



An Opportunity to Invest

While Making an Impact in the Community You Care About

THE INITIATIVE

Equestrian Spirits has been a nonprofit animal rescue forever home sanctuary since 2010. Our founder previously ran the same out of pocket, for several decades. Due to financial challenges through the pandemic and a series of robberies, funds allocated for assisting animals in need and public education on the well-being of animals, had to be curtailed. Although we have been able to maintain the care of our residents, we now find ourselves at a crossroads. Due to the financial setbacks throughout the pandemic, we are now in danger of losing our farm - and everything we have given our hearts to. In 2017, we were honored with an owner-finance deal for our 61+ acres in Levy County, Florida. The animals moved in safely while we embarked on projects to turn a goat farm into a rescue sanctuary, predominantly for horses.



THE OPPORTUNITY

- Investors receive a promissory note evidencing their investment. Equestrian Spirits Inc. makes monthly loan payments, investors receive quarterly distributions of interest earned and pro-rata principal.
- The loan from Friends of Equestrian Spirits Equity, LLC will have a Mortgage recorded on the nonprofit's real estate.

Loan To	Equestrian Spirits Inc.	Interest Rate Return	5.0%
Lender	Equestrian Spirits Equity, LLC	Length of Commitment	5 years
Loan Amount	\$600,000	Minimum Investment	\$10,000



NEXT STEPS



Visit the website listing for the opportunity (<https://loan.semble.com/listing/es>) to get more details about the investment.



Get answers to any questions you may have by contacting a Semble representative at support@semble.com.



Invest. At the point you are ready to invest alongside other supporters, click the button "get started".

Ask about the ability to use retirement funds such as IRAs.

Frequently Asked Questions

Who or what is Semble exactly? Semble is a Seattle based company who built a platform which allows non-profit organizations to do crowd-sourced loans from its supporters. Think of it like Kickstarter, or Go Fund Me, but from investments rather than donations. You get your money back with interest! Semble has helped other non-profit organizations such as churches and schools raise loan amounts similar to ours. In fact, the founder built this company after his children's school went through a fund-raising opportunity nearly identical to ours. Given their niche focus on scenarios like ours, and their successful track record, we are excited to work with them!

How exactly will this work? First, we hope everyone will review the information about this initiative at <https://loan.semble.com/listing/es>. After reviewing the information on the platform, you can click on the big blue button and make your commitment to help fund our loan need. You will setup an account with Semble and determine your investment amount and rate of return on that investment that is equal to 5.0% or something less down to 0%. If you choose a lower rate of return you will actually help lower the overall cost to the nonprofit. This will save the nonprofit money that can be used for the operation of the nonprofit. We are hopeful some families will choose a lower interest rate which will help us keep the monthly payments lower than a traditional mortgage.

Once we feel confident we will have sufficient funds to close on the loan, we will ask all participating investors (You) to fund your commitment from your IRA or Cash account. Once all the funds are received, we will close on the loan at the same time we close on the purchase of the property, and take an enormous step toward accomplishing our vision of a larger facility to call our own.

After the loan closes, the nonprofit will make interest-only payments each month to Semble. You will receive a settlement from these payments quarterly of your interest earned and repayment of principle, if any, until the loan ends in five years (or earlier if possible) at which time the full loan amount will be due from the nonprofit.

Does Equestrian Spirits Inc. (ES) have CPA prepared financial statements or only internally prepared? . All financial statements provides with the exception of thee forward looking budget were prepared by the Equestrian Spirits accountant, Cozette Accounting Co., LLC

How will the nonprofit pay back the loans after 5 years? After 5 years, we will refinance whatever portion of the loan we have not paid back through traditional financing or use the Semble model to refinance; however, each investor will have the ability to elect to rollover for a new term if the Semble model is used to refinance any remaining balance. The property will be used as collateral for the loan. If we fund the entire amount of the loan through the Semble platform, the investors will be in a first priority position; if a bank is required to provide gap funding for any shortfall, the Semble facilitated loan will be in a second priority position behind the bank. So, in the worst-case scenario we sell the building and pay back the loans from the sale proceeds.

What is the minimum investment amount the nonprofit will take? We have set a minimum investment amount of \$10,000.

Why is this better for the nonprofit than a traditional Mortgage? There are three reasons. First, our monthly payments could be as much as 60% less than it would be through a traditional mortgage. Secondly, through this approach we avoid the need to satisfy the typical bank underwriting criteria. Lastly, we are excited about our ability to refinance our current loan in partnership with the families of ES. Tackling this as a community is a special opportunity that will only strengthen ES but further the mission of reaching those who do not know Jesus in our community.!

What happens if the nonprofit cannot raise enough money through these loans to close on the purchase of the nonprofit? In partnership with Semble we are also pursuing a traditional loan which will cover the difference between what we can raise through the community and what will be needed to close on the property. Semble has experience with this hybrid approach. That said, our monthly payments will be at their lowest if we fully fund through the community.

Does this investment have tax advantages like a non-profit donation? No, this is not a gift. Instead, you are making an investment and the interest earned is not tax-free. There would be no charitable deduction unless you elect to forgive a portion of the investment or give back some interest earned to the nonprofit

What if I want to get my money out before the end of the investment term? If you plan to access the funds prior to the maturity of the investment, it is encouraged that you not invest since there are currently no well-defined secondary markets for the investment. In the case of hardship, best efforts will be made to see if someone else would like to take your position, although there are no guarantees.

Can I make an investment using retirement funds? Yes, but you are not typically able to direct funds from your current employer 401(k) or 403(b). If the instructions online are not clear or if you have questions, please contact Semble.

Are there costs in using a retirement account (i.e. IRA) to invest? Yes, all custodians will charge a fee for holding this type of investment because they are not compensated through the normal fees they realize in holding traditional investments (stocks, bonds, mutual funds, etc.). The fee varies based on the custodian. The IRA custodian that is the preferred provider through Semble has a \$25 setup fee and a flat annual cost of \$65/yr. This cost should be taken into consideration when making an investment. There are no costs to invest using non tax-deferred funds since there is no need for custodial involvement.

What is the next step? At the point that you are ready to participate, select "Get Started" on the listing and follow the simple steps. It takes about 2 minutes to enter the basic information, including your email address, amount you want to invest, and the rate of return you would like to receive. Choosing to take this first step is not a binding commitment. Once you've made your commitment, you will be prompted by Semble to fill out some paperwork via email.

[For more information, visit our listing at https://loan.semble.com/listing/es.](https://loan.semble.com/listing/es)

