CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

FreeUp Storage Houston Portfolio, LLC, a Delaware Limited Liability Company

PURSUANT TO RULE 506(c) OF THE SECURITIES ACT OF 1933

June 27, 2025, as amended July 17, 2025

Target Offering: $58,750,000

Class A, Class B, Class C, and Class D Limited Liability Company Membership

Interests Minimum Investment: Ten Class A Units ($100,000)
Minimum Investment: One Hundred Class B Units ($1,000,000)
Minimum Investment: Two Hundred Class C Units ($2,000,000)
Minimum Investment: Six Hundred Class X Units ($6,000,000)

** Subject to change if other than the Target Offering Amount is raised.*

THE UNITS OF OWNERSHIP ARE BEING OFFERED BY FREEUP STORAGE HOUSTON PORTFOLIO LLC (THE "COMPANY") TO A LIMITED NUMBER OF INVESTORS PURSUANT TO THE EXEMPTION FROM REGISTRATION CONTAINED IN SECTION 4(a)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED, AND RULE 506(c) PROMULGATED UNDER SUCH ACT FOR OFFERS AND SALES OF SECURITIES TO "ACCREDITED INVESTORS" NOT INVOLVING ANY PUBLIC OFFERING. NO APPLICATION TO REGISTER THE INTERESTS HAVE BEEN FILED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR WITH ANY STATE SECURITIES COMMISSION.

THESE SECURITIES INVOLVE A HIGH DEGREE OF RISK.

THERE IS NO PUBLIC MARKET FOR THE UNITS. THE SECURITIES OFFERED ARE RESTRICTED SECURITIES UNDER FEDERAL AND STATE SECURITIES LAWS. SEE "RESTRICTIONS ON THE PLACEMENT." THE PLACEMENT PRICE OF THE SECURITIES HAS BEEN ESTABLISHED BY THE COMPANY AND BEARS NO RELATIONSHIP TO THE COMPANY'S ASSETS, BOOK VALUE OR ANY OTHER RECOGNIZED CRITERIA OF VALUE.

SUMMARY OF OFFERING

This Confidential Private Placement Memorandum ("Memorandum") relates to the sale ("Offering") of limited liability company membership interests (the "Units" or the "Interests") in FreeUp Storage Houston Portfolio, LLC, a Delaware limited liability company (the "Company") and is being furnished to selected qualified prospective investors ("Prospective Investors") in connection with the Offering. The Units are being offered for sale only to persons that are "Accredited Investors," as that term is defined under the Securities Act of 1933, as amended (the "Securities Act"), and Regulation D promulgated thereunder.

The Company is managed by Spartan Investment Group, LLC (the "Manager").

The Company intends to raise a minimum offering amount of $1,000,000 (the "Minimum Offering Amount") and a target offering amount of $58,750,000 (the "Target Offering Amount"), subject to an overallotment of $11,250,000 a maximum offering amount of $ $70,000,000 (the "Maximum Offering Amount"). The Company shall return subscription funds, without interest or deduction, in the event the Target Offering Amount is not raised by December 1,

2026 (the "Termination Date"), subject to extension of six months by the Company in its sole discretion Provided the Target Offering Amount is raised by the Termination Date (as may be extended the Offering shall remain open until the earlier of sixty months from the date the Company first accepts a subscription under this Offering (subject to extension by the Manager in its sole discretion for an additional six months) or such time as the Company has received and accepted subscriptions for Class A, Class B, Class C, and Class X Units totaling the Maximum Offering Amount. Notwithstanding the foregoing, the Company may terminate this Offering at any time, at the sole and absolute discretion of the Manager.

The Offering is being conducted in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder, and other similar exemptions under applicable securities laws of the states. There is no public market for the Units, and no public market is expected to develop. The Units are "restricted securities" and may not be resold or otherwise transferred, unless an exemption from the registration requirements of the Securities Act and any applicable securities laws of any state or jurisdiction is available, and the transfer otherwise complies with the transfer restrictions contained in the limited liability company operating agreement of the Company (the "Company Operating Agreement"). Prospective Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time.

This Memorandum is solely for use by the Prospective Investor to whom it is delivered for the purpose of considering an investment in the Company, and by such person's advisors and representatives providing assistance in such purpose. It may not be copied or provided to any other person or used for any other purpose. Each person accepting delivery of this Memorandum, by such acceptance, agrees to keep the contents of this Memorandum and any related documents in strict confidence and to return this Memorandum and all other related documents to the Company if the Prospective Investor decides not to invest in the Company, if his, her, or its subscription is rejected or if the Offering is terminated.

An investment in the Units will involve significant risks. Prospective Investors should carefully review all information in the Section entitled "Risk Factors" beginning on page eight of this Memorandum.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FreeUp Storage Houston Portfolio, LLC
17301 W Colfax Ave, Suite 120, Golden CO 80401

NOTICE TO PROSPECTIVE INVESTORS

THIS MEMORANDUM IS BEING USED IN CONNECTION WITH THE PRIVATE PLACEMENT OF SECURITIES OF THE COMPANY PURSUANT TO AN EXEMPTION FROM REGISTRATION CONTAINED IN SECTION 4(a)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND REGULATION D PROMULGATED THEREUNDER. OFFERS AND SALES WILL ONLY BE MADE TO PERSONS WHOM THE COMPANY BELIEVES TO BE "ACCREDITED INVESTORS" AS DEFINED IN REGULATION D.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH OR APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE NOR HAS THE COMMISSION OR ANY SUCH AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

AN INVESTMENT IN THE SECURITIES PURSUANT TO THIS OFFERING WILL BE SUBJECT TO CERTAIN RESTRICTIONS AS DESCRIBED MORE FULLY HEREIN AND IN THE SUBSCRIPTION AGREEMENT. PROSPECTIVE INVESTORS MUST EXPECT TO BEAR THE ECONOMIC RISK OF AN INVESTMENT IN THE SECURITIES FOR AN INDEFINITE PERIOD. THE SECURITIES MAY NOT BE OFFERED, SOLD, OR OTHERWISE DISPOSED OF WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS, IN THE WRITTEN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY, SUCH REGISTRATION IS NOT REQUIRED. ANY SUCH RESALES MUST ALSO COMPLY WITH ANY APPLICABLE STATE SECURITIES REQUIREMENTS. IT IS NOT EXPECTED THAT ANY MARKET WILL DEVELOP FOR THE SECURITIES.

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE SECURITIES OFFERED HEREBY, NOR DOES IT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY FROM ANY PERSON IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL, OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO, OR TO A PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

STATEMENTS IN THIS MEMORANDUM ARE MADE AS OF THE DATE HEREOF UNLESS STATED OTHERWISE AND NEITHER THE DELIVERY OF THIS MEMORANDUM AT ANY TIME, NOR ANY SALE HEREUNDER, SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO ITS DATE.

ANY ESTIMATES OR PROJECTIONS AS TO EVENTS THAT MAY OCCUR IN THE FUTURE (INCLUDING PROJECTIONS OF REVENUE, EXPENSE, AND NET INCOME) ARE BASED UPON THE BEST JUDGMENT OF THE COMPANY'S MANAGEMENT AS OF THE DATE OF THIS MEMORANDUM. WHETHER OR NOT SUCH ESTIMATES OR PROJECTIONS MAY BE ACHIEVED WILL DEPEND UPON THE COMPANY ACHIEVING ITS OVERALL BUSINESS OBJECTIVES AND THE AVAILABILITY OF FUNDS, INCLUDING FUNDS FROM THE SALE OF THE SECURITIES. THERE IS NO GUARANTEE THAT ANY OF THESE PROJECTIONS WILL BE ATTAINED. ACTUAL RESULTS WILL VARY FROM THE PROJECTIONS AND SUCH VARIATIONS MAY BE MATERIAL.

PROSPECTIVE INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, TAX, OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN LEGAL COUNSEL, ACCOUNTANT, OR BUSINESS ADVISOR AS TO LEGAL AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE SECURITIES. THIS MEMORANDUM DOES NOT PURPORT TO BE ALL-INCLUSIVE OR CONTAIN ALL THE INFORMATION WHICH A PROSPECTIVE INVESTOR MAY REQUIRE. PROSPECTIVE INVESTORS ARE ADVISED OF THE NEED TO CONDUCT THEIR OWN THOROUGH INVESTIGATION AND DUE DILIGENCE BEFORE MAKING AN INVESTMENT IN THE SECURITIES.

NEITHER THE COMPANY NOR ITS COUNSEL MAKES ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE SECURITIES OFFERED HEREBY REGARDING THE LEGALITY OF AN INVESTMENT THEREIN BY SUCH OFFEREE OR PURCHASER UNDER APPLICABLE LEGAL, INVESTMENT, OR SIMILAR LAWS OR REGULATIONS.

THIS MEMORANDUM CONTAINS SUMMARIES, BELIEVED BY THE COMPANY TO BE ACCURATE, OF CERTAIN TERMS OF CERTAIN DOCUMENTS, BUT REFERENCE IS MADE TO THE ACTUAL DOCUMENTS, COPIES OF WHICH ARE AVAILABLE AT THE OFFICES OF THE COMPANY. ALL SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY THIS REFERENCE.

THE COMPANY WILL PROVIDE PROSPECTIVE INVESTORS, PRIOR TO THE SALE OF THE SECURITIES, WITH THE OPPORTUNITY TO ASK QUESTIONS CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING AND TO OBTAIN ANY ADDITIONAL INFORMATION WHICH THE COMPANY POSSESSES OR CAN ACQUIRE WITHOUT UNREASONABLE EFFORT OR EXPENSE.

THIS MEMORANDUM HAS BEEN PREPARED SOLELY FOR THE BENEFIT OF PROSPECTIVE INVESTORS INTERESTED IN THE PROPOSED PRIVATE PLACEMENT OF THE SECURITIES. DISTRIBUTION OF THIS MEMORANDUM TO ANY PERSON OTHER THAN SUCH PROSPECTIVE INVESTOR AND THOSE PERSONS RETAINED TO ADVISE SUCH PROSPECTIVE INVESTOR WITH RESPECT THERETO IS UNAUTHORIZED, AND ANY REPRODUCTION OF THIS MEMORANDUM OR RELATED DOCUMENTS, IN WHOLE OR IN PART, IS PROHIBITED. EACH PROSPECTIVE INVESTOR, BY ACCEPTING DELIVERY OF THIS MEMORANDUM, AGREES TO RETURN IT AND ALL OTHER DOCUMENTS RECEIVED IN CONNECTION WITH THIS OFFERING TO 3 PILLARS LAW, PLLC IF SUCH PROSPECTIVE INVESTOR DOES NOT PURCHASE ANY OF THE SECURITIES OR IF THE OFFERING IS TERMINATED.

THIS OFFER CAN BE WITHDRAWN AT ANY TIME BEFORE A CLOSING AND IS SPECIFICALLY MADE SUBJECT TO THE TERMS DESCRIBED IN THIS MEMORANDUM AND IN THE PURCHASE AGREEMENT.

An investment in the Units is speculative and involves significant risks. See the section entitled "Risk Factors" in this Memorandum for a complete discussion of the risks, including, without limitation, the following:

- the Units are unsecured and there is significant risk with respect to the Units, including loss of principal;
- the Company is newly formed and has limited capital;
- additional financing of the Company is necessary to purchase the Property and prior to any distributions being made to Members of the Company;
- the risks inherent in or associated with the Company's proposed operations to purchase the Property, rent units of such Property, manage such Property and then to sell or possibly refinance such Property;
- general economic conditions, industry cycles, financial, business, and other factors, many of which are beyond the Company's control, may adversely affect its future operations; and
- the lack of any market for the Units and legal restrictions on the transfer of unregistered securities such as the Units.

The Company will not be registered as an investment company under the Investment Company Act of 1940. In addition, neither the Company nor its affiliates will be registered as an investment advisor under the Investment Advisors Act of 1940. Consequently, Prospective Investors will not be afforded the protections of any of those laws and regulations.

An investment in the Units is suitable only for persons of substantial means who have no need for liquidity in their investment. Prospective investors are not to construe the contents of this Memorandum as legal, tax, or investment advice. Each Prospective Investor should consult his own independent counsel, accountant, or business advisor as to legal, tax and related matters concerning the investment. Any Prospective Investor who desires to purchase the Units must obtain and thoroughly read this Memorandum and any supplements. This Memorandum constitutes an offer only to the offeree who has received this Memorandum from the Company. Furthermore, this Memorandum does not constitute an offer or solicitation to anyone in any jurisdiction in which such an offer or solicitation is prohibited.

The Units are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act of 1933, as amended (the "Securities Act"), and applicable state securities laws, pursuant to registration or exemption therefrom. Prospective Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time. No public market currently exists or is ever intended to exist for the Units.

No person has been authorized to give any information or make any representations other than those contained in this Memorandum and, if given or made, such information or representations must not be relied upon as having been given by the Company.

The Securities Act and the securities laws of certain jurisdictions grant purchasers of securities sold in violation of the registration or qualification provisions of such laws the right to rescind their purchase of such securities and to receive back the consideration paid. The Company believes that the Offering of the Units described in this Memorandum is not required to be registered or qualified. Many of these laws granting the right of rescission also provide that suits for such violations must be brought within a specified time, usually one year from discovery of facts constituting such violation and three years from the violation. Should any purchaser institute such an action on the theory that the Offering conducted as described herein was required to be registered or qualified, the Company contends that the contents of this Memorandum constituted notice of the facts constituting such violation as of the Memorandum Date hereof.

RISKS RELATED TO FORWARD-LOOKING STATEMENTS

Some of the statements in this Memorandum constitute forward-looking statements. These statements relate to future events or our future financial performance. In some cases you can identify forward-looking statements by terminology such as "may," "should," "expects," "plans," "anticipates," "believes," "intends," "estimates," "predicts," "potential," "continue." "will be," and similar words or phrases, or the negative thereof or other variations thereof or comparable terminology. All statements other than statements of historical fact in this Memorandum are forward-looking statements.

All forward-looking statements are only predictions or projections and involve known and unknown risks, uncertainties and other factors that may cause the actual transactions, results, performance or achievements of the Company to be materially different from any future transactions, results, performance or achievements expressed or implied by such forward-looking statements. The cautionary statements set forth under the caption "Risk Factors" and elsewhere in this Memorandum identify important factors with respect to such forward-looking statements which you should specifically consider in evaluating these statements and which further include, without limitation, the following factors, any of which may cause our actual results to differ materially from any forward-looking statement:

- industry developments affecting the Company's business, financial condition and results of operations;
- international, national and local economic and business conditions that may have an impact upon the Company's business;
- cash flow;
- operating performance;
- financing activities;
- tax status of the Company;
- the Company's ability to compete effectively;
- governmental approvals, actions, and initiatives, and changes in laws and regulations or the interpretation thereof; and
- the effects of new tax legislation.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Moreover, neither we, nor any other person, will assume responsibility for the accuracy or completeness of these statements and thus no assurance can be made to any Prospective Investor that the Company's expectations will be attained or that any deviations will not be material. We are under no duty to update any of the forward-looking statements after the Memorandum to conform these statements to actual results, and as such, we undertake no obligation to publicly release the results of any revisions to the forward-looking statements that may be made to reflect any future events or circumstances.

MEMORANDUM SUMMARY

The following summary is qualified in its entirety by the more detailed information and financial statements and notes thereto appearing elsewhere in this Memorandum. See "Risk Factors" for important information that Prospective Investors should consider before making their investment decision.

THE COMPANY

FreeUp Storage Houston Portfolio, LLC (the "Company") is a newly organized Delaware limited liability company, formed to purchase the real property located at 926 South Fry Road in Katy, Texas; 16615 Lexington Boulevard in Sugar Land, Texas; 102 Benton Road in Rosenberg, Texas; 14929 Stuebner Airline Road in Houston, Texas; 14850 Cutten Road in Houston, Texas; 2210 Eldridge Parkway in Houston, Texas; and 14411 West Lake Houston Parkway in Houston, Texas. (the "Property," described in more detail in "**Section VII, Business Description of the Company**"). The Company intends to execute a business plan involving the acquisition and institutional repositioning of a stabilized seven-property self-storage portfolio across high-growth Houston submarkets.

This offering contemplates a refinance or ultimate sale of the Property in the future. The Company proposes to finance its operations through the sale of Class A limited liability company passive membership interests in the Company ("Units," as such may be further defined below) and commercial debt.

Spartan Holding Company II, LLC, a Delaware limited liability company, will hold the sponsor's membership interests in the Company. Prospective Investors who purchase the Units are referred to herein as "Members". The Manager of the Company is Spartan Investment Group, LLC, a Delaware limited liability company (the "Manager"), who will hold the sponsor's membership interests in the Company. Prospective Investors who purchase the Units are referred to herein as "Members."

THE OFFERING

$58,750,000

Class A, Class B, Class C, and Class X Limited Liability Company Membership Interests

Minimum Investment: Ten Class A Units ($100,000)
Minimum Investment: One Hundred Class B Units ($1,000,000)
Minimum Investment: Two Hundred Class C Units ($2,000,000)
Minimum Investment: Six Hundred Class X Units ($6,000,000)

The Company intends to raise a minimum offering amount of $1,000,000 (the "Minimum Offering Amount") and a target offering amount of $58,750,000 (the "Target Offering Amount"), subject to an overallotment of $11,250,000 a maximum offering amount of $ $70,000,000 (the "Maximum Offering Amount"). The Company shall return subscription funds, without interest or deduction, in the event the Target Offering Amount is not raised by December 1, 2026 (the "Termination Date"), subject to extension of six months by the Company in its sole discretion Provided the Target Offering Amount is raised by the Termination Date (as may be extended), extended), the Offering shall remain open until the earlier of sixty months from the date the Company first accepts a subscription under this Offering (subject to extension by the Manager in its sole discretion for an additional six months) or such time as the Company has received and accepted subscriptions for the Units totaling the Maximum Offering Amount. Notwithstanding the foregoing, the Company may terminate this Offering at any time, at the sole and absolute discretion of the Manager.

The offering price for the Class A Units is $10,000 per Unit, with a minimum purchase of ten (10) Class A Units, resulting in a minimum investment of $100,000; for Class B Units, a minimum purchase of one hundred (100) Class B Units, resulting in a minimum investment of $1,000,000; for Class C Units, a minimum purchase of two hundred(200) Class C Units, resulting in a minimum investment of $2,000,000; for Class X Units, a minimum purchase of six hundred (600) Class X Units, resulting in a minimum investment of $6,000,000, in each case subject to the right of the Manager to waive or reduce the minimum at its sole discretion. Prospective Investors will become "Members" of the Company upon acceptance of their subscriptions by the Manager and execution of a joinder to the Company Operating Agreement

(as provided in the subscription agreement).

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CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM DATED JUNE 27, 2025, AMENDED JULY 17, 2025 (THE "MEMORANDUM DATE") FREEUP STORAGE HOUSTON PORTFOLIO, LLC

I. WHO MAY INVEST

The offer and sale of the Units is being made in reliance on an exemption from the registration requirements of the Securities Act and applicable state securities laws. ***Accordingly, distribution of this Memorandum and any supplements has been strictly limited to persons who are "Accredited Investors" as defined in the Securities Act.*** The Company reserves the right, in its sole discretion, to declare any Prospective Investor ineligible to purchase Units based on any information that may become known or available to the Company concerning the suitability of such Prospective Investor, for any other reason, or for no reason.

An investment in the Units involves a high degree of risk and may only be purchased by persons of substantial financial means who have no need for liquidity in this investment. This investment will be sold only to Prospective Investors who purchase a minimum of ten Class A Units at $100,000 and one hundred Class B Units at $1,000,000, two hundred Class C Units at $2,000,000, and six hundred Class X Units at $6,000,000 in each case subject to the right of the Manager to waive or reduce said minimum in its sole and absolute discretion.

The Units may not be suitable investments for a qualified plan, an IRA or other tax-exempt entity. This Memorandum discusses certain risks that may be associated with an investment in the Units by a "Qualified Plan" (as such term is defined in the Company Operating Agreement), which includes, without limitation, an IRA, and certain other tax-exempt entities. Each Prospective investor must consult its own advisers before making an investment and must be willing to bear the risks of investment.

Each Prospective Investor must meet, among others, ALL of the following Investor Suitability Requirements, as applicable:

- The Prospective Investor is a bona fide resident or domiciliary of the address set forth in the Subscription Agreement.

- As applicable, the Prospective Investor is an "Accredited Investor" as defined under Rule 501 of Regulation D promulgated under the Securities Act. A Prospective Investor who meets one of the following tests should qualify as an "Accredited Investor":

    1) a bank, insurance company, registered investment company, business development company, or small business investment company;
    2) an employee benefit plan, within the meaning of the Employee Retirement Income Security Act, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of $5,000,000;
    3) a charitable organization, corporation, or partnership with assets exceeding $5,000,000, not formed for the purpose of acquiring the securities offered;
    4) a director, executive officer, or general partner of the Company selling the securities;
    5) a business in which all the equity owners are accredited investors;
    6) a natural person who has individual net worth, or joint net worth with the person's spouse or spousal equivalent, that exceeds $1,000,000 at the time of the purchase, excluding the value of the primary residence of such person;
    7) a natural person with income exceeding $200,000 in each of the two most recent years, or joint income with a spouse or spousal equivalent, exceeding $300,000 for those years and a reasonable expectation of the same income level in the current year;
    8) a trust with assets in excess of $5,000,000, not formed to acquire the securities offered, whose purchases a sophisticated person makes;

9) natural persons based on certain professional certifications, designations or credentials issued by an accredited

educational institution, which the Commission may designate from time to time, to include, but not limited to holders in good standing of the Series 7, Series 65, and Series 82 licenses;
10) with respect to private funds, natural persons who are "knowledgeable employees" of the fund;
11) limited liability companies with $5,000,000in assets;
12) SEC and state-registered investment advisers, exempt reporting advisers, and rural business investment companies (RBIC);
13) certain entities including Indian tribes, governmental bodies, funds, and entities organized under the laws of foreign countries, that own "investments" as defined in Rule 2a51-1(b) under the Investment Company Act, in excess of $5,000,000, and was not formed for the specific purpose of investing in the securities offered; or
14) "family" offices with at least $5,000,000 in assets under management and their "family clients", as each term is defined under the Investment Advisers Act.

For purposes of calculating a Prospective Investor's net worth above, "net worth" is generally defined as the difference between total assets and total liabilities. For purposes hereof, the value of the Prospective Investor's primary residence must be excluded from net worth. Indebtedness that is secured by the Prospective Investor's primary residence, up to the estimated fair market value of the primary residence, shall not be included as a liability (except that if the amount of such indebtedness outstanding exceeds the amount outstanding 60 days prior to the Offering, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability). Indebtedness secured by the primary residence in excess of the value of the home is considered a liability and must be deducted from the Prospective Investor's net worth. In the case of fiduciary accounts, the net worth and/or income suitability requirements may be satisfied by the beneficiary of the account or by the fiduciary, if the fiduciary directly or indirectly provides funds for the purchase. The definition of "spousal equivalent" is a "cohabitant occupying a relationship generally equivalent to that of a spouse."

Restrictions Imposed by the USA PATRIOT Act and Related Acts

In accordance with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the "USA PATRIOT Act"), our Units may not be offered, sold, transferred or delivered, directly or indirectly, to any "Unacceptable Investor," which means anyone who is:

- a "designated national," "specially designated national," "specially designated terrorist," "specially designated global terrorist," "foreign terrorist organization" or "blocked person" within the definitions set forth in the Foreign Assets Control Regulations of the U.S. Treasury Department;

- acting on behalf of, or an entity owned or controlled by, any government against whom the U.S. maintains economic sanctions or embargoes under the regulations of the U.S. Treasury Department;

- within the scope of Executive Order 13224 — Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism, effective September 24, 2001;

- subject to additional restrictions imposed by the following statutes or regulations and executive orders issued thereunder: the Trading with the Enemy Act, the Iraq Sanctions Act, the National Emergencies Act, the Antiterrorism and Effective Death Penalty Act of 1996, the International Emergency Economic Powers Act, the United Nations Participation Act, the International Security and Development Cooperation Act, the Nuclear Proliferation Prevention Act of 1994, the Foreign Narcotics Kingpin Designation Act, the Iran and Libya Sanctions Act of 1996, the Cuban Democracy Act, the Cuban Liberty and Democratic Solidarity Act and the Foreign Operations, Export Financing and Related Programs Appropriation Act or any other law of similar import as to any non-U.S. country, as each such act or law has been or may be amended, adjusted, modified, or interpreted from time to time; or

- designated or blocked, associated or involved in terrorism, or subject to restrictions under laws, regulations, or executive orders as may apply in the future similar to those set forth above.

II. HOW TO SUBSCRIBE

If you are interested in subscribing for the Units, you must carefully read this Memorandum. Then you must (i) complete, execute and deliver the Subscription Agreement (which includes a joinder to the Company Operating Agreement), which will be provided via electronic signature and (ii) wire the subscription funds to the depository account (wire instructions to be provided by the Company) or pay by check to the Company the subscription funds. By executing the Subscription Agreement, you will attest that you:

- have received and read this Memorandum;
- meet the investor suitability standards;
- agree to be bound by the terms of the Operating Agreement of FreeUp Storage Houston Portfolio, LLC (the "Company Operating Agreement") which is attached to this Memorandum as Exhibit A;
- upon request by the Manager, submit the Beneficial Ownership Questionnaire to the Company (attached to the Subscription Agreement);
- have received and reviewed due diligence documents;
- are purchasing the Units for your own account and accept and agree to the terms of the Units;
- acknowledge that there is no public market for the Units;
- if an entity, represent that the Prospective Investor's purchase of the Units has been duly authorized;
- if an employee benefit plan, foreign plan, IRA, Keogh plan or other employee benefit account or arrangement, acknowledge and agree that the Company and the Manager will not have any direct fiduciary duty to or relationship with you and that the assets of the Company will not be considered "plan assets" and will not be subject to any fiduciary or investment restrictions under any pension code applicable to you; and
- are in compliance with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the "USA PATRIOT" Act), and are not on any governmental authority watch list.

The Company includes these representations in the Subscription Agreement in order to prevent persons who do not meet its suitability standards or other investment qualifications from subscribing to the Units.

Subscriptions will be effective only when accepted by the Company, and the Company reserves the right to reject any subscription in whole or in part, in its sole discretion. Proceeds of the Offering will be held in a depository account separate from the Company's operating account until such time that each applicable subscription is either accepted or rejected by the Manager. If a subscription is not accepted, those funds will be returned promptly to the Prospective Investor, without interest or deduction.

After such time as the Minimum Offering Amount is met, the Manager may determine in its sole and absolute discretion, to schedule an initial closing and complete the sale of all the Units made through such closing date. At such time, funds in the depository account will be transferred into the Company's operating account and may be used by the Company for working capital needs, the payment of fees and expenses or other business purposes. Thereafter, the Company will accept subscriptions and make closings at various times as such subscriptions are received and in each such case, the funds will be so transferred from the depository account to the Company operating account upon the applicable closing.

III. SUMMARY OF THE OFFERING

The following summary is intended to provide selected and limited information regarding the Company and the Offering and should be read together with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Memorandum. *Because it is a summary, it does not contain all of the information you should consider before making an investment decision. You should read the entire prospectus carefully, including the section entitled "Risk Factors."* ***Each Prospective Investor is required to read the entire Memorandum and each of the Exhibits before investing in the Company.*** *Unless the context otherwise requires, the terms "we," "us," "our," "our Company," and similar expressions refer to FreeUp Storage Houston Portfolio, LLC, a Delaware limited liability company.*

Overview:	FreeUp Storage Houston Portfolio, LLC ("Company") intends to raise capital through sales of passive membership interests (the "Units") and to use such capital for the acquisition and operations of self-storage facilities located in Texas (the "Property").
Company History & Structure:	The Company was formed on June 20, 2025 as a Delaware limited liability company. The Company is governed by the terms of the Company's operating agreement dated June 20, 2025 ("Company Operating Agreement"). The Company Operating Agreement provides that the Company is owned by Members with each Member's ownership interests represented by a number of Units, designated as either Class A Units or Class B Units or Class C Units or Class X Units. The Manager is also the Sponsor of the Offering and will hold membership interests in the Company in the form of Class D Units held in Spartan Holding Company II, LLC.
Company Manager:	The Company Operating Agreement provides that the Company shall be managed by the Manager and that the Members shall not have any rights to control or manage the Company, except for those rights reserved in the Company Operating Agreement. The Manager of the Company is Spartan Investment Group, LLC.
Company Contact:	The principal executive office of the Company is located at: FreeUp Storage Houston Portfolio, LLC 17301 W Colfax Ave, Suite 120 Golden CO 80401
Offering Overview:	This Offering consists of up to $70,000,000 in proceeds ("Proceeds") from the issuance of the Units and Notes (the "Offering") in raising the Maximum Offering Amount. The price of one Class A, Class B, or Class C Unit is $10,000. In exchange for its subscription payment, each Class A and Class B investor will receive Class A, Class B, or Class C Units in an amount equal to their investment divided by 10,000. The proceeds will be used to acquire and manage the Property and for general working capital.
Offering Term:	The Company may accept its first subscription under the Offering on any date following the Memorandum Date (the acceptance of the first subscription being the Commencement Date), and may continue the Offering for up to sixty months following the Commencement Date with the Manager having the right to extend the Offering for an additional six months, or until such time that the Company has received and accepted subscriptions for Units totaling the Maximum Offering Amount, subject to the Company's right, in its sole and absolute discretion, to earlier terminate the Offering. Investors will be required to deliver 100% of their investment with their subscriptions. In the event the Company does not receive the Minimum Offering Amount by December 1, 2026 (the "Termination Date"), subject to the right of the Manager to extend the offering for a six-month period, this Offering shall immediately terminate.
Investor Suitability	This Offering is for a select group of Accredited Investors, as defined under Rule 215

Standards:

and 501 of the Securities Act of 1933 (the "Securities Act") who are US Persons, as defined in Regulation S of the Securities Act. Each Prospective Investor must meet the Manager's suitability requirements and the Manager reserves the right to approve or reject any Prospective Investor's subscription for the Units. A Prospective Investor in this Offering will only become a Member of the Company upon acceptance of the Prospective Investor's subscription.

In the sole discretion of the Manager, the Company may accept subscriptions for Units from Prospective Investors who are "benefit plans" (as defined by the Employee Retirement Income Security Act of 1974, as amended, "ERISA") or IRAs (collectively, "Qualified Plans"); provided, however, that at all times Qualified Plans cannot own, in the aggregate, 25% or more of the total number of the Units then outstanding ("Plan Asset Rule"). Accordingly, to maintain said proportion of Qualified Plans within the Offering, to the degree that in each applicable closing the tendered subscriptions from Qualified Plans exceed said 25% threshold limit, that portion of the subscription from all such Qualified Plan subscribers which exceeds said threshold must be liquidated by each subscriber, on a pro rata basis, from each of the respective Qualified Plans into cash and invested as cash in the Offering in the subscriber's name set forth in the applicable subscription agreement. In order to minimize the need for liquidation, the Company shall be authorized to hold subscriptions from Prospective Investors who are Qualified Plans for an additional 30 days so that such held subscriptions can be accommodated in a later closing.

If the Company receives more than 25% of its capital from Qualified Plans, then it may elect to be a Real Estate Operating Company (REOC) in order to qualify for an exemption from the Plan Asset Rule.

Deposit of Proceeds:

All subscription funds received by the Company will be held in a depository account, separate from the Company's operating accounts, until such time that the Manager accepts any such subscription; provided, however, the Company may not accept any subscriptions until such time as the Minimum Offering Amount has been received by the Company. If a subscription is rejected, the applicable subscription funds will be returned promptly to the subscriber after the subscription is rejected, without interest or deduction. Following acceptance of any subscription, upon the applicable closing for each such subscription, the applicable subscription funds for all subscriptions so closed will be transferred by the Manager to the Company for use and each subscriber will be issued the Units corresponding to his, her or its accepted subscription.

Sale of Units:

Offers and sales of Units will be made on a "best efforts" basis (with the contingency of the Minimum Offering Amount) exclusively by the Company.

Plan of Distribution:

Class A Members will receive a Preferred Return of 6%, Class B Members will receive a Preferred Return of 7%, Class C Members will receive a Preferred Return of 9%, and Class X Members will receive a Preferred return of 10%. Additionally, the Company will offer a tenant insurance program, where tenants will pay monthly insurance premiums to the Manager in exchange for limited coverage on tenant personal property; the Members may participate in a split of the net profits of the tenant insurance program. See **"Section XI – Plan of Distribution"** of this Memorandum.

Capital Accounts:

An individual capital account is maintained for each Member consisting of that Member's capital contribution: (1) increased by that Member's share of profits, (2) decreased by that Member's share of losses, and (3) adjusted as required in accordance with applicable provisions of the Company Operating Agreement or by law. The

purchase price paid for Units in this Offering shall be considered a Member's initial capital contribution. Any additional capital contributions shall be included in calculating the total capital contributions by a Member.

Capital Withdrawal: No Member of the Company may withdraw any capital contribution.

Reserves: The Company, in the Manager's sole and absolute discretion, may establish reserves to fund operating and other expenses of the Company including, without limitation, for the reimbursement of any expenses due to the Manager.

Voting; Amendments to Company Operating Agreement: In general, the Company Operating Agreement may be amended only with the consent of the majority of the Members; provided, however, that the Manager may amend the Company Operating Agreement without said consent of the Members to reflect any Manager action taken that does not require a vote of the Members.

No Registration Rights; Restriction on Transfer: The Units are being offered under an exemption from registration pursuant to Section 4(a)(2) of the Securities Act and Regulation D, Rule 506 promulgated by the U.S. Securities and Exchange Commission ("SEC"). The Company does not intend to register the Units in this Offering and these Units do not provide any registration rights. The Units may only be sold or transferred upon such security being registered with the SEC or under an exemption provided under the Securities Act and relevant state law. The Company Operating Agreement also provides certain restrictions on transfer including the Company's and other Members' right of first refusal on any sale of a Unit, and the Manager, in its sole discretion, may require, and approve or reject, an opinion of counsel from a potential transferring Member stating the transfer is exempt from registration.

Determination of the Offering Price: The price of a Unit was determined by the Company and is not based on the Company's assets, book value, results of operations, projected earnings, or any generally accepted method of valuation. No public trading market exists for the Units and none is expected to develop after this Offering. The Company does not represent that the Units have or will have a market value equal to their purchase price or could be resold (if at all) at their original purchase price.

Management Compensation: The Manager will receive additional compensation, fees, and other forms of remuneration in addition to reimbursement of its expenses, from the Company. See "**Exhibit C - Management Fees and Compensation**," attached to this Memorandum. The Manager is also a Member in the Company and as such will be entitled to receive distributions as provided for in the Company Operating Agreement. The management fees reflect an oral agreement between the Manager and the Company for payment of such fees. The Manager does not intend to modify such fees.

Expenses: The Company will pay all of the costs and expenses associated with the operation and management of the Company including, without limitation: (i) legal, accounting, audit, custodial and other professional fees as well as consulting fees relating to services rendered to the Company; (ii) banking, registration, qualification, depository, and similar fees; (iii) transfer, capital and other taxes, duties and costs incurred in acquisition, administration, and liquidation of the Company's assets; (iv) costs of financial statements and other reports; (v) Property management company fees; and (vi) employee salaries. The Company shall additionally pay any costs associated with the organization of the Offering or the closing of the subscriptions of the Offering whether incurred by the Company or by the Manager on behalf of the Company. See "**Section VII: Estimated Use of Proceeds**."

Federal Tax Matters:	The Manager intends to operate the Company such that it will be classified as a partnership for federal income tax purposes. As a partnership for federal income tax purposes, a pass-through entity, the Company will not be subject to U.S. federal income tax but each Member will be required to include, in computing its U.S. federal income tax liability, its allocable share of the items of income, gain, loss and deduction of the Company, regardless of whether the Company makes any cash distributions to such Member. The U.S. federal income taxation of partnerships and partners is extremely complex, involving, among other things, significant issues as to the character and timing of realization of gains and losses. Prospective Investors are urged to consult their tax advisors with respect to such issues. See "**Section XIII: Federal Income Tax Matters**." ***PROSPECTIVE INVESTORS ARE STRONGLY URGED TO CONSULT THEIR OWN TAX ADVISORS AND COUNSEL WITH RESPECT TO THE POSSIBLE TAX CONSEQUENCES TO THEM OF AN INVESTMENT IN THE COMPANY. THESE TAX CONSEQUENCES MAY BE DIFFERENT FOR DIFFERENT PROSPECTIVE INVESTORS.***
Preservation of Rights:	Notwithstanding any provision to the contrary in any agreement or document related to this Offering, including but not limited to subscription agreements, offering memoranda, and any other related documents, Members do not forfeit any rights they have through state and federal securities laws by participating in this Offering and investing in the Company.
Risk Factors:	An investment in the Units involves significant risks. See "**Section V: Risk Factors**."

IV. RISK FACTORS

The purchase of the Units involves a number of risk factors, each of which should be considered a substantial risk. Each Prospective Investor should consider carefully, among other risks, the following risk factors as well as all of the other information included in this Memorandum before investing in the Units and should consult with his/her own legal, tax and financial advisors with respect thereto. Any of these risks could materially and adversely affect our business, financial condition, and results of operations, which in turn might cause you to lose all or part of your investment.

Risks Relating to the Project

The Company is subject to all risks of attributable to investments in real estate. The Company will be investing in the Property that is subject to all risks inherent in such a business. In general, a downturn in the national or local economy, changes in zoning or tax laws, or the availability of financing could affect the performance and value of the Property. Also, because real estate is relatively illiquid, the Company may not be able to respond promptly to adverse economic or other conditions by disposing of its real estate holdings. Other risks include local market conditions, changes in economic conditions or interest rates, the unavailability or increased costs of financing, changes in real estate expenses, changes in governmental rules and policies (such as zoning), condemnation, casualty, acts of God, competition, the unavailability of funds to meet utility and maintenance costs, insurance costs and real estate taxes, liability under environmental or other laws and other factors which are beyond the control of the Company. The Property acquired by the Company may not perform to the Company's expectations, may not appreciate in value, may depreciate in value, and/or may not ever be sold at a profit. The marketability and value of the Property will depend upon many factors beyond the Company's control.

The impact of future pandemics could adversely affect our business, results of operations, financial condition, and liquidity. The extent of the impact of future pandemics on our business and financial results is, by nature of this type of event, highly uncertain. The sweeping nature of pandemics makes it extremely difficult to predict how and to what extent our business and operations could be affected in the long run. Our workforce, and the workforce of our vendors, service providers, and counterparties, could be affected by a pandemic, which could result in an adverse impact on our ability to conduct business. No assurance can be given that the actions we take to protect our operations will be sufficient, nor can we predict the level of disruption that could occur. New processes, procedures, and controls may be required to respond to any changes in our business environment. Additional factors related to major public health issues that could have material and adverse effects on our ability to successfully operate include, but are not limited to, the following: (i) the effectiveness of any governmental and non-governmental organizations in combating the spread and severity, including any legal and regulatory responses; (ii) a general decline in business activity; (iii) the destabilization of the financial markets, which could negatively impact our access to capital; and (iv) severe disruptions to and instability in the global financial markets, and deterioration in credit and financing conditions, which could affect our access to capital necessary to fund business operations or current investment and growth strategies.

Property tax increases. Real property is at all times subject to property tax increases, particularly at the time of a purchase and increase in the County Assessor's valuation. A significant property tax increase in the Property may affect the Company's ability to meet projections.

Real property may be subject to eminent domain proceedings. Real property is at all times subject to eminent domain legal doctrine. City, County, State and Federal policies may spur eminent domain proceedings to secure the Property.

The Company's success is subject to the fluctuations of the real estate market. The real estate market is affected by many factors, such as general economic conditions, availability of financing, interest rates and other factors, including supply and demand, that are beyond the Company's control.

Self-Storage facilities in high-risk locations may pay more for insurance coverage. Locations exposed to extreme weather conditions may be considered high-risk. Areas are usually divided into territories based on their history of loss from perils such as windstorms, hail, tornadoes, and hurricanes. Facilities in regions with records of high losses will have higher rates than those in areas of low risk.

Provision of Tenant Insurance. The Company will implement a tenant insurance program, where tenants will pay monthly insurance premiums to the Company in exchange for limited overage on tenant personal property. The provision of tenant insurance at the Property involves a complex interplay of operational, financial, and regulatory factors that could significantly impact the profitability and viability of the program. This interplay presents a range of potential issues, including compliance with insurance regulations, effective administration, competitive pressures, and the financial stability of third-party insurance providers. Failure to manage these aspects adequately could result in legal penalties or financial losses. Additionally, the profitability of the tenant insurance program depends on policy sales, cost management, and claims frequency. Unanticipated costs or a high claim frequency may negatively impact the Company's financial performance.

The Company will be subject to the risk of liability and casualty loss as the owner of the Property. The Company expects to maintain insurance against certain liabilities and losses on the Property, but the insurance obtained may not cover all amounts or types of liability and loss. While there is no absolute guarantee, the Company will diligently seek comprehensive insurance coverage and will strive to ensure that, if insured, the insurance proceeds will be adequate to cover any potential liability or loss. There are certain categories of risk of loss that may be or may become uninsurable or not economically insurable, such as earthquakes, floods and hazardous waste.

Operational plan may not be ideal to investors. The Company has a keen understanding of market conditions, operational costs and pricing, but the Sponsors could potentially overshoot revenue projections, underestimate expenses, overestimate occupancy growth, and overlook potential tax increases. The Company makes a concerted effort to anticipate potential tax increases and incorporates these considerations into our financial projections, including the possibility of significant tax increases upon sale of the property. It may take a year for the tax assessor to re-assess the property, but when that time comes, property taxes may skyrocket. This will have a greater effect if there are substantial improvements to the property.

Localized demand can vary significantly. Self-storage responds to various storage needs that range from moving, downsizing, renovations, storage for business, and several other factors that impact the use of storage. These demands can change periodically which affect what size units are in demand and the length of those leases. Indoor and outdoor storage can also vary and effect renters' decisions. The Company may not fully cater to what the market needs. Certain demographics have different needs that may not be considered when purchasing the Property.

Environmental liabilities are possible and can be costly. Federal, state, and local laws impose liability on a landowner for releases or the otherwise improper presence on the premises of hazardous substances. This liability is without regard to fault for, or knowledge of, the presence of such substances. A property owner may be held liable for hazardous materials brought onto the property before it acquired title and for hazardous materials that are not discovered until after it sells the property. Similar liability may occur under applicable state law. If any hazardous materials are found within the Property in violation of law at any time, the Company may be liable for all cleanup costs, fines, penalties, and other costs. This potential liability could continue after the Company sells the Property and may apply to hazardous materials present within the Property before the Company acquired the Property. If losses arise from hazardous substance contamination that cannot be recovered from a responsible party, the financial viability of the Property could be substantially affected. While it is possible that the Property may have known or unknown environmental problems, the Company is committed to conducting thorough environmental assessments prior to acquisition to identify potential issues and mitigate associated risks.

Disclosure of Market Assumptions and Pro Forma Sensitivity. Given current market volatility and the unknown interest rate at closing, the Company has modeled pro forma cash flows assuming 49% leverage and a 5.75% fixed interest rate. Under these assumptions, the projected Year 1 cash flow to Class C Members is approximately 4.10%. To illustrate the impact of changes in interest rates and leverage on returns, a sensitivity analysis is included herein, showing the effects on cash flow and equity multiples over the projected hold period. These assumptions are subject to change and are not guarantees of future performance. Please see more in **Section XII: Summary of Financial Projections**.

A general economic downturn and regional and national economic weakness could adversely affect the rental performance and resale viability of Property. Prospective Investors should be aware that periods of weak economic performance could adversely affect the Property owned by the Company. In addition, weakness in the regional and national economies could materially and adversely impact the tenants in the Property and their business operations. If tenants were to suffer economically and be unable to pay the rent, the Company may not receive the anticipated amount of income from the Property. Likewise, a downturn in the real estate market could affect the value of the Property and the ability of the Company to sell the Property at a profit, or at all.

The real estate market is very competitive. Numerous properties will compete with the Property in attracting renters and buyers. Additional properties may be built in the markets in which the Property is located. The number and quality of competitive properties in a particular area will have a material effect on the Company's ability to rent space at the Property and on the rents charged. Some of these competing properties may be newer or better located than the Property. There are a significant number of properties that may be available for sale in the market in which the Property is located. The number of properties offered at the time the Company decides to sell the Property could impact the number and quality of offers the Company gets for the Property as well as the time in which it may take to sell the Property, if at all.

Government regulation may affect the operation, cost and value of the Property. The operation of commercial real property is subject, both directly and indirectly, to federal, state, and local governmental regulation, including environmental, sewer, water, zoning and similar regulations. It is possible that (i) the enactment of new laws, (ii) changes in the interpretation or enforcement of applicable codes, rules and regulations, or (iii) the decision of any authority to change the current zoning classification or requirements, may have a substantial adverse effect on the operations and/or value of the Property.

Risk of Regulatory Changes Impacting Real Estate Development and Operations. The potential implementation of new federal policies or executive actions under the incoming Donald J. Trump presidential administration may affect the real estate sector. Proposed changes to tax policies, environmental regulations, and zoning or permitting requirements could increase costs or delay the operation of the self-storage facility. For example, modifications to federal tax benefits, such as those outlined below, may reduce the overall profitability of the investment.

- *Bonus Depreciation Phase-Out*. The 2017 Tax Cuts and Jobs Act (TCJA) introduced 100% bonus depreciation for certain asset classes, including self-storage. This tax incentive allowed investors to accelerate depreciation deductions, reducing taxable income in early years. However, the bonus depreciation rate began phasing out in 2023 (dropping 20% per year) and will fully expire by 2027 unless Congress reinstates it. The loss of this benefit may reduce near-term tax efficiency.

- *Interest Deductibility Restrictions*. The TCJA placed limits on business interest expense deductions. While self-storage assets have been able to navigate these restrictions under "real property trade or business" elections, any future legislative rollback could increase net taxable income and reduce cash flow projections.

The ongoing Russia-Ukraine conflict continues to create global economic and financial uncertainty. While initial disruptions were severe—leading to surging energy prices, supply chain instability, and stock market volatility—the long-term implications remain fluid as the war enters a protracted phase with evolving sanctions and geopolitical alignments. Current and potential economic effects include:

- Energy Price Volatility: While oil and gas prices have stabilized from 2022 highs, any escalation of conflict or disruptions in global energy markets could drive higher operational and transportation costs, indirectly affecting logistics for self-storage operations.

- Continued Disruptions in Supply Chains: Ongoing sanctions on Russia and the realignment of global trade have affected the availability of steel, aluminum, and certain construction-related materials, potentially leading to higher costs or delays in procurement for self-storage facilities.

- Impact on Inflation and Interest Rates: The war's impact on global commodity markets, supply chains, and investor sentiment has influenced inflationary trends, which in turn affect Federal Reserve monetary policy. Inflationary events and accompanying aggressive interest rate hikes could increase financing costs for this project and reduce investor returns.

- Cybersecurity and Infrastructure Risks: The conflict has seen an increase in cyber warfare tactics, including attacks on U.S. financial institutions, infrastructure, and businesses. Any successful Russian cyberattack on the U.S. banking or real estate sectors could impact financial stability, investor confidence, and transaction processing timelines.

- Broader Economic and Market Uncertainty: Given the war's long-term unpredictability, there is a risk that continued global instability could erode consumer confidence, impact capital markets, and create ripple effects in the real estate sector.

Risk of Economic Uncertainty Due to Trade and Fiscal Policies. The evolving U.S. trade and fiscal policies continue to present economic uncertainty, particularly in relation to tariffs, inflation, and interest rates. The Trump presidential administration imposed tariffs on imported steel, aluminum, and other building materials across Mexico, Canada, and China, as well as many other countries. If tariffs on Chinese steel, Canadian lumber, or other key construction materials increase or remain high, the cost of developing the self-storage facility, specifically making key capital improvements, could escalate, potentially reducing investor returns. Additionally, interest rate volatility could impact financing terms for the project or increase the facility's operational costs over time.

Broader economic volatility, including concerns over recession risks, employment trends, and consumer spending power, may also influence demand for self-storage. If consumer financial pressures increase, demand elasticity could affect the pace of occupancy growth, making it more challenging to achieve the projected occupancy rate within the anticipated lease-up timeline. These macroeconomic risks, combined with potential shifts in trade policies under future administrations, could impact the Company's ability to meet financial projections, optimize financing costs, and achieve expected cash flow distributions for investors.

Geopolitical Risks and Global Instability. Escalating geopolitical tensions involving the United States—including, but not limited to, strained relations with China, Russia, Iran, and other global actors—may contribute to economic uncertainty, financial market volatility, and disruption in domestic and international trade. These conditions, while indirect, may adversely impact the U.S. economy, interest rates, capital availability, and consumer behavior.

Although the Company's investment focus is domestic and centered on a self-storage asset, broader macroeconomic consequences of geopolitical instability—such as inflationary pressure, capital market tightening, elevated construction costs, or labor shortages—may impair the Company's ability to execute its value-add or optimization strategy. Additionally, government responses to geopolitical conflicts, including the imposition of sanctions, military actions, trade restrictions, or energy supply disruptions, may cause further volatility that could indirectly affect real estate markets, investor sentiment, and overall access to debt or equity financing. There can be no assurance that current or future geopolitical events will not materially and adversely affect the Company's operations, asset performance, or ability to achieve its investment objectives.

Cost of renovations are unpredictable. There is no guarantee that the ability to optimize the Property will align with expectations and such optimization can be more expensive and time-consuming than expected. The cost and availability of labor, materials and other items may change, causing the cost of any capital improvements to be more expensive and to take longer than anticipated. These changes could delay completion of the project and subsequent collection of rental income and/or resale of the Property. As such, the Company may not be able to take advantage of certain market conditions for rental and resale which could result in the Property losing value or garnering less income than needed.

Compliance with Americans with Disabilities Act. Under the Americans with Disabilities Act of 1990 (the ADA), all public accommodations are required to meet certain federal requirements related to access and use by disabled persons. A determination that the Property is not in compliance with the ADA could result in imposition of fines or an award of

damages to private litigants. If substantial modifications are made to comply with the ADA, which may have a substantial adverse effect on the operations and/or value of the Property.

Self-storage facilities are considered places of public accommodation under the ADA and must comply with the 2010 ADA Standards for Accessible Design. This includes providing a minimum number of accessible units — 5% of the total units if the facility has fewer than 200 units, or 10 units plus 2% of the total units if the facility has more than 200 units. Accessible units must be dispersed among the various classes of units and must include features such as accessible routes, door hardware operable with one hand, and appropriate signage. Failure to comply with these requirements can result in legal action, fines, and the need for costly retrofits.

Exposure to Sales and Use Tax Reclassification. While Texas does not currently impose a state-level sales or use tax on the rental of self-storage units, the State does require that sales tax must be collected on all rents and charges received for vehicle or trailer parking or storage. The applicability of sales tax is not affected by the type or condition of the vehicle storage arrangement. Whether the vehicle is parked in an enclosed garage or an open lot, whether an attendant is present or not, and whether the storage occurs with or without the operator's consent, sales tax must be collected. Tax is due on the total rent paid for the space used to store the vehicle, regardless of the number of vehicles stored or the frequency with which they enter and exit the facility. Additionally, if a vehicle is stored alongside non-taxable household items, the full rental amount for the unit remains subject to sales tax. "Motor vehicles" are defined by Section 152.001 of the Texas Tax Code to include: (A) a self-propelled vehicle designed to transport persons or property on a public highway; (B) a trailer and semitrailer, including a van, flatbed, tank, dumpster, dolly, jeep, stinger, auxiliary axle, or converter gear; and (C) a house trailer as defined by Chapter 501, Transportation Code. Additionally, the City of Houston, as a home-rule municipality under Article XI, Section 5 of the Texas Constitution, retains independent taxing authority. Although storage rentals are not currently subject to local sales tax, any regulatory revision or ordinance expanding the taxable services base could require the Company to collect and remit local sales tax on tenant rents. Such changes would increase the administrative burden on the Company and reduce net operating income, thereby adversely impacting the amounts available for distribution to Members.

Compliance with Texas Self-Service Storage Facility Law. The Company's operations will be governed by Chapter 59 of the Texas Property Code, which governs the establishment and enforcement of liens against tenant property, procedures for default, and public sale protocols. Although the statute affords operators the right to enforce liens and dispose of property upon default, such rights are strictly conditioned on compliance with detailed statutory procedures, including tenant notification, mandated waiting periods, and advertisement of public sales. Any deviation from these procedures could result in the invalidation of lien rights, exposure to tenant claims for conversion or damages, or injunctive relief. Moreover, future legislative amendments may enhance consumer protections or restrict lien enforcement, potentially increasing compliance costs and reducing the Company's recourse against delinquent tenants.

Houston Zoning and Permitting Constraints. The Property will be subject to land use regulations administered by the City of Houston, which, unlike many municipalities, does not have a traditional zoning code. Instead, land use is governed by a combination of deed restrictions, Chapter 42 of the Houston Code of Ordinances (governing subdivision, development, and platting), and various building codes, including those administered by the Houston Permitting Center. While self-storage facilities are generally permitted in many commercial and industrial areas, they are subject to use-specific development standards, such as setback requirements, site access, drainage, detention, parking, screening, and buffering regulations, particularly when adjacent to residential uses. Any expansion, redevelopment, or change in use may require platting approval, building permits, and compliance with applicable infrastructure and fire safety codes. A failure to obtain required approvals or comply with land use conditions could materially impair the Company's ability to enhance or reposition the Property and may result in enforcement actions, fines, or orders to cease nonconforming use.

Building and Life Safety Code Compliance. The Property will be required to comply with applicable building, fire, health, and life safety codes adopted by the City of Houston and enforced by Houston Permitting Center and the Houston Fire Department. Houston currently adheres to the 2021 editions of the International Building Code (IBC), International Fire Code (IFC), and related International Code Council (ICC) standards. These codes govern fire suppression systems, emergency vehicle access, structural design, ingress and egress, and lighting. Any noncompliance—whether due to deferred maintenance, tenant behavior, or changes in code interpretation—could result in the imposition of penalties, forced remediation, or even temporary shutdowns. Additionally, code revisions during the holding period

may impose retroactive compliance requirements or capital improvement obligations that could materially impact the Company's cash flow.

Environmental Compliance and Hazardous Materials Risk. The Property will be subject to federal, state, and local environmental statutes and regulations, including the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), and regulations administered by the Texas Commission on Environmental Quality (TCEQ) and Harris County Pollution Control Services. There is an inherent risk that tenants may store hazardous or regulated materials in violation of lease terms or applicable law. Additionally, there is a chance the Company may not detect such hazardous or regulated materials, even with extensive monitoring of the content of leased units. In the event of environmental contamination, the Company could be held strictly liable under CERCLA or state law for investigation, cleanup, and mitigation costs—regardless of fault. The discovery of contamination may also impair the marketability of the Property or restrict its use, and any mandated remediation could materially affect the Company's financial condition.

Natural Hazard Exposure and Flood Risk. The Property may be exposed to natural hazards, particularly localized and regional flooding, due to its location within the Greater Houston area, which is historically prone to heavy rainfall, hurricanes, and storm surges. Portions of Houston lie within FEMA-designated 100-year and 500-year flood zones, and many areas are subject to floodplain management regulations enforced by the City of Houston and Harris County Flood Control District. Although the Property may not presently lie within a mapped floodplain, changes in FEMA flood maps or hydrological conditions may result in a future flood zone designation, thereby triggering additional insurance requirements, limiting redevelopment opportunities, or reducing marketability. Severe weather events may also damage infrastructure or disrupt operations, leading to uninsured losses or significant capital expenditures.

Stormwater Management and Drainage Compliance. The Property is subject to stormwater management and drainage regulations enforced by the City of Houston, the Harris County Engineering Department, and the Texas Commission on Environmental Quality (TCEQ), pursuant to the federal Clean Water Act and the National Pollutant Discharge Elimination System (NPDES), as delegated to the State of Texas through the Texas Pollutant Discharge Elimination System (TPDES).Any future construction, site expansion, or significant land disturbance will require compliance with Chapter 9 of the City of Houston Infrastructure Design Manual. This typically includes submission of a Stormwater Quality Management Plan (SWQMP), implementation of Best Management Practices (BMPs), and, where applicable, obtaining coverage under the TPDES Construction General Permit (CGP). Most projects will also require detention and drainage infrastructure to address post-development runoff and mitigate downstream impacts. Noncompliance could result in civil penalties, stop-work orders, or mandated corrective measures, and regulatory standards may be modified to impose more stringent requirements, increasing development and operational costs.

Nuisance Enforcement and Community Relations Risk. Pursuant to the City of Houston Code of Ordinances, as well as Texas Local Government Code § 217.002, the City of Houston has broad authority to regulate public nuisances, including those related to noise, traffic congestion, lighting, visual blight, and general site conditions. Self-storage facilities—particularly those located near residential areas—may be subject to heightened community scrutiny. Complaints from neighboring property owners may lead to code enforcement actions, reputational damage, or political resistance to future modifications. Additionally, the presence of homeless activity, illegal dumping, or other nuisance behavior on or near the Property could trigger code enforcement or compel the Company to incur remedial and security expenses.

Property Tax Assessment Risk in Harris County. Real property in Texas is assessed annually at the county level. The Property's taxable value will be determined by the Harris County Appraisal District (HCAD), and property taxes will be levied based on the appraised value and the applicable tax rates set by overlapping taxing jurisdictions (e.g., City of Houston, Harris County, school districts, and special districts). Self-storage facilities are classified as commercial property and subject to periodic reassessment, which may result in increased assessments following capital improvements, changes in use, or a sale transaction. Property tax increases—especially those not contemplated in underwriting—may materially reduce net operating income and adversely affect investor returns.

The Company and its affiliates could be liable for accidents or injuries on the properties. There are inherent risks of accidents or injuries at the Property or in connection with its operations, including injuries from premises liabilities

such as slips, trips, falls, and construction-related accidents. If accidents or injuries occur at any of the properties, the Company may be held liable for costs related to the injuries. The Company maintains insurance of the type and in the amounts that it believes are commercially reasonable and that are available to businesses in its industry, but there can be no assurance that its liability insurance will be adequate or available at all times and in all circumstances. There can also be no assurance that the liability insurance the Company has carried in the past was adequate or available to cover any liability related to previous incidents. The Company's business, financial condition and results of operations could be harmed to the extent claims and associated expenses resulting from accidents or injuries exceed our insurance recoveries.

The real estate insurance market is volatile. Rising replacement costs and increased claims due to natural disasters have led to **higher insurance premiums for commercial properties**. If another Trump administration **deprioritizes FEMA disaster aid or alters federal insurance regulations**, self-storage facilities, especially facilities in in high-risk areas (earthquake zones, floodplains), may see increased financial exposure.

The Company has limited capitalization and may be dependent on raising funds to grow and expand its business. The Company has limited capitalization and may be dependent on raising funds to continue its business. The Company will endeavor to finance its need for additional working capital through debt or equity financing. Additional debt financing would be sought only in the event that equity financing failed to provide the Company necessary working capital. Debt financing may require the Company to mortgage, pledge or hypothecate its assets, and would reduce cash flow otherwise available to pay operating expenses. There are no other current agreements or understandings with regard to the form, time or amount of any financing and there is no assurance that any financing can be obtained or that the Company can continue as a going concern.

- *Mortgages*. The financing obtained by the Company would most likely involve a mortgage on the underlying Properties. If the Company was unable to make payments on the loan or refinance the loan for any reason, the Company's continued ownership of the Properties would be jeopardized, and the Company may lose funds that it expended for down payments and other deposits on the Properties.

- *Variable Rates of Interest*. The Company may obtain financing that provides for a variable rate of interest. As a result, in the event that interest rates increase, the Company will have to pay a greater amount for interest payments. Based on historical interest rates, current interest rates are low and it is likely that interest rates will rise in the future.

- *Fixed Rates of Interest*. The Company may obtain fixed rate financing. As a result, if interest rates decrease and the Company's financing is a fixed rate, the return on the Property could be lower than necessary to continue to repay the fixed rate obligation.

- *Control of Lenders*. It is possible the lender may require certain conditions or a certain amount of control in the Company. These rights may be exercised such the results are in the best interest of the lender and not in the best interest of the Company.

- *Balloon Payments*. The financing obtained by the Company may have short terms. Consequently, the Company may be required to make a large balloon payment on the maturity date of a loan. In the event the Company is unable to make the balloon payment or to refinance the loan for any reason, the Company's continued ownership of the Property would be jeopardized.

Political, social and economic uncertainty creates and exacerbates investment risks. Social, political, economic and other conditions and events (such as natural disasters, epidemics and pandemics, terrorism, conflicts and social unrest) will occur that create uncertainty and have significant impacts on issuers, industries, governments and other systems, including the financial markets. As global systems, economies and financial markets are increasingly interconnected, events that once had only local impact are now more likely to have regional or even global effects. Events that occur in one country, region or financial market will, more frequently, adversely impact issuers in other countries, regions or markets, including in established markets such as the United States. These impacts can be exacerbated by failures of

governments and societies to adequately respond to an emerging event or threat.

Uncertainty can result in or coincide with, among other things: increased volatility in the financial markets; difficulty in valuing assets; further social, economic, and political instability; nationalization of private enterprise; greater governmental involvement in the economy or in social factors that impact the economy; changes to governmental regulation and supervision; substantial, and in some periods extremely high, rates of inflation, which can last many years and have substantial negative effects on credit and as well as the economy as a whole; and recessions.

Although it is impossible to predict the precise nature and consequences of these events, or of any political or policy decisions and regulatory changes occasioned by emerging events or uncertainty on applicable laws or regulations, these types of events may impact and, in some cases, will impact our business and operations.

Risks Relating to The Formation and Internal Operation of the Company

The Company has limited operating history which makes it difficult to evaluate the Company and lessens the probability of success. The Company was organized on June 20, 2025. Consequently, the Company has only a limited operating history and has not produced any revenue. The Company must be considered in the developmental stage. Prospective investors should be aware of the difficulties encountered by such enterprises, as the Company faces all the risks inherent in any new business, including the absence of any prior operating history, need for working capital and intense competition. The Company cannot assure that it will be profitable or when it may be profitable, or that the Company Manager will be able to perform its duties successfully. The likelihood of success of the Company must be considered in light of such problems, expenses and delays frequently encountered in connection with the operation of a new business and the competitive environment in which the Company will be operating.

Prospective Investors will rely on the Manager to identify, acquire, administer, collect, and liquidate the Company's investments. All decisions regarding management of the Company's business affairs and the management of the Company's investments will be made by the Manager with the support of various principals, affiliates, advisors, and future employees. The Members, other than the Manager and its principals, will not participate in any decision-making on behalf of the Company. Accordingly, no person should purchase Units unless that person is willing to entrust all aspects of management of the Company and the Company assets to the Manager. Prospective Investors should carefully evaluate the personal experience and business performance of the Manager and its principals. The Manager may not be removed from its respective position, except under limited circumstances, if at all.

While the Manager has extensive experience in acquiring, developing, and operating self-storage facilities (see information included in "**Exhibit D – Project Offering Memorandum**"), there is always a risk that the Manager may not successfully acquire and/or operate the Property such that the Members receive the projected returns advertised by the Manager in its marketing materials. Prospective Investors should conduct extensive due diligence and should strongly consider retaining the services of various professionals and advisers to help determine the suitability of an investment in the Company.

The loss of key personnel could adversely impact our business. The Company's success is highly dependent upon the continued services of key personnel, as described under "Management." The loss of a member of the management team or any of the Company's key principals, affiliates, employees, agents, or associates could have a material adverse impact on our business. We believe that the Company's future success depends, in large part, upon the ability of the Manager and its affiliates to hire and retain or contract with highly-skilled managerial and operational personnel. There is significant competition for such personnel, and we cannot assure you that the Manager will be successful in attracting and retaining such skilled personnel.

The Manager may be entitled to indemnification by the Company and Members. The Manager, its officers, directors, managers, members, partners, employees, agents, attorneys and certain other parties may not be liable to the Company and Members for errors of judgment or other acts or omissions not constituting bad faith, gross negligence or willful malfeasance as a result of certain indemnification provisions in the Company Operating Agreement. A successful claim for such indemnification would deplete the Company's assets by the amount paid. Indemnification claims, while potentially impacting the Company's assets, serve as a necessary protection for the Manager and other parties against

undue liability..

The Manager may be unable to obtain required financing to generate significant returns for Members. For the Manager to generate significant returns for the Members, the Manager may need to secure financing to leverage proceeds from the Offering. However, there can be no assurances that the Company Manager will be able to obtain required financing on satisfactory terms or at all.

There may not be any current income to distribute to the Members. The Company anticipates that the majority, if not all, of the Company's cash available for distribution will arise out of the cash flow generated from the successful development and subsequent rental of all aspects of the Property once fully built and rented to capacity. As described throughout this Memorandum, the acquisition, optimization, and ownership of the Property involves great risk and those activities may not generate sufficient cash for distribution to Members.

The Company may have insufficient cash reserves to manage the Company. The Company intends to maintain certain cash reserves from the proceeds of Members' capital contributions and other financing it may obtain to cover Company operating expenses. However, there is no assurance that the amount of cash reserves will be adequate. If the reserves are insufficient to cover current costs or unexpected future costs, it may become necessary for the Company to seek additional financing, which may be difficult, if not impossible, to obtain on favorable terms, if at all. If additional financing is not readily available, the Company may need to explore alternative strategies, such as delaying certain payments, seeking alternative forms of financing, or strategically selling assets.

The Manager may be entitled to indemnification by the Company and Members. The Manager, its officers, directors, managers, members, partners, employees, agents, attorneys and certain other parties may not be liable to the Company and Members for errors of judgment or other acts or omissions not constituting bad faith, gross negligence or willful malfeasance as a result of certain indemnification provisions in the Limited Liability Company Operating Agreement. A successful claim for such indemnification would deplete the Company's assets by the amount paid.

Risks Relating to Private Offerings

The Offering is not registered with the SEC or any state securities authorities and they have not made any determination that this Memorandum is adequate or accurate. The Offering of the Units will not be registered with the SEC under the Securities Act or the securities agency of any state and are being offered in reliance upon an exemption from the registration provisions of the Act and state securities laws applicable only to offers and sales to Prospective Investors meeting the suitability requirements set forth herein. Since this is a nonpublic offering and, as such, is not registered under federal or state securities laws, Prospective Investors will not have the benefit of review by the Securities and Exchange Commission or any state securities regulatory authority. The Units are being offered, and will be sold, to Prospective Investors in reliance upon a private offering exemption from registration provided in the Securities Act and state securities laws. If the Company should fail to comply with the requirements of such exemption, the Prospective Investors may have the right, if they so desired, to rescind their purchase of the Units. It is possible that one or more Prospective Investors seeking rescission would succeed. This might also occur under the applicable state securities or "Blue Sky" laws and regulations in states where the Units will be offered without registration or qualification pursuant to a private offering or other exemption. If a number of Members were successful in seeking rescission, the Company would face severe financial demands that could adversely affect the Company as a whole and thus, the investment in the Units by the remaining Members.

The Company is not registered with the SEC as an investment company under the Investment Company Act of 1940, as amended. The Company does not intend to register under the Investment Company Act of 1940, as amended, in reliance upon one or more exemptions from its registration provisions. The Company is committed to regulatory compliance and is taking necessary measures to ensure that the exemptions relied upon are in line with SEC regulations. If, despite these measures, the SEC determined that the exemption(s) were incorrect or unsupportable, such a determination could potentially affect the Company and the investment in the Units by the Members.

The Units will be considered "restricted securities" and any resale will be subject to state and federal securities laws and additional restrictions imposed by the Company Operating Agreement. There are substantial restrictions on the

transferability of the Units contained in the Company Operating Agreement and imposed by state and federal securities laws. The Units offered by this Memorandum have not been registered under the Securities Act nor with the securities regulatory authority of any state. The Units may not be resold unless they are registered under the Securities Act and registered or qualified under applicable state securities laws or unless exemptions from such registration and qualification are available.

Exemption from Registration; Limitations of 506(c) Offerings. This Offering is being conducted pursuant to Rule 506(c) of Regulation D under the Securities Act of 1933, as amended and, as such, the Interests offered hereby have not been registered with the SEC or any state securities regulator. The Company is relying on exemptions from registration that impose specific limitations on the manner in which the Offering may be conducted and on the nature and number of persons who may invest.

There is a risk that the Company may not fully comply with the conditions of Rule 506(c), the most notable being only admitting Prospective Investors who verifiably meet the definition of an "accredited investor". While the Company will strive to maintain strict compliance with all applicable securities laws and regulations, any failure to satisfy these requirements could result in the loss of the Offering's exempt status, which may subject the Company and its principals to regulatory enforcement actions, rescission, fines, penalties, or other adverse consequences, which would materially impact the Company's profitability and cash flow, thus reducing investors' returns.

Risks Relating to the Company Generally

The Company's business will not be diversified. At this time the Company anticipates that the majority, if not all, of the Company's cash available for distribution will come from its investment in the Property and from renting, refinancing and ultimately selling the Property. Accordingly, if for any reason the Company is unsuccessful in implementing its business plan or if there is substantially increased competition from new or existing competitors, such changes could substantially, negatively affect the viability of the Company and the value of the Units, which in turn could potentially impact its profitability, its ability to operate, its ability to raise funds, and thus the Company's ability to pay any distributions to the Members.

Loss on Dissolution and Termination. The proceeds realized from the Company's investment in the Property and the sale of the Units will be used to pay all of the accumulated operating expenses of the Company upon dissolution or termination of the Company. Thus, the ability of a Member to recover all or any portion of his, her or its investment under such circumstances will, accordingly, depend materially on the amount of revenue realized from the rental and sale of the Property, as well as other material factors and events affecting the business of the Company prior to the date of any such dissolution or termination and the amount of claims to be satisfied resulting therefrom.

The condition of the U.S. and global financial markets is volatile and cannot be predicted. Investors should be aware that the U.S. and global financial markets are currently somewhat volatile and that the condition of the financial markets has been erratic at times in recent years. Any weakening of the markets or instability could adversely affect the Company's ability to conduct its business and make needed purchases and investments. Prospective investors should be aware that periods of weak economic performance globally, in the United States or regionally could adversely affect the Company's business and any investments or purchases that it has made or will make. Further, financial market instability could result in significant regulatory changes that could have an unpredictable impact on the Company's business.

The Company's information systems are vulnerable to damages from any number of sources, including energy blackouts, natural disasters, terrorism, war, telecommunication failures and cyber security attacks, such as computer viruses or unauthorized access. Any system failure or accident that disrupts operations could result in a material disruption to the Company or its operations. The Company may also incur additional costs to remedy damages caused by such disruptions. Any compromise of security could result in a violation of applicable privacy and other laws, unauthorized access to information of the Company and Investors and others, significant legal and financial exposure, damage to their reputations, loss or misuse of the information and a loss of confidence in their security measures, which could harm its business. The Manager shall not be held liable for any such security breaches unless it is proven that the Manager has failed to implement reasonable security measures, or, in the absence such a finding, if a court of competent jurisdiction or an arbitrator nonetheless issued a final and non-appealable judgment imposing liability on the Manager for

any such security breaches.

Risks Related to Conflicts of Interest

There may be conflicts of interest between the Manager and the Company, which might not be resolved in your favor. The Manager may be involved in other business activities and may get involved in other business activities in the future. The Manager will have to allocate their time between the Company and other activities in which they are involved. If they do not devote sufficient time to the business of the Company, the Company's business and results of operations could be negatively impacted.

The Manager will engage in other activities outside of the Company that could cause conflicts of interest. The principals of the Manager may be engaged in activities other than this Offering and the business of the Company. The Manager may have conflicts of interest in allocating time, services and functions between various existing and future enterprises. The Manager may organize other business ventures that may compete with the Company.

No arm's-length negotiations of compensation. None of the agreements or arrangements, including those relating to compensation, among the Company and the Company Manager, are the result of arm's-length negotiations.

Members may have conflicting investment, tax, and other interests with respect to their investments in the Company. The conflicting interests of individual Members may relate to or arise from, among other things, the nature of investments made by the Company, the structuring or the acquisition of investments, and the timing of disposition of investments. Consequently, different investment returns may be realized by different Members and conflicts of interest may arise in connection with decisions made by the Manager, including with respect to the nature or structuring of investments that may be more beneficial for one Member than for another Member, particularly with respect to Members' individual tax situations. In addition, the Manager and its affiliates and employees may invest directly in the Company. In selecting and structuring investments appropriate for the Company, the Manager will consider the investment and tax objectives of the Company as a whole, not the investment, tax, or other objectives of any investor individually.

The Company and Manager's legal counsel, 3 Pillars Law, PLLC has relied upon certain information furnished to it by the Manager, Company, or their affiliates and has not investigated or verified the accuracy or completeness of such information. In connection with this offering and subsequent advice to the Company, the Manager, and their affiliates, 3 Pillars Law, PLLC's engagement is limited to the specific matters as to which it is consulted by the Manager, Company, and their affiliates. There may exist facts or circumstances that could have a bearing on the Company or the Manager's financial condition or operations with respect to which 3 Pillars Law, PLLC has not been consulted and for which it expressly disclaims any responsibility. 3 Pillars Law, PLLC does not and will not serve as counsel for or represent the interests of any Prospective Investor or Member and 3 Pillars Law, PLLC has disclaimed any fiduciary or attorney-client relationship with Prospective Investors or Members. Prospective Investors should obtain the advice of their own counsel regarding legal matters.

ERISA Risks

Investment considerations for tax-exempt Prospective Investors. In considering an investment in the Units of a portion of the assets of a trust or a pension or profit-sharing plan qualified under Section 401(a) of the Code and exempt from tax under Section 501(a) (a "Qualified Plan"), a fiduciary should consider the following:

- whether the investment satisfies the diversification requirements of Section 404 of the Employee Retirement Income Security Act of 1974 ("ERISA");
- whether the investment is prudent, since the Units are not freely transferable and there will not be a trading market created in which he/she can sell or otherwise dispose of the Units;
- whether the Units or other assets owed by the Company constitute "Plan Assets" under ERISA; and
- the possibility that, in certain circumstances, pursuant to the terms and conditions of the Subscription Agreement, a portion of the assets may have to be liquidated from the Qualified Plan and invested in the Units in an individual name, subject to the Company's right to seek qualification as a Real Estate Operating Company which would

exempt the Company from this requirement.

See "Investment by Qualified Plans and Individual Retirement Accounts."

Considerations that trustees, custodians and fiduciaries must take into account before investing in the Units.

Trustees, custodians and fiduciaries of retirement and other plans subject to ERISA or Code Section 4975 (including individual retirement accounts) should consider, among other things:

- that the plan, although generally exempt from federal income taxation, would be subject to income taxation if its income from an investment in the Company and other unrelated business taxable income exceeds One Thousand Dollars and 00/100 ($1,000) in any taxable year;
- whether an investment in the Company is advisable given the definition of plan assets under ERISA and the status of Department of Labor regulations regarding the definition of plan assets;
- whether the investment is in accordance with plan documents and satisfies the diversification requirements of Section 404(a) of ERISA;
- whether the investment is prudent under Section 404(a) of ERISA, considering the nature of an investment in, and the compensation structure of, the Company and the potential lack of liquidity of the Units;
- that the Company and the Company Manager have no history of operations; and
- whether the Company or any Affiliate is a fiduciary or party in interest to the plan.

The prudence of a particular investment must be determined by the responsible fiduciary taking into account all the facts and circumstances of the qualified plan and of the investment. See "Federal Income Tax Matters" and "Investment by Qualified Plans and Individual Retirement Accounts."

Risks Relating to Retirement Plan Investors

Investment by retirement plans generally. In considering an investment in the Units of a portion of the assets of a pension or profit-sharing plan qualified under Section 401(a) of the Code and exempt from tax under Section 501(a), a fiduciary should consider if: (a) the investment satisfies the diversification requirements of Section 404 of the Employee Retirement Income Security Act of 1974 and regulations adopted pursuant thereto by the U.S. Department of Labor (ERISA); (b) the investment is prudent, since the Units are not freely transferable and there may not be a market created in which the fiduciary can sell or otherwise dispose of the Units; (c) the underlying assets owned by the Company could be deemed to be "plan assets" under ERISA; (d) the possibility that, in certain circumstances, pursuant to the terms and conditions of the Subscription Agreement, a portion of the Qualified Plan assets may have to be liquidated from the Qualified Plan and invested in the Units in an individual name, subject to the Company's intent to seek qualification as a Real Estate Operating Company which may exempt the Company from this requirement; and (e) whether the investment otherwise complies with ERISA and the Code.

Plan assets. If the underlying assets owned by the Company are deemed to be assets of a qualified plan or IRA that is considered to be investing in the Company's equity, operations will be severely limited. In such case, the Company Manager may be considered a plan fiduciary and contemplated transactions described herein may be deemed to be "prohibited transactions" subject to excise taxation under the Internal Revenue Code. The standards of prudence and other provisions of ERISA would extend to the Company Manager with respect to investments made by us. We have not requested or obtained an opinion of counsel regarding such matters and have not obtained or sought any rulings from the U.S. Department of Labor regarding the same. In the event the property of the Company is deemed to constitute plan assets or certain of our transactions constitute "prohibited transactions" under ERISA or the Internal Revenue Code and we can obtain no exemption for such transactions, we have the right, but not the obligation (upon notice to all Members, but without the consent of any said parties), to (i) terminate the Offering of Units, (ii) compel a termination and dissolution of the Company or (iii) restructure our activities to the extent necessary to comply with any exception in the Department of Labor Regulations or any prohibited transaction exemption granted by the Department of Labor or any condition which the Department of Labor might impose as a condition to granting a prohibited transaction exemption.

We may not generate sufficient liquidity to satisfy IRA minimum distribution requirements. Any Potential Investor

who intends to purchase Units for his, her or its IRA and any trustee of an IRA or other fiduciary of a retirement plan considering an investment in our Units should consider particularly the limited liquidity of an investment in the Units as they relate to applicable minimum distribution requirements under the Internal Revenue Code. If the Units are still held and the Company's underlying assets and property have not yet been sold at such time as mandatory distributions are required to commence to an IRA beneficiary or qualified plan participant, applicable provisions of the Internal Revenue Code and regulations may require that a distribution in kind of the Units be made to the IRA beneficiary or qualified plan participant. Any such distribution in kind of Units must be included in the taxable income of the IRA beneficiary or qualified plan participant for the year in which the Units are received at the fair market value of the Units without any corresponding cash distributions with which to pay the income tax liability arising out of any such distribution.

Self-directed IRAs and solo 401k retirement plans may face increased government scrutiny. Section 138312 of recently proposed legislation by the House Ways and Means Committee (Subtitle I, Responsibly Funding Our Priorities) prohibits individuals with self-directed individual retirement accounts (SDIRAs) from investing in exempt securities offerings. Although this section of the proposed legislation was disapproved, SDIRAs and potentially solo 401(k) retirement plans may see increased government scrutiny. If similar legislation were to pass in the future, it may require SDIRA investors to divest their investments in exempt securities or lose IRA account classification.

Tax Risks

There are risks associated with the federal income tax aspects of an investment in the Company. The Internal Revenue Service ("IRS") could potentially examine tax issues that could affect the Company. Moreover, the income tax consequences of an investment in the Company are complex and tax legislation could be enacted and regulations adopted in the future to the detriment of Members. The following paragraphs summarize some of the tax risks to the Members who own the Units. A discussion of the tax aspects of the investment is set forth in "Federal Income Tax Matters." Because the tax aspects of this Offering are complex and may differ depending on individual tax circumstances, each prospective investor must consult with and rely on his/her own, independent tax advisor concerning the tax aspects of the Offering and his/her individual situation.

No representation or warranty of any kind whatsoever is made with respect to the acceptance by the IRS of the treatment of any item by the Company or by any Member.

An IRS audit of the Company's books and records could result in an audit of a Member's income tax returns. The Company's federal income tax returns could potentially be audited by the IRS. Such an audit could result in the challenge and disallowance of some of the deductions claimed in such returns. The Company does not assure or give a warranty of any kind with respect to the deductibility of any such items in the event of either an audit or any litigation resulting from an audit.

A risk exists that the Company will be taxed as a corporation and not as a partnership. The Company Manager intends for the Company to be taxed as a partnership for federal income tax purposes. If the Company were to be treated for tax purposes as a corporation, the tax benefits associated with an investment in the Company, if any, would not be available to the Members. The Company would, among other things, pay income tax on its earnings in the same manner and at the same rate as a corporation, such earnings would be subject to tax again as ordinary income when distributed to the Members, and losses, if any, would not be deductible by the Members.

Because of the probability of Unrelated Business Taxable Income, an investment in the Company is not appropriate for a charitable remainder trust. The Company may generate unrelated business taxable income ("UBTI") from its assets or debt financing, although a Qualified Plan may be eligible for an exemption therefrom. Tax-exempt entities must consult their own tax counsel regarding the effect of any UBTI. **Due to the likely presence of UBTI, an investment in the Units is not appropriate for a Charitable Remainder Trust.**

The IRS could disallow various deductions claimed. The availability, timing and amount of deductions or allocations of income of the Company will depend not only upon general legal principles but also upon various determinations that are subject to potential controversy on factual and other grounds. Such determinations could include, among other things, the allocation of basis to buildings, land, leaseholds, personal property and other assets, as applicable.

If the IRS were successful, in whole or in part, in challenging the Company on these issues, the federal income tax benefits of an investment in the Company could be materially reduced.

Limitations exist on losses and credits from passive activities. A Member's share of the Company's taxable income and loss will likely be considered to be derived from a passive activity. Deductions in excess of income (i.e. losses) from passive trade or business activities generally may not be used to offset "portfolio income" (i.e. interest, dividends and royalties, salary or other active business income). However, deductions from passive activities generally may be used only to offset income from passive activities. Interest deductions attributable to passive activities are treated as passive activity deductions and not as investment interest. Thus, such interest deductions are subject to limitation under the passive activity loss rule and not under the investment interest limitation. Credits from passive activities generally are limited to the tax attributable to the income from passive activities. Passive activities include trade or business activities in which the taxpayer does not materially participate, which would include holding an interest as a Member. Thus, the Company's Net Income and Net Loss will likely constitute income and loss from a passive activity.

The IRS may challenge the allocation of net income and net losses. In order for the allocations of income, gains, deductions, losses and credits under the Company Operating Agreement to be recognized for tax purposes, such allocations must possess substantial economic effect. The Company cannot assure you that the IRS will not claim that such allocations lack substantial economic effect. If any such challenge to the allocation of losses to any Member were upheld, the tax treatment of the investment for such Member could be adversely affected.

A Member may have taxable income that exceeds the amount of cash distributions received. A Member's taxable income resulting from his, her or its interest in the Company may exceed the cash distributions that such Member receives from the Company. This may occur because the Company's receipts may constitute taxable income but its expenditures may constitute nondeductible capital expenditures or loan repayments. Thus, a Member's tax liability generally may exceed his, her or its share of cash distributions from the Company. The same tax consequences may result from the sale or transfer of a Member's Units, whether voluntary or involuntary, and may produce ordinary income or capital gain or loss.

A Member could be liable for Alternative Minimum Tax. The alternative minimum tax applies to certain items of tax preference. The limitations on the deduction of passive losses also apply for purposes of computing alternative minimum taxable income.

If the IRS were to audit the Company a Member could be liable for accuracy related penalties and interest. In the event of an audit in which Company deductions are disallowed, the IRS could assess significant penalties and interest on tax deficiencies. The Code provides for penalties relating to the accuracy of income tax returns equal to 20% of the portion of the underpayment to which the penalty applies. The penalty applies to any portion of any understatement which is attributable to: (1) negligence; (2) any substantial understatement of income tax; or (3) any substantial valuation misstatement. Additional interest may be imposed on underpayments relating to tax shelters. The Company Manager believes that the Company is not a "tax shelter," as defined, and that there is substantial support for the positions to be taken by the Company on its income tax returns. However, the Company cannot assure you that the IRS will agree with these positions.

Changes in federal income tax law could adversely affect an investment in the Company. Congress enacts new tax laws on a regular basis which make significant changes to the federal tax law. In addition, Congress could make additional changes in the future to the income tax consequences with respect to an investment in the Company. In addition, Congress is currently analyzing and reviewing numerous proposals regarding changes to the federal income tax laws. The extent and effect of such changes, if any, is uncertain.

The discussion of tax consequences contained in this Memorandum is a summary of tax considerations based on the law, court rulings and regulations presently in effect and true. Nonetheless, Prospective Investors should be aware that new administrative, legislative or judicial action could significantly change the tax aspects of the Company at any time, which could have a material adverse effect on the Company and Members.

V. MANAGEMENT

The Company Manager(s)

The Manager of the Company is Spartan Investment Group, LLC, a Delaware limited liability company.

Bios of Key Management Personnel

Scott Lewis, co-founder and Chief Executive Officer of Spartan Investment Group, LLC (SIG), oversees the strategic direction of the company, aligning it with SIG's mission to Improve Lives Through Real Estate. Prior to Spartan, Scott held positions as a regional sales manager for a biotech firm, various positions in strategic and project management for the federal government culminating at the GS 15 level and was on active duty in the US Army as an Infantry Officer. In addition to Spartan, Scott is active in the US Army Reserves and an Iraqi Freedom combat Vet. Scott graduated from Michigan State University with degrees in Chemistry and Marketing, from Catholic University with an MS in Management, and from Georgetown University with a Certificate in Project Management.

Ryan Gibson is the co-founder, President, and Chief Investment Officer of Spartan Investment Group, LLC. As the CIO, Ryan is responsible for investor relations and capital raises for the project. Ryan has coordinated over $200M+ in private capital for SIG's projects to date and oversees all our marketing efforts, including our communication and outreach strategies. Previously, Ryan has identified and acquired several high profit margin real estate investment opportunities and owns cash flowing properties in several states. Prior to joining Spartan Investment Group, LLC, Ryan worked as a commercial pilot for Delta Air Lines and Alaska Airlines. Ryan also worked as a consultant for the FAA and in addition to holding the positions as Regional Chief Pilot, certified flight instructor, and Senior Aviation Analyst, Ryan was also directly involved with the FAA's implementation of sweeping regulatory changes in the commercial aviation industry. Ryan graduated from Mercyhurst University with a bachelor's degree in business administration with concentrations in Marketing, Management, and Advertising.

Aaron Saunders is the President of Spartan Construction Management ("SCM"). He brings over 15 years of construction leadership experience including roles as a Sr. Project Engineer, Project Sponsor, and Director of Operations. Aaron has managed concurrent projects ranging from 1M to 25M and has managed over 150M worth of projects during his career. He has a strong knowledge of project planning/scheduling, contract management, engineering oversite, subcontract management and has been a part of building multiple construction teams over his career. In addition to Spartan, Aaron oversees a real estate portfolio including single-family rentals, residential development, and multifamily limited partnerships.

Whitney Hamm is the Executive Vice President of People for Spartan Investment Group and is responsible for making sure the people operations systems run smoothly and provide a good experience for the team. She is dedicated to supporting SIG and all team members in pursuit of our mission, vision, values, and cultural goals. Prior to joining SIG Whitney spent six years in startup environments, most recently working for a residential real estate investment firm in Denver to build out the people operations systems and teams for the holding company. Whitney brings 11 years' experience in People Operations roles with an MSc in Business Management (Focus in Human Resources) from Bournemouth University, UK.

VI. ESTIMATED USE OF PROCEEDS

The chart below shows potential sources and uses of Proceeds and is meant to illustrate possible uses if the Company raises the Maximum Offering Amount. Management believes that the source of funds will derive from this Offering (based on the proceeds received from the Target Offering Amount) and expected debt financing (although no bank has entered into any agreement or commitment to extend credit to the Company, and therefore the Company cannot offer any assurance that it will be able to obtain debt financing adequate in amount or on reasonable terms) will be sufficient for the proposed operations of the Company, however, there can be no such assurances. If the Company is unable to obtain debt financing, it will be unable to purchase the Property even if it raises the Target Offering Amount. Any debt financing will include certain conditions which the Company will have to meet. Among the conditions may be the requirement that one or more persons guaranty the Company's repayment of the loan. No person has agreed to guaranty any of Company's obligations. Management intends to use the Proceeds of this Offering plus debt financing substantially as follows, although it reserves the right to change the use of Proceeds if deemed appropriate for the development of the Company along its proposed business plan.

SOURCES		
Description		
Debt	$50,550,000	
Equity [1]	$58,750,000	
TOTAL SOURCES		**$109,300,000**

USES		
Purchase Price	$102,000,000	
Improvements	$700,000	
Total Cost Basis		**$102,700,000**
Closing Costs	$1,836,000	
Reserves	$1,244,850	
Total Other Costs		**$3,080,850**
Sponsor Fee [2]	$3,519,150	
Total Sponsorship Fees		**$3,519,150**
TOTAL USES		**$109,300,000**

1. If less than the Minimum Offering Amount is raised by the Termination Date, the Company will return all funds to subscribers and will not complete this Offering. The Company may use the funds once the Minimum Offering Amount is raised, even though Company has not yet obtained the loan.
2. These funds are compensation to the Manager/Sponsor for conducting due diligence on the Property, negotiating the Sale Agreement, acquiring the Property, and services for finalizing the purchase of the Property.

VII. BUSINESS DESCRIPTION OF THE COMPANY

The Company Purpose

FreeUp Storage Houston Portfolio, LLC was established to acquire, operate, and optimize a portfolio of seven stabilized self-storage facilities located across Houston's premier suburban submarkets. The Company's strategy is to deliver strong risk-adjusted returns by applying institutional-grade asset management to a high-occupancy, cash-flowing portfolio that benefits from Houston's population growth, high household incomes, and constrained new supply.

Through its partnership with Spartan Investment Group, the Company intends to implement a vertically integrated operational model that leverages Spartan's in-house management platform, construction oversight, and data-driven pricing strategies to unlock Net Operating Income (NOI) growth and long-term value.

The Properties

The portfolio comprises seven Class A, climate-controlled self-storage facilities totaling 463,185 net rentable square feet and nearly 4,000 units. The assets are located in affluent, densely populated neighborhoods in Katy, Sugar Land, Rosenberg, and key areas within the Houston metro. Each facility features modern construction, institutional-quality infrastructure, and a strong in-place occupancy rate of 84.6% at acquisition.

All properties are located in submarkets with high barriers to entry, resulting from zoning restrictions, high land costs, and limited availability of developable parcels. This provides significant insulation from future competition and supports ongoing growth in rental rates. The portfolio benefits from visibility, strong traffic counts, and proximity to residential developments, retail corridors, and employment centers.

Operational Plan

Spartan will transition the facilities to its professional management platform, which includes dynamic pricing, revenue optimization tools, digital marketing, and cost control systems. A REIT-style operational model will enhance operating margins while implementing value-add levers such as tenant insurance participation, upsell programs, and ancillary income generation.

Spartan's proven platform has historically delivered operating margins 10% higher than those of individual operators, and its portfolio-wide asset management model creates efficiencies that enhance both cash flow and asset value.

Financial Overview

The offering is structured with a projected equity raise of $58.75 million and a total capitalization of $109.3 million. The portfolio is being acquired with approximately 49% leverage, using fixed-rate, interest-only debt at an assumed 5.75% rate. The pro forma Year 1 cash-on-cash return for Class C investors is 4.10%, with returns expected to increase as the Company executes its operational strategy.

Exit Strategy

The business plan targets a projected 6-year hold, with potential exit options including a portfolio sale to an institutional buyer or recapitalization via refinance. Spartan will continually assess market conditions to determine the optimal time and strategy for monetizing the asset, thereby maximizing risk-adjusted returns and preserving investor capital.

Investment Highlights

- *Institutional-Grade Portfolio:* Seven Class A assets with climate control, modern construction, and strategic locations across Houston's top submarkets.

- *Vertical Integration:* Operated by Spartan's in-house platform, which has delivered strong historical performance and enhanced operating margins.

- *Market Fundamentals:* Houston continues to experience rapid population and income growth, with strong demand for self-storage and minimal new supply in the target areas.

- *Operational Upside:* Immediate opportunity to enhance revenue through rent optimization, tenant insurance, and professional management.

- *Structured for Yield:* A tiered return structure offers Preferred Returns of 6% (Class A), 7% (Class B), 9% (Class C), and 10% (Class X) with cash flow-driven promotion hurdles.

For additional context and information about the Company and the Property, please see **Exhibit D – "Project Offering Memorandum".**

VIII. DESCRIPTION OF THE UNITS

The Company is offering (the "Offering") Units of the Company for a minimum offering amount of $1,000,000 (the "Minimum Offering Amount") and a target offering amount of $58,750,000 (the "Target Offering Amount"), subject to an overallotment of $11,250,000 for a maximum offering amount of $70,000,000 (the "Maximum Offering Amount). The Company may accept its first subscription under the Offering on any date following the Memorandum Date, chosen at the Company's sole and absolute discretion. The Company shall return subscription funds, without interest or deduction, in the event the Target Offering Amount is not raised by December 1, 2026 (the "Termination Date"), subject to extension by the Company in its sole discretion of six months. Provided the Minimum Offering Amount is raised by the Termination Date (as may be extended), the Offering shall remain open until the earlier of sixty months from the date the Company first accepts a subscription under this Offering (the "Commencement Date") subject to extension by the Manager in its sole discretion for an additional six months or such time as the Company has received and accepted subscriptions for the Units totaling the Maximum Offering Amount. Notwithstanding the foregoing, the Company may terminate this Offering at any time, at the sole and absolute discretion of the Manager.

Proceeds of the Offering will be held in the Depository Account specified in the Subscription Agreement. If we have not sold the Minimum Offering Amount by the Termination Date, as may be extended by the Manager for a three-month period in its sole discretion, then the Offering shall terminate and all funds shall be returned to subscribers without interest or deduction. After reaching the Minimum Offering Amount, the Company may conduct an initial closing pursuant to which it will accept subscriptions and transfer funds out of the Depository Account. Thereafter, the Company may conduct additional closing as it determines.

In the event that any subscription funds accepted and received by the Company out of the Depository Account have yet to be deployed to acquire or manage the Property, the Company, in its sole and absolute discretion, shall have the right to: (i) keep such subscription funds in a non-interest bearing depository account, separate from the Company's operating accounts; or (ii) deposit such subscription funds into an low-risk money market fund, in which investors shall be entitled to the accrued interest prior to the deployment of such subscription funds.

The Units represent membership interests in the Company and entitle the holder thereof to certain limited voting and other rights, as well as distributions of Net Distributable Cash from operations, refinancing, and liquidation. Prospective investors who purchase Units from the Company and are accepted by the Manager will become Members in the Company. See "**Summary of the Company Operating Agreement**."

The Units are to be sold to passive investors, in exchange for a membership interest in the Company. Class A Members enjoy a Preferred Return rate of 6% of their capital contributions on a per annum basis, Class B Members enjoy a Preferred Return rate of 7% of their capital contributions on a per annum basis, Class C Members enjoy a Preferred Return rate of 9% of their capital contributions on a per annum basis, and Class X Members enjoy a Preferred Return rate of 10% of their capital contributions on a per annum basis. See "**Plan of Distribution**."

Restrictions on Transferability

There are substantial restrictions on the transferability of the Units contained in the Company Operating Agreement and imposed by state and federal securities laws. The Units offered by this Memorandum have not been registered under the Securities Act or with the securities regulatory authority of any state. The Units may not be resold unless they are registered under the Securities Act and registered or qualified under applicable state securities laws or unless exemptions from such registration and qualification are available, and with the prior written consent of the Manager.

IX. SUMMARY OF THE COMPANY OPERATING AGREEMENT

The following summary of the Company Operating Agreement does not purport to be comprehensive and is qualified in its entirety by reference to the full text thereof. Each Prospective Investor in the Units should review the entire Company Operating Agreement and Memorandum before executing a Subscription Agreement for the Units. (All capitalized terms in this section not otherwise defined in this Memorandum are as defined in the Company Operating Agreement.)

Management. The initial Manager of the company shall be Spartan Investment Group, LLC. The Manager may only be removed for cause. The Manager may resign at any time. Vacancies for the manager shall be filled by the vote of the Members holding not less than 75% of the Units. The Company Operating Agreement waives all fiduciary duties that would otherwise be implied by applicable law. The Manager shall have no personal liability for the return of any Member's capital contributions. The Manager has broad powers under the Company Operating Agreement to manage the Company, execute contracts, borrow money, purchase insurance, distribute money, and generally conduct the affairs of the Company. The Members waive any claims against the Manager for engaging in transactions or activities which may involve a conflict of interest.

Manager Indemnification. The Company shall indemnify and exculpate the Manager for actions taken in its capacity as Manager so long as such actions are taken in good faith and unless such actions constitute fraud, gross negligence or willful misconduct. The sole duty of any Manager shall be that of good faith and fair dealing.

Additional Capital Requirements. If the Manager determines additional capital is required by the Company, the Manager may secure capital in any of the following ways:

(a) Internal Debt. The Manager may enter into debt financing agreements with current Company Members, at terms that are agreeable in the sole discretion of the Manager;

(b) External Debt. The Manager may secure debt financing from non-members of financial institutions, at terms that are agreeable in the sole discretion of Manager;

(c) Internal Equity. The Manager may issue additional Units to current Members, comprised of Class A, Class B, Class C Units, or Class X Units or may issue a Unit from a new Class of Units;

(d) External Equity. The Manager may issue additional Units to new members, comprised of Class A, Class B, Class C Units, or Class X Units or may issue a Unit from a new class of units;

(e) Conversion of Class D Units. The Manager may convert Class D Units owned by the Manager to a Class A, Class B, Class C Units, or Class X Units or to units form a new class of units (such conversions will result in an adjustment to the Net Distributable Cash from Operations percentages such that only Class D Members will be diluted upon such conversions).

Allocations of Profit and Loss. The Company shall allocate profits and losses of the Company to the Members as if the Company completely liquidated at the time of such allocation.

Deficit Restoration Obligation. Upon liquidation of a Member's interest, if the Member's **adjusted Capital Account** shows a deficit after all applicable adjustments, the Member is **required to restore the deficit balance** to the Company by the end of that taxable year (or within **90 days** of liquidation, if later). These restored amounts will be used **first** to satisfy Company creditors and then distributed to other Members or Participation Interest Holders based on their positive Capital Account balances, in accordance with **IRS Treasury Regulations (Section 1.704-1(b)(2)(ii)(b)(2))**. This obligation applies **before** any income allocations under the Company Operating Agreement.

Transfer Restrictions. The Units are not registered with the SEC or with the securities regulators of any state and thus cannot be transferred without an effective registration or a valid exemption from registration. A Member may sell, exchange, encumber, transfer or otherwise assign, whether during his or her lifetime or through the laws of intestacy or inheritance, in whole or in part, his or her Units. The Company reserves the right to purchase Units from Members, at agreed upon terms, at any time. In addition, the Company and the other Members have a right of first option prior to any sale to a third party. The purchase price for such Units will be determined by an independent third-party appraiser.

Persons who acquire Units by transfer or by other means may or may not be admitted as Members and, if not, shall hold their Units as Participation Interest holders.

Preparation for Sale of Property; Prospective Sale of Property. The Manager reserves the right, in its sole discretion, to determine the terms of any prospective sale, or other disposition of the Property or any Company assets.

No Right to Participate in Management. Except as expressly provided in the Company Operating Agreement, no Member shall have a right to participate in the management and operation of the Company's business and investment activities, unless otherwise agreed on by the Manager.

Limitations on Information Rights. No Member shall have the right to request or obtain information from the Company beyond what is required to be made available under the terms of the Company Operating Agreement.

X. PLAN OF DISTRIBUTION

Distributions

The amount of any distribution of Net Distributable Cash from Operations (defined for the purposes herein with respect to any fiscal year as the excess of all revenues derived by the Company with respect to such period over all expenses incurred by the Company with respect to such period, less amounts reserved to cover its reasonable business needs) shall be determined by the Manager in its sole discretion. In the event the Manager determines Net Distributable Cash from Operations will be distributed, it will be distributed to Members no later than 30 days after the close of the quarter.

All distributions are restricted in that the Company will not distribute cash unless that cash is available after paying other Company obligations.

(i) Net Distributable Cash from Operations (not including refinancing or liquidation) shall be distributed monthly on the following basis:

a. First, to Class A Members, a 6% Preferred Return, to Class B Members, an 7% Preferred Return, to Class C Members, an 9% Preferred Return, and to Class X Members, an 10% Preferred Return each in proportion to each Member's respective Preferred Return Balances until each such Member's Preferred Return Balance is reduced to zero;

b. Second, *pari passu*, (i) 80% to the Class A Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class A and $20,000 to Class D) and (ii) 80% to the Class B Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class B and $20,000 to Class D), (iii) 80% to the Class C Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class C and $20,000 to Class D), and (iv) 80% to the Class X Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class X and $20,000 to Class D), until such time as Class A, Class B, Class C, and Class X Members have achieved their First Cash on Cash Return Hurdle;

c. Third, *pari passu*, (i) 70% to the Class A Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class A and $30,000 to Class D) and (ii) 70% to the Class B Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class B and $30,000 to Class D), (iii) 70% to the Class C Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class C and $30,000 to Class D), and (iv) 70% to the Class X Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class X and $30,000 to Class D), until such time as Class A, Class B, Class C Members, and Class X Members have achieved their Second Cash on Cash Return Hurdle; and

d. Thereafter, *pari passu*, (i) 50% to the Class A Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class A and $50,000 to Class D); (ii) 50% to the Class B Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class B and $50,000 to Class D); and); (iii) 50%

to the Class C Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class C and $50,000 to Class D); and (iv) 60% to the Class X Members and 40% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $60,000 to Class X and $40,000 to Class D).

(ii) Distributions upon dissolution, Cash Transactions, or refinance shall be distributed:

a. First, to Class A, Class B, Class C Members, and Class X until each such Member's Preferred Return Balance is reduced to zero;

b. Second, to Class A, Class B, Class C Members, and Class X Members until each such Class A, Class B, Class C Members, and Class X Members have received distributions, together with distributions received pursuant to Section (i) above, in an amount sufficient to achieve its Capital Return;

c. Third, *pari passu*, (i) 80% to the Class A Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class A and $20,000 to Class D) and (ii) 80% to the Class B Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class B and $20,000 to Class D), (iii) 80% to the Class C Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class C and $20,000 to Class D), and (iv) 80% to the Class X Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class X and $20,000 to Class D), until such time as Class A, Class B, Class C Members , and Class X Members have achieved their First Cash on Cash Return Hurdle;

d. Fourth, *pari passu*, (i) 70% to the Class A Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class A and $30,000 to Class D) and (ii) 70% to the Class B Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class B and $30,000 to Class D), (iii) 70% to the Class C Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class C and $30,000 to Class D), and (iv) 70% to the Class X Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class X and $30,000 to Class D)until such time as Class A, Class B, Class C Members, and Class X Members have achieved their Second Cash on Cash Return Hurdle; and

e. Thereafter, *pari passu*, (i) 50% to the Class A Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class A and $50,000 to Class D); (ii) 50% to the Class B Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class B and $50,000 to Class D); (iii) 50% to the Class C Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class C and $50,000 to Class D), and (iv) 60% to the Class X Members and 40% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $60,000 to Class X and $40,000 to Class D).

The Preferred Return will only accrue from the closing date of the purchase of the Property until the closing date of the sale or refinancing of the Property that produces a return of the capital contribution for Members. The Preferred Return, with regard to investments made after the closing date of the purchase of the Property, will only accrue beginning on the date in which subscription funds are wired to the Depository Account until the closing date of the sale or refinancing of the Property that produces a return of the capital contribution for Members.

The Manager may also receive additional compensation through its offering of tenant insurance as part of its management of the Property. The Manager may receive 100% of the Net Tenant Insurance Profit (defined for the purposes herein as the net revenue generated by the tenant insurance program, calculated as the total premiums collect from tenants, minus the costs associated with providing coverage, in which such costs will include administrative expenses, marketing costs, and any other related operational expenses directly related to the administration of the tenant insurance program); with the exact percentage to be determined in the Manager's sole discretion. In the event the Manager deems that a portion of the Net Tenant Insurance Profit is distributable to the Members, such portion shall be distributed to the Members at such times as determined by the Manager in its sole discretion.

Definitions for Distributions

"Capital Contributions" means those sums and other property contributed by the Members pursuant to the Company Operating Agreement including, without limitation, Initial Capital Contributions and Additional Capital Contributions, if any; a "Member's Capital Contribution" means that portion of the Capital Contributions contributed by an individual Member.

"Capital Return" means the payment to the Class A, Class B, Class C , and Class X Members of aggregate distributions, whether out of Net Cash Proceeds, or distributions upon refinance or dissolution equal to their aggregate unreturned Net Capital Contributions.

"Cash on Cash Return" means the amount of pre-tax cash flow divided by the amount of equity invested, expressed as a percentage.

"Cash Transaction" means any transaction which results in the Company's receipt of cash or other consideration other than Capital Contributions, including, without limitation, proceeds of sales or exchanges or other dispositions of property not in the ordinary course of business, initial financing of the acquisition of the Property, condemnations, recoveries of damage awards, and insurance proceeds which, in accordance with generally accepted accounting principles, are considered capital in nature, but expressly excluding refinancing.

"First Cash on Cash Return Hurdle" means, as to each Class A, Class B, Class C Member, and Class X Member minimum Cash on Cash Return a Class A, Class B, Class C Member or Class X Member is required to achieve before a change in the initial proportionate distributions (for Class A Members, 80% to Class A Members and 20% to the Class D Members; for Class B Members, 80% to Class B Members and 20% to the Class D Members; for Class C Members, 80% to Class C Members and 20% to the Class D Members; and for Class X Members, 80% to Class X Members and 20% to the Class D Members) to an adjusted proportionate distribution (for Class A Members, 70% to Class A Members and 30% to the Class D Members; for Class B Members, 70% to Class B Members and 30% to the Class D Members; and for Class C Members, 70% to Class C Members and 30% to the Class D Members and for Class X Members, 70% to Class X Members and 30% to the Class D Members). The First Cash on Cash Return Hurdle for Class A Members is 9%, the First Cash on Cash Return Hurdle for Class B Members is 11%, the First Cash on Cash Return Hurdle for Class C Members is 14%, and the First Cash on Cash Return Hurdle for Class X Members is 16%.

"Net Capital Contributions" means the Initial Capital Contributions and Additional Capital Contributions, if any, made by a Class A, Class B, Class C, or Class X Member to the Company, as reduced by the amount of distributions made by the Company to such member from Net Cash Proceeds or distributions upon refinance or dissolution, but excluding distributions of Net Distributable Cash from Operations and payments of the Preferred Return.

"Net Cash Proceeds" are the proceeds received by the Company in connection with a Cash Transaction after the payment of costs and expenses incurred by the Company in connection with such Cash Transaction, including brokers'

commissions, loan fees, loan payments, other closing costs, and the cost of any alteration, improvement, restoration, or repair of the Company property including the Property necessitated by or incurred in connection with such Cash Transaction.

"Preferred Return" means, as to each Class A Member, a sum equal to 6%, and as to each Class B Member, a sum equal to 7%, as to each Class C Member, a sum equal to 9%, and as to each Class X Member, a sum equal to 10%, in each case per annum non-compounded times the amount of the unreturned Net Capital Contributions of such member calculated quarterly. The quarterly calculation to begin on the first day of the month following the completion of the first quarter after the closing date of the purchase of the Property, to be paid to the extent that (i) the Company has sufficient Net Distributable Cash from Operations to pay such Preferred Return, and (ii) the Manager elects, in his sole discretion, to make such payment or defer such payment to a later date. The Preferred Return, with regard to investments made after the closing date of the purchase of the Property, will only accrue beginning on the date in which subscription funds are wired to the Depository Account until the closing date of the sale or refinancing of the Property that produces a return of the capital contribution for Members. The Preferred Return is retired once Class A, Class B, Class C, and Class X Members achieve a Capital Return. Distributions of the Preferred Return do not reduce a Member's Capital Account.

"Preferred Return Balance" means amounts owed under the Preferred Return, including amounts accrued but not distributed.

"Second Cash on Cash Return Hurdle" means, as to each Class A, Class B, Class C, and Class X Member, a minimum Cash on Cash Return a Class A, Class B, Class C, and Class X Member is required to achieve before a change in the proportionate distributions following the First Cash on Cash Return Hurdle (for Class A Members, 70% to Class A Members and 30% to the Class D Members; for Class B Members, 70% to Class B Members and 30% to the Class D Members; for Class C Members, 70% to Class C Members and 30% to the Class D Members; and for Class X Members, 70% to Class X Members and 30% to the Class D Members) to an adjusted proportionate distribution (for Class A Members, 50% to Class A Members and 50% to the Class D Members; for Class B Members, 50% to Class B Members and 50% to the Class D Members; for Class C Members, 50% to Class C Members and 50% to the Class D Members; and for Class X Members, 60% to Class X Members and 40% to the Class D Members). The Second Cash on Cash Return Hurdle for Class A Members is 11%, the Second Cash on Cash Return Hurdle for Class B Members is 13%, the Second Cash on Cash Return Hurdle for Class C Members is 16%, and the Second Cash on Cash Return Hurdle for Class X Members is 20%.

Tax Distributions

In addition to the above distributions, if funds are available, the Manager may make a distribution to Members in amounts intended to cover their tax obligations for any taxable gains not previously distributed during a calendar year in cash as further described in the Company Operating Agreement.

The Company shall endeavor to provide Schedule K-1s to Investors as early as possible, but it is almost a certainty that Investors will need to file an extension on their tax returns.

No assurance can be given, and none is, that sufficient Net Distributable Cash from Operations of the Company will be generated such that the Members will actually receive a distribution of any amount during the term of the Company.

XI. COMPENSATION OF THE MANAGER & RELATED PARTY TRANSACTIONS

Various conflicts of interest will arise out of the relationship between the Company and the Manager and its respective affiliates. The Manager will have sole control over the Company's organization and operations and will resolve conflicts of interest through the exercise of its judgment.

Receipt of Fees and Other Compensation by the Manager and its Respective Affiliates

The Company will pay substantial fees to the Manager and its respective affiliates in connection with its services as set forth in **"Exhibit C - Management Compensation and Fees"** attached to this Memorandum. Further, the Company must reimburse the Manager and its respective affiliates for costs incurred by them in managing the Company and its portfolio of real estate-related debt and debt-like instruments and other investments. In addition to management and other fees, the Manager will also be entitled to distributions as holders of Class D Units.

Subject to its fiduciary responsibilities and the terms of the Company Operating Agreement, the Manager has sole discretion with respect to the terms and timing of the Company's investments, although it is anticipated that those investments will be consistent with the Company's investment objectives and strategy. The agreements and arrangements, including those relating to compensation, between the Company, the Manager, and their respective affiliates are not the result of arm's-length negotiations and may create conflicts between the interests of the Manager, and its respective affiliates, on the one hand, and the Company and its Members on the other hand.

The Manager its Affiliates May Compete with the Company

The Manager and its respective affiliates may engage in acquisitions of self-storage facilities on their own behalf or on behalf of other entities. In the future, the Manager and its respective affiliates may also sponsor other real estate and real estate-related investment programs with similar investment objectives and reinvestment policies. The Manager and its respective affiliates have, and in the future may have, legal and financial obligations with respect to its other programs that are similar to the Manager's, or its affiliate's obligations to the Company. Competition for investments among the real estate-related investment programs sponsored by the Manager and its respective affiliates will create a conflict of interest.

Related Party Transactions

Related party transactions are those where the Company, or the Manager on the Company's behalf, transacts with affiliated companies such as (i) acquiring any self-storage facilities or any other asset from, or selling any self-storage facilities or any other asset to, a party affiliated with the Company or (ii) entering into a joint venture arrangement with an affiliated party in connection with the acquisition or sale of a self-storage facility.

Co-Investment Transactions

The Company will be permitted, however, to participate together with one or more parties affiliated with the Company or the Manager in an investment opportunity or joint venture arrangement with such affiliated party in connection with the acquisition or sale of a self-storage facility (a "Co-Investment Transaction") provided that (i) the terms of the Co-Investment Transaction, including the consideration to be paid to each participant with respect to the Co-Investment Transaction, are fair and reasonable to the Company, (ii) the terms of investment in the Co-Investment Transaction by any party affiliated with the Company would not disadvantage the Company and participation by the Company in the Co-Investment Transaction would be on a pro rata, pari passu basis and would not be on a basis different from or less advantageous than that of any party affiliated with the Company.

For the avoidance of doubt, the requirements concerning Co-Investment Transactions shall not include investment opportunities or joint ventures among the Company, on the one hand, and a party or parties unaffiliated with the Company or the Manager, on the other hand.

The Company Will Rely on the Manager to Manage the Company's Operations

The Company will not have any independent employees, officers, or directors and will rely solely on the management teams of the Manager to manage the Company and its operations. Under the Company Operating Agreement, the Manager and its respective affiliates are required to devote to the Company's affairs only that time as is necessary, in their judgment, for the proper performance of their duties under the Company Operating Agreement. The Manager and its respective affiliates have engaged, and may continue to engage, in other business activities and may not devote their full time to the performance of duties related to the Company's business. Therefore, conflicts may arise in the

allocation of the time of the Manager and its respective affiliates between the Company's activities and other activities in which they are involved.

Receipt of Compensation by Affiliates

Certain of the payments to the Manager respective affiliates have not been determined through arm's-length negotiations, and are payable regardless of the Company's profitability.

Loans Involving Affiliates

Pursuant to the Company Operating Agreement, the Company is prohibited from making loans to its affiliates and affiliates of the Manager, except as set forth above in "—Related Party Transactions." The Company will not make any loans to the Manager or any of their respective affiliates.

Under the Company Operating Agreement, the Manager or its respective affiliates may, but will have no obligation to, make loans to the Company to acquire assets or to pay the Company's operating expenses. Any such loans would not be the result of arm's-length negotiations and could create conflicts between the interests of the Manager or its respective affiliates on the one hand, and the Company and its Members on the other hand.

The Resolution of Conflicts Will Be Undertaken by Employees of the Manager and its Respective Affiliates

In the event of a conflict between the Company, on the one hand, and any of the Manager or its respective affiliates, on the other hand, the conflict will be resolved by the Manager. Although the Manager has certain fiduciary responsibilities to the Company and to its Members, a conflict of interest relating to the resolution of conflicts between the Company and the Manager or its respective affiliates does exist.

No Independent Counsel

The Company's counsel and the Manager's counsel in connection with this Offering is the same, and it is anticipated that such multiple representation will continue in the future. As a result, conflicts may arise in the future and if those conflicts cannot be resolved or the consent of the respective parties obtained to the continuation to the multiple representations after full disclosure of any such conflict, said counsel will withdraw from representing one or more of the conflicting interests with respect to the specific matter involved. Each subscriber acknowledges and agrees that counsel representing the Company, the Manager, and their respective affiliates does not represent and shall not be deemed under the applicable codes of professional responsibility to have represented or to be representing any or all of the Members in any respect. Additionally, each Member consents to the Company hiring counsel that is also counsel for the Manager and its respective affiliates. Subscribers seeking legal advice should retain their own counsel and conduct any due diligence they deem appropriate to verify the accuracy of the representations or information set forth in this Memorandum.

XII. SUMMARY OF FINANCIAL PROJECTIONS

The financial projections set forth herein are based on certain assumptions regarding leverage and interest rates, including a base-case scenario of 49% loan-to-cost financing at a fixed interest rate of 5.75%, which is expected to produce an approximate 4.10% cash-on-cash return in Year 1 to Class C Members. However, due to current market volatility and the uncertain interest rate environment at the time of closing, there can be no assurance that such financing terms will be achieved. Accordingly, the Company has included a sensitivity analysis to illustrate how variations in interest rate and leverage assumptions may impact projected cash flow and investor returns over the hold period. These figures are provided solely for illustrative purposes and do not constitute a guarantee, representation, or assurance of actual performance.

Year 1 Cash Flow Sensitivity Based on Class C

Year 1 CF	6.50%	6.25%	6.00%	5.75%	5.50%	5.25%	5.00%
59%	1.88%	2.20%	2.53%	2.85%	3.17%	3.49%	3.81%
57%	2.17%	2.48%	2.79%	3.10%	3.41%	3.72%	4.03%
55%	2.45%	2.75%	3.05%	3.35%	3.65%	3.95%	4.25%
53%	2.73%	3.02%	3.31%	3.60%	3.89%	4.17%	4.46%
51%	3.01%	3.29%	3.57%	3.85%	4.12%	4.40%	4.68%
49%	3.29%	3.56%	3.83%	4.10%	4.36%	4.63%	4.90%
48%	3.44%	3.70%	3.96%	4.22%	4.48%	4.74%	5.01%
47%	3.58%	3.83%	4.09%	4.35%	4.60%	4.86%	5.11%
46%	3.72%	3.97%	4.22%	4.47%	4.72%	4.97%	5.22%
45%	3.86%	4.10%	4.35%	4.60%	4.84%	5.09%	5.33%
44%	4.00%	4.24%	4.48%	4.72%	4.96%	5.20%	5.44%

Year 2 Cash Flow Sensitivity Based on Class C

Year 2 CF	6.50%	6.25%	6.00%	5.75%	5.50%	5.25%	5.00%
59%	3.53%	3.85%	4.17%	4.49%	4.81%	5.14%	5.46%
57%	3.81%	4.12%	4.43%	4.74%	5.05%	5.36%	5.67%
55%	4.09%	4.39%	4.69%	4.99%	5.29%	5.59%	5.89%
53%	4.38%	4.66%	4.95%	5.24%	5.53%	5.82%	6.11%
51%	4.66%	4.94%	5.21%	5.49%	5.77%	6.05%	6.33%
49%	4.94%	5.21%	5.47%	5.74%	6.01%	6.28%	6.54%
48%	5.08%	5.34%	5.60%	5.87%	6.13%	6.39%	6.65%
47%	5.22%	5.48%	5.74%	5.99%	6.25%	6.50%	6.76%
46%	5.36%	5.61%	5.87%	6.12%	6.37%	6.62%	6.87%
45%	5.50%	5.75%	6.00%	6.24%	6.49%	6.73%	6.98%
44%	5.65%	5.89%	6.13%	6.37%	6.61%	6.85%	7.09%

Year 3 Cash Flow Sensitivity Based on Class C

Year 3 CF	6.50%	6.25%	6.00%	5.75%	5.50%	5.25%	5.00%
59%	3.55%	3.87%	4.19%	4.52%	4.84%	5.16%	5.48%
57%	3.83%	4.14%	4.46%	4.77%	5.08%	5.39%	5.70%
55%	4.12%	4.42%	4.72%	5.02%	5.32%	5.62%	5.92%
53%	4.40%	4.69%	4.98%	5.27%	5.55%	5.84%	6.13%
51%	4.68%	4.96%	5.24%	5.52%	5.79%	6.07%	6.35%
49%	4.96%	5.23%	5.50%	5.76%	6.03%	6.30%	6.57%
48%	5.10%	5.37%	5.63%	5.89%	6.15%	6.41%	6.68%
47%	5.25%	5.50%	5.76%	6.01%	6.27%	6.53%	6.78%
46%	5.39%	5.64%	5.89%	6.14%	6.39%	6.64%	6.89%
45%	5.53%	5.77%	6.02%	6.26%	6.51%	6.76%	7.00%
44%	5.67%	5.91%	6.15%	6.39%	6.63%	6.87%	7.11%

Year 4 Cash Flow Sensitivity Based on Class C

Year 4 CF	6.50%	6.25%	6.00%	5.75%	5.50%	5.25%	5.00%
59%	4.51%	4.83%	5.16%	5.48%	5.80%	6.12%	6.44%
57%	4.79%	5.11%	5.42%	5.73%	6.04%	6.35%	6.66%
55%	5.08%	5.38%	5.68%	5.98%	6.28%	6.58%	6.88%
53%	5.36%	5.65%	5.94%	6.23%	6.51%	6.80%	7.09%
51%	5.64%	5.92%	6.20%	6.48%	6.75%	7.03%	7.31%
49%	5.92%	6.19%	6.46%	6.73%	6.99%	7.26%	7.53%
48%	6.07%	6.33%	6.59%	6.85%	7.11%	7.37%	7.64%
47%	6.21%	6.46%	6.72%	6.98%	7.23%	7.49%	7.74%
46%	6.35%	6.60%	6.85%	7.10%	7.35%	7.60%	7.85%
45%	6.49%	6.73%	6.98%	7.22%	7.47%	7.72%	7.96%
44%	6.63%	6.87%	7.11%	7.35%	7.59%	7.83%	8.07%

Year 5 Cash Flow Sensitivity Based on Class C

Year 5 CF	6.50%	6.25%	6.00%	5.75%	5.50%	5.25%	5.00%
59%	4.95%	5.25%	5.54%	5.83%	6.12%	6.42%	6.71%
57%	5.21%	5.49%	5.78%	6.06%	6.34%	6.62%	6.91%
55%	5.47%	5.74%	6.01%	6.29%	6.56%	6.83%	7.10%
53%	5.72%	5.99%	6.25%	6.51%	6.78%	7.04%	7.30%
51%	5.98%	6.23%	6.49%	6.74%	6.99%	7.25%	7.50%
49%	6.24%	6.48%	6.72%	6.97%	7.21%	7.45%	7.70%
48%	6.37%	6.60%	6.84%	7.08%	7.32%	7.56%	7.80%
47%	6.49%	6.73%	6.96%	7.20%	7.43%	7.66%	7.90%
46%	6.62%	6.85%	7.08%	7.31%	7.54%	7.77%	7.99%
45%	6.75%	6.98%	7.20%	7.42%	7.65%	7.87%	8.09%
44%	6.88%	7.10%	7.32%	7.54%	7.76%	7.97%	8.19%

Year 6 Cash Flow Sensitivity Based on Class C

Year 6 CF	6.50%	6.25%	6.00%	5.75%	5.50%	5.25%	5.00%
59%	5.92%	6.24%	6.56%	6.88%	7.20%	7.52%	7.84%
57%	6.20%	6.51%	6.82%	7.13%	7.44%	7.75%	8.06%
55%	6.48%	6.78%	7.08%	7.38%	7.67%	7.97%	8.27%
53%	6.76%	7.05%	7.34%	7.62%	7.91%	8.20%	8.49%
51%	7.04%	7.32%	7.60%	7.87%	8.15%	8.43%	8.70%
49%	7.32%	7.59%	7.86%	8.12%	8.39%	8.65%	8.92%
48%	7.46%	7.73%	7.99%	8.25%	8.51%	8.77%	9.03%
47%	7.61%	7.86%	8.12%	8.37%	8.63%	8.88%	9.14%
46%	7.75%	8.00%	8.24%	8.49%	8.74%	8.99%	9.24%
45%	7.89%	8.13%	8.37%	8.62%	8.86%	9.11%	9.35%
44%	8.03%	8.27%	8.50%	8.74%	8.98%	9.22%	9.46%

XIII. FEDERAL INCOME TAX MATTERS

Treasury Department Circular 230 Notice

To ensure compliance with Circular 230, Prospective Investors and the Members are hereby notified that (a) any discussion of Federal tax issues contained or referred to in this Memorandum or in any supplements or annexes is not intended or written to be used, and cannot be used, by Prospective Investors and Members for the purpose of avoiding penalties that may be imposed on them under the Internal Revenue Code; (b) such discussion is written in connection with the promotion or marketing by the Company of the transactions or matters addressed in this Memorandum or in any supplements or annexes and (c) Prospective Investors and Members should seek tax advice based on their particular circumstances from an independent tax advisor.

There can be no assurance that any deductions or other tax consequences which are described herein, or which a Prospective Investor in the Company may contemplate, will be available. In addition, no assurance can be given that legislative or administrative changes or court decisions may not be forthcoming which would significantly modify the statements expressed herein. In some instances, these changes could have a substantial effect on the tax aspects of an investment in the Company. Any future legislative changes may or may not be retroactive with respect to transactions prior to the effective date of such changes. Bills have been introduced in Congress in the past and may be introduced in the future which, if enacted, would adversely affect some of the tax consequences presently anticipated from an investment in the Company.

There are risks and uncertainties concerning certain of the tax aspects associated with investment in the Company and there can be no assurance that some or all of the tax positions taken by the Company may not be challenged by the Internal Revenue Service (the “Service”). The Service may audit the Company's information returns and the individual returns of the Members of the Company (including Prospective Investors pursuant to this Offering) and subject those returns to particularly close scrutiny. Such audits could result in tax adjustments, including adjustments to items on Members' returns unrelated to the Company. In the event that any of the Company's tax returns are audited, it is possible that substantial legal and accounting fees will be incurred to substantiate our position. Such fees would reduce the cash flow otherwise distributable to the Members. Such an audit may result in adjustments to the Company's tax returns which would, at a minimum, require an adjustment to the taxable income reported by each Member on his personal tax return and could cause an audit of unrelated items on each Member's tax returns which, in turn, could result in adjustments to such items.

Each Prospective Investor is therefore urged to consult his, her or its tax advisor with respect to the tax consequences arising from an investment in the Company. No ruling from the Service regarding the tax aspects of the Company has been or will be requested.

General

The following is a general discussion of certain federal income tax consequences of the purchase, ownership and disposition of the Units based upon the relevant provisions of the Internal Revenue Code of 1986, as amended (the “Code”), the regulations thereunder, existing judicial decisions and published rulings. Future legislative, judicial or administrative changes or interpretations, which may or may not be retroactive, could affect the federal income tax consequences to the Members or the Company. The discussion below does not purport to deal with the federal income tax consequences applicable to all categories of Prospective Investors, some of which may be subject to special rules. The discussion focuses primarily upon Prospective Investors who will hold the Units as “capital assets” within the meaning of the Code. You are advised to consult your own tax advisers with regard to the federal income tax consequences of acquiring, holding and disposing of the Units, as well as state, local and other tax consequences resulting from an investment in the Units.

Classification of the Company

The favorable tax treatment of the Company as a pass-through entity that is not subject to federal income tax depends upon the classification of the Company as a partnership and not as an association taxable as a corporation for

federal income tax purposes.

Taxation of the Company and Members

Under federal income tax law, a partnership is not a taxable entity. Instead, items of partnership income, gain, loss, deduction or credit flow through to the partners. Each Member will be required to report on his income tax return each year his distributive share of the Company's income, gains, losses and deductions for that year, whether or not cash is actually distributed to them. Consequently, a Member may be allocated income from the Company although they have not received a cash distribution in respect of such income. Members are responsible to pay their own proportionate tax on reported income.

Taxation of Gain and Loss on Sale

The Company will realize gain to the extent that the amount realized from the sale or other disposition of property exceeds the Company's adjusted basis. The Company will realize loss to the extent that the adjusted basis of property exceeds the amount realized by the Company, these gains and losses will generally be allocated to the Members at the time they are realized. At the time of the sale of certain Company assets, the Company may have its adjusted basis in such property be substantially less than the amount which will be realized, even though the Company may realize less than it paid for property, due to depreciation deductions. Thus, the sale of such property may not generate net proceeds distributable to the Members in amounts, if any, sufficient to pay their tax liabilities created thereby if the depreciated tax basis of property is significantly less than the remaining principal amount of related debt obligations.

In addition, upon the sale of Units by a Member, the excess, if any, of the amount realized on the sale over the Member's adjusted basis in the Units (which is computed on a per Unit basis with all other Units such Member may own) sold will be taxable gain to the Member. Since the amount realized on the disposition of Units includes the amount of nonrecourse debt allocable to such Units, the gain recognized may result in a tax liability in excess of the proceeds, if any, received by the Member from such disposition. Generally, if a Member holds their Units as capital assets, such gain will be taxed as capital gains. However, to the extent the Company holds "substantially appreciated inventory" or certain "unrealized receivables," the gain may be treated as ordinary income rather than capital gain.

XIV. INVESTMENTS BY QUALIFIED PLANS & INDIVIDUAL RETIREMENT ACCOUNTS

Certain Prospective Investors in the Company may be subject to the fiduciary responsibility and prohibited transaction requirements of Employee Retirement Income Security Act of 1974, as amended **("ERISA"),** and/or related provisions of the Code. The following is a summary of some of the material fiduciary investment considerations that may apply to such Prospective Investors under ERISA and the Code. This summary does not include all of the fiduciary investment considerations relevant to Prospective Investors subject to ERISA and/or Section 4975 of the Code and should not be construed as legal advice or a legal opinion. Prospective Investors should consult with their own counsel on these matters.

In considering an investment in the Units of any assets of a qualified plan, a fiduciary, taking into account the facts and circumstances of such qualified plan, should consider, among other things:

- whether the investment is in accordance with the documents and instruments governing such qualified plan;
- the definition of plan assets under ERISA ("Plan Assets");
- whether the investment satisfies the diversification requirements of Section 404(a)(l)(C) of ERISA;
- whether the Company, the Manager or any of their affiliates is a fiduciary or a party in interest to the qualified plan;
- whether an investment in the Units may cause the qualified plan to recognize unrelated business taxable income, ("UBTI"); and
- the possibility that, in certain circumstances, pursuant to the terms and conditions of the Subscription Agreement, a portion of the assets may have to be liquidated from the Qualified Plan and invested in the Units in an individual name. If the Company receives more than 25% of its capital from Qualified Plans, then it may elect to be a Real Estate Operating Company (REOC) in order to qualify for an exemption from the Plan Asset Rule. To be a REOC, the Company must also have more than 50% of its Assets in deeded real estate, as opposed to notes secured by real estate. If the Company does not qualify to be a REOC then this exemption would not apply.

The prudence of a particular investment must be determined by the responsible fiduciary (usually the trustee, plan administrator or investment manager) with respect to each Qualified Plan, taking into account all of the facts and circumstances of the investment.

Tax exempt Prospective Investors in the Company may be subject to the tax on UBTI with respect to certain income of the Company. In general, the Company's income would constitute UBTI since its income is derived from operating a trade or business rather than from interest, rent from real property, or gains from the disposition of assets. If UBTI is generated, tax form 990-T must be prepared and filed along with the appropriate amount of tax paid as required by IRS tax code. It is the responsibility of the Plan owner to file and report taxes on form 990-T. The risks of recognition of UBTI are particularly acute in respect of an investment by a charitable remainder trust ("CRT").

ERISA provides that Units may not be purchased by a qualified plan if the Company, the Company Manager or any of their affiliates, is a fiduciary or party in interest (as defined in Sections 3(21) and 3(14) of ERISA) to the plan unless such purchase is exempt from the prohibited transaction provisions of Section 406 of ERISA. Under ERISA, it is the responsibility of the fiduciary responsible for purchasing the Units not to engage in such transactions. Section 4975 of the Code has similar restrictions applicable to transactions between disqualified persons and qualified plans or IRAs, which could result in the imposition of excise taxes on the Company, unless and until such a prohibited transaction is corrected.

In the case of an IRA, if the Company, the Company Manager or any of their affiliates, is a disqualified person with respect to the IRA, the purchase of the Units by the IRA could cause the entire value of the IRA to be taxable to the IRA sponsor. Penalties arising out of prohibited transactions can also rise to a 100% tax on the amount involved.

Section 406 of ERISA and Code Section 4975 also prohibit qualified plans from engaging in certain transactions with specified parties involving Plan Assets. Code Section 4975 also prevents IRAs from engaging in such transactions. One of the transactions prohibited is the furnishing of services between a plan and a "party in interest" or a "disqualified person." Included in the definition of "party in interest" under Section 3(14) of ERISA and the definition of "disqualified person" in Code Section 4975(e)(2) are "persons providing services to the plan." If the Company, the Company Manager,

or certain entities and individuals related to them have previously provided services to a benefit plan investor, then the Company, or the Company Manager could be characterized as a “party in interest” under ERISA and/or a “disqualified person” under the Code with respect to such benefit plan investor. If such a relationship exists, it could be argued that the Company or affiliate of the Company or the Company Manager is being compensated directly out of Plan Assets for the provision of services (i.e. establishment of the Offering and making it available as an investment to the qualified plan). If this were the case, absent a specific exemption applicable to the transaction, a prohibited transaction could be determined to have occurred between the qualified plan and the affiliate of the Company or the Company Manager.

Definition of Plan Assets

ERISA and the Code impose various duties and restrictions with respect to the investment, management and disposition of plan assets. ERISA and the Code do not, however, define the term "plan assets," particularly in the context of pooled investment funds and other vehicles in which a plan may invest. The U.S. Department of Labor has, however, published the Plan Asset Regulation which generally provides that when a plan, including an individual retirement account ("IRA"), acquires an equity interest in an entity that is neither a "publicly-offered security" nor a security issued by an investment partnership registered under the Investment Company Act of 1940, as amended, the plan's assets will include both the equity interest in the entity and an undivided interest in each of the underlying assets of the entity (the "*Look-Through Rule*") unless it is established that, as relevant to the Company, ownership of each class of equity interests in the entity by benefit plan investors" has a value in the aggregate of less than 25% of the total value of such class of equity interests that are outstanding (not counting interests held by the general partner of the entity and its affiliates). A benefit plan investor is defined to include not only plans that are subject to ERISA but also other employee benefit and retirement arrangements (e.g. government plans, foreign employee benefit plans and IRAs), as well as entities that hold plan assets (e.g. group trusts and certain funds of funds). In certain circumstances, an investment by an insurance company of the assets of its general account or of a separate account may he treated as investment by a benefit plan investor, to the extent the assets held in such accounts are attributable to employee benefit plans. For purposes of the 25% limit, ownership by benefit plan investors is required to be tested immediately after each acquisition of an equity interest in the entity.

If the Company receives more than 25% of its capital from Qualified Plans, then it may elect to be a Real Estate Operating Company (REOC) in order to qualify for an exemption from the 25% limitation. To be a REOC, the Company must also have more than 50% of its Assets in deeded real estate, as opposed to notes secured by real estate. If the Company does not qualify to be a REOC then it must comply with the 25% limitation.

If the assets of the Company are deemed to be "plan assets" of a plan that is a Member, Subtitle A and Parts 1 and 4 of Subtitle B of Title I of ERISA and Section 4975 of the Code will extend to investments made by the Company. This would result, among other things, in: (i) the application of the prudence and other fiduciary standards of ERISA (which impose liability on fiduciaries) to investments made by the Company, which could materially affect the operations of the Company; (ii) potential liability for persons having investment discretion over the assets of an ERISA-covered plan investing in the Company should investments made by the Company not conform to ERISA' s prudence and fiduciary standards under Part 4 of Subtitle B of Title I of ERISA, unless certain conditions are satisfied; and (iii) the possibility that certain transactions that the Company might enter into in the ordinary course of its business might constitute "prohibited transactions" under ERISA and the Code. A prohibited transaction, in addition to imposing potential personal liability upon fiduciaries of employee benefit plans, may also result in the imposition of an excise tax under the Code upon disqualified persons with respect to the employee benefit plans.

The Company intends to limit investment by benefit plan investors to less than 25% of any class of Units so that it will qualify for an exemption from the Plan Asset Regulation's Look-Through Rule. As discussed above, by limiting the investment in the Company by benefit plan investors to less than 25%, the underlying assets of the Company will not be treated as plan assets and the Look-Through Rule will not apply to the Company by virtue of such investment. The Company may, in its sole and absolute discretion, reject subscriptions for Units made by benefit plan investors and/or prevent transfers of Units, each to the extent that the investment or transfer would result in the Company exceeding this 25% limit. In addition, because the 25% limit is to be calculated upon every subscription to or transfer, withdrawal or redemption from the Company, the Company has the authority to require the redemption of all or some of the Units held by any benefit plan investor if the continued holding of such Units, in the opinion of the Company Manager, in its sole

and absolute discretion, would result in the Company being subject to ERISA. Such redemption could result in a lower than expected return on any such redeemed benefit plan investor's investment in the Company.

Qualified plans and other tax-exempt entities should consult their own tax advisors with regard to the tax issues unique to such entities, including, but not limited to, issues relating to classification of the underlying property of the Company as plan assets, unrelated business taxable income and required distributions. The Company can offer no assurance that the IRS will not take positions adverse to the Company on these or any other issue.

Considerations for Foreign Investors

The Company is required to withhold tax with respect to a Member's allocable portion of the Company's "effectively connected taxable income" within the United States if the Member is a foreign person or entity. In general, the amount of tax to be withheld is: the applicable percentage equal to the highest appropriate tax rate. The Company can be exempt from such withholding if the foreign Member certifies under penalty of perjury that it is not a foreign person as defined in the Code or Regulations.

Additional issues may arise pertaining to information reporting and backup withholding for foreign Members. Foreign Members should consult their tax advisers with regard to U.S. information reporting and backup withholding.

State and Local Taxes

The Company may be subject to State and local income, franchise, property, or other taxes in states and localities in which the Company does business or own property. The Company's tax treatment (and the tax treatment of the Members) in state and local jurisdictions may differ from the federal income tax treatment described above. The discussion in this Offering does not attempt to describe state and local tax effects applicable to the Company or the Members. Prospective Investors should consult their own tax advisors regarding these matters. Additionally, certain states impose an entity level tax on limited liability companies. In such case, payment of this tax would reduce cash availability for distribution.

Publicly Traded Company Rules

Section 7704 of The Code provides that a "publicly traded partnership" shall be treated as a corporation for federal income tax purposes unless such partnership has met and continues to meet certain requirements regarding the types of gross income received by such partnership. Section 7704 of the Code defines "publicly traded partnership" as any partnership if interests in such partnership are traded on an established securities market or are readily tradable on a secondary market or the substantial equivalent thereof. The Company believes that no interests in the Company (or any interests therein) are or will be traded on any national securities exchange registered under the Securities Exchange Act of 1934 or exempted from registration because of the limited volume of transactions, any local exchange, or any over-the-counter market (as defined for purposes of Section 7704 of the Code). In addition, the Company believes that transfers or assignments of Units (or any interest herein) will comply with the requirements of a "safe harbor" set forth in Treas. Reg. §1.7704-1.

If the requirements of such "safe harbor" are met, partnership interests will not be considered readily tradable on a secondary market or the substantial equivalent thereof. Therefore, the Company does not expect that they will be treated as a publicly traded partnership that is taxable as a corporation for federal income tax purposes. However, no assurance can be given that the Service will not issue future announcements providing that partnerships such as the Company constitute publicly traded partnerships for purposes of Section 7704 of the Code or that facts and circumstances will not develop which result in the Company being treated as a publicly traded partnership.

If the Company were classified as a publicly traded partnership taxable as a corporation, the Company would pay federal income tax at corporate rates on its net income, and distributions to the Members in general would be dividends to the extent of our earnings and profits, with distributions in excess thereof treated first as a return of capital and thereafter as capital gain. Such tax would result in a reduction in the amount of cash available for distribution to Members. Additionally, income allocable to tax-exempt Members would be treated as UBTI.

Section 754 Election to Adjust Basis upon Transfer

Section 754 of the Code permits a partnership to make an election to adjust the tax basis of the partnership's assets in the event of a transfer of a partnership interest. Depending on whether the transferee's tax basis was either greater or less than the transferor's tax basis, such an election could either increase the value of a partnership interest to the transferee (because the election would increase the tax basis of the partnership's assets for the purpose of computing the transferee's allocable share of partnership income, gains, deductions and losses) or decrease the value of a partnership interest to the transferee because the election would decrease the tax basis of the partnership's assets in computing the transferee's share of depreciation. The Company Operating Agreement gives the Company Manager discretion regarding whether the Company will make the election permitted by Section 754 of the Code. The election once made is irrevocable without the consent of the IRS.

Alternative Minimum Tax

Depending on a Prospective Investor’s own tax situation, an investment in the Company could create or increase such Prospective Investor’s liability under the alternative minimum tax provisions applicable to corporations or individuals, as the case may be. The Company urges Prospective Investors to consult their tax advisors in this regard.

Audits, Interest and Penalties

Under the Code, the IRS is permitted to audit a partnership's tax returns instead of having to audit the individual tax returns of the partners, so that a partner would be subject to determinations made by the IRS or the courts at the partnership level. A partner is entitled to participate in such an audit, or in litigation resulting therefrom, only in limited circumstances. In the event that any audit results in a change in our return and an increase in the tax liability of a Member, there may also be imposed substantial amounts of nondeductible interest and penalties. In addition, the IRS may impose additional penalties under various sections of the Code.

Administrative Matters

The Company intends to furnish to each Member, certain tax information, including a Schedule K-1, which sets forth each Member's allocable share of our income, gain, loss, deductions and credits. The federal income tax information returns the Company files may be audited by the IRS. Adjustments resulting from any such audit may require each Member to file an amended tax return, and possibly may result in an audit of the Member's own return. Any audit of a Member's return could result in adjustments of non-Company as well as Company items.

Companies generally are treated as separate entities for purposes of federal tax audits, judicial review of administrative adjustments, and tax settlement proceedings. The tax treatment of partnership items of income, gain, loss, deduction and credit are determined at the partnership level in a unified partnership proceeding rather than in separate proceedings with the partners. The Manager will serve as the “Company Representative” for these purposes. “Company Representative” has the meaning ascribed to it in the Company Operating Agreement. Any costs incurred by the Company in connection with any related judicial or administrative proceeding could reduce any anticipated yield on an investment in the Company.

The Company Representative will make certain elections on behalf of the Company and the Members and can extend the statute of limitations for assessment of tax deficiencies against Members with respect to Company items. In some circumstances, the Partnership Representative may bind a Member to a settlement with the IRS.

A Member must file a statement with the IRS identifying the treatment of any item on its federal income tax return that is not consistent with the treatment of the item on our return to comply with the requirement that all items be treated consistently on both returns. Intentional or negligent disregard of the consistency requirement may subject a Member to substantial penalties.

Possible Changes in Tax Laws

The statutes, regulations and rules with respect to all of the foregoing tax matters are constantly subject to change by Congress and/or by the Department of the Treasury, and the interpretations of such statutes, regulations and rules may be modified or affected by judicial decision or by the Department of the Treasury. Because significant amendments have been made to the Code in recent years, and because of the continual changes made by Congress, the Department of the Treasury and the courts with respect to the administration and interpretation of the tax laws, no assurance can be given that the foregoing opinions and interpretations will be sustained or that tax aspects summarized herein will prevail and be available to the Members.

Need for Independent Advice

The tax matters relating to the Company and its proposed transactions are complex and subject to various interpretations. The foregoing is not intended as a substitute for careful tax planning, particularly since the tax consequences of an investment in the Company may not be the same for all Prospective Investors. Accordingly, the Company urges Prospective Investors to consult their tax advisors prior to investing in the Company.

XV. REPORTS

The Manager shall prepare the following reports for distribution to all Members:

1. Monthly. The following reporting items will be delivered to the Members:

    a. Improvements and Expansion
    b. Operational Updates
    c. Marketing Update
    d. Project Updates

2. Quarterly. The following reportable items will be delivered to members via e-mail on a quarterly basis, no later than the 31st day of the month following the close of the quarter:

    a. (a) Financial Update to include Revenues, Expenses, Net Operating Income (NOI), and Distributions

Additionally, each Prospective Investor shall be afforded a reasonable opportunity to inquire into all material aspects of the Company's business and this Offering, and to receive responses to such inquiries, as well as any additional information that may be necessary to verify the accuracy of the information made available in connection with this Offering.

All reports may delivered electronically, including via email, online data room, or investor portal. Reports shall be deemed furnished when made available by such electronic means, regardless of whether a Member accesses or downloads the information.

XVI. ADDITIONAL INFORMATION

The Company will afford the Prospective Investors in the Units the opportunity to obtain any additional information to the extent the Company possesses such information or can acquire such information without unreasonable effort or expense that is necessary to verify the information in this Memorandum.

All Prospective Investors in the Units are entitled to review copies of any other material or non-material agreements relating to the Units described in this Memorandum, if any. In the Subscription Agreement, you will represent that you are completely satisfied with the results of your pre-investment due diligence activities.

EXHIBIT A: OPERATING AGREEMENT

(ATTACHED)

Delaware

The First State

I, CHARUNI PATIBANDA-SANCHEZ, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "FREEUP STORAGE HOUSTON PORTFOLIO, LLC", FILED IN THIS OFFICE ON THE TWENTIETH DAY OF JUNE, A.D. 2025, AT 8:06 O`CLOCK A.M.

C. P. Sanchez

Charuni Patibanda-Sanchez, Secretary of State

10233524 8100
SR# 20253127586

Authentication: 203996209
Date: 06-20-25

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 08:06 AM 06/20/2025
FILED 08:06 AM 06/20/2025
SR 20253127586 - File Number 10233524

STATE OF DELAWARE
CERTIFICATE OF FORMATION
OF LIMITED LIABILITY COMPANY

The undersigned authorized person, desiring to form a limited liability company pursuant to the Limited Liability Company Act of the State of Delaware, hereby certifies as follows:

1. The name of the limited liability company is FREEUP STORAGE HOUSTON PORTFOLIO, LLC.

2. The Registered Office of the limited liability company in the State of Delaware is located at 251 Little Falls Drive (street), in the City of Wilmington, Zip Code 19808. The name of the Registered Agent at such address upon whom process against this limited liability company may be served is Corporation Service Company.

By: Spartan Investment Group, LLC, its Manager

By: DocuSigned by: [signature] D7A24EC6AED243F...
Authorized Person

Name: Ryan Gibson
Print or Type

INTERESTS REPRESENTED BY THIS AGREEMENT HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE FEDERAL SECURITIES LAWS OR THE SECURITIES LAWS OF ANY STATE. THE INTERESTS MAY NOT BE OFFERED FOR SALE, SOLD, PLEDGED OR OTHERWISE DISPOSED OF UNLESS SO REGISTERED OR QUALIFIED OR UNLESS AN EXEMPTION EXISTS, THE AVAILABILITY OF WHICH IS ESTABLISHED BY AN OPINION OF COUNSEL (WHICH OPINION AND COUNSEL SHALL BOTH BE SATISFACTORY TO THE MANAGER). TRANSFER IS ALSO RESTRICTED BY THE TERMS OF AGREEMENT AND TRANSFERS WHICH VIOLATE THE PROVISIONS OF THIS AGREEMENT MAY BE VOID OR VOIDABLE.

AMENDED OPERATING AGREEMENT

OF

FREEUP STORAGE HOUSTON PORTFOLIO LLC

A DELAWARE LIMITED LIABILITY COMPANY

Dated as of June 20, 2025 and Amended July 17, 2025

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OPERATING AGREEMENT

OF

FREEUP STORAGE HOUSTON PORTFOLIO LLC

This Operating Agreement effective as of June 20, 2025 (the "*Effective Date*"), is made by and among FreeUp Storage Houston Portfolio, LLC, a Delaware limited liability company (the "*Company*"), Spartan Investment Group, LLC, a Delaware limited liability company (the "*Manager"),* and the undersigned members and each of those parties listed on the signature pages hereto or who agree to be bound by the terms of this Agreement by way of joinder, or who shall hereafter be admitted as members pursuant to Section 4.3 and Article 7 of this Agreement (collectively, the "*Members*").

RECITALS

WHEREAS, the Company was formed under the Act on June 20, 2025, by filing a Certificate of Formation with the Delaware Secretary of State office;

WHEREAS, the Members now desire to enter into this Operating Agreement to reflect the agreement among the Members, the Manager, and the Company.

NOW, THEREFORE, in consideration of the mutual promises, agreements and obligations set forth herein, the Company, the Manager and the Members agree to be governed by the provisions set forth herein.

ARTICLE 1. DEFINITIONS

Section 1.1 Defined Terms. For purposes of this Agreement, the following terms have the meanings indicated.

"*Act"* means the Delaware Limited Liability Company Act, as amended from time to time.

"*Additional Capital Contribution*" means the total cash and other consideration contributed to the Company by each Member (including any Additional Member) other than the initial Capital Contribution. Any reference in this Agreement to the Capital Contribution of a current Member includes any Capital Contribution previously made by any prior Member regarding that Member's Units. The value of a Member's Capital Contribution is the amount of cash plus the Fair Market Value of other property contributed to the Company.

"*Additional Member"* means any Person not previously a Member who acquires Units and is admitted as a Member. An Additional Member will become a full Member of the Company unless explicitly stated otherwise.

"*Affiliate"* means any of the following Persons or any Person who controls, is controlled by, or is under common control with any of the following Persons: a Member; a Member's Immediate Family member; or a Legal Representative, successor, Assignee, or trust for the benefit of a Member or any Member's Immediate Family members. For purposes of this definition, *control* means the direct or indirect power to direct or cause the direction of the Person's management and policies, whether by owning voting securities, partnership, or other ownership interests; by contract; or otherwise.

"*Agreement"* means this Company Operating Agreement, as amended from time to time.

"Applicable Law" means the Act, the Code, the Securities Act, all pertinent provisions of any agreements with any Governmental Authority and all pertinent provisions of any Governmental Authority's: (i) constitutions, treaties, statutes, laws, common law, rules, regulations, decrees, ordinances, codes, proclamations, declarations, or orders; (ii) consents or approvals; and (iii) orders, decisions, advisory opinions, interpretative opinions, injunctions, judgments, awards, and decrees.

"*Assignee"* means the recipient of Units by assignment.

"*Business Day*" means a day other than a Saturday, Sunday, or other day on which federal banks are authorized or required to close.

"*Capital Account"* means the account established and maintained for each Member under Treasury Regulation Section 1.704-1(b)(2)(iv), as amended from time to time and is further defined in Section 5.2.

"*Capital Contribution"* means the total cash and other consideration contributed and agreed to be contributed to the Company by each Member. Each is shown in Schedule A, attached to and incorporated into this Agreement, and any future modifications or additions to the Capital Contributions will be updated in Schedule A accordingly.

"Capital Return" has the meaning set forth in Section 6.4(e).

"*Cash Transaction*" has the meaning set forth in Section 6.4(e).

"*Certificate of Cancellation*" has the meaning set forth in Section 8.6.

"*Certificate of Formation*" has the meaning set forth in the Recitals.

"*Class A Units*" has the meaning set forth in Section 4.1(a)(1).

"*Class B Units*" has the meaning set forth in Section 4.1(a)(2).

"*Class C Units*" has the meaning set forth in Section 4.1(a)(3).

"*Class D Units*" has the meaning set forth in Section 4.1(a)(4).

"*Class X Units*" has the meaning set forth in Section 4.1(a)(4).

"*Code*" means the Internal Revenue Code of 1986, as amended.

"*Company"* has the meaning set forth in the Introduction.

"*Effective Date*" has the meaning set forth in the Introduction.

"*Event of Cause*" has the meaning set forth in Section 3.2.

"*Fair Market Value*" means the price an asset would sell for on the open market when certain conditions are met, such as that the parties involved are aware of all the facts, are acting in their own interest, are free of any pressure to buy or sell, and have ample time to make the decision.

"*Immediate Family"* means any Member's spouse or spousal equivalent (excluding a spouse or spousal equivalent who is legally separated from the person under a decree of divorce or separate maintenance), parents, parents-in-law, descendants (including descendants by adoption), spouses or spousal equivalents of descendants (excluding a spouse or spousal equivalent who is legally separated from the person under a decree of divorce or separate maintenance), brothers, sisters, sons-in-law, daughters-in-law, brothers-in-law, sisters-in-law, and grandchildren-in-law.

"*Initial Capital Contribution*" has the meaning set forth in Section 5.1.

"Legal Representative" means an individual who represents or stands in the place of another individual under authority recognized by law with respect to that other individual's property or interests.

"*Manager"* means any individual or legal entity designated in this Agreement as a Manager. A Manager conducts the business of the Company and is authorized to exercise the powers and duties of Manager detailed in this Agreement. The Manager is identified in the Introduction.

"*Member"* means any Person designated in this Agreement as a Member or any Person who becomes a Member under this Agreement.

"*Member Designation*" has the meaning set forth in Section 13.1.

"*Membership Interest(s)*" have the meaning set forth in Section 4.2(e).

"*Net Capital Contributions*" has the meaning set forth in Section 6.4(e).

"*Net Cash Proceeds*" has the meaning set forth in Section 6.4(e).

"*Net Distributable Cash from Operations*" has the meaning set forth in Section 6.4(a).

"*Net Tenant Insurance Profit*" has the meaning set forth in Section 6.4(d).

"*Participation Interest*" has the meaning set forth in Section 4.3(b).

"*Partnership Representative*" has the meaning set forth in Section 13.5.

"*Percentage Interest*" means, with respect to any Member, a fraction (expressed as a percentage), the numerator of which is the total number of Units held by such Member and the denominator of which is the total number of Units outstanding.

"*Person*" means an individual, a corporation, partnership, limited liability company, association, trust, unincorporated organization or other legal entity or organization.

"*Preferred Return*" has the meaning set forth in Section 6.4(e).

"*Preferred Return Balance*" has the meaning set forth in Section 6.4(e).

"*Property*" or "*Property*" has the meaning set forth in Section 2.1.

"Securities Act" has the meaning set forth in Section 12.4.

"*Selling Member*" has the meaning set forth in Section 7.2(a).

"*Sponsor*" means Spartan Investment Group, LLC.

"*Transfer*" means to, directly or indirectly, sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Membership Interests owned by a Person or any interest (including a beneficial interest or any direct or indirect economic or voting interest) in any Membership Interests owned by a Person, including by means of a disposition of equity interests in a Member or in a Person that directly or indirectly holds any equity interests in a Member. "Transfer" when used as a noun shall have a correlative meaning. "*Transferor*" and "*Transferee*" mean a Person who makes or receives a Transfer, respectively.

"*Transfer Value*" has the meaning set forth in Section 7.3.

"*Units"* means the fractional ownership interest and rights of a Member in the Company, including the Member's right to a distributive share of the profits and losses, the distributions, and the property of the Company. All Units are subject to the restrictions on Transfer imposed by this Agreement. Each Member's Units are personal property. A Unit may be further defined as a "*Class A Unit*", "*Class B Unit*", "*Class C Unit*", *"Class X Unit"* or "*Class D Unit*",

Section 1.2 Interpretation; Terms Generally. The definitions set forth in Section 1.1 and elsewhere in this Agreement apply equally to both the singular and plural forms of the terms defined. Unless otherwise indicated, the words "include," "includes," and "including" are to be read as being followed by the phrase "without limitation." The words "herein," "hereof," and "hereunder" and words of similar import are to be read to refer to this Agreement (including any Appendices, Schedules and Exhibits hereto) in its entirety and not to any part hereof. All references herein to Articles, Sections, Appendices, Schedules and Exhibits refer to Articles and Sections of the body of, and the Appendices, Schedules, and Exhibits to, this Agreement, unless otherwise specified. Article or Section titles or captions contained in this Agreement are inserted only as a matter of convenience and references, and such Article or Section titles or captions in no

way define, limit, extend, or describe the scope of this Agreement nor the intent of any provisions hereof. In the event of a conflict between the title or caption and the substance of a provision, the substance of the provision shall prevail. Unless otherwise specified, any references to any agreement or other instrument or to any statute or regulation (including in each case references in Section 1.1)) are to such agreement, instrument, statute, or regulation as amended, supplemented, or restated from time to time (and, in the case of a statute or regulation, to any corresponding provisions of successor statutes or regulations). Any reference in this Agreement to a "day" or number of "days" that does not refer explicitly to a Business Day or Business Days is to be interpreted as a reference to a calendar day or number of calendar days. If any action or notice is to be taken or given on or by a particular calendar day, and such calendar day is not a Business Day, then such action or notice shall be deferred until, or shall be taken or given on, the next Business Day.

ARTICLE 2. THE COMPANY

Section 2.1 Purpose. The Company is organized to (i) raise capital from investors pursuant to Rule 506(c) of Regulation D of the Securities Act, and (ii) acquire and operate a self-storage facilities located in Texas (the "*Property*" or "*Properties*"). Notwithstanding the foregoing, the Company may conduct any legal and lawful business pursuant to the Act.

Section 2.2 Business Office; Records; Access to Company Records. The principal business office of the Company shall be located at 17301 W Colfax Ave, Suite 120, Golden CO 80401 or such other place as the Manager of the Company may designate. The mailing address of the Company is 17301 W Colfax Ave, Suite 120, Golden CO 80401. The following documents, books and records shall be maintained at the principal place of business of the Company and each Member shall have reasonable access thereto during ordinary business hours, upon written request to the Manager and subject to reasonable notice:

(a) a list of the names and the addresses of present Managers;

(b) a copy of the Certificate of Formation and all amendments, plus any power of attorney pursuant to which any amendment has been executed;

(c) minutes of Member meetings;

(d) a statement describing Capital Contributions and rights to distributions upon Member resignations, which may be contained in this Agreement, as amended from time to time;

(e) any written consents of Members for an action without a meeting;

(f) copies of the Company's federal, state and local income tax returns and financial statements for the last three years; and

(g) any other documents or records required by Applicable Law.

Section 2.3 Restricted Access to Company Records. Notwithstanding anything to the contrary contained herein, including any rights granted pursuant to Section 2.2, the Company and the Manager shall not be obligated to disclose to any Member:

(a) any confidential, proprietary, or trade secret information relating to the Company's or Manager's business, including the confidential information outlined in Section 3.5(i);

(b) the name, address, ownership interest, capital contribution, investment terms, or any other identifying or economic information of any other Member, except as may be set forth in Schedule A hereto, which reflects the Members and their respective Interests and may be updated from time to time to reflect changes in the capitalization of the Company; provided, however, that the Manager shall have the authority, in its sole discretion, to provide any Member or prospective Member with a redacted version of Schedule A omitting the identity or specific information of one or more other Members; and

(c) any information the Manager, reasonably and in good faith, deems competitively sensitive or legally restricted, provided that such information is not necessary to verify the accuracy of any of the information contained in this Agreement, the Private Placement Memorandum dated June 27, 2025, amended July 17, 2025 and the Subscription Agreement.

ARTICLE 3. MANAGEMENT

Section 3.1 Management by Manager; Number of Manager; Initial Manager. The business and affairs of the Company shall be managed by the Manager, and management shall not be reserved to the Members. The Manager may designate officers of the Company for the day-to-day operations. No Person, firm or corporation dealing with the Company shall be required to inquire into the authority of the Manager or officer to take any action or make any decision. On the Effective Date, there shall initially be one Manager: Spartan Investment Group, LLC, a Delaware limited liability company. The Manager shall be entitled to certain compensation, fees, and other forms of remuneration from the Company in addition to reimbursement of its expenses. See "Exhibit A – Management Fees and Compensation" attached hereto.

Section 3.2 Qualifications of Manager; Method of Filling Vacancies; Resignation and Removal. A Manager need not be a Member of the Company. A Manager may resign at any time. The Members may not remove the Manager except upon an Event of Cause.

(a) Additional Managers shall be elected by a majority vote of the Managers. In such a case as there is no Manager serving, a vacancy shall be filled by a vote of the Members holding not less than 75% of the Units entitled to vote on a matter or by written consent of Members pursuant to Section 4.4(d) of this Agreement. Except as otherwise provided by the Act or the Certificate of Formation, each Manager, including a Manager elected to fill a vacancy, shall hold office until the Manager's death, bankruptcy, mental incompetence, resignation or removal.

(b) Any Manager may be removed only upon an Event of Cause with the vote of 85% of the Interests of the Members, excluding the vote of any Membership Interests owned by a Manager or its Affiliates as Members in the Company. For purposes of removal of a Manager, an "Event of Cause" shall mean any of the following:

(1) a material breach by the Manager of its covenants under this Agreement that has a material adverse effect on the Company, and the continuation thereof for a 30-day period after written notice has been given to the Manager specifying such breach, and requiring such breach be remedied; or

(2) any act of fraud, gross negligence or willful misconduct by the Manager in the performance of its obligations under this Agreement.

(c) The proposed removal of any Manager shall first be subject to written notice setting forth the alleged basis for the removal. Upon receipt of written notice, the recipient Manager shall have up to 60 days to cure the alleged basis for removal. Any dispute regarding whether the alleged basis has been cured shall be subject to the dispute resolution provisions of Article 9. For purposes of Section 3.2(b)(1), "material" means having a dollar value in excess of $75,000 or is an act for which the Company's privilege licenses could be suspended or revoked.

(d) Following a Manager resignation or a removal of a Manager for an Event of Cause, the former Manager shall not be entitled to any further compensation, fees or other forms of remuneration from the Company, including those set forth on Exhibit A, but a former Manager will continue to receive distributions based on their status as a Class A, Class B, Class C, or Class X Member, as applicable, in accordance with Section 6.4. Any Manager who holds Class A, Class B, Class C, or Class X Units as a Member in the Company, shall not forfeit such Units in the Company solely as a result of their removal. However, a former Manager shall immediately forfeit their Class D Units upon resignation or removal for

an Event of Cause (unless the remaining Managers unanimously agree otherwise), and such Units shall be distributed to the remaining Class A, Class B, Class C, and Class X Members on a *pro rata* basis or as they otherwise agree.

(e) A Manager who is removed, but still holds Membership Interests as a Class A, Class B, Class C, or Class X Member, may not cast a vote to appoint themselves as Manager any time after they have been removed as such. For the avoidance of doubt, a former Manager holding Class A, Class B, Class C, or Class X Units is entitled to vote to elect a new Manager, but, once removed, may never cast a vote electing themselves as Manager.

Section 3.3 Rights and Duties of the Manager.

(a) General. The Manager shall participate in the direction, management, and control of the business of the Company to the best of its ability. In the event there is ever more than one Manager, the Managers shall in all cases act as a group. Unless otherwise stated within this Agreement, the Manager shall take action upon the vote or consent of the majority of Managers. Any vote of the Managers may be taken at a meeting called for such purpose, or in lieu of a meeting, by unanimous written consent of the Managers. In the event the Managers reach a deadlock on a matter set forth herein, the Company shall confer with a neutral third-party mediator. The principals of Spartan Investment Group, LLC, Ryan Gibson and any other individual designated by Manager, shall have signatory authority as Manager of the Company.

(b) General Authorization. Subject to any specific limitations contained in this Agreement, the Manager shall:

(1) have full, exclusive and complete authority and discretion in the management and control of the affairs of the Company;

(2) make all decisions affecting the Company's affairs and perform, when appropriate in their judgment, any and all acts or activities customary or incident to the management of the Company's business;

(3) conduct the business of the Company to the best of its ability in a good and businesslike manner; and

(4) devote to the Company such of the Manager's time as reasonably is needed by the business contemplated under this Agreement, but the Manager shall not otherwise be required to devote their full time to the conduct of the Company's affairs.

(c) Specific Authorization. Without limiting the foregoing powers conferred upon the Manager within, it is hereby expressly declared that the Manager shall have the authority to take the following actions without further authorization by the Members so long as the Manager approves of such actions as set forth in Section 3.3(a) above:

(1) to issue additional Units in the Company;

(2) to appoint, employ, remove, suspend or discharge such officers, agents, contractors, and subordinate managers, permanently or temporarily, as from time to time he, she or it may deem advisable; to determine the duties of each such person; and to fix and change the salaries or other terms of employment of each such person;

(3) to execute and deliver on behalf of the Company: all bills of sale, assignments, deeds and other instruments of transfer covering or affecting the sale of Company property; all checks, drafts and other orders for the payment of Company funds; all contracts or instruments concerning the acquisition or disposition of Company assets; all promissory notes, mortgages, deeds of trust,

security agreements and other similar documents; and all other instruments of any kind or character relating to the affairs of the Company; and to determine who shall be authorized to sign such instruments and documents. Instruments and documents providing for the acquisition, mortgage or disposition of property of the Company shall be valid and binding upon the Company if approved by the Manager or as set forth in Section 3.3(a) above;

(4) to sell, exchange, or otherwise dispose of any assets of the Company, any real property of the Company, subject to the provisions of this Agreement;

(5) to determine the terms of any prospective sale, refinance, or other disposition of the Property;

(6) to borrow money or incur capital expenditures for the Company from banks, other lending institutions, individuals or the Members and, in connection therewith, to hypothecate, encumber and grant security interests in the property of the Company to secure repayment of the borrowed sums, and to make any amendments to this Agreement that may be required by a prospective lender for such purposes;

(7) to approve the admission of new Members pursuant to Section 4.3;

(8) to make an assignment of the Company property in trust for creditors or on the Assignee's promise to pay the debts of the Company;

(9) to confess a judgment; or

(10) approve a plan of merger or consolidation of the Company with or into one or more Persons.

(d) Limitation on Manager Power. Notwithstanding anything else contained herein, the Manager shall not do the following without the consent of Members holding a majority of the Units or unless otherwise permitted by this Agreement:

(1) amend this Agreement, except as otherwise provided herein.

Section 3.4 Indemnification of Manager, Officers, Employees and Other Agents.

(a) The Company shall indemnify an individual made a party to a proceeding because he, she, or it is or was a Manager, officer, employee or agent of the Company against liability incurred in the proceeding if:

(1) he, she, or it conducted himself, herself or itself in good faith; and

(2) he, she, or it reasonably believed that his, her, or its conduct was in (or at least not opposed to) the Company's best interest; and

(3) in the case of any criminal proceeding, he, she, or it had no reasonable cause to believe his, her, or its conduct was unlawful.

(b) The Company shall pay for or reimburse the reasonable expenses incurred by a Manager, officer, employee or agent of the Company who is a party to a proceeding in advance of final disposition of the proceeding if:

(1) the individual or entity furnishes the Company a written affirmation of his, her, or its good faith belief that he, she, or it has met the standard of conduct described herein;

i determination is made by the Manager (not including any Person seeking advancement of expenses under this Section 3.4(b)) that the

facts then known to those making the determination would not preclude indemnification under the law; and

ii the individual or entity furnishes the Company a written undertaking executed by him, her, or it, or on his, her, or its behalf, to repay the advance if it is ultimately determined that he, she, or it did not meet the standard of conduct. The undertaking required by this paragraph (b)(3) shall be an unlimited general obligation but need not be secured and may be accepted without reference to financial ability to make repayment.

(c) The indemnification and advance of expenses authorized in this Agreement shall not be exclusive to any other rights to which any Manager, officer, employee or agent may be entitled under the Act, the Certificate of Formation, any agreement, vote of Members or otherwise.

(d) This Section 3.4 shall not be interpreted to limit in any manner the indemnification or right to advancement for expenses of any party who would otherwise be entitled thereto. This Section 3.4 shall be interpreted as mandating indemnification and advancement of expenses to the extent permitted by law.

(e) The Company shall not indemnify and exculpate the Manager for actions taken in its capacity as Manager if such actions constitute fraud, gross negligence or willful misconduct, as determined by a court of competent jurisdiction.

(f) No Manager, in his, her or its capacity as such, shall have fiduciary or other duties to the Company or the other Managers or Members as a result of serving in such Manager capacity, except as specifically stated in this Agreement or to the extent not permitted by Applicable Law to be waived. The parties to this Agreement agree that the provisions of this Agreement replace such other duties and liabilities of such Persons to the extent that they restrict, replace or are inconsistent with the duties (including fiduciary duties) and liabilities of any Manager otherwise existing at law or in equity.

(g) The sole duty of any Manager shall be that of good faith and fair dealing. A Manager who so performs shall not have any liability to the Company, the other Members or Participation Interest holders by reason of being or having been a Manager of the Company. The Manager does not, in any way, guarantee the return of the Capital Contributions of any Member or Participation Interest holder, or a profit from the operations of the Company. The Manager shall not be liable to the Company or to any Member or Participation Interest holder for any loss or damage sustained by the Company or any Member, Transferee or Assignee, except in cases of gross negligence, fraud, or willful misconduct on the part of the Manager.

(h) The Manager and its Affiliates may engage independently or with others in other business ventures of every nature and description. The pursuit of other ventures and activities by the Manager and its Affiliates, even if directly competitive with the business of the Company, will not be deemed wrongful or improper. The Manager and its Affiliates will not be obligated to present any particular business or investment opportunity to the Company or any Member even if such opportunity is of a character which, if so presented, might or would be accepted.

(i) The Members acknowledge that (i) the Manager and its Affiliates use confidential and proprietary information and trade secrets to develop and continue to develop, construct, hold, and operate real property, and (ii) the Manager continues to investigate various potential sites for development and undertakes demographic, market, and construction trends, development incentives, financing sources, and otherwise uses their confidential and proprietary information and trade secrets to create assets that have significant value and are the confidential property and rights of the Manager and its Affiliates and each Member agrees not to disclose such information. Confidential information will not include information that (i) is or becomes generally available to the public other than as a result of a disclosure by a Member in violation of this Agreement; (ii) is or has been independently developed or conceived by such Member

without use of such confidential information; or (iii) becomes available to such Member on a nonconfidential basis from a source other than the Company, another Member of the company or any of their respective representatives. In such a case, the receiving Member must promptly notify the Manager and take reasonable steps to maintain the confidentiality of such information.

Section 3.5 Reports. The Manager shall distribute the following reports to all Members:

(a) Monthly. The following reporting items will be delivered to the Members via e-mail on a monthly basis:

(1) Improvements and expansion

(2) Operational updates

(3) Marketing Updates

(4) Project Updates

(b) Quarterly. The following reporting items will be delivered to Members via e-mail on a quarterly basis, no later than the 31st day of the month following the close of the quarter:

(1) Financial update, to include revenues, expenses, net operating income, and distributions

(c) All reports may delivered electronically, including via email, online data room, or investor portal. Reports shall be deemed furnished when made available by such electronic means, regardless of whether a Member accesses or downloads the information.

Section 3.6 Financial Statements. In addition to the provision of financial statements under Section 3.5(c), if the Manager determines it is necessary, the Company's books and records shall be audited annually by independent accountants. In such a case, the Company will cause each Member to receive (a) within 90 days after the close of each fiscal year, audited financial statements, including a balance sheet and statements of income and Members' equity for the fiscal year then ended, and (b) within 75 days, or as soon as practicable, after the close of each fiscal year such tax information as is necessary for him or her to complete his or her federal income tax return.

Section 3.7 Manager Compensation. The Manager or its affiliates shall be entitled to receive compensation as more particularly described in Exhibit A - Management Fees and Compensation.

ARTICLE 4. RIGHTS AND OBLIGATIONS OF MEMBERS

Section 4.1 Creation and Issuance of Units and Other Interests.

(a) Each Member shall be designated the holder of a certain number of Units, as set forth on Schedule A. Initially there are five classes of Units; the Class A Units, the Class B Units, the Class C Units, Class X Units and the Class D Units.

(1) Class A Units. Class A Units are provided limited voting rights, as defined in this Article, with no managerial or decision-making authority in the Company affairs, except as defined in Section 3.2, Section 4.4, Section 13.3, and Section 13.4, and shall have preferential distribution rights, as set forth in Section 6.4(c).

(2) Class B Units. Class B Units are provided limited voting rights, as defined in this Article, with no managerial or decision-making authority in the Company affairs, except as defined in Section 3.2, Section 4.4, Section 13.3, and Section 13.4, and shall have preferential distribution rights, as set forth in Section 6.4(c).

(3) Class C Units. Class C Units are provided limited voting rights, as defined in this Article, with no managerial or decision-making authority in the Company affairs, except as defined in Section 3.2, Section 4.4, Section 13.3, and Section 13.4, and shall have preferential distribution rights, as set forth in Section 6.4(c).

(4) Class X Units. Class X Units are provided limited voting rights, as defined in this Article, with no managerial or decision-making authority in the Company affairs, except as defined in Section 3.2, Section 4.4, Section 13.3, and Section 13.4, and shall have preferential distribution rights, as set forth in Section 6.4(c).

(5) The Sponsor will have Membership Interests in the Company in the form of the Class D Units, held by Spartan Holding Company II, LLC.

(6) Each Member's Percentage Interest shall be set forth on Schedule A, as may be amended from time to time by the Manager to reflect all outstanding Units. Except as provided in Section 5.2, Percentage Interest is determined by the number of Units held by a Member divided by the total number Units outstanding, or class of Units outstanding, as applicable.

(b) The Manager is authorized to cause the issuance of additional Units beyond those outstanding on the Effective Date, including Units in one or more classes, or one or more series of such classes, which classes or series shall have, subject to the provisions of Applicable Law, such designations, preferences and relative, participating, optional, or other special rights as shall be determined solely at the discretion of the Manager.

(c) The Company is authorized to cause the issuance of any other types of interests in the Company from time to time to Members or other Persons on terms and conditions established by the Manager. Such interests may include unsecured and secured debt obligations of the Company, debt obligations of the Company convertible into Units, and options, rights or warrants to purchase any such Units.

(d) As used throughout this Agreement, the term Member shall refer to both Members and Participation Interest holders, as defined below, except with regard to matters to be voted upon, as Participation Interest holders are not entitled to vote.

Section 4.2 Rights and Obligations.

(a) No Member shall:

(1) be personally liable for any of the debts or obligations of the Company;

(2) have the power to sign for or to bind the Company;

(3) be entitled to the return of such Member's contributions to the Company except to the extent, if any, that distributions made pursuant to this Agreement may be considered as such by law, or upon dissolution of the Company, and then only to the extent provided for in this Agreement; or

(4) withdraw from the Company except upon the dissolution and winding up of the Company or otherwise as permitted in this Agreement.

(b) A Member is liable to the Company:

(1) for the difference between his, her or its actual Capital Contributions made to the Company and those stated in Schedule A of this Agreement as having been made; and

(2) for any unpaid Capital Contribution which he, she or it agreed in Schedule A of this Agreement to make in the future at the time and on the conditions stated in Schedule A of this Agreement.

(c) A Member holds as trustee for the Company:

(1) specific property stated in Schedule A of this Agreement as contributed by such Member, but which was not contributed, or which has been wrongfully or erroneously returned; and

(2) money or other property wrongfully paid or conveyed to such Member on account of his, her or its contribution.

(d) The liabilities of a Member as set out in this Section 4.2 can be waived or compromised only by the consent of the Members, but a waiver or compromise shall not affect the right of a creditor of the Company who extended credit or whose claim to enforce the liabilities arose after the filing and before a cancellation or amendment of the Certificate of Formation.

(e) The Member's interest in the Company (also referred to in this Agreement as "*Membership Interest*") is determined by the number of Units held by each Member, even though such ownership may be different from (more or less) than the Member's proportionate Capital Account. The Company is not obligated to issue certificates to represent Units. Only Units owned by Members entitled to vote may vote on any matter as to which this Agreement requires or permits a vote.

Section 4.3 Admission of Members; Nature and Transfer of Interest.

(a) Additional Members may be admitted to the Company only with the consent of the Manager and the written acceptance and adoption by such new Member of all of the terms of this Agreement.

(b) The interest of all Members in the Company constitutes the personal estate of the Member and may be transferred or assigned as provided in Article 7 of this Agreement. If the Manager does not approve of the proposed Transfer or assignment, the Transferee of the Member's interest in the Company shall have no right to participate in the management of the business and affairs of the Company through voting or otherwise or to become a Member. The Transferee shall only be entitled to receive the share of profits or other compensation by way of income and the return of contributions that the transferring Member would otherwise be entitled. The interest acquired by any such Transferee, which may consist of no more than the right to participate in distributions of assets, income and return of capital is herein referred to as a "*Participation Interest*."

Section 4.4 Meetings of Members; Voting.

(a) It is desirable that periodic meetings of the Members be held to inform the Members of the business and financial condition of the Company and to take any actions required or desirable to be taken at a meeting. Therefore, meetings of Members may be held, at such time, date and place as determined by the Manager.

(b) Special meetings of the Members to vote upon any matters as to which the Members are authorized to vote under this Agreement may be called at any time by the Manager, by causing a written notice to be given, either in person, via electronic mail or by registered mail to each Member, delivered ten days in advance, stating that a meeting will be held at a fixed time at a designated place or by telephone conference call. Notice of any meeting may be waived if evidenced by a written waiver of notice or by a Member's attendance and participation at a meeting.

(c) The vote of the Members, whether at a physical meeting, telephonic meeting, or by written consent, shall be binding upon the Manager when approved by the necessary voting thresholds set forth elsewhere in this Agreement.

(d) Any vote of the Members may be taken either at a meeting called for such purpose pursuant to the provisions of this Section or, in lieu of a meeting, by the written consent of the Members (including Members necessary to establish a quorum for the purpose of conducting business) as would be required to authorize, approve, ratify or otherwise consent to such action under the Act and this Agreement (which may be less than all of the Members, in which event a copy thereof shall be sent to each of the Members entitled to vote upon such matter who did not sign the consent) at a meeting where all issued and outstanding Units which are entitled to vote at such meeting were represented either in person or by proxy and voted on such matter.

(e) A Member entitled to vote may vote at any meeting of Members either in person, by telephone, video conference or by proxy executed in writing by the Member or his, her or its duly authorized attorney in fact. At all meetings of Members, a majority of the Percentage Interests present or represented by proxy shall constitute a quorum, and action shall be taken upon the affirmative vote of Members holding a majority of the Percentage Interests of such class or group then outstanding (either in person or by proxy), unless a greater vote is required by this Agreement or the Act. Each Member has the right to vote the holder's proportionate Percentage Interest in the Company regarding all matters that all Members have a right to vote under this Agreement or by Applicable Law. Example: A Member that holds 35.5% of all of the Percentage Interests entitled to vote on a matter will have 35.5 votes out of 100 votes that may be cast on that matter. Only Members shall have the right to vote; the holder of a Participation Interest shall have no right to vote upon any matter as to which Members are granted a right to vote.

Section 4.5 Preparation for Sale of Property; Prospective Sale of Property. The Manager reserves the right, at Manager's sole discretion, to determine the terms of any prospective sale, refinance, or other disposition of the Property or any Company assets.

ARTICLE 5. CAPITAL CONTRIBUTIONS

Section 5.1 Initial Capital Contributions. The names of the Members and their respective initial Capital Contributions shall consist of the amounts shown on Schedule A to this Agreement ("*Initial Capital Contribution*"). A Member's Initial Capital Contribution is due upon execution of this Agreement. Schedule A shall reflect a Member's Total Capital Contributions, which shall be any Initial Capital Contribution plus any Additional Capital Contributions made by a Member. Schedule A may be amended by the Manager from time to time to reflect Additional Capital Contributions made by Members. The Manager shall maintain the official version of Schedule A and, in its sole discretion, may provide a redacted version of Schedule A to any Member or other third party, which may omit or anonymize the identifying or economic information of one or more Members. No Member shall have the right to receive an unredacted version of Schedule A, except to the extent otherwise required by law or as the Manager determines, in its reasonable discretion, to be necessary for tax, regulatory, or administrative purposes.

Section 5.2 Capital Accounts. An individual Capital Account shall be maintained for each Member. The capital interest of each Member shall consist of such Member's Initial Capital Contribution (a) increased by (i) any Additional Capital Contribution, and (ii) such Member's share of Company profits and (b) decreased by (i) such Member's share of Company losses and (ii) distributions to such Member. In the event any Company property is distributed in-kind, Capital Accounts shall first be adjusted to reflect the manner in which the unrealized income, gain, loss and deduction inherent in such property (that has not previously been reflected in Capital Accounts) would be allocated, pursuant to Article 5 hereof, to the Members if there were a taxable disposition of such property for its Fair Market Value (taking into account Section 7701(g) of the Code on the date of distribution).

Section 5.3 Additional Capital Requirements. If the Manager determines additional capital is required by the Company, the Manager may secure capital in any of the following ways:

(a) Internal Debt. The Manager may enter into debt financing agreements with current Company

Members, at terms that are agreeable in the sole discretion of the Manager;

(b) External Debt. The Manager may secure debt financing from non-members of financial institutions, at terms that are agreeable in the sole discretion of Manager;

(c) Internal Equity. The Manager may issue additional Units to current Members, comprised of Class A, Class B, Class C Units, or Class X Units or may issue a Unit from a new Class of Units;

(d) External Equity. The Manager may issue additional Units to new members, comprised of Class A, Class B, Class C Units, or Class X Units or may issue a Unit from a new class of units;

(e) Conversion of Class D Units. The Manager may convert Class D Units owned by the Manager to a Class A, Class B, Class C Units, or Class X Units or to units form a new class of units (such conversions will result in an adjustment to the Net Distributable Cash from Operations percentages such that only Class D Members will be diluted upon such conversions).

ARTICLE 6. ALLOCATIONS AND DISTRIBUTIONS

Section 6.1 Allocations. Subject to this Article 6, items of profits and loss, receipts and expenditures, and all items of income, deduction, credit, gain and loss arising therefrom shall be allocated among the Members and Managers in a manner such that the Capital Account of each Member and Manager, immediately after giving effect to such allocation, is, as nearly as possible, equal (proportionately) to the amount of the distribution that would be made to such Member or Manager if: (a) the Company were dissolved and terminated; (b) the affairs of the Company were wound up and all of the Company assets were sold for cash and valued pursuant to Treasury Regulation Section 1.704-1(b) (except that any Company assets actually sold during the current year shall be treated as sold for the actual proceeds of the sale); (c) all Company liabilities were satisfied; and (d) the remaining net assets of the Company were distributed to the Members and Managers in accordance with Section 6.4(c)(2) and Article 8 immediately after giving effect to such allocation. No Member or Manager shall be entitled to receive property or assets other than cash hereunder unless the Company elects to distribute any Company property in-kind. The Capital Account of each Member and Manager shall be maintained and determined in accordance with the Capital Account maintenance rules of Treasury Regulation Section 1.704-1(b)(2)(iv).

Section 6.2 Qualified Income Offset. In the event any Member receives any adjustments, allocations or distributions described in sections 1.704-1(b)(2)(ii)(d)(4), (5) or (6) of the Treasury Regulations, items of Company income and gain shall be specially allocated to that Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, any Capital Account deficit of that Member as quickly as possible.

Section 6.3 Adjustments to Capital Accounts. In accordance with Code Section 704(c), income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take into account any variation between the adjusted basis of such property to the Company for federal income tax purposes and its Fair Market Value at the time of contribution. Any elections or other decisions relating to such allocations shall be made by the Manager in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section are solely for purposes of federal income taxes and shall not affect or in any way be taken into account in computing any Member's account or share of items of the Company's income, gains, losses, deductions and credits, or distributions pursuant to any provision of this Agreement.

Section 6.4 Distributions.

(a) The amount of any distribution of "*Net Distributable Cash from Operations*" (defined for the purposes herein with respect to any fiscal year as the excess of all revenues derived by the Company

with respect to such period over all expenses incurred by the Company with respect to such period, less amounts reserved under 6.4(b)) shall be determined by the Manager in its sole discretion. In the event the Manager determines Net Distributable Cash from Operations will be distributed, it will be distributed to Members within 30 days after the close of the quarter.

(b) The Company shall retain funds necessary to cover its reasonable business needs, which shall include provisions for the payment, when due, of obligations of the Company, including obligations and/or distributions owed to Members, and may retain funds for any other Company purposes. Reserves may include, but are not limited to, (i) all debts and obligations of the Company, including debts being refinanced, (ii) all costs, fees, and expenses incurred in connection with the receipt or collection of proceeds from refinancing, and (iii) any fees owed to the Manager. The amounts of such reserves and the purposes for which such reserves are made shall be determined by the Manager in their sole discretion.

(c) After paying other Company obligations and setting aside necessary funds as described in Section 6.4(b), the Company may make distributions as follows:

(1) Monthly distributions of Net Distributable Cash from Operations made in the sole discretion of the Manager (not including refinancing or liquidation), shall be distributed:

a. First, to Class A Members, a 6% Preferred Return, to Class B Members, an 7% Preferred Return, to Class C Members, an 9% Preferred Return, and to Class X Members, an 10% Preferred Return each in proportion to each Member's respective Preferred Return Balances until each such Member's Preferred Return Balance is reduced to zero;

b. Second, pari passu, (i) 80% to the Class A Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class A and $20,000 to Class D) and (ii) 80% to the Class B Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class B and $20,000 to Class D), (iii) 80% to the Class C Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class C and $20,000 to Class D), and (iv) 80% to the Class X Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class X and $20,000 to Class D), until such time as Class A, Class B, Class C, and Class X Members have achieved their First Cash on Cash Return Hurdle;

c. Third, pari passu, (i) 70% to the Class A Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class A and $30,000 to Class D) and (ii) 70% to the Class B

Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class B and $30,000 to Class D), (iii) 70% to the Class C Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class C and $30,000 to Class D), and (iv) 70% to the Class X Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class X and $30,000 to Class D), until such time as Class A, Class B, Class C Members, and Class X Members have achieved their Second Cash on Cash Return Hurdle; and

d. Thereafter, pari passu, (i) 50% to the Class A Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class A and $50,000 to Class D); (ii) 50% to the Class B Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class B and $50,000 to Class D); and); (iii) 50% to the Class C Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class C and $50,000 to Class D); and (iv) 60% to the Class X Members and 40% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $60,000 to Class X and $40,000 to Class D).

(2) Distributions upon Cash Transactions, dissolution or refinance shall be distributed:

a. First, to Class A, Class B, Class C Members, and Class X until each such Member's Preferred Return Balance is reduced to zero;

b. Second, to Class A, Class B, Class C Members, and Class X Members until each such Class A, Class B, Class C Members, and Class X Members have received distributions, together with distributions received pursuant to Section (i) above, in an amount sufficient to achieve its Capital Return;

c. Third, pari passu, (i) 80% to the Class A Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then

$80,000 to Class A and $20,000 to Class D) and (ii) 80% to the Class B Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class B and $20,000 to Class D), (iii) 80% to the Class C Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class C and $20,000 to Class D), and (iv) 80% to the Class X Members and 20% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $80,000 to Class X and $20,000 to Class D), until such time as Class A, Class B, Class C Members , and Class X Members have achieved their First Cash on Cash Return Hurdle;

d. Fourth, pari passu, (i) 70% to the Class A Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class A and $30,000 to Class D) and (ii) 70% to the Class B Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class B and $30,000 to Class D), (iii) 70% to the Class C Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class C and $30,000 to Class D), and (iv) 70% to the Class X Members and 30% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $70,000 to Class X and $30,000 to Class D)until such time as Class A, Class B, Class C Members, and Class X Members have achieved their Second Cash on Cash Return Hurdle; and

e. e. Thereafter, pari passu, (i) 50% to the Class A Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class A ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class A and $50,000 to Class D); (ii) 50% to the Class B Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class B ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class B and $50,000 to Class D); (iii) 50% to the Class C Members and 50% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class C ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $50,000 to Class C and $50,000 to Class D), and (iv) 60% to the Class X

Members and 40% to the Class D Members, where the dollar amount to be distributed is based on the weighted pro rata percentage of Class X ownership in the Company, respectively (e.g. if $100,000 was the weighted pro rata amount, then $60,000 to Class X and $40,000 to Class D).

The Preferred Return will only accrue from the closing date of the purchase of the Property until the closing date of the sale or refinancing of the Property that achieves a Capital Return for Members. The Preferred Return, with regard to investments made after the closing date of the purchase of the Property, will only accrue starting from the date in which subscription funds are wired to the Depository Account until the closing date of the sale or refinancing of the Property that produces a return of the capital contribution for Members.

(d) The Manager may also receive additional compensation through its offering of tenant insurance as part of its management of the Property. The Manager may receive 100% of the Net Tenant Insurance Profit (defined for the purposes herein as the net revenue generated by the tenant insurance program, calculated as the total premiums collect from tenants, minus the costs associated with providing coverage, in which such costs will include administrative expenses, marketing costs, and any other related operational expenses directly related to the administration of the tenant insurance program); with the exact percentage to be determined in the Manager's sole discretion. In the event the Manager deems that a portion of the Net Tenant Insurance Profit is distributable to the Members, such portion shall be distributed to the Members at such times as determined by the Manager in its sole discretion.

(e) Definitions for Distributions. The following definitions apply to this Section 6.4.

"Capital Contributions" means those sums and other property contributed by the Members pursuant to the Company Operating Agreement including, without limitation, Initial Capital Contributions and Additional Capital Contributions, if any; a "Member's Capital Contribution" means that portion of the Capital Contributions contributed by an individual Member.

"Capital Return" means the payment to the Class A, Class B, Class C , and Class X Members of aggregate distributions, whether out of Net Cash Proceeds, or distributions upon refinance or dissolution equal to their aggregate unreturned Net Capital Contributions.

"Cash on Cash Return" means the amount of pre-tax cash flow divided by the amount of equity invested, expressed as a percentage.

"Cash Transaction" means any transaction which results in the Company's receipt of cash or other consideration other than Capital Contributions, including, without limitation, proceeds of sales or exchanges or other dispositions of property not in the ordinary course of business, initial financing of the acquisition of the Property, condemnations, recoveries of damage awards, and insurance proceeds which, in accordance with generally accepted accounting principles, are considered capital in nature, but expressly excluding refinancing.

"First Cash on Cash Return Hurdle" means, as to each Class A, Class B, Class C Member, and Class X Member minimum Cash on Cash Return a Class A, Class B, Class C Member or Class X Member is required to achieve before a change in the initial proportionate distributions (for Class A Members, 80% to Class A Members and 20% to the Class D Members; for Class B Members, 80% to Class B Members and 20% to the Class D Members; for Class C Members, 80% to Class C Members and 20% to the Class D Members; and for Class X Members, 80% to Class X Members and 20% to the Class D Members) to an adjusted proportionate distribution (for Class A Members, 70% to Class A Members and 30% to the Class

D Members; for Class B Members, 70% to Class B Members and 30% to the Class D Members; and for Class C Members, 70% to Class C Members and 30% to the Class D Members and for Class X Members, 70% to Class X Members and 30% to the Class D Members). The First Cash on Cash Return Hurdle for Class A Members is 9%, the First Cash on Cash Return Hurdle for Class B Members is 11%, the First Cash on Cash Return Hurdle for Class C Members is 14%, and the First Cash on Cash Return Hurdle for Class X Members is 16%.

"Net Capital Contributions" means the Initial Capital Contributions and Additional Capital Contributions, if any, made by a Class A, Class B, Class C, or Class X Member to the Company, as reduced by the amount of distributions made by the Company to such member from Net Cash Proceeds or distributions upon refinance or dissolution, but excluding distributions of Net Distributable Cash from Operations and payments of the Preferred Return.

"Net Cash Proceeds" are the proceeds received by the Company in connection with a Cash Transaction after the payment of costs and expenses incurred by the Company in connection with such Cash Transaction, including brokers' commissions, loan fees, loan payments, other closing costs, and the cost of any alteration, improvement, restoration, or repair of the Company property including the Property necessitated by or incurred in connection with such Cash Transaction.

"Preferred Return" means, as to each Class A Member, a sum equal to 6%, and as to each Class B Member, a sum equal to 7%, as to each Class C Member, a sum equal to 9%, and as to each Class X Member, a sum equal to 10%, in each case per annum non-compounded times the amount of the unreturned Net Capital Contributions of such member calculated quarterly. The quarterly calculation to begin on the first day of the month following the completion of the first quarter after the closing date of the purchase of the Property, to be paid to the extent that (i) the Company has sufficient Net Distributable Cash from Operations to pay such Preferred Return, and (ii) the Manager elects, in his sole discretion, to make such payment or defer such payment to a later date. The Preferred Return, with regard to investments made after the closing date of the purchase of the Property, will only accrue beginning on the date in which subscription funds are wired to the Depository Account until the closing date of the sale or refinancing of the Property that produces a return of the capital contribution for Members. The Preferred Return is retired once Class A, Class B, Class C, and Class X Members achieve a Capital Return. Distributions of the Preferred Return do not reduce a Member's Capital Account.

"Preferred Return Balance" means amounts owed under the Preferred Return, including amounts accrued but not distributed.

"Second Cash on Cash Return Hurdle" means, as to each Class A, Class B, Class C, and Class X Member, a minimum Cash on Cash Return a Class A, Class B, Class C, and Class X Member is required to achieve before a change in the proportionate distributions following the First Cash on Cash Return Hurdle (for Class A Members, 70% to Class A Members and 30% to the Class D Members; for Class B Members, 70% to Class B Members and 30% to the Class D Members; for Class C Members, 70% to Class C Members and 30% to the Class D Members; and for Class X Members, 70% to Class X Members and 30% to the Class D Members) to an adjusted proportionate distribution (for Class A Members, 50% to Class A Members and 50% to the Class D Members; for Class B Members, 50% to Class B Members and 50% to the Class D Members; for Class C Members, 50% to Class C Members and 50% to the Class D Members; and for Class X Members, 60% to Class X Members and 40% to the Class D Members). The Second Cash on Cash Return Hurdle for Class A Members is 11%, the Second Cash on Cash Return Hurdle for Class B Members is 13%, the Second Cash on Cash Return Hurdle for Class C Members is 16%, and the Second Cash on Cash Return Hurdle for Class X Members is 20%.

(f) Tax Distributions. To the extent the discretionary distributions made to Members during the prior calendar year and the period through March 31 of the then current year are not otherwise sufficient to those Members receiving allocations of items of income or gain in the immediately preceding calendar year to enable them to cover any federal and state tax liability created due to ownership of Units during such prior calendar year, the Manager may make tax distributions from available cash to Members annually. Any such distribution will be treated as an advance against distributions otherwise payable to such Member based on a state and federal calculation by the Manager in its discretion, with the same federal and state tax rates to be applied to all Members.

Section 6.5 Taxation as Partnership. The parties acknowledge that the Company intends to be treated as a partnership for federal (and analogous state and local) income tax purposes. Under federal income tax law, a partnership is not a taxable entity. Instead, items of partnership income, gain, loss, deduction or credit flow through to the partners. Each Member will be required to report on his income tax return each year his distributive share of the Company's income, gains, losses and deductions for that year, whether or not cash is actually distributed to him. Consequently, a Member may be allocated income from the Company although he has not received a cash distribution in respect of such income. Members are responsible for paying their own proportionate tax on reported income.

Section 6.6 Withdrawal or Reduction of Members' Contributions to Capital.

(a) A Member shall not receive out of Company property any part of his, her or its Capital Contribution unless:

(1) the Company is able to pay its debts as the debts become due in the ordinary course of business; and

(2) the Company's total assets are greater than the sum of the Company's total liabilities.

(b) A Member may rightfully demand the return of his, her or its Capital Contribution only upon the dissolution of the Company. A Member, irrespective of the nature of his, her, or its Capital Contribution, has only the right to demand and receive cash in return for his, her or its Capital Contribution in accordance with the provisions of Section 8.4 of this Agreement.

Section 6.7 Deficit Restoration Obligation. If a Member has a deficit in its adjusted Capital Account following the liquidation of the Member's interest in the Company, as determined after taking into account all capital account adjustments for the Company's taxable year during which such liquidation occurs (other than those made pursuant to Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(3)), such Member shall be unconditionally obligated to restore the amount of such deficit balance to the Company by the end of such taxable year (or, if later, within 90 days after the date of such Liquidation), which amount shall, upon liquidation of the Company, be paid to creditors of the Company or distributed to other Members or Participation Interest Holders in accordance with their positive Capital Account balances (in accordance with Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2)). This Section 6.7 is to be implemented prior to application of the income allocation provisions contained in this Article 6.

ARTICLE 7. TRANSFER OF INTERESTS

Section 7.1 Transfer of Interests. Subject to Section 7.2 below and Sections 12.6 and 13.12, a Member may sell, exchange, encumber, transfer or otherwise assign, whether during his or her lifetime or through the laws of intestacy or inheritance (including by a Member Designation pursuant to Section 13.1 of this Agreement), in whole or in part, his, her or its Units so long as (i) the Transferee is a revocable or irrevocable trust for the sole benefit of the Transferor during their life or Transferor's Immediate Family or (ii) the Transferee is a Person wholly owned by the Member and provided such Transfer does not (a) result

in any event of default as to any secured or unsecured obligation of the Company; (b) cause a reassessment of any real property owned by the Company; (c) cause any material adverse impact to the Company; or (d) result in a violation of the Securities Act. However, without the consent of the Manager as required by Section 4.3 of this Agreement, the Transferee of a Member's Units shall have no right to participate in the management of the business of the Company, through voting or other rights, or to otherwise become a full Member. A Transfer also includes any change of control of any Member that is an entity of any kind. Any Transfer of units from a Class A, Class B, Class C, Class X or Class D Member can only be transferred as a whole unit, to a single individual or entity that would meet investor suitability standards, at the sole discretion of the Manager. The Company reserves the right to purchase Units from Members, at agreed upon terms, at any time.

Section 7.2 Third-Party Offer.

(a) If any Member receives a bona-fide third party offer to purchase its Units (a "*Selling Member*"), the Company, at the sole discretion of the Manager, shall have the first option and right to purchase all or any part of the Selling Member's Units for a period of 30 days (or such lesser time as the Company may agree upon waiving its right) from the date written notification of the third-party offer is provided to the Company. The Company's option shall be at a price of the Transfer Value (as defined in Section 7.3 of this Agreement).

(b) If the Company declines to exercise such option or right, then the non-selling Members, with the approval of the Manager, shall have the option and right to purchase that Member's pro rata share of the Selling Member's Units. The non-selling Members' option shall be at a price of the Transfer Value (as defined in Section 7.3), and its option to purchase may be exercised for a period of 30 days after (i) the date the Company has declined to exercise its option, or (ii) the date the Company's option period has expired, whichever occurs first.

(c) If the foregoing options are not exercised in the aggregate as to the Selling Member's entire interest, then the Selling Member may sell the Units not purchased by the Company or other Members at the price, on the terms and to the Assignee stated in the notice, at any time within 30 days after the foregoing options expire; provided, however, that the Assignee will be the holder of a Participation Interest and may become a Member in place of the Selling Member only as provided in Section 4.3 of this Agreement.

(d) If the Selling Member does not sell to the third-party offeror within the 30-day period after all options expire, no sale may be effected unless and until the Selling Member gives a new notice to the Company and non-selling Members and they again fail to exercise the options under the foregoing provisions.

Section 7.3 Transfer Value. In the event of a third-party offer, the Company, at the sole discretion of the Manager (or non-selling Member making the option to purchase under Section 7.2(b)), may elect for an independent appraisal, with the cost of the appraisal borne by the selling Member. If the independent appraisal results in a valuation of 10% or greater than the third-party offer, then the third-party offer shall be the "*Transfer Value*" for purposes of this Article. If the independent appraisal results in a valuation of 10% or more below the third-party offer, then the independent appraisal valuation shall be the "*Transfer Value*" for purposes of this Article. If the independent appraisal results in a valuation of within plus or minus 9.9% of the third-party offer, then the third-party offer shall serve as the "*Transfer Value*" for purposes of this Article.

ARTICLE 8. DISSOLUTION AND WINDING UP; LIQUIDATION

Section 8.1 Dissolution. The Company shall be dissolved at the sole discretion of the Manager.

Section 8.2 Winding Up. As soon as possible following the occurrence of an event effecting the dissolution of the Company, the Company shall conform with all requirements as set forth within the Act.

Section 8.3 Effect of Dissolution. Upon dissolution of the Company, as provided in Section 8.1 and Section 8.2, the Company shall cease to carry on its business, except insofar as may be necessary for the winding up of its business. The Members (and their Assignees or Transferees) shall continue to share profits and losses during the winding up of the Company's affairs as if the Company were not winding up its affairs. Any Company assets distributed in-kind to the Members in the liquidation shall be valued and treated as though the assets were sold and the cash proceeds were distributed in-kind and the difference between the Fair Market Value of any asset and its basis shall be treated as a gain or loss on sale of the asset and shall be credited or debited to the Members in accordance with their Percentage Interests.

Section 8.4 Distributions Upon Liquidation. Upon dissolution of the Company as provided in Section 8.1, the Company shall immediately commence to wind-up its affairs and liquidate. The Company assets shall be distributed in payment of the liabilities of the Company and to the Members in liquidation of the Company in the following order:

(a) To creditors in the order of priority as provided by law, except those to Members on account of their Capital Contributions.

(b) To the setting up of any reserves that the Manager may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company. Such reserves shall be paid over by the Manager to a bank or other institutional escrow agent to be held for the purpose of disbursing such reserves in payment of the aforementioned contingencies, and at the expiration of such period as the Manager may deem advisable, to distribute the balance in the manner provided in this Section 8.4 and in the order set forth herein.

(c) To the repayment of any loans or advances that may have been made by any of the Members to the Company, but if the amount available for such repayment shall be insufficient, then pro rata on account thereof, with the Manager's loans or advances being repaid first.

(d) To the Members in accordance with Section 6.4.

Section 8.5 Time and Method of Liquidating Distributions. A reasonable time as determined by the Manager, not to exceed 12 months, shall be allowed for the orderly liquidation of the Company and the discharge of liabilities to the creditors so as to enable the Manager to minimize any losses attendant upon liquidation. The Manager may complete the liquidating distributions due the Members by either or a combination of the following methods as it shall determine:

(a) Selling the Company assets and distributing the net proceeds therefrom to each Member in satisfaction of such Member's interest in the Company; or

(b) Distributing the Company's assets to the Members in-kind. In such event each Member and each holder of a Participation Interest agrees to accept an undivided interest in the Company's assets in satisfaction of such holder's interest in the Company.

If there is no Manager then serving, Members holding a majority of the Units shall appoint a liquidating trustee to wind-up the Company's affairs and liquidate.

Section 8.6 Dissolution Doc. When all debts, liabilities and obligations have been paid and discharged or adequate provision has been made therefor and all of the remaining property and assets have been distributed to the Members, Certificate of Cancellation if required by the State of Delaware, shall be executed and verified by the Manager, and filed pursuant to the Act.

Section 8.7 Liability of Manager. The Manager shall not be personally liable for the return of Capital Contributions of the Members, it being understood that any such return shall be solely from

Company assets. No Member shall have the right to demand or receive property other than cash for such Member's interest.

Section 8.8 Arbitration of Rights Arising After Termination of the Company. Notwithstanding the termination of this Agreement, any party may, after that termination, initiate an arbitration under Article 9 to determine and enforce rights and duties of the parties arising with respect to:

(a) the Company's winding up;

(b) the Company's liquidation; and

(c) events occurring after the cancellation of the Company's Certificate of Formation.

Section 8.9 Manager Expenses. Expenses incurred by the Company after the distribution and dissolution of the company shall be incurred by the Company Manager, or in the case of multiple Managers, proportionately between all the Company Managers based on their respective ownership interests.

ARTICLE 9. ARBITRATION OF COMPANY DISPUTES

All controversies, disputes or claims arising out of or related to this Agreement shall be resolved first by mediation, in good faith, with the assistance of a third-party mediator who has previously practiced law as a litigator. If the representatives do not agree upon a decision within 30 calendar days after reference of the matter to the mediator, any controversy, dispute or claim arising out of or relating in any way to this Agreement or the transactions arising hereunder shall be settled by arbitration in the location where the Manager's principal place of business is located and administered by JAMS, unless the parties mutually agree otherwise. The arbitration shall be conducted in accordance with the then prevailing expedited rules of JAMS, by one independent and impartial arbitrator selected in accordance with such rules.

The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. § 1 et seq. The fees and expenses of JAMS and the arbitrator shall be borne by the party designated by the arbitrator's final award, unless otherwise decided by the arbitrator and advanced by them from time to time as required; provided that at the conclusion of the arbitration, the arbitrator shall award costs and expenses (including the costs of the arbitration previously advanced and the reasonable fees and expenses of attorneys, accountants, and other experts) to the prevailing party, so long as the prevailing party had previously engaged in good faith mediation.

Failure of the prevailing party to act in good faith during the mediation process shall prohibit them from recovering any cost of the arbitration, including attorneys and accounting fees. No pre-arbitration discovery shall be permitted, except that the arbitrator shall have the power in his sole discretion, on application by any party, to order pre-arbitration examination solely of those witnesses and documents that any other party intends to introduce in its case-in-chief at the arbitration hearing. The parties shall instruct the arbitrator to render such arbitrator's award within 30 calendar days following the conclusion of the arbitration hearing.

The arbitrator shall not be empowered to award to any party any damages of the type not permitted to be recovered under this Agreement in connection with any dispute between or among the parties arising out of or relating in any way to this Agreement or the transactions arising hereunder, and each party hereby irrevocably waives any right to recover such damages. Notwithstanding anything to the contrary provided in this Article 9 and without prejudice to the above procedures, any party may apply to any court of competent jurisdiction for temporary injunctive or other provisional judicial relief if such action is necessary to avoid irreparable damage or to preserve the status quo until such time as the arbitrator is selected and available to hear such party's request for temporary relief. The award rendered by the arbitrator shall be final and not subject to judicial review and judgment thereon may be entered in any court of competent

jurisdiction. The decision of the arbitrator shall be in writing and shall set forth findings of fact and conclusions of law.

ARTICLE 10. TIME; NOTICES

All notices (whether offers, acceptances or otherwise) pursuant to the provisions of this Agreement shall be made in writing and all periods of time shall begin or end on the day such notice is sent by certified or registered mail, return receipt requested, by recognized courier service (such as FedEx, UPS, or DHL), or by email with read receipt, addressed to the parties at the respective addresses (or such other address as such party may have notified the Company of in writing) as set forth below their names on Schedule A.

All notices to the Company and the Manager shall be mailed to:

Spartan Investment Group, LLC
RE: FreeUp Storage Houston Portfolio, LLC
17301 W Colfax Ave, Suite 120, Golden CO 80401

ARTICLE 11. OTHER BUSINESS VENTURES; CONFLICTS OF INTEREST; TRANSACTIONS WITH MEMBERS OR MANAGER

Section 11.1 Other Business Ventures. A Manager and any of the Members may engage in or possess an interest in other business ventures of every nature and description independently or with others and neither the Company nor any of the Members thereof shall have any rights by virtue of this Agreement in and to such independent ventures or the income or profits derived therefrom.

Section 11.2 Conflicts of Interest. The fact that a Manager or any Member is directly or indirectly interested in or connected with any Person, firm or corporation employed by the Company to render or perform a service shall not prohibit the Company from employing such Person, firm or corporation or from otherwise dealing with him or it.

Section 11.3 Transactions Between a Member or Manager and the Company. Except as otherwise provided by Applicable Law and this Agreement, any Member or Manager may, but shall not be obligated to, lend money to the Company, act as surety for the Company and transact other business with the Company and has the same rights and obligations when transacting business with the Company as a Person or entity who is not a Member or a Manager.

ARTICLE 12. INVESTMENT REPRESENTATIONS; PRIVATE OFFERING EXEMPTION

Each Member, by his, her or its execution of this Agreement, hereby represents and warrants:

Section 12.1 Experience. By reason of his, her or its business or financial experience, or by reason of the business or financial experience of his, her, or its financial advisor who is unaffiliated with and who is not compensated, directly or indirectly, by the Company or any affiliate or selling agent of the Company, such Member is capable of evaluating the risks and merits of an investment in the Company and of protecting his, her or its own interests in connection with this investment.

Section 12.2 Investment Intent. Such Member is acquiring the Interests for investment purposes for his, her or its own account only and not with a view to or for sale in connection with any distribution of all or any part of the Interest.

Section 12.3 Economic Risk. Such Member is financially able to bear the economic risk of his, her or its investment in the Company, including the total loss thereof.

Section 12.4 No Registration of Units. Such Member acknowledges that the Interests have not been registered under the Securities Act, as amended (the "Securities Act"), or qualified under any state securities law or under the laws of any other jurisdiction, in reliance, in part, on such Member's representations, warranties and agreements herein.

Section 12.5 No Obligation to Register. Such Member acknowledges and agrees that the Company and the Managers are under no obligation to register or qualify the Interests under the Securities Act or under any state securities law or under the laws of any other jurisdiction, or to assist such Member in complying with any exemption from registration and qualification.

Section 12.6 No Disposition in Violation of Law. Without limiting the representations set forth above, and without limiting Article 7 of this Agreement, such Member will not make any disposition of all or any part of the Interests which will result in the violation by such Member or by the Company of the Securities Act or any other applicable securities laws. Without limiting the foregoing, each Member agrees not to make any disposition of all or any part of the Interests unless and until:

(a) there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement and any applicable requirements of state securities laws; or

(b) such Member has notified the Company of the proposed disposition and has furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and if reasonably requested by the Managers, such Member has furnished the Company with a written opinion of legal counsel, reasonably satisfactory to the Company, that such disposition will not require registration of any securities under the Securities Act or the consent of or a permit from appropriate authorities under any applicable state securities law or under the laws of any other jurisdiction.

Section 12.7 Financial Estimate and Projections. Such Member understands that all projections and financial or other materials which it may have been furnished are not based on historical operating results, because no reliable results exist, and are based only upon estimates and assumptions which are subject to future conditions and events which are unpredictable, and which may not be relied upon in making an investment decision.

ARTICLE 13. MISCELLANEOUS

Section 13.1 Member Designation. Subject to the conditions on Transfer set forth in this Agreement, a Member may designate, in writing, a beneficiary to receive such Member’s interest in the Company upon such Member’s death. The written designation shall be fully revocable by the Member and may be changed by subsequent writings from time-to-time, in the sole discretion of the Member. Any beneficiary so designated shall be subject to all the terms of this Agreement and shall receive the Member’s interest in the Company subject to any purchase option, any buy sell agreement, or any other agreement potentially affecting such interest.

Section 13.2 Execution in Counterparts. This Agreement may be executed in several counterparts, and as executed shall constitute one original agreement, binding on all the parties hereto.

Section 13.3 Amendment by Members. Any Member may propose an amendment to the Company’s Certificate of Formation, which shall not be made effective without an affirmative majority vote of the Members. Members do not have the authority to propose amendments to this Agreement.

Section 13.4 Amendment by Manager. Notwithstanding Section 13.3, the Manager shall have the power to amend the Company’s Certificate of Formation to (a) reflect changes in the registered office and agent of the Company, (b) to reflect any change in the name of the Company, and (c) to reflect a change in the management structure of the Company without the vote of the Members. The Manager may make

amendments to this Agreement (x) for administrative purposes (renumbering or correcting errors); (y) as are necessary to reflect any Manager action taken that does not require a vote of the Members (but that would require an amendment to this Agreement); and (z) if, in the reasonable opinion of Company's counsel, such amendments are necessary to maintain the Company's tax status under federal or state law or for other tax purposes. Any other proposed amendment to the Company's Certificate of Formation or this Agreement must be approved by an affirmative majority vote of the Members.

Section 13.5 Partnership Representative. The Manager shall select the Company's representative who must have a substantial presence in the United States to serve as the Company representative within the meaning of Code Section 6223 ("*Partnership Representative*").

(a) The Partnership Representative shall perform his, her, or its duties under the direction and guidance of the Manager. The Manager shall determine whether to make any available election under Code Section 6221 through 6241, including Code Section 6221(b) and Code Section 6226. Notwithstanding anything else contained herein, the Partnership Representative shall not take any material action without the prior approval of the Manager, including, but not limited to, extending the statute of limitations, filing a request for administrative adjustment, filing a suit related to any Company tax refund or deficiency, or entering into any settlement agreement related to items of income, gain, loss or deduction of the Company with the Internal Revenue Service (or similar state or local governmental authority).

(b) Each Member agrees that such Member shall not treat any Company item inconsistently on such Member's federal, state, foreign, or other income tax return with the treatment of the item on the Company's return. Any deficiency for taxes imposed on any Member or former Member (including penalties, additions to tax or interest imposed with respect to such taxes, and any taxes imposed pursuant to Code Section 6226) shall be paid by such Member, or if paid by the Company shall be recoverable from such Member. Each Member agrees to cooperate in taking such actions as may be required to cause any election made by the Company to be effective.

(c) The provisions of this Section 13.5 shall survive the termination of the Company, this Agreement, and the termination of any Member's interest in the Company.

(d) The Partnership Representative shall keep the Manager and all Members informed of all notices from government taxing authorities that may come to the attention of the Partnership Representative. The Company shall pay and be responsible for all reasonable third-party costs and expenses incurred by the Partnership Representative in performing those duties. Each Member shall be responsible for any costs incurred by the Member with respect to any tax audit or tax related administrative or judicial proceeding against any Member, even though it relates to the Company.

(e) The Partnership Representative shall endeavor to provide Schedule K-1 and any necessary tax documents to Members as early as possible, but it is almost a certainty that Members will need to file an extension on their tax returns.

Section 13.6 Governing Law. All questions with respect to the construction of this Agreement and the rights and liabilities of the parties shall be determined in accordance with the applicable provisions of the laws of the State of Delaware.

Section 13.7 Choice of Venue. Conflicts arising out of this contract that cannot be resolved through Arbitration will be tried through a court of competent jurisdiction in the State of Colorado.

Section 13.8 Number and Gender. As used in this Agreement, the plural shall be substituted for the singular, and the singular for the plural, where appropriate; and words and pronouns of any gender shall include any other gender.

Section 13.9 Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of, all of the parties and their assigns, successors in interest, personal representatives, estates, heirs, legatees or successors.

Section 13.10 Severability. If any provision of this Agreement, or the application thereof to any person or circumstances shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby, but rather shall be enforced to the greatest extent permitted by law; provided, however, that the above-described invalidity or unenforceability does not diminish in any material respect the ability of the Members to achieve the purposes for which this Company was formed.

Section 13.11 Legal Representation. The Members agree that the law firm of 3 Pillars Law, PLLC, represents only the Company and the Manager in connection with the preparation of this Agreement, and has not offered any Member or other Person any advice regarding the advisability of entering into this Agreement further acknowledges and agrees that such Person:

(a) Has been advised to retain independent legal, tax, and accounting advice of their own choosing for purposes of representing their individual interests with respect to the subject matter thereof;

(b) Has been given reasonable time and opportunity to obtain such advice; and

(c) Has obtained such independent advice as they have deemed necessary and appropriate in the circumstances at his, her or its own expense without expecting the Company to reimburse such Person for such fees or other expenses.

Section 13.12 Restricted Securities. The Membership Interests represented by this Agreement have not been registered or qualified under the federal securities laws or the securities laws of any state. The Membership Interests may not be offered for sale, sold, pledged or otherwise disposed of unless so registered or qualified or unless an exemption exists, the availability of which is established by an opinion of counsel (which opinion and counsel shall both be satisfactory to the Manager). Transfer is also restricted by the terms of this Agreement and Transfers which violate the provisions of this Agreement may be void or voidable.

[*signature page follows*]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective and govern the Company as of the Effective Date.

THE COMPANY:

FreeUp Storage Houston Portfolio, LLC
a Delaware limited liability company

By: **Spartan Investment Group, LLC**, a Delaware limited liability company, Company Manager

By: Ryan Gibson
Name: Ryan Gibson
Title: President & Chief Investment Officer

CLASS A MEMBERS:

By execution of Joinder Agreements, attached hereto as Exhibit B.

CLASS B MEMBER:

By execution of Joinder Agreements, attached hereto as Exhibit B.

CLASS C MEMBER:

By execution of Joinder Agreements, attached hereto as Exhibit B.

CLASS X MEMBER:

By execution of Joinder Agreements, attached hereto as Exhibit B.

CLASS D MEMBER:

Spartan Holding Company II, LLC, a Delaware limited liability company

By: Ryan Gibson

Name: Ryan Gibson

Title: President & Chief Investment Officer

[*signature page continues on following page*]

MANAGER:

Spartan Investment Group, LLC, a Delaware limited liability company

By: Ryan Gibson

Name: Ryan Gibson

Title: President & Chief Investment Officer

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SCHEDULE A

Investor Contributions

Effective as of _____

Class A Members					
Name and Address of Member	Initial Capital Contribution	Additional Capital Contribution	Capital Contribution Balance	Units Owned	Total Percentage Interest
Total Class A Interests					**100%**
Total Overall Interests					**___%**

Class B Members					
Name and Address of Member	Initial Capital Contribution	Additional Capital Contribution	Capital Contribution Balance	Units Owned	Total Percentage Interest
Total Class B Interests					**100%**
Total Overall Interests					**___%**

Class C Members					
Name and Address of Member	Initial Capital Contribution	Additional Capital Contribution	Capital Contribution Balance	Units Owned	Total Percentage Interest
Total Class C Interests					**100%**
Total Overall Interests					**___%**

Class X Members					
Name and Address of Member	Initial Capital Contribution	Additional Capital Contribution	Capital Contribution Balance	Units Owned	Total Percentage Interest
Total Class X Interests					**100%**
Total Overall Interests					**___%**

Class D Members					
Name and Address of Member	Initial Capital Contribution	Additional Capital Contribution	Capital Contribution Balance	Units Owned	Total Percentage Interest
Spartan Holding Company II, LLC	Services as Sponsor of the Offering				100%
Total Class D Interests					**100%**
Total Overall Interests					**___%**

EXHIBIT A

MANAGEMENT FEES AND COMPENSATION

SPONSORSHIP FEES				
Fees paid to the Manager				
Type	**Frequency**	**Description**	**When Earned**	**Amount**
Expense Reimbursement	On startup and incidentally thereafter	Payment of documented out-of-pocket expenses paid by the Manager.	As the expenses are incurred	Indeterminate
Acquisition Fee	One-time fee	Compensation to the Manager for conducting due diligence on the Property, negotiating the Sale Agreement, acquiring the Property, and services for finalizing the purchase of the Property	Upon purchase of the Property	Up to 2.85% of Total Project Cost[1]
Asset Management Fee	Recurring monthly fee	Compensation for overall management of the Property, to include supervision of renovations, posturing the Property for refinance or ultimate sale of the Property	Calculated annually, paid monthly	Up to 1% of Total Project Cost

1. "Total Project Cost" means the aggregate amount of all costs incurred in connection with the acquisition, development, construction, and stabilization of the Property, including, but not limited to, property acquisition costs, hard and soft costs, financing expenses, reserves, working capital, operational loss coverage, and development fees. This includes all purchase price payments, construction and material costs, architectural and engineering fees, legal and lender expenses, loan interest, contingencies, and other necessary expenditures to operate and stabilize the Property.

3rd PARTY SERVICING FEES				
Fees paid to the Manager[2]				
Description	**Frequency**	**Description**	**When Earned**	**Amount**
Property Management Fee	Recurring, monthly fee	Compensation for management of the Property	During Property operations	6% of Gross Operating Income
General Contractor Fee	One-time fee	Calculated as a percentage of the realized construction costs for major capital improvements	Upon billing of construction costs	Up to 10% of Construction Costs
Disposition Fee	One-time fee	Percentage of sales price, collected only if the Manager represents the Company in brokering the purchase of the Property.	Upon closing of the Property	Up to 2% of sales price

Development Management Fee	One-time Fee, paid in three tranches, during the development of each of the Properties	Fees earned for the planning of constructing or improving buildings, calculated as a percentage of development costs realized by the Company or its subsidiaries in excess of uses outlined herein.	25% upon purchase of the Property, 65% in 10 subsequent monthly installments, 10% upon completion of work	Up to 10% of Project Costs[3]
Financing Fee[4]	One-time Fee per re-finance (or finance of the property)	Charged one time as a percentage of the loan amount only in lieu of a 3rd party debt brokerage service	Upon loan closing	1% of loan amount

2. These fees are paid to the Manager, Spartan Investment Group, LLC, or an affiliate, for fulfilling services typical of a 3rd party. These fees will only be paid in lieu of any and all alternative 3rd parties fulfilling the expressed services.
3. "Project Costs" mean the total aggregate amount of all costs incurred in connection with the acquisition, development, construction and permitting of the Property, including, but not limited to, property acquisition costs, and hard and soft development costs. This shall not include any costs or other expenditures associated with the operation and/or stabilization of the Property.
4. The Manager may, at its' sole discretion, retain a third-party broker to assist in the financing of Properties.

EXHIBIT B

FORM OF JOINDER AGREEMENT

Reference is hereby made to the Company Operating Agreement, dated June 20, 2025, as amended from time to time (the "*Operating Agreement*"), by and among FreeUp Storage Houston Portfolio, LLC, a Delaware limited liability company (the "*Company*"), Spartan Investment Group, LLC, a Delaware limited liability company (the "*Manager"),* the existing members, and each of those parties listed on the signature pages of the Operating Agreement or who agree to be bound by the Operating Agreement by way of this joinder agreement (the "*Joinder*").

The undersigned hereby acknowledges that it has received and reviewed a complete copy of the Operating Agreement and agrees that upon execution of this Joinder, such Person shall become a party to the Operating Agreement and shall be fully bound by, and subject to, all of the covenants, terms, and conditions of the Operating Agreement as though an original party thereto and shall be deemed, and is hereby admitted as, a Member for all purposes thereof and entitled to all the rights incidental thereto and shall hold their Membership Interests in the Class of Units selected below:

_____ Class A
_____ Class B
_____ Class C
_____ Class X

Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Operating Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of _____.

Signed: _____

Name: _____

Title: _____

Accepted by:
Spartan Investment Group, LLC a Delaware limited liability company, Company Manager

By: _____

Name: _____

Title: _____

EXHIBIT B: SUBSCRIPTION AGREEMENT

(ATTACHED)

FREEUP STORAGE HOUSTON PORTFOLIO LLC

SUBSCRIPTION AGREEMENT

Name of Subscriber, Entity, or Custodian: _____

This SUBSCRIPTION AGREEMENT ("Agreement") is made by and between among FreeUp Storage Houston Portfolio, LLC a Delaware limited liability company (the "Company"), and the undersigned prospective investor who is subscribing for Company interests of the Company ("Interests") pursuant to the Confidential Private Placement Memorandum dated June 27, 2025, including all exhibits thereto (the "Memorandum"). The Memorandum, along with the Operating Agreement, the Offering Memorandum (as applicable) and any other materials (collectively, the "Offering Materials") have been distributed to a limited number of prospective investors in connection with a private offering of the Interests (the "Private Offering").

Please read the Memorandum carefully before deciding to subscribe. The Offering described in the Memorandum (the "Offering") is limited to investors who qualify as "Accredited Investors," as that term is defined in Rule 501 of Regulation D under the Securities Act Of 1933, as amended.

Each Prospective Investor should examine the suitability of an investment in the Company in the context of his, her, or its own needs, investment objectives, and financial capabilities and should make his, her, or its own independent investigation and decision as to the suitability of the investment. Each Prospective Investor is also encouraged to consult with his, her, or its business or tax advisor regarding the risks and merits of an investment in the Company.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Memorandum.

In consideration of the Company's agreement to sell the Interests to the undersigned on the terms and conditions summarized in the Memorandum, the undersigned agrees and represents as follows:

A. COMPLETION INSTRUCTIONS

1. **Read the Memorandum.** Read and request any additional information or documents you believe are necessary or advisable for you to understand the terms of the Offering, the proposed plan of business, and the risks of an investment in the Company.

2. **Read and Complete the Subscription Agreement.** This Subscription Agreement sets forth the terms and conditions you must agree to in order to subscribe for an Interest in the Company. All investors must acknowledge the terms and restrictions of the offering and make certain representations and warranties to the Manager. Please be aware that by signing the Subscription Agreement signature page you agree to be bound by the Subscription Agreement, if and when your subscription is accepted by the Manager[1].

3. **Provide Third-Party Verification of Accredited Investor Status.** Verify your status as an accredited investor by one of the following methods:

    a. Obtain an accredited investor certification via the Spartan dashboard using the Verify Investor link which can be found after completing this document.

[1] The Manager reserves the right to withdraw the Offering, to sell all offered Interests, to sell more or less than the offered Interests, or terminate the Offering at any time.

b. Alternatively, an investor may submit an accredited investor letter from a licensed professional which may be obtained from one of the following:

1) A registered broker-dealer, as defined in the Securities Exchange Act of 1934;

2) An investment advisor registered with the Securities and Exchange Commission;

3) A licensed attorney in good standing under the laws of the jurisdictions in which he or she is admitted to practice; or

4) A certified public accountant registered and in good standing under the laws of his or her residence or principal office.

B. SUBSCRIPTION

1. The undersigned has received, read and fully understands the Memorandum and all of its Exhibits.

2. The undersigned is executing this Subscription Agreement: (A) on their own behalf, as a natural person, and has the legal capacity to execute, deliver and perform my obligations under this Subscription Agreement or (B) on behalf of a corporation, partnership, limited liability company, trust or other entity, and (i) such entity is duly organized, validly existing and in good standing under the laws of the jurisdiction where it was formed and is authorized by its governing documents to execute, deliver and perform its obligations under this Subscription Agreement and to become a limited partner of the Company, (ii) the undersigned has the full power and authority to execute and deliver this Subscription Agreement on behalf such entity and (iii) this Subscription Agreement, and such entity's execution hereof and performance of its obligations hereunder, has been duly authorized by all requisite corporate or other action by the entity.

3. The Company may reject any subscription in whole or in part or accept one subscription over another in any manner that it deems appropriate.

4. The undersigned has agreed to make the Capital Contribution indicated on the signature page of this Agreement. Promptly after the execution of this Agreement, the undersigned will make the capital contribution set forth on the signature page (the "Payment") by wire transfer to the Company's depository account. The undersigned further agrees to be bound by the terms of the Company Operating Agreement.

5. The undersigned understands and agrees that they may not assign this offer or, except as specifically permitted by law, revoke their subscription. The undersigned acknowledges that the Manager, in its sole and absolute discretion, has the unconditional right to accept or reject this subscription, in whole or in part.

6. The undersigned understands that the Payment will be held for the undersigned's benefit in a depository account pending the Company's acceptance of at least $1,000,000 (the "Minimum Offering Amount") in initial subscriptions. The Payment will be returned promptly if the undersigned's subscription is rejected for any reason or if the Company does not raise the Minimum Offering Amount. Upon the Company's acceptance of subscriptions totaling at least the Minimum Offering Amount, funds relating to subscription agreements accepted by the Company will be available for use by the Company and the respective subscribers will become Members of the Company. The offer and issuance of the Interests is being undertaken on a "best efforts" basis exclusively by the Company.

7. Concurrent with executing and delivering this Agreement, the undersigned agrees to execute a Joinder to the Company Operating Agreement in substantially the form attached as Exhibit B to the Company Operating Agreement.

C. REPRESENTATIONS AND WARRANTIES

The undersigned represents and warrants to the Company as follows:

1. The Interests are being purchased for the undersigned's own beneficial account, for investment purposes only, not for the account of any other person and not with a view to distribution, assignment, or resale of the Interests to others. The undersigned will not sell, hypothecate, or otherwise transfer the undersigned's Interests without the consent of the Manager. The undersigned understands that the Interests have not been registered under the Act, or any state securities laws by reason of specific exemptions under the provisions thereof which depend in part upon the investment intent of the undersigned and of other representations made by the undersigned in this Agreement. The undersigned understands that the Company is relying upon the representations and agreements contained in this Agreement and the Offering Materials for the purpose of determining whether this transaction meets the requirements for such exemptions.

2. The undersigned has been furnished with and has carefully read the Offering Materials, and the undersigned is familiar with and understands the terms of this Private Offering and the proposed activities of the Company. The undersigned has been afforded the opportunity to discuss this Private Offering and the proposed activities of the Company with representatives of the Company and the Manager. In evaluating the suitability of an investment in the Interests, the undersigned has not relied on any representations or other information (whether oral or written) from the Company or any person acting on its behalf other than as set forth in the Memorandum. With respect to tax and other economic considerations involved in this investment, the undersigned is not relying on any advice or opinions from the Company or any person acting on its behalf. The undersigned has carefully considered and has, to the extent the undersigned believes appropriate, discussed with the undersigned's legal, tax, accounting, and financial advisors the suitability of an investment in the Interests for the undersigned's particular tax and financial situation and has determined that the Interests for which the undersigned is subscribing are a suitable investment.

3. The Company has made available to the undersigned all documents and information that the undersigned has requested relating to an investment in the Interests.

4. The undersigned will indemnify and hold harmless the Company, its Manager, and any, officer, manager, member, control person, agent, or representative of the Company, or the Manager who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, by reason of or arising from (i) any breach of the undersigned's warranties, covenants, or agreements set forth in this Agreement; (ii) any resale or redistribution of the Interests by the undersigned in violation of the Company Agreement or applicable law; or (iii) any actual or alleged misrepresentation or misstatement of facts or omission to represent or state facts by the undersigned to the Company concerning the undersigned or the undersigned's financial position, including without limitation any misrepresentation, misstatement, or omission submitted by the undersigned, against losses, liabilities, and expenses for which any such indemnified person has not otherwise been reimbursed (including attorney fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by the Company, its Manager, or such person in connection with such action, suit, or proceeding.

D. ACKNOWLEDGEMENTS

The undersigned understands and agrees with the Company as follows:

1. The undersigned understands that no state or federal governmental authority has approved or disapproved of the Interests, reviewed or passed on the accuracy or adequacy of the Memorandum or made any finding or determination relating to the fairness of an investment in the Company and that no state or federal governmental authority has recommended or endorsed or will recommend or endorse the Interests.

2. The offering and sale of the Interests is intended to be exempt from registration under the Act, by virtue of section 4(a)(2) and the provisions of Regulation D promulgated under the Act. The Company is under no obligation to register the Interests on behalf of the undersigned or to assist the undersigned in complying with any exemption from registration in connection with any transfer of the Interests which the undersigned may propose.

3. There is no public or other market for the Interests and no such public or other market is expected to develop. No assignment, sale, transfer, exchange, or other disposition of the Interests can be made without the Manager's consent.

4. The undersigned understands that an investment in the Company involves substantial risk, and the undersigned are fully aware of and understand all of the risk factors relating to the investment, including, but not limited to, the risks set forth in the "RISK FACTORS" section of the Memorandum.

5. If written certificates representing the Interests are issued, such certificates will contain or be endorsed with a legend in substantially the following form:

   THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED OR DISPOSED OF EXCEPT IN COMPLIANCE WITH THE SECURITIES ACT OF 1933, APPLICABLE STATE SECURITIES LAWS, AND THE APPLICABLE RULES AND REGULATIONS THEREUNDER.

   IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE INTERESTS 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 THE MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE

6. The undersigned agrees to hold harmless and indemnify the Company from any and all consequences arising from such false or misleading information provided by the undersigned.

7. The undersigned acknowledges that, notwithstanding any provision to the contrary in any agreement or document related to this Offering, including, but not limited to, offering memoranda, and any other related documents, Members do not forfeit any rights they have through state and federal securities laws by participating in this Offering and investing in the Company.

E. MISCELLANEOUS

1. The undersigned has provided their correct Taxpayer Identification Number in the attached Form W-9, and they are not subject to backup withholding as a result of a failure to report all interest or dividends (or the Internal Revenue Service has notified them that they are no longer subject to back-up withholding).

2. If subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), the undersigned is aware of, and have taken into consideration, the diversification requirements of Section 404(a)(3) of ERISA in determining to invest in the Company and have concluded that such investment is prudent and not a non-exempt "prohibited transaction" within the meaning of Section 406 of ERISA and Section 4975(c) of the Internal Revenue Code of 1986 (the "Code").

3. Neither this Agreement nor any provision of it may be waived, modified, changed, discharged, terminated, revoked, or canceled except by an instrument in writing signed by the party against whom any such change, discharge, or termination is sought. Any such modifications, changes, discharges, terminations, revocations, or cancellations must also be approved in writing by the Manager.

4. The undersigned has had the opportunity to ask questions of, and receive answers from, the Company and the Manager, and their respective principals, concerning the Company, the Manager, the respective affiliates of each of the foregoing entities, the Interests and the terms and conditions of the Offering, and to obtain any additional information deemed necessary to verify the accuracy of the information contained in the Memorandum, to the extent possessed by the Manager or obtainable by it without unreasonable effort or expense. The undersigned has been provided with all materials and information requested, including any information requested to verify any information furnished to the undersigned.

5. This Agreement will be enforced, governed, and construed in all respects in accordance with the laws of the State of Delaware. If any provision of this Agreement is invalid or unenforceable under any applicable statute or rule of law, then such provision will be deemed inoperative to the extent that it may conflict with the statute or rule of law and will be deemed modified to conform with the statute or rule of law. Any provision of this Agreement that proves invalid or unenforceable under any law will not affect the enforceability of the remainder of this Agreement.

6. All information that the undersigned has provided to the Manager, including such information contained on this Subscription Agreement, is complete, accurate and correct as of its date and may be relied on by the Company and the Manager in connection with their investment. The undersigned hereby agrees to notify the Company and the Manager immediately of any material change in any of that information occurring before the acceptance of this Subscription Agreement.

This Agreement constitutes the entire agreement among the parties with respect to the subject matter and may be amended only by a writing executed by the parties.

[*signature page follows]*

IN WITNESS WHEREOF, the undersigned has executed this Subscription Agreement on this _____.

Investment Amount: $_____

Class of Interests subscribed to:
☐ Class A Units ($100K minimum)
☐ Class B Units ($1MM minimum)
☐ Class C Units ($2MM minimum)
☐ Class X Units ($6MM minimum)

Name of Subscriber, Entity, or Custodian:_____

Read and Approved By (*both individuals should sign if held jointly*):

Signature: _____

Printed Name: _____

Signature: _____

Printed Name: _____

Accepted on _____ **by**: FreeUp Storage Houston Portfolio, LLC

By: Spartan Investment Group, LLC its Manager

By: _____
Name: Ryan Gibson
Title: President & Chief Investment Officer

FORM OF JOINDER AGREEMENT

Reference is hereby made to the Company Operating Agreement, dated June 20, 2025, as amended from time to time (the "*Operating Agreement*"), by and among FreeUp Storage Houston Portfolio, LLC, a Delaware limited liability company (the "*Company*"), Spartan Investment Group, LLC, a Delaware limited liability company (the "*Manager"),* the existing members, and each of those parties listed on the signature pages of the Operating Agreement or who agree to be bound by the Operating Agreement by way of this joinder agreement (the "*Joinder*").

The undersigned hereby acknowledges that it has received and reviewed a complete copy of the Operating Agreement and agrees that upon execution of this Joinder, such Person shall become a party to the Operating Agreement and shall be fully bound by, and subject to, all of the covenants, terms, and conditions of the Operating Agreement as though an original party thereto and shall be deemed, and is hereby admitted as, a Member for all purposes thereof and entitled to all the rights incidental thereto and shall hold their Membership Interests in the Class of Units selected below:

_____ Class A
_____ Class B
_____ Class C
_____ Class X

Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Operating Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of _____.

Signed: _____

Name: _____

Title: _____

Accepted by:
Spartan Investment Group, LLC a Delaware limited liability company, Company Manager

By: _____

Name: Ryan Gibson

Title: President & Chief Investment Officer

EXHIBIT C: MANAGEMENT FEES AND COMPENSATION

SPONSORSHIP FEES				
Fees paid to the Manager				
Type	**Frequency**	**Description**	**When Earned**	**Amount**
Expense Reimbursement	On startup and incidentally thereafter	Payment of documented out-of-pocket expenses paid by the Manager	As the expenses are incurred	Indeterminate
Acquisition Fee	One-time fee	Compensation to the Manager for conducting due diligence on the Property, negotiating the Sale Agreement, acquiring the Property, services for finalizing the purchase of the Property, and services for operation and stabilization of the Property	Upon purchase of the Property	Up to 2.85% of Total Project Cost[1]
Asset Management Fee	Recurring monthly fee	Compensation for overall management of the Property, to include supervision of renovations, posturing the Property for refinance or ultimate sale of the Property	Calculated annually, paid monthly	Up to 1% of Total Project Cost

1. ""“Total Project Cost” means the aggregate amount of all costs incurred in connection with the acquisition, development, construction, and stabilization of the Property, including, but not limited to, property acquisition costs, hard and soft costs, financing expenses, reserves, working capital, operational loss coverage, and development fees. This includes all purchase price payments, construction and material costs, architectural and engineering fees, legal and lender expenses, loan interest, contingencies, and other necessary expenditures to operate and stabilize the Property.

3rd PARTY SERVICING FEES				
Fees paid to the Manager[2]				
Description	**Frequency**	**Description**	**When Earned**	**Amount**
Property Management Fee	Recurring, monthly fee	Compensation for management of the Property	During Property operations	6% of Gross Operating Income
General Contractor Fee	One-time fee	Calculated as a percentage of the realized construction costs for major capital improvements	Upon billing of construction costs	Up to 10% of Construction Costs
Disposition Fee	One-time fee	Percentage of sales price, collected only if the Manager represents the Company in brokering the purchase of the Property.	Upon closing of the Property	Up to 2% of sales price
Development Management Fee	One-time Fee, paid in three tranches, during the development of each of the Properties	Fees earned for the planning of constructing or improving buildings, calculated as a percentage of development costs realized by the Company or its subsidiaries in excess of uses outlined herein.	25% upon purchase of the Property, 65% in 10 subsequent monthly installments, 10% upon completion of work	Up to 10% of Project Costs[3]

Financing Fee[4]	One-time Fee per re-finance (or finance of the property)	Charged one time as a percentage of the loan amount only in lieu of a 3rd party debt brokerage service	Upon loan closing	1% of loan amount

2. These fees are paid to the Manager, Spartan Investment Group, LLC, or an affiliate, for fulfilling services typical of a 3rd party. These fees will only be paid in lieu of any and all alternative 3rd parties fulfilling the expressed services.
3. "Project Costs" mean the total aggregate amount of all costs incurred in connection with the acquisition, development, construction and permitting of the Property, including, but not limited to, property acquisition costs, and hard and soft development costs. This shall not include any costs or other expenditures associated with the operation and/or stabilization of the Property.
4. The Manager may, at its' sole discretion, retain a third-party broker to assist in the financing of Properties.

EXHIBIT D: PROJECT OFFERING MEMORANDUM

(ATTACHED)

HOUSTON, TX

SELF-STORAGE INVESTMENT

Stabilized Portfolio in Houston's Affluent Suburbs

14929 STUEBNER AIRLINE ROAD, HOUSTON, TX 77069
14850 CUTTEN ROAD, HOUSTON, TX 77069
2210 ELDRIDGE PARKWAY, HOUSTON, TX 77077
14411 WEST LAKE HOUSTON PARKWAY, HOUSTON, TX, 77044
926 SOUTH FRY ROAD, KATY, TX 77450
16615 LEXINGTON BLVD, SUGAR LAND, TX 77479
102 BENTON ROAD ROSENBERG, TX 77469

SPARTAN
INVESTMENT GROUP

WHY WE LOVE THIS DEAL

POPULATION GROWTH

Houston consistently ranks among the top storage markets in the country and adds 190,000 residents annually. Within our 3-mile trade areas, the average population is 96,782, growing at 3.05% per year (4x the national average)—with average incomes of $135,293, fueling consistent storage demand.

IRREPLACEABLE LOCATIONS

Embedded in mature, housing-surrounded suburbs across premier Houston submarkets with high land costs, the facilities benefit from a low likelihood of future competition and deliver durable value and long-term returns.

INSTITUTIONAL QUALITY ASSETS

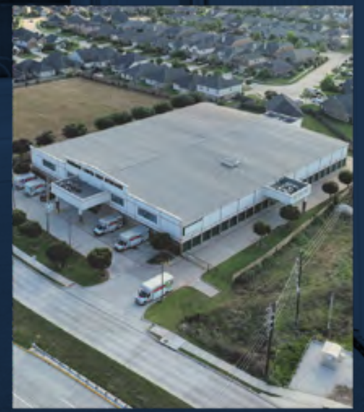
The portfolio consists of seven Class A, climate-controlled facilities, characterized by superior construction, modern amenities, and optimized unit mixes delivering minimal CapEx risk and institutional-grade efficiency.

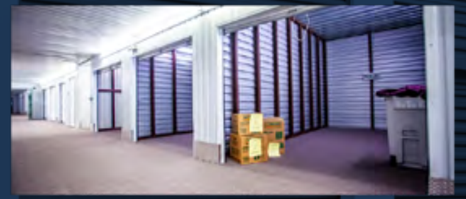
THE REIT ADVANTAGE

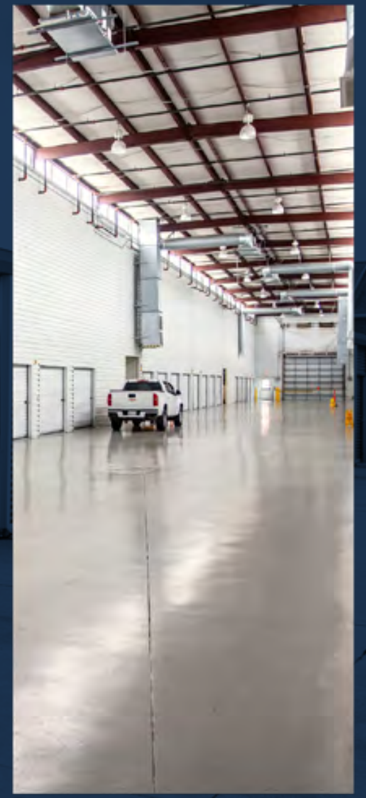
The facilities will be transitioned from an individual operator to REIT managed. Professional REIT management consistently outperforms, delivering 10% higher returns on average. Spartan's REIT partnerships will elevate operations, maximize yield, and drive stable, long-term cash flow for investors.

HOUSTON, TX

Houston 7 Property Portfolio







At a Glance

	Facility Data				Population		Growth		HH Income	
Facility Name	Vintage	Occupancy	Units	NRSF	3-mile	5-mile	3-mile	2010-2020	3-mile	5-mile
Champion Forest	2003	81.66%	518	59,894	108,785	289,267	5.40%	9.61%	$125,290	$127,666
Eldridge	2002	82.34%	470	58,725	151,296	347,973	5.40%	9.80%	$116,080	$111,829
Katy	2003	81.68%	475	73,775	105,515	259,094	5.50%	58.41%	$132,404	$126,329
Rosenberg	2015	81.02%	490	60,850	58,221	127,406	2.85%	22.44%	$135,763	$127,138
Stuebner	2006	89.80%	594	87,115	115,818	314,461	0.29%	15.20%	$123,313	$119,696
Sugar Land	2011	88.29%	461	62,052	76,795	208,179	0.74%	2.36%	$200,305	$165,784
Summerwood	2009	87.73%	489	60,775	61,045	153,750	1.16%	9.61%	$113,894	$114,733
Total/Average	2007	84.65%	500	463,185	96,782	242,876	3.05%	18.20%	$135,293	$127,596

Executive Summary

The investment comprises seven institutional-grade self-storage facilities totaling 463,185 square feet, strategically positioned across Houston's top submarkets.

As the nation's fourth-largest city, Houston consistently ranks among the top U.S. metros for population growth, adding over 190,000 new residents annually. The portfolio's 3-mile trade areas average 96,782 residents, growing at 3.05% annually, with average household incomes of $135,293.

These Class A, climate-controlled properties offer superior construction, modern amenities, and exceptional locations. Additionally, new self-storage supply in Houston has declined due to high land costs and stricter development restrictions, creating barriers to entry.

While the current owner has achieved historical success, today's self-storage landscape favors REIT-managed facilities, which consistently deliver 10% higher performance on average. Spartan's business plan will leverage its REIT partnerships to transition management and maximize performance.

Investors benefit from cash flow, operational value-add, and market-driven growth, positioning this portfolio for reliable, attractive long-term returns.

Target Returns

18%
Annual Returns

6-Year
Target Hold Period

14%
IRR

2.10x
Equity Multiplier

**Returns are based on a Class C investor.*

RETURN STRUCTURE

A	B	C
INVESTMENT OF **$100K - $999K**	INVESTMENT OF **$1M - $1.99M**	INVESTMENT OF **$2M+**
6% Preferred Return	**7%** Preferred Return	**9%** Preferred Return
9% CoCR Return Hurdle 80 / 20 Split	**11% CoCR Return Hurdle** 80 / 20 Split	**14% CoCR Return Hurdle** 80 / 20 Split
11% CoCR Return Hurdle 70 / 30 Split	**13% CoCR Return Hurdle** 70 / 30 Split	**16% CoCR Return Hurdle** 70 / 30 Split
Then 50 / 50	Then 50 / 50	Then 50 / 50

Target Returns

Class A Returns	
Annual Returns	13%
Equity Multiple	1.78x
Avg. Cash Flow	4.2%
IRR	11%

Class A - Minimum $100,000 Investment								
LP - Class A	Investment	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total Return
Cash Flow %		2.7%	3.8%	3.8%	4.5%	5.1%	5.4%	
Cash Flow	$(100,000)	$2,731	$3,828	$3,843	$4,484	$5,100	$5,435	$25,421
Return on Sale	-	-	-	-	-	-	$152,600	$152,600
Total Return	$(100,000)	$2,731	$3,828	$3,843	$4,484	$4,645	$158,014	$178,021

Class B Returns	
Annual Returns	15%
Equity Multiple	1.90x
Avg. Cash Flow	4.9%
IRR	12%

Class B - Minimum $1,000,000 Investment								
LP - Class B	Investment	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total Return
Cash Flow %		3.2%	4.5%	4.5%	5.2%	6.0%	6.3%	
Cash Flow	$(1,000,000)	$31,858	$44,658	$44,839	$52,309	$59,505	$63,170	$296,338
Return on Sale	-	-	-	-	-	-	$1,604,420	$1,604,420
Total Return	$(1,000,000)	$31,858	$44,658	$44,839	$52,309	$54,195	$1,667,589	$1,900,758

Class C Returns	
Annual Returns	18%
Equity Multiple	2.10x
Avg. Cash Flow	6.2%
IRR	14%

Class C - Minimum $2,000,000 Investment								
LP - Class C	Investment	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total Return
Cash Flow %		4.1%	5.7%	5.8%	6.7%	7.7%	8.1%	
Cash Flow	$(2,000,000)	$81,921	$114,834	$115,299	$134,509	$153,013	$162,437	$762,013
Return on Sale	-	-	-	-	-	-	$3,442,537	$3,442,537
Total Return	$(2,000,000)	$81,921	$114,834	$115,299	$134,509	$139,359	$3,604,974	$4,204,550

Eldridge Summary

Dense Residential Base

Corporate Employment Hub

Excellent Drive by Traffic

Located in the Eldridge neighborhood, known as Houston's Energy Corridor, this area is popular for its strong employment opportunities, numerous corporate offices, and affluent professional community. The site itself is situated in a dense residential neighborhood with prominent schools and amenities within walking distance.

Eldridge Location

2210 Eldridge Parkway Houston, TX 77077

58,725
NET RENTABLE SF

82.34%
PHYSICAL OCCUPANCY

470
UNITS

2002
YEAR BUILT

389
CC UNITS

81
NCC UNITS

1
NUMBER OF BUILDINGS

2
STORY

Eldridge Demographics

POPULATION

1-Mile	3-Mile	5-Mile
27,664	**151,296**	**347,973**

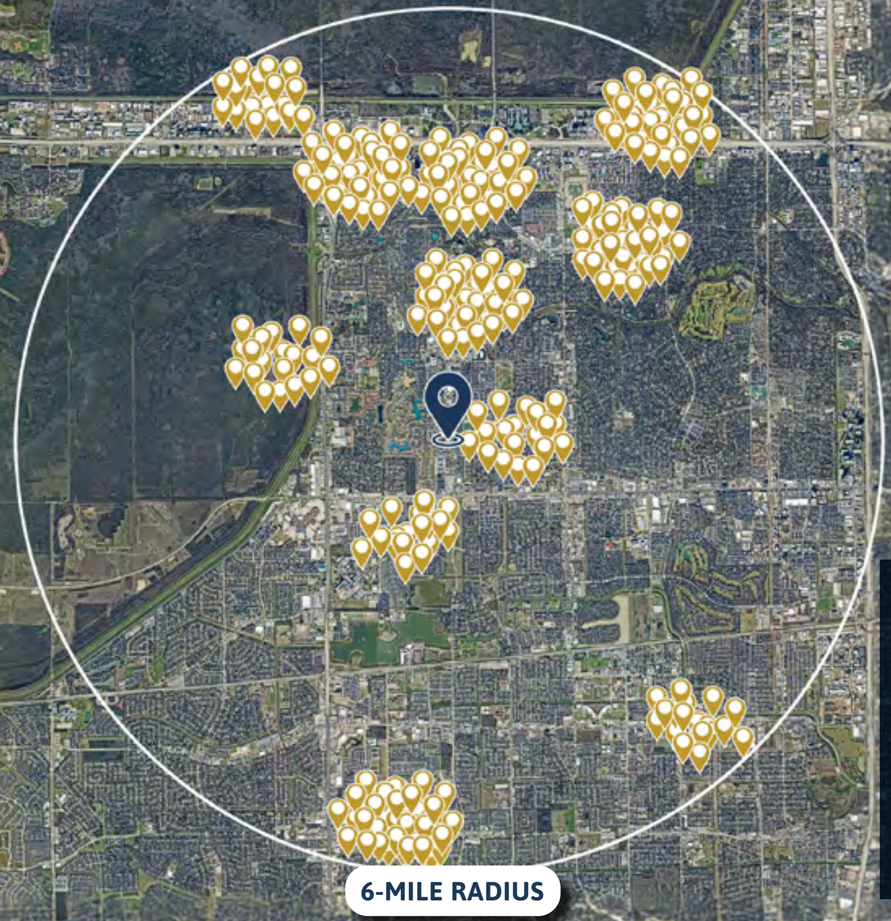
AVERAGE HOUSEHOLD INCOME

1-Mile	3-Mile	5-Mile
$127,843	**$116,080**	**$111,829**

POPULATION GROWTH

1-Mile	3-Mile	5-Mile
0.21%	**5.40%**	**5.80%**

**Population Growth includes housing estimates.*



SUBJECT PROPERTY

Multi-Family Developments

3,372 UNITS

Summerwood Summary

High Traffic Corridor

Dense Neighborhood Location

Limited Competiton

Tucked into Summerwood's residential fabric, the facility sits prominently beside newly built retail and highly visible to the community it serves. In a submarket with deep residential roots and few high-quality storage options, this site stands out as the go-to choice for the neighborhood.

Summerwood Location

14411 West Lake Houston Parkway Houston, TX 77044

60,850
NET RENTABLE SF

88.29%
PHYSICAL OCCUPANCY

490
UNITS

2015
YEAR BUILT

436
CC UNITS

54
NCC UNITS

1
NUMBER OF BUILDINGS

2
STORY

Summerwood Demographics

POPULATION

1-Mile	3-Mile	5-Mile
7,506	**61,045**	**153,750**

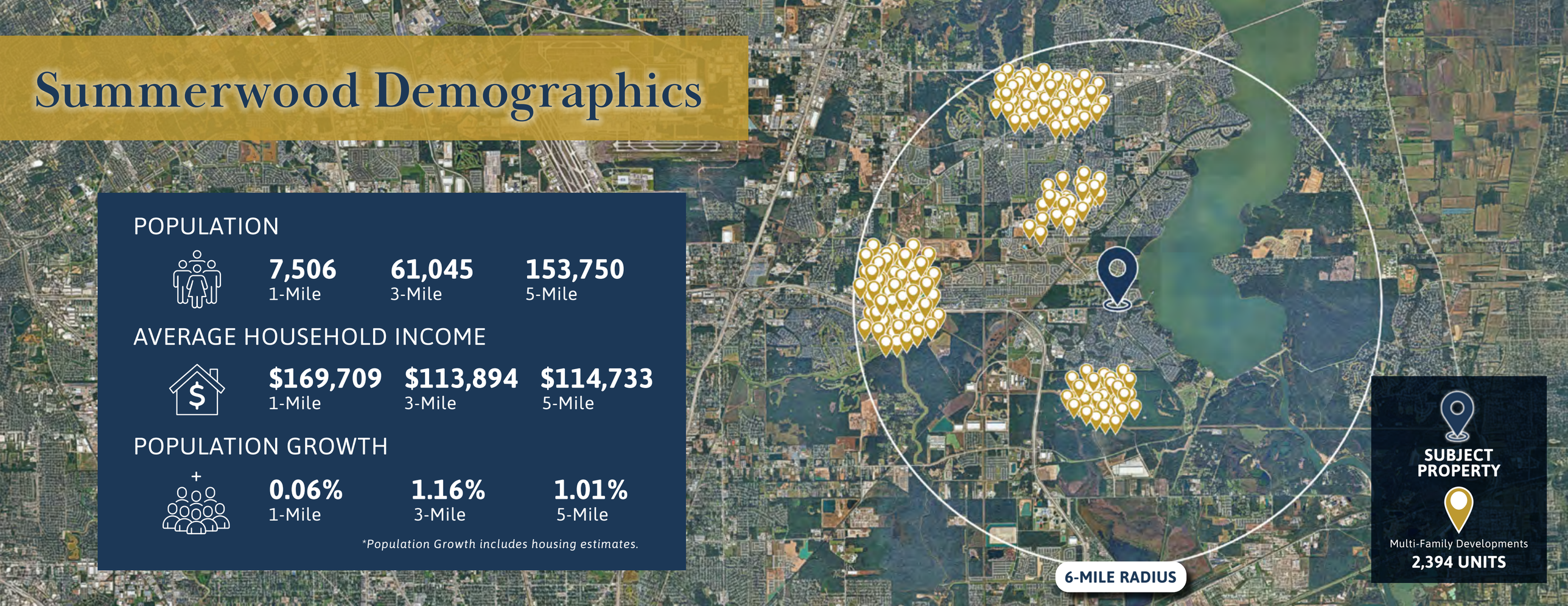
AVERAGE HOUSEHOLD INCOME

1-Mile	3-Mile	5-Mile
$169,709	**$113,894**	**$114,733**

POPULATION GROWTH

1-Mile	3-Mile	5-Mile
0.06%	**1.16%**	**1.01%**

**Population Growth includes housing estimates.*



Champion Forest Summary

Dense Residential Base

High-Income Area

5.4% Population Growth

Located in the established, affluent Northwest Houston suburb, the area is growing at 5x the national average, boasts strong school districts, upscale amenities, and proximity to Champion Forst Golf Course – home of the 2020 Women's U.S Open.

Champion Forest Location

14850 Cutten Road Houston, TX 77069

59,894
NET RENTABLE SF

81.66%
PHYSICAL OCCUPANCY

518
UNITS

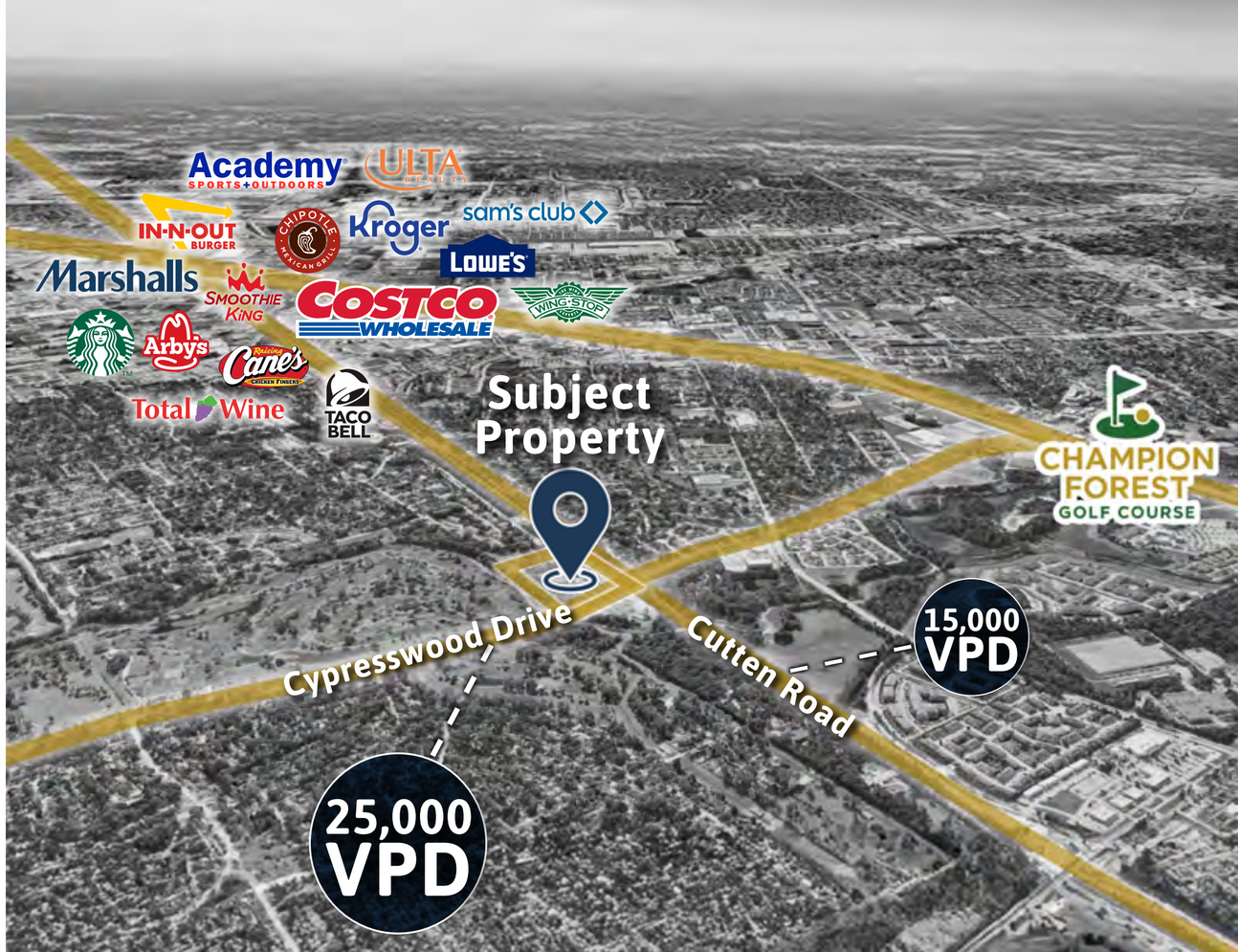
2003
YEAR BUILT

414
CC UNITS

104
NCC UNITS

1
NUMBER OF BUILDINGS

2
STORY



Champion Forest Demographics

POPULATION

1-Mile	3-Mile	5-Mile
12,248	**108,785**	**289,267**

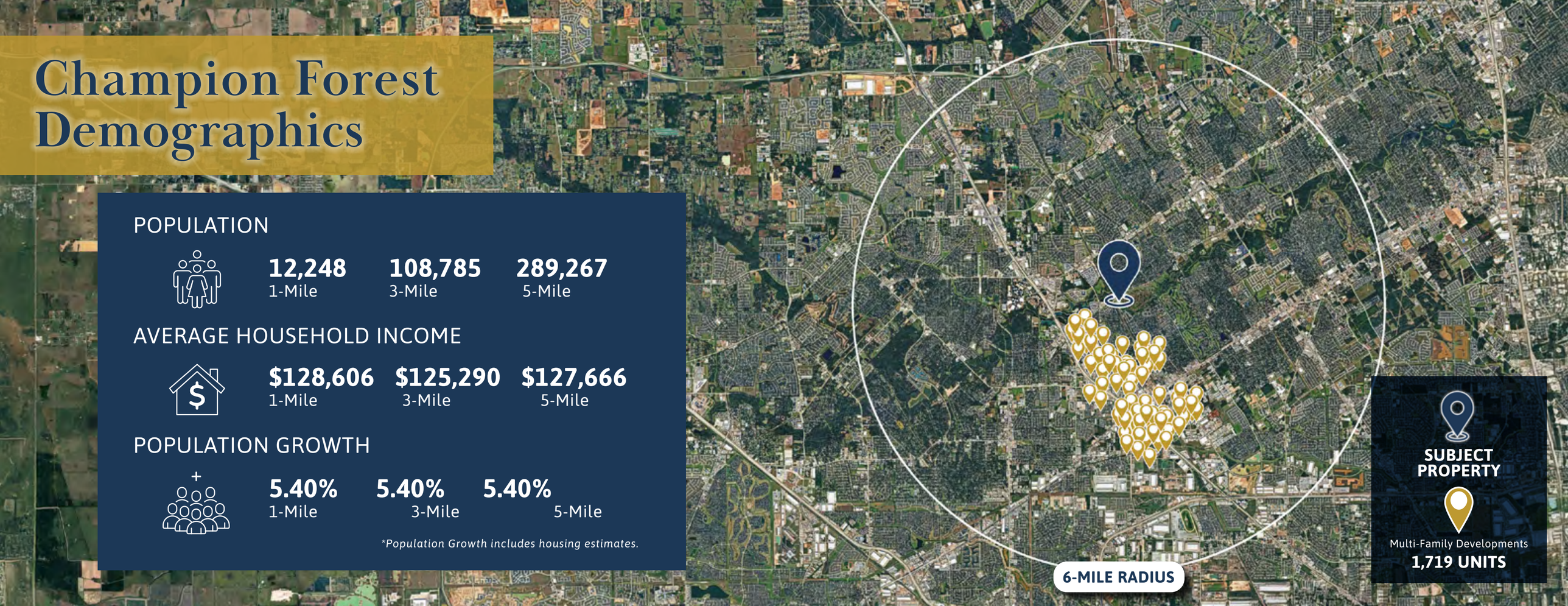
AVERAGE HOUSEHOLD INCOME

1-Mile	3-Mile	5-Mile
$128,606	**$125,290**	**$127,666**

POPULATION GROWTH

1-Mile	3-Mile	5-Mile
5.40%	**5.40%**	**5.40%**

**Population Growth includes housing estimates.*



Stuebner Summary

Strategic Location

Superior Facility Quality

Lackluster Competition

The area is characterized by steady population growth and top-rated schools. This Class A facility stands outs in a market comprised of Class B and C facilities. In a market where tenants are selective, its build quality and prime location make it the top choice in the trade area.

Stuebner Location

14929 Stuebner Airline Road Houston, TX 77069

87,115
NET RENTABLE SF

89.80%
PHYSICAL OCCUPANCY

594
UNITS

2006
YEAR BUILT

418
CC UNITS

84
NCC UNITS

1
NUMBER OF BUILDINGS

2
STORY

Sugar Land Summary

Heart of Retail

Strong Demographics

Premier Drive Through Units

Sugar Land, and specifically the First Colony neighborhood, is widely recognized as one of Texas' premier suburban communities. The facility features uniquely designed drive-through climate-controlled units. Known for exceptional schools, upscale homes, and restrictive zoning, the area offers stability, high incomes, and an exceptional quality of life.

Sugar Land Location

16615 Lexington Blvd Sugar Land, TX 77479

62,052
NET RENTABLE SF

88.29%
PHYSICAL OCCUPANCY

461
UNITS

2011
YEAR BUILT

414
CC UNITS

43
NCC UNITS

1
NUMBER OF BUILDINGS

2
STORY

Sugar Land Demographics

POPULATION

1-Mile	3-Mile	5-Mile
11,057	**76,795**	**208,179**

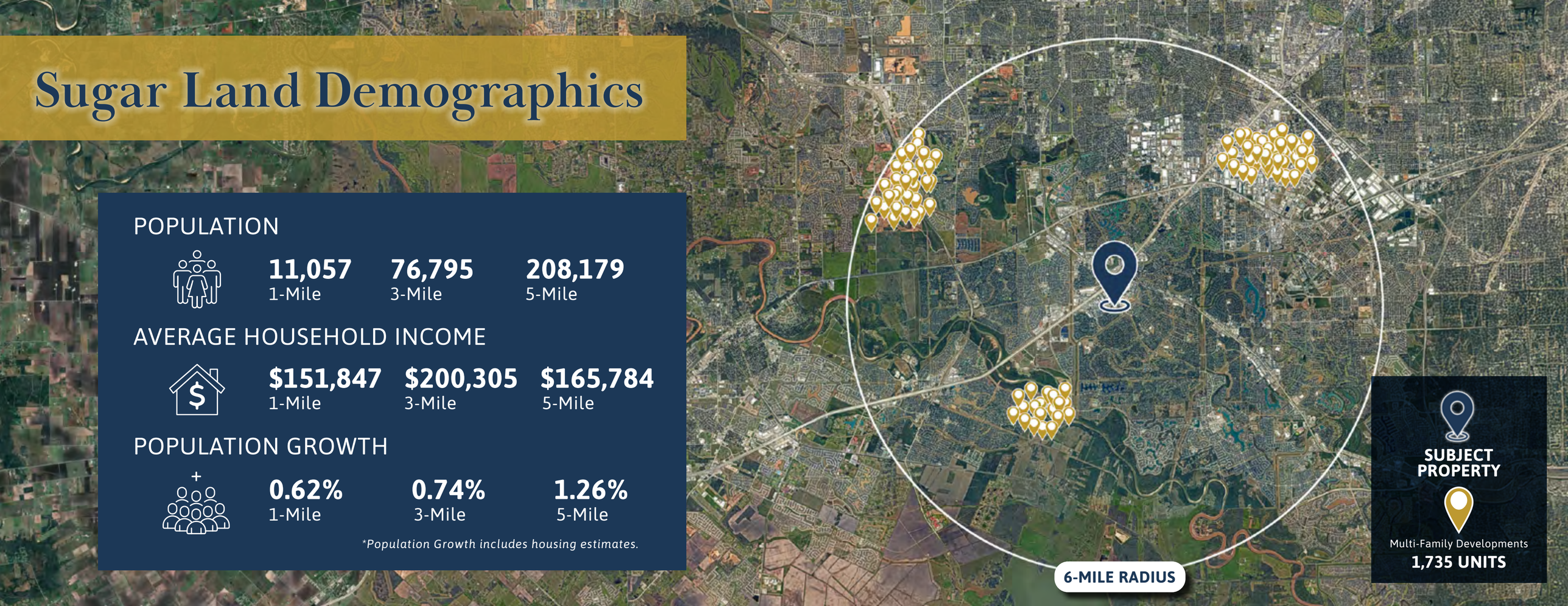
AVERAGE HOUSEHOLD INCOME

1-Mile	3-Mile	5-Mile
$151,847	**$200,305**	**$165,784**

POPULATION GROWTH

1-Mile	3-Mile	5-Mile
0.62%	**0.74%**	**1.26%**

**Population Growth includes housing estimates.*



Rosenberg Summary

Rapidly Growing Suburb

Limited Direct Competition

Strong Rent Growth

Rosenberg, in Fort Bend County, is among the fastest-growing suburbs in Texas. Summer Lakes, a thriving residential neighborhood in Rosenberg, attracts families drawn to quality schools, affordable yet upscale housing, and convenient proximity to Sugar Land and Houston's employment centers.

Rosenberg Location

102 Benton Road Rosenberg, TX 77469

60,850
NET RENTABLE SF

88.29%
PHYSICAL OCCUPANCY

490
UNITS

2015
YEAR BUILT

436
CC UNITS

54
NCC UNITS

1
NUMBER OF BUILDINGS

2
STORY

Rosenberg Demographics

POPULATION

1-Mile	3-Mile	5-Mile
8,485	**58,221**	**127,406**

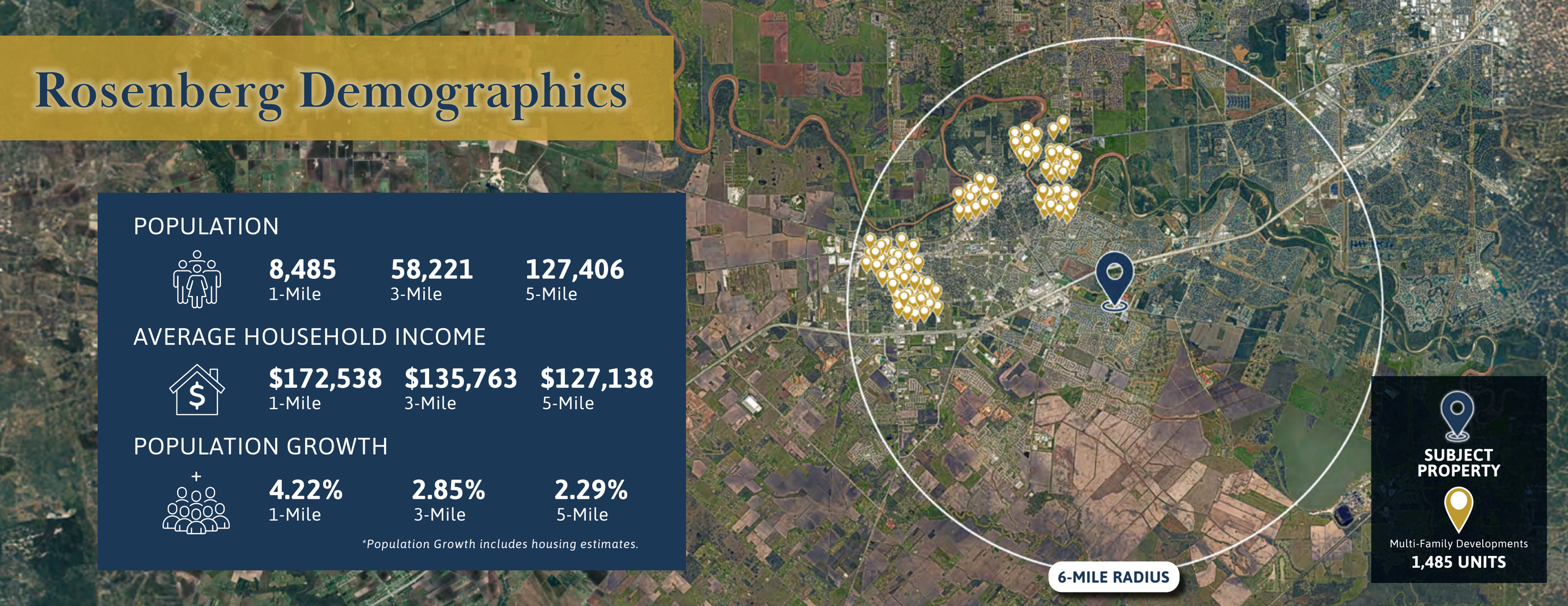
AVERAGE HOUSEHOLD INCOME

1-Mile	3-Mile	5-Mile
$172,538	**$135,763**	**$127,138**

POPULATION GROWTH

1-Mile	3-Mile	5-Mile
4.22%	**2.85%**	**2.29%**

**Population Growth includes housing estimates.*



Katy Summary

Growth Corridor

Excellent Drive by Traffic

Value Through Marketing Execution

Positioned in the heart of Cypress/Katy—one of Houston's most sought-after growth corridors—this facility sits amid residential expansions and high-income family neighborhoods. The corridor is lined with new master-planned communities, top-rated schools, and expanding retail nodes, drawing consistent population inflows. This site benefits from excellent visibility and access in a dense, underserved trade area, where demand is strong and quality supply is limited.

Katy Location

926 South Fry Road Katy, TX 77450

73,775
NET RENTABLE SF

81.68%
PHYSICAL OCCUPANCY

475
UNITS

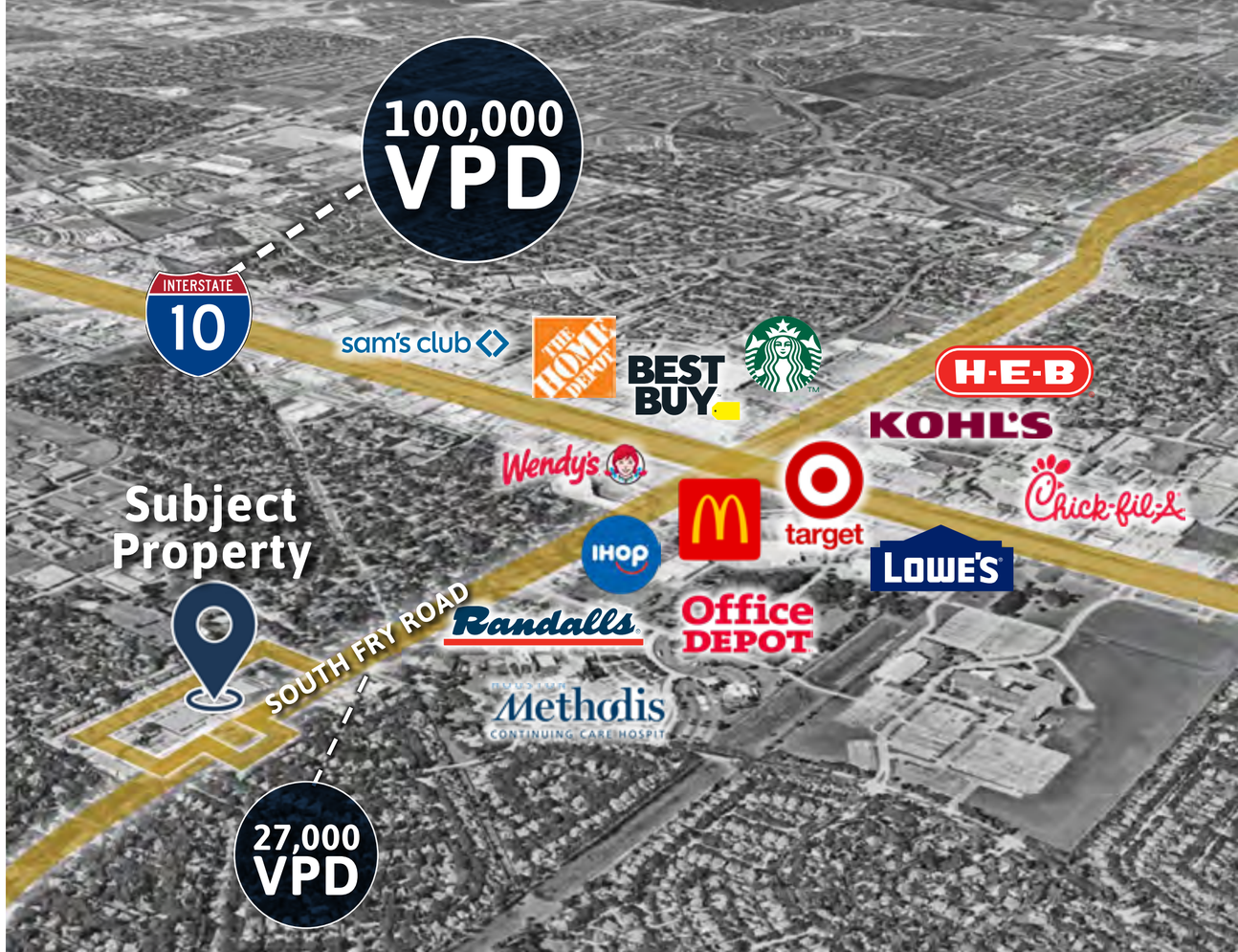
2003
YEAR BUILT

229
CC UNITS

217
NCC UNITS

8
NUMBER OF BUILDINGS

1
STORY



Katy Demographics

POPULATION

1-Mile	3-Mile	5-Mile
13,126	**105,515**	**259,094**

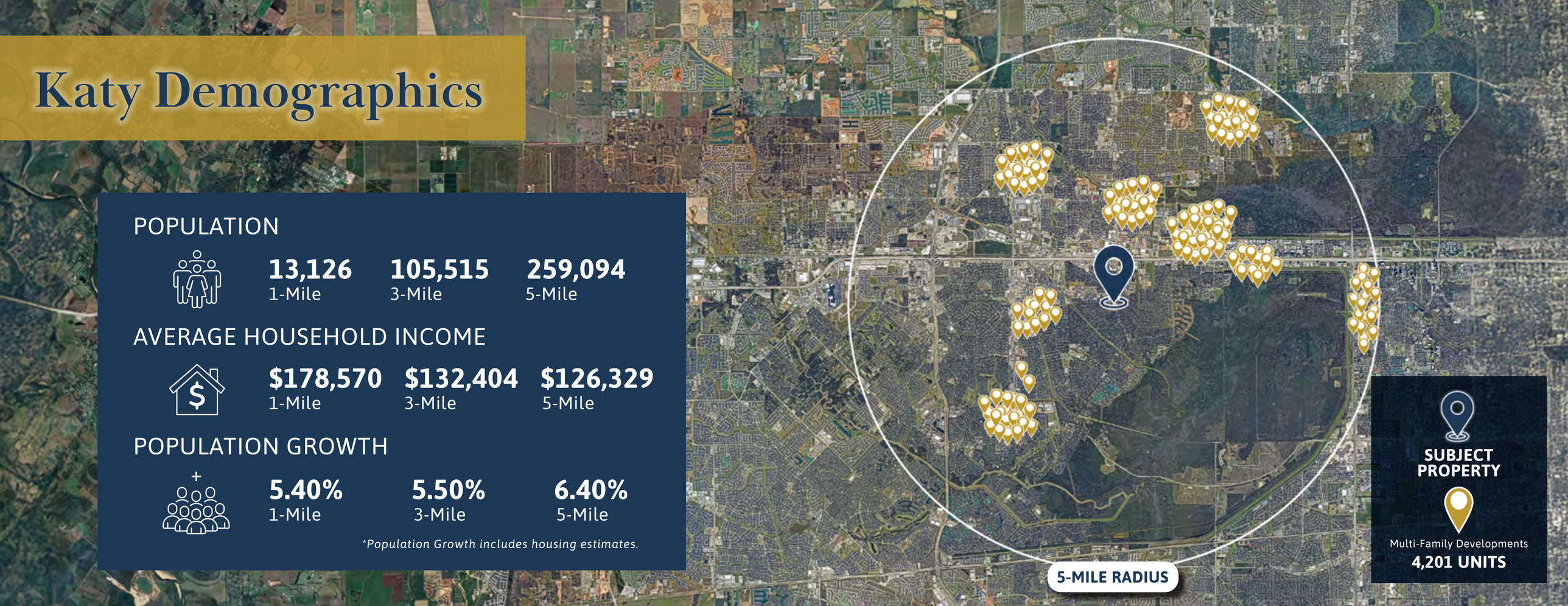
AVERAGE HOUSEHOLD INCOME

1-Mile	3-Mile	5-Mile
$178,570	**$132,404**	**$126,329**

POPULATION GROWTH

1-Mile	3-Mile	5-Mile
5.40%	**5.50%**	**6.40%**

**Population Growth includes housing estimates.*

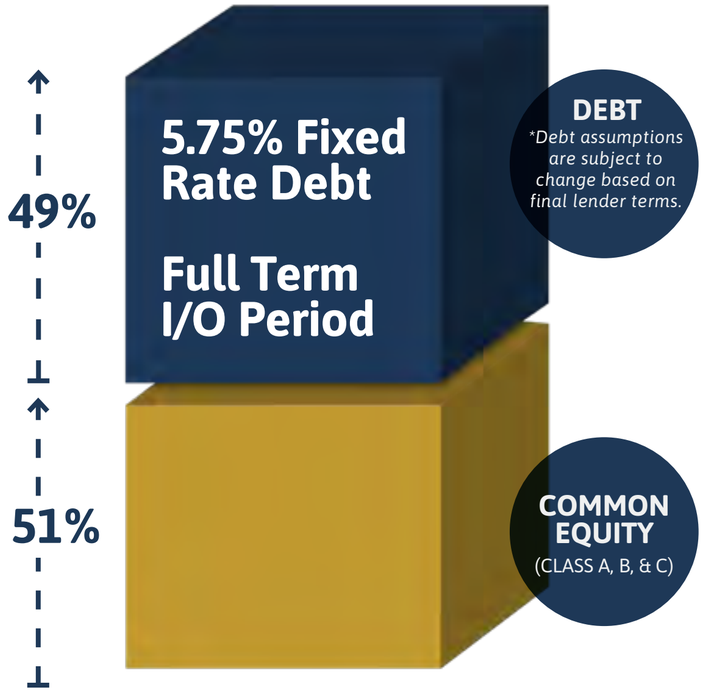


Sources And Uses

SOURCES	
Total Equity	$58,750,000
Total Debt	$50,550,000
TOTAL SOURCES	**$109,300,000**

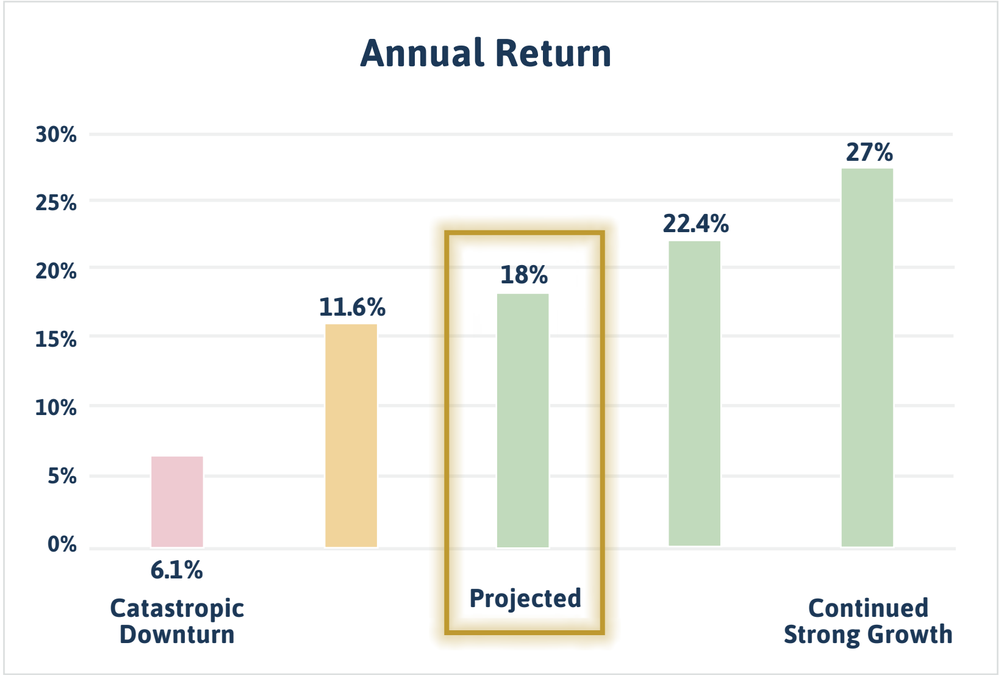
USES	
Purchase Price	$102,000,000
Closing Costs	$1,836,000
Improvements	$700,000
Reserves	$1,244,850
Sponsorship Fees	$3,519,150
TOTAL USES	**$109,300,000**

Capital Stack



Sensitivity Analysis

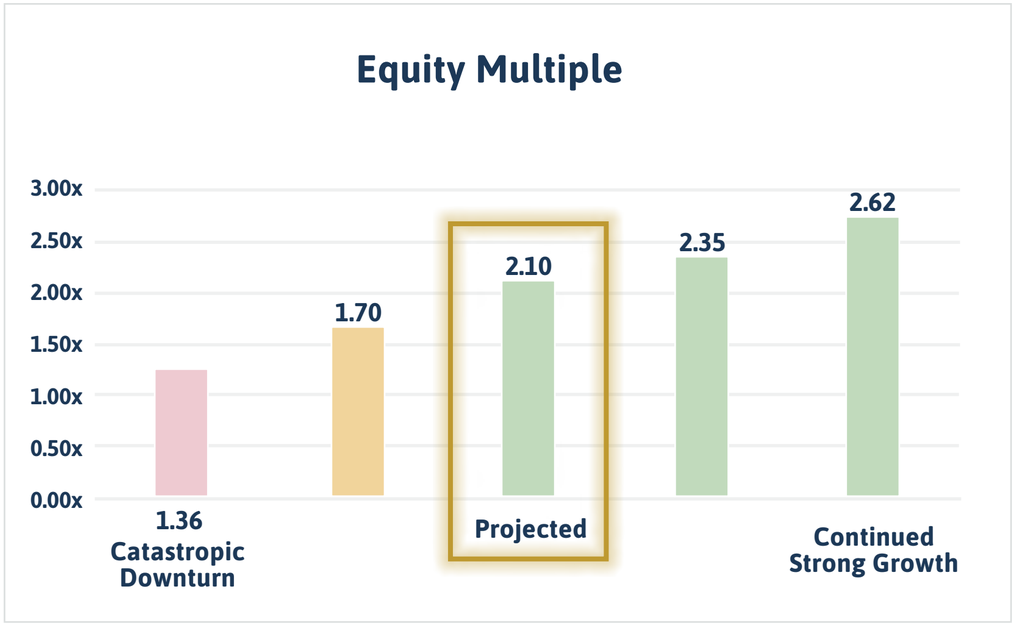
Annual Return						
		Exit Cap Rate				
CHANGE IN ANNUAL MARKET RENT GROWTH		6.00%	5.50%	5.00%	4.75%	4.50%
	1.86%	6.1%	11.1%	17.1%	20.6%	24.4%
	2.73%	6.5%	11.6%	17.7%	21.2%	25.1%
	3.60%	7.0%	12.1%	18.0%	21.8%	25.7%
	4.48%	7.5%	12.7%	18.8%	22.4%	26.4%
	5.35%	8.0%	13.2%	19.4%	23.0%	27.0%



*Returns are based on a Class C investor.

Sensitivity Analysis

Equity Multiple						
	Exit Cap Rate					
CHANGE IN ANNUAL MARKET RENT GROWTH		6.00%	5.50%	5.00%	4.75%	4.50%
	1.86%	1.36	1.66	2.02	2.23	2.47
	2.73%	1.39	1.70	2.06	2.27	2.51
	3.60%	1.42	1.73	2.10	2.31	2.54
	4.48%	1.45	1.76	2.13	2.35	2.58
	5.35%	1.48	1.79	2.17	2.38	2.62



*Returns are based on a Class C investor.

Breakeven Analysis

Breakeven Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Operating Expenses	$3,472,616	$3,723,698	$3,994,600	$4,198,579	$4,332,287	$4,448,201
Debt Service	$2,906,564	$2,906,564	$2,906,564	$2,906,564	$2,906,564	$2,906,564
Total Expenses	**$6,379,180**	**$6,630,262**	**$6,901,164**	**$7,105,143**	**$7,238,851**	**$7,354,765**
GPRI	$10,098,740	$10,412,838	$10,999,548	$11,700,686	$12,273,445	$12,934,240
Other Income	$570,120	$996,840	$940,392	$886,416	$946,524	$711,588
Total Potential Income	**$10,668,860**	**$11,409,678**	**$11,939,940**	**$12,587,102**	**$13,219,969**	**$13,645,828**
Breakeven Occupancy	***59.8%***	***58.1%***	***57.8%***	***56.4%***	***54.8%***	***53.9%***

Why Self-Storage

Self storage is a staple among American consumers and business owners. When they move, get divorced, downsize, relocate, start a business, grow their family, retire, or experience any number of other life events, families and individuals turn to self storage.

Businesses also rely on self storage to house inventory and equipment — especially as more companies reduce their office space. In fact, 30% of Spartan's customers are business-related.

Self storage maintained solid occupancy throughout the last four recessions and experienced high retention rates and growing utilization during the COVID-19 pandemic. In addition, this period highlighted the ability of operators to quickly raise rents in an inflationary environment.

According to NAREIT, the self-storage asset class has achieved an average annual return of 17.26% over the past 28 years.

Self storage has outperformed apartments (12.62%), retail (11.21%), office (10.38%), and the S&P 500 (9.91%) over that same period.

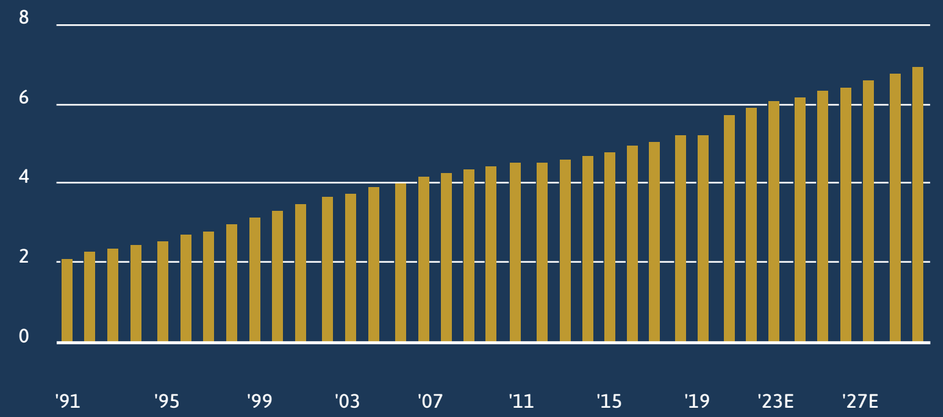
Rents have risen by an average of 5.8% over the past five years.

Rising Tenant Demand

Rising housing costs and new hybrid and remote work arrangements have led to a meaningful change in how Americans select and utilize their homes. Many are now seeking ways for their homes to serve multiple functions, leaving little room for at-home storage. Today's homeowners are repurposing spare rooms, attics, garages, and basements as home offices and gyms. This has led to a growing demand for self-storage units.

INCREASED ADOPTION – SQUARE FOOTAGE PER CAPITA

STORAGE SQ. FT. PER CAPITA



Self-Storage at a Glance

92%

AVERAGE NATIONAL OCCUPANCY

$45.7

BILLION INDUSTRY

1 in 9

AMERICANS RENT A STORAGE UNIT

$62.6

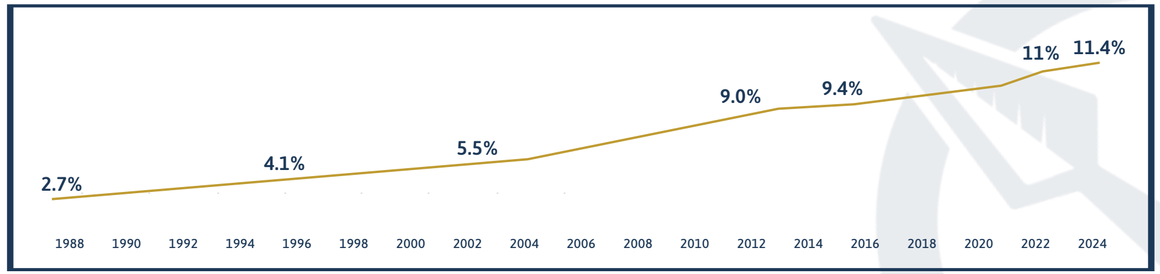
BILLION PROJECTED MARKET VALUATION BY 2028

LOW MAINTENANCE, HIGH GROWTH

Self-storage occupancy has steadily increased over the last 30+ years. Today, 10.6% of Americans rent a storage unit. Since rentals are driven primarily by life events, the asset class is in demand in positive and negative economic environments — and awareness, utilization, and length of stay are all increasing over time.

- **Low Maintenance:**
  Storage businesses have relatively low operational costs, little infrastructure to maintain, and limited opportunity for tenant-caused damage.
- **Steady Cash Flow:**
  With high operating margins and the ability to raise rents month-to-month, storage facilities provide a regular, predictable flow of income.
- **Opportunity for Consolidation:**
  The majority of self-storage facilities are still managed by small operators, providing an opportunity for larger, more sophisticated companies to acquire and improve properties and increase revenue.

PERCENTAGE OF U.S. HOUSEHOLDS UTILIZING STORAGE
(AS A PERCENTAGE OF TOTAL HOUSEHOLDS)



SPARTAN
INVESTMENT GROUP

Improving Lives
Through Our Values.

ABOUT SPARTAN

About Spartan

Founded in 2014 by Scott Lewis and Ryan Gibson, Spartan is a vertically integrated operator based in Golden, Colorado, specializing in self-storage properties. Spartan is nimble, capable of operating in a wide range of geographies, and skilled at implementing value-add strategies while providing economies of scale.

Under our model, development, property management, asset management, capital markets (e.g., acquisitions, dispositions), accounting, and other functions are all handled by Spartan employees. These in-house capabilities enable us to efficiently manage our properties with a combination of well-aligned incentives, institutional grade controls, and enhanced information sharing.

The depth of Spartan's in-house expertise is exemplified by our construction and property management subsidiaries, Spartan Construction Management and FreeUp Storage.

Scott Lewis
CEO

Ryan J. Gibson
CIO

See our
2023-2025
STRATEGIC PLAN

30,000+
Units in Portfolio

150+
Employees

Vet100
Ranked **5 Years** in a Row

$800M+
Assets Under Management

Inc. 500
Ranked **5 Years** in a Row

Over **$500M** Raised

SPARTAN AT A GLANCE

Track Record

REALIZED INVESTMENTS

	Property Name	Property Type	Acquisition Date	Sale Date	Project xIRR	Equity Multiple
#1	FreeUp Storage Tyler Shiloh Rd.	Self-Storage	03/01/20	10/18/23	83.32%	6.77x
#2	FreeUp Storage Warner Robins	Self-Storage	12/01/21	10/30/23	15.81%	1.27x
#3	Front Range Portfolio	Self-Storage	10/9/20	7/31/23	27.10%	2.03x
#4	FreeUp Storage Boat Club Road	Self-Storage	9/10/19	8/4/23	38.00%	2.63x
#5	FreeUp Storage Corsicana	Self-Storage	4/23/19	8/31/23	48.25%	4.58x
#6	FreeUp Storage Pea Ridge	Self-Storage	12/7/20	8/15/23	97.50%	1.97x
#7	FreeUp Storage Centerville	Self-Storage	7/21/21	11/15/22	61.00%	1.97x
#8	Lavender Meadows Community	MHP	2/14/20	12/31/21	64.55%	2.55x
#9	Aspen Park Self- Storage	Self-Storage	8/10/18	10/30/20	42.10%	2.05x
#10	Chateau@1308	Condo Development	12/22/15	3/8/19	49.80%	3.27x
#11	Lamont Street	Condo Development	8/28/17	4/30/19	12.10%	1.19x
#12	Elvans Road Lots	Resi Development	12/6/16	1/12/18	27.50%	1.31x
#13	Levis Street	Resi Development	7/27/16	3/3/17	162.80%	1.78x
#14	Evarts Street	Resi Development	3/31/15	6/21/16	193.34%	3.74x
#15	W Street	Resi Development	8/14/15	6/2/16	242.73%	2.69x
#16	L Street - 1352	Resi Development	2/6/14	9/5/14	817.60%	3.6x

Our Investment Thesis

At Spartan, we implement a targeted approach focused on aggregating a portfolio of best-in-class self-storage facilities in select secondary and tertiary markets.

Our focus enables us to take advantage of structural inefficiencies and capitalize on emerging trends, such as shifts in the U.S. population and the increased use of self storage by single-family residents, along with Spartan's operating capabilities. In addition, a blended approach to value-add returns provides greater diversification and limits risk.

Value-add strategies and properties in secondary and tertiary markets have remained an immature part of the self-storage market. Real Estate Investment Trusts (REITs) have an outsized presence in the self-storage sector, as they own and manage the largest portfolios, many of which are in primary markets.

According to research from Green Street Advisors, REITs control as many as half of the institutional-quality self-storage properties. Due to their bureaucratic nature, need for scale, and rigid tax structures, they have been ineffective in implementing value-add strategies and operating in non-primary markets.

Upon completion of our business plans, our goal is to have assembled a uniform portfolio of well-operated properties possessing REIT-quality building standards with a national footprint.

ASSET MANAGEMENT

As a vertically integrated company, Spartan is responsible for each property's entire life cycle. Upon acquisition, we implement mark-to-market rate increases to augment revenue and rebrand facilities under our national FreeUp Storage banner.

We deploy robust capital expenditure plans through Spartan Construction Management, our in-house construction team. Many of our facilities are considered a letter grade higher after improvements — generating value that far exceeds outlays.

With an emphasis on data-driven decision-making, we monitor occupancy, collections, expenses, and net income to inform our strategy. Our team also specializes in implementing ancillary revenue streams, such as tenant insurance.

Revenue Management

Aggressive Property Tax Disputing

Property Insurance from "A-Rated" Carrier

Cost Segregation

Revenue Management Strategy

To improve efficiency and decision-making, Spartan has made a substantial monetary and time investment in our technology and reporting capabilities.

These efforts include the development, adoption, and customization of several systems, including dynamic pricing and revenue management, workflow management, and accounting systems. We are already testing artificial intelligence (AI) software for outreach programs and tenant marketing to stay ahead of emerging technologies.

To Enhance Revenue, Spartan Uses The Following Tools:

- A two-point pricing strategy provides benchmarks for market pricing alongside competitive web rates.
- Revenue management software that publishes rates on a portfolio-wide basis daily to enable the FreeUp Storage team to monitor and revise pricing in real time.
- A/B testing to optimize rental income and retention of our existing customer base.

INVESTOR COMMUNICATIONS

At Spartan, transparency is a core value. We believe that strong communication is the key to building — and maintaining — trust and confidence. Spartan's in-house Asset Management division coordinates with the Investor Relations team to provide our investors with best-in-class communication and a high degree of transparency.

This includes comprehensive reporting about portfolio performance and fund administration.

OUR INVESTOR PROMISE

Monthly Communications

Monthly Financials and Occupancy Reports

Deal-by-Deal Informational Webinars

FreeUp Storage is Spartan's national Self-storage brand founded solely to manage Spartan's portfolio.

WHERE WE OPERATE

PROPERTY OPERATIONS

- IN-HOUSE PROPERTY MANAGEMENT
- ECONOMIES OF SCALE
- REVENUE MANAGEMENT
- A FOCUS ON AUTOMATION
- BOOTS ON THE GROUND
- COST SEGREGATION

SCM

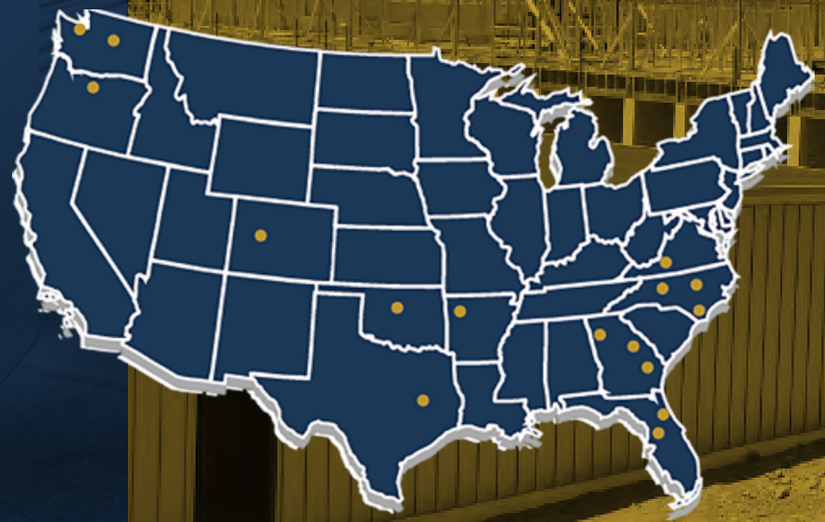
SPARTAN

CONSTRUCTION MANAGEMENT

SCM seamlessly transitions new acquisitions through capital improvement, entitlement, design, and construction.

CONSTRUCTION MANAGEMENT

WHERE WE BUILD



IN-HOUSE CONTRACTOR

IN-HOUSE ENTITLE & PERMITTING

PROJECT PREDICTABILITY

COST EFFICIENT DESIGN

SOLE FOCUS ON SELF-STORAGE

ECONOMIES OF SCALE

The Offering

SPARTAN INVESTMENT GROUP IS CURRENTLY RAISING CAPITAL FOR HOUSTON, TX.
THE MINIMUM INVESTMENT IS $100,000, AND THE INVESTMENT IS OPEN TO ACCREDITED INVESTORS.

HOUSTON OFFERING

Class A members are those who invest a minimum of $100,000 and a maximum of $999,999. Class A investors receive a 6% preferred return.

Class B members are those who invest a minimum of $1,000,000 and a maximum of $1,999,999. Class B investors receive a 7% preferred return.

Class C members are those who invest a minimum of $2,000,000 or more. Class C investors receive a 9% preferred return.

This offering is being made under Rule 506(C) of the Securities Act of 1933. Accredited investors are welcome to invest.

Sponsor Fees*

Sponsorship	
Up to 1%	Asset Management
2.85%	Acquisition

Asset Management fees are calculated based on total project cost per year paid monthly
Acquisition fee is calculated based on Total Project Cost, charged one-time
For a complete list of fees, please reference the PPM (Project and Portfolio Management).

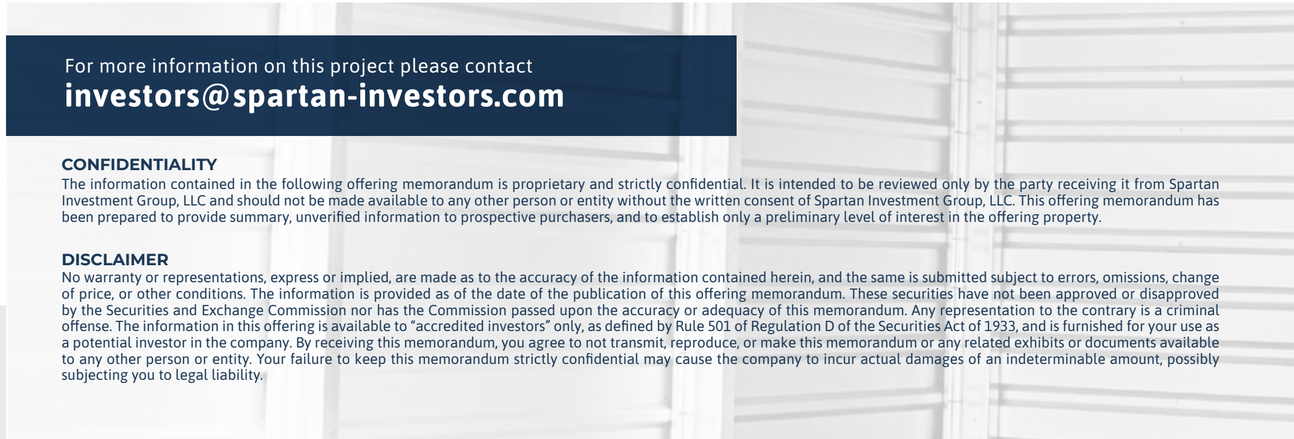
NEXT STEPS

If you would like to move forward as an investor, please email investors@spartan-investors.com or log into the investor dashboard by going to https://investors.spartan-investors.com/login. Once logged in, please click on the **Houston, TX** offering.

After reviewing investor documents, complete the accredited investor verification and offering documents. Once we have verified eligibility and received the subscription agreement, please send funds either by wire or check. Funding instructions are found on our investor dashboard inside the deal room. Funds will be accepted on a first-come, first-in basis.

Wire Verification

To verify wiring instructions, please email investors@spartan-investors.com. Please specify that you are seeking wiring instructions for the "**Houston, TX**" Thank you for considering this investment with Spartan Investment Group. For more information on this project, please contact investors@spartan-investors.com.



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Thank You!