

"We are fortunate to have a diversified portfolio of assets that is well positioned to weather potential storms and continue to thrive over the long term."

QUARTERLY REPORT

1st Quarter 2022

Investor Survey

Click the survey button to indicate investment objectives and capital availability.

Survey

Investor Event

Learn more about our upcoming events and sign up to attend.

Events

Dear Investors,

We are pleased that the Fund continued its consistent high performance in the first quarter. Realized returns for the quarter were 15.68%.

We continue to actively manage and closely monitor the portfolio and the needs of our tenant-partners. Retail and industrial tenant demand remains very strong and we are renewing and signing leases at favorable terms. The residential market remains very strong as well, although we are closely monitoring the effects of rising interest rates. The office market continues to evolve with some tenants downsizing but others growing and expanding. Generally, office leasing activity remains good, and while we have had some tenants come and some go, overall, we are in a net positive position which is a testament to our team, our markets, and our assets. The weakest segment of the office market is larger format space, but corporate tenants are beginning to come back to the office. That said we are closely monitoring upcoming larger space rollover and we are actively working on contingency plans.

We are fortunate to have a diversified portfolio of assets located in great markets that is well positioned to weather potential future storms and continue to thrive over the long term. This quarter, we were able to add two quality retail assets to the portfolio and we were fortunate to lock in low interest rates to fully capture the benefits of these high cash flow properties. We also added two single-tenant net-leased development projects. These net-leased properties continue to be in high demand and will create additional upside in the portfolio through their sale or cash flow when they are completed in the coming months.

While the rising interest rate environment creates headwinds when it comes to additional acquisitions, we have several interesting assets we are considering. We will continue to evaluate these opportunities on a case-by-case basis.

Finally, as many of you know, we are holding an investor partner event early next month at our headquarters in Idaho. If you are interested in participating in future events, please click the "Events" button on this page. As always, thank you for your continued support and partnership.

Tavis Bannig, Chief Executive Officer
Alturas Capital Partners, LLC

Blake Hansen, Chief Investment Officer
Alturas Capital Partners, LLC

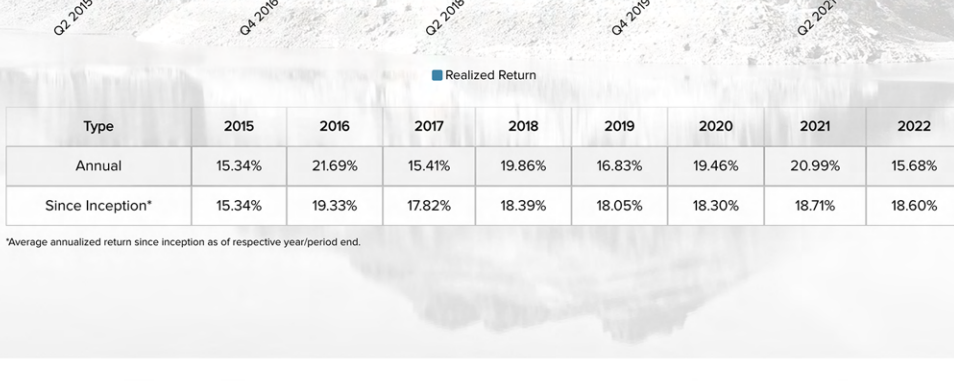
Key Numbers



Stated returns are average annualized investor returns. Individual investor returns may vary based on the unit pricing at the time of investment. Distributable net income includes realized gains and losses and excludes unrealized gains and losses recorded during the period. Financial information herein related to the quarters ended in 2021 and 2022 are unaudited as of the date of this report.

Photo: The Adelsmann Building - Boise, Idaho

Realized Return



Type	2015	2016	2017	2018	2019	2020	2021	2022
Annual	15.34%	21.69%	15.41%	19.86%	16.83%	19.46%	20.99%	15.68%
Since Inception*	15.34%	19.33%	17.82%	18.39%	18.05%	18.30%	18.71%	18.60%

*Average annualized return since inception as of respective year-end.

Unit Price



Quarter	2015	2016	2017	2018	2019	2020	2021	2022
Q1		\$1,188.86	\$1,280.86	\$1,388.41	\$1,394.00	\$1,472.61	\$1,553.67	\$1,616.47
Q2	\$1,000.00	\$1,274.41	\$1,299.39	\$1,389.45	\$1,425.74	\$1,495.09	\$1,548.83	
Q3	\$1,000.00	\$1,218.00	\$1,356.38	\$1,370.75	\$1,438.49	\$1,498.83	\$1,544.69	
Q4	\$1,000.00	\$1,254.26	\$1,369.28	\$1,393.51	\$1,473.70	\$1,501.21	\$1,584.06	

Additional Fund Metrics



*Distributions since inception includes Q1-2022 distributions paid on 04/29/2022. Photo: Westpark - Boise, Idaho

New Acquisitions

Carefree Shopping Center
Colorado Springs, CO
Retail | 126,516 SF

Tucson Shopping Center
Tucson, AZ
Retail | 93,005 SF

Take 5
Boise Metro Area
Built-to-Suit | 2 Locations

Star Development
Star, ID
Retail | 4,000 SF

Carefree Shopping Center is a 126,471 square foot neighborhood shopping center, is located at 3515 North Carefree Circle in Colorado Springs, CO.

Tucson Shopping Center is 93,005 square feet and is situated on 8.82 acres. Located on Oracle Rd. and Lombard Rd., Tucson Shopping Center is in proximity to other restaurants, retail, and shopping in Colorado Springs. The shopping center was built in 1982 and more square footage was added in total site size is 10.05 acres.

Carefree Shopping Center
Colorado Springs, CO
Retail | 126,516 SF

Tucson Shopping Center
Tucson, AZ
Retail | 93,005 SF

Take 5
Boise Metro Area
Built-to-Suit | 2 Locations

Star Development
Star, ID
Retail | 4,000 SF

Tucson Fiesta Shopping Center is 93,005 square feet and is situated on 8.82 acres. Located on Oracle Rd. and Lombard Rd., Tucson Shopping Center is in proximity to other restaurants, retail, and shopping in Colorado Springs. The shopping center was built in 1982 and more square footage was added in total site size is 10.05 acres.

Tucson, Arizona is located about an hour south of Phoenix. Tucson is the second-largest city in the state with an economy heavily influenced by the University of Arizona, government contractors and tech industry presence in the area. This part of Arizona has seen substantial growth in the last 10 years and is anticipated to continue growing.

Carefree Shopping Center
Colorado Springs, CO
Retail | 126,516 SF

Tucson Shopping Center
Tucson, AZ
Retail | 93,005 SF

Take 5
Boise Metro Area
Built-to-Suit | 2 Locations

Star Development
Star, ID
Retail | 4,000 SF

Take 5 is a national oil change franchise owned by Driven Brands. We have established a partnership with the franchisee for the state of Idaho and will be developing multiple locations over the coming months. Not only do we have long-term leases in place with the tenant prior to acquisition, but the tenant is also a significant owner of the real estate, further aligning our interests. These net lease properties are in high demand and will create additional upside to the Fund in the years ahead.

Carefree Shopping Center
Colorado Springs, CO
Retail | 126,516 SF

Tucson Shopping Center
Tucson, AZ
Retail | 93,005 SF

Take 5
Boise Metro Area
Built-to-Suit | 2 Locations

Star Development
Star, ID
Retail | 4,000 SF

The Star Development is another tenant partnership project. Our partner in this case is a regional operator of both Jersey Mike's and Mountain Mike's restaurant franchises. These two restaurants have signed long-term leases for 100% of the property, and in addition the owner of the restaurant will be a significant owner of the real estate with the Fund. Star is a very rapidly growing suburb of Boise and is underserved from a commercial perspective.

Acquisitions Pipeline

Gainley Ranch
Scottsdale, AZ | Office | 126,516 SF

Rainbow Business Center
Las Vegas, NV | Office | 151,470 SF

Take 5
Boise Metro Area | Retail | 2 Locations

Brightstar
Murray, UT | Senior Living | 1 Location

Portfolio at a Glance

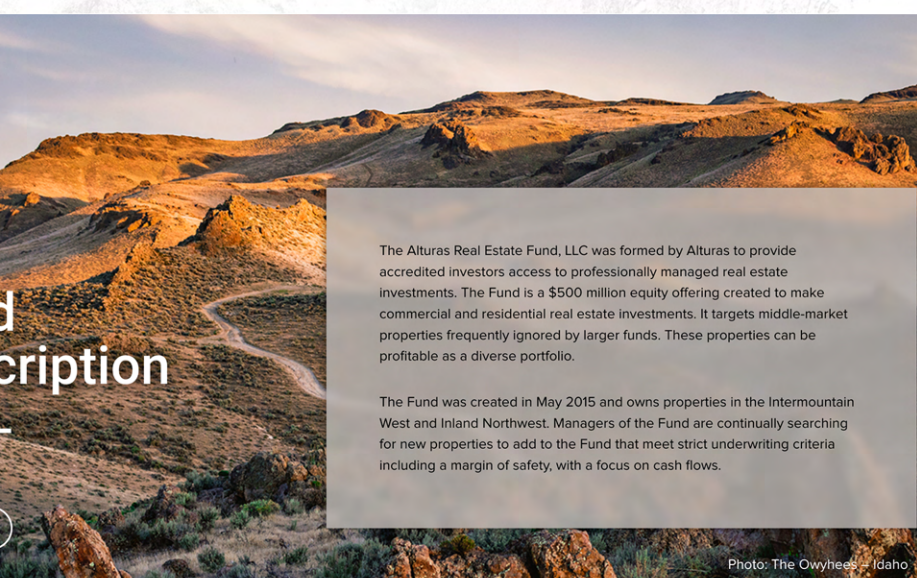
View Portfolio

Portfolio

As touched on in the Manager Letter, retail and industrial tenant demand remains strong. Not surprisingly, leasing and renewal activity for those asset types reflects that demand. In fact, many of our retail properties (Mission Village, Decker Lake, and Parkway Plaza) to name a few will hit new "high-water" marks in terms of their occupancy in the coming quarters as new leases commence. Meanwhile, the office market continues to evolve with some tenants downsizing but others growing and expanding. Over the next quarter, we will see a handful of existing office tenants at our properties whose leases mature and have elected not to renew. However, many of these spaces have already been backfilled and overall, we are in a net positive position. Although the leases have been signed, there is tenant improvement work that must take place and, in many cases, free rent periods before rent commences for those new tenants. As such, there will be a decrease in the NOI for some of our office properties in the next two quarters but that should rebound by year-end. As always, we continue to actively manage the portfolio to maximize cash flow and realize the full potential of our investments.

Photo: The Owyhee in Idaho
Chase Hunter Photography

Current Investments



Fund Description

Learn more about the Fund

Learn More

The Alturas Real Estate Fund, LLC was formed by Alturas to provide accredited investors access to professionally managed real estate investments. The Fund is a \$500 million equity offering created to make commercial and residential real estate investments. It targets middle-market properties frequently ignored by larger funds. These properties can be profitable as a diverse portfolio.

The Fund was created in May 2015 and owns properties in the Intermountain West and Inland Northwest. Managers of the Fund are continually searching for new properties to add to the Fund that meet strict underwriting criteria including a margin of safety, with a focus on cash flows.

Photo: The Owyhee in Idaho
Chase Hunter Photography

Summary of Debt Offering

Interest rate	6-8% paid quarterly
Investment type	Secured notes
Security	Subordinate to property debt; senior to equity
Term	24-60 months
Minimum investment	\$250,000
Investor eligibility	Accredited investors
Short-term alternative	6-12 month revolving line of credit

Summary of Equity Offering

Targeted returns	9-14%
Preferred return	8% paid quarterly
Profit split	70% investors, 30% manager after preferred return
Fees	1.5% asset management fee
Minimum investment	\$250,000
Investor eligibility	Accredited investors
Lockup period	24 months