

## ITEM 1 – COVER PAGE

### Part 2A of Form ADV: Firm Brochure

#### BOAM RIA LLC

<https://bostonomahaam.com/>

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Omaha, Nebraska 68102  
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Date of Brochure: March 28, 2024

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This brochure (the “Brochure”) provides information about the qualifications and business practices of BOAM RIA LLC. If you have any questions about the contents of this Brochure, please contact us at (402) 509-8456 or by email to [jessica@bostonomaha.com](mailto:jessica@bostonomaha.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about BOAM RIA LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

BOAM RIA LLC is a registered investment adviser. Registration does not imply a certain level of skill or training.

## ITEM 2 – MATERIAL CHANGES

This Brochure dated March 28, 2024, is filed as an amendment to BOAM RIA LLC's Form ADV 2A, dated January 19, 2024. The amendment reflects the following material changes from BOAM RIA LLC's initial filing, dated April 14, 2023:

- Item 4 A. has been updated to include 24<sup>th</sup> Street Asset Management, LLC as a “relying adviser” pursuant to Form ADV: General Instruction 5.
- Item 4 B. has been updated to disclose that BOAM RIA LLC now provides investment advisory services on a discretionary basis to two private real estate funds, FUND ONE: BOSTON OMAHA BUILD FOR RENT LP (the “BFR Fund”), BORE Hirsch, LLC (“BORE Hirsch”), and BORE Fourth Street, LLC (“BORE Fourth Street”) and the relying adviser currently provides investment advisory services on a discretionary basis to two commercial real estate funds (the “24<sup>th</sup> Street Funds”).
- Item 4 E. has been updated to reflect the assets under management of BOAM RIA LLC, inclusive of the relying adviser.
- Item 5 A. has been updated to reflect how the management fees for the BFR Fund, BORE Hirsch, BORE Fourth Street and the 24<sup>th</sup> Street Funds are calculated under the heading “Fee Schedule”.
- Item 7 has been updated to indicate that the BFR Fund, BORE Hirsch, and BORE Fourth Street are now clients of BOAM and the minimum contribution for investment in the Funds is \$250,000, \$50,000, and \$25,000 respectively.
- Item 8 A. has been updated to reflect BOAM's investment strategies for each of the BFR Fund, BORE Hirsch, BORE Fourth Street, and the 24<sup>th</sup> Street Funds, and Item 8 B. has been updated to disclose the risks associated with those strategies.
- Item 4 B. has been updated to clarify that the Funds may acquire interests in joint ventures that invest in real estate assets, as well as make loans and invest in loans related to real estate assets.
- Item 5 C. has been updated to reflect additional non-advisory fees that BOAM is entitled to receive.
- Item 11 C. has been updated to provide additional detail regarding related person investments in certain commercial real estate assets held by the Funds and how BOAM addresses this as a conflict of interest.

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## **ITEM 4 – ADVISORY BUSINESS**

### **4.A. Advisory Firm Description**

BOAM RIA LLC (“BOAM” or the “Adviser”) was founded as a Delaware limited liability company in September of 2022. BOAM is headquartered in Omaha, Nebraska.

The principal owner of BOAM is BOAM B LLC, a Delaware limited liability company. BOAM B LLC is owned by Boston Omaha Asset Management, LLC, a subsidiary of Boston Omaha Corporation. Boston Omaha Corporation is a public reporting company. BOAM’s affiliate, 24<sup>th</sup> Street Asset Management, LLC, is a relying adviser and together with BOAM will operate as a single advisory business as described herein.

### **4.B. Types of Advisory Services**

BOAM and the relying adviser currently provide investment advisory services on a discretionary basis to two commercial real estate funds (the “24<sup>th</sup> Street Funds”), two single asset commercial real estate funds (“BORE Hirsch” and “BORE Fourth Street”), and a residential real estate fund (the “Build for Rent Fund” or “BFR Fund”). The 24<sup>th</sup> Street Funds, the BFR Fund, BORE Hirsch, and BORE Fourth Street will each be referred to herein as a “Fund” and together the “Funds”.

The 24<sup>th</sup> Street Funds invest in real estate assets, including commercial loans on real estate assets. The BFR Fund invests in and operates real estate and real estate related assets primarily related to investor and non-owner occupied, residential real estate, including the “build for rent” single-family residential market. BORE Hirsch and BORE Fourth Street were each formed for the purpose of acquiring, holding, and managing all right and title and interest in and to a commercial retail property in Las Vegas, Nevada. Each of the Funds may acquire, own, and manage other real property, and invest in cash equivalents (e.g., short term U.S. treasuries or open-ended funds that invest in short term U.S. treasuries). In addition to acquiring fee interests in property assets, the Funds may acquire interests in joint ventures with other parties that invest in such assets, and make loans and invest in loans related to such assets. Only qualified Investors may invest in the Funds.

### **4.C. Client Investment Objectives/Restrictions**

BOAM intends to manage each Fund in accordance with the investment objectives set forth in the Fund’s offering documents. Management decisions will not be tailored to the individualized needs of any particular investor in the Funds (each an “Investor” and collectively the “Investors”). Therefore, prior to investing, Investors should consider whether the Funds managed by BOAM meet their investment objectives and risk tolerance. Information about the Funds can be found in Fund offering documents, copies of which will be available to qualified current and prospective Investors only through BOAM or another authorized party.

Any investment restrictions applicable to the Funds are customarily imposed in the offering documents for the Funds, as agreed upon with Investors. BOAM may enter into agreements, commonly known as side letters, with certain Investors pursuant to which BOAM alters or supplements the application of certain investment terms applicable to such Investors without

obtaining the consent of the other Investors in the Funds. Such alterations or supplements may provide benefits to those Investors, which are not received by other Investors in the Funds, including but not limited to a reduction in fees paid to BOAM.

#### **4.D. Wrap-Fee Programs**

BOAM does not participate in, nor is it a sponsor of, any wrap fee programs.

#### **4.E. Assets Under Management as of 3/28/2024**

As of March 28, 2024, BOAM has \$144,082,910 in assets under management. Note that this amount is based on the amounts calculated for each of the Funds as of the most recent quarter end, December 31, 2023.

### **ITEM 5 – FEES AND COMPENSATION**

#### **Advisory Contracts and Fees**

##### **5.A. Adviser Compensation**

BOAM's fees are described generally below and detailed in each Fund's offering documents. Please refer to Fund offering documents for further information regarding the fees and expenses payable by each of the Funds.

##### **Fee Schedule**

From and after the BFR Fund's initial closing, the Fund will pay a Management Fee to BOAM or its affiliated General Partner (the "General Partner") monthly in advance (or quarterly, in the sole discretion of the BFR Fund's General Partner). The Management Fee due to BOAM from the BFR Fund during the first two years from initial closing will be equal to 1% (annualized) of the average of two appraisals conducted by two unrelated, third-party real estate appraisers (the "Appraised Asset Value") minus the aggregate amount of all advances debts, obligations and liabilities of the Fund (the "Partnership Asset Debt"). For any period after two years from initial closing, the Management Fee due to BOAM from the BFR Fund will be equal to 1% (annualized) of the Appraised Asset Value minus Partnership Asset Debt plus any capital that has yet to be deployed by the Fund (i.e., the aggregate capital contributions made by Investors, which have not been invested). If no appraisal has been completed on a particular portfolio investment (including the Fund's operating company which will not be appraised), such portfolio investment or other Fund investment shall be valued, for the purpose of determining the Appraised Asset Value, at cost.

BORE Hirsch will pay a Management Fee to BOAM monthly in arrears (or quarterly, in the sole discretion of BOAM). The Management Fee due to BOAM from BORE Hirsch will be equal to 1% (annualized) of (a) the original purchase price of the asset in the first year of acquisition less the original principal amount of any debt obtained and secured by the asset during the first year of acquisition, plus (b) the value of cash and cash equivalents held by the Fund. Thereafter, and until

the disposition of the asset, the Fund will pay BOAM an amount equal to 1% (annualized) of the appraised value of the asset, minus any debt secured against the asset.

BORE Fourth Street will pay a Management Fee to BOAM monthly in arrears (or quarterly, in the sole discretion of BOAM). The Management Fee due to BOAM from BORE Fourth Street will be equal to 1% (annualized) of (a) the original purchase price of the asset in the first year of acquisition less the original principal amount of any debt obtained and secured by the asset during the first year of acquisition, plus (b) the value of cash and cash equivalents held by the Fund. Thereafter, and until the disposition of the asset, the Fund will pay BOAM an amount equal to 1% (annualized) of the appraised value of the asset, minus any debt secured against the asset.

BOAM receives a Management Fee from the 24<sup>th</sup> Street Funds, payable monthly in arrears of 1% per annum based on (i) the principal amount of all loans made in the year of investment, and (ii) the original acquisition cost of all real property acquired in the year of investment, including the value of cash and cash equivalents, and thereafter based upon the annual appraisal value of the real property and all other cash and cash equivalent assets.

### **Other Advisory Fee Arrangements**

BOAM reserves the right, in its sole discretion, to negotiate and to charge different fees to each Investor. The difference in fees may be attributed to the Fund's needs as well as overall financial condition, goals, risk tolerance, and other factors unique to the Fund's particular circumstances. BOAM and its related persons will not pay a Management Fee on their contributions to the Funds.

### **5.B. Direct Billing of Advisory Fees**

The Management Fees and performance allocations will be deducted directly from each Fund account, consistent with the invoices and instructions prepared by BOAM and as described in each Fund's offering documents.

### **5.C. Other Non-Advisory Fees**

BOAM's Management Fees will be exclusive of transaction fees (which includes costs to acquire, sell, manage, improve and maintain real estate loans and real property investments) and other related costs and expenses associated with the organization and operation of each Fund. Each Fund will bear, directly or through reimbursement of the General Partner or its affiliates, all of the costs and expenses related to the organization and setting up of the Fund and any related vehicles, the General Partner and BOAM, including but without limitation, printing, legal (including but not limited to costs associated with drafting organizational and offering documents), accounting, filing, capital raising (including reasonable travel, meal and lodging expenses) and other organizational expenses. The Funds are also expected to incur placement agent fees, however, the placement agent fees will be paid by BOAM, or, to the extent any placement fees are expensed to the Fund, the Management Fee will be offset by the amount of those fees.

The Funds will also bear costs and expenses related to the operation of each Fund, including but not limited to (i) all costs and expenses incurred in connection with the identification, evaluation,

acquisition, financing, operation, monitoring, valuing, and disposal of investments (including reasonable travel, meal and lodging expenses associated with these activities); (ii) all costs and expenses incurred in connection with the identification, evaluation, acquisition, and financing of prospective investments, regardless of whether such transaction is successful (including any break-up or termination fees associated with the transaction) (iii) costs and expenses imposed by certain third-party service providers to the Funds, including but not limited to administrators, lawyers, insurance providers, research providers, auditors, advisers, consultants, custodians, and accountants; (iv) all costs and expenses associated with the Fund's borrowing activities; (v) all costs and expenses associated with the preparation of the Fund's financial statements, tax returns and Schedule K-1s; (vi) any taxes, fees or other government fees levied against the Fund; (vii) the costs associated with any litigation, investigation, proceeding or audit involving the Fund; and (viii) all other ordinary operating expenses and non-recurring extraordinary expenses attributable to the operations of the Fund, as detailed in each Fund's offering documents.

The Funds will also indirectly bear all of the costs and expenses related to the operation of the companies and/or assets that the Fund owns, which will include compensation (including salaries and bonuses) of any employees of companies owned by the Funds and the companies' regular operating expenses (e.g., cost of office space, software, and equipment). The Funds will also incur certain additional charges including debt services fees; any other fees or taxes associated with real estate assets, premiums paid to insure real estate assets; financial, audit, and tax accounting service fees; legal services and appraisal services; fees for sales agents and brokers (including from affiliated brokers); compensation, expense reimbursement, and other direct costs of personnel employed by or regularly engaged by or for the Funds for the purpose of day to day operational management of Fund assets, which includes managing, improving, developing, operating, and selling such assets; and any other expenses incurred through investigating and negotiating the potential acquisition of properties.

The General Partner and/or BOAM will be responsible for expenses related to the administration of the Funds, including, but not limited to, their own normal and recurring routine operating expenses, such as compensation of employees and the cost of office space, office equipment, communications, utilities and other normal overhead expenses, including travel (other than travel related to the business of the Funds as described above), regulatory compliance expenses of the General Partner and/or BOAM and insurance for the General Partner and/or BOAM.

The Funds intend to compensate BOAM affiliates for services rendered or products provided at market rates that are consistent with standard industry practice. Such products include general indemnity insurance and such services will include real estate development, mortgage brokerage, real estate brokerage, property management, construction management and related third party real property services. Any compensation to a BOAM affiliate will result in indirect compensation to the owners of BOAM, as well as certain of the Co-Managers of BOAM.

As it relates to the 24<sup>th</sup> Street Funds, BOAM is entitled to a property disposition override fee upon the sale or exchange of Fund property. The property disposition override fee is paid by the Funds and may be up to 1.0% of the sale or exchange price. As it relates to BORE Hirsch and BORE Fourth Street, upon the acquisition of the asset, BOAM will be entitled to a payment from the Fund in an amount of 1% of the cost to acquire the property and upon the sale or exchange of the

property, BOAM will be entitled to payment from the Fund in an amount of 1% of the sale or exchange price, provided that the sale or exchange price exceeds an amount that would satisfy the preferred return. A property disposition override fee will only be paid by a Fund upon the sale or exchange of a property where the preferred return is paid to Fund investors for such property.

BOAM is also entitled to a property operations management fee from joint ventures through which the 24<sup>th</sup> Street Funds co-own certain commercial real assets. BOAM allocates twenty-five percent (25%) of the property operations management fee it receives from the joint venture partner to the 24<sup>th</sup> Street Funds on a pro-rata basis.

#### **5.D. Advance Payment of Fees**

The Funds will pay the annual Management Fees due to BOAM monthly in advance (or quarterly, in the sole discretion of the General Partner).

#### **5.E. Compensation for Sale of Securities or Other Investment Products**

Neither BOAM nor its supervised persons will accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. Logic Real Estate Companies, LLC (“Logic”), an affiliate of BOAM, will receive compensation for the sale of certain real estate assets acquired or sold by the Funds. Please see Item 10 below for more information regarding Logic and how BOAM addresses this conflict. The Management Fees paid by the Funds will not be reduced by the amount of such compensation.

### **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

The Funds will be assessed a performance-based fee in the form of “carried interest” that is paid to the General Partner or BOAM. The General Partner may waive or reduce the carried interest paid by certain Investors in the Funds (including in connection with investments in the Funds made by the General Partner or its affiliates). More information regarding the carried interest calculation is provided in each Fund’s offering documents. Performance-based fees may be subject to a preferred return such that the carried interest is not allocated until the Fund investors have received a fixed internal rate of return.

The performance-based fees will provide BOAM with an incentive to recommend investments for each Fund that may be riskier or more speculative than the investments BOAM would recommend under a different fee arrangement. To mitigate this risk, BOAM will evaluate investment opportunities for the Funds without regard to fee arrangements and periodically review the assets of the Funds to ensure they fall within stated investment objectives.

### **ITEM 7 – TYPES OF CLIENTS**

BOAM currently manages the 24<sup>th</sup> Street Funds, the BFR Fund, BORE Hirsch, and BORE Fourth Street. The 24<sup>th</sup> Street Funds are currently closed and are not accepting new contributions. The minimum contribution for investment in the BFR Fund is \$250,000. The minimum contribution



for investment in BORE Hirsch and BORE Fourth Street was \$50,000 and \$25,000, respectively. BOAM, in its sole discretion, may accept new or additional capital contributions in lesser amounts, may refuse to accept any such new or additional contributions in whole or in part, or may accept additional capital contributions on other dates. All Investors in the Funds will be required to be accredited investors, as that term is defined by Rule 501(a) of Regulation D under the Securities Act of 1933, and “qualified clients” as that term is defined in Advisers Act Rule 205-3(d)(1), and will be required to make certain representations and warranties regarding their suitability in the Fund’s offering documents.

## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS**

### **8.A. Methods of Analysis and Investment Strategies**

BOAM’s investment objective is to achieve long-term investment returns while limiting the risk of capital and purchasing power loss. BOAM is attracted to long life physical assets that can operate in a low-cost manner relative to the competition and/or can be financed in an advantaged long-term way.

In the BFR Fund, BOAM intends to target attractive risk-adjusted returns in opportunities primarily related to the “build for rent” single-family residential market in the United States. BOAM intends for the BFR Fund to primarily acquire and operate a diversified portfolio of purpose-build single-family homes, including manufactured and existing homes, and other related assets and businesses in the United States. The Fund may acquire fee interests in such assets or acquire interests in joint ventures with other parties that invest in such assets. The Fund may also acquire other real estate and real estate-related investments (including loans on real estate assets) and develop ancillary portions of its land acquisitions for uses outside of “build for rent”. To the extent the BFR Fund engages in lending activities, any loans made by the Fund will be made to a developer, owner or investor of residential lots for the purpose of facilitating commercial construction, development, maintenance, and/or the resale of such lots (i.e., the BFR Fund will not lend to the owner of an owner occupied single-family home).

In the 24<sup>th</sup> Street Funds, BOAM seeks to utilize the Funds’ invested capital to engage in the business of acquiring commercial real estate opportunities on an all cash basis, manage and operate said assets, perform physical upgrades if required, re-position as necessary, lease and/or re-lease to maximize long-term cash flow, place conservative financing when appropriate, and ultimately sell the properties to provide an acceptable long-term return on investment. The Funds, through BOAM, intend to further business objectives by acquiring assets from the following sources including, but not limited to: (i) owners, with lender approvals prior to actual foreclosure sales of distressed assets (i.e., short sales); (ii) in the case of local loans on distressed assets, directly from the lenders prior to foreclosure sales; (iii) at the foreclosure sales of such distressed assets; (iv) through contacts with bankruptcy trustees handling local bankruptcy cases; (v) from the FDIC; (vi) via “secondary” FDIC transactions (i.e., transactions through previous buyers of FDIC bulk sale transactions); (vii) at foreclosure sales by local governmental agencies for delinquent SID,

LID, property tax and other “tax lien” situations; and (viii) traditional seller on and off market opportunities.

Additionally, the 24<sup>th</sup> Street Funds currently utilize, and the BFR Fund will seek to utilize, the Funds’ invested capital to engage in the business of making loans secured by a first deed of trust and/or mortgage on real property located in the United States. The Funds intend to originate loans or purchase loans from existing note holders based upon a negotiated value of the remaining note balance. The Funds, through BOAM, shall facilitate each lending transaction through licensed mortgage brokers within the jurisdiction in which the lending transaction occurs (as required). BOAM intends to pursue current and future real estate lending opportunities based upon conservative loan to value ratios, for shorter term financing purposes at rates typically in excess of eight percent (8%) annually. In the event a Fund, through default remedies, takes possession of any loan collateral through deed in lieu of foreclosure, BOAM will maintain and operate the asset until the real estate cycle provides for an appropriate return to our investors upon sale, either through REO or foreclosure.

In BORE Hirsch and BORE Fourth Street, BOAM seeks to utilize the Fund’s invested capital to acquire, hold, and manage the right, title and interest in commercial retail property located in Las Vegas, Nevada. The Funds may acquire, own, and manage other real property and invest in short term cash equivalents, as described above in Item 4.

There can be no assurance that the Funds will achieve their investment objectives. Investing in the Funds involves risk of loss that an Investor should be prepared to bear. The following risks are not intended to be an exhaustive list of all the risks associated with BOAM’s business or an investment in a Fund, which are set forth in greater detail in the Fund’s offering documents. Before investing in a Fund, prospective Investors should carefully review the Fund’s offering documents.

## **8.B. Material Risks of Investment Strategies**

General Investment Risk. There can be no guarantee of the success of BOAM’s intended investment strategies for the Fund. Investing in the Funds is speculative and involves significant risk, including the risk of a total loss of an Investor’s capital, and therefore should be considered only by Investors able to assume such risk. BOAM’s investment strategies may be adversely affected by general economic and market conditions such as interest rates, availability of credit, inflation, changes in laws, and national political circumstances. These factors may affect the pricing and volatility of the market in which a Fund seeks to invest, as well as the liquidity of certain Fund assets.

Management Risk. Judgments made by BOAM’s management about the value and potential appreciation of a particular asset may be wrong and there is no guarantee that any individual investment will produce the returns anticipated. The value of a particular asset can be more unpredictable than the market as a whole and BOAM’s approach may fail to produce the intended results. The execution of the Fund’s investment objective and BOAM’s future success depends heavily on the diligence, skill and continued service and coordination of its management. The loss of one or more of BOAM’s Co-Managers could have a material adverse effect on the success of the Funds.

Sector Focus Risk. Each Fund intends to invest primarily in one sector, which may cause the value of the Funds to be especially sensitive to factors and economic risks that are unique to and specifically affect that sector.

Non-diversified Risk. There is no assurance as to the degree of diversification that will actually be achieved in a Fund's investments, either by geographic region or otherwise. As a consequence, the aggregate return of a Fund may be adversely affected. In addition, if a Fund makes an investment in a single transaction with the intent of refinancing or selling a portion of the investment, there is a risk that the Fund will be unable to successfully complete such a financing or sale. This could lead to increased risk as a result of the Fund having an unintended long-term investment and reduced diversification.

Accuracy of Public Information. BOAM may select investments partially based on the information and data filed by and with various government agencies. Although BOAM reviews the information and may seek independent corroboration, BOAM is not in a position to confirm the completeness, genuineness, or accuracy of such data. In some cases, complete and accurate information may not be available.

Operating Restrictions. The Funds may be subject to certain operating restrictions, including without limitation, limitations and restrictions within a Fund's partnership agreement. These restrictions may limit the ability of the Funds to produce optimum returns for investors.

### **8.C. Material Risks of Securities Used in Investment Strategies**

The 24<sup>th</sup> Street Funds, the BFR Fund, and BORE Hirsch primarily invest in real estate and real estate related assets, including loans secured by real estate. The assets of the Funds will generally carry a number of significant risks unique to their respective businesses, including the following:

Governmental Regulation. The enhancement, development and/or operations of the Funds' assets are subject, both directly and indirectly, to federal, state, and local governmental regulation, including environmental, sewer, water, zoning and similar regulations. It is possible that (i) the enactment of new laws, (ii) changes in the interpretation or enforcement of applicable codes, rules and regulations, or (iii) the decision of any authority to adopt zoning classification or requirements that are not compatible with the Fund's planned asset improvement strategies, may have a substantial adverse effect on the Fund's operations and/or value.

General Risk of Leverage. While leveraged investments offer the opportunity for capital appreciation, such investments also involve a higher degree of risk. Fund investments will involve varying degrees of leverage, as a result of which recessions, operating problems and other general business and economic risks may have a more pronounced effect on the profitability or survival of such investments than if leverage were not employed.

Access to Financing May Be Limited. The Funds' access to sources of financing will depend upon a number of factors over which BOAM has little or no control, including: (i) general market conditions; (ii) the market's view of the quality of a Fund's assets; and (iii) the Fund's current and potential future earnings and cash distributions; and dislocation and weakness in the capital and credit markets could adversely affect one or more lenders and could cause one or more lenders to be unwilling or unable to provide the Fund with financing or to increase the costs of that financing. In addition, if regulatory capital requirements imposed on a Fund's lenders change, they may be required to limit, or increase the cost of, financing they provide to the Fund. This could potentially increase the Fund's financing costs and reduce the Fund's liquidity or require the Fund to sell assets at an inopportune time or price.

Under turbulent market conditions, traditional borrowing arrangements may be unavailable, which may also limit borrowings under credit agreements that are intended to be refinanced by such financings. Consequently, depending on market conditions at the relevant time, a Fund may have to rely more heavily on additional equity issuances, which may be dilutive to the Investors, or on less efficient forms of debt financing that require a larger portion of the Fund's cash flow from operations, thereby reducing funds available for Fund operations, future business opportunities, cash distributions to the Investors and other purposes. BOAM will not be able to assure investors that the Fund will have access to such equity or debt capital on favorable terms (including, without limitation, cost and term) at the desired times, or at all, which may cause BOAM to curtail a Fund's asset acquisition activities and/or dispose of assets, which could negatively affect the Fund's results of operations.

Interest Rate Fluctuations. Changes in interest rates will affect a Fund's operating results as such changes will affect the interest the Fund receives on floating rate interest bearing investments and the financing cost of the Fund's debt. Changes in interest rates may also affect borrower default rates, which may result in losses for a Fund.

Lenders May Require Restrictive Covenants. Lenders (especially in the case of credit facilities) may impose restrictions on the Fund that would affect its ability to incur additional debt, make certain investments or acquisitions, reduce liquidity below certain levels, make distributions to the Investors, redeem debt or equity securities and impact BOAM's flexibility to determine the Fund's operating policies and investment strategy. For example, the Fund's loan documents may contain negative covenants that limit, among other things, the Fund's ability to distribute more than a certain amount of the Fund's net income or funds from operations to the Investors, employ leverage beyond certain amounts, sell assets, grant liens, and enter into transactions with affiliates. If the Fund fails to meet or satisfy any of these covenants, the Fund would be in default under these agreements, and the Fund's lenders could elect to declare outstanding amounts due and payable, terminate their commitments, require the posting of additional collateral, and enforce their interests against existing collateral. The Fund may also be subject to cross-default and acceleration rights and, with respect to collateralized debt, the posting of additional collateral and foreclosure rights upon default.

Lack of Liquidity of Investments. The investments intended to be made by the Funds are likely to be illiquid. A Fund's investments will be subject to industry cycles, downturns in demand, market disruptions and the lack of available capital from potential lenders or investors (whether to finance or refinance Fund investments or for potential purchasers of such investments). Accordingly, there can be no assurance that the Fund will be able to dispose of its investments in a timely manner and/or on favorable terms. Dispositions of investments also may be subject to contractual and other limitations on transfer or other restrictions that would interfere with subsequent sales of such investments or adversely affect the terms that could be obtained upon any disposition thereof.

No Market for Interests in the Fund. No public or private market presently exists for the interests in the Funds BOAM intends to offer. The interests in the Funds have not been, and it is not presently contemplated that they will be, registered under the Securities Act of 1933. Accordingly, it is not likely that a public market will develop, and no assurances can be given that an active private market will develop.

Minority Investments. The Funds may make minority investments or investments in debt securities of a company where the Funds may not be able to protect their investments or control or influence effectively the business or affairs of such companies to the same extent as they would in a controlled investment.

Terrorist Attacks. Terrorist attacks may materially adversely affect the Funds' operations. There can be no assurance that there will be no further terrorist attacks against the United States. Any such attacks may directly impact a Fund's physical facilities or the businesses of a Fund's tenants, including catastrophic events that would severely diminish the value of one or more of the Fund's investments. Further terrorist activities, as well as the anticipation of such activities, and/or military and other responses by the United States and other countries have the potential to result in adverse effects on economies, markets, market segments and individual assets, including those in which the Funds may invest. In addition, future terrorist attacks could directly or indirectly damage the Funds' assets, both physically and financially, or cause losses that materially exceed insurance coverage. In addition, certain losses resulting from terrorist attacks may be uninsurable. As a result of the foregoing, a Fund's ability to generate revenues, and the value of its assets, could decline materially.

Cybersecurity Risk. A cybersecurity breach could result in the loss or theft of investor data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, disruption of Fund operations, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Funds, the General Partner, BOAM, or other service providers to incur regulatory penalties, reputational damage, remediation costs, litigation costs, additional compliance costs, or financial loss. In addition, such incidents could affect Fund investments, and thereby cause a Fund's investments to lose value. Intentional cybersecurity breaches include: unauthorized access to systems, networks, or devices (such as through "hacking" activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent

release of confidential information (possibly resulting in the violation of applicable privacy laws).

Diseases, Pandemics and Epidemics. The impact of disease and epidemics may have a negative impact on BOAM, the Funds, and their assets. The COVID-19 pandemic, renewed outbreaks of other epidemics or the outbreak of new epidemics have or could result in health or other government authorities requiring the closure of offices or other businesses and have or could also result in a general economic decline. For example, such events may adversely impact economic activity through disruption in supply and delivery chains. Moreover, the operations of any of the foregoing persons could be negatively affected if personnel are quarantined as the result of, or in order to avoid, exposure to a contagious illness. Similarly, travel restrictions or operational issues resulting from the rapid spread of contagious illnesses may have a material adverse effect on business and results of operations. A resulting negative impact on economic fundamentals and consumer confidence may negatively impact market value, increase market volatility, cause credit spreads to widen, and reduce liquidity, all of which could have an adverse effect on any of the foregoing persons.

High Inflation Could Adversely Affect Operating Results. Inflation has significantly increased since the start of 2021. Inflationary pressures will increase the Funds' direct and indirect operating and development costs, including for labor at the corporate and development levels, third-party contractors and vendors, materials and equipment, insurance, transportation, and taxes. Customers may also be adversely impacted by higher cost of living expenses, including food, energy, and transportation. High inflation may also correspond with increased interest rate risk, which may increase the Funds' cost of capital and adversely affect the Funds' business.

Co-Investments. From time to time a Fund may acquire a minority stake in certain side investments with Investors and/or other third parties through joint ventures or other special purpose vehicles. Such parties may have different interests or superior rights to those of the Fund. In these situations, BOAM may have limited control over the purchase negotiations and other dealings with these entities. As a result, the Fund's investment will be subject to additional risks in connection with the investment, including the possibility that the third-party may have financial difficulties which have a negative impact on the investment. Additionally, the Fund's partial ownership interest will be less marketable and therefore less liquid than its other investments.

If a transaction in which a co-investment that was planned or contemplated is not consummated, BOAM expects that in most or all cases, all expenses incurred in connection with the proposed transaction (i.e., "broken deal expenses") relating to the proposed transaction, including without limitation "reverse break-up" or similar fees required by the company that is the target of the Fund's investment, will be borne by the Fund and not by the Investor or Investors that were to participate in such transaction. Investments often require extensive due diligence which may entail significant third-party expenses. If an investment is not consummated, the Fund will bear some or all of such third-party expenses.

Valuations. Unlike exchange listed and other readily tradable securities, the assets intended for the Funds generally cannot be marked to an established market. If a Fund were to liquidate a particular asset, the realized value may be more or less than the carrying value of the asset. Brokerage and other expenses associated with selling the asset may contribute to the realized value being lower than the carrying value to the Fund. The value of the asset will largely be dependent on market and economic conditions.

General Risks of Real Estate Investment. Real estate investments are subject to varying degrees of risk. Real estate values are affected by a number of factors, including (i) changes in the general economic climate (such as changes in interest rates), (ii) local real estate conditions (such as an oversupply of space or a reduction in demand for space), (iii) the quality and philosophy of management, (iv) competition, (v) specific features of properties (such as location), (vi) financial condition of tenants, buyers and sellers of properties, (vii) quality of maintenance, insurance, and management services and (viii) changes in operating costs, (ix) government regulations (including those governing usage, improvements, zoning and taxes), (x) the availability of financing and (xi) potential liability under environmental and other laws (such as successor liability if investing in existing entities). All real estate investments are speculative in nature, and the possibility of partial or total loss of capital will exist.

Difficulty of Locating Suitable Investments, etc. The Funds may be unable to find a sufficient number of attractive opportunities to meet its investment objectives. The success of the Funds will depend on the ability of BOAM Co-Managers to identify suitable investments, to negotiate and arrange the closing of appropriate transactions and to arrange the timely disposition of a sufficient number of suitable investments. BOAM will encounter competition from other institutional investors, some of which may have greater financial and other resources and more extensive experience than BOAM. There can be no guarantee that a sufficient number of such investments will be available and that the Funds will be able to invest all funds committed for investment by Investors.

Leasehold Income Risk. The investment strategies of the real estate Funds are dependent on income from leases of certain properties. The Funds will manage potential leases, but there is no assurance that the Fund will be successful in negotiating these leases and its failure to negotiate leases could lower revenues and materially and adversely affect the Funds. The Funds will also be adversely affected if leases are unable to meet their lease obligations. If a lessee defaults on his lease, the Funds may experience delays or limitations in enforcing the rights of the Funds, as lessor, and this may lead to significant costs. If lessee successfully seeks the protection of bankruptcy, insolvency or similar laws the lease may be rejected or terminated, adversely affecting the financial performance of the Funds. There can be no assurance that a lease will be renewed upon its expiration and the terms of subsequent leases may be less favorable to the Funds than those of prior leases.

Acquisition and Foreclosure Risk. The real estate Funds may be in a position to acquire indebtedness secured by real estate. BOAM does not intend to cause the real estate Funds to acquire any indebtedness unless it believes the Funds will be able to foreclose on the

property securing the indebtedness. The Funds may be unable to foreclose or may be delayed in foreclosing on the property as a result of bankruptcy or other laws protection the original owner of the property.

Loan Defaults and Foreclosures. The real estate Funds bear the risks of defaults by borrowers. A borrower under an interest only loan may be unable to repay balloon payments or obtain refinancing. Fluctuations in interest rates and the unavailability of mortgage funds could adversely affect the ability of borrowers to refinance their loans at maturity. The Funds will rely primarily on the real property securing the loans to protect the investment. There are a number of factors which could adversely affect the value of such real property security, including, among other things, the following: (i) appraisals and broker price opinions (including opinions by BOAM) to determine the fair market value of real property used to secure loans made by the Funds. No assurance can be given that any appraisals or valuations will, in any or all cases, be accurate. Moreover, since an appraisal or valuation is based upon the value of real property at a given point in time, subsequent events could adversely affect the value of real property used to secure a loan.

Investments at the Date of the Termination of the Fund. The Funds may make investments with maturity dates later than the date which the Funds will be dissolved, either by expiration of the Fund's term or otherwise. Although BOAM expects that investments will be disposed of prior to dissolution, BOAM may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

Litigation at the Property Level. The acquisition, ownership, and disposition of real estate entails certain litigation risks. Litigation may be commenced with respect to a property acquired by the Funds in relation to activities that took place prior to the Fund's acquisition of such property. In addition, at the time of disposition of a property, a potential buyer may claim that it should have been afforded the opportunity to purchase the asset or alternatively that such buyer should be awarded due diligence expenses incurred or statutory damages for misrepresentation relating to disclosures made, if such buyer is passed over in favor of another as part of the Fund's efforts to maximize the sale proceeds. Similarly, buyers of the Fund's assets may later sue the Fund under various damage theories, including those sounding in tort, for losses associated with latent defects or other problems not uncovered in due diligence.

Contingent Liabilities on Disposition of Property. In connection with the disposition from time to time of any of a Fund's real estate investments, the Fund also may be required to indemnify purchasers of such disposed real estate investment to the extent any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Fund may establish reserves or escrow accounts. In that regard, Investors may be required to return amounts distributed to them to fund the Fund's obligations, including indemnity obligations, before or after the termination and dissolution of the Fund.

Joint Venture Investments. The Funds will seek to invest in joint ventures with other firms involved in the development, management, and operation of real estate. Such joint ventures



often involve delegating significant discretion with regard to operational issues to the joint venture partner or its affiliates, and often require agreement of the joint venture partner for major capital transactions, such as refinancing or sale. The Funds will enter into relationships with joint venture partners that they believe will add value through their knowledge of local markets and skills in developing, operating and leasing. There can be no assurance that these goals will be accomplished. Joint venture partners may be highly dependent upon one or a limited number of individuals, the unavailability of whom may adversely affect the value of a joint venture investment. While BOAM plans to structure joint ventures to align the incentives of its partners with the Fund's objectives, joint venture partners may have tax and financial goals that are different than those of the Fund, which could cause them to act in a manner not consistent with the Fund's objectives.

Residential Real Estate Investments. BOAM will invest in residential development projects and financing opportunities related to certain residential real estate assets or portfolios thereof. In such circumstances, the performance of such investments may become increasingly susceptible to adverse changes in prevailing economic and employment conditions in the United States and other jurisdictions where such properties are located. The BFR Fund's ability to invest in residential real estate-related opportunities (including providing financing for potential owners and operators of residential real estate assets or portfolios thereof) will depend on its ability to strategically partner with established and sophisticated joint venture partners and third parties. Any downturn in the United States or global economies may adversely affect the financial condition of residential owners and tenants, making it more difficult for them to meet their periodic repayment obligations relating to certain residential real estate properties, which could adversely impact the Fund's investment performance. In addition, there can be no assurance that the BFR Fund will be able to effectively partner with suitable joint venture partners and third parties in connection with its residential real estate related investments, which may impact the Fund's ability to effectively identify and consummate such investments.

Short-Term Investments. Working capital, as well as the net proceeds from the sale or financing of a property or the issuance of interests, may be invested in short-term investments pending the application thereof to real estate investments. The investment returns from these investments are likely to be lower than the investment returns from real estate investments.

Non-Controlled Investments. There may be shared or limited control with respect to certain portfolio investments. Those investments may involve risks not present in other types of portfolio investments, such as the possibility that the other parties may become bankrupt or have economic or business interests or goals inconsistent with those of the Fund. Actions taken by those persons may subject the investment to liabilities in excess of or other than those contemplated by BOAM. It may also be more difficult for the Fund to sell the interests in those investments, adversely affecting the investments returns or value.

Revenue and Expenses Not Directly Correlated. Fund revenue and expenses are not directly correlated, and because a large percentage of the Fund's costs and expenses may be fixed, the Fund may not be able to adapt the cost structure to offset declines in revenue.

Most of the expenses associated with the Fund's business, such as acquisition costs, repairs and maintenance costs, real estate taxes, HOA fees, insurance, utilities, personal and ad valorem taxes, employee wages and benefits and other general corporate expenses, are relatively inflexible and will not necessarily decrease with a reduction in revenue from Fund business. Some components of the Fund's fixed assets depreciate more rapidly and will require a significant amount of ongoing capital expenditures. The Fund's expenses and ongoing capital expenditures also will be affected by expenditures. The Fund's expenses and ongoing capital expenditures also will be affected by inflationary increases and certain of our costs increases may exceed the rate of inflation in any given period. By contrast, rental income is affected by many factors beyond the Fund's controls, such as the availability of alternative rental housing and economic conditions in our target markets. In addition state and local regulations may require the Fund to maintain properties that the Fund owns, even if the cost of maintenance is greater than the value of the property or any potential benefit from renting the property. As a result, the Fund may not be able to fully offset rising costs and capital spending by raising rental rates, which could have a material adverse effect on our results of operations and cash available for distribution.

Single-Family Property Investing and Certain Geographic Markets. The BFR Fund's investments are expected to be concentrated in single-family properties. In addition, BOAM's strategy is to concentrate our properties in select geographic markets that BOAM believes favor future growth in rents and valuations. A downturn or slowdown in the rental demand for single-family housing generally, or in the BFR Fund's target markets specifically, caused by adverse economic, regulatory or environmental conditions, or other events, would have a greater impact on the Fund's operating results than if we had more diversified investments.

Property Renovation Risks. The Funds may acquire properties that we plan to renovate extensively. The Funds also may acquire properties that we expect to be in good condition only to discover unforeseen defects that require extensive renovation and capital expenditures. To the extent properties are leased to existing tenants, renovations may be postponed until the tenant vacates the premises, and we will pay the costs of renovating. In addition, from time to time, in order to reposition properties in the rental market, the Funds will be required to make ongoing capital improvements and replacements and perform renovations and repairs that tenant deposits and insurance may not cover. The properties owned by the Funds also have infrastructure and appliances of varying ages and conditions. The Funds will routinely retain independent contractors and trade professionals to perform repair work and are exposed to all risks inherent in property renovation and maintenance, including potential costs overruns, increases in labor and materials costs, delays by contractors, delays in receiving work permits, certificates of occupancy and poor workmanship. The current supply chain issues and labor force issues in the United States has increased these risks. If the Fund's assumptions regarding the costs or timing of renovation and maintenance across our properties prove to be materially inaccurate, our operating results will be adversely affected.

Acquisition Competition. BOAM may face significant competition for acquisition opportunities in target markets from other large real estate investors, including developers,

some of which may have greater financial resources and a lower cost of capital than the Funds do. The BFR Fund also competes with private home buyers and small scale-scale investors. Several REITs and other funds have deployed, and others may in the future deploy, significant amounts of capital to purchase single-family homes and may have investment objectives that compete with the Fund's, including in target markets. This activity may adversely impact the Fund's level of purchases in certain target markets. As more well-capitalized companies pursue our business strategy, competition will continue to intensify. As a result, the purchase price of potential acquisitions may be significantly elevated, or the Fund may be unable to acquire properties on desirable terms or at all.

Competition for Quality Tenants. The BFR Fund will depend on rental income for substantially all of its revenues, and to succeed it must attract and retain qualified tenants. The Fund faces competition for tenants from other lessors of single-family properties, apartment buildings and condominium units, and the continuing development of single-family properties, apartment buildings and condominium units in many of our markets increases the supply of housing and exacerbates competition for tenants. Competing properties may be newer, better located, and more attractive to tenants, or may be offered at more attractive rents. Additionally, some competing housing options, like home ownerships, may qualify for government subsidies or other incentives that may make such options more affordable and therefore more attractive than renting our properties. These competitive factors will impact our occupancy and the rents we can charge.

Incorrect Evaluations of Acquisition Properties and Development Land. In determining whether a particular property, including land for development, meets the BFR Fund's investment criteria, BOAM makes a number of assumptions, including assumptions related to estimated time of possession and estimated renovation and/or development costs and time frames, annual operating costs, market rental rates and potential rent amounts, time from purchase to leasing and tenant default rates. These assumptions may prove inaccurate. As a result, the BFR Fund may pay too much for properties it acquires or our properties may fail to perform as anticipated.

Development Real Estate Risks. The BFR Fund's core business involves the acquisition of land and construction of homes. Rental home construction can involve substantial up-front costs to acquire land and to build a rental home or rental community before a home is available for rent and generates income. Building rental homes and rental communities also involves a significant amount of risk such as delays or costs increases due to changes in or a failure to meet regulatory requirements, including permitting and zoning regulations, failure of lease rentals on newly constructed properties to achieve anticipated investment returns inclement weather, adverse site selection, unforeseen site conditions or shortages of suitable land, construction materials and labor and other risks described below. The Fund may be unable to achieve building new rental homes and rental communities that generate acceptable returns and, as a result, our growth and results of operations may be adversely affected.

Land Suitability Risks. There is strong competition among homebuilders for land that is suitable for residential development. The future availability of finished and partially

finished developed lots and undeveloped land that meet our internal criteria depends on a number of factors outside BOAM's control, including land availability in general, competition with other homebuilders and land buyers for desirable property, inflation in land prices, zoning, allowable housing density, and other regulatory requirements. Should suitable lots or land become less available, the number of homes we could build and lease could be reduced, and the cost of land could increase, perhaps substantially, which could adversely impact the Fund's growth and results of operations.

Labor and Supply Risks. The BFR Fund's ability to build new rental homes may be adversely affected by circumstances beyond our control, including: work stoppages, labor disputes, and shortages of qualified trades people, such as carpenters, roofers, masons, electricians, and plumbers; changes in laws relating to union organizing activity; lack of availability of adequate utility or infrastructure and services; our need to rely on local subcontractors who may not be adequately capitalized or insured or may not, despite our quality control efforts, engage in proper construction practices or comply with applicable regulations; inadequacies in components purchased from building supply companies; and shortages or delays in availability of building materials, including as a result of supply-chain issues, or fluctuations in prices of building materials, such as the cost of lumber, or in labor costs. Any of these circumstances could give rise to delays in the start or completion of, or could increase the cost of, constructing new rental homes.

Natural Disasters. Natural disasters and severe weather such as earthquakes, tornadoes, hurricanes, floods and wildfires may result in significant damage to Fund properties and significant delays to our development projects. When the Funds have geographic concentration of exposures, a single catastrophe (such as an earthquake) or destructive weather event (such as a hurricane) affecting a region may have a significant negative effect on our financial condition and results of operations.

Realization Transaction may never be Consummated. There is no guarantee that the Funds will be able to pursue a realization transaction (i.e., a sale of the assets) or, even if pursued, that a realization transaction will be consummated in the near future or at all. In the event a realization transaction is not consummated, the Fund may not be able to pursue certain financings and acquisitions or other business strategies that it otherwise would pursue if it had additional sources of capital.

Any Investor who subscribes or proposes to subscribe to an investment in one or more of the Funds must be able to bear the risks involved and must meet suitability requirements. The membership interests in the Funds are not intended to be a complete investment program. Investment in the Funds involves a high degree of risk and is considered to be speculative. Investments in the Funds are suitable only for persons who can bear the economic risk of loss of their entire investment, who have a limited need for liquidity in their investment and who meet the conditions set forth in Fund offering documents. No assurance can be given that investment objectives intended for the Funds will be achieved. Each prospective Investor should carefully review the risk factors in each Fund's offering memoranda for a more detailed discussion of identified risks.

## **ITEM 9 – DISCIPLINARY INFORMATION**

Neither BOAM nor any of its employees have any disciplinary matters to disclose regarding its advisory business or the integrity of its management.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **10.A. Registered Representatives**

Neither BOAM nor any of its management persons have applications pending to register as a broker-dealer or a registered representative of a broker-dealer.

### **10.B. Other Registrations**

Neither BOAM nor any of its management persons are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading BOAM, or an associated person of the foregoing entities.

### **10.C. Material Relationships or Arrangements**

As described above in Item 4, BOAM RIA LLC is indirectly owned and controlled by Boston Omaha Asset Management, LLC, a wholly owned subsidiary of Boston Omaha Corporation. The relying adviser, 24<sup>th</sup> Street Asset Management, LLC, is also wholly owned and controlled by Boston Omaha Asset Management, LLC. Brendan Keating, Adam Peterson, and Alex Rozek are the managing members of Boston Omaha Asset Management, LLC (each a “Co-Manager” and together the “Co-Managers”) and will be responsible for the investment decisions made by BOAM on behalf of the Funds.

In addition to their role as Co-Managers, Adam Peterson and Alex Rozek are each a Co-CEO, Co-Chairperson of the Board, Co-President, and Class B Director of the Board to Boston Omaha Corporation. Investment decisions made on behalf of Boston Omaha Corporation are executed by Boston Omaha Corporation’s investment committee, of which both Adam Peterson and Alex Rozek are members. Brendan Keating serves on Boston Omaha Corporation’s Board of Directors.

The Co-Managers also have outside investments in, affiliations with or serve as directors of certain other entities. Some of these other entities may have interests in and/or do business in the real estate space. The Co-Managers do not have an exclusive duty to conduct build for rent real estate or commercial real estate business through the Funds and will face conflicts of interest to the extent these other entities invest in and/or do business with companies in the commercial real estate or build for rent spaces. To mitigate this conflict of interest, the Co-Managers are required to disclose all board of director memberships, affiliations and outside investments to BOAM’s Chief Compliance Officer.

Additionally, as a result of their roles as investors or directors of these other entities, BOAM’s Co-Managers may come into possession of confidential information regarding potential investment

opportunities that would be imputed to BOAM. If a Manager of BOAM comes into the possession of confidential information regarding a potential investment as a result of their role as a director of another entity, the Funds may be restricted from pursuing the investment.

### *Affiliated Managers*

Adam Peterson is the principal owner and managing member of The Magnolia Group, LLC, an investment adviser registered with SEC. The Magnolia Group, LLC manages the Magnolia Capital Fund, LP and also provides investment advisory services to a fund of one, Magnolia BOC I, LP. The Magnolia Capital Fund, LP is primarily invested in publicly traded securities. The fund of one is comprised of a single limited partner investor and is intended to hold only a single publicly traded stock.

Alex Rozek is the principal owner and managing member of Boulderado Group, LLC. Boulderado Group, LLC is a family office - as that term is defined by Rule 202(a)(11)(G)-1(b) of the Advisers Act - that sponsors a private investment partnership, Boulderado Partners, LLC. Alex Rozek is also the founder and principal owner of Mac Mountain, LLC, a private telecom real estate company aimed at working with Communications Union Districts (or “CUDs”) in the State of Vermont to enhance local communication infrastructure, including broadband capacity and access to mobile wireless services.

In each of the instances described above, the Manager’s investments in and provision of investment management services to other businesses, partnerships or funds creates a conflict of interest insofar as the Co-Manager will need to allocate their time, services, or functions across multiple activities. Conflicts of interest may also arise for the Co-Managers in the allocation of certain investment opportunities between the Funds and other businesses, partnerships or funds managed by the Co-Manager. In each of the instances described above, such conflicts are mitigated by the fact that the investment recommendations made for such other businesses, partnerships or funds may not be suitable for the investment objectives of the Funds. In the event that they are, the Co-Managers will act in good faith and conduct sufficient due diligence to ensure that investment decisions made on behalf of such other businesses, partnerships or funds are not in conflict with the best interests of the Funds. Lastly, certain of the Co-Manager’s other investments, businesses, partnerships or funds may enter into agreements, transactions, or other arrangements with companies in which the Funds are invested. There can be no assurance that the terms of any such agreement, transaction or other arrangement will be as favorable to the Fund as otherwise would be the case if the counterparty were not related to BOAM.

### *Sharing of Office Space and Employees*

BOAM currently shares office space with Logic (see disclosure directly below), certain of the other investment advisers listed above, and other persons employed by Boston Omaha Corporation, which may restrict the Funds from trading in securities for which these persons have material, nonpublic information. BOAM’s investment activities will be constrained as a consequence of its inability to take certain actions because of such information and the Funds may

experience losses if BOAM is unable to sell an investment that a Fund holds because one or more of these persons obtain material, nonpublic information about such investment. BOAM will mitigate this conflict of interest by ensuring that the persons with whom BOAM shares office space do not have access to BOAM's confidential information. To the extent that they do, these individuals will be subject to BOAM's Code of Ethics, which is described in Item 11. As described in Item 5, the Fund will pay for its share of the office space that its employees share with BOAM and Logic.

BOAM also currently shares employees with certain of the affiliated managers listed above. Such employees will be subject to BOAM's Code of Ethics, which is described in Item 11.

#### *Affiliated Service Providers*

Brendan Keating is the principal owner of Logic Real Estate Companies, LLC ("Logic"), a commercial real estate company in which Boston Omaha Corporation also has a minority interest. Logic subsidiaries provide real estate brokerage and property management services to customers. To the extent the Funds or certain real estate assets in which the Funds invest require these services, BOAM has an incentive to use Logic's services rather than the services of an unaffiliated service provider because its Co-Manager is entitled to receive indirect compensation for the services rendered by Logic. To address this conflict, BOAM will engage Logic to provide services to the real estate assets or portfolio companies in which the Funds invest; however, Logic's services will not be exclusive to the Funds and any services provided to a Fund will be provided at the same market rate for which Logic provides the services to unaffiliated customers.

General Indemnity Group ("GIG") is an insurance holding company that is wholly owned by Boston Omaha Corporation. GIG acquires and operates companies that operate and distribute insurance products. To the extent certain real estate assets in which the Funds invest require these insurance products, BOAM will have an incentive to direct the assets in which the Funds invest to purchase GIG's products rather than products sold by an unaffiliated insurance company. To address this conflict, BOAM will ensure that these products are not exclusive to the Funds, or the real estate assets or portfolio companies in which the Funds invest, and GIG will provide the insurance products at the rate at which it provides the products to unaffiliated customers.

Certain affiliates of BOAM intend to provide broadband connectivity services to the BFR Fund. To address the conflict of interest this creates, BOAM will ensure that any services that these affiliates provide to the BFR Fund are performed at the same market rate for which the services are provided to unaffiliated customers.

#### *General Partner*

The General Partners of the Funds are related persons of BOAM. The General Partners and BOAM are both wholly owned by Boston Omaha Asset Management, LLC. The Co-Managers each maintain a percentage profits interest in Boston Omaha Asset Management, LLC. While the percentage profits interests in Boston Omaha Asset Management, LLC is exclusive of any profits

earned by 24<sup>th</sup> Street Asset Management, LLC, Brendan Keating and certain employees of 24<sup>th</sup> Street Asset Management, LLC are entitled to compensation (in addition to their regular salaries) based on the revenue generated by that entity. As previously described in Items 5 and 6, the General Partners are each entitled to receive a performance based fee in the form of “carried interest”. As a result, there is an incentive for the General Partners, BOAM, and the Co-Managers to make riskier or more speculative investments on behalf of the Funds than they would under a different fee arrangement. To mitigate this conflict of interest, BOAM intends to evaluate investment opportunities for the Funds without regard to fee arrangements and will periodically review the assets of the Funds to ensure that they fall within stated investment objectives.

Lastly, the Magnolia Capital Fund, LP and Boulderado Partners, LLC each own shares of Boston Omaha Corporation’s Class B common stock which, on a blended basis, currently constitutes a controlling interest in Boston Omaha Corporation. Adam Peterson and Alex Rozek, as the respective principal owners and managing members of the managers of these entities (as described above), receive fees from the Magnolia Capital Fund, LP and Boulderado Partners, LLC for their respective management services. The Co-Managers, either through these entities or on an individual basis, are each personally invested in Boston Omaha Corporation. As a result, they each have an additional incentive for BOAM to make riskier or more speculative investments on behalf of the Funds insofar as it may enhance the profitability of Boston Omaha Corporation, and consequently the value of their investment and the assets for which they separately receive a management fee.

#### **10.D. Recommendations of Other Investment Advisers**

BOAM will not recommend other investment advisers to its clients.

### **ITEM 11 – CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

#### **11.A. Code of Ethics Document**

BOAM has adopted a Code of Ethics (the “Code”) pursuant to Rule 204A-1 of the Investment Advisers Act of 1940 (the “Advisers Act”) to ensure that BOAM’s employees always act in the best interest of the Adviser’s clients. The Code includes standards of business conduct requiring covered persons to comply with the federal securities laws and the fiduciary duties an investment adviser owes to its clients. The Code also requires that all covered persons comply with ethical restraints relating to clients and their accounts. These restraints include restrictions on personal trading and gifts. They also include provisions intended to prevent violations of insider trading laws. Investors or prospective Investors in the Fund may obtain a copy of the Code by contacting BOAM at 402-509-8456.

#### **11.B. Participation or Interest in Client Transactions**

BOAM does not currently intend for the Funds to acquire or sell securities in which BOAM, or any related person, has a material financial interest. To the extent such an acquisition or sale is



pursued by one of the Funds, BOAM will ensure disclosure and consent is sought consistent with applicable law.

BOAM intends to offer certain investment opportunities to co-invest alongside the Funds to the Funds' Investors, BOAM's General Partner, one or more of its affiliates, its personnel, or any third-party. BOAM will make such opportunities available to such persons based on a variety of strategic factors including but not limited to, level of contribution to the Fund, level of interest in the investment, ability to timely complete the investment, and any other factor BOAM may rely upon in its sole discretion. Co-investment opportunities will be made available through limited partnerships or other special purpose vehicles formed to make such investments and BOAM and the Fund's General Partner will receive fees, carried interest, or other compensation in connection with such opportunities. Co-investors may not agree to pay or otherwise bear the fees, costs, or expenses associated with any unconsummated co-investments, and in such event, such fees, costs, and expenses will be borne by the Fund rather than the co-investment vehicle. BOAM's exercise of discretion in allocating the co-investment opportunities will not result in proportional allocations among Investors that have expressed interest in co-investment opportunities, and such opportunities will likely be more advantageous to some such Investors relative to others. Co-investments by BOAM affiliates will generally reduce the amount of relevant investment opportunities available to the Fund. Additionally, depending on the terms of each co-investment opportunity, BOAM may realize greater economic incentives through the co-investment than through the Fund's investment.

### **11.C. Personal Transactions**

BOAM has adopted the Code to ensure that personal investing activities by BOAM's employees are consistent with BOAM's fiduciary duty to its clients. In order to avoid potential conflicts that could be created by personal trading by BOAM employees, the Code restricts the purchase and sale of certain securities by employees for their own accounts. All employees are required to pre-clear with the Chief Compliance Officer any personal securities transactions in IPOs and limited offerings. All employees are required to submit quarterly personal securities transactions and annual holdings reports for review by the Chief Compliance Officer, who will, in turn, review these reports for conflicts with the Fund.

BOAM and its related persons invest in the Funds. In the case of the 24<sup>th</sup> Street Funds, certain related persons of BOAM (including property brokers employed by Logic that receive compensation for the sale of the commercial real estate asset acquired or sold by the Funds) directly own interests in the commercial real estate asset owned by the Funds. In each such case, the related person pays an asset management fee to 24<sup>th</sup> Street that is equal to the Management Fee that the Funds pay to 24<sup>th</sup> Street. However, such related persons will not pay transaction fees and other related costs and expenses associated with the organization and operation of the Fund, which will be incurred by investors in the Fund as described above in Item 5.

Neither BOAM nor any of its related persons currently intend to acquire or sell securities that are also recommended to the Funds. Conflicts of interest will arise to the extent certain Co-Managers or employees have an indirect interest in a transaction that is or may be in conflict with the interests of the Funds (e.g., where a Co-Manager or employee has invested in another investment vehicle

managed by another investment adviser and the Fund seeks to purchase companies or assets that are owned by such vehicles or dispose of investments that may be purchased by such vehicles, or a Co-Manager is invested in another business that transacts with a company in which a Fund invests). BOAM addresses these conflicts by requiring its Co-Managers and employees to pre-clear certain personal securities transactions and submit regular holding reports and outside business activities to the Chief Compliance Officer consistent with the requirements of its Code, as described above.

#### **11.D. Timing of Personal Trading**

As described directly above, neither BOAM nor any of its related persons intend to acquire or sell securities at the same time that such securities are acquired or sold by a Fund. In the event BOAM intends to acquire or sell securities for a Fund in which related persons are or may be invested, BOAM will ensure that its related persons are restricted from transacting in such securities at the same time as the Fund.

### **ITEM 12 – BROKERAGE PRACTICES**

#### **12.A Selection of Broker/Dealers**

Due to the nature of the assets in which BOAM intends to invest the Funds, BOAM does not currently expect to select or recommend broker-dealers for client transactions. However, if BOAM invests the assets of a Fund in publicly-traded securities, BOAM will seek to obtain best execution for the Fund. The best net price, giving effect to brokerage commissions and other costs, as well as expected execution time, are generally all important factors in determining best execution.

##### Research and Other Soft Dollar Benefits

BOAM will not participate in any soft dollar arrangements with broker-dealers.

##### Brokerage for Client Referrals

BOAM will not consider whether it or a related person receives client referrals from a broker-dealer or third party when selecting or recommending broker-dealers.

##### Client-Directed Brokerage Transactions

Given that BOAM currently intends for its only clients to be the Funds, BOAM will not be in a position to accept a request for directed brokerage from any of the Fund's Investors.

#### **12.B. Aggregation of Orders**

BOAM currently advises the 24<sup>th</sup> Street Funds, the BFR Fund, and BORE Hirsch. The investment objectives and terms for the 24th Street Funds, the BFR Fund, and BORE Hirsch are dissimilar such that they typically would not be invested in the same assets. However, from time to time, one

or more of the real estate Funds may seek to invest in the same property, or one or more of the Funds may seek to invest in short term cash equivalents, (e.g., short term U.S. treasuries), pending application to real estate or other assets. In such instances, BOAM's Co-Managers will act in a manner that it considers to be fair and equitable in determining how the opportunity is allocated in whole or in part to each Fund.

## **ITEM 13 – REVIEW OF ACCOUNTS**

### **13.A. Frequency and Nature of Review**

BOAM's Co-Managers will be responsible for monitoring the investment activities of the Funds. The Co-Managers expect to periodically meet to review each Fund's existing investments and consider any new investment opportunities that may be available to the Funds. The Co-Managers expect to meet no less frequently than on a quarterly basis.

### **13.B. Factors That May Trigger An Account Review Outside of Regular Review**

More frequent reviews may be triggered by material changes in the financial markets or trends in the economic environment that could affect the performance of the Funds or their investments.

### **13.C. Client Reports**

Commencing with the first full quarter following the initial Fund closing date, BOAM intends to issue a quarterly report on each Fund's investment activities to each Investor. BOAM also intends to provide each Investor with audited annual financial statements within 120 days after the Fund's fiscal year-end.

## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

BOAM will not receive any economic benefits from persons other than clients for providing investment advice or other advisory services to clients.

BOAM has entered into a compensation arrangement with a third-party to assist in its capital raising efforts. The fee owed to the third-party will be calculated as a percentage of the total amount of capital committed by Investors who are referred to the Fund by the third-party, as described in the written service agreement between BOAM and the third-party. The compensation arrangement between BOAM and the third-party provides the third-party with an incentive to recommend an investment in the Fund. BOAM may choose to enter into similar compensation arrangements in the future with other third parties.

## **ITEM 15 – CUSTODY**

BOAM will be deemed to have custody of the Funds. BOAM will supervise the completion of an audit of each Fund by an independent public accountant, as well as the distribution of audited financial statements to limited partners of the Funds within 120 days of the fiscal year end. The independent public accountant that conducts the audit will be registered with, and subject to, regular inspection by the Public Company Accounting Oversight Board (“PCAOB”).

## **ITEM 16 – INVESTMENT DISCRETION**

The limited partnership agreement (or operating agreement) of the Funds will grant discretionary authority over the management of the Funds to BOAM. BOAM will be authorized to make investment determinations in accordance with each Fund’s specified investment objectives without Investor consultation or consent before each transaction. BOAM will assume discretion over a Fund upon execution of the investment management agreement.

## **ITEM 17 – VOTING CLIENT SECURITIES**

BOAM has written Proxy Voting Policies and Procedures in place, adopted pursuant to Rule 206(4)-6 (the “Proxy Rule”), and will exercise proxy voting authority, consistent with the authority provided to it in the Fund’s limited partnership agreement, for the exclusive benefit, and in the best economic interest, of the Funds and their Investors, as determined by BOAM in good faith. Investors in the Funds will be unable to direct BOAM’s vote for a particular proxy.

From time to time, conflicts can be expected to arise between the interests of the Investor, on the one hand, and the interests of BOAM or its related persons on the other hand. If a material conflict is identified by the Chief Compliance Officer and/or one or more of the Co-Managers, the Co-Managers will determine whether voting in accordance with BOAM’s Proxy Voting Policies and Procedures is in the best interests of the Fund. BOAM, in its sole discretion, may elect not to vote a proxy if voting the proxy is unduly burdensome.

Investors may request a copy of BOAM’s written Proxy Voting Policies and Procedures and the voting records relating to proxies, as provided by the Proxy Rule, by contacting BOAM’s Chief Compliance Officer, Jessica Hayes, at [jessica@bostonomaha.com](mailto:jessica@bostonomaha.com).

## **ITEM 18 – FINANCIAL INFORMATION**

### **18.A. Advance Prepayment of Fees**

BOAM will not require or solicit prepayment of more than \$1,200.00 in fees per client, six (6) months or more in advance. Therefore, BOAM is not required to include a balance sheet for its most recent fiscal year.

**18.B. Financial Condition**

BOAM does not have any financial conditions to disclose that are likely to impair its ability to meet contractual commitments to the Funds.

**18.C. No Bankruptcy Proceedings**

BOAM has never been the subject of a bankruptcy petition.