

THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION DOES NOT PASS UPON THE MERITS OF OR GIVE ITS APPROVAL TO ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY PRIVATE PLACEMENT MEMORANDUM OR OTHER SOLICITATION MATERIALS. THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE COMMISSION; HOWEVER, THE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THE SECURITIES OFFERED ARE EXEMPT FROM REGISTRATION.

THE SECURITIES OFFERED HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY STATE REGULATORY AUTHORITY NOR HAS ANY STATE REGULATORY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

## **PRIVATE PLACEMENT MEMORANDUM**

Revised: November 12, 2024



SECURITIES OFFERED	:	Unsecured Convertible Bonds (the “Bonds”)
MAXIMUM OFFERING AMOUNT	:	\$200,000,000.00
CONDITIONAL MINIMUM OFFERING AMOUNT:	:	\$30,000,000.00
MINIMUM INVESTMENT AMOUNT:	:	\$20,000.00, with additional subscriptions of \$10,000.00 per Investor <sup>1</sup>
CONTACT INFORMATION	:	House Hack, Inc., DBA <i>HouseHack</i> Attn: Investor Relations 8164 Platinum Street Ventura, CA 93004 <a href="mailto:ir@househack.com">ir@househack.com</a> (805) 888-0846

<sup>1</sup> *HouseHack* reserves the right to accept subscriptions for a lesser amount.

House Hack, Inc., DBA *HouseHack* (“*HouseHack*” or the “Company”) was formed on June 22, 2022, as a Wyoming corporation to invest in real estate assets throughout the United States, either directly or through subsidiaries. The Company intends to acquire “wedge” properties comprising various types of real estate including single family residences and multi-family apartment buildings. A “wedge property” is one that the Company believes (1) is under its fair market value; (2) it can add value through renovations; or (3) the value created in the property surpasses the cost of the renovations. A wedge property may also be one that is not operating at its highest and best use, including obtaining optimal rents. After acquiring these wedge properties, the Company plans to renovate them, rent them out, and then strategically sell and/or package them together into some kind of investment vehicle to sell to other investors so as to recapture capital principal and appreciation while maintaining management of the properties and tenants until the Company’s interest is fully divested. In the marketing of this capital recapture plan, the Company refers to these as “MiniFunds,” which are described further below.

Through this Private Placement Memorandum (“PPM”) *HouseHack* is offering (the “Offering”) exclusively to accredited investors (the “Investors”) up to two hundred million dollars (\$200,000,000.00) in unsecured, convertible bonds (the “Bonds”). The Bonds will accrue interest at an annualized rate of five percent (5%) and be issued in principal amounts of ten thousand dollars (\$10,000.00). Each Bond may convert to seven thousand, one hundred, and forty-three (7,143) shares of the Company’s Non-Voting Common Stock (the “Converted Shares”) at a fixed price of one dollar and forty cents (\$1.40) per share (rounded up to the nearest whole share).

The Offering is conditional upon the Company’s sole discretion to return investor funds if less than the Conditional Minimum Offering Amount of thirty million dollars (\$30,000,000.00) is raised. Furthermore, the Maximum Offering Amount of two hundred million dollars (\$200,000,000.00) may be reduced or raised by the Company at any time. The Company is offering the Bonds pursuant to an exemption to registration pursuant to Rule 506(c) of Regulation D to the Securities Act of 1933. As such, no subscriptions shall be accepted from non-accredited investors. See “Investor Suitability Standards” below. No commissions or other remuneration shall be paid to the principals of the Company as part of this Offering.

The Offering shall terminate on December 13, 2024, at 11:59 p.m. PT, unless the Offering period is shortened or extended, which may be done without notice from the Company (the “Termination Date”). The Minimum Investment Amount is twenty thousand dollars (\$20,000.00), although the Company reserves the right to accept a lesser amount. The Company also reserves the right to accept or reject any subscription, in whole or in part, and any subscription that is not accepted will be returned without interest. Prospective Investors may not revoke a subscription tendered to purchase any Bonds, except as provided herein. The proceeds from this Offering will be wired into one of the Company’s J.P. Morgan Chase Bank checking accounts and available for unrestricted use by the Company upon confirmation, clearing, and acceptance of the Investor’s subscription. However, the Company reserves the right to cancel any and all subscriptions and return the Investor’s funds in the event it does not reach its Conditional Minimum Offering Amount of thirty million dollars (\$30,000,000.00) by the close of this offering.

## INVESTMENT PERKS

In addition to the benefits of investing in the Bonds, the Company is pleased to offer a tiered incentive program for Investors based on the amount they invest. These perks are designed to provide Investors with exclusive opportunities to engage with the Company and its leadership, including the Company's CEO, Kevin Paffrath, while showcasing the Company's operations in a tangible and interactive way. Please note that the receipt of any such perks is not a term or condition of the Offering and has no bearing on the legal terms of the Bonds, including interest payments, principal repayments, or conversion rights.

### **Exclusive Investment Perks:**

- **Invest \$20,000:** Receive an exclusive invite to the first-ever *HouseHack* Shareholder meeting, tentatively scheduled for Q3-Q4 2025.
- **Invest \$50,000:** Receive a limited edition *HouseHack* Challenge Coin as a token of appreciation.
- **Invest \$100,000:** Receive both a *HouseHack* Challenge Coin and a *HouseHack* branded vest (up to 2).
- **Invest \$250,000:** Enjoy a full set of perks—*HouseHack* Challenge Coin, branded vest, and an all-inclusive 1-day property hunt with *Meet Kevin*. Travel expenses (if any), once you arrive to the Company, are included.
- **Invest \$500,000:** In addition to the *HouseHack* Challenge Coin and vest, join *Meet Kevin* for an all-inclusive 1-day property hunt. Travel expenses (if any), once you arrive to the Company, are included, plus a 1-on-1 consulting session at your location (available for U.S. and Canada).
- **Invest \$1,000,000:** Receive the *HouseHack* Challenge Coin, vest, a 1-day property hunt with *Meet Kevin*. Travel expenses (if any), once you arrive to the Company, are included, and a 1-on-1 two-day consulting visit at your location (available internationally).

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## SUMMARY OF THE OFFERING

The following information is only a brief summary of, and is qualified in its entirety by, the detailed information appearing elsewhere in this Offering. This Private Placement Memorandum (“PPM”), together with the exhibits attached including, but not limited to, the Convertible Bond Agreement, the Subscription Agreement, and the Bylaws, copies of which are attached hereto as Exhibit C, Exhibit D, and Exhibit B, respectively, should be carefully read in their entirety before any investment decision is made. If there is a conflict between the terms contained in this PPM and the Convertible Bond Agreement, Subscription Agreement, or the Bylaws, the Convertible Bond Agreement, Subscription Agreement, and the Bylaws shall prevail and control, and no Investor should rely on any reference herein to the Convertible Bond Agreement, Subscription Agreement, or the Bylaws without consulting the actual underlying documents.

<b>The Company</b>	House Hack, Inc., DBA <i>HouseHack</i> is a Wyoming C-Corporation formed on June 22, 2022.  The Company has been formed to invest, directly or through subsidiaries, in real estate assets throughout the United States. The Company intends to focus on “wedge” properties for acquisition in various types of real estate, including single family residences and multi-family apartment buildings. The Company may also invest in other forms of real property such as commercial properties, including hotels, raw land, or development opportunities.
<b>Maximum Offering Amount</b>	\$200,000,000.00. The Company reserves the right to raise an amount greater or lesser than this Maximum Offering Amount.
<b>Conditional Minimum Offering Amount</b>	\$30,000,000.00. The Company reserves the right to return investor funds in its sole discretion if the Offering does not raise at least the Conditional Minimum Offering Amount, but the Company may also decide to accept funds raised at its discretion. Such determination should be made no later than the end of the Offering on December 13, 2024, during which time the Company may end the Offering and return any Investor funds if the Company does not exceed \$30,000,000 in funds raised or the Company decides not to accept the funds raised under \$30,000,000. For an avoidance of doubt, if the Company raises \$10,000,000, it may accept and continue with the Offering. The Company simply retains an option to return funds if less than \$30,000,000 is raised during the Offering Period.
<b>Price Per Bond</b>	\$10,000.00

<b>Minimum Investment</b>	\$20,000.00 (2 Bonds) with additional subscriptions of \$10,000.00 (1 Bond) per investor. The Company reserves the right to accept subscriptions for lesser or different amounts on a case-by-case basis.
<b>Use of Proceeds</b>	Proceeds will be used to reimburse organizational expenses and ongoing operating costs until, and if, revenues can support operations. The remaining proceeds of the Offering will be used to purchase, renovate, and market properties through various investment vehicles and platforms for sale or rental and to pay operating expenses of the Company.
<b>Shares Outstanding</b>	1,000,000 shares of Voting Common Stock; Approximately 47,434,297 shares of Non-Voting Common Stock; 712,500 warrants
<b>Investor Eligibility</b>	The Bonds may only be sold to accredited investors as defined by Rule 501 of Regulation D under the Securities Act. Pursuant to the provisions of Rule 506(c), the Company will take reasonable steps to verify the accredited investor status of each prospective Investor. This verification will be required prior to the acceptance of any subscriptions by us. See the “Investor Suitability Standards” section below.
<b>Securities Exemption</b>	The offer and sale of the Convertible Bonds is intended to be exempt from the registration requirements of the Securities Act pursuant to Rule 506(c) under Regulation D promulgated under the Securities Act and is intended to be exempt from the registration requirements of applicable state securities laws as a federally “covered security.”
<b>Restrictions on Transfer of the Shares</b>	There is no public market for the Convertible Bonds or Converted Shares. Convertible Bondholders or shareholders of any Converted Shares only have a restricted and limited right to assign their bonds, shares, and rights. Convertible Bondholders or shareholders of the Converted Shares may not transfer their bonds or shares without the consent of the Company, which consent may be withheld in the Company’s sole discretion. Accordingly, you may not transfer the offered securities in the absence of an effective registration statement under the Securities Act or evidence acceptable to the Company and its legal counsel, which includes an opinion of counsel, that registration is not required.
<b>Offering Period</b>	The Convertible Bonds will be offered commencing on the date of this PPM and continue through December 13, 2024, at 11:59

	p.m. PT. The Offering Period may be shortened or extended in the sole discretion of the Company at any time without advanced notice.
<b>Risk Factors</b>	The Convertible Bonds offered hereby are highly speculative and involve a high degree of risk. You must be prepared to bear the economic risk of this investment for an indefinite period of time and be able to withstand a total loss of your investment. See the “Risk Factors” and “Terms of the Offering” sections below.
<b>Plan of Distribution</b>	The Bonds are being offered on a “best efforts” basis pursuant to an exemption from the registration requirements of the Securities Act provided by Rule 506(c) thereunder.
<b>Subscription Procedures</b>	Instructions on how to subscribe for the Convertible Bonds can be found later in this PPM under the section entitled “Plan of Distribution” and the Convertible Bond Agreement and the Subscription Agreement included as Exhibits C and D respectively.

## **CERTAIN NOTICES**

### **FOR RESIDENTS OF ALL STATES:**

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (“SECURITIES ACT”), OR THE SECURITIES LAWS OF CERTAIN STATES ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS OF SAID ACT AND SUCH LAWS. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THERE IS NO PUBLIC MARKET FOR THE COMPANY’S SECURITIES AND NONE IS EXPECTED TO DEVELOP. THE COMPANY IS NOT OBLIGATED TO REGISTER WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION OR WITH ANY STATE REGULATORS. THE ISSUANCE OF THE SECURITIES AND THE SECURITIES PURCHASED PURSUANT HERETO IS BEING UNDERTAKEN PURSUANT TO RULE 506(c) OF REGULATION D UNDER THE SECURITIES ACT.

THIS OFFERING IS NOT UNDERWRITTEN. THE OFFERING PRICE HAS BEEN ARBITRARILY DETERMINED BY THE COMPANY AND DOES NOT BEAR ANY

RELATIONSHIP TO THE ASSETS THAT HAVE BEEN OR ARE TO BE ACQUIRED BY THE COMPANY OR ANY OTHER ESTABLISHED CRITERIA OR INDICIA FOR VALUING A BUSINESS. THERE CAN BE NO ASSURANCE THAT ANY OF THE SECURITIES OFFERED THROUGH THIS OFFERING WILL BE SOLD.

THIS OFFERING IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MIGHT BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. AN INVESTOR MUST REPRESENT THAT THE SECURITIES ARE BEING ACQUIRED FOR INVESTMENT PURPOSES ONLY, AND NOT WITH A VIEW TO OR PRESENT INTENTION OF DISTRIBUTION.

THIS PRIVATE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION (I) WOULD BE UNLAWFUL, (II) IS NOT AUTHORIZED, OR (III) IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO. THIS OFFERING IS ONLY AVAILABLE TO "ACCREDITED" INVESTORS AS DEFINED BY RULE 501 OF REGULATION D. ALL SUBSCRIPTIONS FOR PURCHASE OF SECURITIES WILL BE SUBJECT TO VERIFICATION BY THE FUND OF AN INVESTOR'S STATUS AS AN ACCREDITED INVESTOR.

EXCEPT AS OTHERWISE INDICATED, THIS PRIVATE PLACEMENT MEMORANDUM SPEAKS AS OF THE DATE OF THE PRIVATE PLACEMENT MEMORANDUM AND NEITHER THE DELIVERY HEREOF NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE CONDITION OF THE FUND SINCE THE DATE HEREOF.

NO PERSON HAS BEEN AUTHORIZED TO MAKE REPRESENTATIONS OR PROVIDE ANY INFORMATION OTHER THAN THAT CONTAINED IN THIS PRIVATE PLACEMENT MEMORANDUM, AND ANY INFORMATION OR REPRESENTATION NOT CONTAINED HEREIN MUST NOT BE RELIED UPON.

NOTHING IN THIS PRIVATE PLACEMENT MEMORANDUM SHOULD BE CONSTRUED AS LEGAL OR TAX ADVICE. EACH PROSPECTIVE PURCHASER SHOULD CONSULT HIS OWN PROFESSIONAL ADVISORS AS TO LEGAL, TAX, FINANCIAL, AND RELATED MATTERS PRIOR TO PURCHASING MEMBERSHIP INTERESTS.

TREASURY DEPARTMENT CIRCULAR 230 NOTICE. TO ENSURE COMPLIANCE WITH CIRCULAR 230, INVESTORS ARE HEREBY NOTIFIED THAT: (I) ANY DISCUSSION OF FEDERAL TAX ISSUES CONTAINED OR REFERENCED TO IN THIS MEMORANDUM IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY INVESTORS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, OR THE CODE; (II)

ANY SUCH DISCUSSION IS MADE IN CONNECTION WITH THE PROMOTION AND MARKETING BY THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THIS PRIVATE PLACEMENT MEMORANDUM; AND (III) INVESTORS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

THIS PRIVATE PLACEMENT MEMORANDUM HAS BEEN PREPARED FROM DATA SUPPLIED BY SOURCES DEEMED RELIABLE BY THE COMPANY AND DOES NOT KNOWINGLY CONTAIN ANY UNTRUE STATEMENT OF ANY MATERIAL FACT. IT CONTAINS A SUMMARY OF MATERIAL PROVISIONS OF DOCUMENTS REFERRED TO HEREIN. STATEMENTS MADE WITH RESPECT TO THE PROVISIONS OF SUCH DOCUMENTS ARE NOT COMPLETE AND REFERENCE IS MADE TO THE ACTUAL DOCUMENTS FOR COMPLETE REVIEW. THIS PRIVATE PLACEMENT MEMORANDUM IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH DOCUMENTS AS THEY MAY BE AMENDED, AND ALL DOCUMENTS RELATED THERETO, COPIES OF WHICH WILL BE MADE AVAILABLE UPON REQUEST AND SHOULD BE THOROUGHLY REVIEWED PRIOR TO PURCHASING A BOND.

**FLORIDA RESIDENTS:** INVESTORS WHO RESIDE IN FLORIDA ARE PROVIDED A THREE (3) DAY RIGHT OF RESCISSION OF ANY INVESTMENT TENDERED TO THE FUND AND CALCULATED FROM THE DATE OF THE SUBSCRIPTION.

#### **NASAA LEGEND**

BY ACCEPTANCE OF THIS PRIVATE PLACEMENT MEMORANDUM, PROSPECTIVE INVESTORS RECOGNIZE AND ACCEPT THE NEED TO CONDUCT THEIR OWN THOROUGH INVESTIGATION AND DUE DILIGENCE BEFORE CONSIDERING A PURCHASE OF THE BONDS. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES MAY BE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER FEDERAL AND STATE SECURITIES LAWS. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

#### **NOTICE TO NON-UNITED STATES RESIDENTS**

IT IS THE RESPONSIBILITY OF ANY ENTITIES WISHING TO PURCHASE THE BONDS TO SATISFY THEMSELVES AS TO FULL OBSERVANCE OF THE LAWS OF ANY

RELEVANT TERRITORY OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY SUCH PURCHASE, INCLUDING OBTAINING ANY REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER APPLICABLE FORMALITIES.

BY ACCEPTANCE OF THIS PRIVATE PLACEMENT MEMORANDUM, PROSPECTIVE INVESTORS RECOGNIZE AND ACCEPT THE NEED TO CONDUCT THEIR OWN THOROUGH INVESTIGATION AND DUE DILIGENCE BEFORE CONSIDERING A PURCHASE OF THE BONDS. THE CONTENTS OF THIS PRIVATE PLACEMENT MEMORANDUM SHOULD NOT BE CONSIDERED TO BE INVESTMENT, TAX, OR LEGAL ADVICE AND EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH THEIR OWN COUNSEL AND ADVISORS AS TO ALL MATTERS CONCERNING AN INVESTMENT IN THIS OFFERING.

#### **PATRIOT ACT RIDER**

THE INVESTOR HEREBY REPRESENTS AND WARRANTS THAT THE INVESTOR IS NOT, NOR IS IT ACTING AS AN AGENT, REPRESENTATIVE, INTERMEDIARY OR NOMINEE FOR, A PERSON IDENTIFIED ON THE LIST OF BLOCKED PERSONS MAINTAINED BY THE OFFICE OF FOREIGN ASSETS CONTROL, U.S. DEPARTMENT OF TREASURY. IN ADDITION, THE INVESTOR HAS COMPLIED WITH ALL APPLICABLE U.S. LAWS, REGULATIONS, DIRECTIVES, AND EXECUTIVE ORDERS RELATING TO ANTI-MONEY LAUNDERING, INCLUDING BUT NOT LIMITED TO THE FOLLOWING LAWS:

(1) THE UNITING AND STRENGTHENING AMERICA BY PROVIDING APPROPRIATE TOOLS REQUIRED TO INTERCEPT AND OBSTRUCT TERRORISM ACT OF 2001, PUBLIC LAW 107-56, AND (2) EXECUTIVE ORDER 13224 (BLOCKING PROPERTY AND PROHIBITING TRANSACTIONS WITH PERSONS WHO COMMIT, THREATEN TO COMMIT, OR SUPPORT TERRORISM) OF SEPTEMBER 11, 2001.

**THE MANAGEMENT OF THE COMPANY HAS PROVIDED ALL OF THE INFORMATION STATED HEREIN.**

**THE COMPANY MAKES NO EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY AS TO THE COMPLETENESS OF THIS INFORMATION OR, IN THE CASE OF PROJECTIONS, ESTIMATES, FUTURE PLANS, OR FORWARD LOOKING ASSUMPTIONS OR STATEMENTS, AS TO THEIR ATTAINABILITY OR THE ACCURACY AND COMPLETENESS OF THE ASSUMPTIONS FROM WHICH THEY ARE DERIVED, AND IT IS EXPECTED THAT EACH PROSPECTIVE INVESTOR WILL PURSUE HIS, HER, OR ITS OWN INDEPENDENT INVESTIGATION.**

**IT MUST BE RECOGNIZED THAT ESTIMATES OF THE COMPANY'S PERFORMANCE ARE NECESSARILY SUBJECT TO A HIGH DEGREE OF UNCERTAINTY AND MAY VARY MATERIALLY FROM ACTUAL RESULTS.**

## **NOTICE REGARDING FORWARD-LOOKING STATEMENTS**

Certain of the statements set forth in this PPM and the Exhibits attached hereto constitute “Forward Looking Statements.” Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate, or imply future results, performance, or achievements, and may contain the words “estimate,” “project,” “intend,” “forecast,” “anticipate,” “plan,” “planning,” “expect,” “believe,” “will likely,” “should,” “could,” “would,” “may” or words or expressions of similar meaning. All such forward-looking statements involve risks and uncertainties, including, but not limited to, those risks described herein. Therefore, prospective Investors are cautioned that there also can be no assurance that the forward-looking statements included in this PPM will prove to be accurate. In light of the significant uncertainties inherent to the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation or warranty by the Company or any other person that the objectives and plans of the Company will be achieved in any specified time frame, if at all. Except to the extent required by applicable laws or rules, the Company does not undertake any obligation to update any forward-looking statements or to announce revisions to any of the forward-looking statements.

## **INVESTOR SUITABILITY STANDARDS**

### **General**

An investment in the Bonds involves a high degree of risk and is suitable only for persons of substantial financial means who have no need for liquidity in their investment. The Bonds are only suitable for those who desire a relatively long-term investment for which they do not need liquidity until the anticipated return on investment as set forth in this PPM.

The offer, offer for sale, and sale of the Bonds is intended to be exempt from the registration requirements of the Securities Act pursuant to Rule 506(c) of Regulation D promulgated thereunder and is intended to be exempt from the registration requirements of applicable state securities laws as a federally covered security. This Offering is directed to “accredited investors,” as that term is defined in Rule 501(a) of Regulation D as promulgated by the SEC.

A subscriber must meet one (or more) of the investor suitability standards below to purchase Bonds. Fiduciaries must also meet one of these conditions. If the investment is a gift to a minor, the custodian or the donor must meet these conditions. For purposes of the net worth calculations below, net worth is the amount by which assets exceed liabilities, but excluding your house, home furnishings, or automobile(s) among your assets. In the Subscription Agreement, a subscriber will have to confirm satisfaction of these minimum standards:

- Each Investor must have the ability to bear the economic risks of investing in the Bonds;
- Each Investor must have sufficient knowledge and experience in financial, business, or investment matters to evaluate the merits and risks of the investment;
- Each Investor must represent and warrant that the Bonds to be purchased are being acquired for investment and not with a view towards resale or distribution; and

- Each Investor will make other representations to the Company in connection with purchase of the Bonds, including representations concerning the investor's degree of sophistication, access to information concerning the Company, and ability to bear the economic risk of the investment.

## Suitability Requirements

Rule 501(a) of Regulation D defines an “accredited investor” as any person who comes within any of the following categories, or whom the issuer reasonably believes comes within any of the following categories, at the time of the sale of the securities to that person:

- (1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state; any investment adviser relying on the exemption from registering with the Commission under section 203(l) or (m) of the Investment Advisers Act of 1940; any insurance company as defined in section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any Rural Business Investment Company as defined in section 384A of the Consolidated Farm and Rural Development Act; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- (2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;
- (3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, or limited liability company, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
- (4) Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;
- (5) Any natural person whose individual net worth, or joint net worth with that person's spouse or spousal equivalent, exceeds \$1,000,000.

(i) Except as provided in paragraph (5)(ii) of this section, for purposes of calculating net worth under this paragraph (5):

(A) The person's primary residence shall not be included as an asset;

(B) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(C) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;

(ii) Paragraph (5)(i) of this section will not apply to any calculation of a person's net worth made in connection with a purchase of securities in accordance with a right to purchase such securities, provided that:

(A) Such right was held by the person on July 20, 2010;

(B) The person qualified as an accredited investor on the basis of net worth at the time the person acquired such right; and

(C) The person held securities of the same issuer, other than such right, on July 20, 2010.

(6) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse or spousal equivalent in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in rule 506(b)(2)(ii);

(8) Any entity in which all of the equity owners are accredited investors;

(9) Any entity, of a type of not listed in paragraphs (1), (2), (3), (7), or (8), not formed for the specific purpose of acquiring the securities offered, owning investments in excess of \$5,000,000;

(10) Any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for accredited investor status.

(11) Any natural person who is a "knowledgeable employee," as defined in rule 3c-5(a)(4) under the Investment Company Act of 1940, of the issuer of the securities being offered or sold where

the issuer would be an investment company, as defined in section 3 of such act, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7) of such act;

(12) Any “family office,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940:

- (i) With assets under management in excess of \$5,000,000,
- (ii) That is not formed for the specific purpose of acquiring the securities offered, and
- (iii) Whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment; and

(13) Any “family client,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, of a family office meeting the requirements in paragraph (12) and whose prospective investment in the issuer is directed by such family office pursuant to paragraph (12)(iii).

For purposes of calculating net worth:

(A) The person’s primary residence shall not be included as an asset;

(B) Indebtedness that is secured by the person’s primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(C) Indebtedness that is secured by the person’s primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability.

In determining income, a subscriber should add to the subscriber’s adjusted gross income any amounts attributable to tax exempt income received, losses claimed as a limited partner in any limited partnership, deduction claimed for depletion, contribution to an IRA or Keogh plan, alimony payments, and any amount by which income for long-term capital gains has been reduced in arriving at adjusted gross income.

In addition to the foregoing suitability standards, the Company cannot accept subscriptions from anyone if the representations required are either not provided or are provided but are inconsistent with the Company’s determination that the investment is suitable for the subscriber. In addition to the financial information the Company requires, the representations the Company requires of you state that you:

- Have received this PPM, together with the Exhibits attached hereto;
- Understand that no federal or state agency has made any finding or determination as to the fairness for investment in, nor made any recommendation or endorsement of, the Bonds; and

- Understand that an investment in the Company will not, in itself, create a qualified retirement plan as described in the Internal Revenue Code and that you must comply with all applicable provisions of the Internal Revenue Code in order to create a qualified retirement plan.

You will also represent that you are familiar with the Risk Factors the Company describes and that this investment matches your investment objectives. Specifically, you will represent to the Company that you:

- Understand that there will be no public market for the Bonds, that there are substantial restrictions on repurchase, sale, assignment, or transfer of the Bonds, and that it may not be possible to readily liquidate an investment in the Bonds; and
- Have investment objectives that correspond to those described elsewhere in this PPM.

You will also represent to the Company that you have the capacity to invest in the Company's Bonds by confirming that:

- You are legally able to enter into a contractual relationship with the Company, and, if you are an individual, have attained the age of majority in the state in which you live; and
- If you are a manager, that you are the manager for the trust on behalf of which you are purchasing the Bonds and have due authority to purchase Bonds on behalf of the trust.

If you are purchasing as a fiduciary, you will also represent that the above representations and warranties are accurate for the person(s) for whom you are purchasing Bonds. The Company has the right to refuse a subscription for Bonds if, in its sole discretion, the Company believes that the prospective Investor does not meet the suitability requirements. It is anticipated that comparable suitability standards (including state law standards applicable in particular circumstances) may be imposed by the Company in various jurisdictions in connection with any resale of the Bonds.

## **WHERE YOU CAN OBTAIN MORE INFORMATION**

An investment in the Bonds is suitable only for Investors who have the knowledge and experience to independently evaluate House Hack, Inc., its business, and prospects. This PPM contains limited information on the Company. While the Company believes the information contained in the PPM is accurate, such documents are not meant to contain an exhaustive discussion regarding the Company. The Company cannot guarantee a prospective Investor that the abbreviated nature of the PPM will not omit to state a material fact, which a prospective Investor may believe to be an important factor in determining if an investment in the Bonds is appropriate. As a result, prospective Investors are required to undertake their own due diligence of the Company, its current and proposed business and operations, the management, and financial condition to verify the accuracy and completeness of the information provided in this PPM.

**EACH PROSPECTIVE INVESTOR WILL BE GIVEN AN OPPORTUNITY TO ASK QUESTIONS OF, AND RECEIVE ANSWERS FROM, MANAGEMENT OF THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING AND TO OBTAIN ANY ADDITIONAL INFORMATION TO THE EXTENT THE COMPANY POSSESSES**

SUCH INFORMATION, OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORTS OR EXPENSE, AS NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION CONTAINED IN THIS PPM.

Any such inquiries or requests for additional information should be made in writing to us, addressed as follows: if by email, to [ir@househack.com](mailto:ir@househack.com) or if by mail, to House Hack, Inc., DBA *HouseHack*, Attn: Investor Relations, 8164 Platinum Street, Ventura, CA. 93004.

### **NOTICE OF USE OF SOCIAL MEDIA FOR COMPANY UPDATES, COMMUNICATION, AND ANNOUNCEMENTS**

*HouseHack* hereby gives notice that it intends to post updates in at least three (3) primary locations online. These locations are open to the public and accessible with no fee. Both Investors and prospective Investors are encouraged to subscribe/follow these accounts/webpages for future Company updates and announcements as material communications and notices regarding the Company's ongoing operations may be posted here in lieu of other forms of correspondence as permitted by applicable laws and regulations.

#### **The 3 Primary Locations Are:**

1. The *HouseHack* Webpage ([www.househack.com](http://www.househack.com));
2. The *HouseHack* YouTube Channel ([@househackhomes](http://www.youtube.com/@househackhomes)); and
3. The *HouseHack* Twitter/X.com Account ([@househackhomes](http://www.x.com/@househackhomes)).

#### **Secondary Locations, where the CEO sometimes mentions updates or commentary, which may or may not be material, include:**

1. The Meet Kevin YouTube Channel ([@meetkevin](http://www.youtube.com/@meetkevin));
2. The Meet Kevin Market Live YouTube Channel ([@meetkevinlive](http://www.youtube.com/@meetkevinlive));
3. The Meet Kevin Discord ([www.metkevin.com/discord](http://www.metkevin.com/discord)); and
4. The Meet Kevin Course-Member Livestreams (<https://meetkevin.com>).

Investors are encouraged to subscribe/follow at least one of the primary locations. The Company intends to post similar information in each of the 3 primary locations so that Investors can choose the way they would prefer to consume the information. However, secondary locations are substantially more intermittent for *HouseHack* updates and serve more as a questions/answers or miscellaneous commentary tool for *HouseHack*.

### **BUSINESS OVERVIEW**

House Hack, Inc., DBA *HouseHack* was incorporated in the State of Wyoming on June 22, 2022. The Company has commenced operations, hired full-time employees, and purchased properties. The Company has been formed to acquire, renovate, lease (both short, medium, and long-term rentals), manage, operate, selectively leverage, and opportunistically sell, directly or through

subsidiaries, single-family residential rental properties (“SFRs”), multi-family rental properties (“MFRs”), commercial properties, and raw land in the United States.

The Company has a team that regularly reviews available real estate in various markets each week and also uses innovative artificial intelligence software intended to assist in identifying wedge properties. A “wedge property” is one that the Company believes is under its fair market value or one for which it is able to add value through renovations or where the value created in the property surpasses the cost of the renovations. A wedge property may also be one that is not operating at its highest and best use, including obtaining optimal rents. *HouseHack* cannot guarantee any fair market value assessment will be correct. The Company seeks to purchase these wedge properties, renovate them, rent them out, and then strategically sell and/or package them together into some kind of investment vehicle to sell to investors so as to recapture capital principal and appreciation while maintaining management of the properties and tenants until the Company’s interest is fully divested. In the marketing of this capital recapture plan, the Company refers to these as “MiniFunds”. This strategy may be subject to entirely separate regulatory approval and this Offering does not imply that MiniFunds are possible or will succeed. Market sales may also be utilized in lieu of MiniFunds, which may increase exit costs.

The Company, at some point, seeks to strategically develop and build rental properties. The Company operates under the direction of the Company’s Officers and Board of Directors, the members of which are accountable to the Company and the Company’s stockholders. The Officers and Board of Directors will manage the acquisition and dispositions of the Company’s properties. Although the intention is to acquire SFRs and MFRs, the Board may use discretionary authority to decide which types of real estate may be acquired including commercial and raw land. While the Company was incorporated in June 2022, the Company has only actively purchased, renovated, and rented real estate since August 2023.

In traditional SFRs and MFRs investing, there are challenges to build tailored, yet diversified, SFR and MFR portfolios covering multiple markets to create attractive risk-adjusted long-term returns.

- It is hard to source and acquire properties remotely (in multiple states). This generally requires strong knowledge of local markets.
- Investing at scale requires a network of agents, rehabilitation teams, and property managers.
- Investors have limited, low-cost, traditional financing options (e.g., Fannie Mae places limitations on investment properties).
- Significant capital and infrastructure is required to acquire and manage an SFR and MFR portfolio at scale.
- The purchase process alone involves numerous discrete steps such as sourcing and underwriting properties, selecting a property, making an offer, negotiating and signing a purchase and sale agreement, providing an earnest money deposit, applying for a

mortgage, completing an HOA application, if applicable (and ensuring that HOA regulations permit the home to be rented), selecting a property manager and negotiating a property management agreement, selecting an insurance provider and negotiating the terms of insurance, coordinating inspections and appraisals, selecting a lender and negotiation loan terms when necessary, coordinating repairs to the property, scheduling closing and document review, signing closing documents, and finally taking possession of the property.

The Company aims to simplify real estate investing by eliminating barriers to entry and simplifying Investors' participation in the SFR and MFR market by providing an efficient alternative to direct investing (avoiding the need to be on title, secure a mortgage, deal with agents, supervise rehabilitation teams and property managers, and address ownership and tenancy issues). However, it should be distinguished that Investors in Bonds of the Company are not receiving shares of a group of real estate holdings that are expected to issue dividends as is typically provided in normal real estate holding companies. Instead, Investors are participating in a Company that seeks to create a system in which it acquires and renovates properties at what it believes to be below market prices, renovate them, efficiently manage them, and repackage them into various investment vehicles so that the interests in said properties can be sold either publicly on an exchange or privately to various groups, including hedge funds and pension funds, in order to recapture initial capital along with potential appreciation, if any. Public sales are also an option, especially after the Company becomes eligible for 1031-exchanges to repeat the wedge process in a potentially tax-efficient manner. This investment is highly speculative and illiquid as Investors will most likely not be provided with a method to sell their Bonds or their Converted Shares (if any) until a potential market is created for the purchasing and selling of said Bonds or Converted Shares, if ever. The Company's goals and vision are tenuous and may very well fail. Investors should carefully evaluate the Company and only proceed once they fully understand the speculative risks involved.

Given *HouseHack*'s recent start, the Company has limited its real estate diversification to just two western states as it scales, with the majority of its holdings in California. While this helps localize resources, it limits the diversification goal of the Company at this time. The Company's Founder has substantial expertise investing in California. However, while the Founder believes stricter development standards in more politically left-leaning states is beneficial to the Company due to restricted inventory / restricted new development, there can be no guarantee of this. Rent control or other anti-landlord friendly policies may restrict the growth of *HouseHack*, and the Founder's suggestions that these are advantageous to the Company are mere opinions, which may or may not be true. The same is true for the Founder's opinions on market conditions. There can be no guarantee that a "flood" of new construction will depress rents in Florida, Texas, or otherwise, which could affect valuations in those regions. This may not be true and may be a missed opportunity. The Company does intend to expand to these regions in the future, however the timing of such expansion is predicated on the leadership of the Company's Founder, the best interpretation of market conditions and opportunities, and the success of Phase 2. With additional fundraising, the Company may expand to the Mountain West, Midwest, Northeast and/or South within the contiguous United States.

*HouseHack*'s plans for Phase 2 of its business operations is to recapture capital principal and appreciation by bundling and selling its property holdings through various investment vehicles. This plan is very uncertain and risky. If the Company is unable to find a way to bundle its properties into an investment vehicle, which is described and marketed as the Company's current "MiniFund" plan, such as a syndication, partnership, real estate investment trust ("REIT"), or a Delaware statutory trust ("DST"), then it will have limited ways of recapturing its principal and potential appreciation of its renovated properties, meaning it will not be able to liquidate its properties and continue investing in more real estate without raising additional capital, further diluting the Company's share value. This MiniFund Phase 2 plan is untested and has no track record to rely on for success. While the Company is hopeful that this plan will succeed, there is a risk that it may not, and the Company's growth and value will be severely limited, thereby impacting Bondholders' investments. The Company may utilize market sales, should the Company find it beneficial to do so, though this may create additional costs.

## RISK FACTORS

AN INVESTMENT IN THE COMPANY INVOLVES SIGNIFICANT RISK AND IS SUITABLE ONLY FOR PERSONS WHO ARE CAPABLE OF BEARING THE RISKS, INCLUDING THE RISK OF LOSS OF A SUBSTANTIAL PART OR ALL OF THEIR INVESTMENT. CAREFUL CONSIDERATION OF THE FOLLOWING RISK FACTORS, AS WELL AS OTHER INFORMATION IN THIS PPM, IS ADVISABLE PRIOR TO INVESTING. PROSPECTIVE INVESTORS SHOULD READ ALL SECTIONS OF THIS PPM AND ARE STRONGLY URGED AND EXPECTED TO CONSULT THEIR OWN LEGAL AND FINANCIAL ADVISERS BEFORE INVESTING IN THE CONVERTIBLE BONDS. THE INFORMATION IN THIS PPM, INCLUDING THE COMPANY'S BUSINESS PLAN, CONTAINS BOTH HISTORICAL AND FORWARD-LOOKING STATEMENTS. **PLEASE BE ADVISED THAT THE COMPANY'S ACTUAL FINANCIAL CONDITION, OPERATING RESULTS, AND BUSINESS PERFORMANCE MAY DIFFER MATERIALLY FROM ANY ESTIMATED BY THE COMPANY IN FORWARD-LOOKING STATEMENTS, IF ANY.** THE COMPANY HAS ATTEMPTED TO IDENTIFY, IN CONTEXT, CERTAIN OF THE FACTORS THAT IT CURRENTLY BELIEVES COULD CAUSE ACTUAL FUTURE RESULTS TO DIFFER FROM THE COMPANY'S CURRENT EXPECTATIONS. THE DIFFERENCES MAY BE CAUSED BY A VARIETY OF FACTORS, INCLUDING, BUT NOT LIMITED TO, ADVERSE ECONOMIC CONDITIONS, COMPETITORS (INCLUDING THE ENTRY OF NEW COMPETITORS), INADEQUATE CAPITAL, UNEXPECTED COSTS, LOWER REVENUES AND NET INCOME THAN ANTICIPATED, AND PRICE AND INVENTORY FLUCTUATION.

### ***August Valuation for IPO, Appraisals, & PCAOB Audit***

In August 2024, an independent, broker-dealer investment bank, that was hired by *HouseHack*, provided an opinion that the Company was worth a price-to-book multiple of 1.4x to 2.0x, which would place the Company's potential valuation around \$63 million to \$90 million. At the same time, the Firm underwent a PCAOB (Public Company Accounting Oversight Board) audit and its "going concern" was removed, and the audit found no red flags.

However, despite these items, the Company's share valuation is and continues to be highly speculative as there is no public market for its shares. Due to the Company's shares being illiquid, this independent valuation opinion could very well be wrong and completely arbitrary. There could be errors in the valuation and/or audit that *HouseHack* is unaware of. *HouseHack* believes the broker-dealer investment bank evaluated *HouseHack* on a multiple of cost for properties acquired, not current valuations of properties. A portion of *HouseHack* properties have also been appraised by third-party appraisal companies. These were submitted to the broker-dealer investment bank for consideration but may also be wrong and valuations can change and vary based on the appraiser.

No Investor should rely on this valuation opinion or any statements related to or referencing it. **Past performance does not guarantee future results and there can be no guarantee whatsoever about the value of the Bonds or Converted Shares to which the Investor is subscribing.** The Company makes no promises, warranties, or guarantees as to its share value or its likelihood of success in the future. The Investor could still lose all or some of his or her investment and is cautioned to carefully evaluate the Company prior to investing.

#### ***Repayment Risk***

Up and until this Offering, the Company has held no debts, other than miscellaneous short-term payables or brief draws of its credit line. The introduction of bond debt to the Company balance sheet introduces the need for debt management and creates new risks for the Company.

#### ***Conversion Price Uncertainty***

The Bonds may automatically convert to shares at a price of \$1.40 per share beginning on January 1, 2027, but there is no guarantee that the Company's stock will ever reach or exceed this price in the future. The conversion of Bonds into Non-Voting Common Stock will only occur if the stock price reaches the conversion trigger price after December 31, 2026, and if this does not happen, Investors may not receive equity returns, if any. Even if a conversion takes place, the Converted Shares may still be illiquid and could fluctuate significantly in value after conversion. If conversion does not take place by Bond maturity, Investors will only be entitled to a return of their principal investment in addition to any accrued and unpaid interest.

#### ***Market Price Fluctuations***

The market price of the Company's Non-Voting Common Stock may be volatile and could fluctuate significantly, which could impact the value of the Converted Shares, if a conversion occurs. If the stock price decreases after conversion, Investors may receive less of a return than if their original investment in the Bond did not convert.

#### ***Dilution Risk***

Upon conversion of the Bonds, additional shares of Non-Voting Common Stock will be issued, which could dilute the ownership interest of existing shareholders. The issuance of a significant number of shares could also negatively affect the stock's market price, which impact could be amplified or mitigated by the value of underlying real estate, which fluctuates.

### ***Non-Callable Nature of Bonds***

The Bonds are non-callable through December 31, 2029, which means that the Company cannot redeem the Bonds prior to this date. Investors should be aware that this could impact their ability to redeem their investment early, especially if they seek liquidity.

### ***Interest Rate Risk***

The Bonds offer a 5% per annum interest rate. However, if market interest rates increase, the relative attractiveness of the Bond's interest payments may diminish, potentially reducing the market value of the Bonds if traded before conversion or redemption.

### ***Subordination Risk***

If the Bonds are subordinated to other debt, Investors should be aware that in the event of liquidation, they may not receive any payments until senior debt holders are paid in full. This increases the risk that Investors could lose their entire investment. The Company, as of the date of this Offering holds no debt other than this Bond Offering or miscellaneous and short-term accounts payable.

### ***Default Risk***

The Bonds issued by the Company under this Offering will pay 5% interest per annum; however, the Company's ability to continue paying interest will depend on its operating cash flow and financial condition. Any deterioration in the Company's financial position may impair its ability to meet its interest payment obligations. If the Company's business model does not generate sufficient revenue to pay the interest owed on the Bonds when due, the Company may default on its obligations under the Bonds.

### ***Liquidity Risk - Illiquidity***

The Bonds are not expected to be listed on any securities exchange, and an active market for trading the Bonds may never develop. This illiquidity could affect Investors' ability to sell their Bonds before maturity or conversion and could result in Investors being required to hold the Bonds for the full term.

### ***Automatic Conversion Trigger***

If the Company's stock price reaches \$1.40 per share or more after December 31, 2026, but before the Maturity Date of December 31, 2032, the Bonds will automatically convert into shares of Non-Voting Common Stock at a purchase price of \$1.40 per share. Bondholders will not have the option to opt-out of this conversion, regardless of the prevailing market conditions at the time, which could result in receiving stock at a price that may later decline.

### ***Risk of Unfavorable Market Conditions at Conversions***

In the event of a conversion of the Bonds into Non-Voting Common Stock, Investors will be exposed to the Company's share price volatility. The stock price may fall below the conversion price shortly after conversion, reducing the overall value of the shares received.

### ***Potential Delay in Strategic Plans***

The Company's strategic goal includes an IPO between 2028 and 2032, but there is no guarantee that this will occur within the anticipated timeframe, or at all. Delays or failure in achieving an IPO could affect the value of the Bonds and the Company's ability to convert the Bonds.

### ***Risks of Increased Debt Load***

The issuance of Bonds will significantly increase the Company's overall debt burden. This could impair its ability to take on additional debt in the future and increase the risk of default in the event of economic downturns or business underperformance.

### ***There is competition for Kevin Paffrath's time among the Company and his other business ventures.***

Currently, Kevin Paffrath is the founder, Chairman of the Board of Directors, Chief Executive Officer, and President of House Hack, Inc. He is also the Chief Executive Officer and President of The Paffrath Organization, DBA *Meet Kevin*; Plato's Philosophy, LLC, DBA *StockHack* and *StackHack*; and *SuitHack*, LLC. The Paffrath Organization, DBA *Meet Kevin* provides entertainment/financial content on YouTube, Twitter/X.com, Instagram, TikTok, and other platforms. *Meet Kevin* also provides viewers with the opportunity to purchase educational courses on various topics including real estate and finances. Plato's Philosophy, LLC, DBA *StockHack* is an SEC registered investment adviser. This Company offers financial advice to clients and is the sub-adviser to The Meet Kevin Pricing Power ETF. *SuitHack*, LLC is in the process of applying to be a FINRA registered broker-dealer. *SuitHack*, *StockHack*, and *Meet Kevin* may be beneficial in partnering with *HouseHack* or may be detrimental. Additionally, Mr. Paffrath has other business entities formed whose business objectives are still being fully developed and established, or may never be used. Apart from these businesses, Mr. Paffrath also has other activities that may substantially compete for his time, currently, or in the future. These activities include, but are not limited to:

- Coaching calls;
- Creating courses or social media content, some of which may involve House Hack, Inc. properties;
- SEC or FINRA-related inquiries, licensing, or otherwise; and
- Personal family demands for his wife and 7 children.
- Studying for other professional licenses or development.

Kevin Paffrath expects to continue acting in such capacity for the aforementioned various entities as well as to continue exploring other business ventures. It is foreseeable that, at certain times, the various businesses and potential opportunities will be competing for Mr. Paffrath's time, which may have a material, negative impact on the Company and your investment. There is no designated minimum or maximum time allotment of Mr. Paffrath's time.

### ***A conflict of interest may arise between HouseHack and Kevin Paffrath's other entities.***

Kevin Paffrath owns multiple business entities in addition to House Hack, Inc., DBA *HouseHack* that each operate within their own niche in various real estate and financial sectors. This includes, but is not limited to, The Paffrath Organization, DBA *Meet Kevin* (real estate

brokerage, media, and educational Company; Plato's Philosophy, LLC, DBA *StockHack* (an SEC registered investment adviser that provides retail investors financial advice and sub-advises The Meet Kevin Pricing Power ETF); and *SuitHack*, LLC (actively applying to become a FINRA registered broker-dealer); and other business entities whose business objectives are still being fully developed and established. His involvement with FINRA could lead to significant regulatory burden, which could subject *HouseHack* to additional costs or risks.

*HouseHack* may enlist the services of these other companies as part of its business operations. For instance, *HouseHack* has utilized The Paffrath Organization, DBA *Meet Kevin* as the broker of record for some real estate purchases, Mr. Paffrath has opted to forego his agent/broker commission for these transactions. However, *HouseHack* itself has become a licensed real estate brokerage with Kevin Paffrath as the licensed broker. Additionally, *HouseHack* may later hire *SuitHack*, LLC to implement and launch a future fundraising campaign for it. *HouseHack* may, does, or may continue to hire other Paffrath entities to provide business services such as office space, office equipment, computer equipment, online server hosting, etc. This could create a conflict of interest between the entities. Any business arrangement that occurs between *HouseHack* and one of Kevin Paffrath's other business entities will continue to create the potential for a conflict of interest since Mr. Paffrath is the controlling shareholder of *HouseHack* and also the controlling owner of these other entities. While all business dealings that have the potential to create a conflict of interest will require board approval to proceed, this potential nevertheless remains.

***The Company depends on the strong reputation and the value of the “Meet Kevin” Paffrath brand.***

The Company believes that the “*Meet Kevin*” Paffrath brand name symbolizes expertise in the real-estate and investment market, reliability, and efficiency and is one of the Company’s most important and valuable assets. The “*Meet Kevin*” Paffrath brand name and its corporate reputation are significant sales and marketing tools, and Kevin Paffrath devotes substantial resources to promoting and protecting them. Adverse publicity (whether or not justified) relating to activities by the Company’s associates, contractors, or agents, such as accidents, customer service mishaps, or noncompliance with laws, could tarnish the Company’s reputation and reduce the value of the “*Meet Kevin*” Paffrath brand. With the increased use of social media outlets such as YouTube, Twitter/X.com, and TikTok, adverse publicity can be disseminated quickly and broadly, making it increasingly difficult for the Company to effectively respond. Damage to the reputation and loss of brand equity could reduce demand for the Company’s services and thus have an adverse effect on its financial condition, liquidity, and results of operations, as well as require additional resources to rebuild the reputation and restore the value of the brand. This risk is further compounded by Mr. Paffrath’s public-facing social media presence that is often criticized by other creators and commentators.

***Kevin Paffrath has licensed HouseHack to be a real estate brokerage under his license in California. This could create risks.***

Kevin Paffrath holds a real estate broker license in California and has licensed his current real estate brokerage, The Paffrath Organization, DBA *Meet Kevin*. Through his license, he has also licensed *HouseHack* as a real estate brokerage with him as broker. This is intended to eliminate the conflict of interest of *HouseHack* ever using The Paffrath Organization for transactions, which

could create commissions for The Paffrath Organization. Instead, *HouseHack* being licensed itself would enable it to receive commissions directly for transactions it writes and would allow *HouseHack* to join Multiple Listing Services (MLSs) directly. However, this now potentially increases the liability of *HouseHack*, where *HouseHack* becomes responsible for its own transactions, and the perceived sophistication of the Company increases in the view of tenants or other market participants. This could create a liability risk. Those risks are presently with The Paffrath Organization. However, those risks also create the potential conflict of interest of The Paffrath Organization earning commissions off of *HouseHack*. For example, in January of 2024, The Paffrath Organization negotiated a \$200,000 commission on an acquisition *HouseHack* was making. The Paffrath Organization subsequently paid *HouseHack* a \$200,000 referral fee, which was recognized as income. *HouseHack* is not aware of The Paffrath Organization earning any commission which was not subsequently paid to *HouseHack* as a referral fee. Now that *HouseHack* is licensed, it will be subject to additional liability, membership, and insurance requirements, which create risk. *HouseHack* may also leverage becoming a licensed real estate brokerage by signing up for a Mortgage Loan Originator (MLO) endorsement, which may also create further risks.

***If Kevin Paffrath establishes additional, other investment opportunities in the future, there may be conflicts of interests among the various real estate offerings and other programs, which may result in opportunities that would benefit the Company's being allocated to the other offerings.***

While Kevin Paffrath does not presently expect to establish and/or sponsor additional real estate offerings and other programs, including offerings that will originate, acquire, or invest in commercial real estate equity investments and other select real estate-related assets, it is possible that Mr. Paffrath might do so. The Company's team of real estate professionals must determine which investment opportunities to recommend to it and other entities. If *HouseHack* is successful, Mr. Paffrath may seek the opportunity to create additional fund ventures, which may compete for similar properties, and reduce fundraising for *HouseHack*.

These additional investment opportunities may have investment criteria that compete with the Company. If a sale, financing, investment, or other business opportunity would be suitable for more than one investment opportunity, Kevin Paffrath and the Company's team may allocate funding to these opportunities using his business judgment. Any allocation of this type may involve the consideration of several factors that the Company's team determine to be relevant. Except under any policies that may be adopted by us, no property or any investment opportunity will have any duty, responsibility, or obligation to refrain from:

- engaging in the same or similar activities or lines of business as any other investment opportunity;
- doing business with any potential or actual tenant, lender, purchaser, supplier, customer or competitor of any investment opportunity;
- engaging in, or refraining from, any other activities whatsoever relating to any of the potential or actual tenants, lenders, purchasers, suppliers or customers of any investment opportunity;
- establishing material commercial relationships with another investment opportunity; or

- making operational and financial decisions that could be detrimental to another investment opportunity.

In addition, any decisions by the Company's management team to renew, extend, modify, or terminate an agreement or arrangement, or enter into similar agreements or arrangements in the future, may benefit one investment opportunity more than another or limit or impair the ability of any investment opportunity to pursue business opportunities. In addition, third parties may require as a condition to their arrangements or agreements with or related to any one particular investment opportunity that such arrangements or agreements include or not include another investment opportunity. Any of these decisions may benefit one investment opportunity more than another.

***The prior performance of The Paffrath Organization, DBA Meet Kevin, HouseHack itself, and Kevin Paffrath may not predict the Company's future results, and you will not benefit from his other business ventures.***

You should not assume that the Company's performance will be like the past performance of The Paffrath Organization, DBA *Meet Kevin* and/or Kevin Paffrath. The Company's limited operating history significantly increases the risk and uncertainty when making the decision to invest in the Bonds. Additionally, *HouseHack* is making real estate investment decisions on a far larger and broader scale than Mr. Paffrath has done in the past with his personal holdings. Mr. Paffrath's experience in real estate may not completely carry over to benefit *HouseHack* and additional, unexplored risk may be taken in which Mr. Paffrath has no prior experience. Consider as well, Mr. Paffrath has never completed a MiniFunds-style offering before (to be discussed later herein), however he has completed open-market sales.

*HouseHack* receives no benefit from Kevin Paffrath making videos, holding events, or selling courses related to real estate or his other business ventures, which may overlap with *HouseHack* and its strategies. While *HouseHack* believes investors may indirectly benefit from Mr. Paffrath's relationships, events, social media, and marketing to potentially enable *HouseHack* to advertise at a lower cost, to acquire deals at a lower cost, or otherwise benefit from these activities, there can be no assurances that such benefits can or will be realized.

***The start-up nature of the Company, and the limited time that it has been operational, makes it extremely difficult to evaluate and value.***

At this early stage of the Company's business operations, even with its good faith efforts, it may never become profitable or generate any significant amount of revenues, thus potential Investors have a possibility of losing their investment. While the Company believes that its early business performance when compared to similar companies justifies converting the Bonds in the future at \$1.40 per share, there can be no guarantee of this, and it is incumbent upon each individual Investor to make their own determination while understanding the risks associated with start-up investing. Both the Bonds and any Converted Shares are highly illiquid and there is always the risk that they could become worthless and investors lose all of their investment. This \$1.40 per share conversion price is strictly speculative and should not in any way be relied upon to determine the true value of the Company's stock.

### ***Public Statements may not be Accurate***

Any comments, statements, or representations made by the Company, its representatives, or its founder, Kevin Paffrath, in public forums, including but not limited to YouTube livestreams, videos, social media posts, interviews, or any other public setting, do not amend, modify, or supersede the terms outlined in the *HouseHack* Private Placement Memorandum, Convertible Bond Agreement, Subscription Agreement, or any related legal documents.

In the event of any conflict or inconsistency between public statements and the formal legal documents, the terms of the official, signed documents shall govern. Public statements made by the Company or its representatives are for informational purposes only and do not alter the legal terms outlined in this PPM or related documents.

### ***Business Discretion***

The Company reserves the right to alter or expand its business operations at its discretion. This may include but is not limited to:

- (A) Starting new lines of business;
- (B) Acquiring or merging with other businesses;
- (C) Investing in new industries or ventures;
- (D) Changing operational structures or strategies; or
- (E) Incurring expenses for expansion or reorganization.

There is no guarantee that such changes will result in financial gain or be beneficial to the Company or the Investors. Investors acknowledge and agree that the Company's management may make such changes as it deems beneficial for the future of the Company.

### ***Strategic Flexibility***

The Company's primary focus is on real estate acquisitions and related investments. However, to ensure efficient capital deployment and risk management, the Company may allocate a portion of its capital to other asset classes when real estate opportunities are being identified or executed in a measured and strategic manner, or as the Company finds beneficial. Due to the Company's Founder's voting control, the strategic flexibility of *HouseHack* is nearly unlimited, which may present risks, especially if *HouseHack* strays from its core competencies.

In addition to real estate, the Company may invest in other asset classes, including but not limited to:

- (A) Public equities (stocks of publicly traded companies);
- (B) Money market funds (short-term, high-quality securities to preserve capital); or
- (C) U.S. Treasuries (government bonds or other debt securities backed by the U.S. government).

These investments are intended to preserve capital and manage liquidity while the primary real estate strategy is implemented. Additionally, the Company may, at its discretion, invest in privately held companies (e.g., private equity or venture capital opportunities) or engage in public markets trading (e.g., hedge fund strategies) if deemed beneficial for maximizing shareholder value or hedging the Company's balance sheet. These diversified investments may

carry their own risks, including market volatility, liquidity constraints, and higher risks associated with private Company investments. Investors acknowledge that the Company's decisions to diversify into these asset classes are made at the discretion of the Company's management and are intended to optimize the Company's overall financial performance. There is no guarantee of financial success or liquidity for any of these investments.

***HouseHack only has limited financial statements for potential investors to review and evaluate whether to invest in the Company.***

*HouseHack*'s audited and unaudited financial statements, along with its other SEC filings, can be found on the SEC "EDGAR" platform. To view *HouseHack*'s current and ongoing filings with the SEC, please visit <https://www.sec.gov/edgar/browse/?CIK=0001945278>.

***HouseHack's business model is untested and could fail, resulting in a reduced Company value or even the complete loss of your investment.***

*HouseHack* was organized on June 22, 2022 and began Phase 1 of its business operations in Q3 and Q4 of 2023. As a result of the Company's start-up status, it (i) has purchased limited properties in a limited number of locations, (ii) has begun renting out and managing the first properties that have completed renovations, and (iii) has and will accumulate deficits due to organizational and start-up activities, business plan development, and professional fees. There is nothing at this time on which to base an assumption that the business operations will prove to be successful or that the Company will ever be able to operate profitably. The Company's future operating results will depend on many factors, including its ability to raise adequate working capital, availability of properties for purchase, the level of competition, its ability to attract and maintain key management and employees, and the Company's ability to group properties into future investment vehicles to sell and recapture capital principal and potential appreciation.

***HouseHack may not be able to create and sell its properties to a REIT.***

*HouseHack*'s current plan to liquidate properties after they have been renovated and rented out may not work. It is speculative and untested. There are several regulations that apply to listing a REIT on a public exchange. Any potential *HouseHack* REIT would be subject to multiple regulatory bodies and would also have to be approved by the exchange to be listed. Any one of these things could create a roadblock that *HouseHack* may not be able to overcome to create and sell its properties to a REIT, thereby hindering its business plans. Even if *HouseHack* were able to list a public REIT, its ability to advertise a publicly-listed security may create unknown regulatory or otherwise risks as well.

***HouseHack may be removed from a REIT that it publicly lists.***

As part of the REIT creation process, *HouseHack* will need to put a board of trustees in place, including some independent board members. This creates the potential that said board may vote to remove *HouseHack* from the REIT altogether, and *HouseHack* may no longer be able to sell future properties to the REIT. This could impact shareholders' investments and limit *HouseHack*'s potential to grow and cycle more properties.

***HouseHack may not be able to sell its properties to a private fund.***

*HouseHack* intends to potentially market and sell its properties to a private fund such as a hedge fund, pension fund, or via syndication or otherwise. These funds may be run by all sorts of different firms and managers. It is possible that none of these firms and/or managers will want to purchase *HouseHack* properties. *HouseHack* may be unable to find any buyers for its properties, which would result in *HouseHack* holding onto the properties and continuing to collect rental cash flow while being unable to recapture principal and potential appreciation. This might impact the value of Investor's Bonds and Converted Shares (if any) and the Company's ability to grow.

***Valuations, appraisals, and inspections of the properties may be inaccurate.***

The value of a property is subject to the risks generally incident to real estate ownership, including changes in general or local economic conditions, increases in interest rates for real estate financing, physical damage not covered by insurance, zoning and entitlements, and other risks. A decline in property values could result in the obligations relating to a property exceeding its value, which may result in a failure of the Company to pay the required interest on the Bonds when due.

Some of the Company's properties have been appraised by third-party licensed appraisers, focusing primarily on the property's market value based on after renovation values. For properties that have not been appraised, the Company relies on internal valuation methods, which may be less precise and not verified by independent parties. Even where third-party appraisals have been conducted, the methodologies used involve subjective judgments, and appraisers may not consider certain factors or future risks, leading to potential discrepancies in actual market value upon sale. As such, the results should be viewed as estimates rather than guaranteed values.

Some properties the Company acquires or sells may have defects unknown to us, especially in cases where third-party inspections have not been conducted. These defects could significantly reduce the value of such properties. In some instances, properties may be acquired or sold by the Company without any inspection at all. Additionally, the Company's evaluation of potential rent value for a property may decline or be entirely inaccurate, especially in the context of changing market forces. *HouseHack*'s current tenant criteria includes a 700-credit score and an income of 2-2.5 times the monthly rent, but verification of this information may sometimes be inaccurate, and tenant qualifications may change over time and exceptions may be made on a case-by-case basis.

Given these limitations, investors should not place undue reliance on any appraised or internally estimated property values, as both are subject to significant market fluctuations, tenant performance, and unforeseen economic conditions.

***Owning and renting real estate exposes the owner to unexpected costs.***

It is possible that the properties may expose Bondholders, or the Company, to costs or liabilities that may reduce amounts available to make payments due under the Bond obligations. As a landlord and property owner, the Company is subject to various duties under applicable laws, including, but not limited to, compliance with local zoning and building codes, limitations on

and conditions to evictions, potential liability for personal injuries at the applicable property or otherwise, real estate tax obligations, compliance with regulations relating to the protection and disposition of consumer credit information and compliance with the duties generally owed by landlords to tenants under the laws of the jurisdictions where the applicable property is located. From time to time, legal proceedings may be pending or threatened against or involving the Company arising out of the ordinary course of business, which can result in substantial monetary and non-monetary sanctions or judgments. To the extent that tenants or other third-parties bring personal injury or other claims against the Company, as the owner and operator of a property, it will incur expenses related to litigation and potential settlements or damages.

***Maintaining a property in good condition is costly.***

As described in this PPM, it is expected that the properties will be rented to third-party tenants. Tenants may not have the same interest as an owner in maintaining a property and its contents and do not participate in any appreciation in the value of the property. Accordingly, tenants may damage a property and its contents, and may not be forthright in reporting damages or amenable to repairing them completely or at all. A property may need repairs and/or improvements after each tenant vacates the premises, the costs of which may exceed any security deposit provided by the tenant when the property was originally leased or rented.

The Company may be required to expend a substantial amount to maintain, renovate, or refurbish a property. Failure to do so may materially impair the property's ability to generate cash flow. Additionally, the effects of poor construction quality will increase over time in the form of increased maintenance and capital improvements. Even superior construction will deteriorate over time if management does not schedule and perform adequate maintenance in a timely fashion. There can be no assurance that a property will generate sufficient cash flow to cover the increased costs of maintenance and capital improvements in addition to paying debt service on the mortgage loan(s) that may encumber that property. Even if a tenant does not mistreat a property, needed repairs due to ordinary course wear and tear, general maintenance and general capital expenditure costs could also require significant expenditures.

***If tenants fail to meet their obligations under their leases or rents, your investment could be materially, adversely affected.***

Tenants have certain obligations under their leases, including the obligation to pay their rent and the obligation to perform certain recurring property maintenance tasks. Their ability to meet these obligations will be subject to many factors, including their individual financial condition, high unemployment or other adverse conditions in the Company's target markets, or a general economic downturn.

The funds used to pay interest on the Bonds may be derived from rental income relating to the properties, which are subject to many risks, including decreasing rental rates, increased competition for tenants, increased lease default rates and increased tenant turnover. If tenants are unable to meet their obligations, there may be an increase in tenant defaults or bankruptcies that may cause the Company to experience delays in enforcing rights as landlord and obtaining possession of the premises. The Company may also incur legal, maintenance, and other costs in protecting the property and re-leasing it or impair its ability to re-lease the property at the rental rate previously received. Also, the Company's own software may not be functional for years or

ever, further affecting its ability to evaluate and acquire properties and increase costs of maintenance of said properties.

Rental or lease payment defaults or lease defaults by tenants could reduce or eliminate cash flow from properties and the applicable property manager may experience delays in enforcing the Company's rights as landlord and may be forced to incur costs in protecting and re-leasing of a property. If a tenant is not paying rent, damaging a property, and/or undertaking conduct that otherwise makes it unwise to continue renting to such tenant, the applicable property manager may need to hire an eviction attorney to institute eviction proceedings, and the Company may incur costs in evicting the tenant, costs associated with repairing any damage to the property caused by the tenant, delays in removing the tenant from the property, court costs, loss of income during the eviction process and damages for a potential wrongful eviction.

While the applicable property manager will manage renovations and significant repairs and maintenance issues, the Company will nevertheless depend on its tenants for certain recurring home maintenance tasks, including certain landscaping tasks, such as, but not limited to, keeping any lawns watered and in good condition. In addition, in the event that a tenant goes into default under a lease or becomes subject to eviction proceedings, such tenant may choose to cease maintaining the property, and the Company may become responsible for fines levied by an HOA or municipality for failure to meet local ordinances along with incurring additional renovation costs or diminution in the value of the property. Issues at a property could reduce the amount of funds available to pay interest on the Bonds or dividends on Converted Shares, if any. Declines in the funds available from properties may, in turn, decrease the value of Bonds and any Converted Shares.

At this time, *HouseHack* has elected to in-house all of its property management. This establishes substantial payroll costs, which may not fully scale out until a successful Phase 2 launch, which may not happen at all. Payroll costs associated with the property management, compliance, construction, and otherwise are significant. At this point, the Company's Founder receives a \$1 salary and health insurance benefits. However, it is expected at some point in the future the Company expects to establish a compensation plan for the Founder and additional compensation for employees. The Company's plans to achieve profitability cannot be guaranteed and will rely on a successful Phase 2, creating more income than the Company spends while operating. This cannot be guaranteed and may be entirely wrong, leaving the Company with operating losses.

***In the future, the Company may choose to self-insure its real estate.***

Self-insuring may increase short-term cashflows, but could create substantial capital risks. The Company does not self-insure real estate at this time, but may do so in the future. This could create sudden shocks to the Company balance sheet and cash flows.

***Delays in obtaining new tenants for vacant properties will impede the Company's ability to grow and acquire additional properties and may reduce income available to pay interest on the Bonds.***

A property may incur a vacancy either by the continued default of a tenant under its lease or the expiration of the lease. The property manager, which may be an internal employee or external contractor, may have difficulty obtaining a new tenant for any vacant property for a variety of

reasons, including, without limitation, force majeure events, competitive pressures, property inhabitability or desirability, or its own mismanagement issues. Vacancies in properties will impede the Company's ability to grow and acquire additional properties and may reduce the income required to pay interest on the Bonds. In addition, because a property's market value depends partially upon the cash flow generated by its lease, the resale value of properties with prolonged vacancies could suffer, which could further reduce the Company's ability to fulfill its obligations under the Bonds.

***The leases on a property may not be renewed on favorable terms.***

Properties could be negatively impacted by deteriorating economic conditions and weaker rental markets. Upon expiration or earlier termination of leases on these properties, they may not be released or, if released, the terms of the renewal or reletting (including the cost of required renovations or concessions to tenants) may be less favorable than current lease terms. In addition, poor economic conditions may reduce the tenants' ability to make rent payments under their leases. Any of these situations may result in extended periods during which there is a significant decline in revenues, or no revenues generated by these properties. Additionally, if market rental rates are reduced, property-level cash flows would likely be negatively affected as existing leases renew at lower rates. If the rental rates upon such renewal or reletting are lower than expected, your investment could be materially affected.

The Company's Founder also has specific desires for how properties are to be managed. These requests or demands may be unfavorable to tenants, which could lead to instability when properties are first acquired. For example, the Founder generally requires 12-month leases, 700-credit scores, and 2-2.5x income. For shorter, month-to-month leases, which some tenants find desirable, the Company's Founder prefers to charge a higher rent. This could create an adjustment period for properties, which could create losses, or it may be unrealistic to require. The Company frequently utilizes the California Association of REALTOR'S® legal forms and contracts, however these forms may update with terms that are undesirable for the Company. There is an equal risk of using non-standard REALTOR® forms in states it is not licensed or do not have access to such forms. The Company is technically a licensed real estate brokerage and REALTOR® (member of REALTOR® association).

***The applicable property manager may enter into long-term leases with tenants in certain properties, which may become below-market rentals over time.***

The applicable property manager may enter into long-term leases with tenants of certain properties or may include renewal options that specify a maximum rental rate increase. These leases generally provide for rent to increase over time; however, if the applicable property manager does not accurately judge the potential for increases in market rental rates, it may set terms at levels that are below the then-prevailing market, even after contractual rent increases. Moreover, the applicable property manager may have no ability to terminate those leases or to adjust the rent to then-prevailing market rates. As a result, cash available for payment of interest on the Bonds could be lower than if the applicable property manager had not entered into such long-term leases.

***The failure of property managers to perform effectively may materially, adversely affect your investment.***

The Company may enter into agreements with parties to provide property management services, including leasing, renovation, and maintenance, with respect to the property it owns. Selecting, managing, and supervising these property managers requires significant management resources and expertise. Property management may be or may become an affiliate of members of Management.

The income generated by properties depends on the ability of the applicable property managers to successfully manage these properties, which is a complex task. Although the Company has various rights pursuant to the applicable property management agreements, it relies upon property managers' personnel, expertise, technical resources and information systems, compliance procedures and programs, proprietary information, good faith and judgment to manage properties efficiently and effectively. The property managers are responsible for setting the qualifications for tenants to rent properties, which may include income thresholds, residency history checks, credit score thresholds, credit delinquency history, criminal background checks, and requirements for any pets. Different property managers and/or different investment locales may have differing tenant requirements, which could affect the property manager's ability to attract and retain tenants and the risk involved with any tenant.

The Company also relies on property managers to set appropriate resident fees, to provide accurate property-level financial results for properties in a timely manner and to otherwise operate properties in compliance with the terms of the applicable property management agreements and all applicable laws and regulations. The Company has various rights under the property management agreements, including various rights to set budget guidelines and to terminate and exercise remedies under those agreements as provided therein. A failure to effectively manage property operating expense, including, without limitation, labor costs and resident referral fees, or significant changes in property managers' ability to manage properties efficiently and effectively, could adversely affect the income from properties and have a material, adverse effect on your investment.

If any applicable property manager resigns from its role or is terminated, no assurance can be given that any replacement property manager could be retained for fees similar to the prior property manager. Any failure, inability, or unwillingness on the part of the Company's property managers to satisfy their respective obligations under the Company's management agreements could have a material, adverse effect on the properties and Bondholders.

The Company makes no representation or warranty as to the skills of any present or future property managers, including its affiliates, employees, or subsidiaries. Additionally, the Company cannot assure you that the property managers will be in a financial condition to fulfill their management responsibilities throughout the terms of their respective management agreements. Further, certain individuals involved in the management or general business development at certain mortgaged properties may engage in unlawful activities or otherwise exhibit poor business judgment that adversely affect operations and ultimately cash flow at such properties. Consider also, property management is often considered a reputation-based business.

The failure of the Company's staff to properly manage a tenant could lead to negative online reviews or otherwise, potentially affecting the Company's ability to attract tenants.

***Increasing property taxes, HOA fees, and insurance costs may negatively affect results of properties.***

Property taxes and the costs of insuring the applicable property is a significant component of the Company's expenses. Properties are subject to real and personal property taxes that may increase as tax rates change and as the properties are assessed or reassessed by taxing authorities. Short-term rental revenue, or other revenue in general, may also be subject to special, local city-license taxes. The Company is responsible for payment of the taxes to the applicable government authorities. If real property taxes increase, expenses will increase. Some states impose tenancy tax that may be passed on to renters in the form of an additional charge to monthly rent. If the Company fails to pay any such taxes, the applicable taxing authority may place a lien on the real property and the real property may be subject to a tax sale.

In addition, a portion of the properties are expected to be located within homeowners' associations ("HOAs") and will be subject to HOA rules and regulations. HOAs have the power to increase monthly charges and make assessments for capital improvements and common area repairs and maintenance. Property taxes, HOA fees, and insurance premiums are subject to significant increases, which may be outside of the Company's control. If the costs associated with property taxes, HOA fees and assessments, or insurance rise significantly, and the property manager is unable to increase rental rates due to market conditions, rent control laws, or other regulations to offset such increases, your investment could be materially, adversely affected. Any suggestion by the Company's Founder that HOAs can be desirable may be false. If a building the Company acquires has an HOA that the Company must then manage, it should be known that the Company does not have experience operating an HOA.

***The Company may incur significant costs complying with laws, regulations, and covenants that are applicable to the Company's properties and operations.***

The Company's properties are and will be subject to various covenants and federal, state, local, and foreign laws and regulatory requirements, including, without limitation, permitting and licensing requirements. Such laws and regulations, including municipal or local ordinances, zoning restrictions, and restrictive covenants imposed by community developers may restrict the Company's use of the Company's properties and may require the Company to obtain approval from local officials or community standards organizations at any time with respect to the Company's properties, including prior to acquiring a property or when undertaking renovations of any of its existing properties. Local permitting laws can be complicated and difficult to apply so as to determine when and what permits might be required for certain renovations. *HouseHack* will be relying on property managers' and other local contractors' judgment as to the need for permits. If their judgments are not correct, *HouseHack* may be required to obtain permits, cure code violations, and pay fines or other costs if enforcement actions are subsequently brought by local authorities. Compliance with such laws and regulations may also involve judgments by *HouseHack*, and local authorities may determine that *HouseHack* failed to comply fully with such laws and regulations. Among other things, these restrictions may relate to fire and safety, seismic, asbestos-cleanup, electrical, plumbing, mechanical, structural, hazardous material abatement requirements, or accessibility of the Company's properties, such as those required by

the Americans with Disabilities Act. Existing laws and regulations may adversely affect the Company, the timing or cost of its future acquisitions or renovations may be uncertain, and additional regulations may be adopted that increase such delays or result in additional costs. The Company's failure to obtain required permits, licenses, and zoning relief or to comply with applicable laws could, among other things, result in monetary fines, private litigation, and have a material, adverse effect on the Company's business, financial condition, and results of operations. Evolving regulations could impose additional restrictions and fees that could impact overall returns.

***Some of the Company's properties are expected to be part of HOAs and HouseHack tenants will be subject to the rules and regulations of such HOAs, which are subject to change, and which may be arbitrary or restrictive, and violations of such rules may subject the Company to additional fees and penalties and litigation with such HOAs, which would be costly.***

Some of the properties may be located within HOAs, which are private entities that regulate the activities of owners and occupants of, and levy assessments on, properties in a residential subdivision. The HOAs may from time to time enact onerous or arbitrary rules that restrict the property manager's ability to restore, market, lease, or operate the properties or require it to restore or maintain such properties. Some HOAs impose limits on the number of property owners who may lease their homes, which, if met or exceeded, would cause the Company to incur additional costs to sell the property and opportunity costs from lost rental income.

Furthermore, the property may have tenants who violate HOA rules and incur fines for which the Company may be liable as the property owner and for which the Company may not be able to obtain reimbursement from the tenant. Additionally, the governing bodies of the HOAs in which a property is located may not make important disclosures about the property or may block the property manager's access to HOA records, initiate litigation, restrict the Company's ability to sell the property, impose assessments, or arbitrarily change the HOA rules. Several states have enacted laws that provide that a lien for unpaid monies owed to an HOA may be senior to or extinguish mortgage liens on properties. Such actions, if not cured, may give rise to events of default under any indebtedness related to the property.

***If the Company is unable to successfully integrate new investments and manage the Company's growth, the Company's results of operations and financial condition may suffer.***

The Company may expand or diversify its investment portfolio significantly, which could strain the Company's resources if not managed efficiently. The Company may be unable to successfully and efficiently integrate newly acquired investments into the Company's existing portfolio or otherwise effectively manage the Company's assets or growth. In addition, increases in the size of the Company's investment portfolio and/or changes in the Company's investment focus may place significant demands on the Company's administrative, operational, asset management, financial, and other resources, which could lead to decreased efficiency. Any failure to effectively manage such growth or increase in scale could adversely affect the Company's results of operations and financial condition. While the Company's Founder may suggest market conditions for changing the Company's desired acquisition profile, there can be no guarantee any such adjustment is best for the Company, and Board approval of major changes may not guarantee the best results.

***You will have limited or no control over changes in the Company's policies and operations, which increases the uncertainty and risks you face as a Bondholder.***

The Company's Board determines the Company's major policies, including the Company's policies regarding property selection, financing, growth, and debt capitalization. The Company's Board may amend or revise these and other policies without a vote of the Bondholders. Even if the Bonds were to convert to shares and a vote of the shareholders were called, Kevin Paffrath currently controls 100% of the shares of Voting Common Stock, so holders of the Company's Non-Voting Common Stock (which would be received upon conversion of the Bonds), would not be eligible to vote regardless of whether the Board calls for a vote. Additionally, since Mr. Paffrath controls 100% of the Voting Common Stock, he is also able to exclusively elect members of the Board of Directors. The Company's Board's broad discretion in setting policies and the Company's Bondholders' inability to exert control over those policies increases the uncertainty and risks you face.

***Rising expenses could reduce cash flow and funds available for future investments.***

The Company's properties will be subject to increases in real estate tax rates, utility costs, operating expenses, insurance costs, repairs and maintenance, administrative, travel, and other expenses. If the Company is unable to increase rents at an equal or higher rate or lease properties on a basis requiring the tenants to pay all or some of the expenses, the Company would be required to pay those costs, which could adversely affect funds available to pay interest on the Bonds or further investment into properties the Company may seek to acquire.

***Due to economic conditions, local real estate conditions, and competition for properties, the real estate the Company invests in may not appreciate or may decrease in value.***

Rental income and value from single family, multifamily, or commercial properties may be adversely affected by national and regional economic conditions, local real estate conditions, such as an oversupply of properties or a reduction in demand for properties, competition from other similar properties, the Company's ability to provide adequate maintenance, insurance, and management services, increased operating costs (including real estate taxes), the attractiveness and location of the property and changes in market rental rates. The Company's income will be adversely affected if a significant number of tenants are unable to pay rent or if the Company's properties cannot be rented on favorable terms. The Company's performance is linked to economic conditions in the regions where the property is located and in the market for multi-family space generally. Therefore, to the extent that there are adverse economic conditions in those regions, and in these markets generally, that impact the applicable market rents, such conditions could result in a reduction of the Company's income and cash available for interest payments on the Bonds.

The Company's results of operations are subject to an annual leasing cycle, short lease-up period, seasonal cash flows, changing university admission and housing policies and other risks inherent in the student housing industry, and cyclical and a cyclical travel demand fluctuations.

## **Risks Related to the Offering**

***Kevin Paffrath, the Company's Founder, Chief Executive Officer, and President has control over all stockholder decisions because he controls all of the Company's voting stock.***

The Company's Voting Common Stock are the only securities of the Company that possess voting powers and management rights. As the only holder of shares the Company's Voting Common Stock, Kevin Paffrath, the Company's Founder, Chief Executive Officer, and President, will be able to exercise sole voting power and management rights of the Company. As a result, Mr. Paffrath can control the outcome of all matters submitted to the Company's stockholders for approval, including the election, removal, and replacement of the Company's Board of Directors and any merger, consolidation, or sale of all or substantially all of the Company's assets. As a Bondholder you will not have a say in these decisions. The Convertible Bond offering presently converts, if it converts, to Non-Voting Common Stock.

***The Board of Directors will manage the Company's portfolio pursuant to very broad investment guidelines which may result in the Company making riskier investments, and which could adversely affect the Company's results of operations and financial condition.***

The Company's Board of Directors may, but is not required to, establish investment guidelines. Under any established guidelines, the Company can invest in any investments so long as such investments are consistent with the investment guidelines and the Company's charter. The Officers and Board of Directors will implement on the Company's behalf the strategies and discretionary approaches it believes from time to time may be best suited to prevailing market conditions in furtherance of that purpose, subject to the limitations of investment guidelines. There can be no assurance that the Officers and Board of Directors will be successful in implementing any particular strategy or discretionary approach to the Company's investment activities.

***There are no dividends or equity distributions anticipated in the foreseeable future.***

While the Convertible Bonds issued by *HouseHack* provide monthly interest payments at a rate of 5% per annum and may convert into shares of Non-Voting Common Stock, the Company does not intend to make any equity distributions, such as dividends, to any of the Common Stockholders at this point. Historically, *HouseHack* has not paid cash dividends. The Company hopes it can begin paying dividends in 2026, however this is not guaranteed, and it should be assumed no dividends are expected to be paid at this point. The Company plans to retain earnings, if any, to support its growth, development, and expansion strategy. Any future decision to issue equity distributions will be at the sole discretion of the Board of Directors, contingent on factors such as earnings, financial condition, capital requirements, and market conditions. As such, there can be no assurance that Common Stockholders will ever receive dividends or other equity distributions.

***The Company may choose to issue stock compensation to its Directors, Officers, and/or employees.***

The Company may issue stock-based compensation to employees, Officers, and Board members. Such compensation is distinct from investor distributions and is awarded as part of compensation packages for strategic purposes, such as employee retention or incentivization. These stock grants or options do not imply any dividends or distributions to Common Stockholders. As of

October 21, 2024, there are no equity incentive plans in place, but such plans may be issued in the future without notice. Investors should be aware that the absence of dividends may negatively impact both the perceived and actual value of the Company's Common Stock. Future growth, including the success of *HouseHack*'s current MiniFunds Phase 2 strategy, will significantly influence the Company's ability to meet long-term objectives.

***The amount and source of distributions, if any, the Company may make to the Company's stockholders is uncertain, and the Company may be unable to generate sufficient cash flows from the Company's operations to make distributions to the Company's stockholders at any time in the future.***

While the Convertible Bonds issued by *HouseHack* provide monthly interest payments at a rate of 5% per annum and may convert into shares of Non-Voting Common Stock, the Company does not intend to make distributions at this time. Any suggestions of potential dividends in 2026 are merely suggestive and are not guaranteed. The Company has a very limited track record and may not generate sufficient income to make distributions to the Company's stockholders. The Company's Board of Directors (or a committee of the Company's Board of Directors) will make determinations regarding distributions based upon, among other factors, the Company's financial performance, debt service obligations, debt covenants, tax requirements, and capital expenditure requirements. Among the factors that could impair the Company's ability to make distributions to the Company's stockholders are:

- the Company's inability to invest the proceeds from sales of the Company's shares on a timely basis in income-producing properties;
- the Company's inability to realize attractive risk-adjusted returns on the Company's investments;
- high levels of expenses or reduced revenues that reduce the Company's cash flow or non-cash earnings;
- defaults in the Company's investment portfolio or decreases in the value of the Company's investments;
- the Company's decision not to dispose of any assets;
- the Company's reinvestment of tenants' rental payments;
- the Company's inability to achieve profitability;
- the Company's inability to profitably manage the Company's properties;
- the Company's inability to create and sell the Company's properties to a publicly listed REIT;
- the Company's inability to sell properties to private funds; and
- the Company's inability to create or find a market to sell the Company's properties to recapture initial principal and potential appreciation of properties.

***If the Company is unable to find suitable properties, then the Company may not be able to achieve the Company's investment objectives or pay or continue to pay distributions, if any.***

The Company's ability to achieve the Company's investment objectives and to pay or continue to pay distributions, if any, is dependent upon the performance in selecting properties and arranging financing. Bondholders will have no opportunity to evaluate the terms of transactions or other economic or financial data concerning the Company's investments prior to the time the Company makes them. You must rely entirely on the management ability of the Company's

management team. The Company cannot be sure that the Company's management team will be successful in acquiring suitable properties on financially attractive terms or that, if they make investments on the Company's behalf, the Company's objectives will be achieved. If the Company is unable to find suitable investments, the Company will hold the proceeds of this Offering in an interest-bearing account or invest the proceeds in short-term, investment-grade investments. In such an event, the Company's ability to pay distributions, if any, to the Company's stockholders could be adversely affected in addition to its ability to pay the Interest Payments to the Bondholders.

***A prolonged economic slowdown, a lengthy or severe recession, or declining real estate values could harm the Company's operations. Real estate markets are unpredictable.***

The Company's investments may be susceptible to economic slowdowns or recessions, which could lead to financial losses in the Company's investments and a decrease in revenues, net income, and assets. An economic slowdown or recession, in addition to other non-economic factors such as an excess supply of properties, could have a material, negative impact on the values of, and the cash flows from, both residential and commercial real estate properties, which could significantly harm the Company's revenues, results of operations, financial condition, and business prospects. It may even trigger the "Force Majeure" section of the Convertible Bond Agreement, permitting the Company to extend the Bond Maturity Date by a reasonable amount of time without being deemed in default.

***Bondholders have limited voting privileges.***

Bondholders' only right to vote is limited to their ability to vote on Company-initiated amendments to the Convertible Bond Agreement for the Bonds they invested in. The Convertible Bond Agreement may only be amended or modified by written agreement of the Issuer and holders of Bonds representing at least a majority (more than 50%) of the principal amount of the Bonds represented and voting at a duly called meeting of Bondholders or through a written consent process, weighted with each Bond receiving one vote. The approval is based solely on the Bonds that are voted, regardless of the total outstanding principal amount of the Bonds. Such consent is solely for the purpose of approving Company-initiated amendments affecting the terms and conditions of the Bonds and does not grant any general voting rights in the Company. Bondholders do not possess any voting rights regarding the Company's corporate governance, management decisions, or participation in shareholder meetings, except as explicitly provided in the Convertible Bond Agreement.

***Bond & Duration Risk***

Investing in the Bonds involves risks, including but not limited to market risk, liquidity risk, and the potential loss of principal. Investors should review all Offering materials and consult with their financial advisors before investing. Changes in interest rates or inflation may also affect the value of the Bonds.

***Tax Risk***

Interest on the Bonds may be subject to federal and state income taxes. Investors are advised to consult with tax professionals regarding the tax implications of investing in the Bonds. The Company will provide Bondholders with necessary tax documentation, such as Form 1099-INT or equivalent, as required by law. Bondholders are responsible for reporting interest income and any other taxable events related to the Bonds to the appropriate tax authorities.

***Disruptions in the financial markets or deteriorating economic conditions could adversely impact both the residential and commercial real estate market, which could hinder the Company's ability to implement the Company's business strategy and generate returns to you, if any.***

The success of the Company's business is significantly related to general economic conditions and, accordingly, the Company's business could be harmed by an economic slowdown and downturn in real estate asset values. Periods of economic slowdown or recession, significantly rising interest rates, declining employment levels, decreasing demand for real estate, declining real estate values, or the public perception that any of these events may occur, may result in a general decline in acquisition, disposition, and leasing activity, as well as a general decline in the value of real estate and in rents, which in turn would reduce the value of the Company's interests. During an economic downturn, it may also take longer for the Company to dispose of real estate investments or the selling prices may be lower than originally anticipated. As a result, the carrying value of the Company's real estate investments may become impaired, and the Company could record losses as a result of such impairment, or the Company could experience reduced profitability related to declines in real estate values or rents. All the conditions described above could adversely impact the Company's business performance and profitability and could decrease the value of an investment in us. In addition, in an extreme deterioration of the Company's business, the Company could have insufficient liquidity to meet the Company's debt service obligations when they come due in future years. If the Company fails to meet the Company's payment or other obligations under secured loans, the lenders will be entitled to proceed against the collateral granted to them to secure the debt owed.

#### ***Election Risk***

This Bond Offering is beginning just prior to a U.S. Presidential election and, prior to the maturity of this Bond, there will be other elections. Investors should consider the potential impact of elections on the ability of *HouseHack* to operate and grow.

***The Company may sell the properties, which may provide you with less overall return than you would have otherwise received, if any.***

The Company may sell any property at any time. Sales of one or more properties will reduce the availability of rental income for future distributions, if any, and therefore may reduce or eliminate the overall return stockholders receive from their investment. Moreover, stockholders may not be able to reinvest any amounts received in any distribution, if any, from the sale of any properties in a comparable investment with similar risk and yield. Investors may never receive any increased value of their investment from the sale of the Company's properties. Bondholders and shareholders of Non-Voting Common Stock (if the Bonds convert) will have no say in the acquisition or disposition of properties.

***The Company's management team's due diligence of potential properties may not reveal all of the risks associated with those properties and may not reveal other weaknesses in the properties, including misleading or fraudulent misrepresentations by sellers, which could lead to investment losses.***

When evaluating potential properties, the Company's management team will conduct due diligence that it believes to be reasonable for the properties and will rely on resources available to it and, in some cases, an investigation by third parties. The Company cannot assure you that

the Company's management team's due diligence process will uncover all relevant facts or misleading or fraudulent representations from sellers of the properties, which could negatively impact the value of the properties and their ability to generate rental income. Additionally, there may be instances where the Company's management team performs limited or no due diligence of properties based on the necessary timeline to close a deal and acquire said property within certain time, location, and resource constraints.

***Developing Accessory Dwelling Units (“ADUs”) in states like California may expose HouseHack to longer construction timeframes, amplifying legal, construction, and market risk.***

*HouseHack* may apply for ADUs on properties it acquires with sufficient space. This could reduce the desirability of properties from tenant's perspectives and lower the potential rental value of the attached building. It also exposes *HouseHack* to more city or governing-body scrutiny. The actual construction process of ADUs may also be complicated by unforeseeable events. *HouseHack* may acquire land to foster speculative development builds and potentially invest in expanded operations such as future single-family, build-to-rent development. This could create risk for the Company. The Company is presently in the process of developing two (2) approved ADUs, which may take more capital than the Company expects, and may purchase land on which to build a house and ADU for rental purposes. The Company or its Founder have never purchased raw land.

***Any adverse changes in HouseHack’s financial position could hinder the operating performance and could materially adversely affect your investment.***

To meet its financing requirements in the future, *HouseHack* may raise additional funds through equity offerings, debt financings, or strategic alliances. Raising additional funds may involve agreements or covenants that restrict *HouseHack*'s business activities and options. Additional funding may not be available to it on favorable terms, or at all. If *HouseHack* is unable to obtain additional funds, it may be forced to reduce or terminate its operations. Any inability of *HouseHack* to fund its operations could have a material adverse effect on your investment.

***An investment in the Bonds is highly illiquid. You may never be able to sell or otherwise dispose of your Bonds, or the Converted Shares (if any).***

Since there is no public trading market for the Company's Bonds, you may never be able to liquidate your investment or otherwise dispose of your Bonds, or the Converted Shares, if conversion occurs. Potential Investors should note there is no requirement in the Company's Certificate of Incorporation, Bylaws, or any other corporate documents that would compel the Company to sell all the properties, and thus, there is a risk that an Investor may remain in the Company indefinitely. Therefore, you should expect to keep your investment in the Company's Bonds and Converted Shares (if any) indefinitely.

***Non-Voting Common Stock shares have no preemptive rights.***

The Bonds may convert to shares of Non-Voting Common Stock. Non-Voting Common Stock shareholders do not have preemptive rights. *HouseHack* is currently authorized to issue up to 200,000,000 shares of Non-Voting Common Stock. The more shares that *HouseHack* offers for purchase, the more the current outstanding shares have the potential to be diluted in value. Non-Voting Common Stock shareholders have no right to prevent *HouseHack* from issuing additional

shares. Non-Voting Common Stock shareholders also have no right to prevent *HouseHack* from offering additional controlling shares to other parties or entities. Non-Voting Common Stock shareholders have no right to prevent *HouseHack* from amending its Articles of Incorporation to authorize the issuance of additional shares beyond the initial 200,000,000 share allotment. Shares of Non-Voting Common Stock have no right to prevent *HouseHack* from amending its Articles of Incorporation to authorize the issuance of additional voting shares.

***There is no current market for the Shares and no Initial Public Offering (IPO) planned.***

The Bonds may convert to shares of Non-Voting Common Stock. There is no formal marketplace for the resale of the shares of Non-Voting Common Stock. These shares are illiquid and there will not be an official current price for them as there would be if the Company were a publicly traded Company with a listing on a stock exchange. Investors should assume that they may not be able to liquidate their investment or be able to pledge their shares as collateral. Since the Company has not established a trading forum for the shares, there will be no easy way to know what the Non-Voting Common Stock is “worth” at any time. The Company may make reference to its desire to go public at some point in the future, however, there can be no guarantee that that goal can or will be achieved. Additionally, the Company in October 2024 was in discussions with an underwriter for potentially going public. However, despite underwriter interest, these discussions have been delayed at the direction of *HouseHack*’s CEO Kevin Paffrath, and there are no guarantees that they will resume in the future. Any references to an underwriter’s Firm Commitment underwriting offer cannot be considered guaranteed as negotiations were never finalized.

***No one is warranting the accuracy of the information.***

The information presented by the Company may be inaccurate, innocently, or deliberately. In some cases, if the Company has made a misleading representation, Investors may sue. No one has made any independent investigation, and no one is warranting that the information provided by the Company is correct. If you do not think you can assess for yourself whether you have the information that you need, or whether that information is correct, do not invest in the Bonds.

**Risks Related to The Company’s Properties, The Company’s Markets, and The Company’s Business**

***The Company may incur significant indebtedness, which may expose the Company to the risk of default under the Company’s debt obligations, limit the Company’s ability to obtain additional financing, or affect the value of the Bonds or of shares of Non-Voting Common Stock.***

The Company may incur significant additional debt to finance future property acquisitions. Payments of principal and interest on borrowings may leave the Company with insufficient cash resources to meet the Company’s cash needs or make the required interest payments to holders of the Bonds. The Company’s level of debt and the limitations imposed on the Company by the Company’s debt agreements could have significant adverse consequences, including the following:

- the Company may be unable to borrow additional funds as needed or on favorable terms, which could, among other things, adversely affect the Company's ability to capitalize upon acquisition opportunities or meet operational needs;
- the Company may be unable to refinance the Company's indebtedness at maturity or any refinancing terms may be less favorable than the terms of the Company's refinanced indebtedness;
- increases in interest rates could increase the Company's interest expense for the Company's variable interest rate debt;
- the Company may be unable to hedge floating rate debt, counter parties may fail to honor their obligations under any hedge agreements the Company enter into, such agreements may not effectively hedge interest rate fluctuation risk, and, upon the expiration of any hedge agreements the Company enter into, the Company would be exposed to then-existing market rates of interest and future interest rate volatility;
- the Company may be forced to dispose of properties, possibly on unfavorable terms or in violation of certain covenants to which the Company may be subject;
- the Company may default on the Company's obligations and the lenders or mortgagees may foreclose on properties or the Company's interests in the entities that own the properties that secure their loans and receive an assignment of rents and leases;
- the Company may violate restrictive covenants in the Company's loan documents, which would entitle the lenders to accelerate the Company's debt obligations;
- the Company's default under any loan with cross-default provisions could result in a default on other indebtedness;
- the Company may plan to mortgage select properties individually or as a portfolio in order to obtain additional funds to expand the overall portfolio owned by the Company;
- the Company's leverage ratios may also negatively impact the value of the Bonds or of shares of Non-Voting Common Stock; and
- interest rates on any loans or lines of credit that the Company establish could drastically fluctuate over time, resulting in inconsistent debt requirements that may materially, adversely affect shareholders' investments.

***Payments to Bondholders will be subordinated to payments made to any other, more senior lender.***

Payments to Bondholders may occur only after all amounts outstanding and due under any senior indebtedness have been paid. Any indebtedness may be refinanced at any time. Bondholders will not be able to object to such refinancing. The Company may incur more indebtedness with respect to such property or properties, as applicable. Bondholders will have no right to object to such additional or new indebtedness.

***Any loans on a property may be refinanced or sold at higher interest rates and for other terms that are materially less favorable to an Investor in the Bonds.***

Any loans on a property may be periodically refinanced. Such refinance or sale could result in a change in the key terms of the debt, including the interest rate, term, amortization schedule (including interest-only period, if any), and other characteristics. Any new lender may also place additional covenants on the terms of the debt. A change in debt terms could lead to higher debt service and related costs and could adversely impact the return on your investment. Bondholders will not be able to prevent or limit the terms of any debt or any refinancing.

***High interest rates and/or unavailability of suitable mortgage debt may make it difficult for the Company to finance or refinance a property or properties, as applicable.***

It is possible that any loan on a property may need to be refinanced by a mortgage or other indebtedness prior to maturity. The Company may be unable to refinance any loan, mortgage, or other indebtedness prior to maturity, or refinance on favorable terms, or at all, including as a result of increases in interest rates or a decline in the value of the property or properties, as applicable. If principal payments due at maturity cannot be refinanced, extended, or repaid, the Company's management team may have to dispose of the property or properties on terms that would otherwise be unacceptable to it, or the Company may be forced to allow the mortgage holder to foreclose on the property or properties, as applicable. While prior to this Offering the Company has no outstanding debt, convertible bonds are a form of debt. Convertible bonds are also subordinate to mortgage debt. The Company currently has no mortgage debt, but that could change, increasing risks for Investors.

***Mortgage debt obligations increase the risk of foreclosure or sale of the note as a non-performing loan, which may materially and adversely affect your investment.***

Incurring mortgage and other secured debt obligations increases the risk of property losses because defaults on indebtedness secured by the property may result in the sale of the note as a non-performing loan or in foreclosure actions initiated by lenders and ultimately loss of the property securing any loans that are in default. For U.S. federal income tax purposes, a foreclosure on any property that is subject to a non-recourse mortgage loan would be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the debt secured by the mortgage exceeds the Company's tax basis in the property, the Company would recognize taxable income on foreclosure but would not receive any cash proceeds.

***Interest expense on any debt incurred may limit cash available for distribution to the Bondholders.***

The Company may incur indebtedness, including mortgage indebtedness, that bears interest at variable rates. Higher interest rates could increase debt service requirements on any variable rate debt incurred and could reduce funds available for interest payments owed on the Bonds, as well as operations, capital expenditure, or other purposes.

***Debt, Custody, and Banking Risks***

The Company presently negotiated a \$25,000,000 asset-backed credit line with J.P. Morgan Chase. The Company's Founder may suggest the developing of a relationship with J.P. Morgan Chase is beneficial to the growth of *HouseHack*, however any debt creates new risks for the Company and there can be no guarantee of future performance by J.P. Morgan Chase. The Company can neither guarantee its suggestion of supporting future blanket-mortgage or financing, nor can the Company guarantee the suggestion was ever made. J.P. Morgan Chase and Kevin Paffrath have had a relationship prior to the creation of *HouseHack* and may have other relationships, including, but not limited to, the developing of a prime-brokerage relationship with *SuitHack, LLC*. It is unclear if, or how, any of these relationships will benefit *HouseHack* and may instead be detrimental and/or create additional conflicts of interest.

## ***Risks Related to the Real Estate Industry***

### ***Real estate generally is illiquid, and the properties may not be easily sold.***

Real estate is not readily marketable, and capital markets can tighten. Interests in private companies, including ones pursuing real estate ventures, are highly illiquid, and this lack of liquidity may limit your ability to react promptly to changes in economic or other conditions.

### ***Real estate investments have inherent risks.***

Local market conditions may significantly affect occupancy and rental rates, which may have a material adverse effect on your investment. Other risks include: unfavorable trends in the national, regional, or local economy, including changes in interest rates or the availability of financing as well as plant closings, industry slowdowns, a decline in household formation or employment (or lack of employment growth), conditions that could cause an increase in the operating expenses of a property (such as increases in property taxes, utilities, property management fees, and routine maintenance), and other factors affecting the local economy; adverse changes in local real estate market conditions, such as a reduction in demand for (or an oversupply of) residential rental properties or increased competition; construction or physical defects in a property that could affect market value or cause the Company to make unexpected expenditures for repairs and maintenance; adverse use of adjacent or neighboring real estate; changes in real property tax rates and assessments, zoning laws or regulatory restrictions, including rent control or rent stabilization laws, or other laws regulating similar properties that could limit the Company's ability to increase rents or sell a property or properties, as applicable; or damage to or destruction of a property, or other catastrophic or uninsurable losses.

## ***Litigation and Regulatory Risks***

### ***HouseHack is currently involved in one active legal complaint.***

*HouseHack* previously disclosed an unlawful detainer action in California against one of its acquired tenants for failure to pay rent. This tenant came already in place for a property the Company purchased and was not placed by *HouseHack*. The court granted a judgment in favor of the Company.

*HouseHack* also previously disclosed that it was a named defendant in a contract dispute action in California, concerning a dispute regarding fees to be paid to a property inspector, who *HouseHack* alleges did not complete their inspection or provide any inspection report. The terms of the inspection contract included a mandatory mediation and arbitration clause, which the inspector disregarded and instead filed a complaint, against the provisions of the contract. Upon meeting and conferring with plaintiff's counsel, plaintiff chose to file a dismissal without prejudice of the entire case and all causes of action, which was subsequently entered by the Court.

At this time, *HouseHack* has one active legal complaint. It is named as the defendant in a lawsuit in Texas. This lawsuit concerns a contract dispute over which party is entitled to an earnest money deposit as required under a property purchase agreement. The property purchase agreement indicated the Seller provided full and accurate disclosure of all material and adverse

effects. *HouseHack*, within 24-hours and prior to the earnest-money deposit deadline, alleges it found these disclosures to be materially and demonstrably false and immediately corresponded with the other party in good faith while making it clear the deposit transfer would be put on hold. The Seller, who also agreed to a mandatory mediation clause, proceeded to file a lawsuit instead, against the provisions of the contract. This case remains active and continues to be litigated in Texas. Depending on how this lawsuit proceeds, it may result in an unfavorable outcome for *HouseHack*, which could negatively impact your investment depending on the requirements for a judgment held against *HouseHack* or a settlement agreed between the parties.

***HouseHack could be subject to future lawsuits.***

As *HouseHack* continues to expand and purchase more properties, there are bound to continue to be contract disputes regarding the purchase and renovation of properties and unfortunately, the necessity to seek court relief to evict tenants who are breaching their rental agreements. While the Company's management team strives to provide a high-quality landlord-tenant experience without the need to evict a tenant, sometimes issues arise that require court intervention. These lawsuits may lead to consequences for *HouseHack* as a named party and could negatively impact your investment.

***Properties may be subjected to, or become liable for, claims for construction defects, negligent performance of work or other similar actions by third parties engaged by the Company or applicable property manager.***

The Company's management team may hire and supervise third-party contractors to provide construction, engineering, and various other services for the properties. As a result, the Company may assume liabilities in the course of the project and be subjected to, or become liable for, claims for construction defects, negligent performance of work, or other similar actions by third parties the Company have engaged. Adverse outcomes of disputes or litigation could negatively impact the Company's financial condition, particularly if the Company's management team has not limited the extent of the damages to which the property may be liable or if its liabilities exceed the amounts of the applicable insurance. Moreover, tenants and third-party customers may seek to hold the Company accountable for the actions of contractors because it has disclaimed liability as a legal matter.

Additionally, the Company may be exposed to additional risks of collection in the event of a bankruptcy or insolvency. Similarly, a contractor may file for bankruptcy or commit fraud before completing a project on a property. In the event that one or more of the contractors involved does not, or cannot, perform as a result of bankruptcy, or for another reason, the Company may be responsible for cost overruns, as well as the consequences of late delivery. In the event that the Company's management team has not accurately estimated the costs associated with any contract, the Company may be exposed to losses arising from lost rent and depletion of applicable reserves.

***Tenants or other guests at the properties may suffer an injury on the premises and bring a lawsuit against the Company.***

While visiting the properties, tenants or other guests may be injured on the properties, which may result in a lawsuit against the Company, regardless of fault. It will be solely up to the Board and the Company's management team to determine what insurance policies to purchase to cover

the properties. These insurance policies may or may not provide adequate coverage to cover any lawsuits brought against the Company. In the event that damages are awarded against the Company and the insurance policy is inadequate, the Company may have to pay the outstanding balance of the judgment. This could impact the financials of the Company and negatively impact the value of Bondholders' investments.

***The Company may not acquire flood or earthquake insurance, creating substantial risk of property damage without coverage.***

The Company frequently waives earthquake or flood insurance. While this may increase cash flow, it could substantially affect the value of real estate should a disaster occur and create substantial liability for the Company.

***Social Media Risk***

The Company may be subject to social-media risk that other companies are not subject to, which could harm the Company's ability to raise funding or find quality tenants. There may be unjust allegations on social media against the Company, with "clickbait" creators alleging Company operations are a "scam." Even if unfounded, untrue, or defamatory, the presence of the Company's Founder on social media increases such allegations (as it may be easier for other creators to attract views unfairly). While the Company finds these statements may affect potential investments or tenants, the Company believes scrutinizing and intelligent investors and tenants will look past engagement-baiting creators and study facts and circumstances, rather than focus on negative headlines. Nevertheless, the true impacts, risks, and costs cannot be calculated and may be negative, especially if there is a need to pursue expensive litigation, even potentially internationally, against those the Company believes are making untrue claims for their own, selfish, economic benefit.

***The Company may incur significant costs complying with other regulations.***

Purchased properties may be subject to various federal, state, and local regulatory requirements, such as state and local fire and life safety requirements. If the Company fails to comply with these various requirements, the Company might incur governmental fines or private damage awards. Furthermore, existing requirements could change and require the Company to make significant unanticipated expenditures that would materially and adversely affect us.

***The Company's management team may have interests that diverge from the interests of Bondholders.***

The Company is subject to conflicts of interest arising out of the Company's relationship with the Company's management team. The Company's management team, including Officers, Directors, employees, or personnel, may engage in any business (including acquiring, renovating, leasing, and operating residential properties as rental properties for its own account or for other investment vehicles and investors) and may render services of any kind to any person (other than to the Company). When rendering services to others, the Company's management team and its affiliates, Officers, Directors, employees, or personnel could make substantial profits as a result of opportunities or management resources allocated to entities or businesses other than the Company and they may have greater financial incentives tied to the success of such entities or businesses than to the Company. Such potential conflicts of interest may

incentivize the Company's management, Officers, employees, or personnel to divert business opportunities to other entities and businesses.

Conflicts of interest will exist to the extent the Company competes with the Company's management team for other opportunities. For example, the Company has entered into a consulting agreement with Snarpezel.com, Inc., which is wholly owned by Robert Carey, CPA, a Board member and Officer of the Company. If the Company's interests and those of the Company's management team are not aligned, the execution of the Company's business and the Company's results of operations could be adversely affected.

***The Company's property managers may manage other residential properties, which may result in certain conflicts of interest that could have an adverse effect on the value of the shares of Common Stock.***

The Company's property managers are entitled to manage residential properties owned by others. The Company's property managers may develop expertise, systems, and relationships with third parties with respect to the acquisition, management, and leasing of residential properties in the Company's target markets. If a property manager or one of its affiliates were to manage other residential assets in the future, it may leverage the expertise and skills garnered as the Company's property manager to compete directly with the Company for acquisition opportunities, financing opportunities, tenants, and in other aspects of the Company's business, which could have an adverse effect on the Company's business. Any property manager will not have any fiduciary duties to the Company and there is no assurance that any conflicts of interest will be resolved in favor of the Company or the Company's Bondholders.

In contrast to many other real estate investment vehicles owning more traditional real estate asset classes or real estate-related securities portfolios, the Company believes that the success of the Company's business will require a significantly higher level of hands-on, day-to-day attention from the applicable property manager. If the applicable property manager or its affiliates were to manage other residential assets in the future, they will have less time available to devote to the Company's business and may be unable to effectively allocate their time and other resources among multiple portfolios. Accordingly, the quality of services provided to the Company by the applicable property manager could decline, which could adversely impact all aspects of the Company's business, including funds distributable on the Bonds and including the Company's growth prospects, tenant retention, occupancy, and/or the Company's operating results, which may impact the value of the Company's Bonds or shares of Non-Voting Common Stock.

***Uninsured losses relating to real property or excessively expensive premiums for insurance coverage could reduce the Company's cash flows and the return on investment.***

There are types of losses, generally catastrophic in nature, such as losses due to wars, acts of terrorism, earthquakes, floods, hurricanes, pollution, or environmental matters, that are uninsurable or not economically insurable, or may be insured subject to limitations, such as large deductibles or co-payments. Insurance risks associated with potential acts of terrorism could sharply increase the premiums the Company pays for coverage against property and casualty claims. Additionally, to the extent the Company finances the acquisition of a property, mortgage lenders in some cases insist that property owners purchase coverage against flooding as a condition for providing mortgage loans. Such insurance policies may not be available at

reasonable costs, which could inhibit the Company's ability to finance or refinance its properties if so required. In such instances, the Company may be required to provide other financial support, either through financial assurances or self-insurance, to cover potential losses. The Company may not have adequate coverage for such losses. If any of the properties incur a casualty loss that is not fully insured, the value of the assets will be reduced by any such uninsured loss, which may reduce the value of investor interests. In addition, other than any working capital reserve or other reserves the Company may establish, the Company has no additional sources of funding to repair or reconstruct any uninsured property. Also, to the extent the Company must pay unexpectedly large amounts for insurance, it could suffer reduced earnings that may reduce the funds available to pay interest owed to Investors.

***Bondholders and Non-Voting Common Stock shareholders will have no control over the management of the properties.***

The Bonds may convert to shares of Non-Voting Common Stock. The Board of Directors and the Company's management team will determine how to run the Company without input or direction from holders of Bonds or shares of Non-Voting Common Stock. This means Bondholders and Non-Voting Common Stock shareholders will have no control over decisions made regarding the Company's operations including, but not limited to: whether to purchase a property, how to renovate a property, which tenants to select for a property, which property managers to hire to run the properties, which properties should be financed, terms for financing, insurance policies and limits to purchase for the properties, how the properties are marketed, how the properties are managed, what repairs are made to the properties, what funds are kept in reserves to maintain the properties, and when, where, and whether or not to later sell the properties and who to sell them to.

***If the security of the Investors' confidential information stored in the Company's systems is breached or otherwise subjected to unauthorized access, your secure information may be stolen.***

The Company and the Company's affiliates may collect and store Investors' confidential information, including bank information and other personally identifiable sensitive data. The *HouseHack* website is hosted in data centers that are intended to be compliant with payment card industry security standards, and the Company uses security protocols and monitoring services provided by the Company's service providers, which it believes have appropriate security systems in place. However, any accidental, or willful, security breach or other unauthorized access could cause your secure information to be stolen and used for criminal purposes, and you would be subject to increased risk of fraud or identity theft. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they have been successfully used and are launched against a target, the *HouseHack* website and its third-party hosting facilities may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, many states have enacted laws requiring companies to notify individuals of data security breaches involving their personal data. These mandatory disclosures regarding a security breach are costly to implement and often lead to widespread negative publicity, which may cause Bondholders and the Company's partner real estate operators to lose confidence in the effectiveness of the Company's data security measures. Any security breach, whether actual or perceived, would harm the Company's reputation, resulting in a potential loss of investors and would adversely affect the Company's business.

***The Company's Founder operates a financial advisory service, which must disclose its relationship to HouseHack and may not lead investors to invest in HouseHack.***

The Company's Founder operates a financial advisor business called Plato's Philosophy, LLC, DBA *StockHack*. The advisory service is under no obligation to promote or direct funding to *HouseHack*, and it must disclose its relationship with *HouseHack* to its clients. The Company's Founder, or dually-employed employees, may encourage clients to invest in other opportunities, which may be a risk to *HouseHack*. If advisors direct clients to *HouseHack*, there may be conflict-of-interest challenges as well.

***A cyber security incident and other technology disruptions could negatively impact the Company's business, the Company's relationships, and the Company's reputation.***

The Company uses computers in substantially all aspects of the Company's business operations. The Company also uses mobile devices, social networking, and other online activities to connect with the Company's employees, suppliers, and the Company's residents. Such uses give rise to cybersecurity risks, including security breach, espionage, system disruption, theft, and inadvertent release of information. The Company's business involves the storage and transmission of numerous classes of sensitive and/or confidential information and intellectual property, including residents' personal information, private information about employees, and financial and strategic information about the Company. As the Company's reliance on technology increases, so have the risks posed to the Company's systems, both internal and those the Company has outsourced to third party service providers. In addition, information security risks have generally increased in recent years due to the rise in new technologies and the increased sophistication and activities of perpetrators of cyber-attacks. The theft, destruction, loss, misappropriation, or release of sensitive and/or confidential information or intellectual property, or interference with the Company's information technology systems or the technology systems of third-parties on which the Company rely, could result in business disruption, negative publicity, brand damage, violation of privacy laws, loss of residents, potential liability, and competitive disadvantage, any of which could result in a material adverse effect on the Company's financial condition or results of the Company's operations. Some smaller banks or credit unions that *HouseHack* may use may also lack certain cyber-policy tools like IP restrictions or otherwise.

***HouseHack has banking, credit, and debt risk.***

*HouseHack* presently has an asset-backed line of credit with its bank. The Founder, Kevin Paffrath, has also personally signed to guarantee the line of credit. As with all debt, there are risks concerning changing interest rates, market fluctuations, and default risk. The real estate market could rapidly change, causing *HouseHack* properties purchased on this line of credit to become valued less than they were purchased for on credit, thereby increasing the risk of the Company being unable to pay the credit line back, losing money due to interest payments, or even defaulting on the loan and could negatively impact Bondholders' investments.

***Investors may face tax consequences or foreign exchange risk.***

*HouseHack* does not provide financial, tax, legal, or other advice. International investors should be aware of the tax withholding requirements for international investors and respond to requests for Form W-8BEN or W-8BEN-E. Investments received will also be considered in their net, U.S. dollar receipt, creating potential foreign fee or foreign exchange risk.

***HouseHack contracts and future offerings to the public and private parties through various investment vehicles may lock the Company into a contract that results in increased labor with little to no return on investment.***

The Company's proposed Phase 2 involves the use of what the Company are calling "MiniFunds". These MiniFunds are expected to be *HouseHack*'s method of strategically selling its renovated and rented apartments to recapture its capital principal and potential appreciation. These MiniFunds could take the shape of a publicly-listed REIT, a DST, and/or an investment fund for institutional investors, hedge funds, or pension plans to purchase. There are several different forms that the MiniFund plan could take, and the Company is still determining the best path to take to accomplish this. The goal of MiniFunds is to create an investment vehicle that has a strong enough yield to encourage investors to invest in it over other funds in the market. *HouseHack* currently plans to accomplish this by offering these funds with very limited fees (i.e., low to no marketing fees, management fees, etc.). This means that *HouseHack* will be dedicating some of its resources to have employees manage the properties that it purchases at a very reduced rate compared to what other funds charge for the same services. If these MiniFunds prove to be unsuccessful or unprofitable, this could lock *HouseHack* into a contract with these MiniFunds to continue providing these services to investors of the fund indefinitely without recurring revenue or cash flow. *HouseHack* may then have to consider raising its management fees, which could in turn reduce the cash flow, yield, and desirability of the funds, hurting *HouseHack*'s ability to continue recapturing its capital principal and potential appreciation. Since these future MiniFund offerings are seen as critical to the continued development of *HouseHack* as a Company once it transitions to Phase 2 after acquiring, renovating, and renting properties in Phase 1, *HouseHack* faces significant challenges in perfecting the many unknown details ahead with these offerings and trying to cycle its funds to grow the Company and purchase more real estate. *HouseHack* has not yet committed to a structure for charging or waiving management fees for MiniFunds, including a potential timeframe of a fee waiver. This potentially clouds investor understanding of the obligations *HouseHack* may expose itself to. MiniFunds will face substantial regulatory hurdles and the Company may find it more cost effective to sell properties on the open market or privately.

***HouseHack's MiniFunds strategy involves multiple regulatory bodies that could impact the Company's ability to create offerings in addition to upcoming legislation that may impact the Company's ability to continue acquiring certain sectors of real estate.***

One of *HouseHack*'s proposed MiniFund strategies in Phase 2 is to create a publicly-listed REIT. There are several regulatory bodies who would oversee such an offering, all of which have their own rules, procedures, and requirements that must be followed to create, list, and market such an offering to the public. These regulatory bodies have the potential to significantly impact *HouseHack*'s plan to strategically sell these properties via its MiniFund strategy. This could also increase legal fees and reduce profitability overall.

Additionally, groups of Democratic senators and representatives have introduced legislation that could make it challenging for entities, including *HouseHack*, to own single-family real estate. While the Company believe that the Company could continue operating with multi-family and commercial real estate, implementing the acquisition strategies that the Company already do, should this legislation become enacted into law, *HouseHack*'s continued success could be substantially encumbered by such legislation. While the Company's Founder has suggested it is

unlikely such acts would be enacted, there is no way to guarantee this, and the Company's Founder could be wrong.

***Limitation of the Company's Founder's contribution.***

Since approximately December 2022, the founder of *HouseHack* has generously supplied a private plane for the use of *HouseHack* managers, underwriters, employees, contractors, guests, and/or otherwise at no cost to the Company, which the Company has found substantially useful in establishing the Company. However, there is no agreement with the Founder for how long such generosity will remain available and may end at any point without notice. The end of such generosity may substantially increase the operating expenses *HouseHack* faces.

***In-House Bookkeeping.***

The Company utilizes an in-house employee for its bookkeeping, reconciling, receipt-documentation, and other-related services. Many of these responsibilities are taught by the Company's Founder, Kevin Paffrath, who is not a licensed accountant. Outside contractors support the Company's operations with licensed accounting services and auditing services, however the cost of these services may increase if the Company's record keeping is improper or more complex than expected.

## **USE OF PROCEEDS**

Proceeds from this offering will support ongoing operations, property acquisitions, and strategic growth initiatives, including renovations and bundling properties for future institutional or retail sales. A significant portion of the proceeds will be allocated to the acquisition of distressed or undervalued properties in high-demand markets. These properties will undergo renovations and improvements designed to increase their value and rental potential, with the goal of packaging and bundling them for future institutional or retail sales. Property-related expenses such as broker fees, closing costs, title reports, recording fees, and legal fees will also be covered by the proceeds.

In line with its long-term strategy, *HouseHack* plans to explore various options for bundling properties into institutional investment vehicles. These may include the launch of a Real Estate Investment Trust ("REIT"), a Delaware Statutory Trust ("DST"), or selling properties to hedge funds, pension funds, other institutional buyers, or on the open market. A portion of the proceeds will be allocated to the legal, regulatory, and marketing costs associated with structuring these vehicles. This is part of the Company's broader goal of recapturing principal and potential appreciation from its real estate portfolio as it scales.

Proceeds will also be used for general working capital needs to support the Company's day-to-day operations, including legal and accounting fees, property management expenses, and administrative overhead. Additionally, *HouseHack* will allocate funds to ensure the timely payment of interest on the convertible bonds, which offer an annual interest rate of 5%, payable monthly. This allocation is essential to maintaining the Company's obligations to bondholders and ensuring consistent returns for investors.

*HouseHack* may also use proceeds to compensate key employees, officers, and potentially directors of the Company. Although Kevin Paffrath, the Company's CEO, has not received any salary to date, other than the Company covering his health insurance benefits, and has thus far covered the costs of his private plane for business use from funding outside of *HouseHack*, future compensation or expenses related to the Company's founder may change at any time without advance notice. This includes employee salaries, bonuses, and potential stock-based compensation designed to incentivize and retain talent critical to the Company's success.

Although Offering expenses are expected to be minimal, the Company will also allocate a portion of the proceeds toward administrative expenses related to the Bond Offering. These expenses include third-party audit fees, cap table management, and electronic signing and subscription software. Additionally, funds will be used for Know Your Customer (KYC) and Anti-Money Laundering (AML) compliance, as well as the accreditation verification process for investors. *HouseHack* reserves the right to cancel and refund an investor's investment prior to the issuance of bonds. However, once bonds are issued, no refunds will be available to investors.

## **MANAGEMENT**

### ***Board of Directors***

The Company operates under the direction of its Officers and Board of Directors, the members of which are accountable to the stockholders. The Company has a four-member board. The Board of Directors may change the number of directors. The Board of Directors is controlled by Kevin Paffrath and includes relatives and associates of Kevin Paffrath. The Board of Directors generally meets as frequently as necessary. The Directors are not required to devote all of their time to the business and are only required to devote the time to the business as their duties may require.

### ***Directors and Executive Officers***

The Directors and Officers of *HouseHack* are set forth below:

<b>Name</b>	<b>Position</b>
Kevin Paffrath	Chairman of the Board, Chief Executive Officer, and President
Robert Carey, CPA	Director, Secretary, and Treasurer
Ross Gerber	Director
William Stewart	Director
McKay Thomason	Chief Operating Officer
Kenneth E. Traynham, Esq.	Chief Legal Officer
Christian Cubacub	Chief Media Officer

***Kevin Paffrath, Founder, Chairman of the Board, Chief Executive Officer, and President***

Kevin Paffrath is the Founder, Chairman of the Board of Directors, Chief Executive Officer, and President of The Paffrath Organization, DBA *Meet Kevin*. Mr. Paffrath has over a decade of experience within the real estate industry. At age 18, Mr. Paffrath became a real estate agent and at 19, bought his first home. Two years later, Mr. Paffrath became a real estate broker and opened his own brokerage firm under The Paffrath Organization, DBA *Meet Kevin*, The No-Pressure Agent. By 2015, Mr. Paffrath was a top agent in Ventura County, selling over 50 properties himself in one year. To date, Mr. Paffrath has represented buyers and sellers on transactions of more than \$150 million. At The Paffrath Organization, DBA *Meet Kevin*, Mr. Paffrath has also purchased, managed, and sold over twenty single and multi-family “wedge” deals for his own portfolio during a period of approximately eight years. Mr. Paffrath had accumulated up to 27 properties, almost all “wedge deals”, before reducing to five to raise funds for new ventures by selling in the first two quarters of 2022. In 2018, Mr. Paffrath began sharing his knowledge on YouTube and by 2024, building a 1.94 million subscribers base, with over 649 million views on social media. His videos seek to educate viewers about real estate, personal finance, stocks, taxes, credit investing, and building wealth. He has been featured in the New York Times, Forbes, Business Insider, CNBC, The Wall Street Journal, Politico, The Washington Post, and many more. Mr. Paffrath also interviews business and thought leaders, like Kevin O’Leary from Shark Tank, the CEO of Robinhood, M1 Finance, BlockFi, Ross Gerber, and billionaire Frank Giustra. Mr. Paffrath’s experience and passion for real estate, the economy, and investing have fueled growth for his businesses. Mr. Paffrath received his B.A. in Political Science from UCLA with additional studies in economics, real estate, and accounting. He graduated in 2014. Mr. Paffrath is also a registered investment adviser representative with Plato’s Philosophy, LLC, DBA *StockHack* and has passed the SIE, Series 65, Series 7, Series 63, Series 24, Series 14, and Series 27 financial licensing examinations.

***William Stewart, Director***

William Stewart has over 35 years of real estate and professional property management experience. Mr. Stewart owned, operated and managed his own real estate office with multiple agents working under his leadership. During his real estate career, Mr. Stewart was a trainer of new agents while working for the Century 21 County Center. Mr. Stewart has held his broker’s license for over 35 years and has attended various courses in real estate throughout his career, such as the Century 21 Investment Specialist program. Mr. Stewart has personally bought and sold numerous income properties throughout his career.

***Ross Gerber, Director***

Ross Gerber is the Co-Founder, President, and CEO of Gerber Kawasaki Wealth and Investment Management (“GKM”), which began operations in 2021. Mr. Gerber oversees GKM’s corporate and investment management operations as well as serves individual clients. As of January 2022, GKM had grown to 46 employees, has over 10,000 clients, and \$2.2 billion in AUM. GKM provides investment advice for the younger generation through its Get Invested program. In April 2021, GKM was one of the earliest registered investment advisors to partner with Gemini Trust Company, LLC to offer digital assets to clients. Mr. Gerber has expertise in online marketing and social media. He is a co-developer of the Company’s iOS application - my-moneypage. Mr. Gerber has become an influential investor on social and in traditional media. He has been a guest on Bloomberg, Reuters, Fox Business, Yahoo Finance, CNN, CNBC and Cheddar TV. He has

appeared on many of the most popular podcasts including *Meet Kevin*, HyperChange TV, The Dave Portnoy Show, The Pomp Podcast and many more. Mr. Gerber is also on the executive board and a past president of the Guardians of the Jewish Home in Los Angeles. Ross received his BA in Communications from the University of Pennsylvania in 1993.

***Robert Carey, CPA, Director, Secretary, and Treasurer***

Robert Carey is a Certified Public Accountant and founder of Carey & Hanna, Tax and Wealth Planners, a tax and financial advising firm located in Oxnard, California. Started in 1985, the Company provides tax and investment advice. Mr. Carey obtained a real estate license in 1979 and has owned businesses as well as real estate assets. He is a former contracted advisor to one of the top twelve rated independent broker-dealers of tax-wealth advisors in the US. Mr. Carey is a frequent speaker to AICPA annual conferences, professional investment advisors, local real estate groups, and a national webcam educator. He has over 38 years of experience advising business owners in both strategic business ideas and tax advice. Mr. Carey earned his bachelor's degree from Lewis and Clark State College in Management Technology in 1985. Mr. Carey also has an SIE, Series 6, 63, 65, and 7 securities licenses along with a California insurance license.

***McKay Thomason, Chief Operating Officer***

McKay Thomason is the Chief Operating Officer at *HouseHack*, involved from the Company's early days. His background includes a two-year mission in Chile, where he led teams and became fluent in Spanish, skills that have served him well in real estate, evidenced by successful property flips. Prior to joining *HouseHack*, Mr. Thomason refined his business acumen at a sales and marketing startup. At *HouseHack*, he has coordinated the launch of the Company's Regulation D and A offerings along with managing logistics, staffing, property acquisitions, renovations, and the firm's operational robustness and market growth. Mr. Thomason is also a registered investment adviser representative, holding a Series 65 license with Plato's Philosophy, LLC, DBA *StockHack*.

***Kenneth E. Traynham, Esq., Chief Legal Officer***

Kenneth Traynham is an experienced civil litigator and trial attorney. Mr. Traynham is licensed to practice law in California and Texas and has successfully negotiated millions of dollars in settlements in addition to taking a case to trial in which he and his co-chair achieved a jury verdict of \$1.9 million. Mr. Traynham graduated from Loyola Law School, Los Angeles in 2019, earning a Juris Doctor degree, and graduated from The University of Texas at Austin in 2014, earning a bachelor's degree in radio-television-film. Prior to starting his legal career, Mr. Traynham worked in the entertainment industry where he helped produce and coordinate various film, television, and live event productions. Mr. Traynham has also passed the SIE, Series 7, Series 63, Series 24, and Series 27 financial licensing examinations. He currently serves as the in-house general counsel and Chief Legal Officer for House Hack, Inc., DBA *HouseHack* in addition to The Paffrath Organization, DBA *Meet Kevin*, Plato's Philosophy, LLC, DBA *StockHack*, and SuitHack, LLC.

***Christian Cubacub, Chief Media Officer***

Christian Cubacub brings over 12 years of expertise in digital media production, specializing in creating compelling documentary, promotional, corporate, and event-based photo and video content. He has worked on projects for a variety of clients, including Hawaiian Airlines,

Marriott, and PNC Bank, delivering content that has garnered accolades for its creativity and impact. Adept in both the creative and technical realms of production and editing, Mr. Cubacub's work has consistently captivated audiences and earned industry recognition. Mr. Cubacub also served as the Director of Digital Media for the publication Flyer News from 2017 to 2022. Mr. Cubacub holds a Bachelor of Science in Electrical & Computer Engineering from the University of Dayton. He has 5 years of engineering experience, where he worked as an Innovation Engineer at Emerson Commercial & Residential Solutions and as an Embedded Software Engineer at Raytheon Technologies.

## **COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS**

For the 2023 calendar year through present, the Company did not compensate any Director of the Company for their services on the Company's Board of Directors.

### **Employment Agreements**

As of November 12, 2024, the Company currently has five (5) full-time employees. The Company reduced its employee expenses related to in-house construction, including the resignation of one of the Company's board members (Nicholas Vaughn) and the Company's in-house software engineers, both decisions made for cost efficiencies, however decisions which may ultimately harm the Company's ability to operate. Employees are presently compensated through a third-party payroll and benefits provider that is controlled by the Company's Founder, which may mean employees' actual hours and percentage of time dedicated to work at *HouseHack* may vary. Officers McKay Thomason, Kenneth Traynham, and Christian Cubacub receive a salary, health insurance benefits, and 401(k) benefits through the Company.

### **Independent Contractor Agreements**

As of February 22, 2024, *HouseHack* has contracts with two (2) of its Directors to provide additional services to the Company apart from serving on the Company's Board of Directors. Robert Carey, CPA provides accounting, tax, consulting, and crowdfunding services, and Ross Gerber provides regular and ongoing net asset value evaluations. The Company also has an independent agreement with Atlan Media, LLC for advertising purposes.

### **Future Compensation**

The Board of Directors and Officers may later be compensated, at Mr. Paffrath's discretion, in cash or stock options, in addition to any salaries or payments they may receive as an employee or independent contractor of the Company.

As of October 21, 2024, Kevin Paffrath has received a \$1 salary, health insurance benefits, no stock options, and *HouseHack* has not reimbursed any of Mr. Paffrath's personal vehicle expenses, including his private plane. Any of these expenses may change at any moment without advanced notice.

## **SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

As of October 21, 2024, the Company has authorized 1,000,000 shares of Voting Common Stock and 200,000,000 shares of Non-Voting Common Stock.

As of October 21, 2024, all 1,000,000 shares of the Company's Voting Common Stock are issued and outstanding and approximately 47,434,297 shares of Non-Voting Common Stock and 712,500 warrants for additional shares of the Company's Non-Voting Common Stock are issued and outstanding.

During *HouseHack*'s original Regulation D fundraising round from September 2022 through March 2023, it issued Warrants to those investors, permitting the holders of the Warrants to exercise them to purchase shares of Non-Voting Common Stock for \$1.00/share when the Company called for redemption of the Warrants.

Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of common stock and options, warrants, and convertible securities that are currently exercisable or convertible within 60 days of the date of this PPM into Shares are deemed to be outstanding and to be beneficially owned by the person holding the options, warrants, or convertible securities for the purpose of computing the percentage ownership of the person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.

Kevin Paffrath is currently the 100% owner of *HouseHack*'s shares of Voting Common Stock. Mr. Paffrath purchased all 1,000,000 shares of *HouseHack*'s Voting Common Stock for \$1.00/share. To finance this purchase, the Board of Directors authorized Mr. Paffrath to purchase these shares by way of a promissory note. Mr. Paffrath's initial amount owed under the note was partially reduced to account for his initial capital contributions to the Company and other reimbursements. As of December 31, 2023, Mr. Paffrath's principal and interest balance for the note was \$792,358.45, and the note accrues at the applicable federal rate of 4.55% per annum.

## **SECURITIES BEING OFFERED**

The rights and obligations of Bondholders, such as interest payments, conversion mechanics, and redemption rights, are outlined in the Convertible Bond Agreement (see Exhibit C) and Subscription Agreement (see Exhibit D) between the Company and qualified “accredited” investors. The Company expects to accept subscriptions for the Convertible Bonds on a rolling basis until December 13, 2024 (the “Offering Period”), though the Company reserves the right to extend or shorten the Offering Period at its discretion, without prior notice.

The Offering is being made pursuant to Rule 506(c) under Regulation D, which permits general solicitation and advertising to accredited investors. As such, each Investor will be required to independently verify their accredited investor status in compliance with Rule 506(c) requirements. To facilitate this, Investors will be asked to provide an accreditation letter prepared by a third-party verifier.

Subscription funds from Investors are only payable via wire transfer to the account specified in the provided wire instructions. No other payment methods are currently being accepted. Please go to [www.househack.com/wire](http://www.househack.com/wire) to verify the Company’s wire instructions before sending any funds. Investors are asked to include the name and email address that they provided on their Subscription Agreement in the memo section of the wire transfer request. Investors are strongly advised to beware of phishing scams. *HouseHack*’s wire-in bank account number is 926201127.

Funds from subscriptions accepted by the Company will be available for immediate use upon subscription acceptance. However, the Company does also reserve the right to return the Investor’s funds in full should the Offering not reach a total of thirty million (\$30,000,000.00) in funds raised before the close of the Offering on December 13, 2024. In the event that an Investor’s subscription is rejected, the Company will promptly return the subscription funds, net of any applicable processing fees, without accruing interest. Upon acceptance of a subscription, notification will be delivered to each Investor as promptly as practicable.

Interest shall not begin to accrue until an Investor’s subscription has been confirmed and accepted by the Company’s Investor Relations team, which will require the Company to receive all requested documents and the Investor’s wired funds. The Company reserves the right to reject subscriptions in part or in full and to cancel the Offering at any point prior to the issuance of the Bonds. In such cases, Investors will receive a refund of their subscription amounts, minus any applicable processing fees.

These Convertible Bonds shall be recorded in book entry only. Investors will not receive any Bond coupons. In the event of conversion to Non-Voting Common Stock shares, the Investors shall receive an electronic certificate, evidencing these shares through the Company’s cap table manager.

### **Special Considerations for Investors**

The Convertible Bonds contain an automatic conversion clause, meaning that if the underlying condition is met after the Call Protection Period ends, the Bond principal shall automatically

convert to Non-Voting Common Stock shares. Upon purchasing the convertible Bonds, the Investors will have no say in whether or not their Bonds convert.

The Convertible Bonds also have a call provision for the Company, meaning that the Company can call the Bonds prior to conversion or maturity and pay back the Investors' principal along with any outstanding interest payments without penalty, but only starting on January 1, 2030 with two limited exceptions: 1) the incapacitation of Founder Kevin Paffrath or 2) a Bondholder amendment vote.

As this is a private placement, no public market currently exists for the Convertible Bonds or the underlying Converted Shares (if any), and Investors should be prepared to hold their Bonds until maturity or conversion. Additionally, illiquidity may persist in the event that no secondary market develops for the Convertible Bonds or any Converted Shares. Investors should carefully consider the risks associated with the Company's operations and the real estate market in general, which are detailed in the Risk Factors section of this PPM. The Company emphasizes that potential Investors should consult their financial, legal, and tax advisors regarding the suitability of this investment in light of their personal financial circumstances and objectives. In no way should this PPM be considered or relied upon as tax, legal, or any other advice. It is merely meant as a disclosure tool to better inform the Investor prior to subscribing to the Offering.

### ***Personal Guarantee***

#### **1. Personal Guarantee of Founder:**

Kevin Paffrath, as the Founder of the Company, personally guarantees the repayment of the principal and all accrued interest and applicable penalties, if any, in the event the Company defaults on its obligations under the Bonds.

This personal guarantee offers additional security for Bondholders in the event the Company defaults and is unable to payback their bonds. However, it is provided without disclosure of the financial standing of Kevin Paffrath, and there is no obligation to provide such disclosure in the future unless the Company defaults and is unable to meet its obligations, at which point Kevin Paffrath's financial backing may be privately and confidentially assessed by an independent, third-party if and only if the Company's obligations have not been otherwise met.

#### **2. Scope of Guarantee:**

This personal guarantee applies to all obligations under the Bonds, including principal, interest, and any penalties incurred due to non-payment. No specific financial disclosures or net worth statements are required as part of this guarantee.

#### **3. Limitation of Principal Guarantee:**

The personal guarantee provided by Kevin Paffrath for the repayment of principal, accrued interest, and penalties, if any, under the Convertible Bonds issued in this Offering applies only to the Bonds and only remains in effect until the Bonds are called for early redemption, converted

to shares in accordance with the terms of the Bond Agreement, or reach maturity.

Once a Bondholder's Bonds are converted to shares, the Bonds are redeemed by the Company for early repayment, or the Bonds reach maturity and Investor funds are paid back in full, the personal guarantee on the principal and any accrued interest expires and no longer applies to those shares or redeemed amounts. Upon automatic conversion into Converted Shares, Bondholders will no longer be entitled to principal repayment or continued interest payments under the personal guarantee, and instead, will hold equity in the Company, subject to the risks and potential rewards associated with common stock ownership.

#### ***YouTube & Social Media Risk to Personal Guarantee & Incapacitation***

The majority of the Company Founder's (Kevin Paffrath aka "Meet Kevin") revenue has come from investing, trading, social media, education, advertising revenue, and real estate. However, future income is not guaranteed and could weaken the Founder's personal guarantee. If the Company's Founder becomes incapacitated, meaning the Founder is unable to perform his duties due to death, permanent disability, or mental incapacity, as determined by a qualified medical professional and confirmed by a majority of the Board of Directors, this personal guarantee could diminish in value and Bonds may be redeemed earlier than expected.

#### ***Yield Rate***

Each Bond will have a principal amount of ten thousand dollars (\$10,000.00) with a two Bond minimum subscription and a one Bond minimum subscription thereafter. The Bonds will accrue interest at an annual rate of five percent (5%), paid monthly. Interest will continue to accrue until the Bonds are converted, called for early redemption, or until the maturity date, at which point the principal and unpaid accrued interest, if any, will be repaid if conversion has not occurred. For additional details, please review the Convertible Bond Agreement attached hereto as Exhibit C. Interest shall not begin to accrue until after an Investor's subscription has been confirmed and accepted by the Company.

#### ***Issuance of Bonds***

The Company agrees to issue the Bonds in increments of \$10,000, with a minimum investment of \$20,000, to accredited investors, subject to the terms of the Convertible Bond Agreement.

#### ***Automatic Conversion***

Beginning on January 1, 2027, in the event the Non-Voting Common Stock shares of the Company equals or exceeds \$1.40 in value per share, the Convertible Bonds shall immediately convert to shares of the Company's Non-Voting Common Stock at the purchase price of \$1.40 per share, rounded up to the nearest whole share, without any action required by the Bondholder. See terms in Convertible Bond Agreement.

The Company shall hire an independent, evaluator to determine the share's fair market value within 180 days of the start of the year, beginning on January 1, 2027, until the Maturity Date, unless the Bonds automatically convert before then. If the Company's stock is listed on a national exchange, the then-existing market price shall be used to determine the fair market value of the shares to determine whether or not the Bonds shall automatically convert.

In the event that the Company re-capitalizes its Non-Voting Common Stock shares prior to the Bonds converting, upon the Bonds automatically converting, the Bonds shall convert into the equivalent type and number of shares that would have applied had the re-capitalization not occurred. Also, the equivalent price shall be used when determining if the shares have reached the requisite fair market price when determining if automatic conversion is required.

**Upon conversion, any outstanding, accrued interest payments shall be distributed on a pro-rata basis, payable on the next Interest Payment Date and then interest shall cease to accrue and no further Interest Payments shall be made.**

In the event the Company's share price is not found to equal or exceed \$1.40 per share from January 1, 2027 through December 31, 2032, the Bonds shall mature and the Investors' principal shall be paid back in full along with any outstanding, accrued interest, unless the Bonds' Maturity Date is extended by the Company as provided herein. Please see the Convertible Bond Agreement for further details.

***Conversion Ratio***

The fixed rate of conversion for the Bonds is set at \$1.40 per share, with each \$10,000 Bond converting into 7,143 shares of the Company, rounded up in favor of the shareholder.

***Call Protection***

The Convertible Bonds offered by the Company are protected by a call protection period ("Call Protection Period") lasting through December 31, 2029, unless the Founder is incapacitated or Bondholders agree to amend the Convertible Bond Agreement by majority vote. Until then, the Company will not have the right to redeem the Bonds prior to the Maturity Date, ensuring that Bondholders can continue receiving regular interest payments, without significant risk of early redemption, through December 31, 2029. After the Call Protection Period expires, the Company has the option to redeem the bonds early prior to conversion, but only under the terms specified in the Convertible Bond Agreement.

In other words, prior to December 31, 2029, interest must continue to be paid on the outstanding Bond principal. After December 31, 2029, through the Bond Maturity Date of December 31, 2032, the Company may redeem (pay off) these Bonds early, unless the Bonds have already been converted into shares. In the low-probability event that the Founder becomes incapacitated, this Call Protection Period may expire immediately at the direction of the Board of Directors, enabling the earlier repayment of Bonds. Therefore, absent a Company-initiated Bondholder vote for amendment, the only reason an Investor may see their Bond redeemed (paid back) early would be the incapacitation of the Founder. Otherwise, Bondholders should expect their Bonds to pay interest at 5% per annum, paid monthly, until at least January 1, 2030, unless the Bonds have already automatically converted to shares. The Company may choose to continue paying interest on the Bonds after December 31, 2029 or repay them early by calling them, until the Bonds either automatically convert or mature. The Bond Maturity Date is December 31, 2032, and can only be extended in the rare circumstances outlined in force majeure, or as otherwise provided in the Convertible Bond Agreement.

### ***Default***

The failure of the Issuer to pay interest or principal on the Bonds for a period exceeding ninety (90) days after the Grace Period (one hundred-eighty (180) days from the due date).

### ***Grace Period***

The Company has a ninety (90) day period following the due date, during which the Issuer may make late interest payments without penalty.

### ***Late Fee***

The ten percent (10%) fee applied to any overdue interest after the expiration of the Grace Period.

### ***InvestReady***

An independent third-party service that assists with accredited investor verification. Investors are encouraged to visit [HouseHack.InvestReady.com](https://HouseHack.InvestReady.com) to expedite their accreditation process for a discounted fee. However, the Issuer provides no guarantees on the speed of verification through InvestReady.

### ***Maturity***

The Bonds will mature on December 31, 2032, at which point the principal amount of the Bonds, along with all accrued and unpaid interest, shall become due and payable. Recall, the Bond maturity date is the date the Bonds are due. However, the Call Protection Period for these Bonds will expire on December 31, 2029. After this date, the Company reserves the right to redeem the Bonds prior to the maturity date, subject to the terms outlined in the Convertible Bond Agreement. Beginning on January 1, 2027, the Bond may also be automatically converted into Non-Voting Common Stock shares at the \$1.40 per share price (or equivalent) conversion rate, provided the automatic conversion conditions outlined in the Convertible Bond Agreement have occurred.

### ***Non-Voting Common Stock and Voting Common Stock***

The shares issued to Bondholders upon conversion will be Non-Voting Common Stock, meaning Bondholders will not have voting rights in the Company other than specifically in the event of rare, Company-initiated, Bond-related amendment proposal voting periods. At present, only the Founder, Kevin Paffrath, holds Voting Common Stock shares, granting him exclusive decision-making authority over the Board of Directors and therefore the direction of the Company. However, upon an Initial Public Offering (IPO), or in the future, the Company may, at its discretion, choose to upgrade non-voting shares to voting shares. While there is no formal plan to make such an upgrade at this time, it is anticipated that public markets may desire voting shares, and current non-voting shareholders may be considered for such an upgrade in the future at no cost to them. Until such time, Bondholders and converted shareholders will not hold voting rights in the Company.

### ***Payment Method***

Interest payments will be made via ACH (direct deposit) to the Bondholder's designated bank account. If ACH is not feasible, payments may be made by mailed check upon the Bondholder's request, acknowledging that mailed checks are subject to a seven (7) day processing and delivery period from the scheduled payment date.

## PLAN OF DISTRIBUTION

The Securities are being offered directly by the Company on a “best efforts” basis. The Company intends to use its website and an Offering landing page to offer the Shares to eligible Investors. The Shares are being offered for sale to a select group of Investors who meet the suitability standards set forth under “Investor Suitability Standards”. The Company’s Officers, Directors, employees, and advisors may participate in the Offering.

### ***Accredited Investor Requirement***

The Bonds may only be purchased by subscribers who represent and demonstrate to the Company that they qualify as an “accredited investor” as that term is defined in Rule 501(a) of Regulation D of the Securities Act. There is a minimum individual subscription amount of \$20,000, with additional subscriptions at a subscription amount of \$10,000, although, the Board may, in its discretion, permit individual subscriptions less than \$20,000 on a case-by-case basis. All proceeds received by the Company from subscribers for the Bonds offered hereby will be immediately available to the Company once the Company has confirmed and accepted the Investor’s subscription. Nevertheless, the Company reserves the right to return the Investor’s funds in full should the Offering not reach at least thirty million (\$30,000,000.00) funds raised prior to the close of the Offering on December 13, 2024.

All subscriptions must be made by the execution and delivery of a Convertible Bond Agreement (attached hereto as Exhibit C) and a Subscription Agreement (attached hereto as Exhibit D). By executing these Agreements, each Investor will represent, among other things, that (a) he or she is acquiring the Securities being purchased by him or her, for his or her own account, for investment purposes, and not with a view towards resale or distribution, and (b) immediately prior to his or her purchase, such purchaser satisfies the eligibility requirements set forth in the PPM. Notwithstanding the foregoing representations, the Company has the right to revoke the Offer made herein and to refuse to sell securities to a particular subscriber for any reason. Inasmuch as this Offering is being made pursuant to the provisions of Rule 506(c), prospective Investors will be required to provide sufficient information to enable the Company to verify that each Investor is an accredited investor. The Company may engage a third party, such as InvestReady, to perform verification for the Company.

**A purchaser must be prepared to bear the economic risk of an investment in the Bonds for an indefinite period of time. An Investor in the Bonds, pursuant to the Convertible Bond Agreement, the Subscription Agreement, and applicable law, will not be permitted to transfer or dispose of the Shares and will be subject to transfer restrictions placed on the Bonds and/or Converted Shares.**

### ***Procedure for Subscribing***

1. All subscriptions for the Convertible Bonds must be made by the execution and delivery of the Convertible Bond Agreement and the Subscription Agreement in the forms included as Exhibit C and D to the PPM respectively. Subscriptions are not binding on the Company until accepted by the Company. The Company has the right to refuse to sell the Bonds to any prospective Investor for any reason in its sole discretion, including,

without limitation, if such prospective Investor does not promptly supply all information requested by the Company in connection with such prospective Investor's subscription. In addition, in the Company's sole discretion, it may establish a limit on the purchase of Bonds by particular, prospective Investors.

### ***Suitability Requirements***

The Convertible Bonds are being offered hereby only to persons who meet certain suitability requirements set forth herein. The fact that a prospective Investor meets the suitability requirements established by the Company for this Offering does not necessarily mean that an investment is suitable for that Investor. Each prospective Investor should consult with his own professional advisers before investing in the Bonds.

**Investors are not to construe this PPM as constituting legal or tax advice. Before making any decision to invest in the Company, Investors should read all of this PPM, including all of its exhibits, the Convertible Bond Agreement, the Subscription Agreement, and consult with their own investment, legal, tax, and other professional advisors.**

**An Investor should be aware that the Company will assert that the Investor consented to the risks described or inherent in this PPM if the Investor brings a claim against the Company or any of its Directors, Officers, managers, employees, advisors, agents, or representatives.**

### ***Account for Investment Funds***

*HouseHack* shall maintain a bank account with JP Morgan Chase where Investors' funds shall be deposited directly from this Offering. Once Investors' subscriptions are confirmed and accepted by the Company, these funds will become immediately available for *HouseHack* to utilize in its business operations. However, the Company reserves the right to return the Investor's funds in full should the Offering not reach at least thirty million (\$30,000,000.00) funds raised prior to the close of the Offering on December 13, 2024.

### ***Foreign Currency Funding***

If an Investor pays for their Convertible Bonds in a foreign currency, that currency will be converted to United States dollars as soon as practically possible at the then current conversion rate, net of any conversion fees. In such event, such Investor's subscription amount will be reduced by the amount of such fees and rounded down to the nearest whole Bond amount without reimbursement of any excess cents. There will be no fractional Bonds. International Investors are encouraged to either transfer United States dollars or to calculate all applicable conversion fees and transfer surplus funds to avoid falling short of the investment amount required for the Bonds due to currency conversion or other fees. Please feel free to email the Company's Investor Relations team at [ir@househack.com](mailto:ir@househack.com) if you are facing any issues with how best to transfer your funds.

**EXHIBIT A**

**ARTICLES OF AMENDMENT**

**STATE OF WYOMING**  
**Office of the Secretary of State**

I, EDWARD A. BUCHANAN, Secretary of State of the State of Wyoming, do hereby certify  
that the filing requirements for the issuance of this certificate have been fulfilled.

**CERTIFICATE OF INCORPORATION**

**House Hack, Inc.**

I have affixed hereto the Great Seal of the State of Wyoming and duly executed this official  
certificate at Cheyenne, Wyoming on this **22nd day of June, 2022 at 9:51 AM.**

Remainder intentionally left blank.



Filed Date: 06/22/2022

Edward A. Buchanan  
Secretary of State

Filed Online By:

Robert Carey

on 06/22/2022



Secretary of State

**Wyoming Secretary of State**  
Herschler Bldg East, Ste.100 & 101  
  
Cheyenne, WY 82002-0020  
Ph. 307-777-7311

For Office Use Only

**WY Secretary of State**  
**FILED: Jun 22 2022 9:51AM**  
**Original ID: 2022-001129011**

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## Profit Corporation Articles of Incorporation

**I. The name of the profit corporation is:**

House Hack, Inc.

**II. The name and physical address of the registered agent of the profit corporation is:**

COGENCY GLOBAL INC.  
1912 Capitol Ave Ste 500  
Cheyenne, WY 82001

**III. The mailing address of the profit corporation is:**

9452 Telephone Road  
Ventura, CA 93004

**IV. The principal office address of the profit corporation is:**

9452 Telephone Road  
Ventura, CA 93004

**V. The number, par value, and class of shares the profit corporation will have the authority to issue are:**

Number of Common Shares: 100	Common Par Value: \$0.0001
Number of Preferred Shares: 0	Preferred Par Value: \$0.0000

**VI. The name and address of each incorporator is as follows:**

Robert Carey  
1445 Donlon Street, Ventura, CA 93003

Signature: *Robert Carey*

Print Name: Robert Carey

Title: Incorporator

Email: bob.carey@taxwealthplan.com

Daytime Phone #: (805) 644-0697

Date: 06/22/2022



Secretary of State

Wyoming Secretary of State  
Herschler Bldg East, Ste.100 & 101

Cheyenne, WY 82002-0020  
Ph. 307-777-7311

- I am the person whose signature appears on the filing; that I am authorized to file these documents on behalf of the business entity to which they pertain; and that the information I am submitting is true and correct to the best of my knowledge.
- I am filing in accordance with the provisions of the Wyoming Business Corporation Act, (W.S. 17-16-101 through 17-16-1804) and Registered Offices and Agents Act (W.S. 17-28-101 through 17-28-111).
- I understand that the information submitted electronically by me will be used to generate Articles of Incorporation that will be filed with the Wyoming Secretary of State.
- I intend and agree that the electronic submission of the information set forth herein constitutes my signature for this filing.
- I have conducted the appropriate name searches to ensure compliance with W.S. 17-16-401.
- I affirm, under penalty of perjury, that I have received actual, express permission from each of the following incorporators to add them to this business filing: Robert Carey
- I consent on behalf of the business entity to accept electronic service of process at the email address provided with Article IV, Principal Office Address, under the circumstances specified in W.S. 17-28-104(e).

**Notice Regarding False Filings: Filing a false document could result in criminal penalty and prosecution pursuant to W.S. 6-5-308.**

**W.S. 6-5-308. Penalty for filing false document.**

- (a) A person commits a felony punishable by imprisonment for not more than two (2) years, a fine of not more than two thousand dollars (\$2,000.00), or both, if he files with the secretary of state and willfully or knowingly:
- (i) Falsifies, conceals or covers up by any trick, scheme or device a material fact;
- (ii) Makes any materially false, fictitious or fraudulent statement or representation; or
- (iii) Makes or uses any false writing or document knowing the same to contain any materially false, fictitious or fraudulent statement or entry.

- I acknowledge having read W.S. 6-5-308.

Filer is:  An Individual  An Organization

**Filer Information:**

**By submitting this form I agree and accept this electronic filing as legal submission of my Articles of Incorporation.**

Signature: Robert Carey

Print Name: Robert Carey

Title: Incorporator

Email: bob.carey@taxwealthplan.com

Daytime Phone #: (805) 644-0697

Date: 06/22/2022



Secretary of State

Wyoming Secretary of State  
Herschler Bldg East, Ste.100 & 101

Cheyenne, WY 82002-0020  
Ph. 307-777-7311

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### Consent to Appointment by Registered Agent

**COGENCY GLOBAL INC.**, whose registered office is located at **1912 Capitol Ave Ste 500, Cheyenne, WY 82001**, voluntarily consented to serve as the registered agent for **House Hack, Inc.** and has certified they are in compliance with the requirements of W.S. 17-28-101 through W.S. 17-28-111.

I have obtained a signed and dated statement by the registered agent in which they voluntarily consent to appointment for this entity.

Signature: **Robert Carey**

Print Name: **Robert Carey**

Title: **Incorporator**

Email: **bob.carey@taxwealthplan.com**

Daytime Phone #: **(805) 644-0697**

Date: **06/22/2022**

**STATE OF WYOMING**  
**Office of the Secretary of State**

I, EDWARD A. BUCHANAN, SECRETARY OF STATE of the STATE OF WYOMING, do hereby certify that according to the records of this office,

**House Hack, Inc.**

is a

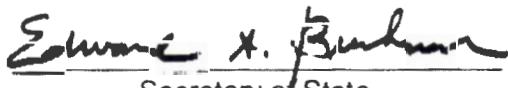
**Profit Corporation**

formed or qualified under the laws of Wyoming did on **June 22, 2022**, comply with all applicable requirements of this office. Its period of duration is Perpetual. This entity has been assigned entity identification number **2022-001129011**.

This entity is in existence and in good standing in this office and has filed all annual reports and paid all annual license taxes to date, or is not yet required to file such annual reports; and has not filed Articles of Dissolution.

I have affixed hereto the Great Seal of the State of Wyoming and duly generated, executed, authenticated, issued, delivered and communicated this official certificate at Cheyenne, Wyoming on this 27th day of July, 2022 at 12:07 PM. This certificate is assigned ID Number 054085418.



  
Edward A. Buchanan

Secretary of State

**Notice:** A certificate issued electronically from the Wyoming Secretary of State's web site is immediately valid and effective. The validity of a certificate may be established by viewing the Certificate Confirmation screen of the Secretary of State's website <https://wyobiz.wyo.gov> and following the instructions displayed under Validate Certificate.

ARTICLES OF AMENDMENT  
FOR  
HOUSE HACK INC.

The Board of Directors of HOUSE HACK, INC. a corporation organized and existing under the laws of the State of Wyoming (the "Corporation"), certifies to the Secretary of State of Wyoming as follows:

1. The name of the Corporation is House Hack, Inc.

2. Articles of Incorporation for the Corporation were filed with the Secretary of State of Wyoming on June 22, 2022.

3. Item V. of the Articles of Incorporation for the Corporation is hereby deleted and the following inserted in lieu thereof:

**"The number, par value, and class of shares the profit corporation will have the authority to issue are:**

<b>Number of Voting Common Shares</b>	<b>1,000,000</b>	<b>Voting Common Par Value per share \$.0001</b>
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<b>Number of Non-Voting Common Shares</b>	<b>200,000,000</b>	<b>Common Par Value per share \$.0001</b>
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4. Item VII. is added to the Articles of Incorporation which shall read as follows:

"Any action required or permitted by the Wyoming Business Corporation Act, as it may be amended or replaced, to be taken at a shareholders' meeting may be taken without a meeting, and without prior notice, if consents in writing setting forth the action so taken are signed by the holders of outstanding shares having not less than the minimum number of votes that would be required to authorize or take the action at a meeting at which all shares entitled to vote on the action were present and voted."

5. This amendment of the Articles of Incorporation of the Corporation was approved by the board of directors of the Corporation on August 1, 2022.

6. Stock has been issued and this amendment of the Articles of Incorporation of the Corporation was approved by the sole stockholder of the Corporation on August 1, 2022.

7. All other provisions of the Articles of Incorporation shall remain in full force and effect.



IN WITNESS WHEREOF, the undersigned acknowledges that this is an act of the above-named corporation, and verifies, under the penalties for perjury, that the matters and facts stated herein, which require such verification, are true and accurate, to the best of his/her knowledge, information, and belief.

*August*  
Date: July 1, 2022

SIGNED BY  
  
By: \_\_\_\_\_  
Name: KEVIN PAFFRATH  
Title: PRESIDENT  
kevin@meetkevin.com

**EXHIBIT B**

BYLAWS OF HOUSE HACK, INC.

**BYLAWS**  
**OF**  
**HOUSE HACK, INC.**  
**(a Wyoming corporation)**

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**ARTICLE I**  
**OFFICES**

1.1 Registered Office. The registered office of House Hack, Inc. (the "Corporation") in the State of Wyoming shall be located at Cogency Global Inc., 1912 Capitol Avenue, Suite 500, Cheyenne, Wyoming 82001.

1.2 Other Offices. The Corporation may establish or discontinue, from time to time, such other offices within or without the State of Wyoming as the Board of Directors may from time to time determine or the business of the Corporation may require.

**ARTICLE II**  
**MEETINGS OF STOCKHOLDERS**

2.1 Place of Meetings. All meetings of stockholders shall be held at such place within or without the State of Wyoming as may be designated from time to time by the Board of Directors or the President of the Corporation.

2.2 Annual Meeting. The annual meeting of stockholders for the election of directors and for the transaction of such other business as may properly be brought before the meeting shall be held on a date to be fixed by the Board of Directors at the time and place to be fixed by the Board of Directors and stated in the notice of the meeting.

2.3 Special Meetings. Special meetings of stockholders may be called at any time by the Board of Directors or the President or the holders of record of not less than ten percent (10%) of all shares entitled to vote at the meeting, for any purpose or purposes prescribed in the notice of the meeting and shall be held at such place, on such date and at such time as the Board of Directors may fix. Business transacted at any special meeting of stockholders shall be confined to the purpose or purposes stated in the notice of meeting.

2.4 Notice of Meetings. Written notice of each meeting of stockholders, whether annual or special, shall be given not less than ten (10) nor more than sixty (60) days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting, except as otherwise provided herein or as required by law (meaning here and hereafter, as

required from time to time by the Wyoming Business Corporation Act, as amended from time to time or the Articles of Incorporation). The notices of all meetings shall state the place, date and hour of the meeting. The notice of a special meeting shall state, in addition, the purpose or purposes for which the meeting is called.

2.5 Voting List. The officer who has charge of the stock ledger of the Corporation shall prepare, at least ten (10) days before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting; the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date, arranged in alphabetical order for each class of stock and showing the mailing address of each stockholder and the number of shares registered in the name of each stockholder. The Corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any such stockholder, for any purpose germane to the meeting, for a period of at least ten (10) days prior to the meeting: (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, (b) during ordinary business hours at the principal place of business of the Corporation, or (c) in any other manner provided by law. If the meeting is to be held at a place, the list shall be produced and kept at the time and place of the meeting during the whole time of the meeting, and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, such list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. The stock ledger shall be the only evidence as to the stockholders who are entitled to examine the list required by this Section 2.5 or to vote in person or by proxy at any meeting of stockholders.

2.6 Quorum. Except as otherwise provided by law or these Bylaws, the holders of a majority of the shares of the capital stock of the Corporation entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum for the transaction of business. Where a separate class vote by a class or classes or series is required, a majority of the shares of such class or classes or series present in person or represented by proxy shall constitute a quorum entitled to take action with respect to that vote on that matter.

2.7 Adjournments. Any meeting of stockholders may be adjourned to any other time and to any other place at which a meeting of stockholders may be held under these Bylaws by the chairman of the meeting or, in the absence of such person, by any officer entitled to preside at or to act as secretary of such meeting, or by the holders of a majority of the shares of stock present or represented at the meeting and entitled to vote, although less than a quorum. When a meeting is adjourned to another place, date or time, written notice need not be given of the adjourned meeting if the date, time, and place, if any, thereof, and the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting, are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than thirty (30) days after the date for which the meeting was originally noticed, or if the Board of Directors fixes a new record date for determining the stockholders entitled to vote at the adjourned meeting in accordance with Section 5.5, written notice of the place, if any, date, and time of the adjourned

meeting and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting, shall be given in conformity herewith. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting.

2.8 Voting and Proxies. Each stockholder holding voting stock shall have one (1) vote for each share of stock entitled to vote held of record by such stockholder and a proportionate vote for each fractional share so held, unless otherwise provided by law or in the Articles of Incorporation. Each stockholder of record entitled to vote at a meeting of stockholders may vote in person or may authorize any other person or persons to vote or act for such stockholder by a written proxy executed by the stockholder or the stockholder's authorized agent or by an electronic transmission permitted by law and delivered to the Secretary of the Corporation. Any copy, facsimile transmission or other reliable reproduction of the writing or electronic transmission created pursuant to this section may be substituted or used in lieu of the original writing or electronic transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile transmission or other reproduction shall be a complete reproduction of the entire original writing or electronic transmission.

2.9 Action at Meeting. At any meeting of stockholders for the election of one or more directors at which a quorum is present, the election shall be determined by a plurality of the votes cast by the stockholders entitled to vote at the election. All other matters shall be determined by a majority in voting power of the shares present in person or represented by proxy and entitled to vote on the matter (or if there are two or more classes of stock entitled to vote as separate classes, then in the case of each such class, a majority of the shares of each such class present in person or represented by proxy and entitled to vote on the matter shall decide such matter), provided that a quorum is present, except when a different vote is required by express provision of law, the Articles of Incorporation or these Bylaws.

All voting, including on the election of directors, but excepting where otherwise required by law, may be by a voice vote; provided, however, that upon demand therefor by a stockholder entitled to vote or such stockholder's proxy, a stock vote shall be taken. Every stock vote shall be taken by ballot, each of which shall state the name of the stockholder or proxy voting and such other information as may be required under the procedure established for the meeting. Every vote taken by ballot shall be counted by an inspector or inspectors appointed by the chairman of the meeting. The Corporation may, and to the extent required by law, shall, in advance of any meeting of stockholders, appoint one (1) or more inspectors to act at the meeting and make a written report thereof. The Corporation may designate one (1) or more persons as an alternate inspector to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the person presiding at the meeting may, and to the extent required by law, shall, appoint one (1) or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of such inspector's duties, shall take and sign an oath to faithfully execute the duties of inspector with strict impartiality and according to the best of such inspector's ability.

2.10 Conduct of Business. At every meeting of the stockholders, the President, or, in his absence, such other person as may be appointed by the Board of Directors, shall act as chairman. The Secretary of the Corporation or a person designated by the chairman of the meeting shall act as secretary of the meeting. Unless otherwise approved by the chairman of the meeting, attendance at the stockholders' meeting is restricted to stockholders of record, persons authorized in accordance with Section 2.8 of these Bylaws to act by proxy, and officers of the Corporation. The chairman of the meeting shall call the meeting to order, establish the agenda, and conduct the business of the meeting in accordance therewith or, at the chairman's discretion, the business of the meeting may be conducted otherwise in accordance with the wishes of the stockholders in attendance. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting.

2.11 Stockholder Action Without Meeting. Any action which may be taken at any annual or special meeting of stockholders may be taken without a meeting and without prior notice, if a consent in writing, setting forth the actions so taken, is signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. All such consents shall be filed with the Secretary of the Corporation and shall be maintained in the corporate records. Prompt notice of the taking of a corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

An electronic transmission consenting to an action to be taken and transmitted by a stockholder, or by a proxy holder or other person authorized to act for a stockholder, shall be deemed to be written, signed and dated for the purpose of this Section 2.11, provided that such electronic transmission sets forth or is delivered with information from which the Corporation can determine (i) that the electronic transmission was transmitted by the stockholder or by a person authorized to act for the stockholder and (ii) the date on which such stockholder or authorized person transmitted such electronic transmission. The date on which such electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the Corporation by delivery to its registered office in the State of Wyoming, its principal place of business or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of stockholders are recorded.

2.12 Meetings by Remote Communication. If authorized by the Board of Directors, and subject to such guidelines and procedures as the Board of Directors may adopt, stockholders and proxy holders not physically present at a meeting of stockholders may, by means of remote communication, participate in the meeting and be deemed present in person and vote at the meeting, whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (i) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxy holder, (ii) the Corporation shall implement reasonable measures to provide such stockholders and proxy holders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to

read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (iii) if any stockholder or proxy holder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

### **ARTICLE III** **BOARD OF DIRECTORS**

3.1 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of a Board of Directors, who may exercise all of the powers of the Corporation except as otherwise provided by law. In the event of a vacancy in the Board of Directors, the remaining directors, except as otherwise provided by law, may exercise the powers of the full Board of Directors until the vacancy is filled.

3.2 Number and Term of Office. The number of directors shall initially be five (5) and, thereafter, shall be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption). All directors shall hold office until the next annual meeting of stockholders and until their respective successors are elected, except in the case of the death, resignation or removal of any director.

3.3 Vacancies and Newly Created Directorships. Subject to the special rights of the holders of any class or series of stock then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification or other cause (other than removal from office by a vote of the stockholders) may be filled only by a majority vote of the directors then in office, though less than a quorum, or by the sole remaining director, and directors so chosen shall hold office for a term expiring at the next annual meeting of stockholders. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

3.4 Resignation. Any director may resign by delivering notice in writing or by electronic transmission to the President or Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

3.5 Removal. Subject to the special rights of the holders of any class or series of stock then outstanding, any directors, or the entire Board of Directors, may be removed from office at any time, with or without cause, by the affirmative vote of the holders of a majority of the voting power of all of the outstanding shares of capital stock entitled to vote generally in the election of directors, voting together as a single class. Vacancies in the Board of Directors resulting from such removal may be filled by a majority of the directors then in office, though less than a quorum, by the sole remaining director, or by the stockholders at the next annual meeting or at a special meeting called in accordance with Section 2.3 above. Directors so chosen shall hold office until the next annual meeting of stockholders.

3.6 Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and place, either within or without the State of Wyoming, as shall be determined from time to time by the Board of Directors; provided that any director who is absent when such a determination is made shall be given notice of the determination. A regular meeting of the Board of Directors may be held without notice immediately after and at the same place as the annual meeting of stockholders.

3.7 Special Meetings. Special meetings of the Board of Directors may be called by the President or two (2) or more directors (or one (1) director, if there is only one director then serving on the Board of Directors) and may be held at any time and place, within or without the State of Wyoming.

3.8 Notice of Special Meetings. Notice of any special meeting of directors shall be given to each director by the Secretary or by the officer or one (1) of the directors calling the meeting. Notice shall be duly given to each director by whom it is not waived by (i) giving notice to such director in person or by telephone, electronic transmission or voice message system at least twenty-four (24) hours in advance of the meeting, (ii) sending a facsimile to such director's last known facsimile number, or delivering written notice by hand, to such director's last known business or home address at least twenty-four (24) hours in advance of the meeting, or (iii) mailing written notice to such director's last known business or home address at least three (3) days in advance of the meeting. A notice or waiver of notice of a meeting of the Board of Directors need not specify the purposes of the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

3.9 Participation in Meetings by Telephone Conference Calls or Other Methods of Communication. Directors or any members of any committee designated by the directors may participate in a meeting of the Board of Directors or such committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

3.10 Quorum. A majority of the total number of authorized directors shall constitute a quorum at any meeting of the Board of Directors. In the absence of a quorum at any such meeting, a majority of the directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present. Interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or at a meeting of a committee which authorizes a particular contract or transaction.

3.11 Action at Meeting. At any meeting of the Board of Directors at which a quorum is present, the vote of a majority of those present shall be sufficient to take any action, unless a different vote is specified by law or these Bylaws.

3.12 Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee of the Board of Directors may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent to the action in writing or by electronic transmission, and the writings or electronic

transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

3.13 Committees. The Board of Directors may designate one (1) or more committees, each committee to consist of one (1) or more of the directors of the Corporation, with such lawfully delegated powers and duties as it therefor confers, to serve at the pleasure of the Board of Directors. The Board of Directors may designate one (1) or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members of the committee present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors and subject to the provisions of by the Wyoming Business Corporation Act, as amended from time to time, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers which may require it. Each such committee shall keep minutes and make such reports as the Board of Directors may from time to time request. Except as the Board of Directors may otherwise determine, any committee may make rules for the conduct of its business, but unless otherwise provided by such rules, its business shall be conducted as nearly as possible in the same manner as is provided in these Bylaws for the Board of Directors.

3.14 Compensation of Directors. Directors may be paid such compensation for their services and such reimbursement for expenses of attendance at meetings as the Board of Directors may from time to time determine. No such payment shall preclude any director from serving the Corporation or any of its parent or subsidiary corporations in any other capacity and receiving compensation for such service.

3.15 Nomination of Director Candidates. Nominations for the election of Directors may be made by (i) the Board of Directors or a duly authorized committee thereof, or (ii) any stockholder entitled to vote in the election of Directors.

## ARTICLE IV OFFICERS

4.1 Enumeration. The officers of the Corporation shall consist of a President, a Secretary and such other officers with such other titles as the Board of Directors shall determine, including, at the discretion of the Board of Directors, a Chairman of the Board, a Treasurer and one (1) or more Vice Presidents. The Board of Directors may appoint such other officers as it may deem appropriate.

4.2 Election. Officers shall be elected annually by the Board of Directors at its first meeting following the annual meeting of stockholders. Officers may be appointed by the Board of Directors at any other meeting.

4.3 Qualification. No officer need be a stockholder. Any two (2) or more offices may be held by the same person.

4.4 Tenure. Except as otherwise provided by law, by the Articles of Incorporation or by these Bylaws, each officer shall hold office until such officer's successor is elected and qualified, unless a different term is specified in the vote appointing such officer, or until such officer's earlier death, resignation or removal.

4.5 Resignation and Removal. Any officer may resign by delivering such officer's written resignation to the Corporation at its principal office or to the President or Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event. Any officer elected by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors.

4.6 President. The President shall, subject to the direction of the Board of Directors, have responsibility for the general management and control of the business and affairs of the Corporation and shall perform all duties and have all powers which are commonly incident to the office of President or which are delegated to the President by the Board of Directors. The President shall have power to sign stock certificates, contracts and other instruments of the Corporation which are authorized and shall have general supervision and direction of all of the other officers, employees and agents of the Corporation. The President shall perform such other duties and shall have such other powers as the Board of Directors may from time to time prescribe.

4.7 Secretary. The Secretary shall perform such duties and shall have such powers as the Board of Directors or the President may from time to time prescribe. In addition, the Secretary shall perform such duties and have such powers as are incident to the office of the Secretary, including, without limitation, the duty and power to give notices of all meetings of stockholders and special meetings of the Board of Directors, to keep a record of the proceedings of all meetings of stockholders and the Board of Directors, to maintain a stock ledger and prepare lists of stockholders and their addresses as required, to be custodian of corporate records and the corporate seal and to affix and attest to the same on documents. In the absence of the Secretary at any meeting of stockholders or directors, the person presiding at the meeting shall designate a temporary secretary to keep a record of the meeting.

4.8 Salaries. Officers of the Corporation shall be entitled to such salaries, compensation or reimbursement as shall be fixed or allowed from time to time by the Board of Directors.

4.9 Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provision hereof.

## **ARTICLE V** **CAPITAL STOCK**

5.1 Issuance of Stock. Subject to the provisions of the Articles of Incorporation, the whole or any part of any unissued balance of the authorized capital stock of the Corporation or the whole or any part of any unissued balance of the authorized capital stock of the Corporation held in its treasury may be issued, sold, transferred or otherwise disposed of by vote of the Board of Directors in such manner, for such consideration and on such terms as the Board of Directors may determine.

5.2 Classes of Stock. The Corporation shall initially have two classes of Common Stock. One class shall constitute Voting Common Stock and each share shall have the right to vote on all matters on which stockholders are entitled to vote under the Articles of Incorporation and Bylaws of the Corporation or under the Wyoming Business Corporation Act. One class shall constitute Non-Voting Common Stock and each share shall have no voting rights on any matter, except and only to the extent required by the Wyoming Business Corporation Act, as amended from time to time. The Board of Directors of the Corporation may reclassify any unissued shares of Common Stock from time to time in one or more classes or series of stock. If shares of one class or series of stock are classified or reclassified into shares of another class or series of stock, the number of authorized shares of the former class or series shall be automatically decreased and the number of shares of the latter class or series shall be automatically increased, in each case by the number of shares so classified or reclassified, so that the aggregate number of shares of stock of all classes and series that the Corporation has authority to issue shall not be more than the total number of shares of stock set forth in the first sentence of this paragraph.

5.3 Certificates of Stock; Uncertified Shares. Shares of stock of the Corporation shall be uncertificated, as provided under the Wyoming Business Corporation Act, as amended from time to time. Shares of stock of the Corporation shall be evidenced by registration in the holder's name in uncertificated, book-entry form on the books of the Corporation.

5.4 Transfers. Except as otherwise established by rules and regulations adopted by the Board of Directors, and subject to applicable law, shares of stock may be transferred on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate representing such shares properly endorsed or accompanied by a written assignment or power of attorney properly executed, and with such proof of authority or authenticity of signature as the Corporation or its transfer agent may reasonably require or, in the case of uncertificated shares, compliance with appropriate procedures for the transfer of shares in uncertificated form. Except as may be otherwise required by law or these Bylaws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect to such stock, regardless of any transfer, pledge or other disposition of such stock until the shares have been transferred on the books of the Corporation in accordance with the requirements of these Bylaws.

5.5 Lost, Stolen or Destroyed Certificates. The Corporation may issue a new certificate of stock in place of any previously issued certificate alleged to have been lost, stolen,

or destroyed, upon such terms and conditions as the Board of Directors may prescribe, including the presentation of reasonable evidence of such loss, theft or destruction and the giving of such indemnity as the Board of Directors may require for the protection of the Corporation or any transfer agent or registrar.

5.6 Record Date. The Board of Directors may fix in advance a record date for the determination of the stockholders entitled to notice of or to vote at any meeting of stockholders or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights in respect of any change, concession or exchange of stock, or for the purpose of any other lawful action. Such record date shall not precede the date on which the resolution fixing the record date is adopted and shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action to which such record date relates.

If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day before the day on which notice is given, or, if notice is waived, at the close of business on the day before the day on which the meeting is held. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting when no prior action by the Board of Directors is necessary, shall be the day on which the first written consent is expressed. The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating to such purpose.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

## ARTICLE VI GENERAL PROVISIONS

6.1 Fiscal Year. The fiscal year of the Corporation shall be as fixed by the Board of Directors.

6.2 Corporate Seal. The corporate seal shall be in such form as shall be approved by the Board of Directors.

6.3 Waiver of Notice. Whenever any notice whatsoever is required to be given by law or by these Bylaws, a waiver of such notice either in writing signed by the person entitled to such notice or such person's duly authorized attorney, or by electronic transmission or any other method permitted under by the Wyoming Business Corporation Act, as amended from time to time, whether before, at or after the time stated in such waiver, or the appearance of such person or persons at such meeting in person or by proxy, shall be deemed equivalent to such notice. Neither the business nor the purpose of any meeting need be specified in such a waiver. Attendance at any meeting shall constitute waiver of notice except attendance for the sole purpose of objecting to the timeliness of notice.

6.4 **Actions with Respect to Securities of Other Corporations.** Except as the Board of Directors may otherwise designate the President or any officer of the Corporation authorized by the President shall have the power to vote and otherwise act on behalf of the Corporation, in person or proxy, and may waive notice of, and act as, or appoint any person or persons to act as, proxy or attorney-in-fact to this Corporation (with or without power of substitution) at any meeting of stockholders or shareholders (or with respect to any action of stockholders) of any other corporation or organization, the securities of which may be held by this Corporation and otherwise to exercise any and all rights and powers which this Corporation may possess by reason of this Corporation's ownership of securities in such other Corporation or other organization.

6.5 **Evidence of Authority.** A certificate by the Secretary or a temporary Secretary, as to any action taken by the stockholders, directors, a committee or any officer or representative of the Corporation shall as to all persons who rely on the certificate in good faith be conclusive evidence of such action.

6.6 **Articles of Incorporation.** All references in these Bylaws to the Articles of Incorporation shall be deemed to refer to the Articles of Incorporation of the Corporation, as amended and in effect from time to time.

6.7 **Severability.** Any determination that any provision of these Bylaws is for any reason inapplicable, illegal or ineffective shall not affect or invalidate any other provision of these Bylaws.

6.8 **Notices.** Except as otherwise specifically provided herein or required by law, all notices required to be given to any stockholder, director, officer, employee or agent shall be in writing and may in every instance be effectively given by hand delivery to the recipient thereof, by depositing such notice in the mails, postage paid, or by sending such notice by commercial courier service, or by facsimile or other electronic transmission, provided that notice to stockholders by electronic transmission shall be given in the manner provided in by the Wyoming Business Corporation Act, as amended from time to time. Any such notice shall be addressed to such stockholder, director, officer, employee or agent at such stockholder's, director's, officer's, employee's or agent's last known physical or email address as the same appears on the books of the Corporation. The time when such notice shall be deemed to be given shall be the time such notice is received by such stockholder, director, officer, employee or agent, or by any person accepting such notice on behalf of such person, if delivered by hand, facsimile, other electronic transmission or commercial courier service, or the time such notice is dispatched, if delivered through the mails. Without limiting the manner by which notice otherwise may be given effectively, notice to any stockholder shall be deemed given: (i) if by facsimile, when directed to a number at which the stockholder has consented to receive notice; (ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice; (iii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; (iv) if by any other form of electronic transmission, when directed to the stockholder; and (v) if by mail, when deposited in the mail, postage prepaid,

directed to the stockholder at such stockholder's address as it appears on the records of the Corporation.

6.9 Reliance Upon Books, Reports and Records. Each director, each member of any committee designated by the Board of Directors, and each officer of the Corporation shall, in the performance of such director's, committee member's or officer's duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation, including reports made to the Corporation by any of its officers, by an independent certified public accountant, or by an appraiser selected with reasonable care.

6.10 Time Periods. In applying any provision of these Bylaws which require that an act be done or not done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days shall be used, the day of the doing of the act shall be excluded, and the day of the event shall be included.

6.11 Facsimile Signatures. In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

## ARTICLE VII AMENDMENTS

7.1 By the Board of Directors. Except as is otherwise set forth in these Bylaws, these Bylaws may be altered, amended or repealed or new Bylaws may be adopted by the affirmative vote of a majority of the directors present at any regular or special meeting of the Board of Directors at which a quorum is present.

7.2 By the Stockholders. Except as otherwise set forth in these Bylaws, these Bylaws may also be altered, amended or repealed or new Bylaws may be adopted by the affirmative vote of the holders of at least a majority of the voting power of all of the shares of capital stock of the Corporation issued and outstanding and entitled to vote generally in any election of directors, voting together as a single class. Such vote may be held at any annual meeting of stockholders, or at any special meeting of stockholders, provided that notice of such alteration, amendment, repeal or adoption of new Bylaws shall have been stated in the notice of such special meeting.

## ARTICLE VIII INDEMNIFICATION OF DIRECTORS AND OFFICERS

8.1 Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter, a "proceeding"), by reason of the fact that such person or a person of whom such person is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another Corporation, or as a controlling person of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such

proceeding is alleged action in an official capacity as a director or officer, or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Wyoming Business Corporation Act, as amended from time to time, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment) against all expenses, liability and loss reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of such director's or officer's heirs, executors and administrators; provided, however, that except as provided in Section 8.2 of this Article VIII, the Corporation shall indemnify any such person seeking indemnity in connection with a proceeding (or part thereof) initiated by such person only if (a) such indemnification is expressly required to be made by law, (b) the proceeding (or part thereof) was authorized by the Board of Directors of the Corporation, (c) such indemnification is provided by the Corporation, in its sole discretion, pursuant to the powers vested in the Corporation under by the Wyoming Business Corporation Act, as amended from time to time, or (d) the proceeding (or part thereof) is brought to establish or enforce a right to indemnification or advancement under an indemnity agreement or any other statute or law or otherwise as required under by the Wyoming Business Corporation Act, as amended from time to time. The rights hereunder shall be contract rights and shall include the right to be paid expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses incurred by a director or officer of the Corporation in such director's or officer's capacity as a director or officer (and not in any other capacity in which service was or is tendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of such proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it should be determined ultimately by final judicial decision from which there is no further right to appeal that such director or officer is not entitled to be indemnified under this Article VIII or otherwise.

**8.2 Right of Claimant to Bring Suit.** If a claim under Section 8.1 is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, or twenty (20) days in the case of a claim for advancement of expenses, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if such suit is not frivolous or brought in bad faith, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any, has been tendered to this Corporation) that the claimant has not met the standards of conduct which make it permissible under by the Wyoming Business Corporation Act, as amended from time to time for the Corporation to indemnify the claimant for the amount claimed. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because such claimant has met the applicable standard of conduct set forth in by the Wyoming Business Corporation Act, as amended from time to time, nor an actual determination by the Corporation (including its Board of Directors, independent

legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct. In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final judicial decision from which there is no further right to appeal that the indemnitee has not met any applicable standard for indemnification set forth in by the Wyoming Business Corporation Act, as amended from time to time. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, shall be on the Corporation.

8.3 Indemnification of Employees and Agents. The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification, and to the advancement of related expenses, to any employee or agent of the Corporation to the fullest extent of the provisions of this Article VIII with respect to the indemnification of and advancement of expenses to directors and officers of the Corporation.

8.4 Non-Exclusivity of Rights. The rights conferred on any person in this Article VIII shall not be exclusive of any other right which such persons may have or hereafter acquire under any statute, provision of the Articles of Incorporation, bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

8.5 Indemnification Contracts. The Board of Directors is authorized to enter into a contract with any director, officer, employee or agent of the Corporation, or any person serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise, including employee benefit plans, providing for indemnification rights equivalent to or, if the Board of Directors so determines, greater than, those provided for in this Article VIII.

8.6 Insurance. The Corporation may maintain insurance to the extent reasonably available, at its expense, to protect itself and any such director, officer, employee or agent of the Corporation or another Corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under by the Wyoming Business Corporation Act, as amended from time to time.

8.7 Effect of Amendment. Any amendment, repeal or modification of any provision of this Article VIII shall not adversely affect any right or protection of an indemnitee or such indemnitee's successor existing at the time of such amendment, repeal or modification.

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**EXHIBIT C**  
**FORM OF CONVERTIBLE BOND AGREEMENT**

**Revised: November 12, 2024**

# House Hack

**HOUSE HACK, INC., DBA HOUSEHACK**  
(A WYOMING CORPORATION)  
8164 PLATINUM STREET  
VENTURA, CA 93004

## **Convertible Bond Agreement**

Securities Offered	Unsecured Convertible Bonds (the “Bonds”)
Minimum Investment:	2 Bonds (\$20,000 total, \$10,000 each), 1 Bond increment increases thereafter for additional investment
Interest Rate:	5% per annum, paid monthly
Call Protection Period	Bonds are callable by the Company beginning on January 1, 2030
Automatic Conversion	From January 1, 2027 through December 31, 2032, the Bond’s principal investment amount shall automatically convert to Non-Voting Common Shares of the Company at a purchase price of \$1.40 (rounded up to the nearest share) if the share value is evaluated to be equal to or above \$1.40.
Maturity Date:	December 31, 2032 (Unless the Bond previously converted to shares prior to the Bond’s maturity)

THIS Convertible Bond Agreement (the “**Agreement**”) is made as of the date of acceptance as indicated on the signature pages attached hereto, by and between House Hack, Inc., DBA *HouseHack*, a Wyoming corporation, as issuer (hereinafter referred to as the “**Company**” or “**Issuer**”), and the Bondholders as defined herein, whose information is provided on the signature pages attached hereto.

WHEREAS, the Company desires to issue certain unsecured bonds in accordance with the terms set forth in this Agreement; and

WHEREAS, this Agreement relates to the offer by the Company of 5% Convertible Bonds (the “**Bonds**”) of an initial maximum aggregate principal amount of \$200,000,000.00, as may be increased at the discretion of the Company.

NOW, THEREFORE, the Company hereby covenants and agrees as follows:

## **Article I: Definitions**

### **1.1 Accredited Investor:**

An individual or entity meeting the definition of "Accredited Investor" under Rule 501(a) of Regulation D of the Securities Act of 1933, as amended. For individuals, this generally means having a net worth of over \$1 million (excluding the value of the primary residence) or an annual income exceeding \$200,000 (or \$300,000 together with a spouse) in each of the two most recent years, with the expectation of the same income level in the current year.

### **1.2 Bonds:**

The unsecured bonds issued by House Hack, Inc. under this Agreement, shall rank senior to all classes of equity securities in the event of liquidation, but shall remain subordinate to all existing and future secured obligations, such as mortgages or other collateralized debts. At the time of this offering, the Company does not have any mortgage obligations, though the Company is permitted to enter into obligations senior to the Bonds. These unsecured bonds are not directly backed by collateral. While bondholders have priority over common shareholders in the event of liquidation, the bonds are subordinate to secured debts like potential future mortgages or other loans.

### **1.3 Bondholder:**

Any individual, group of individuals, or entity that holds one or more Bonds issued under this Agreement.

### **1.4 Company or Issuer:**

House Hack, Inc., DBA *HouseHack*, a Wyoming corporation.

### **1.5 Founder:**

The Founder of the Company is Kevin Paffrath, who goes by “Meet Kevin” online.

### **1.6 Incapacitation:**

For the purposes of this Agreement, “Incapacitation” means the Founder is unable to perform his

duties due to death, permanent disability, or mental incapacity, as determined by a qualified medical professional and confirmed by a majority of the Company's Board of Directors.

**1.7 InvestReady.com:**

An independent third-party service that assists with accredited investor verification. Investors are encouraged to use [HouseHack.InvestReady.com](#) to expedite their accreditation process. However, the Issuer provides no guarantees on the speed of verification through InvestReady.com.

**1.8 Public Statements:**

Comments, statements, or representations made in public forums by the Company, its representatives, or its Founder, Kevin Paffrath, including but not limited to YouTube livestreams, videos, social media posts, or interviews, shall not amend or supersede the terms of this Agreement or any related legal documents. In the event of any conflict or inconsistency the Agreement shall govern. Bondholders shall not rely on any oral or informal communications for legal or investment decisions.

**1.9 Non-Voting Common Stock Shares and Voting Common Stock Shares:**

The shares issued to Bondholders upon conversion will be Non-Voting Common Stock, therefore Bondholders will not have voting rights in the Company other than specifically in the event of Company-proposed, Bond-related amendments. At present, only the Founder, Kevin Paffrath, holds Voting Common shares, granting him exclusive decision-making authority over the Board of Directors and therefore the direction of the Company. However, upon an Initial Public Offering (IPO), or in the future, the Company retains the sole discretion to exchange shares of Non-Voting Common Stock to shares of Voting Common Stock. There is no formal plan to make such an exchange at this time. Until such time, Bondholders and converted shareholders will not hold voting rights in the Company.

**1.10 YouTube Update:**

The quarterly update provided by the Company on its YouTube channel, covering financial performance, strategic milestones, and future objectives.

**1.11 Significant Economic Downturn:**

A period during which the U.S. Gross Domestic Product (GDP) declines for two consecutive quarters; The S&P 500 Index declines by 20% or more from its peak; or a recession is officially declared by the National Bureau of Economic Research (NBER).

## **Article II: The Bonds**

**2.1 Issuance of Bonds:**

The Company, for value received, promises to pay to the Bondholder, or its registered assigns, the Principal Amount as indicated on the signature pages of this Agreement, in accordance with the terms herein, on the Maturity Date, unless the Principal Amount has automatically converted to shares prior to the Bonds maturity.

## **2.2 Interest:**

The Company promises to pay interest on the Principal Amount of the Bond at five percent (5%) per annum from the date of issuance, up to the Maturity Date. The Company will pay interest due on the Bonds in equal monthly installments (the “**Interest Payment**”) on the twenty-first (21st) day of the month (the “**Interest Payment Dates**”), or if any such day is not a business day, the next business day to the Bondholders of record as of the last day of the previous month. Any interest that is due for the first Interest Payment shall be calculated on a pro-rata basis, depending on when their Bond(s) were first issued. In the event the Bonds automatically convert to shares as provided herein, any outstanding interest shall be pro-rated from the previous Interest Payment to the date of automatic conversion and shall then be owed to the Bondholder on what would have been the next Interest Payment Date. No further Interest Payments shall be owed thereafter.

## **2.3 Maturity:**

The Bonds will mature on December 31, 2032 (the “**Maturity Period**”), at which point the Principal Amount of the Bonds, along with all accrued and unpaid interest, shall become due and payable. This Bond Maturity Period shall only be applicable in the event the Bonds did not previously convert to Non-Voting Common Stock shares as provided herein this Agreement.

## **2.4 Grace Period & Late Fees:**

The Company shall have a ninety (90) day grace period after the Interest Payment Date to make the Interest Payment without breach, default, or penalty (the “**Grace Period**”). After the Grace Period, a late fee of ten percent (10%) of the outstanding Interest Payment owed shall be applied to the outstanding Interest Payment. Bonds are considered in default if interest or principal remains unpaid for a period exceeding ninety (90) days after the end of the Grace Period, or one hundred-eighty (180) days from the original payment due date.

# **Article III: Conversion Rights**

## **3.1 Automatic Conversion**

Starting on January 1, 2027, through the Maturity Date, if the Company’s Non-Voting Common Stock (or equivalent if previously re-capitalized) is equal to or greater than \$1.40 per share (or equivalent price if the shares were previously re-capitalized), then the Bond’s Principal Amount shall automatically be converted into Non-Voting Common Stock shares for the purchase price of \$1.40 per share (or equivalent price if previously re-capitalized). No fractional shares shall be issued. Shares shall instead be rounded up to the nearest whole shares. Upon automatic conversion, any outstanding interest shall be pro-rated from the previous Interest Payment to the date of automatic conversion and shall then be owed to the Bondholder on what would have been the next Interest Payment Date. No further Interest Payments shall be owed thereafter.

In order to determine the value of the Company’s Non-Voting Common Stock shares for purposes of this automatic conversion, the Company shall hire an independent evaluator each year within 180 days of the start of the year, beginning on January 1, 2027 through the Maturity Date. In the event the Company is or becomes publicly listed on a national exchange during this automatic conversion period, the then-existing public market price shall be used to determine the per share value instead of hiring the aforementioned independent evaluator.

### **3.2 Conversion Ratio:**

Any conversion provided herein this Agreement will be at the same conversion ratio. The conversion ratio for the Bonds will be fixed at \$1.40 per share of Non-Voting Common Stock. Conversions resulting in fractional shares shall be rounded up to the nearest whole share.

### **3.3 Conversion into Shares of Non-Voting Common Stock**

The Bonds issued under this Agreement convert into shares of Non-Voting Common Stock of the Company. Only the Founder, Kevin Paffrath, currently holds voting shares of the Company's Voting Common Stock, which gives him full voting control of the Company. Bondholders who convert the Bonds pursuant to this Section will hold Non-Voting Common Stock and, as such, will have no right to vote on Company matters. The Company retains the sole discretion to exchange the non-voting shares of common stock to voting shares of common stock.

## **Article IV: Redemption By Company**

The Company may redeem (repay) any or all Bonds only after the Investor's call protection period (the "**Call Protection Period**") has expired. The Call Protection Period expires on December 31, 2029. The Company may redeem the Bonds, in whole or in part, without penalty, so long as the Bonds have not already automatically converted into shares of Non-Voting Common Stock as provided herein this Agreement. If the Bonds are extended for any reason, the Company may redeem the Bonds at any time during such extension period. Any redemption of a Bond will be at a price equal to the then outstanding Principal Amount on the Bonds being redeemed, plus any accrued but unpaid interest on such Bonds. If the Company plans to redeem the Bonds, the Company will give notice of redemption not less than 7 calendar days prior to any redemption date via the notice methods provided herein this Agreement. In the event the Company elects to redeem less than all of the Bonds, the particular Bonds to be redeemed will be selected by the Company by such method as the Company shall deem fair and appropriate. In the low-probability event that our Founder becomes Incapacitated, this Call Protection Period shall expire immediately as of the date of the written confirmation by the Board of Directors.

## **Article V: Default**

### **5.1 Default:**

Bonds shall be considered in default if the Company fails to pay Interest Payments or the Principal Amount for a period exceeding ninety (90) days from the due date, excluding any extensions granted under Section 7.3 (Force Majeure).

### **5.2 Right to Cure:**

In the event of a default, the Company shall have an additional ninety (90) day period to cure after receiving written notice from a Bondholder. During this cure period, the Company may take action to fulfill its payment obligations or seek an extension pursuant to Section 8.2 without incurring penalties. Any Extensions pursuant to Section 8.2 will toll the event of default and upon the termination of any extension, the Company shall have an additional 90-day period to cure any default.

### **5.3 Economic Extensions.**

In the event of a Significant Economic Downturn between January 1, 2030 and December 31, 2032, the Company, at its discretion, shall be permitted to extend the Maturity Date for an additional two (2) years without being considered in default. Interest on the Bonds shall continue to be payable under such an extension and the automatic conversion period shall continue through the extended Maturity Date. The Company shall notify Bondholders in writing, within 60 days of the triggering event, of its decision to extend the repayment or conversion deadlines, and provide a new expected maturity or conversion date.

### **5.4 Personal Guarantee of Kevin Paffrath**

- a. Kevin Paffrath, as the Founder of the Issuer, personally guarantees the repayment of the principal and all accrued interest in the event the Company defaults on its obligations under this Agreement (the “Guarantee”). This Guarantee offers additional security for Bondholders beyond the Company’s assets. However, it is provided without disclosure of the financial standing or assets of Kevin Paffrath, and there is no obligation by the Company or the Founder to provide such disclosure in the future unless the Company defaults and is unable to meet its obligations under the Bonds, at which point Kevin Paffrath’s financial backing may be privately evaluated by an independent, third-party if and only if the Company’s obligations under the Bonds have not been otherwise met. The financial backing evaluation by the independent, third-party shall not be made publicly available and shall not be provided to Bondholders unless legally required. Kevin Paffrath will work with the independent, third-party evaluator in good faith to fulfill this personal Guarantee.
- b. Scope of Guarantee: This Guarantee applies to all obligations under the Bonds, including principal, interest, and any penalties incurred due to non-payment. No specific financial disclosures or net worth statements are required as part of this guarantee.
- c. Limitation of Principal Guarantee: The Guarantee provided by Kevin Paffrath for the repayment of principal and interest under the Bonds issued in this offering applies only to the Bonds and remains in effect until the Bonds are either redeemed or converted to shares in accordance with the terms of this Agreement. Once a Bondholder’s Bonds are converted to shares, or the Bonds are redeemed by the Company, as provided in the Agreement, the Guarantee on the principal, accrued interest, and any incurred penalties, expires and no longer applies to those shares or redeemed amounts. Upon conversion to shares, Bondholders will no longer be entitled to principal or interest repayment under the Guarantee, and instead, will hold equity in the Company, subject to the risks and potential rewards associated with common stock ownership.

## **Article VI: Covenants**

### **6.1 No Negative Covenants:**

The Company is free to take on additional debt, including senior debt, mortgages, and other forms of financing, as well as issue corporate securities such as preferred stock that obligate the Company to pay dividends or distributions, as necessary to facilitate business operations.

### **6.2 Affirmative Covenants:**

The Company agrees to provide Bondholders with unaudited semi-annual financial statements and reports and an annual audited financial statement. In addition, the Company expects, but does not guarantee, to provide quarterly updates on its YouTube channel, subject to availability, covering the Company's strategic milestones, major business developments, and future objectives.

## **Article VII: Governing Law; Arbitration**

### **7.1 Governing Law:** This Agreement and the Bonds issued hereunder shall be governed by and construed in accordance with the laws of the State of Wyoming, without regard to its conflict of laws provisions.

### **7.2 Mandatory Dispute Resolution; Arbitration; Waiver of Jury Trial:**

Any disputes arising under this Agreement shall be resolved through binding arbitration administered by JAMS in accordance with its Comprehensive Arbitration Rules & Procedures. Arbitration shall be the mandatory and exclusive means for resolving disputes, and the arbitration shall take place virtually or, if agreed upon by all parties, in-person in Ventura, California, or at any other location mutually agreed upon. The complaining party shall be responsible for any mediation or arbitration fees. Arbitration shall be limited to resolving the specific dispute between the Company and the Bondholder. Arbitrators shall be permitted to consider market conditions, economic circumstances, and any force majeure events in determining whether the Company is liable for breach of this Agreement. The arbitrator shall not have the authority to award punitive damages, attorney's fees, or any remedy beyond actual, documented losses. The parties to the Agreement hereby waive their right to a jury trial.

### **7.3 Force Majeure:**

The Company shall not be liable for any failure or delay in the performance of its obligations under this Agreement due to events beyond its control including but not limited to acts of God, natural disasters, war, civil unrest, pandemics, earthquakes, vandalism, riots, terrorism, or government action or intervention ("Force Majeure Event"). In the event of a Force Majeure event, the Company reserves the right to extend its obligations for a reasonable amount of time under this Agreement without being deemed in default.

## **Article VIII: Voting Rights**

### **8.1 Bondholder Voting Rights:**

Bondholders do not possess any voting rights regarding the Company's corporate governance, management decisions, or participation in shareholder meetings, or any other Company actions, except as explicitly provided in this Agreement. Specifically, Bondholders may have limited

voting rights solely concerning proposed amendments or modifications to the terms of the Bonds that are proposed by the Company and directly affect their rights as Bondholders. In the event the Company proposes an amendment or modification to this Agreement, it shall be passed and become effective with a majority vote of all then-existing Bondholders, weighted with each then-existing Bond having one vote.

## **Article IX: Supremacy of Official Documents**

### **9.1 Public Statements:**

Any comments, statements, or representations made by the Company, its representatives, or its Founder, Kevin Paffrath, in public forums, including but not limited to YouTube livestreams, videos, social media posts, interviews, or any other public setting, do not amend, modify, or supersede the terms outlined in this Agreement or any related legal documents (e.g., subscription agreements, offering memorandums, etc.).

In the event of any conflict or inconsistency between public statements and the formal legal documents, the terms of the official, signed documents shall govern. Public statements made by the Company or its representatives are for informational purposes only and do not alter the legal terms outlined in this Agreement or related documents.

## **Article X: Waiver of Legal Remedies and Acceptance of Business Changes**

### **10.1 Business Discretion:**

The Company reserves the right to alter or expand its business operations at its discretion. This may include but is not limited to:

- a. Starting new lines of business;
- b. Acquiring or merging with other businesses;
- c. Investing in new industries or ventures;
- d. Changing operational structures or strategies; or
- e. Incurring expenses for expansion or reorganization.

There is no guarantee that such changes will result in financial gain or be beneficial to the Company or its Bondholders. Bondholders and shareholders acknowledge and agree that the Company's management may make such changes as it deems beneficial for the future of the Company.

### **10.2 Limitation on Legal Remedies:**

Bondholders acknowledge the Company's right to make business decisions at its discretion. However, this does not waive any legal rights Bondholders may have under applicable law in cases of fraud, willful misconduct, or breach of the terms of this Agreement.

### **10.3 Waiver of Legal Remedies:**

By investing in the Bonds, Bondholders and shareholders expressly waive any legal remedies or rights to bring lawsuits or claims against the Company, its officers, directors, or representatives, in relation to:

- a. Changes in the Company's business strategy;
- b. Changes in operations or investments;
- c. Incurred expenses related to changes or growth;
- d. Shifts in company positioning;
- e. Acquisitions or expansions; or
- f. Any other decisions that management deems in the best interest of the Company.

Bondholders and shareholders agree to waive their right to object to any such changes, including but not limited to filing lawsuits, seeking damages, or pursuing any legal actions in response to the Company's operations or strategic decisions, unless there is a case of fraud or willful violation of the law.

#### **10.4 Limitation of Liability:**

The Company, its officers, and its representatives shall not be liable for any indirect, incidental, special, consequential, or punitive damages arising from the Company's business decisions, including those related to new lines of business, acquisitions, investments, or any other changes in the Company's business operations.

#### **10.5 Binding Nature:**

This waiver of legal remedies and limitation of liability is binding upon all Bondholders, shareholders, their successors, heirs, and assigns. By subscribing to the Bonds, each Bondholder affirms they have read, understood, and agreed to this waiver, recognizing the Company's right to act in its sole discretion.

### **Article XI: Private Resale of Bonds or Shares**

#### **11.1 Investor Put Option (Company Discretion):**

The Company may, at its sole discretion, offer to repurchase Bonds from a Bondholder at a discounted rate to be determined by the Company at the time of the repurchase. This option is entirely optional for the Company to offer, and Bondholders do not have put rights (the right to force the Company to repurchase their Bonds). The Investor acknowledges that there is no guarantee that the Company will agree to any such repurchase.

Any discounted rate or terms for such repurchase will be determined at the sole discretion of the Company based on market conditions and the Company's financial position at the time of the offer.

The Company is under no obligation to offer repurchase terms and reserves the right to reject any investor request for a buy-back.

#### **11.2 Private Sale Facilitation:**

In the event a Bondholder seeks to privately sell their Bonds or shares to another investor, the Company may, at its discretion, facilitate the process by privately contacting other Bondholders via email or other private communications to notify them of the availability of Bonds or shares for sale. This is intended to assist Bondholder in connecting with potential buyers, but:

The Company will not facilitate any solicitation or transaction in violation of state and federal securities rules and regulations.

The Company will not facilitate a general solicitation of Bondholders or engage in public advertising regarding the availability of Bonds.

The Company may communicate opportunities for a private sale solely among current Bondholders or shareholders.

Any facilitation of private sales by the Company will be conducted in compliance with all applicable securities laws and regulations. The Company does not guarantee the success of any private sale and is not responsible for the terms negotiated between private parties.

### **11.3 No Guarantee of Market Liquidity:**

The Investor acknowledges that there is no guarantee of liquidity in any private market for the Bonds. While the Company may assist investors in facilitating sales, the Investor assumes full responsibility for any private sale and acknowledges that there is no obligation on the part of the Company to repurchase or facilitate such transactions.

## **Article XII: Miscellaneous**

### **12.1 Amendments:**

This Agreement may not be amended unless the amendment is proposed by the Company and presented to the Bondholders for their consideration and approval by a majority vote. The Company shall provide notice of any proposed amendment to the Bondholders not less than 14 days before the action to be voted on occurs. The amendment will be accepted if there is approval of the Company and Bondholders representing at least a majority of the Bonds, weighted with each then-existing Bond receiving one vote, represented and voting at a duly called meeting of Bondholders or through a written consent process set forth by the Company at its discretion. The approval is based solely on the Bonds that are voted, regardless of the total outstanding principal amount of the Bonds. Such consent is solely for the purpose of approving amendments affecting the terms and conditions of the Bonds and does not grant any general voting rights in the Company.

### **12.2 Binding Effect:**

This Agreement shall be binding upon and inure to the benefit of the Company, its successors, and assigns, and the Bondholders, their heirs, executors, and legal representatives.

### **12.3 Notices:**

All notices, requests, demands, and other communications given under or by reason of this Agreement shall be in writing and shall be deemed given (i) upon delivery when delivered in-person, (ii) as of 2:00 p.m. PT on the day after being delivered to a nationally recognized overnight courier; (iii) upon transmission thereof and receipt of the appropriate answerback when delivered by facsimile transmission or by email; or (iv) 72 hours after being placed in a depository of the United States mails when delivered by certified mail (return receipt requested), postage prepaid, addressed as follows (or to such other address as a party may specify by notice pursuant to this provision):

(a) If to the Company:

House Hack, Inc., DBA *HouseHack*  
Attn: Investor Relations  
8164 Platinum Street  
Ventura, CA 93004  
[ir@househack.com](mailto:ir@househack.com)

(b) If to the Bondholder, to the address and contact information provided by the Bondholder to the Company from time to time. Each Bondholder is under an affirmative duty to inform the Company of any contact information changes within thirty (30) days of the change.

**12.4 Severability:**

If any provision of this Agreement is held to be invalid, illegal, or unenforceable in any jurisdiction, such provision shall be ineffective only to the extent of such invalidity, illegality, or unenforceability, without affecting the remaining provisions of this Agreement. Such invalidity, illegality, or unenforceability shall not invalidate or render unenforceable such provision in any other jurisdiction.

**12.5 Management of Payments and Communications:**

The Company shall directly manage all communications, payments, and record-keeping related to the Bonds. No trustee shall be appointed for the Bonds.

**12.6 Registration:**

These securities have not been registered under the Securities Act of 1933 or any state securities laws and are being offered in reliance on exemptions from registration. They may not be sold or transferred except as permitted under applicable securities laws. This offering is being made pursuant to Rule 506(c) of Regulation D under the Securities Act of 1933.

**12.7 Electronic Signatures:**

This Agreement may be executed electronically, and electronic signatures shall be deemed originals for all purposes.

**12.8 Confidentiality:**

Bondholders agree to maintain the confidentiality of any non-public information provided by the Company and will not disclose such information without the Company's prior written consent, except as required by law.

**12.9 Advisory Relationship:**

The Company is not acting as an advisor or fiduciary to any Bondholder. Each Bondholder has consulted with their own legal, financial, and tax advisors concerning this investment.

**12.10 Entire Agreement:**

This Agreement constitutes the entire agreement between the parties and supersedes all prior understandings, whether written or oral, relating to the subject matter hereof.

### **12.11 Conflicts of Interest:**

The Company, its directors, officers, and affiliates may engage in activities that could present conflicts of interest. These include, but are not limited to:

- a. Serving in multiple roles across affiliated entities; or
- b. Entering into transactions or agreements with affiliated companies.

The Company will manage these conflicts in accordance with its internal policies and procedures and in compliance with applicable laws and regulations to ensure fair and equitable treatment of all Bondholders.

### **12.12 Affiliate Relationships and Potential Conflicts of Interest:**

The Company hereby discloses that it is affiliated with several entities owned or operated by Kevin Paffrath, including but not limited to:

- a. Plato's Philosophy, LLC, DBA *StockHack*, a financial advisory firm;
- b. The Paffrath Organization, DBA *Meet Kevin*, a media company and real estate brokerage;
- c. SuitHack, LLC, a potential broker-dealer; and
- d. Other Ventures of Kevin Paffrath.

### **12.13 Advisory Client Investments:**

Some clients of the Company's affiliated financial advisory services may invest in the Bonds offered by the Company. The Company acknowledges that this may present potential conflicts of interest. The Company and its affiliates will conduct all transactions with transparency and in accordance with applicable laws and regulations. The Company commits to acting in the best interests of its investors and clients, ensuring that any potential conflicts are disclosed and managed appropriately to individual investors receiving advisory information. There is no further obligation of Company to disclose the identity, or amount, of any particular investor, who is also a client of our Founder in another venture. By investing in the Bonds, Investors acknowledge the affiliations between the Company and entities including, but not limited to, those listed above.

### **12.14 Compliance with Securities Laws:**

The Company shall comply with all applicable federal and state securities laws and regulations in connection with the offering and sale of the Bonds. The Bondholders acknowledge that they have been provided with all disclosures required under such laws.

### **12.15 Governing Language:**

This Agreement and all related documents are drafted in the English language, which shall be the governing language in interpreting and applying the terms herein.

### **12.16 Governing Time:**

This Agreement and all related documents refer to times, all of which should be considered Pacific (California) Times.

**12.17 Counterparts:**

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**12.18 Assignment:**

Bondholders may not assign or transfer their rights or obligations under this Agreement without the prior written consent of the Company, except as permitted under applicable securities laws. The Company may assign its rights and obligations hereunder to a successor entity in connection with a merger, acquisition, or reorganization without Bondholder approval.

**12.19 Electronic Communication Consent:**

By investing in the Bonds, Bondholders consent to receive all communications, notices, and disclosures from the Company electronically via email or through the Company's designated online platform, in compliance with the E-SIGN Act.

**12.20 Compliance with Future Laws:**

The Company agrees to comply with any future changes in applicable laws and regulations. If such changes materially affect the terms or enforceability of this Agreement, the Company shall make necessary amendments to remain in compliance and will notify Bondholders of any significant changes, and the Bondholders hereby consent to any such amendments.

**12.21 Responsibility for Fees:**

All Bondholders are responsible for any fees associated with the receipt of interest payments, including but not limited to bank fees, wire transfer fees, currency conversion fees, and any intermediary bank charges. The Company shall deduct any such fees from the interest payments made to the investor, resulting in the net amount received.

**12.22 Currency and Exchange Rates:**

All interest payments will be made in U.S. Dollars (USD). Investors receiving funds in non-USD currencies are responsible for any currency conversion fees or exchange rate fluctuations.

**12.23 No Company Liability for Fees or Delays:**

The Company is not liable for any delays, fees, or losses resulting from the banking system, intermediary banks, or other financial institutions involved in processing payments. Investors should coordinate with their financial institutions to understand any potential fees or requirements.

**Article XIII: International Investors****13.1 Eligibility and Compliance:**

International investors may be eligible to invest in the Bonds provided they meet investor qualification standards substantially similar to the "Accredited Investor" criteria under U.S. securities laws. Such investors are responsible for ensuring that their investment complies with all applicable laws and regulations of their home country and the United States.

International investors should discuss their situation with our Investor Relations team at [ir@househack.com](mailto:ir@househack.com) prior to making an investment. The Company reserves the right to accept or reject investments from international investors at its sole discretion.

### **13.2 Tax Withholding and Reporting for International Investors:**

#### **a. Provision of IRS Form W-8BEN or W-8BEN-E:**

Mandatory Requirement: International investors must provide the Company with a valid IRS Form W-8BEN (for individuals) or Form W-8BEN-E (for entities) before any interest payments are made.

Purpose of the Form: This form certifies the investor's non-U.S. status and allows the investor to claim any applicable reduced withholding rate under an income tax treaty between the United States and the investor's country of residence.

#### **b. Failure to Provide Form W-8BEN or W-8BEN-E:**

Maximum Withholding Rate: If an international investor fails to provide a valid Form W-8BEN or W-8BEN-E, the Company is required by U.S. federal tax law to withhold tax at the maximum rate of 30% on all interest payments.

Delay or Suspension of Payments: The Company may delay or suspend interest payments to the investor until the required form is received.

Investor Responsibility: It is the investor's responsibility to provide the necessary documentation in a timely manner to avoid unnecessary withholding or payment delays.

#### **c. Withholding Procedures Upon Receipt of Form W-8BEN or W-8BEN-E:**

Application of Withholding Tax: Upon receipt of a valid Form W-8BEN or W-8BEN-E, the Company will apply the appropriate U.S. federal tax withholding rate to interest payments made to the international investor.

Standard Rate: The standard withholding rate is 30%.

Reduced Rate Under Tax Treaty: If the investor is eligible for a reduced withholding rate under an applicable income tax treaty between the United States and the investor's country of residence, and this is properly indicated on the form, the Company will withhold tax at the reduced rate.

Verification of Eligibility: The Company will review the provided form to verify that it is complete and that the claimed treaty benefits are applicable.

#### **d. No Gross-Up for Withholding:**

Net Payments: The Company will not increase (gross-up) interest payments to cover any withholding taxes. International investors will receive the net amount after applicable U.S. federal tax withholding.

**e. Remittance of Withheld Taxes:**

Payment to IRS: The Company will remit all withheld taxes to the United States Internal Revenue Service (IRS) as required by law.

Reporting: The Company will report the interest payments and amounts withheld to the IRS and the investor on IRS Form 1042-S, "Foreign Person's U.S. Source Income Subject to Withholding."

**f. Investor's Tax Obligations:**

Consultation with Tax Advisors: International investors are advised to consult their own tax advisors regarding the tax implications of investing in the Bonds, including the applicability of any tax treaties and the proper completion of Form W-8BEN or W-8BEN-E.

Tax Compliance: Investors are responsible for compliance with the tax laws of both the United States and their country of residence.

### **13.3 Tax Reporting and Documentation:**

**a. Annual Tax Reporting:**

Form 1042-S: By March 15th of each year, the Company will provide international investors with IRS Form 1042-S, detailing the interest income paid and any U.S. federal tax withheld during the preceding calendar year.

Form 1042: The Company will file IRS Form 1042, "Annual Withholding Tax Return for U.S. Source Income of Foreign Persons," summarizing all amounts withheld and remitted to the IRS.

**b. Record Keeping:**

Investor Records: International investors should retain copies of all tax forms and communications for their personal records and for compliance with their own tax reporting obligations.

### **13.4 Compliance with U.S. Tax Laws:**

Company's Obligations: The Company will comply with all applicable U.S. federal tax withholding and reporting requirements concerning payments to international investors.

Updates to Tax Laws: In the event of changes to U.S. tax laws or regulations that affect the Company's obligations, the Company will adjust its procedures accordingly and notify investors of significant changes that may impact them.

### **13.5 No Advice: The Company does not provide tax, legal, or accounting advice.**

It is the Investor's responsibility to understand and comply with all tax laws applicable to their investment in the Bonds.

## **HOUSE HACK, INC., DBA *HOUSEHACK***

### **CONVERTIBLE BOND AGREEMENT SIGNATURE PAGE**

The undersigned, desiring to purchase Bond Securities of House Hack, Inc. by executing this signature page, hereby executes, adopts, and agrees to all terms, conditions, and representations of the Convertible Bond Agreement.

- (a) The number of Bond Securities the undersigned hereby **irrevocably** subscribes for is:

---

Input Number of Bond Securities Purchased (Each Bond = \$10,000)

**The minimum amount of Bond purchases is two (2) (\$20,000 minimum at \$10,000 per bond). Input increments of one (1) bond (\$10,000 per bond) if investing more than the minimum. Wire fees, if any, and currency exchange fees (for non-US dollar transaction) will be deducted from Bonds issued.**

- (b) The aggregate purchase price (based on a purchase price of \$10,000.00 per Bond Security) for the Bond Securities the undersigned hereby **irrevocably** subscribes for is:

---

Input Aggregate Purchase Price of All Bond Securities

**Input increments of \$10,000 if investing more than the \$20,000 minimum.**

**If your funds are not received by the Company via wire transfer within 30 days of signing this Subscription Agreement, this Agreement shall immediately be deemed automatically rejected by the Company, unless otherwise agreed to by the Company. (Go to [www.househack.com/wire](http://www.househack.com/wire) to see the Company's wire instructions. Please make sure to include your name and email address that you provided in this Subscription Agreement on the memo section of your requested wire transfer. Once your bank has confirmed your wire transfer, please go to [www.househack.com/upload](http://www.househack.com/upload) to upload your wire confirmation for us to connect your transfer with the funds received in our account.)**

**If the amount of funds received are in non-round increments, or are converted into US dollars from another currency, or are subject to other fees, shares issued will be rounded down to the nearest share without refund of any remaining cents.**

(c) The undersigned is an accredited investor. Input WHY you believe you are accredited (as that term is defined in Regulation D under the Securities Act). Appendix A is below with full definitions. Some common input items are:

Input "5" for Net worth over \$1m excluding primary residence.

Input "6" for income exceeding \$200k single or \$300k jointly EACH of the last years.

Otherwise, see Appendix A below.

---

Print Applicable Number Selected From Appendix A – pages 18-20

**PLEASE NOTE: All Subscribers will be required to upload identification documents, including a government-issued and numbered photo ID, and an accreditation verification letter. Please see the attached accreditation instructions for further details.**

(d) I request that the Bond Securities being subscribed for will be owned by, and should be recorded on the Company's books as held in the name of: (Select only one type below)

**(1) IF AS INDIVIDUAL(S) / JOINT OWNERS:**

---

Signature Signature of 2<sup>nd</sup> Individual (if joint owner)

---

Date Signed Date Signed by 2<sup>nd</sup> Individual

---

Print Full Legal Name Print Full Legal Name of 2<sup>nd</sup> Individual

---

Social Security Number Social Security Number of 2<sup>nd</sup> Individual

**(2) IF AS A PARTNERSHIP, LIMITED LIABILITY COMPANY,  
CORPORATION, OR TRUST:**

---

Signature

---

Date Signed

---

Print Full Legal Name of Entity

---

Print Full Legal name of Managing Member, Principal Officer, Trustee, etc.

---

Federal Tax Identification Number

**(3) IF RETIREMENT ACCOUNT:**

**PLEASE NOTE: If you are investing with a Directed IRA by Directed Trust Company, please contact them directly, and they will assist you with completion of this Subscription Agreement. If you are using a different investment company, please contact them directly for assistance with completing this section.**

---

Signature

---

Date Signed

---

Full Name of Retirement Account (Example: Directed Trust Company FBO John Smith IRA)

---

Name of Account Owner

---

Federal Tax Identification Number of Investment Company

**PLEASE ALSO PROVIDE THE FOLLOWING:**

---

Street Address

---

City, State, Zip Code (Country address and code if not US)

---

Email Address of Primary Owner

---

Email Address of Joint Owner, if applicable

---

Telephone Number of Primary Owner

---

Telephone Number of Joint Owner, if applicable

\* \* \* \*

This Agreement is accepted on:

**HOUSE HACK, INC., DBA *HOUSEHACK***

---

Date

By:

Kathy Carey  
Director of Investor Relations

## **APPENDIX A**

*An accredited investor, as defined in Rule 501(a) of the Securities Act of 1933, as amended, includes the following categories of investor:*

- (1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state; any investment adviser relying on the exemption from registering with the Commission under section 203(l) or (m) of the Investment Advisers Act of 1940; any insurance company as defined in section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any Rural Business Investment Company as defined in section 384A of the Consolidated Farm and Rural Development Act; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- (2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;
- (3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, or limited liability company, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
- (4) Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;
- (5) Any natural person whose individual net worth, or joint net worth with that person's spouse or spousal equivalent, exceeds \$1,000,000.
  - (i) Except as provided in paragraph (5)(ii) of this section, for purposes of calculating net worth under this paragraph (5):
    - (A) The person's primary residence shall not be included as an asset;

(B) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(C) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;

(ii) Paragraph (5)(i) of this section will not apply to any calculation of a person's net worth made in connection with a purchase of securities in accordance with a right to purchase such securities, provided that:

(A) Such right was held by the person on July 20, 2010;

(B) The person qualified as an accredited investor on the basis of net worth at the time the person acquired such right; and

(C) The person held securities of the same issuer, other than such right, on July 20, 2010.

(6) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse or spousal equivalent in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in rule 506(b)(2)(ii);

(8) Any entity in which all of the equity owners are accredited investors;

(9) Any entity, of a type not listed in paragraphs (1), (2), (3), (7), or (8), not formed for the specific purpose of acquiring the securities offered, owning investments in excess of \$5,000,000;

(10) Any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for accredited investor status.

(11) Any natural person who is a "knowledgeable employee," as defined in rule 3c-5(a)(4) under the Investment Company Act of 1940, of the issuer of the securities being offered or sold where the issuer would be an investment company, as defined in section 3 of such act, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7) of such act;

(12) Any “family office,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940:

- (i) With assets under management in excess of \$5,000,000,
- (ii) That is not formed for the specific purpose of acquiring the securities offered, and
- (iii) Whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment; and

(13) Any “family client,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, of a family office meeting the requirements in paragraph (12) and whose prospective investment in the issuer is directed by such family office pursuant to paragraph (12)(iii).

**EXHIBIT D**

FORM OF SUBSCRIPTION AGREEMENT

## **SUBSCRIPTION AGREEMENT**

**THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK. THIS INVESTMENT IS SUITABLE ONLY FOR PERSONS WHO CAN BEAR THE ECONOMIC RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. FURTHERMORE, INVESTORS MUST UNDERSTAND THAT SUCH INVESTMENT IS ILLIQUID AND IS EXPECTED TO CONTINUE TO BE ILLIQUID FOR AN INDEFINITE PERIOD OF TIME. NO PUBLIC MARKET EXISTS FOR THE SECURITIES, AND NO PUBLIC MARKET IS EXPECTED TO DEVELOP FOLLOWING THIS OFFERING.**

**THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY STATE SECURITIES OR BLUE SKY LAWS AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND STATE SECURITIES OR BLUE SKY LAWS. ACCORDINGLY, THE SECURITIES CANNOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE ACT. IN ADDITION, THE SECURITIES CANNOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE APPLICABLE STATE SECURITIES OR BLUE SKY LAWS. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC, ANY STATE SECURITIES COMMISSION, OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON THE MERITS OF THIS OFFERING OR THE ADEQUACY OR ACCURACY OF THE SUBSCRIPTION AGREEMENT OR ANY OTHER MATERIALS OR INFORMATION MADE AVAILABLE TO SUBSCRIBER IN CONNECTION WITH THIS OFFERING OVER THE WEB-BASED PLATFORM MAINTAINED BY HOUSE HACK, INC., DBA *HOUSEHACK* (THE “PLATFORM”). ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.**

**THE SECURITIES MAY ONLY BE PURCHASED BY PERSONS WHO ARE “ACCREDITED INVESTORS” (AS THAT TERM IS DEFINED IN SECTION 501 OF REGULATION D PROMULGATED UNDER THE ACT). THE COMPANY IS RELYING ON THE REPRESENTATIONS AND WARRANTIES SET FORTH BY EACH SUBSCRIBER IN THIS SUBSCRIPTION AGREEMENT AND THE OTHER INFORMATION PROVIDED BY SUBSCRIBER IN CONNECTION WITH THIS OFFERING TO DETERMINE THE APPLICABILITY TO THIS OFFERING OF EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE ACT.**

**PROSPECTIVE INVESTORS MAY NOT TREAT THE CONTENTS OF THE SUBSCRIPTION AGREEMENT, ANY PRIVATE PLACEMENT MEMORANDUM, OR ANY OF THE OTHER MATERIALS AVAILABLE ON THE PLATFORM (COLLECTIVELY, THE “OFFERING MATERIALS”) OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE COMPANY OR ANY OF ITS OFFICERS, EMPLOYEES, OR AGENTS AS INVESTMENT, LEGAL, OR TAX ADVICE. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THIS**

OFFERING, INCLUDING THE MERITS AND THE RISKS INVOLVED. EACH PROSPECTIVE INVESTOR SHOULD CONSULT THE INVESTOR'S OWN COUNSEL, ACCOUNTANT, AND OTHER PROFESSIONAL ADVISOR AS TO INVESTMENT, LEGAL, TAX, AND OTHER RELATED MATTERS CONCERNING THE INVESTOR'S PROPOSED INVESTMENT.

**THE OFFERING MATERIALS MAY CONTAIN FORWARD-LOOKING STATEMENTS AND INFORMATION RELATING TO, AMONG OTHER THINGS, THE COMPANY, ITS BUSINESS PLAN AND STRATEGY, AND ITS INDUSTRY.** THESE FORWARD-LOOKING STATEMENTS ARE BASED ON THE BELIEFS OF, ASSUMPTIONS MADE BY, AND INFORMATION CURRENTLY AVAILABLE TO THE COMPANY'S MANAGEMENT TEAM. WHEN USED IN THE OFFERING MATERIALS, THE WORDS "ESTIMATE," "PROJECT," "BELIEVE," "ANTICIPATE," "INTEND," "EXPECT," AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS, WHICH CONSTITUTE FORWARD LOOKING STATEMENTS. THESE STATEMENTS REFLECT OUR MANAGEMENT TEAM'S CURRENT VIEWS WITH RESPECT TO FUTURE EVENTS AND ARE SUBJECT TO RISKS AND UNCERTAINTIES THAT COULD CAUSE THE COMPANY'S ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTAINED IN THE FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE ON WHICH THEY ARE MADE. THE COMPANY DOES NOT UNDERTAKE ANY OBLIGATION TO REVISE OR UPDATE THESE FORWARD-LOOKING STATEMENTS TO REFLECT EVENTS OR CIRCUMSTANCES AFTER SUCH DATE OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS.

**THE INFORMATION CONTAINED IN THE OFFERING MATERIALS MAY CHANGE OR VARY AFTER THE LAUNCH DATE.** THE COMPANY UNDERTAKES TO MAKE AVAILABLE TO EVERY INVESTOR DURING THE COURSE OF THIS TRANSACTION AND PRIOR TO SALE OF SECURITIES THE OPPORTUNITY TO ASK QUESTIONS OF AND RECEIVE ANSWERS FROM THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING AND TO OBTAIN ANY APPROPRIATE ADDITIONAL INFORMATION NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION CONTAINED IN THE OFFERING MATERIALS.

**THE COMPANY MAY NOT BE OFFERING THE SECURITIES IN EVERY STATE.** THE OFFERING MATERIALS DO NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR JURISDICTION IN WHICH THE SECURITIES ARE NOT BEING OFFERED.

**THE INFORMATION PRESENTED IN THE OFFERING MATERIALS WAS PREPARED BY THE COMPANY SOLELY FOR THE USE BY PROSPECTIVE INVESTORS IN CONNECTION WITH THIS OFFERING.** NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN ANY OFFERING MATERIALS, AND NOTHING CONTAINED IN THE OFFERING MATERIALS IS OR SHOULD BE RELIED UPON AS A

PROMISE OR REPRESENTATION AS TO THE FUTURE PERFORMANCE OF THE COMPANY.

**THE COMPANY RESERVES THE RIGHT IN ITS SOLE DISCRETION, AND FOR ANY REASON WHATSOEVER, TO MODIFY, AMEND, AND/OR WITHDRAW ALL OR A PORTION OF THE OFFERING AND/OR ACCEPT OR REJECT IN WHOLE OR IN PART ANY PROSPECTIVE INVESTMENT IN THE SECURITIES OR TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE AMOUNT OF SECURITIES SUCH INVESTOR DESIRES TO PURCHASE.** EXCEPT AS OTHERWISE INDICATED, THE OFFERING MATERIALS SPEAK AS OF THEIR DATE. NEITHER THE DELIVERY NOR THE PURCHASE OF THE SECURITIES SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THAT DATE.

House Hack, Inc., DBA *HouseHack*  
8164 Platinum Street  
Ventura, CA 93004

Ladies and Gentlemen:

1. Subscription.

- (a) The undersigned (“Subscriber”) hereby irrevocably subscribes for and agrees to purchase convertible bonds of House Hack, Inc., DBA *HouseHack*, a Wyoming corporation, (the “Company”), at a purchase price of \$10,000.00 per bond (the “Per Security Price”), subject to and upon the terms and conditions set forth herein and in the Convertible Bond Agreement. The minimum subscription amount is two bonds, or \$20,000.00. The rights of the Securities are as set forth in constitutive document where such document appears.
- (b) By executing this Subscription Agreement, Subscriber acknowledges that Subscriber has received this Subscription Agreement, a copy of the PPM or other offering materials posted on the platform, including the Convertible Bond Agreement, and any other information required by the Subscriber to make an investment decision.
- (c) This Subscription may be accepted or rejected in whole or in part, at any time prior to a Closing Date (as hereinafter defined), by the Company at its sole discretion. In addition, the Company, at its sole discretion, may allocate to Subscriber only a portion of the number of Securities Subscriber has subscribed for. The Company will notify Subscriber whether this subscription is accepted (whether in whole or in part) or rejected. If Subscriber’s subscription is rejected, Subscriber’s payment (or portion thereof if partially rejected) will be returned to Subscriber, less any customary fees associated with the refund, if any, without interest, and all of Subscriber’s obligations hereunder shall terminate.
- (d) The aggregate number of Securities sold shall not exceed \$200,000,000 (the “Maximum Offering”). The Company may accept subscriptions commencing on the date of the PPM and continue through December 13, 2024 at 11:59 p.m. PT, unless otherwise extended or shortened by the Company in its sole discretion (the “Termination Date”). However, the Company reserves the right to elect at any time to close all or any portion of this offering, on various dates at or prior to the Termination Date (each a “Closing Date”).
- (e) In the event of rejection of this subscription in its entirety, or in the event the sale of the Securities (or any portion thereof) is not consummated for any reason, this Subscription Agreement shall have no force or effect, except for Section 5 hereof, which shall remain in force and effect.

2. Purchase Procedure.

- (a) Payment. Subscriber shall deliver a signed copy of this Subscription Agreement (which may be executed and delivered electronically) along with payment for the aggregate purchase price of the Securities by wire transfer to an account designated by the Company. *In the event that the*

*Company does not receive payment for the aggregate purchase price of the Securities within 30 days of signing this Subscription Agreement, the Agreement shall be deemed automatically rejected by the Company, unless otherwise agreed upon by the Company.*

(b) Bank-Directed Fund

The company will maintain a “bank-directed” fund in lieu of an escrow agent to hold funds tendered by investors. Any funds held in the bank-directed fund will be available to the Company immediately upon the Subscriber’s identification documents and accreditation letter being received by the Company, and the Company accepting the Subscriber’s Convertible Bond Agreement and Subscription Agreement.

3. Representations and Warranties of the Company.

The Company represents and warrants to Subscriber that the following representations and warranties are true and complete in all material respects as of the date of each Closing Date, except as otherwise indicated. For purposes of this Agreement, an individual shall be deemed to have “knowledge” of a particular fact or other matter if such individual is actually aware of such fact. The Company will be deemed to have “knowledge” of a particular fact or other matter if one of the Company’s current officers has, or at any time had, actual knowledge of such fact or other matter.

(a) Organization and Standing. The Company is a corporation, duly formed, validly existing, and in good standing under the laws of the State of Wyoming. The Company has all requisite power and authority to own and operate its properties and assets, to execute and deliver this Subscription Agreement, and any other agreements or instruments required hereunder. The Company is duly qualified and is authorized to do business and is in good standing as a foreign corporation in all jurisdictions in which the nature of its activities and of its properties (both owned, leased, and rented) makes such qualification necessary, except for those jurisdictions in which failure to do so would not have a material adverse effect on the Company or its business.

(b) Issuance of the Securities. The issuance, sale, and delivery of the Securities in accordance with this Subscription Agreement have been duly authorized by all necessary corporate action on the part of the Company. The Securities, when so issued, sold, and delivered against payment therefor in accordance with the provisions of this Subscription Agreement, will be duly and validly issued, fully paid, and non-assessable.

(c) Authority for Agreement. The execution and delivery by the Company of this Subscription Agreement and the consummation of the transactions contemplated hereby (including the issuance, sale, and delivery of the Securities) are within the Company’s powers and have been duly authorized by all necessary corporate action on the part of the Company. Upon full execution hereof, this Subscription Agreement shall constitute a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditor’s rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies,

and (iii) with respect to provisions relating to indemnification and contribution, as limited by considerations of public policy and by federal or state securities laws.

(d) No filings. Assuming the accuracy of the Subscriber's representations and warranties set forth in Section 4 hereof, no order, license, consent, authorization or approval of, or exemption by, or action by or in respect of, or notice to, or filing or registration with, any governmental body, agency, or official is required by or with respect to the Company in connection with the execution, delivery, and performance by the Company of this Subscription Agreement except (i) for such filings as may be required under Regulation D or under any applicable state securities laws, (ii) for such other filings and approvals as have been made or obtained, or (iii) where the failure to obtain any such order, license, consent, authorization, approval, or exemption or give any such notice or make any filing or registration would not have a material adverse effect on the ability of the Company to perform its obligations hereunder.

(e) Capitalization. The outstanding units and securities of the Company immediately prior to the initial investment in the Securities is as set forth in the PPM or offering materials or other info on the platform. The Company presently has 1,000,000 shares of Voting Common Stock and approximately 47,434,297 shares of Non-Voting Common Stock issued and outstanding. There are also outstanding warrants for the purchase from the Company for shares of its Non-Voting Common Stock for \$1.00 per share. The total amount of issued and outstanding warrants is approximately 712,500 before rounding down to the nearest whole share. These warrants can be called by the Company beginning on January 1, 2026. Once called for redemption, warrantholders will have until the first business day after 60 calendar days to redeem their warrants for the \$1.00 non-voting common stock share purchase price. If the warrants are not redeemed within this period, they shall expire worthless. The total number of shares to be purchased from this warrant redemption is currently unknown and will be tallied and finalized upon the expiration of the warrant redemption period.

(f) Proceeds. The Company shall use the proceeds from the issuance and sale of the Securities as set forth in the "Use of Proceeds" Section of the PPM and other places "Use of Proceeds" is outlined on the platform.

(h) Litigation. Except as set forth in the offering materials, including the PPM, there is no pending action, suit, proceeding, arbitration, mediation, complaint, claim, charge or investigation before any court, arbitrator, mediator or governmental body, or to the Company's knowledge, currently threatened in writing (a) against the Company or (b) against any consultant, officer, manager, director or key employee of the Company arising out of his or her consulting, employment, or board relationship with the Company or that could otherwise materially impact the Company.

**4. Representations and Warranties of Subscriber.** By executing this Subscription Agreement, Subscriber (and, if Subscriber is purchasing the Securities subscribed for hereby in a fiduciary capacity, the person or persons for whom Subscriber is so purchasing) represents and warrants, which representations and warranties are true and complete in all material respects as of the date of the Subscriber's respective Closing Date(s):

(a) Requisite Power and Authority. Such Subscriber has all necessary power and authority under all applicable provisions of law to execute and deliver this Subscription Agreement and other agreements required hereunder and to carry out their provisions. All action on Subscriber's part required for the lawful execution and delivery of this Subscription Agreement and other agreements required hereunder (including internal authorizations) have been or will be effectively taken prior to the Closing. Upon their execution and delivery, this Subscription Agreement and other agreements required hereunder will be valid and binding obligations of Subscriber, enforceable in accordance with their terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, or other laws of general application affecting enforcement of creditors' rights and (b) as limited by general principles of equity that restrict the availability of equitable remedies.

(b) Investment Representations. Subscriber understands that the offering of the Securities has not been registered under the Act. Subscriber also understands that the Securities are being offered and sold pursuant to an exemption from registration contained in the Act based in part upon Subscriber's representations contained in this Subscription Agreement. Subscriber understands that the Securities are "restricted securities" as that term is defined by Rule 144 under the Act, and that Subscriber may only resell such Securities in a transaction registered under the Act or subject to an available exemption therefrom, and in accordance with any applicable state securities laws. In the event of any such resale, House Hack, Inc. may require an opinion of counsel satisfactory to House Hack, Inc. Subscriber acknowledges that any physical or electronic certificate representing the Securities may bear a legend to this effect.

(c) Illiquidity and Continued Economic Risk. Subscriber acknowledges and agrees that there is no ready public market for the Securities and that there is no guarantee that a market for their resale will ever exist. Subscriber must bear the economic risk of this investment indefinitely, and the Company has no obligation to list the Securities on any market or take any steps (including registration under the Securities Act or the Securities Exchange Act of 1934, as amended) with respect to facilitating trading or resale of the Securities. Subscriber acknowledges that Subscriber is able to bear the economic risk of losing Subscriber's entire investment in the Securities. Subscriber also understands that an investment in the Company involves significant risks and has taken full cognizance of and understands all of the risk factors relating to the purchase of Securities.

(d) Accredited Investor Status. Subscriber represents that Subscriber is an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act. Subscriber represents and warrants that the information set forth in response to question (c) on the signature page hereto concerning Subscriber is true and correct. Subscriber represents that to the extent it has any questions with respect to its status as an accredited investor, or the application of the investment limits, it has sought professional advice. Subscriber has the requisite knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in House Hack, Inc.

(e) Bondholder information. Within five days after receipt of a request from the Company, the Subscriber hereby agrees to provide such information with respect to its status as a bondholder (or potential bondholder) and to execute and deliver such documents as may reasonably be

necessary to comply with any and all laws and regulations to which the Company is or may become subject. **Subscriber further agrees that in the event it transfers any Securities, it will require the transferee of such Securities to agree to provide such information to the Company as a condition of such transfer.**

(f) **Company Information.** The Subscriber has read the PPM (the “Offering Materials”), including the section titled “Risk Factors.” Subscriber understands that the Company is subject to all of the risks that apply to early-stage companies, whether or not those risks are explicitly set out in the Offering Materials. Subscriber has had an opportunity to discuss the Company’s business, management, and financial affairs with managers, officers, and the management team of the Company and has had the opportunity to review the Company’s operations and facilities. Subscriber has also had the opportunity to ask questions of and receive answers from the Company and its management regarding the terms and conditions of this investment. Subscriber acknowledges that, except as set forth herein, no representations or warranties have been made to Subscriber, or to Subscriber’s advisors or representative, by the Company or others with respect to the business or prospects of the Company or its financial condition.

(g) **Valuation.** The Subscriber acknowledges that the price of the Securities was set by the Company on the basis of the Company’s internal valuation and no warranties are made as to value. The Company provides no guarantees or warranties as to the past, present, or future value of the Company’s stock. The Subscriber further acknowledges that future offerings of Securities may be made at lower valuations, with the result that the Subscriber’s investment will bear a lower valuation.

(h) **Domicile.** Subscriber maintains Subscriber’s domicile (and is not a transient or temporary resident) at the address shown on the signature page.

(i) **No Brokerage Fees.** There are no claims for brokerage commission, finder’s fees, or similar compensation in connection with the transactions contemplated by this Subscription Agreement or related documents based on any arrangement or agreement binding upon Subscriber. The undersigned will indemnify and hold the Company harmless against any liability, loss, or expense (including, without limitation, reasonable attorneys’ fees and out-of-pocket expenses) arising in connection with any such claim.

(j) **Foreign Investors.** If Subscriber is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended), Subscriber hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Subscription Agreement including (i) the legal requirements within its jurisdiction for the purchase of the Securities, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Securities. Subscriber’s subscription and payment for and continued beneficial ownership of the Securities will not violate any applicable securities or other laws of the Subscriber’s jurisdiction.

**5. Indemnity.** The representations, warranties, and covenants made by the Subscriber herein shall survive the closing of this Agreement. The Subscriber agrees to indemnify and hold harmless the Company and its respective officers, directors, and affiliates, and each other person, if any, who controls the Company within the meaning of Section 15 of the Securities Act against any and all loss, liability, claim, damage, and expense whatsoever (including, but not limited to, any and all reasonable attorneys' fees, including attorneys' fees on appeal) and expenses reasonably incurred in investigating, preparing, or defending against any false representation or warranty or breach of failure by the Subscriber to comply with any covenant or agreement made by the Subscriber herein or in any other document furnished by the Subscriber to any of the foregoing in connection with this transaction.

**6. Governing Law; Jurisdiction.** This Subscription Agreement shall be governed and construed in accordance with the laws of the State of Delaware.

EACH OF THE SUBSCRIBERS AND THE COMPANY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION LOCATED WITHIN THE STATE OF CALIFORNIA AND NO OTHER PLACE AND IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS RELATING TO THIS SUBSCRIPTION AGREEMENT MAY BE LITIGATED IN SUCH COURTS. EACH OF THE SUBSCRIBERS AND THE COMPANY ACCEPT FOR ITSELF AND HIMSELF/HERSELF AND IN CONNECTION WITH ITS AND HIS/HER RESPECTIVE PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS SUBSCRIPTION AGREEMENT. EACH OF THE SUBSCRIBERS AND THE COMPANY FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN THE MANNER AND IN THE ADDRESS SPECIFIED IN SECTION 7 AND THE SIGNATURE PAGE OF THIS SUBSCRIPTION AGREEMENT. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM (WHETHER BASED IN CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS SUBSCRIPTION AGREEMENT OR THE ACTIONS OF EITHER PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE, AND ENFORCEMENT THEREOF. EACH OF THE PARTIES HERETO ALSO WAIVES ANY BOND OR SURETY, OR SECURITY UPON SUCH BOND, WHICH MIGHT, BUT FOR THIS WAIVER, BE REQUIRED OF SUCH PARTY. EACH OF THE PARTIES HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED, EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS, OR MODIFICATIONS TO THIS SUBSCRIPTION AGREEMENT. IN THE EVENT OF LITIGATION, THIS SUBSCRIPTION AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

**7. Notices.** All notices, requests, demands, and other communications given under or by reason of this Agreement shall be in writing and shall be deemed given (i) upon delivery when delivered in-person, (ii) as of 2:00 p.m. PT on the day after being delivered to a nationally recognized overnight courier; (iii) upon transmission thereof and receipt of the appropriate answerback when delivered by facsimile transmission or by email; or (iv) 72 hours after being placed in a depository of the United States mails when delivered by certified mail (return receipt requested), postage prepaid, addressed as follows (or to such other address as a party may specify by notice pursuant to this provision):

(a) If to the Company:

House Hack, Inc., DBA *HouseHack*  
Attn: Investor Relations  
8164 Platinum Street  
Ventura, CA 93004  
ir@househack.com

(b) If to the Bondholder, to the address and contact information provided by the Bondholder to the Company from time to time. Each Bondholder is under an affirmative duty to inform the Company of any contact information changes within thirty (30) days of the change.

**8. Miscellaneous.**

(a) All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person or persons or entity or entities may require.

(b) This Subscription Agreement is not transferable or assignable by Subscriber.

(c) The representations, warranties, and agreements contained herein shall be deemed to be made by and be binding upon Subscriber and its heirs, executors, administrators, and successors and shall inure to the benefit of the Company and its successors and assigns.

(d) None of the provisions of this Subscription Agreement may be waived, changed, or terminated orally or otherwise, except as specifically set forth herein or except by a writing signed by the Company and Subscriber.

(e) In the event any part of this Subscription Agreement is found to be void or unenforceable, the remaining provisions are intended to be separable and binding with the same effect as if the void or unenforceable part were never the subject of agreement.

(f) The invalidity, illegality, or unenforceability of one or more of the provisions of this Subscription Agreement in any jurisdiction shall not affect the validity, legality, or enforceability of the remainder of this Subscription Agreement in such jurisdiction or the validity, legality, or enforceability of this Subscription Agreement, including any such provision, in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

(g) This Subscription Agreement supersedes all prior discussions and agreements between the parties with respect to the subject matter hereof and contains the sole and entire agreement between the parties hereto with respect to the subject matter hereof.

(h) The terms and provisions of this Subscription Agreement are intended solely for the benefit of each party hereto and their respective successors and assigns, and it is not the intention of the parties to confer, and no provision hereof shall confer, third-party beneficiary rights upon any other person.

(i) The headings used in this Subscription Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.

(j) This Subscription Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

(k) If any recapitalization or other transaction affecting the stock of the Company is effected, then any new, substituted, or additional securities or other property which is distributed with respect to the Securities shall be immediately subject to this Subscription Agreement, to the same extent that the Securities, immediately prior thereto, shall have been covered by this Subscription Agreement.

(l) No failure or delay by any party in exercising any right, power, or privilege under this Subscription Agreement shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

#### 9. Investment Perks Clause for Subscription Agreement:

##### Investment Perks:

As a token of appreciation for your investment, the Company may offer certain exclusive perks based on your investment amount, as outlined in the Company's offering materials. These perks are provided at the sole discretion of the Company and are considered promotional in nature. The receipt of any such perks is not a term or condition of this Subscription Agreement or the Convertible Bond Agreement and has no bearing on the legal terms of the Bonds, including interest payments, principal repayments, or conversion rights.

The investment perks include, but are not limited to:

- \$20,000 investment: Invitation to the first-ever HouseHack Shareholder meeting (tentatively scheduled for Q3 2025).
- \$50,000 investment: Limited edition HouseHack Challenge Coin.
- \$100,000 investment: HouseHack Challenge Coin and branded vest (up to 2).
- \$250,000 investment: Challenge Coin, branded vest, and a 1-day property hunt with Meet Kevin (travel expenses once you arrive are included).

- \$500,000 investment: Challenge Coin, branded vest, 1-day property hunt with Meet Kevin, and a 1-on-1 consulting session at your location (U.S. and Canada only).
- \$1,000,000 investment: Challenge Coin, vest, 1-day property hunt with Meet Kevin, and a 2-day consulting session at your location (available internationally).

The Company reserves the right to modify, substitute, or cancel any perks at its discretion. These perks are separate from the legal obligations associated with your investment in the Bonds.

*[SIGNATURE PAGE FOLLOWS]*

## **HOUSE HACK, INC., DBA *HOUSEHACK***

### **SUBSCRIPTION AGREEMENT SIGNATURE PAGE**

The undersigned, desiring to purchase Bond Securities of House Hack, Inc. by executing this signature page, hereby executes, adopts, and agrees to all terms, conditions, and representations of the Subscription Agreement.

- (a) The number of Bond Securities the undersigned hereby **irrevocably** subscribes for is:

---

Input Number of Bond Securities Purchased (Each Bond = \$10,000)

**The minimum amount of Bond purchases is two (2) (\$20,000 minimum at \$10,000 per bond). Input increments of one (1) bond (\$10,000 per bond) if investing more than the minimum. Wire fees, if any, and currency exchange fees (for non-US dollar transaction) will be deducted from Bonds issued.**

- (b) The aggregate purchase price (based on a purchase price of \$10,000.00 per Bond Security) for the Bond Securities the undersigned hereby **irrevocably** subscribes for is:

---

Input Aggregate Purchase Price of All Bond Securities

**Input increments of \$10,000 if investing more than the \$20,000 minimum.**

**If your funds are not received by the Company via wire transfer within 30 days of signing this Subscription Agreement, this Agreement shall immediately be deemed automatically rejected by the Company, unless otherwise agreed to by the Company. (Go to [www.househack.com/wire](http://www.househack.com/wire) to see the Company's wire instructions. Please make sure to include your name and email address that you provided in this Subscription Agreement on the memo section of your requested wire transfer. Once your bank has confirmed your wire transfer, please go to [www.househack.com/upload](http://www.househack.com/upload) to upload your wire confirmation for us to connect your transfer with the funds received in our account.)**

**If the amount of funds received are in non-round increments, or are converted into US dollars from another currency, or are subject to other fees, shares issued will be rounded down to the nearest share without refund of any remaining cents.**

(c) The undersigned is an accredited investor. Input WHY you believe you are accredited (as that term is defined in Regulation D under the Securities Act). Appendix A is below with full definitions. Some common input items are:

Input "5" for Net worth over \$1m excluding primary residence.

Input "6" for income exceeding \$200k single or \$300k jointly EACH of the last years.

Otherwise, see Appendix A below.

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Print Applicable Number Selected From Appendix A – pages 18-20

**PLEASE NOTE: All Subscribers will be required to upload identification documents, including a government-issued and numbered photo ID, and an accreditation verification letter. Please see the attached accreditation instructions for further details.**

(d) I request that the Bond Securities being subscribed for will be owned by, and should be recorded on the Company's books as held in the name of: (Select only one type below)

**(1) IF AS INDIVIDUAL(S) / JOINT OWNERS:**

---

Signature Signature of 2<sup>nd</sup> Individual (if joint owner)

---

Date Signed Date Signed by 2<sup>nd</sup> Individual

---

Print Full Legal Name Print Full Legal Name of 2<sup>nd</sup> Individual

---

Social Security Number Social Security Number of 2<sup>nd</sup> Individual

**(2) IF AS A PARTNERSHIP, LIMITED LIABILITY COMPANY,  
CORPORATION, OR TRUST:**

---

Signature

---

Date Signed

---

Print Full Legal Name of Entity

---

Print Full Legal name of Managing Member, Principal Officer, Trustee, etc.

---

Federal Tax Identification Number

**(3) IF RETIREMENT ACCOUNT:**

**PLEASE NOTE: If you are investing with a Directed IRA by Directed Trust Company, please contact them directly, and they will assist you with completion of this Subscription Agreement. If you are using a different investment company, please contact them directly for assistance with completing this section.**

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Signature

---

Date Signed

---

Full Name of Retirement Account (Example: Directed Trust Company FBO John Smith IRA)

---

Name of Account Owner

---

Federal Tax Identification Number of Investment Company

**PLEASE ALSO PROVIDE THE FOLLOWING:**

---

Street Address

---

City, State, Zip Code (Country address and code if not US)

---

Email Address of Primary Owner

---

Email Address of Joint Owner, if applicable

---

Telephone Number of Primary Owner

---

Telephone Number of Joint Owner, if applicable

\* \* \* \*

This Subscription is accepted on:

**HOUSE HACK, INC., DBA *HOUSEHACK***

---

Date

By:

---

Kathy Carey  
Director of Investor Relations

## **APPENDIX A**

*An accredited investor, as defined in Rule 501(a) of the Securities Act of 1933, as amended, includes the following categories of investor:*

- (1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state; any investment adviser relying on the exemption from registering with the Commission under section 203(l) or (m) of the Investment Advisers Act of 1940; any insurance company as defined in section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any Rural Business Investment Company as defined in section 384A of the Consolidated Farm and Rural Development Act; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- (2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;
- (3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, or limited liability company, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
- (4) Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;
- (5) Any natural person whose individual net worth, or joint net worth with that person's spouse or spousal equivalent, exceeds \$1,000,000.
  - (i) Except as provided in paragraph (5)(ii) of this section, for purposes of calculating net worth under this paragraph (5):
    - (A) The person's primary residence shall not be included as an asset;

(B) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(C) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;

(ii) Paragraph (5)(i) of this section will not apply to any calculation of a person's net worth made in connection with a purchase of securities in accordance with a right to purchase such securities, provided that:

(A) Such right was held by the person on July 20, 2010;

(B) The person qualified as an accredited investor on the basis of net worth at the time the person acquired such right; and

(C) The person held securities of the same issuer, other than such right, on July 20, 2010.

(6) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse or spousal equivalent in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in rule 506(b)(2)(ii);

(8) Any entity in which all of the equity owners are accredited investors;

(9) Any entity, of a type not listed in paragraphs (1), (2), (3), (7), or (8), not formed for the specific purpose of acquiring the securities offered, owning investments in excess of \$5,000,000;

(10) Any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for accredited investor status.

(11) Any natural person who is a "knowledgeable employee," as defined in rule 3c-5(a)(4) under the Investment Company Act of 1940, of the issuer of the securities being offered or sold where the issuer would be an investment company, as defined in section 3 of such act, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7) of such act;

(12) Any “family office,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940:

- (i) With assets under management in excess of \$5,000,000,
- (ii) That is not formed for the specific purpose of acquiring the securities offered, and
- (iii) Whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment; and

(13) Any “family client,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, of a family office meeting the requirements in paragraph (12) and whose prospective investment in the issuer is directed by such family office pursuant to paragraph (12)(iii).