

FORM ADV Uniform Application for Investment Adviser Registration
Part 2A: Investment Adviser Brochure

Item 1: Cover Page



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CRD # 172036

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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 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. 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 and screen various investment opportunities, view details of an investment and sign legal documents online. Fundrise Advisors relies on Rise’ 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 “**eREITs™**” and “**eFunds™**”, and Individual Clients (as defined below). “**eREIT™ Investors**”, “**eFund™ Investors**” or “**eDirect Fund Investors**”, who are investors in the eREITs™, eFunds™ or other programs sponsored by Rise 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 Clients

As of March 1, 2019, Fundrise Advisors manages and advises nine (9) real estate investment trusts (each an “**eREIT™**”), three (3) for-sale housing funds (each an “**eFund™**”), and one (1) opportunity fund (the “**Fundrise Opportunity Fund**”), each of which is sponsored by Rise. Fundrise Advisors intends to expand its business to manage more such eREITs™, eFunds™, and other investment vehicles in the future (collectively, the “**eDirect Funds™**”). The eDirect Funds sponsored by Rise as of March 1, 2019 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 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 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™**”).

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

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 an “interactive website” based upon personal preferences which each client supplies through such website. This brochure will be updated to reflect these changes as needed. As of the date of this Form ADV, Fundrise Advisors offers Individual Clients the ability to participate in Portfolio Investment Plans, Auto-Investment Plans, and Re-Investment Plans (collectively referred to herein as “**Plans**”).

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. Individuals 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.

Individual Clients - Portfolio Investment Plans

For Portfolio Investment Plans, each Individual Client has the ability to select a suggested portfolio allocation among the eDirect Funds managed by the Fundrise Advisors, based upon a portfolio algorithm established by Fundrise Advisors’ 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 (a “**Portfolio Investment Plan**”). In choosing a Portfolio Investment Plan, such Individual Clients may choose among several financial goals developed by the Investment Committee, including the maximization of current income, diversification, or long-term growth.

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

Individual Clients - Auto-Investment Clients

Fundrise Advisors also performs investment advisory services for Individual Clients who have signed up for auto-investment services. 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 an “interactive website” based upon personal information which each client supplies through such website.

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 that an Individual Client may elect to begin automatically investing at certain pre-set intervals as agreed upon by the Individual Client (the “**Auto-Investment Plan**”). The Individual Client may either

accept or choose another Portfolio Investment Plan as s/he sees fit, and setup an Auto-Investment Plan whereby the client authorizes the firm to (i) execute subscription documents with the various eDirect Funds on their behalf, (ii) withdraw funds from a designated bank account in order to satisfy the capital requirements of such Auto-Investment Plan, (iii) if desired by the client, to reinvest any distributions of dividends from the eDirect Funds in accordance with the Auto-Investment Plan, and (iv) 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.

Individual Clients - Re-Investment Plans

After an investor selects a Portfolio Investment Plan, Fundrise Advisors will, based upon the software model and such Portfolio Investment Plan, allocate distributions from the various eDirect Funds as designated by the Individual Client (the “**Re-Investment Plan**”). 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) execute subscription documents with the various eDirect Funds on their behalf, (ii) direct distributions from the eDirect Funds to the Individual Client in order to satisfy the capital requirements of such Re-Investment Plan, 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 in each eDirect Funds Forms 1-U 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 as chosen by such Individual Client. Individual Clients may or withdraw from a Plan at any time (unless otherwise limited by the terms of the Plan as described above).

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, please remember that 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's 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. There's no guarantee that an investment strategy will meet an Individual Client's investment objectives, provide an Individual Client with a given level of income, or protect against loss, particularly when future market conditions are drastically different from the information used to create a Plan. Diversification doesn't ensure a profit or protect against a loss. There's no assurance that Individual Clients will achieve positive investment results by using Fundrise Advisors. Fundrise Advisors can't guarantee the future performance of Individual Clients' investments. Please consult each eDirect Fund's offering documents for more information about 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 SEC as a large advisory firm with over \$100 Million in assets under management.

eDirect Funds

On behalf of the eDirect Funds and other types of pooled investment vehicles, Fundrise Advisors will typically formulate and oversee the implementation of investment strategies, administration and operations of the eDirect Funds. Fundrise Advisors expects that the other pooled investment vehicles or eDirect Funds that it advises 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.

Valuation of Assets

The management fee received by Fundrise Advisors is calculated based upon valuations ascribed to each eDirect Fund's holdings. On behalf of any eDirect Fund (including other pooled investment vehicles) that Fundrise Advisors advises, Fundrise Advisors expects that Rise's internal accountants and asset management team will calculate the eDirect Fund's net asset value at least annually using a process that reflects (1) estimated values of each of 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 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 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 net asset value calculations. Fundrise Advisors will update the net asset value for each eDirect Fund if a material event occurs between scheduled valuations that it believes may materially affect the value of each eDirect Fund's assets.

Fundrise Advisors has a valuation policy for the various eDirect Funds that shall be 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, 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.

Competing Time Pressures

Certain key executives 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 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**") to protect the interests of the eDirect Fund Investors and review and approve such transactions. Principal transactions are defined as transactions among or between the affiliates of Fundrise Advisors. 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 15, 2019, Fundrise Advisors had approximately \$558 million 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 1601 Connecticut Avenue, Suite 300, Washington, DC 20009.

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 will receive a 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. The fees for each eDirect Fund are detailing in such eDirect Fund's Offering Documents, available at fundrise.com/oc.

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.

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, such as an eREIT™ or eFund™. 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 the earlier of (x) the final closing of this offering or (ii) 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 other eDirect Funds besides the Fundrise Opportunity Fund, 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 as the Clients

As discussed above, Fundrise Advisors currently advises nine (9) eREITs™, three (3) eFunds™, and one (1) 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™, 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 each eREIT™ and eFund™ must be "qualified purchasers" as defined under Regulation A adopted by the SEC pursuant to the Securities Act of 1933, and each eDirect Fund Investor for 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, minimum investments are generally set forth in each eDirect 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 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.

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 or Auto-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 Fundrise Advisors’ 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 Re-Investment Plan, each Individual Client will elect to have dividends: (a) reinvested back into the eDirect Fund that made such distribution; (b) reinvested according to their selected Portfolio Investment Plan; or (c) distributed out to their designated external bank account. In addition, as each eDirect Fund may not be offering securities at any given time, an Individual Client’s dividends that cannot be reinvested as selected by the Individual Client shall have such dividends 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 pursuant to the investment guidelines set forth in each eDirect Fund’s Offering Document. Existing and prospective eDirect Fund Investors of each eDirect Fund should refer to the Offering Document of the applicable eDirect Fund, for complete information on the methods of analysis, investment objectives

and investment restrictions with respect to such eDirect Fund. There is no assurance that any of the eDirect Fund's investment objectives will be achieved.

eDirect Funds

The investment strategy of each eDirect 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 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 an Investment Plan or Re-Investment Plan can, or will, be achieved.

The risks associated with an investment in an eDirect Fund are more fully described in each eDirect Fund's Offering Documents for such eDirect Fund 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, 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 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 will necessarily produce the intended results. Fundrise Advisors' judgment may prove to be incorrect, and a eDirect Fund Investor or Individual Client might not achieve 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 are **highly illiquid**, and there can be no assurance that eDirect Fund Investors 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, and the redemption plans of each eDirect Fund are limited by regulatory caps, as well as cash available to effect redemptions.

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 or eDirect Fund Investor'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 relationships material to 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 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 Fundrise Advisors' Independent Representative approves such purchase.

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

Fundrise 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. Access Persons are prohibited from investing in any investments on the restricted list. Individuals who do not act in accordance with the Code may be subject to discipline, including fines, suspension, or termination.

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.

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 must establish a policy for the equitable allocation of an investment opportunity among clients to avoid favoring one client account over another (or one eDirect Fund over another). While a variety of allocation methods may be acceptable, consistency in application is an essential element of an appropriate policy.

Though not an issue at this time, Fundrise Advisors will allocate investments fairly and not favor certain eDirect Fund's 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.

ITEM 13: Review of Account

Fundrise Advisors' Investment Committee periodically reviews the assets of each eDirect Fund to support compliance with the guidelines and restrictions discussed in each eDirect 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 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 Invite 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 as part of the Fundrise Invite Program, and may take such action at their sole discretion.

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

ITEM 15: Custody

Investment advisers with custody of client funds and securities must maintain them with "Qualified Custodians". "Qualified Custodians" under the amended rule include banks and savings associations and registered broker-dealers. Rule 206(4)-2 requires that registered investment advisers with custody of clients' funds or securities have a reasonable belief that a Qualified Custodian holding the assets provides periodic account statements to those clients (the "account statement delivery requirement"). The amended and revised

Rule 206(4)-2 of the Advisers Act sets forth extensive requirements regarding possession or custody of client funds or securities. The Rule requires advisers that have custody of client securities or funds to implement a set of controls designed to protect those client assets from being lost, misused, misappropriated or subject to the advisers' financial reserves.

Under Rule 206(4)-2 d(2)(iii) 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 eREITsTM, does have "custody" under the rule.

Fundrise Advisors shall cause each eDirect 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 no later than 120 days after the end of each fiscal year. In addition, upon the final liquidation of any such eDirect Fund, Fundrise Advisors will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such eDirect Fund to all eDirect Fund Investors promptly after completion of the audit.

ITEM 16: Investment Discretion

eDirect Fund Clients

On behalf of the eDirect Funds and other types of pooled investment vehicles, Fundrise Advisors has full investment discretion over the management of the assets in the eDirect Funds. Any limitation on Fundrise Advisor's authority over investment decisions is described in each eDirect 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 Plan, as designated by the Individual Client.

ITEM 17: Voting Client Securities

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

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.