

FUNDRISE | Income Interval Fund

Editor's note: The following memo was distributed by Fundrise Advisors to its clients who are shareholders of the Fundrise Income Real Estate Fund, LLC (the Fund). It has been made available as a supplemental resource for prospective investors in the Fund. The transaction referenced in this memo was an investment transaction made by the Fund, which invested roughly \$24,289,000. Investors should carefully consider the investment objective, risk, charges, and expenses of the Fund before investing. The [prospectus](#) for the Fund contains this and other information and can be obtained by emailing investments@fundrise.com, or by referring to fundriseincomerealestatefund.com. The prospectus should be read carefully before investing in the Fund.





NEW ACQUISITION

New home construction near Raleigh, NC

We've invested roughly \$24.3 million in the acquisition of an approximately 95 acre property in Smithfield, NC, near Raleigh, as the future site of 230 single-family rental homes.


Subject Property



**APPROX. 95 ACRES, AS THE
FUTURE SITE OF 230 HOMES**



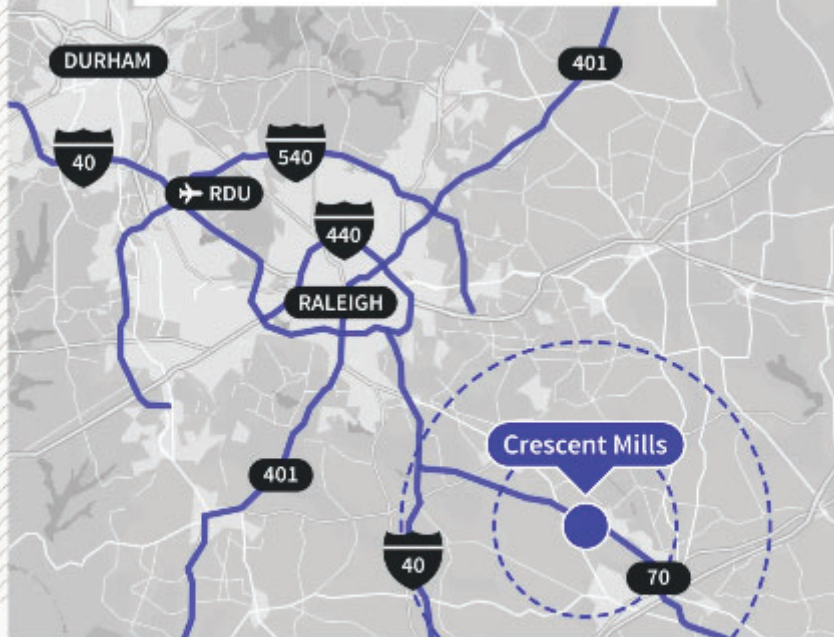
**APPROX. \$24.3 MILLION
INVESTMENT**



**30 MINUTES FROM
DOWNTOWN RALEIGH**



**A FIXED RATE OF RETURN OF
ROUGHLY 9.5% ANNUALLY,
PAID TO US BY A PARTNER
HOME BUILDER**



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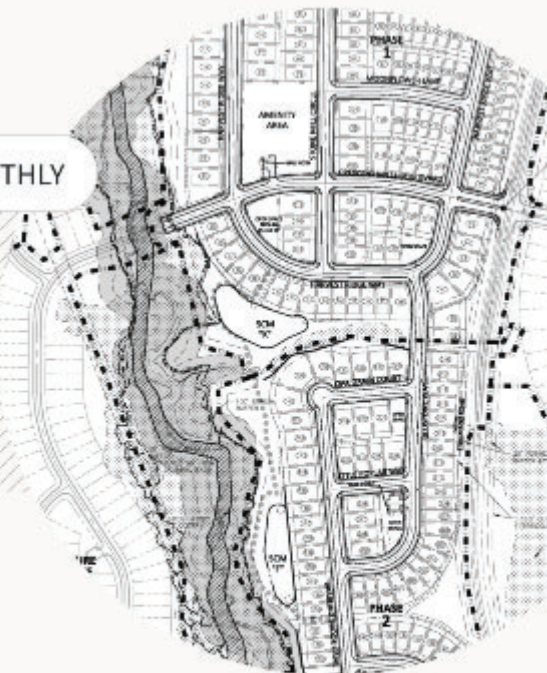


As the property owner, we have engaged a builder to perform the land development, which essentially means taking raw land and performing all the improvements needed before vertical construction can begin.

We have an agreement with the builder whereby they are entitled to buy the finished lots from us at a set price. To maintain these rights, **they have agreed to pay a fixed monthly payment**, which functions similar to an interest payment.



FIXED MONTHLY



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Our Fixed Income strategy seeks to generate above-market yields by providing creative and comprehensive financing solutions underpinned by high-quality real estate. We seek to lend with a margin of safety to product types with high durability of demand (e.g., housing) and real constraints on new supply, thereby supporting property values.



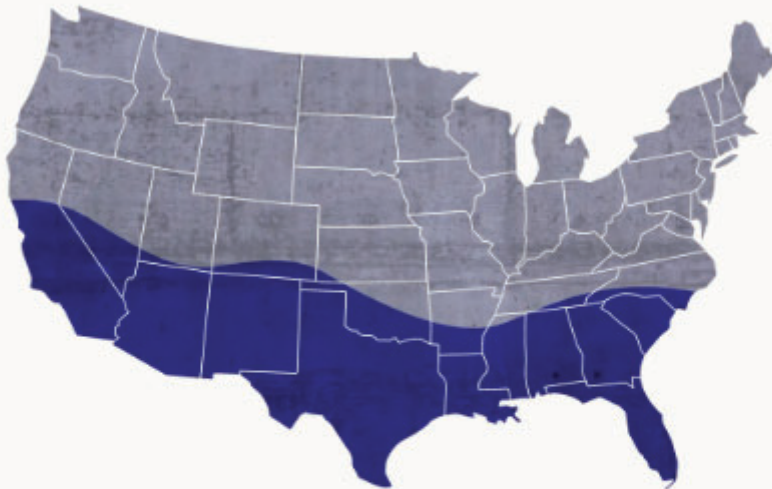
- **Risk-return profile:**
Low to moderate
- **Expected timing / delay of returns:**
Typically immediately after acquisition
- **Expected source of returns:**
Interest income



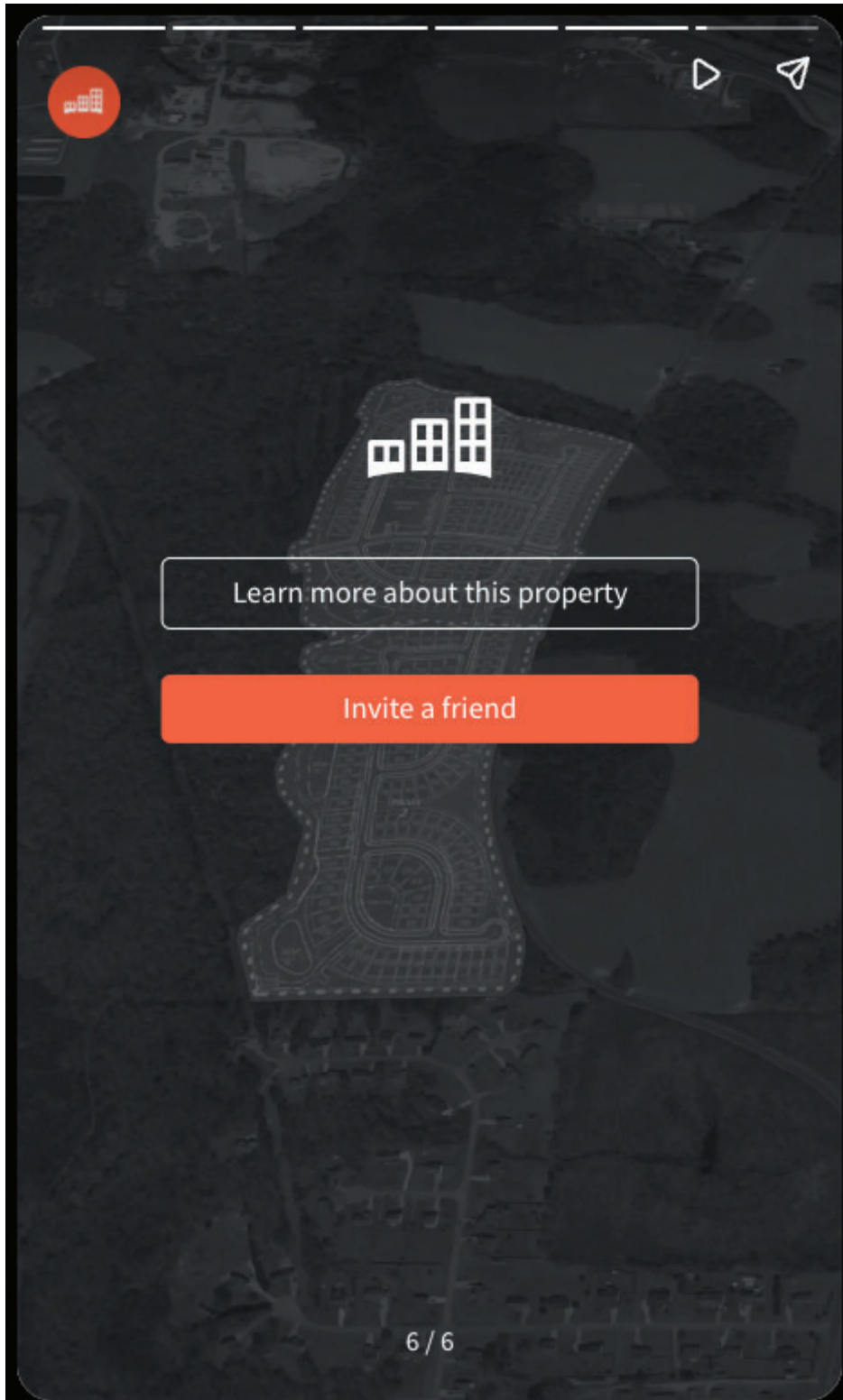
At a strategic level, this investment fits within our affordably-priced Sunbelt apartment / rental housing thesis.

As we referenced in our Mid-year letter, we think this kind of housing is a significant reason why the overall Fundrise portfolio is an attractive asset in the current environment, with inflation at historical highs and a recession taking hold.

[Read the Mid-year letter](#)



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About the Fund

The Fundrise Income Real Estate Fund (the Fund) is an unlisted closed-end management investment company that is operated as an interval fund. The Fund's investment objective is to seek to create and maintain a portfolio of investments that generate a low volatility income stream of attractive and consistent cash distributions. For more information, including the Prospectus, please visit fundriseincomerealestatefund.com.

The Fund also seeks to provide investors with liquidity through quarterly offers to repurchase a limited amount of the Fund's Shares (at least 5%), pursuant to Rule 23c-3 under the Investment Company Act of 1940. For the latest available repurchase notice, please [click here](#) or see the "Literature" section of fundriseincomerealestatefund.com.

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