

**ADDISON AG TECH, LP ACQUISITION WATERFALL**

<b>Capital Invested</b>	\$ (7,000,000)	Date	12/31/2021
<b>Proceeds</b>	\$ 15,500,000		12/31/2026

**EQUITY PARTICIPANTS**

<b>GP</b>	\$ -	0%
<b>Limited Partners</b>	\$ 7,000,000.00	100%

**EQUITY PARTICIPATION TERMS**

1. Return of Principal to LP's, including equity put forth by acquisition into the LP account and paid as Limited Partner;
2. Next, the LP's shall be paid an 8% cumulative preferential return on principal to Limited Partners;
3. Then the GP shall be paid a full catch equivalent to 20% of all distributions made to the LP's (20% of \$10,285,297)
4. Finally, the remaining funds shall be split 70 / 30 split between LP / GP.

**IRR HURDLES**

	<b>LP IRR Hurdle</b>
First (Principal to LP's)	0.0%
Second (Principal + Pref)	8.0%

**PROCEEDS REQUIRED TO ACHIEVE HURDLES**

	<b>Proceeds Required by LP for Hurdle</b>
First (Principal to LP's)	7,000,000
Second (Principal + Pref)	10,285,297

**WATERFALL**

**IRR Achieved** 17.2%

<b>First Distribution:</b>		
Limited Partners	10,285,297	100.0%
Proceeds Remaining	5,214,703	
<b>Second Distribution:</b>		
GP	2,057,059	20.0%
Proceeds Remaining	3,157,644	
<b>Third Distribution:</b>		
GP	947,293	30.0%
Limited Partners	2,210,351	70.0%
Sub Total	3,157,644	

**GRAND TOTAL PROCEEDS**

GP	3,004,353	19.4%
Limited Partners	12,495,647	80.6%
<b>TOTAL</b>	<b>15,500,000</b>	

**TOTAL FUNDS TO LIMITED PARTNERS \$ 12,495,647.45**

**EST. FUND INVESTMENT CALCULATIONS**

Investment Amount	\$ 25,000.00	\$ 50,000.00	\$ 100,000.00	\$ 150,000.00
Annual LP Distribution	\$ 1,599,360.00	\$ 1,599,360.00	\$ 1,599,360.00	\$ 1,599,360.00
Percent of Fund	0.36%	0.71%	1.43%	2.14%
Q Distribution	\$ 1,428.00	\$ 2,856.00	\$ 5,712.00	\$ 8,568.00
Y Distribution	\$ 5,712.00	\$ 11,424.00	\$ 22,848.00	\$ 34,272.00
<b>Total Estimated Return</b>	\$ 44,627.31	\$ 89,254.62	\$ 178,509.25	\$ 267,763.87
<b>ROI</b>	<b>78.51%</b>	<b>78.51%</b>	<b>78.51%</b>	<b>78.51%</b>
Break Even in Years	4.38			

	Start Up	Year 1	Year 2	Year 3	Year 4	Year 5
Payments	\$ 680,000.00	\$ 2,040,000.00	\$ 2,040,000.00	\$ 2,040,000.00	\$ 2,040,000.00	\$ 2,040,000.00
Est. Distributions	\$ 200,000.00	\$ 1,999,200.00	\$ 1,999,200.00	\$ 1,999,200.00	\$ 1,999,200.00	\$ 1,999,200.00
Est. LP Distributions	\$ -	\$ 1,599,360.00	\$ 1,599,360.00	\$ 1,599,360.00	\$ 1,599,360.00	\$ 1,599,360.00
<b>FUNDS TO LP AT EXIT</b>	<b>\$</b>	<b>4,520,015.45</b>				