CONSTITUTES AN OFFERING OF THE REALTOKENS IN ALL OF THE PROVINCES OF CANADA (THE "***CANADIAN JURISDICTIONS***"). NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS REVIEWED OR IN ANY WAY PASSED UPON THIS MEMORANDUM OR THE MERITS OF THE REALTOKENS AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

THE DISTRIBUTION OF REALTOKENS IN THE CANADIAN JURISDICTIONS IS BEING MADE ONLY ON A PRIVATE PLACEMENT BASIS AND IS EXEMPT FROM THE REQUIREMENT THAT THE COMPANY PREPARE AND FILE A PROSPECTUS WITH THE RELEVANT CANADIAN SECURITIES REGULATORY AUTHORITIES. ACCORDINGLY, ANY RESALE OF THE REALTOKENS MUST BE MADE IN ACCORDANCE WITH APPLICABLE CANADIAN SECURITIES LAWS WHICH WILL VARY DEPENDING ON THE RELEVANT JURISDICTION AND WHICH MAY REQUIRE RESALES TO BE MADE IN ACCORDANCE WITH PROSPECTUS AND DEALER REGISTRATION REQUIREMENTS OR EXEMPTIONS FROM THE PROSPECTUS AND DEALER REGISTRATION REQUIREMENTS. THESE RESALE RESTRICTIONS MAY UNDER CERTAIN CIRCUMSTANCES APPLY TO RESALES OF REALTOKENS OUTSIDE OF CANADA. CANADIAN INVESTORS ARE ADVISED TO SEEK LEGAL ADVICE PRIOR TO ANY RESALE OF REALTOKENS, BOTH WITHIN AND OUTSIDE OF CANADA.

THE COMPANY IS NOT PRESENTLY, AND DOES NOT INTEND TO BECOME, A "REPORTING ISSUER," AS SUCH TERM IS DEFINED UNDER APPLICABLE CANADIAN SECURITIES LAWS, IN ANY PROVINCE OR TERRITORY OF CANADA. CANADIAN INVESTORS ARE ADVISED THAT THE REALTOKENS ARE NOT AND WILL NOT BE LISTED ON ANY STOCK EXCHANGE IN CANADA AND THAT NO PUBLIC MARKET PRESENTLY EXISTS OR IS EXPECTED TO EXIST FOR THE REALTOKENS IN CANADA FOLLOWING THIS OFFERING. CANADIAN INVESTORS ARE FURTHER ADVISED THAT THE COMPANY IS NOT REQUIRED TO FILE, AND CURRENTLY DOES NOT INTEND TO FILE A PROSPECTUS OR SIMILAR DOCUMENT WITH ANY SECURITIES REGULATORY AUTHORITY IN CANADA QUALIFYING THE RESALE OF THE REALTOKENS TO THE PUBLIC IN ANY PROVINCE OR TERRITORY OF CANADA IN CONNECTION WITH THIS OFFERING. ACCORDINGLY, THE REALTOKENS MAY BE SUBJECT TO AN INDEFINITE HOLD PERIOD UNDER APPLICABLE CANADIAN SECURITIES LAWS UNLESS RESALES ARE MADE IN ACCORDANCE WITH APPLICABLE PROSPECTUS REQUIREMENTS OR PURSUANT TO AN AVAILABLE EXEMPTION FROM SUCH PROSPECTUS REQUIREMENTS.

REPRESENTATIONS OF CANADIAN INVESTORS

EACH CANADIAN INVESTOR WHO PURCHASES REALTOKENS WILL BE DEEMED TO HAVE REPRESENTED THAT: (I) SUCH INVESTOR IS RESIDENT IN A DESIGNATED CANADIAN JURISDICTION; (II) TO THE KNOWLEDGE OF SUCH INVESTOR, THE OFFER AND SALE OF REALTOKENS WERE NOT ACCOMPANIED BY ANY ADVERTISEMENT OF THE REALTOKENS IN ANY PRINTED MEDIA OF GENERAL AND REGULAR PAID CIRCULATION, RADIO, TELEVISION OR TELECOMMUNICATIONS, INCLUDING ELECTRONIC DISPLAY, OR ANY OTHER FORM OF ADVERTISING IN CANADA; (III) WHERE REQUIRED BY LAW, SUCH INVESTOR IS PURCHASING REALTOKENS AS PRINCIPAL, OR IS DEEMED TO BE PURCHASING AS PRINCIPAL IN ACCORDANCE WITH APPLICABLE SECURITIES LAWS OF THE APPLICABLE CANADIAN JURISDICTION, FOR ITS OWN ACCOUNT AND NOT AS AGENT FOR THE BENEFIT OF ANOTHER PERSON OR IS DEEMED TO BE SO PURCHASING, AND IS PURCHASING FOR INVESTMENT ONLY AND NOT WITH A VIEW TO RESALE OR DISTRIBUTION; (IV) SUCH INVESTOR OR ANY ULTIMATE INVESTOR FOR WHICH SUCH INVESTOR IS ACTING AS AGENT IS ENTITLED UNDER APPLICABLE SECURITIES LAWS IN THE RELEVANT CANADIAN JURISDICTIONS TO SUBSCRIBE FOR REALTOKENS WITHOUT THE BENEFIT OF A PROSPECTUS QUALIFIED UNDER SUCH SECURITIES LAWS; AND WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, (A) SUCH INVESTOR IS AN "ACCREDITED INVESTOR" AS DEFINED IN SECTION 1.1 OF NATIONAL INSTRUMENT 45-106 – PROSPECTUS EXEMPTIONS ("***NI 45-106***") AND SECTION 73.3 OF THE SECURITIES ACT (ONTARIO), AS APPLICABLE, AND, WHERE THE INVESTOR IS AN INDIVIDUAL "ACCREDITED INVESTOR", HE OR SHE IS RELYING ON PARAGRAPH (J.1) OF THE DEFINITION OF "ACCREDITED INVESTOR", AND (B) IS A "PERMITTED CLIENT" AS SUCH TERM IS DEFINED IN SECTION 1.1 NATIONAL INSTRUMENT 31-103 – REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS ("**NI 31-103**") AND, IF APPLICABLE, IS PURCHASING THE REALTOKENS FROM A DEALER PERMITTED TO RELY ON THE "INTERNATIONAL DEALER EXEMPTION" CONTAINED IN SECTION 8.18 OF NI 31-103; (V) SUCH INVESTOR IS NOT A PERSON CREATED OR USED SOLELY TO PURCHASE OR HOLD SECURITIES AS AN "ACCREDITED INVESTOR"; AND (VI) SUCH INVESTOR CERTIFIES THAT NONE OF THE FUNDS BEING USED TO PURCHASE THE REALTOKENS ARE, TO ITS KNOWLEDGE, PROCEEDS OBTAINED OR DERIVED AS A RESULT OF ILLEGAL ACTIVITIES AND THAT: (A) THE FUNDS BEING USED TO PURCHASE THE REALTOKENS DO NOT REPRESENT PROCEEDS OF CRIME FOR THE PURPOSE OF THE CRIMINAL CODE (CANADA) OR THE PROCEEDS OF CRIME (MONEY LAUNDERING) AND TERRORIST FINANCIAL ACT (CANADA) OR ANY REGULATIONS ADOPTED UNDER THE SPECIAL ECONOMIC MEASURES ACT (CANADA) OR THE UNITED

NATIONS ACT (CANADA) (COLLECTIVELY, THE "***CANADIAN AML AND ECONOMIC SANCTIONS LEGISLATION***") AND (B) THE COMPANY MAY IN THE FUTURE BE REQUIRED BY LAW TO DISCLOSE SUCH INVESTOR'S NAME AND OTHER INFORMATION RELATING TO THE INVESTOR, ON A CONFIDENTIAL BASIS, PURSUANT TO THE CANADIAN AML AND ECONOMIC SANCTIONS LEGISLATION OR AS OTHERWISE MAY BE REQUIRED BY APPLICABLE LAWS, REGULATIONS OR RULES.

IN ADDITION, EACH CANADIAN INVESTOR WHICH SUBSCRIBES FOR REALTOKENS WILL BE DEEMED TO HAVE REPRESENTED TO THE COMPANY AND ANY DEALER WHICH SELLS THE REALTOKENS TO SUCH INVESTOR THAT: (I) IT HAS BEEN NOTIFIED BY THE COMPANY (A) THAT THE COMPANY IS REQUIRED TO PROVIDE INFORMATION (THE "***PERSONAL INFORMATION***") PERTAINING TO SUCH INVESTOR AS REQUIRED TO BE DISCLOSED IN SCHEDULE I OF FORM 45-106F1 UNDER NI 45-106 (INCLUDING ITS NAME, ADDRESS, TELEPHONE NUMBER AND THE NUMBER AND VALUE OF ANY REALTOKENS PURCHASED); (B) SUCH PERSONAL INFORMATION WILL BE DELIVERED TO THE SECURITIES REGULATORY AUTHORITY OR REGULATOR IN ACCORDANCE WITH NI 45-106; (C) SUCH PERSONAL INFORMATION IS BEING COLLECTED INDIRECTLY BY THE SECURITIES REGULATORY AUTHORITY OR REGULATOR UNDER THE AUTHORITY GRANTED TO IT UNDER THE SECURITIES LEGISLATION OF THE APPLICABLE LEGISLATION; (D) SUCH PERSONAL INFORMATION IS BEING COLLECTED FOR THE PURPOSES OF THE ADMINISTRATION AND ENFORCEMENT OF THE SECURITIES LEGISLATION OF APPLICABLE LEGISLATION; AND (E) THE PUBLIC OFFICIAL IN ONTARIO WHO CAN ANSWER QUESTIONS ABOUT THE ONTARIO SECURITIES COMMISSION'S INDIRECT COLLECTION OF SUCH PERSONAL INFORMATION IS THE INQUIRIES OFFICER AT THE ONTARIO SECURITIES COMMISSION, 20 QUEEN STREET WEST, TORONTO, ONTARIO M5H 3S8, TELEPHONE: (416) 593-8314; AND (II) BY PURCHASING REALTOKENS, SUCH INVESTOR HAS AUTHORIZED THE INDIRECT COLLECTION OF THE PERSONAL INFORMATION BY THE SECURITIES REGULATORY AUTHORITY OR REGULATOR. FURTHER, SUCH INVESTOR ACKNOWLEDGES THAT ITS, HIS OR HER NAME, ADDRESS, TELEPHONE NUMBER AND OTHER SPECIFIED INFORMATION, INCLUDING THE NUMBER OF REALTOKENS IT, HE OR SHE HAS PURCHASED AND THE AGGREGATE PURCHASE PRICE TO INVESTOR, MAY BE DISCLOSED TO OTHER CANADIAN SECURITIES REGULATORY AUTHORITIES AND MAY BECOME AVAILABLE TO THE PUBLIC IN ACCORDANCE WITH THE REQUIREMENTS OF APPLICABLE LAWS. BY PURCHASING THE REALTOKENS, EACH CANADIAN INVESTOR CONSENTS TO THE DISCLOSURE OF SUCH INFORMATION.

SUMMARY OF RIGHTS OF ACTION FOR DAMAGES OR RESCISSION IN CERTAIN CANADIAN JURISDICTIONS SECURITIES LEGISLATION IN CERTAIN PROVINCES OR TERRITORIES OF CANADA MAY PROVIDE A CANADIAN INVESTOR WITH REMEDIES FOR RESCISSION OR DAMAGES IF THIS MEMORANDUM (INCLUDING ANY AMENDMENT THERETO) CONTAINS A MISREPRESENTATION, PROVIDED THAT THE REMEDIES FOR RESCISSION OR DAMAGES ARE EXERCISED BY SUCH INVESTOR WITHIN THE TIME LIMIT PRESCRIBED BY THE SECURITIES LEGISLATION OF SUCH INVESTOR'S PROVINCE OR TERRITORY. CANADIAN INVESTORS SHOULD REFER TO ANY APPLICABLE PROVISIONS OF THE SECURITIES LEGISLATION OF SUCH INVESTOR'S PROVINCE OR TERRITORY FOR PARTICULARS OF THESE RIGHTS OR CONSULT WITH A LEGAL ADVISOR.

NOTICE TO RESIDENTS OF CAYMAN ISLANDS

NO OFFER OR INVITATION MAY BE MADE TO THE PUBLIC IN THE CAYMAN ISLANDS TO PURCHASE THE REALTOKENS. THIS MEMORANDUM SHALL NOT CONSTITUTE AN OFFER, INVITATION OR SOLICITATION TO ANY MEMBER OF THE PUBLIC IN THE CAYMAN ISLANDS TO PURCHASE ANY REALTOKENS. REALTOKENS MAY BE BENEFICIALLY OWNED BY PERSONS RESIDENT, DOMICILED, ESTABLISHED, INCORPORATED OR REGISTERED PURSUANT TO THE LAWS OF THE CAYMAN ISLANDS. THE COMPANY, HOWEVER, WILL NOT UNDERTAKE BUSINESS WITH THE PUBLIC IN THE CAYMAN ISLANDS OTHER THAN SO FAR AS MAY BE NECESSARY FOR THE CARRYING ON OF THE BUSINESS OF THE COMPANY EXTERIOR TO THE CAYMAN ISLANDS. "**PUBLIC**" FOR PURPOSE OF THIS PROVISION DOES NOT INCLUDE (I) ANY LIMITED LIABILITY COMPANY REGISTERED UNDER THE LIMITED LIABILITY COMPANIES LAW (2018 REVISION), (II) ANY EXEMPTED OR ORDINARY NON-RESIDENT COMPANY REGISTERED UNDER THE COMPANIES LAW (2018 REVISION), (III) A FOREIGN COMPANY REGISTERED PURSUANT TO PART IX OF THE COMPANIES LAW (2018 REVISION), (IV) A FOREIGN LIMITED PARTNERSHIP REGISTERED UNDER SECTION 42 OF THE EXEMPTED LIMITED PARTNERSHIP LAW (2018 REVISION), (V) ANY COMPANY ACTING AS GENERAL PARTNER OF A PARTNERSHIP REGISTERED UNDER SECTION 9(1) OF THE EXEMPTED LIMITED

PARTNERSHIP LAW (2018 REVISION) OR (VI) ANY DIRECTOR OR OFFICER OF THE SAME ACTING IN THAT CAPACITY OR THE TRUSTEE OF ANY TRUST REGISTERED OR CAPABLE OF REGISTRATION UNDER SECTION 74 OF THE TRUSTS LAW (2018 REVISION) ACTING IN THAT CAPACITY.

NOTICE TO RESIDENTS OF FRANCE

THE REALTOKENS ARE NOT BEING OFFERED TO THE PUBLIC IN FRANCE. DISTRIBUTION OF THIS MEMORANDUM AND THE ISSUANCE OF THE REALTOKENS MAY BE RESTRICTED IN CERTAIN JURISDICTIONS. IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THE REALTOKENS OR RELATED DOCUMENTS AND ANY PERSON WISHING TO SUBSCRIBE FOR THE REALTOKENS TO INFORM THEMSELVES OF AND OBSERVE ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTIONS. NO ACTION HAS BEEN TAKEN THAT WOULD, OR IS INTENDED TO, PERMIT A PUBLIC OFFER OF THE REALTOKENS IN ANY COUNTRY OR JURISDICTION WHERE ANY SUCH ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, THE REALTOKENS MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS DOCUMENT NOT ANY OTHER INFORMATION, FOR OF APPLICATION, ADVERTISEMENT OR OTHER DOCUMENT MAY BE DISTRIBUTED OR PUBLISHED IN ANY COUNTRY OR JURISDICTION EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. THE COMPANY IS NOT MAKING ANY REPRESENTATION OR WARRANTY TO ANY PROSPECTIVE PURCHASE REGARDING THE LEGALITY OF AN INVESTMENT IN THE REALTOKENS BY SUCH PERSON UNDER APPROPRIATE SECURITIES OR SIMILAR LAWS. INVESTING IN THE REALTOKENS INVOLVES CERTAIN RISKS. IN PARTICULAR, EACH PROSPECTIVE INVESTOR IN THE REALTOKENS SHOULD PROCEED ON THE ASSUMPTION THAT A PURCHASER OF THE REALTOKENS MUST BEAR ECONOMIC RISKS OF SUCH AN INVESTMENT. PURCHASERS SHOULD NOT TREAT THE CONTENT OF THESE DOCUMENTS AS ADVICE RELATING TO LEGAL, TAXATION OR INVESTMENT MATTERS AND ARE ADVISED TO CONSULT THEIR OWN PROFESSIONAL ADVISERS CONCERNING THE SUBSCRIPTION OF THE REALTOKENS OR BOTH AND CONSEQUENCES THEREOF. ACCORDINGLY, PURCHASERS SHOULD INFORM THEMSELVES AS TO (A) THE POSSIBLE TAX CONSEQUENCES, (B) THE LEGAL REQUIREMENTS, AND (C) ANY FOREIGN EXCHANGE RESTRICTIONS OR EXCHANGE CONTROL REQUIREMENTS, WHICH THEY MIGHT ENCOUNTER UNDER THE LAWS OF THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE OR DOMICILE AND WHICH MIGHT BE RELEVANT TO THE SUBSCRIPTION, HOLDING OR DISPOSAL OF REALTOKENS.

NOTICE TO RESIDENTS OF GERMANY

THE COMPANY DOES NOT INTEND TO OFFER THE REALTOKENS TO THE PUBLIC IN GERMANY. THE REALTOKENS AND ANY DOCUMENTS USED IN CONNECTION THEREWITH DO NOT CONSTITUTE A PUBLIC OFFER, OR AN INVITATION TO MAKE OFFERS, TO SELL, PURCHASE, EXCHANGE OR OTHERWISE TRANSFER THE REALTOKENS IN OR TO GERMANY. THE REALTOKENS HAVE NOT BEEN OFFERED OR SOLD, AND WILL NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, TO OR FOR THE BENEFIT OF ANY PERSON OR ENTITY RESIDENT, INCORPORATED, ESTABLISHED OR HAVING THEIR USUAL RESIDENCE IN GERMANY, EXCEPT AS MAY BE PERMITTED BY THE GERMAN SECURITIES TRADING ACT (WERTPAPIERHANDELSGESETZ - WPHG), THE EU PROSPECTUS REGULATION (REGULATION (EU) 2017/1129 OF 14 JUNE 2017, THE GERMAN SECURITIES PROSPECTUS ACT (WERTPAPIERPROSPEKTGESETZ - WPPG) AND GERMAN CAPITAL INVESTMENT ACT (VERMÖGENSANLAGEGESETZ – VERMANLG) WITHOUT THE COMPANY BECOMING SUBJECT TO ANY SUCH LAWS.

NOTICE TO RESIDENTS OF HONG KONG

THE COMPANY:

(1) HAS NOT OFFERED OR SOLD AND WILL NOT OFFER OR SELL REALTOKENS IN HONG KONG, BY MEANS OF ANY DOCUMENT, OTHER THAN (A) TO “PROFESSIONAL INVESTORS” AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE (CAP. 571) OF HONG KONG AND ANY RULES MADE UNDER THAT ORDINANCE; OR (B) IN OTHER CIRCUMSTANCES WHICH DO NOT RESULT IN THE DOCUMENT BEING A “PROSPECTUS” AS DEFINED IN THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE (CAP. 32) OF HONG KONG OR WHICH DO NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THAT ORDINANCE; AND

(2) HAS NOT ISSUED OR HAD IN ITS POSSESSION FOR THE PURPOSES OF ISSUING, AND WILL NOT ISSUE OR HAVE IN ITS POSSESSION FOR THE PURPOSES OF ISSUING, WHETHER IN HONG KONG OR ELSEWHERE, ANY ADVERTISEMENT, INVITATION OR DOCUMENT RELATING TO THE REALTOKENS, WHICH IS DIRECTED AT, OR THE CONTENTS OF WHICH ARE LIKELY TO BE ACCESSED OR READ BY, THE PUBLIC OF HONG KONG (EXCEPT IF PERMITTED TO DO SO UNDER THE SECURITIES LAWS OF HONG KONG) OTHER THAN WITH RESPECT TO REALTOKENS WHICH ARE OR ARE INTENDED TO BE DISPOSED OF ONLY TO PERSONS OUTSIDE HONG KONG OR ONLY TO "PROFESSIONAL INVESTORS" AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE AND ANY RULES MADE UNDER THAT ORDINANCE.

NOTICE TO RESIDENTS OF INDIA

THE REALTOKENS AND ANY DOCUMENTS USED IN CONNECTION THEREWITH AND ANY RELATED DOCUMENTS DO NOT CONSTITUTE AN OFFER TO SELL TO OR AN OFFER TO BUY INTEREST FROM ANY PERSON OTHER THAN THE PERSON TO WHOM THIS DOCUMENT HAS BEEN SENT THE COMPANY OR ITS AUTHORIZED AGENTS. THE REALTOKENS AND ANY DOCUMENTS USED IN CONNECTION THEREWITH SHOULD NOT BE CONSTRUED AS A PROSPECTUS. THE REALTOKENS AND ANY DOCUMENTS USED IN CONNECTION THEREWITH ARE NOT BEING OFFERED FOR SALE OR SUBSCRIPTION BUT ARE BEING PRIVATELY PLACED WITH A LIMITED NUMBER OF SOPHISTICATED INVESTORS, AND PROSPECTIVE INVESTORS MUST OBTAIN LEGAL ADVICE THAT THEY ARE ENTITLED TO SUBSCRIBE FOR THESE INSTRUMENTS AND MUST COMPLY WITH ALL RELEVANT INDIAN LAWS IN THIS RESPECT.

NOTICE TO RESIDENTS OF ISRAEL

THE COMPANY DOES NOT INTEND TO OFFER THE REALTOKENS TO THE PUBLIC IN ISRAEL WITHIN THE MEANING OF THE ISRAELI SECURITIES LAW, 1968, OR OFFER THE REALTOKENS, WITHIN ANY SPECIFIC YEAR, TO MORE THAN 35 OFFEREES RESIDENT IN ISRAEL. EACH PROSPECTIVE INVESTOR MUST AND HEREBY DOES WARRANT TO THE COMPANY THAT IT IS PURCHASING THE REALTOKENS FOR INVESTMENT PURPOSES ONLY AND NOT FOR PURPOSES OF RESALE.

NOTICE TO RESIDENTS OF ITALY

THE REALTOKENS MAY BE SUBSCRIBED BY INSTITUTIONAL INVESTORS PURSUANT TO ARTICLE 31, PARAGRAPH 2 OF THE CONSOB REGULATION NO. 11522 OF 1 JULY 1998, AS SUBSEQUENTLY AMENDED AND INTEGRATED ONLY. NEITHER THE REALTOKENS NOR THIS MEMORANDUM CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF ANY OFFER TO BUY ANY OF THE REALTOKENS IN THE ITALIAN JURISDICTION TOWARDS PRIVATE INVESTORS. ACCORDINGLY, THE REALTOKENS OR MEMORANDUM ARE FOR INFORMATION PURPOSES ONLY, WHERE DIRECTED TO A PRIVATE INVESTOR WHICH IS AN ITALIAN RESIDENT. PURSUANT TO THIS MEMORANDUM, THE REALTOKENS WILL ONLY BE OFFERED TO, AND SUBSCRIPTIONS WILL ONLY BE ACCEPTED FROM, ITALIAN INSTITUTIONAL INVESTORS AS DEFINED ABOVE. THE REALTOKENS TO BE OFFERED PURSUANT TO THIS MEMORANDUM HAVE NOT BEEN OR WILL NOT BE REGISTERED UNDER THE RELEVANT SECURITIES LAWS OF ITALY TO BE OFFERED TO, AND TO BE SUBSCRIBED BY PRIVATE INVESTORS.

NOTICE TO RESIDENTS OF JAPAN

THE REALTOKENS ARE BEING OFFERED TO A LIMITED NUMBER OF QUALIFIED INSTITUTIONAL INVESTORS (TEKIKAKU KIKAN TOSHIBA, AS DEFINED IN THE SECURITIES EXCHANGE LAW OF JAPAN (LAW NO. 25 OF 1948, AS AMENDED)) OR A SMALL NUMBER OF INVESTORS, IN ALL CASES UNDER CIRCUMSTANCES THAT WILL FALL WITHIN THE PRIVATE PLACEMENT EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES EXCHANGE LAW AND OTHER RELEVANT LAWS AND REGULATIONS OF JAPAN. AS SUCH, THE REALTOKENS HAVE NOT BEEN REGISTERED AND WILL NOT BE REGISTERED UNDER THE SECURITIES EXCHANGE LAW OF JAPAN. THE PURCHASER OF THE REALTOKENS AGREES NOT TO RE-TRANSFER OR RE-ASSIGN THE REALTOKENS TO ANYONE OTHER THAN NON-RESIDENTS OF JAPAN EXCEPT PURSUANT TO A PRIVATE PLACEMENT EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF, AND OTHERWISE IN COMPLIANCE WITH, THE SECURITIES EXCHANGE LAW AND OTHER RELEVANT LAWS AND REGULATIONS OF JAPAN.

NOTICE TO RESIDENTS OF NEW ZEALAND

THE REALTOKENS OFFERED OR SOLD TO INVESTOR IN NEW ZEALAND ARE ONLY AVAILABLE TO, AND MAY ONLY BE ACCEPTED BY, A WHOLESALE INVESTOR PURSUANT TO CLAUSE 3(2) AND 3(3) OF SCHEDULE 1 OF THE NEW ZEALAND FINANCIAL MARKETS CONDUCT ACT OF 2013 WHO HAS COMPLETED A WHOLESALE INVESTOR CERTIFICATE OR AN ELIGIBLE INVESTOR CERTIFICATE OR WHO INVESTS A MINIMUM AMONG OF NZ $ 750,000 IN THE REALTOKENS. PURCHASER ACKNOWLEDGES AND AGREES THAT PURCHASER HAS NOT OFFERED OR SOLD, AND WILL NOT OFFER OR SELL, DIRECTLY OR INDIRECTLY, THE REALTOKENS; PURCHASER HAS NOT DISTRIBUTED AND WILL NOT DISTRIBUTE, DIRECTLY OR INDIRECTLY, THIS MEMORANDUM OR ANY OTHER OFFERING MATERIALS OR ADVERTISEMENTS IN RELATION TO ANY OFFER OF THE REALTOKENS; IN EACH CASE IN NEW ZEALAND OTHER THAN TO A PERSON WHO IS A WHOLESALE INVESTOR; AND PURCHASER WILL NOTIFY ISSUER IF PURCHASER CEASES TO BE A WHOLESALE INVESTOR.

NOTICE TO RESIDENTS OF SINGAPORE

THIS MEMORANDUM HAS NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE. ACCORDINGLY, THE COMPANY HAS NOT OFFERED OR SOLD ANY REALTOKENS OR CAUSED THE REALTOKENS TO BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE AND WILL NOT OFFER OR SELL ANY REALTOKENS OR CAUSE THE REALTOKENS TO BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, AND HAS NOT CIRCULATED OR DISTRIBUTED, NOR WILL IT CIRCULATE OR DISTRIBUTE, THIS MEMORANDUM, OR ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF THE REALTOKENS, WHETHER DIRECTLY OR INDIRECTLY, TO ANY PERSON IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR (AS DEFINED IN SECTION 4A OF THE SECURITIES AND FUTURES ACT (CHAPTER 289 OF SINGAPORE) (THE "**SFA**")) PURSUANT TO SECTION 274 OF THE SFA, (II) TO A RELEVANT PERSON (AS DEFINED IN SECTION 275(2) OF THE SFA) PURSUANT TO SECTION 275(1) OF THE SFA, OR ANY PERSON PURSUANT TO SECTION 275(1A) OF THE SFA, AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275 OF THE SFA, OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA.

WHERE THE REALTOKENS ARE SUBSCRIBED OR PURCHASED UNDER SECTION 275 OF THE SFA BY A RELEVANT PERSON WHICH IS:

(A) A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE SHARE CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR; OR

(B) A TRUST (WHERE THE TRUSTEE IS NOT AN ACCREDITED INVESTOR) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY OF THE TRUST IS AN INDIVIDUAL WHO IS AN ACCREDITED INVESTOR, SECURITIES (AS DEFINED IN SECTION 239(1) OF THE SFA) OF THAT CORPORATION OR THE BENEFICIARIES' RIGHTS AND INTEREST (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERRED WITHIN SIX MONTHS AFTER THAT CORPORATION OR THAT TRUST HAS ACQUIRED THE REALTOKENS PURSUANT TO AN OFFER MADE UNDER SECTION 275 OF THE SFA EXCEPT:

(1) TO AN INSTITUTIONAL INVESTOR OR TO A RELEVANT PERSON DEFINED IN SECTION 275(2) OF THE SFA, OR TO ANY PERSON ARISING FROM AN OFFER REFERRED TO IN SECTION 275(1A) OR SECTION 276(4)(I)(B) OF THE SFA;

(2) WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER;

(3) WHERE THE TRANSFER IS BY OPERATION OF LAW;

(4) AS SPECIFIED IN SECTION 276(7) OF THE SFA; OR

(5) AS SPECIFIED IN REGULATION 32 OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005 OF SINGAPORE.

NOTICE TO RESIDENTS OF SWITZERLAND

REALTOKENS MAY NOT BE PUBLICLY OFFERED IN SWITZERLAND AND WILL NOT BE LISTED ON THE SIX SWISS EXCHANGE ("**SIX**") OR ON ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. REALTOKENS AND ANY RELATED DOCUMENTS HAVE BEEN PREPARED WITHOUT REGARD TO THE DISCLOSURE STANDARDS FOR ISSUANCE PROSPECTUSES UNDER ART. 652A OR ART. 1156 OF THE SWISS CODE OF OBLIGATIONS OR THE DISCLOSURE STANDARDS FOR LISTING PROSPECTUSES UNDER ART. 27 FF. OF THE SIX LISTING RULES OR THE LISTING RULES OF ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. NEITHER REALTOKENS NOR ANY RELATED MARKETING MATERIAL MAY BE PUBLICLY DISTRIBUTED OR OTHERWISE MADE PUBLICLY AVAILABLE IN SWITZERLAND. REALTOKENS AND ANY RELATED MARKETING MATERIALS HAVE NOT BEEN AND WILL NOT BE FILED WITH OR APPROVED BY ANY SWISS REGULATORY AUTHORITY, PARTICULARLY INCLUDING THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY, AND THEY HAVE NOT BEEN AUTHORIZED UNDER THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES ("**CISA**"). THE PROTECTIONS AFFORDED TO ACQUIRERS OF INTERESTS IN COLLECTIVE INVESTMENT SCHEMES UNDER THE CISA DOES NOT EXTEND TO PURCHASERS OF REALTOKENS.

NOTICE TO RESIDENTS OF TAIWAN

THE REALTOKENS HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE FINANCIAL SUPERVISORY COMMISSION OF TAIWAN. THE REALTOKENS MAY NOT BE SOLD, ISSUED OR OFFERED WITHIN TAIWAN THROUGH A PUBLIC OFFERING OR IN CIRCUMSTANCES WHICH CONSTITUTE AN OFFER WITHIN THE MEANING OF THE SECURITIES AND EXCHANGE ACT OF TAIWAN THAT REQUIRES A REGISTRATION OR APPROVAL OF THE FINANCIAL SUPERVISORY COMMISSION OF TAIWAN. NO PERSON OR ENTITY IN TAIWAN HAS BEEN AUTHORIZED TO OFFER, SELL, GIVE ADVICE REGARDING OR OTHERWISE INTERMEDIATE THE OFFERING AND SALE OF THE REALTOKENS IN TAIWAN.

NOTICE TO RESIDENTS OF THAILAND

THE REALTOKENS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OF THAILAND. THEREFORE, THE REALTOKENS CANNOT BE OFFERED OR SOLD IN THAILAND AND NO INVITATION CAN BE MADE, WHETHER DIRECTLY OR INDIRECTLY, TO INVESTORS IN THAILAND TO PURCHASE THE REALTOKENS. DISTRIBUTION OF THIS MEMORANDUM OR ANY DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER, SALE OR INVITATION FOR PURCHASE OF THE REALTOKENS IN THAILAND, IS ALSO NOT ALLOWED, EXCEPT AS OTHERWISE PERMITTED BY APPLICABLE THAI LAWS AND REGULATIONS.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

THE COMPANY HAS ONLY COMMUNICATED OR CAUSED TO BE COMMUNICATED AND WILL ONLY COMMUNICATE OR CAUSE TO BE COMMUNICATED AN INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY (WITHIN THE MEANING OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("**FSMA**") RECEIVED BY IT IN CONNECTION WITH THE ISSUE OR SALE OF THE REALTOKENS IN CIRCUMSTANCES IN WHICH SECTION 21(1) OF THE FSMA DOES NOT APPLY TO THE COMPANY AND IT HAS COMPLIED AND WILL COMPLY WITH ALL APPLICABLE PROVISIONS OF THE FSMA WITH RESPECT TO ANYTHING DONE BY IT IN RELATION TO THE REALTOKENS IN, FROM OR OTHERWISE INVOLVING THE UNITED KINGDOM

NOTICE TO RESIDENTS OF ALL OTHER JURISDICTIONS

NO ACTION HAS BEEN TAKEN TO PERMIT THE OFFER, SALE, POSSESSION OR DISTRIBUTION OF THE REALTOKENS OR ANY RELATED DOCUMENTS IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. YOU ARE REQUIRED TO INFORM YOURSELF ABOUT, AND TO OBSERVE ANY RESTRICTIONS RELATING TO, THE REALTOKENS AND ANY RELATED DOCUMENTS IN YOUR JURISDICTION.

APPENDIX B - REALTOKEN SMART CONTRACT ARCHITECTURE

RealToken smart contract development is centered around several open source projects to ensure the quality of our product. We have an architecture for the RealToken smart contracts that extends Open Zeppelin. Our architecture contains the following core actors:

- Deed Contract
- Security Token
- KYC Registrar

Deed Contract
The Deed Contract contains the Corporation information such as: RealToken Title Identifier, Company Legal Name, Deed Full Address, City, State, Zip Code & Country, Tax Identifier, Owner of the RealToken Deed Contract or Custodian, and RealToken Ethereum Address on Ethereum Main Network

The Deed Contract is the simplest contract which is the parent of the Security Contract to link the relationship of the RealTokens. One "Deed Contract" is deployed per property. The Deed Contract contains both the name of the relevant Series, and the physical address of the property owned by the Series.

Security Tokens

Each Deed Contract will include the management of a Security Token contract. This contract contains the RealTokens and total supply. RealTokens have the ability to be deployed automatically onto the Ethereum Main Network. RealTokens incorporate an Administration module to create the following:

- Creation of a new Security Token Offering
- Management of the Security Token Offering, sale can be open ended or timed.
- Deployment of the Security Token will be on to the Ethereum Main Network.
- Revoke and Redeploy. This can make the Security Token mutable. Meaning, a RealToken can be re-deployed to a new Ethereum Network Address, update the Deed Contract and cause the previous Security Token to self-desruct, marking it null and void.

Each RealToken Offering will have a unique label. Contained in the unique label, is the specific token name and relatd informatio. For example, the table below describes the properties of the RealToken Security Token Offering :

Token Symbol	Token Name	Token Supply	Ethereum Address

KYC/AML Registrar
KYC/AML validation will be done off-chain via the third-party service provider, IdentityMind, through the RealT website portal. Once the KYC/AML process is completed and the prospective investor is verified, the investor will be added to an on-chain registry by the KYC Registrar.

All Ethereum Addresses in the on-chain registry will be added automatically via an API linked to the KYC/AML provider, IdentityMind. Each Ethereum addressee will have an associated name, viewable in the RealT administrative portal, and linked to an identification document, verified by IdentityMind.

We will also retain a back-up database of the whitelisted investors which will match the on-chain registry.

RealToken Transferability

The transferability of all RealTokens will be dependent on this KYC/AML Registrar whitelist. RealTokens will only be able to be transferred to addresses that appear in the on-chain registry.

It will be impossible for RealTokens to be transferred to an Ethereum address that is not listed on the whitelist. The only way for persons to be listed on the whitelist is for them to complete the KYC/AML validation process with IdentityMind.

Whitelists will be global, meaning that when an investor in one Series of RealT is whitelisted and a new ReatT Security Token offering is begun, that investor will then be able to participate in the new offering without having to repeat the KYC/AML process. RealT Series Investors will have to pass IdentityMind KYC/AML validation every six months to maintain regulatory compliance.

U.S. buyers will be subject to a one-year and one day transferability restriction.