

Offering Circular



Unsecured Investment Certificates With Maturities of 12 Months from the Date Issued

This Offering Circular relates to the offer and sale of up to \$10,000,000 in principal amount (the "Offering") of unsecured fixed-rate investment certificates (the "Certificates") of East Harbor, LLC, a Florida limited liability company (the "Company"). The Certificates are not equity securities but are unsecured debt securities. The Certificates are not savings accounts or deposits and not insured by the Federal Deposit Insurance Corporation or any other government agency. The Company's principal office is located at 12360 N.W. South River Driver Suite B, Miami, Florida 33178 and its telephone number is (786) 441-5994

The Certificates will be issued in the minimum amount of \$30,000. The Certificates will be offered in maturities of 12 months from the date issued, with a fixed interest APR. The Company will typically issue Certificates on the same or next day, after deposit by the Company of the subscriber's payment check and the check is collected by the Company's bank. See "Description of Certificates" p. 19. The fixed interest rates that are offered will change from time to time in response to changes in the current Constant Maturity Treasury Bill Monthly Average Yield (the "T Bill") yield data obtained from the Federal Reserve Board, or a similar credible source. The interest rates for new Certificates are set on the first Monday of each month at the start of business based on the T Bill yields that day. Such rates are paid on all Certificates issued between the start of business on that Monday and the close of business on the last day prior to the first Monday of the next month. The following table sets forth the formula for determining the interest rates for the Certificates and the initial interest rate based on the most recent T Bill yields as of May 1, 2017:

<u>Term</u>	<u>Interest Rate as of</u>
12 month	<u>July 1, 2018</u> 6.5%

The initial interest rates set forth above will be effective only for Certificates issued between July 1, 2018 and July 1, 2019.

We will pay interest on Certificates at maturity which is 12 months from the date the funds clear.

The Certificates will be subject to automatic rollover. Fifteen business days before the maturity date of the Certificate, the Company will contact the holder telephonically and request whether the holder wishes to let the Certificate rollover, or to be repaid. The Company will repay holders who notify it ten business days before the maturity date that they wish to be repaid. Unless the holder notifies the Company ten business days before the maturity date that it does not wish to let the Certificate rollover and presents the Certificate for payment, or the Company otherwise elects to repay the Certificate, the Certificate will be automatically rolled-over into a new Certificate at the interest rate then being offered by the Company based on the same term as the original Certificate. The holder may elect to roll-over all, or a portion of, the Certificates it owns. To determine the interest rate applicable to the rolled-over Certificate, holders should call the Company. The rolled-over Certificate will bear interest at the then current interest rate for newly issued Certificates, based on the formula described above, the maturity date will be extended for an additional term of identical length as the original Certificate, and the frequency of interest payments will be identical to the frequency of the original Certificate.

Due to automatic rollover, investors will not receive payment of principal at maturity or subsequent payment dates unless the investor complies with the procedures for notification and delivery of Certificates.

The Company is offering the Certificates directly to investors through its officers on an ongoing and continuous basis. The Certificates will be issued at their principal face value, without a discount, and are not being sold through commissioned sales agents or underwriters.

The Certificates are being offered, and will be sold, pursuant to the exemption from registration provided by Section 3(b) of the Securities Act of 1933, as amended (the "Act"), and Regulation A promulgated thereunder. The Offering is not contingent upon sales of a minimum offering amount and there is no minimum aggregate amount of Certificates that must be sold in order for us to have access to the Offering proceeds. We may accept subscriptions as they are received. The Offering will terminate upon the earlier to occur of (i) the date that is not more than one year after this Offering Circular is qualified by the Securities and Exchange Commission (the "Commission"), and (ii) the date on which \$10,000,000 of Certificates qualified hereunder have been sold.

The Certificates will not be listed on any exchange or quoted on any automated dealer quotation system. Currently, there is no public market for the Certificates.

This Offering Circular shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sales of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the laws of any such state.

INVESTMENT IN SMALL BUSINESSES INVOLVES A HIGH DEGREE OF RISK, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFERING UNLESS THEY CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. YOU SHOULD CAREFULLY CONSIDER THE RISK FACTORS ON PAGE 3 BEFORE MAKING AN INVESTMENT IN THIS OFFERING.

This offering is under Tier 2 of Regulation A, and therefore not subject to the securities regulations of the various states. Generally, no sale may be made to you in this offering if the aggregate purchase price you pay is more than 10% of the greater of your annual income or net worth. Different rules apply to accredited investors and non-natural persons. Before making any representation that your investment does not exceed applicable thresholds, we encourage you to review Rule 251(d)(2)(i)(C) of Regulation A. For general information on investing, we encourage you to refer to www.investor.gov.

THE COMMISSION DOES NOT PASS UPON THE MERITS OF OR GIVE ITS APPROVAL TO ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR OTHER SELLING LITERATURE. THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE COMMISSION; HOWEVER, THE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THE SECURITIES OFFERED HEREUNDER ARE EXEMPT FROM REGISTRATION.

	<u>Price to Public</u>
Per Certificate.....	
Minimum Offering	\$30,000
Maximum Offering	\$1,000,000

The approximate date of commencement of the proposed sale of Certificates to the public is as soon as practicable after this Offering Circular has been qualified by the Commission.

OFFERING CIRCULAR SUMMARY

This summary highlights information contained elsewhere in this Offering Circular. It does not contain all of the information you should consider before purchasing our Certificates. Therefore, you should read the Offering Circular in its entirety, including the risk factors and the financial statements and related footnotes appearing elsewhere in this Offering Circular. References to "we," "us," "our," or "the Company" generally refer to East Harbor, LLC, a Florida limited liability company.

Our Company

In, 2012, we were formed as a Florida limited liability company. From March 2013 through December 31, 2017, we have many loans to small business owners and entrepreneurs in South Florida, many of whom are immigrants and minorities. Typically, we target businesses with fewer than ten employees and annual sales of \$300,000 or less, and the size of our loans range between \$20,000 and \$100,000. The business owners applying for financing must be legal residents or citizens of the United States and their business and home addresses must be located within the USA to Qualify. Our clients may be corporations, partnerships or sole proprietorships. Traditional sources of financing (*i.e.*, bank or credit union loans) are largely unavailable to our target clients, and the economic downturn made borrowing even more difficult for small businesses. The major challenges of our clients in our target markets are the following: (1) local banks are not lending at the levels that they were at before the recession, and their current underwriting guidelines such as liquidity, liabilities, activity and income ratios are too strict for our target market; (2) local competitors have moved to a credit scoring model (3) most borrowers in our target market operate on a cash-only basis and lack formal or regular financial statements of any kind (e.g. small grocery stores, beauty salons, house cleaning and landscaping businesses, dollar stores. As a result, we find ourselves in an excellent position to increase our share of the truck finance market.

As a limited liability company we operate pursuant to an operating agreement, and our owners hold equity interests in the Company. Pursuant to our articles of organization and operating agreement, we are managed by our Managing Member, Bruno Raschio, who is also our President and Chief Executive Officer, and additional officers appointed by our President. To date, we have funded our lending operations using the capital contributions of our owners and borrowings from our officers, family members of our officers and certain of our equity investors.

Our principal office is located at 12360 N.W. South River Drive suite B, Miami, Florida 33178 and our telephone number is (786) 441-5994. For additional information regarding the Company or this Offering, you may write or telephone us at the address and telephone number above.

The Offering

The following provides a summary of the material terms of the offering. For a more complete understanding of the Certificates, please refer to the section of this Offering Circular entitled "Description of Certificates"

Issuer

East Harbor, LLC, a Florida limited liability company.

Offering period

The Offering period will begin when this Offering is qualified by the Commission and will terminate on the earlier to occur of (i) the date that is not more than one year after this Offering Circular is qualified by the Commission, and (ii) the date on which \$10,000,000 of Certificates qualified hereunder have been sold. The Certificates are being offered on an ongoing and continuous basis.

Securities offered	\$10,000,000 in aggregate principal amount of unsecured fixed-rate Certificates. The Certificates are not equity securities but are unsecured debt securities. The Certificates are not savings accounts or deposits and not insured by the Federal Deposit Insurance Corporation or any other government agency.
Interest Rate	The interest rate for each Certificate will be based on the formula set forth in this Offering Circular and varies according to the term of the Certificate. The minimum and the maximum fixed interest rates that are offered will change from time to time in response to changes in the current T Bill yield data obtained from the Federal Reserve Board, or a similar credible source. The interest rates for new Certificates are set on the first Monday of each month at the start of business based on the T Bill yields that day. Such rates are paid on all Certificates issued between the start of business on that Monday and the close of business on the last day prior to the first Monday of the next month. Interest is calculated and accrues daily. To determine the current rates, prospective investors in the Certificates should call the Company at (786) 441-5995,
Maturity date	The Certificates will be offered in maturities of 12 months from the date issued, with a fixed interest rate.
Rollover at maturity	When a Certificate matures, unless the holder notifies the Company ten (10) business days before the maturity date that it does not wish to let the Certificate rollover and presents the Certificate for payment, or the Company otherwise elects, it is automatically rolled-over into a new Certificate at the interest rate then being offered by the Company. The rolled-over Certificate will bear interest at the then current interest rate for newly issued Certificates, based on the same term as originally elected by the holder.
Interest payment dates	We will pay interest on Certificates at maturity.
Guarantees	The Certificates will not be guaranteed.
Ranking	The Certificates will be our unsecured obligations and will: <ul style="list-style-type: none"> • rank equally with all of our existing and future unsecured indebtedness; • rank senior to all of our future subordinated indebtedness, if any; • be effectively subordinated to all of our and our subsidiaries' existing and future secured obligations to the extent of the value of the assets securing such obligations; and • be effectively subordinated to all existing and future indebtedness and other liabilities of our subsidiaries.
Optional Prepayment	We may prepay some or all of the Certificates at our option without premium or penalty.
Use of Proceeds	The net proceeds from this Offering will be used to fund additional loans.
Risk Factors	See "Risk Factors" for a discussion of certain factors that you should carefully consider before investing in the Certificates.
Governing law	Florida

RISK FACTORS

An investment in our Certificates involves a high degree of risk. The following summarizes the principal factors which make the offering one of high risk or speculative. You should carefully consider each of the following risk factors and all other information set forth in this Offering Circular, including the risks and uncertainties described below, before making an investment in our Certificates.

Risks Relating to our Business

Our limited operating history and our fast growing and rapidly evolving business make it difficult to evaluate our business and future operating results on the basis of our past performance, and our future results may not meet or exceed our past performance.

We were incorporated in 2012 as a limited liability company in Florida. As a result of our limited operating history, there is limited historical financial and operating information available to help prospective investors evaluate our past performance with respect to making an investment in our Certificates. Our business is growing and the results and amounts set forth in our financial statements. This Offering Circular may not provide a reliable indication of our future performance. Accordingly, you should evaluate our business and prospects in light of the risks, uncertainties and difficulties frequently encountered by high growth companies in the early stages of development. Our failure to address these risks and uncertainties successfully could adversely affect our business and operating results.

If we cannot secure the additional capital we need to fund our operations on acceptable terms or at all, our business will suffer.

If we are unable to control the level of non-performing loans in the future, our collection activities are ineffective, or if our Allowance for loan losses are insufficient to cover future loan losses, our financial condition and results of operations may be materially and adversely affected.

We institute debt collection actions against defaulting clients in an attempt to mitigate the losses associated with non-performing loans. In many cases, the purpose of the debt collection action is to obtain a judgment permitting foreclosure on the defaulting client's collateral, or to obtain the collateral from the client in a privately negotiated transaction. In either case, the costs or expenses of collection, including attorneys' fees, and selling the collateral may greatly exceed the amount of the non-performing loan. Our inability to collect against non-performing loans in a cost-effective manner could have a material adverse effect on our financial condition and results of operations.

We are not subject to regulation of any State or Federal regulatory agency.

We are not regulated or subject to the periodic examination to which commercial banks, savings banks and other thrift institutions are subject. Consequently, our loan decisions and our decisions regarding establishing allowance for loan losses are not subject to periodic review by any governmental agency. Moreover, we are not subject to regulatory oversight relating to our capital, asset quality, management or compliance with laws.

The amount of interest we may charge customers is capped by applicable law.

Our loans are subject to applicable usury laws that limit the amount of interest that we may charge our customers. If a court were to determine that we willfully violated the usury statute, affected borrowers would be entitled to certain remedies, including forfeiture by us of double the interest charged on such loans. We do not believe that any of our existing loans currently exceed the maximum permitted rate.

Competition from private money lenders may adversely affect our profitability and position in the lending industry.

In South Florida, we face competition from lenders that target the lower-income segments of the population, particularly from private money lenders that are not banks or finance institutions. These types of lenders, known as "loan sharks," are willing to make unsecured loans with virtually no conditions other than

repayment and in return, charge their borrowers usurious interest rates.

The Certificates are not listed on any exchange and it is not expected that a public market for the Certificates will develop.

Prior to this Offering, there has been no trading market for the Certificates, and it is not expected that a trading market will develop in the foreseeable future. Therefore, any investment in the Certificates will be highly illiquid, and investors in the Certificates may not be able to sell or otherwise dispose of their Certificates in the open market.

The Certificates are being offered pursuant to an exemption from registration provided by Section 3(b) of the Act and Regulation A promulgated thereunder. Therefore, the Certificates have not been, nor will they be for the foreseeable future, registered under the Act or any applicable securities laws of any other jurisdiction. This offering is under Tier 2 of Regulation A. Regulation A limits the amount of securities that an investor who is not an

accredited investor under Rule 501(a) of Regulation D can purchase in a Tier 2 offering to no more than: (a) 10% of the greater of annual income or net worth (for natural persons); or (b) 10% of the greater of annual revenue or net assets at fiscal year end (for non-natural persons). Accordingly, each investor who purchases Certificates must do so for the investor's own account and investment. In addition, no regulatory authority has reviewed or approved the terms of this Offering, including the disclosure of risks and the fairness of its terms. There is no public market for the Certificates, and none is expected to develop for their purchase and sale.

The Certificates will be effectively subordinated to any secured debt.

The terms of the Certificates do not prevent us from incurring additional indebtedness or securing such indebtedness with our assets. If we incur secured debt, the Certificates will be effectively subordinated to the secured debt to the extent of the value of the assets securing that debt. The effect of this subordination is that if we become involved in a bankruptcy, liquidation, dissolution, reorganization or similar proceeding, or upon a default in payment on, or the acceleration of, the secured debt, our assets that secure the debt will be available to pay obligations on the Certificates only after all secured debt has been paid in full from those assets. We may not have sufficient assets remaining to pay amounts due on any or all of the Certificates then outstanding.

Purchasers of Certificates who do not wish to roll over their Certificates at the end of the initial term may not get their principal back if they fail to follow the appropriate procedures.

Purchasers of Certificates may not get their principal back at the end of the initial term if they fail to formally request the principal at least ten days before their maturity date and present their Certificate to us. See "Description of Certificates - Payment or Rollover at Maturity" Otherwise, we retain the right to automatically roll over the Certificates into a new Certificate. Moreover, the interest rate on the new Certificate could be higher or lower than the rate on the initial Certificate since it will reset at then current Treasury bill rates.

No Escrow of Funds; No Minimum Offering.

An escrow account will not be established for the proceeds of the Offering because we expect to invest such funds for its business purposes as they are received. Therefore, as we receive proceeds from the Offering, they will automatically be available for use by us. There is no minimum amount that must be raised in order for the Offering to be effective.