BRIDGEVIEW REAL ESTATE

BV ERNEST HEALTH NEURO REHAB DST

The Date of this Private Placement Memorandum is April 16, 2025.

CONFIDENTIAL

DST Interests are speculative and involve a high degree of risk. A prospective investor should be able to bear a complete loss of their investment. The Interests are illiquid and should be considered a long-term investment.

Prospective investors should carefully review the entire Private Placement Memorandum, including the "Risk Factors" beginning on page 51 and "A Warning About Investing in the Interests" on page iv, prior to investing.

Investments are only suitable for accredited investors. Each prospective Investor should consult their own tax advisor regarding an investment in the Interests and the qualification of the transaction under Section 1031 for specific circumstances.

For Accredited Investor Use Only

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

BENEFICIAL INTERESTS IN
BV ERNEST HEALTH NEURO REHAB DST

Minimum Purchase for Section 1031 Investors: $100,000
Minimum Purchase for Cash Investors: $50,000
Maximum Offering Amount: $77,667,582

BV Ernest Health Neuro Rehab DST, a Delaware statutory trust (the "**Trust**") and an affiliate of Bridgeview Real Estate Exchange LLC, a Texas limited liability company (the "**Sponsor**"), is hereby offering (the "**Offering**") to sell to certain qualified, Accredited Investors (as defined herein) (the "**Investors**") pursuant to this Confidential Private Placement Memorandum (as amended and supplemented and with all exhibits hereto, the "**Memorandum**") up to 100% of the beneficial interests (the "**Interests**") in the Trust. **This Memorandum should be read in its entirety before making an investment decision**.

The Property

The Trust has a long-term ground leasehold interest in approximately 6.23 acres of land located at 10 Advantage Court, Sacramento, California, 95834 (the "**Land**"), pursuant to that certain Ground Lease dated as of April 16, 2025 (the "**Ground Lease**") with Kennor Holdings Sacramento, LLC, a Texas limited liability company and an affiliate of the Sponsor ("**Kennor**" or, in such capacity, the "**Ground Lessor**"), as lessor under the Ground Lease. Additionally, during the term of the Ground Lease, the Trust will own a fee simple interest in the improvements located on the Land (the "**Improvements**" and together with the Land, the "**Property**"), commonly known as "Sacramento Rehabilitation Hospital", which consists of a two-story, 59,508-square foot building leased to Sacramento Rehabilitation Hospital, LLC, a Delaware limited liability company (the "**Tenant**"), pursuant to the Amended and Restated Lease Agreement dated September 23, 2022 and First Amendment to the Amended and Restated to Lease Agreement and Amendment to Lease Guaranty dated October 26, 2023 by and between the Tenant and the Ground Lessor (such lease as amended, the "**Lease**"), which the Ground Lessor assigned to the Trust in connection with the execution of the Ground Lease. The Lease has approximately twenty (20) years remaining in its initial term with two (2) options to extend the Lease term for a period of ten (10) years each. The term "Property" is sometimes used in this Memorandum to refer to the Trust's interest in the Property, meaning its leasehold interest in the Land and its fee simple interest in the Improvements, rather than to the physical property itself, as the context so requires. Kennor and its predecessors acquired the Land and developed the Improvements, which were financed in part by a construction loan (the "**Construction Loan**") from Greater Nevada Credit Union, a non-profit cooperating lending organization (the "**Construction Lender**").

Acquisition and Financing Matters Relating to the Property

In connection with its execution of the Ground Lease and acquisition of the Improvements, the Trust acquired the Property on April 16, 2025 from the Ground Lessor (in such capacity the "**Contributor**"), which is a wholly owned subsidiary of BV Vibra DST LLC, a Texas limited liability company (the "**Depositor**"), for a stated contribution amount of $67,750,000, as described herein (the "**Contribution Value**"). Prior to the execution of the Ground Lease, the Property received $14,948,669.76 in Commercial Property Assessed Clean Energy financing (the "**PACE Financing**") from the California Statewide Communities Development Authority (the "**Authority**"). In exchange, the Authority is required to be paid a yearly assessment of $1,164,772.12 through the 2046/47 tax year (such payments the "**PACE Assessments**"). Pursuant to the Lease, the Tenant has assumed full financial responsibility to pay the PACE Assessments. Nevertheless, if the Lease expires prior to, or is not extended to such time as, the full satisfaction of all PACE Assessments has occurred, the Ground Lessor and not the Trust will be financially responsible for making such payments. Accordingly, the Ground Lessor and not the Trust is the financial obligor with respect to the PACE Financing and the PACE Financing is not indebtedness to which the Trust, and accordingly the Investors, are subject.

As of the date of this Memorandum, the Trust is wholly owned by the Depositor, BV Vibra DST LLC, with 90% of the Depositor being owned by various persons including those not affiliated with the Sponsor (collectively the "**Bridge Capital Providers**") and 10% being owned by Bridgeview Vibra LLC, a Texas limited liability company

and an affiliate of the Sponsor. In consideration for the contribution of the Improvements, the Depositor shall be deemed to have made a capital contribution to the Trust in the amount of $67,750,000. The proceeds of Offering will be used by the Trust to redeem the ownership of the Depositor, which the Depositor will use to repay the Construction Loan and to return capital invested in the Depositor by the Bridge Capital Providers and BV Vibra LLC, after which 100% of the ownership of the Depositor will be held by Bridgeview Vibra LLC.

The Trust and the Trust Agreement

The terms of the Trust are governed by a trust agreement, a copy of which is attached as Exhibit A to this Memorandum (the "**Trust Agreement**"). BV Ernest Manager LLC, a Texas limited liability company and an affiliate of the Sponsor (the "**Administrative Trustee**"), is the trust manager under the Trust Agreement and is responsible for the operation of the Trust. As of the date of this Memorandum, the Depositor owns 100% of the beneficial interests in the Trust and is the current beneficiary of the Trust.

The Offering is being made for purposes of returning to the Depositor its capital contributions and reducing the Depositor's beneficial ownership in the Trust, establishing reserves, and paying all related fees and expenses. If any Interests cannot be sold, the Depositor and/or its affiliate will own the remaining Interests, provided that the holder of such unsold Interests (whether the Depositor or otherwise) reserves the right to sell or otherwise transfer such unsold Interests, to persons affiliated with the Sponsor or otherwise, whether pursuant to a secondary offering or otherwise. The Interests owned will be held for investment purposes and not for resale.

The Offering

The principal objectives of the Trust are to (a) distribute to the Investors annual cash flows, as described in the Financial Forecast attached as Exhibit C to this Memorandum; (b) manage the Property in a manner consistent with prudent real estate management in order to maintain the Property's long-term value; and (c) sell the Property. **There can be no assurance that any of these objectives will be achieved.**

Acquisition of the Interests is designed for, but not limited to, prospective Investors seeking to defer the recognition of gain on the sale of other real property (the "**Relinquished Property**") under Section 1031 ("**Section 1031**") of the Internal Revenue Code of 1986, as amended (the "**Code**") (each, an "**Exchange Investor**"). A Section 1031 transaction (a "**Section 1031 Exchange**") generally allows the seller of real estate to defer federal and state capital gains taxation on the sale by exchanging the Relinquished Property for another property of like kind. The Trust has not requested, and does not plan to request, a ruling from the United States Internal Revenue Service (the "**IRS**") that the Interests will be treated as a direct acquisition of the Property by Exchange Investors for purposes of Section 1031. However, tax counsel to the Trust has provided a tax opinion that the acquisition of an Interest by an Exchange Investor **should** be treated as a direct acquisition of the Property by an Exchange Investor for purposes of Section 1031. This opinion, however, is limited in scope and does not opine on all matters necessary for the prospective Investor's acquisition to qualify under Section 1031.

The minimum amount of Interests that an Exchange Investor may purchase is $100,000 (the "**Minimum Exchange Investment**"), unless the Trust waives this minimum requirement. The minimum amount of Interests that a prospective Investor making a cash investment without a Section 1031 Exchange (each, a "**Cash Investor**") may purchase is $50,000 (the "**Minimum Cash Investment**"), unless the Trust waives this minimum requirement. For purposes of this Memorandum, various fees have been calculated based on the sale of one hundred percent (100%) of the Interests offered herein, equivalent to total proceeds of $77,667,582 (the "**Maximum Offering Amount**").

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Unless extended by the Sponsor in its sole discretion, the Offering will terminate on or before the earlier of April 30, 2026 (which date is subject to extension by the Sponsor), or the date on which all $77,667,582 of the Interests offered hereby have been sold.

	Price to Investors	Selling Commissions and Expenses [1]	Proceeds to Trust [2]
Minimum Cash Investment [3]	$50,000	$4,500	$45,500
Minimum Exchange Investment [3]	$100,000	$9,000	$91,000
Maximum Offering Amount	$77,667,582	$6,990,082	$70,677,500

(1) Offers and sales of Interests will be made on a "best efforts" basis by broker-dealers (the "**Selling Group Members**") who are members of the Financial Industry Regulatory Authority, Inc. ("**FINRA**"). BV Securities, LLC, a Texas limited liability company and an affiliate of the Sponsor (the "**Managing Broker-Dealer**") and a member of FINRA, serves as the Managing Broker-Dealer and will receive selling commissions ("**Selling Commissions**") of up to 6.0% of the purchase price of the Interests sold by Selling Group Members (the "**Total Sales**"), some or all of which it may re-allow to the Selling Group Members; provided, however, that this amount will be reduced in the event a lower commission rate is requested by a Selling Group Member and agreed to by the Managing Broker-Dealer. Thus, certain Investors may acquire Interests net of Selling Commissions. The Managing Broker-Dealer will also receive: (a) a non-accountable marketing and due diligence allowance of up to 1.0% of the Total Sales (the "**Marketing and Due Diligence Allowance**"), which may be re-allowed, in whole or in part, to the Selling Group Members; and (b) a managing broker-dealer fee of up to 2.0% of the Total Sales (the "**Managing Broker-Dealer Fee**"), a portion of which may be re-allowed to certain Selling Group Members for wholesaling activities or be used to pay certain wholesalers that are internal to the Managing Broker-Dealer and its affiliates. Except as set forth below, the total aggregate amount of Selling Commissions, allowances, wholesaler fees and expense reimbursements (collectively, the "**Selling Commissions and Expenses**") will not exceed 9.0% of the Total Sales. The Trust will pay the Selling Commissions and Expenses out of the gross Offering proceeds. For purposes of calculating the Total Sales, any discounts or reductions of Selling Commissions and Expenses or other fees with respect to any purchase of Interests will be disregarded.

(2) The proceeds shown are after deducting the Selling Commissions and Expenses, but before deducting the following fees and expenses, which will be paid by the Trust out of gross Offering proceeds: (i) offering and organizational costs of approximately $750,000, (ii) California transfer tax related to the acquisition of the Property of $250,000, (iii) capital reserves of $250,000 for any capital expenditures that may be required at the Property, (iv) reserves for the Trust and the Property of $1,000,000, and (vi) an acquisition fee payable to Sponsor or its members or their affiliates in the aggregated amount of $677,500 for their roles in arranging the acquisition of the Property and/or the Offering. *See* "ESTIMATED SOURCES AND USES OF PROCEEDS." Certain of these costs and expenses are based on certain assumptions made by the Depositor. If the actual costs and expenses exceed the estimates, the Depositor will be responsible for the excess amount. Conversely, if the estimates exceed the actual costs and expenses, the Depositor will retain the difference as additional compensation. The Depositor expects that no proceeds of the Offering after payment of the costs and expenses described above will be retained by the Depositor. The Sponsor and its affiliates will be entitled to additional compensation in connection with this Offering and the operation of the Property. *See* "COMPENSATION OF THE SPONSOR AND ITS AFFILIATES."

(3) The minimum amount of Interests that a Cash Investor may purchase is $50,000, which is equal to an approximately 0.064% Interest in the Trust. The minimum amount of Interests that a Section 1031 Investor may purchase is $100,000, which is equal to an approximately 0.129% Interest in the Trust, unless the Trust waives this minimum requirement. The Maximum Offering Amount assumes that all Interests are sold without adjustments to Selling Commissions and Expenses.

This Confidential Private Placement Memorandum is dated April 16, 2025.

A WARNING ABOUT INVESTING IN THE INTERESTS

Each prospective Investor should consult with the prospective Investor's own tax advisor regarding an investment in the Interests and the qualification of the prospective Investor's transaction under Section 1031 for the prospective Investor's specific circumstances. Each prospective Investor's specific circumstances may differ and, as a result, no assurances can be given and no legal opinion will be provided that the purchase of the Interests by any prospective Investor will qualify as a Section 1031 Exchange.

An investment in the Interests involves significant risk and is suitable only for Investors who have adequate financial means, desire a relatively long-term investment and who will not need immediate liquidity from their investment and can afford to lose their entire investment. The risks involved with an investment in Interests include, but are not limited to:

- Investors have limited control over the Trust and the Property.
- The Trustees (as defined herein) have limited duties to Investors, and limited authority.
- There are inherent risks with real estate investments generally.
- The long-term impact on the Property of the recent COVID-19 pandemic and the resulting global, financial, inflationary, stagflation, economic and social distress remains uncertain.
- A deterioration in global financial, economic and social conditions could adversely impact the Tenant's operations and the Trust's financial results.
- The Trust depends on the Tenant for revenue, and any default by the Tenant will adversely affect the Trust's operations.
- The Trust may suffer adverse consequences due to the financial difficulties, bankruptcy or insolvency of the Tenant.
- The costs of complying with environmental laws and other governmental laws and regulations may adversely affect the Trust.
- The Property is subject to the Ground Lease, which could make the Property less attractive to a potential future purchaser.
- The Tenant has a right of first refusal to purchase the Improvements, which could make the Property less attractive to a potential future purchaser.
- One or more affiliates of the Sponsor owns, or will own, Interests, which could result in potential conflicts of interest.
- There is and will be no public market or liquidity for the Interests.
- The Interests are not registered with the Securities and Exchange Commission (the "**SEC**") or any state securities commissions.
- Investors may not realize a return on their investment for years, if at all.
- The Trust is not providing any prospective Investor with separate legal, accounting or business advice or representation.
- Various tax risks, including the risk that an acquisition of an Interest may not qualify as replacement property in a Section 1031 Exchange.

The Interests have not been approved or disapproved by the SEC or the securities regulatory authority of any state, nor has the SEC or any securities regulatory authority of any state passed upon the accuracy or adequacy of this Memorandum. Any representation to the contrary is a criminal offense.

The Interests are being offered only to persons who are "accredited investors," as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the "Securities Act") and applicable state securities laws, which definition is set forth below in "WHO MAY INVEST."

The Interests have not been, and will not be, registered under the Securities Act or any state securities laws. The Interests will be offered and sold pursuant to an exemption from the registration requirements of the Securities Act, in accordance with Rule 506(c) of Regulation D, and in compliance with any applicable state

securities laws. The Interests will not be offered or sold in any state in which such offers or sales are not qualified or otherwise exempt from registration. The Trust reserves the right to reject any offer to purchase the Interests. In addition, the Trust reserves the right to cancel any sale at any time prior to the receipt of funds for purchase, if that sale, in the opinion of the Trust and its counsel, may violate any federal or state securities law or regulation or is otherwise objectionable for whatever reason. The Interests will be subject to restrictions on transferability and resale and you will not be able to transfer or resell Interests or any beneficial interest therein unless the Interests are registered pursuant to or exempted from such registration requirements. Investors must be prepared to bear the economic risk of an investment in the Interests for an indefinite period of time and be able to withstand a total loss of their investment.

Neither the Trust, the Sponsor, nor any of their respective affiliates has authorized any person to make any representations or furnish any information with respect to the Interests, or the Property, other than as set forth in this Memorandum or other documents or information the Trust or the Sponsor may furnish to Investors. Investors are encouraged to ask the Trust or the Sponsor questions concerning the terms and conditions of this Offering and the Property.

The Sponsor has prepared this Memorandum solely for the benefit of persons interested in acquiring Interests. The recipient of this Memorandum agrees to keep the contents of this Memorandum, and all other documents and information that the Trust or the Sponsor may furnish to Investors, confidential and not to duplicate or furnish copies of this Memorandum to any person other than such recipient's advisors, and further agrees promptly to return this Memorandum to the Trust at the address below if: (1) the recipient decides not to purchase the Interests; (2) the recipient's purchase offer is rejected; or (3) the Offering is terminated prior to a purchase by the recipient.

This Memorandum contains summaries of certain agreements and other documents. Although the Sponsor believes these summaries are accurate, potential Investors should refer to the actual agreements and documents available in the Investor Data Room (as defined herein) for more complete information about the rights, obligations and other matters in the agreements and documents. In addition, prospective Investors are strongly encouraged to have independent legal counsel closely review this Memorandum and all documents referenced herein and attached hereto.

The mailing address of the Trust is BV Ernest Health Neuro Rehab DST, Attn: BV Capital Investor Relations, LLC, 8390 Lyndon B. Johnson FWY, Suite 565, Dallas, Texas 75243, and the telephone number is 800-484-0073.

A WARNING ABOUT FORWARD LOOKING STATEMENTS

This Memorandum contain statements about operating and financial plans, terms and performance of the Property and other targets of future results. Forward-looking statements may be identified by the use of words such as "expects," "anticipates," "intends," "plans," "will," "may" and similar expressions. The "forward-looking" statements are based on various assumptions, for example, the growth and expansion of the economy, projected financing environment and real property market value trends, and these assumptions may prove to be incorrect. Accordingly, these forward-looking statements might not accurately predict future events or the actual performance of an investment in the Interests. In addition, Investors must disregard any projections and representations, written or oral, which do not conform to those contained in this Memorandum.

A WARNING ABOUT INFORMATION PROVIDED BY THIRD PARTIES

Certain information set forth in this Memorandum and in other materials provided to prospective Investors by the Trust or the Sponsor in connection with this Offering, were obtained from third party sources not affiliated with the Trust or the Sponsor. In many cases these third-party source materials were not prepared by third parties expressly or exclusively for the Trust, the Sponsor or their respective affiliates, or for the Investors, for the purpose of evaluating an investment decision with respect to the Interests. The Trust and the Sponsor have relied upon these third-party materials in preparing this Memorandum and establishing the terms of this Offering and they believe such reliance is reasonable. However, neither the Trust, the Sponsor nor any of their respective affiliates have independently verified the information or data obtained from these sources and no assurances can be given regarding the accuracy or completeness of the information or data. Forecasts and other forward-looking information obtained from these sources

are subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements in this Memorandum. Any information sourced from third parties may have changed since the date it was provided or accessed and should not be construed as investment, tax, accounting, or legal advice. Information sourced from a third party is provided "as is," "with all faults" and "as available." Unless otherwise disclosed, there are no third-party warranties or guaranties of any kind with respect to the information included herein or provided by such parties. None of the third-parties referenced herein sponsor, endorse, offer or promote an investment in the securities offered herein.

LEGENDS

NOTICE TO INVESTORS IN ALL U.S. STATES

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE MEMORANDUM AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

ADDITIONAL NOTICE TO FLORIDA INVESTORS

IF SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA, AND YOU PURCHASE SECURITIES HEREUNDER, THEN YOU MAY VOID SUCH PURCHASE EITHER WITHIN THREE (3) DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY YOU TO THE ISSUER, AN AGENT OF THE ISSUER, OR AN ESCROW AGENT OR WITHIN THREE (3) DAYS AFTER THE AVAILABILITY OF THIS PRIVILEGE IS COMMUNICATED TO YOU, WHICHEVER OCCURS LATER.

ADDITIONAL NOTICE TO PENNSYLVANIA INVESTORS

EACH SUBSCRIBER WHO IS A PENNSYLVANIA RESIDENT HAS THE RIGHT TO CANCEL AND WITHDRAW HIS, HER OR ITS SUBSCRIPTION AND HIS, HER OR ITS PURCHASE OF SECURITIES THEREUNDER, UPON WRITTEN NOTICE TO THE TRUST GIVEN WITHIN TWO (2) BUSINESS DAYS FOLLOWING THE RECEIPT BY THE TRUST OF HIS, HER OR ITS EXECUTED INVESTOR QUESTIONNAIRE AND PURCHASE AGREEMENT. ANY LETTER OR TELEGRAM NOTICE SHOULD BE SENT AND POSTMARKED PRIOR TO THE END OF THE AFOREMENTIONED SECOND BUSINESS DAY. IF YOU ARE SENDING A LETTER, IT IS PRUDENT TO SEND IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ENSURE THAT IT IS RECEIVED AND ALSO TO EVIDENCE THE TIME WHEN IT WAS MAILED. IF YOU MAKE THE REQUEST ORALLY, YOU SHOULD ASK FOR WRITTEN CONFIRMATION FROM THE TRUST THAT YOUR REQUEST HAS BEEN RECEIVED. UPON SUCH CANCELLATION OR WITHDRAWAL, THE SUBSCRIBER WILL HAVE NO OBLIGATION OR DUTY UNDER THE INVESTOR QUESTIONNAIRE TO THE TRUST OR ANY OTHER PERSON AND WILL BE ENTITLED TO THE FULL RETURN OF ANY AMOUNT PAID BY HIM OR HER, WITHOUT INTEREST. NEITHER THE PENNSYLVANIA SECURITIES COMMISSION NOR ANY OTHER AGENCY PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING, AND ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. YOUR WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON.

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EXHIBITS

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B Opinion of Special Tax Counsel
C Form of Investor Questionnaire and Purchase Agreement
D Financial Forecast
E Track Record

Additional information related to the Offering is available in the Sponsor's investor data room (the "**Investor Data Room**"), access to which is available through your broker-dealer and/or investment representative. However, paper copies are available upon request. To obtain paper copies, please contact the Sponsor at BV Capital Investor Relations, LLC, 8390 Lyndon B. Johnson FWY, Suite 565, Dallas, Texas 75243, email ir@bvcapitaltx.com or telephone 800-484-0073.

Copies of the following additional documents are available in the Investor Data Room.

- Acquisition Documents
- Appraisal

- Ground Lease
- Lease
- Phase I Environmental Site Assessment
- Property Condition Report
- Purchase and Sale Agreement
- Settlement Statement
- Survey
- Zoning Report

THE DOCUMENTS THAT ARE AVAILABLE IN THE INVESTOR DATA ROOM ARE IMPORTANT TO PROSPECTIVE INVESTORS' REVIEW OF THE OFFERING. IF YOU ARE NOT ABLE TO ACCESS THE INVESTOR DATA ROOM, PLEASE CONTACT THE SPONSOR IMMEDIATELY.

WHO MAY INVEST

The offer and sale of the Interests is being made in reliance on an exemption from the registration requirements of the Securities Act. Accordingly, distribution of this Memorandum has been strictly limited to persons who meet the requirements and make the representations set forth below. The Trust may declare any prospective Investor ineligible to purchase an Interest for any legal reason. **The Interests will be sold only to "Accredited Investors" (as defined below)**.

Investment in the Interests involves a high degree of risk and is suitable only for persons of substantial financial means who have no need for liquidity in this investment. The Interests will be sold only to persons or entities who (i) make the minimum investment and (ii) represent in writing that they meet the Investor suitability requirements established by the Trust and as may be required under federal or state law. The Trust may accept purchases smaller than the minimum investment. **The Trust will <u>not</u> accept subscriptions from, or made on behalf of, (i) non-United States investors, or (ii) tax-exempt entities, including but not limited to qualified employee pension and profit-sharing trusts, individual retirement accounts, Simple 401(k) plans, annuities and charitable remainder trusts.**

Each prospective Investor must represent in writing that the Investor meets, among others, **<u>ALL</u>** of the following requirements, and provide documentary evidence that the Investor meets such requirements either to the Company or an attorney, certified public accountant, registered broker dealer or registered investment advisor who must certify to the Company that it has verified such Investor's qualification as an accredited investor:

(a) The Investor has received, read, and fully understands the Memorandum, all exhibits hereto, and all other materials provided to the Investor. The Investor is basing the Investor's decision to invest on the Memorandum and such other materials. The Investor has relied only on the information contained in said materials and has not relied upon any representations made by any other person; and

(b) The Investor understands that an investment in the Interests involves substantial risk and is fully cognizant of and understands all of the risk factors relating to a purchase of the Interests, including, without limitation, those risks set forth in the section entitled "RISK FACTORS," in this Memorandum, and is prepared to bear the risk of an investment in the Interests for an indefinite period of time; and

(c) The Investor's overall commitment to investments that are not readily marketable is not disproportionate to the Investor's individual net worth, and the Investor's investment in the Interests will not cause such overall commitment to become excessive; and

(d) The Investor has adequate means of providing for the Investor's financial requirements, both current and anticipated, and has no need for liquidity in this investment; and

(e) The Investor can bear and is willing to accept the economic risk of losing the Investor's entire investment in the Interests; and

(f) The Investor is acquiring the Interest for the Investor's own account and for investment purposes only and has no present intention, agreement or arrangement for the distribution, transfer, assignment, resale or subdivision of the Interests; and

(g) The Investor is an "**Accredited Investor**." An "**Accredited Investor**" is:

(1) If a natural person, one of the following:

(i) a person that has (a) an individual net worth, or joint net worth with the Investor's spouse or spousal equivalent, of more than $1,000,000 exclusive of the value of the Investor's primary residence or (b) individual income in excess of $200,000, or joint income with the Investor's spouse or spousal equivalent in excess of $300,000, in each of the two most recent years and has a reasonable expectation of reaching the same income level in the current year; or

(ii) a person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the SEC has designated as qualifying an individual for accredited investor status;

(2) If not a natural person, one of the following:

(i) a corporation, a Massachusetts or similar business trust, a partnership or limited liability company, not formed for the specific purpose of acquiring an Interest, with total assets in excess of $5,000,000;

(ii) a trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring an Interest and whose purchase is directed by a person who has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits and risks of an investment in an Interest;

(iii) a broker-dealer registered pursuant to section 15 of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**");

(iv) an investment company registered under the Investment Company Act of 1940, as amended (the "**Investment Company Act**");

(v) a business development company (as defined in section 2(a)(48) of the Investment Company Act);

(vi) a Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958;

(vii) a Rural Business Investment Company as defined in section 384A of the Consolidated Farm and Rural Development Act;

(viii) a private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940, as amended (the "**Investment Advisers Act**");

(ix) a bank as defined in section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity;

(x) an investment adviser registered pursuant to section 203 of the Investment Advisers Act or registered pursuant to the laws of a state or an investment adviser relying on the exemption from registering with the SEC under section 203(l) or (m) of the Investment Advisers Act;

(xi) (A) a family office, as defined in rule 202(a)(11)(G)–1 of the Investment Advisers Act, with assets under management in excess of $5,000,000, that is not formed for the specific purpose of acquiring an Interest, and whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of an investment in an Interest, or (B) a family client, as defined in rule 202(a)(11)(G)–1 of the Investment Advisers Act, of a family office meeting the requirements described in the preceding clause (A) and whose purchase is directed by such family office; or

(xii) an entity in which all of the equity owners are Accredited Investors.

In addition, the SEC has issued certain no action letters and interpretations in which it deemed certain trusts to be Accredited Investors, such as trusts where the trustee is a bank as defined in section 3(a)(2) of the Securities Act and revocable grantor trusts established by individuals who meet the requirements of clauses (a) or (b) of paragraph (g)(1)(i) above. However, these no-action letters and interpretations are very fact specific and should not be relied upon without close consideration of your unique facts.

For purposes of this definition, "**net worth**" means the excess of total assets at fair market value over total liabilities, except that the value of the principal residence owned by a natural person will be excluded for purposes of determining such natural person's net worth. In addition, for purposes of this definition, the related amount of indebtedness secured by the primary residence up to the primary residence's fair market value may also be excluded, except in the event such indebtedness increased in the sixty (60) days preceding the purchase of Interests and was unrelated to the acquisition of the primary residence, then the amount of the increase must be included as a liability in the net worth calculation. Moreover, indebtedness secured by the primary residence in excess of the fair market value of such residence should be considered a liability and deducted from the natural person's net worth.

In addition, each Investor and each subsequent transferee must represent that the Interests are not being purchased by or on behalf of any tax-exempt entity, including but not limited to any qualified employee pension or profit-sharing trust, any individual retirement account, Simple 401(k) plan, annuity or charitable remainder trust.

Representations with respect to the foregoing and certain other matters must be made by each Investor in the Investor Questionnaire and Purchase Agreement, a form of which is attached hereto as Exhibit C. The Trust will rely on the accuracy of each person's or entity's representations set forth therein and may require additional evidence that any such person or entity meets the applicable standards at any time prior to the Trust's acceptance of the Purchase Agreement. An Investor is not obligated to supply any information requested by the Trust, but the Trust may reject any Investor who fails to supply any information so requested.

Prospective Investors that do not meet the requirements described above must not read further and must immediately return this Memorandum to the Trust or the applicable broker-dealer. If the prospective Investor does not meet such requirements, this Memorandum does not constitute an offer to sell the Interests to the prospective Investor.

Also, each prospective Investor must represent and warrant that:

The Investor understands that neither the Sponsor nor the Trust has obtained a ruling from the IRS that the Interests will be treated as undivided interests in real estate as opposed to partnership interests or interests in another entity that is separately taxable rather than disregarded for tax purposes. The Investor understands that the tax consequences of an investment in an Interest, especially the qualification of the Interests under Section 1031, are complex and vary with the facts and circumstances of each individual Investor. The Investor represents and warrants that: (i) the Investor has consulted his, her or its own independent tax advisor regarding an investment in an Interest and the qualification of the transaction under Section 1031, (ii) the Investor is not relying on (a) the Trust, the Sponsor, any of their respective affiliates, or their agents, including their counsel and accountants, or (b) any broker-dealer, or the representatives of a broker-dealer through whom the Interest is purchased, for any tax advice regarding the qualification of the Interest under Section 1031 or any other matter, and (iii) except as expressly provided in the Tax Opinion, a copy of which is attached hereto as Exhibit B to this Memorandum, which is based on numerous assumptions and qualifications that may not be applicable to the Investor, the Investor is not relying on any statements made in this Memorandum regarding the qualification of the Interests under Section 1031.

Trust's Discretion to Accept Investors

The investor suitability requirements stated above represent the Trust's minimum suitability requirements for Investors. However, satisfaction of these requirements by any person or entity will not necessarily mean that an Interest is a suitable investment for such person or entity, or that the Trust will accept such person or entity as an Investor. Furthermore, the Trust, as appropriate, may modify such requirements, and such modification may raise the suitability requirements for Investors.

The written representations made by the prospective Investors will be reviewed to determine the suitability of such person or entity for investment in the Trust. The Trust may refuse an offer to purchase the Interests if the Trust believes that a person or entity does not meet the applicable investor suitability requirements or the Interests otherwise constitute an unsuitable investment for a person or entity for any legal reason.

HOW TO PURCHASE

The Interests may only be purchased by Accredited Investors, as described above in "WHO MAY INVEST." Prospective Investors must carefully read this Memorandum. Each prospective Investor will be required to return to the Trust an executed copy of a (1) complete and accurate Investor Questionnaire (the "**Investor Questionnaire**") and Purchase Agreement (the "**Purchase Agreement**"), a form of which is attached as Exhibit C to this Memorandum, together with the documentary evidence of accredited investor status specified in the Purchase Agreement and (2) signature page to the Trust Agreement, the form of which is attached to the Investor Questionnaire.

Upon receipt of such documents and verification of the prospective Investor's investment qualifications, the Trust will elect whether to accept the prospective Investor's investment. Upon the Trust's acceptance of a prospective Investor for the purchase of an Interest, the Trust will so notify the prospective Investor.

Investors whose subscriptions are accepted by the Trust must remit the entire purchase price for their Interests to an account designated by the Sponsor. Unless otherwise directed by the Trust, the documents should be e-mailed to the Trust and then originals should be delivered to the transfer agent for the Trust as follows:

BV Ernest Health Neuro Rehab DST
c/o Great Lakes Fund Solutions
500 Park Ave, Suite 114
Lake Villa, Illinois 60046
Email: ir@bvcapitaltx.com

Prospective Investors may be accepted or rejected by the Trust at any time within 30 days of receipt of the foregoing documents. Any proposed purchase of Interests not accepted within 30 days of receipt shall be deemed rejected. Prospective Investors cannot acquire Interests if the Trust does not approve such purchase. If approved by the Trust, the Investor must deliver the full amount of the purchase price prior for their Interests to the Trust by wiring such funds or by delivering a check for the purchase price made payable to the Trust. *See* "SUMMARY OF THE PURCHASE AGREEMENT."

i) If the prospective Investor's investment is part of a Section 1031 Exchange – The Trust and the qualified intermediary (the holder of the exchange proceeds from the prospective Investor's Relinquished Property) will coordinate the payment for the purchase of the Interests. Upon receiving the Investor Questionnaire and Purchase Agreement, together with the documentary evidence of accredited investor status specified in the Purchase Agreement, and the necessary instructions from the Trust, the qualified intermediary will either wire the funds from the qualified escrow account to the Trust or deliver to the Sponsor, in person or by mail, payment as specified in iii) below.

ii) If the prospective Investor's investment is a direct cash investment – Payment for the purchase of Interests may be made by either wiring the funds directly to the Trust (the preferred method), or by delivering to the Sponsor, in person or by mail, as specified in item iii) below.

iii) Payment – Payment of the subscription amount by ACH, wire or other electronic funds transfer should be sent to the Sponsor as follows:

UMB Bank
928 Grand Blvd
Kansas City, MO 64106

Account Name: Great Lakes Fund Solutions as agent for BV Ernest Health Neuro Rehab DST
Account Number: 9872748484
Routing Number: 01000695

If payment will be sent by check, such funds shall be designated as payable to BV Ernest Health Neuro Rehab DST and sent to:

Great Lakes Fund Solutions, Inc.
500 Park Avenue, Suite 114
Lake Villa, IL 60046.
See "SUMMARY OF THE PURCHASE AGREEMENT" and "PLAN OF DISTRIBUTION."

Closing of the purchase will take place at the above address and the executed documents will be forwarded to the Investor.

SUMMARY OF THE OFFERING

The following summary provides selected information regarding the Trust, the Property and this Offering and should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Memorandum, including the Exhibits hereto, and the documents available in the Investor Data Room. Each prospective Investor must carefully read the entire Memorandum before investing in the Interests.

Terms of the Offering:

The Trust is offering to Investors up to $77,667,582 in Interests, representing one hundred percent (100%) of the Interests in the Trust. The Minimum Exchange Investment is $100,000 for Section 1031 Investors acquiring an Interest by means of a Section 1031 Exchange. The Minimum Cash Investment is $50,000 for Cash Investors acquiring an Interest without a Section 1031 Exchange. The Trust may waive the minimum investment requirements in its discretion.

The Offering is designed for, but not limited to, Investors seeking to participate in a Section 1031 Exchange. No assurances, however, can be made that any particular prospective Investor's purchase of the Interests will qualify under Section 1031 as each prospective Investor's situation is unique.

As of the date of this Memorandum, the Depositor owns 100% of the beneficial interests in the Trust and is the sole beneficiary of the Trust. The Trust acquired the Property in connection with its execution of the Ground Lease and acquisition of the Improvements.

The Offering is being made for purposes of returning to the Depositor its capital contributions and reducing the Depositor's beneficial ownership in the Trust, establishing reserves, and paying all related fees and expenses. If any Interests cannot be sold, the Depositor and/or its affiliate will own the remaining Interests, provided that the holder of such unsold Interests (whether the Depositor or otherwise) reserves the right to sell or otherwise transfer such unsold Interests, to persons affiliated with the Sponsor or otherwise, whether pursuant to a secondary offering or otherwise. The Interests owned will be held for investment purposes and not for resale.

The Offering will terminate on or before the earlier of April 30, 2026 (which date is subject to extension by the Sponsor), or the date on which all $77,667,582 of the Interests offered hereby have been sold. *See* "PLAN OF DISTRIBUTION."

Business Objectives:

The principal objectives of the Trust are to (1) distribute to the Investors annual cash flows, as described in the Financial Forecast attached as Exhibit F to this Memorandum; (2) manage the Property in a manner consistent with prudent real estate management in order to maintain the Property's long-term value; and (3) sell the Property. **There can be no assurance that any of these objectives will be achieved.**

The Sponsor believes that an investment in the Trust offers the following benefits:

- **High Quality Property**
  - Sacramento Rehabilitation Hospital (https://srh.ernesthealth.com/) is a newly constructed, two-story, 59,508-square foot state-of-the-art inpatient rehabilitation facility and is Sacramento's only neuro-specialty rehabilitation facility.
- **Nationally Recognized Tenant**
  - The Tenant, Sacramento Rehabilitation Hospital, LLC, is an affiliate of Ernest Health (www.ernesthealth.com), which operates a network of rehabilitation and long-term acute care hospitals.
  - The majority of Ernest Health's eligible medical rehabilitation hospitals including the Sacramento Rehabilitation Hospital have been ranked nationally in the top 10%

for patient-centered, efficient, timely, and effective care.[1] This distinction underscores their commitment to delivering high-quality rehabilitative services.

- Tenant has active overflow agreements with other healthcare providers, such as Kaiser Permanente and UC-Davis Medical Center.

– **Long-Term Triple Net Lease to a Medical Tenant with Rent Escalations**

- The Property is 100% leased to the Tenant, Sacramento Rehabilitation Hospital, LLC, a Delaware limited liability company, through January 2043 (approximately eighteen (18) years remaining term of the Lease as of the date of this Memorandum).
- The Tenant is responsible for substantially all operating expenses for the Property.

Investors must read and carefully consider the discussion set forth below in the section captioned "RISK FACTORS" in this Memorandum.

Property – Description: The Trust owns a ground leasehold interest in the Land (i.e., approximately 6.23 acres of land located at 10 Advantage Court, Sacramento, California 95834) and a fee simple interest in the Improvements. The Property is commonly known as "Sacramento Rehabilitation Hospital," which consists of a two-story, 59,508-square foot building. The Property is one hundred percent (100%) leased to the Tenant.

Certain general information about the Property is summarized in the following table:

Address	Land Area*	Approximate SF of Building*	Year Built	Parking*
10 Advantage Court Sacramento, California, 95834	6.23 acres	59,508	2022	156 total (including 30 ADA)

* References in this Memorandum to the acreage of the Property, the number of parking spaces, and the square footage of the Property building are based on the Assessment (as defined herein), a copy of which is available in the Investor Data Room.

See "DESCRIPTION OF THE PROPERTY" for additional information.

Property – The Ground Lease: The Trust is the tenant under the Ground Lease. The Ground Lease has a term of 60 years, which commenced on April 16, 2025 and terminates on March 30, 2085 with no extensions. The Trust's rental obligations under the Ground Lease consist of "**Base Rent**" and "**Additional Rent**," each as defined below (Base Rent and Additional Rent are collectively referred to herein as "**Rent**"). The current base rent ("**Base Rent**") on the Ground Lease is (i) $25,000 per year commencing in Lease Year 2 (March 31, 2026) of the lease through Lease Year 25 (March 31, 2049), and (ii) $500,000 commencing Lease Year 26, and for each subsequent Lease Year through Lease Year 60, 103% of the annual rent for the prior Lease Year until the end of the term. The current additional rent ("**Additional Rent**") consists of real estate taxes and certain expenses with respect to the Property, and further includes the obligation to satisfy the PACE Assessments, but only insofar as such PACE Assessment payment obligations have been assumed by the Tenant pursuant to the Lease, it being understood and agreed that to the extent the obligation to make PACE Assessment payments have not been assumed by the Tenant pursuant to the Lease they remain an obligation of the Ground Lessor and not the Trust. Rent on the Ground Lease will be paid in equal monthly installments, in advance, commencing on the first day of each month.

The Ground Lessor has certain rights to "tag along" in the event of a sale by the Trust of the Improvements and its leasehold rights under the Ground Lease, and to "drag along" the Trust and require a sale of the Improvements and its leasehold rights under the Ground Lease in the event

[1] https://ernesthealth.com/national-recognition/

the Tenant does not renew the Lease prior to the end of its unextended term. In addition, upon the expiration or other termination of the Ground Lease, the Ground Lessor will be required to reimburse the Trust for the then-fair market value of the Improvements. *See* "SUMMARY OF THE GROUND LEASE – *Tag Along and Drag Along Rights of Ground Lessor*" for additional information.

The Ground Lease is an absolute net lease. Ground Tenant shall pay or shall cause the Tenant to pay pursuant to the Lease as additional rent all expenses of every kind and nature whatsoever relating to or arising from the Improvements, including impositions, and all expenses arising from the leasing, operation, management, construction, maintenance, repair, use, and occupancy of the Improvements, except as otherwise expressly provided in this Lease ("**Additional Rent**").

A copy of the Ground Lease is available in the Investor Data Room.

See "SUMMARY OF THE GROUND LEASE" and "RISK FACTORS – *Real Estate Risks*" for additional discussion regarding the Ground Lease.

Property – Acquisition and Financing:

In connection with its execution of the Ground Lease and acquisition of the Improvements, the Trust acquired the Property on April 16, 2025 from the Ground Lessor (in such capacity the Contributor), for a contribution value of $67,750,000. Prior to the execution of the Ground Lease the Property received $14,948,669.76 in PACE Financing from the Authority. In exchange, the Authority is required to be paid a yearly PACE Assessment of $1,164,772.12 through the 2046/47 tax year. Pursuant to the Lease, the Tenant has assumed full financial responsibility to pay the PACE Assessments. Nevertheless, if the Lease expires prior to, or is not extended to such time as, the full satisfaction of all PACE Assessments has occurred, the Ground Lessor and not the Trust will be financially responsible for making such payments. Accordingly, the Ground Lessor and not the Trust is the financial obligor with respect to the PACE Financing. In addition, as of the date of this Memorandum, the Construction Loan remains outstanding and will be repaid by the Depositor in part with the proceeds of this Offering.

See "ACQUISITION AND FINANCING OF THE PROPERTY – *Acquisition Terms*" for additional discussion regarding the acquisition of the Property.

Lease:

The Property is subject to the Lease with the Tenant, pursuant to which the Tenant leases one hundred percent (100%) of the Property. In connection with the acquisition of the Property, the Trust will assume the Lease.

General information regarding the Lease is summarized below:

Approximate SF of Building	Initial Term	Renewal Options	Current Monthly Base Rent (1/5/25 to 1/4/26)
59,508*	20 years commencing January 5, 2023	two (2) additional periods of ten (10) years each	$369,083.33 per month

* The square footage is based on the survey, a copy of which is available in the Investor Data Room.

Epoch Acquisition, Inc., a Delaware corporation (the "**Guarantor**"), has guaranteed the full and faithful performance of the Lease by the Tenant.

See "DESCRIPTION OF THE TENANT AND LEASE" for additional information.

Reserve Account:

The Trust will maintain a capital expense reserve account (the "**Trust Capital Reserve**") and a general reserve account (the "**Trust Reserve**," together with the Trust Capital Reserve, the "**Reserve Account**") to make funds available for capital expenditures and unanticipated costs relating to the Property and the Trust. The Trust will make an initial contribution of $1,250,000 (comprised of $250,000 of Trust Capital Reserve and $1,000,000 of Trust Reserve) which will

be from proceeds of the Offering as set forth in the Financial Forecast attached to this Memorandum as Exhibit F. If additional reserves are needed, the Administrative Trustee may withhold distributions from the Trust to the Investors, thereby reducing targeted distributions. *See* "RISK FACTORS – *Risks Related to the Management of the Property*."

Any interest earned on the funds in the Reserve Account will be retained as additional reserves. Any amounts remaining in the Reserve Account upon the sale of the Property will be distributed to the Investors (and any other holders of Interests) based on their respective pro rata Interests.

Trust Agreement:

The Trust is governed by the Trust Agreement, a copy of which is attached as Exhibit A to this Memorandum. The Trust Agreement sets forth the rights and duties of the Investors and the Trustees (as hereinafter defined) with respect to the Property. Pursuant to the Trust Agreement, Investors do not have any say in the operation and ownership of the Property. The Administrative Trustee is responsible for the operation of the Trust and the Property. Sorensen Entity Services LLC, a Delaware limited liability company, serves as co-trustee of the Trust (the "**Delaware Trustee**" and, together with the Administrative Trustee, the "**Trustees**"). *See* "MANAGEMENT – *Asset Management*" for information regarding the Administrative Trustee.

The Trust is responsible for paying an affiliate of the Administrative Trustee certain compensation, as described in "COMPENSATION OF THE SPONSOR, ITS AFFILIATES, AND PROPERTY MANAGER – *Asset Management Fees*" and "COMPENSATION OF THE SPONSOR, ITS AFFILIATES, AND PROPERTY MANAGER – *Disposition Fees.*"

The Administrative Trustee and the Depositor are wholly-owned subsidiaries of the Sponsor. *See* "SPONSOR AND PRIOR PERFORMANCE" for information regarding the Sponsor.

In connection with each Investor's purchase of Interests, the Investor will be required to enter into the Trust Agreement. The Trust will convey the respective Interests to each Investor by issuing each Investor an assignment of beneficial interest. However, pursuant to the Trust Agreement, which was designed to meet the parameters of Revenue Ruling 2004-86, 2004-2 C.B. 191, issued by the IRS, the Investors who own the beneficial interests in the Trust are not permitted to have any voting rights with respect to the operation and ownership of the Property.

Under the Trust Agreement, if: (1) the property of the Trust, including the Property (the "**Trust Property**") or any portion thereof is subject to a casualty, condemnation or similar event that is not adequately compensated for through insurance or otherwise sufficient to permit restoration of the Trust Property to the same condition as previously existed; (2) the Administrative Trustee determines that the Investors are at risk of losing all or a substantial portion of their investment in the Interests; (3) the Tenant does not exercise its right to extend the Lease or is in default of its obligations under the Lease, and in each such case the Administrative Trustee is prohibited from taking action to cure or mitigate such events because such action would "vary the investment" of the Investors, the Administrative Trustee shall terminate the Trust by converting it into a limited liability company (a "**Springing LLC**"). As a result of such transaction, referred to herein as a "**Transfer Distribution**," each of the Investors would become a member of the new Springing LLC, owning an interest in the Springing LLC identical to its Interests in the Trust, and the Administrative Trustee would become the manager of the Springing LLC (the "**LLC Manager**"). As a result of distributing tenant-in-common interests in the Trust Property to the Investors in proportion to their ownership of the Trust, such interests (and the Investors) would be subject to an agency and/or co-ownership arrangement and other agreements that are in form and substance satisfactory to the Administrative Trustee as determined in its discretion and materially consistent with the terms and conditions set forth in IRS Revenue Procedure 2002-22 or such other IRS guidance as may apply to the treatment of tenancy-in-common arrangements as direct interests in the underlying property for purposes of Code Section 1031.

As a result of the foregoing transactions, actions could be taken to conserve and protect the Property that could not have been taken otherwise.

Conflicts and Compensation of the Sponsor and Affiliates:

Affiliates of the Sponsor serve in various capacities with respect to the Trust and the management of the Trust and the Property, as summarized below and discussed throughout this Memorandum.

- Controlling interests in the Trust, the Depositor, and the Contributor/Ground Lessor are held by Bridgeview Vibra LLC, a Texas limited liability company and affiliate of the Sponsor.
- BV Asset Management, LLC, a Texas limited liability company and an affiliate of the Sponsor (the "**Asset Manager**"), serves as the asset manager.
- The Administrative Trustee is a wholly-owned subsidiary of the Sponsor. See "SUMMARY OF THE TRUST AGREEMENT – *Authority and Duties of the Trustees*."

The Sponsor, the Asset Manager, the Contributor/Ground Lessor and certain affiliates of the Sponsor will receive substantial fees and compensation from the Offering and the operation of the Property and will have conflicts of interest, as described in this Memorandum. *See* "COMPENSATION OF THE SPONSOR, ITS AFFILIATES AND THE ASSET MANAGER," "CONFLICTS OF INTEREST" and "RISK FACTORS – *Risks Related to the Management of the Property*."

Investor Suitability:

Investment in the Interests involves a high degree of risk and is suitable only for persons of substantial financial means who have no need for liquidity and who can afford to lose their entire investment. The Trust will only accept a subscription from an Accredited Investor who satisfies the investor suitability requirements set forth herein and who must provide documentary evidence demonstrating that they are Accredited Investors. The Trust will not accept subscriptions made by or on behalf of (i) non-United States investors, or (ii) tax-exempt entities, including but not limited to qualified employee pension and profit-sharing trusts, individual retirement accounts, Simple 401(k) plans, annuities and charitable remainder trusts. *See* "WHO MAY INVEST" for more information.

Use of Proceeds:

The Offering is being made for purposes of returning to the Depositor its capital contributions (which the Depositor will use to repay the Construction Loan and to return capital provided by the Bridge Capital Providers and Bridgeview Vibra LLC) and reducing the Depositor's beneficial ownership of the Trust, establishing reserves and paying all related fees and expenses. *See* "ESTIMATED SOURCES AND USES OF PROCEEDS" and "COMPENSATION OF THE SPONSOR AND ITS AFFILIATES."

Purchase of an Interest:

The Interests may only be purchased by Accredited Investors, as described in "WHO MAY INVEST." Prospective Investors must carefully read this Memorandum. To purchase an Interest, a prospective Investor will be required to return to the Trust an executed copy of a (1) complete and accurate Investor Questionnaire and Purchase Agreement, the form of which is attached hereto as Exhibit C, and (2) signature page to the Trust Agreement, the form of which is attached to the Investor Questionnaire. Prospective Investors may be accepted or rejected by the Trust at any time within thirty (30) days of receipt of the foregoing documents. Any proposed purchase of Interests not accepted within thirty (30) days of receipt shall be deemed rejected. Prospective Investors cannot acquire Interests if the Trust does not approve such purchase. If approved by the Trust, the Investor must deliver the full amount of the purchase price for their Interests to an account designated by the Sponsor and satisfy certain other closing conditions set forth in the Purchase Agreement. *See* "SUMMARY OF THE PURCHASE AGREEMENT," "HOW TO PURCHASE" and "PLAN OF DISTRIBUTION."

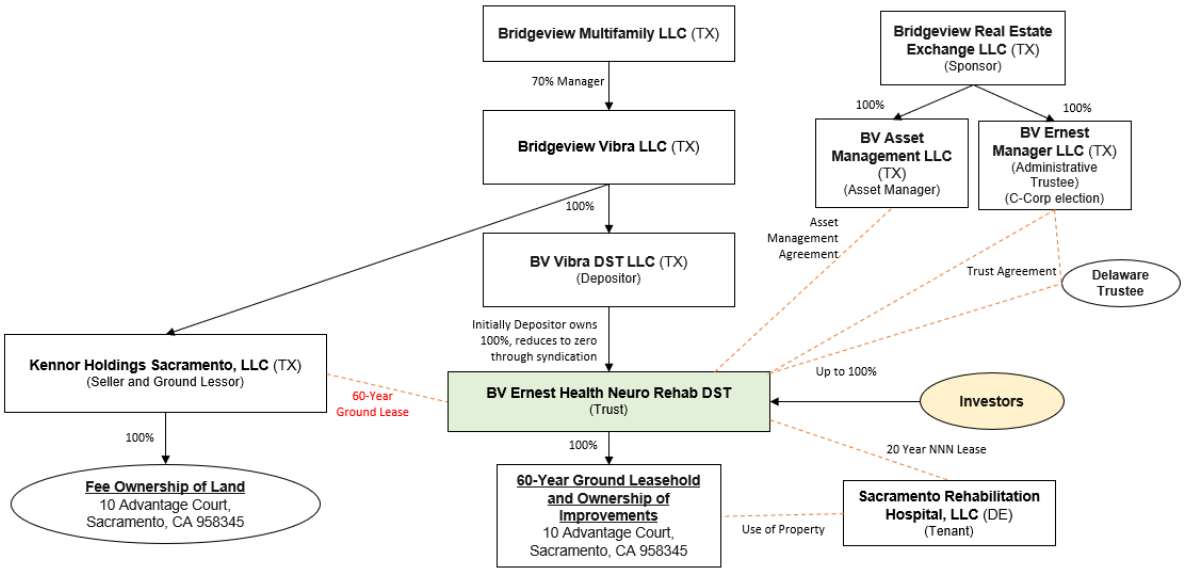
Sale or Transfer of Interests:

The Interests are being offered and sold pursuant to exemptions from the registration provisions of federal and state law. Accordingly, the Interests are subject to restrictions on transfer. The Trust Agreement contains additional restrictions on transfer. *See* "SUMMARY OF THE TRUST AGREEMENT – *Restrictions on Transfer of Interests*." If an Investor is able to sell the Investor's

Interest, the Investor and the Investor's purchaser(s) will bear the costs, if any, of the sale or transfer.

Tax Considerations: Tax counsel to the Trust ("**Special Tax Counsel**") has provided a tax opinion (the "**Tax Opinion**") that the acquisition of the Interests by an Investor **should** be treated as a direct acquisition of the Property for purposes of Section 1031. The Tax Opinion is specifically limited to the treatment of an Interest for purposes of Section 1031, however, and does not address any other tax issues that may be of interest to Investors based on their own particular circumstances. Accordingly, all prospective Investors must consult their own independent legal, tax, accounting and financial advisors and must represent in the Purchase Agreement that they have done so as an investment requirement. In addition, the Tax Opinion has been provided to the Trust to support the marketing of the Interests, and is not intended to be used and cannot be used to avoid penalties that may be imposed under federal tax law (although other facts can be used to avoid penalties, such as evidence of an Investor's good faith reliance on advice of his, her or its own independent counsel or the existence of substantial legal authority). *See* the Tax Opinion, a copy of which is attached hereto as Exhibit B to this Memorandum, "FEDERAL INCOME TAX CONSEQUENCES" and "RISK FACTORS - *Tax Risks*" for additional discussion regarding tax considerations.

ORGANIZATIONAL CHART



SUMMARY OF THE PURCHASE AGREEMENT

General

Each Investor will be required to execute a complete and accurate Investor Questionnaire and Purchase Agreement, the forms of which are available in the Investor Data Room. Prospective Investors should review the entire Investor Questionnaire and Purchase Agreement with their own independent legal counsel before submitting an offer to purchase an Interest. Except as set forth in this section below in "*Termination of the Purchase Agreement*," the execution of the Investor Questionnaire and Purchase Agreement and tender of the requisite amount of money will constitute an irrevocable offer to purchase an Interest. The following is merely a summary of some of the significant provisions of the Purchase Agreement and is qualified in its entirety by reference thereto.

The following is merely a summary of some of the significant provisions of the Purchase Agreement and is qualified in its entirety by reference thereto.

Each prospective Investor will be required to acknowledge and represent in the Purchase Agreement that the prospective Investor is acquiring the Interest for investment purposes and not with a view for resale or distribution. Further, each prospective Investor must acknowledge and represent that the prospective Investor is aware of the risks inherent in an investment such as the Interest, including, without limitation, the risks set forth in this Memorandum.

Submission of Offer to Purchase

A summary of the procedures for the offer and purchase of an Interest is set forth in the section of this Memorandum entitled "HOW TO PURCHASE." Investors should read that section in its entirety.

Closing

Each prospective Investor will be required to return to the Trust an executed copy of a (1) complete and accurate Investor Questionnaire and Purchase Agreement, the forms of which are available in the Investor Data Room, and (2) signature page to the Trust Agreement, the form of which is attached to the Investor Questionnaire. Prospective Investors may be accepted or rejected by the Trust at any time within thirty (30) days of receipt of the foregoing documents. Any proposed purchase of Interests not accepted within thirty (30) days of receipt shall be deemed rejected.

If approved by the Trust, the Investor must deliver the full amount of the purchase price prior to the close of Escrow and satisfy certain other closing conditions set forth in the Purchase Agreement. All payments made by any prospective Investor to the Trust will be delivered to and retained in escrow by the Escrow Agent or the Sponsor, pending closing on the purchase of the Interest. Further, if the Investor Questionnaire and the accompanying Purchase Agreement are received prior to the Closing Date, until the Trust is ready to transfer the funds needed in connection with the acquisition of the Property and close on such transaction, all subscription funds will be held in escrow by the Escrow Agent.

Within a reasonable time after closing the purchase of the Interests by an Investor, a confirmation statement reflecting the Interests purchased will be delivered to each Investor. *See* "PLAN OF DISTRIBUTION."

Termination of the Purchase Agreement

In general, a purchase of Interests is irrevocable and may not be canceled, terminated or revoked. The Purchase Questionnaire and the Purchase Agreement will survive the death or disability of the Investor and will be binding upon and inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives and assigns.

An Investor's Purchase Agreement will be terminated: (a) if a prospective Investor is not accepted by the Trust, or (b) if the Trust terminates the Offering for any reason.

If an offer to purchase is rejected in whole or in part, or if the Trust terminates the Offering for any reason, the prospective Investor will have no right to acquire an Interest in the Trust and will have no claims against the Trust for damages, expenses, lost profits or otherwise.

No Tax Advice

Other than the Tax Opinion issued by the Trust's Special Tax Counsel, a copy of which is attached hereto Exhibit B, the Investors will acquire their Interests without any representations from the Trust regarding the tax implications of the transaction. Each Investor should consult his, her or its own independent attorneys and other tax advisors regarding the tax implications of the Investor's acquisition of the Interests, including whether such acquisition will qualify as part of a proposed Section 1031 Exchange, if one is contemplated. *See* "FEDERAL INCOME TAX CONSEQUENCES."

Indemnity

The Purchase Agreement contains an indemnity provision whereby each Investor will be required to indemnify, defend and hold harmless the Trust, its beneficiaries, the Administrative Trustee and certain other parties from any and all damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees and costs) that they may incur by reason of the Investor's failure to fulfill all of the terms and conditions of the Investor Questionnaire and Purchase Agreement or untruth or inaccuracy of any of the representations, warranties, covenants or agreements contained therein.

Arbitration

Each Investor voluntarily waives the right to have any dispute arising out of the Investor Questionnaire and Purchase Agreement litigated in a court or decided by jury trial. Any dispute or controversy arising out of, or relating to, the Purchase Agreement will be resolved by final and binding arbitration brought in Dallas County, Texas.

SUMMARY OF THE TRUST AGREEMENT

The Trust is governed by the Trust Agreement, a copy of which is attached as Exhibit A to this Memorandum. As of the date of this Memorandum, the sole beneficiary of the Trust is the Depositor. The Delaware Trustee of the Trust is Sorensen Entity Services LLC and serves as co-trustee of the Trust. The Administrative Trustee of the Trust is BV Ernest Manager LLC, a Texas limited liability company and an affiliate of the Sponsor. The rights and obligations of the Investors and Trustees with respect to the Property are governed by the Trust Agreement.

EACH PROSPECTIVE INVESTOR SHOULD REVIEW THE ENTIRE TRUST AGREEMENT, A COPY OF WHICH IS ATTACHED AS EXHIBIT A, BEFORE INVESTING. THE SUMMARY BELOW IS A SUMMARY OF SOME OF THE SIGNIFICANT PROVISIONS OF THE TRUST AGREEMENT. IT IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE FULL TEXT THEREOF.

Purpose of the Trust

The purposes of the Trust are: (1) to acquire and own the Property and any related personal property; (2) to enter into and comply with the terms of the Transaction Documents; (3) to conserve, protect, manage and dispose of the Property; and (4) take those actions that the Trustees determine are necessary or advisable to carry out such purposes. The term "**Transaction Documents**" is defined in the Trust Agreement as the Trust Agreement, and the Lease.

Term of the Trust

The Trust will terminate upon the earlier of: (a) December 31, 2075; or (b) the sale or other disposition of the Property.

Authority and Duties of the Trustees

The Trustees have the sole authority to manage, control, dispose of or otherwise deal with the Trust Property in a manner that is consistent with their duty to conserve and protect the Trust Property. The Trustees will not be individually liable for their actions except: (1) in the event of their own willful misconduct or gross negligence; (2) for the inaccuracy of their representation that the Trust Agreement has been authorized, executed and delivered by each of the Trustees; (3) for engaging in any Prohibited Action (as defined below); (4) for their failure to use ordinary care in disbursing monies to Investors pursuant to the terms of the Trust Agreement; and (5) for their own income taxes based on fees, commissions or compensation received in the capacity of the Trustees. The Trustees will be indemnified by the Trust from and against any liabilities, losses, claims, suits and expenses (including reasonable legal fees) that may be incurred or asserted against the Trustees in connection with the operation of the Trust or the Trust Property. Such indemnification does not apply, however, if the claim, suit or liability results from any action of the Trustees described in clauses (1) through (5) above. To the fullest extent permitted by law, the Trustees will be entitled to advancement of expenses incurred in defending a claim prior to its final disposition, subject to repayment if a court renders a final, non-appealable judgment that the applicable Trustee is not entitled to indemnification.

The duties of the Delaware Trustee are limited to acting as Trustee in the State of Delaware to satisfy the requirement of the Delaware Statutory Trust Act that the Trust have at least one Trustee with a principal place of business in Delaware.

All other duties reside with the Administrative Trustee, including, but not limited to: (1) acquiring, owning, conserving, protecting and selling the Trust Property; (2) entering into or assuming and complying with the terms of the Ground Lease, the Lease and other Transaction Documents; (3) collecting rents and making distributions to Investors; (4) conserving the Trust Property in a manner consistent with its duty to conserve and protect the Trust Property as provided in the Trust Agreement; (5) entering into agreements to enable Investors to complete Section 1031 Exchanges; (6) notifying relevant parties of any default by them under the Transaction Documents; (7) solely in the event of a bankruptcy or insolvency of the Tenant, renegotiating the Lease or entering into a new lease or renegotiating or refinancing any debt secured by the Property; (8) taking any action which, in the reasoned opinion of tax counsel to the Trust, should not have an adverse effect on the treatment of the Trust as an "investment trust" within the meaning of Treasury Regulation Section 301.7710-4(c).

Compensation and Reimbursement of the Trustees and Affiliates of the Sponsor

The Trust is required to pay the Delaware Trustee an initial fee, monthly fees, and document execution fees for its services. The Administrative Trustee serves in such capacity without compensation. The Trustees are entitled to be reimbursed for all reasonable expenses incurred or advanced in connection with the performance of their duties under the Trust Agreement or any other agreement that the Trustees enter into for the benefit of the Trust.

The Trust is required to pay the Asset Manager, certain compensation for its services, as described in "COMPENSATION OF THE SPONSOR AND ITS AFFILIATES – *Asset Management Fees*" and "COMPENSATION OF THE SPONSOR AND ITS AFFILIATES – *Disposition Fees.*"

Limitation on Authority of the Trustees

To protect the tax-free exchange status for the Investors under Section 1031, the Trust Agreement prohibits the Trustees from taking any of the following actions, provided, however, that such prohibition will apply only if such action would constitute a power to "vary the investment" of the Investors as defined by Treasury Regulation Section 301.7701-4(c)(1) (any such action, a "**Prohibited Action**"). Specifically, actions that may constitute Prohibited Actions include: (1) reinvesting money held by the Trust except as provided in the Trust Agreement; (2) entering into new financing or renegotiating the Lease or entering into a new lease except in the event of the bankruptcy or insolvency of the Tenant; (3) making other than minor non-structural modifications of the Property other than as required by law; (4) after the formation and capitalization of the Trust, accepting any additional capital contributions from any Investor, or any contributions from any prospective new investor; or (5) taking any other action, including with respect to the Ground Lease, that, in the reasoned opinion of tax counsel to the Trust, should be expected to cause the Trust to be treated as a "business entity" for federal income tax purposes.

Authority of Investors

Because the Trust Agreement is designed to meet the parameters of Revenue Ruling 2004-86 issued by the IRS and other relevant regulatory and judicial requirements with respect to the Delaware statutory trust, Investors are not permitted to have any vote over the operation and ownership of the Property, including deciding when to sell the Property.

Investors holding a majority of the Interests may remove a Trustee only if the Trustee has engaged in willful misconduct, fraud or gross negligence with respect to the Trust as determined by a final, nonappealable judgment of a court of competent jurisdiction ("**Cause**"); provided however, that a Trustee may not be removed without the consent of the Administrative Trustee (even if for cause) until the Administrative Trustee and its affiliates have been fully removed from any guarantee and indemnity obligations they may have with respect to any loan to the Trust. Upon the resignation or removal of a Trustee, Investors holding a majority of the Interests may appoint a successor Trustee.

Distributions

The Investors will be entitled, based on their respective Interests, to monthly cash distributions, net of amounts required to pay and reimburse the Trustees, and to retain amounts necessary to pay anticipated ordinary current and future expenses of the Trust. Such cash flow will be distributed on a monthly basis. Amounts retained may be invested only in certain short-term government obligations or certificates of deposit in banks or trust companies having a minimum stated capital and surplus of $50,000,000.

Restrictions on Transfer of Interests

No Interest, or any portion thereof, may be assigned, pledged, encumbered or transferred without the prior consent of the Administrative Trustee. The Administrative Trustee's consent to each proposed transfer is subject to the sole discretion of the Administrative Trustee, including but not limited to, the satisfaction, as determined in the sole discretion of the Administrative Trustee, of the following: (1) the proposed transfer's compliance with all applicable securities laws; (2) a determination that the proposed transfer would not result in the Trust having to register as an investment company under the Investment Company Act of 1940, as amended, or require the Trust or any Trustee to register as an investment adviser under the Investment Advisers Act of 1940, as amended; (3) a determination that the proposed transfer would not cause the Trust Property to become "plan assets" (as defined in the Trust Agreement);

(4) the execution by the proposed transferor and transferee(s) of documents to effectuate the transfer that are satisfactory to the Administrative Trustee; and (5) the payment of all expenses related to the proposed transfer by the transferor or transferee as they may agree. *See* "RISK FACTORS – *Risks Related to the Offering – There is no public market for the Interests*" and "ACQUISITION AND FINANCING – *Financing Terms – Restrictions on Transfer of Interests*" for additional discussion.

Property Rights

The Trust, and not the Investors, holds legal title to the Property. The Investors are not entitled to share in the use of the Property or to any in-kind distribution of the Property.

Termination in Certain Circumstances

Under the Trust Agreement, if: (1) the Trust Property or any portion thereof is subject to a casualty, condemnation or similar event that is not adequately compensated for through insurance or otherwise sufficient to permit restoration of the Trust Property to the same condition as previously existed; (2) the Administrative Trustee determines that the Investors are at risk of losing all or a substantial portion of their investment in the Interests; (3) the Tenant does not exercise its right to extend the Lease or is in default of its obligations under the Lease, and in each such case the Administrative Trustee is prohibited from taking action to cure or mitigate such event because such action would "vary the investment" of the Investors; then the Administrative Trustee shall terminate the Trust by converting it into a Springing LLC. As a result of any Transfer Distribution, each of the Investors would become a member of the new Springing LLC, owning an interest in the Springing LLC identical to its Interests in the Trust, and the Administrative Trustee would become the manager of the Springing LLC. Notwithstanding the Transfer Distribution, the Property would remain subject to the terms of the Lease.

The Administrative Trustee may in its sole discretion terminate the Trust by either: (1) converting the Trust to a Springing LLC; or (2) distributing tenant-in-common interests in the Trust Property to the Investors in proportion to their ownership of the Trust, which interests (and the Investors) would be subject to an agency and/or co-ownership arrangement and other agreements that are in form and substance satisfactory to the Administrative Trustee as determined in its discretion and materially consistent with the terms and conditions set forth in IRS Revenue Procedure 2002-22 or such other IRS guidance as may apply to the treatment of tenancy-in-common arrangements as direct interests in the underlying property for purposes of Code Section 1031.

As a result of the foregoing transactions, actions could be taken to conserve and protect the Property that could not have been taken had the Property continued to have been held by the Trust.

Investor Liability and Bankruptcy

Investors will not have liability for the debts or obligations of the Trust or any other Investor, whether with respect to the Property or otherwise, and the Trust Agreement will not be terminated by reason of the bankruptcy or insolvency of any Investor.

Tax Status of Trust

The Trust Agreement provides that the Trust is intended to qualify as an "investment trust" and a "grantor trust" for federal income tax purposes, and not as a partnership or other business entity. Thus, although the Trust is respected as a separate entity for state law purposes, each Investor should be treated as owning a direct interest in the Property for purposes of Section 1031. *See* "FEDERAL INCOME TAX CONSEQUENCES." Each Investor is required to report its Interests in the Trust in a manner that is consistent with the foregoing.

Sale or Exchange of the Property

The Trust Agreement provides that any sale or other conveyance of the Property or any part thereof by the Administrative Trustee made pursuant to the terms of the Trust Agreement, including but not limited to the contribution of the Property to a partnership in exchange for ownership interests in such partnership in a transaction structured as a tax-deferred contribution of the Property to such partnership under Section 721 of the Code, and the distribution of such ownership interests to the Investors in liquidation of the Trust pursuant to Section 9.01(b) of the Trust Agreement, will bind the Investors and be effective to transfer or convey all rights, title and interest of the Trustees and the Investors in and to the Property.

Disposition Fee

Upon the sale, transfer or other disposition of the Property, excluding a sale in foreclosure or a transfer to a Springing LLC in connection with a Transfer Distribution, the Asset Manager will be entitled to a disposition fee equal to two and one half percent (2.5%) of the gross sales price of the Property (or buyer's assumed fair market value of the Property, if consideration to the Trust for the Property is not rendered in cash), in cash on the closing date of such sale, transfer or other disposition of the Property, which will be in addition to fees payable to any broker payable in connection with the sale of the Property.

The Asset Manager may decide, in its sole discretion, to be paid an amount less than the total amounts to which it is entitled with respect to such disposition fee.

DESCRIPTION OF THE PROPERTY

General Property Information

The Trust owns a ground leasehold interest in the Land (i.e., approximately 6.23 acres of land located at 10 Advantage Court, Sacramento, California 95834) and a fee simple interest in the Improvements, which include a two-story, 59,508-square foot building that is home to the 50-bed Sacramento Rehabilitation Hospital (https://srh.ernesthealth.com/), a state-of-the-art inpatient rehabilitation facility that is Sacramento's only neuro-specialty rehabilitation facility.

Property specific information for the Property is available in the Property Condition Report dated February 3, 2025 (the "**Assessment**"), prepared by Partner Engineering and Science, Inc. ("**PES**"). A copy of the Assessment is available in the Investor Data Room. Additional information concerning the Property is summarized in the tables below.

The following table is a summary of certain general information about the Property:

Address	Land Area*	Approximate SF of Building*	Year Built	Parking*	Zoning
10 Advantage Court Sacramento, California 95834	6.23 acres	59,508	2022	156 total (including 30 ADA)	EC-50-PUD Planned Unit Development Employment Center Zone

* References in this Memorandum to the acreage of the Property, the number of parking spaces, and the square footage of the Property building are based on the Assessment, a copy of which is available in the Investor Data Room.

Detailed Description of the Building

The following description of the Building is based on the description set forth in the Assessment.

The Building's foundations are likely a conventional concrete spread footing system with a reinforced-concrete slab-on-grade over continuous grade beams at the perimeter and isolated pad footings at interior bearing

locations. The Building's frame is likely to be constructed of steel-framing. Upper floors consist of steel-framing with steel decking and concrete topping. The roof consists of steel-framing topped with oriented strand board sheathing. Storm water runoff for the roof is directed to roof drains connected to internal leaders that discharge at grade and directly into the storm drain system. Exterior walls consist primarily of stucco. Windows appear to be double-pane, fixed units in aluminum frames. The main entrance door consists of a pair of aluminum-framed doors with full-height glazing set in an aluminum storefront system with exterior pulls, horizontal exit bars, and deadbolts. Interior stairs are steel framed with precast concrete treads. Open sides are protected by steel pipe guardrails. Steel pipe handrails are located on walls at closed sides. Interior stairs are finished with vinyl.

Flooring consists of vinyl plank. Walls are typically painted gypsum board. Ceilings are typically suspended acoustic times, painted gypsum board, and exposed structure. The Building does not contain any common areas or amenities.

Plumbing piping is copper. Domestic hot water is supplied to tenant spaces by three central gas-fired 100-gallon water heaters manufactured by Buck. Heating and cooling are provided by HVAC packaged units manufactured by Nortek, each with an input capacity of 250 tons, direct expansion HVAC spilt systems manufactured by Daikin and carrier with heat pumps on the roof and a central system consisting of gas-fired hydronic water heaters, a cooling unit, and air handling units.

Electrical service is provided via several pad-mounted utility-owned transformers located in the landscaped areas of the Property. Main electrical service is rated at 2500-amp, 277/480-volt at the main distribution panel. Breaker panels for lighting and power controls are located in the electrical room and the various locations throughout the building interior. Electrical branch wiring is copper. Emergency electrical power is provided by a 750kVA diesel-powered emergency generator manufactured by Cummins.

The Building contains two 5,000-capacity, gearless traction passenger elevators manufactured by ThyssenKrupp. The interior cab finishes consist of vinyl flooring, composite panel and metal wall finishes, and lighting panel ceiling. The control panel was provided with illuminated push button floor indicators, alarm button, and emergency communication. The elevators have audible floor indicators and optical sensors that automatically open doors when an obstruction is encountered.

Electricity is provided by Sacramento Metropolitan Utility District, gas is provided by Pacific Gas & Electric Company and water, storm and sewer are provided by City of Sacramento Department of Utilities.

The fire alarm system consists of sprinkler system flow and tamper switches, pull stations, alarm horn/strobes, and a central panel. Emergency lighting is provided by wall- and ceiling-mounted, battery-operated fixtures. Emergency means of egress locations are indicated by illuminated exit signs. The Building is protected by a steel, wet-pipe automatic sprinkler system. Water is supplied via a fire sprinkler line from the municipal main and is fitted with flow and tamper switches and a backflow prevention device. Stairwells at each floor have a standpipe with fire department connection. A chemical fire suppression system is located in the exhaust hood above the cooking equipment in the kitchen. Fire extinguishers are present in corridors, elevator lobbies, and mechanical/electrical spaces. Fire hydrants are located around parking lot perimeters and near building entrances.

There are a total of 156 parking spaces comprised of 106 regular surface spaces, 10 EV charging stations (2 of which are ADA accessible), 30 ADA spaces (4 of which are van accessible).

Condition of the Property

The Assessment indicates that the Property is in good condition. PES identified certain immediate repairs for the Property totaling $1,500 related to an overdue fire alarm control panel inspection. PES also identified long-term replacement and repair needs for the Property totaling $84,500 in uninflated dollars ($140.83 per bed per year), assuming a twelve-year hold period. These long-term replacement and repair needs consist of asphalt sealing and striping, exterior cleaning, painting, and sealing, and replacing the interior of the two elevator cabs. *See* "DESCRIPTION OF THE TENANT AND LEASE" for information regarding the obligations of the Trust and of the Tenants with respect to repairs and maintenance and the cost thereof.

Zoning

A zoning report dated April 5, 2023 (the "**Zoning Report**"), prepared by PES, was obtained for the Property. According to the Zoning Report, the Property and the current use thereof are in legal compliance. Based on the Assessment there are no outstanding zoning code violations. The Sponsor is not aware of any building code violations, or fire code violations at this time.

Flood, Seismic and Wind Zones

The following table sets forth the flood, seismic and wind zones in which the Property is located, as indicated in the Assessment. The flood zone information is based on the flood zone maps maintained by the Federal Emergency Management Agency ("**FEMA**"); the seismic zone information is based on "Seismic Zone Map of the United States" in the 1997 Uniform Building Code; the wind zone information is based on FEMA's Map of Wind Zones in the United States.

Flood Zone	Seismic Zone	Wind Zone	Hurricane Susceptible Region
Zone A99 (a special flood hazard area with a 1% annual chance of flooding where a federal flood system is being built to protect against a 100-year flood)	Zone 3 (area of moderate to high probability of damaging ground motion)	Zone I (up to 130 mph winds)	No

Because the Property is located in an area (Seismic Zone 3) where there is a moderate to high probability of earthquake damage, the Sponsor requested, and PES prepared, a Seismic Risk Assessment dated April 5, 2023 (the "**Seismic Risk Assessment**") to assess expected earthquake performance of the Property. A copy of the Seismic Risk Assessment is available upon request. According to the Seismic Risk Assessment, there is a low risk of earthquake induced ground failure or soil liquefaction at the site. The Property does not appear to be located within a documented fault zone or special fault hazard zone and the closest mapped fault trace is the Dunnigan Hills fault section approximately 14.9 miles from the Property. The Property does not appear to be at risk from earthquake induced land-sliding, and is not located within a tsunami risk zone. Additionally, the Property is located in Flood Zone A99, which is a special flood hazard area where a federal flood protection system is being built to protect against a 100-year flood. *See* "RISK FACTORS - *Risks Related to the Property – The location of the Property may increase the risk of damage to the Property*" for additional discussion.

Environmental

The Trust received a Phase I Environmental Site Assessment dated as of February 3, 2025 (the "**Phase I**") for the Property, which was prepared by Partner Engineering and Science, Inc. A copy of the Phase I is available in the Investor Data Room. The Phase I was performed in compliance with the standards of ASTM Practice E1527-21, which is recognized by the United States Environmental Protection Agency and many states as adequate to demonstrate compliance with "All Appropriate Inquiry." The Phase I for the Property did not identify any RECs, Controlled RECs, Historical RECs, *de minimis* conditions, or Business Environmental Risks (as such terms are defined in "RISK FACTORS – *Risks Related to the Property – The existence of any environmental issues with the Property may adversely affect the Trust*"). The Phase I did not recommend any further action or investigation. *See* "RISK FACTORS - *Risks Related to the Property – The existence of any environmental issues with the Property may adversely affect the Trust*."

Agreements Affecting the Property

The Property is subject to easements and other agreements of record, the most significant of which are available to prospective Investors in the Investor Data Room. Such agreements contain obligations and restrictions with which the Trust must comply. Such agreements generally provide easements to certain parties for utilities, storm water, parking and for other purposes and establish certain covenants regarding the use and maintenance of the

Property. The Land is subject to the Ground Lease as described in further detail below. *See* "RISK FACTORS – *Risks Related to the Property – The Trust will not guarantee the condition of, or title to, the Property*" for additional discussion.

SUMMARY OF THE GROUND LEASE

The Trust is the tenant under the Ground Lease. During the term of the Ground Lease, the Trust will own a leasehold interest in the Land and a fee simple interest in the Improvements.

EACH PROSPECTIVE INVESTOR SHOULD REVIEW THE GROUND LEASE, WHICH IS AVAILABLE IN THE INVESTOR DATA ROOM. THE FOLLOWING IS A SUMMARY OF SOME OF THE SIGNIFICANT PROVISIONS OF THE GROUND LEASE. THE FUNDAMENTAL INFORMATION LISTED BELOW IS BY NO MEANS EXHAUSTIVE OF ALL IMPORTANT LEASE TERMS, SUCH AS THE TRUST'S AND INVESTORS' LIABILITIES ASSOCIATED WITH INDEMNIFICATION PROVISIONS AND TERMINATION, ABATEMENT AND RENT REDUCTION RIGHTS UNDER THE GROUND LEASE. THIS SUMMARY IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE FULL TEXT OF THE GROUND LEASE.

Fundamental Lease Terms

Ground Landlord:	Kennor Holdings Sacramento, LLC, a Texas limited liability company.
Ground Tenant:	BV Ernest Health Neuro Rehab DST.
Leased Premises:	Approximately 6.23 acres of land located at 100 Advantage Court, Sacramento, California.
Term of Lease:	Sixty (60) years, which commenced on April 16, 2025 and terminates on March 30, 2085.
Base Rent:	The Ground Lease has a term of 60 years, which commenced on April 16, 2025 and terminates on March 30, 2085 with no extensions. The current base rent ("**Base Rent**") on the Ground Lease is (i) $25,000 per year commencing in Lease Year 2 (March 31, 2026) of the lease through Lease Year 25 (March 31, 2049), and (ii) $500,000 commencing Lease Year 26, and for each subsequent Lease Year through Lease Year 60, 103% of the annual rent for the prior Lease Year until the end of the term. Rent on the Ground Lease will be paid in equal monthly installments, in advance, commencing on the first day of each month.
Additional Rent:	The Ground Lease is an absolute net lease. Ground Tenant shall pay or shall cause the Tenant to pay pursuant to the Lease as additional rent all expenses of every kind and nature whatsoever relating to or arising from the Property, including impositions, and all expenses arising from the leasing, operation, management, construction, maintenance, repair, use, and occupancy of the Property, including the obligation to satisfy the PACE Assessments, except as otherwise expressly provided in the Ground Lease ("**Additional Rent**"). Notwithstanding the foregoing, the Ground Landlord agrees to pay the following expenses: (a) any expenses expressly agreed to be paid by Ground Landlord in the Ground Lease; (b) expenses incurred by Ground Landlord to monitor and administer the Ground Lease; (c) expenses incurred by Landlord prior to the commencement date; and (d) expenses that are personal to Ground Landlord. Additional Rent shall mean all amounts payable by Ground Tenant under the Ground Lease, other than Base Rent, which shall include amounts described above and include the PACE Assessments, but only to the extent the obligation to make such PACE Assessment payments has been assumed by the Tenant (or any successor to the Tenant) pursuant to the terms of the Lease, as may be extended in accordance with its terms.

Tag Along and Drag Along Rights of Ground Lessor; Buyout Right of Trust with Respect to Improvements upon Ground Lease Termination

If the Trust undertakes to sell the Improvements (including its interest in the Ground Lease), the Ground Lessor has the right to require any potential buyer to acquire the Land and remainder interest in the Property held by the Ground Lessor pursuant to the Ground Lease to any potential buyer for an additional purchase price of $14,277,000, or such lesser amount as may be acceptable to the Ground Lessor. In addition, starting six months prior to the end of the unextended term of the Lease, if the Tenant (or any successor tenant) does not renew the Lease prior to the end of its unextended term, the Ground Lessor shall have the right to cause the Improvements and tenancy rights pursuant to the Ground Lease (held by the Trust) and the Land and remainder interest in the Property (held by the Ground Lessor) to be marketed and sold, with the purchase price to be allocated between the Trust and the Ground Lessor as they may reasonably agree with the buyer. Upon the expiration or other termination of the Ground Lease, other than by reason of an uncured default by the Trust, the Ground Lessor will be required to pay the Trust an amount equal to the fair market value of the Improvements as of the date of such termination as determined by a third party appraiser selected by the Trust.

Condemnation and Casualty:

If the Property is condemned or taken in any manner for public use, or if a portion of the Property is condemned or taken in any manner or degree to an extent that the Premises are not suitable, as determined by the Trust in its reasonable discretion, for the Permitted Use, then in either event the Trust or the Ground Lessor may elect to terminate the Ground Lease as of the vesting of title in the condemning authority.

If the improvements are damaged in whole or in party by fire or other casualty (including any casualty for which insurance was not obtained or obtainable) of any kind or nature, ordinary or extraordinary, foreseen or unforeseen, Tenant shall restore the Improvements to the same quality and class of the Improvements existing immediately prior to such casualty; provided, however, the Tenant may, but shall not be required to, complete such restoration if such casualty occurs within the last thirty-six months of the term of the Ground Lease. The Ground Landlord in no event shall be obligated to restore the Improvements or any portion thereof or to pay any of the costs or expenses thereof.

DESCRIPTION OF THE TENANT AND LEASE

The Property is subject to the Lease with the Tenant, pursuant to which the Tenant leases one hundred percent (100%) of the Property. In connection with the acquisition of the Property, the Trust will assume the Lease and became the landlord thereunder. In such capacity, the Trust may be referred to as the "**Landlord**" in this Memorandum.

The Tenant – *Sacramento Rehabilitation Hospital, LLC*

The Tenant is Sacramento Rehabilitation Hospital, LLC, a Delaware limited liability company, a wholly owned subsidiary of Ernest Health Holdings, LLC. a Delaware limited liability company ("**Ernest Health**").

Ernest Health (www.ernesthealth.com)

Ernest Health Holdings, LLC, a Delaware limited liability company ("**EHH**"), is a wholly owned subsidiary of Epoch Acquisition, Inc, a Delaware corporation ("**Epoch**"). Epoch develops and operates post-acute healthcare facilities dedicated to recovering individuals with functional deficits caused by injury or illness. Epoch acquired 100% of EHH's equity on October 4, 2018, with equity funded by One Equity Partners ("**OEP**"), a New York private equity firm (https://www.oneequity.com). OEP has invested over $12.5 billion in middle-market companies and currently manages a $10.0 billion portfolio of companies. OEP focuses on North America and Western Europe's Healthcare, Industrials, and Technology sectors.

Ernest Health is a network of rehabilitation and long-term acute care hospitals. These hospitals treat patients who are often recovering from disabilities caused by injuries or illnesses or from chronic or complex medical conditions. Currently they have 35 hospitals located throughout the United States in Arizona, California, Colorado, Idaho, Indiana, Montana, New Mexico, Ohio, South Carolina, Texas, Utah, Wisconsin, and Wyoming. Each hospital is managed locally to best meet the needs of the community it serves. Each facility shares information, knowledge, and resources so they can continually evaluate and improve the delivery of care to their patients.

These efforts have earned Ernest Health hospitals national recognition as a healthcare leader, allowing them to provide the highest level of available care to their patients in their communities. Their facilities specialize in providing medical and rehabilitative services to patients recovering from disabilities caused by injuries, illnesses, or chronic and complex medical conditions.

The inpatients receive a multidisciplinary team to help them maximize their return of functional capabilities, perform daily activities, return to work or school, and pursue leisure activities. The goal is to get ready for independent living again for those who have suffered:

- Strokes
- Brain injuries
- Spinal Cord injuries
- Orthopedic injuries
- Multiple Sclerosis
- Amputations
- Neurological conditions
- Parkinson's disease
- Debility from illness
- Post-surgical-care for ortho/cardiac/neuro
- Worker's Compensation injuries

Value Proposition to Patients:

- Patient-Centered Care: Ernest Health emphasizes creating healing and nurturing environments that address not only the medical but also the emotional and social needs of patients. This comprehensive approach aims to facilitate more complete recoveries, enabling patients to return home with the highest possible level of independence and reducing the likelihood of hospital readmissions.

- National Recognition for Excellence: The majority of Ernest Health's eligible medical rehabilitation hospitals including the Sacramento Rehabilitation Hospital have been ranked nationally in the top 10% for patient-centered, efficient, timely, and effective care.[2] This distinction underscores their commitment to delivering high-quality rehabilitative services.

- Comprehensive Services: Their hospitals offer a range of services, including physical, occupational, and speech therapy; rehabilitative nursing; respiratory therapy; dietary services; case management; pharmacy services; social work services; and pain management. Physician-led interdisciplinary teams collaborate with patients and their families to develop individualized treatment plans aimed at maximizing recovery outcomes.

- Local Management with Shared Expertise: Each hospital is managed locally to best meet the specific needs of its community. Simultaneously, Ernest Health hospitals share information, knowledge, and resources across their network to continually evaluate and improve the delivery of care to patients.

Through these commitments, Ernest Health strives to provide exceptional rehabilitative care, focusing on comprehensive recovery and improved quality of life for their patients.

Summary of the Lease

EACH PROSPECTIVE INVESTOR SHOULD REVIEW THE ENTIRE LEASE, A COPY OF WHICH IS AVAILABLE IN THE INVESTOR DATA ROOM, BEFORE INVESTING. THE FOLLOWING IS A SUMMARY OF SOME OF THE SIGNIFICANT PROVISIONS OF THE LEASE, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE FULL LEASE.

Fundamental Lease Terms. The following table sets forth the fundamental terms of the Lease:

Approximate SF of Building	Initial Term	Renewal Options	Current Monthly Base Rent (1/5/25 – 1/4/26)
59,508*	20 years commencing January 5, 2023	two (2) additional periods of ten (10) years each	$369,083 per month

* The square footage is based on the Assessment, a copy of which is included in the Investor Data Room.

Base Rent. The current base rent is an annual rent of $4,429,000 (based on Lease Year 3). Subsequent rent escalations of 1.5% per annum after the end of Lease Year 3 are set forth in the following table:

Lease Year	Lease Year	Yearly Base Rent	Yearly Base Rent per Square Foot
1	1/5/23 to 1/4/24	$3,690,833	$ 62.02
2	1/5/24 to 1/4/25	$4,429,000	$ 74.43
3	1/5/25 to 1/4/26	$4,429,000	$ 74.43
4	1/5/26 to 1/4/27	$4,495,435	$ 75.54
5	1/5/27 to 1/4/28	$4,562,867	$ 76.68
6	1/5/28 to 1/4/29	$4,631,310	$ 77.83
7	1/5/29 to 1/4/30	$4,700,779	$ 78.99
8	1/5/30 to 1/4/31	$4,771,291	$ 80.18
9	1/5/31 to 1/4/32	$4,842,860	$ 81.38
10	1/5/32 to 1/4/33	$4,915,503	$ 82.60
11	1/5/33 to 1/4/34	$4,989,236	$ 83.84
12	1/5/34 to 1/4/35	$5,064,074	$ 85.10
13	1/5/35 to 1/4/36	$5,140,035	$ 86.38
14	1/5/36 to 1/4/37	$5,217,136	$ 87.67

[2] https://ernesthealth.com/national-recognition/

15	1/5/37 to 1/4/38	$5,295,393	$ 88.99
16	1/5/38 to 1/4/39	$5,374,824	$ 90.32
17	1/5/39 to 1/4/40	$5,455,446	$ 91.68
18	1/5/40 to 1/4/41	$5,537,278	$ 93.05
19	1/5/41 to 1/4/42	$5,620,337	$ 94.45
20	1/5/42 to 1/4/43	$5,704,642	$ 95.86

Term. The Lease commenced January 5, 2023 and expires on January 4, 2043. The Tenant may renew the Lease for two (2) additional periods of ten (10) years each, by delivering written notice to the Landlord not earlier than twelve (12) months nor later than six (6) months before the expiration of the then current Lease Term.

Utilities. The Tenant is responsible for the cost of all utilities used on the leased premises by the Tenant.

Operating Expenses. The Tenant is required to pay all expenses, costs, taxes, fees and charges arising in connection with or attributable to the Premises during the Term of this Lease. The Landlord shall have no cost, obligation, responsibility or liability whatsoever for repairing, maintaining, operating or owning the Property.

Repairs and Maintenance.

Tenant Obligations. Generally, the Tenant is responsible for all ongoing repair/maintenance and capital expenditures required during the lease term including the roof and all structural/non-structural components of the Property. Tenant shall, at all times during the Lease and at its own cost and expense and in a prompt and efficient manner and in compliance with all applicable laws, maintain the Premises (including the heating, plumbing and electrical systems and the structural components of any building and the roof of the building) and keep them in good, first-class condition and repair and use reasonable precautions to prevent waste, damage, or injury to the Property. Tenant shall provide for its own janitorial, lawn maintenance and pest control services, and any other services it requires at the Property. Landlord is not obligated to provide any services to Tenant or the Property of any nature or kind.

Alterations. Generally, any alterations, additions or improvements to the leased premises made by or on behalf of the Tenant (collectively, "**Tenant-Made Alterations**") are subject to the Landlord's prior written consent, which may not be unreasonably withheld, conditioned or delayed; provided, however, the Landlord's consent is not required for Tenant-Made Alterations that do not adversely affect the building's structure (collectively, "**Minor Alterations**"). With respect to Minor Alterations that involve expenditures less than $150,000 in value so long as such alterations do not affect the structural portion of the Property.

Insurance.

Landlord Obligations. The Landlord is required to maintain fire and casualty insurance.

Tenant Obligations. During the term of the Lease, the Tenant is required to maintain commercial general liability insurance, excess liability insurance, business interruption insurance, automobile liability insurance, professional liability insurance, and casualty insurance are follows:

(1) a policy of all risk property insurance covering the full replacement cost of all Tenant-Made Alterations and all of the Tenant's Property (as defined in the Lease) installed or placed in the leased premises by the Tenant;

(2) worker's compensation and employer's liability insurance as required by law or other applicable governmental authority and as is customarily carried in the state where the Property is located with respect to businesses similar in size and type to Tenant's business conducted upon the Property; and

(3) commercial general liability insurance covering the leased premises and the Tenant's use thereof against claims for bodily injury or death and property damage occurring upon, in or about the leased premises on an occurrence and not a claims-made basis with limits of not less than $1,000,000 per occurrence, including waiver of subrogation. The minimum limits of liability shall be a combined single limit with respect to each occurrence in an

amount of not less than $1,000,000 per location with general aggregate limit of not less than $3,000,000, together with not less than $10,000,000 per occurrence umbrella coverage. Tenant shall also be required to obtain (a) extra expenses and business interruption insurance for periods and with limits not less than twelve (12) months; (b) automobile liability insurance on a primary and non-contributory basis for owned, non-owned and hired automobiles used in operation of Tenant's business with limits of not less than $1,000,000 for bodily injury and $1,000,000 for property damage; and (c) Professional Liability insurance with $5,000,000 limit that can be satisfied with Excess Liability insurance. The limits of said insurance required by this Lease or as carried by Tenant shall not, however, limit the liability of Tenant nor relieve Tenant of any obligation hereunder. Liability insurance required to be carried by Tenant is to be primary and noncontributory.

The Tenant's commercial general liability policy must name the Landlord, and any other party with an interest in the Property that the Landlord so specifies, as additional insureds.

Assignment and Subletting. Except as provided below, the Tenant may not assign the Lease, sublease the leased premises, or any part thereof, or grant any license within the leased premises without the prior written consent of the Landlord. Notwithstanding the above, the Tenant may, without the consent of the Landlord assign the Lease, sublease the leased premises, or any part thereof, or grant other licenses or rights to use all or any portion of the leased premises, to (a) any entity controlling, controlled by or under common control with the Tenant (an "**Affiliated Entity**"), (b) any entity resulting from the merger or consolidation of or with the Tenant or an Affiliated Entity, or (c) any person or entity which acquires all (or substantially all) of the assets of the Tenant or an Affiliated Entity.

Casualty. If at any time during the term of the Lease any portion of the leased premises is damaged by a fire or other casualty, the Tenant shall promptly notify the Landlord of such damage and, at Tenant's sole cost and expense, Landlord and Tenant shall promptly and diligently proceed to adjust the loss with the insurance companies (subject to the approval of the lender (if applicable) and of Landlord) and arrange for the disbursement of insurance proceeds, and repair, rebuild or replace the leased premises, so as to restore the Premises to the condition in which they were immediately prior to such damage or destruction. Landlord will not unreasonably withhold, condition or delay its consent to settlement of the insurance claims.

In the event of damage to the leased premises, the Lease term shall nevertheless continue and rents under the Lease shall be abated in proportion to the area of the enclosed building(s) on the leased premises that are rendered untenantable by such casualty, but if more than seventy percent (70%) is rendered untenantable (and Tenant does not actually operate its business in the remainder) then Tenant may consider the entire leased premises untenantable by written notice to Landlord and thereupon receive a full abatement of all rentals until reconstruction is complete (or should have been completed by Tenant in the exercise of prompt and reasonable diligence).

Condemnation. If all the leased premises are taken, in whole or in part, by power of eminent domain or condemned by any competent authority for any public or quasi-public use or purpose, or if any part of the leased premises is taken such that the not so taken part is insufficient for the operation of Tenant's business (a "**Taking**"), the Lease shall cease and expire on the date of such Taking. All rents and other charges shall be prorated and paid to that date, and Landlord shall refund to Tenant all rents and other charges paid by Tenant in respect of any periods subsequent to such date. The Landlord shall be entitled to all proceeds of any condemnation; provided, however, that this provision shall not prohibit Tenant from prosecuting by separate action against the condemning authority any claim it may have for business damages, provided that the prosecution of such claim by Tenant does not reduce the award to Landlord.

Right of First Refusal to Purchase the Property. During the term of the Lease, and provided no event of default has occurred under the Lease, the Tenant has a right of first refusal to purchase the Property for the same price as the Trust is willing to accept from a third party. If, at any time during the term of the Lease, the Trust receives a bona fide written offer to purchase the Property, which offer is acceptable to the Trust and from a third party, the Trust is required to give written notice to the Tenant of the offer, together with a copy of the offer. The Tenant will have ten business days after receiving the Trust's written notice to elect to exercise its right of first refusal by providing written notice of its intent to the Landlord. If the Tenant does not elect to exercise its right of first refusal within such period,

the Trust may proceed to sell the Property. If the Tenant exercises the foregoing option, then the purchase shall be consummated within the time period set forth in the third-party offer.

Non-Compete. During the term, Landlord or its subsidiaries or other affiliates cannot directly or indirectly own, manage, operate, finance, develop, construct or control, or participate in the ownership, management, operation, financing, development, construction or control an inpatient rehabilitation hospital, a skilled nursing facility, or any other facility that provides rehabilitation services within a seventy-five (75) mile radius of the Property or any other inpatient rehab facility owned or managed by any affiliate of Vibra Healthcare, LLC and Vibra Healthcare II, LLC.

Guaranty. Epoch Acquisition, Inc., a Delaware corporation (the "**Guarantor**") has guaranteed the full and faithful performance of the Lease by the Tenant.

REGIONAL, LOCAL AREA AND MARKET ANALYSIS

The market information on the following pages is excerpted from an appraisal, dated as of June 1, 2024 (the "**Appraisal**"), prepared by Cushman and Wakefield of Connecticut, Inc. (the "**Appraiser**") for the Bridgeview Real Estate, a copy of which is available in the Investor Data Room. The Appraisal was compiled using data and information obtained from various third-party services. The Appraisal, the data used to compile it, and the results that it predicts are by definition somewhat subjective and may be subject to various interpretations. Based upon the foregoing, this information may not accurately reflect or predict all information relevant to the market area or the Property. **Neither the Trust nor the Sponsor has independently verified any of the data included in the Appraisal.** However, the Trust has revised portions of the Appraisal included in this "REGIONAL, LOCAL AREA AND MARKET ANALYSIS" section to eliminate typographical errors, to eliminate duplicative language and to conform to the definitions contained in this Memorandum.

Regional Area Analysis

Location. The Property is located in Sacramento, which is in the Sacramento-Roseville-Folsom, California MSA. (the "**MSA**").

Medical. Healthcare will ease off the gas in the coming months, but it will remain a pillar of Sacramento's economy. The metro area boasts a large concentration of major medical providers, including UC Davis Medical Center, California's only Level 1 trauma center north of the Bay Area. Healthcare accounts for an above-average share of employment in SAC in part because of its importance to neighboring rural counties with fewer providers. Of these jobs, the share dedicated to outpatient treatment is more than double the U.S. average. This is largely because of major medical centers' unwillingness to deal with the complexity and transaction costs associated with Medi-Cal, pushing enrollees elsewhere. Sacramento's growing population will buoy demand, and worsening affordability issues will bolster demand for state-sponsored insurance and outpatient treatment. Since healthcare accounts for most of Sacramento's non-government high-wage jobs, steady growth will lift employment and incomes in the long run.

Neighborhood Analysis

The Property is located on Advantage Court, which provides access to the Property and surrounding properties, and provides local access to major roadways and arterials traversing the local area. The Property is also located adjacent to Interstate 5 with the nearest full interchange located approximately a third of a mile northwest of the Property. This freeway provides access to other freeways and major regional routes. Land uses around the Property include commercial development, hotels, residential development and Interstate 5.

The Appraiser is aware of no other known planned rehabilitation hospitals in the local and immediate area that would provide negative competition to the Property or planned demolition or closing of rehabilitation hospitals in the local and immediate area. The Appraiser is aware of a proposed short-term acute care teaching hospital to be built for California Northstate University on the site of the former Sleep Train Arena. This development should complement the Property.

Conclusion. In conclusion, the neighborhood provides services and amenities needed to support a healthcare facility. The neighborhood is predominantly suburban in nature and within convenient proximity to neighborhood commercial services and the future California Northstate Hospital. Overall, the Property neighborhood is a good location for a rehabilitation hospital.

Market Analysis

In order to analyze the competitive market for the Property, the Appraiser delineates its primary service area ("**PSA**"). The PSA is typically described as either a defined radius around the Property, zip codes, or it can be the county or township in which the property is located.

With regard to Sacramento Rehabilitation Hospital and its competition, its PSA is considered to effectively encompass a primary service area of roughly 15 miles. This assumption was based on the Appraiser's review of the demographics of the area, occupancy trends, as well as from discussions with market participants.

Demographics. Having established the Property's trade area, the analysis focuses on the trade area's population. Between 2000 and 2022, it is reported that the population within a radius of 15 miles increased at a compound annual rate of 0.89%. This is characteristic of suburban areas in this market. This trend is expected to continue into the near future albeit at a slightly slower pace. Expanding to the total trade area of a radius of 20 miles, population is expected to increase 0.70% per annum over the next five years.

The following page graphic represents of the current population distribution and population growth over the next five years (2022-2027) within the Property's region.

DEMOGRAPHIC SUMMARY	Radius				Sacramento	
	10 miles	15 miles	20 miles	Sacramento	County	California
POPULATION STATISTICS						
2000	486,380	1,155,619	1,439,065	406,468	1,223,647	33,859,654
2010	559,919	1,274,677	1,719,094	466,220	1,418,788	37,253,929
2022	623,356	1,404,034	1,915,897	518,226	1,572,030	39,595,638
2027	642,338	1,443,218	1,983,417	534,697	1,620,302	40,655,996
Compound Annual Change						
2000 - 2022	1.13%	0.89%	1.31%	1.11%	1.15%	0.71%
2022 - 2027	0.60%	0.55%	0.70%	0.63%	0.61%	0.53%
HOUSEHOLD STATISTICS						
2000	193,922	435,717	535,902	154,215	453,659	11,498,168
2010	217,290	473,933	626,624	174,408	513,945	12,577,510
2022	242,920	525,078	702,814	195,944	574,559	13,541,839
2027	251,066	541,308	729,431	202,876	593,842	13,956,257
Compound Annual Change						
2000 - 2022	1.03%	0.85%	1.24%	1.09%	1.08%	0.75%
2022 - 2027	0.66%	0.61%	0.75%	0.70%	0.66%	0.60%
AVERAGE HOUSEHOLD INCOME						
2000	$48,475	$52,306	$56,935	$48,482	$56,079	$65,671
2022	$91,398	$94,997	$105,091	$92,929	$100,652	$120,874
2027	$102,751	$107,179	$118,627	$104,439	$113,071	$138,907
Compound Annual Change						
2000 - 2022	2.92%	2.75%	2.83%	3.00%	2.69%	2.81%
2022 - 2027	2.37%	2.44%	2.45%	2.36%	2.35%	2.82%
OCCUPANCY						
Owner Occupied	46.79%	51.39%	56.35%	48.06%	56.28%	54.69%
Renter Occupied	53.21%	48.61%	43.65%	51.94%	43.72%	45.31%

Local Area Providers. A search for competition consisted of an interview with the Property's management, and a review of American Hospital Directory's ("**AHD**") U.S. Hospitals Profiles. Occupancy data was provided by AHD's U.S. Hospitals Profiles and is taken from a hospital's most recent Medicare Cost Report. The following table contains a summary of pertinent information for each.

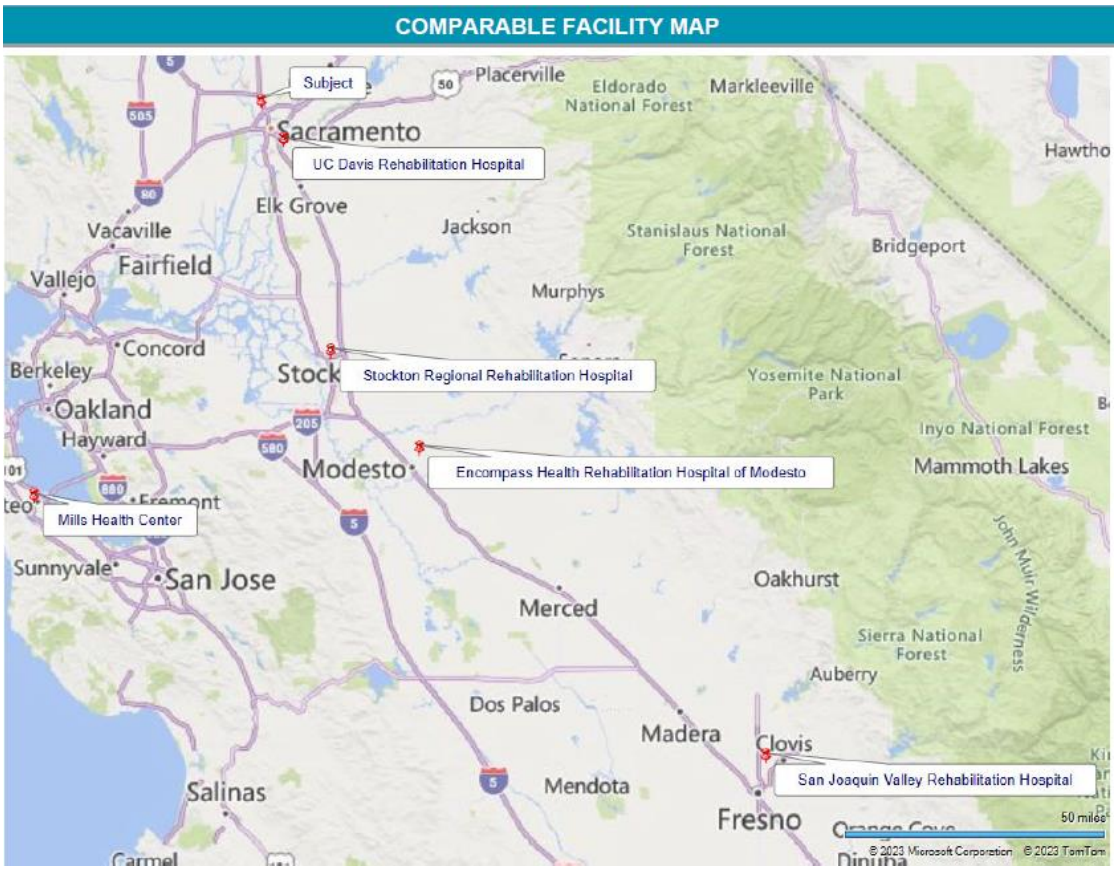
	Service Provider	Hospital Type Distance from Subject	Beds	Total Patient Days	Bed Days	Occupancy*
No. 1	UC Davis Rehabilitation Hospital 4875 Broadway Sacramento, CA	Rehabilitation Hospital 8.5 miles southeast	52	N/A	18,980	N/A
No. 2	Stockton Regional Rehabilitation Hospital 607 East Magnolia Street Stockton, CA	Rehabilitation Hospital 50 miles southwest	50	N/A	18,250	N/A
No. 3	Encompass Health Rehabilitation Hospital of Modesto 1303 Mable Avenue Modesto, CA	Rehabilitation Hospital 75 miles southeast	50	13,756	18,250	75.4%
No. 4	Mills Health Center 100 South San Mateo Drive San Mateo, CA	Rehabilitation Hospital 85 miles southwest	85	N/A	31,025	N/A
No. 5	San Joaquin Valley Rehabilitation Hospital 7173 North Sharon Avenue Fresno, CA	Rehabilitation Hospital 160 miles southeast	62	17,134	22,630	75.7%
	Subject: Sacramento Rehabilitation Hospital 10 Advantage Court Sacramento, CA	Rehabilitation Hospital	50	13,361	18,250	73.2%

Source: American Hospial Directory (AHD)
*Based on staffed beds

We note that the Property occupancy shown is the operator's projections for its 2024 budget. The most recent cost report available for the Property is from the year ending April 30, 2023 when the Property was still in lease-up and showed total patient days of 4,833, or 26.5% occupied.

Occupancy is based on staffed beds, whereby the numbers of staffed beds are taken from a hospital's most recent Medicare cost report. Cost report instructions define staffed beds as, "the number of beds available for use by patients at the end of the cost reporting period. A bed means an adult bed, pediatric bed, birthing room, or newborn bed maintained in a patient care area for lodging patients in acute, long term, or domiciliary areas of the hospital. Beds in labor room, birthing room, post-anesthesia, postoperative recovery rooms, outpatient areas, emergency rooms, ancillary departments, nurses' and other staff residences, and other such areas which are regularly maintained and utilized for only a portion of the stay of patients (primarily for special procedures or not for inpatient lodging) are not termed a bed for these purposes." The total number of general medical/surgical beds plus special care beds is reported. General Medical/Surgical Beds are the beds used for routine care and Special Care Beds include Intensive Care Units, Coronary Care Units, etc.

The graphic below shows a map of the comparable facilities to the Property.



Conclusion. The Property is one of two rehabilitation hospitals within the primary market area, both of which opened this year. There are 17 standalone rehabilitation hospitals in California and the ones shown are the closest to the Property. Overall, the Property's local market appears adequate to support the Property.

PACE Program Assessment

The Property received $14,948,669.76 in PACE Financing from the California Statewide Communities Development Authority. In exchange, the Property pays a yearly assessment of $1,164,772.12 through the 2046/47 tax year. This annual assessment is a combination of principal, interest, and administrative expenses for the PACE Financing.

Under section 6(a) of the Property lease to Sacramento Rehabilitation Hospital, LLC, the tenant is responsible for paying all improvements assessments, which the landlord and tenant have agreed include the Property's PACE assessment. As such, the tenant is currently responsible for making the PACE Financing payments on the Property facility, which is not typical for an absolute net lease and is a benefit for the landlord who is receiving favorable financing on the $14,948,669.76 PACE Assessment.

The PACE payments began in the 2022/23 tax year and run through the 2046/47 tax year. The initial term of the Property's lease runs through the 2042/43 tax year. As the tenant's payment of the annual PACE assessment is not common, we are not certain that the tenant will renew. We have therefore determined the benefit of the PACE assessment payments by discounting the payments to the present utilizing a discount rate of 7.00%, which is the same discount rate utilized in our discounted cash flow analysis in the income capitalization approach.

BUSINESS PLAN

In January 2023, Ernest Health opened the doors of Sacramento Rehabilitation Hospital to serve the community's needs. Ernest Health operates 35 neurorehabilitation hospitals in 13 states, delivering specialized services to patients recovering from disabilities caused by injuries, illnesses, or chronic medical conditions. The inpatients benefit from a multidisciplinary team approach to help them maximize their return of functional capabilities, perform daily activities, return to work or school, and pursue leisure activities.

Unless noted below, the following information was compiled using data and information obtained from the Ernest Health website at www.ernesthealth.com and discussion with the Tenant. The data used to compile it, and the results that it predicts are by definition somewhat subjective and may be subject to various interpretations. Based upon the foregoing, this information may not accurately reflect or predict all information relevant to the market area or operations of the Property. **Neither the Trust nor the Sponsor has independently verified any of the data included on the Ernest Health website.**

Resilient Medical Real Estate

Sacramento Rehabilitation Hospital's location, performance, and the recognition, along with its relatively short operating history, contribute to the Property's value. The Sponsor believes that medical real estate is generally regarded as a recession-resilient asset classes that can offer stability and reliable cash flow as injuries sustained by patients in a neuro-rehabilitation hospital occur regardless of economic and market fluctuations. Additionally, medical facilities can provide diversification through triple net leases with long-term tenants that have strong financial backing, helping to support reliable income.

Competitive Landscape

The Appraiser is aware of no other known planned rehabilitation hospitals in the local and immediate area that would provide negative competition to the Property or planned demolition or closing of rehabilitation hospitals in the local and immediate area. The Appraiser is aware of a proposed short-term acute care teaching hospital to be built for California Northstate University on the site of the former Sleep Train Arena. This development should complement the Property.

Cost-Effective Healthcare Alternative

Insurance companies favor rehabilitation centers for their lower care costs than prolonged intensive care unit ("**ICU**") stays at traditional hospitals. When patients are discharged from the ICU but are not yet prepared for independent living or require a levels of care beyond what their families can provide, a rehabilitation center serves as a suitable transitional option between the hospital and home. The ARA Research Institute commissioned a study that shows patients treated in rehab hospitals versus skilled nursing facilities live longer, have fewer hospital and ER visits, and remain longer in their homes without additional outpatient services. These patients returned home from their initial stay two weeks earlier.

The average stay at a rehabilitation hospital is three weeks. Upon returning home, patients have typically progressed to a stage where they can continue their recovery without placing an excessive burden on their family.

Nationally Recognized Tenant

Ernest Health prioritizes patient care and considers it a privilege to serve patients and their families within their communities. They are committed to delivering the highest level of care and never take their responsibility for their patients for granted. As a result, the Sacramento Rehabilitation Hospital has achieved the following:

- Earn a top 1% Program Evaluation Model ("**PEM**") score as of February 2025. This is a tool to evaluate the quality of care by inpatient rehabilitation facilities ("**IRFs**"). It measures outcomes like patient

discharge rates, length of stay efficiency, and changes in patient function. Sacramento Rehabilitation Hospital is recognized as a top 1% performer of the 886 rehabilitation hospitals across the US. The PEM score allows comparison across different IRFs, highlighting those delivering high-quality, efficient care by achieving better patient outcomes.[3]

- Earned a significantly higher Case Mix Index than Ernest hospitals generally. Sacramento Rehabilitation Hospital's current score is 1.81x as of February 2025. The index essentially says that the hospital's patient acuity is higher, resulting in higher payouts from insurance reimbursements resulting in potentially higher profitability on a relative basis.

- Occupancy numbers consisting of an Average Daily Census for Q4 2024 of 95%. The facility exceeded the 2024 admissions goal. In addition, the facility signed an agreement with Kaiser Permanente for overflow patients and recently added the UC Davis Medical Center as an additional overflow partner. The added occupancy from these agreements is readily apparent.

- Ranked by the Uniform Data System for Medical Rehabilitation ("**UDSMR**") in the top 10% nationwide based on its standards of providing patient-centered, effective, efficient, and timely care. UDSMR is a not-for-profit corporation that was developed with support from the National Institute on Disability and Rehabilitation research, a component of the U.S. Department of Education. It ranks rehabilitation facilities based upon care that is patient-centered, effective, efficient, and timely. Through UDSMR, hospitals collaborate with peers throughout the US to share information and establish best practices for patients. This helps elevate rehabilitation care for everyone across the country. The UDSMR is a not-for-profit corporation developed with support from the National Institute on Disability and Rehabilitation Research, a component of the US Department of Education.

Strong Industry Reputation

The facility's outperformance has produced referral agreements with UC-Davis Medical Center and Kaiser Permanente to send their overflow rehabilitation patients to the Sacramento Rehabilitation Hospital, leading to an average daily occupancy of 95% in the facility's 50 beds as of 12/31/24. This is an accomplishment as the UC-Davis Medical Center is one of America's best-rated general hospitals and also operated the main rehabilitation center in the greater Sacramento area prior to Ernest's arrival.

Financial Strength and Credit Potential of the Tenant

While Ernest Health is not a public company, they had an A3[4] shadow rating in 2023 (reflecting a medium-level investment-grade credit on the Moody's credit rating scale). Since then, Ernest Health commenced an extensive building program where they built several hospitals, requiring a substantial amount of capital. With the completion of the building program, Ernest Health is beginning to generate returns on its investments. Given its current performance trajectory, there is an opportunity for Ernest Health to regain its previous shadow rating in the next 5-7 years, which is in line with a potential exit.

[3] Source: PEM Score related information has been provided by the Tenant and is specifically based on the Sacramento Rehabilitation Hospital.

[4] Source: Moody's RiskCalc Plus results Report September 20, 2023. An A3 shadow rating from Moody's Investor Service is an unofficial internal credit assessment assigned to a company that does not have a formal public credit rating. It indicates upper medium grade credit quality with low credit risk but it is subject to economic conditions and business performance. Since it's a shadow rating, it's used internally by investors or institutions to gauge creditworthiness before an official rating is assigned or reinstated. https://ratings.moodys.com/api/rmc-documents/53954.

Patient Experience:

The rehabilitation team includes specially trained physicians, nurses, case managers, and occupational, speech, and physical therapists. The healthcare team provides patients with 24-hour rehabilitation care and daily physician management. Patients have access to private rooms and well-equipped therapy areas. The therapy area includes a 4,000-square-foot with private treatment areas and a satellite gym located on the first floor with a therapeutic courtyard. They also offer treatment in multiple day rooms, including activity daily living suites and transitional suites. These areas allow patients to practice normal, daily, at-home activities while still under the supervision of a healthcare professional. Some of these activities may include getting in and out of bed, showering, cooking, or doing laundry. In addition, Sacramento Rehabilitation Hospital offers home evaluations to identify any necessary modifications that may need to be made to a patient's home before leaving the hospital, helping to ensure a safer return to home.

Exit Strategy

As provided under the Trust Agreement, when evaluating the Trust's potential exit strategies with respect to the Property, in addition to considering a traditional exit through a sale to a third party, the Administrative Trustee may consider transferring the Property to a partnership or limited liability company (collectively, "**Partnership**") including but not limited to an operating Partnership of a real estate investment trust, or "**REIT**," in exchange for ownership interests in such Partnership ("**Units**") in a transaction intended to qualify as a tax-deferred contribution of the Property to the partnership under Code Section 721 (a "**Section 721 Contribution**"). In the event the Administrative Trustee were to consider disposing of the Property pursuant to an exit strategy consisting of a Section 721 Contribution, it would provide the Investors with the option of receiving either cash consideration or Units, in each case with an aggregate value equal to the value of such Investor's percentage ownership (equal to its percentage ownership of the Trust) in the Property. See "RISK FACTORS – Tax Risks – *Future legislative or regulatory action could significantly change the tax aspects of an investment in an Interest*"). As provided in Section 7.03 of the Trust Agreement, the Administrative Trustee may not sell the Real Estate and acquire new real estate in violation of Revenue Ruling 2004-86.

ACQUISITION AND FINANCING OF THE PROPERTY

Acquisition Terms

In connection with its execution of the Ground Lease and acquisition of the Improvements, the Trust acquired the Property on April 16, 2025 from the Ground Lessor (in such capacity the Contributor), for a contribution value of $67,750,000. Prior to the execution of the Ground Lease the Property received $14,948,669.76 in PACE Financing from the Authority. In exchange, the Authority is required to be paid yearly PACE Assessments of $1,164,772.12 through the 2046/47 tax year. Pursuant to the Lease, the Tenant has assumed full financial responsibility to pay the PACE Assessments. Nevertheless, if the Lease expires prior to, or is not extended to such time as, the full satisfaction of all PACE Assessments has occurred, the Ground Lessor and not the Trust will be financially responsible for making such payments. Accordingly, the Ground Lessor and not the Trust is the financial obligor with respect to the PACE Financing. The Property was acquired by the Trust "free and clear" without utilization of a mortgage secured by the Property.

The Trust funded the acquisition of the Improvements pursuant to a contribution of interests from the Bridge Capital Providers and Bridgeview Vibra LLC in exchange for membership interests in the Depositor valued at $67,750,000.

Pursuant to the Appraisal, the fair market value of the Property, including the personal property is $85,900,000. The Maximum Offering Amount, $77,667,582, represents the Contribution Value, plus closing costs and related transactional costs, reserves and the Selling Expenses and Offering Expenses, all multiplied by the 100% of Interests that are being sold in this Offering. *See* "COMPENSATION OF THE SPONSOR AND ITS AFFILIATES" and "ESTIMATED SOURCES AND USES OF PROCEEDS."

Construction Loan

Kennor and its predecessors acquired the Land and developed the Improvements, which were financed in part by the Construction Loan from the Construction Lender. Although Kennor (and not the Trust) is the borrower with respect to the Construction Loan, and although the Trust is not a party to any contract with respect to the Construction Loan, did not assume Kennor's obligations with respect to the Construction Loan and did not otherwise finance its acquisition of the Improvements with any debt, the Construction Loan remains, as of the date of this Memorandum, secured in part by a security interest in the Land and the Improvements in favor of the Construction Lender. In connection with the Offering, the net proceeds received by the Depositor from the sales by the Trust of the Interests will first be used to repay the Construction Loan, and accordingly the Sponsor believes that the Construction Loan will have no impact on the Trust. Nevertheless, BV Vibra DST LLC, as the sole owner of Kennor and as the Depositor, has executed an unconditional indemnity (the "**Depositor Indemnity**") in favor of the Trust which provides, among other things, that the Trust shall be indemnified in full by BV Vibra DST LLC for all costs and expenses, and for any other adverse impacts, that arise in the event of any action taken by the Construction Lender with respect to the assets of the Trust.

PLAN OF DISTRIBUTION

Rule 506(c)

This Offering is being made in reliance on Rule 506(c) of Regulation D promulgated under the Securities Act. The Offering is strictly limited to certain qualified, accredited investors, who must provide documentary evidence demonstrating that they are accredited investors. *See* "WHO MAY INVEST."

General Description

The Interests are beneficial interests in the Trust. If a prospective Investor elects to purchase Interests and the Trust accepts such purchase, he, she or it will become an Investor in the Trust upon payment in full of the purchase price. The Trustees (and in particular the Administrative Trustee) are solely responsible for the operation and management of the Trust. The Investors have no right to participate in the management of the Trust or in the decisions made by the Trustees. The Trustees will not consult with the Investors when making decisions with respect to the Trust and the Property. The Administrative Trustee will be under no obligation to make its decision with respect to a prospective sale of the Property in accordance with the wishes of Investors. The sole rights of the Investors will be to receive distributions from the Trust if, as and when made, as provided in the Trust Agreement, and to remove and replace a Trustee only in certain, limited circumstances as described herein. *See* "SUMMARY OF THE TRUST AGREEMENT – *Authority of Investors*."

The Trust is offering $77,667,582 of Interests, representing a maximum of one hundred percent (100%) of the Interests in the Trust. The minimum amount of Interests that a Cash Investor may purchase is $50,000, which is equal to an approximately 0.064% Interest in the Trust. The minimum amount of Interests that a Section 1031 Investor may purchase is $100,000, which is equal to an approximately 0.129% Interest in the Trust, unless the Trust waives this minimum requirement.

The Offering will terminate on or before the earlier of April 30, 2026 (which date is subject to extension by the Sponsor), or the date on which all $77,667,582 of the Interests offered hereby have been sold. For the avoidance of doubt, the Maximum Offering Amount assumes that all interests are sold without adjustments to Selling Commissions and Expenses.

Qualifications of Investors

The Interests are being offered only to Accredited Investors who can represent that they meet the investor suitability requirements described in "WHO MAY INVEST" and Interests may be purchased only by prospective Investors who satisfy such suitability requirements.

Sale of Interests

Prospective Investors must adhere to the instructions summarized in "HOW TO PURCHASE" and "SUMMARY OF THE PURCHASE AGREEMENT" in this Memorandum and set forth in full in the Purchase Agreement, the form of which is attached hereto as Exhibit A. There is no assurance that all of the Interests will be sold, and the Trust reserves the right to refuse to sell Interests to any person, in its sole discretion, and may terminate this Offering at any time.

Marketing of Interests

Offers and sales of Interests will be made on a "best efforts" basis by the Selling Group Members, broker-dealers who are members of FINRA. The Managing Broker-Dealer, BV Securities, LLC, a Texas limited liability company and a member of FINRA, serves as the Managing Broker-Dealer and will receive Selling Commissions of up to six percent (6.0%) of the Total Sales, some or all of which it may re-allow to the Selling Group Members; provided, however, that this amount may be reduced in the event a lower commission rate is requested by a Selling Group Member and the commission rate will be the lower agreed upon rate. Thus, certain Investors may acquire Interests net of Selling Commissions. The Managing Broker-Dealer will also receive: (a) a non-accountable Marketing and Due Diligence Allowance of up to one percent (1.0%) of the Total Sales, which may be re-allowed, in whole or in part, to the Selling Group Members; and (b) a Managing Broker-Dealer Fee of up to two percent (2.0%) of the Total

Sales, which may be re-allowed, in whole or in part, to the Selling Group Members, and may sell Interests as a Selling Group Member, thereby becoming entitled to Selling Commissions. Except as described in "ESTIMATED SOURCES AND USES OF PROCEEDS," the total Selling Commissions and Expenses will not exceed 9.0% of the Total Sales. The Trust will pay the Selling Commissions and Expenses out of the gross Offering proceeds. For purposes of calculating the Total Sales, any discounts or reductions of Selling Commissions and Expenses or other fees with respect to any purchase of Interests will be disregarded. The Trust, in its sole discretion, may accept purchases of Interests at a lower price from Investors purchasing through a registered investment advisor or from Investors who are affiliates of the Depositor or a Selling Group Member or otherwise.

The Trust will obtain representations from the Managing Broker-Dealer and the Selling Group Members that the applicable party is not a "bad actor" as that term is defined in Rule 506(d) of Regulation D. In the event that a statutory "bad actor" participates in the Offering, the Trust may lose its exemption from registration of the Interests.

Inquiries about purchases should be directed to the Sponsor at Bridgeview Real Estate Exchange LLC, Attn: BV Capital Investor Relations, LLC, 8390 Lyndon B. Johnson FWY, Suite 565, Dallas, Texas 75243 telephone number: 800-484-0073, email: ir@bvcapitaltx.com.

Sales Materials

Other than this Memorandum, the Exhibits hereto and factual summaries and sales brochures of the Offering, no other literature will be used in the Offering.

The Sponsor, the Trust, the Administrative Trustee and parties related thereto may also respond to specific questions from broker-dealers and prospective Investors. Information relating to the Offering may be made available to broker-dealers for their internal use. However, the Offering is made only by means of this Memorandum. Except as described herein, the Trust has not authorized the use of other sales materials in connection with the Offering. The information in such materials does not purport to be complete and should not be considered a part of this Memorandum, or as incorporated into this Memorandum by reference or as forming the basis of the Offering.

No dealer, salesperson or other person has been authorized to give any information or to make any representations other than those contained in this Memorandum or in any sales literature issued by the Trust and referred to in this Memorandum, and, if given or made, such information or representations must not be relied upon.

Fee Waivers

Each Investor may agree with the Investor's respective investment representatives or broker/dealer to reduce or eliminate any Selling Commissions payable with respect to the Investor's purchase of the Interests. In this case, the Trust will not pay any Selling Commissions to the Managing Broker-Dealer in respect of the Interests for which the broker/dealer or investment representative has agreed to waive or reduce the fees, to the extent of such waiver or reduction, which will have the effect of increasing the amount of Interests purchased by the particular Investor. In addition, in no event will any Selling Commissions or other fees be paid in connection with the sale of Interests directly by the Trust including without limitation sales to affiliates of the Sponsor. The proceeds to the Trust will not be affected by any waiver of Selling Commissions.

In addition, on a case-by-case basis, the Managing Broker-Dealer and/or the Sponsor may, in its sole discretion, decide to reduce or waive certain fees or reimbursements to which they are entitled in connection with a particular sale of Interests. Any such waiver or reduction will have the effect of increasing the amount of Interests purchased by the particular Investor. The proceeds to the Trust will not be affected by any waiver of these fees or reimbursements.

Moreover, in certain circumstances, in addition to the waivers and reductions described in the preceding paragraph, the Trust may elect to further discount the price at which it sells the Interests. In any such circumstance, the proceeds to the Trust will not be affected because any difference between the discounted purchase price and the stated purchase price will be borne by the Sponsor and not the Trust.

In the event an Investor independently uses the services of a registered investment advisor and not a broker/dealer in connection with the purchase of Interests, no Selling Commissions will be payable to the investment

advisor with respect to the Investor's purchase of those Interests, which will have the effect of increasing the amount of Interests purchased by the particular Investor. The payment of any fees or similar compensation to such investment advisor will be the sole responsibility of the Investor, and the Trust will have no liability for that compensation. The proceeds to the Trust will not be affected by this waiver of Selling Commissions.

Limitation of Offering

The offer and sale of the Interests are made in reliance upon exemptions from the Securities Act and state securities laws. Accordingly, distribution of this Memorandum has been strictly limited to persons satisfying the investor suitability requirements described herein, and this Memorandum does not constitute an offer to sell or a solicitation of an offer to buy with respect to any person not satisfying those requirements.

Ownership by the Sponsor

With respect to any Interests not sold in the Offering, the holder of such unsold Interests (whether the Depositor or otherwise) reserves the right to sell or otherwise transfer such unsold Interests, to persons affiliated with the Sponsor or otherwise, whether pursuant to a secondary offering or otherwise. See "RISK FACTORS – *Risks Related to the Offering*" and "CONFLICTS OF INTEREST."

Acceptance of Investors

The Trust may accept or reject the Purchase Agreement of any prospective Investor for any reason or no reason for a period of thirty (30) days after receipt of the Purchase Agreement. Any proposed purchase of Interests not accepted within thirty (30) days of receipt shall be deemed rejected.

Broker Dealer Disclosures

The Interests will be offered and sold pursuant to an exemption from the registration requirements of the Securities Act, in accordance with Rule 506(c) of Regulation D, and in compliance with any applicable state securities laws. Effective September 23, 2013, the SEC adopted amendments to Rule 506 requiring certain disclosures to customers in connection with Regulation D private placement offerings, which includes this Offering. Specifically, the amendments require that the Trust notify you if the Selling Group Members have experienced certain specified "disqualifying events," including certain criminal convictions, certain court injunctions and restraining orders, final orders of certain state and federal regulators and certain SEC disciplinary orders and SEC cease-and-desist orders, among other events.

In the event a Selling Group Member notifies the Sponsor with respect to a "disqualifying event" under Rule 506, the Trust will be required to inform potential Investors.

ESTIMATED SOURCES AND USES OF PROCEEDS

The following table sets forth the estimated sources and uses of the proceeds of the Offering. The Sponsor, the Administrative Trustee, and their respective affiliates will receive substantial compensation and fees in connection with the Offering and the acquisition and operation of the Property, as described in this Memorandum. The figures below are based upon the sale of one hundred percent (100%) of the Interests, equivalent to $77,667,582, and assume that all Interests are sold without any adjustments with respect to Selling Commissions and Expenses. All percentages are rounded to the nearest hundredth of a percent.

This table has been included for purposes of informing prospective Investors about the compensation and expenses that have been, or will be, received or incurred in connection with this Offering. This table does not address the allocation for federal income tax purposes of the amount paid by an Investor for its Interest. Prospective Investors should discuss with their own tax advisors the tax treatment of the purchase of an Interest.

Certain of the costs reflected below have been estimated. If the actual costs and expenses are greater than this amount, the Depositor will bear such excess costs and expenses. If the actual costs and expenses are less than this amount, the Depositor will retain such excess as additional compensation.

	Amount	Percentage of All Funds
Sources		
Offering Proceeds	$77,667,582	100.00%
Total Sources	**$77,667,582**	**100.00%**
Uses		
Acquisition Costs [1]		
Contribution Value	$67,750,000	87.23%
Acquisition Fee	$677,500	0.87%
Trust Reserves [2]	$1,000,000	1.29%
Trust Capital Reserve [3]	$250,000	0.32%
Transfer Tax [4]	$250,000	0.32%
Total Acquisition Costs	**$69,927,500**	**90.03%**
Syndication Costs		
Selling Commissions [5]	$4,660,055	6.00%
Managing Broker-Dealer Fee [7]	$1,553,352	2.00%
Marketing & Due Diligence Allowance [6]	$776,676	1.00%
Offering & Organizational Expenses [8]	$750,000	0.97%
Total Syndication Costs	**$7,740,082**	**9.97%**
Total Uses	**$77,667,582**	**100.00%**

[NOTES ON FOLLOWING PAGE]

NOTES:

(1) The Trust will pay or reimburse some or all of these amounts to affiliates of the Trust, as described in this Memorandum. Certain of these costs and expenses are based on certain assumptions made by the Sponsor. If the actual costs and expenses exceed the estimates, the Sponsor will be responsible for the excess amount. Conversely, if the estimates exceed the actual costs and expenses, the Sponsor will retain the difference as additional compensation. The Sponsor expects that no proceeds of the Offering after payment of the costs and expenses described above will be retained by the Sponsor. *See* "PLAN OF DISTRIBUTION."

(2) "Trust Reserves" consists of an initial contribution of $1,000,000 to the Trust-controlled Reserve Account for working capital and certain prefunded Trust costs, and unanticipated costs relating to the Property and the Trust.

(3) "Trust Capital Reserves" are anticipated to be $250,000 funded into the Trust-controlled Reserve Account to make funds available for the unanticipated capital expenses at the Property.

(4) "Transfer Tax" of $250,000 for California transfer tax associated with the sale of the Improvements to the Trust.

(5) Selling Commissions in an amount of up to 6.0% of the Total Sales will be paid to the Managing Broker-Dealer, some or all of which it may re-allow to the Selling Group Members.

(6) The Managing Broker-Dealer will receive a non-accountable Marketing and Due Diligence Allowance of up to 1.0% of Total Sales, which may be re-allowed, in whole or in part, to the Selling Group Members.

(7) The Managing Broker-Dealer will receive a Managing Broker-Dealer Fee of up to 2.0% of the Total Sales, a portion of which may be re-allowed to certain Selling Group Members for wholesaling activities or be used to pay certain wholesalers that are internal to the Managing Broker-Dealer and its affiliates.

(8) The Sponsor anticipates that the organizational and offering expenses for the Offering will be $750,000. Any additional costs in excess of such amount will be paid by the Sponsor. Unused funds, if any, will be retained by the Sponsor.

RISK FACTORS

The Interests are speculative and involve a high degree of risk. A prospective Investor should be able to bear a complete loss of the prospective Investor's investment. Prospective Investors should carefully read this Memorandum before purchasing an Interest.

A PROSPECTIVE INVESTOR SHOULD CONSIDER CAREFULLY, AMONG OTHER RISKS, THE FOLLOWING RISKS, AND SHOULD HAVE THE PROSPECTIVE INVESTOR'S OWN INDEPENDENT LEGAL, TAX, ACCOUNTING AND FINANCIAL ADVISORS CLOSELY REVIEW THIS MEMORANDUM AND ALL DOCUMENTS REFERENCED HEREIN AND ATTACHED HERETO BEFORE INVESTING IN THE INTERESTS. THESE RISK FACTORS, OR OTHER EVENTS, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTAINED IN THIS MEMORANDUM. FURTHERMORE, THESE RISK FACTORS RELATE TO A SOPHISTICATED TRANSACTION AND ALTHOUGH THE TRUST HAS ENDEAVORED TO ANALYZE THIS TRANSACTION AND THE RISKS ATTENDANT TO THIS TRANSACTION TO THE BEST OF ITS ABILITY, THE FOLLOWING RISKS MAY NOT ENCOMPASS EVERY POSSIBLE RISK WITH REGARD TO THIS TRANSACTION. ONLY AFTER A PROSPECTIVE INVESTOR AND THE PROSPECTIVE INVESTOR'S INDEPENDENT ADVISORS HAVE ANALYZED THE UNDERLYING DOCUMENTS CAN THE PROSPECTIVE INVESTOR FULLY UNDERSTAND THE TRANSACTION.

Risks Related to the Delaware Statutory Trust Structure

Investors have limited control over the management of the Trust.

The Trustees (and in particular the Administrative Trustee) are solely responsible for the operation and management of the Trust. The Investors have no right to participate in the management of the Trust or in the decisions made by the Trustees. The Trustees and the LLC Manager (if applicable) will not consult with the Investors when making decisions with respect to the Trust and the Property. The Administrative Trustee will be under no obligation to make its decision with respect to a prospective sale of the Property in accordance with the wishes of Investors. The Trustees of the Trust may only be removed by Investors holding a majority of the Interests and only for cause (*i.e.*, if the Trustees have engaged in willful misconduct, fraud or gross negligence with respect to the Trust).

The Trustees have limited duties to Investors, and may take actions that are not in the best interests of the Investors.

The Delaware Statutory Trust Act does not impose any fiduciary duty on the trustees, managers or owners of Delaware statutory trusts and permit the waiver of all fiduciary duties other than the implied duty of good faith and fair dealing. The Trustees do not owe any duties to the Investors other than those provided for in the Trust Agreement. Specifically, the Trustees do not have a fiduciary duty to any Investors as would be applicable to a limited liability company or partnership and, therefore, may take actions that would not be in the best interests of one or more of the Investors. The Trust Agreement provides that the Trustees will be individually answerable for their actions to the Investors only if, among other things, the Trustees engage in willful misconduct or gross negligence or any Prohibited Action under the Trust Agreement, or they fail to use ordinary care in disbursing monies to Investors pursuant to the terms of the Trust Agreement.

The Trustees have limited authority, and the Trust may face increased termination risk.

To comply with the tax law regarding exchanges under Section 1031, the Trust structure prevents the Trustees from engaging in numerous actions, to the extent any such action would "vary the investment" of the Investors under Treasury Regulation Section 301.7701-4(c): (1) reinvesting money held by the Trust, except as provided in the Trust Agreement; (2) entering into new financing, renegotiating the Lease or entering into a new lease or leases except in the event of the bankruptcy or insolvency of the Tenant; (3) making other than minor non-structural modifications to the Property other than as required by law; (4) after the formation and capitalization of the Trust, accepting any additional capital contributions from any Investor, or any contributions from any prospective new investor; or (5) taking any other action that would in the opinion of tax counsel cause the Trust to be treated as a "business entity" for federal income tax purposes.

The Trust may be converted into a Springing LLC, which would be governed by the terms of the Springing LLC operating agreement substantially in the form attached to the Trust Agreement. The Property will remain subject to the Lease after any such Transfer Distribution (unless otherwise terminated or renegotiated), and the ownership interest of each Investor in the Springing LLC will be identical to such Investor's Interest in the Trust (subject to the impact of additional capital requirements). However, as a result of such Transfer Distribution, the Investors will at such time no longer be considered to own, for federal income tax purposes, a direct ownership interest in the Property held by the Springing LLC. Because the Springing LLC will be treated as a partnership for tax purposes, it may not be possible for the individual Investors to do a tax-free exchange when a Springing LLC ultimately disposes of the Property.

Investors will not have legal title to the Property.

Investors will not have legal title to the Property. The Investors will not have the right to seek an in-kind distribution of the Property or divide or partition the Property. The Investors will not have the right to sell the Property.

The Trustees and the Asset Manager will receive significant compensation, regardless of whether Investors have received distributions.

Regardless of the performance of the Property, the Trustees and the Asset Manager will be entitled to receive significant fees and other compensation, payments and reimbursements. Those fees will be paid prior to any distributions to the Investors.

The Trust is required to indemnify the Trustees.

The Trustees, and their respective owners, officers, directors, members, employees, agents and other affiliates, will be indemnified by the Trust from and against any liabilities, losses, claims, suits and expenses (including reasonable legal fees) that may be incurred or asserted against the Trustees in connection with the operation of the Trust or the Property. Such indemnification does not apply, however, if the claim, suit or liability results from, among other things, the willful misconduct or gross negligence of the Trustees, the engagement by the Trustees in any Prohibited Action under the Trust Agreement, or the failure to use ordinary care in disbursing monies to Investors pursuant to the terms of the Trust Agreement. To the fullest extent permitted by law, the Trustees will be entitled to advancement of expenses incurred in defending a claim prior to its final disposition, subject to repayment if a court renders a final, non-appealable judgment that the applicable Trustee is not entitled to indemnification. A successful claim for such indemnification would decrease the value of an Interest by its pro rata share of the amount paid. *See* "SUMMARY OF TRUST AGREEMENT."

Risks Related to the Ground Lease

The Property is subject to the Ground Lease which may make the Property more difficult to sell.

The Trust will not own fee simple title to the Land; rather, it will own a leasehold interest in the Land as the ground lessee under the Ground Lease and a fee simple interest in the Improvements. The Ground Lease imposes certain restrictions and obligations on the ground lessee (i.e., the Trust) that likely would not apply to an owner of fee simple title to a property. As a result, the Property may be more difficult to sell to a third party. *See* "SUMMARY OF THE GROUND LEASE" for a summary of the terms of the Ground Lease.

The Ground Landlord can elect to obligate the Trust to require a potential buyer to purchase the Land as well as the Improvements; and can force a sale of the Improvements if the Tenant does not renew the Lease.

Pursuant to the terms of the Ground Lease, the Ground Landlord has the right to elect to obligate the Landlord to require any buyer of the Improvements to purchase the Ground Landlord's interest in the Land for $14,227,000 (or such lesser amount as the Ground Landlord may accept in its sole discretion). There is no guaranty that a prospective buyer would be interested in purchasing both the Land and the Improvements or have cash sufficient to purchase the Ground Landlord's interest in the Land. In addition, beginning six months prior to the unextended term of the Lease, if the Tenant has not renewed the Lease, the Ground Lessor can cause the Trust to sell the Land and Improvements together, with the purchase price being allocated between the Ground Lessor and the Trust as they, and the buyer, may

reasonably agree. In this event, there is no assurance that the Trust will recover all or any of its investment in the Improvements.

Risks Related to the Property

There are inherent risks with real estate investments.

The economic success of an investment in the Trust will depend upon the results of operations of the Property, which will be subject to those risks typically associated with investments in real estate, including without limitation:

- changes in the national, regional and local economic climate;
- the ability to collect rent from the Tenant;
- changes in the availability and costs of financing, which may affect the sale of the Property;
- eminent domain or condemnation actions against the Property;
- covenants, conditions, restrictions and easements relating to the Property;
- governmental regulations, including financing, environmental usage and tax laws, regulations and insurance;
- inflation and other increases in costs necessary to manage the Property, including insurance premiums and real estate taxes;
- the ability of the Tenant to pay for adequate maintenance, insurance and other operating costs, including real estate taxes, which could increase over time;
- the relative illiquidity of real estate investments;
- acts of nature, such as hurricanes, earthquakes, tornadoes and floods that may damage the Property and acts of nature such as a drought that could affect the value of real estate in the affected area including the Property; and
- the impact of an epidemic in the area in which the Property is located or a pandemic, which could severely disrupt the global economy.

Any negative change in the factors listed above could adversely affect the financial condition and operating results of the Property and, in turn, the Trust. The profitability of an investment in the Trust will depend on factors such as these.

The value of the Property over the term of the Trust is not certain.

U.S. and international financial markets have been volatile, particularly over the last fourteen (14) years. The effects of this volatility may persist particularly as financial institutions respond to new, or enhanced, regulatory requirements and other national and international events affecting financial markets, all of which could impact the availability of credit and overall economic activity as a whole. Further, the fluctuation in market conditions makes judging the future performance of real estate assets difficult. In addition, if interest rates increase materially prior to the disposition of the Property, any such increase may cause a decrease in the future market value of the Property, which may negatively impact the proceeds received by Investors upon a disposition of the Property.

Global financial, economic and social conditions could deteriorate.

The current and ongoing outbreak of a novel coronavirus, which causes the disease now known as COVID-19, was first identified in December 2019 in Wuhan, China, and has since spread globally. Government efforts to contain the spread of the coronavirus through lockdowns of cities, business closures, restrictions on travel and emergency quarantines, among others, and responses by businesses and individuals to reduce the risk of exposure to

infection, including social distancing in the form of reduced travel, cancellation of meetings and public and private events, and implementation of work-at-home policies, among others, have caused significant disruptions to the global economy and normal business operations across a growing list of sectors and countries, including in the United States. The foregoing have, and are likely to continue to, adversely affect business confidence, consumer sentiments, and lifestyle decisions, and have been, and may continue to be, accompanied by significant volatility and declines in financial markets and asset values. The spread of the coronavirus, and the continued efforts to contain its spread and reduce the risk of exposure, have also had broader macro-economic implications, including reduced levels of economic growth and global recessionary pressures, the effects of which could be felt well beyond the time the pandemic is contained, and which could adversely affect the Trust's ability to sell the Property and the financial condition of the Trust.

Monetary policy and governmental intervention in response to high inflation may cause severe economic distress.

In 2008 and through early 2009, financial markets generally, and real estate in particular, were materially and adversely affected by significant declines in the values of nearly all asset classes due to a global financial crisis that resulted in recession in the United States (the "**Great Recession**"). In response to the Great Recession, the United States Federal Reserve (the "**Federal Reserve**") instituted certain changes in monetary policy that resulted in historically low interest rates for more than a decade. Additionally, in response to the serious economic disruptions caused by COVID-19, governmental authorities and regulators in the United States and around the world responded with significant fiscal and monetary policy changes, including by providing unprecedented direct capital infusions to individuals and into companies, introducing new monetary programs, and maintaining or lowering historically low interest rates. In the wake of these policies, global economies, including the United States, began to experience significant inflation not seen in a generation. In response to rapidly increasing inflation that has persisted in the United States throughout 2022, the Federal Reserve has rapidly increased interest rates and is expected to continue to do so as long as rapid inflation continues unabated. Such action by the Federal Reserve has contributed to significant equity and credit market volatility and instability and may contribute to, or even cause, another recession in the United States.

Should rampant inflation continue or monetary policy contribute to, or cause, a recession or prolonged equity and/or credit market volatility, the Trust may have difficulty locating a homebuilder who is willing and able to purchase the Property, which could adversely affect the financial condition and operating results of the Trust. Moreover, the resulting global financial, inflationary, stagflation, economic and social distress may materially and adversely affect the rate of return to Investors or cause the Investors to lose all or substantially all of their entire investment in the Property.

An investment in the Trust is subject to a Distress Event (as defined below), which may materially adversely affect the Administrative Trustee, the Trust, and/or the Property.

An investment in the Trust is subject to the risk that one or more of the banks, brokers, hedging counterparties, lenders or other custodians (each, a "**Financial Institution**") of some or all of the Trust's assets fails to timely perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (each, a "**Distress Event**"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. If a Financial Institution experiences a Distress Event, the Trust may not be able to access deposits, borrowing facilities or other services, either permanently or for an extended period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation ("**FDIC**"), in the case of banks, and the Securities Investor Protection Corporation ("**SIPC**"), in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to the risk of a total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose an increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties during Distress Events, there can be no assurance that such intervention will occur in a future Distress Event or that any such intervention undertaken will be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of the Administrative Trustee to manage the Trust, and on the ability of the Administrative Trustee or the Trust to maintain operations, which in each case

could result in significant disruptions to operations as well as losses. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event the Trust is not able to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of the Trust to access capital contributions or otherwise); and the inability of the Administrative Trustee or Trust to make payroll, fulfill obligations, or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution's services, it is also possible that such companies will incur additional expenses or delays in putting in place alternative arrangements or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital, or otherwise). Although the Administrative Trustee expects to exercise contractual remedies under agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. The Trust is subject to similar risks if a Financial Institution utilized by suppliers, vendors, service providers or other counterparties of the Administrative Trustee or the Trust becomes subject to a Distress Event, which could have a material adverse effect on the Trust.

Furthermore, many Financial Institutions require, as a condition to using their services (including lending services), that the Administrative Trustee and/or Trust maintain all or a set amount or percentage of their respective accounts or assets with the Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although the Administrative Trustee seeks to do business with Financial Institutions that it believes are creditworthy and capable of fulfilling their respective obligations to the Trust, the Administrative Trustee is under no obligation to use a minimum number of Financial Institutions with respect to the Trust or to maintain account balances at or below the relevant insured amounts.

The financial performance of the Property is dependent upon the Tenant.

The Property is leased to Sacramento Rehabilitation Hospital, LLC, a Delaware limited liability company. Thus, the financial success of the Property, and the ability of the Property to produce current income in the form of rental income, is dependent upon the performance of the Tenant. If the Tenant is unable to pay the rent required by the Lease, then the success of the Property will be limited.

Adverse trends in the healthcare service industry may negatively affect the Trust's revenues.

The financial performance of the Property depends on the ability of its Tenant to generate sufficient income from its operations to make rent payments to the Trust. As part of the healthcare service industry, the Tenant faces a wide range of economic, competitive, government reimbursement and regulatory pressures and constraints. In addition, the healthcare service industry in which the Tenant operates may be affected by various trends, including the following: trends in the method of delivery of healthcare services; competition among healthcare providers; lower reimbursement rates from government and commercial payors, high uncompensated care expense, investment losses and limited admissions growth pressuring operating profit margins for healthcare providers; liability insurance expense; regulatory and government reimbursement uncertainty resulting from the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010; health reform initiatives to address healthcare costs through expanded value-based purchasing programs, bundled provider payments, accountable care organizations, state health insurance exchanges, increased patient cost-sharing, geographic payment variations, comparative effectiveness research, and lower payments for hospital readmissions; federal and state government plans to reduce budget deficits and address debt ceiling limits by lowering healthcare provider Medicare and Medicaid payment rates, while requiring increased patient access to care; congressional efforts to reform the Medicare physician fee-for-service formula that dictates annual updates in payment rates for physician services; and heightened health information technology security standards for healthcare providers. These changes, among others, may adversely affect the economic performance of the Tenant and, in turn, negatively affect the revenues and the value of the Property.

As a result of these factors or others, the Tenant or Guarantor may experience financial difficulties, including bankruptcy, insolvency or a general downturn in their businesses. Specifically, a bankruptcy filing by, or relating to, the Tenant or the Guarantor may bar efforts by the Trust to collect pre-bankruptcy debts from the Tenant or the Guarantor unless the Trust receives an order permitting the Trust to do so from the bankruptcy court. In addition, the Trust cannot evict the Tenant solely because of bankruptcy. Bankruptcy could delay the Trust's efforts to collect past due balances under the Lease, and could ultimately preclude collection of these sums. If the Lease is assumed in

bankruptcy, all pre-bankruptcy balances due under the Lease must be paid to the Trust in full. If, however, the Lease is rejected in bankruptcy, the Trust would have only a general, unsecured claim for damages. An unsecured claim would only be paid to the extent that funds are available and only in the same percentage as is paid to all other holders of general, unsecured claims. Restrictions under the bankruptcy laws further limit the amount of any other claims that the Trust can make if the Lease is rejected. As a result, it is likely that the Trust would recover substantially less than the full value of the remaining rent during the term.

Reductions in reimbursement from third party payors, including Medicare and Medicaid, could adversely affect the profitability of Tenant, operations of the Property and hinder its ability to make rent payments.

Sources of revenue for the Tenant include the federal Medicare program, state Medicaid programs, private insurance carriers and health maintenance organizations, among others. Efforts by such payors to reduce healthcare costs will likely continue, which may result in reductions or slower growth in reimbursement for certain services provided by the Tenant. In addition, the healthcare billing rules and regulations are complex, and the failure of the Tenant to comply with various laws and regulations could jeopardize its ability to continue participating in Medicare, Medicaid and other government sponsored payment programs. Moreover, the state and federal governmental healthcare programs are subject to reductions by state and federal legislative actions.

The healthcare industry continues to face various challenges, including increased government and private payor pressure on healthcare providers to control or reduce costs. It is possible that the Tenant will continue to experience a shift in payor mix away from fee-for-service payors, resulting in an increase in the percentage of revenues attributable to managed care payors and general industry trends that include pressures to control healthcare costs. Pressures to control healthcare costs and a shift away from traditional health insurance reimbursement to managed care plans have resulted in an increase in the number of patients whose healthcare coverage is provided under managed care plans, such as health maintenance organizations and preferred provider organizations. In 2014, state insurance exchanges were implemented, thus providing a new mechanism for individuals to obtain insurance. At this time, the number of payors that are participating in the state insurance exchanges varies, and in some regions, there are very limited insurance plans available for individuals to choose from when purchasing insurance. In addition, not all healthcare providers will maintain participation agreements with the payors that are participating in the state health insurance exchange. Therefore, it is possible that the Tenant may incur a change in its reimbursement if it does not have participation agreements with the state insurance exchange payors and a large number of individuals elect to purchase insurance from the state insurance exchange. Further, the rates of reimbursement from the state insurance exchange payors to healthcare providers will vary greatly. The rates of reimbursement will be subject to negotiation between the healthcare provider and the payor, which may vary based upon the market, the healthcare provider's quality metrics, the number of providers participating in the area and the patient population, among other factors. Therefore, it is uncertain whether healthcare providers will incur a decrease in reimbursement from the state insurance exchange, which may impact the Tenant's operations and ability to pay rent. In addition, the health insurance exchange provides a subsidy for some individuals to obtain insurance depending upon the individual's income and a number of other factors.

In addition, new payment models may change how physicians are paid for services. These changes could have a material adverse effect on the financial condition of the Tenant. The financial impact on the Tenant could restrict its ability to make rent payments, which would have a material adverse effect on the Trust's financial condition and results of operations and its ability to pay distributions.

In light of the election of President Trump and the Republican Party's control of both houses of Congress, all of the foregoing regarding reimbursements, payment models, shared-saving programs and the like are subject to further change, which may be rapid and dramatic, and which may adversely impact the amount and timing of payments to be made in connection with the services provided by the Tenants.

The Property is specifically designed for use by the Tenant, which could result in substantial re-leasing costs or a lower sale price.

The Property is designed for use by the Tenant. Accordingly, if the Lease is terminated for any reason, or if the Tenant does not renew its Lease, the Property might not be marketable to a different tenant without substantial capital improvements or alterations. Also, if another tenant could not be found to occupy the Property, the Property might have to be subdivided and the Property might not be fully leased, resulting in a loss of income from such

unutilized space. Moreover, if the Trust decides to sell the Property, the sale price might be lower than expected because of the Property's limited suitability.

The Tenant has a right of first refusal to purchase the Property, which may make it more difficult to sell the Property.

Pursuant to the Lease, the Tenant has the right, during the term of the Lease, to purchase the Property should the Trust desire to sell or convey the Property to a third party. If at any time during the term of the Lease, the Trust receives a bona fide written offer to purchase the Property, which offer is acceptable to the Trust and from a person or entity not a party to the Lease, the Trust is required to give written notice to the Tenant of the offer, together with a copy of the offer. The Tenant will have ten business days after receiving the Trust's written notice to elect to exercise its right of first refusal by providing written notice of its intent to the Landlord. If the Tenant does not elect to exercise its right of first refusal within such period, the Trust may proceed to sell the Property. If the Tenant exercises the foregoing option, then the purchase shall be consummated within the time period set forth in the third-party offer. *See "*SUMMARY OF THE LEASES" for additional discussion. The existence of the right of first refusal in the Lease may make the Property more difficult to sell to a third party.

The Property is subject to the Ground Lease, which may make the Property more difficult to sell.

The Trust will not own fee simple title to the Land; rather, it will own a leasehold interest in the Land as the ground tenant under the Ground Lease and a fee simple interest in the Improvements. The Ground Lease imposes certain restrictions and obligations on the ground tenant (which will be the Trust) that likely would not apply to an owner of fee simple title to a property. For example, except for certain limited exceptions, the ground tenant must obtain the prior consent of the ground landlord prior to the assignment of the Ground Lease, which consent may not be unreasonably withheld or delayed. As a result, the Property may be more difficult to sell to a third party. *See* "SUMMARY OF THE GROUND LEASE" for additional discussion regarding the Ground Lease.

If the Property incurs a vacancy, it could be difficult to sell or re-lease.

The Property may incur a vacancy by the continued default of the Tenant under the Lease. The Property may be specifically suited to the particular needs of the Tenant and if the Property remains vacant for a long period of time, the Trust would suffer reduced revenues, which could materially and adversely affect its ability to make payments to Investors. In addition, the resale value of the Property could be diminished because the market value may depend principally upon the Property being occupied by the Tenant.

The purchase price of the Interests includes fees and other charges.

The Sponsor increased the aggregate purchase price of the Interests, which includes the purchase price of the Property, to cover selling commissions, legal and accounting expenses and other costs associated with the acquisition of the Property and the Offering. *See* "ESTIMATED SOURCES AND USES OF PROCEEDS." These additional costs will cause the cost of an investment in an Interest to exceed the *pro rata* share of the market value of the Property. In order to make a profit on a sale of the Property or any Interest, the Investors will need to receive sufficient proceeds to recover the added acquisition costs included in the original purchase price, as well as: (1) the costs associated with their own attorneys and tax advisors; and (2) any costs related to the disposition of the Property or Interest.

General Risk of Investment in the Property.

The financial performance of the Property is subject to those risks typically associated with investments in real estate. Fluctuations in vacancy rates, rent schedules, and operating expenses can adversely affect operating results or render the sale or refinancing of the Property difficult or unattractive. No assurance can be given that certain assumptions as to the future levels of occupancy of the Property, future rental appreciation, future cost of capital improvements or future costs of operating the Property will be accurate since such matters will depend on events and factors beyond the control of the Trust and the Investors. Such factors include continued validity and enforceability of the leases, vacancy rates for properties similar to the Property, financial resources of tenants, rent levels at other housing properties located near the Property, adverse changes in local population trends, market conditions, neighborhood values, local economic and social conditions, supply and demand for properties similar to the Property, competition from similar properties, interest rates and real estate tax rates, governmental rules, regulations, and fiscal

policies, the enactment of unfavorable real estate, environmental, zoning or hazardous material laws, uninsured losses, effects of inflation, and other risks.

Unanticipated costs related to the Property could affect Investors' returns.

The Trust will maintain the Reserve Account to make funds available for capital expenditures and unanticipated costs, but in the event that the costs exceed the funds available in the Reserve Account, the Trust, and ultimately the Investors, would need to make up the difference. Any amounts remaining in the Reserve Account upon the sale of the Property will be distributed to the Investors (and any other holders of Interests) based on their respective pro rata Interests. *See* "SUMMARY OF THE OFFERING – *Reserve Account*" for additional discussion.

Uninsured losses may adversely affect returns.

Pursuant to the terms of the Lease, the Tenant is required to maintain certain insurance, as further described in "DESCRIPTION OF THE TENANT AND LEASE." Although the Tenant is required to maintain such coverage, there can be no assurance that such insurance, or the insurance maintained by the Trust, would cover all potential losses. Furthermore, insurance against certain risks, such as earthquakes, toxic mold and/or floods, may be unavailable or available at commercially unreasonable rates or in amounts that are less than the full market value or replacement cost of the Property. In addition, there can be no assurance that particular risks that are currently insurable will continue to be insurable on an economical basis or that the current levels of coverage will continue to be available. If a loss occurs that is partially or completely unreimbursed, the Investors may lose all or part of their investment in the Trust.

The Trust does not guarantee the condition of, or title to, the Property.

The Trust will not make any warranties or representations to the Investors regarding the condition of the Property. A prospective Investor is investing in the Property in an "as is" condition, on a "where is" basis and "with all faults," without any warranties of merchantability or fitness for a particular use or purpose.

In addition, the Property is subject to various matters affecting title, including but not limited to zoning ordinances, building codes and matters set forth on the survey, which is available in the Investor Data Room. These matters may include, for example, easements, declarations, restrictions, agreements and other limitations on the right of the Trust to construct, develop and use the Property and may impose certain maintenance and cost-sharing obligations upon the Trust. Documents related to the most significant matters affecting title are summarized in "DESCRIPTION OF THE PROPERTY – *Agreements Affecting the Property*" and are available in the Investor Data Room. In addition, other issues that are not disclosed by the survey may affect title.

The Trust has limited protection against title defects.

While the Trust is in the process of obtaining title insurance with respect to the Property in its own name, as of the date of this Memorandum that process is not complete. Until the Trust has obtained its own title insurance policy, it will be indemnified by the Ground Landlord (which does have a title insurance policy in effect for the Land and Improvements) up to the limit of the Ground Landlord's title insurance policy for any defects in title that negatively impact the Trust. Without its own title policy, the Trust will not be directly protected from unknown or undiscovered defects in title that may be discovered after closing. These may include, but are not limited to, unrecorded liens, easements or encroachments, boundary or survey disputes, undisclosed prior mortgages or unpaid taxes, forged or fraudulent documents in the chain of title. In addition, a title insurance policy typically provides legal defense and reimbursement for covered claims. In the event a title defect is discovered after acquisition, the Trust may incur significant legal and financial costs to resolve the issue which will be solely the responsibility of the Trust, subject however to indemnification provided by the Ground Landlord and its own title insurance policy. The Trust is currently underwriting an owner's title policy, and this Offering will be supplemented when that policy is obtained.

The existence of any environmental issues with the Property may adversely affect the Trust.

Federal, state and local laws may impose liability on a landowner for releases of or the presence on the premises of hazardous substances and petroleum, without regard to fault or knowledge of the presence of such substances. A landowner may be held liable for the presence of hazardous substances and petroleum that occurred before it acquired title and/or that occur during ownership of, even if the conditions are not discovered until after it

sells, a property. If hazardous substances or petroleum are found at any time on the Property, the Trust may be found to be responsible for all or a portion of cleanup costs, fines, penalties and other costs regardless of whether the Trust owned the Property when the releases occurred or such substances were discovered. Under the Federal Comprehensive Environmental Response, Compensation, and Liability Act ("**CERCLA**") (which does not apply to petroleum contamination), as well as other federal and state environmental laws (many of which do apply to petroleum products), a purchaser of property may qualify for affirmative defenses to, and exemptions from liability. One of the factors often critical to the defense is obtaining, within one hundred and eighty (180) days before acquiring a property, a Phase I Environmental Site Assessment (a "**Phase I**") that qualifies as "All Appropriate Inquiry."

A current Phase I for the Property has been obtained, which was performed in compliance with the standards of ASTM Practice E1527-21, which the United States Environmental Protection Agency and many states have recognized as adequate to demonstrate compliance with "All Appropriate Inquiry." *See* "DESCRIPTION OF THE PROPERTY – *Environmental*."

The objective of the Phase I was to identify any Recognized Environmental Conditions ("**RECs**"), Historical RECs ("**Historical RECs**"), Controlled RECs ("**Controlled RECs**") and/or any other *de minimis* conditions ("***de minimis* conditions**") in connection with the Property. A REC refers to the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property due to release to the environment, under conditions indicative of a release to the environment, or under conditions that pose a material threat of a future release to the environment. A Controlled REC refers to a past release of any hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable regulatory authority (for example as evidenced by issuance of a no further action letter or equivalent) with hazardous substances or petroleum allowed to remain in place subject to implementation of required controls such as property use limitations. A Historical REC refers to a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls. *De minimis* conditions are not RECs. *De minimis* conditions generally do not present a threat to human health and the environment and generally are not subject to enforcement action if brought to the attention of governmental agencies. In some cases, a Phase I identifies environmental concerns that do not qualify as RECs, HRECs, CRECs, or *de minimis* conditions and are otherwise beyond the scope of ASTM E1527-21, but which may affect environmental risk at a Property and/or have a material environmental or environmentally driven impact on the business associated with the current or planned use of commercial real estate, and therefore warrant further discussion. These environmental concerns are referred to as "**environmental issues**" or "**business environmental risks**" ("**BERs**"). The Phase I was timely conducted no more than one hundred and eighty (180) days prior to the Trust's acquisition of the Property.

A Phase I does not involve any invasive testing. A Phase I is limited to a physical walk through or inspection of the property and a review of the related governmental records. Consequently, there are no assurances that any actual environmental problems with or conditions on the Property would be exposed by a Phase I.

In the event that environmental contamination consisting of hazardous substances or petroleum existed with respect to the Property when the Trust acquired the Property, but which was not disclosed in the Phase I for the Property, and the contamination is subsequently discovered on the Property, the Trust may be able to avail itself of the defenses to, and the exemptions from, liability that are available under CERCLA and other federal and state laws, since the Trust acquired the Property within one hundred and eighty (180) days of the effective date of the Phase I and otherwise satisfied the conditions of "All Appropriate Inquiry."

It is possible that an environmental claim may be raised in such a manner that the claim could become enforceable against the Trust. The existence of any environmental issues with the Property may make it more difficult and more expensive, and perhaps impossible, to sell the Property. If losses arise from environmental matters, the financial viability of the Property may be substantially affected. In an extreme case, the Property may be rendered worthless, or the Trust may be obligated to pay cleanup and other costs in excess of the value of the Property.

The Phase I for the Property did not identify any RECs, Controlled RECs, Historical RECs, de minimis conditions, or BERs. The Phase I did not recommend any further action or investigation.

The Property may contain or develop harmful mold, which could lead to liability for adverse health effects and costs of remediating the problem.

The presence of mold at the Property could require the Trust to undertake a costly program to remediate, contain or remove the mold. Mold growth may occur when moisture accumulates in buildings or on building materials. Some molds may produce airborne toxins or irritants. Concern about indoor exposure to mold has been increasing because exposure to mold may cause a variety of adverse health effects and symptoms, including allergic or other reactions. The presence of mold could expose the Trust to liability if property damage or health concerns arise. Although mold is beyond the required scope of a Phase I, the Phase I for the Property considered mold as part of a non-scope consideration and did not reveal any readily identifiable mold growth or conditions that would be conducive to mold growth at the Property. However, the mold evaluation was based on observation only. No sampling or assessment of inaccessible areas was performed.

The location of the Property may increase the risk of damage to the Property.

Although the Property satisfies certain stability requirements, the Assessment indicates that, the property is located in Seismic Zone 3 (area of moderate to high probability of earthquake damage). As a result, the Property may face an increased likelihood of earthquake-related damage, the availability of insurance for the Property with respect to such risks may decrease over time, and the cost of insurance for such risks may increase over time or the Property may cease to be partially or fully insurable on an economical basis. Additionally, the Property is located in Flood Zone A99, which is a special flood hazard area where a federal flood protection system is being built to protect against a 100-year flood; provided, however, the Trust cannot guarantee that such federal flood protection system will be completed either during the term of the Lease or before the next 100-year flood. *See* "DESCRIPTION OF THE PROPERTY – *Flood, Seismic and Wind Zones*" and "RISK FACTORS – *Risks Related to the Property – Uninsured losses may adversely affect returns.*"

Compliance with various laws could affect the operation of the Property.

Various federal, state and local regulations, such as fire and safety requirements, zoning, environmental regulations, the Americans with Disabilities Act of 1990, non-discrimination and equal housing laws, land use restrictions and taxes affect the Property. If the Property does not comply with these requirements, the Trust may incur governmental fines or private damage awards. New, or amendments to existing, laws, rules, regulations or ordinances could require significant unanticipated expenditures or impose restrictions on the development, construction or sale of the Property. These laws, rules, regulations or ordinances may adversely affect the ability of the Trust to operate or sell the Property.

A cybersecurity incident and other technology disruptions could negatively impact the Trust's business.

The Trust uses computers in substantially all aspects of its business operations, in addition to the use of mobile devices, social networking and other online activities to connect with the Tenant. Such uses give rise to cybersecurity risks, including security breach, espionage, system disruption, theft and inadvertent release of information. The businesses of the Trust involve the storage and transmission of numerous classes of sensitive and/or confidential information and intellectual property. If the Trust fails to assess and identify cybersecurity risks associated with their operations, they may become increasingly vulnerable to such risks. Additionally, any measures already implemented to prevent security breaches and cyber incidents may not be effective. The theft, destruction, loss, misappropriation or release of sensitive and/or confidential information or intellectual property or interference with the information technology systems of the Trust or the technology systems of third-parties on which the Trust relies, could result in business disruption, negative publicity, brand damage, violation of privacy laws, potential liability and competitive disadvantage, any of which could result in a material adverse effect on the Trust's financial condition or results of operations.

Terrorist attacks and other acts of violence or war may affect the Trust's operations and profitability.

Any terrorist attack, other act of violence or war, including armed conflicts, could result in increased volatility in, or damage to, the United States and worldwide financial markets and economy. Increased economic volatility could adversely affect the Tenant's ability to pay its rents, which could affect the ability of the Property to generate operating income and, therefore, the Trust's ability to pay distributions.

The effects of climate change on the Property are unpredictable and may have a material adverse effect on the Property.

The Trust cannot predict with certainty whether climate change is occurring and, if so, at what rate. However, the physical effects of climate change could have a material adverse effect on the Property. To the extent climate change causes changes in weather patterns, the Property could experience increases in annual rainfall and storm intensity. Climate change may also have indirect effects on the Property by increasing the cost of or making property insurance unavailable on acceptable terms, increasing the cost of energy or related costs at the Property. Proposed legislation to address climate change could increase utility and other costs of operating the Property which, if not offset by rising rental income, would reduce cash flow. There can be no assurance that climate change will not have a material adverse effect on the Property.

The Trust's operations and financial conditions could be adversely impacted by significant inflation or deflation.

While current rates of inflation remain low relative to historic averages in the U.S., the U.S. has experienced recent increases in the rate of inflation, which trend could continue, and which increases have led to speculation about possible future governmental measures that could be adopted to curb inflation, including rapidly and repeatedly raising interest rates, which could have significant negative effects on the U.S. economy and real estate valuations. Furthermore, significant inflation could have an adverse impact on the Property, and in turn, an investment in the Trust, by increasing the costs of operations of the Trust and the Property. The Trust may not be able to offset cost increases caused by inflation. In addition, the Trust's cost of capital, as well as those of future business partners, may increase in the event of inflation. Alternatively, significant deflation could cause the value of the Property to decline, which could sharply impact Investor profits.

The Sponsor, the Administrative Trustee, and the Asset Manager are subject to various conflicts of interest.

The Sponsor, the Administrative Trustee, and the Asset Manager and their respective affiliates are subject to conflicts of interest between their activities, roles and duties for other entities and the activities, roles and duties they have assumed on behalf of the Trust. Conflicts exist in allocating management time, services and functions between their current and future activities and the Trust. None of the management arrangements or agreements is the result of arm's-length negotiations. *See* "CONFLICTS OF INTEREST" for additional discussion.

Actual results may differ from those targeted in this Memorandum.

The Financial Forecast included in this Memorandum and all other materials or documents supplied by the Trust are based upon current estimates of income and expenses relating to the operation of the Property as well as other assumptions, including the specific assumptions set forth on Exhibit F. The Financial Forecast should be considered speculative and are qualified in their entirety by the assumptions, information and risks disclosed in this Memorandum. The assumptions and facts upon which the Financial Forecast are based are subject to variations that may arise as future events actually occur. There is no assurance that actual events will correspond with these assumptions. Potential Investors are advised to consult with their tax and business advisors concerning the validity and reasonableness of the factual, accounting and tax assumptions. . Any return to the Investors on their investment will depend on the ability of the Administrative Trustee (or the LLC Manager, as applicable), and the Asset Manager to operate the Property profitably and ultimately sell the Property at a profit, which, in turn, will depend upon economic factors and conditions beyond its control. A variety of factors, including, without limitation, any of the following, may cause actual results to differ:

(1) actual expenses may exceed anticipated expenses;

(2) capital expenditures and unanticipated costs may exceed the amount placed in the Reserve Accounts;
(3) rent may be collected later than anticipated, due to the failure of the Tenant to make such payments when due; and
(4) the Tenant may be entitled to terminate their Lease or abate, withhold, reduce or not pay rent in certain circumstances in accordance with the Lease, including certain events of casualty, condemnation, or environmental remediation.
(5) Therefore, the actual results achieved during the life of the ownership of the Property may vary from the Financial Forecast, and the variation may be material. As a result, the rate of return to Investors may be lower than that targeted.

Neither the Trust nor any other person or entity makes any representation or warranty as to the future profitability of an investment in an Interest.

Investors may not recover all or any portion of their investment in a sale of the Property.

Any proceeds realized from the sale of the Property will be distributed to the Investors in accordance with their respective Interests, but only after payment of any loan then outstanding on the Property, expenses of the transaction, including a broker's fee and, a disposition fee to the Asset Manager. The Administrative Trustee will have the exclusive right to retain the listing broker, and accordingly the Investors will have no power to designate a listing broker of their choosing. The ability of the Investor to recover all or any portion of the Investor's investment through a sale will therefore depend on the amount of net proceeds realized from such sale and the amount of claims to be satisfied therefrom. There can be no assurance that the Investors will receive any proceeds from the sale of the Property.

The Trust is not obligated to provide Investors with audited financial statements for the Property.

The Trust is not obligated to make audited financial statements available to the Investors with respect to the Property. Instead, the Sponsor expects that it will provide periodic internally prepared financial statements. Given the scope of the internally prepared financial statements, it may be costly and difficult to verify the accuracy of certain financial reports detailing the operations of the Property.

Risks Related to the PACE Financing

If the Tenant is unable or unwilling to make the PACE Assessments, the Investors may lose all or substantially all of their investment in the Property.

The Property benefits from PACE Financing from the Authority. Pursuant to the Lease, the Tenant is required to make PACE Assessments to the Authority. If the Tenant fails to make the PACE Assessments to the Authority, the Authority may foreclose on the Property, which may require the Ground Lessor to make such PACE Assessments. There is no guaranty that either the Tenant or the Ground Lessor will be able to make such PACE Assessments. If the PACE Assessments are not made, Investors may lose all or substantially all of their entire investment in the Property.

Risks Related to the Construction Loan

Because the Construction Lender retains a security interest in the Improvements owned by the Trust until the Construction Loan is repaid, which is intended to occur as the Interests are sold in this Offering, there is no assurance that the Trust and therefore the Investors may not bear adverse consequences in connection with the Construction Loan.

As noted above in "ACQUISITION AND FINANCING," Kennor and its predecessors acquired the Land and developed the Improvements, which were financed in part by the Construction Loan from the Construction Lender. Although Kennor (and not the Trust) is the borrower with respect to the Construction Loan, and although the Trust is not a party to any contract with respect to the Construction Loan, did not assume Kennor's obligations with respect to the Construction Loan and did not otherwise finance its acquisition of the Improvements with any debt, the Construction Loan remains, as of the date of this Memorandum, secured in part by a security interest in the Land and the Improvements in favor of the Construction Lender. In connection with the Offering, the net proceeds received by

the Depositor from the sales by the Trust of the Interests will first be used to repay the Construction Loan, and accordingly the Sponsor believes that the Construction Loan will have no impact on the Trust. In light of the Construction Loan, BV Vibra DST LLC, as the sole owner of Kennor and as the Depositor, has executed the Depositor Indemnity in favor of the Trust which provides, among other things, that the Trust shall be indemnified in full by BV Vibra DST LLC for all costs and expenses, and for any other adverse impacts, that arise in the event of any action taken by the Construction Lender with respect to the assets of the Trust. Nevertheless, and notwithstanding the Depositor Guaranty, there can be no assurance that, in the event of a default on the Construction Loan, the Construction Lender would not take action that would impact the Trust and, in such event, there can be no assurance that the Depositor Indemnity will sufficiently protect the Trust and therefor the Investors from any adverse consequences from such action by the Construction Lender.

Risks Related to the Offering

There is no public market for the Interests.

An Investor will be required to represent that the Investor is acquiring the Interests for investment purposes and not with a view to distribution or resale, and the Investor can bear the economic risk of investment in the Property for an indefinite period of time. The Interests are being offered and sold pursuant to exemptions from the registration provisions of federal and state law. Accordingly, the Interests are subject to restrictions on transfer. Even if these transfer restrictions expire or are not applicable to a particular Investor, there is no public market for the Interests, and neither the Sponsor nor the Trust will take any steps to develop a market. Investors should expect to hold their Interests for a significant period of time.

The Interests are not registered with the SEC or any state securities commissions.

The Interests have not been, and will not be, registered with the SEC or any state securities commission. The Interests are being offered in reliance upon an exemption from the registration provisions of the Securities Act and state securities laws applicable only to offers and sales to a prospective Investor meeting the suitability requirements set forth herein. Since this is a nonpublic offering and, as such, is not registered under federal or state securities laws, a prospective Investor will not have the benefit of review or comment by the SEC or any state securities commission. The terms and conditions of the Offering may not comply with the guidelines and regulations established for real estate programs that are required to be registered and qualified with those agencies.

If the Trust fails to comply with the requirements of the exemptions related to the Interests, the Trust could suffer material adverse effects.

The Interests are being offered in reliance upon an exemption from the registration provisions of the Securities Act and state securities laws applicable only to offers and sales to a prospective Investor meeting the suitability requirements set forth herein. If the Trust should fail to comply with the requirements of such exemption, Investors may have the right, if they so desired, to rescind their purchase of an Interest. This might also occur under the applicable state securities laws and regulations in states where an Interest will be offered without registration or qualification pursuant to a private offering or other exemption. If this were the case and a number of Investors were successful in seeking rescission, the Trust would face severe financial demands that would adversely affect the Trust as a whole and, thus, the investment in Interests by the remaining Investors.

Investors have limited rights under the Purchase Agreement.

In order to acquire the Interests, each Investor will execute the Purchase Agreement, which limits Investor rights by, among other things, eliminating any right to jury trial and mandating that any dispute arising under the Purchase Agreement be subject to binding arbitration. Thus, by making an investment in the Interests, Investors are waiving rights they would otherwise have in a dispute with the Trust or the Sponsor or their affiliates.

An Investment in the Interests is not a diversified investment.

An Investor will acquire the Interests in the Trust, the assets of which will consist solely of the Property and the Lease. Thus, an investment in the Interests will not be diversified as to the type of asset, geographic location or the tenant mix.

Investors may not realize a return on their investment for years, if at all.

An Investor may not realize a return on the Investor's investment and could lose the entire investment. For this reason, a prospective Investor should carefully read this Memorandum and should consult with the prospective Investor's attorney, tax advisor, and business advisor prior to making the investment.

The Trust is not providing the prospective Investors with separate legal, accounting or business advice or representation.

The Trust, the Administrative Trustee and their respective affiliates are not represented by separate counsel. Further, the Trust's and the Administrative Trustee's counsel and accountants have not been retained, and will not be available, to provide legal counsel, tax advice or accounting advice to prospective Investors.

Certain information is not required to be provided to investors in a private offering.

Since this Offering is a private offering and the Interests are only being offered to Accredited Investors, certain information that would be required if the Offering were public or not so limited has not been included in this Memorandum, including but not limited to audited financial statements. Thus, prospective Investors will not have this information available to review when deciding whether to invest in an Interest.

The arrangements with the Managing Broker-Dealer were not negotiated at arm's length.

The Managing Broker-Dealer for this Offering, BV Securities, LLC, is an affiliate of the Sponsor. The arrangements with the Managing Broker-Dealer, including fees and expenses payable thereunder, were not negotiated at arm's length.

The Managing Broker-Dealer for this Offering is not independent, and Investors will not have the benefit of an independent due diligence review.

The Managing Broker-Dealer for this Offering, BV Securities, LLC, is an affiliate of the Sponsor. As a result, the Managing Broker-Dealer is not independent. Because BV Securities, LLC acts as the Managing Broker-Dealer in this Offering, Investors will not have the benefit of an independent due diligence review and investigation of the type normally performed by unaffiliated, independent underwriters in securities offerings. If all of the Interests are not sold, the Depositor and/or its affiliate will own the unsold Interests, which could result in potential conflicts of interest.

There is no minimum amount of Offering proceeds that must be raised, or minimum number of Investors required in connection with this Offering. Accordingly, if the Managing Broker-Dealer is unable to sell all of the Interests offered herein, the Depositor and/or its affiliate will own the remaining Interests, provided that the holder of such unsold Interests (whether the Depositor or otherwise) reserves the right to sell or otherwise transfer such unsold Interests, to persons affiliated with the Sponsor or otherwise, whether pursuant to a secondary offering or otherwise. The ownership of the Interests by these entities involves certain risks that potential Investors should consider, including, but not limited to, the fact that there may be conflicts of interest between the objectives of the Investors and those of the Depositor and its affiliates, or, if the Offering is not fully subscribed, that a significant amount of the Interests will not have been acquired by disinterested investors after an assessment of the merits of the Offering.

Tax Risks

*There are substantial issues associated with the federal income tax aspects of a purchase of an Interest, especially if the purchase is part of a Section 1031 Exchange. The following risk factors summarize some of the tax risks to an Investor. A further discussion of the tax aspects (including other tax risks) of a purchase of an Interest is set forth under "*FEDERAL INCOME TAX CONSEQUENCES.*"* ***Because the tax aspects of this Offering are complex and certain of the tax consequences may differ depending on individual tax circumstances, each prospective Investor is strongly encouraged to consult with and rely on his, her or its own tax advisor about the tax aspects of this Offering in light of that Investor's individual situation. No representation or warranty of any kind is made with respect to the IRS' acceptance of the treatment of any item by an Investor.***

THE DISCUSSION SET FORTH HEREIN IS NOT ADVICE INTENDED TO BE RELIED UPON AND USED, AND CANNOT BE USED BY ANY TAXPAYER, FOR THE PURPOSE OF AVOIDING ANY PENALTIES IMPOSED ON THE TAXPAYER. THIS SECTION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS CONTEMPLATED BY AND DESCRIBED IN THIS MEMORANDUM. EACH PROSPECTIVE INVESTOR SHOULD SEEK ADVICE BASED ON THE PROSPECTIVE INVESTOR'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR CONCERNING THE INCOME AND OTHER TAX CONSEQUENCES OF PARTICIPATION IN THIS INVESTMENT.

Acquisition of the Interests may not qualify as a Section 1031 Exchange.

The Interests may not qualify under Section 1031 for tax-deferred exchange treatment and a portion of the proceeds from an Investor's sale of his, her or its Relinquished Property could constitute taxable "boot" (as defined herein). Whether any particular acquisition of Interests will qualify as a Section 1031 Exchange depends on the specific facts involved, including, without limitation, the nature and use of the Relinquished Property and the method of its disposition, the use of a qualified intermediary and a qualified exchange escrow and the lapse of time between the sale of the Relinquished Property and the identification and acquisition of the replacement property. Neither the Trust nor its affiliates or agents is examining or analyzing any prospective Investor's circumstances to determine whether it qualifies under Section 1031. Moreover, no opinion or assurance is being provided to the effect that any individual prospective Investor's transaction will qualify under Section 1031. Such examinations or analyses are the sole responsibility of each prospective Investor, who should consult with the Investor's own legal, tax, accounting and financial advisors before purchasing an Interest. If the factors surrounding a prospective Investor's disposition of the Relinquished Property and the Investor's acquisition of the Interests do not meet the requirements of Section 1031, the disposition of the Relinquished Property will be taxed as a sale and the IRS will assess interest and possibly penalties for failure to timely pay such taxes. *See* the Tax Opinion, a copy of which is attached hereto as Exhibit B. Also, merely designating an Interest in connection with an Investor's Section 1031 Exchange does not assure the Investor that there will be Interests available to purchase when the Investor executes the Investor Questionnaire and Purchase Agreement and actually causes his, her or its qualified intermediary to transfer funds to complete the purchase of the Interests.

On July 20, 2004, the IRS issued Revenue Ruling 2004-86, 2004-2 C.B. 191, which held that, assuming the other requirements of Section 1031 are satisfied, a taxpayer's exchange of real property for an Interest in the Delaware statutory trust described in the ruling (the "**DST**") satisfies the requirements of Section 1031. The IRS based its holding on the following conclusions: (1) the DST is treated as an entity separate from its owners (and not as a co-ownership or agency arrangement); (2) the DST is an "investment" trust and not a "business entity" for federal income tax purposes; (3) the DST is a "grantor trust" for federal income tax purposes, with the holders of interests in the DST treated as the grantors of the DST; and (4) the holders of interests in the DST are treated as directly owning interests in real property held by the DST. Because the holding of Revenue Ruling 2004-86 is based on certain factual assumptions regarding the DST, not all of which apply to the Trust, and because there are provisions in the Trust Agreement which are not mentioned in the limited facts laid out in the ruling, there can be no guarantee that the Interests will satisfy the requirements of Section 1031. For example, the facts in the ruling neither expressly permit nor prohibit: (a) conversion of the DST to a limited liability company; (b) the fact that the Administrative Trustee is related to the Depositor; or (c) any Interest retained by the Depositor or its affiliates.

A delayed closing on the acquisition of an Interest could adversely affect the qualification of an exchange under Section 1031.

Investors who are completing Section 1031 Exchanges should be aware that closing on their replacement property must occur before the earlier of: (1) the day which is one hundred and eighty (180) days after the date on which the taxpayer transferred the Relinquished Property in the exchange; or (2) the due date (determined with regard to extension) for the transferor's return for the taxable year in which the transfer of the Relinquished Property occurs. No extensions will be granted or other relief afforded to taxpayers who do not satisfy this requirement. Therefore, a delayed closing on the acquisition of an Interest could adversely affect the qualification of a Section 1031 Exchange.

Replacement property identification rules are complex and may be strictly construed.

Strictly construed, Section 1031 generally permits taxpayers to identify up to three replacement properties (the "**three-property rule**"), without regard to the fair market value of those properties. In addition, taxpayers may identify any number of properties so long as their aggregate fair market value at the end of the identification period does not exceed two hundred percent (200%) of the value of the Relinquished Property on the date it was transferred (the "**200% rule**"). If the three-property rule and 200% rule are violated, an Investor will still be treated as properly identifying any replacement property identified before the end of the identification period and received before the end of the exchange period if the fair market value of the replacement property received is at least ninety-five percent (95%) of the aggregate fair market value of all identified replacement property. These identification rules are strictly construed and your exchange will be totally disqualified if you fail to comply with these requirements or do not meet the applicable deadlines under Section 1031. Prospective investors should consult with their own tax advisors prior to identifying the Interests as replacement property.

Funds from a Section 1031 Exchange may not be used for certain costs associated with the Property.

Under certain conditions, closing and carrying costs, loan fees and costs, leasing reserves and other reserves, may not constitute property that is like-kind to real property for purposes of Section 1031. The Sponsor has attempted to structure the offering of the Interests so that such costs will be incurred by the Sponsor in connection with its syndication and offering of the Interests. You must consult your own tax advisor regarding the proper tax treatment of these costs.

State laws may differ.

Some states adopt Section 1031 in whole, other states adopt it in part and still other states impose their own requirements to qualify for deferral of gain under state law. In addition, while many states follow federal tax law by treating the owner of an interest in a fixed investment trust as owning an interest in the assets held by the trust, other state laws may differ and could result in the imposition of income or other taxes on such entities. Therefore, each Investor must consult the Investor's own tax advisor as to the qualification of a transaction for deferral of gain under state law.

In addition, ownership of an Interest may result in an obligation to pay state or local tax in the states and/or localities where the Property is located, and Investors may be subject to state and/or local tax withholding on their cash distributions from the Trust. If so, the Trust may be obligated to act as withholding agent and to pay such withholdings over to the state and/or local taxing authorities. Any such withholdings should be creditable against an Investor's income tax obligations in the state and/or locality with respect to his, her or its share of the Trust's income from the Property. State and local taxing jurisdictions may also impose applicable transfer taxes upon a disposition of the Property or an Interest. Investors must consult with their own tax advisors concerning the applicability and impact of state and local tax laws.

State and local tax regimes may not provide for Section 1031 Exchanges, or may provide for them but with different requirements than apply for Federal income tax purposes. By way of illustration but not limitation, the State of California (where the Property is located) has historically taken the position that any capital gains deferred pursuant to a Section 1031 Exchange with respect to California property remain California-source income ultimately subject to taxation in California when the deferred gain is ultimately recognized. In order to track compliance with this rule, for years beginning on and after January 1, 2014, the State of California has imposed a reporting rule which requires any person who engages in a Section 1031 Exchange of California property for non-California property to file an annual

information return until the deferred gain is ultimately recognized. Thus, if an Investor structures a sale of an Interest, or elects to treat its share of the Trust's sale of the Property, as a Section 1031 Exchange, then the Investor will need to file annual information returns with California starting with the tax year of the sale and continuing until the Investor recognizes the California-source deferred gain. Investors should consult with their legal and tax advisors to understand the Investors' post-Section 1031 Exchange California reporting obligations described above.

In addition, ownership of an Interest may result in an obligation to pay state or local tax in the State of California (where the Property is located), and Investors may be subject to California state tax withholding at a rate of 7% (or such other rate as may be required by law) of their cash distributions from the Trust that are derived from the Trust. Any such withholdings would be paid to the California taxing authorities by the Trust, and would be creditable against an Investor's income tax obligations in California with respect to their share of the Trust's income from the Property. State and local taxing jurisdictions may also impose applicable transfer taxes upon a disposition of the Property. Prospective Investors must consult with their own tax advisors concerning the applicability and impact of any state and local tax laws.

The conversion of the Trust to a Springing LLC or the contribution of the Property to a Springing LLC may have adverse tax consequences to Investors.

If the Trust is converted to a Springing LLC, the "Trust Property" (as defined in the Trust Agreement) or applicable portion thereof will be transferred from the Trust to the Springing LLC and the membership interests in the Springing LLC will be held by the Investors. It is anticipated that the Administrative Trustee will serve as the manager of the Springing LLC. Under current law, such a transfer generally should not be subject to federal income tax pursuant to Code Section 721. The Transfer Distribution could be subject, however, to state or local income, transfer or other taxes. In addition, there can be no assurances that the transfer will not be taxable under the federal income or other tax laws in effect at the time the transfer occurs. Because the conversion of the Trust to (or the formation of) a Springing LLC could occur in several situations, it is not possible to determine all of the potential tax consequences to the Investors.

If the Trust is converted into a Springing LLC or the Property is contributed to a Springing LLC, the Investors' ownership Interests in the Springing LLC will not qualify for tax-deferred exchange treatment under Section 1031.

If the Trust is converted to a Springing LLC, the Investors will hold membership interests in the Springing LLC, which cannot be transferred in an exchange that qualifies for tax-deferred exchange treatment under Section 1031. If, after the conversion of the Trust into a Springing LLC or the formation of a Springing LLC, the Investors wish to engage in a tax-deferred exchange of their indirect interests in the Property held by the Springing LLC, the LLC Manager may be able to convert the Investors' interests in the Springing LLC into (or exchange them for) direct interests in the Property or adopt some other tax strategy to accomplish the tax-deferred exchange. However, there can be no guarantee that this can or will be accomplished.

The conversion of the Trust in whole or in part to a tenancy in common arrangement may have adverse tax consequences to Investors.

The Trust (in whole or in part) to a Springing LLC, the Trust may be converted to a tenancy in common arrangement (a "**TIC Arrangement**," and such conversion, a "**TIC Conversion**"). In the event of a TIC Conversion, the Administrative Trustee would distribute the Property to the Investors and establish a co-ownership agreement and other agreements governing the TIC Arrangement and the Investors' ownership of the Property that, as determined in its sole discretion, are materially consistent with the terms and conditions set forth in IRS Revenue Procedure 2002-22 or such other IRS guidance as may apply to the treatment of a TIC Arrangement as the direct ownership of its underlying property. Nevertheless, there can be no assurance that the TIC Arrangement would not be classified as a partnership (rather than as direct undivided ownership of the Property) if challenged by the IRS.

Any amounts treated as "boot" will be taxable to Investors.

If, in a Section 1031 Exchange, money is received or deemed received in addition to the like-kind property (referred to as "**boot**"), then gain on the Relinquished Property is recognized up to the amount of boot. Although there is no direct authority on point (other than certain potentially favorable authority that allows taxpayers to treat certain

transaction expenses as reducing amounts otherwise taxable as boot in a Section 1031 Exchange), prospective Investors should be aware that the IRS may take the position that certain costs paid or deemed paid from money received from the sale of the Relinquished Property are boot and, therefore, income to the Investors. For example, the IRS may contend that some amounts paid into the Reserve Account and amounts paid in connection with the Offering constitute boot received by the Investors and not a reinvestment in real estate.

Passive activity, at risk, and excess business loss rules may limit losses.

Losses from passive trade or business activities generally may not be used to offset "portfolio income," such as interest, dividends and royalties, or salary or other active business income. Deductions from passive activities, including interest deductions attributable to passive activities generally may only be used to offset passive income. Passive activities include: (1) any activity which involves the conduct of any trade or business and in which the taxpayer does not "materially participate" (a statutorily-defined test); and (2) rental activities (subject to an exception for taxpayers who qualify as real property operators under certain statutory tests). Subject to satisfaction of the real property operator test and the material participation test, an Investor's income and loss from an investment in an Interest, if any, will constitute income and loss from passive activities. However, the rules regarding the deductibility of passive losses (whether from an investment in an Interest, or from another passive activity that potentially could be used to offset income from an investment in an Interest) are complex and vary with the facts and circumstances particular to each Investor. Prospective Investors should consult their tax advisors with respect to the tax consequences to them of the rules described above.

In addition, an Investor that is an individual or closely held corporation will be unable to deduct losses from the Trust, if any, to the extent such losses exceed the amount the Investor is considered "at risk" under the Code. Losses not allowed under the at-risk provisions may be carried forward to subsequent tax years and used when the Investor's amount "at risk" increases or when the Investor generates gain on the disposition of the activity. However, the rules regarding the applicability of the at-risk rules to a particular Investor are complex and vary with the facts and circumstances particular to each Investor. Prospective Investors should consult their tax advisors with respect to the tax consequences to them of the rules described above.

In addition, excess business losses of a taxpayer other than a corporation are not allowed for the taxable year. Such losses are carried forward and treated as part of the taxpayer's net operating loss carryforward in subsequent taxable years. An excess business loss for the taxable year is the excess of aggregate deductions of the taxpayer attributable to trades or businesses of the taxpayer over the sum of aggregate gross income or gain of the taxpayer plus a threshold amount. The threshold amount for 2025 is $313,000 (or twice the applicable threshold amount in the case of a joint return). The threshold amount is indexed for inflation. In the case of a partnership or S corporation, the provision applies at the partner or shareholder level. The provision applies after the application of the passive loss rules.

Income and gain from passive activities may be subject to the Medicare contributions tax.

Certain Investors who are U.S. individuals, estates, or trusts (including those that would own their Interests through an entity treated as a partnership or S corporation for U.S. income tax purposes) are subject to the Medicare Contributions Tax, which imposes a 3.8% tax on the lesser of (1) "net investment income" for the relevant taxable year and (2) the excess of modified adjusted gross income for the taxable year over a certain threshold of certain U.S. individuals and on the lesser of (a) the undistributed "net investment income" for the relevant tax year and (b) the excess of the "adjusted gross income" for such taxable year over the dollar amount at which the highest tax bracket in Code Section 1(e) begins for such taxable year of certain estates and trusts. Among other items, "net investment income" generally includes passive investment income, such as rent and net gain from the disposition of investment property, less certain deductions. Prospective Investors should consult their tax advisors with respect to the tax consequences to them of the rules described above.

An Investor may need to use funds from other sources to satisfy tax liabilities.

It is possible that an Investor's taxable income resulting from his, her or its Interest will exceed any distribution of cash attributable thereto. This may occur because cash flow from the Property may be used to fund nondeductible operating or capital expenses of the Property, including reserves, that are not offset by depreciation or other deductions. Thus, there may be years in which an Investor's tax liability exceeds its share of cash from the

Property. In addition, a sale or exchange of the Property at an economic loss without a Section 1031 Exchange could result in ordinary income, depreciation recapture or capital gain to an Investor without any accompanying net cash proceeds from the sale or disposition of the Property to pay income taxes on such items. This is a particular risk for certain Investors, such as persons acquiring an Interest in a Section 1031 Exchange, whose income tax basis in an Interest may be substantially lower than the Investor's cash investment in the Property. If this were to occur, an Investor would have to use funds from other sources to satisfy his, her or its tax liability.

Future legislative or regulatory action could significantly change the tax aspects of an investment in an Interest.

The discussion of tax aspects contained in this Memorandum is based on law presently in effect and certain proposed Regulations. Investors should be aware that new administrative, legislative or judicial action could significantly change the tax aspects of an investment in an Interest. Any tax law changes, whether with respect to the proposed legislation described in the prior sentence or otherwise, may be retroactive with respect to transactions entered into or contemplated before the effective date of such change, and could have a material adverse effect on the tax consequences of an investment in an Interest.

COMPENSATION OF THE SPONSOR AND ITS AFFILIATES

The following is a description of compensation that may be paid to the Sponsor, the Depositor, the Administrative Trustee, the Asset Manager, or their respective affiliates during the period of the Trust's ownership of the Property or in connection with the Offering. These compensation arrangements are not the result of arm's-length negotiations.

Because of the nature of a Section 1031 Exchange and applicable IRS requirements, it is difficult, if not impossible, to charge Investors for any shortfall in costs and expenses related to the Offering that are paid out of the gross Offering proceeds. If the actual costs and expenses exceed the estimates, the Depositor will pay those costs. Conversely, if the estimates exceed the actual costs and expenses, the Depositor will retain the difference as compensation.

For purposes of this table, the amount of the commissions and fees set forth below are calculated based on one hundred percent (100%) of the Interests offered herein, equivalent to $77,667,582.

Form of Compensation	Description	Estimated Maximum Amount of Compensation
	ACQUISITION, OFFERING AND ORGANIZATION STAGE	
Selling Commissions	The Trust will pay the Managing Broker-Dealer, Selling Commissions of up to six percent (6.0%) of the Total Sales, some or all of which it may re-allow to the Selling Group Members; provided, however, that this amount may be reduced in the event a lower commission rate is requested by a Selling Group Member and the commission rate will be the lower agreed upon rate.	$4,660,055
Managing Broker-Dealer Fee	The Trust will pay to the Managing Broker-Dealer a Managing Broker-Dealer Fee of up to two percent (2.0%) of the Total Sales, a portion of which may be re-allowed to certain Selling Group Members for wholesaling activities or be used to pay certain wholesalers that are internal to the Managing Broker-Dealer and its affiliates.	$1,553,352
Non-Accountable Marketing and Due Diligence Allowance	The Trust will pay the Managing Broker-Dealer a non-accountable Marketing and Due Diligence Allowance of up to one percent (1.0%) of the Total Sales, which may be re-allowed, in whole or in part, to the Selling Group Members.	$776,676
Reimbursement of Offering and Organizational Expenses:	The Trust will reimburse the Depositor and certain affiliates and third parties for offering and organizational expenses incurred by such parties.	$750,000
Acquisition Fee	The Trust will pay the Sponsor or its affiliates an acquisition fee of $677,500 in the aggregate for services it has rendered to the Trust in connection with the acquisition of the Properties, the Loan and the Offering.	$677,500
Reimbursement of Transfer Tax	The Trust will reimburse certain affiliates of the Sponsor for California transfer taxes associated with the purchase of the Improvements.	$250,000

Form of Compensation	Description	Estimated Maximum Amount of Compensation
	OPERATING STAGE	
Reimbursement of Expenses to Administrative Trustee:	The Administrative Trustee may seek reimbursement for reasonable and necessary expenses paid or incurred by the Administrative Trustee in connection with the administration of the Trust.	Impracticable to determine at this time.
Asset Management Fees	The Trust will pay to the Asset Manager an annual asset management fee equal to $77,668, commencing in year 3 (prorated for partial years after the first year), payable on a monthly basis out of the Trust's net cash flow. Additionally, if the Springing LLC refinances the Property in connection with a Transfer Distribution, the Asset Manager will receive from the Springing LLC, as applicable, a fee equal to one percent (1.0%) of the principal amount of the new loan, plus reimbursement of any out-of-pocket expenses incurred by the Asset Manager in connection with the refinancing. The Asset Management Agreement provides that the Asset Manager may decide, in its sole discretion, to be paid an amount less than the total amounts to which it is entitled with respect to any fee, and the excess amount that is not paid, in the Asset Manager's sole discretion, may be waived permanently or, as applicable, deferred or accrued, without interest, to be paid at a later point in time. In addition to the fees payable to the Asset Manager, the Trust is responsible for reimbursing the Asset Manager for all reasonable and necessary travel expenses incurred by the Asset Manager in carrying out its obligations under the Asset Management Agreement provided such travel expenses appear in the Approved Budget. The Asset Manager is responsible for, and will not be reimbursed for, the expenses incurred by or on behalf of the Asset Manager for the Asset Manager's internal overhead and employment costs.	$77,668 commencing in year 3 of the Trust's operations
Cash Flow:	The Depositor, and/or any other affiliate of the Sponsor that owns Interests in the Trust will receive its share of distributions from the Trust while it owns Interests.	Impracticable to determine at this time.

Form of Compensation	Description	Estimated Maximum Amount of Compensation
Disposition Fee	Upon the sale, transfer or other disposition of the Property, excluding a sale in foreclosure or a transfer to a Springing LLC in connection with a Transfer Distribution, the Asset Manager will be entitled to a disposition fee equal to two and one half percent (2.5%) of the gross sales price of the Property (or buyer's assumed fair market value of the Property, if consideration to the Trust for the Property is not rendered in cash). The Disposition Fee will be paid in cash on the closing date of such sale, transfer or other disposition of the Property, which will be in addition to fees payable to any third-party broker payable in connection with the sale of the Property. The Asset Manager may decide, in its sole discretion, to be paid an amount less than the total amounts to which it is entitled with respect to such Disposition Fee.	Impracticable to determine at this time.

CONFLICTS OF INTEREST

Conflicts of Interest

The Sponsor, the Administrative Trustee, the Asset Manager and their respective principals and affiliates will act as the manager, advisor, controlling party or sponsor of other Delaware statutory trusts, limited liability companies, partnerships and other entities from time to time. These other entities will own properties similar to the Property, which may compete with the Property, and may acquire additional properties in the future that may also compete with the Property. The Sponsor, the Administrative Trustee, the Asset Manager and their respective principals and affiliates also have existing responsibilities and, in the future, may have additional responsibilities, to provide management and services to a number of other entities. The principal areas in which conflicts are anticipated to occur are as follows.

The Property may compete with other properties owned or managed by the Sponsor or its affiliates.

The Sponsor or its affiliates may own, operate or manage in the future other properties that compete with the Property. If an affiliate of the Sponsor were to acquire a medical building in the vicinity of the Property, such property may compete with the Property for tenants, leasing opportunities and other business projects. This competition could impact the occupancy rates, rental income, and overall financial performance of the Property. Additionally, the Sponsor and its affiliates may have economic interests in such competing properties that differ from or conflict with the interests of Investors in the Property. There is no assurance that the Sponsor will prioritize the success of the Property over other properties it or its affiliates may own or manage.

The efforts and time of the Sponsor, the Administrative Trustee and the Asset Manager will not be solely dedicated to the Trust.

The Sponsor, the Administrative Trustee, the Asset Manager and their respective principals and affiliates may engage for their own account, or for the account of others, in other business ventures. The interest in such other activities will not necessarily be directed to or consistent with the Trust.

Principals of the Sponsor, the Administrative Trustee, and the Asset Manager may have conflicts of interest in allocating management time, services and functions among the various entities with which they are engaged.

Principals of the Sponsor, the Administrative Trustee, the Asset Manager and their respective affiliates may have obligations to other entities. Therefore, these individuals may have conflicts of interest in allocating management time, services and functions among the various entities with which they are engaged and others that may be organized in the future. If these persons are unable to devote sufficient time or resources to the Trust due to the competing demands of the other entities, they could harm the implementation of the Trust's business strategies. If the Trust does not successfully implement its business strategies, it may be unable to maintain or increase the value of the Property, and its operating cash flows and ability to pay distributions could be adversely affected.

The Trust does not have arm's-length agreements with the Administrative Trustee or the Asset Manager.

The agreements and arrangements with the Administrative Trustee and the Asset Manager were not negotiated at arm's-length. These agreements may contain terms and conditions that are not in the Trust's best interest or would not be present if the Trust had entered into arm's length agreements with third parties.

The Sponsor, the Administrative Trustee and the Asset Manager face conflicts of interest caused by their compensation arrangements with the Trust.

The Sponsor, the Administrative Trustee and the Asset Manager will receive certain compensation for services rendered regardless of whether distributions are paid to Investors.

The Managing Broker-Dealer for this Offering is not independent, and Investors will not have the benefit of an independent due diligence review.

An affiliate of the Sponsor owns an interest in the Managing Broker-Dealer, BV Securities, LLC. As a result, the Managing Broker-Dealer is not independent. Because BV Securities, LLC acts as the Managing Broker-Dealer in

this Offering, Investors will not have the benefit of an independent due diligence review and investigation of the type normally performed by unaffiliated, independent underwriters in securities offerings.

The Trust, the Administrative Trustee, the Asset Manager, and the Sponsor share legal representation.

Counsel to the Trust, the Administrative Trustee, the Asset Manager, and the Sponsor in connection with this Offering is the same, and it is anticipated that such representation will continue in the future. As a result, conflicts may arise in the future.

If all of the Interests are not sold, the Depositor and/or its affiliate will own the unsold Interests, which could result in potential conflicts of interest.

There is no minimum amount of Offering proceeds that must be raised or minimum number of Investors required in connection with this Offering. Accordingly, if the Managing Broker-Dealer is unable to sell all of the Interests offered herein, the Depositor and/or its affiliate will own the remaining Interests, provided that the holder of such unsold Interests (whether the Depositor or otherwise) reserves the right to sell or otherwise transfer such unsold Interests, to persons affiliated with the Sponsor or otherwise, whether pursuant to a secondary offering or otherwise. The ownership of the Interests by these entities involves certain risks that potential Investors should consider, including, but not limited to, the fact that there may be conflicts of interest between the objectives of the Investors and those of the Depositor and its affiliates, or, if the Offering is not fully subscribed, that a significant amount of the Interests will not have been acquired by disinterested investors after an assessment of the merits of the Offering.

Resolution of Conflicts of Interest

The Sponsor, the Administrative Trustee and the Asset Manager have not developed, and do not expect to develop, any formal process for resolving conflicts of interest. Although the foregoing conflicts could materially and adversely affect the Property, the parties, in their sole judgment and discretion, will try to mitigate such potential adversity by the exercise of their business judgment in an attempt to fulfill their obligations. There can be no assurance that such an attempt will prevent adverse consequences resulting from the numerous conflicts of interest.

SPONSOR AND PRIOR PERFORMANCE

IN CONSIDERING THE TRACK RECORD AND EXPERIENCE OF BRIDGEVIEW REAL ESTATE EXCHANGE LLC AND ITS AFFILIATES AND PRINCIPALS DESCRIBED BELOW, PROSPECTIVE INVESTORS SHOULD KEEP IN MIND THAT PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT THE PROPERTY WILL ACHIEVE ANY CERTAIN RESULTS IN THE FUTURE.

Bridgeview Real Estate Exchange LLC

The Offering is being sponsored by the Sponsor, which is Bridgeview Real Estate Exchange LLC, a Texas limited liability company. The Sponsor is affiliated with Bridgeview Real Estate ("**Bridgeview**"), which began in 2011 as a real estate development and investment firm, actively pursuing institutional, real property acquisitions, that present well-defined valuation floors, high probabilities of maintaining ongoing cash flows during recessionary times, and strategic positioning for downside protection.

Bridgeview is a veteran-owned privately held owner, developer, and operator of commercial real estate, focused on providing unique investment opportunities and generating substantial returns on behalf of institutional partners, investors, and principals. Bridgeview has expertise in multiple product segments, vertically integrating in-house platforms that span all facets of asset management and development.

Collectively, Bridgeview's principals have been involved in the acquisition, renovation, and disposition of almost 10,000 multifamily units and 1,000,000 square feet of commercial space as well as other real estate transactions in all, totaling more than $3 billion. Bridgeview consists of multiple companies that are collectively known as Bridgeview or BV.

This description of Bridgeview and its affiliates and references thereto is strictly for informational purposes only.

Prior Performance of Bridgeview and Affiliates

The information presented in this section represents the historical experience of real estate programs sponsored in whole or in part by affiliates of Bridgeview. Investors in this Offering should not assume that they will experience returns, if any, comparable to those experienced by investors in such prior real estate programs. Investors will not acquire any ownership interest in any of the entities to which the following information relates.

Bridgeview and its affiliates have sponsored 30 real estate programs with similar investment objectives since 2011. These prior real estate programs involved the purchase of 37 properties for an aggregate purchase price (or contribution value) of approximately $531,000,000. As of the date of this Memorandum, (1) these prior programs have raised over $350 million from investors. and (2) Bridgeview has exited fourteen transactions, including value-add multifamily, ground-up construction of multifamily and triple-net lease commercial assets that generated average returns in excess of 34% to its investors and resulted in an average cash-on-cash multiple of 2.91x.

Attached hereto as Exhibit E summarize the real estate programs noted above, which were sponsored by Bridgeview, as of December 31, 2024.

MANAGEMENT

The following are certain key personnel of Bridgeview that are involved with this Offering and the management of the Trust.

Name	Title
Steve May	Managing Partner at Bridgeview Companies
Jack Roberts	President at Bridgeview Construction, General Counsel of Bridgeview Companies
Dru Guillot	Managing Director of Development at Bridgeview Real Estate
David Gafford	Controller at Bridgeview Real Estate
Aubrey Ennis	Director of Acquisitions & Asset Management at Bridgeview Real Estate

Key Personnel

Steve May – *Managing Partner at Bridgeview Companies*

Mr. May founded Bridgeview (previously MayCo Realty) in 2021. Mr. May is responsible for the strategic vision of the company and has taken the lead on sourcing deals, equity, and debt for the Bridgeview through his diverse contact base. Mr. May also oversees the Bridgeview's underwriting efforts and the strategic marketing and management of the firm's existing assets. Prior to Bridgeview, Mr. May founded MayCo Realty. He focused on acquisition and development projects as well as distressed real estate transactions. Through MayCo, Mr. May worked on a wide variety of projects, including distressed condominium projects, multifamily acquisition and renovations, multifamily construction projects. He consulted regularly on real estate bankruptcy cases. Mr. May also co-founded EM Real Estate Enterprises ("**EMREE**"), which concentrated on the acquisition of single-tenant, credit lease transactions. Prior to starting Bridgeview, MayCo and EMREE, Mr. May was a commercial real estate lender with over ten years of structured and project finance experience, including over $2.5 billion in total transaction volume and was the top producer in the country at two different financial institutions. Through his years as a real estate lender, Mr. May developed significant experience in retail, industrial and multifamily construction, and investment. Furthermore, his experience in lending and vast contacts in the banking community has helped garner preferential financing terms for MayCo, EMREE and Bridgeview.

Jack Roberts – *President at Bridgeview Construction, General Counsel of Bridgeview Companies*

Mr. Roberts joined Bridgeview in 2018 and is responsible for development and construction of Bridgeview multifamily and office products. Prior to joining Bridgeview, Mr. Roberts' career in the construction and development industries centered on marrying sound risk management practices with construction operations. His breadth of industry experience includes commercial construction management, multifamily general contracting, healthcare development, and in-house legal representation. Working with some of the most reputable contractors, designers and professionals in the country has equipped Mr. Roberts with a strong understanding of commercial and multifamily operations. As a result, Mr. Roberts is able to effectively manage the schedule & budgetary risks inherent in multifamily and office development. Mr. Roberts served as an officer in the United States Army from 2004-2007 (Afghanistan 2005-2006) and is a graduate of Texas A&M University (B.S. Civil Engineering), Texas Tech School of Law (J.D.) and The University of Texas at Austin (M.B.A.).

Dru Guillot – *Managing Director at Bridgeview Construction*

Mr. Guillot joined Bridgeview in 2018 and co-leads development and construction for Bridgeview. He brings an extensive background with over 20 years of multi-family development and construction to the table. While Mr. Guillot is a native Texan, his multifamily career began in southern California where he built over 2,000 urban infill apartment units as well as developed Low Income Housing Tax Credit (LIHTC) projects in the central coast of California with Cobalt Construction and Pacific Harbor Homes.

Upon returning to Texas, Mr. Guillot joined Provident Realty Advisors in their multi-family division. Because of Mr. Guillot's extensive construction experience, he helped set up an in-house construction company to build all their multifamily projects. He and his team developed and built 1,000 LIHTC units in the New Orleans MSA and an additional 800 market rate units in the Dallas-Fort Worth Metroplex.

Mr. Guillot's unique experience with both multi-family development and construction ($600 million total) makes him a valuable asset to the team. He also possesses a vast HUD 221(d)(4) background. Mr. Guillot knows how to navigate the application process and manage compliance during all phases of construction and project close out. Mr. Guillot holds his Bachelor of Science degree from The University of Texas at Austin and resides with his wife and three children in Dallas.

David Gafford – *Controller at Bridgeview Real Estate*

Mr. Gafford joined Bridgeview in 2018 and is responsible for all accounting, financial reporting and administrative functions for Bridgeview and its affiliates. Mr. Gafford started his career in public accounting as an auditor with a regional Accounting Firm in Dallas, Texas with a focus on Broker/Dealers, Hedge Funds and Pooled Partnerships. Mr. Gafford moved from public accounting to become controller of a regional business litigation law firm. Subsequently, Mr. Gafford joined the mergers and acquisitions group of a large public company that focused on the consolidation of specialized and flatbed trucking companies. Mr. Gafford has over 15 years of accounting, operations, and financial management experience.

Mr. Gafford holds a Bachelor of Business Administration and Economics from Austin College and a Master of Accountancy and Master of Business Administration from Southern Methodist University.

Aubrey Ennis – *Director of Acquisitions & Asset Management at Bridgeview Real Estate*

Mr. Ennis joined Bridgeview in 2021 and is part of the capital markets team aligning current acquisition mandates with sustainable growth initiatives. His responsibilities also for focus on sourcing acquisitions, DST underwriting and collaboration between the deal team, lenders and capital partners.

Mr. Ennis began his commercial real estate career at Marcus & Millichap after graduating from the University of Central Oklahoma with a Bachelor's Degree in Science & Mathematics. While training at Marcus, Mr. Ennis specialized in multifamily investment sales and preferred equity underwriting. He actively engaged with institutional clients, forecasting, and facilitating their yearly investment goals, conducting exclusive dispositions throughout Texas and Oklahoma.

Robert Farrington – *Director of Operations & Asset Management at Bridgeview Real Estate*

Mr. Farrington joined Bridgeview in 2024 and is responsible for overseeing business and financial operations, ensuring efficiency and smooth workflow. In addition, Mr. Farrington is also responsible for in depth asset analysis, surveillance and investor reporting.

Mr. Farrington most recently served as a Managing Director with Broadsword Investors, focusing on debt origination, equity origination, and credit structure and prior to that he served as Director within ORIX Real Estate Americas' Commercial Real Estate platform, where, over an 18-year career, he led the operations of Surveillance and Bond Analytics teams, Asset Management, Primary/Special Servicing portfolio operations, new business development, and various finance and loan/bond investment-related functions. Mr. Farrington earned a Bachelor of Business Administration in Accounting from the University of North Texas.

Asset Manager

The Asset Manager, BV Asset Management LLC, a Texas limited liability company and an affiliate of the Sponsor, will provide asset management services to the Trust pursuant to the Asset Management Agreement.

Asset Management Agreement

The Trust has entered into the Asset Management Agreement with the Asset Manager for the management of the day-to-day affairs of the Trust. A copy of the Asset Management Agreement is available in the Investor Data Room.

The Asset Manager's duties generally are to provide asset management services for the Trust and to advise the Trust on the optimal manner in which to manage, operate, maximize income from and/or dispose of the Property in accordance with the Trust Agreement, applicable governmental requirements and the terms and provisions of the Asset Management Agreement. Such duties include but are not limited to: providing investor relations services on behalf of the Trust; conducting relations with broker-dealers and due diligence officers with respect to the Offering if requested by the Trust; if the Property is to be sold, providing assistance in negotiating a sale satisfactory to the Trust, and assisting the Trust in effecting a closing of the transaction with the purchaser, including without limitation, engaging third-party real estate brokers; and participating in regular meetings with the Trust to discuss the operations of the Trusts and the Property.

The term of the Asset Management Agreement commenced on April 16, 2025 and will terminate on the earlier of (1) the sale of the Property by the Trust or the Springing LLC, (2) termination by the Trust or the Asset Manager due to an uncured default under the Asset Management Agreement, or (3) December 31, 2055. The Asset Management Agreement will not terminate upon a transfer of the Property to the Springing LLC or to an affiliate of the Trust. In the event the Property is transferred to the Springing LLC in connection with a Transfer Distribution, the Asset Management Agreement will automatically be assigned to the manager of the Springing LLC unless the parties mutually agree to terminate the Asset Management Agreement.

The Trust is responsible for paying the Asset Manager certain compensation, as described in "COMPENSATION OF THE SPONSOR AND ITS AFFILIATES – Asset Management Fees."

FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of certain federal income tax consequences to the Investors that prospective Investors should consider. A complete discussion of the federal tax consequences of acquiring Interests is beyond the scope of this summary. Prospective Investors should be aware that the income tax consequences of an acquisition of an Interest are uncertain and complex and that such consequences may not be the same for all taxpayers. Neither the Trust nor any of the Trust's affiliates are providing any assurances or legal opinions to the effect that the acquisition of Interests by any prospective Investor will meet the requirements under Section 1031. The following summary is based on the Code, regulations enacted under the Code (the "**Regulations**"), court decisions and published IRS rulings that are in effect on the date of this Memorandum. Future legislative or administrative changes or court decisions may significantly change the conclusions expressed below, and these changes or decisions may have a retroactive effect.

Classification for Purposes of Section 1031

The Trust Agreement has been structured with the intent that an Investor will be treated as acquiring an undivided interest in real estate, as opposed to a security or interest in a partnership, joint venture, association or trust for federal income tax purposes. An Investor who is acquiring an Interest pursuant to a Section 1031 Exchange must be aware that the Interest must be treated as an interest in real property and not as an interest in a partnership, joint venture, association or trust in order for an Investor to be eligible to use the Interest as part of a Section 1031 Exchange. However, no ruling will be requested from the IRS that the Interests will be treated as undivided interests in real estate as opposed to an interest in a partnership, joint venture, association or trust for federal income tax purposes. In the absence of a ruling, there can be no assurance that the IRS will treat the Interests as interests in real estate for federal income tax purposes. Consequently, an Investor acquiring an Interest as part of a Section 1031 Exchange should, and is required to represent in the Investor Questionnaire and Purchase Agreement, that such Investor has consulted the Investor's own tax advisor about the tax consequences of any Section 1031 Exchange and its potential risks.

An Interest must constitute an interest in real estate to qualify for exchange treatment under Section 1031. The determination of whether an Interest will be treated for federal income tax purposes as ownership in real estate and not as a security or an interest in a partnership, joint venture, association or trust is dependent upon all of the surrounding facts and circumstances. On July 20, 2004, the IRS issued Revenue Ruling 2004-86, 2004-2 C.B. 191, which held that, assuming the other requirements of Section 1031 are satisfied, a taxpayer's exchange of real property for an interest in the DST satisfies the requirements of Section 1031. The IRS based its holding on the following conclusions: (1) the DST is treated as an entity separate from its owners (and not as a co-ownership or agency arrangement), (2) the DST is an "investment" trust and not a "business entity" for federal income tax purposes, (3) the DST is a "grantor trust" for federal income tax purposes, with the holders of interests in the DST treated as the grantors of the DST, and (4) the holders of interests in the DST are treated as directly owning interests in real property held by the DST. Because Revenue Ruling 2004-86 contains numerous factual assumptions regarding the DST, not all of which apply to the Trust, there can be no guarantee that the Interests will satisfy the requirements of Section 1031. Nevertheless, the Trust Agreement has been drafted such that it is consistent with the material factual assumptions regarding the DST, and Special Tax Counsel to the Trust has rendered a Tax Opinion that the acquisition of Interests by an Investor **should** be treated as a direct acquisition of the Property for purposes of Section 1031. Such opinion will rely upon the accuracy and completeness of certain documents, facts, representations and assumptions that may not be applicable to a particular prospective Investor. In addition, qualification of the transaction under Section 1031 requires meeting numerous statutory, regulatory and other conditions and also involves issues based on facts and situations that are not and cannot be known to Special Tax Counsel. Therefore, each prospective Investor's tax situation with respect to an exchange will be different and a prospective Investor must consult with the prospective Investor's own tax advisor regarding the prospective Investor's ability to effectuate an acquisition of replacement property under Section 1031. The Tax Opinion addresses only one aspect in qualifying under Section 1031, whether an acquisition of an Interest can be treated as a direct acquisition of the Property for purposes of Section 1031.

Other issues relevant to qualification under Section 1031 that are not addressed include, but are not limited to:

- whether a prospective Investor has properly identified the replacement property within the 45-day time period;

- whether the Relinquished Property qualified as being held for investment purposes or in a trade or business;

- whether a prospective Investor will fall within the deferred exchange safe harbor rules by properly using a "qualified intermediary" and a "qualified exchange escrow;"

- whether a prospective Investor acquiring an Interest and attempting to do a reverse exchange meets all the qualifications spelled out in IRS Revenue Procedure 2000-37, 2000-2 C.B. 308 (September 18, 2000);

- whether some portion of the Property is "personal property" as opposed to "real property;" and

- whether any amounts paid by, or deemed paid by, the prospective Investors with respect to certain costs and expenses of the Offering, financing costs and funding of the Reserve Account will be deemed to constitute other consideration received in the exchange.

Therefore, a prospective Investor must consult the prospective Investor's own tax advisor regarding an acquisition of an Interest and the qualification of the prospective Investor's transaction under Section 1031. A prospective Investor may not rely on the Trust's Special Tax Counsel or on the Trust, its affiliates or its agents, including its accountants, for any tax advice regarding the treatment of the prospective Investor's transaction under Section 1031. For the same reason, except as provided in the Tax Opinion (subject to the limitations described therein), a prospective Investor may not rely on any statement made in this Memorandum regarding the qualification of the prospective Investor's purchase of an Interest under Section 1031. No representation or warranty of any kind is made with respect to the IRS's acceptance of the qualification of a proposed Section 1031 Exchange.

Property Identification for Section 1031 Exchanges

Section 1031 generally permits taxpayers to identify up to three replacement properties (the "**three-property rule**"), without regard to the fair market value of those properties. In addition, taxpayers may identify any number of properties so long as their aggregate fair market value at the end of the identification period does not exceed 200% of the value of the Relinquished Property on the date it was transferred (the "**200% rule**"). If the three-property rule and 200% rule are violated, an Investor will still be treated as properly identifying any replacement property identified before the end of the identification period and received before the end of the exchange period if the fair market value of the replacement property received is at least ninety-five percent (95%) of the aggregate fair market value of all identified replacement property. The property identification rules of Section 1031 are complex, and Investors must consult with their own qualified intermediaries and tax advisors concerning their satisfaction of the property identification requirements of Section 1031.

Receipt of Boot

If, in a Section 1031 Exchange, money is received or deemed received in addition to the like-kind property (referred to as "**boot**"), then gain on the Relinquished Property is recognized up to the amount of boot. Although there is no direct authority on point, prospective Investors should be aware that the IRS may take the position that certain costs paid or deemed paid from money received from the sale of the Relinquished Property are boot and, therefore, income to the Investors. For example, the IRS may conclude that some amounts paid into the Reserve Account and amounts paid in connection with the Offering of Interest constitute boot received by the Investors and not a reinvestment in real estate. Special Tax Counsel to the Trust is not opining as to whether any such amounts paid by or deemed paid by the Trust or the Investors will be considered an acquisition of real estate or boot to the Investors. *See* "ESTIMATED SOURCES AND USES OF PROCEEDS" and "PLAN OF DISTRIBUTION."

Excess Business Losses May Not Be Currently Deductible.

Excess business losses of a taxpayer other than a corporation are not allowed for the taxable year. Such losses are carried forward and treated as part of the taxpayer's net operating loss carryforward in subsequent taxable years. An excess business loss for the taxable year is the excess of aggregate deductions of the taxpayer attributable to trades or businesses of the taxpayer over the sum of aggregate gross income or gain of the taxpayer plus a threshold amount.

The threshold amount for 2025 is $313,000 (or twice the applicable threshold amount in the case of a joint return). The threshold amount is indexed for inflation. In the case of a partnership or S corporation, the provision applies at the partner or shareholder level. The provision applies after the application of the passive loss rules.

Deduction for Qualified Business Income.

Code Section 199A that generally provides that a noncorporate taxpayer can deduct 20% of the "qualified business income" that he, she, or it receives during the taxable year. "Qualified business income" is the net amount of qualified items of income, gain, deduction, and loss with respect to any qualified trade or business of the taxpayer. For taxpayers whose taxable income exceeds the 2025 threshold amount of $197,300 ($394,600 in the case of a joint return), the deductible amount for a qualified trade or business is the lesser of: (1) 20% of the taxpayer's qualified business income, or (2) the greater of (a) 50% of the W-2 wages relating to the qualified trade or business or (b) the sum of (i) 25% of the W-2 wages relating to the qualified trade or business and (ii) 2.5% of the "unadjusted basis immediately after acquisition of qualified property."

There is substantial uncertainty as to whether a taxpayer's ownership of real estate that is subject to a triple-net lease can qualify as a "trade or business" for purposes of Code Section 199A. The Department of Treasury recently issued Final Regulations that provide some guidance with respect to Code Section 199A. The "Summary of Comments and Explanation of Revisions" that the Department of Treasury included with the Final Regulations (the "**Explanation**") discusses rental real estate activities as a trade or business for purposes of Code Section 199A. The Final Regulations state that "trade or business" has the same meaning as in Code Section 162. The Explanation notes that the Department of Treasury and the IRS will not provide a bright-line rule as to whether rental real estate activities will be considered a Code Section 162 trade or business for purposes of Code Section 199A. The IRS issued IRS Revenue Procedure 2019-38 that created a safe harbor that taxpayers with rental real estate activities can, if they meet the requirements, rely upon to treat their rental real estate activities as a "rental real estate enterprise" that will be considered a "trade or business" for purposes of Code Section 199A. However, IRS Revenue Procedure 2019-38 specifically excludes from the safe harbor triple net leases. IRS Revenue Procedure 2019-38 notes that failure to satisfy the requirements of the safe harbor does not preclude a taxpayer from otherwise establishing that a rental real estate activity is a trade or business for purposes of Code Section 199A. Thus, a taxpayer with a triple net lease will need to establish that his, her or its rental real estate activity qualifies as a Code Section 162 trade or business.

Under Code Section 162, the determination as to whether an activity rises to the level of a "trade or business" is based on the facts and circumstances. The current rules with respect to Code Section 162 require a taxpayer to be an active participant in his, her, or its real estate rental activities for the activities to constitute a "trade or business." As the Final Regulations note, a taxpayer seeking to determine whether a rental real estate activity is a Code Section 162 trade or business will need to consider factors including, but are not limited to, the following: (i) the type of rented property, (ii) the number of properties rented, (iii) the owner's or the owner's agent's day-to-day involvement, (iv) the types and significance of any ancillary services provided under the lease, and (v) the terms of the lease. The Property is subject to the Lease, which may be a triple-net lease, and Investors are expected to be passive investors in the Property. Thus, there is substantial uncertainty as to whether the income that Investors receive from the Trust can qualify as "qualified business income" from a qualified trade or business.

Moreover, the Final Regulations also state that a taxpayer's "unadjusted basis" in replacement property that he, she, or it receives in a Section 1031 Exchange is his, her, or its basis in its Relinquished Property. Thus, an Investor who purchases his, her, or its Interest through a Section 1031 Exchange may have an "unadjusted basis" in his, her, or its Interest equal to the basis he, she, or it had in his, her, or its Relinquished Property. If so, an Investor who has a low basis in his, her, or its Relinquished Property will have a low "unadjusted basis" in his, her, or its Interest, and his, her, or its Code Section 199A deduction amount may be less than the deduction amount of an Investor who purchased his, her, or its Interest through means other than a Section 1031 Exchange.

The application of Code Section 199A will differ based on each Investor's facts and circumstances. Therefore, each prospective Investor should consult with his, her, or its personal tax advisor to determine whether Code Section 199A applies to the income that the Investor receives from the Trust.

Tax Deficiency, Penalties and Interest

If an IRS audit disqualifies an Investor's proposed Section 1031 Exchange, the Investor will be taxed on the Investor's gain on the sale of the Relinquished Property, and the IRS will assess interest and could assess penalties and interest on the tax deficiencies associated with any failed Section 1031 Exchange. The Code provides for penalties relating to the accuracy of a tax return equal to twenty percent (20%) of the portion of the underpayment to which the penalty applies. The penalty applies to any portion of any understatement which is attributable to: (1) negligence; (2) any substantial understatement of income tax; or (3) any substantial valuation overstatement. Additional interest may be imposed on underpayments relating to tax shelters. As indicated above, Special Tax Counsel has issued an opinion that an acquisition of an Interest **should** be treated as a direct acquisition of the Property for purposes of Section 1031. However, the Tax Opinion does not address whether an Investor's specific transaction qualifies as a Section 1031 Exchange or whether any amounts paid by or deemed paid by the Trust or the Investors with respect to certain expenses of the Offering or financing will be deemed to constitute an acquisition of real estate. While Special Tax Counsel believes that its opinion is supported by substantial authority and that an Investor should not be subject to the accuracy-related penalties described above with respect to whether the purchase of an Interest qualifies as a direct acquisition of real estate, the Tax Opinion is not binding on the IRS and does not provide a guarantee against an adverse tax result.

Taxable Income

It is expected that an Investor's Interests will generate annual taxable income in excess of the cash distributable to such Investor. Although such taxable income can be offset by depreciation deductions, the amounts of such depreciation deductions may be limited because the tax basis of such property received in a Section 1031 Exchange is generally the same as the tax basis of the property exchanged. Therefore, if an Investor has a low tax basis in the Relinquished Property exchanged in a proposed Section 1031 Exchange, such Investor will have a low tax basis in his, her or its Interests, and his, her or its depreciation deductions will be less than the depreciation deductions of an Investor whose purchase was not structured as a Section 1031 Exchange.

Net Income and Loss of Each Investor

Each Investor will be required to determine his, her or its own net income or loss from the Property for income tax purposes. Certain expenses of the Property, such as depreciation and any interest expense attributable to refinancing proceeds which are distributed to the Investors, will be different for different Investors. The Administrative Trustee will keep records and provide information about expenses and income for each Investor. An Investor, however, will be required to keep separate records and to separately report the Investor's own net income or loss from the Property for income tax purposes. The application of certain rules, including the passive activity loss rules and the at-risk rules, may cause the tax treatment of certain expenses of the Property such as depreciation, to be different for each Investor.

In addition to other income tax imposed by the Code, certain Investors who are U.S. individuals, estates, or trusts (including those that would own their Interests through an entity treated as a partnership or S corporation for U.S. income tax purposes) are subject to the Medicare Contributions Tax, which imposes a 3.8% tax on the lesser of (1) "net investment income" for the relevant taxable year and (2) the excess of modified adjusted gross income for the taxable year over a certain threshold of certain U.S. individuals and on the lesser of (a) the undistributed "net investment income" for the relevant tax year and (b) the excess of the "adjusted gross income" for such taxable year over the dollar amount at which the highest tax bracket in Code Section 1(e) begins for such taxable year of certain estates and trusts. Among other items, "net investment income" generally includes rent and net gain from the disposition of investment property, less certain deductions.

Tax Impact of Sale of the Property

If the Property is sold or otherwise disposed of, the Investors will likely recognize taxable income. The amount realized by the Investors will include the amount of any debt assumed by the Investor or eliminated in such disposition of the Property. An Investor will have taxable income to the extent that the amount realized by such Investor exceeds his, her or its tax basis in his, her or its Interests. In addition, as noted above in "*Net Income and Loss of Each Investor*," the 3.8% Medicare Contribution Tax is likely to apply to any net gain realized on a taxable disposition of the Property.

State and Local Laws

In addition to the U.S. federal income tax consequences, a prospective Investor should consider the state and local tax consequences of an investment in an Interest. Such taxes may include, without limitation, income, franchise and excise taxes.

State and local tax regimes may not provide for Section 1031 Exchanges, or may provide for them but with different requirements than apply for Federal income tax purposes. By way of illustration but not limitation, the State of California (where the California Property is located) has historically taken the position that any capital gains deferred pursuant to a Section 1031 Exchange with respect to California property remain California-source income ultimately subject to taxation in California when the deferred gain is ultimately recognized. In order to track compliance with this rule, for years beginning on and after January 1, 2014, the State of California has imposed a reporting rule which requires any person who engages in a Section 1031 Exchange of California property for non-California property to file an annual information return until the deferred gain is ultimately recognized. Thus, if an Investor structures a sale of an Interest, or elects to treat its share of the Trust's sale of the California Property, as a Section 1031 Exchange, then the Investor will need to file annual information returns with California starting with the tax year of the sale and continuing until the Investor recognizes the California-source deferred gain.

In addition, ownership of an Interest may result in an obligation to pay state or local tax in the State of California (where the California Property is located), and Investors may be subject to California state tax withholding at a rate of 7% (or such other rate as may be required by law) of their cash distributions from the Trust that are derived from the California Trust. Any such withholdings would be paid to the California taxing authorities by the Trust, and would be creditable against an Investor's income tax obligations in California with respect to their share of the Trust's income from the California Property. State and local taxing jurisdictions may also impose applicable transfer taxes upon a disposition of the California Property.

Prospective Investors must consult with their own tax advisors concerning the applicability and impact of any state and local tax laws.

Tax Opinion

Seyfarth Shaw LLP, Special Tax Counsel to the Trust, has rendered the Tax Opinion concerning certain issues related to the Interests as set forth in this Memorandum. A copy of the Tax Opinion of Special Tax Counsel is attached as Exhibit B to this Memorandum. Except as to matters stated therein, which are based upon the law in effect as of the date of the Tax Opinion, the issuance of the Tax Opinion should not in any way be construed as implying that Special Tax Counsel has approved or passed upon any other matter for the Trust.

PROSPECTIVE INVESTORS SHOULD NOTE THAT A NUMBER OF ISSUES DISCUSSED IN THIS MEMORANDUM HAVE NOT BEEN DEFINITIVELY RESOLVED BY STATUTES, TREASURY REGULATIONS, RULINGS OR JUDICIAL OPINIONS. ACCORDINGLY, NO ASSURANCES CAN BE GIVEN THAT THE CONCLUSIONS EXPRESSED HEREIN WILL BE ACCEPTED BY THE IRS, OR, IF CONTESTED, WOULD BE SUSTAINED BY A COURT, OR THAT LEGISLATIVE CHANGES OR ADMINISTRATIVE PRONOUNCEMENTS OR COURT DECISIONS MAY NOT BE FORTHCOMING THAT WOULD SIGNIFICANTLY ALTER OR MODIFY THE CONCLUSIONS EXPRESSED HEREIN, WITH POSSIBLY RETROACTIVE EFFECT. EACH PROSPECTIVE INVESTORS MUST CONSULT HIS, HER OR ITS OWN TAX COUNSEL ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN AN INTEREST.

PROSPECTIVE INVESTORS SHOULD NOTE THAT A NUMBER OF ISSUES DISCUSSED IN THIS MEMORANDUM HAVE NOT BEEN DEFINITIVELY RESOLVED BY STATUTES, TREASURY REGULATIONS, RULINGS OR JUDICIAL OPINIONS. ACCORDINGLY, NO ASSURANCES CAN BE GIVEN THAT THE CONCLUSIONS EXPRESSED HEREIN WILL BE ACCEPTED BY THE IRS, OR, IF CONTESTED, WOULD BE SUSTAINED BY A COURT, OR THAT LEGISLATIVE CHANGES OR ADMINISTRATIVE PRONOUNCEMENTS OR COURT DECISIONS MAY NOT BE FORTHCOMING THAT WOULD SIGNIFICANTLY ALTER OR MODIFY THE CONCLUSIONS EXPRESSED HEREIN, WITH POSSIBLY RETROACTIVE EFFECT. EACH PROSPECTIVE INVESTORS MUST CONSULT HIS,

HER OR ITS OWN TAX COUNSEL ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN AN INTEREST.

LITIGATION

There are no material legal actions pending against the Sponsor or the Trust nor, to the knowledge of the Sponsor or the Trust, respectively, are any such proceedings threatened or contemplated.

REPORTS AND ADDITIONAL INFORMATION

Reports

The Administrative Trustee will keep proper and complete records and books of account for the Property, which will be used by the Sponsor to prepare periodic financial statements. These books and records will be kept at the Administrative Trustee's principal place of business and will be available to the Investors during reasonable business hours with notice.

The Administrative Trustee intends to provide all Investors with an Investor Report, which will include a financial update as well as updates regarding the performance of the Property, on a quarterly basis. However, the Administrative Trustee will not begin providing these Investor Reports until the later to occur of (1) the last Investor closing on his, her or its investment in the Trust and (2) the Trust completing its first full year of operations, and (3) with respect to each Investor, the Investor providing the Administrative Trustee with an email address to receive electronic delivery of the Investor Reports.

Tax Information

The Administrative Trustee will provide to the Investors in time for each Investor to file the Investor's tax returns, all tax information (other than with respect to depreciation) concerning the Trust that is necessary for preparing the Investor's income tax returns for that year.

Additional Information

The Trust will answer inquiries concerning the Interests and other matters relating to the Offering. Also, the Trust will afford the prospective Investors the opportunity to obtain any additional information (to the extent the Trust possesses such information or can acquire such information without unreasonable effort or expense) that is necessary to verify the information in this Memorandum.

EXHIBIT A

Trust Agreement

[attached]

AMENDED AND RESTATED TRUST AGREEMENT OF
BV ERNEST HEALTH NEURO REHAB DST
A DELAWARE STATUTORY TRUST

This **AMENDED AND RESTATED TRUST AGREEMENT** of **BV ERNEST HEALTH NEURO REHAB DST**, a Delaware statutory trust (the "**Trust**"), dated as of April 16, 2025, is made by and among BV Vibra DST LLC, a Texas limited liability company (the "**Depositor**"); Sorensen Entity Services LLC, a Delaware limited liability company, as the Delaware trustee (the "**Delaware Trustee**"); BV ERNEST MANAGER LLC, a Texas limited liability company, as administrative trustee (the "**Administrative Trustee**" and together with the Delaware Trustee, the "**Trustees**"); and any other person who subsequently signs this agreement (the "**Trust Agreement**") and becomes a party to it.

WHEREAS, the Depositor, the Administrative Trustee and Delaware Trustee formed the Trust as a "statutory trust" pursuant to and in accordance with the Delaware Statutory Trust Act (Title 12, Chapter 38 §3801 et. seq.), as amended from time to time (the "**Act**") by filing the Certificate of Trust with the Delaware Secretary of State on April 10, 2023, and intend that this Trust Agreement constitute the "governing instrument" of the Trust (as such term is defined in Section 3801(c) of the Act);

WHEREAS, the Depositor, the Administrative Trustee and the Delaware Trustee entered into that certain Trust Agreement of BV ERNEST HEALTH NEURO REHAB DST, dated as of April 10, 2023 (the "**Original Trust Agreement**");

WHEREAS, the Trust owns (i) a long-term ground leasehold interest (the "**Ground Leasehold Interest**") in approximately 6.23 acres of land located at 10 Advantage Court, Sacramento, California, 95834 (the "**Land**") pursuant to that certain Ground Lease dated as of April 16, 2025 (the "**Ground Lease**") with Kennor Holdings Sacramento, LLC, a Texas limited liability company and an affiliate of the Sponsor (the "**Ground Lessor**"), as lessor under the Ground Lease and (ii) an ownership interest in the improvements located on the Land, commonly known as "Sacramento Rehabilitation Hospital" (the "**Improvements**" and together with the Ground Leasehold Interest, the "**Real Estate**");

WHEREAS, the Real Estate is subject to the Lease (as hereinafter defined);

WHEREAS, the Depositor owns 100% of the Interests;

WHEREAS, it is anticipated that certain Persons will purchase from the Trust up to one hundred percent (100%) of the Interests (as defined below) in exchange for payment of money and become Investors, as such terms are defined herein, pursuant to a private placement of the Interests, and that the proceeds of the private placement will be used by the Administrative Trustee to pay certain expenses and fees and to return exclusively to the Depositor all or a portion of its capital contributions in reduction of all or a portion of its Interests in the Trust, as the case may be, as set forth in the Private Placement Memorandum (as hereinafter defined) and as further described in Section 2.06 hereof; and

WHEREAS, in anticipation of the issuance of the Private Placement Memorandum, the Depositor, the Administrative Trustee and the Delaware Trustee have determined that it is advisable to amend and restate in its entirety the Original Trust Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

ARTICLE I
DEFINITIONS

For all purposes of this Trust Agreement, the capitalized terms set forth below shall have the following meanings:

"**Administrative Trustee**" shall have the meaning set forth in the preamble.

"**Affiliate**" shall mean, with respect to any specified Person, any other Person owning beneficially, directly or indirectly, any ownership interest in such specified Person or directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person.

"**Code**" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"**Control**" shall mean (whether capitalized or not), with respect to any specified Person, the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" shall have meanings correlative to the foregoing. Without limiting the generality of the foregoing, a Person shall be deemed to Control any other Person in which it owns, directly or indirectly, more than fifty percent (50%) of the ownership interests.

"Delaware Trustee" shall have the meaning set forth in the preamble.

"**Depositor**" shall have the meaning set forth in the preamble.

"**ERISA**" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

"**Ground Lease**" shall have the meaning set forth in the recitals.

"**Interest**" shall mean, with respect to an Investor, such Investor's beneficial ownership interest in the Trust Property, which is reflected on Schedule 1 attached hereto and made a part hereof. All Interests shall be of a single class. When the Depositor's Interests has been redeemed, Schedule 1 will be updated accordingly.

"**Investor(s)**" shall mean the Depositor, to the extent it holds or retains an Interest, and each Person who becomes a holder of an Interest pursuant to the offering of Interests described in the Private Placement Memorandum or otherwise, and each of their successors in interest as beneficiaries of the Trust pursuant to Article III.

"**Lease**" shall mean Amended and Restated Lease Agreement dated September 23, 2022 and First Amendment to the Amended and Restated to Lease Agreement and Amendment to Lease Guaranty dated October 26, 2023 by and between, the Ground Lessor and Sacramento Rehabilitation Hospital, LLC, a Delaware limited liability company, as tenant with respect to the Real Estate, which the Ground Lessor assigned to the Trust in connection with the execution of the Ground Lease.

"**Majority**" shall mean more than fifty percent (50%).

"**Original Trust Agreement**" shall have the meaning set forth in the recitals.

"**Percentage**" shall mean, with respect to a particular Investor, the percentage beneficial ownership interest of such Investor in the Trust Property as reflected on Schedule 1 attached hereto and made a part hereof (including any updates of Schedule 1 to reflect transfers of Interests that satisfy the provisions of Article III), and the rights, obligations, benefits and burdens associated with such beneficial ownership interest.

"**Person**" shall mean a natural person, corporation, limited partnership, general partnership, limited liability company, joint stock company, joint venture, association, company, trust, bank trust company, land trust, business trust, statutory trust or other organization, whether or not a legal entity, and a government or agency or political subdivision thereof.

"**Plan Asset Rules**" shall mean 29 Code of Federal Regulations Section 2510.3-101, as amended from time to time.

"**Private Placement Memorandum**" shall mean the memorandum and related documents distributed to prospective Investors that provides such persons with information relating to an investment in the Interests.

"**Real Estate**" shall have the meaning set forth in the recitals.

"**Regulations**" shall mean U.S. Treasury Regulations promulgated under the Code.

"**Section**" shall mean a section in this Trust Agreement, unless otherwise modified.

"**Sponsor**" shall mean Bridgeview Exchange LLC, a Texas limited liability company.

"**Transaction Documents**" shall mean the Trust Agreement, the Ground Lease and the Lease.

"**Transfer Distribution**" shall mean distributions of Trust Property as set forth in section 9.03.

"**Trust**" shall have the meaning set forth in the preamble.

"**Trust Agreement**" shall have the meaning set forth in the preamble.

"**Trust Property**" shall mean all right, title and interest of the Trust in and to any property owned by the Trust, including the Real Estate.

"**Trustees**" shall have the meaning set forth in the preamble; the term.

ARTICLE II
FORMATION OF TRUST

2.01 Name. The Trust created hereby shall be known as BV ERNEST HEALTH NEURO REHAB DST.

2.02 Registered Office and Agent; Principal Place of Business.

(a) The name and address of the registered agent of the Trust in the State of Delaware is Sorensen Entity Services LLC, located at 1201 N. Orange Street, Suite 7044, Wilmington, Delaware 19801. The Administrative Trustee may from time to time in accordance with the Act change any of the Trust's registered agents and/or registered offices and designate a registered agent and registered office in each state the Trust is required to maintain or appoint one.

(b) The principal place of business of the Trust shall be at such place as the Administrative Trustee shall designate from time to time by notice to the Investors, which need not be in the State of Delaware. The principal place of business of the Trust shall be 8390 LBJ Freeway, Suite 565, Dallas, Texas 75243.

2.03 Purposes. The purposes of the Trust are to engage in the following activities: (i) to acquire and own the Real Estate and any related personal property; (ii) to enter into or assume and comply with the terms of the Transaction Documents; (iii) to conserve, protect, and dispose of the Real Estate; and (iv) to take such other actions as the Trustees deem necessary or advisable to carry out the foregoing. For the avoidance of doubt, without further action or authorization of any Person, and consistent with Sections 7.01(d) and 7.02 of this Trust Agreement, the Trust and the Administrative Trustee are hereby authorized to acquire the Real Estate (including entering into any agreements to effectuate such acquisition), enter into and assume the Ground Lease and the Lease, and to take such other actions as are required in order to effectuate the actions authorized by this sentence notwithstanding any other provision of this Trust Agreement, the Act or applicable law, rule or regulation. All lawful acts and activities of the Trust, in the name or on behalf of the Trust, are approved, confirmed, and ratified in all respects. The Administrative Trustee is hereby authorized to enter into the Trust Agreement, to serve as administrative trustee of the Trust, to execute on behalf of the Trust the Transaction Documents, and to take such other actions on behalf of the Trust as contemplated under Section 2.03 of the Trust Agreement. The Trust shall hold the Trust Property for investment purposes and only engage in activities which are customary services in connection with the maintenance and repair of the Real Estate. Neither the Administrative Trustee, the Delaware Trustee, Investors, nor their agents shall provide services: (a) that are not "customary services" within the meaning of Revenue Ruling 75-374, 1975-2 C.B. 261; (b) the payment for which would not qualify as "rents from real property" within the meaning of Code Section 512(b)(3)(A)(i) and the Regulations thereunder; or (c) the payment for which would not qualify as "rents from real property" within the meaning of Code Sections 856(c)(2)(C) and

856(c)(3)(A) and the Regulations thereunder. The Trust shall conduct no business other than as specifically set forth in this Section 2.03.

2.04 Declaration of Trust by Administrative Trustee. The Administrative Trustee hereby declares that it will hold the Trust Property upon the terms and conditions herein for the benefit of the Investors, subject to the obligations of the Trust under the Ground Lease and the Lease, and other relevant agreements. It is the intention of the parties hereto that the Trust constitute a "statutory trust" under Chapter 38 of Title 12 of the Delaware Code. In accordance with the Original Trust Agreement, the Administrative Trustee caused the filing of a Certificate of Trust (the "**Certificate of Trust**") with the Secretary of State of the State of Delaware (the "**Secretary of State**") pursuant to Section 3810 of Title 12 of the Act. It is the intention of the parties hereto that the Trust shall not constitute an agency, partnership, corporation, association or business trust for federal income tax purposes. Each Investor has an undivided beneficial ownership interest in the Trust Property as provided in Section 3805(a) of the Act. Each Investor agrees to report its interest in the Trust for federal income tax purposes in a manner consistent with the foregoing and otherwise not to take any action that would be inconsistent with the foregoing.

2.05 Operative Timing Related to Certain Provisions of this Trust Agreement. Notwithstanding anything else in this Trust Agreement to the contrary, the following sections of this Trust Agreement shall be of no force or effect until the Trust has more than one (1) Investor, at which time they shall become fully operative: (a) Section 7.03; (b) Section 7.06 (solely to the extent it refers to Section 7.03); (c) Section 9.02; (d) Section 9.03; and (e) Section 11.09 (solely with respect to the clause limiting amendments that would "vary the investment" of the Investors).

2.06 Purchases of Interests by Investors; Reduction in Depositor's Interest. Persons shall become Investors in the Trust upon the closing of their respective exchanges of cash payments made by such Persons to the Trust in exchange for Interests in the Trust, all as described in the Private Placement Memorandum. The amount of cash paid by, and the Percentage of, such Investor shall be as provided in the Private Placement Memorandum as determined by the Administrative Trustee, reflected on the books and records of the Trust, and set forth Schedule 1. All cash paid by such Investors in exchange for Interests (less any amounts required to pay expenses of the Trust including fees and expenses of the offering of Interests described in the Private Placement Memorandum) shall be used by the Trust to reduce an equivalent portion of the Depositor's Interests such that in no event may such reduction result in a net increase or decrease in the corpus of the Trust. With respect to such payment by an Investor pursuant to the offering of Interests described in the Private Placement Memorandum and related reduction of a portion of the Depositor's Interests, the reduction of the Percentage of the Depositor shall be equal to the Percentage granted by the Trust to the contributing Investor.

ARTICLE III
TRANSFER OF INTERESTS

3.01 Restrictions on Transfer. Subject to Section 3.02, no Interest, or any portion thereof, may be assigned, pledged, encumbered or transferred (each a "**Proposed Interest Transfer**") without the prior consent of the Administrative Trustee. The Administrative Trustee's consent to each Proposed Interest Transfer is subject to the sole discretion of the Administrative

Trustee, including, but not limited to, the satisfaction as determined in the sole discretion of the Administrative Trustee, of the following:

(a) that such Proposed Interest Transfer complies with all applicable securities laws;

(b) intentionally omitted;

(c) that such Proposed Interest Transfer would not result in the Trust having to register as an investment company under the Investment Company Act of 1940, as amended, or require the Trust or any Trustee to register as an investment adviser under the Investment Advisers Act of 1940, as amended;

(d) that such Proposed Interest Transfer does not cause the Trust Property to become "plan assets" (as defined in the Plan Asset Rules) subject to the fiduciary standards of Part 4 of Subtitle B of Tile I of ERISA and Code Section 4975;

(e) that the transferor and transferee(s) in such Proposed Interest Transfer shall have executed documents to effectuate such transfer that are satisfactory to the Administrative Trustee, including that the transferee(s) shall have executed a written acceptance and adoption of this Trust Agreement; and

(f) that all expenses of such Proposed Interest Transfer shall have been paid by the transferor and/or transferee(s) as such persons may agree.

3.02 Transfers for Family and Estate Planning Purposes. The consent of the Administrative Trustee shall not be unreasonably conditioned, withheld or delayed with respect to any Proposed Interest Transfer by an Investor to: (i) a revocable trust or an entity created for the primary benefit of the Investor, or any combination between or among the Investor, the Investor's spouse, and the Investor's issue (or to the Investor creating such trust or to any other permitted transferee hereunder, upon the termination of such trust); (ii) an Investor's spouse or third party upon a divorce decree or marital settlement or turnover order; (iii) the court-appointed guardian or custodian of an Investor; (iv) the executor(s) of a deceased Investor's estate (on a temporary basis pending final resolution of such estate); and (v) the heirs and devisees of a deceased Investor's estate.

ARTICLE IV
DISTRIBUTIONS

4.01 Payments From Trust Property Only. Except as determined by the Administrative Trustee in its sole discretion and as is consistent with the status of the Trust described in Section 5.01(c), all payments to be made by the Trustees under this Trust Agreement shall be, directly or indirectly, from the Trust Property. Notwithstanding any provision to the contrary contained in this Trust Agreement, the Trust shall not be required to make a distribution to a trustee on account of its interest in the Trust if such distribution would violate the Act or any other applicable law. For the avoidance of doubt, the provisions of Article IV shall not apply to payments in reduction of the Interests of the Depositor made in connection with sales of Interests to Investors pursuant

to the offering of Interests described in the Private Placement Memorandum, which shall instead be governed by Section 2.06.

4.02 Distributions in General. The Administrative Trustee shall distribute all available cash as determined pursuant to Section 4.01 to the Investors in accordance with their Percentages on a monthly basis, after paying or reimbursing the Trustees for any fees or expenses paid or incurred by the Trustees on behalf of the Trust, and retaining any additional amounts as are necessary to pay anticipated ordinary current and future Trust expenses. Amounts of cash retained pursuant to this paragraph shall only be invested in short-term obligations of (or guaranteed by) the United States, or any agency or instrumentality thereof and in certificates of deposit or interest-bearing bank accounts of any bank or trust company having a minimum stated capital and surplus of $50,000,000. All such obligations must mature prior to the next distribution date, and be held to maturity. All amounts distributable to the Investors pursuant to this Trust Agreement shall be paid by check or in immediately available funds by transfer to a banking institution with bank wire transfer facilities for the account of the Investors, as instructed from time to time by the Investors.

ARTICLE V
RIGHTS, OBLIGATIONS AND REPRESENTATIONS OF INVESTORS

5.01 Status of Relationship.

(a) This Trust Agreement shall not be interpreted to impose a partnership or joint venture relationship on the Investors either at law or in equity. Accordingly, no Investor shall have any liability for the debts or obligations incurred by any other Investor, with respect to the Trust Property, or otherwise, and no Investor shall have any authority, other than as specifically provided herein, to act on behalf of any other Investor or to impose any obligation with respect to the Trust Property.

(b) For so long as the Depositor is the sole beneficiary of the Trust, the rights of the Depositor with respect to any Trust Property held during such time will be such that the Trust will be characterized during such time as a "business entity" within the meaning of Regulation Section 301.7701-3. Because the Depositor will be the sole beneficial owner of the Trust, the Trust will be characterized as a disregarded entity and any Trust Property held at such time will be treated for federal income tax purposes as the property of the Depositor.

(c) At such time as there is more than one (1) Investor (other than the Depositor) that is a beneficiary of Trust, the Trust shall not constitute a business entity for federal income tax purposes, but shall instead constitute an investment trust pursuant to Regulation Section 301.7701-4(c); and a Grantor Trust under Subpart E of Part 1, Subchapter J of the Code (Code Sections 671 and following).

(d) Legal title to the Trust Property, including the Real Estate, shall be held by the Trust, and the Investors shall not have legal title to the Trust Property. Neither the bankruptcy, death or other incapacity of any Investor nor the transfer, by operation of law or otherwise, of any right, title or interest of the Investors in and to the Trust Property or hereunder shall terminate this Trust Agreement. Except as expressly set forth herein, the Investors shall not be liable for any liabilities or obligations of the Trust or the Trustees or for the performance of the Trust Agreement.

5.02 In-Kind Distributions; Waiver of Partition; Nature of Interest. To the fullest extent permitted by law, and consistent with Section 3805 of the Act, no Investor or any additional Investor admitted to the Trust shall have, and each Investor and each additional Investor hereby completely and irrevocably waives, any and all power or right: (a) to cause the Trust or any of its assets to be partitioned or divided or to demand or receive an in-kind distribution of the Trust Property; (b) to cause the appointment of a receiver for all or any portion of the assets of the Trust; (c) to compel any sale of all or any portion of the assets of the Trust pursuant to any applicable law; or (d) to file a complaint or to institute any proceeding at law or in equity to cause the bankruptcy, dissolution, liquidation, winding up or termination of the Trust. No Investor shall have any interest in any specific assets of the Trust, and no Investor shall have the status of a creditor with respect to any distribution pursuant to Section 4.02 hereof. The interest of each Investor in the Trust is personal property.

5.03 Role of Investors. For the avoidance of doubt, except solely as provided in Article X with respect to the appointment of a successor Delaware trustee or administrative trustee, Investors shall have no right to make decisions for, or to operate or manage, the Trust. The Investors' sole right with respect to the Trust shall be limited to the right to receive distributions as provided under Section 4.02. Each Investor's Interest in the Trust is personal property. Accordingly, by way of illustration and not limitation, any sale or other conveyance of the Trust Property or any part thereof by the Administrative Trustee made pursuant to the terms of this Trust Agreement shall bind the Investors and be effective to transfer or convey all rights, title and interest of the Trustees and the Investors in and to the Trust Property.

5.04 Representations, Warranties and Acknowledgments of Investors. Each Investor, by executing a counterpart signature page to this Trust Agreement, represents, warrants and acknowledges to the Trust and to the Trustees as follows:

(a) the execution, delivery and performance of this Trust Agreement (i) has been duly authorized by such Investor, (ii) does not require such Investor to obtain any consent or approval that has not been obtained and (iii) does not contravene or result in a default under (A) any provision of any law or regulation applicable to such Investor, (B) the governing documents of such Investor or (C) any agreement or instrument to which such Investor is a party or by which such Investor is bound.

(b) that this Trust Agreement is valid, binding and enforceable against such Investor in accordance with its terms.

(c) that such Investor is (i) a citizen or resident of the United States for federal income tax purposes, (ii) a corporation (or other entity taxable as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate, the income of which is subject to United States federal income taxation regardless of the source of such income or (iv) a trust, if (A) the administration of the trust is subject to the primary supervision of a United States court and the trust has one or more United States persons with authority to control all substantial decisions or (B) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a United States person.

(d) that such Investor acknowledges and accepts the power, authority and duties vested in the Trustees pursuant to this Trust Agreement, and the limitations on the duties of the Trustees to the Investors set forth in this Trust Agreement, including but not limited to the limitations set forth in Section 6.02 of this Trust Agreement.

5.05 Sale or Exchange of Trust Property by Trustees Is Binding. Any sale or other conveyance of the Trust Property or any part thereof by the Administrative Trustee made pursuant to the terms of this Trust Agreement, including but not limited to the contribution of the Trust Property to a partnership or limited liability company (collectively "**Partnership**") including but not limited to an operating Partnership of a real estate investment trust, or "**REIT**," in exchange for units of ownership interest in such Partnership ("**Units**") in a transaction structured as a tax deferred contribution of the Trust Property to the Partnership under Section 721 of the Code (a "**Section 721 Contribution**"), and the distribution of such sale proceeds or ownership interests to the Investors in liquidation of the Trust pursuant to Section 9.01(b), shall bind the Investors and be effective to transfer or convey all rights, title and interest of the Trustees and the Investors in and to the Trust Property. In the event the Administrative Trustee determines to contribute the Trust Property to a Partnership through a Section 721 Contribution, it shall provide the Investors with an option (the "**Consideration Option**") to receive consideration in the form of (i) cash or (ii) Units with an aggregate value (as determined by the Partnership in its sole discretion) equal to the then-fair market value of such Investor's Interests as of the date the Section 721 Contribution. As provided in Section 7.03, the Administrative Trustee may not sell the Real Estate and acquire new real estate in violation of Revenue Ruling 2004-86.

ARTICLE VI
TRUSTEES

6.01 Acceptance of Trust and Duties. The Delaware Trustee accepts the Trust hereby created and agrees to perform its duties as so provided herein. The Administrative Trustee accepts its duties as Administrative Trustee as set forth in this Trust Agreement, including, but not limited to, receiving and disbursing all money received by them constituting part of the Trust Property, subject to the Ground Lease and the Lease and other relevant agreements.

6.02 Limitation on Fiduciary Duties of the Delaware Trustee and the Administrative Trustee. Consistent with Sections 3803(b), 3806(c), 3806(d) and 3806(e) of the Act, to the fullest extent permitted by law, the duties and liabilities of the Trustees to the Trust and the Investors pursuant to this Trust Agreement are expressly limited as follows:

(a) The Trustees shall not be individually answerable or accountable for their omissions or actions on behalf of the Trust, except: (i) for their own willful misconduct or gross negligence; (ii) for the inaccuracy of any of their representations or warranties contained in Section 6.05 hereof; (iii) for their failure to comply with Section 7.03; (iv) for their own income taxes based on fees, commissions or compensation received as the Delaware Trustee or Administrative Trustee, as applicable; or (v) for the failure to use ordinary care to disburse money received by them in accordance with the terms hereof.

(b) The Investors hereby acknowledge and agree that the Trustees and their respective Affiliates engage in business activities other than acting as Trustees hereunder, and each

Investor hereby waives any claim or cause of action against the Delaware Trustee and Administrative Trustee as a result of any potential or actual conflict of interest arising as a result of any such business activity. Such business activities include, but are not limited to: (i) receiving fees related to the acquisition of the Trust Property; (ii) owning an interest in and receiving distributions of income from the Trust Property; (iii) engaging directly or indirectly in business activities that may relate to the Trust Property; (iv) acquiring, or sponsoring the acquisition of interests by investors in, parcels of real property that may compete with the Trust Property; and (v) undertaking obligations (including obligations as trustees and/or managers) to entities other than the Trust.

6.03 Not Acting in Individual Capacity. Except as otherwise provided in this Article VI, and pursuant to Section 3803(b) of the Act, the Delaware Trustee and the Administrative Trustee act solely as Trustees hereunder and not in their individual capacities, and all Persons other than the Investors having any claim against the Delaware Trustee or Administrative Trustee by reason of the transactions contemplated hereby shall look only to the Trust Property for payment or satisfaction thereof. Except as otherwise expressly provided by the Act, the debts, obligations and liabilities of the Trust, whether arising in contract, tort or otherwise, shall be the debts, obligations and liabilities solely of the Trust.

6.04 Authority of Trustees. The Administrative Trustee shall manage, control, dispose of or otherwise deal with the Trust Property consistent with its duties to conserve and protect the Trust Property, subject to any restrictions provided in this Trust Agreement.

6.05 Representations or Warranties as to Trust Property or Documents. The Trustee and the Administrative Trustee make no representation or warranty as to: (i) the title, value, condition or operation of the Trust Property; and (ii) the validity or enforceability of any Transaction Document or as to the correctness of any statement contained in any thereof, except as expressly made by the Trustees in each of their individual capacities. The Trustees represent and warrant to the Investors that this Trust Agreement has been authorized, executed and delivered by each Trustee respectively.

6.06 Reliance. The Trustees shall not be liable to anyone for relying on any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed by them to be genuine and signed by the proper parties. The Trustees may accept a copy of a resolution of the board of directors or other governing body of any corporate party, certified by the secretary or a senior officer thereof, as conclusive evidence that such resolution has been duly adopted by such body and that the same is in full force and effect. As to any fact or matter, the manner of ascertainment of which is not specifically prescribed herein, the Trustees may for all purposes hereof rely on an officer's certificate of the relevant Person (if not an individual) as to such fact or matter, and such certificate shall constitute full protection to the Trustees for any action taken, suffered or omitted by it in good faith in reliance thereon.

6.07 Advice of Counsel. In the administration and interpretation of the Trust, the Trustees may perform any of their powers and duties, directly or through agents or attorneys and may consult with counsel, accountants and other skilled Persons selected and employed by them. The Trustees shall not be liable for anything done or omitted in good faith in accordance with the

advice or opinion within the scope of competence of any such counsel, accountant or other skilled Persons selected with due care.

6.08 Compensation. The Delaware Trustee shall receive as compensation for its services an initial fee, monthly fees and document execution fees as agreed to by the Delaware Trustee and the Trust in a separate agreement.

ARTICLE VII
DUTIES OF THE TRUSTEES

7.01 Duties of the Trustees in General.

(a) The Trustees shall only have the duties and obligations expressly provided in this Trust Agreement. Except to the extent specifically provided in Section 7.01 to the effect that specific duties and obligations are those of the Delaware Trustee, and notwithstanding any other provision of this Trust Agreement, all the duties and obligations of the Trustees, or of any of them, under this Trust Agreement shall be solely the duties and obligations of the Administrative Trustee.

(b) The Delaware Trustee is appointed to serve as the Delaware trustee of the Trust in the State of Delaware for the purpose of satisfying the requirement of Section 3807(a) of the Act that the Trust have at least one trustee with a principal place of business in Delaware. It is understood and agreed by the parties hereto that the Delaware Trustee shall have none of the duties or liabilities of the Administrative Trustee. The duties and obligations, and the authority, of the Delaware Trustee in its capacity as Delaware trustee of the Trust in the State of Delaware shall be limited to: (i) accepting legal process served on the Trust in the State of Delaware; (ii) executing of any certificates required to be filed with the Delaware Secretary of State which the Delaware Trustee is required to execute under Section 3811 of the Act; and (iii) any other duties specifically allocated to the Delaware Trustee as the Delaware trustee in this Trust Agreement. The Delaware Trustee is authorized and directed to enter into such other documents and take such other actions as the Administrative Trustee shall specifically direct in written instructions delivered to the Delaware Trustee; provided, however, that the Delaware Trustee will take such action merely in a ministerial nondiscretionary capacity, as directed by the Administrative Trustee, and any such action shall not subject the Delaware Trustee to any liability and provided further, however, that the Delaware Trustee shall not be required to take any action if it shall determine, or shall be advised by counsel, that such action is likely to result in personal liability to such Delaware Trustee or is contrary to applicable law or any agreement to which such Delaware Trustee is a party. To the extent that, at law or in equity, the Delaware Trustee has duties (including fiduciary duties) and liabilities relating thereto to the Trust or the Investors, it is hereby understood and agreed by the other parties hereto that such duties and liabilities are, to the fullest extent permitted by law, replaced by the duties and liabilities of the Administrative Trustee expressly set forth in this Trust Agreement.

(c) The Administrative Trustee is hereby authorized and directed to enter into any agreement permitted or directed by this Trust Agreement without the consent or signature of the Delaware Trustee including, without limitation, the Transaction Documents. The Administrative Trustee has also been appointed hereunder to satisfy such legal or administrative

requirements as may be necessary or prudent to carry out the duties of the Trust with respect to the Transaction Documents or any Trust Property to the extent that the Delaware Trustee is not required to do so under applicable law or this Trust Agreement.

7.02 Actions of Administrative Trustee. The Administrative Trustee is hereby authorized and directed to take, or cause the Trust to take, any and all necessary actions to conserve and protect the Trust Property, including, but not limited to:

(a) acquiring, owning, conserving, protecting, and selling the Trust Property;

(b) entering into and/or assuming and complying with the terms of the Lease, and any other Transaction Documents;

(c) collecting rents and making distributions in accordance with Article IV;

(d) entering into any agreement for purposes of completing tax-free exchanges of real property for Investors with each such Investor's "qualified intermediary" as defined in Section 1031 of the Code and the Treasury Regulations thereunder;

(e) notifying the relevant parties of any default by them under the Transaction Documents;

(f) solely to the extent necessitated by the bankruptcy or insolvency of a tenant, renegotiating the Lease or entering into a new lease with respect to the Real Estate or negotiating or financing any debt secured by the Real Estate; and

(g) intentionally omitted;

(h) taking any action which, in the reasoned opinion of tax counsel to the Trust, should not have an adverse effect on the treatment of the Trust as an "investment trust" within the meaning of Treasury Regulation Section 301.7701-4(c).

7.03 Prohibited Actions. Notwithstanding any other provision in this Trust Agreement, the Administrative Trustee shall not have the power to take any of the following actions, if the exercise of such action or actions would constitute a power under the Trust Agreement to "vary the investment of the certificate holders" as defined by Regulation Section 301.7701-4(c)(1): (a) reinvest any monies of the Trust, except in accordance with Section 4.02; (b) enter into mortgage financing, renegotiate the Ground Lease and the Lease or enter into new leases except in the case of Tenant's bankruptcy or insolvency; (c) make other than minor non-structural modifications to the Real Estate, other than as required by law; (d) accept any capital from the Investors or new investors except as provided for in the Private Placement Memorandum; or (e) take any other action that, in the reasoned opinion of tax counsel to the Trust, should be expected to cause the Trust to be treated as a "business entity" for federal income tax purposes.

7.04 Books and Records. The Administrative Trustee shall keep customary and appropriate books and records relating to the Trust and the Trust Property. The Administrative Trustee shall provide reports of income and expenses to the Investors as necessary for the Investors to prepare their income tax returns regarding the Trust Property.

7.05 Intentionally Omitted.

7.06 Duty to Act.

(a) The Trustees shall not be required to act or refrain from acting under this Trust Agreement (other than the actions prohibited in Section 7.03) if the Trustees reasonably determine, or have been advised by legal counsel, that such actions may result in personal liability, unless each Trustee is indemnified by the Investors against any liability and costs (including reasonable legal fees and expenses) which may result, in a manner and form reasonably satisfactory to each of the members of the Trustees. However, the Investors shall not be required to indemnify the Trustees with respect to any of the matters described in Section 6.02(a)(i) through 6.02(a)(v).

(b) The Delaware Trustee shall not have any duty: (i) except as provided in the second sentence of Section 7.01 to file, record or deposit any document or to maintain any such filing, recording or deposit or to refile, rerecord or redeposit any such document; (ii) to obtain or maintain any insurance on the Real Estate; (iii) to maintain the Real Estate; or (iv) to pay or discharge any tax levied against any part of the Trust Property.

ARTICLE VIII
INDEMNIFICATION AND PAYMENT OF TRUSTEES

To the fullest extent permitted by law, the Trust agrees, and the Investors hereby acknowledge and agree that the Trust agrees: (a) to reimburse each Trustee for all reasonable expenses (including reasonable fees and expenses of counsel and other professionals) incurred or advanced in connection with the performance of their duties under this Trust Agreement or any other agreement that the Trustees enter into for the benefit of the Trust; (b) to the fullest extent permitted by law, to indemnify each Trustee, their owners, officers, directors, members, employees, agents and other Affiliates (collectively the "**Trustees Indemnified Parties**" and each a "**Trustees Indemnified Party**") and hold the Trustees Indemnified Parties harmless, in their individual capacities, from and against, any and all liabilities, obligations, losses, damages, taxes, claims, actions, suits, costs, expenses and disbursements including reasonable legal fees and expenses which may be imposed on, incurred by or asserted at any time against them, in their individual capacities (and not indemnified against by other Persons) which relate to or arise out of the operation of the Trust (including the Trust Agreement and all transactions and documents contemplated thereby), or the Trust Property (all such items collectively the "**Indemnified Costs**"); provided, however, that the Trust shall not be required to indemnify any Trustees Indemnified Party with respect to any of the matters described in Sections 6.02(a)(i) through 6.02(a)(v) to the extent any such section is adjudged (as provided in subsection (c) below) to apply to such Trustees Indemnified Party; and (c) to the fullest extent permitted by law, to advance to each such Trustees Indemnified Party the Indemnified Costs incurred by such Trustees Indemnified Party in defending any claim, demand, action, suit or proceeding arising out of the operation of the Trust (including the Trust Agreement and all transactions and documents contemplated thereby), or the Trust Property, prior to the final disposition of such claim, demand, action, suit or proceeding, upon receipt by the Trust of an undertaking by or on behalf of such Trustees Indemnified Party, to repay such amount if a court of competent jurisdiction renders a final, nonappealable judgment that includes a specific finding of fact that such Trustees

Indemnified Party is not entitled to indemnification pursuant to this Article VIII (*i.e.*, because such court of competent jurisdiction specifically finds that any of Sections 6.02(a)(i) through 6.02(a)(v) apply to such Trustees Indemnified Party). The obligations of the Trust pursuant to this Article VIII shall, with respect to each person who becomes a Trustee, survive the resignation or removal of any such Trustee, the disposition of the Trust Property, the termination of the Trust (whether in accordance with Article IX or otherwise), or the amendment, supplement or restatement of this Trust Agreement.

ARTICLE IX
TERMINATION OF TRUST AGREEMENT

9.01 Termination in General. The Trust shall dissolve and wind up in accordance with Section 3808 of the Act and each Investor's share of the Trust Property shall, subject to Article IV hereof, be distributed to the Investors, at the earlier of: (a) December 31, 2075; or (b) the sale or other disposition of the Real Estate. Notwithstanding any other provision of this Trust Agreement, (i) the bankruptcy of a trustee or a beneficiary shall not cause the trustee or the beneficiary, respectively, to cease to be a trustee or beneficiary of the Trust and upon the occurrence of such an event, the Trust shall continue without dissolution and (ii) the Trust cannot be terminated by the Investors or any other beneficial owners.

9.02 Termination in Certain Circumstances. Notwithstanding Section 9.01, if: (i) the Tenant and any space tenant are in default under the Lease and the Ground Lease, including but not limited to Tenant's failure to satisfy the PACE obligations (as defined in the Ground Lease), (ii) the Trust Property or any portion thereof is subject to a casualty, condemnation or similar event that is not adequately compensated for through insurance or otherwise sufficient to permit restoration of the Trust Property, to the same condition as previously existed; or (iii) the Administrative Trustee determines that the Investors are at risk of losing all or a substantial portion of their investment in the Interests, and the Administrative Trustee is prohibited from taking actions to cure or mitigate the event(s) described in clauses (i), (ii) or (iii) by reason of the restrictions set forth in Section 7.03 hereof, the Administrative Trustee shall, terminate the Trust and distribute the Trust Property to the Investors in the manner provided in Section 9.03.

9.03 Distribution of Trust Property to Investors.

(a) Intentionally Omitted.

(b) If the circumstances described in Section 9.02 apply to the Trust, then the Administrative Trustee may in its sole discretion terminate the Trust in accordance with Section 9.02 by either: (i) terminate the Trust by converting it pursuant to Section 3821 of the Act into a Delaware limited liability company (an "**LLC**"), the operating agreement for which will be substantially similar in form to the LLC operating agreement set forth as Exhibit A attached hereto and made a part hereof, (the "**LLC Agreement**") (or in lieu of such conversion, as determined in the sole discretion of the Administrative Trustee, by transferring or contributing the Trust Property to, or by merging the Trust into, such LLC), which LLC shall acquire, by operation of law, contract, or otherwise, the Trust Property subject to the then-outstanding obligations of the Trust under the Ground Lease and the Lease, and which LLC shall assume, by operation of law, contract, or otherwise, the Trust's obligations under the Ground Lease and the Lease; (ii) effect the

conversion or exchange of the Investors' ownership interests in the Trust into equivalent membership interests in the LLC; (iii) cause the Administrative Trustee to be designated as the Manager (as such term is defined in the LLC Agreement) of the LLC and to execute all necessary documents, including the LLC Agreement on behalf of the members of the LLC; and (iv) take all other actions necessary to complete the termination and winding up of the Trust and the formation of the LLC in accordance with the Act and the Delaware Limited Liability Company Act.

(c) For federal income tax purposes: a conversion of the Trust to an LLC effectuated pursuant to Section 9.03(b) shall be characterized as: (1) a distribution of Trust Property by the Trust to the Investors in complete termination of the Trust, followed by (2) a contribution by the Investors of the Trust Property to the LLC in exchange for membership interests in the LLC.

9.04 Certificate of Cancellation. Upon the completion of winding up of the Trust, upon receipt of written direction from the Administrative Trustee, the Delaware Trustee shall cause a Certificate of Cancellation to be filed with the Delaware Secretary of State and thereupon the Trust and this Trust Agreement shall terminate.

ARTICLE X
SUCCESSOR TRUSTEES

10.01 Resignation; Removal. A Delaware Trustee, Administrative Trustee, or any successor trustee or administrative trustee may resign at any time by giving at least 60 days' prior written notice to the Investors. Subject in all events to the last sentence of this Section 10.01, Investors holding a Majority of the Interests may remove any Trustee at any time for "Cause" by giving written notice to such Trustee. As used in the preceding sentence, "**Cause**" shall mean the willful misconduct, fraud or gross negligence of the Trustee, as determined by a final, nonappealable judgment of a court of competent jurisdiction. Notwithstanding the foregoing, for so long as the Depositor is the sole beneficiary of the Trust, the Depositor shall have the sole and exclusive right (except for Cause as set forth above) to remove and replace the Administrative Trustee at any time with a substitute administrative trustee of its choosing.

10.02 Appointment of Successor Delaware Trustee or Administrative Trustee. Notwithstanding anything herein to the contrary, no resignation or removal of a Delaware Trustee or Administrative Trustee shall be effective until a successor trustee or Administrative Trustee has been appointed and such successor has accepted its responsibilities, all as hereinafter provided. In case of the resignation, liquidation or removal of the Delaware Trustee, the Administrative Trustee shall appoint a successor trustee. In case of the resignation, liquidation or removal of the Administrative Trustee, Investors holding a Majority of the Interests may appoint, by written instrument, a successor (a "**Majority Appointment**"); provided, however, that so long as the Depositor is the sole beneficiary of the Trust, in lieu of any Majority Appointment, the Depositor shall have the sole and exclusive right to remove and replace the Administrative Trustee at any time with a substitute administrative trustee of its choosing. The Trust shall not be terminated solely due to the death, liquidation, resignation or removal of any Delaware Trustee or Administrative Trustee. If a successor Delaware Trustee or Administrative Trustee shall not have been appointed within 60 days after notice has been given pursuant to Section 10.01, any Trustee or a Majority of the Investors may apply to any court of competent jurisdiction in the United States

to appoint a successor Delaware trustee or administrative trustee to act until such time, if any, as a Majority Appointment shall have occurred. Any successor appointed by a court shall immediately and without further act be superseded by any successor appointed by Majority Appointment within one year from the date of the appointment by such court. Any successor, however appointed, shall execute and deliver to its predecessor Delaware trustee (the Delaware Trustee, the Administrative Trustee or a successor trustee, as the case may be) an instrument accepting such appointment, and thereupon such successor, without further act, shall become vested with all the estates, properties, rights, powers, duties and trusts of the predecessor trustee with like effect as if originally named a Delaware Trustee or Administrative Trustee herein; provided, however, that upon the written request of such successor, such predecessor shall execute and deliver an instrument transferring to a successor all the estates, properties, rights, powers, duties and trusts of such predecessor, and such predecessor shall duly assign, transfer, deliver and pay over to such successor all monies or other property then held by such predecessor upon the trusts herein expressed. Any right of the Investors against the predecessor Delaware Trustee or Administrative Trustee, in its, his or her individual capacity, shall not be prejudiced by the appointment of any successor trustee and shall survive the termination of the trusts created hereby.

10.03 Successor Delaware Trustee. Any successor Delaware Trustee, however appointed, shall be a bank or trust company with its principal place of business in the State of Delaware and having either: (a) a combined capital and surplus of at least $50,000,000; or (b) the performance of its obligations hereunder guaranteed by such a bank or trust company having a combined capital and surplus of at least $50,000,000, if there is such an institution willing, able and legally qualified to perform the duties of trustee hereunder upon reasonable or customary terms. Any corporation into which the Delaware trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Delaware trustee shall be a party, or any corporation to which substantially all the corporate trust business of the Delaware trustee may be transferred, shall, subject to the preceding sentence, be the Delaware trustee under this Trust Agreement without further act. Any successor Delaware trustee, however appointed, shall be competent and qualified to: (i) serve as a trustee of a statutory trust formed pursuant to Chapter 38 of Title 12 of the Delaware Code; (ii) own, buy, sell, lease and mortgage land in the state where the Trust Property is located; and (iii) take all actions required by the Delaware trustee pursuant to the Trust Agreement in the State of Delaware.

ARTICLE XI
MISCELLANEOUS

11.01 Limitations on Rights of Others. Subject to Section 11.10 hereof, nothing in this Trust Agreement, whether express or implied, shall give to any Person other than the Trustees and the Investors any legal or equitable right, remedy or claim hereunder.

11.02 Notices, Etc. All notices, requests, demands, consents and other communications ("**Notices**") required or contemplated by the provisions hereof shall refer on their face to this Trust Agreement (although failure to do so shall not make such Notice ineffective), shall, unless otherwise stated herein, be in writing and shall be: (i) personally delivered; (ii) sent by reputable overnight courier service; (iii) sent by certified or registered mail, postage prepaid and return receipt requested; (iv) transmitted by telephone facsimile with electronic confirmation of receipt;

or (v) by email (if an email address is provided by such prospective recipient of Notice); in each case, as follows:

if to the Delaware Trustee:	Sorensen Entity Services LLC 1201 N. Orange Street, Suite 7044 Wilmington, DE 19801
if to the Administrative Trustee:	BV ERNEST MANAGER LLC 8390 LBJ Freeway, Suite 565 Dallas, Texas 75243 ATTN: Steve May Email: steve@bridgeviewre.com
if to the Depositor:	BV VIBRA DST LLC 8390 LBJ Freeway, Suite 565 Dallas, Texas 75243 ATTN: Steve May Email: steve@bridgeviewre.com
if to the Investors:	at the address and/or fax set forth on Schedule 1 attached hereto and made part hereof.

or at such other address and telephone facsimile number as shall be designated, respectively, by the Delaware Trustee, the Administrative Trustee, the Depositor, or the Investors in a written notice to the other Persons receiving Notices pursuant to this Section. Notices given pursuant to this Section shall be deemed received upon the earliest of the following to occur: (i) upon personal delivery; (ii) on the third day following the day sent, if sent by registered or certified mail; (iii) on the next business day following the day sent, if sent by reputable overnight courier; and (iv) if transmitted by telephone facsimile or email, on the day sent if such day is a business day of the addressee and the telephone facsimile or email is transmitted by the sender by 5:00 p.m. local time of the addressee on such day and otherwise on the first business day of the addressee after the day that the telephone facsimile or email is sent.

11.03 Severability. Any provision of this Trust Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11.04 Separate Counterparts. This Trust Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

11.05 Successors and Assigns. All covenants and agreements contained herein shall be binding upon and inure to the benefit of the Trustees and their successors and assigns, and the Investors and their respective successors and assigns, all as herein provided. Any request, notice,

direction, consent, waiver or other writing or action by the Investors shall bind their respective successors and assigns.

11.06 Usage of Terms. With respect to all terms in this Trust Agreement, the singular includes the plural and the plural includes the singular; words importing any gender include the other gender; references to "writing" include printing, typing, lithography and other means of reproducing words in a visible form; references to agreements and other contractual instruments include all subsequent amendments thereto or changes therein entered into in accordance with their respective terms and not prohibited by this Trust Agreement; references to Persons include their successors and permitted assigns; and the term "including" means including without limitation.

11.07 Headings. The headings of the various Articles and Sections herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

11.08 Governing Law. This Trust Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware applicable to contracts to be performed entirely within such state, including all matters of construction, validity and performance. Each party to this Trust Agreement acknowledges and agrees that, except solely for the Act, the laws of the State of Delaware or of any other state or authority having jurisdiction over the Trust which pertain to trusts shall not apply to this Trust Agreement, and that the Act is the sole law pertaining to trusts that applies to this Trust Agreement. Each party to this Trust Agreement agrees to only bring suit in a court located in New Castle County, Delaware or Dallas County, Texas, and consents to personal jurisdiction therein.

11.09 Amendments. This Trust Agreement may be supplemented or amended by determination of the Administrative Trustee to correct scrivener's errors, to clarify any ambiguities in the Trust Agreement or to reflect any changes to or otherwise comply with securities and tax law, provided, however, that no amendment or supplement shall be made without the consent of the Depositor so long as it holds a Percentage, and, provided, further, that no amendment or supplement shall be made if, in the reasoned opinion of tax counsel to the Trust, the making or exercise of such amendment or supplement would constitute a power under the Trust Agreement to "vary the investment" of the Investors within the meaning of Treasury Regulation Section 301.7701-4(c)(1). In addition, this Trust Agreement may be amended at any time a single Person owns (directly or indirectly) 100% of the Interests at that person's request.

11.10 Benefits of Agreement; Third-Party Rights. None of the provisions of this Trust Agreement shall be for the benefit of or enforceable by any creditor of the Trust or by any creditor of any Investor; and nothing in this Trust Agreement shall be deemed to create any right in any Person not a party hereto.

11.11 Signature of Investors. By executing its signature page to this Trust Agreement, each Investor hereby agrees to be bound by the terms of the LLC Agreement for the LLC contemplated in Section 9.03 hereof in substantially the form attached to this Trust Agreement, as and when applicable hereunder (and each such Investor agrees that its signature to such LLC Agreement will not be a requirement of the effectuation of the requirements of Section 9.03 hereof or the effectiveness of such LLC Agreement).

[SIGNATURE PAGE FOLLOWS]

WHEREFORE, the parties hereto have caused this Trust Agreement to be duly executed by their respective authorized signatories as of the day and year first above written.

DEPOSITOR:

BV VIBRA DST LLC,
a Texas limited liability company

By: _____
Name: Steven D. May
Title: Manager

DELAWARE TRUSTEE:

Sorensen Entity Services LLC
a Delaware limited liability company

By: _____
Name: Chris Sorensen
Title: Manager

ADMINISTRATIVE TRUSTEE:

BV ERNEST MANAGER LLC,
a Texas limited liability company

By: _____
Name: Steven D. May
Title: Manager

SCHEDULE 1 TO TRUST AGREEMENT

SIGNATURE OF INVESTORS

(SEE ATTACHED)

EXHIBIT A

FORM OF OPERATING AGREEMENT FOR LLC CREATED PURSUANT TO SECTION 9.03

OPERATING AGREEMENT
OF
BV ERNEST HEALTH NEURO REHAB DST, LLC

THIS OPERATING AGREEMENT (this "**Agreement**") of BV ERNEST HEALTH NEURO REHAB DST, LLC, a Delaware limited liability company (the "**Company**"), is made and entered into as of _____ (the "**Effective Date**"), by and among BV ERNEST HEALTH NEURO REHAB DST, a Delaware statutory trust (the "**DST**" or the "**Trust**"), BV ERNEST MANAGER LLC, a Texas limited liability company, and the persons whose names are set forth on Schedule 1 of this Agreement (the "**Members**").

RECITALS:

WHEREAS, pursuant to the Amended and Restated Trust Agreement of the DST dated April 16, 2025 (the "**Trust Agreement**"), BV ERNEST MANAGER LLC, a Texas limited liability company, is the administrative trustee of the DST (the "**Administrative Trustee**") and the Members collectively own all of the beneficial interests in the DST (the Members in such capacity the "**Owners**");

WHEREAS, the DST owns all right, title and interest of the Trust in and to all property contributed to the Trust or otherwise owned by the Trust, including the Real Estate (the "**Trust Property**");

WHEREAS, the Administrative Trustee has determined that, to conserve and protect the Trust Property, the DST must be converted into a limited liability company as provided in Sections 9.02 and 9.03 of the Trust Agreement; and

WHEREAS, pursuant to Section 9.03 of the Trust Agreement, the Company shall be the owner of the Trust Property (such property in the hands of the Company the "**Company Property**") which shall remain subject to the Ground Lease and the Lease, the Administrative Trustee shall become the manager of the Company, the Owners shall become Members of the Company, and the Trust shall be converted into a limited liability company.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein, the parties agree as follows:

ARTICLE I
FORMATION OF COMPANY

1.1 Authority. The Company has been converted in accordance with the requirements of the Delaware Limited Liability Company Act (the "**Act**") and BV ERNEST MANAGER LLC, LLC, a Texas limited liability company, has been designated the manager of the Company (the "**Manager**"). The Manager shall have the authority to perform such other filings, recordings and

actions and will comply with all formation requirements under the Act and the laws of such other states in which the Company elects to do business.

1.2 Membership; Rights and Obligations. Upon the consummation of the transactions described in the Recitals, the Members will be members of the Company. The rights and obligations of the Company and the Members will, except as otherwise provided herein, be governed by the Act.

1.3 Name. The name of the Company is "BV ERNEST HEALTH NEURO REHAB DST, LLC" and its affairs will be conducted under the Company name or such other name(s) as the Manager may select. The Manager will execute and file with the proper offices any and all certificates required by the fictitious name or assumed name statutes of the states in which the Company elects to do business. The Company will have the exclusive ownership of and right to use the Company name.

1.4 Purposes of the Company. The purposes of the Company are: (i) to manage and dispose of, finance and refinance the Company Property; (ii) to assume and to satisfy the obligations of the DST set forth in the Ground Lease and the Lease; and (iii) to engage in such other activities, enterprises, ventures and undertakings permitted under this Agreement and/or the Act that are necessary or appropriate to the foregoing purposes.

1.5 Characterization. It is the intention of the Manager and the Members that the Company constitute a partnership for federal, state and local income tax purposes. Each Member will report its Membership Interest in a manner consistent with the foregoing, and neither the Manager nor any Member will take any action inconsistent with the foregoing.

1.6 Principal Office of the Company. The principal office of the Company is 8390 LBJ Freeway, Suite 565, Dallas, Texas 75243, or at such other place as the Manager may designate. The Company may have other offices in such place or places as selected by the Manager.

1.7 Registered Office and Registered Agent. The name and address of the registered agent of the Company in the State of Delaware is Sorensen Entity Services LLC, located at 1201 N. Orange Street, Suite 7044, Wilmington, Delaware 19801. The Manager may from time to time in accordance with the Act change any of the Company's registered agents and/or registered offices and designate a registered agent and registered office in each state the Company is required to maintain or appoint one.

1.8 Term of Existence of the Company. The term of the Company commenced upon the filing of its Certificate of Formation with the Secretary of State of the State of Delaware and will be perpetual unless sooner terminated as provided in Article VIII.

ARTICLE II
MEMBERSHIP INTERESTS; CAPITAL CONTRIBUTIONS

2.1 Membership Interest. Each Member's percentage ownership interest in the Company shall be equal to such Member's beneficial ownership interest in the DST immediately prior to the transactions described in the Recitals. The amount of each Member's percentage

ownership interest in the Company ("**Membership Interest**") is set forth opposite such Member's name on Schedule 1 hereto.

2.2 Capital Contributions.

(a) Each Member will be credited with an initial capital contribution ("**Capital Contribution**") in the amount set forth opposite such Member's name on Schedule 1 hereto.

(b) The Manager may request at any time that the Members make additional Capital Contributions to the Company on a pro rata basis in proportion to each Member's Membership Interest. The Members are not required to comply with any such request. The Manager shall adjust the Members' Capital Contributions and Membership Interests set forth on Schedule 1 hereto to equitably reflect any additional capital contributions made by Members.

ARTICLE III
ACCOUNTING, ALLOCATIONS AND DISTRIBUTIONS

3.1 Books of Account.

(a) The Manager shall maintain the books of account of the Company.

(b) The books of account will be closed promptly after the end of each calendar year, which will be the Company's fiscal year ("**Fiscal Year**"). Promptly after the close of the Fiscal Year, the Company will cause to be prepared such partnership income tax and other returns required under applicable law and regulation, including any and all statements necessary to advise all Members promptly about their investment in the Company for federal income tax reporting purposes. The Manager will be responsible for the prompt filing and delivery of all such returns and statements. All elections and options available to the Company for tax purposes will be taken or rejected by the Company in the sole discretion of the Manager.

3.2 Capital Accounts. A separate capital account ("**Capital Account**") will be maintained for each Member. Each Member's initial Capital Account shall be equal to the amount set forth opposite such Member's name on Schedule 1 hereto. Thereafter, each Member's Capital Account will, *inter alia*, be increased by: (i) the amount of money contributed by such Member to the Company; (ii) the fair market value of property contributed by such Member to the Company (net of liabilities secured by such contributed property that the Company is considered to assume or take subject to under Code Section 752); and (iii) allocations to such Member of Company income and gain (or items thereof), including income and gain exempt from tax; and decreased by (iv) the amount of money distributed to such Member (as a Member) by the Company; (v) the fair market value of property distributed to such Member (as a Member) by the Company (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Code Section 752); (vi) allocations to such Member of expenditures of the Company described in Code Section 705(a)(2)(B); and (vii) allocations to such Member of Company loss and deduction (or items thereof).

3.3 Profit and Loss Allocations. Except as otherwise required by Code Section 704 and the Treasury Regulations thereunder, net profit or net loss of the Company, determined for income tax purposes, will be allocated to the Members pro rata with their Membership Interests.

3.4 Special Tax Allocations. In accordance with Code Sections 704(b) and 704(c) and the Treasury Regulations thereunder, income, gain, loss and deduction with respect to any asset contributed to the capital of the Company will, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its fair market value at the time of contribution to the Company.

3.5 Distributions.

(a) Company cash flow for any Fiscal Year will consist of all cash received by the Company (other than as a capital contribution) less cash expenditures for Company debts, expenses, capital expenditures and reasonable reserves as determined by the Manager in its sole discretion.

(b) Company cash flow for any Fiscal Year will be distributed to the Members in proportion to their Membership Interests.

(c) No Member has the right to partition, or otherwise demand an in-kind distribution of, the Company Property. If the Company distributes Company Property to the Members, the fair market value of such property at the time of such distribution will be determined by the Manager in its sole discretion, and any such distribution will be made to the Members in proportion to their Membership Interests.

(d) No distribution shall be made to any Members, if such distribution would violate applicable law.

ARTICLE IV
RIGHTS, DUTIES, LIABILITIES AND RESTRICTIONS OF THE MANAGER

4.1 The Manager.

(a) Except solely as provided in Section 4.1(b) with respect to Major Decisions (as defined below), the Manager will have the sole and exclusive right to manage, control and conduct the affairs of the Company and to manage the Company Property, including the right to convert the Company into another form of entity (for the avoidance of doubt, the Manager shall have a limited power of attorney to execute all documents to effect such conversion).

(b) Notwithstanding the foregoing, the following actions (the "**Major Decisions**") will require the consent of Members holding a Majority of the Membership Interests: (i) entering into any agreement for the sale, transfer, or exchange of all or any substantial portion of the Company Property; (ii) entering into, modifying, extending, renewing or canceling any lease with respect to the Company Property or any portion thereof; (iii) entering into, modifying, extending, renewing or canceling any agreement pertaining to any indebtedness to be secured in whole or in part by any mortgage, pledge, lien or other encumbrance upon the Company Property; (iv) admitting new Members to the Company in exchange for Capital Contributions by such persons to the Company; (v) dissolving and winding up the Company; or (vi) amending this Agreement; provided, however, this Agreement may be supplemented or amended by agreement

of the Manager to correct scrivener's errors, to clarify any ambiguities in this Agreement or to reflect any changes to or otherwise comply with securities and tax law. The consent of the Members to any Major Decision shall be determined as provided in Section 5.1.

4.2 Duties and Responsibilities of the Manager; Compensation. The Manager will diligently, faithfully and competently perform its duties and responsibilities, and will devote such time to the Company's business as, in the judgment of the Manager, is reasonably required.

4.3 Officers of the Company. The Manager may appoint one or more persons to serve as officers of the Company, in such capacities and with such delegated rights and powers as the Manager may approve; provided, however, that no such officer will have any different or greater rights and powers than the Manager. The Manager may provide that compensation be paid to persons who provide services to the Company as officers.

4.4 Expenditures by Manager. The Company will reimburse the Manager and its Affiliates for any costs and expenses reasonably incurred by them on behalf of the Company.

4.5 Potential Conflicts. The Company may purchase goods or services from the Manager or its Affiliates, provided that any such transaction will be conducted on commercially reasonable terms. The Manager may engage in business ventures of any nature and description independently or with others, including, but not limited to, the business or businesses engaged in by the Company, and neither the Company nor any of the other Members will have any rights in or to such independent ventures or the profits derived therefrom.

4.6 Liability of Manager. The Manager will not be liable to any Member or the Company for honest mistakes of judgment, or for action or inaction, taken reasonably and in good faith for a purpose that was reasonably believed to be in the best interests of the Company, or for losses due to such mistakes, action or inaction, or for the negligence, dishonesty or bad faith of any employee, broker or other agent of the Company. The Manager may consult with counsel and accountants in respect of Company affairs and be fully protected and justified in any action or inaction that is taken in accordance with the advice or opinion of such counsel or accountants, provided that they will have been selected with reasonable care. The Members will look solely to the Company Property for the return of their capital and, if the assets of the Company remaining after payment or discharge of the debts and liabilities of the Company are insufficient to return such capital, they will have no recourse against the Manager for such purpose. Notwithstanding any of the foregoing to the contrary, the provisions of this Section will not relieve the Manager of any liability by reason of the gross negligence, willful misconduct or intentional wrongdoing or to the extent (but only to the extent) that such liability may not be waived, modified or limited under applicable law, but will be construed so as to effectuate the provisions of this Section to the fullest extent permitted by law.

4.7 Indemnification. The Company agrees: (a) to reimburse the Manager for all reasonable expenses (including reasonable fees and expenses of counsel and other professionals) incurred in connection with the performance of its duties under this Agreement: (b) to the fullest extent permitted by law, to indemnify the Manager, its owners, officers, directors, members, employees, agents and other Affiliates (collectively the "**Manager Indemnified Parties**" and each a "**Manager Indemnified Party**") and hold the Manager Indemnified Parties harmless, in

their individual capacities, from and against, any and all liabilities, obligations, losses, damages, taxes, claims, actions, suits, costs, expenses and disbursements including reasonable legal fees and expenses which may be imposed on, incurred by or asserted at any time against them, in their individual capacities (and not indemnified against by other Persons) which relate to or arise out of the operation of the Company (including this Agreement and all transactions and documents contemplated thereby), or the Company Property, (all such items collectively the "**Indemnified Costs**"), provided, however, that the Company shall not be required to indemnify any Company Indemnified Party with respect to any willful misconduct or gross negligence with respect to the Company on the part of such Manager Indemnified Party to the extent such Manager Indemnified Party is adjudged (as provided in subsection (c) below) to have engaged in such willful misconduct or gross negligence with respect to the Company; and (c) to the fullest extent permitted by law, to advance to each such Manager Indemnified Party the Indemnified Costs incurred by such Manager Indemnified Party in defending any claim, demand, action, suit or proceeding arising out of the operation of the Company (including this Agreement and all transactions and documents contemplated thereby), or the Company Property, prior to the final disposition of such claim, demand, action, suit or proceeding, upon receipt by the Company of an undertaking by or on behalf of such Manager Indemnified Party, to repay such amount if a court of competent jurisdiction renders a final, nonappealable judgment that includes a specific finding of fact that such Manager Indemnified Party is not entitled to indemnification pursuant to this Section 4.7 (*i.e.*, because such court of competent jurisdiction specifically finds that such Manager Indemnified Party engaged in willful misconduct or gross negligence with respect to the Company). The obligations of the Company pursuant to this Article IV shall survive the resignation or removal of any Manager, the disposition of the Company Property, the termination of the Company, or the amendment, supplement or restatement of this Agreement.

4.8 Successor to Manager. If the Manager resigns, a successor manager will be selected by Members holding a Majority of the Membership Interests.

4.9 Partnership Representative.

(a) The "partnership representative" as provided for in Code Section 6223 shall be the Manager, or such other individual as may be designated by the Manager (the "**Partnership Representative**"). Each Member hereby consents to such designation and agrees to take any such further action as may be required by the Treasury Regulations or otherwise to effectuate such designation. The Partnership Representative shall be indemnified and reimbursed for all expenses, including legal and accounting fees, claims, liabilities, losses and damages incurred in connection with its serving in that capacity. The Partnership Representative may delegate its responsibilities as Partnership Representative.

(b) For each fiscal year of the Company: (i) the Members consent to either of the elections set forth in Code Sections 6221 and/or 6226(a) and agree to take any action, and furnish the Partnership Representative with any information necessary, to give effect to such election if the Partnership Representative decides to make such election; and (ii) any imputed underpayment imposed on the Company pursuant to Code Section 6232 (and any related interest, penalties or other additions to tax) that the Partnership Representative reasonably determines is attributable to one or more Members (including any former Member) shall be, in the Partnership Representative's sole discretion, either (A) treated as a distribution under Section 3.5 or (B)

promptly paid by such Members to the Company (pro rata in proportion to their respective shares of such underpayment) within fifteen (15) days following the Partnership Representative's request for payment (and any failure to pay such amount shall result in a subsequent reduction in distributions otherwise payable to such Member in such amount plus interest on such amount calculated at the rate of ten percent (10%)); provided that in making the determination of which Members (including former Members) any such imputed underpayment is attributable to, the Partnership Representative will allocate any imputed underpayment imposed on the Company (and any related interest, penalties, additions to tax, and audit costs) among the Members in good faith taking into account each Member's particular status, including, for the avoidance of doubt, a Member's tax-exempt status. The Manager, and the individual designated by the Manager, in his or her capacity as the Partnership Representative, shall be authorized to take any of the foregoing actions (or any similar actions), to the extent necessary to allow the Company to comply with the partnership audit provisions of the Bipartisan Budget Act of 2015. Regarding the potential obligation of a former Member under this Section 4.9, the following shall apply: (x) each Member agrees that, notwithstanding any other provision in this Agreement, if it is no longer a Member it shall nevertheless be obligated for any responsibilities under this Section 4.9 as if it were a Member at the time of demand hereunder; and (y) the Manager will not consent to the transfer of the Membership Interest of any Member unless the transferee receiving such Membership Interest agrees that in the event the transferor of such Membership Interest does not fulfill its obligation under the preceding clause (x) within twenty (20) business days following written demand by the Partnership Representative, such transferee shall be jointly and severally liable with such transferor for such obligation and the Partnership Representative may thereafter treat the transferee as the relevant Member for purposes of this paragraph.

ARTICLE V
MEMBERS

5.1 Powers of the Members. Except as otherwise provided in the Agreement, as to any matters on which the Members have a right to vote, such vote shall require an affirmative vote of a Majority of the Membership Interests.

5.2 Liability. No Member will be personally liable for any of the debts of the Company or any of the losses thereof beyond the amount of such Member's Capital Contribution to the Company.

5.3 Meetings of the Members. A meeting of the Members may be called at any time by the Manager or by Members holding a Majority of the Membership Interests. The meetings will be held at the Company's principal place of business or any other place designated by the Manager. The Manager will give the Members at least ten days prior written notice stating the time, place and purpose of the meeting. At a meeting of the Members, the presence of Members holding a Majority of the Membership Interests, in person or by proxy, will constitute a quorum. A Member may vote either in person or by written proxy signed by the Member or by his, her or its duly authorized attorney in fact. Persons present by telephone will be deemed to be present "in person" for purposes hereof.

5.4 Removal of Manager. Notwithstanding any other provision of this Agreement, a Manager can be removed and its successor chosen by Members holding at least seventy five

percent (75%) of the Membership Interests for cause by giving written notice to the Manager. As used in the preceding sentence, "**Cause**" shall mean the willful misconduct, fraud or gross negligence of the Manager, as determined by a final, nonappealable judgment of a court of competent jurisdiction.

ARTICLE VI
ASSIGNMENT PROVISIONS

6.1 Transfers by Members.

(a) Subject to Section 6.2, a Member may Transfer some or all of its Membership Interests in the Company. For purposes hereof, "Transfer" means, when used as a noun, any sale, hypothecation, pledge, assignment, gift, or other transfer, be it voluntary or involuntary, to any person, inter vivo, testamentary, by operation of laws of devise and descent or other laws, and, when used as a verb, to sell, hypothecate, pledge, assign, gift, or otherwise transfer to any person, be it voluntarily or involuntarily, inter vivo, testamentary, by operation of the laws of devise or descent or any other laws.

(b) Notwithstanding anything contained herein to the contrary, no Transfer of any Membership Interest will be permitted if such Transfer would: (i) result in a termination of the Company for federal income tax purposes that would have a material adverse effect on the Company or any of the Members; (ii) result in the Company not qualifying for an exemption from the registration requirements of any applicable federal or state securities laws; (iii) result in any violation of any applicable federal or state securities laws; (iv) require the Company, the Manager or any Affiliate of the Manager to register as an investment advisor under the Investment Advisers Act of 1940, as amended; or (v) cause the Company Property to become "plan assets" (as defined in the Plan Asset Rules) subject to the fiduciary standards of Part 4 of Subtitle B of Title I of ERISA and Code Section 4975.

6.2 General Provisions. The following rules will apply to the Transfer of membership interests in the Company:

(a) no person will be admitted as a substitute member hereunder unless and until: (i) the assignment is made in writing, signed by the assignor and accepted in writing by the assignee, and a duplicate original of the assignment is delivered to and accepted by the Manager; (ii) the prospective assignee executes and delivers to the Company a written agreement, in form and substance satisfactory to the Manager, pursuant to which said person agrees to be bound by this Agreement; and (iii) an appropriate amendment hereto is executed and, if required, filed of record;

(b) the effective date of admission of a substitute member will be no earlier than the date that the documents specified in subsection (a) above are delivered to and accepted by the Manager;

(c) the Company and the Manager will treat the assignor of the assigned interest as the absolute owner thereof and will incur no liability for distributions made in good faith to such assignor prior to such time as the documents specified in subsection (a) above have been

delivered to and accepted by the Manager;

(d) unless admitted as a substitute member to the Company by the Manager, the assignee or transferee of an interest in the Company hereunder will not be entitled to become or exercise any rights of a Member, but will, to the extent of the interest acquired, be entitled only to the predecessor Member's share of distributions from the Company. No person, including the legal representatives, heirs or legatees of a deceased Member, will have any rights or obligations greater than those set forth herein and no person will acquire an interest in the Company or become a Member except as permitted hereby. Substitute Members admitted pursuant to Section 6.2 (a) will be entitled to all of the rights and privileges of the original Members hereunder and will be subject to all of the obligations and restrictions hereunder, and in all other respects their admission will be subject to all of the terms and provisions hereof;

(e) the costs incurred by the Company in processing an assignment (including attorney's fees) will be borne by the assignor or assignee as such parties may agree, and will be payable prior to and as a condition of any distribution of cash or property; and

(f) upon the Transfer of a Membership Interest which satisfies Section 6.2, Schedule 1 to this Agreement will be revised to reflect such Transfer.

ARTICLE VII
ADMISSION OF ADDITIONAL MEMBERS; RESIGNATIONS AND WITHDRAWALS

7.1 Admission of Additional Members.

(a) Subject to compliance with applicable securities laws, and this Agreement, the Manager, in its sole discretion, may admit new Members in exchange for Capital Contributions by such persons to the Company in an amount as determined by the Manager in its sole discretion. The Members hereby grant the Manager the power of attorney to amend the Company's Articles of Organization and this Agreement to effect any issuance of Membership Interests pursuant this subsection, including such Membership Interests that may constitute one or more classes of interests with preference as to distributions from the Company (provided, however, that the Members will be provided an opportunity to make such Capital Contributions in respect of such new class(es) of interests). Upon the admission of any new Members to the Company, the Manager shall adjust the Members' Membership Interests set forth on Schedule 1 hereto to equitably reflect the Capital Contributions made by new Members.

(b) Additional Members admitted pursuant to Section 7.1(a) will be entitled to all of the rights and privileges of the original Members hereunder and will be subject to all of the obligations and restrictions hereunder, and in all other respects their admission will be subject to all of the terms and provisions hereof.

(c) No Member shall have any preemptive or similar rights to increase or maintain such Member's Membership Interest in the Company.

7.2 Resignations and Withdrawals. A Member who withdraws from the Company will forfeit all Membership Interests and rights as a Member, including his right to receive any distributions from the Company and the right to vote. Upon the withdrawal of a Member, the

Company will not have any obligation to purchase such Member's Membership Interests or any part thereof. The Manager shall adjust the Members' Membership Interests set forth on Schedule 1 hereto to equitably reflect the withdrawal of a Member.

ARTICLE VIII
TERMINATION AND WINDING UP

8.1 Termination.

(a) The Company will terminate upon the earliest to occur of the following:

(i) The Manager and Members holding a Majority of the Membership Interests vote to terminate the Company or convert it into a different legal entity pursuant to Delaware law; or

(ii) The Company's sale, exchange or other disposition of all of the Company Property.

(b) This Agreement generally and Article VIII in particular will govern the conduct of the parties during the winding up of the Company.

8.2 Liquidation Procedures. Upon termination of the Company, the Company's affairs will be wound up and the Company will be dissolved. A proper accounting will be made of the profit or loss of the Company from the date of the last previous accounting to the date of termination.

8.3 Liquidating Trustee. Upon the winding up of the Company, the Manager will act as the liquidating trustee or will appoint a liquidating trustee. The liquidating trustee will have full power to sell, assign and encumber the Company Property. All certificates or notices thereof required by law will be filed on behalf of the Company by the liquidating trustee.

8.4 Distribution on Winding Up. The proceeds of liquidation will be applied by the end of the taxable year in which the liquidation occurs or, if later, within 90 days after the date of such liquidation, in the following order:

(a) first, to the creditors of the Company, in the priority and to the extent provided by law; and

(b) thereafter, to the Members in proportion to their Membership Interests.

8.5 No Dissolutions. The Bankruptcy, death, dissolution, liquidation, termination or adjudication of incompetency of a Member shall not cause the termination, division or dissolution of the Company and the business of the Company shall continue. Upon any such occurrence, the trustee, receiver, executor, administrator, committee, guardian or conservator of such Member (an "**assignee**") shall have all the rights of such Member for the purpose of settling or managing its estate or property, subject to satisfying conditions precedent to the admission of such assignee as a substitute Member. The transfer by such trustee, receiver, executor, administrator, committee, guardian or conservator of any Membership Interest shall be subject to all of the restrictions,

hereunder to which such transfer would have been subject if such transfer had been made by such bankrupt, deceased, dissolved, liquidated, terminated or incompetent Member.

ARTICLE IX
GENERAL PROVISIONS

9.1 Definitions. The following terms not otherwise defined herein will have the meanings ascribed to them below:

(a) "**Affiliate**" (whether or not such term is capitalized) shall mean, with respect to any specified Person any other Person owning beneficially, directly or indirectly, any ownership interest in such specified Person or directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," when used with respect to any specified Person, shall mean the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" shall have meanings correlative to the foregoing.

(b) "**Code**" shall mean the Internal Revenue Code of 1986, as amended from time to time.

(c) "**Control**" (whether or not such term is capitalized) when used with respect to any specified Person, shall mean the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" shall have meanings correlative to the foregoing. Without limiting the generality of the foregoing, a Person shall be deemed to Control any other Person in which it owns, directly or indirectly, 49% or more of the ownership interests.

(d) "**Ground Lease**" shall mean that certain Ground Lease dated as of February April 16, 2025 by and between the Trust, as ground lessee and Kennor Holdings Sacramento, LLC, a Texas limited liability company, as ground lessor.

(e) "**Lease**" shall mean Amended and Restated Lease Agreement dated September 23, 2022 and First Amendment to the Amended and Restated to Lease Agreement and Amendment to Lease Guaranty dated October 26, 2023 by and between, the Ground Lessor and Sacramento Rehabilitation Hospital, LLC, a Delaware limited liability company, as tenant with respect to the Real Estate, which the Ground Lessor assigned to the Trust in connection with the execution of the Ground Lease.

(f) "**Majority**" shall mean more than fifty percent (50%).

(g) "**Person**" (whether or not such term is capitalized) shall mean a natural person, corporation, limited partnership, general partnership, limited liability company, joint stock company, joint venture, association, company, trust, bank trust company, land trust, business trust, statutory trust or other organization, whether or not a legal entity, and a government or agency or political subdivision thereof.

(h) "**Private Placement Memorandum**" shall mean the memorandum and

related documents distributed to prospective investors in the Trust that provided such persons with information relating to an investment in the Trust interests.

(i) "**Real Estate**" shall mean the Company's ground leasehold interest in the land and ownership interest in the improvements on the land located at 10 Advantage Court, Sacramento, California, and commonly known as "Sacramento Rehabilitation Hospital".

(j) "**Section**" shall mean a section in this Agreement unless the context clearly indicates otherwise.

(k) "**Sponsor**" shall mean Bridgeview Exchange LLC, a Texas limited liability company.

(l) "**Treasury Regulations**" shall mean U.S. Treasury Regulations promulgated under the Code.

9.2 Notices. All notices, requests, demands, consents and other communications ("**Notices**") required or contemplated by the provisions hereof shall refer on their face to this Agreement (although failure to do so shall not make such Notice ineffective), shall, unless otherwise stated herein, be in writing and shall be: (i) personally delivered; (ii) sent by reputable overnight courier service; (iii) sent by certified or registered mail, postage prepaid and return receipt requested; (iv) transmitted by telephone facsimile with electronic confirmation of receipt; or (v) by email (if an email address is provided by such prospective recipient of Notice). Any Member may change its address by giving fifteen (15) days advance written notice stating its new address to the Manager. Commencing with the giving of such notice, such newly designated address will be such Member's address for purposes of all notices or other communications required or permitted to be given pursuant to this Agreement.

9.3 Third Party Reliance. Third parties dealing with the Company shall be entitled to conclusively rely on the signature of the Manager and/or any officer of the Company to bind the Company.

9.4 Successors. This Agreement and all the terms and provisions hereof will be binding upon and will inure to the benefit of all Members, and their legal representatives, heirs, successors and permitted assigns, except as expressly herein otherwise provided.

9.5 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware applicable to contracts to be performed entirely within such state, including all matters of construction, validity and performance. Each party to this Agreement acknowledges and agrees that, except solely for the Act, the laws of the State of Delaware or of any other state or authority having jurisdiction over the Company which pertain to limited liability companies shall not apply to this Agreement, and that the Act is the sole law pertaining to limited liability companies that applies to this Agreement. Each party to this Agreement agrees to only bring suit in a court located in Dallas, Texas, and consents to personal jurisdiction therein.

9.6 Counterparts. This Agreement may be executed in counterparts, each of which will be an original, but all of which will constitute one and the same instrument.

9.7 Pronouns and Headings. As used herein, all pronouns will include the masculine, feminine, neuter, singular and plural thereof wherever the context and facts require such construction. The headings, titles and subtitles herein are inserted for convenience of reference only and are to be ignored in any construction of the provisions hereof.

9.8 Members Not Agents. Nothing contained herein will be construed to constitute any Member the agent of another Member, except as specifically provided herein, or in any manner to limit the Members in the carrying on of their own respective businesses or activities.

9.9 Entire Understanding. This Agreement constitutes the entire understanding among the Members and supersedes any prior understanding and/or written or oral agreements among them with respect to the Company.

9.10 Severability. If any provision of this Agreement, or the application of such provision to any person or circumstance, is held invalid by a court of competent jurisdiction, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it is held invalid by such court, will not be affected thereby.

9.11 Further Assurances. Each of the Members will hereafter execute and deliver such further instruments and do such further acts and things as may be required or useful to carry out the intent and purpose of this Agreement and as are not inconsistent with the terms hereof. Recognizing that the Company may find it necessary from time to time to establish to third parties, such as accountants, banks, mortgagees or the like, the then current status of performance hereunder, each Member agrees, upon the written request of the Manager to furnish promptly a written statement of the status of any matter pertaining to this Agreement or the Company to the best of the knowledge and belief of the Member making such statements.

9.12 Benefits of Agreement. No Third-Party Rights. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditor of the Company or by any creditor of any Member, and nothing in this Agreement shall be deemed to create any right in any Person (other than the Manager with respect to indemnity under Section 4.7) not a party hereto, and this Agreement shall not be construed in any respect to be a contract in whole or in part for the benefit of any third Person, except as provided in this Section 9.12.

9.13 Waiver of Partition; Nature of Interest. To the fullest extent permitted by law, and not withstanding any provision in this Agreement to the contrary, each of the Members, and any additional and substitute members admitted to the Company hereby irrevocably waives any right or power that such Person might have to cause the Company or any of its assets to be partitioned, to cause the appointment of a receiver for all or any portion of the assets of the Company, to compel any sale of all or any portion of the assets of the Company pursuant to any applicable law or to file a complaint or to institute any proceeding at law or in equity to cause the dissolution, division, liquidation, winding up or termination of the Company. No Member shall have any interest in any specific assets of the Company, and no Member shall have the status of a creditor with respect to any distribution pursuant to Section 3.5 hereof. The interest of each Member in the Company is personal property.

[SIGNATURE PAGE FOLLOWS]

COUNTERPART SIGNATURE PAGE
OPERATING AGREEMENT
OF
BV ERNEST HEALTH NEURO REHAB DST, LLC

IN WITNESS WHEREOF, the undersigned has executed this Operating Agreement as of the day and year first above written.

MANAGER:

BV ERNEST MANAGER LLC
a Texas limited liability company

By:_____

Name:_____

Its:_____

MEMBER:

_____
Signature

_____
Print Name

_____
Address

_____
City, State & Zip Code

SCHEDULE 1
(of Exhibit A)

MEMBERS, CAPITAL CONTRIBUTIONS AND MEMBERSHIP INTERESTS

NAME AND ADDRESS OF MEMBER	CAPITAL CONTRIBUTION	CAPITAL ACCOUNT	MEMBERSHIP INTEREST
_____ _____ _____			
_____ _____ _____			
_____ _____ _____			
_____ _____ _____			
_____ _____ _____			
_____ _____ _____			
_____ _____ _____			
_____ _____ _____			

EXHIBIT B

Opinion of Special Tax Counsel

[attached]

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April 16, 2025

BV Ernest Health Neuro Rehab DST
c/o Bridgeview Real Estate Exchange LLC
8390 Lyndon B. Johnson FWY, Suite 565
Dallas, Texas 75243

Ladies and Gentlemen:

You have requested our opinion (the "Opinion") as to whether, for federal income tax purposes, an investor's acquisition of a beneficial interest in BV Ernest Health Neuro Rehab DST (the "Trust"), a Delaware statutory trust described in Chapter 38 of Title 12 of the Delaware Code (the "Delaware Statutory Trust Act" or the "DSTA"), should be treated as an acquisition of a direct interest in the Real Estate (as defined below) for purposes of Section 1031 of the Internal Revenue Code of 1986, as amended (the "Code").

Based on the relevant facts and applicable law and subject to the qualifications discussed below, we conclude that, for federal income tax purposes, the acquisition by an investor (an "Investor") of a beneficial interest in the Trust (an "Interest") should be treated as a direct acquisition of an ownership interest in the Real Estate by the Investor for purposes of Code Section 1031. In reaching this conclusion and in evaluating the issues related thereto, we have not taken into account the possibility that a tax return will not be audited or that an issue will not be raised on audit.

A tax opinion rendered at a "should" level of confidence such as this Opinion involves a greater degree of certainty than a "more likely than not" opinion, but it is not a "will" opinion nor any guarantee of tax consequences. There can be no assurance that the Internal Revenue Service (the "IRS") would agree with our conclusions, would not successfully challenge our conclusions upon audit, or would not prevail in their challenge if litigated.

In addition, qualification of a transaction pursuant to Code Section 1031 for an Investor involves issues based on numerous specific facts which are not and cannot be known to us; therefore, we give no opinion as to the ability of any Investor to effectuate a tax-deferred exchange of like-kind property under Code Section 1031. This Opinion addresses only one aspect of qualifying under Code Section 1031, *i.e.*, whether the acquisition of an Interest can be treated as a direct acquisition of an ownership interest in the Real Estate for purposes of Code Section 1031. We are not opining, among other things, as to whether some portion of the Real Estate may be "personal property" as opposed to "real property" for purposes of Code Section 1031. Finally, this Opinion does not address any state, local, or non-United States income tax consequences, or any non-income tax consequences, of the transactions described herein.

In giving this Opinion, we have reviewed the following:

(i) the Amended and Restated Trust Agreement of the Trust (the "Trust Agreement"), among Sorensen Entity Services LLC, as Delaware trustee (the "Delaware Trustee"), BV Ernest Manager, LLC, an affiliate of Bridgeview Real Estate Exchange LLC (the "Sponsor"), as administrative trustee (the "Administrative Trustee," and together with the Delaware Trustee, the "Trustees"), BV Vibra DST LLC, an affiliate of the Sponsor (the "Depositor"), and the Investors;

(ii) the Contribution Agreement (the "Contribution Agreement"), between Kennor Holdings Sacramento, LLC, a wholly owned subsidiary of, and disregarded entity with respect to, the Sponsor, as contributor, and the Trust, as transferee, pursuant to which the Trust acquired a hospital building, commonly known as "Sacramento Rehabilitation Hospital", and other improvements (collectively, the "Improvements") on approximately 6.23 acres of land located at 10 Advantage Court, Sacramento, California, 95834 (the "Land");

(iii) the Ground Lease Agreement (the "Ground Lease"), between Kennor Holdings Sacramento, LLC, as ground landlord (in such capacity, the "Ground Lessor"), and the Trust, as ground tenant, pursuant to which the Trust acquired a 60-year ground leasehold interest in the Land (the "Ground Leasehold Interest" and, together with the Improvements, the "Real Estate");

(iv) the Amended and Restated Lease Agreement, dated September 23, 2022, and the First Amendment to the Amended and Restated to Lease Agreement and Amendment to Lease Guaranty, dated October 26, 2023 (the "Lease"), by and between the Ground Lessor, as landlord, and Sacramento Rehabilitation Hospital, LLC, a Delaware limited liability company that is unaffiliated with the Sponsor (the "Tenant"), which the Ground Lessor assigned to the Trust in connection with the execution of the Contribution Agreement and the Ground Lease;

(v) the Asset Management Agreement (the "Asset Management Agreement") between the Trust and BV Asset Management LLC, an affiliate of the Sponsor, as asset manager (the "Manager");

(vi) the Private Placement Memorandum with respect to the Interests dated April 16, 2025 (the "Private Placement Memorandum") (items (i) through (vi) are collectively referred to as the "Transaction Documents");

(vii) applicable provisions of the Code, the final, temporary and proposed Treasury Regulations promulgated thereunder, judicial decisions, and Revenue Rulings and other interpretative releases of the IRS; and

(viii) such other materials and documents as we considered relevant.

Our opinion is expressly based upon the following representations from the Sponsor: (i) there are no written or oral agreements other than the Transaction Documents or understandings inconsistent with

or significant to the transactions contemplated herein, and any final Transaction Documents that were not final as of the date of our review will conform with the Transaction Document drafts we have reviewed in all material respects; (ii) all payments made to or by the Trust, the Trustees, the Ground Lessor, the Manager, and their affiliates will be at fair market value; (iii) none of the Sponsor, the Trust, the Manager or any affiliate of any thereof has loaned or will loan to any Investor any of the funds necessary to acquire his, her or its Interest in the Trust or has guaranteed or will guarantee any indebtedness incurred by any Investor to acquire his, her or its Interest in the Trust; (iv) except as discussed herein, none of the Ground Lessor, the Tenant, any of the Lease Guarantors (as defined below), nor any party related to any thereof holds an option to acquire the Real Estate; (v) none of the Trust, the Trustees or the Manager has entered into or will enter into any agreement or understanding with any beneficiary of the Trust creating an agency or nominee relationship and none of the Trust, the Trustees or the Manager has been or will be represented as an agent or nominee of any beneficiary of the Trust in dealings with third parties; (vi) the Trust has not opted-out and will not opt-out of its status as a separate legal entity pursuant to Section 3810(a)(2) of the Delaware Statutory Trust Act; (vii) neither the Trust nor any Trustee, employee, agent, independent contractor of the Trust, including the Manager, will provide any services to the Tenant or any subtenant; (viii) the Manager is disregarded as an entity that is separate from the Sponsor for federal income tax purposes, the Administrative Trustee will elect to be classified as a corporation for federal income tax purposes, and the Sponsor is a partnership for federal income tax purposes; (ix) the Trustees will not make or consent to any capital modifications of the Real Estate unless such modifications are required by law or the Trustees reasonably believe that such modifications protect and conserve the Real Estate, that any increase in the value of the Real Estate resulting from such modifications would be incidental to the foregoing, and that such modifications will not change the nature of the Real Estate as a two-story rehabilitation hospital; (x) there are no written agreements other than the Contribution Agreement, the Ground Lease and the Lease, and no oral agreements and no understandings, directly or indirectly, between the Sponsor, any person or entity related to the Sponsor, any Investor, and/or the Trust, on the one hand, and the Tenant and/or any person or entity related to the Tenant, on the other hand, in each case that relate to the transactions described herein; and (xi)the Ground Lessor and Trust intend that the Ground Lease constitute a true lease and not a partnership or joint venture agreement.

In addition, in rendering this opinion, we have, with your permission, assumed that: (i) the Interests will be acquired by the Investors directly from the Trust and the Depositor's interest in the Trust will be reduced in proportion to the amount of such acquisitions; (ii) none of the Depositor, the Trust, the Manager, the Trustees, any Investor or any party related to any of the foregoing has made or will make an election, or has taken or will take any other action, that would cause the Trust to be classified as an association taxable as a corporation or a partnership for federal income tax purposes; (iii) the Tenant is not related to the Sponsor, any Investor or any person or entity relate to either of the foregoing; (iv) the Transaction Documents (without modification) are properly authorized, executed and delivered, and are legal, valid, binding and enforceable in accordance with their terms; (v) all parties to the Transaction Documents will comply with all provisions of the Transaction Documents, and will take no action inconsistent with the Transaction Documents or any terms of this opinion; (vi) all transactions described in the Private Placement Memorandum will occur as described in the Private Placement Memorandum; (vii) neither the exchanged property nor the replacement property in any Code Section 1031 exchange involving the Trust is or at any relevant time has been or will be tax-

exempt use property within the meaning of Code Section 470(e)(4)(A); and (viii) the Lease is a true lease for Federal income tax purposes. We have further assumed the accuracy and completeness of all documents and records that we have reviewed, the genuineness of all signatures, the authenticity of the documents submitted to us as originals, and the conformity to authentic original documents of all documents submitted to us as pro forma or reproduced copies.

Capitalized terms which are not herein defined have the meanings ascribed to them in the Transaction Documents.

For the avoidance of doubt, the term "Investor" as used herein does not include the Sponsor or any affiliate thereof.

DELAWARE STATUTORY TRUST ACT

The Delaware Statutory Trust Act provides rules for trusts formed thereunder ("Delaware Statutory Trusts"). A Delaware Statutory Trust is an unincorporated association which is created by a trust agreement or other governing instrument under which property is or will be held, managed, administered, controlled, invested, reinvested and/or operated, or business or professional activities for profit are carried on or will be carried on, by a trustee or trustees or as otherwise provided in the governing instrument for the benefit of such person or persons as are or may become beneficial owners or as otherwise provided in the governing instrument. DSTA Section 3801(g).

A Delaware Statutory Trust is required to file a certificate of trust in the office of the Secretary of State of the State of Delaware. DSTA Section 3810(a)(1). Unless otherwise provided in its certificate of trust and in its governing instrument, a Delaware Statutory Trust is a separate legal entity. DSTA Section 3810(a)(2). Except in the case of a Delaware Statutory Trust that is a registered investment company under the Investment Company Act of 1940, as amended, a Delaware Statutory Trust shall at all times have at least one trustee which, in the case of a natural person, shall be a person who is a Delaware resident or which, in all other cases, has its principal place of business in Delaware. DSTA Section 3807(a), (b). A Delaware Statutory Trust may sue and be sued, and the property of a Delaware Statutory Trust is subject to attachment and execution as if it were a corporation. DSTA Section 3804(a). Except to the extent otherwise provided in the governing instrument of a Delaware Statutory Trust, the beneficial owners shall be entitled to the same limitation of personal liability extended to stockholders of Delaware corporations. DSTA Section 3803(a).

Except to the extent otherwise provided in the governing instrument of a Delaware Statutory Trust, a beneficial owner shall have an undivided beneficial interest in the property of the Delaware Statutory Trust and shall share in the profits and losses of the Delaware Statutory Trust in the proportion (expressed as a percentage) of the entire undivided beneficial interest in the Delaware Statutory Trust owned by such beneficial owner. DSTA Section 3805(a). No creditor of the beneficial owner shall have any right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of the Delaware Statutory Trust. DSTA Section 3805(b). No creditor of the trustee shall have any right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of the Delaware Statutory Trust with respect to any claim against, or obligation of, such trustee in its individual capacity and not related to the Delaware Statutory Trust. DSTA

Section 3805(g). Except to the extent otherwise provided in the governing instrument of a Delaware Statutory Trust, the death, incapacity, dissolution, termination, or bankruptcy of a beneficial owner or a trustee shall not result in the termination or dissolution of a Delaware Statutory Trust. DSTA Section 3808(b). Except to the extent otherwise provided in the governing instrument of a Delaware Statutory Trust, a Delaware Statutory Trust may acquire, by purchase, redemption, or otherwise, any beneficial interest in the Delaware Statutory Trust held by a beneficial owner of the Delaware Statutory Trust. DSTA Section 3818.

To the extent that, at law or in equity, a trustee or beneficial owner or other person has duties (including fiduciary duties) to a Delaware Statutory Trust or to another trustee or beneficial owner or to another person that is a party to or is otherwise bound by a governing instrument, the trustee's or beneficial owner's or other person's duties may be expanded or restricted or eliminated by provisions in the governing instrument; provided, that the governing instrument may not eliminate the implied contractual covenant of good faith and fair dealing. DSTA Section 3806(c).

Pursuant to an agreement of merger or consolidation, a Delaware Statutory Trust may merge or consolidate with or into one or more Delaware Statutory Trusts or other business entities formed or organized or existing under the laws of the State of Delaware or any other State or the United States or any foreign country or other foreign jurisdiction, with such Delaware Statutory Trust or other business entity as the agreement shall provide being the surviving or resulting Delaware Statutory Trust or other business entity. DSTA Section 3815(a). If the governing instrument of a Delaware Statutory Trust specifies the manner of authorizing a conversion of the Delaware Statutory Trust to another business entity, the conversion shall be authorized as specified in the governing instrument. DSTA Section 3821(a), (b).

RELEVANT PROVISIONS IN THE TRANSACTION DOCUMENTS

A. Trust Agreement

Article I provides in part that all interests in the Trust shall be of a single class.

Section 2.03 provides that the purposes of the Trust are to engage in the following activities: (i) to acquire and own the Real Estate and any related personal property; (ii) to enter into or assume and comply with the terms of the Transaction Documents; (iii) to conserve, protect, and dispose of the Real Estate; and (iv) to take such other actions as the Trustees deem necessary or advisable to carry out the foregoing. Section 2.03 also provides that the Trust shall hold its property (the "Trust Property") for investment purposes and only engage in activities which are customary services in connection with the maintenance and repair of the Real Estate. Section 2.03 also provides that (a) neither the Administrative Trustee, the Delaware Trustee, the Investors, nor their agents shall provide services (1) that are not "customary services" within the meaning of Revenue Ruling 75-374, 1975-2 C.B. 261, (2) the payment for which would not qualify as "rents from real property" within the meaning of Code Section 512(b)(3)(A)(i) and the Treasury Regulations thereunder, or (3) the payment for which would not qualify as "rents from real property" within the meaning of Code Sections 856(c)(2)(C) and 856(c)(3)(A) and the Treasury Regulations thereunder; and (b) the Trust shall conduct no activities other than as specifically provided in Section 2.03.

Section 2.04 states that the Trustees will hold the Trust Property upon the terms and conditions in the Trust Agreement for the benefit of the Investors, subject to the obligations of the Trust under the Ground Lease, the Lease, and other relevant agreements. Section 2.04 further states that it is the intention of the parties to the Trust Agreement that the Trust constitute a "statutory trust" within the meaning of the Delaware Statutory Trust Act, and that the Trust shall not constitute an agency, partnership, corporation, association, or business trust for federal income tax purposes. Instead, each Investor shall be treated for federal income tax purposes as the owner of a direct ownership interest in the Trust Property and each Investor agrees to report its Interest in the Trust in a manner consistent with the foregoing and otherwise not to take any action that would be inconsistent with the foregoing.

Section 3.01 provides that any proposed assignment, pledge, encumbrance or transfer by the Investors of part or all of their Interest is subject to the prior consent of the Administrative Trustee and satisfaction of certain preconditions set forth in the Trust Agreement.

Article IV requires the Administrative Trustee to distribute all available cash as determined to the Investors in accordance with their Percentages on a monthly basis, after paying or reimbursing the Trustees for any fees or expenses paid or incurred by the Trustees on behalf of the Trust and retaining any additional amounts as are necessary to pay anticipated ordinary current and future Trust expenses. Amounts of cash retained shall only be invested in short-term obligations of (or guaranteed by) the United States, or any agency or instrumentality thereof and in certificates of deposit or interest-bearing bank accounts of any bank or trust company having a minimum stated capital and surplus. All such obligations must mature prior to the next distribution date, and be held to maturity.

Section 5.01(a) states that the Trust Agreement shall not be interpreted to impose a partnership or joint venture relationship on the Investors either at law or in equity, and no Investor shall have any liability for the debts or obligations incurred by any other Investor, with respect to the Trust Property, or otherwise, and no Investor shall have any authority, other than as specifically provided in the Trust Agreement, to act on behalf of any other Investor or to impose any obligation with respect to the Trust Property.

Section 5.01(c) provides that at such time as there is more than one (1) Investor (other than the Depositor) that is a beneficiary of the Trust, the Trust shall not constitute a business entity for federal income tax purposes, but shall instead constitute an investment trust pursuant to Treasury Regulation Section 301.7701-4(c) and a grantor trust under Subpart E of Part 1, Subchapter J of the Code (Code Sections 671 and following).

Section 5.01(d) provides that legal title to the Trust Property, including the Real Estate, shall be held by the Trust, and the Investors shall not have legal title to the Trust Property. Neither the bankruptcy, death or other incapacity of any Investor nor the transfer, by operation of law or otherwise, of any right, title or interest of the Investors in and to the Trust Property shall terminate the Trust Agreement. In addition, Section 5.01(d) provides that, except as expressly set forth in the Trust Agreement, the Investors shall not be liable for any liabilities or obligations of the Trust or the Trustees or for the performance of the Trust Agreement.

Section 5.02 provides that the Investors do not have the right to demand or receive an in-kind distribution of Trust Property from the Trust.

Section 5.03 provides that, except solely with respect to the selection of replacement Trustees in certain circumstances, the Investors shall have no right to make decisions for, or to operate or manage, the Trust.

Section 6.04 provides that the Administrative Trustee shall manage, control, dispose of or otherwise deal with the Trust Property consistent with its duties to conserve and protect the Trust Property, provided in the Trust Agreement.

Section 7.02 authorizes and directs the Administrative Trustee to take, or cause the Trust to take, any and all necessary actions to conserve and protect the Trust Property, including, but not limited to: (a) acquiring, owning, conserving, protecting, operating and selling the Trust Property; (b) entering into and/or assuming and complying with the terms of the Ground Lease, Lease and any other Transaction Documents; (c) collecting rents and making distributions to the Investors; (d) entering into any agreement for purposes of completing tax-free exchanges of real property for Investors with each such Investor's "qualified intermediary" as defined in Section 1031 of the Code and the Treasury Regulations thereunder; (e) notifying the relevant parties of any default by them under the Transaction Documents; (f) solely to the extent necessitated by the bankruptcy or insolvency of a tenant, renegotiating the Lease or entering into a new lease with respect to the Real Estate or negotiating or financing any debt secured by the Real Estate; and (g) taking any action which, in the reasoned opinion of tax counsel to the Trust, should not have an adverse effect on the treatment of the Trust as an "investment trust" within the meaning of Treasury Regulation Section 301.7701-4(c).

Section 7.03 prohibits the Administrative Trustee from taking any of the following actions, if the exercise of such action or actions would constitute a power under the Trust Agreement to "vary the investment of the certificate holders" as defined by Treasury Regulation Section 301.7701-4(c)(1): (a) reinvest any monies of the Trust, except in accordance with Section 4.02 of the Trust Agreement; (b) enter into mortgage financing, renegotiate the Lease or enter into new leases except in the case of the Tenant's bankruptcy or insolvency; (c) make other than minor non-structural modifications to the Real Estate, other than as required by law; (d) accept any capital from the Investors or new investors except as provided for in the Private Placement Memorandum; or (e) take any other action that, in the reasoned opinion of tax counsel to the Trust, should be expected to cause the Trust to be treated as a "business entity" for federal income tax purposes.

Section 9.01 provides that the Trust shall dissolve and wind up in accordance with Section 3808 of the Delaware Statutory Trust Act and each Investor's share of the Trust Property shall be distributed to the Investors, at the earlier of: (a) December 31, 2075; or (b) the sale or other disposition of the Real Estate.

Section 9.02 provides that, notwithstanding Section 9.01, if: (1) (a) (i) the Tenant is in default under the Lease or Ground Lease, including, but not limited to, the Tenant's failure to satisfied the PACE obligations (as defined in the Ground Lease); (ii) the Trust Property or any portion thereof is subject to a casualty, condemnation or similar event that is not adequately compensated for through insurance

or otherwise sufficient to permit restoration of the Trust Property to the same condition as previously existed; or (iii) the Administrative Trustee determines that the Investors are at risk of losing all or a substantial portion of their investment in the Interests, and (b) the Administrative Trustee is prohibited from taking actions to cure or mitigate the event(s) described in clauses (i), (ii) or (iii) by reason of the restrictions set forth in Section 7.03 of the Trust Agreement, then the Administrative Trustee shall terminate the Trust pursuant to Section 9.03.

Section 9.03 provides that the Trust is to be terminated pursuant to Section 9.02, then the Administrative Trustee will terminate the Trust by converting it into (or otherwise effecting the transfer of the Trust Property to) a Delaware limited liability company (the "LLC"), which LLC shall acquire, by operation of law, contract, or otherwise, the Trust Property subject to the then-outstanding obligations of the Trust under the Ground Lease and the Lease, and which LLC shall assume, by operation of law, contract, or otherwise, the Trust's obligations under the Ground Lease and the Lease, converting or exchanging the Interests of the Investors in the Trust for equivalent membership interests in the LLC, and causing itself to be designated as the manager of the LLC (a "Transfer Distribution").

B. Contribution Agreement and Ground Lease

Pursuant to the Contribution Agreement, the Trust acquired and owns the Improvements, and, pursuant to the Ground Lease, the Trust acquired and holds the Ground Lease Interest.

Section 2.01 of the Ground Lease provides that the Ground Lessor leases the Land to the Trust beginning on the date that the Ground Lease (the "Commencement Date") was executed and ending on sixtieth (60^{th}) anniversary of the Commencement Date unless sooner terminated in accordance with the Ground Lease.

Sections 3.01 and 3.02 and the Rent Schedule provide that the Trust will pay the Ground Lessor (1) base rent (the "Base Rent") equal to (a) $0 for the first year of the Ground Lease, (b) $25,000 per year for years two through 25, (c) $500,000 for the 26^{th} year, and (d) an amount equal to 103% of the rent for the prior year for years 27 through 60, and (2) additional rent (the "Additional Rent") equal to (i) the "PACE Payments" as defined below, solely to the extent such PACE Payments are an obligation of the Tenant pursuant to the Lease, and (ii) all amounts payable by Trust under the Ground Lease. The "PACE Payments" are defined as the Property Assessed Clean Energy (PACE) payments which are payable by the Tenant pursuant to the Lease. Section 3.04 provides that the Trust has assumed the obligation to pay Additional Rent in the form of the PACE Payments solely to the extent such PACE Payments are required to be made by the Tenant pursuant to the Lease. Section 3.04 further provides that if, upon and after the expiration of the Lease (I) the Ground Lease is still in force and effect, (II) the PACE Payments have been made in full through the date of the Lease expiration, and (III) the obligation to make such PACE Payments has been fully satisfied with no further amounts due thereunder to the obligor with respect thereto, then the portion of Additional Rent attributable to the PACE Payments will no longer be due and payable. Section 3.04 further provides that if, upon and after the expiration of the Lease, the Ground Lease is still in force and effect and the PACE Payments have been made in full through the date of the Lease expiration but, due to the date of the

expiration of the Lease, the obligations to make such PACE Payments remain due and payable, then Ground Lessor and not Trust shall be responsible for such remaining PACE Payments.

Section 3.02 provides that the Ground Lease is an absolute net lease. The Trust shall pay, or shall cause the Tenant to pay pursuant to the Lease, as Additional Rent all expenses of every kind and nature whatsoever relating to or arising from the Land, including (a) property taxes of every kind and nature; (b) property assessments (whether general, special, business improvement district, or otherwise); (c) personal property taxes; (d) occupancy and rent taxes; (e) water, water meter, sewer rents, rates, and charges; (f) any and all other governmental levies, fees, rents, assessments, or taxes and charges, and (g) all expenses arising from the leasing, operation, management, construction, maintenance, repair, use, and occupancy of the Land, except as otherwise expressly provided in the Ground Lease. Notwithstanding the foregoing, the Ground Lessor agrees to pay the following expenses: (1) any expenses expressly agreed to be paid by Ground Lessor in the Ground Lease; (2) expenses incurred by Ground Lessor to monitor and administer the Ground Lease; (3) expenses incurred by Ground Lessor prior to the Commencement Date; and (4) expenses that are personal to Ground Lessor.

Section 8.03 provides that the Trust shall obtain and pay for all utilities directly from and to the utilities and vendors serving the Land, including fuel, gas, electric, water and sewer service, trash collection, telephone, and internet service.

Section 9.01 provides that the Trust shall, at all times during the term of the Ground Lease, at the Trust's sole cost and expense, keep and maintain the Land in good order and condition, ordinary wear and tear excepted, and make all necessary repairs thereto, interior and exterior, structural and non-structural, ordinary and extraordinary, and foreseen and unforeseen.

Section 9.02 provides that Trust may, at its sole cost and expense, alter, replace, or remodel any Improvements upon the Land ("Alterations"), provided that: (a) the foregoing are made in compliance with all laws and the requirements of any mortgagee; (b) the foregoing are completed in accordance with general accepted construction standards; (c) any remodeling shall not materially diminish the value, reduce the height, or adversely affect the structural integrity of the Improvements; and (d) the Trust shall not allow mechanic's or materialmen's liens to affix to the Land because of the Alterations. Section 9.03 provides that, for the avoidance of doubt, notwithstanding anything in the Ground Lease to the contrary, the Trust's rights and obligations pursuant to Section 9.02 shall be limited as follows: (1) pursuant to Treasury Regulation Section 301.7701-4(c), the Trust may not take any action contemplated in Section 9.02 to the extent that such actions would violate the terms of the Trust Agreement; and (2) it is understood and agreed that the rights and obligations of the Tenant under the Lease preexisted the Ground Lease and accordingly such rights may be greater in extent than provided for under the Ground Lease.

Section 10.01 provides that, unless the Ground Lessor agrees to do so, the Trust shall maintain various types of insurance policies with respect to the Land. Section 10.10 provides that, for the avoidance of doubt, notwithstanding anything in the Ground Lease to the contrary: (a) the Trust's rights and obligations pursuant to Article X shall be limited to the rights and obligations of the Tenant under the

Lease; and (b) the Trust shall have no obligation to obtain any insurance pursuant to Article X to the extent the Tenant is required to obtain insurance pursuant to the terms of the Lease.

Section 12.01 provides that the Trust has the right, subject to certain conditions, to assign or transfer its interest in the Ground Lease and sublease the Land. Section 12.07 provides that, for the avoidance of doubt, Ground Lessor and the Trust acknowledge that, for so long as the Trust is a Delaware statutory trust that is an "investment trust" within the meaning of Treasury Regulation Section 301.7701-4(c), the powers of the Trust are limited pursuant to the terms of the Trust Agreement from taking any actions contemplated in Article XII.

Article XIII provides the Trust with the power to mortgage the Land. Section 13.12 provides that, for the avoidance of doubt, Ground Lessor and the Trust acknowledge that, for so long as the Trust is a Delaware statutory trust that is an "investment trust" within the meaning of Treasury Regulation Section 301.7701-4(c), the powers of the Trust are limited pursuant to the terms of the Trust Agreement from taking any actions contemplated in Article XIII.

Section 14.01 provides that certain events constitute an event of default (an "Event of Default") under the Ground Lease, including (a) if the Trust fails to pay Base Rent or Additional Rent or any part thereof, when the same shall become due and payable and such failure shall continue for 10 days after notice from Ground Lessor to the Trust, (b) the Trust shall fail to observe or perform one or more of the other terms, conditions, covenants, or agreements contained in the Ground Lease, and such failure shall continue for a period of 14 days after notice thereof by Ground Lessor to the Trust specifying such failure, (c) the Trust engages in or is subject to various bankruptcy actions, or (d) the Trust abandons the Land (other than in certain instances).

Section 14.02 provides the Ground Lessor with certain remedies in the Event of Default, including the right to repossess the Land.

Articles XVI and XVII provide terms with respect to the occurrence of a casualty or condemnation event, respectively. Sections 16.06 and 17.08 provide that, for the avoidance of doubt, notwithstanding anything in the Ground Lease to the contrary, the Trusts rights and obligations pursuant to Articles XVI and XVII shall be limited to the rights and obligations of the Tenant under the Lease.

Section 27.01 provides that in the event the Trust elects to sell its Ground Lease Interest to a third-party buyer (a "Third Party Buyer"), the Ground Lessor may elect (the "Tag-Along Right") to obligate the Trust to require any such Third Party Buyer to purchase all of the Ground Lessor's fee interest in the Land pursuant to the terms of a separate purchase and sale agreement providing for a payment, on terms and conditions acceptable to Ground Lessor, of $14,227,000 (or such lesser amount as Landlord may accept in its sole discretion) (the "Tag-Along Price"); provided, however, the Ground Lessor and the Trust acknowledge and agree that the closing on the disposition of Ground Lessor's and Trust's interest must occur on the same date and at the same time. Section 27.01 further provides that in the event of a transaction that may be subject to Section 27.01, the Trust shall notify Ground Lessor prior to entering into any binding agreement with respect to any such sale, and Ground Lessor shall have ten (10) calendar days from the date of such notice to invoke its rights under Section 27.01,

it being understood and agreed that if Ground Lessor fails to so invoke such rights it shall have no further rights with respect to the Trust's disposition of its Ground Lease Interest.

Section 27.02 provides that beginning on the date which is six months prior to the expiration of the initial term of the Lease, provided that the Tenant has not executed its option to extend such Lease as provided therein (and if such extension has been executed by the Tenant, then Section 27.02 shall be null and void), Ground Lessor shall have the right (the "Drag-Along Right") to sell its fee interest in the Land and to simultaneously cause the Trust to sell its Ground Lease Interest pursuant to the terms of a single purchase and sale agreement to a single Third Party Buyer or coordinated group of Third Party Buyers, providing for allocation of the proceeds of such sale between Ground Lessor and the Trust as reasonably determined by Ground Lessor and accepted by such Third Party Buyer(s); provided, however, that any closing on the disposition of Ground Lessor's and the Trust's interest as must occur on the same date and at the same time. Section 27.02 further provides that Ground Lessor may notify the Trust at any time beginning on the on the date which is six months prior to the expiration of the initial term of the Lease to invoke its rights under Section 27.02 and the Trust grants the Ground Lessor a durable power of attorney to execute all agreements necessary to effectuate its rights under Section 27.02.

Section 27.03 provides that Ground Lessor and the Trust acknowledge and agree that, pursuant to the Contribution, Tenant is owner of the Improvements and, accordingly, upon the expiration or other termination of the Ground Lease, other than arising as the result of an uncured event of default by the Trust, Ground Lessor shall be required to pay the Trust an amount equal to the fair market value of the Improvements determined as of the date of such expiration or termination (the "Improvement Price"). Section 27.03 further provides that the fair market value of the Improvements shall be determined by an independent appraisal firm selected by the Trust in its sole discretion, which shall be completed within 30 calendar days after the expiration or other termination of the Ground Lease as provided in Section 27.03, and shall be reduced by the principal balance on any loan or other indebtedness secured by a blanket lien on the Improvements and any other applicable liabilities and adjustments for customary prorations to which the Improvements are subject at such time. Section 27.03 further provides that any amount owed to the Trust pursuant to Section 27.03 shall be paid within 90 calendar days after the expiration or other termination of the Ground Lease as provided in Section 27.03.

Section 31.10 provides that nothing in the Ground Lease is intended, or shall in any way be construed, so as to create any form of partnership or agency relationship between the parties and the parties expressly disclaim any intention of any kind to create any partnership or agency relationship between themselves and nothing in the Ground Lease shall be construed to make either party liable for any of the indebtedness of the other, except as specifically provided in the Ground Lease.

C. Lease

Pursuant to the Lease, the Trust will lease the Real Estate to the Tenant.

Section 3(a) and Exhibit D of the Lease provide that the term of the Lease is 20 years from substantial completion of construction of the Improvements, provided that the Tenant has the option to renew the term of the Lease for up to two renewal terms of 10 years each.

Section 5, Exhibit D, and Exhibit H provide that rent for the basic term is set at fixed dollar amounts ranging from approximately $3.7 million in year one to approximately $5.7 million in year 20 (the "Fixed Rent") and rent for a renewal term is initially set at fair market value for a space of similar size and quality in the area at the time of renewal and then escalated using a commercially reasonable rental rate escalator, in each case determined by agreement of the parties or failing agreement by an appraisal procedure. Section 5(c) provides that the Fixed Rent is "completely net rent" the Lease is "absolutely net" to the Trust and during the entire term of the Lease, including any extension term, the Trust shall have no cost, obligation, responsibility or liability whatsoever for repairing, maintaining, operating or owning the Real Estate. Section 5(c) further provides that Tenant shall pay all expenses, costs, taxes, fees and charges of any nature whatsoever arising in connection with or attributable to the Real Estate during the term of the Lease or in any manner whatsoever arising as a result of Tenant's exercise of, or the Trust's grant of, the rights described in the Lease, including, without limitation, any ground lease costs of the Trust, all fees of Tenant's consultants, intangible personal property taxes, ad valorem real estate taxes, Tenant's accounting and attorney's fees, costs of any financing obtaining by Tenant, leasehold title insurance policy obtained by Tenant, and utility charges and insurance premiums. Section 5(c) further provides that Tenant shall pay and be responsible to the Trust for all costs, expenses, obligations, liabilities and acts necessary to and for the proper use, operation, maintenance, care and occupancy of the Real Estate.

Section 6 provides that Tenant is responsible for all real estate taxes related to the Real Estate.

Section 7 provides that Tenant is responsible for all utilities at the Real Estate.

Section 10 provides that Tenant is responsible for all repair and maintenance of and capital expenditures at the Real Estate, except that the Trust is responsible for repairing any construction and design defects in the Improvements for the first year of the Lease term.

Section 11 provides that the consent of the Trust is generally required for the Tenant to make any alterations, additions or improvements to the Real Estate.

Section 12 provides that the Tenant will maintain property insurance, commercial general liability insurance, workers compensation insurance, and various other types of insurance.

Section 16 provides that the Tenant is responsible for obtaining insurance proceeds and rebuilding the Real Estate in the event of a casualty event.

Section 17 provides that if the Real Estate is subject to a taking under powers of eminent domain, then the Lease will terminate and the Trust will be entitled to any condemnation proceeds.

Section 18 provides that if the Tenant fails to pay any installment of Fixed Rent or additional rent or fails to perform any other covenant, in both cases subject to a cure period, undertakes certain bankruptcy actions, abandons the Real Estate, or makes an unauthorized assignment or sublet of the Real Estate, then such action shall be an event of default. If the Tenant undertakes an event of default, then the Trust may terminate the Lease, repossess the Real Estate, and/or take certain other remedies. Similarly, if the Trust defaults on the Lease, then the Tenant has certain remedies.

Section 22 provides that Epoch Acquisition, Inc., Vibra Healthcare, LLC and Vibra Healthcare II, LLC (collectively, the "Lease Guarantors") guarantee the obligations of the Tenant under the Lease.

Section 23 provides the Tenant with certain rights, subject to meeting certain conditions, to assign its interest in the Lease and/or sublet the Real Estate.

Section 29 provides the Tenant with a right of first refusal to match any third party offer to purchase the Real Estate that the Trust receives if the Trust intends to accept the offer.

D. Asset Management Agreement

Section 1 provides that the term of the Asset Management Agreement shall terminate on the earlier of (a) the sale of the Real Estate, (b) December 31, 2055, (c) the Trust dissolves pursuant to the terms of the Trust Agreement, (d) the Administrative Trustee ceases to be the signatory trustee of the Trust, or (d) either party, at its sole discretion, elects to terminate the Asset Management Agreement pursuant to Section 8.

Section 2 provides that the Trust, on the one hand, and the Manager, on the other hand, do not intend to form a joint venture, partnership or similar relationship. Instead, the parties intend that the Manager shall act solely in the capacity of an independent contractor for the Trust and nothing in the agreement shall cause the Trust, on the one hand, and the Manager, on the other hand, to be joint venturers or partners of each other, and neither shall have the power to bind or obligate the other party by virtue of the agreement, except as expressly provided in the agreement.

Section 3.1 provides that the Manager shall provide all customary asset management services, subject to applicable governmental requirements and the terms and provisions of the agreement, including without limitation, (i) processing and delivering confirmation statements, periodic investor reports and periodic distributions to the beneficial owners of the Trust, (ii) responding to all inquiries from the beneficial owners of the Trust, (iii) engaging any third-party transfer agent or shareholder services company to assist Manager in providing such investor relations services, and (iv) participating in meetings with the Trust to discuss the operations of the Trust and the Real Estate.

Section 3.2 provides that the Manager will advise the Trust on the optimal manner in which to dispose of all or portion the Real Estate in accordance with the Trust Agreement, applicable governmental requirements and the terms of the Asset Management Agreement. If all or portion of the Real Estate is to be sold, the Manager shall assist each of the Trust in negotiating a sale satisfactory to each of the Trust, shall assist the Trust in effecting a closing of the sale and purchase transaction between the Trust and the purchaser, including without limitation engaging a third party real estate broker or

brokers, and shall otherwise assist the Trust in disposing of the Real Estate as the Trust may reasonably request.

Section 7.1 provides that, in consideration for its asset management services, the Trust shall pay the Manager a fixed fee per year, paid monthly. Section 7.2 provides that upon the sale, transfer or other disposition of the Real Estate or any portion thereof, excluding a sale in foreclosure (or a deed in lieu thereof) or a transfer to a LLC pursuant to the Trust Agreement, the Manager shall be entitled to a disposition fee (the "Disposition Fee") equal to 2% of the gross proceeds. The Disposition Fee will be paid in cash on the closing date of such sale, transfer or other disposition of the Real Estate, which will be in addition to fees payable to any third party broker payable in connection with the sale of the Real Estate. The Disposition Fee is compensation for the agreement of the Manager to provide the services referred to in Section 3.2 of the Asset Management Agreement to the Trust.

Section 8 provides that the Trust has the right to terminate the Asset Management Agreement for any reason on 30 days' written notice, the Manager has the right to terminate the Asset Management Agreement if the Trust is in default in the performance of any of its obligations thereunder upon 30 days' written notice, and the Manager has the right to terminate the Asset Management Agreement for any reason on 60 days' written notice.

TAX ANALYSIS

It is our opinion that, for federal income tax purposes, the acquisition by the Investors of the Interests should be treated as the direct acquistion by the Investors of ownership interests in the Real Estate for purposes of Code Section 1031.

The principal authority governing the treatment of interests in Delaware Statutory Trusts for purposes of Code Section 1031 is Revenue Ruling 2004-86, 2004-2 C.B. 191. As more fully described below, our conclusion as to the treatment of the Interests under Code Section 1031 is based largely on the similarity between the facts described in Revenue Ruling 2004-86 and the facts in respect of the Trust, and the Treasury Regulations and case law that form the basis for the revenue ruling.

Treatment of the Interests as Real Property for Purposes of Code Section 1031.

Code Section 1031 provides that no gain or loss is recognized on the exchange of real property held for productive use in a trade or business or for investment if such property is exchanged solely for real property of like kind which is to be held either for the productive use in a trade or business or for investment.

One July 20, 2004, the IRS issued Revenue Ruling 2004-86, 2004-2 C.B. 191, which held that, assuming the other requirements of Code Section 1031 are satisfied, a taxpayer may exchange real property for a beneficial interest in a Delaware Statutory Trust such as the trust described in the ruling (the "DST") in a tax-free exchange under Code Section 1031. The holding of Revenue Ruling 2004-86 is based on certain factual assumptions regarding the provisions of the trust agreement of the DST, although not all the facts described in the ruling are crucial to its holding. The facts as set forth in Revenue Ruling 2004-86 are as follows:

On January 1, 2005, A, an individual, borrows money from BK, a bank, and signs a 10-year note bearing adequate stated interest, within the meaning of § 483. On January 1, 2005, A uses the proceeds of the loan to purchase Blackacre, rental real property. The note is secured by Blackacre and is nonrecourse to A.

Immediately following A's purchase of Blackacre, A enters into a net lease with Z for a term of 10 years. Under the terms of the lease, Z is to pay all taxes, assessments, fees, or other charges imposed on Blackacre by federal, state, or local authorities. In addition, Z is to pay all insurance, maintenance, ordinary repairs, and utilities relating to Blackacre. Z may sublease Blackacre. Z's rent is a fixed amount that may be adjusted by a formula described in the lease agreement that is based upon a fixed rate or an objective index, such as an escalator clause based upon the Consumer Price Index, but adjustments to the rate or index are not within the control of any of the parties to the lease. Z's rent is not contingent on Z's ability to lease the property or on Z's gross sales or net profits derived from the property.

Also on January 1, 2005, A forms DST, a Delaware statutory trust described in the Delaware Statutory Trust Act, Del. Code Ann. Title 12, §§ 3801 - 3824, to hold property for investment. A contributes Blackacre to DST. Upon contribution, DST assumes A's rights and obligations under the note with BK and the lease with Z. In accordance with the terms of the note, neither DST nor any of its beneficial owners are personally liable to BK on the note, which continues to be secured by Blackacre.

The trust agreement provides that interests in DST are freely transferable. However, DST interests are not publicly traded on an established securities market. DST will terminate on the earlier of 10 years from the date of its creation or the disposition of Blackacre, but will not terminate on the bankruptcy, death, or incapacity of any owner or on the transfer of any right, title, or interest of the owners. The trust agreement further provides that interests in DST will be of a single class, representing undivided beneficial interests in the assets of DST.

Under the trust agreement, the trustee is authorized to establish a reasonable reserve for expenses associated with holding Blackacre that may be payable out of trust funds. The trustee is required to distribute all available cash less reserves quarterly to each beneficial owner in proportion to their respective interests in DST. The trustee is required to invest cash received from Blackacre between each quarterly distribution and all cash held in reserve in short-term obligations of (or guaranteed by) the United States, or any agency or instrumentality thereof, and in certificates of deposit of any bank or trust company having a minimum stated surplus and capital. The trustee is permitted to invest only in obligations maturing prior to the next distribution date and is required to hold such obligations until maturity. In addition to the right to a quarterly distribution of cash, each beneficial owner has the right to an in-kind distribution of its proportionate share of trust property.

> The trust agreement provides that the trustee's activities are limited to the collection and distribution of income. The trustee may not exchange Blackacre for other property, purchase assets other than the short-term investments described above, or accept additional contributions of assets (including money) to DST. The trustee may not renegotiate the terms of the debt used to acquire Blackacre and may not renegotiate the lease with Z or enter into leases with tenants other than Z, except in the case of Z's bankruptcy or insolvency. In addition, the trustee may make only minor non-structural modifications to Blackacre, unless otherwise required by law. The trust agreement further provides that the trustee may engage in ministerial activities to the extent required to maintain and operate DST under local law.
>
> On January 3, 2005, B and C exchange Whiteacre and Greenacre, respectively, for all of A's interests in DST through a qualified intermediary, within the meaning of § 1.1031(k)-1(g). A does not engage in a § 1031 exchange. Whiteacre and Greenacre were held for investment and are of like kind to Blackacre, within the meaning of § 1031.
>
> Neither DST nor its trustee enters into a written agreement with A, B, or C, creating an agency relationship. In dealings with third parties, neither DST nor its trustee is represented as an agent of A, B, or C.
>
> BK is not related to A, B, C, DST's trustee or Z within the meaning of § 267(b) or § 707(b). Z is not related to B, C, or DST's trustee within the meaning of § 267(b) or § 707(b).

The IRS's conclusions in Revenue Ruling 2004-86 were as follows:

> (1) The Delaware statutory trust described above is an investment trust, under § 301.7701-4(c), that will be classified as a trust for federal tax purposes.
>
> (2) A taxpayer may exchange real property for an interest in the Delaware statutory trust described above without recognition of gain or loss under § 1031, if the other requirements of § 1031 are satisfied.

The IRS noted that, under the facts of Revenue Ruling 2004-86, if the DST's trustee had the power to do one or more of the following acts, it would be classified as a partnership or other business entity for federal income tax purposes:

> (i) dispose of Blackacre and acquire new property; (ii) renegotiate the lease with Z or enter into leases with tenants other than Z; (iii) renegotiate or refinance the obligation used to purchase Blackacre; (iv) invest cash received to profit from market fluctuations; or (v) make more than minor non-structural modifications to Blackacre not required by law.

In addition, the DST would not have qualified as an "investment" trust had it been able to (a) accept additional contributions of new cash or assets from existing or new owners, or (b) invest reserves and cash in investments other than short term government obligations, certificates of deposit or interest bearing accounts that are held to maturity and that mature prior to the distribution of cash to the DST's owners.

Various facts in Revenue Ruling 2004-86 in our view are not determinative of the outcome, including (a) that Blackacre was subject to the note and lease prior to being contributed to the DST, (b) that each owner had a right to an in-kind distribution of the DST's property, and (c) that the persons who acquired interests in the DST acquired their interests indirectly from the original owner of the DST, rather than the DST itself.

In determining whether an Investor's acquisition of an Interest "should" be treated as the direct acquisition of an interest in the Real Estate for purposes of Code Section 1031, we analyze blow in light of relevant authorities: (1) the Trust's classification as an entity separate from the Investor (and not an agency arrangement) for federal income tax purposes, (2) the Trust's classification as an "investment trust" (and not as a business entity) for federal income tax purposes, (3) the Trust's classification as a "grantor trust" for federal income tax purposes, (4) the eligibility of the Ground Leasehold Interest for inclusion in a like-kind exchange, (5) the treatment of the Investors as holding direct interests in the Real Estate, and (6) the Disposition Fee.

1. ***Classification of the Trust as an Entity Separate from the Investors for Federal Income Tax Purposes.***

Under Treasury Regulation Section 301.7701-1(a)(1), whether an organization is an entity separate from its owners for federal tax purposes is a matter of federal tax law and does not depend on whether the organization is recognized as an entity under local law. Revenue Ruling 2004-86 states that, generally, when participants in a venture form a state law entity and avail themselves of the benefits of that entity for a valid business purpose, such as investment or profit, and not for tax avoidance, the entity will be recognized for federal income tax purposes.

The IRS concluded that the DST in Revenue Ruling 2004-86 was an entity for federal income tax purposes. We believe that the Trust is substantially similar to the DST . First, and most importantly, both the DST and the Trust are Delaware Statutory Trusts, subject to the provisions of the Delaware Statutory Trust Act. The Sponsor has represented that the Trust has not opted-out and will not opt-out of its status as a separate legal entity pursuant to Section 3810(a)(2) of the Delaware Statutory Trust Act. Second, Section 2.03 of the Trust Agreement provides that one of the purposes of the Trust is to hold the Real Estate for investment purposes. This provision of the Trust Agreement is consistent with the purpose of the DST in Revenue Ruling 2004-86 (*i.e.*, "to hold property for investment"). Third, Sections 5.01(a) and 5.01(d) of the Trust Agreement provide that the Investors are not liable for any liabilities or obligations of other Investors, the Trust or the Trustees or for the performance of the Trust Agreement. Fourth, consistent with the DST's trust agreement, the Trust Agreement does not purport to create an agency relationship. In addition, the Sponsor has represented that none of the Trust, the Trustees or the Manager has entered into or will enter into any agreement or understanding with any beneficiary of the Trust creating an agency or nominee relationship and none of the Trust,

the Trustees or the Manager has been or will be represented as an agent or nominee of any beneficiary of the Trust in dealings with third parties. Accordingly, the Trust should be respected as an entity separate from the Investors for federal income tax purposes.

2. Classification of the Trust as an "Investment Trust" Rather than as a Business Entity for Federal Income Tax Purposes.

In general, an organization constitutes a trust for tax purposes if it is an arrangement whereby trustees take title to property for the purpose of protecting or conserving it for the beneficiaries. Generally speaking, an arrangement will be treated as a trust for tax purposes if the purpose of the arrangement is to vest in trustees responsibility for the protection and conservation of property for beneficiaries who cannot share in the discharge of that responsibility and, therefore, are not associates in a joint enterprise for the conduct of business for profit. Treasury Regulation Sections 301.7701-1(a)(1), (b), 4(a).

There are other arrangements which are known as trusts because the legal title to property is conveyed to trustees for the benefit of beneficiaries, but which are not classified as trusts for tax purposes because they are not simply arrangements to protect or conserve the property for the beneficiaries. These trusts, which are often known as business or commercial trusts, generally are created by the beneficiaries simply as a device to carry on a profit-making business which normally would have been carried on through business organizations that are classified as corporations or partnerships for tax purposes. The fact that the corpus of such a trust is not supplied by the beneficiaries is not sufficient reason in itself for classifying the arrangement as an ordinary trust rather than as a corporation or a partnership for tax purposes. The technical casting of an organization in trust form, by conveying title to property to trustees for the benefit of persons designated as beneficiaries, will not change the real character of the organization if the organization is more properly classified as a corporation or a partnership for tax purposes. Treasury Regulation Section 301.7701-4(b).

An investment trust will not be classified as a trust if there is a power under the trust agreement to vary the investment of the certificate holders. An investment trust with a single class of ownership interests, representing undivided beneficial interests in the assets of the trust, will be classified as a trust for tax purposes if there is no power under the trust agreement to vary the investment of the certificate holders. An investment trust with multiple classes of ownership interests ordinarily will be classified as a corporation or a partnership for tax purposes. An investment trust with multiple classes of ownership interests will be classified as a trust for tax purposes, however, if the trust is formed to facilitate direct investment in the assets of the trust and the existence of multiple classes of ownership interests is incidental to that purpose and if there is no power under the trust agreement to vary the investment of the certificate holders. Treasury Regulation Section 301.7701-4(c).

A. Investment Trusts in General.

The DST in Revenue Ruling 2004-86 was held to be an "investment" trust and not a business entity. The courts and the IRS have considered the distinctions between an "investment" trust and a business entity on several other occasions.

In *Commissioner v. Chase National Bank*, 122 F. 2d 540 (2d Cir. 1941), a depositor transferred "units" consisting of the common stock of a number of corporations to a trust, and then sold trust certificates to investors. The trustee was vested with all of the rights of ownership of the shares except that the depositor controlled the voting rights of the shares and the trust instrument governed and restricted the disposal of the shares. Under the terms of the trust instrument, property deposited into the trust was held until some disposition of it was made consistent with the terms of the trust instrument. Further, distributions of currently available funds were required. No purchases were to be made by the trustee by way of reinvestment of funds or otherwise. The IRS argued that the trust was taxable as a corporation for federal income tax purposes. The court rejected the IRS's argument, holding that because the trust agreement required the trust property "to be held for investment and not to be used as capital in the transaction of business for profit like a corporation organized for such a purpose," the trust was prevented from becoming more than a "strict investment" trust. *Id*. at 543.

In *Commissioner v. North American Bond Trust*, 122 F. 2d 545 (2d Cir. 1941), *cert. denied*, 314 U.S. 701 (1942), a companion case to *Chase National Bank*, the court reached a different conclusion regarding the treatment of a trust for federal income tax purposes. In contrast to the terms of the trust instrument in *Chase National Bank*, the terms of the trust instrument in *North American Bond Trust* accorded the depositor the power "to take advantage of market variations to improve the investments of even the first investors." *Id*. at 546. This power arose in two ways. First, in making up new units, the depositor was not confined to the same bonds he had selected for the previous units. Second, the bonds of all units constituted a single pool in which each certificate holder shared according to his proportion of all the certificates issued. As a result, the money from new investors could be used to purchase new bond issues which would in turn reduce the existing certificate holders' interests in the old bond issues. Based on these facts, the court held that the depositor "had power, though a limited power, to vary the existing investments of all certificate holders at will…" (*Id*.), and accordingly that the trust was an association taxable as a corporation.

Revenue Ruling 75-192, 1975-1 C.B. 384, concerned a trust agreement that required the trustee to invest cash on hand between quarterly distribution dates in short term government obligations or in certificates of deposit issued by banks with minimum stated surplus and capital that mature prior to the following distribution date. The IRS concluded that, because the trust agreement restricted the trustee to a fixed return similar to that earned on a bank account, there was no opportunity to profit from market fluctuations.

In Revenue Ruling 79-77, 1979-1 C.B. 448, the IRS ruled that a trust formed to hold real property was an ordinary trust under Treasury Regulation Section 301.7701-4(a) and a "grantor trust" under Subpart E of Subchapter J, Chapter 1 of the Code (*i.e.*, Code Section 671 *et seq*.), and not a business entity within the meaning of Treasury Regulation Section 301.7701-4(b) (*i.e*., a partnership or an association taxable as a corporation), where the trustee's duties were limited to: (i) holding title to real estate; (ii) at the direction of the beneficiaries, signing a 20-year "triple net" lease (with renewal options) for the real estate; (iii) enforcing the lease; (iv) signing such other agreements as are approved

by the beneficiaries; (v) approving minor alterations to the real estate; and (vi) distributing net income of the trust to the beneficiaries on a quarterly basis. [1]

In other situations, however, the IRS has determined that an arrangement formed to hold real estate was properly classified as a business entity. For example, in Revenue Ruling 78-371, 1978-2 C.B. 344, the heirs to certain real estate established a trust and transferred to the trust real estate subject to a net lease. The trust agreement expressly authorized the trustees to acquire additional real estate, to sell assets of the trust, to invest such sales proceeds in certain types of financial products, to borrow money, to mortgage and lease the trust property, and to build or remove improvements from the trust property without the knowledge or consent of the owners of the trust. The IRS concluded that the trustee's power to engage in extensive real estate operations and to invest the sales proceeds in financial products indicated that the trust was not formed merely to protect and conserve the trust property and ruled that the trust was taxable as a corporation.

Revenue Ruling 78-371 may be contrasted with Revenue Ruling 75-374, 1975-2 C.B. 261. In this ruling, the IRS addressed the level of joint business activity that would cause co-owners of real estate to be viewed as partners for tax purposes. The co-owners of an apartment project hired an unrelated management company to manage the apartment project; the management company negotiated and executed the leases for the apartment units, collected rents and other payments from tenants, and paid taxes, assessments and insurance premiums relating to the project. The management company performed (i) all services customarily performed in connection with the maintenance and repair of the apartment project (such as providing heat, air conditioning, hot and cold water, unattended parking, normal repairs, trash removal and cleaning of service areas), and (ii) certain additional services such as attended parking, gas, electricity and other utilities. Customary tenant services were furnished by the management company to the tenants at no additional charge above the basic rental payments. The management company paid the costs incurred in providing the additional services and retained the charges paid by the tenants. The ruling concluded that the co-owners were not partners for tax purposes because the furnishing of customary services in connection with maintenance and repair did not render the co-ownership a partnership. The IRS also found that the management company was not an agent of the co-owners because the co-owners did not share any of the profits realized from the rendition of the non-customary additional services by the management company.

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[1] *See also* Private Letter Ruling 9352008 (September 29, 1993), in which the IRS ruled that an ownership interest in real estate should be respected as such for tax purposes and not recharacterized as a partnership interest where the real estate was subject to a net lease: "mere co-ownership of an interest in real property without providing more than the customary services of maintenance and repair and collecting of rents will not render a co-ownership a partnership . . . [The real estate] is already subject to a net lease, under which the lessee is responsible to pay all insurance premiums, general real estate taxes and special assessments, most of the utility expenses and a significant portion of the repair costs . . . Therefore, co-ownership of [the real estate] . . . is not, in and of itself, a partnership."

We believe that the arrangements provided for under the Trust Agreement and the Lease are similar to the arrangements described in *Chase National Bank* and Revenue Rulings 2004-86, 79-77, 75-192 and 75-374, and are distinguishable from the arrangements discussed in *North American Bond Trust* and Revenue Ruling 78-371. The Trust satisfied the "one class of interests" requirement because Article I of the Trust Agreement expressly states that the Interests in the Trust shall be of a single class. Section 2.03 of the Trust Agreement provides that one of the purposes of the Trust is to hold the Real Estate for investment purposes and that neither the Trustees, the Investors, nor their agents shall provide non-customary services with respect to the Real Estate. The Sponsor has represented that neither the Trust nor any Trustee, employee, agent or independent contractor of the Trust, including the Manager, will provide any services to the Tenant or any subtenant. Section 2.04 of the Trust Agreement states that (i) the Trustees are holding the Trust Property for the benefit of the Investors, subject to the obligations of the Trust; (ii) it is the intention of the parties to the Trust Agreement that the Trust constitute a "statutory trust" within the meaning of the DSTA, and that Trust not constitute an agency, partnership, corporation, association or business trust for federal income tax purposes; and (iii) the Investors shall be treated for federal income tax purposes as owning a direct interest in the Real Estate and other Trust Property and shall be obligated to report their Interest consistently with such characterization. Article IV of the Trust Agreement (1) directs the Administrative Trustee to distribute all available cash to the Investors in accordance with their Percentages on a monthly basis, after paying or reimbursing the Trustees for any fees or expenses paid or incurred by the Trustees on behalf of the Trust, and retaining any additional amounts as are necessary to pay anticipated ordinary current and future Trust expenses, and (2) requires undistributed cash to be be invested in short-term obligations of (or guaranteed by) the United States, or any agency or instrumentality thereof and in certificates of deposit or interest-bearing bank accounts of any bank or trust company having a minimum stated capital and surplus. Section 5.01(c) of the Trust Agreement provides that from and after such time as there is more than one Investor (other than the Depositor) in the Trust, the Trust shall not constitute a business entity, but shall instead constitute an investment trust within the meaning of Treasury Regulation Section 301.7701-4(c). Section 7.03 of the Trust Agreement prohibits the Trustees from taking certain specified actions, if the effect would be that such action or actions would constitute a power under the Trust Agreement to "vary the investment of the certificate holders" under Treasury Regulation Section 301.7701-4(c)(1) and Revenue Ruling 2004-86. The Lease may not be renegotiated unless the Tenant becomes bankrupt or insolvent.

B. Certain Differences between the Facts in Respect of the Trust and the Facts of Revenue Ruling 2004-86.

We have considered differences between the facts in respect of the Trust and the facts of Revenue Ruling 2004-86, including the differences noted below.

I. Conversion of Trust to LLC.

The ability of the Trustees to convert the Trust to an LLC in specified circumstances should not constitute a power to vary the investment of the Investors. In such event, of course, the Investors will no longer be investors in a trust but instead will be investors in a newly formed limited liability company. Be that as it may, the corpus of the Trust would not have changed during the continuance

of the Trust as a trust for state law purposes. Thus, the IRS ruled in Revenue Ruling 81-238, 1981-2 C. B. 248, that a trust retains its tax status as such notwithstanding arrangements whereby the beneficiaries may reinvest distributions in a newly formed trust, noting that "[t]he plan does not involve reinvestment in the original trust." Private letter rulings (which under Code Section 6110(k)(3) may not be used or cited as precedent) have made it clear that such arrangements amount to a reinvestment of trust distributions into the original trust only if the subsequent trust in substance is simply a continuation of, and therefore the same trust as, the original trust. As a limited liability company and not a trust, any LLC into which the Trust is converted cannot be the same entity as the original Trust. Private Letter Ruling 199943042 (July 23, 1999); Private Letter Ruling 200007006 (Nov. 15, 1999).

II. Consent to Tenant-Made Alterations.

Initially, the Ground Lease provides that the Trust has the right to make Alterations. However, the Ground Lease provides that for the avoidance of doubt, notwithstanding anything in the Ground Lease to the contrary, the Trust's rights and obligations shall be limited as follows: (1) pursuant to Treasury Regulation Section 301.7701-4(c), the Trust is not permitted to take any action that would violate the terms of the Trust Agreement; and (2) it is understood and agreed that the rights and obligations of the Tenant under the Lease preexisted the Ground Lease and accordingly such rights may be greater in extent than provided for under the Ground Lease Under the terms of the Lease, the Tenant is responsible for all capital expenditures at the Real Estate, except that the Trust is responsible for repairing any construction and design defects in the Improvements for the first year of the Lease term (which has already elapsed) and the consent of the Trust is generally required for the Tenant to make any alterations, additions or improvements to the Real Estate. As a result, the Trustees, unlike the trustee of the DST, have a right to consent to or withhold consent to modifications to the Real Estate by the Tenant.

The IRS has ruled that a trustee that leases property may consent to alterations to the leased property if the trustee reasonably believes that the alterations protect and conserve the trust estate or are required by law, and that a trustee may consent to changes to the credit support for financial instruments that constitute a trust estate if the trustee reasonably believes that the change is advisable to maintain the trust estate and that any resulting increase in the value of the trust estate would be incidental to maintaining the value thereof. Rev. Rul. 79-77, 1979-1 C.B. 448; Rev. Rul. 90-63, 1990-2 C.B. 270. The Sponsor has represented that the Trustees will not consent to any modifications of the Real Estate by the Tenant unless such modifications are required by law or the Trustees reasonably believe that such modifications protect and conserve the Real Estate, that any increase in the value of the Real Estate resulting from such modifications would be incidental to the foregoing, and that such modifications will not change the nature of the Real Estate as a two-story rehabilitation hospital. Accordingly, the rights of the Trustees to consent to or withhold consent to modifications to the Real Estate by the Tenant should not result in a conclusion that the Trust is carrying on a business and dividing the gains therefrom rather than performing the functions of a trust by protecting and conserving property for the trust beneficiaries.

III. Conclusion.

The differences described in the preceding paragraphs, and any other differences between the Trust and the DST, should not in our view defeat the classification of the Trust as an investment trust under Treasury Regulation Section 301.7701-4(c)(1) because they do not cause the Trust to have more than a single class of ownership interests and do not create a power to vary the investment of the Investors during the term of the Trust.

3. Classification of the Trust as a "Grantor Trust" for Federal Income Tax Purposes.

Under Code Section 671 *et seq*., where a grantor is treated as the owner of any portion of a trust (commonly referred to as a "grantor trust"), the grantor takes into account for federal income tax purposes the income and deductions which are attributable to that portion of the trust. A grantor trust includes an organization that is properly classified as a trust for federal income tax purposes if the income of the organization may be distributed or held or accumulated for future distribution to the grantor in the discretion of the grantor or a non-adverse party or without the approval or consent of an adverse party. For this purpose, an adverse party is any person having a substantial beneficial interest in the trust which would be adversely affected by the exercise or non-exercise of a power which he possesses respecting the trust. A non-adverse party is any person who is not an adverse party.

A grantor includes any person to the extent such person either creates a trust, or directly or indirectly makes a gratuitous transfer of property to a trust. A grantor also includes any person who acquires any interest in a trust from a grantor of the trust if the interest acquired is an interest in an investment trust. Treasury Regulation Section 1.671-2(e)(1), (3).

Like the DST in Revenue Ruling 2004-86, the Trust satisfies the Code requirements for qualification as a grantor trust. Section 2.04 of the Trust Agreement provides that the Investors shall be treated for federal income tax purposes as owning a direct interest in the Real Estate and other Trust Property and shall be obligated to report their Interests consistently with such characterization. Article IV of the Trust Agreement (1) directs the Administrative Trustee to distribute all available cash to the Investors in accordance with their Percentages on a monthly basis, after paying or reimbursing the Trustees for any fees or expenses paid or incurred by the Trustees on behalf of the Trust and retaining any additional amounts as are necessary to pay anticipated ordinary current and future Trust expenses, and (2) requires undistributed cash to be invested only in short-term obligations of (or guaranteed by) the United States, or any agency or instrumentality thereof and in certificates of deposit or interest-bearing bank accounts of any bank or trust company having a minimum stated capital and surplus. Section 5.01(c) of the Trust Agreement provides that from and after such time as there is more than one Investor in the Trust, the Trust shall not constitute a business entity, but shall instead constitute a "grantor trust" within the meaning of Subpart E of Part 1, Subchapter J of the Code (Code Sections 671 et seq.).

The Trust is a grantor trust because its income is distributed or held for distribution to the Investors without the consent or approval of an adverse party.

4. Eligibility of the Ground Leasehold Interest for Inclusion in a Like Kind Exchange.

The transaction at hand raises the issue of as to whether the Ground Leasehold Interest of the Trust under the Ground Lease may be exchanged for other real property on a tax-deferred basis.

I. Leasehold Interests Generally.

The Income Tax Regulations promulgated under Code Section 1031 provide that a leasehold interest is eligible to be exchanged for other real property so long as the leasehold has at least 30 years left to run, including option renewal periods. Treasury Regulation Sections 1.1031(a)-1(c); 1.1031(a)-3(a)(1), 5(i), and (6). Pursuant to the Ground Lease, the Ground Landlord leased land to the Trust for a term of 60 years. Accordingly, since the Ground Lease has a remaining term well in excess of 30 years, the Ground Leasehold Interest of the Trust under the Ground Lease should generally be eligible to be exchanged for other real property on a tax-deferred basis so long as the Ground Leasehold Interest constitutes a true lease and not a partnership interest.

II. The Ground Lease as a True Lease.

In 1939, the Supreme Court in *Helvering v. F&R Lazarus & Co.* established that tax ownership in a lease transaction is not determined by the location of title or by the nomenclature adopted by the parties to the transaction: "In the field of taxation, administrators of the laws and the courts are concerned with substance and realities, and formal written documents are not rigidly binding." Thus, as in other areas of the tax law, substance takes priority over form. In the context of a lease, the fundamental issue is whether, taking into account all the facts and circumstances, the lessor has sufficient benefits and burdens of ownership to be respected as the owner of the leased property for tax purposes, or whether the lessor is in substance a conditional seller, a lender, a holder of an option, some other type of participant in the transaction, or perhaps an accommodation party rather than a real participant in the transaction. *Helvering v. F&R Lazarus & Co.*, 308 U.S. 252, 255 (1939) (lessee is tax owner).

In 1978, the Supreme Court revisited the true lease issue in *Frank Lyon Company v. Commissioner*: "we hold that where, as here, there is a genuine multiple-party transaction with economic substance which is compelled or encouraged by business or regulatory realities, is imbued with tax-independent considerations, and is not shaped solely by tax-avoidance features that have meaningless labels attached, the Government should honor the allocation of rights and duties effectuated by the parties. Expressed another way, so long as the lessor retains significant and genuine attributes of the traditional lessor status, the form of the transaction adopted by the parties governs for tax purposes." *Frank Lyon Company v. Commissioner*, 435 U.S. 561, 583-84 (1978) (lessor is tax owner).

Both before and after the Supreme Court decisions, the IRS and the courts have considered the true lease issue. It is fair to conclude from the various cases and rulings that the principal aspect of a true lease for tax purposes is the availability to the lessor of a substantial anticipated residual value at the end of the lease term in underlying property in which the lessor has made a substantial equity investment, the enjoyment of which is subject to market forces and conditions, and the opportunity of the lessor, by realizing such residual value, to achieve a substantial economic profit from the lease

transaction apart from the value of tax benefits. *See generally,* Michael G. Robinson and William A. Macan IV, "Tax Considerations," Chapter 3 of Ian Shrank and Arnold G. Gough, Jr. (eds), Equipment Leasing - Leveraged Leasing (5th ed. 2014); *see also,* Rev. Proc. 2001-28, 2001-1 C.B. 1156 (IRS advance ruling guidelines for leveraged lease transactions).

The Ground Lease is styled as a lease. The Ground Lease grants the right to possession and use of the Land to the Trust for a term of years. The Ground Lessor has lessor remedies such as repossession of the Land in the case of an uncured event of default. Moreover, Section 27.03 of the Ground Lease provides that upon the expiration or other termination of the Ground Lease, other than arising as the result of an uncured event of default by the Trust, Ground Lessor shall be required to pay the Trust an amount equal to the Improvement Price, which is the fair market value of the Improvements determined as of the date of such expiration or termination by an independent appraisal firm selected by the Trust in its sole discretion, which shall be completed within 30 calendar days after the expiration or other termination of the Ground Lease, and shall be reduced by the principal balance on any loan or other indebtedness secured by a blanket lien on the Improvements and any other applicable liabilities and adjustments for customary prorations to which the Improvements are subject at such time.

III. The Tag-Along Right and the Drag-Along Right.

In a variety of contexts, the Treasury Regulations promulgated under the Code treat an option as having been effectively exercised upon grant if, among other things, exercise of the option is reasonably certain or substantially certain as of the date of grant. *See, e.g.*, Treasury Regulation Section 1.1504-4 (subject to specified exceptions, an option to acquire the stock of a corporation is treated as exercised for purposes of determining whether the corporation is a member of an affiliated group eligible to file a consolidated federal income tax return if based on all the facts and circumstances it is reasonably certain that the option will be exercised and it could reasonably be anticipated that the issuance or transfer of the option in lieu of the issuance, redemption or transfer of the underlying stock would result in the elimination or deferral of a substantial amount of federal income tax liability); Treasury Regulation Section 1.1361-1(l)(4)(iii) (subject to specified exceptions, an option issued by a corporation with respect to its stock is treated as a second class of stock in the corporation for purposes of Subchapter S of the Code if, taking into account all the facts and circumstances, the option is substantially certain to be exercised (by the holder or a potential transferee) and has a strike price substantially below the fair market value of the underlying stock on the date the option is issued, transferred by a person who is eligible to be a shareholder in an S corporation to a person who is not eligible to be a shareholder in an S corporation, or materially modified).

Revenue Rulings issued by the IRS in a variety of contexts similarly look, among other things, to whether an option is deep in the money, whether there is otherwise a very high probability that the option will be exercised, or whether there is economic compulsion to exercise the option. *See, e.g.*, Revenue Ruling 82-150, 1982-2 C.B. 110 (U.S. person holding option to purchase at any time all of the stock in a foreign corporation treated as the owner of the stock for foreign personal holding company purposes where the holder paid 70% of the fair market value of the stock to the issuer of the option at the time the option was granted); Revenue Ruling 83-98, 1983-2 C.B. 40 (notes convertible

into stock of the issuer treated as equity where, among other things, the notes were structured such that there was a very high probability of conversion); Revenue Ruling 2003-97, 2003-2 C.B. 380 (investment unit consisting of note plus forward contract to purchase stock treated as consisting of two separate items of property for federal income tax purposes where the holder had a legal right to separate the note from the forward and the holder was not economically compelled to keep them unseparated; if the characterization of an instrument or a transaction for federal income tax purposes either depends on, or could be affected by, the existence of a person's legal right or option to elect a certain course of action, the tax consequences often depend on whether the exercise (or non-exercise) of the right or option is economically compelled based on all the facts and circumstances).

IRS rulings and case law in the leasing context generally follow the above pattern. *See, e.g.*, Rev. Rul. 60-122, 1960-1 C.B. 56 (it is reasonable to assume that lessee will exercise its renewal options where only a nominal amount is payable for the use of the leased property during the renewal periods and there is no indication the renewal options will not be exercised). *See generally*, Michael H. Simonson, "Determining Tax Ownership of Leased Property," 38 Tax Lawyer 1, 7-11 (1984); Michael G. Robinson and William A. Macan IV, "Tax Considerations," in Ian Shrank and Arnold G. Gough, Jr., Equipment Leasing - Leveraged Leasing (5th ed. 2014), vol. 1 at 3-52 to 3-64.

In "listed" transactions (identified by the IRS as abusive tax shelters) involving so-called lease in/lease out and sale in/lease out transactions with lessees that were not U.S. taxpayers (such as governmental entities and foreign entities, including foreign entities claiming tax ownership of the leased property in their home jurisdiction), courts have declined to honor the form of the transaction for federal income tax purposes where, among other things, there was a reasonable likelihood that lessees would exercise fixed-price purchase options. *See, e.g.*, *Exelon Corporation v. Commissioner*, 906 F.3d 513 (7th Cir. 2018); *Consolidated Edison Company of New York, Inc. and Subsidiaries v. United States*, 703 F.3d 1367 (Fed. Cir. 2013); *John Hancock Life Insurance Company, et al. v. Commissioner*, 141 T.C. 1 (2013).

Under the Ground Lease, the Ground Lessor has the Tag-Along Right and the Drag-Along Right. Pursuant to the Tag-Along Right, the Ground Lessor may elect to obligate the Trust to require any Third Party Buyer to purchase all of the Ground Lessor's fee interest in the Land pursuant to the terms of a separate purchase and sale agreement providing for a payment, on terms and conditions acceptable to Ground Lessor, of the Tag-Along Price. The closing on the disposition of Ground Lessor's and Trust's interests must occur on the same date and at the same time. Pursuant to the Drag-Along Right, beginning on the date which is six months prior to the expiration of the initial term of the Lease, if the Tenant has not executed its option to extend the term of Lease, then Ground Lessor has the right to sell its fee interest in the Land and to simultaneously cause the Trust to sell its Ground Lease Interest pursuant to the terms of a single purchase and sale agreement to a single Third Party Buyer or coordinated group of Third Party Buyers, providing for allocation of the proceeds of such sale between Ground Lessor and the Trust as reasonably determined by Ground Lessor and accepted by such Third Party Buyer(s). Any closing on the disposition of Ground Lessor's and the Trust's interests must occur on the same date and at the same time. If the Tenant has executed its extension right with respect to the Lease, then the Drag-Along Right shall be null and void.

In substance, the Tag-Along Right represents a type of put right that allows the Ground Lessor to join in on a sale of the Improvements and Ground Lease Interest (and therefore effectively transforming the sale into a two seller sale of the whole Real Estate) to a Third Party Buyer. Although the Ground Lessor and the Trust have agreed that the Ground Lessor will sell its Land to the Third Party Buyer for a fixed price (the Tag-Along Price), that should not transmute the Tag-Along Right into a fixed option since the Ground Lessor cannot force the Trust to purchase its fee interest in the Land for a fixed price. If anything, the Trust will need to account for the fact that the Ground Lessor may (but may not) exercise its Tag-Along Right when it negotiates a sale with a Third Party Buyer so that the overall sale price for the Real Estate and the Land, less the Tag-Along Price payable to the Ground Lessor, will represent an economically viable and/or attractive return for a sale of the Real Estate. The Trust is not compelled to sell the Real Estate nor is it compelled to sell the Real Estate for a certain price. Accordingly, the Tag-Along Right should not be treated as an option in any sense that is relevant to the characterization of the Trust as the owner of the Real Estate. Even if the Tag-Along Right were to be treated as an option, it should in no event be treated as one that has been exercised as of the date of the execution of the Ground Lease.

Similarly, in substance, the Drag-Along Right represents a right of the Ground Lessor to force the Trust to sell the Real Estate if the Tenant fails to execute its right to extend the Lease. The Drag-Along Right may never be exercised if the Tenant exercises its extension right. Moreover, the Drag-Along Right does not set a fixed price for a sale of the Real Estate and the Land to a Third Party Buyer and the Ground Lessor and the Trust can (and presumably will) negotiate for a fair market value sale price for the Real Estate and Land. In fact, given the income tax advantages that a Third Party Buyer would have from maximizing the allocation of its purchase price to property owned by the Trust (the Real Estate) rather than to the Land (owned by the Ground Lessor), any such purchase price allocation should be expected to be the product of an arm's length negotiation. Accordingly, the Drag-Along Right should not be treated as an option that ought to be treated as having been exercised as of the date of the execution of the Ground Lease.

Accordingly, in our view the Ground Lease should be respected as a true lease for federal income tax purposes, with the result that the Ground Lessor should not be treated as the owner of the Real Estate for tax purposes.

IV. The Ground Lease Should Not Be Recharacterized as a Partnership Agreement.

The term "partnership" is defined in Code Sections 7701(a)(2) and 761(a) to include a syndicate, group, pool, joint venture, or other unincorporated organization through or by means of which any business, financial operation, or venture is carried on, and which is not properly classified for tax purposes as a corporation, trust, or estate. After promulgation of the so-called "check-the-box" Regulations, the substance of any business arrangement involving two or more participants must be examined to determine whether it rises to the level of an organization that is recognized as an entity separate from the participants for tax purposes. *See also*, Treasury Regulation Section 301.7701-2(c)(1) (the term "partnership" means a business entity that is not a corporation and that has at least two members).

An organization need not be an entity under applicable non-tax law to constitute a business entity in a tax sense. Thus, an economic relationship governed by a contract that does not create a juridical entity under local law, such as the relationships created by the Ground Lease, may constitute an organization that rises to the level of an entity for purposes of the check-the-box Regulations. Under the check-the-box Regulations, a contractual arrangement will create a separate entity for federal income tax purposes and will constitute a business entity potentially classifiable as a partnership for tax purposes "if the participants carry on a trade, business, financial operation, or venture and divide the profits therefrom." Treasury Regulation Sections 301.7701-1(a)(1), (2), -2(a).

In the case of the Ground Lease, the Base Rent is a fixed amount (subject to annual escalation) rather than a division of gross or net revenues of the Trust. In addition, the Ground Lease is styled as a lease of the Land, the Ground Lease grants to the Trust the right to possession and use of the Land for a term of years, which is the classic indicia of a lease, and the Ground Lessor has lessor remedies such as repossession of the Land in the case of an uncured event of default thereunder by the Trust. The Ground Lessor has not contributed and will not contribute capital to a joint venture with the Trust (Base Rent not in our view being fairly characterized as contributed capital), the Ground Lessor does and will not share in any losses of the Trust, Base Rent and Additional Rent is payable to the Ground Lessor even if the Trust is operating at a loss, the Ground Lessor does and will not share in the management of the Land during the term of the Ground Lease, and the Ground Lessor is not and will not be held out to taxing authorities or third parties as a partner with the Trust. In addition, the Sponsor has represented that the Ground Lessor and Trust intend that the Ground Lease constitute a true lease and not a partnership or joint venture agreement. Moreover, the Ground Lease provides that nothing in the Ground Lease is intended, or shall in any way be construed, so as to create any form of partnership or agency relationship between the parties and the parties expressly disclaim any intention of any kind to create any partnership or agency relationship between themselves and nothing in the Ground Lease shall be construed to make either party liable for any of the indebtedness of the other, except as specifically provided in the Ground Lease.

We also note that under Code Section 7701(e)(2), dealing with the inverse situation of potential re-characterization of a partnership agreement as a disguised lease, a partnership agreement is treated as a lease for tax purposes if the arrangement is properly treated as a lease agreement, taking into account all relevant factors including whether the potential lessee is in physical possession of the underlying property, whether the potential lessee controls the underlying property, and whether payments by the potential lessee to the potential lessor do not substantially exceed the fair rental value of the underlying property for the term of the arrangement. In the case of the Ground Lease, the Trust (and, through the Lease, the Tenant) has the right to possession of the Land, the Trust (and, through the Lease, the Tenant) controls the Land, and the Base Rent does not substantially exceed fair market rent.

On balance, we believe that the Ground Lessor and the Trust have separate profit motives rather than a joint proprietary interest in profits, that the Trust derives its profits in its capacity as the lessee of the Land from the Ground Lessor and as the lessor of the Improvements and sublessor of the Land to the Tenant whereas the Ground Lessor derives its profits in its capacity as lessor of the Land to the Trust, and that the Ground Lessor is not engaged in carrying on a trade or business in partnership with the Trust with a view to dividing the profits therefrom within the meaning of the check-the-box

Regulations. Accordingly, in our judgment the Ground Lease should not be re-characterized as a partnership agreement for federal income tax purposes, and the Trust and the Ground Lessor should not be characterized as partners (or as co-owners of the Land) for federal income tax purposes. *See generally*, William S. McKee, William F. Nelson, Robert L. Whitmire, Gary R. Huffman and James P. Whitmire, Federal Taxation of Partnerships and Partners (5th ed. 2024), at para. 3.02, 3.04, 3.05; *see also*, *Commissioner v. Tower*, 327 U.S. 280 (1946); *Commissioner v. Culbertson* 337 U.S. 733 (1949); *Luna v. Commissioner*, 42 T.C. 1067 (1964); *Bussing v. Commissioner*, 88 T.C. 449 (1987), *supplemental opinion*, 89 T.C. 1050 (1987).

5. Treatment of the Investors as Directly Holding Interests in the Real Estate for Federal Income Tax Purposes.

Section 671 of the Code provides that where a grantor is treated as the owner of any portion of a trust, there shall then be included in computing the taxable income of the grantor those items of income and deductions of the trust which are attributable to that portion of the trust to the extent that such items would be taken into account in computing taxable income of an individual. Under Code Section 671 a grantor includes in computing his taxable income those items of income and deductions which are attributable to or included in any portion of a trust of which he is treated as the owner. An item of income or deduction included in computing the taxable income of a grantor under Code Section 671 is treated for federal income tax purposes as if it had been received or paid directly by the grantor. Treasury Regulation Sections 1.671-2(a), (c).

In Revenue Ruling 2004-86, the IRS held that a person who is treated as the grantor of a grantor trust is considered to own its proportionate share of the assets of the trust for federal income tax purposes. Revenue Ruling 2004-86 went on to hold that an owner of a grantor trust that holds real property is considered to be the owner of a fractional interest in the real property and that, accordingly, real property can be exchanged for an interest in such a grantor trust without the recognition of gain or loss so long as the other requirements of Code Section 1031 are satisfied.

As indicated above, upon the issuance of the Interests to the Investors, the Trust will satisfy the tax law requirements for qualification as an investment trust and a grantor trust, and thus the Investors should be treated for federal income tax purposes as owning direct interests in the property held by the Trust. Accordingly, the Investors should be treated as owning direct interests in the Real Estate for purposes of Code Section 1031.

6. The Disposition Fee

If the Disposition Fee were to be recharacterized for federal income tax purposes as creating a partnership between the Manager, an entity disregarded as separate from the Sponsor for federal income tax purposes, on the one hand, and the Trust, on the other hand, in respect of the ownership of the Real Estate from the outset, then an acquisition of the Interests in the Trust would not qualify as replacement property for purposes of the like-kind exchange provisions of Code Section 1031. If the Disposition Fee were recharacterized for federal income tax purposes as conveying to the Manager an ownership interest in the Real Estate as a tenant-in-common with the Trust, then the real property

deemed owned by the Investors as grantors of the Trust for purposes of Code Section 1031 would be proportionately reduced.

The Disposition Fee could be viewed as a share in the residual value of the Real Estate. The Disposition Fee is equal to 2% of the gross proceeds. The Disposition Fee will be in addition to fees payable to any third party broker payable in connection with the sale of the Real Estate.

In our view the Manager is not engaged in carrying on a trade or business in partnership with the Trust with a view to dividing the profits therefrom within the meaning of the check-the-box Regulations discussed above. Rather, the Manager has a separate interest rather than a joint interest in profiting from the Real Estate. The Asset Management Agreement provides that the Disposition Fee is compensation for the agreement of the Manager to provide the services referred to in Section 3.2 of the Asset Management Agreement to the Trust. Therefore, the Disposition Fee is a fee for services to be rendered rather than simply a share of the residual value of the Real Estate. Moreover, the Manager has not contributed capital to a joint venture with the Trust, does not share in any losses of the Trust, and is not held out to taxing authorities or third parties as a partner of the Trust. Accordingly, in our judgment the Manager is not properly characterized for federal income tax purposes as standing in a partner-to-partner relationship with the Trust.

Nor in our view should the Disposition Fee be characterized as granting to the Manager an undivided interest in the Real Estate as a tenant-in-common with the Trust. The Trust alone hold title to the Real Estate. No document denominated as a tenancy-in-common or similar agreement exists between the Trust and the Manager.

Accordingly, the Manager should not be treated as a partner of the Trust or as a co-owner of the Real Estate for federal income tax purposes.

CONCLUSION

Based on the facts and the authorities discussed above, we conclude that the acquisition of the Interests by the Investors should be treated as the direct acquisition of interests in the Real Estate for purposes of Code Section 1031.

This opinion is given in reliance upon the accuracy and completeness of the documents, facts, assumptions and representations described herein. Any misstatement, or any change of a material fact referred to or omission of any material fact may require an adverse modification of all or a part of our opinion.

This opinion letter is based on existing federal law, including the Code, applicable Treasury Regulations, judicial decisions, Revenue Rulings and other currently published administrative positions of the IRS, all of which are subject to change, either prospectively or retroactively. We assume no responsibility to inform the addressee or any Investor of any future change in the law.

Although this opinion letter represents our considered legal judgment, it has no binding effect and, therefore, there can be no assurance that the IRS will not be able to successfully challenge the

conclusions reached herein. This opinion letter is delivered subject to this understanding and agreement on the part of the Trust, the Sponsor and its affiliates, and the Investors.

Finally, this opinion letter is intended solely for the use of the Trust, the Trustees and the Investors and may not be shown to or relied upon by any other party without our express written approval.

Very truly yours,

SEYFARTH SHAW LLP

SRM:MPL

EXHIBIT C

Form of Investor Questionnaire and Purchase Agreement

[attached]

BV ERNEST HEALTH NEURO REHAB DST

INVESTOR QUESTIONNAIRE AND PURCHASE AGREEMENT

INVESTOR QUESTIONNAIRE

INVESTMENT IN INTERESTS IN
BV ERNEST HEALTH NEURO REHAB DST

Legal Name of Investor: _____

Please read carefully the Confidential Private Placement Memorandum in respect of BV ERNEST HEALTH NEURO REHAB DST, a Delaware statutory trust (the "Trust") dated on or about April 16, 2025 and all exhibits and further supplements thereto (collectively, the "Memorandum") relating to the potential investment in beneficial interests of the Trust (each, an "Interest" and collectively the "Interests") before deciding to invest. Defined terms used herein and not otherwise defined shall have the meaning ascribed to them in the Memorandum.

EACH PROSPECTIVE INVESTOR SHOULD EXAMINE THE SUITABILITY OF THIS TYPE OF INVESTMENT IN THE CONTEXT OF HIS/HER/ITS OWN NEEDS, PURCHASE OBJECTIVES AND FINANCIAL CAPABILITIES AND SHOULD MAKE HIS, HER OR ITS INDEPENDENT INVESTIGATION AND DECISION AS TO SUITABILITY AND AS TO THE RISK AND POTENTIAL GAIN INVOLVED. ALSO, EACH PROSPECTIVE INVESTOR MUST CONSULT WITH HIS, HER OR ITS ATTORNEY, ACCOUNTANT, FINANCIAL CONSULTANT OR OTHER BUSINESS OR TAX ADVISOR REGARDING THE RISKS AND MERITS OF THE PROPOSED PURCHASE.

This Offering is limited to an investor who certifies that he, she or it meets all of the suitability requirements set forth in the Memorandum and the Purchase Agreement for the purchase of Interests.

The Investor agrees to transact business with the Trust electronically, and also agrees to receive all required and contemplated communications electronically. The Investor understands and agrees that any electronic signature executed by the Investor has the same force and effect as if the signature were holographic. This agreement to transact electronically applies to all instruments needing execution between Investor and the Trust.

If the undersigned meets these qualifications and desires to purchase an Interest, please take the following steps to purchase the Interests:

1. Complete, execute and deliver this Investor Questionnaire and the accompanying Purchase Agreement together with either (a) the documentary evidence listed in Appendix A-1 to the Purchase Agreement, or (b) a certification in the form of Appendix A-2 to the Purchase Agreement, demonstrating its qualification as an accredited investor and deliver both to the undersigned's investment representative. Upon receipt of such documents and verification of the undersigned's investment qualifications, the Trust will elect whether to accept the prospective Investor's investment. Upon the Trust's acceptance of a prospective Investor for the purchase of an Interest, the Trust will so notify the prospective Investor.

Prospective Investors may be accepted or rejected by the Trust at any time within 30 days of receipt of the foregoing documents. Any proposed purchase of Interests not accepted within 30 days of receipt shall be deemed rejected. Prospective Investors cannot acquire Interests if the Trust (or, if applicable, the lender) does not approve such purchase. Investors whose subscriptions are accepted by the Trust must remit the entire purchase price for their Interests to the Trust by wiring such funds (wiring instructions will be provided by the Trust at such time) or by delivering a check for the purchase price made payable to the Trust.

If the undersigned meets these qualifications and desires to purchase an Interest, please complete, execute and deliver this Investor Questionnaire and the accompanying Purchase Agreement together with either (a) the documentary evidence listed in Appendix A-1 to the Purchase Agreement, or (b) a certification in the form of Appendix A-2 to the Purchase Agreement, demonstrating its qualification as an accredited investor.

2. The undersigned's investment representative will forward the documents to his, her or its broker/dealer. The broker/dealer will then forward the documents to the Trust at the following address:

BV ERNEST HEALTH NEURO REHAB DST
c/o BV Securities
8390 8390 Lyndon B. Johnson Freeway, Suite 570
Dallas, Texas 75243

Or Via Email: ir@bvcapitaltx.com

3. Follow the instructions below:

a) If the undersigned's investment is part of a Section 1031 Exchange – The Trust and the qualified intermediary (the holder of the exchange proceeds from the undersigned's Relinquished Property) will coordinate the payment for the purchase of the Interests. Upon receiving the Investor Questionnaire & Purchase Agreement, and the necessary escrow instructions from the Trust, the qualified intermediary will either wire the funds from the qualified escrow account to the Trust or deliver to the Sponsor, in person or by mail, payment as specified in iii) below.

b) If the undersigned's investment is a direct cash investment – Payment for the purchase of Interests may be made by either wiring the funds directly to the Trust (the preferred method), or by delivering to the Sponsor, in person or by mail, as specified in item iii) below.

c) Payment – Payment of the subscription amount by ACH, wire or other electronic funds transfer should be sent to:

UMB Bank
928 Grand Blvd.
Kansas City, MO 64106

Account Name:	Great Lakes Fund Solutions as agent for BV Ernest Health Neuro Rehab DST
ABA Routing Number:	101000695
Account Number:	9872748484

If payment will be sent by check, such funds shall be designated as **payable to BV Ernest Health Neuro Rehab DST** and sent to:

Great Lakes Fund Solutions, Inc.
500 Park Avenue, Suite 114
Lake Villa, IL 60046

Within a reasonable time after closing the purchase of the Interests by an Investor, a confirmation statement reflecting the Interests purchased will be delivered to each Investor. Closing of the purchase will take place at the above address and the executed documents will be forwarded to the Investor.

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INVESTOR QUESTIONNAIRE

INVESTMENT IN INTERESTS IN
BV ERNEST HEALTH NEURO REHAB DST

This Investor Questionnaire relates to the undersigned's intention to purchase Interests in the Trust for a purchase price of $_____. PLEASE NOTE: the minimum purchase for an Investor participating in a Section 1031 exchange (an "**Exchange Investor**") is $100,000, and for an Investor not participating in a Section 1031 exchange (a "**Cash Investor**") is $50,000, subject to the terms, conditions, acknowledgments, representations and warranties stated herein and in the Memorandum.

In order to induce the Trust to accept the Purchase Agreement, and as further consideration for such acceptance, the undersigned hereby makes the following acknowledgments, representations and warranties, with the full knowledge that the Trust will expressly rely thereon in making a decision to accept or reject the undersigned's Purchase Agreement:

1. The undersigned's primary state of residence is: _____

2. The undersigned's date of birth is: _____

   - In the event of a Joint Investor, date of birth is: _____

3. The following information is required in order that the Trust may accurately determine if the undersigned prospective investor is an "accredited investor," as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the "**Securities Act**"), and whether the undersigned prospective investor is a Benefit Plan Investor (defined below). **(PLEASE COMPLETE BOTH PART I AND PART II)**

PART I:

The undersigned represents that the undersigned meets the requirements of the initialed categories:
(PLEASE INITIAL ALL CATEGORIES THAT APPLY)

(a) _____ The undersigned is a natural person whose individual net worth, or joint net worth with that person's spouse or spousal equivalent exceeds **$1,000,000** at the time of purchasing the Interests, provided that for purposes of calculating such net worth (A) the undersigned's primary residence shall not be included as an asset; (B) indebtedness that is secured by the undersigned's primary residence, up to the estimated fair market value of the primary residence at the time of the closing of the undersigned's acquisition of an Interest, shall not be included as a liability, *provided, however*, that if the amount of such indebtedness outstanding at the time of the closing of the undersigned's acquisition of an Interest exceeds the amount of indebtedness outstanding 60 days before such time, other than as a result of the acquisition of the primary residence (such as, for example, if the undersigned takes out a home equity loan that is not used to acquire a primary residence during such 60-day time frame), the amount of such new indebtedness shall be included as a liability; and (C) indebtedness that is secured by the undersigned's primary residence is in excess of the estimated fair market value of the primary residence shall be included as a liability.

(b) _____ The undersigned is a natural person who had individual income in excess of **$200,000** in each of the two most recent years, or joint income with that person's spouse or spousal equivalent in excess of **$300,000** in each of those years, and has a reasonable expectation of reaching the same income level in the current year.

(c) _____ The undersigned is a natural person holding in good standing the FINRA Series 7, Series 65 and /or Series 82.

(d) _____The undersigned is a "knowledgeable employee," as defined in rule 3c-5(a)(4) under the Investment Company Act of 1940, as amended (the "1940 Act"), of the Company where the Company would be an investment company, as defined in section 3 of the 1940 Act, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7).

(e) _____ The undersigned is an investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state or an investment adviser relying on the exemption from registering with the SEC under section 203(l) or (m) of the Investment Advisers Act of 1940

(f) _____ The undersigned is an organization described in Section 501(c)(3) of the Code, or a corporation, business trust, or partnership, not formed for the specific purpose of acquiring the Interests, with total assets in excess of **$5,000,000**.

(g) _____ The undersigned is a trust, with total assets over **$5,000,000**, not formed for the specific purpose of acquiring Interests and whose purchase is directed by a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of an investment in the Interests.

(h) _____ The undersigned is a broker-dealer registered under Section 15 of the Securities Exchange Act of 1934, as amended.

(i) _____ The undersigned is an investment Trust registered under the Investment Trust Act of 1940, as amended, or a business development Trust (as defined in Section 2(a)(48) of the Investment Trust Act of 1940, as amended).

(j) _____ The undersigned is a small business investment Trust licensed by the Small Business Administration under Section 301(c) or (d) or the Small Business Investment Act of 1958, as amended.

(k) _____ The undersigned is a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets of more than $5,000,000.

(l) _____ The undersigned is a private business development Trust (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended).

(m) _____ The undersigned is a bank as defined in Section 3(a)(2) of the Securities Act, any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity, or any insurance Trust as defined in Section 2(13) of the Securities Act.

(n) _____ The undersigned is a Rural Business Investment Trust as defined in section 384A of the Consolidated Farm and Rural Development Act.

(o) _____ The undersigned is (A) a family office, as defined in rule 202(a)(11)(G)–1 of the Investment Advisers Act of 1940, with assets under management in excess of $5,000,000, that is not formed for the specific purpose of acquiring an Interest, and whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of an investment in an Interest, or (B) a family client, as defined in rule 202(a)(11)(G)–1 of the Investment Advisers Act of 1940, of a family office meeting the requirements described in the preceding clause (A) and whose purchase is directed by such family office.

(p) _____ The undersigned is an entity in which all of the equity owners are "accredited investors."

In addition, the SEC has issued certain no action letters and interpretations in which it deemed certain trusts to be accredited investors, such as trusts where the trustee is a bank as defined in section 3(a)(2) of the Securities Act and revocable grantor trusts established by individuals who meet the requirements of clauses (A) or (B) above. However, these no-action letters and interpretations are very fact specific and should not be relied upon without close consideration of the unique facts of the undersigned.

PART II:

Furthermore, the undersigned represents that the undersigned meets the requirements of the initialed category: **(PLEASE INITIAL THE APPROPRIATE OPTION BELOW)**

(a) _____ The undersigned is purchasing the Interests with funds that constitute, directly or indirectly, the assets of a Benefit Plan Investor (defined below). The undersigned hereby represents and warrants that its investment in the Trust: (i) does not violate and is not otherwise inconsistent with the terms of any legal document constituting or governing the employee benefit plan; (ii) has been duly authorized and approved by all necessary parties; and (iii) is in compliance with all applicable laws.

(b) _____The undersigned is not purchasing the Interests with funds that constitute, directly or indirectly, the assets of a Benefit Plan Investor (defined below).

The term "Benefit Plan Investor" means a benefit plan investor within the meaning of U.S. Department of Labor Regulation 29 C.F.R. Section 2510.3-101, which includes (i) any employee benefit plan (as defined in Section 3(3) of ERISA), whether or not such plan is subject to Title I of ERISA (which includes both U.S. and Non-U.S. plans, plans of governmental entities as well as private employers, church plans and certain assets held in connection with nonqualified deferred compensation plans); (ii) any plan described in Code Section 4975(e)(1) (which includes a trust described in Code Section 401(a) which forms a part of a plan, which trust or plan is exempt from tax under Code Section 501(a), a plan described in Code Section 403(a), an individual retirement account described in Code Sections 408(a) or 408A, an individual retirement annuity described in Code Section 408(b), a medical savings account described in Code Section 220(d), and an education individual retirement account described in Code Section 530); and (iii) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (generally because 25% or more of a class of interests in the entity is owned by plans). Benefit Plan Investors also include that portion of any insurance Trust's general account assets that are considered "plan assets" and the assets of any insurance Trust separate account or bank common or collective trust in which plans invest. 100% of an Investor's Interests whose underlying assets include "plan assets," such as a fund investor, shall be treated as "plan assets" by the Trustees for purposes of meeting an exemption under the Department of Labor regulation.

1. The undersigned acknowledges that the undersigned has consulted with a qualified attorney or other knowledgeable professional as to the tax and real estate issues associated with the purchase of the Interests.

2. The undersigned represents and warrants that the documentary evidence submitted to the Trust for the purpose of qualifying as an "accredited investor", including without limitation the documentary evidence listed in Appendix A, is true, accurate and complete; if the undersigned is qualifying on the basis of income, it has a reasonable expectation of reaching the income level necessary to qualify as an "accredited investor" during the current year; if the undersigned is qualifying on the basis of net worth, then the documentary evidence regarding liabilities of the undersigned, if any, identifies all direct or indirect liabilities of the undersigned and no other liabilities exist as of the date hereof.

3. THE INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE AND IS BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT AND SUCH LAWS. THE INTERESTS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SAID ACT AND SUCH LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE INTERESTS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION, OR ANY OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THE MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

4. The undersigned hereby agrees to indemnify, defend and hold harmless the Trust, the Trustee, and their respective affiliates and all of their members, managers, shareholders, officers, employees, affiliates and advisors from any and all damages, losses, liabilities, costs and expenses (including attorneys' fees and costs)

that they may incur by reason of the undersigned's failure to fulfill all of the terms and conditions of the associated Purchase Agreement or by reason of the untruth or inaccuracy of any of the representations, warranties or agreements contained herein, in the Purchase Agreement or in any other documents the undersigned has furnished to any of the foregoing in connection with this transaction. This indemnification includes, but is not limited to, any damages, losses, liabilities, costs or expenses (including reasonable attorneys' fees and costs) incurred by the Trust, the Trustees, and their respective affiliates or any of their members, managers, shareholders, officers, employees, affiliates or advisors defending against any alleged violation of federal or state securities laws which is based upon or related to any untruth or inaccuracy of any of the representations, warranties or agreements contained herein, in the Purchase Agreement or in any other documents the undersigned has furnished to any of the foregoing in connection with this transaction.

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INVESTOR REGISTRATION INFORMATION

Please print the exact title (registration) and address the undersigned desires on the account. In the case of a corporation, trust or other entity, the undersigned should use the full name of such entity and include the name and title of the signatory for such entity (*i.e.,* Trustee, President, Manager, etc.) **Please also complete the appropriate EXECUTION section below for the registered entity type, *e.g.*, Husband & Wife or Limited Liability Trust. Organizational documents of any investor that is an entity must be included with the Investor Questionnaire:**

Name: _____

Investor Address: _____

_____

	Investor 1	*Investor 2 (if applicable)*
Telephone	_____	_____
Primary State of Residence	_____	_____
Federal Tax ID Number/Social Security Number:	_____	_____
Email:	_____	_____

* Please **do not** use a P.O. Box address.

DISTRIBUTIONS

Please indicate to whom distributions should be sent, if not to the address set forth above**. The Trust requires that distributions be made via direct deposit; please complete the attached Authorization Agreement for Direct Deposits (ACH Credits).**

Name: _____

Address: _____

_____

_____

EXECUTION SECTION

Please sign this Investor Questionnaire by completing the appropriate EXECUTION section below:

***NOTE - EXECUTE ONLY ONE SECTION**

HUSBAND AND WIFE AS JOINT TENANTS WITH RIGHTS OF SURVIVORSHIP

If the prospective Investors are HUSBAND AND WIFE, complete the following:

_____
Signature of Spouse

_____
Name of Spouse (please print or type)

_____
Social Security Number

_____
Signature of Spouse

_____
Name of Spouse (please print or type)

_____
Social Security Number

_____
State of Residence

INDIVIDUAL AND/OR JOINT OWNER

If the prospective Investor is an INDIVIDUAL and/or JOINT OWNER, please complete the following:

_____ Signature of Investor	_____ (if applicable) Signature of Joint Owner
_____ Name (please print or type)	_____ (if applicable) Name of Joint Owner
_____ Social Security Number	_____ (if applicable) Social Security Number of Joint Owner

_____
State of Legal Residence

(NOTE: If you are married, and your primary state of residence is a community property state, which are currently Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin, and the Interests are to be held as your separate property, then your spouse must sign the Consent of Spouse form, Attachment A hereto.)

TRUST

If the prospective Investor is a TRUST (excluding trusts that are Benefit Plan Investors), complete the following:

The undersigned hereby represents, warrants and agrees that: (i) the undersigned trustee(s) is duly authorized by the terms of the trust instrument (the "Trust Instrument") for the trust ("trust") set forth below to acquire the Interests; (ii) the undersigned, as trustee(s), has all requisite power and authority to acquire the Interests for the trust; and (iii) the undersigned trustee(s) is authorized by the trust to execute this Investor Questionnaire and the Purchase Agreement. **The undersigned trustee(s) encloses a true copy of the Instrument of said trust, as amended to date, and, as necessary, the resolutions of the trustees authorizing the purchase of the Interests.**

_____

Name of trust (please type or print)

By:_____ By: _____

Print Name:_____ Print Name: _____

Title (check one): □ Trustee(s) □ Co-Trustee(s)

_____

Federal Employer ID Number

_____

State of Formation

LIMITED LIABILITY COMPANY

If the prospective Investor is a LIMITED LIABILITY COMPANY, complete the following:

The undersigned hereby represents, warrants, and agrees that: (i) the undersigned is either the authorized manager or all of the members of the limited liability Trust named below (the "LLC"); (ii) the undersigned has been duly authorized by the LLC to acquire the Interests and has all requisite power and authority to acquire the Interests; and (iii) the undersigned is authorized by the LLC to execute this Investor Questionnaire and the Purchase Agreement. **The undersigned encloses a true copy of the Operating Agreement of the LLC, as amended to date, together with a current and complete list of all members and managers and, as necessary, the resolutions of the LLC authorizing the purchase of the Interests.**

_____

Name of LLC (please type or print)

By:_____ By: _____

Print Name:_____ Print Name: _____

Title (check one): □ Member □ Manager □ Managing Member

_____

Federal Employer ID Number

_____

State of Formation

PARTNERSHIP If the prospective Investor is a PARTNERSHIP, complete the following:

The undersigned hereby represents, warrants, and agrees that: (i) the undersigned is a general partner of the partnership named below (the "Partnership"); (ii) the undersigned general partner has been duly authorized by the Partnership to acquire the Interests and the general partner has all requisite power and authority to acquire the Interests; and (iii) the undersigned general partner is authorized by the Partnership to execute this Investor Questionnaire and the Purchase Agreement. **The undersigned general partner encloses a true copy of the Partnership Agreement of the Partnership, as amended to date, together with a current and complete list of all partners and, as necessary, the resolutions of the Partnership authorizing the purchase of the Interests.**

_____
Name of Partnership (please print or type)

By:_____ By: _____

Print Name:_____ Print Name: _____

Title: General Partner Title: General Partner

_____
Federal Employer ID Number

_____
State of Formation

CORPORATION If the prospective Investor is a CORPORATION, complete the following:

The undersigned hereby represents, warrants and agrees that: (i) the undersigned has been duly authorized by all requisite action on the part of the corporation listed below (the "Corporation") to acquire the Interests; (ii) the Corporation has all requisite power and authority to acquire the Interests; and (iii) the undersigned officer of the Corporation has authority under the Articles of Incorporation, Bylaws, and resolutions of the Board of Directors of the Corporation to execute this Investor Questionnaire and the Purchase Agreement. **The undersigned officer encloses a true copy of the Articles of Incorporation, the Bylaws and, as necessary, the resolutions of the Board of Directors authorizing a purchase of the Interests, in each case as amended to date.**

_____
Name of Corporation (please type or print)

By:_____ By: _____

Print Name:_____ Print Name: _____

Title:_____ Title: _____

_____
Federal Employer ID Number

_____
State of Formation

INVESTOR SIGNATURE PAGE
TO THE TRUST AGREEMENT OF
BV ERNEST HEALTH NEURO REHAB **DST**

The undersigned hereby covenants and agrees to be bound by the terms and conditions of the Trust Agreement of BV Ernest Health Neuro Rehab DST.

ON BEHALF OF OR BY INDIVIDUAL INVESTOR(S):

Signature Investor #1	Signature Investor #2
Print Name	Print Name

ON BEHALF OF OR BY AN ENTITY INVESTOR (trust, corporation, partnership, limited liability company):

NAME OF TRUST/ENTITY: _____

Signature of Authorized Person	Signature of Authorized Person
Print Name / Title	Print Name / Title

Distribution Information and Direct Deposit Enrollment Request
(Recurring Deposits Agreement)

Authorization Agreement

Authorization Agreement for Automatic Deposits (ACH Credits)

Fund (issuer) Name: **BV ERNEST HEALTH NEURO REHAB DST**

I hereby authorize **BV ERNEST HEALTH NEURO REHAB DST** to make automatic deposits into my account at the financial institution named below:

Account Information

Name of Financial Institution: _____

Name of Account Holder: _____

Electronic Funds Transfer Routing Number: _____

Please note that your bank's routing number may be different than the Electronic Funds Transfer routing number

Account Number: _____

Identify Type of Account: Checking or Savings or Other: _____

_____ _____ _____
FIRST NAME MIDDLE INITIAL LAST NAME

Address: _____

City, State, Zip Code: _____

Daytime Phone Number:_____

Social Security Number:_____

Signature (required): _____ Date: _____

Please attach a voided check and return this form with the Subscription Agreement

Place Voided Check Here

X

1031 EXCHANGE INFORMATION AND AUTHORIZATION AGREEMENT

Prospective Purchaser's Intent to Exchange

If the undersigned is an Exchange Investor completing a tax-deferred exchange pursuant to Section 1031 of the Internal Revenue Code in connection with an investment in the Trust, please complete this page. The minimum investment for an Exchange Investor is $100,000, which equals a 0.1545% Interest. In addition, for purposes of determining liabilities assumed in connection with the investor's Section 1031 Exchange, each Interest will be allocated a pro rata percentage of the Loan made to the Trust, estimated at $42,100 per $100,000 Interest.

The undersigned's exchange information is as follows:

45-day identification period expires on: _____

180-day exchange period expires on: _____

Cash to complete this investment will be available on: _____

The undersigned hereby confirms that the acquisition of Interest is part of a tax-deferred exchange pursuant to Section 1031 of the Internal Revenue Code, pursuant to an Exchange Agreement between Buyer and _____ (the "Accommodator") whose address, telephone number and contact person are as follows **(Please complete in full)**:

_____
Street Address

_____
City State Zip Code

_____
Telephone No. E-mail

_____
Contact Person

Authorization of Inquiry

Signing this form authorizes the Trust and its authorized representatives to contact the Accommodator to obtain and confirm the following information:

Funds available for exchange;
Expiration date of 45-day identification period; and
Expiration date of 180-day exchange period.

The Trust will use this information solely for the purpose of approving the undersigned's investment in the Interest and establishing the required time period for completing the exchange.

Please indicate the undersigned's approval by printing the undersigned's name and signing below.

Print Name:_____ Date:_____

Signature:_____

Print Name:_____ Date:_____

Signature:_____

BROKER/DEALER REPRESENTATIONS AND WARRANTIES

Standards of suitability have been established by BV Ernest Health Neuro Rehab DST (the "Trust") and fully disclosed in the section of the private placement memorandum for the Trust entitled "WHO MAY INVEST." Prior to recommending purchase of a beneficial interest in the Trust (the "Interest"), we have reasonable grounds to believe, on the basis of information supplied by the investor named below (the "Investor") concerning his, her or its investment objectives, other investments, financial situation and needs, and other pertinent information that: (i) the Investor is an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act; (ii) the Investor meets any additional standards established by the Trust; (iii) the Investor has a net worth and income sufficient to sustain the risks inherent in an investment in the Interest, including loss of the entire investment and lack of liquidity; and (iv) the Interest is otherwise a suitable investment for the Investor. We will maintain in our files documents disclosing the basis upon which the suitability of the Investor was determined.

We verify that the above subscription either does not involve a discretionary account or, if so, that we have made the Investor aware, prior to subscribing for the Interest, of the risks entailed in investing in the Interest.

Investor Name:_____

Broker/Dealer Firm Name:_____

Registered Representative:_____
(Please Print)

_____
Registered Representative's BRANCH ADDRESS, City, State, Zip

Branch Phone Number: (_____) _____

E-mail address:_____

I hereby certify that I am registered in _____, the state of sale.

_____
Signature of Registered Representative

Date:_____

_____
Signature of Registered Principal

Print Name: _____

Date:_____

Phone Number:_____

PURCHASE AGREEMENT

BV ERNEST HEALTH NEURO REHAB DST

THIS PURCHASE AGREEMENT ("Agreement") is made and effective as of the date Seller executes this Agreement ("Effective Date") by and between **BV ERNEST HEALTH NEURO REHAB DST**, a Delaware statutory trust ("Seller"), and _____ ("Buyer"), with reference to the facts set forth below. All terms with initial capital letters not otherwise defined herein shall have the meanings set forth in the Defined Terms attached hereto as Schedule 1 and incorporated herein.

WHEREAS, as described in the Memorandum, the Trust holds land subject to a 60-year ground leasehold interest located at 10 Advantage Court, Sacramento, California, 95834 (the "**Ground Leasehold**") and those certain improvements, situated on the land subject to the Ground Leasehold known as Sacramento Rehabilitation Hospital, a two-story, 59,508-square foot medical building located in Sacramento, California (the "**Improvements**") and together with the Ground Leasehold, the "**Property**").

NOW, THEREFORE, in consideration of the mutual agreements set forth herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as set forth below.

1. Agreement of Purchase and Sale.

1.1 Purchase and Sale. Seller hereby agrees to sell, and Buyer hereby agrees to purchase, a/an _____% Interest (the "Interests") in the Seller at a purchase price ("Purchase Price") equal to $_____. In addition, for purposes of any tax-deferred exchange being entered into by the Buyer under Section 1031 ("Section 1031") of the Internal Revenue Code of 1986, as amended (the "Code"), the Buyer shall be allocated _____% of the Interests.

1.2 Payment. Buyer shall pay to Seller an amount equal to the Purchase Price, which shall be paid in immediately available funds, in accordance with the payment instructions provided to Buyer. This Agreement will not be considered or reviewed by Seller until receipt of the Purchase Price.

1.3 Buyer's Deliveries. Buyer shall execute, acknowledge (where appropriate) and deliver to Seller: (i) the Investor Questionnaire, and (ii) an executed signature page for the Trust Agreement, and (iii) such other documents as may reasonably be requested by Seller.

1.4 Buyer's Intent to Exchange. If Buyer's acquisition of the Interest is part of a tax-deferred exchange pursuant to Code Section 1031, pursuant to an Exchange Agreement between Buyer and Buyer's Accommodator set forth on the Investor Questionnaire, then Seller agrees to execute such documents or instruments as may be necessary or appropriate to evidence such exchange, provided Seller's cooperation in such regard shall be at no additional cost, expense, or liability whatsoever to Seller, and that there shall be no delays to the closing.

1.5 Advisors. Buyer has consulted with a qualified attorney or other knowledgeable professional as to the tax and real estate issues associated with a purchase of the Interest.

2. Representations and Warranties.

2.1 Seller Representations and Warranties. Seller hereby represents and warrants, as of the date of this Agreement, that:

2.1.1 the execution, delivery, and performance of this Agreement and all other agreements contemplated hereby to which Seller is a party have been duly and validly authorized by Seller;

2.1.2 this Agreement and each such other agreements constitutes a valid and binding obligation of Seller, enforceable in accordance with its terms;

2.1.3 the execution and delivery by Seller of this Agreement and all such other agreements, and the sale of the Interests hereunder, and the fulfillment of and compliance with the respective terms hereof and thereof by Seller, do not and shall not (1) conflict with or result in a breach of the terms,

conditions, or provisions of, (2) constitute a material default under, (3) result in the creation of any lien or encumbrance upon Seller's assets pursuant to, (4) give any third party the right to modify, terminate, or accelerate any obligation under, (5) result in a violation of, or (6) require any authorization, consent, approval, exemption, or other action by or notice or declaration to, or filing with any court or administrative or governmental body or agency pursuant to, the organizational documents of Seller, or any law, statute, rule or regulation, order, judgment or decree to which Seller is subject, or any material agreement or instrument to which Seller is subject;

2.1.4 there are no actions, suits, proceedings, orders, investigations, or claims pending or, to the best of Seller's knowledge, threatened against or, to Seller's knowledge, affecting Seller, or pending or threatened by Seller against any third party, at law or in equity, or before or by any governmental department, commission, board, bureau, agency, or instrumentality (including, without limitation, any actions, suit, proceedings, or investigations with respect to the transactions contemplated by this Agreement); nor have there been any such actions, suits, proceedings, orders, investigations or claims pending against or affecting Seller during the past three years;

2.1.5 Seller is not subject to any judgment, order, or decree of any court or governmental body, agency, or official of any country or political subdivision of any country, including, but not limited to, federal, state, county, and local governments, administrative agencies, and courts (a "Governmental Authority"), which could have any change or effect (or aggregation of changes and effects) that is or could reasonably be expected to be materially adverse to the business, assets, condition (financial or otherwise), or operations of Seller;

2.1.6 no permit, consent, approval, or authorization of, or declaration to or filing with, any Governmental Authority or any other person or entity is required in connection with the execution, delivery, and performance by Seller of this Agreement or the other agreements contemplated hereby, or the consummation by Seller of any other transactions contemplated hereby or thereby, except those that have already been obtained or made;

2.1.7 all documents, instruments, and other materials provided to Buyer, by Seller, in conjunction with this transaction, including, but not limited to the Memorandum, are true and correct in all material respects, and do not contain any material misstatement of a material fact or fail to state any material fact required to be stated therein or necessary to make any statements contained therein, in light of the circumstances in which they are made, not misleading;

2.1.8 assuming the representations by Buyer made in this Agreement and in the Investor Questionnaire related hereto are true and correct in all material respects, (1) the offer and sale of the Interests pursuant to this Agreement will be exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), as amended, and (2) neither Seller nor any person or entity acting on Seller's behalf has, in conjunction with the offering of the Interests, engaged in (i) any action involving a public offering within the meaning of Section 4(a)(2) of the Securities Act, or (ii) any action that would require the registration under the Securities Act, of the offering or sale of the Interests pursuant to this Agreement; and

2.1.9 Seller has not made, directly or indirectly, any offer or sale of the Interests or of other securities of the same or similar class as the Interests if, as a result thereof, the offer and sale contemplated hereunder of the Interests could fail to be entitled to exemption from the registration requirements of the Securities Act.

For purposes of the foregoing, the terms "offer" and "sale" have the meanings specified in Section 2(a)(3) of the Securities Act. Further, as used herein, the term "knowledge" shall mean the actual knowledge of such person or party, following due and reasonable inquiry.

2.1.10 NO TAX REPRESENTATIONS. BUYER REPRESENTS AND WARRANTS THAT EXCEPT AS EXPRESSLY PROVIDED IN THE TAX OPINION PROVIDED BY SELLER'S SPECIAL TAX COUNSEL, WHICH OPINION IS QUALIFIED AND BASED ON NUMEROUS ASSUMPTIONS THAT MAY NOT BE APPLICABLE TO BUYER, IT IS NOT RELYING UPON ANY ADVICE OR ANY INFORMATION OR MATERIAL FURNISHED BY SELLER, THE SPONSOR OR THEIR REPRESENTATIVES, WHETHER ORAL OR WRITTEN, EXPRESSED OR

IMPLIED, OF ANY NATURE WHATSOEVER, REGARDING ANY TAX MATTERS, INCLUDING WITHOUT LIMITATION, A DECISION BY BUYER TO EFFECT A TAX-DEFERRED EXCHANGE UNDER CODE SECTION 1031, AS AMENDED. BUYER FURTHER REPRESENTS AND WARRANTS THAT IT HAS INDEPENDENTLY OBTAINED ADVICE FROM ITS OWN INDEPENDENT LEGAL COUNSEL AND/OR TAX ACCOUNTANT REGARDING ANY SUCH TAX-DEFERRED EXCHANGE, INCLUDING, WITHOUT LIMITATION, WHETHER THE ACQUISITION OF THE INTEREST PURSUANT TO THIS AGREEMENT MAY QUALIFY AS PART OF A TAX-DEFERRED EXCHANGE, AND BUYER IS RELYING SOLELY ON SUCH ADVICE.

2.2 Commissions. The parties mutually warrant and covenant that, other than commissions and fees described in the Memorandum or this Agreement, no brokerage commissions, finder's fees, or similar commissions or fees shall be due or payable by the Buyer on account of this transaction. Each party shall indemnify, protect, defend (with legal counsel acceptable to the other), and hold the other harmless from the claims for such commission or finder's fees or similar commissions or fees arising out of the actions of the indemnifying party, including, without limitation, attorneys' fees and costs, incurred in connection therewith or to enforce this indemnity, which indemnities shall survive the consummation of the transaction described in the Memorandum.

2.3 Additional Buyer Representations and Warranties. Buyer hereby represents and warrants to Seller that the following are true and correct on the date of this Agreement and shall be true and correct as of the date on which the closing of the transactions contemplated in this Agreement occur (the "**Closing Date**").

2.3.1 Buyer acknowledges that it has received, read, and fully understands the Memorandum. Buyer acknowledges that it is basing its decision to invest in the Interests on the Memorandum and Buyer has relied only on the information contained in said materials and has not relied upon any representations made by any other person. Buyer recognizes that an investment in the Interests involves substantial risk and Buyer is fully cognizant of and understands all of the risk factors related to the purchase of the Interests, including, but not limited to, those risks set forth in the section of the Memorandum entitled "RISK FACTORS."

2.3.2 Buyer's overall commitment to investments that are not readily marketable is not disproportionate to its individual net worth, and its investment in the Interests will not cause such overall commitment to become excessive. Buyer has adequate means of providing for its financial requirements, both current and anticipated, and has no need for liquidity in this investment. Buyer can bear and is willing to accept the economic risk of losing its entire investment in the Interests. Buyer has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the investment in the Interests.

2.3.3 The documentary evidence submitted to the Trust for the purpose of qualifying as an "accredited investor," including without limitation the documentary evidence listed in Appendix A-1 or the person or entity issuing the certification in the form of Appendix A-2, as applicable, is true, accurate and complete. If Buyer is qualifying on the basis of income, then Buyer has a reasonable expectation of reaching the income level necessary to qualify as an Accredited Investor during the current year. If Buyer is qualifying on the basis of net worth, then the documentary evidence regarding liabilities of the Buyer, if any, identifies all direct or indirect liabilities of the Buyer and no other liabilities exist as of the date hereof.

2.3.4 All information that Buyer has provided to Seller concerning its suitability to invest in the Interests is complete, accurate, and correct as of the date of its signature on the last page of this Agreement. Buyer hereby agrees to notify Seller immediately of any material change in any such information occurring prior to the Closing Date, including any information about changes concerning its net worth and financial position.

2.3.5 Buyer has had the opportunity to ask questions of, and receive answers from, Seller, the Administrative Trustee and their owners, officers, members, managers, employees, and affiliates, concerning the Seller and the terms and conditions of the offering of the Interests and to obtain any additional information deemed necessary to verify the accuracy of the information contained in the Memorandum. Buyer has been provided with all materials and information requested by either Buyer or others representing Buyer, including any information requested to verify any information furnished Buyer.

2.3.6 Buyer is purchasing the Interests for Buyer's own account and for investment purposes only and has no present intention, agreement, or arrangement for the distribution, transfer, assignment, resale, or subdivision of the Interests. Buyer understands that, due to the restrictions referred to in Section 2.3.7, and the lack of any market existing or to exist for the Interests, Buyer's investment in the Interests will be highly illiquid and may have to be held indefinitely.

2.3.7 Buyer understands that there may be restrictions on the transfer, resale, assignment, or subdivision of the Interests imposed by applicable federal and state securities laws. Buyer is fully aware that the Interests have not been registered with the Securities and Exchange Commission in reliance on the exemptions specified in Regulation D issued by the Securities and Exchange Commission pursuant to the Securities Act, which reliance is based in part upon Buyer's representations set forth herein. Buyer understands that the Interests have not been registered under applicable state securities laws and are being offered and sold pursuant to the exemptions specified in said laws, and unless it is registered, they may not be re-offered for sale or resold except in a transaction or as a security exempt under those laws. Buyer understands that because the Trustee will operate in a manner such that the assets of the Seller will not be "plan assets" subject to the provisions of Part 4 of Subtitle B of Title I of ERISA, if the Buyer is purchasing the Interests with "plan assets" it must disclose as much to the Seller in order for the Trustee to determine whether the Seller might be subject to the provisions of ERISA and Section 4975 of the Internal Revenue Code. Buyer further understands that the specific approval of such resales by a state securities administrator or official may be required in some states.

2.3.8 BUYER UNDERSTANDS THAT SELLER HAS NOT OBTAINED A RULING FROM THE INTERNAL REVENUE SERVICE THAT THE INTEREST WILL BE TREATED AS AN INTEREST IN REAL ESTATE AS OPPOSED TO A BUSINESS ENTITY. BUYER UNDERSTANDS THAT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE INTEREST, ESPECIALLY THE TREATMENT OF THE TRANSACTION UNDER CODE SECTION 1031, AND THE RELATED "1031 EXCHANGE" RULES AND REGULATIONS, ARE COMPLEX AND VARY WITH THE FACTS AND CIRCUMSTANCES OF EACH INDIVIDUAL PURCHASER. BUYER SPECIFICALLY REPRESENTS AND WARRANTS THAT BUYER (I) HAS CONSULTED ITS OWN TAX ADVISOR REGARDING AN INVESTMENT IN THE INTEREST AND THE TREATMENT OF THE TRANSACTION UNDER CODE SECTION 1031; (II) EXCEPT AS EXPRESSLY PROVIDED IN THE TAX OPINION FROM SELLER'S SPECIAL TAX COUNSEL, WHICH IS QUALIFIED AND BASED ON NUMEROUS ASSUMPTIONS AND QUALIFICATIONS THAT MAY NOT BE APPLICABLE TO THE BUYER, IS NOT RELYING ON SELLER OR ANY OF ITS AFFILIATES OR ANY BROKER-DEALER THROUGH WHOM THE INTEREST IS PURCHASED, FOR ANY TAX ADVICE REGARDING THE TREATMENT OF BUYER'S TRANSACTION UNDER CODE SECTION 1031; AND (III) IS NOT RELYING ON ANY STATEMENTS MADE IN THE MEMORANDUM REGARDING THE TREATMENT OF ITS PURCHASE OF THE INTEREST UNDER CODE SECTION 1031.

2.3.9 Buyer understands that none of Seller, the Sponsor, the Trustee or their owners, officers, members, managers, employees or affiliates, legal counsel, or advisors represent Buyer in any way in connection with the purchase of the Interests and the entering into any of the related agreements associated with the purchase. Buyer also understands that legal counsel to Seller, the Sponsor, the Trustee and their affiliates does not represent, and shall not be deemed under the applicable codes of professional responsibility to have represented or to be representing, Buyer.

2.3.10 THE INTERESTS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATES AND IS BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT AND SUCH LAWS. THE INTERESTS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SAID ACT AND SUCH LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE INTERESTS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION, OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THE MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

2.3.11 Buyer, and each person or entity owning an interest (directly or indirectly) in Buyer, (i) is not and shall not be listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Asset Control, Department of the Treasury ("OFAC") pursuant to Executive Order No. 133224, 66 Fed. Reg. 49079 (September 25, 2001) and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable enabling legislation or other Executive Orders in respect thereof (such lists are collectively referred to as "Lists"); (ii) is not and shall not be owned or controlled by, nor act for or on behalf of, any person or entity on the Lists; (iii) has not and shall not associate or engage in any business, transaction or dealings with a person or entity now or hereafter identified, or owned or controlled by any person or entity identified, on the Lists; and (iv) shall not transfer or permit the transfer of any of Buyer's Interest to any person who is, or whose beneficial owners are, listed on the Lists. Buyer covenants to comply with any and all requests for information received from the Trustees with respect to any factual or legal matter relevant to assuring or confirming the accuracy of the foregoing representations and warranties, and acknowledges and agrees that failure to adequately and accurately and promptly respond to such requests may result in its being restricted from receiving any distributions from the Seller.

2.3.12 Buyer hereby agrees to indemnify, defend, and hold harmless Seller, the Sponsor, the Trustees and each of their owners, officers, members, managers, affiliates, and advisors of and from any and all damages, losses, liabilities, costs, and expenses (including reasonable attorneys' fees and costs) that they may incur by reason of Buyer's failure to fulfill all of the terms and conditions of this Agreement or by reason of the untruth or inaccuracy of any of the representations, warranties, covenants, or agreements contained herein or in any other documents Buyer has furnished to any of the foregoing in connection with this transaction. This indemnification includes, but is not limited to, any damages, losses, liabilities, costs, and expenses (including reasonable attorneys' fees and costs) incurred by Seller, the Sponsor, the Trustees or any of their owners, officers, members, managers, affiliates, or advisors defending against any alleged violation of federal or state securities laws which is based upon or related to any untruth or inaccuracy of any of the representations, warranties or agreements contained herein or in any other documents Buyer has furnished to any of the foregoing in connection with this transaction.

2.3.13 Within five days after receipt of a written request from Seller, Buyer agrees to provide such information and to execute and deliver such documents as may be reasonably necessary to comply with any and all laws and regulations to which Seller or Buyer is subject.

2.3.14 Buyer has taken no action that would give rise to any claim by any person for brokerage commissions, finders' fees or the like relating to the offer and sale of the Interests or the transactions contemplated by this Agreement.

2.3.15 The representations, warranties and other information set forth in the Investor Questionnaire are, and shall continue to be, true, correct and complete in all respects.

2.4 Survival. The representations and warranties of Buyer and Seller set forth herein above shall survive the termination of this Agreement.

3. General Provisions.

3.1 Interpretation. The use herein of (i) the neuter gender includes the masculine and the feminine, (ii) the singular number includes the plural, whenever the context so requires and (iii) the words "I" and "me" include "we" and "us" if Buyer is more than one person. Captions in this Agreement are inserted for convenience of reference only and do not define, describe, or limit the scope or the intent of this Agreement or any of the terms hereof. All exhibits referred to herein and attached hereto are incorporated by reference. This Agreement, together with the other Transaction Documents, contain the entire agreement between the parties relating to the transactions contemplated hereby, and all prior or contemporaneous agreements, understandings, representations and statements, whether oral or written, are merged herein.

3.2 Modification. No modification, waiver, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement thereof is or may be sought.

3.3 Cooperation. Buyer and Seller acknowledge that it may be necessary to execute documents other than those specifically referred to herein to complete the acquisition of the Interests as provided herein. Buyer and Seller agree to cooperate with each other in good faith by executing such other documents or taking such other action as may be reasonably necessary to complete this transaction in accordance with the parties' intent evidenced in this Agreement.

3.4 Assignment. Neither party may assign its rights under this Agreement, except, in the case of Buyer, to (a) a "Qualified Intermediary" as required by Code Section 1031, and/or (b) a limited liability Trust in which Buyer is the sole member, without first obtaining the other party's prior written consent, which consent may be withheld in such party's sole and absolute discretion. No such assignment shall operate to release the assignor from the obligation to perform all of its obligations hereunder.

3.5 Notices. Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be addressed as follows:

If to Seller, to: BV Ernest Health Neuro Rehab DST

Mailing Address: c/o Bridgeview
8390 Lyndon B. Johnson Freeway, Suite 565
Dallas, Texas 75243

If to Buyer, to Buyer's address as provided to Seller.

Either party may change such address by written notice to the other party. Unless otherwise specifically provided for herein, all notices, payments, demands or other communications given hereunder shall be deemed to have been duly given and received: (i) upon personal delivery, or (ii) as of the third business day after mailing by United States registered or certified mail, return receipt requested, postage prepaid, addressed as set forth above, or (iii) the immediately succeeding Business Day after deposit with Federal Express or other similar overnight delivery system that maintains tracking and evidence of delivery.

3.6 Periods of Time. All time periods referred to in this Agreement include all Saturdays, Sundays, and state or United States holidays, unless Business Days are specified, provided that if the date or last date to perform any act or give any notice with respect to this Agreement falls on a Saturday, Sunday, or state or national holiday, such act or notice may be timely performed or given on the next succeeding Business Day.

3.7 Counterparts. This Agreement may be executed in counterparts, all of which when taken together shall be deemed fully executed originals.

3.8 Electronic Signatures. By executing this Agreement, Buyer agrees that this Agreement, the Investor Questionnaire, the Operating Agreement and all other related documents (collectively, the "Purchase Documents") may be executed electronically. Buyer agrees that its electronic signature is the legal equivalent of its manual signature on the Purchase Documents. Buyer further agrees that its use of a keypad, mouse or other device to select an item, button, icon or similar act/action while using any electronic service we offer, or in accessing or making any transactions regarding any documents or agreements relating to the subject matter of the Purchase Documents, constitutes Buyer's signature ("E-Signature"), acceptance and agreement as if actually signed by Buyer in writing. Buyer also agrees that no certification, authority or other third party verification is necessary to validate its E-Signature and that the lack of such certification or third party verification will not in any way affect the enforceability of its E-Signature or any resulting contract between Buyer and Seller.

3.9 Attorneys' Fees. If either party commences litigation for the judicial interpretation, enforcement, termination, cancellation, or rescission hereof, or for damages (including liquidated damages) for the breach hereof against the other party, then, in addition to any or all other relief awarded in such litigation, the substantially prevailing party therein shall be entitled to a judgment against the other for an amount equal to reasonable attorneys' fees and court and other costs incurred.

3.10 Joint and Several Liability. If any party consists of more than one person or entity, the liability of each such person or entity signing this Agreement shall be joint and several.

3.11 Choice of Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Texas, without regard to its conflicts of laws principles. Subject to Section 3.17, all actions arising out of or relating to this Agreement shall be heard and determined exclusively by a court of competent jurisdiction located in Dallas County, Texas, and each party hereto expressly and irrevocably consents and submits to personal jurisdiction therein. The parties hereby knowingly, voluntarily, and intentionally waive any right to a trial by jury with respect to any litigation arising out of or relating to this Agreement.

3.12 Time. Time is of the essence with respect to all dates set forth in this Agreement.

3.13 Third-Party Beneficiaries. Buyer and Seller do not intend to benefit any party that is not a party to this Agreement and no such party shall be deemed to be a third party beneficiary of this Agreement or any provision hereof.

3.14 Severability. If any term, covenant, condition, provision, or agreement herein contained is held to be invalid, void or otherwise unenforceable by any court of competent jurisdiction, such fact shall in no way affect the validity or enforceability of the other portions of this Agreement.

3.15 Binding Agreement. Subject to any limitation on assignment set forth herein, all terms of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective legal representatives, successors and assigns.

3.16 ACCEPTANCE OR REJECTION OF BUYER'S OFFER. THIS AGREEMENT DOES NOT CONSTITUTE AN OFFER OF ANY KIND BY SELLER AND SHALL NOT BIND SELLER UNLESS DULY EXECUTED AND DELIVERED BY SELLER. TO SUBMIT AN OFFER, BUYER SHALL DELIVER TO SELLER: (I) ONE COMPLETED AND EXECUTED COUNTERPART OF THIS AGREEMENT; (II) AN EXECUTED SIGNATURE PAGE FOR THE TRUST AGREEMENT AND (III) THE INVESTOR QUESTIONNAIRE. SELLER SHALL HAVE 30 DAYS TO EITHER ACCEPT OR REJECT BUYER'S OFFER. IF SELLER DOES NOT ACCEPT BUYER'S OFFER WITHIN SUCH 30-DAY PERIOD, THE OFFER SHALL BE DEEMED REJECTED. IN THE EVENT THE OFFER IS REJECTED, THIS AGREEMENT SHALL NOT BECOME EFFECTIVE.

3.17 BINDING ARBITRATION. ANY DISPUTE OR CONTROVERSY ARISING OUT OF, OR RELATING TO, THIS AGREEMENT SHALL BE RESOLVED BY FINAL AND BINDING ARBITRATION BROUGHT IN DALLAS COUNTY, TEXAS OR SUCH OTHER JURISDICTION AS MAY BE SELECTED BY THE SELLER, UNDER THE AUSPICES AND RULES OF JAMS, INC., AND THE PARTIES HERETO SUBMIT TO THE IN PERSONAM JURISDICTION OF SUCH TRIBUNAL AND WAIVE ANY OBJECTION THAT SUCH FORUM IS INCONVENIENT OR OTHERWISE IMPROPER. THE SUBSTANTIALLY PREVAILING PARTY OR PARTIES IN ANY SUCH ARBITRATION (AS DETERMINED BY THE ARBITRATOR) SHALL RECEIVE FROM THE OTHER PARTY OR PARTIES TO THE ARBITRATION SUCH PREVAILING PARTY'S (OR PARTIES') FEES AND COSTS OF ARBITRATION, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND COSTS, IN ADDITION TO ANY OTHER RELIEF TO WHICH SUCH PREVAILING PARTY OR PARTIES MAY BE ENTITLED.

3.18 WAIVER OF LEGAL RIGHTS. BY INITIALING IN THE SPACE BELOW, THE PARTIES ACKNOWLEDGE AND AGREE TO HAVE ANY DISPUTE ARISING OUT THE MATTERS INCLUDED IN THIS ARTICLE DECIDED BY NEUTRAL ARBITRATION AS PROVIDED UNDER APPLICABLE LAW AND THAT THEY ARE KNOWINGLY WAIVING ANY RIGHTS THEY MAY POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR BY JURY TRIAL. THE PARTIES FURTHER ACKNOWLEDGE AND AGREE THAT THEY ARE WAIVING THEIR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL EXCEPT TO THE EXTENT SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THIS ARTICLE. IF EITHER PARTY REFUSES TO SUBMIT TO ARBITRATION AFTER EXECUTION OF THIS AGREEMENT AND INITIALING BELOW, SUCH PARTY MAY BE COMPELLED TO ARBITRATE UNDER APPLICABLE LAW. EACH PARTY'S AGREEMENT TO THIS ARTICLE IS VOLUNTARY. THE PARTIES HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES OUT OF THE MATTERS INCLUDED IN THIS ARTICLE TO BINDING ARBITRATION.

_____ _____

Seller's Initials Buyer's Initials

IN WITNESS WHEREOF, this Purchase Agreement has been executed as of the Effective Date.

SELLER:

BV Ernest Health Neuro Rehab DST,
a Delaware statutory trust

By: BV Ernest Manager LLC,
a Texas limited liability company, its
Administrative Trustee

By: _____
Steven D. May
Manager

Dated: _____

BUYER (or BUYERS, AS APPLICABLE):

By: _____

Print Name: _____

By: _____

Print Name: _____

Dated: _____

(NOTE: If you are married, and your primary state of residence is a community property state, which are currently Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin, and the Interests are to be held as your separate property, then your spouse must sign the Consent of Spouse form, Attachment A hereto.)

PARTIES MUST ALSO INITIAL SECTION 3.18

SCHEDULE 1
DEFINED TERMS

This list of Defined Terms is attached to and forms a part of the Purchase Agreement.

"Administrative Trustee" means BV Ernest Manager, LLC.

"Business Day" means any day other than a Saturday or Sunday or legal holiday in the State of Delaware.

"Closing Date" shall have the meaning set forth in Section 2.3.

"Ground Leasehold" shall have the meaning set forth in the Recitals.

"Improvements" shall have the meaning set forth in the Recitals.

"Interest" shall have the meaning set forth in Section 1.1.

"Investor Questionnaire" means the Investor Questionnaire described in the Memorandum.

"Memorandum" means the offering materials with respect to the sale of Interests in BV Ernest Health Neuro Rehab DST, dated on or about April 16, 2025, as the same may from time to time be further supplemented.

"Offering" means the offering of the Interests pursuant to the Memorandum.

"Property" shall have the meaning set forth in the Recitals.

"Purchase Price" shall have the meaning set forth in Section 1.1.

"Sponsor" means Bridgeview Real Estate Exchange, LLC, a Texas limited liability company.

"Transaction Documents" means this Agreement, the Investor Questionnaire and the Trust Agreement.

"Trust Agreement" means the Trust Agreement of BV Ernest Health Neuro Rehab DST, executed or to be executed by Buyer.

"Trustees" means the Administrative Trustee (as defined in the Memorandum) and Sorensen Entity Services.

Appendix A-1
Documentary Evidence of Accredited Investor Status

A. In regard to whether an individual Investor is an Accredited Investor on the basis of income:

1. Any Internal Revenue Service form that reports the Accredited Investor's income for the two most recent years (including, but not limited to, Form W-2, Form 1099, Schedule K-1 to Form 1065, and Form 1040); and

2. Recent pay stubs or evidence of other cash distributions or payments demonstrating a likelihood of reaching the income level necessary to qualify as an Accredited Investor during the current year.

B. In regard to whether an individual Investor is an Accredited Investor on the basis of net worth:

1. Assets: Any of the following documents dated within 90 days of the closing:

(i) bank statements;

(ii) brokerage statements and other statements of securities holdings;

(iii) certificates of deposit, tax assessments, and appraisal reports issued by independent third parties.

2. Liabilities: A consumer report issued within 90 days of the closing from at least one of Equifax, Experian or TransUnion.

C. In regard to whether an Investor that is an entity is an Accredited Investor on the basis of total assets:

1. Assets: Any of the following documents dated within 90 days of the closing:

(i) bank statements;

(ii) brokerage statements and other statements of securities holdings;

(iii) certificates of deposit, tax assessments, and appraisal reports issued by independent third parties.

Appendix A-2

CERTIFICATION OF ACCREDITED INVESTOR QUALIFICATION

The undersigned understands that this certificate will be relied upon by BV Ernest Health Neuro Rehab DST (the "Trust") in determining the status of the person identified below as an "accredited investor." The undersigned understands that no sale of securities will be made to such person unless such person is an "accredited investor" as that term is defined in Rule 501 under the Securities Act of 1933, as amended (the "Securities Act"). The undersigned understands that the Trust intends to rely on Rule 506(c) of the Securities Act as a safe harbor from the registration requirements under the Securities Act.

The undersigned hereby certifies as follows:

1. [The undersigned is authorized to sign this Certificate on behalf of my firm and that] [the undersigned is]/[the undersigned's firm is] one of the following (please check one):

   ☐ a registered broker-dealer as that term is defined under the Securities Exchange Act of 1934, as amended; or

   ☐ an SEC-registered investment adviser, registered under the Investment Advisers Act of 1940, as amended; or

   ☐ an attorney licensed in the United States; or

   ☐ a certified public accountant.

2. The undersigned has taken all reasonable steps necessary to verify that the following investor (the "Investor") is an "accredited investor" as that term is defined in Rule 501(a) under the Securities Act.

   Investor Name: _____

   Investor Address: _____

3. When determining the reasonableness of the steps undertaken to verify that the person identified in paragraph (2) above is an accredited investor, the undersigned considered a number of factors, including: (i) the nature of the person and the type of accredited investor that such person claims to be; (ii) the amount and type of information that the undersigned has about such person; and (iii) the nature of the offering, such as the manner in which such person was solicited to participate in the offering, and the terms of the offering, such as a minimum investment amount.

4. The undersigned's performance of reasonable steps to verify accredited investor status included verification of the following documents (collectively, as applicable, the "Supporting Documents"):

   - For verification based on income: (i) obtaining any IRS form issued to the Investor (an "Income Verification Form") that reports income, including but not limited to Form W-2 (Wage and Tax Statement), Form 1099 (report of various types of income), Schedule K-1 of Form 1065 (Partner's Share of Income, Deduction, Credits, etc.) and a copy of a filed Form 1040 ("U.S. Individual Income Tax Return") for each of the two most recent years, (ii) verifying the authenticity of any Income Verification Form with the issuer thereof, and (iii) receiving a written representation from the Investor that it has a reasonable expectation of reaching the income level necessary to qualify as an accredited investor during the current year and, in the case of an Investor whose income is based on joint income with that Investor's spouse, obtaining such Income Verification Form for each of the two most recent years in regard to, and obtaining written representations from, both the Investor and the spouse.

   - For verification based on the basis of net worth: (i) with respect to assets, obtaining any of the following documentation for each of the prior three months: bank statements, brokerage statements and other statements of securities holdings, certificates of deposit, tax assessments and appraisal reports issued by independent third parties, (ii) with respect to liabilities, obtaining a

consumer/credit report from at least one of the nationwide consumer reporting agencies within three business days of the date on which the Investor's accredited investor status is determined (each such document under items (i) and (ii) being a "Net Worth Verification Form"), (iii) verifying the authenticity of any Net Worth Verification Form with the issuer thereof, and (iv) receiving a written representation from the Investor that all liabilities necessary to make the determination of net worth have been disclosed and, in the case of an Investor whose net worth is based on joint net worth with that Investor's spouse, receiving such written representation from the both the Investor and the spouse.

5. The statements contained in this Certificate are based upon the undersigned's familiarity with the documentation obtained and actions taken by the undersigned to verify accredited investor status. While the undersigned is not aware of any facts that would lead it to believe that either the Supporting Documents are incomplete or inaccurate, the undersigned makes no affirmative representation as to their completeness or accuracy.

6. The undersigned will retain adequate records that document the steps taken to verify that the above-identified person is an accredited investor.

7. The undersigned knows of no facts, circumstances or events that are contrary to or inconsistent with the statements contained in this Certificate.

8. The undersigned will notify the Trust if anything in this Certificate ceases to be true prior to the Trust accepting the Investor's investment.

9. The undersigned agrees to indemnify and hold them harmless the Trust, the Sponsor, the Trustees and each of their owners, officers, members, managers, and affiliates from any and all liability that they may incur as a result of the undersigned's failure to perform reasonable steps as provided above to verify accredited investor status.

10. The undersigned agrees to indemnify the Trust and its affiliates and hold them harmless from any liability that they may incur as a result of (a) undersigned's failure to perform reasonable steps as provided above to verify accredited investor status, or (b) this Certificate being untrue in any respect.

11. The undersigned confirms that (a) a copy of this Certificate has been furnished to the Trust; (b) all Supporting Documents will be made available to the Trust upon written request; and (c) the undersigned will retain the supporting documentation for a period of six (6) years from the date set forth below.

12. The undersigned acknowledges that this Certificate and any Supporting Documents may be furnished to government agencies, offices or bodies upon their request.

By signing this Certificate, the undersigned affirms that the above statements are accurate.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate on the date set forth below.

Dated: _____, 20___

By:_____

Name: _____

_____

Name of Law Firm, Accounting Firm, Broker Dealer or Investment Adviser (if applicable)

ATTACHMENT A

CONSENT OF SPOUSE

(For individual prospective Investors in community property states, which are currently Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin)

I, _____, spouse of _____
[print name] [print name]
have read and hereby approve of the Investor Questionnaire and Subscription Agreement for BV Ernest Health Neuro Rehab DST (the "Subscription Agreement"), which my spouse has signed. I hereby appoint my spouse as my attorney-in-fact with respect to the exercise of any rights related to a purchase of any such Interests and agree to be bound by the provisions of the Subscription Agreement and any other documents related to the purchase of any such Interests (collectively, the "Purchase Documents") insofar as I may have any rights in said Purchase Documents or any property or interest subject thereto under the community property laws of the State of _____ or similar laws relating to marital property in effect in the state of our residence as of the date of signing of the Subscription Agreement and/or the Purchase Documents.

Dated: _____, _____

_____
[signature]

ATTACHMENT B

FORM W-9

[attached]

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See **Specific Instructions** on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–		–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	**Signature of U.S. person ▶**	**Date ▶**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting,* later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the instructions for Part II for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code,* later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships,* earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code,* later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester,* later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/Businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code,* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships,* earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov.* You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint.* You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Visit *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

EXHIBIT D

Financial Forecast of Operations for the Property and Return to the Investors

THE FINANCIAL FORECAST CONTAINED HEREIN SHOULD NOT BE CONSTRUED AS PREDICTIONS OF THE ACTUAL OPERATING RESULTS OF THE PROPERTY OR THE ACTUAL RESULTS OF INVESTING IN THE INTERESTS. THE FINANCIAL FORECAST ARE INTENDED MERELY TO ILLUSTRATE THE POTENTIAL RESULTS THAT THE PROPERTY MIGHT ACHIEVE IF THE ACCOMPANYING ASSUMPTIONS ARE ACHIEVED. WHILE THE SPONSOR BELIEVES THAT THE ASSUMPTIONS ARE REASONABLE, THEY ARE NECESSARILY SPECULATIVE AND SUBJECT TO MANY UNCERTAINTIES AND RISKS. IT IS LIKELY THAT FUTURE EVENTS AND CONDITIONS WILL BE DIFFERENT FROM THOSE ASSUMED AND THAT ACTUAL RESULTS WILL BE DIFFERENT FROM THOSE ILLUSTRATED, AND THOSE DIFFERENCES MAY BE MATERIAL.

THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS MEMORANDUM, INCLUDING, WITHOUT LIMITATION, STATEMENTS REGARDING FUTURE EVENTS, ACTIVITIES, OCCURRENCES OR PERFORMANCES, ARE INTENDED MERELY AS ESTIMATES, TARGETS, PROJECTIONS, PREDICTIONS OR BELIEFS REGARDING THESE FUTURE EVENTS, ACTIVITIES, OCCURRENCES OR PERFORMANCES, UNLESS EXPRESSLY STATED OTHERWISE. FOR VARIOUS REASONS, INCLUDING THOSE SET FORTH IN THE "RISK FACTORS" SECTION OF THIS MEMORANDUM, THERE CAN BE NO ASSURANCE THAT THE ACTUAL EVENTS WILL CORRESPOND WITH THESE FORWARD-LOOKING STATEMENTS OR THAT FACTORS BEYOND THE CONTROL OF THE TRUST WILL NOT AFFECT THE ASSUMPTIONS ON WHICH THE FORWARD-LOOKING STATEMENTS ARE BASED. THEREFORE, THE ILLUSTRATIVE VALUE OF THESE FORWARD-LOOKING STATEMENTS FOUND IN THIS MEMORANDUM SHOULD NOT, UNDER ANY CIRCUMSTANCES, BE CONSIDERED A GUARANTEE THAT SUCH FUTURE EVENTS, ACTIVITIES, OCCURRENCES OR PERFORMANCES WILL TAKE PLACE.

THE FINANCIAL FORECAST WERE COMPILED BY THE SPONSOR AND REPRESENT THE SPONSOR'S BEST ESTIMATE OF THE EXPECTED PERFORMANCE OF THE PROPERTY. THE FINANCIAL FORECAST WERE NOT EXAMINED OR OTHERWISE PASSED UPON BY THE SPONSOR'S LEGAL COUNSEL.

PROSPECTIVE INVESTORS SHOULD SEEK THE ADVICE OF THEIR OWN INDEPENDENT LEGAL AND TAX ADVISERS WITH RESPECT TO AN INVESTMENT IN THE PROPERTY AND THE PROSPECTIVE RISKS AND REWARDS THEREFROM.

BV Ernest Health Neuro Rehab DST
Financial Forecast

Cash Flow Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Date	**4/1/2025**	**4/1/2026**	**4/1/2027**	**4/1/2028**	**4/1/2029**	**4/1/2030**	**4/1/2031**
Income							
Net Lease Rent Payment	$ 4,429,000	$ 4,495,435	$ 4,562,867	$ 4,631,310	$ 4,700,779	$ 4,771,291	$ 4,842,860
Tenant Ground Lease Rent	$ 1,164,772	$ 1,164,772	$ 1,164,772	$ 1,164,772	$ 1,164,772	$ 1,164,772	$ 1,164,772
Total Income	**$ 5,593,772**	**$ 5,660,207**	**$ 5,727,639**	**$ 5,796,082**	**$ 5,865,551**	**$ 5,936,063**	**$ 6,007,632**
Expenses							
PACE Payment by Tenant	$ (1,164,772)	$ (1,164,772)	$ (1,164,772)	$ (1,164,772)	$ (1,164,772)	$ (1,164,772)	$ (1,164,772)
Ground Lease Consideration	$ -	$ (25,000)	$ (25,000)	$ (25,000)	$ (25,000)	$ (25,000)	$ (25,000)
Asset Management Fee	$ -	$ -	$ (77,668)	$ (77,668)	$ (77,668)	$ (77,668)	$ (77,668)
Total Expenses	**$ (1,164,772)**	**$ (1,189,772)**	**$ (1,267,440)**	**$ (1,267,440)**	**$ (1,267,440)**	**$ (1,267,440)**	**$ (1,267,440)**
Net Operating Income	**$ 4,429,000**	**$ 4,470,435**	**$ 4,460,199**	**$ 4,528,642**	**$ 4,598,111**	**$ 4,668,623**	**$ 4,740,192**
Distribution to DST Investors	**$ 4,429,000**	**$ 4,470,435**	**$ 4,460,199**	**$ 4,528,642**	**$ 4,598,111**	**$ 4,668,623**	**$ 4,740,192**
Annual Pro Forma Distribution	**5.70%**	**5.76%**	**5.74%**	**5.83%**	**5.92%**	**6.01%**	**6.10%**

EXHIBIT E

Prior Performance

The information presented in this section represents the historical experience of real estate programs sponsored in whole or in part by affiliates of Bridgeview. Investors in this Offering should not assume that they will experience returns, if any, comparable to those experienced by investors in such prior real estate programs. Investors will not acquire any ownership interest in any of the entities to which the following information relates. Past performance is not indicative of future results. There is no guarantee that the Sponsor will be able to execute similar investments and investors risk the loss of their entire investment.

SOLD ASSETS									
Project/Asset Name	**Asset Type**	**Year Built**	**Total SF/Units**	**Purchase Date**	**Approx. Total Cost (millions)**	**Sell Date**	**Disposition Price**	**Investor IRR**	**Equity Multiple**
Walreens Emree Ruston, LA	Retail	2007	14,550 SF	Jan 2010	$5.2	Mar 2012	$5.7	14.9%	1.30 x
Walgreens Emree Wimar, MN	Retail	2009	14,990 SF	Sep 2010	$5.90	Mar 2012	$6.5	43.4%	1.63x
Reserve at Garden Oaks Houston, TX	MF	2013	166 units	Jan 2012	$10.5	Mar 2014	$21.9	84.0%	3.69x
27Twenty Seven Dallas, TX	Dev	2016	152 units	Sep 2013	$16.6	Oct 2017	$25.4	25.1%	2.47x
Park at Stone Creek Austin, TX	MF	1983	420 units	Oct 2013	$24.3	Feb 2016	$30.1	53.5%	2.61x
Champions Centre Houston, TX	MF	1995	192 units	Jun 2014	$18.7	Mar 2019	$19.7	11.5%	1.64x
Champions Park Houston, TX	MF	1992	264 units	Jun 2014	$25.8	Mar 2019	$27.1		
The Grayson Spring, TX	Dev	2017	330 units	Mar 2015	$36.6	Apr 2019	$48.8	18.7%	2.01 x
Jefferson Alpha West Addison, TX	Dev	2020	409 units	Apr 2019	$75	Jun 2021	$92.0	35.0%	2.59x
*Carriage Homes on the Lake I Garland, TX	MF	2015	147 units	Oct 2017	$24.5	Aug 2023	$43.5	51.9%	6.05x
*Carriage Homes on the Lake II Garland, TX	Dev	2022	184 units	Feb 2019	$29.5	Aug 2023	$54.5		
*Liberty Lofts Fort Worth, TX	SH	2011	165 beds	Aug 2021	$12.8	Jan 2024	$20.7	22.6%	1.60x
*Midtown Urban Arlington, TX	SH	2009	232 beds	Aug 2021	$14.0	Jan 2024	$19.5		
New Braunfels Land New Braunfels, TX	Land	n/a	17.1 acres	Dec 2021	$4.5	Aug 2023	$4.61	18.8%	1.34
ASSET KEY: MF = Multifamily; Dev = Multifamily Development									

*Converted into a DST

The following table shows assets owned by Bridgeview and its affiliates that are stabilized and producing income (other than Alpha West Land, which is a land asset that is not yet slated for development).

CURRENT PORTFOLIO				
Project / Asset Name	**Project Type**	**Project Location**	**Total Area / Units**	**Acquired**
*Carriage Homes on the Lake I & II	Multifamily	Garland, TX	331 units	Oct 2017
LBJ Office Tower	Office	Dallas, TX	204,475 SF	Dec 2017
The Taylor at Copperfield	Multifamily	Houston, TX	504 units	Dec 2018
Alpha West Land	Office, Hotel, Retail	Addison, TX	7.0 acres	Aug 2020
Villas at Sierra Vista	Multifamily	Fort Worth, TX	227 units	Jan 2021
Floor & Décor	Industrial	Houston, TX	79,684 SF	Feb 2021

GeoDynamics HQ	Office	Fort Worth, TX	15,866 SF	Aug 2021
*Liberty Lofts	Student Housing	Fort Worth, TX	165 beds	Aug 2021
*Midtown Urban	Student Housing	Arlington, TX	232 beds	Aug 2021
GeoDynamics Manufacturing	Industrial	Fort Worth, TX	57,381 SF	Nov 2021
Northern Tool + Equipment	Industrial	Houston, TX	22016 SF	Nov 2021
Santini Export Packing Corp	Industrial	Houston, TX	161,626 SF	Dec 2021
Loomis Armored US	Industrial	El Paso, TX	22,300 SF	Dec 2021
*The Adelphi (p.k.a. The Dunhill)	Multifamily	Dallas, TX	214 units	Apr 2022
Grainger Industrial Supply	Industrial	Arlington, TX	59,722 SF	Aug 2022
Sacramento Rehab Hospital	Rehab Hospital	Sacramento, CA	59,508 SF	Nov 2022
Woods at Forest Crossing	Multifamily	Denton, TX	288 units	Sep 2024

*Converted into a DST

The following table shows current projects owned by Bridgeview and its affiliates that are either under construction or in the pre-development phase with construction planned within the next 12 months.

CURRENT PROJECTS			
Project / Asset Name	**Project Type**	**Project Location**	**Units**
Denton II	Multifamily Development/ Predevelopment	Denton, TX	360
Landhaus at Gruene	Multifamily Development/ In Construction	New Braunfels, TX	356
The Alexander	Multifamily Development/ In Construction	Mansfield, TX	388
Mercantile Lofts	Multifamily Development/ Predevelopment	Arlington, TX	248
The Cornith - Active Adult	Multifamily/ Predevelopment	Corinth, TX	198
Galveston Vacation Lots	Vacation Home Development/ Predevelopment	Galveston, TX	900
Barisi Village	Multifamily Development/ Predevelopment	Corpus Christi, TX	345