




Generate continuous cash flow investing in real estate debt

Recently Repaid Investments

| | | |
|--|--|---|
|  1 Tremont Street, Oxford MA VIEW LOAN |  1215 South 9th St, Noblesville IN VIEW LOAN |  2150 Beecher Rd SW, Atlanta GA VIEW LOAN |
| 10.2% Rate | 13% Rate | 11% Rate |
| 12 mo. Projected Term | 12 mo. Projected Term | 12 mo. Projected Term |
| 55.3% Loan to AVY | 63.5% Loan to AVY | 64.7% Loan to AVY |

groundfloor.us Atlanta GA   

LEAD INVESTOR



David Sissman Managing Director

To individual investors, the Groundfloor value proposition is extraordinary: with relatively little money, you can build your own diversified portfolio of first-lien mortgages on residential properties across the USA. Brian and Nick have solved the hardest problems: establishing a regulatory pathway that establishes barriers to entry, attracting a growing network of borrowers, and satisfying retail investors with average rates of 10%. Now it is time for Groundfloor to scale. In addition to being an investor in the company, I have been an investor in the loan offerings on the Groundfloor platform since 2015. I have been happy with the returns, the ease of use, and the continuing innovation on the platform.

Invested \$35,000 this round & \$353,685 previously

Highlights

- 1 Our platform makes investing safe, easy, and predictable - with no fees, ever
- 2 Short-term, high-yield investments that average a 10% annual return
- 3 Raised more than \$38 million from notable angels, VCs, and over 6,375 individual retail investors
- 4 Nearly 200,000 users and growing quickly
- 5 Over \$800 million invested on the platform to date
- 6 Winner of over two dozen industry and innovation awards
- 7 First and only company qualified by the SEC to issue payment-dependent real estate notes
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- 8 [Insert updated CAGR numbers]

Our Team



Brian Dally Co-Founder & CEO

Brian's 20-year career building disruptive technology startups includes stints in Silicon Valley, Boston, London, and the North Carolina Research Triangle. Brian has a JD from Harvard Law School and an MBA from Harvard Business School.

Banking is broken. Banks use your money but they get to call the shots on who gets funded, at what level, for what uses. And then they take all the profit. With Groundfloor, you get to be the bank. We believe everyone should profit from their savings the way banks do. Our wealthtech platform makes earning better returns safe, easy, and predictable.



Nick Bhargava Co-Founder & EVP Regulatory Affairs

Nick leads product development and is responsible for regulatory strategy. An expert in securities law, Nick was heavily involved in the JOBS Act as an early pioneer of crowdfunding. Nick received his LLM at Duke University School of Law.



Rhonda Hills COO

Rhonda has spent her career building digital supply and demand marketplaces. Prior to Groundfloor, she served as CMO for Dinova, EVP Operations for BLINQ Media and CMO for Kudzu.com. Rhonda is a summa cum laude graduate of the University of Maryland.



Benjamin Sutton SVP, Finance & Strategy

Ben's career began in the Audit practice at KPMG LLP and worked in a financial reporting role at a public company during the company's initial public offering. Ben is a certified public accountant, and has a MAcc from the University of North Florida.



Chris Schmitt CTO

Chris has 15 years of software experience as a Full Stack developer, including stints at Republic Wireless (with Brian) and building financial services backend systems for Fidelity Investments. Chris earned his BA from Roger Williams University.



Megan Heaney Head of People, Culture and Projects

As a 12-year tech startup veteran, Megan knows how to grow a thriving organization and has developed a world-class employee experience at Groundfloor for our amazing team. Megan holds a BS in Strategic Communications from the University of Colorado.



Chris Garrett VP, Product

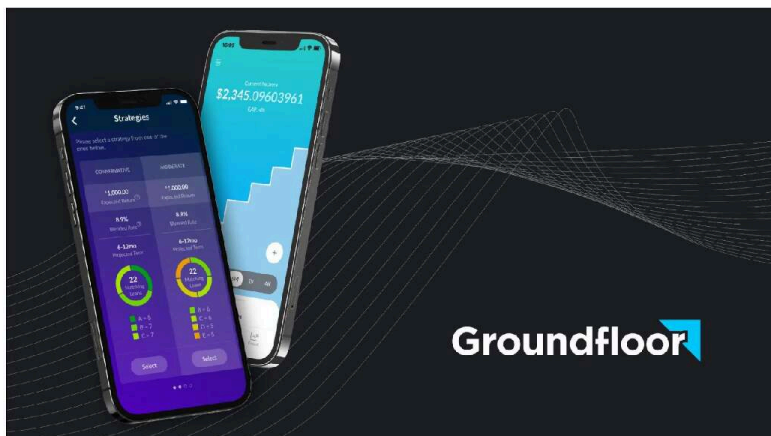
Chris has led development on 60+ mobile apps, working with companies ranging from lone founders to corporations with millions in revenue. Chris earned an MS in Biochemistry from Duke University and BS in Biochemistry from Florida State University.



Patrick Donoghue VP, Operations

Patrick has been underwriting, originating, and servicing private money loans since 2006. As VP, Operations, he leads the underwriting of all loans and the real estate closing process. He graduated from Edinboro University with a B.A. in Psychology.

Groundfloor is an award-winning wealth-tech platform offering high-yield, short-term, real estate debt investments directly to the general public.



Why Groundfloor is Good for the World

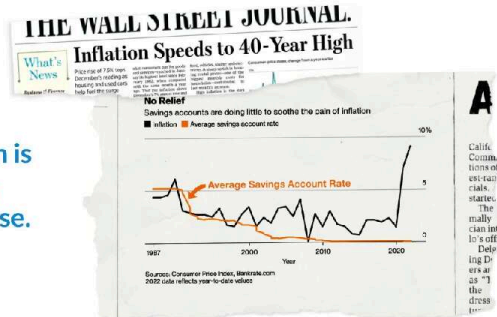
THE PROBLEM

... BANKING.

Depositors get next to nothing. Banks call the shots on who gets funded, at what level, for what uses, and **they take all the profit** – from your money.



And inflation is only making matters worse.



Source: <https://www.wsj.com/archive/inflation-speeds-to-40-year-high-1160312311>

THE SOLUTION

Groundfloor

We believe **everyone** should profit from their savings and investments the way banks do.

Our award-winning platform makes earning better returns **safer, easier, and predictable.**



We are mission driven to provide financial access for all walks of life and help communities in the process.

OUR TWO EXCITING PRODUCTS:

Groundfloor



Low Risk Investing

No maximum balance,
high-yield, short-term

Stairs

by GROUND FLOOR



Savings on Steroids

No minimum balance,
100% liquidity

Investing shouldn't come with annual management fees, hidden spreads, or lock-ups that put control in the hands of a fund manager. Our platform enables everyone to build diversified portfolios that deliver continuous cash flow with high yields secured by real assets.

WHAT GROUND FLOOR OFFERS

Safe & Stable Investing for Everyone

- ✓ CONSISTENT 10% RETURNS
- ✓ REGULAR CASH FLOW
- ✓ NO FEES, EVER
- ✓ INVESTMENTS SECURED BY REAL ESTATE PROPERTY

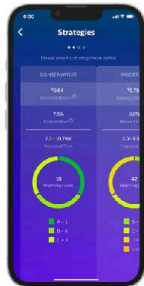


Groundfloor is the only platform where you can safely earn up to 10% returns with investments that are secured and backed by real assets. Now you don't have to sacrifice returns when minimizing risk.

HOW GROUND FLOOR WORKS



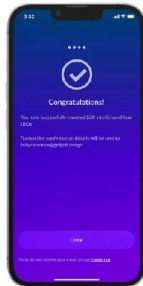
Link a bank account and deposit funds



Determine an investment strategy



Build a portfolio based on your criteria



Generate returns in 9-12 months

Sign Up

Setting up your account is quick and easy. Choose the amount you'd like to invest and get started with as little as \$10.

Fund Your Account

Link to your bank account through our secure encryption partner to transfer funds to begin investing. With Groundfloor, your financial future is already

looking up!

Choose Investments

Build your own portfolio of short term, high yield, real estate debt investments based on your own personal risk/reward profile. Or let our investment wizard guide you.

Manage & Earn

Debt products inherently carry less risk, which is why we've been able to generate consistent 10%+ returns for our investors over the past six years, with repayments received in 6-9 months on average.

GROUND FLOOR VS. OTHER INVESTMENTS

| | Groundfloor | Bank CDs | Stock Apps | Crypto | Collectibles |
|----------------------|----------------------|---------------|------------------------|--------|---------------------------|
| ANNUAL INTEREST RATE | 10% | 0.01-3.0% | ✗ | varies | 0% |
| NO FEES | ✓ | ✗ | varies | ✗ | ✗ |
| SECURITY | residential property | FDIC insured | ✗ | ✗ | physical or virtual goods |
| PRODUCT | debt note | bank interest | stocks, options, funds | coins | SPV |
| REPAYMENT TERM | continuous | 1-72 months | ? | ?? | ??? |

Groundfloor investments are secured by real assets in a first lien position. You can choose individual renovation projects to invest in, or use our automatic investing tools to continuously invest in projects that meet your criteria. Investments repay every 9-12 months on average, so if you make investments each month, after 9 months, you'll always have investments repaying each month. That's pretty good liquidity for a secured investment backed by real assets! Groundfloor is a safe way to earn great results.

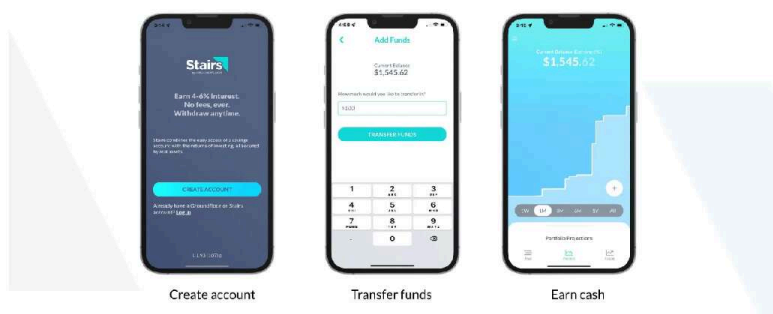
WHAT STAIRS OFFERS

A Better Way to Save

- ✓ FIXED 4% RATE
- ✓ WITHDRAW ANYTIME
- ✓ NO FEES, EVER
- ✓ INVESTMENTS SECURED BY REAL ESTATE NOTES



HOW STAIRS WORKS



Sign Up

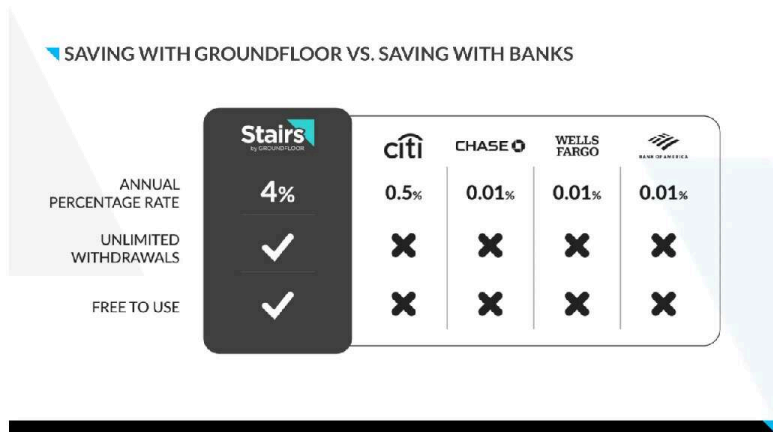
Download Stairs from the App Store or Google Play and sign up in just minutes.

Connect Your Bank

Link to your bank account through our secure encryption partner to transfer funds to begin earning interest.

Start Earning

Turn on recurring deposits and watch you balance start growing immediately!



Big banks should be ashamed of the interest rates they offer. Most offer 0.01% or maybe 0.5% if you're lucky. That means for every \$100 in your savings account, you earn 1¢ a year. What can you buy with that?



Safe and Stable

Our investments are backed by real estate debt, which carries lower risk than common or preferred equity investments.

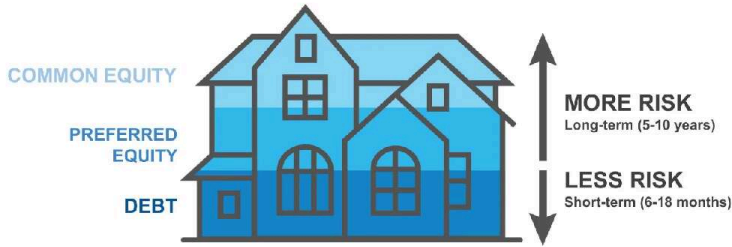
Consistent Returns

Over the last eight years, Groundfloor investments have consistently generated an average of 10% returns for our investors.

Short-term Liquidity

With recurring investments and our short-term loans, your portfolio can generate cash flow in as little as nine months.

Groundfloor offers debt investments that carry less risk and are backed by secured, collateralized real estate assets in a first lien position.



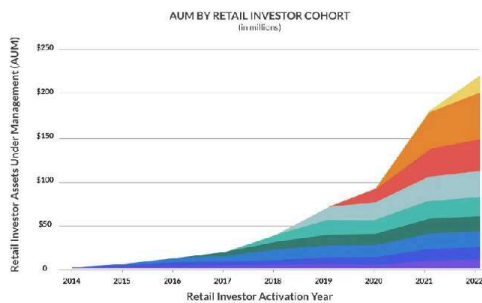
Why Groundfloor is Good for Shareholders

UNIQUE, SELF-SUSTAINING BUSINESS MODEL



OUR CUSTOMERS ARE STICKY

The portfolios of our earliest investors continue to grow year-over-year



Even at 3, 4, 5 years+ from signing up, the average Groundfloor Investor portfolio is growing, not shrinking.

MULTIPLE REVENUE STREAMS

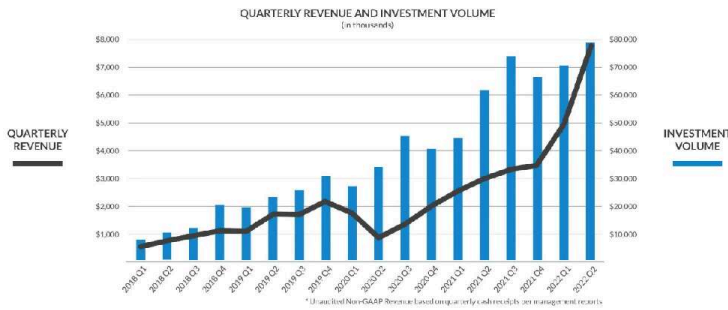
For every \$1,000 invested on the Groundfloor platform,

we earn an average of **\$66.58** from **three revenue streams**:



GROWTH IS STRONG

Quarterly investment volume has grown consistently, reaching **\$78 million** and supporting **\$7.7 million in revenue*** in Q2 2022.



WE WERE BUILT FOR TURBULENT TIMES

As Housing Prices Decline

- Investors are protected by a first lien on collateral
- Borrowers have better buying opportunities
- Risk can be controlled by limiting leverage (loan size in relation to collateral)

As Interest Rates Rise

- Borrowers have fewer competing alternatives to financing with us
- Investors earn higher yields on better terms
- Equity capital becomes relatively less expensive

The COVID-19 pandemic proved that capital deployed by a broad base of individual investors is **more resilient, flexible, and powerful** than traditional sources.

As a provider of debt, we can preserve investor capital through market turbulence, while profiting from capital scarcity and new opportunities to supply equity capital to fill the gap created by lower available leverage while allowing our investors to “buy low.”

As an intermediary, Groundfloor creates value by matching demand for capital with supply through market cycles. Our unique value proposition for investors is a competitive advantage, especially when traditional capital markets are challenged by economic conditions.

WE'RE RAISING CAPITAL TO PLAY OFFENSE IN 2023



CLEAR PATH TO PROFITABILITY

| | historical annuals | | | | projected | | | |
|---------------------------|--------------------|------------------|------------------|------------------|------------------|------------------|---------------|----------------|
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Net revenue* | \$ 3,325 | \$ 7,073 | \$ 5,627 | \$ 14,049 | \$ 23,136 | \$ 35,644 | \$ 53,463 | \$ 80,461 |
| Net revenue growth rate | 90.2% | 112.7% | -20.4% | 149.7% | 64.7% | 54.1% | 50.0% | 50.5% |
| Cost of goods sold | 424 | 780 | 611 | 1,363 | 1,725 | 2,387 | 3,225 | 4,367 |
| Gross profit | 2,901 | 6,293 | 5,016 | 12,686 | 21,411 | 33,257 | 50,238 | 76,094 |
| Operating expense | 7,867 | 9,186 | 9,021 | 11,181 | 25,799 | 33,717 | 46,590 | 65,106 |
| Advertising | 700 | 274 | 607 | 2,625 | 2,443 | 2,871 | 3,733 | 4,853 |
| Net (loss) income | \$(5,666) | \$(3,167) | \$(4,612) | \$(1,120) | \$(6,831) | \$(3,331) | \$(85) | \$6,135 |
| % of net income | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 7.62% |

*Non-GAAP \$ in thousands

Without any expansion in revenue multiple, achieving these projections would generate **3-4x share** price appreciation on a Series B-3 investment in three years, by 2025

BATTLE-TESTED EXECUTIVE TEAM



BRIAN DALLY
CEO
Co-founded company in February 2013



NICK BHARGAVA
EVP Regulatory Affairs
Co-founded company in February 2013



RHONDA HILLS
COO
Joined in February 2018



CHRIS SCHMITT
CTO
Joined as employee #1 in August 2013



BENJAMIN SUTTON
SVP of Finance & Strategy
Joined in February 2017



PATRICK DONOGHUE
VP of Risk Management
Joined in April 2016



CHRIS GARRETT
VP of Product
Joined in October 2021



MEGAN HEANEY
Head of People, Projects & Culture
Joined in November 2020

NOTABLE INVESTORS



Yair Goldfinger
Co-Founder & CEO at AppCard



David Sissman
Angel Investor, Professional Investor & Portfolio Manager



Michael Goodman
Vice President, Real Estate at Capital Broadcasting Company



Michael D. Olander Jr.
CEO & Chairman at MDO Holdings



John Healy
Principal at Hyde Street Holdings, LLC



Bruce Boehm
Angel Investor & Retired Venture Capitalist



T.R. Missner
VOIP Jedi at TechNow



Lucas Timberlake
Co-Founder & General Partner at FinTech Ventures Fund

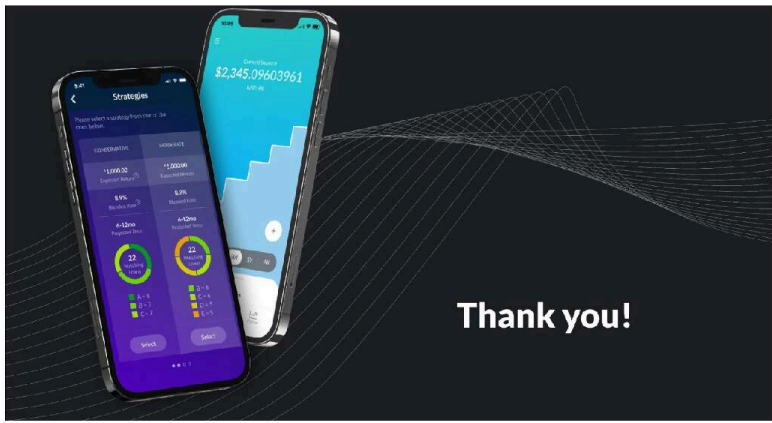
WE'RE GAINING MOMENTUM FAST

- ✓ Nearly 200,000 users and growing
- ✓ Over \$800 million invested to date
- ✓ Over 2,000,000 individual investments
- ✓ Covered in hundreds of publications
- ✓ Winner of two dozen industry and innovation awards

Over **6,375 Shareholders** and... growing!

JOIN US, TODAY!

GOLDEN BRIDGE AWARDS
GRAND PRIZE WINNER
BEST IN BUSINESS 2018
GLOBAL FINTECH AWARDS
POWERED BY BENZINGA
500
Technology Fast 500
2022 NORTH AMERICA
Deloitte
10
INNOVATIVE COMPANIES
TA.G. | FinTech
ADVANCE AWARI
Inc. 5000



Downloads

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