

REGULATION S SUPPLEMENT
to the
OFFERING MEMORANDUM
of
The Proactive Realty Income Fund,LLC

***This Supplement alone does not constitute an offer by the Fund or its Affiliates.
An offer may be made only by an authorized representative of the Fund and the recipient must receive a
complete Memorandum, including all Exhibits.***

REGULATION S SUPPLEMENT

This Regulation S Supplement is designed to supplement, disclose, amend, qualify, update and/or clarify the information set forth in the Offering Memorandum, as may be amended and/or supplemented from time to time (the "Memorandum"), describing the offering by The Proactive Realty Income Fund, LLC, a Delaware limited liability company ("we", "our", "us", or the "Fund") of securities to Accredited Investors only (the "Offering"). Capitalized terms used herein without definition shall have the meaning ascribed to them in the Fund's Memorandum.

This Regulation S Supplement is being furnished only for the benefit of potential investors ("you", "your", "yours", or the "Investor(s)") in the Fund's Offering who are neither U.S. Persons nor U.S. residents as described herein. This Regulation S Supplement is not to be reproduced or delivered for any other purpose. It is not directed to any other Persons.

This Regulation S Supplement should be read together with the Memorandum and is incorporated therein as if fully set forth. Likewise, the Memorandum is incorporated into this Regulation S Supplement by reference. No person has been authorized to make any statement concerning the Offering other than as set forth in the Memorandum including all exhibits and supplements, and any such statement, if made, should not be relied upon. The Fund's securities will not be registered under the Securities Act of 1933, as amended (the "Act"), or any other securities laws. The Fund's securities will be offered for investment purposes only pursuant to provisions for exemptions from registration provided under Regulation D and/or Section 4(a)(2) of the Act and applicable state law. There will be no public market for the Fund's securities. There are significant risks associated with the Offering. See the "RISK FACTORS" section of the Memorandum.

The Memorandum and/or this Regulation S Supplement is not an offer to sell or a solicitation buy, to any Person in any jurisdiction, in which such offer, solicitation, purchase or sale would be unlawful under the securities laws of such jurisdiction. Neither the Memorandum nor this Regulation S Supplement has been filed with the Securities and Exchange Commission, any securities administrator under state securities laws or any other governmental or self-regulating authority. No governmental or self-regulatory authority has passed on the merits of the Offering or the adequacy of the Memorandum. Any representation to the contrary is unlawful.

SPECIAL NOTICE TO ALL FOREIGN INVESTORS OR NON-U.S. PERSONS

IF YOU LIVE OUTSIDE THE UNITED STATES, IT IS YOUR RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY PURCHASE OF THE FUND'S SECURITIES, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES.

THE FUND'S SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER ANY SECURITIES LAWS OF ANY APPLICABLE FOREIGN JURISDICTION OR APPROVED OR DISAPPROVED BY ANY AGENCY OF ANY APPLICABLE FOREIGN JURISDICTION. THE FUND OR ITS MANAGEMENT OR AFFILIATES MAKE NO REPRESENTATION WHETHER THE OFFERING AND/OR THE SECURITIES OFFERED HEREBY COMPLY WITH ANY APPLICABLE REGISTRATION REQUIREMENTS, OR ANY APPLICABLE EXEMPTIONS FROM REGISTRATION, OF ANY APPLICABLE FOREIGN JURISDICTIONS.

THE FUND'S SECURITIES HAVE NOT AND WILL NOT BE REGISTERED UNDER THE UNITED STATES' SECURITIES ACT OF 1933, AS AMENDED, AND, INSOFAR AS SUCH SECURITIES ARE OFFERED AND SOLD TO PERSONS WHO ARE NEITHER NATIONALS, CITIZENS, RESIDENTS NOR ENTITIES OF THE UNITED STATES, THEY MAY NOT BE TRANSFERRED OR RESOLD DIRECTLY OR INDIRECTLY IN THE UNITED STATES, ITS TERRITORIES OR POSSESSIONS, RESIDENTS OR ENTITIES NORMALLY RESIDENT THEREIN (OR TO ANY PERSON ACTING FOR THE ACCOUNT OF ANY SUCH NATIONAL, CITIZEN, ENTITY OR RESIDENT). FURTHER RESTRICTIONS ON TRANSFER WILL BE IMPOSED TO

PREVENT SUCH SECURITIES FROM BEING HELD BY U.S. PERSONS.

THE SECURITIES OFFERED HEREBY CANNOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO "U.S. PERSONS" (AS SUCH TERM IS DEFINED IN REGULATION S, PROMULGATED UNDER THE SECURITIES ACT) UNLESS THE SECURITIES ARE REGISTERED UNDER THE SECURITIES ACT, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE.

If you invest in the Fund's securities pursuant to this Regulation S Supplement, you will be required to acknowledge, among other things, that:

1. You are not a citizen of the United States; and
2. Either:
 - a. If you are not a "U.S. Person" (as hereafter defined):
 - i. The Fund's securities are not being purchased for the account or the benefit of a U.S. Person;
 - ii. At the time the buy order for the Fund's securities is originated, you will be outside the United States in accordance with Regulation S, promulgated under the Securities Act;
 - iii. You will not enter into any discussions regarding the acquisition of the Fund's securities, and are not acquiring the Fund's securities, while in the United States;
 - iv. You are acquiring the Fund's securities without (A) any directed selling efforts made in the United States by the Fund, our management, a distributor of the Fund and/or our officers or directors, any of their respective Affiliates, or any persons acting on behalf of any of the foregoing, and (B) any advertisement or publication by the Fund in violation of Regulation S; and
 - v. Any resale of the Fund's securities must be made in accordance with Regulation S, as promulgated under the Securities Act; or
 - b. If you are a "U.S. Person" (as hereafter defined), you:
 - i. Initiated discussions with the Fund relating to the purchase of the Fund's securities on an unsolicited basis;
 - ii. Did not receive any information regarding such purchase and sale through any general solicitation or general advertising within the meaning of Rule 502 of Regulation D, promulgated under the Securities Act; and
 - iii. Are an "Accredited Investor" as that term is defined in Rule 501(a) of Regulation D, promulgated under the Securities Act (as described below).

For purposes of the foregoing, the term "U.S. Person" means (a) any natural person resident of the United States; (b) any partnership or corporation organized or incorporated under the laws of the United States; (c) any estate of which any executor or administrator is a U.S. Person; (d) any trust of which any trustee is a U.S. Person; (e) any agency or branch of a foreign entity located in the United States; (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and (h) any partnership or corporation if: (A) organized or incorporated under the laws of any foreign jurisdiction, and (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by "Accredited Investors" who are not natural persons, estates or trusts.

NOTICES OF RESTRICTIONS ON SALES IN SELECT NON-U.S. JURISDICTIONS

The presence of a legend for any given jurisdiction reflects only that a legend may be required by that jurisdiction and should not be construed to mean an offer or sale may be made in any particular jurisdiction. If your particular jurisdiction of residence is not listed here, please contact the Fund for further information and instructions.

FOR AUSTRALIA RESIDENTS: No offer for subscription or purchase of the Securities offered hereby, nor any invitation to subscribe for or buy such Securities has been made or issued in Australia, otherwise than by means of an excluded issue, excluded offer or excluded invitation within the meaning of Section 66(2) or 66(3) of the Corporations Law. Accordingly, this Offering Memorandum has not been lodged with the Australian Securities Commission. Further, the Securities offered hereby may not be resold in Australia within a period of six months after the date of issue otherwise than by means of an excluded offer or excluded invitation as described above.

FOR RESIDENTS OF THE BAHAMAS: The Securities may not be offered or sold or otherwise disposed of in any manner to persons deemed by the Central Bank of the Bahamas (the "Bank") as resident for exchange control purposes, unless such persons deemed as resident obtain the prior approval of the Bank.

FOR BELGIUM RESIDENTS: The Offering of Securities has not been and will not be notified to the Belgian Banking of Finance Commission (Commissie voor het Bank-en inanciwezen/Commission Bancaire et Financière) or has this Offering Memorandum been or will it be approved by the Belgian Banking and Finance Commission. The Securities shall not, whether directly or indirectly, be offered, sold, transferred or delivered in Belgium, as part of their initial distribution or at any time thereafter, to any investor other than (i) credit institutions and investment firms referred to in Article 3.2[^], a) of the Belgian Royal Decree of January 9, 1991 on the public character of transactions which aim to solicit public savings and the assimilation of certain transactions with a public offer, (ii) institutions for collective investment referred to in Book III of the Belgian Act of December 4, 1990 on the financial transactions and the financial markets, (iii) insurance companies referred to in Article 2§1 of the Belgian Act of July 9, 1975 on the supervision of insurance companies and (iv) pension funds referred to in Article 2§3, 6 of the Belgian Act of July 9, 1975 on the supervision of insurance companies and in the Belgian Royal Decree of May 15, 1985 on the activities of private mutual funds, each acting on their own account in reliance on Article 3.2[^] of the Belgian Royal Decree of January 9, 1991. This Offering Memorandum has been distributed in Belgium only to investors mentioned here above for their personal use and exclusively for the purposes of the Offering of Securities. Accordingly, this Offering Memorandum may not be used for any other purpose nor passed on to any other person in Belgium.

FOR BRAZIL RESIDENTS: The Securities offered hereby have not been, and will not be, registered with the Comissao de Valores Mobiliarios and may not be offered or sold in Brazil except in circumstances which do not constitute a public Offering or distribution under Brazilian laws and regulations.

FOR RESIDENTS OF BRITISH COLUMBIA AND/OR ONTARIO, CANADA: This Offering Memorandum constitutes an Offering of the securities described herein only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale, and therein only by persons permitted to sell such securities. This Offering Memorandum is not, and under no circumstances is to be construed as an advertisement or a public Offering of the securities described herein in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of the securities described herein, and any representation to the contrary is an offense. If this Offering Memorandum, together with any amendment thereto, contains an untrue statement of a material fact or omits to state a material fact that is required to be stated or is necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made (herein called a "misrepresentation") and it was a misrepresentation on the date of purchase, purchasers in British Columbia and Ontario to whom the Offering Memorandum was

sent or delivered and who purchase Securities shall have a right of action against the Fund for rescission (while still the owner of such Securities) or alternatively, for damages, exercisable on written notice given not more than 90 days subsequent to the date of purchase, provided that the Fund will not be liable: (a) if the purchaser purchased such Securities with knowledge of the misrepresentation; (b) for all or any portion of any damages that it proves do not represent the depreciation in value of such Securities as a result of the misrepresentation; and (c) for amounts in excess of the price at which such Securities were sold to the purchaser. The foregoing summary is subject to the express provisions of either the Securities Act (British Columbia) or the Securities Act (Ontario), whichever the case may be, and such reference is made for the complete text of such provision.

FOR RESIDENTS OF THE BRITISH VIRGIN ISLANDS: The Fund, this Offering Memorandum and the Securities offered hereby have not been, and will not be, recognized or registered under the laws and regulations of the British Virgin Islands. The Securities may not be offered or sold in the British Virgin Islands except in circumstances in which the Fund, this Offering Memorandum and the Securities do not require the recognition by or registration with the authorities of the British Virgin Islands.

FOR RESIDENTS OF THE CAYMAN ISLANDS: The Securities offered hereby have not been, and will not be, registered in the Cayman Islands and may not be offered or sold in the Cayman Islands except in circumstances which do not constitute a public Offering or distribution under the laws and regulations of the Cayman Islands.

FOR CHILE RESIDENTS: The Securities offered hereby have not been, and will not be, registered with the Superintendencia de Valores y Seguros (the "Chilean Securities Commission" or SVS) and may not be offered and sold in Chile except in circumstances which do not constitute a public Offering or distribution under Chilean laws and regulations.

FOR RESIDENTS OF THE PEOPLE'S REPUBLIC OF CHINA: No invitation to offer for, or offer for, or sale of, the Securities shall be made to the public in China or by any means that would be deemed public under the laws of China. The offer of Securities is personal to the investor to whom the Offering Memorandum has been addressed by the Fund. Business entities incorporated under the laws of China (excluding foreign investment business entities) shall apply for approval from the Chinese government authorities before purchasing the Securities. Furthermore, all business entities incorporated under the laws of China and Chinese citizens residing in China shall obtain the prior approval from the Chinese foreign exchange authority before purchasing the Securities.

FOR COSTA RICA RESIDENTS: The Securities offered hereby have not been, and will not be, registered with the Comision Nacional de Valores (the "Costa Rican Securities Commission") and may not be offered or sold in Costa Rica except in circumstances which do not constitute a public Offering or distribution under Costa Rican laws and regulations.

FOR ECUADOR RESIDENTS: The Securities offered hereby have not been, and will not be, registered with the Superintendencia de Companias del Ecuador (the "Ecuadorian Securities and Exchange Commission") and may not be offered and sold in Ecuador except in circumstances which do not constitute a public Offering or distribution under Ecuadorian laws and regulations. This communication is for informative purposes only; it does not constitute a public Offering of any kind.

FOR RESIDENTS OF FRANCE: The Securities offered hereby do not comply with the conditions imposed by French law for issuance, distribution, sale, public Offering, solicitation and advertising within France. The distribution of this private placement Memorandum and the Offering of Securities in the Fund in France are therefore restricted by French law. RESIDENTS should inform themselves as to the restrictions with respect to the manner in which they may dispose of the Securities in France.

FOR RESIDENTS OF GERMANY: Any person who is in possession of this Offering Memorandum understands that no action has or will be taken which would allow an Offering of the Securities to the public in Germany. Accordingly, the Securities may not be offered, sold or delivered and neither this Offering Memorandum nor any other Offering materials relating to the Securities may be distributed or made available to the public in Germany. Individual sales of the Securities to any person in Germany may only be made according to German securities, tax and other applicable laws and regulations.

FOR GREECE RESIDENTS: The Securities may not be offered or sold in any manner that constitutes an offer or sale to the public in the Hellenic Republic within the laws and regulations from time to time applicable to public offers or sales of securities.

FOR HONG KONG RESIDENTS: This Offering Memorandum relates to a private placement and does not constitute an offer to the public in Hong Kong to subscribe for Securities. No steps have been taken to register this Offering Memorandum as a prospectus in Hong Kong. The offer of the Securities is personal to the person to whom this Offering Memorandum has been delivered by or on behalf of the Fund, and a subscription for Securities will only be accepted from such person for such minimum amount of Securities as described in this Offering Memorandum. It is a condition of the offer that each person who agrees to subscribe for Securities provides a written undertaking that it is acquiring such Securities for investment purposes only and not with a view to distribute or resell such Securities and that it will not offer for sale, resell or otherwise distribute or agree to distribute such Securities within six months from their date of sale to such person.

FOR IRELAND RESIDENTS: This Offering Memorandum is not a prospectus and does not constitute or form part of any offer or invitation to the public to subscribe for or purchase Securities in the Fund and shall not be construed as such and no person other than the person to whom this Offering Memorandum has been addressed or delivered shall be eligible to subscribe for or purchase Securities in the Fund.

FOR INDIA RESIDENTS: This Memorandum relates to an issue made to only Qualified Institutional Buyers under Chapter XIII A of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000, as amended (the "Guidelines"). No offer is being made to the public. Neither the Fund nor its securities have been registered with the Securities Board of India ("SEBI"). Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the SEBI nor does the SEBI guarantee the accuracy or adequacy of this document.

FOR RESIDENTS OF THE ISLE OF MAN: The Fund is not a recognized Collective Investment Scheme for the purposes of sections 12 or 13 of the Financial Services Act 1988 (the "Isle of Man FSA") of the Isle of Man and is accordingly subject to the prohibition on the promotion of collective investment schemes as contained in section 1(1) of the Isle of Man FSA. Accordingly, this Offering Memorandum may only be issued or passed on to any person in the Isle of Man by way of the two limited exceptions to this general prohibition contained in section 1(2) of the Isle of Man FSA and the Financial Supervision (Promotion of Unregulated Schemes (Exemption) Regulations 1992 ("the Exemption Regulations")). Under regulation 3(2) of the Exemption regulations, any advertisement issued in the Isle of Man in connection with the Fund must contain a statement either (a) that participants in the Fund are not protected by any statutory compensation scheme; or (b) that participants in the Fund are protected by a statutory compensation scheme and particulars sufficient to identify the compensation arrangements.

FOR ISRAEL RESIDENTS: Israeli residents, other than those considered "Exemption Holders" under the General Currency Control Permit, 1978, require a special permit from the Israeli Controller of Foreign Currency in order

to purchase the Securities. The Securities are offered to a limited number of sophisticated investors, in all cases under circumstances designed to preclude a distribution which would be other than a private placement. The Offering Memorandum may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent.

FOR RESIDENTS OF ITALY: This Offering Memorandum is solely intended for the individuals to whom it is delivered and may not be considered or used as a public Offering in the meaning of and for the purpose of the Art 1/18 ter l.n. 216/74. In addition, any person who is in possession of this Offering Memorandum understands that no action has or will be taken which would allow an Offering of the Securities to the public in Italy. Accordingly, the Securities may not be offered, sold or delivered and neither this Offering Memorandum nor any other Offering materials relating to the Securities may be distributed or made available to the public in Italy. Individual sales of the Securities to any person in Italy may only be made according to Italian securities, tax and other applicable laws and regulations.

FOR JAPAN RESIDENTS: Under Article 23-14 paragraph 1 of the Securities Exchange Law (the "SEL"), the purchase of Securities cannot be made unless the purchaser agrees to the condition that it will not make an assignment of the Securities to any person other than a non-resident of Japan (having the same meanings as defined in Article 6, paragraph 1(6) of the Foreign Exchange and Foreign Trade Control Laws), except for the case that all the Securities (excluding the Securities assigned to nonresidents of Japan) are assigned to one person. Furthermore, disclosure under the SEL has not been made.

FOR RESIDENTS OF JERSEY: This Offering Memorandum relates to a private placement and does not constitute an offer to the public of Jersey to subscribe for the Securities offered hereby. No regulatory approval has been sought to the offer in Jersey. The offer of the Securities is personal to the person to whom this Offering Memorandum is being delivered by or on behalf of the Fund, and a subscription for the Securities will only be accepted from such person. The Offering Memorandum may not be produced or used for any other purpose, nor be furnished to any other person other than those to whom it has been so delivered.

FOR KOREA RESIDENTS: This Offering Memorandum is not, and under no circumstance is to be construed as, a public Offering of securities in Korea. Neither the Fund nor the Fund is making any representation with respect to the eligibility of any recipients of this Offering Memorandum to acquire the Securities under the laws of Korea, including but without limitation the Foreign Exchange Management Act and regulations thereunder. The Securities have not been registered under the Securities and Exchange Act of Korea and none of the Securities may be offered, sold or delivered, or offered or sold to any person for re-Offering or resale, in Korea or to any resident of Korea except pursuant to applicable laws and regulations of Korea.

FOR RESIDENTS OF LIECHTENSTEIN: The Securities are offered to a narrowly defined category of investors, in all cases under circumstances designed to preclude a public solicitation. The Offering Memorandum may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent.

FOR RESIDENTS OF LUXEMBOURG: The Securities are offered to a limited number of sophisticated investors, in all cases under circumstances designed to preclude a distribution which would be other than a private placement. The Offering Memorandum may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent.

FOR RESIDENTS OF MAURITIUS: The Securities may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither the Fund's Offering Memorandum (the "Memorandum"), nor any Offering material or information contained herein relating to the offer of the Securities may be released or issued to the public in Mauritius or used in connection with any such offer. The Memorandum does not constitute an offer to sell Securities to the public in Mauritius. The Memorandum is not a "prospectus" for the purpose of the Mauritius

Securities Act 2005, as amended.

FOR RESIDENTS OF MYANMAR: The Fund has not been registered as a collective investment scheme or investment company or otherwise with the Myanmar Directorate of Investment and Company Administration ("DICA") and, therefore, may not be suitable for residents of the Republic of the Union of Myanmar unless they meet the minimum investor qualifications set forth in the Fund's Memorandum and/or other rules as may be adopted by the DICA or the Myanmar central government.

FOR RESIDENTS OF NEW ZEALAND: This Offering Memorandum has been prepared solely for and the offer made in it is made solely to habitual investors (being persons defined in section 3(2)(a)(ii) of the New Zealand Securities Act 1978).

FOR RESIDENTS OF THE NETHERLANDS: The Securities will not be offered, transferred or sold, whether directly or indirectly, to any individual or legal entity in the Netherlands, as part of their initial distribution or at any time thereafter, other than to individuals or legal entities who or which trade or invest in securities in the conduct of their profession or trade (which includes banks, brokers, dealers, insurance companies, pension funds, other institutional investors and commercial enterprises which regularly, as an ancillary activity, invest in securities).

FOR NORWAY RESIDENTS: This Offering Memorandum has not been filed with the Oslo Stock Exchange in accordance with the Norwegian Securities Trading Act, Section 5-1, and may therefore not be distributed to more than fifty potential investors in Norway.

FOR RESIDENTS OF OMAN: The Offering Memorandum and the Securities offered hereby are not available to any member of the public and are restricted to investors having an existing business relationship with the Fund. Application for the Securities made by or on behalf of investors not having an existing relationship with the Fund will not be accepted. Any investor that considers purchasing the Securities offered by this Offering Memorandum should consult a professional advisor before doing so.

FOR PANAMA RESIDENTS: The Securities have not and will not be registered with the Comision Nacional de Valores (the "National Securities Commission") of the Republic of Panama under Cabinet Decree No. 247 of 1970 ("Panama's Securities Law") and may not be offered or sold in a primary Offering within Panama, except in certain transactions exempt from the registration requirements of Panama's Securities Laws.

FOR RUSSIA RESIDENTS: The Securities are not intended to be sold or offered in (or on the territory of) the Russian Federation or to Russian residents and this Offering Memorandum has not been registered with, and will not be registered with, the Federal Securities Markets Commission of the Russian Federation.

FOR RESIDENTS OF SINGAPORE: This Offering Memorandum has not been registered with the Registrar of Companies in Singapore and the Securities will be offered in Singapore pursuant to an exemption invoked under sections 106C and 106D of the Singapore Companies Act, Chapter 50 of Singapore ("Singapore Companies Act"). Accordingly, the Securities may not be offered or sold, nor may this Offering Memorandum or any other Offering document or material relating to the Securities be circulated or distributed, directly or indirectly, to the public or any member of the public other than (1) to an institutional investor or other body or person specified in section 106C of the Singapore Companies Act, or (2) to as sophisticated investor specified in section 106D of the Singapore Companies Act, or (3) otherwise pursuant to, and in accordance with the conditions of, section 106E(2) of the Singapore Companies Act or any other applicable exemption invoked under Division 5A of Part IV of the Singapore Companies Act.

FOR SOUTH AFRICA RESIDENTS: The Securities offered herein are for your acceptance only and may not be offered or become available to persons other than yourself and may not be publicly offered, sold or advertised in South Africa and this Offering Memorandum may only be circulated to selected individuals.

FOR SWITZERLAND RESIDENTS: The Securities offered hereby may not be publicly offered, sold or advertised in Switzerland pursuant to Article 2 of the Swiss Investment Fund Act 1995 and this Offering Memorandum may only be circulated to a limited number of persons in Switzerland. Therefore, no steps have been taken to register the Fund and/or this Offering Memorandum as a prospectus in Switzerland.

FOR RESIDENTS OF THE UNITED KINGDOM: The Fund is a collective investment scheme which is not a recognized collective investment scheme for the purposes of Section 76 of the Financial Services Act 1986 (the "UK FSA") of the United Kingdom, and this Offering Memorandum has not been approved for the purposes of Section 57 of the UK FSA by a person authorized under the UK FSA ("authorized person"). Accordingly, this Offering Memorandum may only be issued or passed on to any person in the United Kingdom if that person is of a kind described in Article 11(3) of the UK Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996 (the "Order") or otherwise pursuant to an exemption to Section 57 of the UK FSA. In addition, no person who is an authorized person may issue or pass on this Offering Memorandum, or otherwise promote the Fund, to any person in the United Kingdom unless such person is both (i) of a kind described in Article 11(3) of the Order or within any such exemption and (ii) a person to whom such authorized person is permitted to promote the Fund under Section 76(2) of the UK FSA or under regulations made under Section 76(3) of the UK FSA and by the rules of a self-regulating organization of the Financial Services Authority applicable to such authorized person.

FOR URUGUAY RESIDENTS: The Securities offered hereby correspond to a private issue and are not registered with the Central Bank of Uruguay.

REGULATION S DISCLOSURE REQUIREMENTS

THE UNITS WILL BE OFFERED AND SOLD ONLY TO INVESTORS WHO MEET CERTAIN MINIMUM INVESTOR SUITABILITY REQUIREMENTS, INCLUDING, WITHOUT LIMITATION, REQUIREMENTS UNDER REGULATION S, REGULATION D, OR BOTH, AS APPLICABLE, PROMULGATED UNDER THE SECURITIES ACT.

THE SECURITIES OFFERED HEREBY CANNOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO "U.S. PERSONS" (AS SUCH TERM IS DEFINED IN REGULATION S, PROMULGATED UNDER THE SECURITIES ACT) UNLESS THE SECURITIES ARE REGISTERED UNDER THE SECURITIES ACT, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE (SUCH AS, FOR EXAMPLE, RULE 506(c) OF REGULATION D, ETC.).

IF YOU LIVE OUTSIDE THE UNITED STATES, IT IS YOUR RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY PURCHASE OF OUR SECURITIES, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES.

THESE SECURITIES HAVE NOT AND WILL NOT BE REGISTERED UNDER THE UNITED STATES' SECURITIES ACT OF 1933, AS AMENDED, AND, INsofar AS SUCH SECURITIES ARE OFFERED AND SOLD TO PERSONS WHO ARE NEITHER NATIONALS, CITIZENS, RESIDENTS NOR ENTITIES OF THE UNITED STATES, THEY MAY NOT BE TRANSFERRED OR RESOLD DIRECTLY OR INDIRECTLY IN THE UNITED STATES, ITS TERRITORIES OR POSSESSIONS, RESIDENTS OR ENTITIES NORMALLY RESIDENT THEREIN (OR TO ANY PERSON ACTING FOR THE ACCOUNT OF ANY SUCH NATIONAL, CITIZEN, ENTITY OR RESIDENT). FURTHER RESTRICTIONS ON TRANSFER WILL BE IMPOSED TO PREVENT SUCH SECURITIES FROM BEING HELD BY UNITED STATES PERSONS.

**REGULATION S ADDENDUM
TO THE
SUBSCRIPTION AGREEMENT**

TO: The Proactive Realty Income Fund, LLC
1655 South Blue Island Drive, Suite 423
Chicago, Illinois 60608 USA

FROM: _____
Full legal name(s) of Subscriber(s)

Ladies and Gentlemen:

The undersigned Investor ("I", "me", "my", "mine", or the "Investor") hereby acknowledge receipt of the Regulation S Supplement (the "Supplement") together with a copy of the Offering Memorandum, including all exhibits, as may be amended and/or supplemented from time to time (the "Memorandum") of PROACTIVE REAL ESTATE FUND LLC, a Nevada limited liability company (the "Fund"), which Supplement and Memorandum are incorporated herein by reference as if fully set forth. This Regulation S Addendum to the Subscription Agreement (this "Addendum") hereby amends and/or supplements my executed Subscription Agreement conditioned upon acceptance by the Fund. Except as modified by this Addendum, my Subscription Agreement shall be unchanged and remain in full force and effect if accepted by the Fund.

In order to induce the Fund's acceptance of this Addendum, I hereby make the following representations:

I acknowledge and agree that (i) I have been advised to obtain my own independent legal counsel for legal matters in connection with the purchase of the Fund's securities, including, without limitation, review of the Memorandum, the Supplement, the Fund's Operating Agreement and this Addendum, and has done so, (ii) I shall be responsible for payment of all legal fees and costs associated with the aforementioned legal matters, and (iii) the Fund and its management and/or Affiliates have absolutely no responsibility or duty to provide legal, accounting, or tax advice or any other professional service to me.

I further represent that I am not a citizen of the United States and either: (a) If I am not a "U.S. Person" (as hereafter defined), (i) the Fund's securities are not being purchased for the account or the benefit of a U.S. Person; (ii) at the time the buy order for the Fund's securities is originated, I will be outside the United States in accordance with Regulation S, promulgated under the Act; (iii) I will not enter into any discussions regarding the acquisition of the Fund's securities, and is not acquiring the Fund's securities, while in the United States; (iv) I am acquiring the Fund's securities without (A) any directed selling efforts made in the United States by the Fund, its management, a distributor of the Fund and/or our directors, any of their respective affiliates, or any persons acting on behalf of any of the foregoing, and (B) any advertisement or publication by the Fund in violation of Regulation S; (v) any resale of the Fund's securities must be made in accordance with Regulation S, as promulgated under the Act; and (vi) I am an "Accredited Investor" as that term is defined in Rule 501(a) of Regulation D, promulgated under the Act (as described below); or (b) if I am a "U.S. Person" (as hereafter defined), I (i) initiated discussions with the Fund relating to the purchase of the Fund's securities on an unsolicited basis; (ii) did not receive any information regarding such purchase and sale through any general solicitation or general advertising within the meaning of Rule 502 of Regulation D, promulgated under the Act; and (iii) am an "Accredited Investor" as that term is defined in Rule 501(a) of Regulation D, promulgated under the Act, because I am one of the following: (A) a natural person whose individual net worth (exclusive of the value of my primary residence), or joint net worth with my spouse, at the time of my investment exceeds USD \$1,000,000; or (B) a natural person who had an individual income in excess of USD \$200,000 in each of the two most recent years or joint income with my spouse in excess of USD \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

I understand that for purposes of the foregoing, the term "U.S. Person" means (i) any natural person resident of the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. Person; (iv) any trust of which any trustee is a U.S. Person; (v) any agency or branch of a foreign entity located in the United States; (vi) any nondiscretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if: (A) organized or incorporated under the laws of any foreign jurisdiction; and (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by "Accredited Investors" (as that term is defined in Rule 501(a) of Regulation D, promulgated under the Act) who are not natural persons, estates or trusts.

Investor's Initials

OFFERING MEMORANDUM

I hereby confirm that if I am or my representative is a financial institution subject to the anti-money laundering ("AML") program requirements of the U.S. Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as may be amended from time to time, and any other related or successor legislation, including all applicable AML regulations promulgated in connection therewith (the "Patriot Act"), and am not acting on behalf of one or more clients in connection with my investment in the Fund's securities, I or my representative have adopted and implemented AML programs required by the Patriot Act and the regulations promulgated thereunder. If I am or my representative is a financial institution subject to the AML program requirements of the Patriot Act, and am acting on behalf of one or more clients in connection with my investment in the Fund's securities, the Investor and its representative have (i) implemented a customer identification program as required under section 326 of the Patriot Act, and the regulations promulgated there under, (ii) conducted the required due diligence on clients(s) on whose behalf they are acting, and (iii) determined that such clients(s) are not: (A) a person listed on the Annex to Executive order No. 13224 (2001) issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) (the "Executive Order"), (B) named on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Office of Foreign Assets Control (OFAC) (the "SDN List"), (C) a non-U.S. bank without a physical presence in any country or providing banking services indirectly to such a bank, (D) a senior non-U.S. political figure or an immediate family member or close associate (i.e., a person who is widely and publicly known to maintain an unusually close relationship with such senior non-U.S. political figure, including a person who is in a position to conduct substantial financial transactions on behalf of such senior non-U.S. political figure) of such figure or (E) otherwise prohibited from investing in the Fund pursuant to applicable U.S. AML, anti-terrorist and asset control laws, regulations, rules or orders (categories (A) through (E) together, a "Prohibited Investor"). I agree to provide the Fund, promptly upon request, all information that the Fund reasonably deems necessary or appropriate to comply with applicable U.S. AML, anti-terrorist and asset control laws, regulations, rules and orders. I consent to the disclosure to U.S. regulators and law enforcement authorities by the Fund and its management, agents, representatives and affiliates of such information about the Investor as the Fund reasonably deems necessary or appropriate to comply with applicable U.S. AML, anti-terrorist and asset control laws, regulations, rules and orders. I acknowledge that if, following my investment in the Fund, its management reasonably believes that the Investor is a Prohibited Investor or is otherwise engaged in suspicious activity or refuses to provide promptly information that the Fund requests, the Fund and its agents, representatives and affiliates has the right or may be obligated to prohibit additional investments, segregate the assets constituting the investment in accordance with applicable regulations or immediately require me to withdraw from the Fund. I further acknowledge that I will have no claim against the Fund, its management or any of their respective members, partners, managers, directors, officers, employees, agents, representatives or affiliates for any form of damages as a result of any of the foregoing actions.

I READ AND UNDERSTAND THE ENGLISH LANGUAGE OR HAVE HAD THIS ADDENDUM, THE SUPPLEMENT, THE MEMORANDUM, MY SUBSCRIPTION AGREEMENT, THE FUND'S OPERATING AGREEMENT, AND OTHER DOCUMENTS RELATED THERETO TRANSLATED BY A TRUSTED ADVISOR INTO A LANGUAGE THAT I DO UNDERSTAND. I UNDERSTAND THAT ONLY THIS ADDENDUM, THE SUPPLEMENT, THE MEMORANDUM, MY SUBSCRIPTION AGREEMENT, THE FUND'S OPERATING AGREEMENT, AND SUCH OTHER AGREEMENTS IN ENGLISH SHALL HAVE ANY LEGAL FORCE AND EFFECT, AND ANY DOCUMENT TRANSLATED BY ANY PERSON OR ENTITY SHALL HAVE NO FORCE OR EFFECT AND SHALL NOT BIND THE FUND, OUR MANAGEMENT AND ANY OF THEIR RESPECTIVE AFFILIATES. ANY DOCUMENTS, TRANSLATION OF DOCUMENTS, ADVERTISEMENTS BY THE FUND OR ITS AFFILIATES ARE FOR GENERAL KNOWLEDGE AND MAY NOT BE RELIED UPON AS A LEGAL OR BINDING TRANSLATION OF COMPANY MATERIALS OR THAT OF ITS AFFILIATES. THE INVESTOR IS SOLELY RESPONSIBLE FOR UNDERSTANDING THIS DOCUMENT AND THE ABOVE-REFERENCED DOCUMENTS IN THE ENGLISH LANGUAGE.

By signing below, I shall be deemed to have executed this Addendum which hereby amends and/or supplements my executed Subscription Agreement conditioned upon acceptance by the Fund and hereby accept all the terms and risks as set forth in the Supplement and the Memorandum, which documents are incorporated by reference as if fully set forth herein, and subscribe to and affirm the veracity of the foregoing statements.

X _____
Authorized Signature

X _____
Second Authorized Signature (if applicable)

Print Name

Print Name

Date

Date

Title (if applicable)

Title (if applicable)

Name of Entity (if applicable)

Name of Entity (if applicable)

SUBSCRIPTION ACCEPTANCE:

The Proactive Realty Income Fund, LLC
a Delaware limited liability company

By: The Proactive Realty Income Fund, LLC
its Managing Member

By: _____
Dr. Canaan Van Williams, Manager

Effective Date: _____

