

ITEM 1: Cover Page



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This Form ADV, Part 2A (“brochure”) provides information about the qualifications and business practices of Fundrise Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at the phone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Please note, where this brochure may use the terms “registered investment adviser” and/or “registered”, registration itself does not imply a certain level of skill or training.

Additional information about the firm and its representatives is also available on the SEC’s website at www.adviserinfo.sec.gov

ITEM 2: Material Changes

We are required to identify and discuss any material changes made to our Brochure since the last update. This Form ADV Part 2A contains certain revisions to the previous version of the Brochure that are intended to update information about our business, including changes to the advisory services that we offer. Since its last Form ADV filing, Fundrise Advisors, LLC has begun offering portfolio advisory services to several additional real estate funds listed under Item 4. In addition, we have updated our disclosure to clarify that Fundrise Advisors does not have custody over the assets of our Individual Clients (as defined below).

If we make any material changes to this Brochure in the future, we will continue to revise this section to include a summary of such changes.

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ITEM 4: Advisory Business**Introduction and Background**

Fundrise Advisors, LLC (“**Fundrise Advisors**” or the “**Firm**”) is a wholly owned subsidiary of Rise Companies Corp. (“**Rise**”), which was founded in 2012. Rise owns and operates, through its subsidiary Fundrise, LLC, an online investment platform located at www.fundrise.com and through various mobile applications (the “**Fundrise Platform**”), that allows individuals to become investors in asset classes that may have been historically difficult to access for such individuals. Through the use of the Fundrise Platform, investors can browse various investment opportunities, view details of an investment and sign legal documents online. Fundrise Advisors relies on Rise’s personnel to perform services on its behalf, as Fundrise Advisors currently has no employees and does not currently intend to hire any employees who will be compensated directly by Fundrise Advisors. The term “**Client**” used in this Form ADV shall refer collectively to the eDirect Funds, the Fundrise Opportunity Fund and Individual Clients (each as defined below). “**eDirect Fund Investors**” are investors in the eREITs[®], eFunds[™] or other programs sponsored by Rise. eDirect Fund Investors and investors in the Fundrise Opportunity Fund who have not otherwise signed up to become Individual Clients, are not considered clients of Fundrise Advisors for purposes of this Form ADV or otherwise.

eDirect Fund and Fundrise Opportunity Fund Clients

As of March 1, 2020, Fundrise Advisors manages and advises sixteen (16) real estate investment trusts registered under Regulation A of the Securities Act of 1933, as amended (each an “**eREIT**®”), three (3) for-sale housing funds (each an “**eFund**™”), and one (1) opportunity fund, Fundrise Opportunity Fund, LP (the “**Fundrise Opportunity Fund**”), each of which is sponsored by Rise. The list of funds sponsored by Rise as of March 1, 2020 include:

- Fundrise Real Estate Investment Trust, LLC (the “**Income eREIT**”);
- Fundrise Income eREIT II, LLC (the “**Income eREIT II**”);
- Fundrise Income eREIT III, LLC (the “**Income eREIT III**”);
- Fundrise Income eREIT 2019, LLC (the “**Income eREIT 2019**”);
- Fundrise Income eREIT V, LLC (the “**Income eREIT V**”);
- Fundrise Income eREIT VI, LLC (the “**Income eREIT VI**”);
- Fundrise Equity REIT, LLC (the “**Growth eREIT**”);
- Fundrise Growth eREIT II, LLC (the “**Growth eREIT II**”);
- Fundrise Growth eREIT III, LLC (the “**Growth eREIT III**”);
- Fundrise Growth eREIT 2019, LLC (the “**Growth eREIT 2019**”);
- Fundrise Growth eREIT V, LLC (the “**Growth eREIT V**”);

- Fundrise Growth eREIT VI, LLC (the “**Growth eREIT VI**”);
- Fundrise Balanced eREIT, LLC (the “**Balanced eREIT I**”);
- Fundrise West Coast Opportunistic REIT, LLC (the “**West Coast eREIT**”);
- Fundrise East Coast Opportunistic REIT, LLC (the “**East Coast eREIT**”);
- Fundrise Midland Opportunistic REIT, LLC (the “**Heartland eREIT**”);
- Fundrise For-Sale Housing eFUND - Los Angeles CA, LLC (the “**LA For-Sale eFund**”);
- Fundrise For-Sale Housing eFUND - Washington DC, LLC (the “**DC For-Sale eFund**”);
- Fundrise National For-Sale Housing eFUND, LLC (the “**National For-Sale eFund**”); and
- Fundrise Opportunity Fund, LP (the “**Fundrise Opportunity Fund**”).

As used herein, the term “**eDirect Funds**” refers to all of the foregoing, except for the Fundrise Opportunity Fund. Fundrise Advisors intends to expand its business to manage more such eDirect Funds.

Each eDirect Fund and the Fundrise Opportunity Fund has, and shall have, an offering document and a subscription agreement that shall be referred to hereafter as “**Offering Documents**”. Each Offering Document is available for review at fundrise.com/oc. This Form ADV, Part 2A may also from time to time refer to investors within the various eDirect Funds as “**eDirect Fund Investors**”.

Fundrise Advisors’ role with respect to the eDirect Funds and the Fundrise Opportunity Fund is typically to advise and administer such pooled investment vehicles. Fundrise Advisors selects the investments and manages the operations of the eDirect Funds and the Fundrise Opportunity Fund. Fundrise Advisors also typically provides marketing, investor relations and other administrative services on behalf of the eDirect Funds and the Fundrise Opportunity Fund.

Individual Clients

Fundrise Advisors also performs investment advisory services solely in a non-discretionary capacity for individual clients who have signed up for the different investment plans offered by Fundrise Advisors as discussed below (“**Individual Clients**”). Such services include providing non-personalized advice with respect to investments in securities to individuals using computer software-based models or applications by means of the Fundrise Platform, an “interactive website”, based upon personal preferences which each client supplies through the Fundrise Platform. As of the date of this Form ADV, Fundrise Advisors offers Individual Clients the ability to participate in Portfolio Investment Plans (as defined below), Auto-Investment Plans (as defined below), and Re-Investment Plans (as defined below) (collectively referred to herein as “**Plans**”).

Portfolio Investment Plans

Each Individual Client has the ability to select a suggested portfolio allocation among the eDirect Funds managed by the Fundrise Advisors (a “**Portfolio Investment Plan**”), based upon a portfolio algorithm established by the Investment Committee of Fundrise Advisors (the “**Investment Committee**”), as updated from time to time as the Investment Committee deems necessary, and based upon the preferences provided to Fundrise Advisors by such Individual Client as applied to individual eDirect Fund vehicle strategies in current market conditions. After providing Fundrise Advisors with information relating to his/her investment objectives, Fundrise Advisors will, based upon the software model, recommend a Portfolio Investment Plan comprised of eDirect Funds to the Individual Client. Each Individual Client may either accept the Portfolio

Investment Plan suggested by the Firm or choose another Portfolio Investment Plan as such Individual Client sees fit. In choosing a Portfolio Investment Plan, such Individual Client may choose among several financial goals developed by the Investment Committee, including the maximization of current income, diversification, or long-term growth. Fundrise Advisors performs investment advisory services for Individual Clients pursuant to such Individual Client's chosen Portfolio Investment Plan.

In addition, certain Portfolio Investment Plans may only be available to Individual Clients who have already invested a certain amount into the eDirect Funds.

The algorithms and allocations governing the various Portfolio Investment Plans are updated from time to time by the Investment Committee as it deems necessary, with any such changes to the allocations included in a particular Portfolio Investment Plan posted on the Fundrise Platform. Individual Clients enrolled in a particular Portfolio Investment Plan, either through an Auto-Investment Plan or Re-Investment Plan, shall have their Portfolio Investment Plans updated at the same time that the Portfolio Investment Plans are updated on the Fundrise Platform. Such updates to the Investment Plans are generally made to replace funds that have reached their offering capacity under Regulation A+ with successor funds that have substantially the same investment criteria (e.g., income, appreciation, or a balance of the two).

Auto-Investment Plans

Fundrise Advisors also performs investment advisory services for Individual Clients who have signed up for auto-investment services as described below. Such services include providing non-personalized investment management services, as well as non-personalized advice with respect to investments in eDirect Funds to individuals using computer software-based models or applications by means of the Fundrise Platform, an "interactive website", based upon personal information which each client supplies through the Fundrise Platform.

An Individual Client may elect to begin automatically investing at certain pre-set intervals and at certain amounts as chosen by the Individual Client (the "**Auto-Investment Plan**"). The Individual Client may set up an Auto-Investment Plan whereby the client authorizes the Firm to (i) purchase securities on behalf of the Individual Client (A) directly into an eDirect Fund or (B) in accordance with the Portfolio Investment Plan selected by the Individual Client, (ii) execute subscription documents with the various eDirect Funds on their behalf, (iii) withdraw funds from a designated bank account in order to satisfy the capital requirements of such Auto-Investment Plan, and (iv) if applicable, update the Auto-Investment Plan to reflect any changes to the underlying Portfolio Investment Plan as determined by the Investment Committee from time to time.

Re-Investment Plans

An Individual Client may elect to participate in a dividend reinvestment plan administered by Fundrise Advisors (the "**Re-Investment Plan**"), pursuant to which the income dividends, capital gains or other distributions declared by an eDirect Fund, net of any applicable U.S. withholding tax, will be reinvested in the eDirect Fund, provided that, if an Individual Client participates in Portfolio Investment Plan, such distributions will be reinvested in the eDirect Funds in accordance with such Portfolio Investment Plan. Investment Plan. If an Individual Client does not elect to participate in a Re-Investment Plan, dividends will be distributed out to their designated external bank account.

Up until the last calendar day of a distribution period, the Individual Client may choose a different Portfolio Investment Plan as s/he sees fit, and setup a Re-Investment Plan whereby the client authorizes the Firm to (i) allocate Individual Client's distributions to the eDirect Funds in accordance with the chosen Portfolio Investment Plan or Re-Investment Plan, (ii) execute subscription documents with the various eDirect Funds on their behalf, and (iii) update the Re-Investment Plan to reflect any changes to the underlying Portfolio Investment Plan as determined by the Investment Committee from time to time. For purposes of this Form ADV, a "**distribution period**" is defined as that period of time designated by each eDirect Fund, as indicated in such eDirect Funds' public filings with the Securities and Exchange Commission, when announcing

dividend declarations, which generally follow calendar months or quarters. Solely as an example, if an eDirect Fund were to declare a daily dividend with record dates from July 1, 2019 through September 30, 2019, the distribution period would begin on July 1, 2019 and end on September 30, 2019, and an Individual Client could select a new Portfolio Investment Plan or withdraw from the Re-Investment Plan for such distribution period through September 30, 2019. In the event that a distribution to an investor on a given distribution date cannot be re-invested, the entirety of such distribution shall instead be sent to the Individual Client's bank account on record.

Securities recommendations and risks

On behalf of Individual Clients, Fundrise Advisors recommends certain allocations of eDirect Fund securities pursuant to Portfolio Investment Plans, and is required to allocate the eDirect Fund distributions of an Individual Client in accordance with the Re-Investment Plan and Portfolio Investment Plan chosen by such Individual Client. Individual Clients may withdraw from a Plan at any time (unless otherwise limited by the terms of the Plan).

Although for the Individual Clients, Fundrise Advisors solely provides limited, non-discretionary and non-personalized allocation advice that is designed to be prudent and diversified, all investments, including investments in eDirect Fund securities, involve substantial risk, including possible total loss of principal. Individual Clients should be aware that fluctuations in the financial markets and other factors may cause declines in the value of the eDirect Funds. There is no guarantee that any particular asset allocation or mix of eDirect Funds will meet an Individual Client's investment objectives or provide an Individual Client with a given level of income or appreciation, or protect against loss, particularly when future market conditions are drastically different from the information used to create a Portfolio Investment Plan. Diversification does not ensure a profit or protect against a loss. There is no assurance that Individual Clients will achieve positive investment results by using Fundrise Advisors. Fundrise Advisors does not guarantee the future performance of Individual Clients' investments. Please consult each eDirect Fund's offering documents for more information about eDirect Fund-specific risks. Individual Clients should carefully consider all of their options before signing up for a Plan.

Other Services

Fundrise Advisors may provide additional services to Clients in the future. In such event, this Form ADV Part 2A shall be updated as needed to reflect such services.

Fundrise Advisors Registration

Fundrise Advisors is registered with the Securities and Exchange Commission ("SEC") as a large advisory firm with over \$100 million in assets under management.

eDirect Funds and Fundrise Opportunity Fund Clients

On behalf of the eDirect Funds, the Fundrise Opportunity Fund and other types of pooled investment vehicles, Fundrise Advisors will typically formulate and oversee the implementation of the investment strategies, administration and operations of such funds. Fundrise Advisors expects that the other pooled investment vehicles that it advises in addition to the eDirect Funds and the Fundrise Opportunity Fund will have strategies that are also real estate focused however asset classes or allocations may vary.

The following enumerates certain potential conflicts of interest in addition to others described within this Form ADV, Part 2A, which should be carefully evaluated before making an investment in any eDirect Fund advised by Fundrise Advisors or the Fundrise Opportunity Fund.

Valuation of Assets

The management fee received by Fundrise Advisors is calculated based upon valuations ascribed to each eDirect Fund's and the Fundrise Opportunity Fund's holdings. On behalf of any eDirect Fund (including other pooled investment vehicles) and the Fundrise Opportunity Fund that Fundrise Advisors advises, Fundrise Advisors expects that Rise's internal accountants and asset management team will calculate (i) each eDirect Fund's and the Fundrise Opportunity Fund's net asset value ("NAV") at least annually using a process that reflects (1) estimated values of each of the commercial real estate assets and investments, as determined by such asset management team, including related liabilities, based upon (a) market capitalization rates, comparable sales information, interest rates, net operating income, (b) with respect to debt, default rates, discount rates and loss severity rates, (c) for properties that have development or value add plans, progress along such development or value-add plan, and (d) in certain instances reports of the underlying real estate provided by an independent valuation expert, (2) the price of liquid assets for which third party market quotes are available, (3) accruals of periodic distributions and (4) estimated accruals of operating revenues and expenses. For joint venture or direct equity investments, Rise's internal accountants and asset management team primarily rely on the discounted cash flow method. Note, however, that the determination of an eDirect Fund's or the Fundrise Opportunity Fund's NAV is not based on, nor intended to comply with, fair value standards under GAAP, and such eDirect Fund's NAV may not be indicative of the price that an eDirect Fund of the Fundrise Opportunity Fund would receive for its assets at current market conditions. In instances where Fundrise Advisors determines an appraisal of the real estate asset is necessary, Fundrise Advisors will engage an appraiser that has expertise in appraising commercial real estate assets, to act as an independent valuation expert. The independent valuation expert will not be responsible for, or prepare, any of the eDirect Fund's or the Fundrise Opportunity Fund's net asset value calculations. Fundrise Advisors will update the net asset value for each eDirect Fund and the Fundrise Opportunity Fund if a material event occurs between scheduled valuations that it believes may materially affect the value of each eDirect Fund's or the Fundrise Opportunity Fund's assets.

Fundrise Advisors has a valuation policy for each of the various eDirect Funds and the Fundrise Opportunity Fund that is administered and overseen by Fundrise Advisors.

Dependence on Key Employees

While Fundrise Advisors does not have any employees, its success depends, in part, upon the ability of Rise's executive officers and key real estate and debt finance professionals to achieve the targeted investment goals. The loss of any of these executives or other key personnel could adversely impact the ability to achieve such investment goals and objectives of the eDirect Funds or the Fundrise Opportunity Fund.

Competing Time Pressures

Certain key executive officers of Fundrise Advisors are also officers, directors, managers and/or key professionals of Rise and its affiliates. As a result, they will face conflicts of interest, including time constraints, potential allocation of investment opportunities and significant conflicts created by our Firm's compensation arrangements with each eDirect Fund, the Fundrise Opportunity Fund and other affiliates of Rise.

Conflict of Interest Policies

If Fundrise Advisors has a conflict of interest that is not otherwise covered by an existing policy adopted by Fundrise Advisors or a transaction is deemed to be a "principal transaction", Fundrise Advisors will appoint an independent representative (the "**Independent Representative**") for the applicable eDirect Fund or the Fundrise Opportunity Fund to protect the interests of the eDirect Fund Investors or the investors in the Fundrise Opportunity Fund and review and approve such transactions on behalf of such eDirect Fund or the Fundrise Opportunity Fund. A principal transaction would occur if Fundrise Advisors or its affiliates knowingly purchased securities from or sold securities to a client such as the eDirect Funds, the Fundrise Opportunity Fund or an Individual Client. Fundrise Advisors is only authorized to execute principal

transactions with the prior approval of the Independent Representative and in accordance with applicable law. Such prior approval may include but not be limited to requiring the use of pricing methodologies for the valuation of assets and/or liabilities for which there are no readily observable market prices.

Wrap Fee Program

Fundrise Advisors does not offer or provide advisory services to a wrap fee program.

Assets Under Management

As of March 1, 2020, Fundrise Advisors had approximately \$1.1 billion in assets under management.

Business Continuity Policy

Fundrise Advisors has developed, and implemented a Business Continuity and Disaster Recovery Plan (the “Business Continuity Plan”) to be followed by the Firm in the event of a disaster or event that does not allow access to Fundrise Advisors’ principal offices located at 11 Dupont Circle NW, 9th Floor, Washington, DC 20036.

ITEM 5: Fees and Compensation

Fundrise Advisors currently charges each Individual Client an annualized fee of 0.15% of such Individual Client's asset under management; provided, however, Fundrise Advisors reserves the right, in its sole discretion, to reduce or waive any fees it may charge for any period of time as determined by Fundrise Advisors in its sole discretion. These fees charged to the Individual Clients are in connection with the services provided by Fundrise Advisors to each Individual Client, including, but not limited to, in connection with Portfolio Investment Plans, Auto-Investment Plans, and Re-Investment Plans. In addition, Fundrise Advisors may reduce or waive its fees for certain Individual Clients without notice and without reducing or waiving its fees for all Individual Clients.

eDirect Fund Manager Fees

Fundrise Advisors typically receives fees directly from the eDirect Funds it manages. Fundrise Advisors receives and will receive a (i) 0.85% per annum assets under management fee from each eDirect Fund paid on a quarterly basis, for advising and administering each eDirect Fund. In addition, each eDirect Fund will typically reimburse Fundrise Advisors on a monthly basis for out of pocket expenses as a result of performing its role on behalf of each eDirect Fund. Fundrise Advisors may be entitled to certain other fees from each of the eDirect Funds, including development fees, as a result of the additional asset management work that is required in connection with managing such eDirect Funds.

Existing and prospective eDirect Fund Investors and Individual Clients should review the Offering Documents of each eDirect Fund advised by Fundrise Advisors in conjunction with this Form ADV, Part 2A for complete information on the fees and compensation payable with respect to a particular eDirect Fund. Different eDirect Funds may be subject to different management fees. eDirect Fund Investors should note that similar advisory services may (or may not) be available from other investment advisers for similar or lower fees. Information regarding amounts of management fees to be charged can be found in the Offering Documents of each eDirect Fund, available for review at fundrise.com/oc.

Fundrise Advisors (and its personnel) does not accept compensation from the purchase or sale of any eDirect Fund shares, other third-party securities or investment products.

Fundrise Opportunity Fund Manager Fees

Fundrise Advisors typically receives fees directly from the Fundrise Opportunity Fund. Fundrise Advisors receives an investment management fee equal to an annualized rate of 0.75% of offering proceeds until December 31, 2021 (and thereafter, a fee that will be based on the Fundrise Opportunity Fund's NAV at periodic intervals, as such fee is determined by the general partner of the Fundrise Opportunity Fund, in its sole discretion, which cannot exceed an annualized rate of 1.00%), paid on a quarterly basis, for advising and administering the Fundrise Opportunity Fund. In addition, the Fundrise Opportunity Fund will typically reimburse Fundrise Advisors on a monthly basis for out of pocket expenses as a result of performing its role on behalf of the Fundrise Opportunity Fund. Fundrise Advisors may be entitled to certain other fees from the Fundrise Opportunity Fund, including development fees, as a result of the additional asset management work that is required in connection with managing the Fundrise Opportunity Fund.

Existing and prospective investors in the Fundrise Opportunity Fund and Individual Clients should review the Offering Documents of the Fundrise Opportunity Fund in conjunction with this Form ADV, Part 2A for complete information on the fees and compensation payable with respect to the Fundrise Opportunity Fund. Investors in the Fundrise Opportunity Fund should note that similar advisory services may (or may not) be available from other investment advisers for similar or lower fees. Information regarding amounts of management fees to be charged can be found in the Offering Document of the Fundrise Opportunity Fund, available for review at fundrise.com/oc.

Fee Waivers

Fundrise Advisors reserves the right, in its sole discretion, to reduce or waive any fees it may charge for any period of time as determined by Fundrise Advisors in its sole discretion. In addition, Fundrise Advisors may reduce or waive its fees for certain Individual Clients without notice and without reducing or waiving its fees for all Individual Clients.

Fee Sharing

Advisory services are only provided for investments sponsored by Rise or an affiliate. There are no fee sharing arrangements.

ITEM 6: Performance-based Fees and Side-by-Side Management

For the Fundrise Opportunity Fund, which is only available to accredited investors, Fundrise Advisors is entitled to receive a performance-based fee. Upon the liquidation of the Fundrise Opportunity Fund and/or sale of all the Fundrise Opportunity Fund's assets, Fundrise Advisors will receive a distribution if the Fundrise Opportunity Fund has achieved an 8% Preferred Return. The "Preferred Return" hurdle will be met upon the Fundrise Opportunity Fund distributing to unitholders (i) 100% of the aggregate proceeds raised in this offering plus (ii) an 8% annual, cumulative, non-compounded return on such aggregate proceeds calculated from December 31, 2019. After the Preferred Return hurdle is met, all remaining proceeds from the liquidation of the Fundrise Opportunity Fund and/or sale of all the Fundrise Opportunity Fund's assets will be distributed 85% to the unitholders and 15% to Fundrise Advisors.

For the eDirect Funds, Fundrise Advisors does not charge performance-based fees, *i.e.*, the fees charged are calculated as described above and are not charged on the basis of a share of capital gains or capital appreciation of the eDirect Funds.

ITEM 7: Types of Clients

eDirect Funds and the Fundrise Opportunity Fund as the Clients

As discussed above, Fundrise Advisors currently advises sixteen (16) eREITs®, three (3) eFunds™ and the Fundrise Opportunity Fund, investing in real estate and real estate related assets. Fundrise Advisors intends to expand its business to manage more such diversified investment vehicles in the future.

As discussed above, the term “Client” used in this Form ADV shall refer collectively to eREITs®, eFunds™ and the Fundrise Opportunity Funds, and Individual Clients. eDirect Fund Investors shall refer to investors in the eDirect Funds, who may or may not also be Individual Clients.

Each eDirect Fund has specific eligibility criteria which must be met; however, generally speaking, eDirect Fund Investors for the eDirect Funds must be “qualified purchasers” as defined under Regulation A adopted by the SEC pursuant to the Securities Act of 1933. Each investor in the Fundrise Opportunity Fund must be an “accredited investor” as defined under Regulation D adopted by the SEC pursuant to the Securities Act of 1933.

With respect to the eDirect Funds and the Fundrise Opportunity Fund, minimum investments are generally set forth in each fund’s Offering Documents.

Individual Clients

As Plans are only available to individuals who have become eDirect Fund Investors, there is no minimum amount required to open and maintain a Plan (however, there may be minimum amounts required to become an eDirect Fund Investor). Individual Clients have real-time access to their accounts and their Plans through the Fundrise Platform.

At any time prior to the last day of a distribution period, an Individual Client may adjust or terminate his/her Plan, and may request to withdraw all or part of the securities making up his/her account in accordance with the redemption plan(s) of the various eDirect Funds in which such investor has invested. However, there can be no guarantee that such requests to withdraw will be honored by the various eDirect Funds.

Investors evaluating Fundrise Advisors’ software based financial advisor service should be aware that Fundrise Advisors’ relationship with Individual Clients is likely to be different from the “traditional” investment advisor relationship in several aspects:

- For Individual Clients, Fundrise Advisors is a software based financial advisor which means each Individual Client must acknowledge his/her ability and willingness to conduct her relationship with Fundrise Advisors on an electronic basis. Under the terms of the Client Agreement, each Individual Client agrees to receive all account information and account documents (including this Brochure), and any updates or changes to same, through his/her access to the Fundrise Platform and Fundrise Advisors’ electronic communications. Unless noted otherwise on the Fundrise Platform or within this Form ADV, Fundrise Advisors’ advisory service, the signature for the Client Agreement, and all documentation related to the advisory services are managed electronically. Fundrise Advisors does make individuals available to discuss servicing matters with Individual Clients.
- In choosing their Portfolio Investment Plan, each Individual Client has the ability to select a suggested portfolio allocation among the eDirect Funds managed by the Firm, based upon a portfolio algorithm established by the Investment Committee, and based upon the preferences provided to Fundrise Advisors by such Individual Client as applied to individual eDirect Fund vehicle strategies in current market conditions.
- In choosing their Auto-Investment Plan, each Individual Client has the ability to select the amount and frequency to begin automatically investing at certain pre-set intervals in the eDirect Funds through a Portfolio Investment Plan.
- In choosing whether to participate in a Re-Investment Plan, each Individual Client will elect to have dividends: (a) reinvested back into the eDirect Fund that made such distribution; or (b) reinvested according to their selected Portfolio Investment Plan. If an Individual Client does not elect to participate in a Re-Investment Plan, dividends will be distributed out to their designated external

bank account. In addition, in the event that an Individual Client's dividends are unable to be reinvested according to the Re-Investment Plan chosen by such Individual Client, such dividends shall be distributed to the Individual Client's designated external bank account. Fundrise Advisors maintains this information in strict confidence subject to its Privacy Policy, which is provided on the Fundrise Platform. When executing the Re-Investment Plan, Fundrise Advisors relies upon the selections made by the Individual Client.

ITEM 8: Methods of Analysis, Investment Strategies, Risk of Loss

Fundrise Advisors tailors its advisory services to the specific investment objectives and restrictions of each eDirect Fund and the Fundrise Opportunity Fund pursuant to the investment guidelines set forth in each eDirect Fund's and the Fundrise Opportunity Fund's Offering Document. Existing and prospective investors of each eDirect Fund or the Fundrise Opportunity Fund should refer to the Offering Document of the fund for complete information on the methods of analysis, investment objectives and investment restrictions with respect to such fund. There is no assurance that any of the eDirect Fund's or the Fundrise Opportunity Fund's investment objectives will be achieved.

Investment Strategy

The investment strategy of each eDirect Fund and the Fundrise Opportunity Fund will generally be to use substantially all of the proceeds of the offering to originate, acquire, asset manage, selectively leverage, syndicate and opportunistically sell investments in a variety of commercial real estate assets based on a particular investment strategy.

Risk of Loss

In all cases, existing and potential eDirect Fund Investors, investors in the Fundrise Opportunity Fund and Individual Clients are advised that investing in real estate involves speculative risk, which could result in a complete loss of principal and no return is guaranteed. In addition, there are no assurances an eDirect Fund Investor's desired diversification pursuant to a Portfolio Investment Plan can, or will, be achieved.

The risks associated with an investment in an eDirect Fund of the Fundrise Opportunity Fund are more fully described in each the Offering Documents for such funds and an existing or prospective eDirect Fund Investor or Individual Client must carefully review such information prior to making an investment in an eDirect Fund or signing up for a Plan. Each Offering Document is available for review at fundrise.com/oc.

Risk of Loss – Plans

Fundrise Advisors cannot guarantee any level of performance or that any Individual Client will avoid a loss of principal. **Any investment in securities, including investments in eDirect Funds or the Fundrise Opportunity Fund, involves the possibility of financial loss that Individual Clients should be prepared to bear.**

When evaluating risk, financial loss may be viewed differently by each Individual Client and may depend on many different risk items, each of which may affect the probability of adverse consequences and the magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective Individual Client before retaining Fundrise Advisors' services, and are not a substitute for the Risk Factors contained in each eDirect Fund's and the Fundrise Opportunity Fund's Offering Documents. These risks should be considered as possibilities, with additional regard to their actual probability of occurring and the effect on an Individual Client if there is in fact an occurrence.

Advisory Risk –There is no guarantee that Fundrise Advisors' judgment or investment decisions on behalf of particular eDirect Funds or the Fundrise Opportunity Fund will necessarily produce the intended results. Fundrise Advisors' judgment may prove to be incorrect, and an eDirect Fund Investor, investor in the Fundrise

Opportunity Fund or Individual Client might not achieve his/her investment objectives. In addition, it is possible that Individual Clients or Fundrise Advisors itself may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to Fundrise Advisors' software based financial advisory service. Fundrise Advisors and its representatives are not responsible to any Individual Client for losses unless caused by Fundrise Advisors breaching its fiduciary duty.

Plans Limited to eDirect Funds. All Plans are limited to the eDirect Funds and other investments sponsored by Rise. These investments may not be appropriate for all clients, and all clients are required to acknowledge that they understand that Fundrise Advisors will only recommend portfolios of, or allocate distributions to, investments sponsored by affiliates of Fundrise Advisors. As such, Individual Clients should not allocate more than 10% of their total investment portfolio or assets, including investments not sponsored by Rise, to the eDirect Funds or the Plan(s).

Illiquidity of Investments. Investments in the eDirect Funds and the Fundrise Opportunity Fund are **highly illiquid**, and there can be no assurance that eDirect Fund Investors, investors in the Fundrise Opportunity Fund or Individual Clients will be able to realize these investments in a timely manner. It is unlikely that there will be a public market for most or all of the eDirect Funds or the Fundrise Opportunity Fund, and the liquidation plans of each eDirect Fund are limited by regulatory caps, as well as cash available to effect liquidations.

ITEM 9: Disciplinary Information

As a registered investment adviser Fundrise Advisors is required to disclose all material facts regarding any legal or disciplinary events that would be material to a Client's, eDirect Fund Investor's or investor in the Fundrise Opportunity Fund's evaluation of Fundrise Advisors or the integrity of Fundrise Advisors' management. Fundrise Advisors has no information that it is required to disclose in response to this Item.

ITEM 10: Other Financial Industry Activities and Affiliations

Fundrise Advisors does not maintain material relationships with Clients, investors or with related persons in the financial or real estate industries. Executive officers of Fundrise Advisors also serve as executive officers of Rise and other affiliates. While Fundrise Advisors believes that these relationships may be material to its business operations, it does not believe that these relationships present material conflicts of interest with respect to Fundrise Advisors' Clients.

As discussed above, Fundrise Advisors is a wholly-owned subsidiary of Rise. While neither Rise nor its affiliates are a bank, a broker-dealer or other traditional financial industry participant, Rise or certain of its affiliates act as the originator of the investments in which Fundrise Advisors' clients invest. Fundrise Advisors advises the eDirect Funds and the Fundrise Opportunity Fund and expects to advise other pooled investment vehicles that will be sponsored by the parent company or affiliates of Fundrise Advisors. Fundrise Advisors' services do not relate to any other type of financial product, and accordingly its business is wholly dependent on the continued operation of Rise and its affiliates. Additionally, because Fundrise Advisors is a wholly-owned subsidiary of Rise, Fundrise Advisors shares certain personnel with Rise (as noted above).

In addition, Mr. Benjamin Miller, an executive of Fundrise Advisors acts as the Manager of WestMill Capital Partners, LLC ("**WestMill**"), a real estate development company located in Washington, DC, which is not an affiliated entity of Rise or Fundrise Advisors. In the event that WestMill were to utilize the Fundrise Platform, potential conflicts of interest would exist between the interests of Mr. Miller in his capacity as Manager and Principal of WestMill, and his obligations to Fundrise Advisors. In order to address this potential conflict of interest, Fundrise Advisors shall not purchase any securities or assets on behalf of clients that correspond to a project investment involving WestMill unless the Independent Representative of an eDirect Fund or the Fundrise Opportunity Fund, as applicable, approves such purchase.

ITEM 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Fundrise Advisors has adopted a Code of Ethics (the “**Code**”) that sets forth the standards of conduct expected of Fundrise Advisors’ personnel and addresses potential conflicts that arise from, among other things, personal trading by personnel. Pursuant to the Code, Fundrise Advisors’ *access persons*¹ are required to provide both initial and annual securities holdings reports as well as periodic transactions reports.

Fundrise Advisors’ Personal Trading Policy is governed by an overriding principle: Fundrise Advisors and its personnel must manage both real conflicts and the appearance of conflicts. If an access person doubts the propriety of any personal trade, such doubt is resolved in favor of not trading. Fundrise Advisors maintains a restricted list of securities that access persons are prohibited from investing in. Individuals who do not act in accordance with the Code may be subject to discipline, including fines, suspension, or termination.

ITEM 12: Brokerage Practices

The Advisor does not utilize broker-dealers for its investment activities.

Among the duties of registered investment advisers is the fair and equitable treatment of its clients. In order to fulfill this fiduciary obligation, Fundrise Advisors has established a policy for the equitable allocation of an investment opportunity among clients to avoid favoring one client account over another (or one eDirect Fund/the Fundrise Opportunity Fund over another eDirect Fund/the Fundrise Opportunity Fund). While a variety of allocation methods may be acceptable, consistency in application is an essential element of an appropriate policy.

Fundrise Advisors will allocate investments fairly and not favor certain funds with respect to investment opportunities. In addition, Fundrise Advisors will prohibit allocating profitable or unprofitable investments that may fall outside of Fundrise Advisors’ normal allocation policies that would disproportionately favor certain eDirect Funds or the Fundrise Opportunity Fund.

ITEM 13: Review of Account

Fundrise Advisors’ Investment Committee periodically reviews the assets of each eDirect Fund and the Fundrise Opportunity Fund to support compliance with the guidelines and restrictions discussed in each eDirect Fund’s and the Fundrise Opportunity Fund’s Offering Documents. The Investment Committee may delegate this responsibility to a qualified individual or individuals who would be responsible for reporting the results of such reviews to the Investment Committee in a timely manner.

ITEM 14: Client Referrals and Other Compensation

Fundrise Advisors expects from time to time to run promotional campaigns to attract Individual Clients to open an account with Fundrise Advisors. These promotions may include additional services or products offered on a limited basis to select Individual Clients, more favorable fee arrangements, and/or reduced or waived advisory fees for Individual Clients, including the Fundrise Invitation Program pursuant to which Individual Clients may invite friends, family and others to open an account with Fundrise Advisors. Neither the referree nor the referrer Individual Client is under any obligation to invest in any eDirect Fund or the Fundrise Opportunity Fund as part of the Fundrise Invitation Program, and may take such action at their sole discretion.

These arrangements may create an incentive for existing Individual Clients to refer prospective Individual Clients to Fundrise Advisors, even if the Individual Client would otherwise not make the referral. These

¹*Access person*: Defined under Rule 204A-1 of the Advisers Act. An Access Person is any of the firm’s supervised persons who have access to nonpublic information regarding any clients’ purchase or sale of securities, or nonpublic information regarding the portfolio holdings of any reportable fund, or those involved in making securities recommendations to clients, or who has access to such recommendations that are nonpublic. A firm’s directors, officers and partners are also presumed to be access persons.

arrangements may also create a conflict of interest for an Individual Client to maintain a certain level of assets managed through Fundrise Advisors if doing so would result in eligibility to receive an incentive, bonus or additional compensation.

Individual Clients are not charged a fee nor do they incur any additional costs for being referred to Fundrise Advisors by a current Individual Client.

In addition, Fundrise Advisors has certain advertising arrangements in which it pays bloggers and other Internet participants a (i) flat fee per blog or post, or (ii) a flat fee per individual registration on the Fundrise Platform, regardless of if such individual funds an account on the Fundrise Platform. Fundrise Advisors is otherwise not affiliated with such bloggers or Internet participants, and Fundrise Advisors exercises no editorial control over the content produced by such Internet participants. For the avoidance of doubt, such bloggers or Internet participants are not compensated based on an individual (i) becoming an Individual Client, (ii) funding an account on the Fundrise Platform or (iii) otherwise investing in the eDirect Funds or the Fundrise Opportunity Fund.

ITEM 15: Custody

Under Section d(2)(iii) of Rule 206(4)-2 of the Advisers Act of 1940, as amended (the “**Advisers Act**”), when the registered investment adviser acts in a capacity such as the managing member of a limited liability company or a comparable position for another type of pooled investment vehicle, that gives the adviser access to the funds’ securities, then such adviser is considered to have custody over those assets. Therefore, Fundrise Advisors as the managing member of the eDirect Funds and the Fundrise Opportunity Fund does have “custody” under the rule.

Fundrise Advisors shall cause each eDirect Fund and the Fundrise Opportunity Fund, with assets over which it is deemed to have “custody”, to be audited annually and distribute audited financial statements, prepared in accordance with U.S. generally accepted accounting principles (“**GAAP**”), to eDirect Fund Investors and investors in the Fundrise Opportunity Fund, as applicable, no later than 120 days after the end of each fiscal year. In addition, upon the final liquidation of any such eDirect Fund or the Fundrise Opportunity Fund, Fundrise Advisors will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such eDirect Fund or Fundrise Opportunity Fund, as applicable, to all investors in such eDirect Fund or Fundrise Opportunity Fund, as applicable, promptly after completion of the audit.

With respect to Individual Clients, Individual Client’s funds are held in the Individual Client’s external bank account not affiliated with Rise until such point in time that (i) such Individual Client initiates an ACH transaction to invest in a fund sponsored by Rise or (ii) Fundrise Advisors initiates an ACH transaction on behalf of the Individual Client pursuant to a chosen Auto-Investment Plan, and through the limited power of attorney granted to Fundrise Advisors by such Individual Client in the Client Agreement, to invest in a fund sponsored by Rise. When investing, an Individual Client’s funds are transferred from such Individual Client’s external bank account directly to a sponsored fund’s bank account. At no point in time are Individual Client’s funds aggregated or collected into a bank account of Rise or Fundrise Advisors. Fundrise Advisors does not have custody or possession of either Individual Client’s funds or securities.

ITEM 16: Investment Discretion

eDirect Fund and Fundrise Opportunity Fund Clients

On behalf of the eDirect Funds, the Fundrise Opportunity Fund and other types of pooled investment vehicles, Fundrise Advisors has full investment discretion over the management of the assets in the eDirect Funds and the Fundrise Opportunity Fund. Any limitation on Fundrise Advisor’s authority over investment decisions is described in each eDirect Fund’s and the Fundrise Opportunity Fund’s Offering Documents.

Individual Clients

Fundrise Advisors does not exercise investment discretion on behalf of Individual Clients, as it either recommends individual portfolios (without execution authority) or is required to allocate the assets of the Individual Client in accordance with the Portfolio Investment Plan designated by the Individual Client.

ITEM 17: Voting Client Securities

While investments to be made on behalf of the eDirect Funds or the Fundrise Opportunity Fund are not likely to constitute voting securities, there may be occasions when consents on behalf of the eDirect Funds or the Fundrise Opportunity Fund are solicited. In such cases, Fundrise Advisors will act in the best interest of the eDirect Funds or Fundrise Opportunity Fund, as applicable.

ITEM 18: Financial Information

Fundrise Advisors does not believe that there are any current financial conditions that are reasonably likely to impair Fundrise Advisors' ability to meet contractual commitments to Clients. Furthermore, Fundrise Advisors has not been the subject of a bankruptcy petition or proceeding at any time in the past ten years.