

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**  
**FOUR CORNERS JEFFERSON DST**

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**March 25, 2026**

**1% Interest equals:** \$43,500 (\$18,000 of equity and \$25,500 of debt)

**Minimum Purchase Requirement:** \$50,000 of equity and \$70,833.33 of debt (representing a 2.77778% Interest)

**Maximum Offering Amount:** \$4,350,000 (\$1,800,000 of equity and \$2,550,000 of debt)

*You should read this Memorandum in its entirety before making an investment decision.*

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Four Corners Jefferson DST (the “**Trust**”), a Delaware statutory trust, is offering (the “**Offering**”) beneficial interests in the Trust (the “**Interests**”) to certain investors (“**Purchasers**” or “**Beneficial Owners**”), in exchange for up to \$4,350,000 (\$1,800,000 of equity and \$2,550,000 of debt) (the “**Maximum Offering Amount**”) pursuant to this Confidential Private Placement Memorandum (together with all exhibits attached hereto, this “**Memorandum**”). The sponsor of this Offering is Four Corners Capital Management, LLC (the “**Sponsor**”). The minimum purchase requirement for the Interests is \$50,000 of equity and \$70,833.33 of debt of debt (representing a 2.77778% Interest) (the “**Minimum Purchase Requirement**”), unless waived by the Signatory Trustee, in its sole discretion.

Pursuant to the terms of the trust agreement of the Trust (the “**Trust Agreement**”), the form of which is attached hereto as Exhibit A, the Trust will be managed by the Sponsor (in this capacity, the Sponsor may be referred to as the “**Signatory Trustee**”), and the Delaware trustee for the Trust will be Wilmington Corporate Services LLC (the “**Delaware Trustee**”). In the event the Sponsor does not sell all of the Interests, Four Corners Jefferson Holdings, LLC (the “**Depositor**”), an Affiliate of the Sponsor, will retain unsold Interests or may transfer unsold Interests to its Affiliates.

Prior to the date of this Memorandum, the Trust acquired that certain 1.6-acre parcel with an approximately 14,479-square-foot commercial retail building located at 132 E. Broadway Boulevard, Jefferson City, Tennessee 37760 (the “**Property**”) from Malcai Interstate Properties, LLC (the “**Seller**”), an unaffiliated third party, for \$3,750,000.00, pursuant to that certain Contract of Sale dated December 22, 2025 (the “**Property Purchase Agreement**”). As a result of the Trust’s acquisition of the Property, the Depositor holds 100% of the Interests. Woodford & Associates prepared an appraisal (the “**Appraisal**”) for the Property dated January 23, 2026. According to the Appraisal, the as-is value of the Property as of January 12, 2026, was \$3,775,000 (the “**Appraised Value**”).

The Property is subject to a loan with First Peoples Bank of Tennessee (the “**Lender**”) in the original principal amount of \$2,550,000 (the “**Loan**”). The Loan bears interest at a variable rate, however, pursuant to a rate protection agreement with Pacific Coast Bankers’ Bank, the effective interest rate for the first forty-eight months is fixed at 6.05%. The Loan has a 60-month term, requires interest-only payments

for the first 24 months, and thereafter requires principal and interest payments amortized over 25 years. The Loan is evidenced by a promissory note, deed of trust, assignment of leases and rents, and other customary loan documents (collectively, the “**Loan Documents**”). No personal guaranties are required in connection with the Loan.

The Property is subject to a long term triple-net lease (the “**Lease**”) with Walgreen Co. (the “**Tenant**”), an Illinois corporation, an unaffiliated third party expiring in 2080, subject to periodic termination rights which begin in November, 2035. In connection with the acquisition of the Property, the Trust assumed the Lease and became the landlord thereunder (in this capacity, the Trust may be referred to as the “**Landlord**”). A copy of the Lease, along with the other documents listed on Exhibit E (collectively the “**Disclosure Documents**”) will be made available to prospective Purchasers. Each prospective Purchaser should review the entire Lease before investing. A summary of significant provisions of the Lease is included in this Memorandum. See “SUMMARY OF THE LEASE.”

Except as provided otherwise in the Trust Agreement, after (1) reimbursement of the Signatory Trustee and Delaware Trustee for expenses, (2) payment of amounts necessary for anticipated ordinary, current, and future expenses of the Trust, and (3) other commissions and fees, the Purchasers will be entitled, based on their respective Interests in the Trust, to the operating cash flow of the Trust and the net proceeds from any sale or exchange of the Property. The Property is projected to generate stable cash flow to the Purchasers during the holding period. Each Purchaser will be required to enter into the Trust Agreement with the other Purchasers. See “SUMMARY OF THE TRUST AGREEMENT.”

Interests will be sold to the Purchasers on the terms and conditions described herein for a total cost (the “**Investment Cost**”) of \$4,350,000, which is greater than the Appraised Value. The Investment Cost includes attribution of the Loan to the Purchasers and the costs described herein, including: (i) the purchase price paid to the Seller for the Property in the amount of \$3,750,000, (ii) certain fees to Affiliates of the Sponsor, (iii) Total Selling Fees and Organization and Offering Expenses (defined below), and (iv) lender fees, closing costs, and various other fees, including title insurance, prorations, document preparation fees, and other miscellaneous fees. See “ESTIMATED USE OF PROCEEDS” and “COMPENSATION OF SPONSOR AND AFFILIATES.” Purchasers will not be individually liable for the Loan but will be attributed their pro-rata portion of the Loan for tax purposes. Each sale of Interests to the Purchasers will reduce the ownership of the Depositor in the Trust by a proportional amount and the proceeds from this Offering will be used by the Signatory Trustee, in part, to redeem the Interests held by the Depositor.

The Trust will offer the Interests until the earlier of: (i) the date that all of the Offering Proceeds are raised and the Offering is closed, or (ii) one year from the date of this Memorandum, which date may be extended in the discretion of the Signatory Trustee, whichever is sooner. The Signatory Trustee may extend the term of the Offering in its absolute and sole discretion (the “**Offering Termination Date**”).

The principal investment objectives will be to: (i) preserve the Purchasers’ capital investment, (ii) realize income through the operation of the Property and, within approximately four (4) years, provision for a future sale of the Property or exchange of the Property pursuant to a 721 Rollup, and (iii) make monthly distributions to the Purchasers from the revenue generated by the Property, which will be passive income and may be partially sheltered as a result of depreciation and amortization expenses. The

Signatory Trustee anticipates that the Property will provide the Purchasers with the potential for stable cash flow. **However, no assurance can be given that these objectives will be achieved.**

“**Affiliates**” or an “**Affiliate**” of any person (i.e., a natural person, corporation, partnership, trust, unincorporated association or other legal entity) means any person(s) directly or indirectly controlling, controlled by, or under common control with, another person.

An investment in the Interests is highly speculative and involves certain investment and tax risks, including, without limitation, the following risks:

- This is a “best efforts” offering with no minimum raise requirement.
- There are various risks associated with owning, financing, operating, and leasing commercial real estate.
- The Interests do not represent a diversified investment.
- Beneficial Owners must completely rely on the Tenant to pay rent, operate, and maintain the Property.
- The Beneficial Owners have no voting rights with respect to the management or operations of the Trust or in connection with the sale of the Property.
- The Lease is a long-term lease.
- There are various conflicts of interest among the Trust, the Sponsor, the Signatory Trustee, the Depositor and their Affiliates.
- The Interests are illiquid.
- There are tax risks associated with an investment in the Interests.
- There are risks related to competition from properties similar to and near the Property.
- There may be environmental risks related to the Property.

*Investors should read and carefully consider the matters set forth under “RISK FACTORS” for a complete discussion of these and other risks pertaining to this Offering. See “RISK FACTORS” and “CONFLICTS OF INTEREST.”*

**Purchases of Interests Through Registered Broker-Dealers:**

	Equity Price to Purchasers	Total Selling Fees <sup>(1)</sup> and Organization and Offering Expenses <sup>(2)</sup>	Proceeds to Trust
Minimum Purchase Requirement <sup>(3)</sup>	\$50,000	\$5,250	\$44,750
Maximum Offering Amount <sup>(4)</sup>	\$1,800,000	\$189,000	\$1,611,000

(1) The Interests will be offered and sold on a “best efforts” basis by (i) broker-dealers (each, a “**Broker-Dealer**” and collectively, the “**Selling Group**”) who are members of the Financial Industry Regulatory Authority, Inc. (“**FINRA**”) and (ii) Metric Financial, LLC (“**Metric**”), a member of FINRA, who will act as managing broker-dealer. Metric will receive: (i) selling commissions (“**Selling Commissions**”)

of up to 6.0% of the gross equity proceeds from the sale of Interests through Metric (“**Gross Proceeds**”); (ii) a managing broker-dealer fee of up to 1.0% of Gross Proceeds (the “**Managing Broker-Dealer Fee**”), (iii) a wholesaling fee of up to 1.0% of Gross Proceeds payable to wholesalers (the “**Wholesaling Fee**”), and (iv) a non-accountable marketing and due diligence allowance of up to 1.0% of Gross Proceeds (the “**Due Diligence Allowance**”) (together with the Selling Commissions, Wholesaling Fee, and Managing Broker-Dealer Fee, the “**Total Selling Fees**”). Metric may enter into selling agreements with the Selling Group to sell Interests in the Trust and may re-allow some or all of its Selling Commissions or other fees to the Selling Group. The Trust is not expected to pay Selling Commissions for certain purchases, including those purchased through investment advisors. The Trust will be responsible for paying the Total Selling Fees to Metric Financial upon the receipt of funds from Purchasers. See “PLAN OF DISTRIBUTION” and “ESTIMATED USE OF PROCEEDS.”

- (2) The Signatory Trustee is entitled to a non-accountable allowance equal to 1.5% of Gross Proceeds for certain expenses associated with organization of the Trust and the Offering (the “**Organization and Offering Expenses**”). The Organization and Offering Expenses include, but are not limited to, the costs of organizing the issuer, marketing, legal, finance, accounting, printing fees, and other expenses incurred in connection with this Offering. To the extent that the expenses allocated for the Organization and Offering Expenses exceed one 1.5% of Gross Proceeds, the Signatory Trustee will be responsible for paying such excess. Conversely, the Signatory Trustee will retain any not expended Organization and Offering Expenses funds. Total Selling Fees plus the Organization and Offering Expenses will not exceed 10.5% of Gross Proceeds. See “ESTIMATED USE OF PROCEEDS” and “COMPENSATION OF THE SPONSOR AND AFFILIATES.”
- (3) The Minimum Purchase Requirement is \$50,000 of equity.
- (4) The Maximum Offering Amount is \$4,350,000 (\$1,800,000 of equity and \$2,550,000 of debt).

Certain licensees or employees of the Sponsor’s Affiliates may be licensed representatives of Metric Financial and may to receive a portion of the Total Selling Fees in connection with the Offering.

The mailing address of the Trust is 17776 Preston Road, Dallas, Texas 75252, the email address is info@emersonscre.com, and the telephone number is (972) 931-1400.

Inquiries regarding subscriptions, the Offering, or the Memorandum should be directed to Metric Financial, LLC, Attn: Four Corners Jefferson City DST, email: mark@metric-financial.com, and address: 1180 W Peachtree St NW, Suite 1910, Atlanta, GA 30309.

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The offer and sale of Interests pursuant to this Memorandum is limited to persons that are “accredited investors”, as that term is defined under the Securities Act of 1933, as amended (as amended, the “**Act**” or “**Securities Act**”), and Rule 501(a) of Regulation D promulgated thereunder (“**Accredited Investors**”). Investors who wish to purchase Preferred Interests will be required to (i) represent in writing that they are Accredited Investors, (ii) satisfy the requirements described under “Who May Invest” and other requirements as may be required under federal or state law, and (iii) provide all required

documentation as detailed in the Purchase Agreement, the form of which is attached hereto as Exhibit D (the “**Purchase Agreement**”). Additionally, the Trust must take reasonable steps to verify each Purchaser’s investment qualifications. See “WHO MAY INVEST” and “HOW TO SUBSCRIBE.” This Memorandum constitutes an offer only to the offeree whose name appears in the appropriate space on the cover page.

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**Tax Discussion and Opinion Disclaimer.** Prospective Purchasers are hereby notified that (a) any discussion of federal tax issues contained or referred to in this Memorandum is not intended or written to be used, and cannot be used, by prospective Purchasers for the purpose of avoiding penalties that may be imposed on them under the Internal Revenue Code of 1986, as amended (the “**Code**”); (b) such discussion is written in connection with the promotion and marketing by the Signatory Trustee of the transactions or matters addressed in this Memorandum; and (c) prospective Purchasers should seek advice based on their particular circumstances from an independent tax adviser.

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Purchase of the Interests involves certain substantial risks, including material tax risks. Purchasers should read and carefully consider the discussion set forth below in “Risk Factors” and “Federal Income Tax Consequences.” Purchase of the Interests is suitable only for persons of substantial financial means who satisfy certain suitability requirements and have no need for liquidity in their investment. See “WHO MAY INVEST.”

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These securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act, and applicable state securities laws pursuant to registration or exemption therefrom. Purchasers should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time.

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Neither the United States Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this Memorandum is accurate or adequate. Any representation to the contrary is a criminal offense.

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This Memorandum does not constitute an offer or solicitation to anyone in any jurisdiction in which such an offer or solicitation is not authorized.

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This Memorandum has been prepared solely for the benefit of prospective Purchasers (and their authorized representatives and advisors) interested in the Offering, and recipients of the Memorandum are required to keep such information confidential. Any reproduction or distribution of this Memorandum, in whole or in part, or the disclosure of any of its contents without the prior written consent of the Signatory Trustee is expressly prohibited. By accepting delivery of this Memorandum, the recipient agrees to the foregoing, and agrees to return this Memorandum and all other documents furnished in connection with the

Offering to the Signatory Trustee immediately upon request if the recipient does not elect to invest or if the Offering is withdrawn or terminated by the Signatory Trustee.

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No person has been authorized by the Trust to make any representations or furnish any information with respect to the Trust or the Interests, other than the representations and information set forth in this Memorandum or other documents or information furnished by the Trust upon request as described in this Memorandum. However, authorized representatives of the Trust will, if such information is reasonably available, provide additional information that you or your representative requests for the purpose of evaluating the merits and risks of this Offering.

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All brand names, trademarks, service marks, and copyrighted works appearing in this Memorandum are the property of their respective owners. This Memorandum may contain references to registered trademarks, service marks, and copyrights owned by the third-party information providers. None of the third-party information providers are endorsing the offering of and shall not in any way be deemed an issuer or underwriter of, the Interests, and shall not have any liability or responsibility for any statements made in this Memorandum or for any financial statements or other financial information contained in, or attached as an exhibit to, this Memorandum.

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**Notice to Florida Residents.** The securities referred to in this Memorandum have not been registered under the Florida Securities Act. If sales are made to five or more investors in Florida, any Florida investor may, at his option, void any purchase hereunder within a period of three days after he (a) first tenders or pays to the Trust, an agent of the Trust, or an escrow agent the consideration required hereunder or (b) delivers his executed subscription documents, whichever occurs later. To accomplish this, it is sufficient for a Florida investor to send a letter or telegram to the Trust within such three-day period, stating that he is voiding and rescinding the purchase. If any Purchaser sends a letter, it is prudent to do so by certified mail, return receipt requested, to ensure that the letter is received and to evidence the time of mailing.

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**Notice to New Hampshire Residents.** Neither the fact that a registration statement or an application for a license has been filed under Chapter 421-B of the New Hampshire Revised Statutes with the State of New Hampshire nor the fact that a security is effectively registered or a person is licensed in the State of New Hampshire constitutes a finding by the Secretary of State that any document filed under RSA-421-B is true, complete and not misleading. Neither any such fact nor the fact that an exemption or exception is available for a security or a transaction means that the Secretary of State has passed in any way upon the merits or qualifications of, or recommended or given approval to, any person, security or transaction. It is unlawful to make, or cause to be made, to any prospective purchaser, customer, or client any representation inconsistent with the provisions of this paragraph.

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**Notice to Pennsylvania Residents.** These securities have not been registered under the Pennsylvania Securities Act of 1972 in reliance upon an exemption therefrom. Any sale made pursuant to such exemption is voidable by a Pennsylvania purchaser within two business days from the date of receipt by the issuer of his written binding contract of purchase or, in the case of a transaction in which there is not a written binding contract or purchase, within two business days after he or she makes the initial payment for the securities being offered. However, this right is not available to any purchaser who is a bank, trust company, savings institution, insurance company, securities dealer, investment company (as defined in the Investment Company Act), pension or profit-sharing trust, any qualified institutional buyer as defined in 17 C.F.R. § 230.144A(a), under the Securities Act, or such other financial institutions as defined by the Pennsylvania Securities Act of 1932 or regulation of the Pennsylvania Securities Commission.

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**EXHIBITS**

- A Trust Agreement
- B Tax Opinion
- C Purchaser Questionnaire
- D Purchase Agreement
- E Disclosure Documents

## WHO MAY INVEST

The securities offered hereby have not been registered under the Securities Act or the securities laws of any state and are being offered and sold in reliance on exemptions from the registration requirements of the Securities Act and such laws. The securities are subject to restrictions on transferability and resale and they may not be transferred or resold except as permitted under the Securities Act and such laws pursuant to registration or exemption therefrom. Accordingly, distribution of this Memorandum is strictly limited to persons who meet the requirements and make the representations set forth below. The Signatory Trustee, in its sole discretion, reserves the right to declare any prospective Purchaser ineligible to purchase the Interests based on any information which may become known or available to the Signatory Trustee concerning the suitability of such prospective Purchaser or for any other reason or for no reason. The Interests may be sold only to those individuals that meet the Purchaser Suitability Requirements, as defined below.

This Offering is being conducted pursuant to Rule 506(c) of Regulation D. As a result, the Trust must take reasonable steps to verify each Purchaser's investment qualifications. In the event that the Trust fails to meet this requirement, the Trust may not be able to qualify for an exemption from registration under the Securities Act. See "HOW TO SUBSCRIBE" and "RISK FACTORS."

### **Purchaser Suitability Requirements**

The purchase of 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. Purchasers should be able to afford the loss of their entire investment. This investment will be sold only to prospective Purchasers who (i) purchase a minimum of \$50,000 of equity in the Trust, except that the Trust may permit certain Purchasers, in its sole discretion, to make a smaller investment and (ii) represent in writing that they meet the Purchaser Suitability Requirements (as defined below) established by the Trust and as may be required under federal or state law.

As a prospective Purchaser, you must represent in writing that you meet, among others, all of the following requirements (the "**Purchaser Suitability Requirements**"):

- (a) You have received, read and fully understand this Memorandum and all exhibits and attachments hereto. You are basing your decision to invest on this Memorandum and all exhibits and attachments hereto. You have relied solely on the information contained in these materials and have not relied upon any representations made elsewhere or by any other person;
- (b) You understand that an investment in an Interest is speculative and involves substantial risks and you are fully cognizant of and understand all of the risks relating to a purchase of an Interest, including, but not limited to, those risks set forth under "Risk Factors" in this Memorandum;
- (c) Your overall commitment to investments that are not readily marketable is not disproportionate to your individual net worth, and your investment in an Interest will not cause such overall

- commitment to become excessive;
- (d) You have adequate means of providing for your financial requirements, both current and anticipated, and have no need for liquidity in this investment;
  - (e) You can bear and are willing to accept the economic risk of losing your entire investment in an Interest;
  - (f) You are acquiring an Interest for your own account and for investment purposes only and have no present intention, agreement or arrangement for the distribution, transfer, assignment, resale or subdivision of the Interest;
  - (g) You have such knowledge and experience in financial and business matters that you are capable of evaluating the merits and risks of an investment in an Interest and have the ability to protect your own interests in connection with such investment; and
  - (h) You are an Accredited Investor. An “**Accredited Investor**” is: if a natural person, a person that has (i) an individual net worth, or joint net worth with his or her spouse, of more than \$1,000,000 exclusive of the value of your primary residence or (ii) individual income in excess of \$200,000, or joint income with his or her spouse 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. If not a natural person, one of the following: (i) a corporation, an organization described in the Code Section 501(c)(3) (all references to “Code Section” are references to Sections of the Code, unless otherwise indicated), a Massachusetts or similar business trust, or a partnership, 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 he or she 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) an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 (“**ERISA**”), if the investment decision is made by a plan fiduciary (as defined in section 3(21) of ERISA), which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are Accredited Investors; (viii) a private business development company (as defined in section 202(a)(22) of the Investment Advisers Act of 1940, as amended); (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) a knowledgeable

employee (as defined in Rule 3c-5(a)(4) under the Investment Company Act of 1940) of the Company; or (xi) 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 (i) or (ii) of the first sentence of this paragraph (h). 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 be excluded, except in the event such indebtedness increased in the 60 days preceding the purchase of the 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 the event that the Trust is relying on a certification from the Selling Group Member that a potential Purchaser is an Accredited Investor, the Selling Group Member must have made their determination of Accredited Investor status within 3 months of the date that the potential Purchaser acquires the Interests.

Notwithstanding the foregoing, the Purchaser Suitability Requirements were amended on October 9, 2020 in Federal Register, Volume 85, Number 197, page 64276 (such amendment went into effect on December 8, 2020). This amendment provides a number of other ways to qualify as an Accredited Investor. To the extent you desire to qualify as an Accredited Investor in a manner that is not specifically discussed herein, please contact the Trust.

In addition, you must represent in the purchase agreement that you:

(i) understand that the tax consequences of an investment in an Interest, especially the treatment of the transaction under Code Section 1031 and the related “1031 exchange” rules, are complex and vary with the facts and circumstances of each individual Purchaser, (ii) understand and are aware that there are substantial uncertainties regarding the treatment of an Interest as real estate for income tax purposes, (iii) have read this entire Memorandum (including any supplements thereto) and fully understand that there is a significant risk that an Interest will not be treated as real estate for income tax purposes, (iv) if you are engaging in a tax-deferred exchange under Code Section 1031, you have independently obtained advice from your legal counsel and/or accountant regarding such tax-deferred exchange, including, without limitation, whether the acquisition of an Interest may qualify as part of a tax-deferred exchange, (v) understand that the Trust will not obtain a ruling from the IRS that an Interest will be treated as an undivided

interest in real estate for federal income tax purposes and (vi) understand that the opinion of counsel is only counsel's view of the anticipated tax treatment and that there is no guaranty that the IRS will agree with such opinion.

Additional representations of each Purchaser are set forth in the Trust Agreement.

### **Discretion of the Trust**

The Purchaser Suitability Requirements stated above represent minimum suitability requirements, as established by the Trust for Purchasers. Accordingly, the satisfaction of the Purchaser Suitability Requirements by a potential Purchaser will not necessarily mean that the Interests are a suitable investment for such prospective Purchaser, or that the Trust will accept the prospective Purchaser as a purchaser of an Interest. Furthermore, the Trust may modify such requirements in its sole discretion, and any such modification may raise the suitability requirements for Purchasers.

The written representations made by a prospective Purchaser will be reviewed to determine the suitability of each prospective Purchaser. The Trust, in its sole discretion, will have the right to refuse a purchase for an Interest for any reason, including, but not limited to, if it believes that a prospective Purchaser does not meet the applicable Purchaser Suitability Requirements, or the Interests otherwise constitute an unsuitable investment for such prospective Purchaser, or for any other reason.

### **Bad Actor Disqualification**

Certain Purchasers who would own 20% or more of the Interests as a result of their subscriptions must execute and deliver a Bad Actor Addendum and Irrevocable Proxy to the Signatory Trustee as a condition to such Purchasers' subscriptions for Interests.

**THE INTERESTS MAY NOT BE A SUITABLE INVESTMENT FOR A QUALIFIED PLAN, AN IRA OR OTHER TAX-EXEMPT ENTITY. THEREFORE, THIS MEMORANDUM DOES NOT DISCUSS RISKS THAT MAY BE ASSOCIATED WITH AN INVESTMENT IN THE INTERESTS BY A QUALIFIED PLAN, AN IRA OR OTHER TAX-EXEMPT ENTITY.**

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*Also, each Purchaser must represent in writing that he meets, among other requirements, the following additional investment requirements:*

The Purchaser understands that the tax consequences of an investment in the interests, especially the qualification of the interests under Internal Revenue Code Section 1031 and the related treasury regulations, are complex and vary with the facts and circumstances of each individual purchaser. Further, the Purchaser represents and warrants that: (i) he has consulted his own independent tax advisor regarding an investment in the interests and the qualification of the transaction under Section 1031 and applicable state tax laws; (ii) he is not relying on the Sponsor, the Signatory Trustee or any of its affiliates or agents, including their general counsel, tax counsel and accountants, or other investment advisor for tax advice regarding the qualification of the interests under Section 1031 or any other matter; (iii) he is not relying on any statements made in this memorandum regarding the qualification of the interests under Section 1031;

(iv) he understands the Tax Opinion is Tax Counsel's view of the anticipated tax treatment and there is no guarantee that the internal revenue service ("IRS") will agree with such opinion; (v) he is aware that the IRS has issued Revenue Ruling 2004-86, 2004-2 C.B. 191 specifically addressing Delaware statutory trusts; the revenue ruling is merely guidance and is not a "safe harbor" for taxpayers; and, without the issuance of a private-letter ruling on a specific offering, there is no assurance that the interests will not be deemed partnership interests or otherwise not like-kind to real estate for federal income tax purposes; and (vi) he shall, for federal income tax purposes, report the purchase of the interest pursuant to the purchase agreement as a purchase of a direct ownership interest in the property.

No person has been authorized by the Signatory Trustee to make any representations or furnish any information with respect to the Signatory Trustee or the Interests other than as set forth in this Memorandum or other documents or information furnished by the Signatory Trustee upon request as described herein. This Memorandum contains summaries of certain other documents, which summaries are believed to be accurate, but reference is hereby made to the full text of the actual documents for complete information concerning the rights and obligations of the parties thereto. Such information necessarily incorporates significant assumptions, as well as factual matters. All documents relating to this Offering and related documents and agreements, if readily available to the Trust, will be made available to a prospective Purchaser or its representatives upon request to the Signatory Trustee. During the course of this Offering and prior to sale, each prospective Purchaser is invited to ask questions of and obtain additional information from the Signatory Trustee concerning the terms and conditions of this Offering, the Signatory Trustee, the Interests and any other relevant matters, including, but not limited to, additional information necessary or desirable to verify the accuracy of the information set forth in this Memorandum. The Signatory Trustee will provide the information to the extent it possesses such information or can obtain it without unreasonable effort or expense.

*If you do not meet the requirements described above, this Memorandum does not constitute an offer to sell Interests to you, and you should return this Memorandum to the Signatory Trustee.*

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### **Restrictions Imposed by the USA PATRIOT Act and Related Acts**

The Interests may not be offered, sold, transferred or delivered, directly or indirectly, to any "Unacceptable Investor." "Unacceptable Investor" means any person who is a:

- (1) Person or entity who is a "designated national," "specially designated national," "specially designated terrorist," "specially designated global terrorist," "foreign terrorist organization," or "blocked person" within the definitions set forth in the Foreign Assets Control Regulations of the U.S. Treasury Department;
- (2) Persons acting on behalf of, or any entity owned or controlled by, any government against whom the U.S. maintains economic sanctions or embargoes under the Regulations of the U.S. Treasury Department;
- (3) Person or entity who is within the scope of Executive Order 13224-Blocking Property and

Prohibiting Transactions with Persons who Commit, Threaten to Commit or Support Terrorism, effective September 24, 2001; or

- (4) Person or entity subject to additional restrictions imposed by the following statutes or regulations and executive orders issued thereunder: the Trading with the Enemy Act, the Iraq Sanctions Act, the National Emergencies Act, the Antiterrorism and Effective Death Penalty Act of 1996, the International Emergency Economic Powers Act, the United Nations Participation Act, the International Security and Development Cooperation Act, the Nuclear Proliferation Prevention Act of 1994, the Foreign Narcotics Kingpin Designation Act, the Iran and Libya Sanctions Act of 1996, the Cuban Democracy Act, the Cuban Liberty and Democratic Solidarity Act and the Foreign Operation, Export Financing and Related Programs Appropriations Act or any other law of similar import as to any non-U.S. country, as each such act or law has been or may be amended, adjusted, modified or reviewed from time to time.

#### **506(e) Disclosure**

As of the date of this Memorandum, neither the Signatory Trustee nor any director, executive officer or other officer of the Signatory Trustee participating in any offering of securities of a private placement program sponsored by the Signatory Trustee is subject to any of the “Bad Actor” disqualifications described in Rule 506(d) and (e) under the Act.

On July 10, 2013, the SEC adopted bad actor disqualification provisions for Rule 506 of Regulation D under the Act to implement Section 926 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The disqualification and related disclosure provisions appear as paragraphs (d) and (e) of Rule 506 of Regulation D. Under Rule 506(e), for disqualifying events that occurred before September 23, 2013, issuers may still rely on Rule 506 but will have to comply with the disclosure provisions of Rule 506(e). Disqualification will not arise as a result of disqualifying events that occurred before September 23, 2013, the effective date of the rule amendments. Matters that existed before the effective date of the rule and would otherwise be disqualifying are, however, required to be disclosed in writing to investors.

Restrictions Imposed by the USA PATRIOT Act and Related Acts

The Interests may not be offered, sold, transferred or delivered, directly or indirectly, to any Unacceptable Investor.

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## HOW TO SUBSCRIBE

Purchasers who would like to subscribe for the Interests should carefully read this Memorandum, including all exhibits. Then, Purchasers must complete, execute and deliver the Purchaser Questionnaire attached hereto as Exhibit C.

After receipt of the completed and executed Purchaser Questionnaire, Purchasers will be sent the Purchase Agreement attached hereto as Exhibit D to complete and execute, along with any additional documents necessary for closing as provided by the Signatory Trustee. See “SUMMARY OF THE PURCHASE AGREEMENT.”

These documents should be mailed or delivered to:

Attn: Four Corners Jefferson DST  
Metric Financial, LLC  
1180 W Peachtree St. NW, Suite 1910  
Atlanta, GA 30309

Questions regarding the subscription process may be directed to the Metric Financial via email at [mark@metric-financial.com](mailto:mark@metric-financial.com).

The Signatory Trustee will review the signed Purchaser Questionnaire and the Purchase Agreement. The Signatory Trustee will have the right, in its sole discretion, to accept or reject any prospective Purchaser’s subscription. The Signatory Trustee will notify each prospective Purchaser in writing whether its subscription has been accepted or rejected.

**Accredited Investor Status.** The Trust is offering and selling its securities pursuant to the exemption from registration under the Securities Act provided for under Rule 506(c) of Regulation D. Therefore, the Trust must take reasonable steps to verify that each Investor is an Accredited Investor prior to permitting a purchase of Interests. In order for the Trust to make that determination, each Investor must provide the documentation required by the Purchase Agreement with respect to the type of Accredited Investor he/she is claiming to be and any additional information required by the Signatory Trustee. Investors who are not natural persons should review the information requested by the Purchase Agreement and respond accordingly.

In lieu of providing the documentation required by the Purchase Agreement, for the Trust to verify that you are an Accredited Investor, you may include with your Purchase Agreement a certificate from a registered broker-dealer, a registered investment advisor, a certified public accountant, or a licensed attorney, given that such person has taken reasonable steps to verify that you are an Accredited Investor within the three months immediately preceding the date of your Purchase Agreement.

Representations with respect to the foregoing and certain other matters will be made by each Purchaser in the Purchase Agreement, the form of which is attached hereto as Exhibit D. The Trust will rely

on the accuracy of each Purchaser's representations set forth in the Purchase Agreement and may require additional evidence that a Purchaser satisfies the applicable standards at any time prior to the acceptance of a Purchaser's investment. A Purchaser is not obligated to supply any information so requested by the Trust, but the Trust may reject a subscription from any Purchaser who fails to supply any information so requested.

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## SUMMARY OF THE OFFERING

The following summary is intended to provide selected limited information regarding the Trust, and the Offering and should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Memorandum. **Each prospective Purchaser should read this entire Memorandum prior to making an investment decision.**

**This Offering:** The Signatory Trustee is offering Interests in the Trust with a Maximum Offering Amount of \$4,350,000 (\$1,800,000 of equity and \$2,550,000 of debt). The Minimum Purchase Requirement is \$50,000 of equity and \$70,833.33 of debt of debt (representing a 2.77778% Interest). The Signatory Trustee reserves the right, in its sole discretion, to waive the Minimum Purchase Requirement.

**Beneficial Owners:** Each Beneficial Owner will be subject to the terms of the Trust Agreement, a copy of which is attached hereto as Exhibit A. Beneficial Owners will have no voting rights with respect to the affairs of the Trust and will not have legal title to any portion of the Property. Beneficial Owners will not be permitted to seek partition of the assets of the Trust, including the Property. Beneficial Owners will not be permitted to file a petition in bankruptcy on behalf of the Trust or to otherwise take any action in support of the filing of an involuntary bankruptcy proceeding involving the Trust. Except as provided otherwise in the Trust Agreement and the Lease as summarized in this Memorandum, the Beneficial Owners will be entitled, based on their respective Interests in the Trust, to receive distributions from the Trust as a result of the operations and sale of the Property. See “SUMMARY OF THE TRUST AGREEMENT.”

**The Trust:** The Trust Agreement will govern the rights and obligations of the Beneficial Owners with respect to the Trust and the Trust’s interest in the Property. The Signatory Trustee will have the power and authority to manage the activities and affairs of the Trust and will have the sole power to determine when it is appropriate to sell the Property. The Signatory Trustee will distribute available cash to the Beneficial Owners on a monthly basis. If the Signatory Trustee determines that the Tenant has defaulted in paying Rent, the Property will be in jeopardy of being lost due to a default on the Loan, or in certain other circumstances, then the Signatory Trustee may determine to terminate the Trust and title to the Property will transfer (the “**Transfer Distribution**”) to a limited liability company (the “**Springing LLC**”). Alternatively, the Signatory Trustee may cause the Trust to be converted into a limited liability company. The Beneficial Owners will become members in the Springing LLC and the Signatory Trustee will become the manager of the Springing LLC. The Trust may sell the Property at any time after the Property has been held by the Trust for at least one year upon receipt of a notice from the Signatory Trustee that the Signatory Trustee has determined (in its sole discretion, but

upon consultation with the Beneficial Owners) that a sale of the Property is appropriate. The Trust will remain in effect until such time as the Property is sold and the Loan has been paid in full. See “SUMMARY OF THE TRUST AGREEMENT.”

**Description of the Property:**

The Property is a 1.6-acre, with a 14,479 square-foot commercial retail building located at 132 E. Broadway Boulevard, Jefferson City, TN 37760.

The Lender provided the Sponsor with a copy of the Appraisal and the Sponsor obtained a ALTA/NSPS land title survey, prepared by Blew Inc., and dated February 6, 2026 (the “**Survey**”) and zoning letter, prepared by Blew & Associates, P.A., dated January 27, 2026 (the “**Zoning Letter**”) ( for the Property, (collectively, the “**Third-Party Reports**”). The Third-Party Reports are summarized in “DESCRIPTION OF THE PROPERTY.”

**Description of the Tenant:**

Tenant is Walgreen Co., an Illinois corporation. Tenant is a retail pharmacy chain, operating approximately 8,000 locations across the United States and Puerto Rico. Tenant was recently acquired by a private equity firm, Sycamore Partners. The Sponsor does not have current financial statements for the Tenant (See “DESCRIPTION OF THE PROPERTY” and “RISK FACTORS - Real Estate Risks - No Tenant Financials”).

**Acquisition of the Property:**

The Trust acquired the Property on February 26, 2026. Interests will be sold to the Purchasers on the terms and conditions described herein for a total Investment Cost of \$4,350,000, which includes attribution of the Loan to the Purchasers and the costs described herein, including: (i) the Appraised Value equal to \$3,775,000, (ii) Total Selling Fees and Organization and Operating Expenses, (iii) lender fees, closing costs, and various other fees, including title insurance, prorations, document preparation fees, and other miscellaneous fees, and (iv) certain reserves.

**Financing of the Property:**

Simultaneously with its acquisition of the Property, the Trust entered into a non-recourse loan with First People’s Bank of Tennessee in the original principal amount of \$2,550,000.00. The Loan has a variable rate, however, is subject to a rate protection agreement, giving the loan an effective 6.05% fixed rate for the first 48 month of the loan term. The Loan (i) requires interest-only payments for the first 24 months of the Loan’s term; (ii) requires principal payments in addition to interest payments after the first 24 months, following a 25-year amortization schedule; and (iii) matures on February 25, 2031.

Pursuant to the Loan Documents, the Purchasers will not be personally liable for repayment of the Loan. The Trust will be liable for repayment of the Loan as owner of the Property. Upon an uncured event of default under the Loan

with respect to the Property, the Lender will have the right to foreclose on the Property. If this were to occur, the Beneficial Owners would be likely to lose their entire investment in the Trust See “ACQUISITION TERMS AND FINANCING.” Copies of the Loan Documents are available upon request, and made part of the Disclosure Documents.

**Loan Reserve**

The Trust will establish a loan reserve (the “**Loan Reserve**”) using income from the Lease during the interest-only years of the Loan in order to pay debt service in years 3-5. The Trust will reserve \$37,700 in both year 1 and 2 of the Loan term. After full repayment of the Loan and sale of the Property, any unspent funds in the Loan Reserve will be distributed to the Beneficial Owners.

**Lease:**

The Lease is dated as of July 28, 2004, and expires on November 30, 2080. However, the Tenant has the option to terminate the Lease, at the earliest, November 30, 2035, by providing the Trust with six (6) months prior written notice. Monthly rent under the Lease is \$25,462.50 for the entire lease term. Tenant is responsible for the cost of insurance, property taxes, and all repairs and maintenance. Tenant may assign or sublease the Property without Landlord’s permission but will remain liable for any default.

Rent from the Lease will be distributed to the Beneficial Owners net of payment of debt service, including allocation to the Loan Reserve and Property expenses incurred by the Trust, including accounting costs and entity maintenance costs.

**Exit Strategies:**

The currently anticipated holding period of the Property is four (4) years subject to the sole discretion of the Signatory Trustee based on market conditions at the time; provided, however, the Trust is required to hold the Property for a minimum of one (1) year after the date of the admittance of the last Investor to the Trust. Any sale of the Property with an assumption of the Loan will be subject to Lender approval. The Beneficial Owners will not be entitled to approve a sale of the Property, any refinancing of the Loan or any Transfer Distribution necessary to effectuate a refinancing of the Loan. See “SUMMARY OF THE TRUST AGREEMENT” and “RISK FACTORS – Real Estate Risks – No Right to Control the Actions of the Trust.”

As an alternative exit strategy, the Signatory Trustee may elect to facilitate a transaction pursuant to Section 721 of the Code (a “**721 Rollup**”), wherein the Signatory Trustee will provide the Beneficial Owners with the option of either (i) exchanging their Interests for an equivalent value of partnership units of a Sponsor-affiliated partnership (such exchange is referred to as a “**721 Exchange**”) or (ii) in lieu of participation in the 721 Exchange, receiving a fair market value cash buyout of their Interests. The fair market

value of the Interests at the time of the 721 Rollup will be determined by an independent third-party appraisal obtained by the Signatory Trustee. Beneficial Owners who elect to receive a cash buy-out of their Interests will be free to (a) structure a 1031 Exchange (to the extent permitted by applicable law at that time and provided that they comply with all 1031 Exchange requirements), or (b) cash out on a taxable basis.

The Beneficial Owners will not be entitled to approve a sale of the Property, a 721 Rollup, any refinancing of the Loan or any Transfer Distribution necessary to effectuate a refinancing of the Loan. Nevertheless, before the Signatory Trustee directs the Trust to enter into a binding contract to sell or convey the Property or to facilitate a 721 Rollup, the Signatory Trustee may canvass the Beneficial Owners regarding their views of the potential transaction. The Signatory Trustee will consider the Beneficial Owners' views and opinions in good faith but will not be bound by their opinions, and the decision to sell or otherwise convey the Property will rest solely with the Signatory Trustee. See "SUMMARY OF THE TRUST AGREEMENT."

**Purchaser  
Requirements:**

To purchase the Interests, a prospective Purchaser will be required to deliver to the Signatory Trustee a number of executed documents, including, but not limited to, the following:

- (i) Purchaser Questionnaire (Exhibit C);
- (ii) Purchase Agreement (Exhibit D); and
- (iii) any documents reasonably requested by the Signatory Trustee or the Lender.

**Purchase Arrangements:**

Prospective Purchasers must complete, execute and deliver the Purchaser Questionnaire, which is attached hereto as Exhibit C. Prospective Purchasers may be accepted or rejected by the Signatory Trustee at any time within thirty days after the executed documents are received. If the investment is approved by the Signatory Trustee, the Purchaser must deliver the full amount of the purchase price no later than five (5) business days prior to the close of the investment and satisfy certain other closing conditions set forth in the Purchase Agreement. The approval of the investment by a prospective Purchaser may also be subject to the approval of the Lender.

<b>Purchaser Suitability Standards:</b>	The Offering is strictly limited to persons who meet certain minimum financial requirements as to income and net worth, among other requirements. In the event that the Trust is relying on a certification from the Selling Group Member that a potential Purchaser is an Accredited Investor, the Selling Group Member must have made their determination of Accredited Investor status within three (3) months of the date that the potential Holder acquires Interests. See “WHO MAY INVEST.”
<b>Investment Objectives:</b>	The principal investment objectives will be to: (i) preserve the Purchasers’ capital investment, (ii) realize income through the operation of the Property and, within approximately four (4) years, provision for a future sale of the Property or exchange of the Property pursuant to a 721 Rollup, and (iii) make monthly distributions to the Purchasers from the revenue generated by the Property, which will be passive income and may be partially sheltered as a result of depreciation and amortization expenses. The Signatory Trustee anticipates that the Property will provide the Purchasers with the potential for stable cash flow. <b>However, no assurance can be given that these objectives will be achieved.</b>
<b>Compensation of the Sponsor and Affiliates:</b>	The Sponsor, the Signatory Trustee, and their affiliates will receive substantial fees and compensation from the Offering and managing the Trust. In addition to compensation as described in “COMPENSATION OF THE SPONSOR AND AFFILIATES.”
<b>Cash from Operations:</b>	Rent from the Lease will be distributed to the Beneficial Owners net of payment of debt service, including allocation to the Loan Reserve and Property expenses incurred by the Trust, including accounting costs and entity maintenance costs, and any reserves established by the Signatory Trustee.
<b>Cash from Capital Transactions:</b>	All net cash from capital transactions (such as a sale) will be distributed 100% to the Beneficial Owners.
<b>Reserves:</b>	Upon sale of the Property, all remaining funds in any reserve established by the Signatory Trustee during the holding period will be distributed 100% to the Beneficial Owners.
<b>Risk Factors:</b>	There are numerous material risk factors associated with the Offering. See “RISK FACTORS.”

**Tax Opinion:** Special tax counsel to the Trust (“**Tax Counsel**”), will render a tax opinion that: (i) the Trust should be treated as an entity separate from the Beneficial Owners for federal income tax purposes, (ii) the Trust should be treated as an investment trust described in Section 301.7701-4(c) of the Treasury Regulations that is classified as a “trust” under Section 301.7701-4(a) of the Treasury Regulations, (iii) the Beneficial Owners should be treated as “grantors” of the Trust, (iv) as “grantors,” the Beneficial Owners should be treated as acquiring and owning an undivided fractional interest in the Property for federal income tax purposes, and (v) the Interests should not be treated as a “security” under Section 1031 of the Code. **The opinion, however, is subject to certain limitations and assumptions as described therein.** See “FEDERAL INCOME TAX CONSEQUENCES.”

**State Tax:** Each prospective Purchaser should consult with his own tax advisor regarding the effect of state fees and taxes on an investment in the Interests. See “RISK FACTORS - Tax Risks.”

**Tax-Exempt Investors:** The Trust intends to limit investments by “benefit plan investors” to less than 25% of the total value of the Interests outstanding at any time in order to prevent the Signatory Trustee from being a fiduciary under ERISA to employee benefit plan investors. See “ERISA CONSIDERATIONS.” Prospective tax-exempt Purchasers should be aware that investment in the Trust is likely to generate income treated as unrelated business taxable income (“**UBTI**”) for U.S. federal income tax purposes. See “FEDERAL INCOME TAX CONSEQUENCES – Taxation of Tax-Exempt Investors.”

**Conclusion:** The Signatory Trustee believes that the Property should provide Purchasers with the potential to obtain both stable cash flow, preservation of capital and capital gains upon a sale. **However, no assurance can be given that these investment objectives will be achieved.**

**Defined Terms:** Capitalized terms are defined throughout this Memorandum.

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## FORWARD-LOOKING STATEMENTS

Certain matters discussed in this Memorandum are forward-looking statements. The Signatory Trustee has based these forward-looking statements on its current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about the Trust and the Property, including, among other things, factors discussed under the heading “Risk Factors” in this Memorandum and the following:

- economic outlook;
- capital expenditures;
- interest rates;
- financing activities;
- tax status of the Trust; and
- related industry developments, including trends affecting the Trust’s business, financial condition and results of operations.

The Signatory Trustee intends to identify forward-looking statements in this Memorandum by using words or phrases such as “anticipates,” “believes,” “estimates,” “expects,” “intends,” “maybe,” “objective,” “plan,” “predict,” “project,” “will be” and similar words or phrases, or the negative thereof or other variations thereof or comparable terminology. All forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual transactions, results, performance or achievements of the Trust to be materially different from any future transactions, results, performance or achievements expressed or implied by such forward-looking statements. The cautionary statements set forth under the caption “Risk Factors” and elsewhere in this Memorandum identify important factors with respect to such forward-looking statements, including the following factors that could affect such forward-looking statements:

- national and local economic and business conditions that, among other things, will affect demand for properties and the availability and terms of financing, including the current uncertainty in the U.S. financial and credit markets;
- underlying real estate investment risks;
- the Property’s ability to compete effectively in areas such as access, location and rental rate structures;
- the availability of debt and equity capital; and
- governmental approvals, actions and initiatives, including the need for compliance with environmental and safety requirements, and changes in laws and regulations or the interpretation thereof.

Although the Signatory Trustee believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, the Signatory Trustee cannot assure prospective Purchasers that its expectations will be attained or that any deviations will not be material. The Signatory Trustee undertakes no obligation to publicly release the result of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances.

**In addition, any projections and representations, written or oral, which do not conform to the projections contained in or referenced by this Memorandum, must be disregarded, and their use is a violation of law. The projections contained in or referenced by this Memorandum are based upon specified assumptions. If these assumptions are incorrect, the projections also would be incorrect. No representation or warranty can be given that the estimates, opinions or assumptions made in or referenced by this Memorandum will prove to be accurate. Prospective investors should carefully review the assumptions set forth in or referenced by this Memorandum.**

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## RISK FACTORS

**Potential Purchasers should be aware that an investment in the Interests involves a high, and sometimes speculative, degree of risk. Potential Purchasers should carefully read this Memorandum, including all exhibits hereto prior to making an investment and should be able to bear the complete loss of their investment.**

**It is impossible to accurately predict the results to a potential Purchaser from an investment in the Interests because of general risks associated with the ownership and operation of real estate, the risks associated with these types of properties, the risks associated with a private offering and certain tax risks. In addition, prospective Purchasers must rely solely upon the Signatory Trustee and its affiliates to manage the Property and negotiate debt financing. Prospective Purchasers who are unwilling to rely solely on the Signatory Trustee and its affiliates should not invest in this Offering.**

Each prospective Purchaser should consider carefully, among other risks, the following risks, and should consult with his own legal, tax, and financial advisors prior to purchasing Interests with respect thereto. Please note that the phrase “we”, “us” or “our” refers to the Trust, and the phrase “you” or “your” refers to each Purchaser.

### **Risks Concerning the Investment**

**General Risk of Investment in the Property.** Each Purchaser acknowledges and agrees that an investment in the Interests is subject to a variety of and high degree of risks and each Purchaser has considered these risks (including the risks described below) and has had an opportunity to review the Disclosure Documents, an index of which is attached hereto as Exhibit E (the “**Disclosure Documents**”), before making a decision to invest in the Interests. The realization of any of the following risks (or other risks not listed below) could materially and adversely affect the Trust’s business, prospects, financial condition, cash flows, liquidity, results of operations, and ability to service any indebtedness and could cause you to lose all or a significant part of your investment in the Interests.

**Investment Concentrated in One Sector.** The Trust’s business will be limited to the ownership, management and operation of the Property. Consequently, we are subject to risks inherent in investments concentrated in one sector of the real estate industry and one specific asset. This strategy prevents us from diversification and subjects us to risks of general real estate ownership and operation. Furthermore, because an investment in real estate is inherently illiquid, it is difficult to limit our risk in response to economic, market and other conditions.

**Competing Interests.** The key principals of the Sponsor will manage the Trust on behalf of the Signatory Trustee, but they will have other business interests and activities outside of the Trust. There will be times when their outside business interests require them to devote a significant amount of their time and attention to other projects, which may result in the Property not performing as well as it could, which may materially and adversely affect your investment.

**Turmoil in Markets.** During the last recession, the lending and capital markets experienced considerable turmoil and many financial institutions sought federal assistance or failed. In the event of a failure of a lender or counterparty to a financial contract, its obligations to us under the financial contract might not be honored. Should a financial institution fail to fund its committed amounts when contractually obligated to do so, our ability to meet our obligations could be negatively impacted, which could materially and adversely affect us.

**Bankruptcy of the Tenant.** In addition to a loss of Rent, a bankruptcy or similar insolvency proceeding with respect to the Tenant will adversely affect the Trust. For example, the bankruptcy trustee of the Tenant might attempt to reject the Lease. In addition, any such bankruptcy or similar proceeding would likely constitute a default under the Loan Documents entitling the Lender to pursue foreclosure proceedings and other remedies. Further, as a result of the automatic stay provided for under the applicable bankruptcy laws, the Trust might not be able to enforce the Tenant's obligations under the Lease, including the obligation to pay the installment payments due under the Loan from the Rent thereby affecting the Trust's ability to pay the Loan. In the event of the bankruptcy or insolvency of the Tenant, the Trust will be able to terminate the Lease and negotiate a new lease with a new tenant and will be able to attempt to renegotiate or refinance the Loan. Re-leasing the Property to a tenant, or renegotiating or refinancing the Loan, requires incurring transactional costs which would adversely affect income to the Purchasers. In addition, there is no guarantee that the Trust will be successful in re-leasing the Property to a tenant or renegotiating or refinancing the Loan. Additionally, the renegotiation or refinancing of the Loan or re-leasing of the Property (or bankruptcy of the Tenant) may require the Trust to convert to an LLC, and any such conversion would likely have adverse tax consequences to the Purchasers.

**No Third-Party Valuation of Interests.** We have not conducted an analysis to determine the fair market value of the Interests nor have we obtained any other independent third-party valuations or fairness opinions with respect to the Interests. Therefore, the consideration you pay for the Interests may exceed their fair market value.

**No Diversification.** An investment in the Interests is not a diversified investment. Furthermore, the Property will be involved in only commercial retail. Should the Property perform poorly, this will adversely affect our revenue which, in turn, will adversely affect our ability to make distributions to you and may cause the loss of your investment.

**No Guaranteed Cash Distributions.** No assurance can be given that the Property will generate stable cash flow and that you will realize a return on your investments with us or that you will not lose your entire investment in the Interests. For this reason, you should carefully read all of the Disclosure Documents. **You should consult with your attorney or financial advisor prior to making an investment.**

**Fluctuation in Economic Conditions.** The United States economy is subject to fluctuation and it is unclear how stable the real estate market will be in the future. As a result, there can be no assurance that the Property will achieve anticipated cash flow levels. Negative change in the general economic conditions in the United States, including those resulting from pandemics or acts of terrorism, could adversely affect the financial condition and operating results of the Property. Additionally, there is no assurance that the value of the investment as described in the Offering has not declined, and there is no assurance that it will

not drop in the future. The occurrence of such a fluctuation could adversely affect the overall performance and value of the Property, and investors could lose all or a portion of their investment in the Offering.

**Receipt of Compensation Regardless of Profitability.** The Sponsor, the Signatory Trustee, and their Affiliates are entitled to receive certain significant fees and other significant compensation, payments and reimbursements from the acquisition and operation of the Property regardless of whether the Property operates at a profit. See “ESTIMATED USE OF PROCEEDS” and “COMPENSATION OF THE SPONSOR AND AFFILIATES.”

**No Fiduciary Duty.** The Trust, the Signatory Trustee, and their Affiliates will not have a fiduciary duty to the Beneficial Owners as would be applicable to a limited liability company, partnership, or corporation and, therefore, may take actions that would not be in the best interests of one or more of the Beneficial Owners. As permitted under applicable Delaware law, the Signatory Trustee and the Delaware Trustee have expressly disclaimed all duties to the Beneficial Owners except for the duties expressly contained under the Trust Agreement.

**Limited Transferability of and No Market for Securities.** Each Purchaser will be required to represent that he is acquiring the Interests for investment and not with a view to distribute or resale, that such Purchaser understands the Interests are not freely transferable and, in any event, that such Purchaser must bear the economic risk of investment in the Interests for an indefinite period of time because: (i) the Interests have not been registered under the Act or applicable state “Blue Sky” or securities laws; and (ii) the Interests cannot be sold unless they are subsequently registered or an exemption from such registration is available. There will be no market for the Interests and the Purchasers cannot expect to be able to liquidate their investment in case of an emergency. Also, a Purchaser can only transfer an Interest if permitted under the Loan Documents or otherwise approved by the Lender and in accordance with the Trust Agreement. See “RESTRICTIONS ON TRANSFERABILITY.” Finally, the sale of the Interests may have adverse federal income tax consequences. See “FEDERAL INCOME TAX CONSEQUENCES.”

**No Minimum Offering.** There is no minimum offering amount of Offering Proceeds that must be raised or minimum number of Purchasers required in connection with this Offering. Accordingly, if the Sponsor is unable to sell all of the Interests, the Depositor, an Affiliate of the Sponsor, will retain unsold Interests or may transfer unsold Interests to its Affiliates. The ownership of the Interests by the Depositor or its Affiliates involves certain risks that potential Purchasers should consider, including, but not limited to, the fact that there may be conflicts of interest between the objectives of the Purchasers and that of the Depositor, 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.

**No Representation of Beneficial Owners.** Each Beneficial Owner acknowledges and agrees in the Purchase Agreement that legal counsel representing the Sponsor, the Signatory Trustee, and their Affiliates do not represent, and shall not be deemed under the applicable codes of professional responsibility to have represented or to be representing, any or all of the Beneficial Owners.

**Lack of Firm Commitment Underwriting.** The Trust is offering the Interests on a “best efforts” basis, whether through the Selling Group Members or directly to Investors. The fact that this is not a firm

commitment offering may result in less than the Maximum Offering Amount being raised, which means the Depositor would remain the owner of the unsold Interests.

**Speculative Investment.** No assurance can be given that the Beneficial Owners will realize their investment objectives. No assurance can be given that Beneficial Owners of Interests will realize a substantial return (if any) on their investment or that they will not lose their entire investment in the Trust. For this reason, each prospective Purchaser should carefully read this Memorandum, including all exhibits hereto. **ALL SUCH PERSONS OR ENTITIES SHOULD CONSULT WITH THEIR ATTORNEY OR BUSINESS ADVISOR PRIOR TO MAKING AN INVESTMENT.**

### **Delaware Statutory Trust Structure Risks**

**Beneficial Owners Have No Control Over the Trust.** The Trust is operated and managed only by its Delaware Trustee and Signatory Trustee. The Beneficial Owners will have no right to participate in the management of the Trust or in the decisions made by such Trustees. Before the Trust enters into a binding contract to sell or convey the Property or to facilitate a 721 Rollup, the Signatory Trustee will canvass the Beneficial Owners regarding their views of the potential transaction. The Signatory Trustee will consider the Beneficial Owners' views and opinions in good faith; however, the Signatory Trustee will not be bound by the opinions of the Beneficial Owners, and the decision to sell or convey the Property will rest solely with the Signatory Trustee. The Beneficial Owners will likely be required to waive any right to file a petition in bankruptcy on behalf of the Trust or to consent to any filing of an involuntary bankruptcy proceeding involving the Trust. The Trust will collect rent from the Tenant and make distributions pursuant to the Trust Agreement. The Signatory Trustee will sell the Property in accordance with the provisions of the Trust Agreement, which provides that the Signatory Trustee has the sole power to determine when it is appropriate to sell the Property after a specified number of years. The Delaware Trustee may remove the Signatory Trustee only for willful misconduct, bad faith, fraud, or gross negligence of the Signatory Trustee.

**Beneficial Owners Do Not Have Legal Title.** The Beneficial Owners will not have legal title to the Property. The Beneficial Owners will not have any right to seek an in-kind distribution of the Property or divide or partition the Property. Beneficial Owners do not have the right to sell the Property.

**The Delaware Trustee and Signatory Trustee Have Limited Duties to Beneficial Owners.** The Delaware Trustee and the Signatory Trustee will not owe any duties to the Beneficial Owners other than those duties set forth in the Trust Agreement. In performing their duties under the Trust Agreement, the Delaware Trustee will only be liable to the Beneficial Owners for willful misconduct, bad faith, fraud or gross negligence of the Delaware Trustee. Similarly, the Signatory Trustee will only be liable to the Beneficial Owners for willful misconduct, bad faith, fraud or gross negligence of the Signatory Trustee.

**Limited Powers of Trustees; Risk of Termination of Trust.** The Delaware Trustee and Signatory Trustee have limited powers, and the Trust may therefore face increased termination risk. In order to comply with the tax law regarding investment trusts and exchanges under Code Section 1031, the Trust Agreement expressly prohibits the Delaware Trustee and the Signatory Trustee from taking a number of actions, including the following: (a) selling, transferring, or exchanging the Property except as required or permitted under the Trust Agreement; (b) reinvesting any monies of the Trust, except to make permitted modifications

or repairs to the Property or in short-term liquid assets; (c) renegotiating the terms of the Loan or entering into new financing; (d) renegotiating the Lease on the Property or entering into a new lease, except in the case of a tenant's bankruptcy or insolvency; (e) making modifications to the Property (other than minor nonstructural modifications) unless required by law; (f) accepting any capital from a Beneficial Owner except funds contributed by the Purchasers in connection with the purchase of the Interests that will be distributed to redeem the Interests held by the Depositor or fund any reserves in connection with the Offering or fund Offering-related expenses; or (g) taking any other action that would in the opinion of Tax Counsel to the Trust cause the Trust to be treated as a business entity for federal income tax purposes 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 applicable tax law. As a result, the Trust may be required to affect a Transfer Distribution in order to take the actions necessary to preserve and protect the Property or sell the Property at a time when the market may not be optimal for the Purchasers. See "SUMMARY OF THE TRUST AGREEMENT." While the Property will remain subject to the Loan after such Transfer Distribution, the Beneficial Owners will no longer be considered to own, for federal income tax purposes, a direct ownership interest in the Property.

**Management and Indemnification.** The Signatory Trustee will have administrative authority with respect to the Trust. The Trust Agreement provides for indemnification by the Trust of the Delaware Trustee and the Signatory Trustee against liabilities not attributable to its willful misconduct, bad faith, fraud or gross negligence. Such indemnity and limitation of liability may limit rights that Beneficial Owners would otherwise have to seek redress against the Delaware Trustee and the Signatory Trustee.

**Untested Form of Ownership.** The utilization of a Delaware statutory trust (such as the Trust in this Offering) to acquire and hold property for purposes of an exchange that complies with Code Section 1031 (a "1031 Exchange") is relatively untested under the tax laws. This ownership structure is based primarily on Revenue Ruling 2004-86, 2004-2 C.A. 191, which sets forth terms under which a trust will be treated as an "entity" that is taxable as a "trust" rather than taxable as a partnership. It is possible that the IRS could modify or revoke Revenue Ruling 2004-86 or, in the alternative, determine that the Trust does not comply with the requirements of that ruling. A determination that the Trust is not taxable as a trust (within the meaning of Treas. Reg. § 301.7701-4) could have a significant adverse impact on the Beneficial Owners and would likely have an adverse impact on any Purchaser completing a Section 1031 exchange for an Interest.

**Exit Strategies; Sale of the Property.** The Trust will sell the Property at any time after it has held the Property for at least one (1) year after the admittance of the last Investor to the Trust, upon receipt of a notice from the Signatory Trustee that the Signatory Trustee has determined, in its sole discretion, that a sale of the Property is appropriate. This sale will occur without regard to the tax position, preferences, or desires of any of the Beneficial Owners, and the Beneficial Owners will have no right to approve or disapprove of the sale of the Property. The Beneficial Owners will not have the right to sell the Property. The proceeds realized from the sale of the Property will be distributed among the Beneficial Owners, but only after payment of the Loan (and any other loans) and satisfaction of the claims of other third-party creditors and Affiliates of the Sponsor. The ability of a Beneficial Owner to recover all or any portion of its investment, accordingly, will depend on the amount of net proceeds realized from such sale and the number

of claims to be satisfied therefrom. There can be no assurance that the Beneficial Owners will realize gains upon the sale of the Property or recover their original investment in the Interests.

A Beneficial Owner may or may not be able to defer the recognition of gain for federal, state, or local income tax purposes when this sale occurs. Under current law, Interests in the Trust should constitute interests in real estate and, therefore, a sale of the Property should qualify for non-recognition of gain under a 1031 Exchange provided that the requirements of a 1031 Exchange are met. The Signatory Trustee and the Delaware Trustee are expressly instructed to take all reasonable actions that would enable the sale to qualify, with respect to each Beneficial Owner, as a like-kind exchange within the meaning of Section 1031 of the Code.

To give the Beneficial Owners the option to continue their tax deferral, the Signatory Trustee may elect to facilitate a 721 Rollup, pursuant to which the Signatory Trustee will provide each Beneficial Owner with the option of either (i) exchanging its Interests for an equivalent value of equity units of a Sponsor-affiliated partnership or (ii) in lieu of participation in the 721 Exchange, receiving a fair market value cash buy-out of its Interests. The fair market value of the Interests at the time of the 721 Rollup will be determined by an independent third-party appraisal obtained by the Signatory Trustee. Beneficial Owners who elect to receive a cash buy-out of their Interests will be free to (a) structure a 1031 Exchange (to the extent permitted by applicable law at that time and provided that they comply with all 1031 Exchange requirements), or (b) cash out on a taxable basis.

**Transfer to the Springing LLC.** If the Signatory Trustee determines that it is necessary to effectuate a Transfer Distribution, the Signatory Trustee will transfer the Property to the Springing LLC, which will be treated as a partnership for federal income tax purposes, and the Beneficial Owners will become members in the Springing LLC. Unlike Interests in the Trust, interests in the Springing LLC will not be treated as interests in real property for federal income tax purposes (including for purposes of a 1031 Exchange). Thus, if the Trust transfers the Property to the Springing LLC in a Transfer Distribution, it is unlikely that any of the Beneficial Owners will thereafter be able to defer the recognition of gain under Section 1031 of the Code. The transfer of the Property to the Springing LLC will occur under the circumstances set forth in the Trust Agreement without regard to the costs incurred as a result of such transfer. It is possible that such transfer will result in the imposition of (i) state and/or local transfer, sales or use taxes, or (ii) federal income tax (although no federal income tax would be imposed under current law).

**No Right to Control the Actions of the Trust.** The Beneficial Owners each will acquire Interests in the Trust. None of the Beneficial Owners will have the right to direct ownership of any assets of the Trust, including the Property. Even though the Beneficial Owners will be canvassed prior to the Signatory Trustee entering into a binding contract to sell the Property, and even though the Signatory Trustee will take the opinions of the Beneficial Owners concerning such prospective sale into account in good faith, the Signatory Trustee is under no obligation to make its decision with respect to such prospective sale in accordance with the wishes of the Beneficial Owners.

The Signatory Trustee and the Delaware Trustee will manage the operations of the Trust pursuant to the Trust Agreement, a copy of which is attached as Exhibit A, and the will manage the operation of the

Property pursuant to the terms of the Lease. The Beneficial Owners will have no voting rights with respect to the operation of the Trust or the Property.

**The Trust is Not a Diversified Investment.** An investment in the Interests effectively represents an investment in one specific real property. Therefore, an investment in the Interests is not a diversified investment. Accordingly, the poor performance of the Property will adversely affect the profitability of the Trust. Moreover, the poor performance of the Property will adversely affect the ability of the Trust to pay distributions or to make debt service and the overall returns to the Beneficial Owners may be adversely impacted. This return may be lower than if the Beneficial Owners owned an interest in many diversified properties. Therefore, the poor performance of the Property could significantly and adversely impact the ability of the Beneficial Owners to satisfy their financial objectives.

## **Real Estate Risks**

**General Risk of Investment in the Property.** The economic success of the Interests will depend upon the results of operation of the Property, which results are 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 cost of operating the Property will be accurate since such matters will depend on events and factors beyond the control of the Trust and Beneficial Owners. Such factors include continued validity and enforceability of the Lease, vacancy rates for properties similar to the Property, financial resources of the Tenant, rent levels near the Property, adverse changes in local population trends, market conditions, neighborhood values, local economic and social conditions, supply and demand for property 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, rent control, environmental, zoning or hazardous material laws, uninsured losses, effects of inflation, and other risks.

**No Tenant Financials.** Walgreen Co. is a privately held company and does not publicly disclose detailed financial statements or operating results. As a result, there is limited visibility into the Tenant's current financial performance, including whether it is operating profitably or sustaining losses. This lack of transparency prevents Investors from independently verifying the Tenant's financial health or assessing its ability to meet ongoing lease obligations. If the Tenant experiences financial deterioration, it could increase the risk of lease default, negatively impacting the property's income stream and the investor's expected returns.

**Competition in Commercial Retail Industry.** Competition in the retail sector could adversely impact the Tenant, which could affect our ability to pay distributions. Retailers face continued competition from discount or value retailers, factory outlet centers, wholesale clubs, mail order catalogues and operators and television shopping networks. In addition, improvements in technology and faster delivery speeds have spurred the increased popularity of shopping via the Internet. As a result, the "brick and mortar" retail sector faces challenges which could adversely impact the Tenant and, consequently, our funds available for distribution.

**Dependence on Onsite Personnel.** The financial performance of the Property will be substantially dependent upon onsite personnel to maximize rental revenues, occupancy rates and customer satisfaction at the Property. If the Tenant or the property manager, are unable to successfully recruit, train and retain qualified onsite personnel, the cash flows from the Property may be reduced.

**The Tenant might not pay expenses as agreed.** The Property contains approximately 14,479 net rentable square feet which is leased in its entirety to the Tenant. In the event that the Tenant does not pay property expenses as agreed, the Trust may need to pay them. If this were to occur, the Signatory Trustee may be required to terminate the Trust by converting it into (or otherwise effecting the transfer of the Property to) the Springing LLC. As a result of such conversion or transfer, the Interests will be converted into membership interests in the Springing LLC, which cannot be transferred in an exchange that qualifies for tax-deferred exchange treatment under Code Section 1031. If, after the conversion of the Trust into a Springing LLC, the Purchasers wish to engage in a tax-deferred exchange of their indirect interests in the Property, the Springing LLC's manager will attempt to convert the Purchasers' 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 will be accomplished, or that there exists any strategy that will allow the Purchasers to complete a Section 1031 Exchange once the Trust has been converted into the Springing LLC. See "RISK FACTORS – Delaware Statutory Trust Structure Risks – Transfer to the Springing LLC."

**No Assurance of the Success of the Property.** While the Sponsor and its executive officers have substantial real estate experience with commercial retail properties, no assurance can be given that the Signatory Trustee or the Tenant will be able to successfully manage and operate the Property.

**Third-Party Reports.** The Trust received several third-party reports for the Property, including: (i) a Survey, and (ii) an Appraisal. The Third-Party Reports are available as part of the Disclosure Documents. While the Signatory Trustee believes that these documents are generally accurate, the Signatory Trustee has not engaged in any independent review to verify the same. Therefore, the Sponsor does not warrant the accuracy or completeness of information in such materials.

**Difficulty Making Material Modifications to the Property.** In order to preserve its status as a fixed investment trust, the Trust is not permitted to make any material modifications to the Property. The Trust may only make minor nonstructural modifications and repairs in order to preserve the Property. As a result, the Trust may find it difficult to make any material modification to the Property or to reposition the Property in the future, even if such modifications would be deemed appropriate for purposes of assisting in the marketing of the Property. In the event the Trust is called upon to undertake any such material modifications to the Property, the Trust may be required to convert to a Springing LLC to fulfill its obligations. Accordingly, material structural modification obligations of the Trust as landlord may prohibit Purchasers from completing a Section 1031 Exchange upon disposition of the Property.

**Availability of Financing and Market Conditions.** Market fluctuations in real estate financing may affect the availability and cost of funds needed for the Property in the future. In addition, credit availability has been restricted over the past year and continues to be restricted. There has been recent

upheaval in the capital markets that is resulting in increased interest rate volatility and uncertainty for both lenders and borrowers. Restrictions upon the availability of real estate financing or high interest rates for real estate loans could adversely affect the Property, including, but not limited to, the profitability of the Property, the ability to currently finance the Property and the ability of the Trust to sell the Property at a profit or at any price.

**Title and Survey Matters.** The Property is subject to various matters affecting title, including but not limited to, certain Property Agreements (as defined below) and all the matters set forth on any title commitment and survey, zoning ordinances, and building codes. The title commitment, title documents listed as exceptions on the title commitment (including the Property Agreements), and the surveys are available upon request. Such matters may include, for example, easements, declarations, restrictions, and other limitations on the right of the Trust to construct, develop and use the Property. The Trust does not expect the Seller to make any representations or warranties or give any estoppels regarding these Property Agreements. As a result, there can be no assurance that, among other things (i) the parties to this Property Agreements are in compliance with the terms thereof, (ii) that any applicable construction has been completed in accordance with the terms thereof, (iii) that all required permits in connection therewith are in full force and effect, and (iv) that there are no delinquencies in the payment of any assessments thereof. Additionally, these matters, in some circumstances, set forth various rights and responsibilities of parties, including the owners of the Property, to repair, replace, maintain, and fund common elements associated with the Property. In addition, other issues that are not disclosed by the title commitments or the surveys may affect title and/or the use of the Property. In the event that a known or new matter arises with respect to the Property, however, there is no guarantee that the title insurance will sufficiently protect the Trust against all title issues affecting the Property, that the title company will pay any claim, that the title insurance is sufficient to cover any damages, or that the Trust will not incur costs in making a title insurance claim.

**Agreements Affecting the Property.** By purchasing the Property, the Trust will become a party to various agreements, including easements, declarations, restrictive covenants, and development guidelines (collectively, the “**Property Agreements**”) entered into by predecessors-in-interest which run with the land and continue to affect the Property even when the Trust acquires the Property. The Trust may seek endorsements from the title company with respect to any such easements for any loss or damage incurred by any violation of such easements by the Trust. Certain of the Property Agreements may contain obligations and restrictions with which the Trust, property manager, and the Tenant must comply. Although the Sponsor and the Trust are not aware of any non-compliance with the Property Agreements, it is possible that the Property is in breach of the terms of the Property Agreements. A breach of the Property Agreements could result in potentially costly litigation incurred by the Trust which would have an adverse impact on distributions made to the Purchasers.

**Easements.** The Property is subject to several utility, access, and maintenance easements. The presence of the easements could limit operations and/or development at the Property, which also could have an adverse financial impact on the Property.

**The Property may sell for less than the total purchase price for the Interests.** The purchase price for the Interests is determined unilaterally by the Signatory Trustee and does not reflect the current market value of the Property. The Purchasers should not expect that the price paid for their investment is

reflective of the fair market value of the Property on a stand-alone basis. The Purchasers are, however, acquiring their Interests based on the existence of the financing, the Lease, and the management expertise provided by the Sponsor. Nevertheless, there is no evidence that such facts support the increase between the total purchase price for the Property and the Investment Cost. Purchasers should also be aware that it may not be possible to sell the Property at a later date for a price equal to or greater than the purchase price paid by the Purchasers. If the Property must be sold for less than the purchase price paid by the Purchasers, the Purchasers' financial goals will be adversely affected.

**The Condition of the U.S. and Global Financial Markets Has Continued to be Volatile and May Continue to be Volatile.** Purchasers should be aware that the U.S. and global financial markets are currently quite volatile and that the condition of the financial markets has remained significantly weakened and destabilized in the past two years. Continued volatility and instability could adversely affect the Signatory Trustee's ability to make investments, particularly investments that support the debt service obligations on the Interests. Further, financial market instability could result in significant regulatory changes that would have an unpredictable effect on the financial markets in general and the commercial real estate business in particular.

**Earthquake, Wind and Flood Exposure.** According to the Survey, the Property is located in a Flood Zone X, defined as an area to be of minimal flood hazard. However, the Sponsor makes no representation as to whether the Property is located within such a flood plain or a high-risk area for wind or seismic activity. There can be no assurances that the Property will not be damaged in the future by seismic or flood activity. Prospective Purchasers should consider these risks in their evaluation of the Property, particularly since the Trust does not anticipate obtaining insurance against these risks unless required by the Lender.

**Strict Liability for Toxic and Hazardous Materials; No Environmental Indemnity.** Federal, state, and local laws impose liability on a landowner for releases, or the otherwise improper presence on the premises, of hazardous substances. This liability is without regard to fault for, or knowledge of, the presence of such substances. A landowner may be held liable for hazardous materials brought onto property before it acquired title and for hazardous materials that are not discovered until after it sells such property. Similar liability may occur under applicable state law. The Seller will make only limited, if any, representations as to the absence of hazardous substances. If any hazardous materials are found within the Property in violation of law at any time, the Trust and, possibly, the Beneficial Owners may be jointly and severally liable for all cleanup costs, fines, penalties, and other costs. This potential liability will continue after the Trust sells the Property and the Beneficial Owners sell their Interests and may apply to hazardous materials present within the Property before the Trust acquired the Property and the Beneficial Owners acquired their Interests. If losses arise from hazardous substance contamination that cannot be recovered from a responsible party, the financial viability of the Property may be substantially affected. In extreme cases, the Property may be rendered worthless, or worse, where the owners are obligated to pay cleanup costs in excess of the value of the Property. Hazardous substance contamination in the Property could adversely affect the cash flow from the Property and the ability of the Trust to make distributions to Purchasers. In extreme cases, Purchasers could lose their entire investment in the Trust.

**Risk of Mold Contamination.** Mold contamination has been linked to a number of health problems, resulting in recent litigation by tenants seeking various remedies, including damages and ability to terminate their leases. No assurance can be given that a mold condition will not arise in the future, with the risk of substantial damages, legal fees, and possibly loss of tenants. It is unclear whether such mold claims would be covered by the customary insurance policies to be obtained for the Trust.

**Environmental Assessment.** If any hazardous substances are found at any time on the Property, even after the Trust may have sold the Property, the Trust may be held liable for all cleanup costs, fines, penalties and other costs regardless of whether they owned the Property when the releases occurred or when the hazardous substances were discovered. Under one such law, the Comprehensive Environmental Response, Compensation, and Liability Act (“**CERCLA**”), a purchaser of property may qualify for certain defenses to, and exemptions from, liability under CERCLA by obtaining a new or updated Environmental Site Assessment that qualifies as an “All Appropriate Inquiry” under CERCLA, as long as the Assessment was conducted, or updated, within 180 days of the purchase of the property. The Sponsor has not commissioned a Phase 1 Environmental Site Assessment (“**Phase 1 ESA**”) for the Property. Therefore, the Trust does not qualify for the above-mentioned defenses or exemptions from liability under CERCLA.

**Compliance with the Americans with Disabilities Act.** Under the Americans with Disabilities Act of 1990 (the “**ADA**”), public accommodations must meet certain federal requirements related to access and use by disabled persons. If the Property were not in compliance, the Trust may be required to pay for improvements to effect compliance with the ADA. State and federal laws in this area are constantly evolving and could place a greater cost or burden in the future on the Trust, as the owner of the Property. Any such changes in state or federal laws in this area could place a greater cost or burden in the future on the Trust as the owner of the Property. While the Signatory Trustee believes the Property currently complies with the ADA in all material respects, the Signatory Trustee cannot provide any assurance to potential Purchasers that ADA violations do not or will not exist at the Property.

**Cybersecurity Breach.** The Trust use computers in substantially all aspects of their business operations. The Tenant also may use mobile devices, social networking and other online activities. 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, it 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 and the Tenant, or the technology systems of third-parties on which the Trust and the Tenant rely, could result in business disruption, negative publicity, brand damage, violation of privacy laws, loss of a tenant, 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.

**Labor Shortages.** Companies across the United States are struggling to hire and retain employees, and employers and governments are facing pressure to increase wages. This pressure may result in local, state, or federal minimum wage laws that affect the Trust, the Signatory Trustee and third-party contractors

and vendors. The current employment market may result in high employee turnover, which may negatively affect the Trust's financial performance. In addition, the current employment market may affect the ability of contractors and third-party vendors to perform in a timely manner.

**Inflation.** It is possible that certain actions by the federal government may create significant increased inflation, which reduces purchasing power of money over time and could lead to some tenants terminating their leases. The Trust cannot predict changes in inflation, which could have a negative impact on the operation of the Property and an Investor's return.

**Tax Reassessment.** This Offering was structured in a way to minimize the possibility of triggering a reassessment of the Property; however, there is no assurance that such reassessment will not occur. In the event that the Property is reassessed, the Tenant may not be able to pay the rent due under the Lease, which would adversely impact the Trust and the Beneficial Owners.

### **Risks Relating to Private Offering and Lack of Liquidity**

**Limited Transferability of Securities.** Each prospective Purchaser will be required to represent that he or she is acquiring Interests for investment and not with a view to distribution or resale, that such prospective Purchaser understands the Interests are not freely transferable and, in any event, that such prospective Purchaser must bear the economic risk of their investment for an indefinite period of time because the Interests have not been registered under the Securities Act or certain applicable state "Blue Sky" or securities laws, and that the Interests cannot be sold unless they are subsequently registered or an exemption from such registration is available. There will be no market for the Interests and an investor cannot expect to be able to liquidate the investment in case of an emergency. Further, the sale of the Interests may have adverse federal income tax consequences. The transfer of Interests is likely to require the prior written consent of the Lender.

**Illiquid Investment.** We do not intend to list the Interests on any national securities exchange or include them for quotation through an inter-dealer quotation system of a registered national securities association. The issuance of Interests constitutes a new issue of securities with no established trading market. Furthermore, it is not anticipated that there will be any regular secondary market following the completion of the offering of the Interests. Therefore, prospective Purchasers should consider the Interests an illiquid investment. Accordingly, the Interests should be purchased for their projected returns only and not for any resale potential.

**Prohibition on Bad Actors.** The Offering is intended to be made in compliance with Rule 506 of Regulation D promulgated under the Securities Act. The SEC has recently changed the requirements of Regulation D offerings to include a prohibition on the participation of certain "bad actors." In the event that a statutory "bad actor" participates in the Offering, the Trust may lose its exemption from registration of the Interests.

**Compliance with Regulatory Requirements.** In order to comply with the requirements under Rule 506(c), the Trust will implement reasonable steps to verify that Investors are Accredited Investors. In the event that a person who is not an Accredited Investor acquires Beneficial Interests, and the Trust is

deemed not to have complied with the reasonable steps requirement set forth in Rule 506(c), the Trust could lose its exemption of the Offering requirements in the Securities Act.

### **Risks Relating to the Loan**

**Lender's Approval Rights.** The Lender will have numerous rights under the Loan Documents, including the right to approve any change in the ownership and management of the Signatory Trustee. In addition, although the Delaware Trustee can remove the Signatory Trustee in certain circumstances for cause, the Lender will require that there is an adequately capitalized successor Signatory Trustee that is acceptable to that Lender. The effect of this provision in the Loan may limit the ability of a Trustee to remove a Signatory Trustee, since the exercise of such right would give rise to a default under the Loan.

**Leverage; Risk of Foreclosure.** A decrease in rental revenues of the Property may materially and adversely affect the Property's cash flow and, in turn, the Trust's ability to make payment to the Lender or distributions to Beneficial Owners. No assurance can be given that future cash flow will be sufficient to make the debt service payments on any borrowed funds and also cover capital expenditures or operating expenses. If the revenue from the Property is insufficient to pay debt service, capital expenditures and operating expenses, the Trust would be required to use working capital or seek additional funds. There can be no assurance that additional funds would be available, if needed, or, if such funds were available, that they would be available on terms acceptable to the Trust. Further, since the Trust is prohibited from borrowing additional funds or from accepting additional capital contributions, the Trust would in such a situation be required to effectuate a Transfer Distribution into the Springing LLC. If the Trust is unable to pay debt service, the Lender could foreclose on the Property and the Beneficial Owners would be likely to lose their entire investment in the Trust.

**Nonrecourse Loan.** The Loan is nonrecourse to the Purchasers. This means that the Lender, generally, will have full recourse against the Property (that is, may foreclose on the Property) but may not proceed against the Purchasers personally for any deficiency that may occur. If there is a breach of the recourse exceptions to the non-recourse nature of any such financing, principals of the Sponsor serving as the carve-out guarantors will be personally liable to the Lender for such breach. Upon an uncured event of default on the Loan, the Lender will have the right to foreclose on the Property. If this were to occur, the investors would be likely to lose their entire investment in the Property and suffer material adverse tax consequences.

**Events of Default under the Loan.** The Loan contains numerous conditions which, if they occur, will become events of default under the terms of the Loan and permit Lender to enforce its remedies. These conditions, many of which are common for securitized commercial real estate loans, include, but not be limited to: failure to pay any portion of the Loan when it is due of payable, encumbering the Property without the Lender's consent, and breaching a representation or warranty in the Loan Documents. In the event the Trust is unable to comply with these requirements to avoid default, Lender could enforce its remedies. Such remedies include, but are not limited to, foreclosing on the Property, and any other rights or remedies available to Lender at law or in equity.

**Material Adverse Change.** The Loan permits a material adverse change to be considered an event of default under the loan. Lender may determine that a material adverse change has occurred when Lender has a reasonable belief that the Trust's ability to repay the Loan is impaired. Lender may consider a change in financial condition, assets, or operations of the Trust in making that determination. If Lender determines that a material adverse change has occurred, Lender may determine that the Loan is in default and exercise its remedies, including foreclosure. See "RISK FACTORS – Risks Relating to the Loan – Events of Default under the Loan."

**Restrictions on Transfer and Encumbrance.** The terms of the Loan prohibit the transfer or further encumbrance of the Property or any interest in the Property except with the Lender's prior written consent, which consent may be withheld. Any blanket prohibition (or prohibitively high fee) by the Lender on releasing the Property from its collateral for an early sale could frustrate the Trust's goals or add to the Trust's overall expenses. The Loan provides that upon violation of these restrictions on transfer or encumbrance, the Lender may declare the entire amount of the Loan, including principal, interest, prepayment premiums and other charges, to be immediately due and payable. If the Lender declares the Loan to be immediately due and payable, the Trust will have the obligation to immediately repay the Loan in full. If the Trust is unable to obtain replacement financing or otherwise fails to immediately repay the Loan in full, the Lender may invoke its remedies under the Loan Documents, including proceeding with a foreclosure sale that is likely to result in the Beneficial Owners losing their entire investment in the Trust. Further, since the Trust is prohibited from borrowing additional funds or from accepting additional capital contributions, the Trust would in such a situation be required to effectuate a Transfer Distribution into the Springing LLC, which would have adverse tax consequences. See "RISK FACTORS – Tax Risks."

**Risks Relating to Acceleration.** If the Loan is not repaid by its maturity date, and/or there is an event of default, it is expected that the Lender may accelerate the Loan. In the event this were to occur, the Signatory Trustee would likely not be able to make distributions to the Purchasers.

### **Risks Relating to the Beneficial Owners**

**Liability of Beneficial Owners.** The liability shield afforded to a Beneficial Owner of an Interest is generally respected for most purposes, barring unusual circumstances. Liability associated with the Trust, such as a claim against the Property, should be limited to the Beneficial Owners' capital and distributions from the Trust. However, under a concept known as "piercing" (commonly used by courts to prevent a fraud on creditors), it is possible that a court could disregard such liability shield and impose personal liability on the Beneficial Owners. Prospective Purchasers should be aware that Delaware statutory trusts are a relatively untested form of legal entity and the law on "piercing" and certain other matters is still evolving. If the liability shield were disregarded, the liability associated with an investment in the Trust would not be limited to the investment of the Beneficial Owners, the amount of distributions to the Beneficial Owners, or otherwise.

**Uninsured Losses/Unlimited Liability.** Tenant will maintain insurance coverage as required by Section 19 of the Lease. However, there can be no assurance that insurance will be sufficient to cover any such liabilities. Furthermore, insurance against certain risks, such as terrorism, floods, and/or earthquakes, may be unavailable or available only at an unacceptable cost or in amounts that are less than the full market

value or replacement costs of the Property, and the Trust does not intend to obtain terrorism, flood, or earthquake insurance unless required by the Lender. In addition, there can be no assurance that particular risks that currently are insurable will continue to be insurable on an economical basis or that current levels of coverage will continue to be available. If a loss occurs that is partially or completely uninsured, the Beneficial Owners may lose all of their investment in the Trust. In addition, the Beneficial Owners may be personally and jointly and severally liable for any uninsured or underinsured personal injury, death, or property damage claims. In such cases, each of the Beneficial Owners may be subject to unlimited liability (however, see “RISK FACTORS – Risks Relating to the Beneficial Owners - Liability of Beneficial Owners” above). In addition, if insurance proceeds are not adequate to fully restore any damage to the Property, the Trust may be required to repay the Loan or the Beneficial Owners will lose their entire investment in the Trust.

**Bankruptcy of a Beneficial Owner.** A bankruptcy or similar insolvency proceeding relating to any Beneficial Owner may adversely affect returns from the Trust to the other Beneficial Owners. For example, the bankrupt Beneficial Owner, or its trustee in a bankruptcy proceeding, may attempt to reject and terminate the Trust Agreement or other relevant agreements. A bankruptcy filing by or against a Beneficial Owner generally will automatically stay all action or proceedings against such Beneficial Owner. The stay generally will prevent the Trust from pursuing any claims against the bankrupt Beneficial Owner and may otherwise jeopardize the Trust. Claims of the Trust probably will be treated as general unsecured claims and it is unlikely that such claims would be paid in full, if at all.

**Possible Delays in Sale; Refinancing of the Property.** The Signatory Trustee currently anticipates that it may be in the best interests of the Beneficial Owners for the Trust to hold the Property for approximately four (4) years. However, it may not be possible to sell the Property at the desired price or at all in such a timeframe. If the Property cannot be sold as anticipated, the Trust may have to refinance the Loan. As the Trust is prohibited from undertaking any such action, the Signatory Trustee would be required to exercise a Transfer Distribution that would result in the transfer of the Property to the Springing LLC. Fluctuations in the supply of money affect the availability and cost of funds, and the Signatory Trustee is unable to predict the effect of such fluctuations. Prevailing market conditions at the time the holders of interests seek to refinance the Property may make such refinancing difficult, costly or impossible to obtain. Such conditions may also adversely affect the cash flow of the Property and the sale price a purchaser is willing to pay for the Property.

**Limitation of Liability/Indemnification of the Signatory Trustee and Delaware Trustee.** The Signatory Trustee and Delaware Trustee may not be liable to the Beneficial Owners for errors of judgment or other acts or omissions not constituting gross negligence or fraud as a result of certain indemnification provisions in the Trust Agreement. See “SUMMARY OF THE TRUST AGREEMENT.” If Trust assets are used to pay a successful claim for indemnification of the Signatory Trustee or Delaware Trustee, the value of the Interests would be depleted by the amount paid in satisfaction of such claim.

**Restrictions on Transferability.** The Interests are not freely transferable by the Beneficial Owners. The rights to transfer, assign, encumber, or pledge an Interest will be subject to conformity with the Loan Documents or otherwise approved by the Lender and in accordance with the Trust Agreement. Any

transferee shall take such Interest subject to the Trust Agreement. In addition, each Beneficial Owner will be responsible for compliance with applicable securities laws with respect to any sale of his Interest.

### **Risks Relating to the Management of the Property**

**Conflicts of Interest.** The Signatory Trustee is an Affiliate of the Sponsor and its principals. This may lead to a conflict of interest between their various roles as owners or officers of the Sponsor and the Signatory Trustee, including conflicts with the Purchasers regarding decisions related to the Property. The principals of the Sponsor are employed independently of this Offering and engage in other activities, including ownership and management of other commercial properties. As such, the principals of the Sponsor will have conflicts of interest in allocating management time, services, and functions between the Sponsor and the Signatory Trust on the one hand and their various other existing enterprises and future enterprises on the other. In addition, the Sponsor, and their respective Affiliates may continue to own and organize other business ventures that compete directly with the Property. This may result in the interests of the Sponsor and its principals and the interests of the Purchasers not always being aligned.

**Sale of the Property.** The Signatory Trustee intends to list the Property for sale after the anticipated holding period. At the time when the Property is listed for sale, market conditions may be different than they are now, which could affect the sales price of the Property. Proceeds realized from the sale of the Property will be distributed among the Purchasers in accordance with their respective Interests, but only after payment of the Loan (and any other loans) and satisfaction of the claims of other third-party creditors. The ability of any Purchaser to recover all or any portion of its investment will, accordingly, depend on the amount of net proceeds realized from such sale and the number of claims to be satisfied therefrom. There can be no assurance that the Purchasers will receive any proceeds from the sale of the Property.

**Termination of Lease and/or Signatory Trustee.** The Lease and the Signatory Trustee are perceived by the Lender under the Loan as critical resources for the ownership and operation of the Property since the Signatory Trustee and its Affiliates have significant experience in the ownership and operation of real properties. Therefore, the Loan requires that the Lease and the Signatory Trustee remain in place during the term of the Loan. Therefore, it is likely that the Tenant and the Signatory Trustee will retain their respective positions during the term of the Loan.

### **Tax Risks**

**General.** An investment in an Interest entails Federal income tax risks, some of which are described immediately below. (A general description of the Federal income tax consequences associated with ownership of an Interest is described in “FEDERAL INCOME TAX CONSEQUENCES.”) **Because the tax consequences from the ownership of an Interest are complex, may vary from Purchaser to Purchaser depending on individual circumstances, and entail legal issues that are not settled, each prospective Purchaser is strongly encouraged to consult his own tax advisor about his tax consequences from the purchase of an Interest. No representation or warranty of any kind can be given that the IRS will accept any claim that a Purchaser may make regarding his Interest.**

**Classification as Real Property Under IRC Section 1031.** An Interest must be considered real estate and not a partnership interest, security or some other form of property in order to qualify as replacement property for a like-kind exchange of real estate under IRC Section 1031. The Signatory Trustee has attempted to structure the Trust in a manner that will cause the Interests to qualify as real property and counsel has given an opinion that an Interest should be considered an interest in real estate and not a partnership interest for federal income tax purposes, subject to conditions and assumptions set forth in such opinion. Tax Counsel's opinion also concludes that (i) the Trust should be treated as an entity separate from the Beneficial Owners for federal income tax purposes, (ii) the Trust should be treated as an investment trust described in Section 301.7701-4(c) of the Treasury Regulations that is classified as a "trust" under Section 301.7701-4(a) of the Treasury Regulations, (iii) the Beneficial Owners should be treated as "grantors" of the Trust, (iv) as "grantors," the Beneficial Owners should be treated as acquiring and owning an undivided fractional interest in the Property for federal income tax purposes, and (v) the Interests should not be treated as a "security" under Section 1031 of the Code.

Tax Counsel's opinion is based in part on Revenue Ruling 2004-86, 2004-2 C.B. 191. However, as described below, the transaction that is the subject of the Offering contains facts and terms that were not present in the transaction that is the subject of Revenue Ruling 2004-86. Moreover, Tax Counsel's opinion is not binding on the IRS and the Signatory Trustee will not apply for an IRS ruling. Thus, no assurance can be given that an Interest will qualify as a real property interest under Section 1031 of the Code. A Purchaser is not entitled to rely on statements of the Signatory Trustee, any of its Affiliates or its agents, any Selling Group Member or the Trust's accountant or counsel (except for Tax Counsel's opinion) regarding such qualification. Each Purchaser must consult his own tax advisor regarding the qualification of the Interests as like-kind to real property under Section 1031 and state tax law.

**Replacement Property Identification.** Section 1031 requires a taxpayer in a deferred like-kind exchange to formally identify replacement properties and to do so not later than 45 days after disposition of his relinquished property. Regulation §1.1031(k)-1(c)(4) permits a taxpayer to identify multiple replacement properties. A taxpayer may (i) identify up to three properties without regard to the fair market value of the properties or (ii) identify multiple properties with a total fair market value not in excess of 200% of the value of the relinquished property or (iii) identify any number of properties if the taxpayer acquires at least 95% in value of the properties identified. The identification rules of Section 1031 are strictly construed and an exchange will be completely disqualified if the identification rules are violated. (The identification requirement is deemed to be satisfied if replacement property is acquired by the last day of the identification period.) A prospective Purchaser should obtain the advice of his tax advisor before subscribing for an Interest or identifying the Property as a possible replacement property.

**Delayed Closing; Inability to Close.** Under IRC Section 1031, closing on the acquisition of replacement property must occur on or before the earlier of (i) 180 days after the sale of the relinquished property or (ii) the due date (determined with regard to extension) for the taxpayer's return for the year in which transfer of the relinquished property occurred. See I.R.C. § 1031(a)(3)(B). The IRS is not authorized to extend any deadline or grant other relief from the deadline for acquiring replacement property. If you are unable to close on your purchase of Interests for any reason, you may lose your ability to engage in a Section 1031 exchange.

**Use of Exchange Funds.** A Purchaser will be obligated to pay his pro rata share of reserves and various fees and costs described herein. Certain of these items may constitute the acquisition of property that is not like-kind to real estate for purposes of Section 1031 and consequently may represent taxable boot. Each Purchaser must consult his own tax advisor regarding the tax consequences of such designated uses of exchange funds. A Purchaser may elect to pay such expenses from his own funds.

**State Law.** The availability of tax-deferred like-kind exchanges under state law varies from state to state. Some states have adopted Section 1031 in whole, other states have adopted Section 1031 in part, and still other states have their own requirements for qualifying for such deferral. 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. Generally, the law of the state where the relinquished property was located and the law of the state where an investor resides govern the state law tax consequences from the disposition of an investor's relinquished property and the acquisition of an Interest. Each Purchaser should consult his own tax advisor regarding the qualification of the transaction for like-kind exchange treatment under state law.

**Transfer Distribution to the Springing LLC.** If a Transfer Distribution occurs, the Signatory Trustee will either (i) convert the Trust's corporate form from a Delaware Statutory Trust to a Delaware Limited Liability Company or (ii) transfer title to the Property from the Trust to the Springing LLC and the Purchasers will acquire membership interests in the Springing LLC. Under current law, such a transfer generally would not be subject to federal income tax pursuant to Section 721 of the Code but could be subject to state or local income tax or transfer tax. In addition, no assurance can be given that such a transfer will not be taxable under federal income tax law at the time that the transfer occurs. Because a Transfer Distribution could occur in several situations, it is not possible to determine all of a Beneficial Owner's tax consequences from a Transfer Distribution. **A purchaser should consult his own tax advisor regarding the tax consequences of a transfer distribution and the tax consequences of a sale of the Property by the Springing LLC rather than the Trust.**

**No Deferral of Tax upon Sale of Springing LLC Membership Interests.** Unlike an interest in the Trust, an interest in a Springing LLC is not considered an interest in real property for purposes of the like-kind exchange rules under Section 1031 of the Code but is considered a partnership interest. Under current law, a partnership interest is not eligible for like-kind exchange treatment under Section 1031 of the Code. **Thus, if the Trust transfers the property to a Springing LLC in a transfer distribution, a beneficial owner who receives an interest in the Springing LLC, likely, will not be able to defer gain from a future sale of such interest or from the Springing LLC's future sale of the Property.**

**721 Rollup.** As an alternative exit strategy, the Signatory Trustee may elect to facilitate a 721 Rollup. A 721 Rollup, if available, will be optional for Investors. Beneficial Owners who choose to participate in a 721 Exchange will likely lose their ability to continue any future 1031 Exchanges once they exchange their Interests into Units. In the event the signatory trustee elects to facilitate a 721 rollup, the Beneficial Owners are encouraged to consult with their own individual counsel and advisors about the potential tax and other ramifications of a 721 Exchange prior to making their election.

**Passive Activity Limitation.** The ownership of an Interest will be considered a passive activity for each Purchaser and any income or loss that a Purchaser recognizes from the Property will be considered passive income and loss for purposes of the rules. The passive loss rules limit the amount of loss from the operation of the Property that a taxpayer may deduct if the taxpayer is an individual, an estate, a trust, or a certain kind of C corporation. Under the passive loss rules, a taxpayer may not use his passive losses to shelter wages, income from an activity in which the taxpayer is an active participant, or portfolio income. Portfolio income includes dividend and interest income, income from an annuity and certain capital gains.

**Losses under the At-Risk Rules.** A Purchaser that is an individual or a closely held corporation may not deduct taxable loss arising from the ownership of an Interest to the extent that such loss exceeds the amount by which the Purchaser is considered at-risk. Such disallowed losses may be carried forward and deducted in future years subject to the same limitation.

**Taxable Income in Excess of Cash Receipts.** It is possible that the income tax that a Purchaser owes each or any year from the ownership of an Interest will exceed the amount of the cash distribution that the Purchaser receives from the Property. This may occur because income from the Property may be used to fund nondeductible capital expenditures or reserves or applied to pay mortgage principal. In addition, in the event the Tenant elects to defer payments of Rent, Purchasers may be required to recognize rental income in a year prior to when such rental income is actually paid. Thus, in certain years a Purchaser may have to use funds from other sources to satisfy his tax liability associated with the Property.

**Penalties.** The Code imposes a penalty of 20% on an underpayment of tax that is attributable to negligence, a substantial understatement of income tax or a valuation misstatement. See “FEDERAL INCOME TAX CONSEQUENCES – Accuracy-Related Penalties and Penalties for Failure to Disclose.”

**Variation Among Beneficial Owners.** The tax consequences of an investment in an Interest could vary widely among Purchasers as a result of differences in their particular circumstances. The Memorandum describes only general consequences and does not address the effect of such consequences on particular situations. Therefore, each investor must consult his own tax advisor to determine how the consequences of an investment in Interests will affect his particular situation.

**Tax Discussion and Opinion Disclaimers.** The statements in this Memorandum are not intended to be used and may not be used for the purpose of avoiding penalties that might be imposed on an investor as a taxpayer. The statements were written to support the marketing of the transaction described in this Memorandum. An investor should seek advice regarding his tax consequences from the purchase of an Interest from an independent tax advisor.

**State Income Tax.** Income from the Property may be subject to income tax in one or more states, including the state where the Property is located, and the state where a Purchaser resides (subject, possibly, to a credit for income tax paid in the state where the Property is located). Each Purchaser is solely responsible for filing tax returns and paying taxes attributable to the Interest owned by such Purchaser. Therefore, each Purchaser should consult his own tax advisor regarding the income tax consequences under the laws of the states, of owning an Interest. See FEDERAL INCOME TAX CONSEQUENCES - State and Local Taxes.

**Tax Penalties.** The opinion of Tax Counsel attached as Exhibit B to this Memorandum was not intended or written to be used, and it cannot be used, by any Purchaser for the purpose of avoiding penalties that may be imposed under the Code. The opinion was written to support the promotion or marketing of this transaction, and each Purchaser should seek advice based on the Purchaser's particular circumstances from an independent tax advisor.

**ERISA Risks.** ERISA and Code Section 4975 impose certain fiduciary restrictions, including prohibited transaction restrictions, on funds that hold "plan assets." The DOL Plan Asset Rules provide that, subject to certain exceptions outlined in the rules, the assets of an entity (such as the Trust) in which a Benefit Plan Investor holds an ownership interest may be treated as assets of an investing plan, in which event the assets of the Trust (and transactions involving such assets, such as a sale of the Property) would be subject to ERISA's fiduciary provisions, including any prohibited transaction provisions under ERISA or Code Section 4975. One of the exceptions in the Plan Asset Rules will apply if ownership in the Trust is limited so that only a percentage of the Interests that is less than 25% may be owned by "benefit plan investors" (as defined in the Plan Asset Rules, and hereinafter, "**Benefit Plan Investors**"). The Sponsor and the Signatory Trustee will use reasonable best efforts to qualify the Trust for this exception to the Plan Asset Rules. If, nevertheless, Benefit Plan Investors acquire 25% or more of the Interests and the Plan Asset Rules apply to the Trust, ERISA's fiduciary standards and prohibited transaction rules would apply to the operation of the Trust, which would likely impose substantial additional compliance expenses upon the Trust, thereby potentially reducing amounts distributable by the Trust to the Purchasers. Finally, if the Trust is subject to the Plan Asset Rules and is not able to comply with ERISA or Code Section 4975, Benefit Plan Investors may be at risk of breaching fiduciary duties owed to their sponsoring plan.

Employee benefit plans such as governmental and non-United States plans, while not subject to ERISA, may be subject to laws regulating employee benefit plans that contain rules substantially similar to ERISA and may contain other rules relating to permissible investments. Such plans should conclude that an investment in the Interests would satisfy all such laws before making such an investment (and, as indicated above, may be required to make certain assurances to the Trust).

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## ESTIMATED USE OF PROCEEDS

The following table sets forth certain information concerning the estimated use of proceeds of the Offering. This table assumes the Maximum Offering Amount of \$4,350,000 (\$1,800,000 of equity and \$2,550,000 of debt) is raised.

	Total Funds (Equity and Debt)	Percentage of Total Funds
<b>Sources of Funds</b>		
Purchasers' Equity	\$1,800,000.00	41.38%
Mortgage Financing	\$2,550,000.00	58.62%
<b>Total Sources of Funds</b>	<b>\$4,350,000.00</b>	<b>100.00%</b>
<b>Uses of Funds</b>		
Property Purchase Price	\$3,750,000.00	86.21%
Bridge Financing Expenses <sup>(1)</sup>	\$141,023.80	3.24%
Closing Costs, Lender Fees, and Legal Fees	\$143,976.20	3.31%
Debt Placement Fee <sup>(2)</sup>	\$51,000.00	1.17%
Acquisition Fee <sup>(3)</sup>	\$75,000.00	1.72%
Organization and Offering Expenses <sup>(4)</sup>	\$27,000.00	0.62%
Selling Commissions <sup>(5)</sup>	\$108,000.00	2.48%
Managing Broker-Dealer Fee <sup>(5)</sup>	\$18,000.00	0.41%
Due Diligence Fee <sup>(5)</sup>	\$18,000.00	0.41%
Wholesaling Fee <sup>(5)</sup>	\$18,000.00	0.41%
<b>Total Use of Funds</b>	<b>\$4,350,000.00</b>	<b>100.00%</b>

<sup>(1)</sup>An Affiliate of the Sponsor advanced funds to the Trust in the form of an unsecured bridge loan. The Trust is expected to pay that Affiliate bridge financing expenses equal to \$141,023.80. If bridge financing expenses exceed \$141,023.80, an Affiliate of the Sponsor, but not the Trust, will incur such expenses (see "COMPENSATION OF THE SPONSOR AND AFFILIATES").

<sup>(2)</sup>In connection with closing the Loan, the Trust will use net proceeds from this Offering to pay the Sponsor or its Affiliate a debt placement fee equal to 2% of the Loan principal.

<sup>(3)</sup>In connection with the acquisition of the Property, the Trust will use net proceeds from this Offering to pay the Signatory Trustee or its Affiliate an acquisition fee equal to 2% of the Purchase Price for the Property.

<sup>(4)</sup>The Signatory Trustee is entitled to a non-accountable allowance equal to 1.5% of Gross Proceeds for certain expenses associated with organization of the Trust and the Offering. The Organization and Offering Expenses include, but are not limited to, the costs of organizing the issuer, marketing, legal, finance, accounting, printing fees, and other expenses incurred in connection with this Offering. To the extent that the expenses allocated for the Organization and Offering Expenses exceed 1.5% of Gross

Proceeds, the Signatory Trustee will be responsible for paying such excess. Conversely, the Signatory Trustee will retain any not-expended funds from the Organization and Offering Expenses.

<sup>(5)</sup>The Interests will be offered and sold on a “best efforts” basis by the Selling Group and Metric Financial, LLC, who are all members of FINRA. Metric will receive: (i) the Selling commissions of up to 6.0% of Gross Proceeds, (ii) the Managing Broker-Dealer Fee of up to 1.0% of Gross Proceeds, (iii) the Wholesaling Fee of up to 1.0% of Gross Proceeds payable to wholesalers, and (iv) the Due Diligence Allowance of up to 1.0% of Gross Proceeds. The Trust will be responsible for paying the Total Selling Fees to Metric Financial upon the receipt of funds from Investors.

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## DESCRIPTION OF THE PROPERTY

*Most or all the information provided in this section is derived from information and documents provided by the Seller, the Lender, and third-party reports. The Sponsor believes the information is accurate but has not independently verified its accuracy. Therefore, no assurance can be given as to the accuracy of such information.*

### Overview

The Property is a single-tenant commercial retail building/drugstore situated on a 1.6-acre site in Jefferson City, Tennessee. The improvements, constructed in 2005, include a 14,479-square-foot single-story building comprised of an open retail area (to include health and beauty products, general merchandise, food sales, etc.), pharmacy with drive through window service, photo development area, rear storage area, restrooms, etc.



This store, as well as the pharmacy, is open 24 hours a day. The Property is leased to Walgreen Co. pursuant to an absolute-triple-net lease which expires in 2080, subject to periodic termination rights which begin in November, 2035. According to information provided by the Seller, this Walgreens is in the top 10% nationwide in terms of customer visits, and top 15% within Tennessee. Total annual sales have reportedly been consistently around \$3.25 million. The Property was purchased by the Trust on February 26, 2026 from the Seller, an unaffiliated third party, for \$3,750,000.

## Location

The Property is situated at the northwestern traffic-controlled corner of E. Broadway and George Avenue at 132 E. Broadway Boulevard Jefferson City, Tennessee 37760. The Property is located within Jefferson City with access to all public utilities.



## Specifications

### *Site Information*

Land Area: 1.600± acres

Flood Zone: X

Number of Parking Spaces: 75±

### *Building Information*

Type of Property: Retail Building/Drugstore

Gross Building Area: 14,479± square feet

Number of Buildings: One

Number of Stories: One

Year Built: 2005

Roof Structure: Metal Deck on Bar Joists

Exterior Siding: Brick Veneer/Stucco

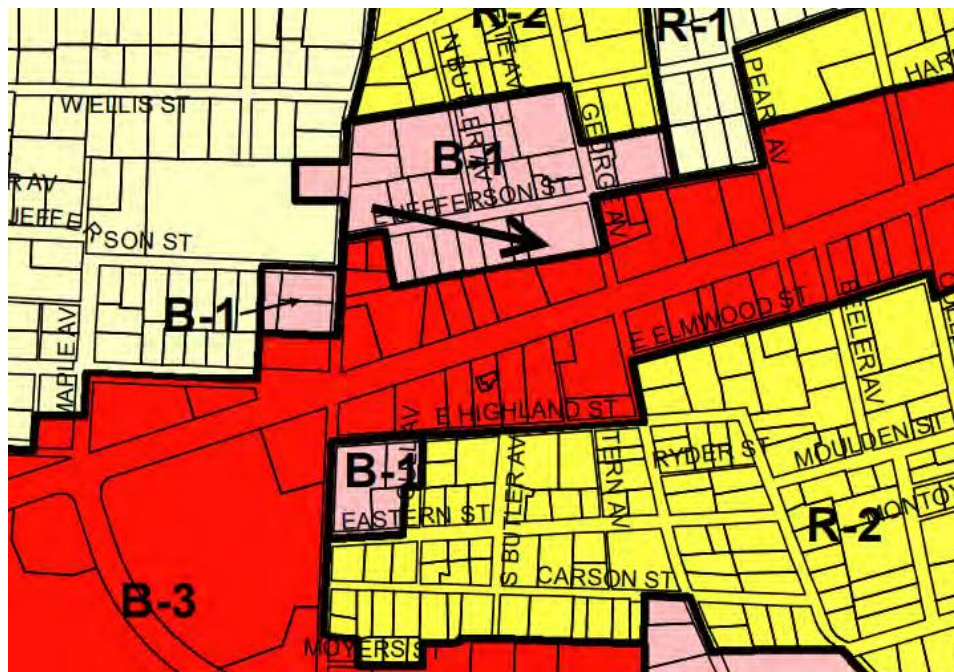
Exterior Wall: Masonry/Steel Frame

Wall Finish: Sheetrock

Floor Coverings: Vinyl

### *Zoning*

The property is zoned both B-1, Neighborhood Business District and B-3, Highway Business District under the zoning ordinance for Jefferson City. Both zones provide for a variety of commercial uses, and the Property is conforming.



### *Tenant Information*

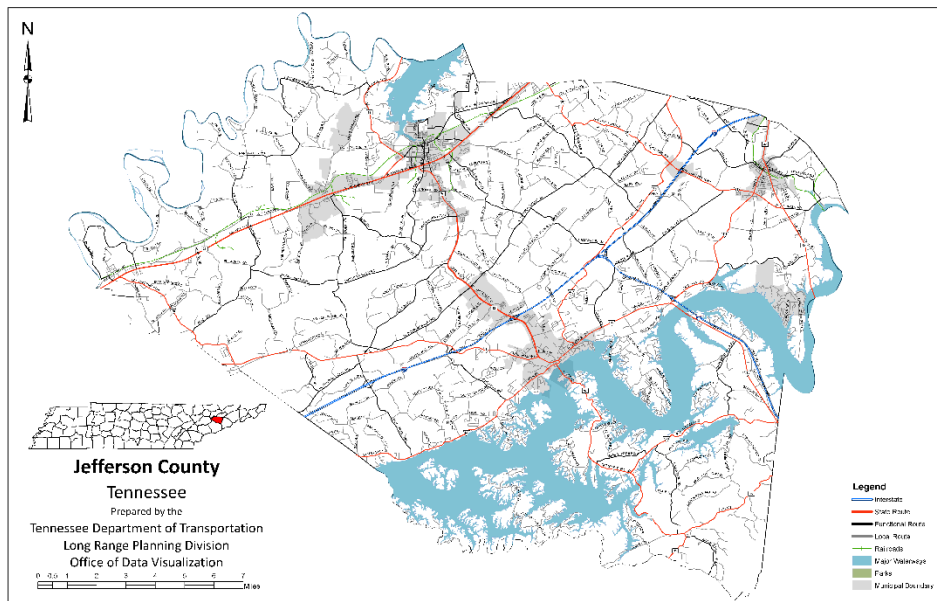
The Property is leased to Walgreen Co. Walgreens is one of the largest pharmacy retailers in the United States and the second-largest pharmacy chain nationwide. Founded in 1901, the company operates over 8,000 pharmacy locations across more than 50 states and U.S. territories, serving communities through convenient neighborhood retail pharmacies. Walgreens stores are strategically positioned at signalized, high-traffic intersections with drive-thru pharmacies and strong daily customer traffic. Walgreens provides prescription medications, health services, and convenience retail products to about 9 million customers and

patients each day. With over 120 years of operating history, over 190,000 team members, and a nationwide footprint spanning over 3,300 U.S. cities, Walgreens remains a leading provider of pharmacy and retail healthcare services across the country. As Walgreens is a privately held company, limited financial information is publicly available regarding the tenant (see RISK FACTORS - Real Estate Risks - No Tenant Financials”).

## Market Region Overview

### *Introduction*

The Property is situated in Jefferson County (the “County”). The County is a foothill community within the Great Smoky Mountains with a predominately rural population. The County is central-east Tennessee, approximately 25 miles from the City of Knoxville, and is bordered by Hamblen, Grainger, Knox, Cocke, and Sevier Counties. The County contains 318 square miles of land and includes both Cherokee and Douglas Lakes. The County’s incorporated municipalities include Jefferson City, the home of Carson-Newman College, New Market, White Pine, Baneberry, Dandridge and Baneberry.



### *Transportation*

The major roads serving the County are Interstates I-40 and I-81, State Route 92 and US Highways 11-E and 70-25W. Interstate I-40 provides the County east to west access from Knoxville to Asheville North Carolina. I-81 provides access to Northeastern United States. State Route 92 provides north to south access for Jefferson County. US Highway 11-E provides access in the northeastern section of Jefferson County. US Highway 70-25W offers access to the southern portion of Jefferson County.

*Population*

The population in Jefferson County has grown steadily over time. According to the United States Census Bureau, in 2010, the population of the County was 51,407 in 2010 and was estimated to be 59,217 in 2024, showing a yearly average increase of 1.1%.

**Population - Jefferson County**

Year	Population
2005	47,785
2010	51,714
2015	53,011
2020	54,917
2021	55,550
2022	56,739
2023	57,897
2024	59,217

*Employment*

Unemployment rates in Jefferson County have typically followed the same trend as the state trend, but at slightly higher levels. Unemployment decreased each year until early 2020 when the COVID-19 outbreak and resulting economic fallout brought a significant spike in unemployment. Annualized rates for 2021 were much lower but were still above those experienced prior to the pandemic. Unemployment rates in Jefferson County have returned to being slightly above the state average; however, they have continued to decrease and have eclipsed pre-pandemic levels.

**Labor Force - Jefferson County 2020-2024**

	2020	2021	2022	2023	2024
Labor Force	25,377	25,406	25,737	25,728	26,236
Jefferson County Employment	23,511	24,343	24,830	24,850	25,321
Unemployment	1,866	1,063	907	878	915
Unemployment Rate	7.4%	4.2%	3.5%	3.4%	3.5%

Source: U.S. Bureau of Labor Statistics

*Income*

**Households by Income - Jefferson County**

	2024	
	Number	Percentage
Household Income Base	22,684	100%
<\$15,000	1,629	7.2%
\$15,000 - \$24,999	2,337	10.3%
\$25,000 - \$34,999	1,853	8.2%
\$35,000 - \$49,999	3,059	13.5%
\$50,000 - \$74,999	4,579	20.2%
\$75,000 - \$99,999	3,360	14.8%
\$100,000 - \$149,999	3,705	16.3%
\$150,000 - \$199,999	1,079	4.8%
\$200,000+	1,083	4.8%
Median Household Income	\$60,936	
Average Household Income	\$81,891	
Per Capita Income	\$32,494	

**Third-Party Reports**

*Appraisal*

The Appraisal is dated January 23, 2026, and was prepared by Woodford & Associates. According to the Appraisal, the market value of the Property as of January 12, 2026, was \$3,775,000. The trust will provide a copy of the Appraisal upon request.

*Zoning Verification Letter*

The Zoning Letter was prepared by Blew & Associates, P.A., and is dated January 27, 2026. The Zoning Letter reports that the Property’s use as a drugs store is a permitted use by right. It additional reports that there are no forms of zoning relief that apply to the Property. According to the Zoning Letter, there are no open zoning violations or fire safety code violations on file.

*Survey*

The Survey was prepared by Blew, Inc., and is dated February 6, 2026.

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## SUMMARY OF THE LEASE

### General

The Trust will lease the Property to the Tenant pursuant to the terms of the lease described below. The following is only a summary of the some of the significant provisions expected to be included in the Lease and is qualified in its entirety by reference thereto. Capitalized terms used but not otherwise defined in this “Summary of the Lease” section shall have the meanings given to them in the Lease. With respect to the Lease, the “Landlord” is expected to be the Trust.

### The Lease:

Tenant Description:	Tenant is Walgreens Co., an Illinois corporation
Guarantor:	None
Original Lease Date:	July 28, 2004
Commencement Date:	March 1, 2005
Premises:	132 E. Broadway Boulevard, Jefferson City, Tennessee 37760
Expiration Date:	November 30, 2080
Extensions:	None
Early Termination:	Tenant has the option to terminate the Lease: November 30, 2035; November 30, 2040; November 30, 2045; November 30, 2050; November 30, 2055; November 30, 2060; November 30, 2065; November 30, 2070; and November 30, 2075, by providing Landlord with at least six (6) months prior notice.
Security Deposit:	None
Monthly Rent:	\$25,462.50 per month, due and payable by ACH transfer on the first day of each calendar month. Except that, should the sum of 2% of gross sales and 0.5% of food items, exceed the fixed rent, the Tenant shall pay the amount in excess as additional percentage rent. In no event can the base rent and additional rent exceed twice the base rent.
Other Costs:	Tenant is responsible for real estate taxes for the Premises and tax bills are sent directly to the Tenant’s corporate office as listed in Section 19(a). Tenant is also responsible for all utilities, including water, sewer, heat, gas, phone, and electricity.
Insurance:	Tenant, at its sole cost and expense, shall, among other requirements as stated in the Lease, obtain and keep in force the insurance coverage described in Section 20 of the Lease.
Maintenance/Tenant’s Obligations:	Tenant, at Tenant’s sole cost and expense, shall maintain the interior and exterior of the Premises, including the parking area. Tenant is responsible to

make all necessary repairs and replacements to the Premises. Tenant shall make all changes and installations necessary to comply with the valid authority of public authorities, as applicable to the Premises. Tenant may, at its own cost, make structural or non-structural improvements to the property, given that such alteration does not diminish the structural integrity of the building. Title to any alteration shall vest in Landlord.

Maintenance/Landlord's  
Obligations:

Landlord shall not make any alterations or additions to the Premises without Tenant's written consent. Landlord shall cooperate with Tenant to secure any necessary permits or approvals for Tenant's improvements, at no cost to Landlord.

Assignment/Subletting:

Tenant may assign or sublease the Lease without the prior written consent of the Landlord, to a corporation or entity affiliated with Tenant. Further, Tenant may sublet a portion, or all, of the Premises without Landlord's prior consent. If Tenant assigns the Lease or sublets the Premises to a non-affiliate, Tenant shall not be released from liability, but shall continue with the obligations of a principal, and shall cure any subsequent default within thirty (30) days.

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## ACQUISITION TERMS AND FINANCING

**The Property.** The Trust closed on its acquisition of the Property on February 26, 2026, for a purchase price of \$3,750,000, paid to Malcai Interstate Properties, LLC, an unaffiliated third party. The Trust holds title to the Property and as such is a party to the Loan Documents.

The Interests will be sold to the Purchasers as described herein for a total Investment Cost of \$4,350,000, which includes attribution of the Loan to the Purchasers and the costs described herein, including: (i) the purchase price for the Property in the amount of \$3,750,000, (ii) Total Selling Fees and Organization and Operating Expenses, (iii) lender fees, closing costs, and various other fees, including title insurance, prorations, document preparation fees, and other miscellaneous fees, and (iv) certain reserves. See “ESTIMATED USE OF PROCEEDS” and “COMPENSATION OF THE SPONSOR AND AFFILIATES.”

**The Loan.** The Trust entered into a non-recourse loan with First Peoples Bank of Tennessee in the original principal amount of \$2,550,000.00 for a term of sixty (60) months. The Loan bears interest at a variable rate<sup>1</sup> plus a 2.25% margin. However, pursuant to a rate protection agreement with Pacific Coast Bankers’ Bank, the effective interest rate for the first forty-eight months is fixed at 6.05%. The Loan (i) requires interest-only payments for the first 24 months of the Loan’s term; (ii) requires principal payments in addition to interest payments after the first 24 months, following a 25-year amortization schedule; and (iii) matures on February 25, 2031. Events of Default include: nonpayment, false statements, and failure to comply with loan documents, including others. The Loan is evidenced by a promissory note, absolute assignment of leases and rents, and deed of trust, among other loan documents.

The Loan is evidenced by the Loan Documents. The Trust will be liable for repayment of the Loan as the owner of the Property. Upon an uncured event of default under the Loan with respect to the Property, the Lender will have the right to foreclose on the Property. If this were to occur, the Beneficial Owners would be likely to lose their entire investment in the Trust. Furthermore, the Loan Documents provide that under certain circumstances, the transfer of the Interests without the Lender’s prior written consent will constitute an event of default under the Loan.

**Closing Costs.** All (i) closing costs, including title insurance premiums, pro-rations, document preparation fees, miscellaneous fees and charges, and legal fees; and (ii) Loan fees and other Loan costs will be paid by the Trust from the proceeds of the Offering. See “ESTIMATED USE OF PROCEEDS.”

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<sup>1</sup> The variable rate is calculated as follows, where SOFR is the Secured Overnight Financing Rate provided by the Federal Reserve Bank of New York.

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SOFR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

## **PLAN OF DISTRIBUTION**

### **Capitalization**

The Maximum Offering Amount is \$4,350,000 (\$1,800,000 of equity; \$2,550,000 of debt). A Minimum Purchase Requirement \$50,000 of equity and \$70,833.33 of debt of debt (representing a 2.77778% Interest) is required, except that the Signatory Trustee, in its sole discretion, may permit certain Purchasers to purchase a lesser Interest. Interests will be sold on an individual basis, and the net proceeds from the sale of Interests will be used for the purposes set forth in this Memorandum.

The Signatory Trustee intends to continue the Offering until the earlier of (i) 100% of the Interests have been sold or (ii) one year from the date of the Offering, which date may be extended in the sole discretion of the Signatory Trustee.

### **Qualifications of Purchasers**

The Interests may be purchased only by Purchasers who satisfy certain suitability requirements. See “WHO MAY INVEST.”

### **Marketing of Interests**

The Interests will be offered and sold on a “best efforts” basis by the Selling Group and Metric Financial, LLC, which are members of FINRA, Metric will receive: (i) the Selling Commissions of up to 6.0% of Gross Proceeds, (ii) a managing broker-dealer fee of up to 1.0% of Gross Proceeds (the “Managing Broker-Dealer Fee”), (iii) the Wholesaling Fee of up to 1.0% of Gross Proceeds payable to wholesalers, and (iv) the Due Diligence Allowance of up to 1.0% of Gross Proceeds. Metric may enter into selling agreements with the Selling Group to sell Interests in the Trust and may re-allow some or all of its Selling Commissions or other fees to the Selling Group. The Trust is not expected to pay Selling Commissions for certain purchases, including those purchased through investment advisors. The Trust will be responsible for paying the Total Selling Fees to Metric Financial upon the receipt of funds from Purchasers. See “ESTIMATED USE OF PROCEEDS.”

The Signatory Trustee is entitled to a non-accountable allowance equal to 1.5% of Gross Proceeds for certain expenses associated with organization of the Trust and the Offering. The Organization and Offering Expenses include, but are not limited to, the costs of organizing the issuer, marketing, legal, finance, accounting, printing fees, and other expenses incurred in connection with this Offering. To the extent that the expenses allocated for the Organization and Offering Expenses exceed one 1.5% of Gross Proceeds, the Signatory Trustee will be responsible for paying such excess. Conversely, the Signatory Trustee will retain any not expended Organization and Offering Expenses funds. Total Selling Fees plus the Organization and Offering Expenses will not exceed 10.5% of Gross Proceeds. See “ESTIMATED USE OF PROCEEDS” and “COMPENSATION OF THE SPONSOR AND AFFILIATES.”

Questions regarding the subscription process may be directed to the Metric Financial via email at mark@metric-financial.com or mailed or delivered to:

Attn: Four Corners Jefferson DST  
Metric Financial, LLC  
1180 W Peachtree St. NW, Suite 1910  
Atlanta, GA 30309

### **About the Managing Broker-Dealer**

Offers and sales of Interests will be made on a “best efforts” basis by Metric as the exclusive managing broker-dealer for this Offering. Metric Financial LLC, a Georgia limited liability company, is a member of FINRA. Metric receives compensation for services relating to this Offering and provides certain sales, promotional and marketing services to the Trust in connection with the distribution of the Interests offered pursuant to this Memorandum.

### **Subscription Procedures**

Purchasers desiring to purchase Interests should carefully read this Memorandum (including the exhibits hereto). Then, prospective Purchasers must follow the instructions set forth in “HOW TO SUBSCRIBE” in this Memorandum.

### **Ownership by Affiliates**

In their sole discretion, Affiliates of the Signatory Trustee may purchase any number of the Interests in the Trust. The ownership of the Interests by such Affiliates involves certain risks that potential Purchasers should consider, including, but not limited to, the following:

- (1) Affiliates will receive distributions as Beneficial Owners.
- (2) Affiliates may have a conflict of interest, for example, because Affiliates may have an interest in disposing of the Property at an earlier date than other Purchasers, so as to recover their investments in the Interests.
- (3) Purchases of the Interests by Affiliates will mean that the Maximum Offering Amount will not have been invested by disinterested investors after an assessment of the merits of the Offering.
- (4) There are additional tax risks associated with purchases of the Interests by Affiliates. The Sponsor has represented to Tax Counsel that neither it nor its Affiliates has any plans to acquire and hold any Interests other than with respect to the Interests issued to the Depositor, which are anticipated to be entirely redeemed in connection with the sale of the Interests.

### **Limitation of Offering**

The offer and sale of the Interests offered hereby are made in reliance upon exemptions from the Act and state securities laws. Accordingly, distribution of this Memorandum has been strictly limited to persons satisfying the Purchaser 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 qualifications.

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## THE SPONSOR AND ITS AFFILIATES

### Four Corners Capital Management, LLC

The Sponsor is Four Corners Capital Management, LLC, a Texas limited liability company, headquartered in Texas. The Sponsor is managed and led by Matt Price, Richard Webb, and Craig Wagner, the principals of the Sponsor. The principals of the Sponsor have raised and deployed over 100 million dollars in private offerings in the last five years for Affiliates of the Sponsor. Through Affiliates of the Sponsor, they currently manage assets totaling over 12 million square feet.

**Matt Price, Chief Financial Officer.** Matt Price's extensive experience in the commercial real estate industry and his background in financial and operational management make him a seasoned professional in the field. His leadership as CFO for Emersons Commercial Management, combined with his involvement in managing a significant portfolio of over 12 million square feet, showcases his expertise in large-scale property management. Mr. Price and his Affiliate's role in the partnership 1045, which owns or has owned 23 grocery anchored shopping centers, highlights his hands-on experience with investment and property ownership. Additionally, his qualifications as a retired Certified Public Accountant and his academic background with both a Bachelor's and master's in accounting from the University of North Texas further strengthen his capabilities in managing complex real estate transactions and business development. His strengths in financial aspects, business development, and real estate management reflect his well-rounded skill set, making him an asset in any commercial real estate venture.

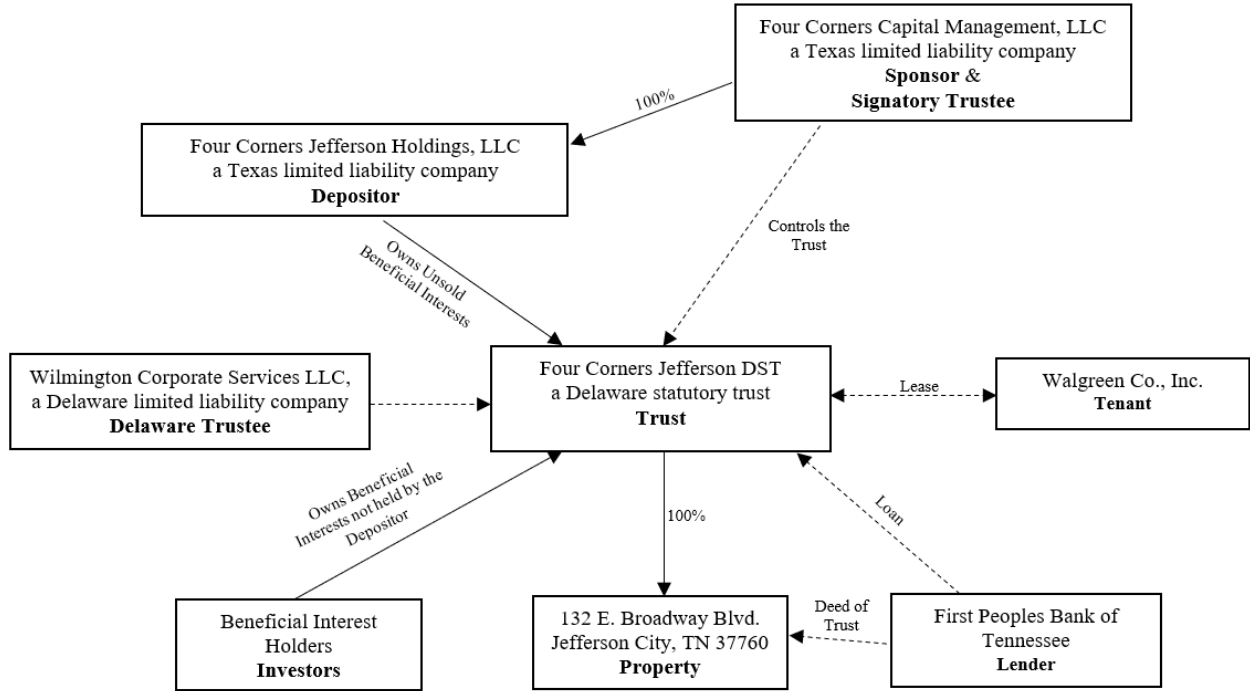
**Richard Webb, Vice President of Real Estate.** Richard Webb's impressive four-decade career in commercial real estate speaks to his deep expertise across various facets of the industry. His journey from starting as a commercial real estate lender to becoming Vice President of Real Estate for a private commercial real estate company has provided him with a broad skill set in banking, finance, leasing, property management, and acquisitions/dispositions. As a licensed commercial real estate broker, Mr. Webb's comprehensive understanding of the market is backed by his leadership role at Emersons Commercial Management, which currently oversees over 12 million square feet of property. His extensive experience managing properties for DST sponsors over the last 15 years further demonstrates his proficiency in large-scale real estate operations. Additionally, Mr. Webb and his Affiliate's involvement in the partnership 1045, which owns 23 grocery anchored shopping centers, underscores his practical experience in property ownership and management. Mr. Webb's greatest strength lies in his ability to inspire confidence and trust among his clients and investors—qualities that are crucial in building strong, long-lasting professional relationships. His degree in Finance from Texas Tech University provides a solid foundation for his finance and business management expertise.

**Craig Wagner, Broker.** Craig Wagner is a highly dedicated and professional individual with a strong presence in the commercial real estate sector. With over a decade of experience in commercial real estate, he has become a key player at Emersons Commercial Management and 1045, Inc., where his primary focus is real estate brokerage. Craig has built and maintained valuable relationships with major retail real estate departments, providing him with deep insights into the feasibility of proposed projects. These relationships are a testament to his industry expertise and his ability to navigate complex real estate landscapes. Craig's background is not only rooted in commercial real estate but also spans 15 years in the

financial services industry and 13 years in commercial, industrial, and defense industries. His diverse experience enriches his understanding of various sectors, allowing him to offer a well-rounded perspective in real estate transactions. A graduate of Texas Tech University, Craig is also a strong family man and entrepreneur, highlighting his balance between personal and professional achievements. His commitment, work ethic, and broad industry knowledge make him a valuable asset to any commercial real estate venture.

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## ORGANIZATIONAL CHART



## **FIDUCIARY DUTIES OF THE TRUSTEES**

Under Delaware law, the Delaware Trustee and/or the Signatory Trustee may (or may not) owe duties (including fiduciary duties) to the Trust or the Beneficial Owners. Delaware law, however, permits the trust agreement of a Delaware statutory trust to expand or restrict the duties (including fiduciary duties) of trustees, managers, or other persons managing the business and affairs of a Delaware statutory trust owed by the trustee to the trust or its beneficial owners or owed by such managers or other persons to the trust, its beneficial owners, or its trustees. In the present case, the Trust Agreement provides that the Delaware Trustee's and the Signatory Trustee's duties (including fiduciary duties) and liabilities relating thereto to the Trust and the Beneficial Owners are limited to those duties expressly set forth in the Trust Agreement and the liabilities relating thereto. Further, the Trust Agreement provides that a Beneficial Owner does not have any power to give direction to the Delaware Trustee, the Signatory Trustee, or any other person, and any attempt to exercise power shall not cause such Beneficial Owner to have duties (including fiduciary duties) or liabilities relating thereto, to the Trust or to any other Beneficial Owner. These duties may be less than are applicable to other investments, such as a partnership, limited liability company or corporation.

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## CONFLICTS OF INTEREST

The Sponsor and its Affiliates act, and will continue to act, as the trustee, beneficial owner, member, or manager of other Delaware statutory trusts, limited liability companies and other entities from time to time. The Sponsor and its Affiliates may form and manage additional limited liability companies or other business entities. Sponsor and its Affiliates have existing responsibilities and, in the future, may have additional responsibilities to provide management and services to a number of other entities. As a result, conflicts of interest between the Beneficial Owners and the other activities of the Sponsor and its Affiliates may occur from time to time. The principal areas in which conflicts may be anticipated to occur are as described below.

**Obligations to Other Entities.** Conflicts of interest will occur with respect to the obligations of the Sponsor, the Signatory Trustee, and their Affiliates to the Trust, the Purchasers and similar obligations to other entities. Moreover, the Trust will not have independent management, as it will rely on the Sponsor, the Signatory Trustee and their Affiliates for all management decisions. Other investment entities in which the Sponsor and its Affiliates participate, for example, other investment programs sponsored by the Sponsor or its Affiliates, may compete for the time and resources of the Sponsor and its Affiliates. Therefore, the Sponsor and its Affiliates will have conflicts of interest in allocating management time, services, and functions among the Trust, the Signatory Trustee, and other existing companies and businesses, as well as the various companies or business entities with which they are currently engaged and others that may be organized in the future. In addition, Mark Creason, an individual licensed at Emersons Commercial Real Estate Company, an Affiliate of the Sponsor, is also licensed at Metric, and is expected to receive a portion of the Total Selling Fees, which could create potential conflicts of interest for Mr. Creason.

**Interests in Other Activities.** The Sponsor and its Affiliates may engage for their own account, or for the account of others, in other business ventures, and no Purchaser shall be entitled to any interest therein solely by reason of an investment in this Offering. Some of these other business activities may compete directly with the Property.

**Receipt of Compensation by the Sponsor and its Affiliates.** The payments to the Sponsor, Signatory Trustee, and their Affiliates set forth under “COMPENSATION OF THE SPONSOR AND AFFILIATES” have not been determined by arm’s-length negotiations.

**Legal Representation.** Tax Counsel has been retained by the Sponsor and the Trust as U.S. federal income tax counsel with respect to the Offering. Tax Counsel may represent additional entities formed by the Sponsor and its Affiliates in the future. Tax Counsel does not represent the Purchasers and Purchasers are encouraged to consult their own legal counsel and tax advisors regarding an investment in Interests.

**Resolution of Conflicts of Interest.** None of the Sponsor, the Signatory Trustee, the Trust, or the Tenant has developed, or expects to develop, any formal process for resolving conflicts of interest. While the foregoing conflicts could materially and adversely affect the Purchasers, the Sponsor, and its Affiliates, in their sole discretion, will attempt to mitigate such potential adversity by the exercise of their business judgment. There can be no assurance that such an attempt will prevent adverse consequences resulting from the numerous conflicts of interest described above.

## COMPENSATION OF THE SPONSOR AND AFFILIATES

The following is a description of compensation that may be received by the Sponsor and its Affiliates from the Purchasers or in connection with the proceeds of the Offering of Interests. These compensation arrangements have been established by the Sponsor and are not the result of arm's-length negotiations.

<u>Form of Compensation</u>	<u>Description and Entity Receiving</u>	<u>Estimated Amount of Compensation</u>
<b>Offering and Organization Stage:</b>		
Sponsor Acquisition Fee:	The Sponsor or its Affiliate will receive a Sponsor acquisition fee equal to 2% of the purchase price paid to the Seller for the Property for its acquisition and preparing this Offering.	\$75,000.00
Debt Placement Fee:	The Sponsor or its Affiliate will receive a debt placement fee equal to 2% of the Loan principal for securing lending for the Property	\$51,000.00
Organization and Offering Expenses:	The Signatory Trustee is entitled to a non-accountable allowance equal to 1.5% of Gross Proceeds for certain expenses associated with organization of the Trust and the Offering. The Organization and Offering Expenses include, but are not limited to, the costs of organizing the issuer, marketing, legal, finance, accounting, printing fees, and other expenses incurred in connection with this Offering. To the extent that the expenses allocated for the Organization and Offering Expenses exceed 1.5% of Gross Proceeds, the Signatory Trustee will be responsible for paying such excess. Conversely, the Signatory Trustee will retain any not-expended funds from the Organization and Offering Expenses.	\$27,000.00
Bridge Financing Expenses	An Affiliate of the Sponsor advanced funds to the Trust in the form of an unsecured bridge loan. The Trust will pay that Affiliate bridge financing expenses equal to \$141,023.80. This	\$141,023.80

amount is compensation to an Affiliate of the Sponsor

**Operating Stage:**

Asset Management Fee:	The Signatory Trustee or an Affiliate will be entitled to an Asset Management Fee equal to 1.0% of the gross revenue of the Property, calculated and paid on a monthly basis.	Impossible to determine at this time.
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**Liquidation Stage:**

Disposition Fee:	The Signatory Trustee or an Affiliate will be entitled to a Disposition Fee equal to 1.0% of the gross proceeds generated from the sale of the Property for the Trust. However, the Signatory Trustee will not be entitled to such Disposition Fee in the event that the gross sale price of the Property is less than the amount of the Maximum Offering Amount.	Impossible to determine at this time.
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Brokerage Fee:	An Affiliate of the Sponsor may serve as a broker upon sale of the Property, and as such, an Affiliate of the Sponsor may earn compensation up to 2.0% of the gross sale price of the Property.	Impossible to determine at this time.
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## **SUMMARY OF THE PURCHASE AGREEMENT**

### **General**

Each Purchaser will be provided and will be required to execute a Purchase Agreement in the form attached as Exhibit D. Each prospective Purchaser should review the entire Purchase Agreement with his own independent legal counsel before submitting an offer to purchase. The following description is merely a summary of some of the significant provisions of the Purchase Agreement and is qualified in its entirety by the full text thereof.

### **Submission of Offer to Purchase**

A summary of the purchase arrangements for the offer and purchase of the Interests is set forth in the section entitled “HOW TO SUBSCRIBE.” Purchasers should read that section in its entirety.

### **“As-Is” Purchase**

Except as to any specific representations and warranties contained therein, the Purchase Agreement provides limited representations or warranties to the Purchasers. Consequently, the Purchasers must rely on their own investigations and analysis of the Trust and the Property and are encouraged to seek the advice of their own independent legal counsel, accountant, or real estate advisor. As described in “ADDITIONAL INFORMATION,” each Purchaser is encouraged to ask questions about the Trust, the Property, the Loan and related matters and to request and review any additional information to the extent the Signatory Trustee possesses such information or can acquire such information without unreasonable effort or expense.

### **No Tax Advice**

The Purchasers also will acquire their Interests without any representations from the Signatory Trustee and its Affiliates regarding tax implications of the transaction. Each Purchaser should consult his own independent attorneys and other tax advisors regarding the tax implications of the acquisition of the Interests, including whether or not such acquisition will qualify as part of a tax-deferred exchange under Section 1031 of the Code, if one is contemplated. See “FEDERAL INCOME TAX CONSEQUENCES.”

### **Termination of the Purchase Agreement**

The Purchase Agreement may be terminated if the conditions to the closing are not satisfied as set forth in the Purchase Agreement. The conditions include the Purchaser’s approval of the physical and financial condition of the Property, payment of the purchase price by Purchaser, compliance with the 1031 Exchange requirements in order for the Purchaser to complete its exchange, including entry into the Loan and the Lease by the Trust, and the absence of any defaults or events that could mature into a default under the Lease or the Loan. If the Purchase Agreement is terminated, the Purchaser will have no right to acquire any portion of the Property and will have no claims against the Signatory Trustee or the Trust for damages, expenses, lost profits or otherwise.

## **Closing Procedure**

Within a reasonable time after the closing of a purchase of Interests by a Purchaser, a confirmation statement reflecting the Interests purchased will be delivered to such Purchaser.

## **Indemnity**

The Purchase Agreement contains an indemnity provision whereby each Purchaser will be required to indemnify, defend and hold harmless, the Sponsor, the Signatory Trustee, and certain other parties 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 the Purchaser's failure to fulfill all of the terms and conditions of the Purchase Agreement or untruth or inaccuracy of any of the representations, warranties, covenants or agreements contained therein. Each prospective Purchaser should review Section 4.3.10 of the Purchase Agreement prior to subscribing for the Interests.

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## SUMMARY OF THE TRUST AGREEMENT

The Beneficial Owners will take the Interests in the Trust subject to the Trust Agreement. The rights and obligations of the Beneficial Owners will be governed by the Trust Agreement, the form of which is attached to this Memorandum as Exhibit A. The Trust will hold the Property. Each prospective Purchaser should review the entire Trust Agreement before investing. The following is a summary of some of the significant provisions of the Trust Agreement and is qualified in its entirety by reference to the full text of the Trust Agreement.

### **Beneficial Owners**

The Beneficial Owners will be the Purchasers who purchase Interests in the Trust. All cash contributed by the Beneficial Owners in exchange for Interests will reduce the Depositor's ownership of the beneficial interests in the Trust. With respect to each purchase of Interests by a Beneficial Owner and the related purchase from the Depositor by the Trust, the reduction of the percentage share of the beneficial interests held by the Depositor will be equal to the percentage share purchased from the Trust by the Beneficial Owner. None of the Beneficial Owners will be entitled to receive ownership records as to any other Beneficial Owner.

### **Term**

The Trust is expected to remain in effect until such time as the Property is sold or a Transfer Distribution has occurred, either of which is expected to occur within approximately four (4) years of the closing, or until such time that it is dissolved and wound up in accordance with the Delaware Statutory Trust Act. In no event shall the Trust continue beyond the term permitted by law. The death, incapacity, dissolution, termination, or bankruptcy of any Beneficial Owner will not result in the termination or dissolution of the Trust.

### **The Delaware Trustee**

The Delaware Trustee holds the Property in trust for the benefit of the Beneficial Owners. The Delaware Trustee has only the limited power and authority specified in the Trust Agreement. The Delaware Trustee shall take (or refrain from taking) such actions as may be directed in writing by the Signatory Trustee, provided that the Delaware Trustee is not permitted or required, however, to take (or refrain from taking) any action that is contrary to the Trust Agreement or applicable law. The Delaware Trustee has no duty to take any action except as expressly provided for in the Trust Agreement. The Delaware Trustee will receive compensation for its services under the Trust Agreement and will be reimbursed for out-of-pocket expenses, fees and disbursements, counsel fees and expenses, and services of an unanticipated or extraordinary nature. The Delaware Trustee may resign at any time by giving written notice to the Signatory Trustee. The Trust will indemnify the Delaware Trustee for all actions taken on behalf of the Trust except for willful misconduct, bad faith, fraud, and gross negligence of the Delaware Trustee. The Signatory Trustee may remove the Delaware Trustee at any time, but only for the willful misconduct, bad faith, fraud, or gross negligence of the Delaware Trustee.

## **The Signatory Trustee**

The Signatory Trustee has the power and authority to manage the investment activities and affairs of the Trust as permitted under the Trust Agreement. The Signatory Trustee has the primary responsibility for performing the administrative actions set forth in the Trust Agreement, including collecting rents and making distributions. The Signatory Trustee may, at its election, enter into one or more service agreements with third parties, including its Affiliates, to assist it in providing such services. The Signatory Trustee has the sole power to determine when it is appropriate to sell the Property. The Signatory Trustee shall not have any liability to any Person except for its own willful misconduct, bad faith, fraud, or gross negligence. The Signatory Trustee will receive fees for its services under the Trust Agreement. The Signatory Trustee may resign at any time by giving written notice to the Delaware Trustee; provided however that during any period during which the Loan remains outstanding the Signatory Trustee may not resign without Lender's consent. The Trust will indemnify the Signatory Trustee for all actions taken on behalf of the Trust except for willful misconduct, bad faith, fraud, and gross negligence of the Signatory Trustee. The Delaware Trustee may remove the Signatory Trustee at any time, but only for the willful misconduct, bad faith, fraud, or gross negligence of the Signatory Trustee provided however that during any period during which the Loan remains outstanding the Signatory Trustee may not be removed without Lender's consent.

## **Power of Delaware Trustee and Signatory Trustee**

The Trust Agreement expressly prohibits the Signatory Trustee from taking a number of actions, including the following: (a) selling, transferring or exchanging the Property except as required or permitted under the Trust Agreement; (b) reinvesting any monies of the Trust, except to make permitted modifications or repairs to the Property or in short-term liquid assets; (c) renegotiating the terms of the Loan or entering into new financing, except in the case of the Tenant's bankruptcy or insolvency; (d) renegotiating the Lease on the Property or entering into a new lease, except in the case of the Tenant's bankruptcy or insolvency; (e) making modifications to the Property (other than minor nonstructural modifications) unless required by law; (f) accepting any capital from a Beneficial Owner except funds contributed by the Purchasers in connection with the purchase of the Interests that will be distributed to redeem the Interests held by the Depositor or fund any reserves in connection with the Offering or fund offering related expenses; or (g) taking any other action that would in the opinion of Tax Counsel to the Trust cause the Trust to be treated as a business entity for federal income tax purposes 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 applicable tax law. As a result, the Trust may be required to affect a Transfer Distribution in order to take the actions necessary to preserve and protect the Property. While the Property will remain subject to the Loan and the Lease after such conversion or transfer, the Beneficial Owners will no longer be considered to own, for federal income tax purposes, a direct ownership interest in the Property.

## **Transfer Rights**

Each Beneficial Owner may transfer, assign, encumber or pledge its Interests, subject to the terms of the Trust Agreement and the Loan and applicable securities laws. The consent of the Signatory Trustee and/or the Delaware Trustee is not required. At no time shall the number of Beneficial Owners exceed the lesser of (i) the number of persons constituting the threshold for registration under Section 12(g) of the

Securities Exchange Act of 1934, or any successor provision, or (ii) the number of Beneficial Owners permitted under the Loan Documents. Any permitted assignee of a Beneficial Owner may become a Beneficial Owner upon such assignee's execution and delivery to the Signatory Trustee of an acceptable assumption agreement, a copy of which is attached to the Trust Agreement as an exhibit. In addition, the Signatory Trustee may charge a reasonable administrative fee to process any transfer requests.

### **Waivers**

Except as expressly provided in the Trust Agreement, no Beneficial Owner (i) has an interest in the Property or (ii) shall have any right to demand and receive from the trust an in-kind distribution of the Property or any portion thereof. Each Beneficial Owner expressly waives its rights, if any, under the Delaware Statutory Trust Act to seek a judicial dissolution of the Trust, to terminate the Trust, or, to the fullest extent permitted by law, to partition the Property. In addition, each Beneficial Owner expressly waives any right, to the fullest extent permitted by law, to file a petition in bankruptcy on behalf of the Trust or take any action that consents to, aids, supports, solicits, or otherwise cooperates in the filing of an involuntary bankruptcy proceeding involving the Trust.

### **Distributions**

The Signatory Trustee will distribute all available cash to the Beneficial Owners on a monthly basis, after paying or reimbursing the Signatory Trustee for any fees or expenses paid by the Signatory Trustee on behalf of the Trust and retaining such additional amounts as the Signatory Trustee determines are necessary to pay anticipated ordinary current and future Trust expenses. Reserves shall be invested by the Signatory Trustee 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 banks or trust companies. The Signatory Trustee will furnish reports annually to the Beneficial Owners as to the receipts, expenses, and reserves of the Trust.

### **Termination of the Trust to Protect the Property**

If the Signatory Trustee determines that the Tenant has defaulted in paying the Rent, the Property is in jeopardy of being lost due to a default on the Loan, the Loan must be refinanced to protect the Property, or in certain other circumstances, the Signatory Trustee may determine to terminate the Trust and title to the Property will transfer to the Springing LLC. The Beneficial Owners shall become members in the Springing LLC and own membership interests in proportion to their ownership of Interests. See "SUMMARY OF THE LIMITED LIABILITY COMPANY AGREEMENT" below. The Trust termination and transfer to the Springing LLC is referred to as a "Transfer Distribution." See "RISK FACTORS – Delaware Statutory Trust Structure Risks – Sale of the Property" and "RISK FACTORS – Delaware Statutory Trust Structure Risks – Transfer to the Springing LLC."

### **Sale of the Property**

The Trust will sell the Property at any time upon receipt of a notice from the Signatory Trustee that the Signatory Trustee has determined (in its sole discretion) that a sale of the Property is appropriate. The

Signatory Trustee shall be responsible for (a) determining when to market the Property, including any period prior to the projected holding period for the Property, (b) determining the sales price of the Property, (c) providing notice to the Trust that the Property should be sold, (d) conducting the sale of the Property, and (e) after paying all amounts due to the Delaware Trustee and the Lender, if any, distributing the balance of the proceeds (net of any closing costs payable by the Trust including any fee due to the Signatory Trustee) to the Beneficial Owners. The Signatory Trustee and the Delaware Trustee shall take all reasonable action that would enable the sale to qualify, with respect to each Beneficial Owner, as a like-kind exchange within the meaning of Section 1031 of the Code. Any sale of the Property shall be on an “as is, where is” basis and without any representations or warranties by the Delaware Trustee or the Signatory Trustee (other than as to ownership of the Property and authority to enter into the sale).

## **Fees**

The Signatory Trustee or an Affiliate shall be entitled to receive an ongoing Asset Management Fee equal to 1.0% of the gross revenues from the Property, calculated and paid on a monthly basis, and a Disposition Fee from the Trust equal to 1.0% of the gross proceeds generated from the sale of the Property. The Disposition Fee may be increased to include any commissions or fees payable by the Signatory Trustee or an Affiliate to any third party in connection with the sale of the Property. The obligation to pay the Disposition Fee shall expressly survive the transfer of the Property to the Springing LLC. However, the Signatory Trustee will not be entitled to such Disposition Fee in the event that the gross sales price of the Property is less than the amount of the Maximum Offering Amount.

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## **SUMMARY OF THE LIMITED LIABILITY COMPANY AGREEMENT**

The following is a summary of some of the more significant provisions of the “**Limited Liability Company Agreement**” to be entered into with respect to the Springing LLC upon a Transfer Distribution. A form of the Limited Liability Company Agreement is attached to the Trust Agreement and should be referred to for a complete statement of the rights and obligations of the members. A prospective Purchaser should carefully review the Limited Liability Company Agreement before subscribing for Interests.

### **Management**

The Springing LLC will be formed upon the occurrence of a Transfer Distribution and the Signatory Trustee, or an entity controlled by the Signatory Trustee, will become the manager of the Springing LLC upon a Transfer Distribution. The Limited Liability Company Agreement will grant to the manager broad authority in the exercise of the management and control of the Springing LLC, including complete power to do all things necessary or incident to the management and conduct of the Springing LLC’s business.

### **Rights of Members**

The members will not have the right to take part in the management or control of the business or affairs of the Springing LLC, to transact any business for the Springing LLC, or to sign for or bind the Springing LLC. The members, however, will have the right to receive information required for federal income tax reporting and certain other financial information and to inspect certain Springing LLC records. Following the satisfaction of the Loan, the members will be entitled to vote on the following matters, and the vote of a majority interest shall be required to undertake any such actions: (i) entering into any agreement for the sale, transfer, or exchange of all or any substantial portion of the Property; (ii) entering into, modifying, extending, or renewing the Lease or any portion thereof; (iii) entering into, modifying, extending, or renewing any mortgage, trust deed, pledge, lien or encumbrance on the Property; (iv) admitting new members to the Springing LLC; (v) dissolving or winding up the Springing LLC; and (vi) amending the Limited Liability Company Agreement (other than with respect to the admission of a new member or the resignation or withdrawal of an existing member.)

### **Limited Liability**

No member will be liable for the Springing LLC’s debts or other obligations, except to the extent of such member’s share of undistributed profits, if any, and the amount of any distributions made to such member by the Springing LLC constituting a return of such member’s capital contribution.

### **Transfer of Membership Interests**

No transfer of a membership interest or any interest therein may be made unless the manager, in its sole discretion, has consented to such transfer. In addition, no transfer may be made if the effect of such transfer would be for the Springing LLC to be classified as a publicly traded partnership for federal income tax purposes or that would otherwise result in the loss of an applicable securities exception or result in the Springing LLC having to register as an investment company or an investment advisor under the Investment

Advisors Act of 1940. Further, no assignment of any membership interests may be made if the membership interests to be assigned, when added to the total of all other membership interests assigned within the 13 immediately preceding months, would, in the opinion of counsel for the Springing LLC, result in the termination of the Springing LLC under the Code. The manager may require an opinion of counsel that is acceptable to the manager that such transfer will not violate any federal or state securities laws or any provisions of any underlying loan agreements. A Person to whom a transfer is to be made will not become a substituted member in the Springing LLC unless (i) the Manager has, in its sole discretion, consented to such transfer; (ii) 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; (iii) the prospective assignee executes and delivers to the Springing LLC a written agreement, in form and substance satisfactory to the Manager, pursuant to which said person agrees to be bound by this Agreement; (iv) an appropriate amendment hereto is executed and, if required, filed of record; and (v) all other acts have been performed which the manager deems necessary to make the Person to whom the transfer is to be made a substituted member in the Springing LLC and to preserve the Springing LLC's status. The effective date of such assignment will be no earlier than the date that the documents specified above are delivered and accepted by the manager.

### **Termination and Winding Up**

The Springing LLC will be dissolved upon the occurrence of any of the following events:

- (a) a determination by the manager and members holding a majority interest to terminate the Springing LLC; or
- (b) the sale of the Property held by the Springing LLC.

The bankruptcy, death, dissolution, liquidation, termination, or adjudication of incompetency of a member will not cause the termination or dissolution of the Springing LLC and the business of the Springing LLC will continue.

In the event of the Springing LLC's dissolution, (a) the Springing LLC's affairs will be terminated and wound up and the Springing LLC will be dissolved. A proper accounting will be made of the profit or loss of the Springing LLC from the date of the last previous accounting to the date of termination. The proceeds of liquidation will be applied at the later of (i) the end of the year in which the liquidation occurs, or, (ii) 90 days after the date of liquidation. Proceeds will first be given to creditors of the Springing LLC, in the priority provided by law and thereafter to the members in proportion with their membership interest.

### **Meetings**

The manager may call a meeting of the members at any time with respect to any matter. Members whose combined membership interests constitute 25% or more of all membership interests then outstanding may request the manager to call a meeting to vote and take action with respect to any issue on which the members may vote pursuant to the Limited Liability Company Agreement. The manager will give members at least ten (10) days prior notice of the time, place, and purpose of the meeting.

### **Resignation of Manager**

The manager may not be removed by the members. The manager may, at its election, resign as manager, provided, however, that the manager may not resign at any time the Loan remains unsatisfied without the consent of the Lender.

### **Amendment of the Limited Liability Company Agreement**

The manager shall have the right to modify and amend the Limited Liability Company Agreement of the Springing LLC to admit new members and to reflect the removal of existing members. Following the satisfaction of the Loan, the Limited Liability Company Agreement of the Springing LLC may be modified and amended upon the vote of a majority in interest of the members.

### **Indemnification and Exoneration**

Subject to certain conditions, the Springing LLC will indemnify the manager against certain claims or lawsuits arising out of the Springing LLC's activities or operations of the Springing LLC.

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## RESTRICTIONS ON TRANSFERABILITY

There are restrictions on the transferability of the Interests imposed by state and federal securities laws. The Interests offered hereby have not been registered under the Act or by the securities regulatory authority of any state. The Interests may not be resold unless they are registered under the Act and registered or qualified under applicable state securities laws or unless exemptions from such registration and qualification are available. There currently is no market for the Interests and none is expected to develop. Prospective Purchasers should view the Interests as being a long-term investment. In addition, a sale of the Interests must be consummated in accordance with the Trust Agreement and the Loan Documents.

Each prospective Purchaser who or which purchases an Interest shall be required, as a condition to such purchase, to execute and deliver to the Sponsor a Purchase Agreement. The Purchase Agreement provides, among other things, that a Purchaser represents and warrants that the Purchaser is purchasing the Interests for the Purchaser's own account for investment only, and without any view to the distribution thereof or resale to others and that such Purchaser will not sell or transfer any or all of the Interests without registration under the Securities Act and registration or qualification under applicable state securities laws unless exemptions from such registration or qualification requirements are available. The Sponsor and its Affiliates have no obligation to affect such registration or qualification. Generally speaking, an exemption from the registration requirements of the Securities Act would not be available to a Purchaser attempting to resell its Interests except pursuant to Rule 144 under the Securities Act. The Interests will be "restricted securities" as that term is defined in Rule 144.

In general, under Rule 144, a person (or persons whose securities are aggregated), including an "affiliate," who has beneficially owned securities of an issuer that is not a public reporting company for at least one year (including the holding period of any prior owner except an "affiliate") is entitled to sell in "broker's transactions" or to market makers, within any three-month period, a number of securities that does not exceed the greater of (i) 1% of the then outstanding securities or (ii) generally, the average weekly trading volume of the securities during the four calendar weeks preceding the filing of a notice with respect to such sale. Certain other limitations, restrictions, and requirements apply, including the requirement that certain information about the securities and the Trust be publicly available. The Trust has no present intention of making such information publicly available. In addition, a person who is not deemed to have been an "affiliate" of the Trust at any time during the three months preceding a sale and who has beneficially owned the securities proposed to be sold for at least one year would be entitled to sell such securities under Rule 144 without regard to the limitations described above. An "affiliate" is defined in Rule 144 as "a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer of the securities." The foregoing is intended only as a brief summary of Rule 144 and does not address a number of important aspects of the exemption provided thereunder. Purchasers are encouraged to seek additional information about Rule 144 and the characterization of the securities as "restricted securities" thereunder from qualified securities counsel.

Moreover, even if Rule 144 is available, sales and transfers of Interests are restricted by the Trust Agreement and may be restricted by the Loan Documents.

The foregoing descriptions of the Purchase Agreement and the Trust Agreement are qualified by reference to the complete terms and conditions thereof, copies of which are set forth elsewhere in this Memorandum.

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## FEDERAL INCOME TAX CONSEQUENCES

This section of the Memorandum addresses whether an Interest qualifies as a real property interest for purposes of completing a like-kind exchange of real property under IRC Section 1031. This section also contains a summary of the Federal income tax principles applicable to the ownership of an Interest. The statements in this section are based on law in effect on the date of this Memorandum. A Purchaser's actual tax consequences from owning an Interest will depend on facts about the Property's operations and on the Purchaser's personal circumstances. Such consequences also may be affected by a change in the law or the IRS's disallowance of one or more tax positions that a Purchaser may take. The summary addresses only income tax principles that are generally applicable to the ownership of an Interest. Factors that may apply and be of material significance to a particular Purchaser may not be addressed herein. Therefore, this summary is not intended as a substitute for careful individual tax planning by a Purchaser. Each Purchaser must consult his own tax advisor about such income tax consequences before making an investment in Interests.

**Tax Notice: Prospective Purchasers are hereby notified that: any discussion of federal tax issues contained or referred to in this Memorandum is not intended or written to be used, and cannot be used, by prospective Purchasers for the purpose of avoiding penalties that may be imposed on them under the Code; such discussion is written in connection with the Trust's promotion or marketing of the transactions or matters addressed in this Memorandum; and prospective Purchasers should seek advice based on their particular circumstances from an independent tax advisor.**

Section 1031 of the Internal Revenue Code provides that a taxpayer shall not recognize gain (or loss) from a disposition of qualifying property if the taxpayer acquires like-kind property in exchange. A taxpayer must meet numerous requirements to be eligible for the tax deferral provided by Section 1031. This section of the Memorandum addresses only one such requirement. A Purchaser must consult his own tax advisor regarding the other requirements of Section 1031. In order to purchase an Interest, a Purchaser must represent and warrant the following matters:

- (i) he has consulted his own independent tax advisor regarding an investment in the Interests and the qualification of the transaction under Section 1031 of the Code and applicable state tax laws;
- (ii) he is not relying on any statement of the Sponsor, the Signatory Trustee or any of their Affiliates or agents, including Tax Counsel and their accountants, or any member of the Selling Group for tax advice regarding the qualification of the Interests under Section 1031 of the Code or any other matter;
- (iii) he is not relying on any statements made in this Memorandum regarding the qualification of an Interest as real property under Section 1031 of the Code;
- (iv) he understands that the tax opinion is Tax Counsel's view of the anticipated tax treatment and there is no guarantee that the IRS will agree with such opinion;

- (v) he is aware that the IRS has issued Revenue Ruling 2004-86, 2004-2 C.A. 191 addressing Delaware statutory trusts and that the Revenue Ruling constitutes authority only for the specific facts contained therein. Because the Trust will not obtain an IRS letter ruling, no assurance can be given that an Interest will qualify as a real property interest for federal income tax purposes; and
- (vi) he shall report the purchase of an Interest pursuant to the Purchase Agreement as the purchase of a direct interest in the Property for federal income tax purposes.

### **Real Property Interests Under IRC Section 1031**

In order to qualify for nonrecognition under IRC Section 1031, a Purchaser who has disposed of real property must acquire other real property in exchange. If the replacement property that such a Purchaser acquires is considered a partnership interest, a security, or some other form of property interest other than a real property interest, the Purchaser will not be eligible to defer gain under Section 1031.

Tax Counsel has issued a tax opinion, a copy of which is attached to the Memorandum as Exhibit B. Tax Counsel's opinion contains the conclusion that, if challenged and litigated, an Interest should be considered a direct interest in the Trust's assets for purposes of the like-kind exchange rules under IRC Section 1031. Such opinion is based on Tax Counsel's related opinions that for federal income tax purposes (i) the Trust should be treated as an entity separate from the Beneficial Owners for federal income tax purposes, (ii) the Trust should be treated as an investment trust described in Section 301.7701-4(c) of the Treasury Regulations that is classified as a "trust" under Section 301.7701-4(a) of the Treasury Regulations, (iii) the Beneficial Owners should be treated as "grantors" of the Trust, (iv) as "grantors," the Beneficial Owners should be treated as acquiring and owning an undivided fractional interest in the Property for federal income tax purposes, and (v) the Interests should not be treated as a "security" under Section 1031 of the Code.

Tax Counsel's opinion concludes, first, that the Trust will be considered an "investment trust" rather than a partnership or a corporation for Federal income tax purposes. Despite its designation as a trust for state law purposes, an arrangement will not qualify as a trust for tax purposes unless (a) the trust is recognized as an entity, (b) the trustee's power is limited to the role of preserving and protecting the trust's property and (c) the beneficiaries have no power to participate in the trustee's responsibilities. Treasury Regulation 301.7701-4 provides that for tax purposes a trust is an arrangement whereby a trustee takes title to property for the purpose of protecting it or conserving it for the beneficiaries. An arrangement will not be classified as a trust if the trustee has the power under the trust agreement to vary the investment of the beneficiaries. If an entity is created by the beneficiaries themselves, it will be considered a trust for tax purposes only if it can be shown that the purpose of the arrangement is to vest in the trustee the responsibility to protect and conserve property for beneficiaries and if the beneficiaries lack the power to share in the discharge of the trustee's responsibility and are not associates in a joint enterprise for the conduct of business. *Commissioner v. North American Bond Trust*, 122 F.2d 545 (2d Cir.1941). (An arrangement is not a trust where the trustee has the power to vary the trust's investment property.) Revenue Ruling 78-371, 1978-2 C.B. 344. (An arrangement is not a trust where the trustee has the power to purchase property,

construct and raze a building and borrow money. *Elm Street Realty Trust v. Commissioner*, 76 T.C. 803 (1981)). (Where beneficiaries lack the power to share in the trustee's responsibilities, an arrangement is recognized as a trust for tax purposes.) In Revenue Ruling 2004-86, 2004-2 C.B. 191, the IRS ruled that an arrangement involving a Delaware statutory trust (the "DST") that held title to real property was a trust for tax purposes because the trustee's power was limited to the collection and distribution of income and the beneficiaries lacked the power to participate in the discharge of the trustee's responsibilities. Based on the foregoing authority, Tax Counsel's opinion is that the Trust should be respected as a trust for tax purposes.

Tax Counsel also has concluded that the Trust should be characterized as a grantor trust under Section 671 of the Code. Under Section 671, if a trust's income may be held for the benefit of the grantor (that is, the person who contributes money or other property to the trust) and the grantor possesses a reversionary interest in the trust, the trust will be considered a grantor trust. Section 671 further provides that the grantor of a trust that is considered a grantor trust will be considered the direct owner of the trust's property for income tax purposes. In Revenue Ruling 2004-86, the IRS ruled that because the grantors of a DST possessed the right to receive the DST's income and the proceeds from a sale of the DST's property, the trust would be considered a grantor trust and the trust beneficiaries would be considered the grantors and the direct owners of the DST's real property even though such property was titled in the DST's name. Accordingly, the IRS ruled that beneficiaries' DST interests would qualify as real property in a like-kind exchange of real property under Section 1031 of the Code. Based on Section 671 and Revenue Ruling 2004-86, Tax Counsel has concluded that a Beneficial Owner should be considered a grantor of the Trust because the Beneficial Owner transferred cash to the Trust in exchange for an Interest. Because each Beneficial Owner will have the sole and exclusive right to receive his share of the Trust's income and its corpus, Tax Counsel has concluded that a Beneficial Owner should be considered to directly own the Property for federal income tax purposes.

The Trust has been structured to be substantially similar to the DST described in Revenue Ruling 2004-86. However, the transactions that are part of the Offering contain certain facts and terms that were not present in the transaction that was the subject of Revenue Ruling 2004-86, including the following: (i) the Trust is a party to the Lease and the Loan Documents; (ii) the Signatory Trustee or its Affiliate will have an ongoing role as signatory trustee of the Trust (but will not have powers other than those that the Trust Agreement allows the Trustee to exercise), (iii) the Trust may terminate as the result of a Transfer Distribution, (iv) the Trust is expected to receive multiple contributions over time rather than a single contribution, although the Trust will not retain such multiple contributions (except to fund reserves) and (v) under limited circumstances, the Signatory Trustee will have the discretion to cause a transfer of the Property to a Springing LLC. Such terms were not part of the transaction that is the subject of the Revenue Ruling. However, Tax Counsel has concluded that based on applicable authority, such differences will not alter Tax Counsel's opinion.

Tax Counsel's opinion is based on the Code, the Income Tax Regulations, cases, rulings and in particular, Revenue Ruling 2004-86. Tax Counsel's opinion is subject to qualifications and is based on the assumptions stated therein that depend on representations and covenants that the Sponsor has made to Tax Counsel. Any one or more of such representations and covenants may prove to be inaccurate. In addition, the IRS will not be bound by the Tax Counsel's opinion and the Trust will not obtain a ruling from the IRS

on this matter. Therefore, no assurance is given that an Interest will be considered a real property interest for purposes of Section 1031.

**Role of Tax Counsel.** Counsel for the Sponsor and the Trust has acted as Tax Counsel with respect to the Offering. Tax Counsel has not conducted any independent due diligence with respect to the Property or the Offering. Tax Counsel's opinion and advice to the Sponsor and the Trust relates solely to U.S. federal income tax issues and does not include advice on state or local income tax issues, property taxes, transfer taxes, stamp duty, lease tax or other non-income taxes, or any other non-tax issues. Tax Counsel does not represent the prospective Purchasers. Prospective Purchasers seeking legal advice should retain their own counsel, consult their own advisors about an investment in the Interests and conduct any due diligence they deem appropriate to verify the accuracy of the representations or information in this Memorandum.

*The above is a summary of the opinion from tax counsel. Purchasers should review the attached opinion in its entirety.*

**Significant Tax Costs If Interests Do Not Qualify as Real Property.** If the IRS successfully claimed that a Purchaser has acquired an interest in a partnership or other asset type rather than real property, a Purchaser would not be eligible to defer gain in a like-kind exchange of real estate under Section 1031 of the Code and immediately would recognize such gain and be subject to federal income tax thereon. Because the IRS would not make such a determination until after such a Purchaser had acquired his Interest, the Purchaser would have no cash sale proceeds from the disposition of his relinquished real property to use to pay the tax. Given the illiquid and long-term nature of an investment in an Interest, a Purchaser would not be able to obtain sufficient cash from an Interest to pay the tax. In such a case, a Purchaser would have to use funds from other sources to satisfy his tax liability.

### **Section 1031 Nonrecognition Treatment**

**Identification.** The Treasury regulations under Code Section 1031 require that a taxpayer identify "replacement property" during the period (the "**Identification Period**") that begins on the date that the taxpayer transfers his "relinquished property" and ends at midnight on the 45th day thereafter (although if, as part of the same deferred exchange, the taxpayer transfers more than one relinquished property and the relinquished properties are transferred on different dates, then the Identification Period is determined by reference to the earliest date on which any of the properties are transferred). Also, any "replacement property" that is received by a taxpayer before the end of the Identification Period is in all events treated as identified before the end of the Identification Period.

Taxpayers are permitted to identify three properties without regard to the fair market value of the properties or multiple properties with a total fair market value not in excess of 200% of the value of the relinquished property. A taxpayer also may identify any number of properties if it acquires at least 95% of the identified properties.

Tax Counsel will not render an opinion on identification matters and prospective Purchasers should seek the advice of their own tax advisors prior to subscribing for the Interests or identifying the Property as "replacement property" for a Section 1031 Exchange.

**Other Requirements of Section 1031 of the Code.** Section 1031 of the Code provides for nonrecognition of gain or loss only if property held for use in a trade or business or for investment is exchanged for other property of like kind held for use in a trade or business or for investment. There are numerous requirements contained in the applicable provisions of the Code and Treasury Regulations concerning qualification for nonrecognition under Section 1031 of the Code. Each Purchaser will have to determine with such Purchaser's own tax advisors whether an exchange engaged in by the Purchaser satisfies the requirements of Section 1031 of the Code.

**Treatment as a "Security."** Section 1031 of the Code expressly excludes a "security" from the categories of property that may qualify for nonrecognition. Thus, if the IRS were to classify the Interests as "securities" for federal income tax purposes, the Interests would not qualify as replacement property for a 1031 Exchange. The term "security" is not defined in Section 1031 of the code or the Treasury Regulations promulgated thereunder. Based on an analysis of relevant authorities, however, Tax Counsel has concluded that, in all material respects, an Interest should not be considered a security for purposes of Section 1031 of the Code even though an Interest may be a "security" under applicable federal and state securities laws.

### **Other Tax Consequences**

**Taxation of the Trust.** Tax Counsel's opinion that a Purchaser should be treated as a grantor of the Trust means that the Trust will not be subject to tax on its income. Instead, each Purchaser will be required to take into account, in computing his income tax liability, his proportionate share of all items of the Trust's income, gain, loss, deduction and credit and a Purchaser's separately computed depreciation. The following discussion assumes that the Trust is a grantor trust and that each Purchaser is a grantor of the Trust for federal income tax purposes.

**Tax Basis.** Each Purchaser will have a tax basis in his Interest. Generally, a tax basis for purchased property equals the property's cost. However, if a property has been acquired in a like-kind exchange, such tax basis is determined instead by reference to the tax basis of the property disposed of, the additional cash invested, and the debt (if any) incurred to purchase the replacement property and the amount of gain recognized from the actual or constructive receipt of boot. All mortgage and other liabilities incurred by the Trust will be allocated, for federal income tax purposes, to the Beneficial Owners in proportion to their Interests. For purposes of determining the purchase price of replacement property in a 1031 Exchange, each Purchaser will be able to include his proportionate share of the liabilities that encumber the Property at the time of the acquisition of an Interest.

**Liabilities Under IRC Section 1031.** The determination of whether an item is treated as a liability is crucial in determining the amount of boot received and the gain recognized on a 1031 Exchange. Debt secured by a taxpayer's relinquished property or debt secured by a replacement property clearly are "liabilities" to which the liability netting rule applies. However, these are not the only forms of debt to which the rule applies. In TAM 8328011, the IRS determined that non-mortgage liabilities are netted against mortgage liabilities under Section 1031 and that items listed in the escrow account that "relate to sums certain, due at a fixed or determinable date of maturity," are liabilities for purposes of Section 1031. In addition, Reg. Section 1.1031(j)-1(b)(2)(ii) provides that all liabilities assumed by a transferee are taken

into account under the multiple property rules, regardless of whether they are secured or not secured, or whether they relate in any way to the assets transferred. In the preamble to proposed regulations, the IRS stated that all liabilities from which a taxpayer is relieved in an exchange are offset against all liabilities assumed by the taxpayer in the exchange, regardless of whether the liabilities are recourse or non-recourse and regardless of whether the liabilities are secured by or otherwise relate to the specific property transferred or received as part of the exchange. IA-12-89, 1990-1 CB 656. Tax Counsel will not render an opinion on tax basis matters and prospective Purchasers should seek the advice of their own tax advisors prior to subscribing for the Interests or identifying the Property as “replacement property” for a Section 1031 Exchange.

**Allocation of Purchase Price.** Each Purchaser will be required to allocate the purchase price that it pays to acquire an Interest, or his basis as otherwise determined under the like-kind exchange rules, between depreciable personal property (if any), buildings and non-depreciable land based on their relative values. If an asset is depreciable, the purchase price allocated to such asset is recoverable through deductions over the asset’s recovery period as prescribed in the Internal Revenue Code, and such deductions will reduce and effectively shelter a taxpayer’s taxable income but may be subject to recapture on a sale as described below. The recovery period for property acquired as replacement property in a like-kind exchange generally carries over from the relinquished property. To the extent of cash in excess of exchange proceeds invested, the taxpayer is considered to have acquired new property for purposes of the depreciation rules.

**Depreciation and Cost Recovery.** Current federal income tax law allows an owner of improved real property to take depreciation deductions based on the entire cost of the depreciable improvements, even though such improvements are financed in part with borrowed funds. If, however, the purchase price of an Interest and the nonrecourse liabilities to which the Property is subject are in excess of the fair market value of the Property, a Purchaser will not be entitled to take depreciation deductions to the extent deductions are derived from such excess. Each Purchaser will have to compute his own depreciation.

**Passive Activity Limitation.** The ownership of an Interest will be considered a passive activity for a Purchaser and any income or loss that a Purchaser recognizes from the Property will be considered passive income and loss for purposes of the rules. The passive loss rules limit the amount of loss from operation of the Property that may be deducted by an individual, an estate, a trust and certain C corporations. Under the passive loss rules, a taxpayer may not use his passive losses to shelter wages, income from an activity in which the taxpayer is an active participant, or portfolio income. Portfolio income includes dividend and interest income, income from an annuity and certain capital gains. A taxpayer may use passive losses only to offset income realized (in the same or future years) from the same or other passive activities. Unused passive losses from an activity may be deducted in full without regard to their passive nature only when a taxpayer disposes of all of his property interest in a fully-taxable transaction to an unrelated taxpayer. A Purchaser’s deductions from interest expense on the Loan will be considered passive deductions subject to the limitations of the passive loss rules described above.

**Payments to the Sponsor and its Affiliates.** The Sponsor and its Affiliates will receive various fees described elsewhere in this Memorandum. The tax treatment of some of these fees is set forth below. Although each Purchaser should be treated for federal income tax purposes as buying an undivided interest in the Property, it is possible the IRS may claim that the amount by which the price of the Interests exceeds

the price that the Trust paid to purchase the Property may not be treated as part of the purchase price of the Property but instead represents a nondeductible item. Real estate brokerage commissions (whether or not paid to Affiliates of the Sponsor) will be considered capital expenditures that must be added to the basis of the Property.

**Possible Adverse Tax Treatment for Closing Costs and Reserves.** A portion of the proceeds of the Offering will be used to pay each Purchaser's pro rata share of closing costs, expenses, and other costs of the Offering. In addition, reserves may be established using a portion of the funds contributed by the Depositor of the Offering Proceeds paid by the Purchasers. Because the tax treatment of certain expenses of the Offering, closing costs, financing costs or reserves is unclear and may vary, depending upon the circumstances, Tax Counsel cannot give any advice or opinion regarding the tax treatment of such costs and reserves, which may be considered taxable boot to a Purchaser who purchases his Interests as part of a 1031 Exchange. Therefore, each Purchaser should obtain the advice of a qualified tax advisor as to the proper treatment of such items.

**Deductibility of Trust's Fees and Expenses.** In computing his federal income tax liability, a Purchaser will be entitled to deduct, consistent with his method of accounting, the Purchaser's share of reasonable administrative fees, trustee fees and other fees, if any, paid or incurred by the Trust as provided in Section 162 or 212 of the Code. Deductions under Section 212 may be subject to the limitations applicable to miscellaneous itemized deductions.

**Transfer to the Springing LLC.** If a Transfer Distribution occurs, the Signatory Trustee will transfer the Property to the Springing LLC and the Purchasers will acquire membership interests in the Springing LLC. Under current law, such a transfer generally would not be subject to federal income tax pursuant to Section 721 of the Code but could be subject to state or local income or transfer taxes. No assurance can be given that such transfer will not be taxable under federal income tax law at the time such a transfer occurs. Because a Transfer Distribution could occur in several situations, it is not possible to determine all of the tax consequences to a Beneficial Owner in the event of a Transfer Distribution. **Each purchaser should consult his own tax advisor regarding the tax consequences of a transfer distribution.**

**No Deferral of Tax upon Sale of Springing LLC Membership Interests.** Unlike Interests in the Trust, interests in a Springing LLC are not considered interests in real property for federal income tax purposes (including for purposes of a like-kind exchange under Section 1031 of the Code). **Thus, if the trust transfers the property to the Springing LLC in a transfer distribution, a Beneficial Owner who receives an interest in the Springing LLC likely will not be able to defer the recognition of gain under Section 1031 of the Code when disposing of such Springing LLC interest.**

**Purchasers Determine Taxable Income and Loss.** The Signatory Trustee will keep records and provide the Purchasers information about out-of-pocket expenses and revenues of the Property. However, each Purchaser will be required to separately compute and report his own taxable income or loss from the Property. Certain expenses, such as depreciation, will be different for different Purchasers.

**Taxation of Tax-Exempt Investors.** Certain tax-exempt entities, including qualified employee pension and profit-sharing trusts, individual retirement accounts and annuities, and charitable remainder trusts, are subject to taxation on their UBTI. Generally, a tax-exempt entity that incurs UBTI is taxed on such income at the regular rate, or in the case of some entities corporate Federal income tax rates. Because Interests in the Trust are treated for tax purposes as direct interests in the Property, tax-exempt investors will be deemed to be carrying on the activities of the Trust for purposes of determining whether the tax-exempt investors' income is UBTI.

UBTI is income that is derived by a tax-exempt entity from an unrelated trade or business that it regularly carries on, less the deductions directly connected with that trade or business.

If a tax-exempt Purchaser incurs additional debt in connection with its investment in the Trust, it may give rise to UBTI. Therefore, each prospective Purchaser should consult its own advisors regarding the use of debt to invest in the Trust.

*Tax-exempt entities should consult their own tax advisors concerning the tax consequences of an investment in the trust. Tax-exempt investors may incur significant amounts of UBTI as a result of investing in the trust.*

**Limitation on Losses under the At Risk Rules.** A Purchaser that is an individual or closely held corporation may not deduct taxable loss arising from the ownership of an Interest to the extent that such loss exceeds the amount by which the Purchaser is considered at-risk. Such disallowed losses may be carried forward and deducted in future years subject to the same limitation. A Purchaser's initial amount at risk generally equals the sum of (1) the amount of cash contributed to acquire the Interest, (2) the amount, if any, of recourse financing that the purchaser obtained to acquire his Interest, and (3) the amount of any qualified nonrecourse indebtedness encumbering the Property. A Purchaser's amount at risk will be reduced by the amount of any cash flow to such Purchaser and the amount of the Purchaser's loss, and will be increased by the amount of the Purchaser's income from the activity. In the case of a like-kind exchange of property, it is expected that a Purchaser's initial amount at risk will be computed by reference to the ending amount at risk in the Purchaser's relinquished property. Losses not allowed under the at-risk provisions may be carried forward to subsequent taxable years and used when the amount at risk increases. Because the computation of the amount that a taxpayer is at risk will entail computations arising as a result of a taxpayer's substituted tax basis in like-kind exchange replacement property, each Purchaser should consult his own tax advisor about the amount that a taxpayer will be considered at risk with regard to the holding of an Interest. Tax Counsel will issue no opinion whether the Loan encumbering the Property will be qualified nonrecourse indebtedness that a Purchaser may include in his basis for the Property.

**Disposition of Interest.** If a Purchaser sells his Interest, he will recognize gain equal to the excess of the amount received over the Purchaser's tax basis in his Interest. Generally, gain from the disposition of an Interest is considered capital gain (except in the case of an owner who held his interest for sale to customers in the ordinary course of his business). For a Purchaser who is an individual (or an estate or a trust) capital gain may be taxed at reduced rates if the Interest (and in the case of a like-kind exchange, to the extent of a carryover basis, the combined interest in the relinquished and replacement property) has been held for more than one year. However, a Purchaser's prior tax depreciation deductions on personal

property (if any) are subject to tax at ordinary income rates to the extent that such prior deductions claimed do not exceed the Purchaser's total gain from the disposition of personal property. If a Purchaser has claimed building depreciation on his Interest or his relinquished property, the lesser of the gain recognized or that portion of the amount realized from such a sale that is attributable to the Purchaser's prior building depreciation will give rise to capital gain that is taxed at a 25% rate compared to the maximum 15% rate that applies to other capital gain income. Gain or loss from the disposition of property used in a trade or business (and not constituting inventory) is considered "Section 1231" gain or loss. A taxpayer must combine his Section 1231 gain or loss with any other Section 1231 gain or loss recognized during the year. The net Section 1231 gain or loss recognized in any year is taxed as capital gain or ordinary loss, as the case may be although Section 1231 gain is recaptured as ordinary income to the extent that the taxpayer has unrecaptured Section 1231 losses for any of the preceding five years. It is uncertain whether an interest in the Property would be considered an asset held in a trade or business for purposes of Section 1231 and thus available for potentially favorable ordinary loss treatment. In determining the amount realized on the sale of an Interest or the Property, a Purchaser must include the Purchaser's share of the mortgage indebtedness on the Property. As a result, it is possible that the gain realized upon the sale of an Interest or the Property may exceed the cash proceeds from the sale or even the income tax payable from the gain recognized.

**Foreclosure.** In the event of a foreclosure of a mortgage or deed of trust on the Property, a Purchaser would realize gain in an amount equal to the excess (if any) of the Purchaser's share of the outstanding mortgage over the Purchaser's adjusted tax basis in the Property, even though the Purchaser might realize an economic loss upon such a foreclosure. The Purchaser could be required to pay income taxes with respect to such gain even though the Purchaser likely would not receive any cash distribution as a result of such foreclosure.

**Treatment of Gifts of Interests.** Generally, no gain or loss is recognized for federal income tax purposes as a result of a gift of property. However, if a gift (including a charitable contribution) of an Interest is made at a time when a Purchaser's share of the Property's nonrecourse indebtedness exceeds a Purchaser's adjusted tax basis in his Interest, the Purchaser may recognize gain for income tax purposes upon the transfer. The gifts of an Interest also may be subject to a gift tax.

**Tax Elections.** As a direct owner of real property, each Purchaser will be required to make his own tax elections with regard to the Property.

**Method of Accounting.** A Purchaser will be required to report income under the Purchaser's applicable accounting method.

**Alternative Minimum Tax.** Taxpayers may be subject to the alternative minimum tax in addition to the regular income tax. The alternative minimum tax applies to designated items of tax preference. The TCJA entirely eliminates the alternative minimum tax for regular C corporations. For noncorporate taxpayers, the TCJA increases the exemption amount and the threshold amount of income at which the exemption begins to phase out. The limitations and thresholds related to the payment of the alternative minimum tax are subject to change on an annual basis. Beneficial Owners should consult with their tax advisors regarding the alternative minimum tax thresholds to determine if it will apply to such Beneficial

Owner's investment in the Interests. The limitations on the deduction of passive losses also apply for purposes of computing alternative minimum taxable income.

For more information concerning tax preferences and the alternative minimum tax, prospective Beneficial Owners should consult their own tax advisors.

**Activities Not Engaged in for Profit.** Under Section 183 of the Code, certain losses from activities not engaged in for profit are not allowed as deductions from other income. The determination of whether an activity is engaged in for profit is based on all the facts and circumstances, and no one factor is determinative, although the Treasury Regulations indicate that an expectation of profit from the disposition of property will qualify as a profit motive. Section 183 of the Code has a presumption that an activity is engaged in for profit if income exceeds deductions in at least three out of five consecutive years. Although it is reasonable for a Purchaser to conclude that the Purchaser can realize a profit from an investment in an Interest as a result of cash flow and appreciation of the Property, there can be no assurance that a Purchaser will be found to be engaged in an activity for profit because the applicable test is based on the facts and circumstances existing from time to time.

**Interest Incurred to Carry Tax-Exempt Securities.** Section 265(a)(2) of the Code disallows any deductions for interest paid by a taxpayer on indebtedness incurred or continued for the purpose of buying or carrying tax-exempt obligations. The application of Section 265(a)(2) of the Code turns on each Purchaser's purpose for acquiring an Interest. Thus, Section 265(a)(2) of the Code might be applied to a Purchaser whose purpose for investing in an Interest rather than in a non-leveraged investment is to enable such Purchaser to continue to carry tax-exempt obligations. Section 7701(f) of the Code directs the Treasury to issue regulations as may be appropriate to prevent the avoidance of provisions of the Code that deal with the linking of borrowings to investments through the use of related persons, pass-through entities or other intermediaries. Therefore, the provisions of Section 265(a)(2) of the Code may be applied to a Purchaser if the Purchaser owns tax-exempt obligations or stock of a regulated investment company that distributes exempt interest dividends or if such obligations or stock are owned by a person, entity or other intermediary related to the Purchaser.

**Taxable Income in Excess of Cash Receipts.** It is possible that a Purchaser's taxable income resulting from his Interest will exceed the amount of cash received by the Purchaser from the Interest. This may occur because income from the Property may be used to fund nondeductible operating or capital expenses of the Property or reserves or applied to pay mortgage principal. In addition, in the event the Tenant elects to defer payments of Rent, Purchasers may be required to recognize rental income in a year prior to when such rental income is actually paid. Thus, there may be years in which a Purchaser's tax liability exceeds his share of cash from the Property, in which case a Purchaser may have to use funds from other sources to satisfy its tax liability associated with the Property.

**Accuracy-Related Penalties and Penalties for the Failure to Disclose.** The Code provides that penalties are applied to any portion of any understatement that was attributable to: (i) negligence or disregard of rules or regulations; (ii) any substantial understatement of income tax or (iii) any substantial valuation misstatement. A 20% accuracy-related penalty is imposed on (i) listed or (ii) reportable transactions having a significant tax avoidance purpose. This penalty is increased to 30% if the transaction

is not properly disclosed on the taxpayer's federal income tax return. Failure to disclose such a transaction can also prevent the applicable statute of limitations from running in certain circumstances and can subject the taxpayer to additional disclosure penalties ranging from \$10,000 to \$200,000, depending on the facts of the transaction. Similarly, any interest attributable to unpaid taxes associated with an undisclosed reportable transaction may not be deductible for federal income tax purposes. Negligence is generally any failure to make a reasonable attempt to comply with the provisions of the Code and the term "disregard" includes careless, reckless, or intentional disregard.

A substantial understatement of income tax generally occurs if the amount of the understatement for the taxable year exceeds the greater of (i) 10% of the tax required to be shown on the return for the taxable year, or (ii) \$5,000 (\$10,000 in the case of a C corporation).

A substantial valuation misstatement occurs if the value of any property (or the adjusted basis) is 150% or more of the amount determined to be the correct valuation or adjusted basis. The penalty doubles to 40% if the property's valuation is misstated by 200% or more. No penalty will be imposed unless the underpayment attributable to the substantial valuation misstatement exceeds \$5,000 (\$10,000 in the case of a C corporation).

The term "reportable transaction" means any transaction with respect to which information is required to be included with a return or statement because, as determined under regulations prescribed under Code Section 6011, such transaction is of a type which the IRS determines as having a potential for tax avoidance or evasion.

The term "listed transaction" means a reportable transaction which is the same as, or substantially similar to, a transaction specifically identified by the IRS as a tax avoidance transaction for purposes of Section 6011 of the Code.

Except with respect to "tax shelters," an accuracy-related penalty will not be imposed on an underpayment attributable to negligence, a substantial understatement of income tax, or a substantial valuation misstatement if it is shown that there was a reasonable cause for the underpayment and the taxpayer acted in good faith. A "tax shelter" includes a partnership if a significant purpose of the partnership is the avoidance or evasion of tax. In addition, an accuracy-related penalty will not be imposed on a reportable transaction or a listed transaction if it is shown that: (i) there is reasonable cause for the position, (ii) the taxpayer acted in good faith, (iii) the relevant facts of the transaction are adequately disclosed in accordance with the regulations prescribed under Section 6011 of the Code, (iv) there is or was substantial authority for such treatment, and (v) the taxpayer reasonably believed that such treatment was more likely than not correct.

**Reportable Transaction Disclosure and List Maintenance.** A taxpayer's ability to claim privilege on any communication with a federally authorized tax preparer involving a tax shelter is limited. In addition, taxpayers and material advisors must comply with disclosure and list maintenance requirements for reportable transactions. It is believed that the sale of an Interest should not constitute a reportable transaction. Accordingly, the Trust and the Sponsor do not plan to make any filings pursuant to these disclosure or list maintenance requirements. There can be no assurances that the IRS will agree with this

determination. Significant penalties could apply if a party fails to comply with these rules, and such rules are ultimately determined to be applicable.

**State and Local Taxes.** In addition to the federal income tax consequences described above, prospective Purchasers should consider the state and local tax consequences of an investment in the Interests. A Beneficial Owner's distributive share of the taxable income or loss generally will be required to be included in determining his reportable income for state and local tax purposes. It is possible that a Beneficial Owner will be required to file local and state tax returns in the state in which the Property is located. Furthermore, it is possible that such state will require that the Trust withhold taxes from any payments which are made to the Beneficial Owners.

**United States Income Tax Considerations for Foreign Investors.** The federal income tax treatment applicable to a nonresident alien or foreign corporation investing in Interests is highly complex, will vary depending on the particular circumstances of such Beneficial Owner and the effect of any applicable income tax treaties and can have a significant effect on such a Beneficial Owner. Accordingly, each foreign Purchaser should consult his own tax advisor as to the advisability of purchasing the Interests.

**Several tax issues described in this Memorandum have not been definitively resolved by statutes, regulations, rulings, or judicial opinions. Accordingly, no assurance can be given that the IRS and a court would accept the conclusions expressed herein or that such conclusions may not be changed by future administrative pronouncements, court decisions or legislation. Each Purchaser must consult his own tax advisor about the tax consequences of an investment in an Interest.**

The opinion of Tax Counsel that is issued for a particular transaction is not intended or written to be used, and it cannot be used, by any Purchaser for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code. The opinion is written to support the promotion or marketing of a particular transaction, and each Purchaser should seek advice based on the Purchaser's particular circumstances from an independent tax advisor.

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## **TAX DISCLAIMER**

Please note that the Tax Opinion, the summary set forth in “FEDERAL INCOME TAX CONSEQUENCES” and all other discussions of federal income tax matters set forth in this Memorandum have been written to support the marketing of the Interests and are not intended to be used and cannot be used by any Purchaser for purposes of avoiding penalties that may be imposed under federal tax law. All prospective Purchasers must consult their own independent tax advisors regarding the federal income tax consequences of investing in the Interests in the context of their own particular circumstances and must represent that they have done so as a condition to investing in the Interests.

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## **ERISA CONSIDERATIONS**

The following is a summary of certain considerations associated with an investment in the Trust by Benefit Plan Investors. The following is merely a summary of such considerations, however, and a complete discussion of the considerations associated is beyond the scope of this summary.

Each Benefit Plan Investor considering investing the assets of an IRA, or a pension, profit sharing, 401(k), Keogh or other employee benefit plan in the Trust should satisfy himself that such investment is consistent with his fiduciary obligations under ERISA and other applicable law, is made in accordance with the documents and instruments governing the plan or IRA, including the plan's investment policy, and satisfies the prudence and diversifications requirements of Sections 404(a)(1)(B) and 404(a)(1)(C) of ERISA. Each Benefit Plan Investor should also determine that an investment in the Trust will not impair the liquidity of the plan or IRA and that, even though it is expected that the Interests will produce unrelated business taxable income for the Benefit Plan Investor, the purchase and holding of an Interest is still consistent with the fiduciary obligations of the Benefit Plan Investor. See "FEDERAL INCOME TAX CONSEQUENCES" for a discussion of the unrelated business taxable income issues applicable to tax exempt investors such as Benefit Plan Investors. Each Benefit Plan Investor should also satisfy himself that he will be able to value the assets of the plan annually in accordance with ERISA requirements.

### **Treatment of the Trust under ERISA**

ERISA and the Code do not define "plan assets." However, the DOL has issued the Plan Asset Rules concerning the definition of what constitutes the assets of an employee benefit plan. The Plan Asset Rules provide that, as a general rule, the underlying assets and properties of corporations, partnerships, trusts and certain other entities in which a plan purchases an "equity interest" will be deemed, for purposes of ERISA, to be assets of the investing plan unless certain exceptions apply. The Plan Asset Rules define an "equity interest" as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. Interests in the Trust offered hereby should be treated as "equity interests" for purposes of the Plan Asset Rules.

One exception to the look-through rule under the Plan Asset Rules provides that an investing plan's assets will not include any of the underlying assets of an entity if at all times less than 25% of each class of "equity" interests in the entity are held by Benefit Plan Investors. The Sponsor and the Signatory Trustee intend to take such steps as may be necessary to limit the ownership of Interests in the Trust by Benefit Plan Investors to less than 25% of the total amount of Interests, and thereby qualify for the 25% exemption. If, however, neither this nor any other exemption under the Plan Asset Rules were available and the Trust were deemed to hold plan assets by reason of a Benefit Plan Investor's investment in the Interests, such investor's indirect interest in the Property would be considered a plan asset. In such event, the Property, transactions involving the Property and the persons with authority or control over and otherwise providing services with respect to the Property would be subject to the fiduciary responsibility provisions of Title I of ERISA and the prohibited transaction provisions of ERISA and Code Section 4975.

Each Benefit Plan Investor that is a prospective Purchaser of an Interest in the Trust should consult with its counsel with respect to the potential applicability of ERISA and Code Section 4975 to such investment and determine on its own whether any exceptions or exemptions are applicable and whether all conditions of any such exceptions or exemptions have been satisfied. Moreover, each Benefit Plan Investor should determine whether, under the general fiduciary standards of investment prudence and diversification, an investment in an Interest is appropriate for the Benefit Plan Investor, taking into account the overall investment policy of such Purchaser and the composition of such Purchaser's investment portfolio. The sale of Interests in the Trust is in no respect a representation by the Sponsor, the Trust, their Affiliates or any other person that such an investment meets all relevant legal requirements with respect to investments by plans generally or that such an investment is appropriate for any particular plan.

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## **LITIGATION**

As of the date of this Memorandum, there are no legal actions pending against the Trust, the Signatory Trustee, the Tenant, or the Sponsor, nor, to the knowledge of the Sponsor, are any such actions contemplated that would have a material effect on the Trust's or Tenant's business, financial condition or operations.

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## TAX OPINION

A tax opinion has been provided for certain tax issues set forth in this Memorandum regarding the Interests. A copy of the tax opinion is attached as Exhibit B.

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## **ADDITIONAL INFORMATION**

The Signatory Trustee will answer inquiries from prospective Purchasers concerning the Property, the Trust, its investment objective and strategies, and other matters relating to the offer and sale of the Interests. Also, the Signatory Trustee will afford prospective Purchasers the opportunity to obtain any additional information to the extent the Signatory Trustee possesses such information or can acquire such information without unreasonable effort or expense that is necessary to verify the information in this Memorandum and supplements to follow.

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**EXHIBIT A**

TRUST AGREEMENT

**TRUST AGREEMENT**

**OF**

**FOUR CORNERS JEFFERSON, DST**

March 25, 2026

BY AND AMONG

FOUR CORNERS JEFFERSON HOLDINGS, LLC,  
a Texas limited liability company

AS DEPOSITOR

FOUR CORNERS CAPITAL MANAGEMENT, LLC,  
a Texas limited liability company

AS SIGNATORY TRUSTEE

WILMINGTON CORPORATE SERVICES, LLC,

AS DELAWARE TRUSTEE

**TRUST AGREEMENT  
OF FOUR CORNERS JEFFERSON, DST,  
A DELAWARE STATUTORY TRUST**

This TRUST AGREEMENT, dated as of March 25, 2026 (as the same may be amended or supplemented from time to time, this “Trust Agreement”), is made by and among Four Corners Jefferson Holdings, LLC, a Texas limited liability company (the “Depositor”), Four Corners Capital Management, LLC, a Texas limited liability company (in its individual capacity, the “Signatory Trustee”) as Signatory Trustee, and Wilmington Corporate Services, LLC, a Delaware limited liability company (in its individual capacity, the “Delaware Trustee”) as Delaware Trustee (the Signatory Trustee together with the Delaware Trustee are referred to herein as the “Trustees”).

**RECITALS**

- A. The Trust has acquired, will acquire or will contract to acquire the real estate located at 132 E. Broadway Boulevard, Jefferson City, Tennessee 37760 and more particularly described on Exhibit A, together with all buildings, structures, fixtures and improvements located thereon (collectively, the “Real Estate”).
- B. The Real Estate is subject to (or will hereafter become subject to) certain Financing Documents (as hereinafter defined) and the Lease (as hereinafter defined).
- C. The Depositor, Signatory Trustee and Delaware Trustee have formed a statutory trust in accordance with Chapter 38 of Title 12 of the Delaware Code, 12 Del. C. §3801, *et seq.* (the “Statutory Trust Act”).
- D. As a result of the Trust’s acquisition of the Real Estate, the Depositor acquired 100% of the Beneficial Interests.
- E. It is anticipated that thereafter certain additional Investors (as hereinafter defined) will acquire the Beneficial Interests in the Trust in exchange for payment of money to the Trust and become Beneficial Owners (as hereinafter defined) in accordance with the provisions of this Trust Agreement. In connection with the acquisition of the Beneficial Interests by the Investors, the Beneficial Interests held by Depositor will be redeemed by the Trust on a prorated basis.
- F. The Trust will retain Four Corners Capital Management, LLC as the Signatory Trustee of the Trust to undertake certain actions and perform certain duties that would otherwise be performed by the Trust.
- G. Intentionally deleted.

NOW, THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

**ARTICLE 1  
DEFINITIONS AND INTERPRETATION**

**Definitions.** Capitalized terms used in this Trust Agreement shall have the following meanings, or if not defined in this Article I or elsewhere in this Trust Agreement, they shall have the meanings ascribed to them in the Financing Documents:

“Affiliate” means, with respect to any specified Person, any other Person 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, means 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, ten percent (10%) or more of the ownership interests.

“Beneficial Interest” means a beneficial interest in the Trust, as such term is used in the Statutory Trust Act.

“Beneficial Owner” means each Person who, at the time of determination, holds a Beneficial Interest as reflected on the most recent Ownership Records.

“Business Day” is any day other than Saturday, Sunday or a legal holiday in the State of Delaware.

“Certificate of Trust” means the certificate of trust filed in the office of the Secretary of State of the State of Delaware (the “Secretary of State”).

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Delaware Trustee” means the Person serving, at the time of determination, as the Delaware Trustee under this Trust Agreement. As of the Effective Date, the Delaware Trustee is Wilmington Corporate Services, LLC.

“Delaware Trustee Covered Expenses” has the meaning given to such term in Section 4.5.

“Delaware Trustee Indemnified Persons” has the meaning given to such term in Section 4.5.

“Deposit Date” means March 25, 2026 (such date to be filled in once agreed to by the Depositor and the Signatory Trustee).

“Depositor” has the meaning given to such term in the introductory paragraph hereof.

“Effective Date” means the date of this Trust Agreement as specified in the introductory paragraph hereof.

“Exhibit” means an exhibit attached to this Trust Agreement, unless otherwise specified.

“Financing Documents” means the Note, the Loan Agreement, the Mortgage, and any other documents or agreements contemplated by any of the foregoing or the interest rate swap arrangement or otherwise required by Lender in connection with the Loan.

“Investors” means the purchasers of Beneficial Interests in the Trust, excluding the Depositor.

“Lease” shall mean that lease agreement entered into by Jefferson City Partnership, a Tennessee general partnership, and Walgreen Co., an Illinois corporation with respect to the Real Property and dated as of July 28, 2004.

“Lender” means First Peoples Bank of Tennessee and/or Pacific Coast Bankers’ Bank, as applicable, together with their respective successors and assigns.

“Loan” means, collectively, that certain loan or loans payable to Lender in the approximate aggregate principal amount of \$2,550,000.00 as evidenced and secured by the Financing Documents.

“Loan Agreement” means that certain loan agreement evidencing the Loan.

“Mortgage” means, collectively, the mortgages or deeds of trust, as the case may be, encumbering the Real Estate as security for the Loan.

“Note” means, collectively, the note or notes evidencing the Loan.

“Ownership Records” means the records maintained by the Signatory Trustee, substantially in the form of Exhibit B, indicating from time to time the name, mailing address, and Percentage Share of each Beneficial Owner,

which records shall initially indicate the Depositor as the sole Beneficial Owner and shall be revised by the Signatory Trustee contemporaneously to reflect the issuance or transfer of Beneficial Interests in accordance with this Trust Agreement, changes in mailing addresses, or other changes.

“Percentage Share” means, for each Beneficial Owner, the percentage of the aggregate Beneficial Interests in the Trust held by such Beneficial Owner as reflected on the most recent Ownership Records. For the avoidance of doubt, the sum of the Percentage Share of the Beneficial Interests at all times shall be one hundred percent (100%).

“Permitted Investment” has the meaning set forth in Section 7.2.

“Person” means 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 and any fiduciary acting in such capacity on behalf of any of the foregoing.

“Purchase Agreement” means the purchase agreement and escrow instructions to be entered into by the Depositor and each Investor with respect to the acquisition of Beneficial Interests by the Investors.

“Real Estate” has the meaning given to such term in Recital A hereof.

“Regulations” means U.S. Treasury Regulations promulgated under the Code.

“Reserves” has the meaning given to such term in Section 7.2.

“Secretary of State” has the meaning given to such term in Section 2.1(b).

“Section” means a section of this Trust Agreement, unless otherwise specified.

“Securities Act” means the Securities Act of 1933, as amended.

“Signatory Trustee” means the Person serving, at the time of determination, as the signatory trustee under this Trust Agreement. As of the Effective Date, the Signatory Trustee is Four Corners Capital Management, LLC, a Texas limited liability company.

“Signatory Trustee Covered Expenses” has the meaning given to such term in Section 5.4.

“Signatory Trustee Indemnified Persons” has the meaning given to such term in Section 5.4.

“Special Member” means, upon such person’s admission to the Signatory Trustee as a member of the Signatory Trustee pursuant its limited liability company agreement, a person acting as a Springing Member of Signatory Trustee, in such person's capacity as a member of the Signatory Trustee.

“Special Purpose Provisions” has the meaning given to such term in Section 10.11.

“Springing LLC” has the meaning given to such term in Section 9.2.

“Springing Member” means a Person who is not a member of the Signatory Trustee but who has signed its limited liability company agreement in order that, upon the conditions provided therein, such person can become the Special Member of Signatory Trustee without any delay in order that at all times the Signatory Trustee shall have at least one member.

“Statutory Trust Act” has the meaning given to such term in Recital C hereof.

“Tenant” means Walgreen Co., an Illinois corporation, or its successor under the Lease.

“Transaction Documents” means the Trust Agreement, each Purchase Agreement, the Lease, the Financing Documents, together with any other documents to be executed in furtherance of the investment activities of the Trust.

“Transfer Distribution” has the meaning given to such term in Section 9.2.

“Trust” means Four Corners Jefferson, DST, a Delaware statutory trust formed by and in accordance with, and governed by, this Trust Agreement.

“Trust Agreement” has the meaning given to such term in the introductory paragraph hereof.

“Trust Estate” means all of the Trust’s right, title, and interest in and to the Lease, the Real Estate, and any and all other property and assets (whether tangible or intangible) in which the Trust at any time has any right, title or interest.

“Trust Year” means (i) initially, the period of time commencing on the Deposit Date and ending on the date that is 12 months later and (ii) subsequently, each successive 12-month period thereafter.

## **ARTICLE 2 GENERAL MATTERS**

### Section 2.1      Organizational Matters.

(a)      Wilmington Corporate Services, LLC is hereby appointed as the Delaware Trustee and Wilmington Corporate Services, LLC hereby accepts such appointment.

(b)      The Depositor hereby authorizes and directs the Delaware Trustee to execute and file a Certificate of Trust with the Secretary of State and authorizes the Delaware Trustee to execute and file in the office of the Secretary of State such certificates as may from time to time be required under the Statutory Trust Act or any other Delaware law.

(c)      The name of the Trust is “Four Corners Jefferson DST”. The Signatory Trustee shall have full power and authority, and is hereby authorized, to conduct the activities of the Trust, execute and deliver all documents (including, without limitation, the Transaction Documents) for or on behalf of the Trust, and cause the Trust to sue or be sued under its name. Any reference to the Trust shall be a reference to the statutory trust formed pursuant to the Certificate of Trust and this Trust Agreement and not to the Delaware Trustee or the Signatory Trustee individually or to the officers, agents or employees of the Trust, the Delaware Trustee or the Signatory Trustee.

The principal office of the Trust, and such additional offices as the Signatory Trustee may determine to establish, shall be located at such places inside or outside of the State of Delaware as the Signatory Trustee shall designate from time to time. As of the Effective Date, the principal office of the Trust is located at 17776 Preston Road, Suite 100, Dallas, Texas 75252.

(d)      The principal office of the Trust, and such additional offices as the Signatory Trustee may determine to establish, shall be located at such places inside or outside of the State of Delaware as the Signatory Trustee shall designate from time to time. As of the Effective Date, the principal office of the Trust is located at 17776 Preston Road, Dallas, Texas 75252.

(e)      Legal title to the Trust Estate shall be vested in the Trust as a separate legal entity or the Signatory Trustee, as trustee of the Trust, as a separate legal entity.

(f)      The Trust is an irrevocable Delaware statutory trust, and as such and subject to Section 9.1 hereof, it shall have a perpetual existence and may not be revoked by the Depositor, Signatory Trustee, Delaware Trustee or any other Person.

### Section 2.2      Declaration of Trust and Statement of Intent.

(a) The Signatory Trustee hereby declares that it shall hold the Trust Estate in trust for the benefit of the Beneficial Owners upon the terms set forth in this Trust Agreement.

(b) It is the intention of the parties that the Trust constitute a “statutory trust,” the Delaware Trustee is a “trustee,” the Signatory Trustee is an “agent” of the Trust, the Beneficial Owners are “beneficial owners,” and this Trust Agreement is the “governing instrument” of the Trust, each within the respective meaning provided in the Statutory Trust Act.

Section 2.3 Purposes. The purposes of the Trust are to engage in the following activities: (i) to acquire the Real Estate subject to (or to concurrently therewith enter into) the Lease and the Financing Documents; (ii) to hold for investment, lease, maintain and eventually dispose of the Real Estate; and (iii) to take only such other actions as the Signatory Trustee deems necessary or appropriate to carry out the foregoing.

### **ARTICLE 3 PROVISIONS RELATING TO THE LOAN AND TAX TREATMENT**

Section 3.1 Article 3 Supersedes All Other Provisions of this Trust Agreement. This Article 3 contains certain provisions required by the Lender in connection with the Loan or intended to achieve the desired treatment of the Trust and Beneficial Interests for United States federal income tax purposes. To the extent of any inconsistency between this Article 3 and any other provision of this Trust Agreement, this Article 3 shall supersede and be controlling; provided, for the avoidance of doubt, that nothing in this Article 3 shall limit or impair the Trust’s power and authority to execute and deliver, and to perform its obligations under (to the extent not in violation of this Article 3), the Transaction Documents, and further provided that the requirements of this Article 3 shall be enforceable to the maximum extent permissible under the Statutory Trust Act.

#### Section 3.2 Provisions Relating to Loan.

(a) This Section 3.2 is intended to qualify the Trust as a “Single Purpose Entity” for purposes of the Loan. So long as any portion of the Loan is outstanding, the provisions of this Section 3.2 shall be in full force and effect; provided, however, that the provisions of this Section 3.2 shall be of no further force and effect at any time when no portion of the Loan is outstanding. The terms of this Trust Agreement are further limited by and subject to the provisions of the Financing Documents while the Loan (or any portion thereof) is outstanding.

#### (b) Special Purpose Entity Representations, Warranties, and Covenants.

##### (1) Provisions Relating to the Loan.

(i) “Permitted Indebtedness” shall mean trade and operational indebtedness incurred in the ordinary course of business with trade creditors, provided such indebtedness is (1) unsecured, (2) not evidenced by a note, (3) on commercially reasonable terms and conditions, and (4) due not more than sixty (60) days past the date incurred and paid on or prior to such date; provided however, the aggregate amount of the indebtedness shall not exceed at any time two percent (2%) of the outstanding principal amount of the Debt.

##### (2) Single Purpose Entity/Separateness.

(i) Trust hereby represents and warrants to, and covenants with, Lender and that the Trust has not and will not:

a) engage in any business or activity other than the operation and maintenance of the Property, and activities incidental thereto;

- b) acquire or own any assets other than such incidental Personal Property as may be necessary for the leasing, maintenance and operation of the Property;
- c) merge into or consolidate with any Person or effectuate a Division, or dissolve, terminate, liquidate in whole or in part, or transfer, Divide or otherwise dispose of all or substantially all of its assets, or change its legal structure;
- d) fail to observe all organizational formalities, or fail to preserve its existence as an entity duly organized, validly existing and in good standing (if applicable) under the Applicable Law of the jurisdiction of its organization or formation, or amend, modify, terminate or fail to comply with the provisions of its organizational documents;
- e) own any subsidiary, or make any investment in, any Person;
- f) commingle its assets with the assets of any other Person;
- g) incur any Indebtedness, secured or unsecured, direct or contingent (including guaranteeing any obligation), other than (A) the Debt and (B) Permitted Indebtedness. No Indebtedness other than the Debt may be secured (subordinate or pari passu) by the Property;
- h) fail to maintain all of its books, records, financial statements and bank accounts separate from those of its affiliates and any constituent party. Such entity's assets have not and will not be listed as assets on the financial statement of any other Person; provided, however, that such entity's assets may be included in a consolidated financial statement of its affiliates, provided that, (i) appropriate notation shall be made on such consolidated financial statements to indicate the separateness of such entity and such affiliates and to indicate that such entity's assets and credit are not available to satisfy the debts and other obligations of such affiliates or any other Person and (ii) such assets shall be listed on such entity's own separate balance sheet. Such entity has maintained and will maintain its books, records, resolutions and agreements as official records;
- i) enter into any contract or agreement with any general partner, member, shareholder, principal or affiliate, except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arm's-length basis with unaffiliated third parties;
- j) maintain its assets in such a manner that it will be costly or difficult to segregate, ascertain or identify its individual assets from those of any other Person;
- k) assume or guaranty the debts of any other Person, hold itself out to be responsible for the debts of any other Person, or otherwise pledge its assets for the benefit of any other Person or hold out its credit as being available to satisfy the obligations of any other Person;

- l) make any loans or advances to any Person;
- m) fail either to hold itself out to the public as a legal entity separate and distinct from any other Person and not as a division or part of any other Person or to conduct its business solely in its own name or fail to correct any known misunderstanding regarding its separate identity;

- (3) Intentionally Deleted.
- (4) Intentionally Deleted.
- (5) Business and Operations.

- (i) Trust shall, and shall cause Signatory Trustee to continue to engage in the businesses now conducted by it as and to the extent the same are necessary for the ownership, maintenance, management and operation of, with respect to Trust, the Property, with respect to tenant's interest in the Lease and with respect to Signatory Trustee, the rights as signatory trustee of Trust. Trust will qualify to do business and will remain in good standing under the laws of the jurisdiction as and to the extent the same are required for the ownership, maintenance, management and operation of, the Property.

(c) Standards Governing Actions. To the fullest extent permitted by applicable law, the Trustees shall at all times take into account the interests of the Trust's creditors as well as the interests of the Trust's beneficial owners in connection with all matters subject to the consideration or vote of the Trustees. The Lender is a third party beneficiary as to the provision contained in this Section 3.2.

(d) Indemnification. Notwithstanding any provision hereof to the contrary, any indemnification claim against the Trust arising under this Agreement, the Certificate of Trust of the Trust or the laws of the state of organization of the Trust to indemnify its Trustees or beneficial owners are hereby fully subordinated to its obligations arising under the Financing Documents and shall only constitute a claim against the Trust to the extent of, and shall be paid by the Trust in monthly installments only from, the excess of net operating income for any month over all amounts then due under the other Financing Documents.

(e) Priority of Distributions. The Trust's assets shall be utilized at all times to satisfy any and all of the Trust's obligations and liabilities to Lender in accordance with the Financing Documents prior to paying or distributing any of such proceeds to satisfy other obligations or liabilities of the Trust.

(f) Conflicting Provisions. To the extent this Section conflicts with any other provisions of this Agreement or any other organizational or formation document of the Trust, this Section shall control.

(g) Definitions. Capitalized terms used but not defined in this Section have the meanings ascribed to them in the Loan Agreement. "Material Action" shall mean, with respect to any Person, to institute proceedings to have such Person be adjudicated bankrupt or insolvent, or consent to the institution of bankruptcy or insolvency proceedings against such Person or file a petition seeking, or consent to, reorganization or relief with respect to such Person under any applicable federal, state, local or foreign law relating to bankruptcy, or consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of such Person or a substantial part of its property, or make any assignment for the benefit of creditors of such Person, or admit in writing such Person's inability to pay its debts generally as they become due, or declare or effectuate a moratorium on the payment of any obligation, or take action in furtherance of any such action.

Failure of the Signatory Trustee to comply with any of the foregoing covenants or any other covenants contained in this Trust Agreement shall not affect the status of the Trust as a separate legal entity or the limited liability of the Beneficial Owners.

Section 3.3      Provisions Relating to Tax Treatment.

(a)      It is the intention of the parties hereto that the Trust shall constitute an investment trust pursuant to Section 301.7701-4(c) of the Regulations and each Beneficial Owner shall be treated as a “grantor” within the meaning of Code Section 671. As such, the parties further intend that each Beneficial Owner shall be treated for federal income tax purposes as if it holds a direct ownership interest in the Real Estate. Each Beneficial Owner 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. None of the Delaware Trustee, the Signatory Trustee, the Beneficial Owners and/or the Trust shall have power and authority, or shall be authorized, and each of them is hereby expressly prohibited from taking, and none of them shall be allowed to take, any of the following actions:

- (1)      sell, transfer or exchange the Real Estate except in accordance with Article 9;
- (2)      reinvest any monies of the Trust, except to make modifications or repairs to the Real Estate permitted hereunder or in accordance with Section 5.2;
- (3)      renegotiate the terms of the Loan or enter into new financing;
- (4)      renegotiate the Lease or enter into new leases, except in the case of the Tenant’s bankruptcy or insolvency;
- (5)      make modifications to the Real Estate (other than minor non-structural modifications) unless required by law;
- (6)      accept any capital from a Beneficial Owner (other than capital, including existing reserves, contributed by the Depositor in connection with the original contribution of the Trust Estate and capital from an Investor paid in accordance with the investment in the Beneficial Interests made pursuant to the Memorandum that will be distributed to the Depositor to redeem its Beneficial Interest or to fund reserves or pay fees and expenses related to the offering of the Beneficial Interests); or
- (7)      take any other action which would in the opinion of tax counsel to the Trust cause the Trust to be treated as a business entity for federal income tax purposes 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 Section 301.7701-4(c)(1) of the Regulations and Rev. Rul. 2004-86.

The Trust shall hold the Trust Estate for investment purposes and only lease the Real Estate to Tenant. The activities of the Trust with respect to the Trust Estate shall be limited to the activities which are customary services in connection with the maintenance and repair of the Real Estate and none of the Delaware Trustee, the Beneficial Owners, the Signatory Trustee nor their agents shall provide non-customary services, as such term is defined in Code Sections 512 and 856 and Rev. Rul. 75-374, 1975-2 C.B. 261. The Trust shall conduct no business other than as specifically set forth in, or permitted by, this Section 3.3. Without limiting the generality of the foregoing, (i) none of the Delaware Trustee, the Signatory Trustee, the Beneficial Owners and the Trust shall have any power or authority to undertake any actions that are not permitted to be undertaken by an entity that is treated as a “trust” within the meaning of Section 301.7701-4 of the Regulations and not treated as a “business entity” within the meaning of Section 301.7701-3 of the Regulations, and (ii) this Trust Agreement shall be interpreted and enforced so as to be in compliance with the requirements of Rev. Rul. 2004-86, 2004-2 C.B. 191.

For federal income tax purposes, the Trust is intended to be and shall constitute an investment trust pursuant to Section 301.7701-4(c) of the Regulations and a “grantor trust” under Subpart E of Part 1, Subchapter J of the Code (Code Sections 671 - 679) and shall not constitute a “business entity.”

#### **ARTICLE 4 CONCERNING THE DELAWARE TRUSTEE**

Section 4.1 Power and Authority. The Delaware Trustee shall have the power and authority, and is hereby authorized and empowered, to (i) accept legal process served on the Trust in the State of Delaware; (ii) execute any certificates that are required to be executed under the Statutory Trust Act and file such certificates in the office of the Secretary of State; (iii) execute, solely in its capacity as trustee for and on behalf of the Trust, any document of title or other document relating to the Real Estate, as determined by the Signatory Trustee to be required or advisable under any applicable law of the jurisdiction where the Real Estate is located; and (iv) take such action or refrain from taking such action under this Trust Agreement as may be directed in a writing delivered to the Delaware Trustee by the Signatory Trustee; provided, however, that the Delaware Trustee shall not be required to take or to refrain from taking any such action if the Delaware Trustee shall believe, or shall have been advised by counsel, that such performance is likely to involve the Delaware Trustee in personal liability or to result in personal liability to the Delaware Trustee or is contrary to the terms of this Trust Agreement or of any document contemplated hereby to which the Trust or the Delaware Trustee is or becomes a party or is otherwise contrary to law. The Signatory Trustee agrees not to instruct the Delaware Trustee to take any action, or to refrain from taking any action, that is contrary to the terms of (i) this Trust Agreement or of any document contemplated hereby to which the Trust or the Delaware Trustee is or becomes a party, (ii) the Financing Documents, or (iii) applicable law. Other than as expressly provided for in this Trust Agreement, the Delaware Trustee shall have no duty to take any action for or on behalf of the Trust.

Section 4.2 Delaware Trustee May Request Direction. If at any time the Delaware Trustee determines that it requires or desires guidance regarding the application of any provision of this Trust Agreement or any other document, or regarding action that must or may be taken in connection herewith or therewith, or regarding compliance with any direction it received hereunder, then the Delaware Trustee may deliver a notice to a court of competent jurisdiction requesting written instructions as to the desired course of action, and such instructions from the court shall constitute full and complete authorization and protection for actions taken and other performance by the Delaware Trustee in reliance thereon. Until the Delaware Trustee has received such instructions after delivering such notice, it shall be fully protected in refraining from taking any action with respect to the matters described in such notice.

Section 4.3 Delaware Trustee’s Capacity. In accepting the trust hereby created, Wilmington Corporate Securities, LLC acts solely as Delaware Trustee hereunder and not in its individual capacity, and all Persons having any claim against the Delaware Trustee by reason of the transactions contemplated by this Trust Agreement, the Transaction Documents, or any other document shall look only to the Trust Estate for payment or satisfaction thereof. Notwithstanding any provision of this Trust Agreement or any other document to the contrary, under no circumstances shall Wilmington Corporate Securities, LLC, in its individual capacity or in its capacity as Delaware Trustee, (i) have any duty to choose or supervise, nor shall it have any liability for the actions or inactions of, the Signatory Trustee or any officer, manager, employee, or other Person (other than Wilmington Corporate Securities, LLC and its own employees), or (ii) be liable or responsible for, or obligated to perform, any contract, representation, warranty, obligation or liability of the Trust, the Signatory Trustee, or any officer, manager, employee, or other Person (other than Wilmington Corporate Securities, LLC and its own employees); provided, however, that this limitation shall not protect Wilmington Corporate Securities, LLC against any liability to the Beneficial Owners to which it would otherwise be subject by reason of its willful misconduct, bad faith, fraud or gross negligence in the performance of its duties under this Trust Agreement.

Section 4.4 Duties. None of the Delaware Trustee or any successor Delaware Trustee shall have any duty or obligation under or in connection with this Trust Agreement, the Trust, or any transaction or document contemplated hereby, except as expressly provided by the terms of this Trust Agreement, and no implied duties or obligations shall be read into this Trust Agreement against the Delaware Trustee or any successor Delaware Trustee. The right of the Delaware Trustee or any successor Delaware Trustee to perform any discretionary act enumerated herein shall not be construed as a duty. To the fullest extent permitted by applicable law, including without limitation Section 3806 of the Statutory Trust Act, the Delaware Trustee’s or any successor Delaware Trustee’s duties (including

fiduciary duties) and liabilities relating thereto to the Trust and the Beneficial Owners shall be restricted to those duties (including fiduciary duties) expressly set forth in this Trust Agreement and liabilities relating thereto.

Section 4.5 Indemnification. The Signatory Trustee shall cause the Trust to: (i) reimburse the Delaware Trustee or any successor Delaware Trustee for all reasonable expenses (including reasonable fees and expenses of counsel and other professionals), incurred in connection with the negotiation, execution, delivery, or performance of, or exercise of rights or powers under, this Trust Agreement; (ii) the fullest extent permitted by law, indemnify, defend and hold harmless the Delaware Trustee and/or any successor Delaware Trustee, and the officers, directors, employees and agents of the Delaware Trustee and/or any successor Delaware Trustee (collectively, including the Delaware Trustee and/or any successor Delaware Trustee in its individual capacity, the “Delaware Trustee Indemnified Persons”) from and against any and all losses, damages, liabilities, claims, actions, suits, costs, expenses, disbursements (including the reasonable fees and expenses of counsel and other professionals), taxes and penalties of any kind and nature whatsoever (collectively, “Delaware Trustee Covered Expenses”), to the extent that such Delaware Trustee Covered Expenses arise out of or are imposed upon or asserted at any time against any such Delaware Trustee Indemnified Persons, including without limitation on the basis of ordinary negligence on the part of any such Delaware Trustee Indemnified Persons, with respect to or in connection with this Trust Agreement, the Trust, or any transaction or document contemplated hereby; provided, however, that the Trust shall not be required to indemnify a Delaware Trustee Indemnified Person for Delaware Trustee Covered Expenses to the extent such Delaware Trustee Covered Expenses result from the willful misconduct, bad faith, fraud or gross negligence of such Delaware Trustee Indemnified Person; and (iii) the fullest extent permitted by law, advance to each such Delaware Trustee Indemnified Person any Delaware Trustee Covered Expenses incurred by such Delaware Trustee Indemnified Person in defending any claim, demand, action, suit or proceeding, in connection with this Trust Agreement, the Trust, or any transaction or document contemplated hereby, prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by any Beneficial Owner of an undertaking, by or on behalf of such Delaware Trustee Indemnified Person, to repay such amount if a court of competent jurisdiction renders a final, nonappealable judgment that includes a specific finding of fact that such Delaware Trustee Indemnified Person is not entitled to be indemnified therefor under this Section 4.5. The obligations of the Trust under this Section 4.5 shall survive the resignation or removal of the Delaware Trustee and shall survive the termination, amendment, supplement, and/or restatement of this Trust Agreement. Any indemnification set forth herein shall be fully subordinate to the Loan and, to the fullest extent permitted by law, shall not constitute a claim against the Trust in the event that the Trust’s cash flow is insufficient to pay all its obligations to creditors.

Section 4.6 Removal; Resignation; Succession. The Delaware Trustee may resign at any time by providing written notice to the Signatory Trustee, such resignation to be effective upon the acceptance of appointment by a successor Delaware Trustee as hereinafter provided. The Signatory Trustee may at any time remove the Delaware Trustee for cause by providing written notice to the Delaware Trustee, such removal to be effective upon the acceptance of appointment by a successor Delaware Trustee as hereinafter provided. Cause shall only result from the willful misconduct, bad faith, fraud or gross negligence of the Delaware Trustee. In case of the removal or resignation of a Delaware Trustee, and with the prior written consent of Lender while the Loan is outstanding, the Signatory Trustee may appoint a successor by written instrument. If a successor Delaware Trustee shall not have been appointed within fifteen (15) days after the giving of such notice, the Delaware Trustee or any of the Beneficial Owners may apply to any court of competent jurisdiction in the United States to appoint a successor Delaware Trustee to act until such time, if any, as a successor shall have been appointed as provided above; provided the Lender approves such appointment during any period in which the Loan remains outstanding. Any successor so appointed by such court shall immediately and without further act be superseded by any successor appointed as provided above within one (1) year from the date of the appointment by such court. Any successor, however appointed, shall execute and deliver to its predecessor Delaware Trustee 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 Delaware Trustee in the trusts hereunder with like effect as if originally named the Delaware Trustee herein; but upon the written request of such successor, such predecessor shall execute and deliver an instrument transferring to such successor, upon the trusts herein expressed, 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 Beneficial Owners against a predecessor Delaware Trustee in its individual capacity shall survive the resignation or removal of such predecessor, shall survive the dissolution and termination of the Trust, and shall survive the termination, amendment, supplement, and/or restatement of this Trust Agreement. The Trust shall not be terminated solely due to the death,

liquidation, resignation or removal of any Trustee. Notwithstanding anything herein to the contrary (but subject to the terms and conditions of the Financing Documents), no resignation or removal of a Trustee shall be effective until a successor trustee has been appointed and such successor trustee has accepted its responsibilities, all as provided in this Trust Agreement.

Any successor Delaware Trustee, however appointed, shall be a bank or trust company satisfying the requirements of Section 3807(a) of the Statutory Trust Act. 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.

Section 4.7 Fees and Expenses. Wilmington Corporate Securities, LLC shall receive as compensation for its services hereunder such fees as have been separately agreed upon between Depositor and Wilmington Corporate Securities, LLC. The Delaware Trustee shall not have any obligation by virtue of this Trust Agreement to spend any of its own funds, or to take any action that could result in its incurring any cost or expense.

Section 4.8 Indemnification Subordinate. Notwithstanding anything to the contrary contained in this Article 4, so long as any portion of the Loan is outstanding: (A) any indemnification set forth in this Trust Agreement shall be fully subordinate to the Loan and shall not constitute a claim against the Trust in the event its cash flow is insufficient to pay its obligations, nor shall it constitute a claim against any beneficial owner of an interest in the Trust and (B) no indemnity payment from funds of the Trust shall be payable from amounts allocable to Lender pursuant to the Financing Documents.

## **ARTICLE 5 CONCERNING THE SIGNATORY TRUSTEE**

Section 5.1 Power and Authority. The investment activities and affairs of the Trust shall be managed exclusively by or under the direction of the Signatory Trustee. The Signatory Trustee shall have the power and authority, and is hereby authorized and empowered, to take title to the Trust Estate as trustee of the Trust, to manage the Trust Estate and the investment activities and affairs of the Trust, subject to and in accordance with the terms and provisions of this Trust Agreement and the Financing Documents, provided that the Signatory Trustee shall have no power to engage on behalf of the Trust in any activities that the Trust could not engage in directly. The Signatory Trustee shall have the power and authority, and is hereby authorized, empowered, and directed by the Trust, to enter into, execute and deliver, and to cause the Trust to perform its obligations under, each of the Transaction Documents to which the Trust is or becomes a party or signatory.

Section 5.2 Signatory Trustee's Capacity. The Signatory Trustee acts solely as an agent of the Trust and not in its individual capacity, and all Persons having any claim against the Signatory Trustee by reason of the transactions contemplated by this Trust Agreement, the Transaction Documents, or any other document shall look only to the Trust Estate for payment or satisfaction thereof. Notwithstanding any provision of this Trust Agreement to the contrary, the Signatory Trustee shall not have any liability to any Person except for its own willful misconduct, bad faith, fraud or gross negligence.

Section 5.3 Duties.

(a) The Signatory Trustee has primary responsibility for performing the administrative actions set forth in this Section 5.3. In addition, the Signatory Trustee shall have the obligations with respect to a potential sale of the Trust Estate set forth in Article 9. The Signatory Trustee shall not have any duty or obligation under or in connection with this Trust Agreement, the Trust, or any transaction or document contemplated hereby, except as expressly provided by the terms of this Trust Agreement, and no implied duties or obligations shall be read into this Trust Agreement against the Signatory Trustee. The right of the Signatory Trustee to perform any discretionary act enumerated herein shall not be construed as a duty. To the fullest extent permitted by applicable law, including without limitation Section 3806 of the Statutory Trust Act, the Signatory Trustee's duties (including fiduciary duties) and liabilities relating thereto to the Trust and the Beneficial Owners shall be restricted to those duties (including fiduciary duties) expressly set forth in this Trust Agreement and liabilities relating thereto. Notwithstanding anything

to the contrary in this Trust Agreement, the Signatory Trustee has the duty to protect and preserve the Trust Estate for the benefit of the Beneficial Owners and is authorized and directed to take any action necessary to fulfill that duty, including effecting a conversion of the Trust in accordance with Section 9.2 hereof.

(b) Intentionally Deleted.

(c) Without limiting the generality of Section (a) above, the Signatory Trustee, for and on behalf of the Trust, is hereby authorized and directed to take each of the following actions necessary to conserve and protect the Trust Estate (subject to and in accordance with the terms and provisions of the Financing Documents):

(1) receiving the contribution of the Real Estate subject to, and assuming, the Lease and the Loan or, in the event that the Depositor contributes the right to acquire the Real Estate (versus the Real Estate itself), receive the contribution of such right to acquire the Real Estate, to take title to the Real Estate as trustee of the Trust, and to enter into the Lease and the Loan on the terms negotiated and agreed to by the Depositor;

(2) entering into, delivering, and complying with the terms of the Financing Documents;

(3) collecting rents and making distributions in accordance with Article 7;

(4) entering into any agreement for purposes of completing tax-free exchanges of real property with a Qualified Intermediary as defined in Section 1.1031(k) - 1(g)(4) of the Regulations;

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

(6) entering into and complying with the terms of the Lease, including making any repairs or maintenance with respect to the Real Estate required to be undertaken by the landlord in accordance with the terms of the Lease; and

(7) solely to the extent necessitated by the bankruptcy or insolvency of the Tenant or any other tenant of the Real Estate, if the Trust has not terminated under Section 9.2, entering into a new lease with respect to the Real Estate.

The foregoing notwithstanding, under no circumstances shall the power or authority of the Signatory Trustee include the ability to take any actions which would cause the Trust to cease to constitute an "investment trust" within the meaning of Section 301.7701-4(c) of the Regulations. The power and authority of the Signatory Trustee shall be strictly and narrowly construed so as to preserve and protect the status of the Trust as an "investment trust" for federal income tax purposes.

(d) The Signatory Trustee shall keep customary and appropriate books and records relating to the Trust and the Trust Estate and shall certify reports regarding same to the Lender, if required by the Financing Documents. The Signatory Trustee shall maintain appropriate books and records in order to provide reports of income and expenses to each Beneficial Owner as necessary for such Beneficial Owner to prepare his/her income tax returns regarding the Trust Estate. The Signatory Trustee may, at its election, enter into one or more service agreements with third parties or an affiliate of the Signatory Trustee, to provide reporting and asset management services to the Signatory Trustee to assist the Signatory Trustee in providing such services.

(e) The Signatory Trustee shall not be required to act or refrain from acting under this Trust Agreement, the Lease or the Financing Documents if the Signatory Trustee reasonably determines, or has been advised by counsel, that such action or inaction may result in personal liability, unless the Signatory Trustee is indemnified by the Trust and the Beneficial Owners against any liability and costs (including reasonable legal fees and expenses) which may result in a manner and form reasonably satisfactory to the Signatory Trustee.

(f) The Signatory Trustee shall not, on its own behalf (in contrast to actions that the Signatory Trustee is required to perform on behalf of the Trust), have any duty to (i) 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) obtain or maintain any insurance on the Real Estate, (iii) maintain the Real Estate, (iv) pay or discharge any tax levied against any part of the Trust Estate, (v) confirm, verify, investigate or inquire into the failure to receive any reports or financial statements from any party obligated under the Financing Documents to provide such, or (vi) inspect the Real Estate at any time or to ascertain or inquire as to the performance or observance of any of the covenants of any Person under the Financing Documents.

(g) The Signatory Trustee shall manage, control, dispose of or otherwise deal with the Trust Estate consistent with its duties to conserve and protect the Trust Estate, subject to any restrictions required by the Financing Documents or the Lease, or otherwise provided in this Trust Agreement.

(h) The Signatory Trustee shall provide to each Person who becomes a Beneficial Owner a copy of this Trust Agreement at or before the time such Person becomes a Beneficial Owner.

(i) The Signatory Trustee shall provide to the Delaware Trustee a copy of the Ownership Records contemporaneously with each revision thereto.

Section 5.4 Indemnification. The Trust, to the full extent of the Trust Estate, hereby agrees to (i) reimburse the Signatory Trustee for all reasonable expenses (including reasonable fees and expenses of counsel and other professionals), incurred in connection with the negotiation, execution, delivery, or performance of, or exercise of rights or powers under, this Trust Agreement, (ii) to the fullest extent permitted by law, indemnify, defend and hold harmless the Signatory Trustee, the officers, directors, employees and agents of the Signatory Trustee, and any Persons serving as guarantor of the Loan (collectively, including the Signatory Trustee, the “Signatory Trustee Indemnified Persons”) from and against any and all losses, damages, liabilities, claims, actions, suits, costs, expenses, disbursements (including the reasonable fees and expenses of counsel and other professionals), taxes and penalties of any kind and nature whatsoever (collectively, “Signatory Trustee Covered Expenses”), to the extent that such Signatory Trustee Covered Expenses arise out of or are imposed upon or asserted at any time against any such Signatory Trustee Indemnified Persons, including without limitation on the basis of ordinary negligence on the part of any such Signatory Trustee Indemnified Persons, with respect to or in connection with this Trust Agreement, the Trust, or any transaction or document contemplated hereby; provided, however, that the Trust shall not be required to indemnify a Signatory Trustee Indemnified Person for Signatory Trustee Covered Expenses to the extent such Signatory Trustee Covered Expenses result from the willful misconduct, bad faith, fraud or gross negligence of such Signatory Trustee Indemnified Person, and (iii) to the fullest extent permitted by law, advance to each such Signatory Trustee Indemnified Person any Signatory Trustee Covered Expenses incurred by such Signatory Trustee Indemnified Person in defending any claim, demand, action, suit or proceeding, in connection with this Trust Agreement, the Trust, or any transaction or document contemplated hereby, 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 Signatory Trustee Indemnified Person, to repay such amount if a court of competent jurisdiction renders a final, nonappealable judgment that includes a specific finding of fact that such Signatory Trustee Indemnified Person is not entitled to be indemnified therefor under this Section 5.4. The obligations of the Trust under this Section 5.4 shall survive the resignation or removal of the Signatory Trustee, shall survive the dissolution and termination of the Trust, and shall survive the termination, amendment, supplement, and/or restatement of this Trust Agreement. Notwithstanding anything to the contrary contained in this Section 5.4, so long as any portion of the Loan is outstanding: (A) any indemnification set forth in this Trust Agreement shall be fully subordinate to the Loan and, to the fullest extent permitted by law, shall not constitute a claim against the Trust Estate in the event that the Trust’s cash flow is insufficient to satisfy its obligations to creditors. and (B) no indemnity payment from funds of the Trust shall be payable from amounts allocable to the Lender pursuant to the Financing Documents.

Section 5.5 Fees and Expenses. The Signatory Trustee shall receive as compensation for its services as Signatory Trustee hereunder the fees contemplated by Section 9.4. The Signatory Trustee shall not have any obligation by virtue of this Trust Agreement to spend any of its own funds, or to take any action that could result in its incurring any cost or expense. Notwithstanding the foregoing, so long as any portion of the Loan is outstanding: (A) any payment obligation to Signatory Trustee shall be fully subordinate to the Loan and shall not constitute a claim against the Trust in the event its cash flow is insufficient to pay its obligations, nor shall it constitute a claim against

any beneficial owner of an interest in the Trust and (B) no payment obligation to Signatory Trustee shall be payable from amounts allocable to the Lender pursuant to the Financing Documents.

Section 5.6      Sale of Trust Estate by Signatory Trustee Is Binding. Any sale or other conveyance of the Trust Estate or any part thereof by the Signatory Trustee made for and on behalf of the Trust pursuant to the terms of this Trust Agreement shall bind the Trust and the Beneficial Owners and be effective to transfer or convey all rights, title and interest of the Trust and the Beneficial Owners in and to the Trust Estate.

Section 5.7      Removal/Resignation; Succession. The Signatory Trustee may resign at any time by providing prior written notice to the Delaware Trustee, such resignation to be effective upon the acceptance of appointment by a successor Signatory Trustee as hereinafter provided; provided, however, that at any time the Loan is outstanding, the Signatory Trustee may not resign without the prior consent of the Lender. The Delaware Trustee may at any time remove the Signatory Trustee for cause by providing written notice to the Signatory Trustee, such removal to be effective upon the acceptance of appointment by a successor Signatory Trustee as hereinafter provided; provided, however, that at any time the Loan is outstanding, the Signatory Trustee may not be removed without the prior consent of the Lender. Cause shall only result from the willful misconduct, bad faith, fraud or gross negligence of the Signatory Trustee. In case of the removal or resignation of the Signatory Trustee, the Delaware Trustee, with the prior written consent of the Lender while the Loan is outstanding, may appoint a successor by written instrument. If a successor Signatory Trustee shall not have been appointed within fifteen (15) days after the giving of such notice, the Signatory Trustee or any of the Beneficial Owners may apply to any court of competent jurisdiction in the United States to appoint a successor Signatory Trustee to act until such time, if any, as a successor shall have been appointed as provided above, provided that the Lender approves such appointment during any period in which the Loan is outstanding. Any successor so appointed by such court shall immediately and without further act be superseded by a successor appointed as provided above within one (1) year from the date of the appointment by such court. Any successor, however appointed, shall execute and deliver to its predecessor Signatory Trustee an instrument accepting such appointment, and thereupon such successor, without further act, shall become vested with all the rights, powers and duties of the predecessor Signatory Trustee in the trusts hereunder with like effect as if originally named the Signatory Trustee herein; but upon the written request of such successor, such predecessor shall execute and deliver an instrument transferring to such successor, upon the trusts herein expressed, all the rights, powers and duties of such predecessor. Any right of the Beneficial Owners against a predecessor Signatory Trustee in its individual capacity shall survive the resignation or removal of such predecessor Signatory Trustee, shall survive the dissolution and termination of the Trust, and shall survive the termination, amendment, supplement, and/or restatement of this Trust Agreement. Notwithstanding any provisions of this Trust Agreement, so long as any obligation evidenced or secured by any of the Financing Documents remains outstanding, the Signatory Trustee or any replacement signatory trustee shall be an entity that complies with the special purpose entity requirements set forth in the Financing Documents.

Section 5.8      Intentionally Deleted.

Section 5.9      Intentionally Deleted.

## **ARTICLE 6 BENEFICIAL INTERESTS**

Section 6.1      Issuance of Beneficial Ownership Interests.

(a)      As a result of the Trust's acquisition of the Real Estate, the Depositor acquired 100% of the Beneficial Interests. All Beneficial Interests shall be uncertificated interests and shall constitute a single class of interest in the Trust.

(b)      The Signatory Trustee is hereby authorized to execute each Purchase Agreement for and on behalf of the Trust by the manual signature of any duly authorized signatory of the Signatory Trustee, such execution to constitute the authentication thereof.

(c)      Each Purchase Agreement bearing the manual signature of any individual who at the time such Purchase Agreement was executed was a duly authorized signatory of the Signatory Trustee shall bind the Trust,

notwithstanding that any such individual has ceased to hold such office or to be a duly authorized officer of the Signatory Trustee prior to the delivery of such Purchase Agreement or at any time thereafter. No Purchase Agreement shall be valid for any purpose unless it is executed on behalf of the Trust by the Signatory Trustee. The signature of a duly authorized signatory of the Signatory Trustee on any Purchase Agreement shall be conclusive evidence that such Purchase Agreement has been duly executed and authenticated under this Trust Agreement.

(d) Any Beneficial Owner shall be deemed, by virtue of the acceptance of its Purchase Agreement for Beneficial Interests referenced therein, to have agreed, accepted and become bound by, and subject to, the provisions of this Trust Agreement. Each Beneficial Owner hereby acknowledges and agrees that, in its capacity as a Beneficial Owner, it has no ability either to (i) petition for a partition of the assets of the Trust, (ii) file a petition in bankruptcy on behalf of the Trust, or (iii) take any action that consents to, aids, supports, solicits or otherwise cooperates in the filing of an involuntary bankruptcy proceeding involving the Trust.

Section 6.2 Ownership Records. The Signatory Trustee shall at all times be the Person at whose office a Purchase Agreement may be presented or surrendered for registration of transfer or for exchange and where notices and demands to or upon the Trust in respect of a Purchase Agreement may be served. None of the Beneficial Owners will be entitled to receive Ownership Records as to any other Beneficial Owner. The Signatory Trustee shall keep Ownership Records, which shall include records of the transfer and exchange of Beneficial Interests. Notwithstanding any provision of this Trust Agreement to the contrary, transfer of a Beneficial Interest in the Trust, or of any right, title or interest therein, shall occur only upon and by virtue of the entry of such transfer in the Ownership Records. In the event of any transfer permitted under the terms of this Trust Agreement, the Signatory Trustee shall issue a new Purchase Agreement setting forth the current Percentage Share in the Trust held by such new Beneficial Owner, and if applicable the Signatory Trustee shall issue a new Purchase Agreement setting forth the Beneficial Interest retained by any transferring Beneficial Owner. Except as specifically permitted by Sections 6.4, 6.5 and 6.6, the Beneficial Interests shall be non-transferable and may not be negotiated, endorsed or otherwise transferred to a holder.

Section 6.3 Additional Conditions to Transfer. The Signatory Trustee's consent to any proposed transfer hereunder is subject to the satisfaction of the following as determined in the sole discretion of the Signatory Trustee: (A) that such proposed transfer complies with all transfer restrictions and requirements set forth in the Financing Documents and does not itself or in combination with any other prior transfer or proposed transfer constitute an event of default under the Financing Documents; (B) that such 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; and (C) that such proposed transfer does not cause the property of the Trust 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.

Section 6.4 Restrictions on Transfer. Subject to compliance with applicable securities laws, the Financing Documents, and Section 6.1, Section 6.4, Section 6.5, and Section 6.6 of this Trust Agreement, all or any portion of the Beneficial Interest of any Beneficial Owner (other than Depositor) may be assigned or transferred without the prior consent of any of the Trust, the Delaware Trustee, the Signatory Trustee, or the other Beneficial Owners. All expenses of any such transfer shall be paid by the assigning or transferring Beneficial Owner.

Section 6.5 Conditions to Admission of New Beneficial Owners. Subject to Section 6.1 of this Trust Agreement, any assignee or transferee of a Beneficial Owner, except Investors that purchased Beneficial Interests pursuant to a Purchase Agreement, shall only become a Beneficial Owner upon such assignee's or transferee's written acceptance and adoption of this Trust Agreement, as manifested by its execution and delivery to the Signatory Trustee of an executed agreement substantially in the form of Exhibit C.

Section 6.6 Limit on Number of Beneficial Owners. Notwithstanding anything to the contrary in this Trust Agreement, at no time shall the number of Beneficial Owners exceed one thousand nine hundred fifty (1,950) Persons; however, so long as the Loan is outstanding, the number of Beneficial Owners shall not exceed one hundred (100) persons. Any transfer that results in a violation of the preceding sentence shall, to the fullest extent permitted by law, be null, void and of no effect whatsoever.

Section 6.7 Representations and Acknowledgements of Beneficial Owners. Each Beneficial Owner hereby represents and warrants that it (i) is not acquiring its Beneficial Interest with a view to any distribution thereof

in a transaction that would violate the Securities Act or the securities laws of any state of the United States; and (ii) is aware of the restrictions on transfer that are applicable to the Beneficial Interests and will not offer, sell, pledge or otherwise transfer its Beneficial Interest except in compliance with all applicable securities laws and regulations and this Trust Agreement. Each Beneficial Owner hereby acknowledges that (y) other than with respect to the initial issuance thereof by the Signatory Trustee and by the Depositor to the Investors pursuant to the terms of the Memorandum and applicable securities laws, no Beneficial Interest may be sold, transferred or otherwise disposed of unless expressly permitted hereunder and it is registered or qualified under the Securities Act and all other applicable laws of any applicable jurisdiction or an exemption therefrom is available in accordance with all other laws of any applicable jurisdiction; and (z) no Beneficial Interest has been or is expected to be registered under the Securities Act, and accordingly, all Beneficial Interests are subject to restrictions on transfer.

Section 6.8 Status of Relationship. This Trust Agreement shall not be interpreted to impose a partnership or joint venture relationship on the Beneficial Owners either at law or in equity. Accordingly, no Beneficial Owner shall have any liability for the debts or obligations incurred by any other Beneficial Owner, with respect to the Trust Estate, or otherwise, and no Beneficial Owner shall have any authority, other than as specifically provided herein, to act on behalf of any other Beneficial Owner or to impose any obligation on any other Beneficial Owner with respect to the Trust Estate. Neither the power to give direction to the Delaware Trustee, the Signatory Trustee, or any other Person nor the exercise thereof by any Beneficial Owner shall cause such Beneficial Owner to have duties (including fiduciary duties) or liabilities relating thereto to the Trust or to any Beneficial Owner.

Section 6.9 No Legal Title to Trust Estate. The Beneficial Owners shall not have legal title to the Trust Estate. The death, incapacity, dissolution, termination, or bankruptcy of any Beneficial Owner shall not result in the termination or dissolution of the Trust.

Section 6.10 In-Kind Distributions. Except as expressly provided herein, no Beneficial Owner (i) has an interest in specific Trust property or (ii) shall have any right to demand and receive from the Trust an in-kind distribution of the Trust Estate or any portion thereof. In addition, each Beneficial Owner expressly waives any right, if any, under the Statutory Trust Act to seek a judicial dissolution of the Trust, to terminate the Trust, or, to the fullest extent permitted by law, to partition the Trust Estate.

Section 6.11 Rights and Powers of Beneficial Owners. The Beneficial Owners shall only have the right to receive distributions from the Trust as a result of the operations or sale of the Real Estate. The Beneficial Owners shall not have the right or power to direct in any manner the Trust or the Signatory Trustee in connection with the operation of the Trust or the actions of the Delaware Trustee or the Signatory Trustee. In addition, the Beneficial Owners shall not have the right or power to:

- (a) Contribute additional assets to the Trust;
- (b) Be involved in any manner in the operation or management of the Trust or its assets;
- (c) Cause the Trust to negotiate or re-negotiate loans or leases; or
- (d) Cause the Trust to sell its assets and re-invest the proceeds of such sale.

## **ARTICLE 7 DISTRIBUTIONS AND REPORTS**

Section 7.1 Payments From Trust Estate Only. All payments to be made by the Signatory Trustee under this Trust Agreement shall be from the Trust Estate.

Section 7.2 Distributions in General. The Signatory Trustee shall distribute (or cause its third party servicing contractors to distribute on the Signatory Trustee's behalf) all available cash to the Beneficial Owners in accordance with their Percentage Shares on a monthly basis, after paying all amounts due under the Financing Documents and all other expenses of the Trust then due, and after paying or reimbursing the Signatory Trustee for any fees or expenses paid by the Signatory Trustee on behalf of the Trust and retaining such additional amounts as the

Signatory Trustee determines, or the Lender has determined under the Transaction Documents, are necessary to pay anticipated ordinary current and future Trust expenses (the “Reserves”). Reserves and any other cash retained pursuant to this paragraph shall be invested by the Signatory Trustee 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 companies having a minimum stated capital and surplus of \$100,000,000 (a “Permitted Investment”). All such obligations must mature prior to the next distribution date, and be held to maturity. All amounts distributable to the Beneficial Owners 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 such Beneficial Owner, as instructed from time to time by such Beneficial Owner on the last Business Day of each calendar month.

Section 7.3 Distribution Upon Dissolution. In the event of the Trust’s dissolution in accordance with Article 9 hereof, all of the Trust Estate as may then exist after the winding up of its affairs in accordance with the Statutory Trust Act (including without limitation subsections (d) and (e) of Section 3808 of the Statutory Trust Act and providing for all costs and expenses, including any income or transfer taxes which may be assessed against the Trust, whether or not by reason of the dissolution of the Trust), shall, subject to Section 9.2, be distributed to those Persons who are then Beneficial Owners in their respective Percentage Shares.

Section 7.4 Cash and other Accounts; Reports by the Signatory Trustee. Subject to the terms and conditions of the Financing Documents, the Signatory Trustee shall be responsible for receiving all cash from the Tenant and placing such cash into one or more accounts as required under the distribution and investment obligations of the Trust under Section 7.2. The Signatory Trustee shall furnish (or cause its third party servicing contractors to furnish) annual reports to each of the Beneficial Owners as to the amounts of rent received from the Tenant, the expenses incurred by the Trust with respect to the Real Estate (if any), the amount of any Reserves and the amount of the distributions made by the Trust to the Beneficial Owners.

Section 7.5 Subordination to Financing Documents. While the Financing Documents remain in effect, any and all rights of the Investors pursuant to the terms of this Trust Agreement are subordinate to the rights of the Lender under the Financing Documents.

## **ARTICLE 8**

### **RELIANCE; REPRESENTATIONS; COVENANTS**

Section 8.1 Good Faith Reliance. Neither the Delaware Trustee nor the Signatory Trustee shall incur any liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper reasonably and in good faith believed by such Person to be genuine and signed by the proper party or parties thereto. As to any fact or matter, the manner of ascertainment of which is not specifically described herein, the Delaware Trustee and the Signatory Trustee may for all purposes hereof rely on a certificate, signed by or on behalf of the Person executing such certificate, as to such fact or matter, and such certificate shall constitute full protection of the Delaware Trustee and the Signatory Trustee for any action taken or omitted to be taken by them in good faith in reliance thereon, and the Delaware Trustee and the Signatory Trustee may conclusively rely upon any certificate furnished to such Person that on its face conforms to the requirements of this Trust Agreement. Each of the Delaware Trustee and the Signatory Trustee may (i) exercise its powers and perform its duties by or through such attorneys and agents as it shall appoint with due care, and it shall not be liable for the acts or omissions of such attorneys and agents; and (ii) consult with counsel, accountants and other experts, and shall be entitled to rely upon the advice of counsel, accountants and other experts selected by it in good faith and shall be protected by the advice of such counsel and other experts in anything done or omitted to be done by it in accordance with such advice. In particular, no provision of this Trust Agreement shall be deemed to impose any duty on the Delaware Trustee or the Signatory Trustee to take any action if such Person shall have been advised by counsel that such action may involve it in personal liability or is contrary to the terms hereof or to applicable law. For all purposes of this Trust Agreement, the Delaware Trustee shall be fully protected in relying upon the most recent Ownership Records delivered to it by the Signatory Trustee.

Section 8.2 No Representations or Warranties as to Certain Matters. NEITHER THE DELAWARE TRUSTEE NOR THE SIGNATORY TRUSTEE, EITHER WHEN ACTING HEREUNDER IN ITS CAPACITY AS DELAWARE TRUSTEE OR SIGNATORY TRUSTEE OR IN ITS INDIVIDUAL CAPACITY, MAKES OR

SHALL BE DEEMED TO HAVE MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE TITLE, LOCATION, VALUE, CONDITION, WORKMANSHIP, DESIGN, COMPLIANCE WITH SPECIFICATIONS, CONSTRUCTION, OPERATION, MERCHANTABILITY OR FITNESS FOR USE FOR A PARTICULAR PURPOSE OF THE TRUST ESTATE OR ANY PART THEREOF, AS TO THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, AS TO THE ABSENCE OF ANY INFRINGEMENT OF ANY PATENT, TRADEMARK OR COPYRIGHT, AS TO THE ABSENCE OF OBLIGATIONS BASED ON STRICT LIABILITY IN TORT, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE TRUST ESTATE OR ANY PART THEREOF.

Neither the Delaware Trustee or the Signatory Trustee makes any representation or warranty as to (i) the title, value, condition or operation of the Real Estate, and (ii) the validity or enforceability of Transaction Documents or as to the correctness of any statement contained in any thereof, except as expressly made by the Delaware Trustee or the Signatory Trustee in its individual capacity. Each of the Delaware Trustee and the Signatory Trustee represents and warrants to the Beneficial Owners that it has authorized, executed and delivered the Trust Agreement.

## **ARTICLE 9 TERMINATION**

Section 9.1 Termination in General. Except upon the occurrence of a Transfer Distribution or the sale of Trust Estate pursuant to Section 9.3, the Trust shall exist for 99 years after the date hereof. Upon the first to occur of a Transfer Distribution or the sale of Trust Estate pursuant to Section 9.3, the Trust shall be dissolved in accordance with Section 3808 of the Statutory Trust Act, at which time each Beneficial Owner's Percentage Share of the Trust Estate shall be distributed to such Beneficial Owner in accordance with Section 7.3; provided, however, that in connection with a sale of the Trust Estate in accordance with Section 9.3, the Loan shall have been defeased, paid in full or assumed in accordance with the terms of the Financing Documents.

Section 9.2 Termination to Preserve and Protect the Trust Estate.

(a) Subject to the terms and conditions of the Financing Documents, upon the first to occur of (i) a sale of the Trust Estate pursuant to Section 9.3 or (ii) if the Signatory Trustee determines that (a) the Tenant has failed to timely pay rent due under the Lease after the expiration of any applicable notice and cure provisions in the Lease, if any, (b) the Trust Estate is in jeopardy of being lost due to a default on the Loan, and the Signatory Trustee is prohibited from acting pursuant to Section 3.3 hereof, (c) the Trust is otherwise in violation of Section 3.3, (d) an Event of Default has occurred under the Financing Documents and the "Conversion" of the Trust is required pursuant to the terms of the Financing Documents, (e) the Trust Property or any portion thereof is subject to a casualty, condemnation or similar event, (f) Tenant files for bankruptcy or has an involuntary bankruptcy petition filed against it, seeks the appointment of a receiver or similar official, makes an assignment for the benefit of creditors or there occurs any similar event, (g) so long as the Loan is outstanding, any event occurs that causes the Signatory Trustee to cease to be the Signatory Trustee of the Trust unless a replacement signatory trustee acceptable to the Lender has been appointed, (h) any event resulting in the dissolution, liquidation, winding up or termination of the Trust occurs, or (i) if the Signatory Trustee determines in writing that dissolution of the Trust is necessary and appropriate to preserve and protect the Trust Estate for the benefit of the Beneficial Owners, then, in any such case, the Trust shall dissolve and wind up in accordance with Section 3808 of the Statutory Trust Act and each Beneficial Owner's Percentage Share of the Trust Estate shall be distributed to such Beneficial Owner in accordance with this Section 9.2 in full and complete satisfaction and redemption of their Beneficial Ownership Interests.

(b) Notwithstanding the foregoing or anything else to the contrary contained in this Trust Agreement, if at such time as the requirements of Section 9.2(a) are applicable any portion of any Loan remains outstanding, then immediately before any such liquidating distributions the Signatory Trustee shall, in accordance with the requirements set forth herein and in the Financing Documents, transfer title to the assets comprising the Trust Estate to a newly formed Delaware limited liability company (the "Springing LLC") that has a limited liability company agreement in substantially the same form as that set forth in Exhibit D with such modifications thereto as may be approved by each Lender in writing or required to comply with the terms and conditions of the Financing Documents (the "Transfer Distribution"). As part of the Transfer Distribution, (i) the Signatory Trustee shall cause

the membership interests in the Springing LLC to be distributed to the Beneficial Owners in complete satisfaction of their Beneficial Interests in order to consummate the dissolution of the Trust with Lender's security interest or pledge on any of the Beneficial Interests automatically attaching to the replacement membership interests in the Springing LLC (and Signatory Trustee and such Investor agree to execute any documentation as shall be reasonably necessary to perfect Lender's security and pledge in such membership interests), (ii) the Signatory Trustee shall be designated as the manager of the Springing LLC and shall execute all necessary documents, including the operating agreement of the Springing LLC on behalf of the members of the Springing LLC, (iii) the Springing LLC shall acquire, by operation of law, contract, or otherwise, the Trust Estate subject to the then-outstanding obligations of the Trust under the Financing Documents and the Lease, and the Springing LLC shall assume, by operation of law, contract, or otherwise, the Trust's obligations under the Financing Documents and the Lease, which assumption shall be evidenced by documents approved in writing by the Lender and (iv) the Signatory Trustee, together with the Delaware Trustee shall take all other actions necessary to complete the termination and winding up of the Trust, the formation of the Springing LLC, and the Transfer Distribution in accordance with applicable Delaware laws relating to the Trust and the Delaware Limited Liability Company Act. To the fullest extent permitted by applicable law, the Signatory Trustee shall be fully protected in any determinations made under this Section 9.2 made in good faith, and shall have no liability to any Person, including without limitation the Beneficial Owners, with respect thereto. If a determination has been made to dissolve the Trust under this Section 9.2, the Signatory Trustee may, in its discretion and upon advice of counsel, utilize such other form of transaction (including, without limitation, a conversion of the Trust into a limited liability company if then permitted by applicable law) to accomplish the transaction contemplated by the Transfer Distribution, provided that such alternative form of transaction is entered into (i) to preserve and protect the Trust Estate for the benefit of the Beneficial Owners and is in compliance with the Statutory Trust Act and (ii) in compliance with the other requirements set forth above and pursuant to the terms and conditions of the Financing Documents.

Section 9.3 Sale of the Trust Estate. The Trust shall sell the Trust Estate at any time after the date that is one (1) year from the last sale of Beneficial Interests in the Trust upon receipt of a notice from the Signatory Trustee. Any sale shall be in the Signatory Trustee's sole and absolute discretion, including (i) determining sales price of the Trust Estate, (ii) providing notice to the Trust of the sale, and (iii) conducting the sale of the Trust Estate. After paying all amounts due to the Delaware Trustee hereunder, and the Lender, if any, the Trust shall distribute the balance of the proceeds (net of any fee due to the Signatory Trustee) to the Beneficial Owners. No such sale shall occur unless the Loan is repaid in full at that time in accordance with the requirements of the Financing Documents. The Signatory Trustee and the Delaware Trustee are expressly instructed to permit each Beneficial Owner to undertake its portion of the sale as a like-kind exchange within the meaning of Section 1031 of the Code. Any sale of the Trust Estate shall be on an "as is, where is" basis and without any representations or warranties by the Delaware Trustee or the Signatory Trustee (other than as to ownership of the Trust Estate and authority to enter into the sale or other matters as determined by Signatory Trustee in its sole and absolute discretion). Costs of sale shall be allocated between the Trust and the purchaser of the Trust Estate as may be determined by the Signatory Trustee in its sole discretion. "Sole and absolute discretion" means that notwithstanding any other provision of this Trust Agreement or otherwise applicable provision of law or equity (including any law relating to fiduciary duties), the Signatory Trustee (i) shall be entitled to consider only such interests and factors as it desires, including its own interests or its Affiliates' interests, (ii) shall be entitled to act or not act in a manner that is adverse, including materially adverse, to the Trust, the Trustees, the Beneficial Owners and any other Person bound by this Trust Agreement, and (iii) shall, to the fullest extent permitted by applicable law, have no duty or obligation to give any consideration to any interest of or factors affecting the Trust, the Trustees, the Beneficial Owners or any other Person bound by this Trust Agreement. Notwithstanding any other provision of this Agreement or any other provision of law or equity (including any law relating to fiduciary duties), to the fullest extent permitted by the Act and other applicable law, in connection with actions taken or not taken pursuant to this Trust Agreement, a Signatory Trustee Indemnified Person shall owe no duties hereunder or at law or in equity (including fiduciary duties) to the Trust, the Trustees, the Beneficial Owners or any other Person bound by this Trust Agreement. The Trust, the Trustees, the Beneficial Owners and any other Person bound by this Trust Agreement each therefore waives, to the fullest extent permitted by law, any claim or cause of action against a Signatory Trustee Indemnified Person asserting, in connection with the determination of any and all matters presented to such Signatory Trustee Indemnified Person for action, breach of fiduciary duty, duty of care or any other duty, breach of the Act or breach of any duty created by special circumstances arising out of this Trust Agreement or the Trust. Without limitation, any Signatory Trustee Indemnified Person may engage in or possess an interest in other profit-seeking or business ventures of any kind, nature or description, independently or with others, similar or dissimilar to the business of the Trust, whether now existing or hereafter acquired or initiated, whether or not such

ventures are competitive with the Trust, and the doctrine of corporate opportunity, or any analogous doctrine, shall not apply to any Signatory Trustee Indemnified Person. No Signatory Trustee Indemnified Person who acquires knowledge of a potential transaction, agreement, arrangement or other matter that may be an opportunity for the Trust shall have any duty to communicate or offer such opportunity to the Trust, and such Signatory Trustee Indemnified Person shall not be liable to the Trust or to any other Person bound by this Trust Agreement for breach of any fiduciary or other duty existing at law, in equity or otherwise by reason of the fact that such Person pursues or acquires for, or directs such opportunity to, another Person or does not communicate such opportunity or information to the Trust. Neither the Trust nor any Beneficial Owner nor any Trustee shall have any rights or obligations by virtue of this Trust Agreement or the relationship created hereby in or to such independent ventures or the income or profits or losses derived therefrom, and the pursuit of such ventures, even if competitive with the activities of the Trust, shall not be deemed wrongful, improper or the breach of any duty to the Trust, any Trustee or any Beneficial Owner existing at law, in equity or otherwise.

#### Section 9.4 Fees Paid by the Trust.

(1) Disposition Fee. The Signatory Trustee or an Affiliate shall receive a disposition fee (the "Disposition Fee") from the Trust equal to the net amount of one percent (1.0%) of the gross proceeds of any sale of the Trust Estate under Section 9.3. However, the Signatory Trustee will not be entitled to such Disposition Fee in the event that the gross sales price of the Property is less than the sum of (i) the approximate aggregate principal amount of \$2,550,000.00 under the Loan plus (ii) the aggregate amount paid by Investors for the purchase of Beneficial Interests. The right to receive the Disposition Fee shall expressly survive the transfer of the Real Estate to the Springing LLC and the cancellation of this Trust. Notwithstanding anything to the contrary contained in this Section 9.4, so long as any portion of the Loan is outstanding: (A) payment of any Disposition Fee shall be fully subordinate to the Loan and shall not constitute a claim against the Trust in the event its cash flow is insufficient to pay its obligations, nor shall it constitute a claim against any beneficial owner of an interest in the Trust, (B) no payment of any Disposition Fee shall be payable from amounts allocable to the Lender pursuant to the Financing Documents, and (C) no Disposition Fee shall be owed in connection with a foreclosure by Lender or a deed-in-lieu thereof, or a sale by Lender following any exercise of remedies under the Financing Documents, nor shall any Disposition Fee be owed under any circumstances by Lender or any successor or assignee of Lender. Additionally, payment of the Disposition Fee shall be subordinate to the return of capital to Beneficial Owners.

(2) Acquisition Fee. In connection with the acquisition of the Real Estate, the Signatory Trustee or an Affiliate shall receive an acquisition fee (the "Acquisition Fee") of two percent (2.0%) of the purchase price of the Property.

(3) Asset Management Fee. The Signatory Trustee or its Affiliate shall receive a recurring asset management fee (the "Asset Management Fee") equal to one percent (1.0%) of the gross revenues of the Property, calculated and paid on a monthly basis. Signatory Trustee hereby acknowledges and agrees that, for so long as the Loan is outstanding, (a) in no event shall any Asset Management Fee payments be made during the continuance of an Event of Default (as defined in the Loan Documents), and any such Asset Management Fee shall accrue during such Event of Default (as defined in the Loan Documents) and be payable by the Trust only when such Event of Default (as defined in the Loan Documents) no longer exists and (b) non-payment of the Asset Management Fee in accordance with these terms shall not be an event of default under this Trust Agreement.

(4) Debt Placement Fee. The Sponsor or its Affiliate shall receive a debt placement fee equal to one percent 2% of the initial Loan principal.

(5) Selling Broker Fee. In connection with the sale of the Trust Estate under Section 9.3, the Trust shall pay the selling broker an amount equal to two percent (2.0%) of the net gross proceeds of the sale of the Trust Estate. The selling broker may be an Affiliate of the Sponsor.

Section 9.5 Loan Paid in Full. If the Signatory Trustee determines that the Loan, including all interest, principal and penalties, if any, has been paid in full pursuant to the requirements set forth in the Financing Documents, and the Signatory Trustee provides written notice of such determination to the Lender and the Lender agrees in writing with such determination, and the Trust Estate has not been sold pursuant to Section 9.3 within a reasonable period

determined by the Signatory Trustee then the Signatory Trustee shall provide written notice to such effect to the Trust, and the Trust shall dissolve and wind up in accordance with the procedures set forth in Section 9.1.

Section 9.6 Certificate of Cancellation. Upon the completion of the dissolution and winding up of the Trust, the Certificate of Trust shall be cancelled by the Delaware Trustee who shall execute and cause a certificate of cancellation to be filed in the office of the Secretary of State.

## **ARTICLE 10 MISCELLANEOUS**

Section 10.1 Limitations on Rights of Others. Nothing in this Trust Agreement, whether express or implied, shall give to any Person other than the Depositor, the Delaware Trustee, the Signatory Trustee, the Beneficial Owners, and the Trust any legal or equitable right, remedy or claim hereunder (subject to Section 10.11 hereof).

Section 10.2 Successors and Assigns. All covenants and agreements contained herein shall be binding upon and inure to the benefit of the Depositor, the Delaware Trustee, the Signatory Trustee, the Beneficial Owners, the Trust, and their successors and assigns, all as herein provided. Any request, notice, direction, consent, waiver or other writing or action by any such Person shall bind its successors and assigns.

Section 10.3 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.

Section 10.4 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.

Section 10.5 Amendments. Subject to Article 3 hereof, to the fullest extent permitted by applicable law, this Trust Agreement may not be supplemented or amended, and no term or provision hereof may be waived, discharged, or terminated orally, but only by a signed writing executed by each of the parties hereto.

Section 10.6 Notices. All notices, consents, directions, approvals, instructions, requests and other communications required or permitted by the terms hereof shall be in writing, and given by (i) overnight courier, or (ii) hand delivery, and shall be deemed to have been duly given when received. Notices shall be provided to the parties at the addresses specified below.

If to the Depositor:

Four Corners Jefferson Holdings, LLC  
17776 Preston Road  
Suite 100  
Dallas, Texas 75252

If to the Delaware Trustee:

Wilmington Corporate Services, LLC  
1201 N. Orange Street, Suite 7550  
Wilmington, Delaware 19801  
Attn: Michael McQuade

If to the Signatory Trustee:

Four Corners Capital Management, LLC  
17776 Preston Road  
Suite 100  
Dallas, Texas 75252

If to a Beneficial Owner, at such Person's address as specified in the most recent Ownership Records.

From time to time the Depositor, Delaware Trustee or Signatory Trustee may designate a new address for purposes of notice hereunder by notice to the others, and any Beneficial Owner may designate a new address for purposes of notice hereunder by notice to the Signatory Trustee.

Section 10.7 Governing Law. This Trust Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware (without regard to conflict of law principles); provided, however, that there shall not be applicable to the Trust, the Delaware Trustee, Signatory Trustee, or this Trust Agreement (a) the provisions of Sections 3540 and 3561 of Title 12 of the Delaware Code or (b) any provisions of the laws (statutory or common) of the State of Delaware (other than the Delaware Statutory Trust Act) pertaining to trusts which relate to or regulate: (i) the filing with any court or governmental body or agency of trustee accounts or schedules of trustee fees and charges, (ii) affirmative requirements to post bonds for trustees, officers, agents or employees of a trust, (iii) the necessity for obtaining court or other governmental approval concerning the acquisition, holding or disposition of real or personal property, (iv) fees or other sums payable to trustees, officers, agents or employees of a trust, (v) the allocation of receipts and expenditures to income or principal, (vi) restrictions or limitations on the permissible nature, amount or concentration of trust investments or requirements relating to the titling, storage or other manner of holding of trust assets, or (vii) the establishment of fiduciary or other standards or responsibilities or limitations on the acts or powers of trustees, to the extent that the matters identified in clauses (i) through (vii) above are inconsistent with the limitations or liabilities or authorities and powers of the Trustees and any other terms set forth or referenced in this Trust Agreement.

Section 10.8 Counterparts. This Trust Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 10.9 Severability. Any provision of this Trust Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction only, 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. To the extent permitted by applicable law, each of the parties hereby waives any provision of applicable law that renders any such provision prohibited or unenforceable in any respect.

Section 10.10 Signature of Beneficial Owners. Each Investor will execute the signature page for Agreement of Assignee or Transferee Beneficial Owners of Four Corners Jefferson DST in substantially the form set forth in Exhibit C hereto (the "Signature Page") in connection with their acquisition of a Beneficial Interest. By executing the Signature Page, each Investor hereby acknowledges and agrees to be bound by the terms of the limited liability company agreement for the Springing LLC contemplated under Section 9.2 in the form substantially similar to that set forth in Exhibit D hereto (the "Springing LLC Agreement") when and if such Springing LLC is formed. In addition, in light of their agreement to this Section 10.10, each Investor hereby acknowledges and agrees that their signature to the Springing LLC Agreement will not be required.

Section 10.11 Third Party Beneficiaries. Lender is a third party beneficiary of the Trust Agreement so long as the Loan is outstanding and may seek to enforce Article 1 and Article 3 and Section 2.3, 4.5, 4.6, 4.8, 5.3, 5.4, 5.5, 5.7, 7.2, 7.5, 9.2, 9.3, 9.4, 9.5 and this 10.11 of this Trust Agreement (collectively, the "Special Purpose Provisions") and any other provision requiring Lender's consent or compliance with the Financing Documents. The Delaware Trustee Indemnified Persons and the Signatory Trustee Indemnified Persons are third party beneficiaries of the Trust Agreement and may seek to enforce Sections 4.5 and 5.4 of this Trust Agreement, respectively.

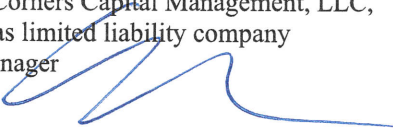
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IN WITNESS WHEREOF, each of the parties has caused this Trust Agreement to be duly executed as of the day and year first above written.

**THE DEPOSITOR:**

FOUR CORNERS JEFFERSON HOLDINGS, LLC,  
a Texas limited liability company

By: Four Corners Capital Management, LLC,  
a Texas limited liability company  
its Manager

By:   
Name: Richard Webb  
Title: Manager

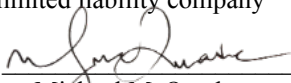
**THE SIGNATORY TRUSTEE:**

FOUR CORNERS CAPITAL MANAGEMENT, LLC,  
a Texas limited liability company

By:   
Name: Richard Webb  
Title: Manager

**THE DELAWARE TRUSTEE:**

WILMINGTON CORPORATE SERVICES, LLC,  
A Delaware limited liability company

By:   
Name: Michael McQuade  
Title: Manager

**EXHIBIT A**

**REAL ESTATE**

SITUATED IN THE JEFFERSON COUNTY, TENNESSEE AND WITHIN THE CORPORATE LIMITS OF JEFFERSON CITY AND BEING LOT 18R2 AS SHOWN ON FINAL PLAT RESUBDIVISION OF PARCELS 9, 10, 11, 16, 17 AND 18 FOR M AND M DEVELOPMENT FILED FOR RECORD IN PLAT CABINET J, SLIDE 271, IN THE JEFFERSON COUNTY REGISTERS' OFFICE, BEING MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT AN IRON PIN (NEW), SAID IRON PIN BEING THE POINT OF INTERSECTION OF THE SOUTH RIGHT OF WAY OF EAST JEFFERSON STREET AND THE WEST RIGHT OF WAY OF GEORGE AVENUE; THENCE WITH THE WEST RIGHT OF WAY OF GEORGE AVENUE SOUTH 10 DEGREES 21 MINUTES 06 SECONDS EAST, 119.84 FEET TO AN IRON PIN (NEW); THENCE ALONG A CURVE TO THE RIGHT AN ARC DISTANCE OF 29.57 FEET, A RADIUS OF 20.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 32 DEGREES 00 MINUTES 12 SECONDS WEST, 26.95 FEET TO AN IRON PIN (NEW) IN THE NORTH RIGHT OF WAY OF HIGHWAY 11E; THENCE WITH THE NORTH RIGHT OF WAY OF HIGHWAY 11E SOUTH 74 DEGREES 21 MINUTES 29 SECONDS WEST, 184.81 FEET TO AN IRON PIN (OLD) CORNER TO PROPERTY OF HAROLD E. HUNT & EARLENE L. HUNT; THENCE WITH PROPERTY OF HAROLD E. HUNT & EARLENE L. HUNT NORTH 17 DEGREES 48 MINUTES 02 SECONDS WEST, 159.45 FEET TO AN IRON PIN (NEW); THENCE CONTINUING WITH THE PROPERTY OF HUNT SOUTH 83 DEGREES 48 MINUTES 20 SECONDS WEST, 16.12 FEET TO AN IRON PIN (OLD) CORNER TO KIPLAND MILES; THENCE WITH PROPERTY OF KIPLAND L. MILES NORTH 08 DEGREES 24 MINUTES 17 SECONDS WEST 163.81 FEET TO AN IRON PIN (NEW) IN THE SOUTH RIGHT OF WAY OF EAST JEFFERSON STREET; THENCE WITH SOUTH RIGHT OF WAY OF EAST JEFFERSON STREET NORTH 81 DEGREES 40 MINUTES 01 SECONDS EAST, 232.71 FEET TO THE POINT OF BEGINNING AND CONTAINING 1.6 ACRES ACCORDING TO THE SURVEY OF DAVID L. HURST, MICHAEL BRADY INC. 299 N WEISGARBER KNOXVILLE, TN. 37919, BEARING FIELD DATE OF JANUARY 26, 2005, DRAWING DATE OF FEBRUARY 4, 2005, LAST REVISED 04/12/05 AND BEARING DRAWING NO. 05029.

TOGETHER WITH APPURTENANT EASEMENTS FOR INGRESS AND EGRESS PROVIDED BY THE EASEMENT AGREEMENT OF RECORD IN BOOK 665, PAGE 573 AND RE-RECORDED IN BOOK 666, PAGE 463, REGISTER'S OFFICE FOR JEFFERSON COUNTY, TENNESSEE.

BEING THE SAME PROPERTY CONVEYED TO MALCAI INTERSTATE PROPERTIES, LLC, A DELAWARE LIMITED LIABILITY COMPANY BY SPECIAL WARRANTY DEED FROM RCP DEVELOPMENT - JEFFERSON CITY, LLC, A TENNESSEE LIMITED LIABILITY COMPANY OF RECORD IN BOOK 1254, PAGE 637, REGISTER'S OFFICE FOR JEFFERSON COUNTY, TENNESSEE, DATED FEBRUARY 24, 2015 AND RECORDED ON FEBRUARY 27, 2015.

**EXHIBIT B**

**OWNERSHIP RECORDS  
FOR  
FOUR CORNERS JEFFERSON, DST  
LAST REVISED \_\_\_\_\_, 20\_\_.**

<u>Name:</u>	<u>Mailing Address:</u>	<u>Percentage (%) Share of Beneficial Interest</u>
_____	_____	_____

I hereby certify that the foregoing Ownership Records are complete and accurate as of the date set forth above.

FOUR CORNERS CAPITAL MANAGEMENT, LLC, not in its individual capacity, but solely as Signatory Trustee

By: Four Corners Capital Management, LLC  
a Texas limited liability company  
Its: Manager

By: \_\_\_\_\_  
Name:  
Title:

## EXHIBIT C

### AGREEMENT OF ASSIGNEE OR TRANSFEREE BENEFICIAL OWNER OF FOUR CORNERS JEFFERSON, DST

The undersigned has received and reviewed, with assistance from such legal, tax, investment, and other advisors and skilled persons as the undersigned has deemed appropriate, the Trust Agreement of Four Corners Jefferson, DST, dated as of March 25, 2026 (the "Trust Agreement"), by and among Four Corners Jefferson Holdings, LLC, as Depositor, Four Corners Capital Management, LLC as Signatory Trustee, and Wilmington Corporate Services, LLC as Delaware Trustee, and hereby covenants and agrees to be bound by the Trust Agreement as a Beneficial Owner. All capitalized terms used herein, and not defined herein shall have the meanings given to such terms in the Trust Agreement.

In connection with the purchase of the Beneficial Interest, the undersigned hereby:

1.1 Represents and warrants that the undersigned: (i) understands and is aware that there are substantial uncertainties regarding the treatment of the undersigned's Beneficial Interest as real estate for federal income tax purposes; (ii) fully understands that there is significant risk that the undersigned's Beneficial Interest will not be treated as real estate for federal income tax purposes; (iii) has independently obtained advice from its legal counsel and/or accountant regarding any tax-deferred exchange under Code Section 1031, including, without limitation, whether the acquisition of the undersigned's Beneficial Interest may qualify as part of a tax-deferred exchange, and the undersigned is relying on such advice and not on the opinion of counsel issued to the Trust or upon any statements in the Memorandum (as defined below) regarding the tax treatment of the Beneficial Interests; (iv) is aware that the Internal Revenue Service ("IRS") has issued Revenue Ruling 2004-86 (the "Revenue Ruling") specifically addressing Delaware statutory trusts, the Revenue Ruling is merely guidance and is not a "safe-harbor" for taxpayers or sponsors, and, without the issuance of a Private Letter Ruling on a specific offering, there is no assurance that the undersigned's Beneficial Interest will not be treated as a partnership interest for federal income tax purposes; (v) understands that the Trust has not obtained a ruling from the IRS that the undersigned's Beneficial Interest will be treated as an undivided interest in real estate as opposed to an interest in a partnership; (vi) understands that the tax consequences of an investment in the undersigned's Beneficial Interest, especially the treatment of the transaction described herein under Code Section 1031 and the related "1031 Exchange" rules, are complex and vary with the facts and circumstances of each individual purchaser; (vii) understands that, notwithstanding that the opinion of counsel issued to the Trust states that a purchaser's Beneficial Interest "should" be considered a real property interest and not a partnership interest for federal income tax purposes, no assurance can be given that the IRS will agree with this opinion; and (viii) shall, for federal income tax purposes, report the purchase of the Beneficial Interest by the undersigned as a purchase by the undersigned of a direct ownership interest in the Real Estate.

1.2 Acknowledges that the undersigned (i) has received from the undersigned's transferor or assignor a courtesy copy of the private offering memorandum regarding the sale of the Beneficial Interests by the Trust (together with any addendums or supplements thereto, the "Memorandum") and the Trust Agreement and (ii) is familiar with and understands each of the foregoing including the "Risk Factors" set forth in the Memorandum.

1.3 Represents and warrants that the undersigned, in determining to acquire the Beneficial Interest, has relied solely upon the advice of the undersigned's legal counsel and accountants or other financial advisors with respect to the tax and other consequences involved in acquiring the Beneficial Interest and that none of the Trust, the Delaware Trustee, the Signatory Trustee or the Depositor has made any representation to the undersigned regarding the Beneficial Interest or the Real Estate, except, in the case of any purchaser of an Interest from the Signatory Trustee, any representations contained in the Purchase Agreement pursuant to which the undersigned acquires the Interest.

1.4 Acknowledges that the Beneficial Interest being acquired will be governed by the terms and conditions of the Trust Agreement, and under certain circumstances by the limited liability company agreement contemplated under Section 9.2 of the Trust Agreement and attached as Exhibit D thereto, both of which the undersigned accepts and by which the undersigned agrees by execution hereof to be legally bound notwithstanding that his signature will not be required on either agreement.

1.5 Represents and warrants that the undersigned either (i) is an Accredited Investor (as defined by Rule 501 of Regulation D promulgated under the Securities Act), or (ii) is acquiring the Beneficial Interest in a fiduciary capacity for a person meeting such condition.

1.6 Represents and warrants that the Beneficial Interest being acquired will be acquired for the undersigned's own account without a view to public distribution or resale and that the undersigned has no contract, undertaking, agreement or arrangement to sell or otherwise transfer or dispose of the Beneficial Interest or any portion thereof to any other Person.

1.7 Represents and warrants that the undersigned (i) can bear the economic risk of the purchase of the Beneficial Interest including the total loss of the undersigned's investment, (ii) has such knowledge and experience in business and financial matters, including the analysis of or participation in offerings of privately issued securities, as to be capable of evaluating the merits and risks of purchasing Beneficial Interests, and (iii) if an individual, is at least 19 years of age.

1.8 Understands that the Beneficial Interest has not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state and are subject to substantial restrictions on transfer as described in the Memorandum under "Restrictions on Transferability" which restrictions are in addition to certain other restrictions set forth in the Trust Agreement.

1.9 Understands that a legend will be placed on the Beneficial Ownership Certificate with respect to restrictions on distribution, transfer, resale, assignment or subdivision of the Beneficial Interest imposed by applicable federal and state securities laws.

1.10 Agrees that the undersigned will not sell or otherwise transfer or dispose of any Beneficial Interest or any portion thereof unless (i) such Beneficial Interest is registered under the Securities Act and any applicable state securities laws or, if required by the Trust (through the Signatory Trustee), the undersigned obtains an opinion of counsel that is satisfactory to the Trust that such Beneficial Interest may be sold in reliance on an exemption from such registration requirements, provided that such opinion shall not be required for the assignment or transfer by the Depositor or the Lender (or any affiliate, assignee or successor of the Lender), and (ii) the transfer is otherwise made in accordance with the Trust Agreement.

1.11 Understands that (i) the Trust has no obligation or intention to register any Beneficial Interest for resale or transfer under the Securities Act or any state securities laws or to take any action (including the filing of reports or the publication of information as required by Rule 144 under the Securities Act) which would make available any exemption from the registration requirements of any such laws, and (ii) the undersigned therefore may be precluded from selling or otherwise transferring or disposing of any Beneficial Interest or any portion thereof for an indefinite period of time or at any particular time.

1.12 Understands that no federal or state agency including the Securities and Exchange Commission, or the securities commission or authorities of any other state has approved or disapproved the Beneficial Interests, passed upon or endorsed the merits of the Trust's offering of Beneficial Interests or the accuracy or adequacy of the Memorandum, or made any finding or determination as to the fairness of the Interest for public investment.

1.13 Represents, warrants and agrees that, if the undersigned is acquiring the Beneficial Interest in a fiduciary capacity, (i) the above representations, warranties, agreements, acknowledgments and understandings shall be deemed to have been made on behalf of the Person or Persons for whose benefit such Beneficial Interest is being acquired, (ii) the name of such Person or Persons is indicated below the undersigned's name, and (iii) such further information as the Signatory Trustee deems appropriate shall be furnished regarding such Person or Persons.

1.14 Acknowledges and agrees that counsel to the Trust, the Depositor, the Signatory Trustee, the Delaware Trustee and their Affiliates do not represent, and shall not be deemed under applicable codes of professional responsibility, to have represented or to be representing, any transferee or assignee, including the undersigned, in any way in connection with the transfer or assignment of a Beneficial Interest.

1.15 Agrees to indemnify, defend and hold harmless the Trust, Delaware Trustee, Depositor and Signatory Trustee, and each of their members, managers, shareholders, officers, directors, employees, consultants, affiliates and advisors (collectively, the "Indemnified Persons") 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 the untruth or inaccuracy of any of the representations, warranties, covenants or agreements contained herein or in any other document transferee or assignee has furnished to any of the foregoing in connection with this transaction. In addition, if any person shall assert a claim to a finder's fee or real estate brokerage commission on account of alleged employment as a finder or real estate broker through or under the undersigned in connection with the undersigned's acquisition of the Beneficial Interest, the undersigned shall indemnify and hold the Indemnified Parties harmless from and against any such claim. This indemnification includes, but is not limited to, any damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees and costs) incurred by the Indemnified Parties 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 the undersigned has furnished to any of the foregoing in connection with this transaction, and against any failure of the transaction to satisfy any Code Section 1031 requirements in connection with the undersigned's exchange under such provisions.

1.16 Represents and warrants that neither the undersigned nor any Affiliate of the undersigned (i) is a Sanctioned Person (defined below), (ii) has more than fifteen percent (15%) of its assets in Sanctioned Countries (defined below), or (iii) derives more than fifteen percent (15%) of its operating income from investments in, or transactions with Sanctioned Persons or Sanctioned Countries. For purposes of the foregoing, a "Sanctioned Person" shall mean (y) a Person named on the list of "specially designated nationals" or "blocked persons" maintained by the U.S. Office of Foreign Assets Control ("OFAC") at <http://www.treas.gov/offices/eotffc/ofac/sdn/index.html>, or as otherwise published from time to time, or (y) (1) an agency of the government of a Sanctioned Country, (2) an organization controlled by a Sanctioned Country, or (3) a person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC. A "Sanctioned Country" shall mean a country subject to a sanctions program identified on the list maintained by OFAC and available at <http://www.treas.gov/offices/eotffc/ofac/sanctions/index.html>, or as otherwise published from time to time.

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**EXHIBIT D**

**FORM OF LIMITED LIABILITY COMPANY AGREEMENT**

**OF**

**Four Corners Jefferson, LLC**

THIS LIMITED LIABILITY COMPANY AGREEMENT (this "Agreement") of Four Corners Jefferson, LLC, a Delaware limited liability company (the "Company"), is made and entered into as of \_\_\_\_\_, 20\_\_ (the "Effective Date"), by and among Four Corners Jefferson, DST, a Delaware statutory trust (the "DST" or the "Trust"), Four Corners Capital Management, LLC, a Delaware limited liability company (the "Signatory Trustee" or "Manager"), [\_\_\_\_\_] as "Springing Member", and the persons whose names are set forth on Exhibit A of this Agreement (the "Members").

**RECITALS:**

WHEREAS, pursuant to the trust agreement of DST (the "Trust Agreement"), Signatory Trustee is the signatory trustee of DST, and the Members collectively own all of the beneficial interests in DST (the Members in such capacity, the "Owners").

WHEREAS, DST owns that certain commercial real estate located at 132 E. Broadway Blvd., Jefferson City, Tennessee (the "Real Property"), and certain incidental additional assets associated with the Real Property (the Real Property and all such additional assets collectively the "Trust Property"), which property is subject to the Loan Documents and the Lease.

WHEREAS, the Signatory Trustee has determined that, to conserve and protect the Trust Property, DST must be terminated as provided in Section 9.2 of the Trust Agreement.

WHEREAS, pursuant to Section 9.2 of the Trust Agreement, the Company shall become the owner of the Trust Property (such property in the hands of the Company the "Company Property") which shall remain subject to the Loan Documents and the Lease, Signatory Trustee shall become the manager of the Company (the "Manager"), the Owners shall become Members of the Company, and the DST shall be terminated.

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 formed in accordance with the requirements of the Delaware Limited Liability Company Act (the "Act"), and Signatory Trustee has been designated the Manager of the Company. The Manager shall have the authority to perform, or cause to be performed, 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 become 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 "Four Corners Jefferson, 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, dispose of, finance and refinance the Real Property; (ii) to assume and to satisfy the obligations of DST set forth in the Loan Documents 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 2929 Walnut Street, Suite 1520, Philadelphia, Pennsylvania 19104, 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 registered agent of the Company in the State of Delaware is [ ], and the registered office of the registered agent is . 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 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 DST immediately prior to the transactions described in the Recitals. The amount of each Member's percentage ownership interest in the Company (the "Membership Interest") is set forth opposite such Member's name on Exhibit A hereto. The Company Property shall be owned by the Company as an entity and, insofar as permitted by applicable law, no Member shall have any ownership interest in the Company Property in his or her individual name or right, and a Member's Membership Interest shall be personal property for all purposes.

### 2.2 Capital Contributions.

(a) Each Member will be credited with an initial capital contribution (the "Capital Contribution") in the amount set forth opposite such Member's name on Exhibit A hereto, which amount shall be equivalent to the value of such Member's interest as an Owner in the DST.

(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 Exhibit A hereto to equitably reflect any additional capital contributions made by the 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 (the "Fiscal Year"). Promptly after the close of the Fiscal Year (but in all events

within 90 days thereafter), the Company will cause to be prepared such partnership income tax information 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 (the “Capital Account”) shall be maintained for each Member. Each Member’s initial Capital Account shall be equal to the amount of such Member’s Capital Contribution. 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 or constitute a default under the Loan Documents.

## 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 herein), 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, but not limited to: (i) entering into any agreement for the sale, transfer, or exchange of all or any substantial portion of the Real Property; (ii) entering into, modifying, extending, renewing or canceling the Lease or any other lease with respect to the Real Property; (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,

trust deed, pledge, lien or other encumbrance upon the Real Property (other than the assumption by the Company of the Loan and the obligations of DST under the Loan Documents, consent to which is deemed to have been given); or (iv) admitting new Members to the Company in exchange for Capital Contributions by such persons to the Company.

(b) Notwithstanding the foregoing, when all obligations evidenced or secured by the Loan Documents have been discharged in full and no obligations thereunder remain outstanding, 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 Real Property; (ii) entering into, modifying, extending, renewing or canceling the Lease or any other lease with respect to the Real 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, trust deed, pledge, lien or other encumbrance upon the Real Property (other than the assumption by the Company of the Loan and the obligations of DST under the Loan Documents, consent to which is deemed to have been given); (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 (subject to Section 4.2); or (vi) amending this Agreement (other than pursuant to Section 6.2(f) or Section 7.2). The consent of the Members to any Major Decision shall be determined as provided in Section 5.3.

4.2 Limitation on Authority; Separateness. The provisions of this Section 4.2 are being adopted to comply with certain provisions necessary to qualify the Company as a “special purpose” entity. Notwithstanding anything to the contrary contained in this Agreement, for so long as any portion of the Loan remains outstanding, the following provisions shall apply:

(a) Special Purpose Entity Representations, Warranties, and Covenants.

(i) The Company will not:

(A) engage in any business or activity other than the ownership, operation and maintenance of the Real Property, and activities incidental thereto;

(B) acquire or own any assets other than (i) the Real Property, and (ii) such incidental Personal Property as may be necessary for the ownership, leasing, maintenance and operation of the Real Property;

(C) incur any Indebtedness, secured or unsecured, direct or contingent (including guaranteeing any obligation), other than (i) the Debt, (ii) trade and operational indebtedness incurred in the ordinary course of business with trade creditors, provided such indebtedness is (1) unsecured, (2) not evidenced by a note, (3) on commercially reasonable terms and conditions, and (4) due not more than sixty (60) days past the date incurred and paid on or prior to such date, and/or (iii) Permitted Equipment Leases; provided however, the aggregate amount of the indebtedness described in (ii) and (iii) shall not exceed at any time two percent (2%) of the outstanding principal amount of the Debt. No Indebtedness other than the Debt may be secured (subordinate or pari passu) by the Real Property;

(D) merge into or consolidate with any Person, or dissolve, terminate, liquidate in whole or in part, transfer or otherwise dispose of all or substantially all of its assets or change its legal structure;

(E) fail to observe all organizational formalities, or fail to preserve its existence as an entity duly organized, validly existing and in good standing (if applicable) under the applicable Legal Requirements of the jurisdiction of its organization or formation, or amend, modify, terminate or fail to comply with the provisions of its organizational documents;

(F) own any subsidiary, or make any investment in, any Person;

(G) commingle its funds or assets with the funds or assets of any other Person;

(H) fail to maintain all of its books, records, financial statements and bank accounts separate from those of any other Person (including, without limitation, any Affiliates). The Company's assets have not and will not be listed as assets on the financial statement of any other Person; provided, however, that the Company's assets may be included in a consolidated financial statement of its Affiliates provided that (i) appropriate notation shall be made on such consolidated financial statements to indicate the separateness of the Company and such Affiliates and to indicate that the Company's assets and credit are not available to satisfy the debts and other obligations of such Affiliates or any other Person and (ii) such assets shall be listed on the Company's own separate balance sheet. The Company has maintained and will maintain its books, records, resolutions and agreements as official records;

(I) enter into any contract or agreement with any general partner, member, shareholder, principal or Affiliate, except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arm's-length basis with unaffiliated third parties;

(J) maintain its assets in such a manner that it will be costly or difficult to segregate, ascertain or identify its individual assets from those of any other Person;

(K) assume or guaranty the debts of any other Person, hold itself out to be responsible for the debts of any other Person, or otherwise pledge its assets for the benefit of any other Person or hold out its credit as being available to satisfy the obligations of any other Person;

(L) make any loans or advances to any Person;

(M) fail to (i) hold itself out to the public and identify itself, in each case, as a legal entity separate and distinct from any other Person and not as a division or part of any other Person, (ii) conduct its business solely in its own name, (iii) hold its assets in its own name or (iv) correct any known misunderstanding regarding its separate identity;

(N) make any dividend or distribution to its members, partners or stockholders, as applicable, if doing so would cause it to become insolvent or to fail to maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations, *provided, however,* that the foregoing shall not be deemed to require any member, partner or stockholder to make any capital contribution or other equity investment;

(O) undertake any of the following without the prior unanimous written consent of all of its partners or members, as applicable: (i) file or consent to the filing of any petition, either voluntary or involuntary, to take advantage of any Creditors' Rights Laws, (ii) seek or consent to the appointment of a receiver, liquidator or any similar official, (iii) take any action that might cause such entity to become insolvent, or (iv) make an assignment for the benefit of creditors;

(P) fail to pay its own liabilities (including, without limitation, salaries of its own employees) from its own funds or fail to maintain a sufficient number of employees in light of its contemplated business operations (in each case to the extent there exists sufficient cash flow from the Property to do so);

(ii) As long as any portion of the Debt remains outstanding:

- (A) the Company will not:
- (a) dissolve, merge, liquidate or consolidate, except as provided in clause ii(B) below;
  - (b) except in connection with a sale or other transfer permitted under the Loan Documents, sell all or substantially all of its assets;
  - (c) amend its organizational documents with respect to the matters set forth in this Section without the consent of Lender;
  - (d) without the affirmative vote of each of its members or partners take any Material Action with respect to itself or to any other entity in which it has a direct or indirect legal or beneficial ownership interest;

(B) the Company shall be dissolved, and its affairs shall be wound up, only upon the first to occur of the following: (i) the termination of the legal existence of the last remaining member of the Company or the occurrence of any other event which terminates the continued membership of the last remaining member of the Company in the Company unless the business of the Company is continued in a manner permitted by its operating agreement or the Act or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act;

(C) upon the occurrence of any event that causes the last remaining member of the Company (the "Member") to cease to be the member of the Company (other than (i) upon an assignment by Member of all of its limited liability company interest in the Company and the admission of the transferee in accordance with the Loan Documents and this Agreement, or (ii) the resignation of Member and the admission of an additional member of the Company in accordance with the terms of the Loan Documents and this Agreement), any natural person duly designated under this Agreement as Springing Member shall, without any action of any other Person and simultaneously with the Member ceasing to be the member of the Company, automatically be admitted to the Company as a member with a 0% economic interest (the "Special Member") and shall continue the Company without dissolution;

(D) Special Member may not resign from the Company or transfer its rights as Special Member unless a successor Special Member has been admitted to the Company as a Special Member in accordance with requirements of the Act. Special Member shall automatically cease to be a member of the Company upon the admission to the Company of the first substitute member, Special Member shall be a member of such company that has no interest in the profits, losses and capital of the Company and has no right to receive any distributions of the assets of the Company;

(E) pursuant to the applicable provisions of the Act, Special Member shall not be required to make any capital contributions to the Company and shall not receive a limited liability company interest in the Company;

(F) Special Member, in its capacity as Special Member, may not bind the Company and, except as required by any mandatory provision of the Act, shall have no right to vote on, approve or otherwise consent to any action by, or matter relating to, the Company including, without limitation, the merger, consolidation or conversion of the Company except as expressly required by Section 5.1(a)(xvi) of the Loan Agreement;

(G) in order to implement the admission to the Company of Special Member, Special Member shall execute a counterpart to this Agreement. Prior to its admission to the Company as Special Member, Special Member shall not be a member of the Company;

(H) upon the occurrence of any event that causes the Member to cease to be a member of the Company to the fullest extent permitted by law, the personal representative of Member shall, within ninety (90) days after the occurrence of the event that terminated the continued membership of Member in the Company agree in writing (i) to continue the Company and (ii) to the admission of the personal representative or its nominee or designee, as the case may be, as a substitute member of the Company effective as of the occurrence of the event that terminated the continued membership of Member in the Company;

(I) any action initiated by or brought against Member or Special Member under any Creditors' Rights Laws shall not cause Member or Special Member to cease to be a member of the Company and upon the occurrence of such an event, the business of the Company shall continue without dissolution; and

(J) each of Member and Special Member waives any right it might have to agree in writing to dissolve the Company upon the occurrence of any action initiated by or brought against Member or Special Member under any Creditors' Rights Laws, or the occurrence of an event that causes Member or Special Member to cease to be a member of the Company.

b. Standards Governing Actions. To the fullest extent permitted by applicable law, the members shall at all times take into account the interests of the Company's creditors as well as the interests of its members in connection with all matters subject to the consideration or vote of the members. The Lender is a third party beneficiary as to the provision contained in this Section 4.2.

c. Indemnification. Notwithstanding any provision hereof to the contrary, any indemnification claim against the Company arising under this Agreement, the Certificate of Formation of the Company or the laws of the state of organization of the Company to indemnify its members or officers are hereby fully subordinated to its obligations arising under the Loan Agreement, Security Instrument or any other Loan Document and shall only constitute a claim against the Company to the extent of, and shall be paid by the Company in monthly installments only from, the excess of net operating income for any month over all amounts then due under the Security Instrument and the other Loan Documents.

d. Priority of Distributions. The Company's assets shall be utilized at all times to satisfy any and all of the Company's obligations and liabilities to Lender in accordance with the Loan Agreement, Security Instrument and other Loan Documents prior to paying or distributing any of such proceeds to satisfy other obligations or liabilities of the Company.

e. Conflicting Provisions. To the extent this Section conflicts with any other provisions of this Agreement or any other organizational or formation document of the Company, this Section shall control.

f. Definitions. Capitalized terms used but not defined in this Section have the meanings ascribed to them in the Loan Agreement. "Material Action" shall mean, with respect to any Person, to institute proceedings to have such Person be adjudicated bankrupt or insolvent, or consent to the institution of bankruptcy or insolvency proceedings against such Person or file a petition seeking, or consent to, reorganization or relief with respect to such Person under any applicable federal, state, local or foreign law relating to bankruptcy, or consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of such Person or a substantial part of its property, or make any assignment for the benefit of creditors of such Person, or admit in writing such Person's inability to pay its debts generally as they become due, or declare or effectuate a moratorium on the payment of any obligation, or take action in furtherance of any such action.

Failure of the Manager to comply with any of the foregoing covenants or any other covenants contained in this Agreement shall not affect the status of the Company as a separate legal entity or the limited liability of the Members.

4.3 Duties and Responsibilities of the Manager. 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. No fee shall be payable to the Manager for management of the affairs of the Company.

4.4 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.

4.5 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.

4.6 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.

4.7 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. The provisions of this Section 4.7 will not relieve the Manager of any liability, notwithstanding any of the foregoing to the contrary, 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 4.7 to the fullest extent permitted by law.

4.8 Indemnification. The Company shall indemnify the Manager, in its individual capacity, 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 Company Property or the Loan Documents. The indemnities contained in this Section 4.8 shall survive the termination of this Agreement. So long as any obligation evidenced or secured by the Loan Documents is outstanding, no indemnity payment from funds of the Company (as distinct from funds from other sources, such as insurance) of any indemnity pursuant to this Section 4.8 shall be payable from amounts allocable to the Lender pursuant to the Loan Documents, and shall be fully subordinate to the Loan, and to the fullest extent permitted by law, shall not constitute a claim against the Company in the event the Company's cash flow is insufficient to pay its obligations.

4.9 Successor to Manager. If the Manager resigns, a successor manager will be selected by Members holding a majority of the Membership Interests. The Manager shall not be permitted to resign at any time the Loan remains outstanding without the approval of Lender.

4.10 Partnership Representative. The Manager shall act as the Company's Partnership Representative, as defined in Section 6223 of the Code, as amended by Public Law 114-74. The Manager shall also determine whether the Company shall elect to be included or excluded from the partnership audit procedures established pursuant to Section 6221, *et. seq.* of the Code as amended by Public Law 114-74 and effective after December 31, 2017 and shall have all other powers accorded a Partnership Representative under applicable law to the maximum extent permitted by law.

ARTICLE V  
Members

5.1 Powers of the Members. Notwithstanding anything to the contrary in this Agreement, so long as any obligation evidenced or secured by any of the Loan Documents remains outstanding and not discharged in full, the Members will have no right to vote on any matters relating to the Company or its assets.

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 more than twenty-five percent (25%) 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 (10) days prior written notice stating the time, place and purpose of the meeting. At a meeting of the Members, the presence of Members holding more than fifty percent (50%) 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.

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) be in contravention of or constitute an event of default under the Loan Documents; (ii) 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; (iii) result in the Company not qualifying for an exemption from the registration requirements of any applicable federal or state securities laws; (iv) result in any violation of any applicable federal or state securities laws; (v) result in the Company having to register as an investment company under the Investment Company Act of 1940, as amended; (vi) require the Company, the Manager or any affiliate to register as an investment advisor under the Investment Advisers Act of 1940, as amended; or (vii) result in the Company being treated as a publicly traded partnership for federal tax purposes.

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

(a) no person will be admitted as an assignee or transferee hereunder unless and until: (i) the Manager has, in its sole discretion, consented to such transfer; (ii) 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; (iii) 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 (iv) an appropriate amendment hereto is executed and, if required, filed of record;

(b) the effective date of such assignment or admission 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 Member to the Company by the Manager pursuant to the provisions of Article VII, 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 Membership Interest in 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;

(e) the costs incurred by the Company in processing an assignment (including attorneys' fees) will be borne by the assignee, and will be payable prior to and as a condition of admission to the Company; and

(f) upon the Transfer of a Membership Interest which satisfies this Section 6.2, Exhibit A 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, the Loan Documents and this Agreement, new Members may be admitted to the Company in exchange for Capital Contributions by such persons to the Company in the manner provided in Section 4.1 of this Agreement. The Members hereby grant the Manager the power of attorney to amend the Company's Certificate of Formation and this Agreement to effect any issuance of Membership Interests pursuant this subsection. Upon the admission of any new Members to the Company, the Manager shall adjust the Members' Membership Interests set forth on Exhibit A 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 Exhibit A 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 earlier to occur of the following:

(i) The Manager and Members holding a majority of the Membership Interests vote to terminate the Company; or

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

(b) Notwithstanding the foregoing, or any other provision of this Agreement to the contrary, for so long as the Company's obligations under the Loan Documents remain outstanding, the Company may not be terminated without the prior written consent of the Lender.

(c) 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 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 (i) owning beneficially, directly or indirectly, any ownership interest in such specified Person, (ii) directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, or (iii) who is an immediate family member of such Person.

(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.

(d) "Lease" shall mean that lease agreement entered into by WG Jefferson TX Landlord, LLC, a Delaware limited liability company and Walgreen Co., an Illinois corporation with respect to the Real Property and dated as of December 28, 2011.

(e) "Lender" shall mean First Peoples Bank of Tennessee and/or Pacific Coast Bankers' Bank, as applicable, and their respective successors and assigns with respect to the Loan.

(f) "Loan" shall mean that certain loan or loans from Lender to the Trust in the original approximate amount of \$2,550,000.00 as evidenced and secured by the Loan Documents.

(g) “Loan Documents” shall mean any and all documents evidencing or securing the Loan or any assumptions thereof including, without limitation, any promissory notes (individually, a “Note” and collectively, “Notes”), any loan agreements (individually, a “Loan Agreement” and collectively, “Loan Agreements”) mortgages, deeds of trust, deeds to secure debt, assignments of leases and rents, indemnity agreements, certificates, escrow agreements, consents or subordination agreements or the functional equivalent of any of the aforementioned, and any and all other documents related to the Loan.

(h) “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

(i) “Section” shall mean a section in this Agreement unless the context clearly indicates otherwise.

(j) “Tenant” shall mean Walgreen Co., an Illinois Corporation, or its successor under the Lease.

(k) “Treasury Regulations” shall mean U.S. Treasury Regulations promulgated under the Code.

9.2 Notices. All notices, offers or other communications required or permitted to be given pursuant to this Agreement will be in writing and will be considered as properly given or made upon personal delivery or on the third business day following mailing from within the United States by first class United States mail, postage prepaid, certified mail return receipt requested, and addressed to the address of the Company set forth in Section 1.6, if to the Company, and to the address beneath a Member’s name on the signature pages hereto, if to a Member. Any Member may change its address by giving fifteen (15) days’ advance written notice stating its new address to the Manager. The Company may change its address by giving fifteen (15) days’ advance written notice to the Members stating its new address. 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 will be construed in conformity with the laws of the State of Delaware, without regard to conflicts of law provisions.

9.6 Benefits of Agreement; No Third-Party Rights. Except for the Lender, its successors or assigns as holders of the Loan with respect to the provisions related to the Single Purpose Entity nature of the Company, (1) 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 the Members, and (2) nothing in this Agreement shall be deemed to create any right in any Person (other than Covered Persons) 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. The Lender, its successors or assigns are intended third-party beneficiaries of this Agreement and may enforce the provisions related to the Single Purpose Entity nature of the Company.

9.7 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.

9.8 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

9.9 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.

9.10 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.

9.11 Severability. If any provision of this Agreement, or the application of such provision to any person or circumstance, will be 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.

9.12 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 each Member 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 another Member (including the Manager, for and on behalf of the Company), from time to time, 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.

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**COUNTERPART SIGNATURE PAGE**  
**LIMITED LIABILITY COMPANY AGREEMENT**  
**OF**  
**Four Corners Jefferson \_\_\_\_\_ LLC**

IN WITNESS WHEREOF, the undersigned have executed this Limited Liability Company Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

MANAGER:

Four Corners Capital Management, LLC,  
a Texas limited liability company

By: \_\_\_\_\_  
a Texas limited liability company  
Its: Manager

By: \_\_\_\_\_  
Name:  
Title:

SPRINGING MEMBER:

\_\_\_\_\_



**EXHIBIT B**

TAX OPINION

# MCQUADE

— LAW GROUP —

12201 Gayton Road, Suite 102 | Richmond, Virginia 23238

Joseph J. McQuade

Direct: 804-857-0117

jmcquade@mcquadelawgroup.com

March 25, 2025

Four Corners Jefferson DST  
c/o Four Corners Capital Management, LLC  
17776 Preston Rd.  
Dallas, Texas 75252

**Re: Four Corners Jefferson DST**

Ladies and Gentlemen:

Four Corners Capital Management, LLC (the “Signatory Trustee”), a Texas limited liability, and Four Corners Jefferson DST (the “Trust”), a Delaware statutory trust organized under Chapter 38 of Title 12 of the Delaware Code, have retained McQuade Law Group, P.C. to address certain income tax issues in connection with a transaction related to the Trust’s acquisition of that certain 11.6-acre parcel with an approximately 14,340-square-foot commercial retail building located at 132 E. Broadway Boulevard, Jefferson City, Tennessee 37760 (the “Property”). Specifically, this letter sets forth our opinion as to whether:

- (i) the Trust should be treated as an investment trust described under Section 301.7701-4(c) of the Treasury Regulations that is classified as a “trust” under Section 301.7701-4(a) of the Treasury Regulations;
- (ii) the owners (the “Beneficial Owners”) of beneficial interests in the Trust (the “Interests”) should be treated as “grantors” of the Trust;
- (iii) the Interests should not be treated as a “security” under Section 1031 of the Internal Revenue Code of 1986, as amended (the “Code”); and
- (iv) as “grantors,” the Beneficial Owners should be treated as acquiring and owning a direct interest in real property for federal income tax purposes.

**Transaction Documents**

In issuing this opinion, we have reviewed the following:

- (i) the Trust Agreement of the Trust (the “Trust Agreement”), by and among Wilmington Corporate Services, LLC (the “Delaware Trustee”) as the Delaware trustee, the Signatory Trustee (together with the Delaware Trustee, the “Trustees”), and the Beneficial Owners;

- (ii) the form of purchase agreement, pursuant to which the Beneficial Owners will acquire the Interests;
- (iii) the Lease between the Trust as landlord and Walgreen Co. (the “Tenant”) as tenant;
- (iv) the Confidential Private Placement Memorandum for the offering of Interests (the “Memorandum”) (items (i) through (v) are collectively referred to as the “Transaction Documents”);
- (v) applicable provisions of the Code, final, temporary and proposed Treasury Regulations promulgated thereunder, judicial decisions, Revenue Rulings and other interpretative releases of the Internal Revenue Service (the “IRS”);
- (vi) a letter dated March 25, 2026, from the Signatory Trustee and the Trust to McQuade Law Group, P.C. (the “Representation Letter”); and
- (vii) such other materials and documents as we considered relevant.

### **Factual Assumptions**

Our opinion is expressly based upon certain assumptions, factual information and representations that have been provided to us, including the following: (i) the Beneficial Owners will acquire the Interests directly from the Trust; (ii) no action outside of those actions contemplated in the Transaction Documents will be taken that would cause the Trust to be classified as a corporation or a partnership for federal income tax purposes; (iii) the Beneficial Owners intend the Interests to be considered real property in order to qualify as an eligible replacement for other real property under the like-kind exchange rules of Section 1031 of the Code; (iv) the Property and the Interests will be acquired and held, in accordance with the terms of the Transaction Documents, and no action will be taken that is inconsistent with such terms; (v) no written or oral agreement exists that is inconsistent with the Transaction Documents; (vi) all payments made to the Trust, the Trustees and their affiliates will be at fair market value; (vii) the Beneficial Owners will contribute cash to the Trust in exchange for their Interests; (viii) each Beneficial Owner will have a reversionary interest in the Trust corpus; (ix) each Beneficial Owner will be entitled to receive his percentage share of the income of the Trust; and (x) the representations set forth in the Representation Letter are true, complete and correct in all respects as of the date hereof.

We have assumed the accuracy and completeness of all documents and records that we have reviewed, that any form documents provided to us as part of our evaluation will materially be the same as the final executed documents, 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 defined herein have the same meanings as in the Memorandum.

In forming our opinion, we have relied on the existence of certain facts based on the provisions of the Trust Agreement, as follow:

The Trust was formed (i) to acquire the Property subject to the Lease; (ii) to hold for investment, lease, maintain and eventually dispose of the Property; and (iii) to take only such other actions as the Signatory Trustee deems necessary or appropriate to carry out the foregoing. The Trust's sole asset will be the Property and the Property is encumbered by a loan. The Trust will be prohibited from conducting any activity except acquiring, owning, holding, selling, leasing, transferring, exchanging, managing and operating the Property (and no other property), and transacting lawful business that is incident, necessary and appropriate to accomplish the foregoing. The Signatory Trustee will be authorized to make distributions to the Beneficial Owners in accordance with the Trust Agreement. The Trustees will have no authority to modify the Lease or to acquire additional property or to re-invest the assets of the Trust. The Trustees will not be liable for any obligation incurred with respect to the Property, and the Trust will be obligated to indemnify the Trustees against any liability incurred with regard thereto (other than liabilities related to their willful misconduct, bad faith, fraud or gross negligence). The Signatory Trustee will maintain books, records and bank accounts and will hold the Trust out to third parties as a distinct legal entity. The Signatory Trustee will distribute all available cash to the Beneficial Owners on a monthly basis, except for cash required to pay fees and expenses and to establish any reasonable reserves. The Signatory Trustee must notify the parties in default of any default thereby under the Transaction Documents and take such action with regard to such default strictly as instructed by the Trust Agreement. The Signatory Trustee will have no duty, on its own behalf, to (i) 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) obtain or maintain any insurance on the Property, (iii) maintain the Property, (iv) pay or discharge any tax levied against any part of the Trust Estate, (v) confirm, verify, investigate or inquire into the failure to receive any reports or financial statements from any party obligated to provide such, or (vi) inspect the Property at any time or to ascertain or inquire as to the performance or observance of any of the covenants of any Person. The Trustees and the Beneficial Owners will have no power or authority to take any action on the Trust's behalf that would cause the Trust to be considered a "business entity" rather than a "trust" within the meaning of Section 301.7701-4 of the Treasury Regulations. The Trust Agreement shall be interpreted and enforced so as to be in compliance with the requirements of Revenue Ruling 2004-86, 2004-2 C.B. 191. The Trustees and the Beneficial Owners will have no power or authority to make decisions regarding the Property, except as provided in the Trust Agreement. No Beneficial Owner shall have any liability for the debts or obligations incurred by any other Beneficial Owner, with respect to the Trust Estate, or otherwise, and no Beneficial Owner shall have any authority, other than as specifically provided therein, to act on behalf of any other Beneficial Owner or to impose any obligation on any other Beneficial Owner with respect to the Trust Estate. Subject to compliance with applicable securities laws, and the Trust Agreement, each Beneficial Owner may assign his Interests without obtaining the prior consent of the Trust, the Trustees, or any other Beneficial Owner.

The Trust Agreement will provide that the interest of the Trust in the Property for federal income tax purposes is that of a legal (not beneficial) title holder. No Trustee and no Beneficial Owner has taken or will take any action to cause the Trust to be classified as a business entity for federal income tax purposes. The Signatory Trustee and the Beneficial Owners will report the ownership of Interests as a direct ownership of real property by the Beneficial Owners for federal income tax purposes and not as interests in a partnership, business trust or other entity for federal income tax purposes. The Signatory Trustee and the Beneficial Owners will comply with all provisions of the Trust Agreement.

## **Description of Revenue Ruling 2004-86**

On July 20, 2004, the IRS issued Revenue Ruling 2004-86, 2004-2, C.B. 191 (the “Ruling”), which is the principal authority on the treatment of an interest in a statutory trust for purposes Section 1031 of the Code. The Ruling concluded that under the facts contained therein, beneficial owners of interests in an “investment trust” will be considered to have directly acquired interests in real property for purposes of the like-kind exchange rules under Section 1031. To reach such conclusion, the IRS concluded, first, that the trust would be considered a trust rather than a corporation or partnership for tax purposes; next, that the beneficial owners of the trust possessed such rights over the trust income and principal as to be considered direct owners of the trust’s assets for income tax purposes. Accordingly, assuming other requirements of Section 1031 of the Code 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 Section 1031 of the Code. The holding of the Ruling is based on certain factual assumptions regarding the provisions of the trust agreement of the DST. The facts in the Ruling 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 Section 483 of the Code. On January 1, 2005, A uses the proceeds of the loan to purchase Blackacre, which is 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, and 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, Delaware Code Annotated Title 12, Sections 3801 through 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’s 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 Section 1.1031(k)-1(g) of the Treasury Regulations. A does not engage in an exchange. Whiteacre and Greenacre were held for investment and are of like kind to Blackacre, within the meaning of Section 1031 of the Code.

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 Section 267(b) or Section 707(b) of the Code. Z is not related to B, C, or DST's trustee within the meaning of Section 267(b) or Section 707(b) of the Code.

The IRS reached the following conclusions in the Ruling:

- (1) The Delaware statutory trust described in the Ruling is an investment trust, under Section 301.7701-4(c) of the Treasury Regulations, which 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 in the Ruling without recognition of gain or loss under Section 1031 of the Code, if the other requirements of Section 1031 of the Code are satisfied.

According to the IRS, under the facts of the Ruling, if DST's trustee had the power to do one or more of the following acts, DST would be classified as a partnership or other business entity:

- dispose of Blackacre and acquire new property;
- renegotiate the lease with Z or enter into leases with tenants other than Z;
- renegotiate or refinance the obligation used to purchase Blackacre;
- invest cash received to profit from market fluctuations; or
- make more than minor non-structural modifications to Blackacre not required by law.

In addition, 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 DST’s owners.

Delaware law provides that a Delaware statutory trust is an unincorporated association recognized as an entity separate from its owners. A Delaware statutory trust is created by executing a governing instrument and filing an executed certificate of trust. Creditors of the beneficial owners of a Delaware statutory trust may not assert claims directly against the property in the trust. A Delaware statutory trust may sue or be sued, and property held in a Delaware statutory trust is subject to attachment or execution as if the trust were a corporation. Beneficial owners of a Delaware statutory trust are entitled to the same limitation on personal liability because of actions of the Delaware statutory trust that is extended to stockholders of Delaware corporations. A Delaware statutory trust may merge or consolidate with or into one or more statutory entities or other business entities.

Section 671 of the Code provides that, where the grantor or another person is treated as the owner of any portion of a trust (commonly referred to as a “grantor trust”), there will be included in computing the taxable income and credits of the grantor or the other person those items of income, deductions, and credits against tax of the trust which are attributable to that portion of the trust to the extent that the items would be taken into account under Chapter 1 of the Code in computing taxable income or credits against the tax of an individual.

Section 1.671-2(e)(1) of the Treasury Regulations provides that, for purposes of Subchapter J of the Code, 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.

Under Section 1.671-2(e)(3) of the Treasury Regulations, the term “grantor” includes any person who acquires an interest in a trust from a grantor of the trust if the interest acquired is an interest in certain investment trusts described in Section 301.7701-4(c) of the Treasury Regulations.

Under Section 677(a) of the Code, the grantor is treated as the owner of any portion of a trust whose income without the approval or consent of any adverse party is, or, in the discretion of the grantor or a nonadverse party, or both, may be distributed, or held or accumulated for future distribution, to the grantor

or the grantor's spouse.

A person that is treated as the owner of an undivided fractional interest of a trust under subpart E of part I, Subchapter J of the Code (Sections 671 and following), is considered to own the trust assets attributable to that undivided fractional interest of the trust for federal income tax purposes. See Rev. Rul. 88-103, 1988-2 C.B. 304; Rev. Rul. 85-45, 1985-1 C.B. 183; and Rev. Rul. 85-13, 1985-1 C.B. 184. See also Section 1.1001-2(c), Example 5, of the Treasury Regulations.

Section 761(a) of the Code provides that the term "partnership" includes 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 that is not a corporation or a trust or estate. Under regulations, the IRS may, at the election of all the members of the unincorporated organization, exclude such organization from the application of all or part of Subchapter K, if the income of the members of the organization may be adequately determined without the computation of partnership taxable income and the organization is availed of (1) for investment purposes only and not for the active conduct of a business, (2) for the joint production, extraction, or use of property, but not for the purpose of selling services or property produced or extracted, or (3) by dealers in securities for a short period for the purpose of underwriting, selling, or distributing a particular issue of securities.

Section 1.761-2(a)(2) of the Treasury Regulations provides the requirements that must be satisfied for participants in the joint purchase, retention, sale, or exchange of investment property to elect to be excluded from the application of the provisions of Subchapter K of the Code. One of these requirements is that the participants own the property as co-owners.

Section 1031(a)(1) of the Code provides that no gain or loss is recognized on the exchange of property held for productive use in a trade or business or for investment if such property is exchanged solely for property of like kind that is to be held either for productive use in a trade or business or for investment.

Section 1031(a)(2) of the Code provides that Section 1031(a) of the Code does not apply to any exchange of stocks, bonds or notes, other securities or evidences of indebtedness or interest, interests in a partnership, or certificates of trust or beneficial interests. It further provides that an interest in a partnership that has in effect a valid election under Section 761(a) of the Code to be excluded from the application of all of Subchapter K of the Code will be treated as an interest in each of the assets of the partnership and not as an interest in a partnership.

Under Section 301.7701-1(a)(1) of the Treasury Regulations, 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.

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 tax purposes. See *Moline Properties, Inc. v. Commissioner*, 319 U.S. 436 (1943); *Zmuda v. Commissioner*, 731 F.2d 1417 (9th Cir. 1984); *Boca Investorings P'ship v. United States*, 314 F.3d 625 (D.C. Cir. 2003); *Saba P'ship v. Commissioner*, 273 F.3d 1135 (D.C. Cir. 2001); *ASA Investorings P'ship v. Commissioner*, 201 F.3d 505 (D.C. Cir. 2000); *Markosian v. Commissioner*, 73 T.C. 1235 (1980).

Section 301.7701-2(a) of the Treasury Regulations defines the term “business entity” as any entity recognized for federal tax purposes (including an entity with a single owner that may be disregarded as an entity separate from its owner under Section 301.7701-3 of such regulations) that is not properly classified as a trust under Section 301.7701-4 of the Treasury Regulations or otherwise subject to special treatment under the Code. A business entity with two or more owners is classified for federal tax purposes as either a corporation or a partnership. A business entity with only one owner is classified as a corporation or is disregarded.

Section 301.7701-3(a) of the Treasury Regulations provides that an eligible entity can elect its classification for federal tax purposes. Under Section 301.7701-3(b)(1) of the Treasury Regulations, unless the entity elects otherwise, a domestic eligible entity is a partnership if it has two or more owners or is disregarded as an entity separate from its owner if it has a single owner.

Section 301.7701-4(a) of the Treasury Regulations provides that the term “trust” refers to an arrangement created either by will or by an inter vivos declaration whereby trustees take title to property for the purpose of protecting and conserving it for the beneficiaries. Usually the beneficiaries of a trust do no more than accept the benefits thereof and are not voluntary planners or creators of the trust arrangement. However, the beneficiaries of a trust may be the persons who create it, and it will be recognized as a trust if it was created for the purpose of protecting and conserving the trust property for beneficiaries who stand in the same relation to the trust as they would if the trust had been created by others for them.

Section 301.7701-4(b) of the Treasury Regulations provides that there are other arrangements known as trusts because the legal title to property is conveyed to trustees for the benefit of beneficiaries, but that are not classified as trusts for federal 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 that normally would have been carried on through business organizations that are classified as corporations or partnerships.

Section 301.7701-4(c)(1) of the Treasury Regulations provides that an “investment” trust will not be classified as a trust for federal income tax purposes if there is a power under the trust agreement to vary the investment of the certificate holders. See *Commissioner v. North American Bond Trust*, 122 F.2d 545 (2d Cir. 1941), cert. denied, 314 U.S. 701 (1942). 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 if there is no power to vary the investment of the certificate holders.

A power to vary the investment of the certificate holders exists where there is a managerial power, under the trust instrument, that enables a trust to take advantage of variations in the market to improve the investment of the investors. See *Commissioner v. North American Bond Trust*, 122 F.2d at 546.

Revenue Ruling 75-192, 1975-1 C.B. 384, discusses the situation where a provision in the trust agreement requires the trustee to invest cash on hand between the quarterly distribution dates. The trustee is required to invest the money 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. Revenue Ruling 75-192 concludes that, because the restrictions on the types of permitted investments limit the trustee to a fixed return similar to that earned on a bank account and eliminate any opportunity to profit from market fluctuations, the power to invest in the specified kinds of short-term investments is not a power to vary the trust's investment.

Revenue Ruling 78-371, 1978-2 C.B. 344, concludes that a trust established by the heirs to a number of contiguous parcels of real estate is an association taxable as a corporation for federal tax purposes where the trustees have the power to purchase and sell contiguous or adjacent real estate, accept or retain contributions of contiguous or adjacent real estate, raze or erect any building or structure, make any improvements to the land originally contributed, borrow money, and mortgage or lease the property. Such an arrangement was not an investment trust because the trustees had a power to change the investment of the beneficial owners. Compare Revenue Ruling 79-77, 1979-1 C.B. 448 (concluding that a trust formed by three parties to hold a single parcel of real estate is classified as a trust for federal income tax purposes when the trustee has limited powers that do not evidence an intent to carry on a profit making business).

Revenue Ruling 92-105, 1992-2 C. B. 204, addresses the transfer of a taxpayer's interest in an Illinois land trust under Section 1031. Under the facts of the ruling, a single taxpayer created an Illinois land trust and named a domestic corporation as trustee. Under the deed of trust, the taxpayer transferred legal and equitable title to real property to the trust, subject to the provisions of an accompanying land trust agreement. The land trust agreement provided that the taxpayer retained exclusive control of the management, operation, renting, and selling of the real property, together with an exclusive right to the earnings and proceeds from the real property. Under the agreement, the taxpayer was required to file all tax returns, pay all taxes, and satisfy any other liabilities with respect to the real property. Revenue Ruling 92-105 concludes that, because the trustee's only responsibility was to hold and transfer title at the direction of the taxpayer, a trust, as defined in Section 301.7701-4(a) of the Treasury Regulations, was not established. Moreover, there were no other arrangements between the taxpayer and the trustee (or between the taxpayer and any other person) that would cause the overall arrangement to be classified as a partnership (or any other type of entity). Instead, the trustee was a mere agent for the holding and transfer of title to real property, and the taxpayer retained direct ownership of the real property for federal income tax purposes.

The IRS ruled that the DST under consideration was an entity for federal income tax purposes. The IRS next concluded that the trust was not the agent of the beneficial owners because the beneficial owners had no right to direct the trustee's actions. The IRS also ruled that the DST would be considered a trust rather than a corporation or partnership for tax purposes because the trustee's activities must be limited to

the collection and distribution of trust income and the beneficial owners had no right to participate in the management of the trust properties. The IRS ruled that the trust's beneficial owners would be considered the trust's grantors because they had a right to receive all of the trust's income and the trust's corpus. As owners of the DST for tax purposes, the beneficial owners would be considered to own, directly and outright, an interest in all property titled in the name of the DST. Because the DST owned real property, the beneficial owners who acquired interests in the DST will be deemed to have acquired interests in real property for purposes of Section 1031 of the Code.

## **Legal Analysis**

In determining whether the acquisition of an Interest by a Beneficial Owner “should” be treated as the direct acquisition of the Property, we analyze this issue in light of all authorities relevant to the following: (i) the Trust's treatment as an entity separate from the Beneficial Owners for federal income tax purposes, (ii) the Trust's treatment as an investment trust described in Section 301.7701-4(c) of the Treasury Regulations that is classified as a “trust” under Section 301.7701-4(a) of the Treasury Regulations, (iii) the Beneficial Owners' treatment as “grantors” of the Trust, (iv) as “grantors,” the Beneficial Owners' treatment as acquiring and owning an undivided fractional interest in the Property for federal income tax purposes, and (v) the Interests not being treated as a “security” under Section 1031 of the Code.

### ***A. Entity Classification of the Trust Property***

#### *1. Classification of the Trust as an entity separate from the Beneficial Owners for Federal Income Tax purposes.*

Whether the Trust is treated as an entity separate from the Beneficial Owners for federal income tax purposes depends upon its treatment under local law and the nature of the relationships created among the parties to the Trust pursuant to the Trust Agreement.

Section 3801(g) of the Delaware Code provides that a Delaware statutory trust is an unincorporated association that is created by a governing instrument for the purpose of holding property for business or investment. This section further provides that “any such association ... shall be a statutory trust and a separate legal entity.” Section 3803 of the Delaware Code provides that owners of a trust are “entitled to the same limitation of personal liability extended to stockholders of private corporations for profit organized under the general corporation law...”. Section 3804 of the Delaware Code provides that a trust may sue or be sued, and that its property is subject to attachment and execution as if it were a corporation. Section 3805 of the Delaware Code provides that, except as otherwise provided in the trust agreement, a beneficial owner of an interest in a trust shall have an undivided beneficial interest in the property of the trust and shall share in the profits and losses of the trust pro rata in proportion to the owner's percentage interest in the trust. Section 3805 further provides that no creditor of a beneficial owner has any right to obtain possession of trust property, and that, except to the extent otherwise provided in the trust agreement, interests in a trust are freely transferable. Section 3815 of the Delaware Code provides that a trust may merge into or consolidate with other trusts or other business entities.

In Revenue Ruling 2004-86, after describing certain relevant provisions of the Delaware Code

(including those described above), and after observing that DST was “formed for investment purposes,” the IRS concluded that DST was an entity for federal income tax purposes. We believe that the Trust is substantially similar to DST described in the Ruling. First, and most importantly, both DST and the Trust are Delaware statutory trusts, subject to the provisions of the Delaware Code set forth above. Second, Section 2.3 of the Trust Agreement provides that the purposes of the Trust are (i) to acquire the Property subject to the Lease; (ii) to hold for investment, lease, maintain and eventually dispose of the Property; and (iii) to take only such other actions as the Trustees deems necessary or appropriate to carry out the foregoing, which is consistent with the purpose of DST in the Ruling (i.e., “to hold property for investment”). Third, Section 6.8 of the Trust Agreement provides that (i) no Beneficial Owner shall have any liability for the debts or obligations incurred by any other Beneficial Owner, with respect to the Trust Estate, or otherwise, and no Beneficial Owner shall have any authority, other than as specifically provided therein, to act on behalf of any other Beneficial Owner or to impose any obligation on any other Beneficial Owner with respect to the Trust Estate, and (ii) neither the power to give direction to the Delaware Trustee, the Signatory Trustee, or any other Person nor the exercise thereof by any Beneficial Owner shall cause such Beneficial Owner to have duties (including fiduciary duties) or liabilities relating thereto to the Trust or to any Beneficial Owner; this provision is similar to provisions in DST's trust agreement. Fourth, consistent with DST, the Trust Agreement does not create or purport to create an agency relationship between the Beneficial Owners, on the one hand, and the Trust or the Delaware Trustee, on the other.

2. *Classification of the Trust as an “Investment” Trust Rather than as a Business Entity for Federal Income Tax Purposes*

Under Treasury Regulation Section 301.7701-4(b), a trust may be classified as a business entity if it is an arrangement for profit-making activity with such activity being conducted either by the trustees (when the trust agreement expressly authorizes the trustee to engage in such activity) or by the beneficiary (when the trustee is merely an agent of the beneficiary and the beneficiary directs the trustee to engage in such activity). In contrast, Treasury Regulation Section 301.7701-4(c)(1) provides that a trust will be treated as an “investment” trust and not as a business entity if it has “a single class of ownership interests, representing undivided beneficial interests in the assets of the trust,” and “there is no power... to vary the investment of the certificate holders.” In the Ruling, DST 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 those 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 that was 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 Second Circuit 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), an opinion issued by the Second Circuit on the same day that it issued the *Chase National Bank* opinion, 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 the *Chase National Bank* case, the terms of the trust instrument in *North American Bond Trust* accorded the depositor with the power “to take advantage of market variations to improve the investments even of 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 holding 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...” Accordingly, the trust was an association taxable as a corporation.

In Revenue Ruling 75-192 (described above), the IRS concluded that, because the trust agreement restricted the trustee’s investment of cash on hand to products that yielded a fixed return similar to that earned on a bank account, there was no opportunity to profit from market fluctuations. Accordingly, the power to invest in short term instruments described in Revenue Ruling 75-192 is not a power to vary a trust’s investment.

In Revenue Ruling 79-77, the IRS ruled that a trust formed to hold real property was a trust under Section 301.7701-4(a) of the Treasury Regulations and a “grantor trust” within the meaning of Subpart E of Subchapter 3, Chapter I of the Code (Code Section 671, et seq.), and not a “business entity” within the meaning of Section 301.7701-4(b) of the Treasury Regulations (e.g., a partnership or an association taxable as a corporation), where the trustee’s duties were limited to the following: (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.<sup>1</sup>

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 (described above), 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 to merely protect and conserve the trust’s property and ruled that the trust was taxable as a corporation.

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<sup>1</sup> See also PLR 9352008 (September 29, 1993), in which the IRS ruled that an ownership interest in real estate was merely an ownership interest in the real estate and not a partnership interest where the real estate was subject to a triple 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 that will be 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 and 75-192, and not the arrangements discussed in *North American Bond Trust* and Revenue Ruling 78-371. The Trust satisfies the “one class of interests” requirement because the definition of the term “Interest” in Article I of the Trust Agreement will state that the Interests are a single class. Section 2.3 of the Trust Agreement will provide that the Property is held for investment purposes only, and that the Trust will only engage in activities that constitute customary services in connection with the maintenance and repair of the Property. Section 2.2 of the Trust Agreement will further provide that (a) the Property is held for the benefit of the Beneficial Owners and (b) it is the intention of the Trustees and the Beneficial Owners that the Trust constitute a “statutory trust.” Section 7.2 of the Trust Agreement will require the Signatory Trustee to distribute available cash monthly. Section 3.3 of the Trust Agreement will provide that the Beneficial Owners shall not take any action which would in the opinion of tax counsel to the Trust cause the Trust to be treated as a business entity for federal income tax purposes. Section 3.3 of the Trust Agreement further provides that, notwithstanding any other provision of the Trust Agreement, the Trustees shall not take certain specified actions, on their own behalf or on the instruction of the Beneficial Owners, if the effect of such action would be to “vary the investment” of the Beneficial Owners under Section 301.7701-4(c)(1) of the Treasury Regulations. The Tenant is responsible for all insurance, general maintenance, ordinary repairs and utilities, and the Lease may not be renegotiated unless the Tenant becomes bankrupt or insolvent. The Tenant will be responsible for the payment of all property taxes.

However, the Trust Agreement contains provisions that were not present in the trust arrangement and lease that were the subject of Revenue Ruling 2004-86, as follows: (i) the Signatory Trustee will have an ongoing role (but no power except to conserve and dispose of the Property), (ii) under limited circumstances, the Signatory Trustee may transfer the Property to a limited liability company in a Transfer Distribution, and (iii) the Signatory Trustee will have the discretion to cause a sale of the Property. We do not believe that any such term that will be contained in the Trust Agreement but was absent from the arrangement that is the subject of Revenue Ruling 2004-86 will cause the Signatory Trustee to have any power other than the power to conserve and protect trust property.

### 3. *Classification of the Trust as a “Grantor Trust” for Federal Income Tax Purposes*

Sections 671 through 678 of the Code describe certain circumstances in which the grantor of a trust will be considered to be the owner of all or a portion of the trust’s assets and income for federal income tax purposes. Section 677(a) of the Code provides that a grantor is treated as the owner of any portion of a trust whose income without the approval or consent of any adverse party or, in the discretion of the grantor or a nonadverse party (or both) may be distributed, held, or accumulated for future distribution to the grantor or its spouse. In the Ruling, the IRS reasoned that, because the owner of an undivided fractional interest of a trust is considered to own the trust assets attributable to that interest for federal income tax purposes, B and C should each be treated as owning an undivided fractional interest in the DST’s property for federal income tax purposes. Therefore, the IRS further reasoned that the exchange of real property by B and C for an interest in DST through a qualified intermediary is the exchange of real property for an interest in the DST’s property, assuming the other requirements of Section 1031 are satisfied.

Like the DST in the Ruling, the Trust holds real property, and its income without the approval or

consent of any adverse party, or, in the discretion of the grantor or a nonadverse party (or both), may be distributed, held, or accumulated for future distribution to the grantor. Like B and C in the Ruling, the Beneficial Owners should be treated as grantors of the Trust and, as such, the Beneficial Owners should be treated as owning an undivided fractional interest in the Trust. Therefore, the Beneficial Owners, like B and C in the Ruling, should be considered to own the Trust's assets attributable to that undivided fractional interest for federal income tax purposes.

It should be noted that the holding of the Ruling expressly assumed that "the other requirements of Section 1031 are satisfied." This assumption is also being made for purposes of this Opinion.

### ***B. Interests as a Security***

Section 1031 of the Code expressly excludes a "security" from the categories of property that may qualify for nonrecognition. Thus, if the IRS were to classify the Interests as "securities" for federal income tax purposes, they would not qualify as replacement property in a Section 1031 exchange.

The term "security" is not defined in Section 1031 of the Code or the regulations promulgated thereunder. In addition, the term is defined differently under different sections of the Code and, therefore, has a different meaning in Section 475 of the Code than it has in Code Sections 165(g), 402(e), 731, 1083(f), 1236, or 6323(h)(4). Neither an undivided interest in real property or a beneficial interest in a Delaware statutory trust are included within the definition of a security in any provision of the Code. In G.C.M. 38206 (1979), the IRS concluded that warrants and calls were securities for purposes of the like-kind exchange rules of Section 1031 of the Code because they were included within the definition of "security" under certain other provisions of the Code. The fact that neither an undivided interest in real property or a beneficial interest in a Delaware statutory trust are listed as a security in any other provisions of the Code which defines a security suggest that Interests would not be considered securities for purposes of Code Section 1031.

An interest that is deemed a "security" under federal securities law is not necessarily a "security" for federal income tax purposes. In *Plow Realty Co. of Texas v. Commissioner*, 4 T.C. 600 (1945), the Tax Court held that mineral deeds were not "securities" under the Code section at issue even though they were considered "securities" under the federal securities laws. In addition, in G.C.M. 35242 (1973), the IRS concluded that whiskey warehouse receipts were not securities for purposes of Code Section 1031 although they were securities under the securities laws.

The legislative history of Code Section 1031 indicates that the disqualification of a security from like-kind exchange treatment was part of a broader goal of disqualifying all highly liquid investments from such treatment. *See* S. Rept. 1113, 67th Cong. (1927), 1939-1 (Part 2) C.B. 945-46 (adopting H. Rept. 1432, 67th Cong.); H. Rept. 704, 73d Cong., 2d Sess. 13 (1934). There is no public market for the Interests and it is unlikely that one ever would develop. In addition, it is highly unlikely that anyone would consider a beneficial interest in a Delaware statutory trust formed for the sole purpose of holding an interest in real property highly liquid. Thus, based on Congress' expressed purpose in disqualifying securities from like-kind exchange treatment, and the authority cited above, the Interests should not be considered securities for federal income tax purposes.

## Conclusion

Based on the foregoing, it is our opinion that (i) the Trust, being substantially similar to the DST described in the Ruling, should be treated as an entity separate from the Beneficial Owners for federal income tax purposes, (ii) the Trust should be treated as an investment trust described in Section 301.7701-4(c) of the Treasury Regulations that is classified as a “trust” under Section 301.7701-4(a) of the Treasury Regulations, (iii) the Beneficial Owners should be treated as “grantors” of the Trust, (iv) as “grantors,” the Beneficial Owners should be treated as acquiring and owning an undivided fractional interest in the Property for federal income tax purposes, and (v) the Interests should not be treated as a “security” under Section 1031 of the Code. The Trust generally complies with the requirements described in the Ruling, including the fact that the powers and authority of the Trust do not appear to exceed the powers and authority of the “investment trust” described in the Ruling.

In certain respects, the transaction that is the subject of the Offering varies from the facts in the arrangement that was the subject of the Ruling. Specifically, the transaction has been structured to create a liability on the Trust to pay several fees, as further detailed in the Memorandum. Additionally, the Trust Agreement grants the Signatory Trustee the authority to conduct activities on an ongoing basis, including the authority to dissolve and wind-up the Trust, to protect and conserve the Property, and to effect a Transfer Distribution of the Property to a newly formed Delaware limited liability company in certain limited circumstances.

While these facts were not present in the Ruling, the Trust’s structure and ownership of the Property are similar to the overall substance of the transactions described in the Ruling. Accordingly, the factual differences between the trust arrangement described in the Ruling and the transaction described in the Memorandum do not cause us to reach a different conclusion.

Notwithstanding the foregoing, qualification of a transaction pursuant to Section 1031 for a specific Beneficial Owner involves issues based on numerous specific facts that are not and cannot be known to us; therefore, we give no opinion as to the ability of any Beneficial Owner to effectuate an acquisition of replacement property under Section 1031 of the Code. This opinion addresses only one aspect of qualifying under Section 1031 of the Code, i.e., whether Interests should be treated as interests in real property for purposes of Section 1031 of the Code. We express no opinion as to whether some portion of the Property may be “personal property” rather than “real property,” or whether certain amounts that the Beneficial Owners pay and are used for offering costs or expenses, financing costs, and funding reserves (as described in the Memorandum) will be considered taxable boot. We further express no opinion with respect to the Disposition Fee or whether the treatment of the Disposition Fee as a liability for purposes of Section 1031 will be respected by the IRS and/or state tax authorities, nor that the Beneficial Owners will be permitted to allocate their proportionate share of the Disposition Fee when determining their tax basis in the Property. Finally, we express no opinion about the state or local tax consequences of the transactions described herein.

As described herein, we have made a number of assumptions, and have relied on the facts and conditions set forth in the Representation Letter, the Memorandum, and herein in rendering our opinion. Accordingly, our opinion is not a guarantee of the current status of the law and should not be accepted as a

guarantee that a court of law or an administrative agency will concur in the opinion. If any of the facts or assumptions set forth in the Representation Letter, the Memorandum and herein prove incorrect, it is possible that the tax consequences would change.

In rendering our opinion, we have considered the applicable provisions of the Code, final, temporary and proposed regulations thereunder, pertinent judicial authorities, interpretive rulings of the IRS and such other authorities as we have considered relevant. It should be noted that statutes, regulations, judicial decisions and administrative interpretations are subject to change at any time and, in some cases, with retroactive effect. This opinion is not binding upon the IRS or courts of applicable jurisdiction, which may disagree with all or any portion of the opinion expressed herein. We undertake no obligation to update the opinion expressed herein after the date of this letter. Furthermore, our opinion is conditioned upon the accuracy and completeness of the representations set forth in the Representation Letter. Our opinion does not constitute an opinion as to whether the exchange actually entered by a prospective investor satisfies all of the requirements of Section 1031 of the Code. This opinion does not address any other tax consequences of the sale of the Interests.

Please be advised that: (a) this opinion has been written to support the marketing of the Interests; (b) this opinion is not intended to be used and cannot be used by any investor for purposes of avoiding penalties that may be imposed under federal tax law; and (c) all investors must consult their own independent tax advisors regarding the federal income tax consequences to them of investing in the Interests in the context of their own particular circumstances.

We are furnishing this opinion to you solely in connection with the sale of the Interests described herein. Accordingly, the Signatory Trustee and the Trust, or any of their affiliates, may only circulate this opinion in connection with the sale of the Interests to potential investors. This opinion may not be relied upon, circulated, quoted or otherwise referred to by any other persons in connection with any other property or co-ownership arrangement.

Our opinion is not intended or written to be used, and it cannot be used, by any prospective investor for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code. This opinion was written to support the promotion or marketing of the offering of the Interests. A prospective investor should seek advice based on the investor's particular circumstances from an independent tax advisor.

With warm regards,

  
McQuade Law Group, P.C.

**EXHIBIT C**

PURCHASER QUESTIONNAIRE

## PURCHASER QUESTIONNAIRE

### BENEFICIAL INTERESTS IN FOUR CORNERS JEFFERSON DST

Before deciding to subscribe, please read carefully the Confidential Private Placement Memorandum and all exhibits thereto (collectively, the “Memorandum”), for the offering (the “Offering”) of beneficial interests (the “Interests”) in Four Corners Jefferson DST, a Delaware statutory trust (the “Trust”). Four Corners Capital Management, LLC, a Texas limited liability company (the “Signatory Trustee”), will be responsible for the operation of the Trust. Capitalized terms used and not otherwise defined herein have the meaning set forth in the Memorandum.

EACH PROSPECTIVE INVESTOR SHOULD EXAMINE THE SUITABILITY OF THIS TYPE OF INVESTMENT IN THE CONTEXT OF HIS OWN NEEDS, PURCHASE OBJECTIVES, AND FINANCIAL CAPABILITIES AND SHOULD MAKE HIS OWN INDEPENDENT INVESTIGATION AND DECISION AS TO SUITABILITY AND AS TO THE RISK AND POTENTIAL GAIN INVOLVED. ALSO, EACH PROSPECTIVE INVESTOR IS ENCOURAGED TO CONSULT WITH HIS ATTORNEY, ACCOUNTANT, FINANCIAL CONSULTANT OR OTHER BUSINESS OR TAX ADVISOR REGARDING THE RISKS AND MERITS OF THE PROPOSED INVESTMENT.

The Offering is limited to purchasers who certify that they meet all of the qualifications set forth in the Memorandum. If you satisfy these qualifications and desire to purchase Interests, please complete, execute and deliver the following: (i) this Purchaser Questionnaire, and (ii) if you are an entity (as opposed to a natural person), the entity documents described herein. Upon the Trust’s receipt of your Purchase Questionnaire, the Trust may, in its discretion, prepare an individualized Purchase Agreement (“Purchase Agreement”) and signature page to the Trust Agreement for you. If you desire to purchase Interests, you must (i) execute the Purchase Agreement and signature page to the Trust Agreement, and (ii) mail or deliver original executed copies of your Purchase Agreement and signature page to the Trust Agreement to the Trust at the following address:

Four Corners Jefferson DST  
c/o Four Corners Capital Management, LLC  
1776 Preston Road  
Dallas, Texas 75252  
Attn: Matt Price  
Email: info@emersonscre.com

Upon receipt of the signed Purchaser Questionnaire, verification of your investment qualifications, and acceptance of your subscription, the Signatory Trustee will notify you of receipt and acceptance of your subscription. The Signatory Trustee reserves the right, in its sole discretion, to accept or reject a subscription for any reason whatsoever.

**Important Note: The person or entity actually making the decision to purchase the Interests should complete and execute this Purchaser Questionnaire. For example, retirement plans often hold certain real estate purchases in trust for their beneficiaries, but the beneficiaries may maintain control and discretion over the real estate. In such a situation, the beneficiary with control must complete and execute the Purchase Agreement, this Purchaser Questionnaire and the other agreements listed above (this also applies to trusts, custodial accounts and similar arrangements).**

**PURCHASER QUESTIONNAIRE**  
**BENEFICIAL INTERESTS IN**  
**FOUR CORNERS JEFFERSON DST**

This Purchaser Questionnaire relates to the undersigned' intention to purchase an Interest or Interests in the Trust for a purchase price of \$\_\_\_\_\_. The minimum purchase requirement for the Interests is \$50,000 unless waived by the Signatory Trustee.

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. My primary state of residence is: \_\_\_\_\_
2. My date of birth is: \_\_\_\_\_
3. My 45-day identification period expires on \_\_\_\_\_, and my 180-day exchange period expires on \_\_\_\_\_. I expect to have the cash available to complete this investment on \_\_\_\_\_.
4. If a natural person, I hereby represent and warrant that I am an "*accredited investor*" as defined in Regulation D promulgated under the Securities Act of 1933, as amended (initial as appropriate):
  - (a) \_\_\_\_\_ That I have an individual net worth, or joint net worth with my spouse (or spousal equivalent), *excluding primary residence* (see Memorandum, "WHO MAY INVEST") but including home furnishings and personal automobiles, of more than \$1,000,000; or
  - (b) \_\_\_\_\_ That I have individual income in excess of \$200,000 or joint income with my spouse (or spousal equivalent) in excess of \$300,000, in each of the two most recent years and I have a reasonable expectation of reaching the same income level in the current year.

If other than a natural person, such entity represents and warrants that (check as appropriate):

\_\_\_\_\_ It is an "*accredited investor*" as defined in Regulation D promulgated under the Securities act of 1933, as amended, which includes:

- any corporation, Massachusetts or similar business trust, partnership, or organization described in Code Section 501(c)(3), not formed for the specific purpose of acquiring Interests, with total assets over \$5,000,000;
- any holder in good standing of certain professional certifications or designations, including the Financial Industry Regulatory Authority, Inc. Licensed General Securities Representative (Series 7), Licensed Investment Adviser Representative (Series 65), or Licensed Private Securities Offerings Representative (Series 82) certifications;
- any entity with investments (as defined in Section 2a51-1(b) of the Investment Company Act) exceeding \$5,000,000, not formed for the specific purpose of acquiring Interests; any investment adviser registered under the Investment Advisers Act of 1940 (the "Advisers Act"), or an exempt reporting adviser (as defined in Section 203(l) or Section 203(m) of the Advisers Act), or a state-registered investment adviser;
- any 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 as described in Rule 506(b)(2)(ii) under the Securities Act;

- any family client of a family office, with total assets of at least \$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 the family office is capable of evaluating the merits and risks of an investment in Interests as described in Section 202(a) (11)(G)-1(b) under the Advisers Act;
- any broker-dealer registered under Section 15 of the Securities Exchange Act of 1934, as amended;
- any investment company registered under the Investment Company Act or a business development company (as defined in Section 2(a)(48) of the Investment Company Act);
- any small business investment company licensed by the Small Business Administration under Section 301(c) or (d) or the Small Business Investment Act of 1958, as amended;
- any rural business investment company (as defined in Section 384A of the Consolidated Farm and Rural Development Act);
- any employee benefit plan within the meaning of ERISA, if the investment decision is made by a plan fiduciary (as defined in Section 3(21) of ERISA), which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if such employee benefit plan has total assets over \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are accredited investors;
- any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended);
- any 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 company as defined in Section 2(13) of the Securities Act;
- any 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;
- any executive officer, director, advisory board member or trustee or person serving in a similar capacity of the Signatory Trustee or, if applicable, its manager; or,
- any entity in which all of the equity owners are accredited investors.

Furthermore, if other than a natural person, such entity represents and warrants that it meets the requirements of the initialed category: **(INITIAL AND COMPLETE THE APPLICABLE CATEGORY):**

- (a) \_\_\_\_\_ The entity is purchasing the Interests with funds that constitute, directly or indirectly, the assets of a Benefit Plan Investor (defined below). The entity 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 entity 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” mean 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 twenty-five percent (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 company's general account assets that are considered "plan assets" and the assets of any insurance company 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 Trustee for purposes of meeting an exemption under the Department of Labor regulation.

5. I have such knowledge and experience in financial and business matters that I am capable of evaluating the merits and risks of a purchase of the Interests. The following is a description of my experience in financial and business matters:

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6. Title to the Interests to be taken in accordance with the attached vesting instructions.
7. Because this Offering is being made pursuant to an exemption provided under Rule 506(c) of Regulation D promulgated under the Securities Act of 1933, the Signatory Trustee is required to obtain additional verification of the prospective Investor's status as an accredited investor, as defined by SEC Rule 501(a). If the Investor is a natural person, this may be done by providing verification by one the methods listed below:

(a) Tax Returns and Investor Representation

If the Investor is an accredited investor on the basis of income, the Investor must provide an Internal Revenue Service form that reports the subscriber'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 provide a written representation prospective investor has a reasonable expectation of reaching the income level necessary to qualify as an accredited investor during the current year;

(b) Financial Documentation Dated within Prior three (3) Months

If the Investor is an accredited investor on the basis of net worth, provide one or more of the following types of documentation dated within the prior three (3) months and provide a written representation that all liabilities necessary to make a determination of net worth have been disclosed: (1) with respect to assets: bank statements, brokerage statements and other statements of securities holdings, certificates of deposit, tax assessments, and appraisal reports issued by independent third parties; and (2) with respect to liabilities, a consumer report from at least one of the nationwide consumer reporting agencies; or

(c) Third Party “Accredited Investor” Attestation

The prospective Investor may also satisfy the additional verification requirement by having the appropriate professional complete the Third Part “Accredited Investor” Attestation below.

If the Investor is an entity, please contact the Signatory Trustee regarding required verification information.

8. THE INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATES AND ARE 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 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.
9. I have read the Memorandum, and I have specifically read, and specifically acknowledge and agree to the matters set forth in the section titled “FEDERAL INCOME TAX CONSEQUENCES”. I represent and warrant that I:
  - (i) have consulted my own independent tax advisor regarding an investment in the Interests and the qualification of the transaction under Section 1031 of the Code and applicable state tax laws;
  - (ii) I am not relying on the Signatory Trustee or any of its Affiliates or agents, including their Counsel, or accountants, or any member of the Selling Group for tax advice regarding the qualification of the Interests under Section 1031 of the Code or any other matter;
  - (iii) I am not relying on any statements made in the Memorandum regarding the qualifications of the Interests under Section 1031 of the Code;
  - (iv) I understand the tax opinion is only Counsel’s view of the anticipated tax treatment of the Interests, is a marketed tax opinion upon which an investor may not rely to avoid tax penalties, and there is no guarantee that the IRS will agree with such opinion;
  - (v) I am aware that the IRS has issued Revenue Ruling 2004-86, 2004-2 C.B. 191 addressing Delaware Statutory Trusts, the Revenue Ruling is merely guidance and is not a “safe harbor” for taxpayers and, without the issuance of a private letter ruling on a specific offering, there is no assurance that the Interests will not be deemed a partnership interest for federal income tax purposes; and
  - (vi) I will, for federal income tax purposes, report the purchase of the Interest pursuant to the Purchase Agreement as a purchase of a direct ownership interest in the Properties.
10. I hereby agree to indemnify, defend and hold harmless the Signatory Trustee, the Trust, and all of their members, managers, officers, affiliates and advisors, of and from any and all damages, losses,

liabilities, costs, and expenses (including attorney's fees and costs) that may incur by reason of my 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 or in any other documents I have 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 the Signatory Trustee or the Trust, or any of their members, managers, officers, 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 I have furnished to any of the foregoing in connection with this transaction.

11. In connection with this Purchaser Questionnaire, a consumer report may be requested. Upon my request, I will be informed whether or not such a report was requested, and, if so, the name and address of the consumer reporting agency that furnished the report. I hereby authorize such reports and verification of my employment history.
12. To the extent I am purchasing an Interest in connection with a tax-deferred exchange under Section 1031 of the Code, I agree to provide the Signatory Trustee (including its representatives and agents), upon request, any documentation relating to my identification of replacement properties with respect to such tax-deferred exchange.
13. Neither I nor any subsidiary, affiliate, owner, shareholder, partner, member, indemnitor, guarantor or related person or entity:
  - (a) is a Sanctioned Person (as defined below);
  - (b) has more than fifteen percent (15%) of its assets in Sanctioned Countries (as defined below);  
or
  - (c) derives more than fifteen percent (15%) of its operating income from investments in, or transactions with Sanctioned Persons or Sanctioned Countries.

For purposes of the foregoing, a "*Sanctioned Person*" shall mean (a) a person named on the list of "specially designated nationals" or "blocked persons" maintained by the U.S. Office of Foreign Assets Control ("OFAC"), or as otherwise published from time to time, or (b) (1) an agency of the government of a Sanctioned Country, (2) an organization controlled by a Sanctioned Country, or (3) a person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC. A "*Sanctioned Country*" shall mean a country subject to a sanctions program identified on the list maintained by OFAC, or as otherwise published from time to time.

14. If the Investor is an entity, trust, or benefit plan investor, then Investor represents to the applicable following representation and warranty:
  - (a) If the subscriber is a CORPORATION, then 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 Purchaser 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.

- (b) If the subscriber is a PARTNERSHIP, then 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 Purchaser 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.
- (c) If the subscriber is a TRUST, then the undersigned hereby represents, warrants and agrees that (i) the undersigned trustee is duly authorized by the terms of the trust instrument (the “Trust Instrument”) for the trust set forth below to acquire the Interests. (ii) the undersigned, as trustee, has all requisite power and authority to acquire the Interests for the trust, and (iii) the undersigned trustee is authorized by the trust to execute this Purchaser Questionnaire and the Purchase Agreement. The undersigned trustee encloses a true copy of the Trust Instrument of said trust, as amended to date, and, as necessary, the resolutions of the trustees authorizing the purchase of the Interests.
- (d) If the subscriber is a LIMITED LIABILITY COMPANY, then the undersigned hereby represents, warrants and agrees that (i) the undersigned is either the authorized manager or authorized representative of the limited liability company 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 Purchaser Questionnaire and the Purchase Agreement. The undersigned encloses a true copy of the Articles of Organization and 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.
- (e) If the subscriber is a BENEFIT PLAN INVESTOR (as defined in Question 4, above), then the undersigned hereby represents, warrants and agrees that: (i) the undersigned is duly authorized by the terms of the such investor’s governing instrument (“Governing Instrument”) for the entity set forth below to acquire the Interests; (ii) the entity has all requisite power and authority to acquire the Interests; and (iii) the undersigned has authority under the Governing Instrument to execute this Purchaser Questionnaire and the Purchase Agreement. The undersigned encloses a true copy of the Governing Instrument of the entity, as amended to date, and, as necessary, any resolutions authorizing the purchase of the Interests.

[Remainder of Page Intentionally Left Blank]

**REGISTRATION**

**A. Registration Information**

Please Print the Exact name of the Purchaser:\*

\_\_\_\_\_

**B. Contact Information**

Please send all correspondence to the following:

Contact Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

Primary Phone: \_\_\_\_\_

Additional Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

**C. Release of Information**

As a courtesy to investors, the Signatory Trustee or an affiliate may compile and distribute an ownership contact directory. As your personal information and privacy are among our top priorities, this information will not be released without your prior written consent. Please complete the authorization below by indicating which, if any, information may be released to all purchasers of Interests in this Offering.

\_\_\_\_\_ DO NOT release any personal information (other than public record information to the other Interest owners.

Name: \_\_\_\_\_ May release: Yes \_\_\_ No \_\_\_

Address: \_\_\_\_\_ May release: Yes \_\_\_ No \_\_\_

Phone #: \_\_\_\_\_ May release: Yes \_\_\_ No \_\_\_

Email: \_\_\_\_\_ May release: Yes \_\_\_ No \_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

**EXECUTION**

**Please execute this Purchaser Questionnaire by completing the appropriate section below.**

INDIVIDUAL,  
HUSBAND AND  
WIFE, AND JOINT

If the subscriber is an INDIVIDUAL, please complete the following:

TENANT

\_\_\_\_\_  
Signature of Investor (or Joint  
Owner)

\_\_\_\_\_  
Signature of Investor (Joint  
Owner, Two or Spouse Two)

\_\_\_\_\_  
Name (Please type or print)

\_\_\_\_\_  
Name of Spouse or Joint Owner

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Social Security Number of  
Spouse or Joint Owner

\_\_\_\_\_  
State of Legal Residence

\_\_\_\_\_  
State of Legal Residence of  
Spouse or Joint Owner

**OR**

ENTITY, TRUST, OR  
BENEFIT PLAN

If the subscriber is an ENTITY, TRUST, or BENEFIT PLAN, complete the following:\*\*

\_\_\_\_\_  
Name of Entity (Please type or print)

\_\_\_\_\_  
Type of Entity (i.e. Corporation, LLC, Trust, Partnership, etc.)

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Federal Employer ID Number

\_\_\_\_\_  
State of Formation

Benefit Plan Investor? (As defined in Question 4 Above): Yes \_\_\_ No \_\_\_

VESTING INSTRUCTIONS

Ownership of the Interests is to be vested as follows:

*Please indicate vesting by marking the appropriate box and print names exactly as they appear on the Deed of your relinquished property. PLEASE REMEMBER TO SIGN WHERE INDICATED AT THE BOTTOM OF THIS PAGE.*

- A Single Man                                       A Single Woman (Single means never married)
- An Unmarried Man                                       An Unmarried Woman (Unmarried means divorced)
- A Widower     A Widow

**Complete Name:** \_\_\_\_\_

- Husband and Wife as Joint Tenants                       Husband and Wife as Community Property
- A Married (Man) (Woman) as (His) (Her) Sole and Separate Property (*Both spouses must be listed below*)

**Name of Spouse:** \_\_\_\_\_                      **Name of Spouse:** \_\_\_\_\_

- As Joint Tenants (Joint Tenants have right of survivorship)
- As Tenants in Common (Tenants in Common must set forth each person's undivided interest percentage)

**Joint Tenant or TIC Name:** \_\_\_\_\_                      **Joint Tenant or TIC Name:** \_\_\_\_\_

Trust                      Name of Trust: \_\_\_\_\_  
Date of Trust: \_\_\_\_\_

This Trust is:     Revocable                       Irrevocable

**Trustee Name:** \_\_\_\_\_                      **Trustee Name:** \_\_\_\_\_

\*\*Please attach a copy of your trust agreement.

- Corporation                       Partnership                       Limited Liability Company

**Company Name:** \_\_\_\_\_                      **State Formed:** \_\_\_\_\_

**GP/President/Manager:** \_\_\_\_\_                      **Tax ID #:** \_\_\_\_\_

\*\*Please attach copies of your Articles of Incorporation/Formation, LLC/partnership agreement, and authorizing consents.

Benefit Plan Investor Name of entity: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title \_\_\_\_\_

Tax ID #: \_\_\_\_\_ State Formed: \_\_\_\_\_

Other: \_\_\_\_\_

\_\_\_\_\_  
Signature (Purchaser)

\_\_\_\_\_  
Signature (Purchaser)

[Signature Page to Vesting Instructions]

**1031 EXCHANGE INFORMATION AND AUTHORIZATION AGREEMENT**

**Prospective Purchaser's Intent to Exchange**

If the undersigned is 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 purchase requirement for the Interests is \$50,000 unless waived by the Signatory Trustee.

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 Interests 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. Fax No. Email

\_\_\_\_\_  
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 Interests 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: \_\_\_\_\_

**ACH AUTHORIZATION FORM**

This form **MUST** be accompanied by a **Printed Voided Check or Bank Letter**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_

**Distribution Payment Information**

Bank Name/Custodial Entity: \_\_\_\_\_  
Account Owner: \_\_\_\_\_  
Account Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Routing # (9 digits) \_\_\_\_\_  
Account # \_\_\_\_\_ I a \_\_\_\_\_

\_\_\_\_\_ authorizes Four Corners Capital Management, LLC, or its designated assignee (hereinafter referred to as the "Signatory Trustee") to initiate ACH transfer entries and to credit the account identified herein for distributions relating to the Interests in Four Corners Jefferson DST. This authorization shall remain in effect unless and until Investor notifies the Signatory Trustee that this authorization has been terminated in such time and manner to allow the Signatory Trustee to act. Undersigned represents and warrants to the Signatory Trustee that the person executing this Release is an authorized signatory on the Account referenced above and all information regarding the Account and Account Owner is true and correct.

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Account Owner Signature Date

\_\_\_\_\_  
Print Name and Title

ATTACH PRE-PRINTED VOIDED CHECK  
OR  
BANK LETTER

**BROKER-DEALER AND REGISTERED REPRESENTATIVE REPRESENTATIONS AND  
WARRANTIES**

Standards of suitability have been established by the Signatory Trustee and fully disclosed in the section of the Memorandum entitled "WHO MAY INVEST." Prior to recommending purchase of the Interests, (1) we have taken reasonable steps, as outlined IN Rule 506(c)(2)(ii) of Regulation D under the Securities Act, to verify that the investor is an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act, and (2) we have reasonable grounds to believe, on the basis of information supplied by the subscriber concerning his or her investment objectives, other investments, financial situation and needs, and other pertinent information that: (i) the subscriber meets the standards established by the Signatory Trustee; (ii) the subscriber has a net worth and income sufficient to sustain the risks inherent in the Interests, including loss of the entire investment and lack of liquidity; and (iii) the Interests are otherwise a suitable investment for the subscriber. We will maintain in our files documents disclosing the basis upon which the suitability of this subscriber was determined.

We verify that the above subscription either does not involve a discretionary account or, if so, that the subscriber's prior written approval was obtained relating to the liquidity and marketability of the Interests during the term of the purchase.

Purchaser Name \_\_\_\_\_

Broker-Dealer Firm Name \_\_\_\_\_

Registered Representative \_\_\_\_\_

(Please Print)

\_\_\_\_\_  
Registered Representative's BRANCH ADDRESS, City, State, Zip

Registered Representative CRD # \_\_\_\_\_

Branch Phone Number (\_\_\_\_\_) \_\_\_\_\_

Email address: \_\_\_\_\_

I certify that I am registered to sell securities in the state in which this investor(s) reside(s).  
INITIAL \_\_\_\_Reg. Rep.

I certify that I am currently licensed with the FINRA and all necessary state regulatory agencies to sell the security which is the subject of this document.  
INITIAL \_\_\_\_Reg. Rep.

I certify that I have not participated in any general solicitation or advertising of the offering of this security and I have a pre-existing relationship with this investor.  
INITIAL \_\_\_\_Reg. Rep.

The Broker-Dealer hereby certifies that the following compensated solicitors (collectively, “Compensated Solicitors”) is/are the only persons who will receive any compensation, directly or indirectly, for the solicitation of this/these investor’s/s’ subscription for Interests, and none of the Compensated Solicitors is subject to any Disqualifying Event (as that term is defined in the Managing Broker-Dealer Agreement and/or Soliciting Broker-Dealer Agreement with respect to the offering of the Interests to which the Broker-Dealer is a party) *[Insert names of Compensated Solicitors]*: \_\_\_\_\_

---

\_\_\_\_\_  
**Signature of Registered Representative (REQUIRED)**

\_\_\_\_\_  
**Signature of Broker Dealer Principal (REQUIRED)**

**REGISTERED INVESTMENT ADVISERS' REPRESENTATIONS AND WARRANTIES**

**Registered Investment Adviser must approve, certify and sign below:**

The investment provided for herein is **APPROVED**.

Standards of suitability have been established by the Signatory Trustee and fully disclosed in the section of the Memorandum entitled "WHO MAY INVEST." Prior to recommending the purchase of the Interests, (1) we have taken reasonable steps, as outlined in Rule 506(c)(2)(ii) of Regulation D under the Securities Act, to verify that the investor is an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act; and (2) we have reasonable grounds to believe, on the basis of information supplied by the Purchaser concerning his or her investment objectives, other investments, financial situation and needs, and other pertinent information, that: (i) the Purchaser meets the standards established by the Signatory Trustee; (ii) the Purchaser has a net worth and income sufficient to sustain the risks inherent in the Interests, including loss of the entire investment and lack of liquidity; and (iii) the Interests are otherwise a suitable investment for the Purchaser. We will maintain in our files documents disclosing the basis upon which the suitability of this Purchaser was determined. We verify that the above subscription either does not involve a discretionary account or, if so, that the subscriber's prior written approval was obtained relating to the liquidity and marketability of the Interests during the term of the purchase.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

RIA Firm Name (if applicable): \_\_\_\_\_

RIA Address: \_\_\_\_\_  
City, State, Zip

RIA CRD #: \_\_\_\_\_

RIA Phone No.: \_\_\_\_\_ RIA Email: \_\_\_\_\_

### Third Party “Accredited Investor” Attestation

The prospective investor may satisfy the additional verification requirement by having the appropriate professional complete this Third Party “Accredited Investor” Attestation.

The undersigned hereby certifies to the Trust that it is (initial at least one):

\_\_\_\_\_A registered broker-dealer;

\_\_\_\_\_An investment advisor registered with the SEC;

\_\_\_\_\_A licensed attorney in good standing under the laws of the jurisdictions in which he or she is licensed to practice law; or

\_\_\_\_\_A certified public accountant who is duly registered and in good standing under the laws of his or her residence or principal office.

Prospective Investor Name: \_\_\_\_\_(Name of Client)

Street Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

Date: \_\_\_\_\_

The undersigned hereby certifies to Four Corners Capital Management, LLC, that:

- (i) The prospective investor named above is an “accredited investor” within the meaning of such term as set forth in Rule 501 of Regulation D promulgated by the United States Securities and Exchange Commission (the “SEC”);
- (ii) Within three (3) months prior to the date of this certificate, the undersigned has taken reasonable steps to determine that the above named prospective investor is an accredited investor; and
- (iii) In taking such reasonable steps, the undersigned has reviewed such documentation as would be required to comply with the terms of Rule 506(c)(2)(ii)(A) or (B) promulgated by the SEC, or has otherwise determined the above named prospective investor is accredited in the context of the particular facts and circumstances of such investor.

The Undersigned has taken reasonable steps to verify that the prospective investor is an “accredited investor” based on his or her income or net worth (whether individual or together with his or her spouse) and, based upon these steps, the undersigned has determined that the prospective investor is an “accredited investor.” To the undersigned’s knowledge, after reasonable investigation, no facts, circumstances, or events have arisen after that date to lead the undersigned to believe that the prospective investor has ceased to be an “accredited investor.” The undersigned acknowledges that the Trust will rely on this Attestation in determining the prospective investor’s eligibility to participate in the Trust’s offering and the undersigned consents of such participation.

[Third Party “Accredited Investor Attestation” Signature Required on Following Page]

**If by an entity:**

\_\_\_\_\_  
(print entity name)

By: \_\_\_\_\_  
(signature)

Name: \_\_\_\_\_  
(Print)

Title: \_\_\_\_\_  
(Print)

**If by an individual:**

\_\_\_\_\_  
(print name)

\_\_\_\_\_  
(signature)

[Signature Page to Third Party “Accredited Investor” Attestation]

**EXHIBIT D**

PURCHASE AGREEMENT

**PURCHASE AGREEMENT  
FOUR CORNERS JEFFERSON DST**

THIS PURCHASE AGREEMENT (“Agreement”) is made and effective as of the date Seller executes this Agreement (“Effective Date”) by and between Four Corners Jefferson DST, a Delaware statutory trust, and

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(Please enter complete legal name of buyer) (“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 Confidential Private Placement Memorandum for the sale of beneficial interests in Four Corners Jefferson DST, dated March 25, 2026, as the same may from time to time be supplemented (the “Memorandum”).

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 beneficial interest (the “Interest”) of \_\_\_\_\_% in the Seller at a purchase price (“Purchase Price”) equal to \$\_\_\_\_\_. In addition, for purposes of any exchange being entered into by the Buyer under Section 1031 of the Internal Revenue Code, the Buyer shall have a pro rata portion (\_\_\_\_\_% ) of the debt, equal to \$\_\_\_\_\_. Investment Equity will be \$\_\_\_\_\_.

1.2 Payment. Buyer shall deposit the Purchase Price with the Seller at least five (5) Business Days prior to Closing pursuant to the wiring instructions to be provided upon request. If the purchase of the Interest is to take place after Closing, then Buyer shall pay the Purchase Price promptly following receipt of instructions from Seller.

1.3 Buyer’s Deliveries. Prior to Closing, Buyer shall execute, acknowledge (where appropriate) and deliver to Seller: (i) the Purchaser Questionnaire (including documentary evidence of Accredited Investor status specified therein), (ii) an executed signature page for the Trust Agreement and (iii) such other documents as may reasonably be requested by Seller; provided, however, the effectiveness of any such documentation shall remain subject to the satisfaction of the closing condition set forth in Section 3 hereof.

1.4 Buyer’s Intent to Exchange. If Buyer’s acquisition of the 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 Buyer’s Accommodator set forth on the Purchaser 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 no additional delays in the scheduled closing date of this Agreement are incurred unless mutually agreed upon by all parties to this Agreement.

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. Closing.

2.1 Closing. This sale of the Interest shall close on or before, \_\_\_\_\_, 2026 (the “Closing Date”), by delivering funds and documents IF AND ONLY IF: (a) all funds and instruments required pursuant to Sections 1 have been delivered to Seller; and (b) the condition precedent set forth in Section 3 has been, or upon such closing shall be, satisfied or waived.

2.2 Latest Closing. If the transfer of the Interest has not closed by 5:00 p.m. on the fifteenth Business Day after the Closing Date, for any reason other than the default of either Buyer or Seller under this Agreement, either party may terminate this Agreement by written notice to the other party. If this Agreement is so terminated for any reason other than the default of Buyer or Seller hereunder, Buyer and Seller shall be released from their obligations under this Agreement, other than any obligations of Buyer that survive termination of this Agreement. If all conditions to Closing have been satisfied or waived by the Closing Date and Buyer fails to acquire the Interest by satisfying all of its obligations under this Agreement, then in addition to any other rights or remedies that Seller may

have, Seller shall be entitled to terminate this Agreement and, upon such termination, Seller shall be released from all obligations under this Agreement.

3. Conditions to Closing.

3.1 Closing Conditions. This Agreement and the obligations of the parties hereunder are subject to the satisfaction or waiver (by the party in whose favor the condition precedent has been established) of all of the conditions precedent set forth below:

3.1.1 Payment of Purchase Price. Buyer shall have deposited the full amount of the Purchase Price with Seller.

3.1.2 Intentionally Deleted.

3.1.3 Intentionally Deleted.

3.1.4 Buyer Deliverables. Seller shall have received all of the Buyer deliverables noted in Section 1.3 above.

3.2 Failure of Conditions Precedent. If any of the foregoing conditions precedent are neither satisfied nor waived by the Closing Date, then either party, if not then in default hereunder, may terminate this Agreement in accordance with Section 2.4 and all funds deposited by Buyer shall be returned to Buyer.

4. Representations and Warranties.

4.1 Seller Representations and Warranties.

4.1.1 Seller Representations and Warranties. Seller hereby represents and warrants, as of the date of this Agreement and the closing of the sale of the Interest, that:

(a) the execution, delivery, and performance of this Agreement and all other agreements contemplated hereby or otherwise in connection with the purchase, lease, and operation of the Property to which Seller is a party have been duly and validly authorized by Seller;

(b) this Agreement and each such other agreements constitute a valid and binding obligation of Seller, enforceable in accordance with its terms, except as may be limited by general principles of equity or creditor's rights laws;

(c) 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 (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;

(d) there are no actions, suits, proceedings, orders, investigations, or claims pending or, to the best of Seller's knowledge, threatened in writing 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;

(e) 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;

(f) 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;

(g) intentionally deleted;

(h) 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;

(i) assuming the representations by Buyer made in this Agreement and in the Purchaser Questionnaire related hereto are true and correct in all material respects, the offer and sale of the Interest pursuant to this Agreement will be exempt from the registration requirements of the Securities Act of 1933, as amended; and

(j) Seller has not made, and will not make prior to closing of the sale of the Interest, 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 of 1933, as amended.

For purposes of the foregoing, the terms "offer" and "sale" have the meanings specified in Section 2(3) of the Securities Act of 1933, as amended. Further, as used herein, the term "knowledge" shall mean the actual knowledge of such person or party.

4.2 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 closing of the sale of the Interest.

4.3 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 Closing Date.

4.3.1 Buyer acknowledges that it has received, read, and fully understands the Memorandum. Buyer acknowledges that it is basing its decision to invest in the Interest 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 Interest involves substantial risk and Buyer is fully cognizant of and understands all of the risk factors related to the purchase of the Interest, including, but not limited to, those risks set forth in the section of the Memorandum entitled "RISK FACTORS."

4.3.2 Buyer's overall commitment to investments that are not readily marketable is not disproportionate to its individual net worth, and its investment in the Interest 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 Interest. 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.

4.3.3 All information and documentary evidence that Buyer has provided to Seller concerning its suitability to invest in the Interest 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.

4.3.4 Buyer has had the opportunity to ask questions of, and receive answers from, Seller, the property manager and their owners, officers, members, managers, employees, and affiliates, concerning the Property and the terms and conditions of the offering of the Interest 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.

4.3.5 Buyer is purchasing the Interest 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 Interest. Buyer understands that, due to the restrictions referred to in Subsection 4.3.6, and the lack of any market existing or to exist for the Interest, Buyer's investment in the Interest will be highly illiquid and may have to be held indefinitely.

4.3.6 Buyer understands that there may be restrictions on the transfer, resale, assignment, or subdivision of the Interest imposed by applicable federal and state securities laws. Buyer is fully aware that the Interest has 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 of 1933, as amended, which reliance is based in part upon Buyer's representations set forth herein. Buyer understands that the Interest has not been registered under applicable state securities laws and is being offered and sold pursuant to the exemptions specified in said laws, and unless it is registered, it 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 Trustees will operate in a manner such that the assets of the Trust 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 Interest with "plan assets" it must disclose as much to the Trust in order for the Trustees to determine whether the Trust 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.

4.3.7 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 SECTION 1031 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED ("IRC"), 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 IRC 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 AND WILL NOT RELY 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 IRC SECTION 1031; AND (III) IS NOT RELYING AND WILL NOT RELY ON ANY STATEMENTS MADE IN THE MEMORANDUM REGARDING THE TREATMENT OF ITS PURCHASE OF THE INTEREST UNDER IRC SECTION 1031. FURTHER, BUYER UNDERSTANDS IF SELLER OR ANY OF ITS AFFILIATES, INCLUDING BUT NOT LIMITED TO FOUR CORNERS CAPITAL MANAGEMENT, LLC, IS REQUIRED TO MAKE A TAX PAYMENT ON BEHALF OF BUYER, ALL FUTURE DISTRIBUTIONS DUE TO BUYER (INCLUDING UPON SALE, AS APPLICABLE) SHALL BE USED TO SATISFY SUCH PAYMENT.

4.3.8 Buyer understands that none of Seller, the Signatory 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 Interest and the entering into any of the related agreements associated with the purchase. Buyer also understands that legal counsel to Seller, the Signatory 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.

4.3.9 THE INTEREST OFFERED HEREBY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, 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 INTEREST IS 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 INTEREST HAS 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.

4.3.10 Buyer hereby agrees to indemnify, defend, and hold harmless Seller, the Signatory Trustee 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 Signatory Trustee 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.

4.3.11 Within five (5) 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.

4.3.12 The representations, warranties and other information set forth in the Purchaser Questionnaire are, and shall continue to be, true, correct and complete in all respects.

4.3.13 PURCHASE AS-IS. AS FURTHER PROVIDED IN THE MEMORANDUM, BUYER REPRESENTS AND WARRANTS THAT IT IS RELYING SOLELY UPON ITS OWN INSPECTIONS, INVESTIGATIONS AND ANALYSES OF THE PROPERTY IN ENTERING INTO THIS AGREEMENT AND BUYER IS NOT RELYING IN ANY WAY UPON ANY REPRESENTATIONS, STATEMENTS, AGREEMENTS, WARRANTIES, STUDIES, REPORTS, DESCRIPTIONS, GUIDELINES OR OTHER INFORMATION OR MATERIAL FURNISHED BY SELLER OR ITS REPRESENTATIVES OR AFFILIATES, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, OF ANY NATURE WHATSOEVER REGARDING ANY SUCH MATTERS AND IS PURCHASING THE INTEREST (AND IS TAKING THE INTEREST IN THE DST IN THE PROPERTY) IN AN "AS-IS" CONDITION. BUYER IS A SOPHISTICATED AND EXPERIENCED REAL ESTATE INVESTOR AND WILL RELY ENTIRELY UPON ITS OWN INDEPENDENT INVESTIGATION AND REVIEW OF THE PROPERTY. BUYER ACKNOWLEDGES THAT, PRIOR TO THE DATE OF THIS AGREEMENT, BUYER HAS HAD THE OPPORTUNITY TO CONDUCT ANY AND ALL PHYSICAL INSPECTIONS OF THE PROPERTY AS BUYER DEEMS NECESSARY, TO REVIEW AND APPROVE EACH OF THE TRANSACTION DOCUMENTS, TO REVIEW AND APPROVE (I) THE OPERATING STATEMENTS FOR THE PROPERTY FOR THE MOST RECENT TWELVE (12) MONTHS, (II) A CURRENT TENANT RENT ROLL, AND (III) THE MOST RECENT PROPERTY TAX BILLS, AND TO CONDUCT SUCH OTHER TESTS, INVESTIGATIONS AND REVIEW AS BUYER DEEMS NECESSARY. BUYER ACKNOWLEDGES THAT SELLER HAS NOT YET, OR ONLY RECENTLY, ACQUIRED THE PROPERTY AND HAS LIMITED KNOWLEDGE REGARDING THE

## CONDITION OF THE PROPERTY.

4.3.14 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 SIGNATORY TRUSTEE, 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 INTERNAL REVENUE 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.

4.3.15 Buyer is an "Accredited Investor" as defined under Rule 501(a) of Regulation D or is acquiring the Interest in a fiduciary capacity for a person meeting the definition of an "Accredited Investor." Buyer's overall commitment to investments that are not readily marketable is not disproportionate to its individual net worth, and its investment in the Interest 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 Interest.

4.4 The representations and warranties of Buyer and Seller set forth herein above shall survive the closing of the sale of the Interest or termination of this Agreement.

## 5. General Provisions.

5.1 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.

5.2 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.

5.3 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 Interest 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.

5.4 Assignment. Neither party may assign its rights under this Agreement, except, in the case of Buyer, to (a) a "Qualified Intermediary" as required by the IRC Section 1031, and/or (b) to a limited liability company 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.

5.5 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: Attn: Four Corners Jefferson DST  
Metric Financial, LLC  
1180 W Peachtree St. NW, Suite 1910  
Atlanta, GA 30309

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.

5.6 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.

5.7 Counterparts. This Agreement may be executed in counterparts, all of which when taken together shall be deemed fully executed originals.

5.8 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.

5.9 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.

5.10 Choice of Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Delaware, without regard to its conflicts of laws principles. All actions arising out of or relating to this Agreement shall be heard and determined exclusively by a court of competent jurisdiction located in Philadelphia, Pennsylvania, 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.

5.11 Time. Time is of the essence with respect to all dates set forth in this Agreement.

5.12 Third-Party Beneficiaries. Except for the Signatory Trustee and its affiliates with respect to Section 4.3 and any indemnification provisions, 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. Signatory Trustee and its affiliates are intended third party beneficiaries of this Agreement and may enforce Section 4.3 and any indemnification provisions of this Agreement.

5.13 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.

5.14 Election to Effect an Internal Revenue Code Section 1031 Exchange. In the event Buyer so elects, Seller agrees to cooperate with Buyer, at no cost or expense to Seller, in effecting a tax-deferred exchange under IRC Section 1031. Buyer shall have the right to elect a tax-deferred exchange at any time prior to the Closing Date. If Buyer elects to effect a tax-deferred exchange, Seller agrees to execute escrow instructions, documents, agreements, or instruments to effect the exchange, provided that Seller shall incur no additional costs, expenses, fees, or liabilities, nor shall the closing be delayed as a result of the exchange. Buyer may assign this Agreement to an accommodator in order to effect such exchange and, thereafter, such assignee will perform Buyer's obligations under this Agreement.

5.15 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.

5.16 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 ORIGINAL OF THIS AGREEMENT (OR AS MANY COMPLETED AND EXECUTED ORIGINALS AS SELLER MAY REQUEST); AND (II) THE PURCHASER QUESTIONNAIRE. SELLER SHALL HAVE TEN DAYS TO EITHER ACCEPT OR REJECT BUYER'S OFFER. IF SELLER DOES NOT ACCEPT BUYER'S OFFER WITHIN SUCH TEN-DAY PERIOD, THE OFFER SHALL BE DEEMED REJECTED.

\_\_\_\_\_  
Seller's Initials

\_\_\_\_\_  
Buyer's Initials

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, this Agreement has been executed as of the Effective Date.

**SELLER:**

FOUR CORNERS JEFFERSON DST,  
a Delaware statutory trust

By: FOUR CORNERS CAPITAL MANAGEMENT, LLC  
Its: Signatory Trustee

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**BUYER:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **EXHIBIT E**

### DISCLOSURE DOCUMENTS

- (1) Real Estate Purchase and Escrow Agreement (the Property Purchase Agreement)
- (2) Zoning Letter
- (3) ALTA/ACSM Survey
- (4) Appraisal
- (5) Lease