

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 1
TO
FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Chicago Atlantic Real Estate Finance, Inc.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of
incorporation or organization)

86-3125132

(I.R.S. Employer
Identification Number)

**420 North Wabash Avenue, Suite 500,
Chicago, IL 60611
Telephone: (312) 809-7002**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Anthony Cappell
Chicago Atlantic Real Estate Finance, Inc.
420 North Wabash Avenue, Suite 500,
Chicago, IL 60611
Telephone: (312) 809-7002**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy to:

**Owen J. Pinkerton, Esq.
Daniel R. McKeithen, Esq.
Eversheds Sutherland (US) LLP
700 Sixth Street, NW, Suite 700
Washington, DC 20001
Telephone: (202) 383-0262**

**Approximate date of commencement of proposed sale to the public:
From time to time after this Registration Statement becomes effective.**

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of Securities Act.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

EXPLANATORY NOTE

Chicago Atlantic Real Estate Finance, Inc. is filing this Pre-Effective Amendment No. 1 (“Amendment No. 1”) to its Registration Statement on Form S-3 (333-268920), originally filed on December 21, 2022 (the “Registration Statement”), as an exhibit-only filing solely to file additional exhibit to the Registration Statement as set forth in the Exhibit Index. This Amendment No. 1 consists only of the facing page, this explanatory note, Part II of the Registration Statement, the signature page to the Registration Statement, the exhibit index and the exhibits being filed with this Amendment No. 1. Part I of the Registration Statement is unchanged and has been omitted.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

The following is a statement of the estimated expenses, to be paid solely by the registrant, of the issuance and distribution of the securities being registered hereby:

SEC registration fee	\$	55,100
FINRA filing fee	\$	75,500
Trustee's fees and expenses		*
Transfer agent and registrar fees		*
Printing expenses		*
Accounting fees and expenses		*
Rating agency fees		*
Legal fees and expenses		*
Miscellaneous expenses		*
Total	\$	<u>130,600</u>

* These fees are calculated based on the securities offered and the number of issuances and accordingly cannot be estimated at this time.

Item 15. Indemnification of Directors and Officers.

Maryland law permits Chicago Atlantic Real Estate Finance, Inc. (the "Company") to include a provision in its charter (the "Charter") limiting the liability of its directors and officers to the Company and its stockholders for money damages, except for liability resulting from (a) actual receipt of an improper benefit or profit in money, property or services or (b) active and deliberate dishonesty that is established by a final judgment and that is material to the cause of action. The Charter contains a provision that eliminates the Company's directors' and officers' liability to the maximum extent permitted by Maryland law.

The Maryland General Corporation Law (the "MGCL") requires the Company (unless the Charter provides otherwise, which the Charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made a party by reason of his or her service in that capacity. The MGCL permits the Company to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a party by reason of their service in those or certain other capacities unless it is established that:

- the act or omission of the director or officer was material to the matter giving rise to the proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty;
- the director or officer actually received an improper personal benefit in money, property or services; or
- in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful.

Under the MGCL, the Company may not indemnify a director or officer in a suit by the Company or in its right in which the director or officer was adjudged liable to the Company or in a suit in which the director or officer was adjudged liable on the basis that personal benefit was improperly received. A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct or was adjudged liable on the basis that personal benefit was improperly received. However, indemnification for an adverse judgment in a suit by the Company or in its right, or for a judgment of liability on the basis that personal benefit was improperly received, is limited to expenses.

In addition, the MGCL permits the Company to advance reasonable expenses to a director or officer upon its receipt of (a) a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification and (b) a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed if it is ultimately determined that the standard of conduct was not met.

The Charter obligates the Company to the maximum extent permitted by Maryland law in effect from time to time, to indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, pay or reimburse reasonable expenses in advance of final disposition of a proceeding to:

- any present or former director or officer who is made or threatened to be made a party to, or witness in, a proceeding by reason of his or her service in that capacity; or
- any individual who, while a director or officer of our Company and at our request, serves or has served as a director, officer, partner, member, manager, trustee, employee or agent of another corporation, REIT, partnership, limited liability company, joint venture, trust, employee benefit plan or any other enterprise and who is made or threatened to be made a party to, or witness in, the proceeding by reason of his or her service in that capacity.

The Charter also permits us to indemnify and advance expenses to any person who served a predecessor of ours in any of the capacities described above and to any employee or agent of ours or a predecessor of ours.

In addition to the indemnification provided by the Charter, we have entered into indemnification agreements with our directors and officers that provide for indemnification to the maximum extent permitted by Maryland law, subject to certain standards to be met and certain other limitations and conditions as set forth in such indemnification agreements.

Insofar as the foregoing provisions permit indemnification of directors, officers or persons controlling our Company for liability arising under the Securities Act, we have been informed that, in the opinion of the SEC, this indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

We do not currently carry directors' and officers' insurance.

Item 16. Exhibits.

A list of exhibits included as part of this registration statement is set forth in the Exhibit Index and is incorporated herein by reference.

Item 17. Undertakings.

(a) The undersigned registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended (the "Securities Act");
 - (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and
 - (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) of this section do not apply if the information required to be included by post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

- (2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (4) That, for the purpose of determining liability under the Securities Act to any purchaser:
 - (i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

- (ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.
- (5) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:
- (i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
 - (ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
 - (iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and
 - (iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.
- (b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.
- (c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.
- (d) The undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of section 310 of the Trust Indenture Act ("Act") in accordance with the rules and regulations prescribed by the Commission under section 305(b)(2) of the Act.

EXHIBIT INDEX

Exhibit Number	Description
1.1*	Form of Underwriting Agreement.
3.1	Articles of Incorporation of Chicago Atlantic Real Estate Finance, Inc. (Incorporated by reference to the Registrant's Registration Statement on Form S-11 (File No. 333-260505), filed on October 26, 2021).
3.2	Articles of Amendment of Chicago Atlantic Real Estate Finance, Inc. (Incorporated by reference to the Registrant's Registration Statement on Form S-11 (File No. 333-260505), filed on October 26, 2021).
3.3	Form of Articles of Amendment and Restatement of Chicago Atlantic Real Estate Finance, Inc. (Incorporated by reference to the Registrant's Registration Statement on Form S-11 (File No. 333-260505), filed on October 26, 2021).
3.4	Amended and Restated Bylaws of Chicago Atlantic Real Estate Finance, Inc. (Incorporated by reference to the Registrant's Registration Statement on Form S-11 (File No. 333-260505), filed on October 26, 2021).
4.1	Form of Common Stock Certificate of the Registrant (Incorporated by reference to the Registrant's Registration Statement on Form S-11 (File No. 333-260505), filed on October 26, 2021).
4.2*	Form of Indenture.
4.3*	Form of Global Note.
4.6*	Form of Articles Supplementary for Preferred Stock (including form of preferred stock certificate).
4.7*	Form of Warrant Agreement and Warrant Certificate.
4.8*	Form of Rights Agreement.
4.9*	Form of Unit Agreement and Unit Certificate.
5.1+	Opinion of Venable LLP regarding the validity of certain of the securities being registered.
5.2+	Opinion of Eversheds Sutherland (US) LLP regarding the validity of certain of the securities being registered.
8.1+	Opinion of Eversheds Sutherland (US) LLP with respect to tax matters.
10.1	Management Agreement, dated May 1, 2021, by and between Chicago Atlantic Real Estate Finance, Inc. and Chicago Atlantic REIT Manager, LLC (Incorporated by reference to the Registrant's Registration Statement on Form S-11 (File No. 333-260505), filed on October 26, 2021).
10.2	Form of Indemnification Agreement between the Registrant and each of its directors and officers (Incorporated by reference to the Registrant's Registration Statement on Form S-11 (File No. 333-260505), filed on October 26, 2021).
10.3	Form of Registration Rights Agreement, by and among Chicago Atlantic Real Estate Finance, Inc. and the holders thereto (Incorporated by reference to Amendment No. 4 to the Registrant's Registration Statement on Form S-11 (File No. 333-260505), filed on December 6, 2021).
10.4	Chicago Atlantic Real Estate Finance, Inc. 2021 Omnibus Incentive Plan (Incorporated by reference to Amendment No. 1 to the Registrant's Registration Statement on Form S-11 (File No. 333-260505), filed on November 12, 2021).
10.5	Amendment to the Management Agreement (Incorporated by reference to the Registrant's Registration Statement on Form S-11 (File No. 333-260505), filed on October 26, 2021).
10.6	Third Amended and Restated Loan and Security Agreement, dated as of November 7, 2022, among Chicago Atlantic Lincoln, LLC, Chicago Atlantic Real Estate Finance, Inc., the other Persons from time to time party thereto, as borrowers; and the financial institutions party thereto, as Lenders (Incorporated by reference to Registrant's Current Report on Form 8-K (File No. 001-41123) filed on November 9, 2022).
23.1	Consent of BDO USA LLP, Independent Registered Public Accounting Firm (Incorporated by reference to the Registrant's Registration Statement on Form S-3 (File No. 333-268920), filed on December 21, 2022).
23.2+	Consent of Venable LLP (included in Exhibit 5.1).
23.3+	Consent of Eversheds Sutherland (US) LLP (included in Exhibit 5.2).
23.4+	Consent of Eversheds Sutherland (US) LLP (included in Exhibit 8.1).
24.1	Power of Attorney (Incorporated by reference to the Registrant's Registration Statement on Form S-3 (File No. 333-268920), filed on December 21, 2022).
25.1**	Statement of Eligibility of Trustee on Form T-1.
107	Calculation of Filing Fee Tables (Incorporated by reference to the Registrant's Registration Statement on Form S-3 (File No. 333-268920), filed on December 21, 2022).

+ Filed herewith.

* To be filed, if necessary, either by amendment to this registration statement or as an exhibit to a document to be incorporated by reference in this registration statement.

** To be filed separately pursuant to Section 305(b)(2) of the Trust Indenture Act of 1939, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Chicago, State of Illinois, on January 17, 2023.

CHICAGO ATLANTIC REAL ESTATE FINANCE, INC.

By: /s/ Anthony Cappell
Name: Anthony Cappell
Title: Chief Executive Officer and Director

Pursuant to the requirements of the Securities Act of 1933, this registration statement on Form S-3 has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ *</u> Anthony Cappell	Chief Executive Officer and Director (Principal Executive Officer)	January 17, 2023
<u>/s/ Phillip Silverman</u> Phillip Silverman	Interim Chief Financial Officer (Principal Financial and Accounting Officer)	January 17, 2023
<u>/s/ *</u> John Mazarakis	Director	January 17, 2023
<u>/s/ *</u> Dr. Andreas Bodmeier	Director	January 17, 2023
<u>/s/ *</u> Peter Sack	Director	January 17, 2023
<u>/s/ *</u> Dr. Jason Papastavrou	Independent Director	January 17, 2023
<u>/s/ *</u> Frederick C. Herbst	Independent Director	January 17, 2023
<u>/s/ *</u> Brandon Konigsberg	Independent Director	January 17, 2023
<u>/s/ *</u> Donald E. Gulbrandsen	Independent Director	January 17, 2023
<u>/s/ *</u> Michael L. Steiner	Independent Director	January 17, 2023

* By: /s/ Phillip Silverman
Phillip Silverman
Attorney-in-Fact

January 17, 2023

Chicago Atlantic Real Estate Finance, Inc.
420 North Wabash Avenue, Suite 500
Chicago, IL 60611

Re: Registration Statement on Form S-3 (File No. 333-268920)

Ladies and Gentlemen:

We have served as Maryland counsel to Chicago Atlantic Real Estate Finance, Inc., a Maryland corporation (the "Company"), in connection with certain matters of Maryland law arising out of the registration by the Company on Form S-3 of up to a maximum aggregate offering price of \$500,000,000 of the following securities: (a) shares (the "Common Shares") of common stock of the Company, par value \$0.01 per share ("Common Stock"); (b) shares (the "Preferred Shares") of preferred stock of the Company, par value \$0.01 per share ("Preferred Stock"); (c) senior and/or subordinated debt securities (the "Debt Securities"); (d) warrants to purchase Common Stock, Preferred Stock and/or Debt Securities (the "Warrants"); (e) rights to purchase Common Stock, Preferred Stock and/or Debt Securities (the "Rights"); and (f) units consisting of two or more of the foregoing classes or series of securities (the "Units" and, together with the Common Shares, Preferred Shares, Debt Securities, Warrants and Rights, the "Securities"), covered by the above-referenced Registration Statement (as amended and supplemented, the "Registration Statement"), filed by the Company with the U.S. Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act").

In connection with our representation of the Company, and as a basis for the opinion hereinafter set forth, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the following documents (hereinafter collectively referred to as the "Documents"):

1. The Registration Statement and the related form of prospectus included therein (the "Prospectus"), substantially in the form to be transmitted to the Commission under the Securities Act;
 2. The charter of the Company (the "Charter"), certified by the State Department of Assessments and Taxation of Maryland (the "SDAT");
 3. The Amended and Restated Bylaws of the Company (the "Bylaws"), certified as of the date hereof by an officer of the Company;
-

4. Resolutions (the “Resolutions”) adopted by the Board of Directors of the Company (the “Board”), relating to, among other matters, the approval of the filing of the Registration Statement, certified as of the date hereof by an officer of the Company;
5. A certificate of the SDAT as to the good standing of the Company, dated as of a recent date;
6. A certificate executed by an officer of the Company, dated as of the date hereof; and
7. Such other documents and matters as we have deemed necessary or appropriate to express the opinion set forth below, subject to the assumptions, limitations and qualifications stated herein.

In expressing the opinion set forth below, we have assumed the following:

1. Each individual executing any of the Documents, whether on behalf of such individual or another person, is legally competent to do so.
 2. Each individual executing any of the Documents on behalf of a party (other than the Company) is duly authorized to do so.
 3. Each of the parties (other than the Company) executing any of the Documents has duly and validly executed and delivered each of the Documents to which such party is a signatory, and such party’s obligations set forth therein are legal, valid and binding and are enforceable in accordance with all stated terms.
 4. All Documents submitted to us as originals are authentic. The form and content of all Documents submitted to us as unexecuted drafts do not differ in any respect relevant to this opinion from the form and content of such Documents as executed and delivered. All Documents submitted to us as certified or photostatic copies conform to the original documents. All signatures on all Documents are genuine. All public records reviewed or relied upon by us or on our behalf are true and complete. All representations, warranties, statements and information contained in the Documents are true and complete. There has been no oral or written modification of, or amendment to, any of the Documents, and there has been no waiver of any provision of any of the Documents, by action or omission of the parties or otherwise.
 5. The issuance, and certain terms, of the Securities to be issued by the Company from time to time will be authorized and approved by the Board, or a duly authorized committee thereof, in accordance with the Maryland General Corporation Law, the Charter, the Bylaws and the Resolutions and, with respect to Preferred Shares, Articles Supplementary setting forth the number of shares and the terms of any class or series of Preferred Stock (the “Articles Supplementary”) to be issued by the Company will be filed with and accepted for record by the SDAT prior to the issuance of such Preferred Shares (such authorization and approval and, if applicable, acceptance for record, are referred to herein as the “Corporate Proceedings”).
-

6. Upon the issuance of any Common Shares, including any Common Shares which may be issued upon conversion or exercise of any other Securities that are convertible into or exercisable for Common Stock, the total number of shares of Common Stock issued and outstanding will not exceed the total number of shares of Common Stock that the Company is then authorized to issue under the Charter.

7. Upon the issuance of any Preferred Shares, including any Preferred Shares which may be issued upon conversion or exercise of any other Securities that are convertible into or exercisable for Preferred Stock, the total number of shares of Preferred Stock issued and outstanding, and the total number of issued and outstanding shares of the applicable class or series of Preferred Stock designated pursuant to the Charter, will not exceed, respectively, the total number of shares, and the number of shares of such class or series, of Preferred Stock that the Company is then authorized to issue under the Charter.

8. Any Securities convertible into or exercisable for any other Securities will be duly converted or exercised in accordance with their terms.

9. None of the Securities will be issued in violation of the restrictions on ownership and transfer set forth in Article VII of the Charter or any comparable provision in the Articles Supplementary creating any class or series of Preferred Stock.

Based upon the foregoing, and subject to the assumptions, limitations and qualifications stated herein, it is our opinion that:

1. The Company is a corporation duly incorporated and existing under and by virtue of the laws of the State of Maryland and is in good standing with the SDAT.

2. Upon the completion of all Corporate Proceedings relating to the Common Shares, the issuance of the Common Shares will be duly authorized and, when and if issued and delivered against payment therefor in accordance with the Registration Statement and the Corporate Proceedings, the Common Shares will be validly issued, fully paid and nonassessable.

3. Upon the completion of all Corporate Proceedings relating to the Preferred Shares, the issuance of the Preferred Shares will be duly authorized and, when and if issued and delivered against payment therefor in accordance with the Registration Statement and the Corporate Proceedings, the Preferred Shares will be validly issued, fully paid and nonassessable.

4. Upon the completion of all Corporate Proceedings relating to the Debt Securities, the issuance of the Debt Securities will be duly authorized.
5. Upon the completion of all Corporate Proceedings relating to the Warrants, the issuance of the Warrants will be duly authorized.
6. Upon the completion of all Corporate Proceedings relating to the Rights, the issuance of the Rights will be duly authorized.
7. Upon the completion of all Corporate Proceedings relating to the Units, the issuance of the Units will be duly authorized.

The foregoing opinion is limited to the laws of the State of Maryland and we do not express any opinion herein concerning any other law. We express no opinion as to the applicability or effect of federal or state securities laws, including the securities laws of the State of Maryland, or as to federal or state laws regarding fraudulent transfers. To the extent that any matter as to which our opinion is expressed herein would be governed by the laws of any jurisdiction other than the State of Maryland, we do not express any opinion on such matter. The opinion expressed herein is subject to the effect of any judicial decision which may permit the introduction of parol evidence to modify the terms or the interpretation of agreements.

The opinion expressed herein is limited to the matters specifically set forth herein and no other opinion shall be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable law changes after the date hereof or if we become aware of any fact that might change the opinion expressed herein after the date hereof.

This opinion is being furnished to you for submission to the Commission as an exhibit to the Registration Statement. We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of the name of our firm therein. In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act.

Very truly yours,

/s/ Venable LLP

EVERSHEDS
SUTHERLANDEversheds Sutherland (US) LLP
700 Sixth Street, NW, Suite 700
Washington, DC 20001-3980D: +1 202.383.0262
F: +1 202.637.3593OwenPinkerton@eversheds-
sutherland.com

January 17, 2023

Chicago Atlantic Real Estate Finance, Inc.
420 North Wabash Avenue, Suite 500
Chicago, IL 60611

Re: Chicago Atlantic Real Estate Finance, Inc.

Registration Statement on Form S-3 (File No. 333-268920)

Ladies and Gentlemen:

We have acted as counsel to Chicago Atlantic Real Estate Finance, Inc., a Maryland corporation (the “*Company*”), in connection with the preparation and filing by the Company with the Securities and Exchange Commission (the “*Commission*”) of the registration statement on Form S-3 (File No. 333-268920), as amended by Pre-Effective Amendment No. 1, on the date hereof (as amended from time to time, the “*Registration Statement*”) under the Securities Act of 1933, as amended (the “*Securities Act*”), with respect to the offer, issuance and sale from time to time, of up to \$500,000,000 in aggregate offering amount of the following (collectively, the “*Securities*”):

- (a) shares of the Company’s common stock, par value \$0.01 per share (the “*Common Stock*”), including shares to be issued upon exercise of the Rights and/or the Warrants (as each such term is defined below) (the “*Common Shares*”);
- (b) shares of the Company’s preferred stock, par value \$0.01 per share (the “*Preferred Stock*”), in one or more series, including shares to be issued upon exercise of the Rights and/or the Warrants (the “*Preferred Shares*”);
- (c) senior, subordinated and/or senior subordinated debt securities of the Company, in one or more series, including debt securities to be issued upon exercise of the Rights and/or the Warrants (the “*Debt Securities*”);
- (d) warrants to purchase Common Stock, Preferred Stock and/or Debt Securities (individually or collectively, the “*Warrants*”);
- (e) rights to purchase Common Stock, Preferred Stock and/or Debt Securities (individually or collectively, the “*Rights*”);
- (f) units consisting of two or more of the foregoing classes or series of securities (“*Units*”) to be issued pursuant to a unit agreement (the “*Unit Agreement*”).

The Registration Statement provides that the Securities may be issued from time to time in amounts, at prices, and on terms to be set forth in one or more supplements (each, a “*Prospectus Supplement*”) to the final prospectus included in the Registration Statement at the time it becomes effective (the “*Prospectus*”).

The Debt Securities are to be issued under a base indenture (the “**Base Indenture**”) to be entered into by and between the Company and the trustee to be named therein (the “**Trustee**”) and (b) one or more supplemental indentures containing the specific terms and conditions for each issuance of the Debt Securities (each a “**Supplemental Indenture**”) and together with the Base Indenture, the “**Indenture**”).

The Warrants are to be issued under warrant agreements (each a “**Warrant Agreement**”) to be entered into by and between the Company and the purchasers thereof or a warrant agent to be identified in the applicable agreement (the “**Warrant Agent**”).

The Rights are to be issued under rights agreements (each a “**Rights Agreement**”) to be entered into between the Company and the purchasers thereof or a rights agent to be identified in the applicable rights agreement.

The Units are to be issued under unit agreements (each a “**Unit Agreement**”) to be entered into between the Company and a unit agent to be appointed prior to the issuance of Units.

As counsel to the Company, we have participated in the preparation of the Registration Statement and have examined the originals or copies, certified or otherwise identified to our satisfaction as being true copies, of the following:

- (i) The Registration Statement and the related form of prospectus included therein (the “**Prospectus**”), substantially in the form to be transmitted to the Commission under the Securities Act;
- (ii) The Articles of Incorporation of the Company (the “**Charter**”), certified as of a recent date by the State Department of Assessments and Taxation of Maryland (the “**SDAT**”);
- (iii) The Amended and Restated Bylaws of the Company, certified as of the date hereof by an officer of the Company (the “**Bylaws**”);
- (iv) A Certificate of Good Standing with respect to the Company issued by the SDAT as of a recent date (the “**Certificate of Good Standing**”); and
- (v) The resolutions of the board of directors of the Company (the “**Board**”) relating to, among other things, (a) the authorization and approval of the preparation and filing of the Registration Statement and (b) the authorization of the issuance, offer and sale of the Securities pursuant to the Registration Statement, certified as of the date hereof by an officer of the Company (collectively, the “**Resolutions**”).

With respect to such examination and our opinions expressed herein, we have assumed, without any independent investigation or verification, (i) the genuineness of all signatures on all documents submitted to us for examination, (ii) the legal capacity of all natural persons, (iii) the authenticity of all documents submitted to us as originals, (iv) the conformity to original documents of all documents submitted to us as conformed or reproduced copies and the authenticity of the originals of such copied documents, (v) that all certificates issued by public officials have been properly issued, and (vi) that each Indenture, the Warrant Agreements, the Rights Agreements and the Unit Agreements will be governed by the laws of the State of New York. We also have assumed without independent investigation or verification the accuracy and completeness of all corporate records made available to us by the Company.

As to certain matters of fact relevant to the opinions in this opinion letter, we have relied upon certificates of officers of the Company. We have also relied upon certificates of public officials (which we have assumed remain accurate as of the date of this opinion). We have not independently established the facts, or in the case of certificates of public officials, the other statements, so relied upon.

In connection with each of the opinions expressed below, we have assumed the matters set forth in paragraphs 1 through 7 in the opinion of Venable LLP, dated the date hereof, a copy of which has been delivered to you, as to matters of Maryland law.

The opinions set forth below are limited to the effect of the laws of the State of New York, and we express no opinion as to the applicability or effect of any the laws of any other jurisdictions. Without limiting the preceding sentence, we express no opinion as to any federal or state securities or broker-dealer laws or regulations thereunder relating to the offer, issuance and sale of the Securities pursuant to the Registration Statement.

This opinion letter has been prepared, and should be interpreted, in accordance with customary practice followed in the preparation of opinion letters by lawyers who regularly give, and such customary practice followed by lawyers who on behalf of their clients regularly advise opinion recipients regarding, opinion letters of this kind.

The opinions expressed herein are limited by (i) applicable bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance, and other similar laws affecting the rights and remedies of creditors generally, (ii) general principles of equity (including without limitation the availability of specific performance or injunctive relief and the application of concepts of materiality, reasonableness, good faith and fair dealing), regardless of whether considered in a proceeding at law or in equity and (iii) federal and state securities laws or principles of public policy that may limit enforcement of rights to indemnity, contribution and exculpation.

On the basis of and subject to the foregoing, and in reliance thereon, and subject to the assumptions, limitations and qualifications set forth in this opinion letter, and further assuming that:

- (i) the Base Indenture and each Supplemental Indenture will have been duly authorized, executed and delivered by each of the Company and the Trustee in accordance with the terms of the Base Indenture;
 - (ii) the Base Indenture and each Supplemental Indenture will constitute a valid and legally binding obligation of each of the Company and the Trustee;
 - (iii) each Warrant Agreement, including any amendments or supplements thereto, and the Warrants issued thereunder will have been duly authorized, executed and delivered by each of the parties thereto in accordance with the terms of such Warrant Agreement;
-

- (iv) each Warrant Agreement will constitute a valid and legally binding obligation of each of the parties thereto;
 - (v) each Rights Agreement, including any amendments or supplements thereto, and the Rights issued thereunder will have been duly authorized, executed and delivered by each of the Company and the other parties thereto in accordance with the terms of the Rights Agreement;
 - (vi) each Rights Agreement will constitute a valid and legally binding obligation of each of the Company and the other parties thereto;
 - (vii) each Unit Agreement, including any amendments or supplements thereto, and the Units issued thereunder will have been duly authorized, executed and delivered by each of the Company and the other parties thereto in accordance with the terms of the Unit Agreement;
 - (viii) each Unit Agreement will constitute a valid legally binding obligation of each of the Company and the other parties thereto;
 - (ix) the issuance, offer and sale of the Securities from time to time and the final terms of such issuance, offer and sale, including those relating to price and amount of the Securities to be issued, offered and sold, and certain terms thereof, will have been duly authorized and determined or otherwise established by proper action of the Board or a duly authorized committee thereof in accordance with the Charter, if applicable, the Indenture, if applicable, the Warrant Agreement, if applicable, the Rights Agreement, if applicable, the Unit Agreement, if applicable, and the Bylaws, if applicable, and are consistent with the terms and conditions for such issuance, offer and sale set forth in the Resolutions and the descriptions thereof in the Registration Statement, the Prospectus and the applicable Prospectus Supplement (such authorization or action being hereinafter referred to as the “*Corporate Proceedings*”);
 - (x) the terms of the Debt Securities, the Warrants, the Rights and the Units as established and the issuance thereof (a) will not violate any applicable law, (b) will not violate or result in a default under or breach of any agreement, instrument or other document binding upon the Company, and (c) will comply with all requirements or restrictions imposed by any court or governmental body having jurisdiction over the Company;
 - (xi) each issuance of the Debt Securities will have been duly executed by the Company and duly authenticated by the Trustee in accordance with the Base Indenture, as supplemented by the applicable Supplemental Indenture, and delivered to, and the agreed consideration will have been fully paid at the time of such delivery by, the purchasers thereof;
 - (xii) the Debt Securities, the Warrants, the Rights and the Units will not include any provision that is unenforceable against the Company;
 - (xiii) the Warrants will have been duly executed by the Company and duly authenticated by the Warrant Agent in accordance with the Warrant Agreement, and delivered to, and the agreed consideration will have been fully paid at the time of such delivery by, the purchasers thereof;
-

- (xiv) any Warrants issued and sold pursuant to the Registration Statement, including upon the exercise of any Securities convertible into or exercisable for Common Shares or Preferred Shares, will have been delivered to, and the agreed consideration will have been fully paid at the time of such delivery by, the purchasers thereof;
- (xv) the Certificate of Good Standing remains accurate, the Resolutions and the applicable Corporate Proceedings remain in effect, without amendment, and the Registration Statement will have become effective under the Securities Act and remain effective at the time of the issuance, offer and/or sale of the Securities,

we are of the opinion that:

1. Upon completion of all Corporate Proceedings relating thereto, the Debt Securities, when issued and paid for in accordance with the Base Indenture, the applicable Supplemental Indenture, the Registration Statement, the Prospectus, the applicable Prospectus Supplement, the Resolutions and all Corporate Proceedings relating thereto, will constitute valid and legally binding obligations of the Company.

2. Upon completion of all Corporate Proceedings relating thereto, the Warrants, when issued and paid for in accordance with the applicable Warrant Agreement, the Registration Statement, the Prospectus, the applicable Prospectus Supplement, the Resolutions and all Corporate Proceedings relating thereto, constitute valid and legally binding obligations of the Company.

3. Upon completion of all Corporate Proceedings relating thereto, the Rights, when issued and paid for in accordance with the applicable Rights Agreement, the Registration Statement, the Prospectus, the applicable Prospectus Supplement, the Resolutions, and all Corporate Proceedings relating thereto, will constitute valid and legally binding obligations of the Company.

4. Upon completion of all Corporate Proceedings relating thereto, the Units, when issued and paid for in accordance with the applicable Unit Agreement, the Registration Statement, the Prospectus, the applicable Prospectus Supplement, the Resolutions, and all Corporate Proceedings relating thereto, will constitute valid and legally binding obligations of the Company.

The opinions expressed in this opinion letter (i) are strictly limited to the matters stated in this opinion letter, and without limiting the foregoing, no other opinions are to be inferred and (ii) are only as of the date of this opinion letter, and we are under no obligation, and do not undertake, to advise the Company or any other person or entity either of any change of law or fact that occurs, or of any fact that comes to our attention, after the date of this opinion letter, even though such change or such fact may affect the legal analysis or a legal conclusion in this opinion letter.

We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement and to the reference to our firm in the “Legal Matters” section of the Registration Statement. We do not admit by giving this consent that we are in the category of persons whose consent is required under Section 7 of the Securities Act and the rules and regulations thereunder.

Respectfully submitted,

/s/ EVERSHEDS SUTHERLAND (US) LLP

Eversheds Sutherland (US) LLP

EVERSHEDS SUTHERLAND

Eversheds Sutherland (US) LLP
999 Peachtree St., N.E., Suite 2300
Atlanta, GA 30309-3996

D: +1 404.853.8342
F: +1 404.853.8806

DanielMcKeithen@
eversheds-sutherland.com

January 17, 2023

Chicago Atlantic Real Estate Finance, Inc.
420 North Wabash Avenue, Suite 500
Chicago, IL 60611

Re: Chicago Atlantic Real Estate Finance, Inc.

Ladies and Gentlemen:

We have acted as counsel to Chicago Atlantic Real Estate Finance, Inc., a Maryland corporation (the “Company”), in connection with its filing with the Securities and Exchange Commission (the “Commission”) of a registration statement on Form S-3 (the “Shelf Registration Statement”), under the Securities Act of 1933, as amended (the “Act”).

This opinion concerning certain federal income tax considerations in connection with the delayed or continuous offerings of common stock, preferred stock, debt securities, warrants, rights, and units of the Company, pursuant to the Shelf Registration Statement, including with respect to the Company’s election to be taxed as a real estate investment trust (a “REIT”) under the Internal Revenue Code of 1986, as amended (the “Code”).

Our opinion is based on relevant provisions of the Code, applicable Treasury Regulations (including temporary and proposed Treasury Regulations), court decisions, administrative determinations, and other relevant authority, all as of the date hereof. These provisions and interpretations are subject to change, which may or may not be retroactive in effect, and any such changes might result in modifications of our opinion.

In rendering our opinion, we examined such records, certificates, documents and other materials as we considered necessary or appropriate as a basis for such opinion, including the following: (1) the Shelf Registration Statement (File No. 333-268920), (2) the corporate charter of the Company, as amended and restated by Articles of Amendment and Restatement filed with the appropriate State of Maryland authorities, (3) the organizational documents of Chicago Atlantic REIT Manager, LLC (the “Manager”), (4) the Management Agreement between the Company and the Manager, and (5) such other documents and information provided to us as we deemed relevant to our opinion.

EVERSHEDS SUTHERLAND

In addition, we have been provided with, and have relied upon, a certificate, dated January 17, 2023 (the “Officer’s Certificate”), executed by a duly appointed officer of the Company, setting forth certain representations relating to the formation and operation of the Company and the Manager.

For purposes of our opinion, we have not made an independent investigation of the facts set forth in the documents provided by the Company, including the Officer’s Certificate. We have consequently assumed, with your permission, that the information presented in such documents, or otherwise furnished to us, accurately and completely describes all material facts relevant to our opinion. No facts have come to our attention, however, that would cause us to question the accuracy of such facts, documents, or assumptions in a material way.

We have assumed for the purposes of this opinion that (i) the Company is validly organized and duly incorporated under the laws of the State of Maryland, (ii) the Manager is duly organized and a validly existing limited liability company under the laws of the state of Delaware, (iii) the transactions described in or contemplated by any of the aforementioned documents have been or will be consummated in accordance with the operative documents, (iv) the operative documents are enforceable in accordance with their terms, (v) the Company has been and will continue to be organized and operated in the manner described in the Officer’s Certificate and the Registration Statement and the other relevant documents referred to above, and (vi) the representations in the Officer’s Certificate are and will remain true, correct and complete and that all representations made “to the best of the knowledge and belief” of any person(s) or party(ies) or with similar qualification or that are qualified as to materiality are and will be true, correct and complete as if made without such qualification. Any material change that is made after the date hereof in any of the foregoing bases for our opinion could affect our conclusions.

Based on and subject to the foregoing, we are of the opinion that:

1. Commencing with the Company’s taxable year ended December 31, 2021, and through the date of this letter, the Company’s organization and current and proposed method of operation, if continued, will enable it to satisfy the requirements for qualification and taxation as a REIT under the Code.
2. The statements set forth in the Shelf Registration Statement under the caption “U.S. Federal Income Tax Considerations,” insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate in all material respects.

Such section of the Shelf Registration Statement, however, is not exhaustive and does not purport to discuss any state or local tax considerations or all possible federal income tax considerations with respect to the purchase, ownership and disposition of our common stock or other securities we might issue. In addition, the Company’s continued qualification and taxation as a REIT depend upon the Company’s ability to meet on a continuing basis, through actual annual operating and other results, the various requirements under the Code with regard to, among other things, the sources of its gross income, the composition of its assets, the level of its distributions to stockholders, and the diversity of its stock ownership. Eversheds Sutherland LLP will not review the Company’s compliance with these requirements on a continuing basis. Accordingly, no assurance can be given that the actual results of the operations of the Company and its subsidiaries, the sources of their income, the nature of their assets, the level of the Company’s distributions to stockholders and the diversity of its stock ownership for any given taxable year (or, as applicable, calendar quarter) will satisfy the requirements under the Code for qualification and taxation as a REIT. We are opining herein only with respect to the federal income tax laws of the United States, and we express no opinion with respect to the applicability thereto, or the effect thereon, of other federal laws or the laws of any state or other jurisdiction, or as to any matters of municipal law or the laws of any other local agencies within any state.

Other than as expressly stated above, we express no opinion on any issue relating to the Company or to any investment therein. Furthermore, we assume no obligation to advise you of any changes in the foregoing subsequent to the date of this letter, and we are not undertaking to update this letter after the date hereof.

This opinion is for your benefit in connection with the Shelf Registration Statement and may be relied upon by you and by persons entitled to rely upon it pursuant to the applicable provisions of the Act. We consent to your filing this opinion as an exhibit to the Shelf Registration Statement and to the reference to our firm contained in the Shelf Registration Statement under the headings “U.S. Federal Income Tax Considerations” and “Legal Matters.” In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Respectfully submitted,

/s/ EVERSHEDS SUTHERLAND (US) LLP

Eversheds Sutherland (US) LLP
