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Prospectus

December 1, 2017

Summary

This Prospectus describes the Promissory Notes (the "Notes") that Impact Seven, Inc. ("Impact Seven") offers to our investors. We issue these Notes to help us raise funds, which we can then lend to and invest in community and economic development initiatives throughout the area. Through these loans, we seek to build capacity for communities by providing services and development in business, housing, and property management. In this document, we intend to explain the risks associated with purchasing the Notes, provide background information on Impact Seven, and provide all of the disclosures that are required by law.

Prospective investors should read this Prospectus carefully before deciding to invest. Investors must make their own evaluation of Impact Seven and the terms of the Notes, including the merits and risks involved. Most importantly, we want our investors to understand that purchasing a Note does involve some risk. We have placed discussion of those risks at the beginning of the Prospectus for your convenience and direct you to this important information.

Investors may make a minimum of a $50,000 investment in the Notes, with a minimum term of one year. Investors may also elect the interest rate within the range of 0% to 3%. Interest is paid annually and principal is repaid at maturity.

There is no maximum offering amount, nor is there a limit on the number of investors. Therefore, we may issue the Notes to all qualified investors for offering amounts we determine in our sole discretion to best fit our needs and goals.

The Notes are obligations of Impact Seven, a private nonprofit corporation that is recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code (the "Code"). The Notes are not guaranteed, insured or otherwise securitized in any way.

The Notes offered have not been registered under the Securities Act of 1933, as amended, in reliance upon available exemptions relating to securities issued by entities that are organized and operated exclusively for religious, educational, or charitable purposes and not for pecuniary profit.

The Notes also are being offered in Wisconsin under certain exemptions under Wisconsin law.

These securities have not been recommended by any Federal or State securities commission or regulatory authority. Furthermore, the foregoing authorities have not reviewed the merits of, nor confirmed the accuracy or determined the adequacy of, this disclosure document.

There will not be an independent trustee or a trust indenture in connection with the issuance of the Notes. This means there is no trustee to act for the debt-holders in the event we default on our Promissory Note obligations to you.

This offer may be withdrawn, cancelled or modified without notice at any time.

In preparing this Prospectus, we have given information that we believe is reliable and complete. However, we cannot guarantee its accuracy because the information and opinions expressed in it are subject to change without notice and neither the delivery of this Prospectus nor any issuance of the Notes shall, under any circumstances, create any implication that there has been no change in the operations or financial affairs of Impact Seven since the date of this Prospectus. We encourage you to inquire or request additional information if you have any questions.

For more information, contact:

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SECTION I. Special Risk Factors and Investment Consideration

Because of the nature of our business, the investment described in this Prospectus is subject to certain risks that should be carefully considered by any potential investor. To ensure that you are aware of the risks and to comply with the laws governing this type of investment, we are highlighting them up front in the Prospectus. In the rest of the Prospectus, we explain how Impact Seven is organized and operated to limit these risks. The risks of the investment include, but are not limited to, the following:

Impact Seven Borrowers

Certain Borrowers Will Not Meet Traditional Credit Qualifications. Consistent with Impact Seven's purposes, we make many loans to for-profit and nonprofit entities that may be considered by conventional lenders to be undercapitalized and lacking sufficient operational experience or traditional credit qualifications.

Loan Collateralization. Our loan policy requires that our loans be secured by collateral at no less than 100% of loan value; however, there are exceptions to that policy. For example, we may not require full collateralization when it is not possible to obtain collateral, when such collateral is deeply subordinated or of marginal value, or when it is difficult to monetize or realize the liquidation value of such collateral. Also, some of our borrowers may owe money to creditors with senior rights to the collateral that secures our loans, or as the value of the collateral changes, a loan may become under-collateralized. This absence of full collateral or senior status may limit our ability to collect the full amount due from borrowers, which could result in losses to Impact Seven.

Cash Flow. Our debt service coverage ratio standards are less restrictive than those typically applied by a traditional financial institution, and we often make loans/investments where the borrower's cash flow is tighter than a traditional lender would consider prudent for underwriting purposes.

Balloon Loans. Some of our loans allow borrowers to make balloon payments. For example, we may permit a balloon payment when the amortization schedule is substantially longer than the length of the loan commitment. With this practice, there is an inherent risk that these borrowers may have difficulty refinancing at the time the balloon payment is due and not be able to repay us on time. However, in this circumstance, Impact Seven would mitigate this risk by working with the borrower to refinance the loan, consistent with Impact Seven policies.

Method of Offering

Limited Financial Return. The Notes offer a low rate of return when compared to other investments of comparable risk. In evaluating the advantages and disadvantages of these Notes, investors should consider the social importance of their investment. At the same time, investors must be aware that Impact Seven cannot assure particular outcomes on the projects it finances.

Variations Among Notes. The maturity date, interest rate and payment schedules for each Note will be separately negotiated by each investor. As a result, the terms of the Notes will vary. It is possible that these variations in terms and conditions may ultimately result in certain investors being fully repaid in accordance with the terms and conditions of their Notes, while other investors may be at greater risk or suffer losses. Impact Seven, in its full discretion, will decide the order in which the Notes are paid.

There is No Public Market for the Notes. There is no secondary market for the Notes, which means that they are not transferable. An investment in a Note cannot be easily liquidated through sale or other transfer for value. Purchase of a Note should be viewed as an investment to be held to maturity. Impact Seven cannot promise to pay back an investor early should the investor's circumstances change creating a need to request early repayment. Early withdrawals are only offered under exceptional circumstances, as determined at the full discretion of Impact Seven. If Impact Seven approves an early withdrawal, a penalty will be charged against interest earned on the Note. Specifically, monies withdrawn within the first year before interest has accrued will receive no interest payments. Monies withdrawn after the first year will receive a 1.5% penalty against the original investment amount.

The Notes Represent Unsecured Debt. The Notes issued to our investors are not secured. The collateral that secures the loans made to the Impact Seven borrowers provide security only to Impact Seven itself. Impact Seven does not grant a security interest, mortgage, or pledge of any kind covering any property or assets of Impact Seven as security for repayment of the Note. Principal repayments and interest payments on the Notes depend solely upon Impact Seven's financial condition at the time the payments come due.

There is No Maximum Offering Amount or Limit on the Number of Investors. In this Offering, there is no maximum offering amount, nor is there a limit on the number of investors. Therefore, we may issue the Notes to all qualified investors for offering amounts we determine in our sole discretion to best fit our needs and goals.

Impact Seven Operations

Dependence on Impact Seven's Financial Health. Impact Seven's ability to repay our investors depends on the overall financial health of the organization. Our financial health is influenced by many factors, including our community borrowers' ability to repay us, our ability to attract grants and donations, and our success in earning interest and fee income. We expect to be able to cover our operating expenses through these various sources of income but we cannot assure that we will be successful. If we are not successful, we may have to use some of the proceeds from the sale of Notes to pay these expenses. Also, if our borrowers fail to meet their repayment obligations, Impact Seven may not be able to repay its investors. This risk is partially mitigated through Impact Seven's management of its assets, which includes setting aside loan loss reserves and donated and earned equity capital to mitigate against unexpected losses.

Tax Exempt Status. Impact Seven is an organization that is recognized as exempt from Federal taxes under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("Code"). If our operations or structure deviate significantly from the description given to the IRS, or if there are changes in Section 501(c)(3) of the Code, we may lose our tax-exempt status, which may threaten our continued viability and our ability to qualify for certain exemptions under federal and state securities laws.

No Assured Participation in Management. Control over Impact Seven is exercised by the Board, which is self-perpetuating in that the nomination and election of directors is controlled by the same persons who constitute the Board. Investment alone does not entitle the investor to any participation in management or governance.

Legal Proceedings. There are no legal or administrative proceedings now pending against Impact Seven nor are there any such proceedings known by us to be threatened or contemplated.

An AERIS Rated Entity

AERIS RATED ★★★ A+

In 2015 Impact Seven became an investment-grade Aeris-rated entity. Aeris ratings are the CDFI industry's gold standard for transparency and accountability, helping investors evaluate opportunities that meet their impact goals and risk parameters. Ratings consist of two parts:

Impact Performance: Three Stars
one to four stars possible

Financial Strength and Performance: A+
B to AAA possible

Impact Seven's Aeris Rating Certificate is available to potential investors – please contact Impact Seven directly to receive a copy. For more information about Aeris ratings or to receive a copy of the full ratings analysis (available for a fee from Aeris), please visit http://aerisinsight.com/

SECTION II. Overview of Impact Seven

Background on Impact Seven

Impact Seven, Inc. was founded in 1970 by people of rural northwestern Wisconsin who were concerned with a waning economy, the outmigration of youth, and high poverty rates. Since then, the organization has grown into a well-established statewide community development corporation that has created thousands of jobs, assisted thousands of successful business ventures and provided quality, affordable housing for thousands of low-income households throughout Wisconsin.

Impact Seven builds capacity for communities by providing services and development in business, housing, and property management. Our vision is to serve as a trusted partner for developing, building, and maintaining communities throughout our service area, and we are guided by the belief that local engagement is essential to successful community development. Impact Seven is incorporated as a Wisconsin nonstock corporation and recognized as exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

Impact Seven is a participant in national community and economic development initiatives that are important to meeting its mission:

- Impact Seven is certified by the U.S. Department of the Treasury as a Community Development Financial Institution ("CDFI"), a unique nongovernment entity established to provide credit, financial services, and other development services to underserved markets or populations.

- Impact Seven is a certified Community Housing Development Organization (CHDO) for the State of Wisconsin and several local jurisdictions. As such, Impact Seven is eligible for designated HOME funds to develop and provide affordable housing projects for low-income persons.

- Impact Seven is one of more than 240 chartered NeighborWorks America members across the country. NeighborWorks America provides Impact Seven with substantial grants, programmatic support, training and technical assistance for a broad range of community development initiatives.

- Impact Seven is a minority equity owner in Community Development Bank (CDB), owned in conjunction with two other mission-based organizations. CDB is a federally-insured, FHLB-member institution that leverages deposits and earned revenue to make investments in the owners' community development projects.

- In 2002, Impact Seven became the first New Markets Tax Credits (NMTC) allocatee in the State of Wisconsin, with an initial allocation of $20.6 million. Through its partnership with Wisconsin Housing and Economic Development Authority (WHEDA) and other member institutions on the Greater Wisconsin Opportunity Fund, we have brokered the placement of more than $200 million in NMTC's, with $190 million in NMTC-financed loans under current management.

Background on CDFIs

CDFIs operate in low-wealth communities in the US. These organizations provide affordable financing services to individuals and finance small businesses, affordable housing, and community services that, in turn, help stabilize neighborhoods and alleviate poverty. In addition, CDFIs provide credit assistance to consumers and technical assistance to small business owners and housing developers to help them use their financing effectively.

CDFIs are needed because a gap exists between the financial services available to the economic mainstream and those offered to low-income people and communities.

Mainstream financial institutions may not sufficiently meet the capital needs of nonprofit organizations that provide critical community services, or of small businesses that employ people and provide services in emerging domestic markets. Such organizations often have neither enough collateral to meet conventional banking standards nor the capacity and resources to borrow from banks.

In a recent CDFI Data Study conducted by the Opportunity Finance Network in 2016, 222 CDFIs responded to questions about their performance and financial health. The CDFIs in this data study collectively managed $17.7 billion in assets including $12 billion in financing outstanding at the end of FY 2016. Although that number represents a significant amount of capital for emerging domestic communities, it is still quite modest compared with the mainstream financial sector. An especially interesting outcome of the survey was the favorable loan losses for CDFIs. Overall, the net loan charge-off rate for the surveyed CDFIs was 0.26%, below the net loan loss ratio of 0.47% at FDIC insured financial institutions in 2016.

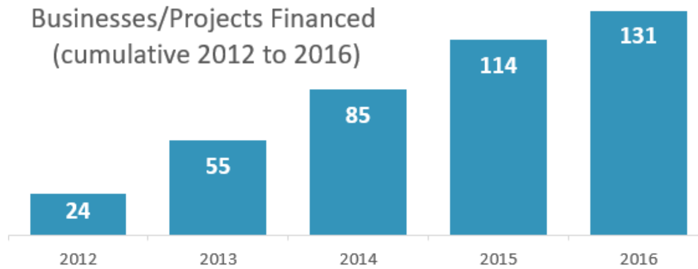
CDFIs are able to manage delinquencies through technical assistance and frequent contact and monitoring of their borrowers. CDFIs also keep adequate loan loss to further protect their investors.

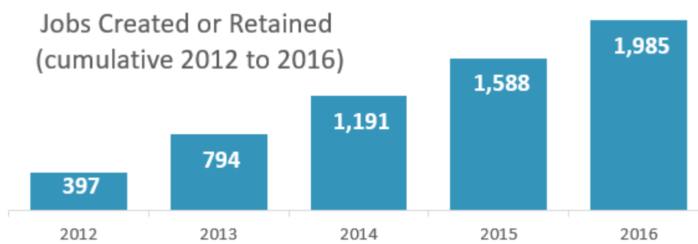
Impact Seven's policies and practices are based on those followed by these successful loan funds. However, we cannot guarantee that our future performance will match the outcomes in this study.

Business Development

With the creation or retention of more than 23,000 jobs and provision of assistance to more than 4,500 businesses over our 46-year history, Impact Seven is recognized throughout the state as an important economic development resource. Our current loan portfolio of $45.2 million has grown by an average of 17% per year since 2011, and is currently comprised of 190 loans to more than 150 businesses or projects. Impact Seven historically has very low rates of delinquency and charge-offs, averaging less than 0.3% charged off per year for over five years.

Impact Seven provides critical financing, scaled to ensure project success. We do not make grants. Our services are provided at the lowest possible cost at a margin below the market rate available from traditional capital providers. Impact Seven offers technical assistance to prospective and existing clients to inform them of the various lending criteria, as well as to strengthen the prospects of success for start-up and existing businesses. Borrowers include a wide variety of businesses, from $5,000 loans for rural microenterprises up to multi-million-dollar investments in heavy manufacturing and commercial real estate. In 2015, Impact Seven closed a total of $16.6 million in loans to provide needed capital for 32 different businesses or projects to create or preserve a projected 397 jobs.





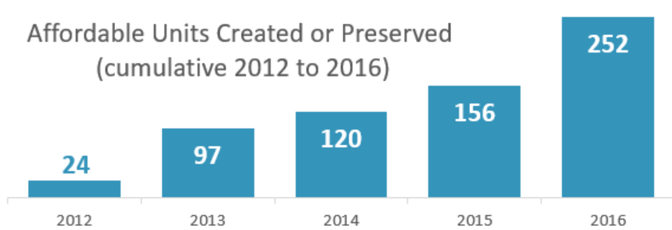
Impact Seven specializes in leveraging public sector grants and loans along with our own considerable assets to provide gap financing, attract private investment, and make otherwise non-bankable projects a reality. We manage numerous revolving loan funds capitalized by a variety of sources, including USDA Rural Development, the U.S. Department of Treasury CDFI Fund, New Markets Tax Credits, the U.S. Health and Human Services Office of Community Services, and the U.S. Small Business Development Administration. Impact Seven is a certified SBA Small Business Lender. We also have a long track record of placing our own discretionary funds in qualified projects and providing venture capital. Impact Seven is a minority equity investor in Community Development Bank (CDB), started in conjunction with a partner community development corporation. As noted above, the bank is a federally-insured, FHLB-member institution that leverages deposits and earned revenue to make investments in the owners' community development projects.

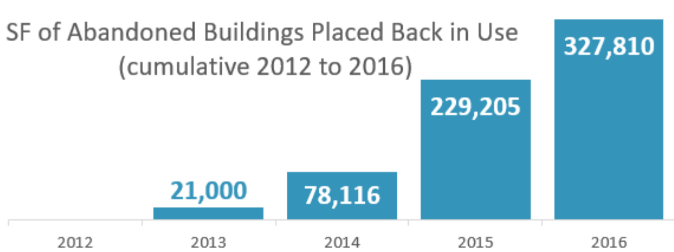
Affordable Housing

Impact Seven is one of the largest nonprofit developers of affordable housing in Wisconsin. As a consultant and developer, we have created or preserved more than 2,000 units of affordable housing in more than 100 communities, while revitalizing distressed communities.

Today, Impact Seven manages 1,500 units of affordable housing in apartment communities across Wisconsin, in areas both rural and urban. Nearly all were developed over the course of our long history through the use of public sector grants and loans from HUD (Section 202, 811, and Section 8), USDA Rural Development, HOME funds, the State of Wisconsin, private foundations, local units of government, in addition to Low Income Housing Tax Credits and AHP funds from the Federal Home Loan Bank of Chicago. Reserved for qualified low-income persons, these units include 850 units for elderly persons and/or persons with disabilities. Our rental portfolio includes 168 affordable units that we manage for other owners, including other mission-based nonprofit organizations.

Over the past five years, Impact Seven has developed over 250 affordable housing units. Projects include new construction, acquisition/rehabilitation of existing apartments, historic preservation and rehabilitation of single-family homes. Many projects are partnerships with local community and neighborhood organizations to revitalize distressed areas and may include the development of retail or office space. An example is the 2016 Artist Lofts project in Manitowoc, which redeveloped an abandoned 85,000 sf Mirro manufacturing plant into 40 rental units and 4,000 square feet of street-level gallery space now occupied by a community arts organization.





Governance and Operation of Impact Seven

Board of Directors. Impact Seven is governed by a Board of Directors with 15 directors. Our bylaws require that the Board consist of directors who are representative of the geographic area and the diverse constituencies we serve, as well as the institutions, community groups, and professions with whom we partner to fulfill our mission. Reflecting the organization's commitment to local engagement, membership on Impact Seven's Board of Directors includes low-income community representation, small business owners, executive representatives from FHLB community banks, and rural community leaders.

Officers. The Board elects corporate officers from among themselves, including a Chair, Vice-Chair, Secretary and Treasurer; these board officers plus one appointed officer make up the Executive Committee of the Board. Other committees include a Board Policy Committee, Housing Committee, Business Development Committee, Audit Committee, and Nominations Committee. The President/CEO of Impact Seven is Brett Gerber, who has 16 years of executive-level nonprofit experience, is a Certified Public Accountant and has worked in an executive capacity for Impact Seven for the past three years. More information about the role of officers and committees can be found in our bylaws that are available upon request.

Employees. Impact Seven is led and operated by a staff of professionals with extensive experience in housing development, property management, banking, economic and community development, and nonprofit management.

Locations. Impact Seven's headquarters for central administration, accounting, and organizational management is Rice Lake, WI. Impact Seven's property management administration and operations are in Almena, WI. Impact Seven also operates smaller satellite offices in Madison and Milwaukee which are focused on program delivery, development services, and property management in the southern part of the state.

SECTION III. Impact Seven Lending Policy and Procedures

To fulfill its mission, Impact Seven follows a detailed Loan Policy to ensure prudent investments and maximum community impact. Specifically, we have developed credit criteria and application procedures to guide our evaluation of the fiscal soundness and managerial competence of prospective borrowers. Our standards and procedures are based on typical practices of other successful nonprofit loan funds. The Impact Seven Loan Policy is available for review upon request.

Eligible Borrowers and Projects

Impact Seven lends to a wide range of borrowers, including for-profit, nonprofit and governmental organizations. Specifically, Impact Seven lends to for-profit and nonprofit businesses, for-profit and nonprofit housing developers, for-profit and nonprofit real estate developers, joint ventures that promote community development, and governmental entities that promote community development. We do not directly engage in consumer lending.

We assist our borrowers with a wide variety of loan projects. The projects we support include:

- Working capital loans;
- Bridge loans;
- Real estate purchase;
- Fixed asset purchase, such as equipment, fixtures, and inventory;
- Housing that serves community-based initiatives;
- Real estate expansion; and
- Other projects approved by the Board.

Evaluation of Potential Borrowers

Through our active presence in the community, Impact Seven staff are continually identifying and accepting inquiries from potential borrowers. We often have an initial conversation with potential borrowers and, based on that conversation, may recommend that they submit an application. We thoroughly evaluate each application. The issues we consider include:

Applicant Characteristics. Successful loan applicants will demonstrate most of the following:

- Strong reputation;
- Evidence of community support;
- Technical expertise in the industry;
- Management expertise;
- Financial capacity to repay the loan; and
- Interest in improving the community.

Project Characteristics. The most desirable projects will demonstrate most of the following:

- Long-term economic viability;
- Creation or retention of employment;
- Creation or preservation of affordable housing for low-income persons;
- Creation of additional employment;
- Support of community development organization or activities;
- Ability to leverage public or private resources; and
- Lack of access to conventional financing.

Collateral. It is Impact Seven's policy to obtain security for most loans. Examples of acceptable security interests include the following:

- Mortgages;
- Assignments of leases and/or rents;
- Priority security interest in specific collateral (e.g., equipment) with UCC filing;
- Assignment of contracts, grants and/or pledges with UCC filing;
- General Business Security Agreement with UCC filing;
- Corporate or third-party guarantee;
- Personal guarantee of an individual holding a 20% or more interest in a borrower; and
- Collateral pledges of deposits and life insurance.

Appraisal Standards. For real property, evidence of the property's value will generally be required. Submission of an appraisal from a licensed real estate appraiser that is less than 12 months old is preferred. The documentation may be a form appraisal, a letter updating a previous form appraisal or a letter of opinion substantiated by comparable sales or other documentation.

The appraisal requirement may be waived if an appraisal cannot be completed or if the valuation can be proven by another reliable method. Examples of other valuation documentation include a recent tax assessment, documentation of sales of similar real estate, replacement cost analysis or an older appraisal in a stable real estate market.

Loan-to-Value. The Loan-to-Value Ratio (LTVR) is a primary measure of the value of financing sources as a percentage of the value of assets they are used to acquire. The LTVR is calculated as follows:

LTVR = Total Loans Committed by all Lenders with a Security Interest in the Asset(s) / Total Value of the Assets

For real residential estate, the LTVR shall generally not exceed 85%. For commercial real estate, the LTVR shall generally not exceed 75%. For equipment, the LTVR shall generally not exceed 50%. For raw materials and finished goods inventory, the LTVR shall not exceed 40%. Work-in-process inventory is ineligible for collateral valuation purposes. Accounts receivable will not be considered in the LTVR calculation, but may be used to establish additional security interest.

Debt Service Coverage. Assessing the ability of cash flows to sustain debt is a critical component of the credit evaluation process. The Debt Service Coverage ratio (DSCR) is the primary tool used for this purpose. It is calculated as follows:

DSCR = (Annual Net Income + Amortization/Depreciation + other non-cash and discretionary expenses) / (Total Principal and Interest Payments)

The DSCR shall generally be at least 1.1:1.

Current Ratio. The current ratio is used to give an idea of the company's ability to pay back its short-term liabilities (debt and payables) with its short-term assets (cash, inventory, receivables). The higher the current ratio, the more capable the company is of paying its obligations. A ratio under 1 suggests that the company would be unable to pay off its obligations if they came due at that point. The Current Ratio is calculated as follows:

Current Ratio = Current Assets / Current Liabilities

The Current Ratio shall generally be at least 1.

Loan Approval Process

After evaluation of the application, an Impact Seven Business Development Officer determines whether the applicant is qualified. If qualified, the Internal Loan Committee reviews the application and votes on the loan. If an approved loan falls within the threshold level of the Internal Loan Committee, a Letter of Commitment is drafted. If an approved loan is above the Internal Loan Committee threshold level, the Impact Seven President/CEO will review the loan, along with the Director of Business Development. If a loan approved by the President/CEO falls within the threshold level of the President/CEO, a Letter of Commitment is drafted. If an approved loan falls above the threshold level, the loan is referred to the Business Development Committee who votes on the loan. If the loan is approved by the Business Development Committee (a Board Committee), the applicant is sent a Letter of Commitment.

To assist with this detailed review, Impact Seven employs persons with extensive experience in both lending and nonprofit management. Through our Board of Directors, Internal Loan Committee, President/CEO and Business Development Committee, we bring together persons with significant financial, development and nonprofit management expertise, including commercial loan personnel from financial institutions and representatives of both for-profit and nonprofit developers.

SECTION IV. Protections and Risk Management

Monitoring Practices

Impact Seven staff routinely monitor all loans to check on borrowers' progress and detect problems early. If we identify concerns, we work with the borrowers or refer them to additional services to help them work out the issues.

We provide to our Board and Business Development Committee (a Board Committee) an annual review of individual loan performance and compliance with reporting requirements. We also evaluate each loan according to an established risk rating system. The issues we evaluate include:

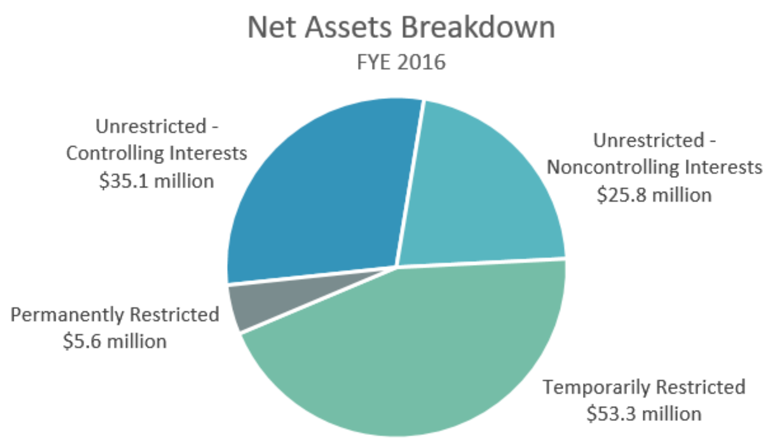
- payment status/history;
- rent rolls, including list of tenants, rent per space, maturity of lease;
- monthly information, including inventory reports, profit/loss statements and aging reports;
- quarterly information, including balance sheet information, income statement and budget-to-actual report;
- annual information, including audited financial statements, tax returns, annual reports, and financial projections;
- 12-month budget variance reports;
- proof of insurance; and
- other pertinent issues.

The outcome of our evaluation could result in reevaluation of the level of our loan loss reserves.

Equity, Loan Loss Reserves and Liquidity Reserves

Impact Seven maintains minimum cash reserves for loan loss reserves plus six months of operating expenses. Loan loss reserves are reviewed and adjusted quarterly. If a loan's risk rating changes, additional loan loss reserves may be set aside. Overall loan loss reserves are about 2.0% of the total loan portfolio at any given time. The Board reviews the level of the loan loss reserve on a regular basis. Since the start of 2012, Impact Seven has charged off only $215,51 in loan losses, less than 0.3% of the total loan portfolio in any given year. Impact Seven's 2016 nonperforming asset ratio averaged 4.24%, ending the year at just 2.08% and well below industry standards.

In addition to funds it receives from its investors through the sale of Notes, Impact Seven is capitalized with earned income from its investments, fees for services it provides, government grants and loans, and donations from foundations and individuals. These funds represent equity capital that can be applied to pay back investors if necessary. Impact Seven's total net assets in FYE 2016 were $119.8 million, with total unrestricted net assets of $60.9 million ($35.1 million in controlling interests) and an overall unrestricted net asset ratio of 37% on $163.7 million in total capital.



Maximum Loan Amounts

Impact Seven recommends a general maximum loan amount of not more than 15% of Impact Seven's unrestricted net assets to any one borrower or its related entities. As of the date of this Prospectus, the maximum project amount is $5.5 million. Exceptions can be made at the recommendation of the Business Development Committee, with the approval of the Board or if the loan is being participated or sold to another lender.

SECTION V. Description of Investment Offering

Impact Seven works with its investors to determine investment terms that will be beneficial to both the investor and Impact Seven. To do this, we rely on the generosity of our investors and their willingness to accept lower-than-market rate of return. The interest rates provided to our borrowers are determined and fixed at the time of closing.

Our Investors

Impact Seven investors are expected to be primarily individuals and financial institutions. Impact Seven generally relies on available Wisconsin securities law exemptions. For investors who are not Wisconsin-based, we must identify exemptions under applicable state securities laws on which we can rely to qualify an investor. As needed, we will take the steps necessary to comply with any other relevant state securities law requirements.

Conditions of Investing in this Offering

Investment Size. The minimum investment is $50,000. There is no maximum amount.

Term. The minimum investment term is three years, with a preference for longer terms. Investors may designate their desired term in full-year multiples. However, it is in the best interest of Impact Seven and its borrowers for our investors to commit to longer investment terms. When matching investor maturities with our borrowers' loan maturities, it allows us to make longer-term loans to our borrowers.

Interest Rate. The accepted range of interest rates paid to investors is 0% to 3%, calculated on a 365-day year. The rate of return is fixed throughout the term of the Note. Because our interest rate to our borrowers is based on the interest rate paid to our investors, it is always in the best interest of the borrowers and the community-at-large to pay a lower rate of interest to our willing and socially-responsible investors.

Payback. Interest is paid annually, on the anniversary date of the investment, or more frequently if directed by the investor. Principal is repaid at maturity.

Early Withdrawal. Monies withdrawn within the first year before interest has accrued will receive no interest payments. Monies withdrawn after the first year will receive a 1.5% penalty against the original investment amount.

Security. An investment in Impact Seven is not guaranteed or insured. The financial stability of Impact Seven depends on the sound management of Impact Seven, the health of our borrowers' organizations, and the quantity and quality of collateral that borrowers offer in exchange for their loans. To date, we have met all our obligations on schedule for repayment of interest and principal. No investor has lost funds and we intend to continue to meet all of our obligations. However, past performance does not guarantee future re-payment. Please read carefully the section entitled "Risk Factors" before deciding to invest in Impact Seven.

Legal Documents. The specific terms of an investment are outlined in the Loan Subscription Agreement and the Promissory Note, both attached to this Prospectus as Exhibits.

To purchase a Note, the potential investor completes an Investor Application. Impact Seven will then provide the investor with the applicable Loan Subscription Agreement listing the loan amount, interest rate and term provided by the investor as part of the Investor Application. After the Loan Subscription Agreement has been signed by both parties and the funds have been received, Impact Seven will provide the completed Promissory Note to the investor.

Tax Considerations and Reporting. Although Impact Seven is a tax-exempt organization, the principal that is invested in Impact Seven is not a donation and consequently is not tax-deductible. Principal repaid to you is a return of your capital investment and is not considered income. However, interest paid by Impact Seven is taxable. In January of each year, Impact Seven will provide a Form 1099 to each investor indicating the interest earned on his or her investment. This Prospectus is not intended to provide legal or tax advice to potential investors. Investors are encouraged to consult their own tax advisors to determine the tax consequences to them.

External Audits. Impact Seven undergoes annual external independent audits of its accounting systems to assure that the financial position, change in net assets, and cash flows are presented fairly and conform to U.S. generally accepted accounting principles. Annually, we provide our investors a final copy of the Board-approved audit. A summary of the preceding three years' financial statements of position and activities is included in the Exhibits.

Renewals and Redemptions. At its election, Impact Seven will notify the investor no later than ninety (90) days before the maturity date of the Note confirming that the initial Note will be rolled over into a subsequent Note on the same terms as the initial Note, unless the investor indicates otherwise in writing prior to the rollover date.

Method of Sale. The Notes are sold through direct sale to the investors. We primarily identify investors through personal contacts. We do not participate in any underwriting or selling agreement arrangements. We do not offer or pay any commission, discount, finder's fee or other form of remuneration or compensation to any person or organization in connection with the offer and sale of the Notes.

Termination of Offering. Impact Seven does not have a limit on the aggregate principal amount of Notes it may issue under this or any future offering, although we will only issue Notes consistent with sound financial practices as described in this Prospectus. We may continue this offering as long as we wish, or terminate the offering at any time.

Use of Funds

The funds raised through this offering are pooled with Impact Seven's own equity to make up the total pool of capital available for lending to our community borrowers, which we describe in more detail in Section III. We attempt to lend the funds as quickly as possible after receiving them, but during interim periods the funds are held in accounts and investments selected by Impact Seven. Any interest and dividends that accrue while we are holding these investments accrue to Impact Seven.

Through careful monitoring and scheduling of loans, Impact Seven maintains appropriate liquidity and manages its cash flow. See Section IV for more information on Impact Seven's Loan Loss Reserves and Liquidity Reserves.

In any given year, Impact Seven's overall loan activity is typically distributed approximately as follows:

- Loans for business purposes: 67%
- Loans for real estate: 33%

Impact Seven periodically provides its investors with information about its activities through newsletters, general correspondence and events. Impact Seven also prepares quarterly financial statements, which are available to investors upon request.

Use of Interest Earnings and Administrative Expenses

Impact Seven issues loans to its community borrowers at an annual interest rate that enables Impact Seven to pay interest to its investors and to cover Impact Seven's operating expenses, including the staff costs of loan monitoring and the cost of setting aside loan loss reserves. Earned interest that exceeds what we need to cover these costs is used to grow Impact Seven's equity and make additional community investments.

Impact Seven intends to use the funds raised through this offering only for capital purposes and not to pay the expenses of administration or expenses of the offering of these Notes. We intend to cover our expenses through investment income, grants and donations. However, we reserve the right to change this allocation of the proceeds if necessary.

Additional Information

Additional materials are available to prospective investors upon request, including our articles of incorporation, bylaws, IRS determination letter, most recent audited financial statements and income tax returns, loan underwriting guidelines, and sample loan contracts. Our staff will provide any prospective investor with information relating to this offering and the organization that may be reasonably provided without undue expense.
For current information about Impact Seven, please visit our website at www.impactseven.org.

Consolidated Statement of Financial Position

CURRENT ASSETS	2014	2015	2016*
Cash and Cash Equivalents	$5,855,180	$4,631,273	$8,244,987
Restricted Cash	6,898,949	6,214,309	7,663,420
Temporary Cash Investments	1,325,951	2,001,383	1,832,656
Accounts Receivable	2,088,104	1,903,409	885,097
Contracts Receivable	1,041,235	856,000	8,717
Current Portion of Notes Receivable	3,097,614	4,302,897	9,401,801
Other Current Assets	698,689	749,432	739,849
Total Current Assets	21,005,722	20,658,703	28,776,527
PROPERTY AND EQUIPMENT	749,709	832,872	2,209,278
INCOME PRODUCING REAL ESTATE	46,332,170	50,402,513	86,306,076
OTHER ASSETS			
Notes Receivable (net Loan Loss Reserves)	29,228,604	42,520,208	34,924,384
Investments in Real Estate	1,511,011	1,278,735	1,801,329
Other Investments	2,630,380	2,580,051	2,285,542
Investment Securities	1,155,258	1,168,328	1,022,772
Restricted Deposits and Funded Reserves	4,822,296	4,838,749	6,021,360
Miscellaneous Other Assets	-	-	366,245
Total Other Assets	39,347,549	52,386,071	46,421,632
TOTAL ASSETS	107,435,150	124,280,159	163,713,513
CURRENT LIABILITIES			
Current Portion of Notes Payable	$ 400,000	$ 506,100	$ 3,131,468
Accounts Payable and Accrued Expenses	1,814,422	1,830,624	2,080,629
Total Current Liabilities	2,214,422	2,336,724	5,212,097
LONG-TERM LIABILITIES			
Notes Payable	15,885,560	32,134,886	34,640,759
Other Liabilities			3,352,047
Total Long-Term Liabilities	15,885,560	32,134,886	37,992,806
TOTAL LIABILITIES	18,099,982	34,471,610	43,204,903
NET ASSETS			
Unrestricted - Controlling Interests	33,147,550	34,426,536	35,778,678
Unrestricted - Non-controlling Interests	-	-	25,864,542
Total Unrestricted	33,147,550	34,426,536	61,643,220
Temporarily Restricted	55,048,428	54,052,823	53,254,978
Permanently Restricted	1,139,190	1,329,190	5,610,412
Total Net Assets	89,335,168	89,808,549	120,508,610
TOTAL LIABILITIES AND NET ASSETS	$107,435,150	$124,280,159	$163,713,513

Consolidated Statement of Activities

REVENUES	**2014**	**2015**	**2016***
Consulting & Development Fees	$644,792	$1,009,535	$229,446
Housing Management	4,262,306	4,936,385	6,400,531
Interest Revenue	1,935,394	1,731,175	2,742,332
Contract Revenue	1,045,888	902,601	6,082,802
Tax Credit Revenue	-	-	1,827,351
New Market Tax Credit Revenue	930,281	1,328,446	1,200,402
Other Revenue	392,551	930,705	578,270
TOTAL REVENUES	$9,211,212	$10,838,847	$19,061,134
EXPENSES			
Salaries, Wages, and Benefits	$2,908,701	$3,486,653	$3,739,270
Professional Services	353,665	299,503	412,384
Travel	103,794	124,750	130,232
Office Maintenance	93,683	94,781	164,138
Operational Expenses	338,368	357,660	374,313
Interest	439,204	759,338	1,476,429
Housing Management	3,969,738	4,655,115	3,383,942
Depreciation	-	-	2,938,283
Other Expenses	160,111	738,081	687,643
TOTAL EXPENSES	$8,367,264	$10,515,881	$13,306,634
NET INCOME/(LOSS)	$843,948	$322,966	$5,754,500

* In 2016, housing subsidiaries that were previously treated as unconsolidated were consolidated.