

I. Introduction

FNEX Capital, LLC (“We” or “Us”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

II. What investment services and advice can you provide me?

We offer brokerage services to retail investors, including buying and selling securities.

Our financial professionals each has his or her own unique investor relationships and investment products. Our services are limited to recommendations of private offerings and investments, which are inherently illiquid and are only suitable and available to accredited investors as defined by the SEC. As this is our only service offered to retail customers and private offerings are only appropriate as part of a diversified portfolio, you may require a relationship with another firm if, for example, you need more traditional brokerage or advisory services, including ongoing account monitoring, custody, financial planning, or discretionary investment advice.

You make the ultimate decision regarding the purchase or sale of investments and you are ultimately responsible for monitoring your own investments.

There is no minimum specific investment amount required to establish a relationship with us. However, individual investments recommended to you may have their own respective minimum investment amount or other eligibility requirements. You should review the third-party-prepared offering materials for more detailed information about minimums and other terms and conditions associated with your specific potential investment.

For additional information about the scope and limitation of our services, please visit www.fnex.com

You may wish to ask your financial professional the following.

“How will you choose investments to recommend to me?”

“What is your relevant experience, including your licenses, and other qualifications?”

III. What fees will I pay?

There are no costs associated with establishing or maintaining a relationship with us. Each investment recommended to you will have fees and costs associated with the investment. These fees and costs may be assessed at the time of making your investment or they may be paid during the life of your investment. Any fees and costs that you will bear related to a particular investment will be explicitly disclosed in that investment’s offering and/or purchase materials. The fact that each investment has different costs and

fees associated with it may create a conflict of interest for us to recommend investments to you that generate higher costs and fees.

In addition to fees and costs that you pay to us, you may also incur additional fees and costs related to individual investments. Examples of some of the most common fees and costs include: fees paid to investment advisers or fund managers, administrative fees, audit or valuation costs, or legal costs.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

You may wish to ask your financial professional the following.

"Help me understand how these fees and costs might affect my investments."

"If I give you \$100,000 to invest, how much will go to fees and costs, and how much will be invested for me?"

IV. What are your legal obligations to me when providing recommendations, and how else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations we provide you. Here are some examples to help you understand what this means.

- *Transaction Fees:* We typically make money when we are paid a commission by the seller of the investment you purchase. In some cases, our commission is a percentage of the total amount of the investment we sell, and in other cases, our commission is a percentage of the fees earned by third-parties who manage the funds in which you invest. Because we only get paid when you complete a transaction, we may have an incentive to encourage you to make larger investments and invest more frequently.
- *Private Securities Transactions:* We also permit our representatives and certain of their family members to conduct certain transactions and investment activities on their own behalf, and these activities are subject to additional various federal securities laws, rules, and regulations. Your financial professional may, therefore, have an incentive to preferentially introduce or recommend investments to you in which he or she is also either invested or has another financial interest.

You may wish to ask your financial professional the following.

How might your conflicts of interest affect me, and how will you address them?"

V. How do your financial professionals make money?

Our financial professionals typically earn a percentage of any cash and non-cash compensation (described above) that we earn from sales attributed to them. Since our financial professionals are only compensated when you make an investment, they have an incentive to encourage you to do so. Further, each investment has different fee structures, which creates a conflict of interest for our financial professionals to potentially recommend investments to you that generate larger commissions.

Some of our registered affiliates make extra money for additional services they provide separate from our brokerage services and commissions. These outside business activities (“OBA”) are separate from any role as a financial professional with our firm. In some cases, an individual may be dually registered as both a financial professional of our firm and as a representative of a registered investment adviser. The compensation your financial professional receives as a registered investment adviser representative or as a consultant or employee of an OBA is separate from and in addition to any transaction fees for brokerage services. Your financial professional’s OBA compensation incentives and demands on his or her time may raise conflicts with your investment needs and the services we provide.

VI. Do you or your financial professionals have legal or disciplinary history?

Yes. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

You may wish to ask your financial professional the following.
As a financial professional, do you have any regulatory disciplinary history? For what type of conduct?”

Additional Information

If you would like additional up-to-date information or a copy of this disclosure, please call 888.580.2588 or email info@fnex.com. Some of our financial professionals market their services or securities through websites that they maintain. You may be receiving this disclosure because you accessed or requested information from one of these websites. We encourage you to thoroughly review the information and disclosures particularly related to the identity of the relevant financial professional contained on any of our financial professional’s sites that you have visited.

You may wish to ask your financial professional the following.
“Who is my primary contact person?”
“Is he or she a representative of an investment adviser or a broker dealer?”
“Who can I talk to if I have concerns about how this person is treating me?”

VII. Exclusive And Custom Offering Conflict Of Interest Disclosure

Certain offerings available to Kay Properties and Investments, LLC (“KPI”) clients are considered exclusive and/or custom offerings. All members of the KPI Representative

Team are registered representatives of FNEX Capital, LLC, and may represent investors considering an investment in the interests and/or investment.

The KPI Representative Team may make offers or sales of Interests, thereby receiving an economic benefit from the sale of Interests. When investors purchase an Interest in the offering, the KPI Representative Team may earn some or all of the following: (i) numerous property level fees, (ii) sponsor level fees, (iii) selling commissions; (iv) wholesaling fees; (v) placement fees; (vi) marketing and due diligence fee; (vii) ongoing accounting and offering management fees; (viii) monthly management and/or maintenance fees; and (ix) various other fees and expenses from the sale of interests.

All fees and expenses are fully disclosed and outlined in detail and are contained in the Private Placement Memorandum. Please review the Private Placement Memorandum and contact the sponsor with any questions. There may be multiple conflicts of interest between investors and the KPI Representative Team. These conflicts of interest should be discussed by investors and their CPA(s), attorney(s) and financial representative(s) prior to considering an investment in any such offering(s).

VIII. Cove Capital Investments Conflict of Interest Disclosure

Principals and Associates of Cove Capital Investments, LLC (“Cove Capital”), which are Registered Representatives of FNEX Capital, LLC may represent investors considering an investment in the interests and may make offers and sales of interests, thereby receiving an economic benefit from the sale of interests.

The Cove Capital co-founders, Dwight Kay and Chay Lapin, are affiliated with Kay Properties and Investments, LLC (“KPI.”). Mr. Kay is KPI’s CEO, Founder, and Owner. Mr. Lapin is KPI’s President. Messrs. Kay and Lapin, along with all members of the KPI Representative Team are Registered Representatives at FNEX Capital, LLC, and may represent investors considering an investment in the interests.

They may make offers of sales of interests, thereby receiving an economic benefit from the sale of interests. When investors purchase an interest in the offering, Messrs. Kay and Lapin, and the KPI Representative Team may earn some or all of the following: (i) numerous property level fees, (ii) sponsor level fees, (iii) selling commissions; (iv) wholesaling fees; (v) placement fees; (vi) marketing and due diligence fee; (vii) ongoing accounting and offering management fees; (viii) monthly management and/or maintenance fees; (ix) various other fees and expenses from the sale of interests.

All fees and expenses are fully disclosed and outlined in detail and are contained in the Private Placement Memorandum. Please review the Private Placement Memorandum and contact the sponsor with any questions. There may be multiple conflicts of interest between investors and the following individuals: Messrs. Kay and Lapin, Cove Capital and its affiliates, KPI and its affiliates and KPI’s Team of Registered Representatives. These conflicts of interest should be discussed by investors and their CPA(s), attorney(s) and financial representative(s) prior to considering an investment in any such offering(s).