Common Qualified Opportunity Zone Fund Investor Profiles

Qualified Opportunity Zone Funds ("QOF") may provide significant tax incentives for investors with capital gains. These tax incentives are available if an investor timely invests the realized capital gain (short or long) or part thereof, that would otherwise be recognized for federal income tax purposes. Investors that have consummated or are considering the following transactions may be particularly interested in investing the resulting capital gain into a QOF to derive the associated benefits:

Securities Sale:

- Re-balancing a securities portfolio with embedded capital gains
- The sale of concentrated position(s)
- Potentially generate tax-free growth[1] from a QOF investment along with tax-advantaged income[2]
- Reallocate basis and capital gains not invested in a QOF

Business Sale:

- Provides the ability to spread a potentially large tax liability over multiple tax periods
- Allows for proactive tax planning for the deferred capital gain
- Creates a pool of capital that can potentially generate tax-advantaged income[2] and grow tax free[1] over a long duration

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Retirement Planning:

- QOF strategies focused on development followed by a stabilized holding period generally have target returns profiles that include tax-advantaged growth and income[2]
- Provides an opportunity for an investor to sell an appreciated asset in a taxable account and invest the capital gain in a strategy that may provide tax-advantaged income[2] and tax-free growth[1]

Sale of Real Estate:

- QOFs only require the investment of capital gains in order to generate the associated tax benefits, whereas Section 1031 exchanges[3] generally require re-investment of the entire proceeds from the property sold
- Similar to Section 1031 exchanges, QOF tax benefits apply to both capital gains and accumulated depreciation classified as unrecaptured 1250 gains
- Capital gains generated from the sale of a primary residence are eligible for QOF investment as are business and investment property

REMINDERS:

Netting Losses to Determine Gains: An investor does not need to net losses when determining capital gains eligible to invest in a QOF.

Investing Across Calendar Years: A QOF investment can span across calendar years as long as it is made within a compliant timeline.

This information does not constitute as tax advice. Certain exceptions may apply. Investors should consult with their own tax advisors to determine their individual risks and benefits in a QOF investment.

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(1). Provided there is a gain in the QOF investment and the investor's interest in the QOF is held for at least 10 years. There is no guarantee of a positive gain in any QOF investment.
(2). There are no guarantees the development properties in a QOF will be completed, stabilized, or generate any income.
(3). The benefits and risks of 1031 exchanges and QOFs vary among investors. Speak with your financial and tax advisor prior to making an investment decision.

THIS IS NEITHER AN OFFER TO SELL NOR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES. AN OFFERING IS MADE ONLY BY A PRIVATE PLACEMENT MEMORANDUM. THIS LITERATURE MUST BE READ IN CONJUNCTION WITH A PRIVATE PLACEMENT MEMORANDUM IN ORDER TO UNDERSTAND FULLY ALL OF THE IMPLICATIONS AND RISKS OF SECURITIES TO WHICH IT RELATES. A COPY OF A PRIVATE PLACEMENT MEMORANDUM MUST BE MADE AVAILABLE TO YOU IN CONNECTION WITH AN OFFERING.

Not all investors are suitable or qualify to invest into a QOF. You should always read the offering memorandum of any QOF and consult with your financial professional before investing into a QOF.

IMPORTANT RISK FACTORS

An investment in a Qualified Opportunity Zone Fund is subject to various risks, including but not limited to:

- To be eligible for the tax benefits associated with such funds, investors must comply with various requirements, as specified under Sections 1400z-1 and 1400z-2 of the U.S. Internal Revenue Code, and any U.S. Treasury and Internal Revenue Service guidance promulgated. Failure to comply with these requirements, or the failure of a given fund to qualify as a Qualified Opportunity Zone Fund, may result in a loss of all or a portion of the associated tax benefits. Investors should consult with their tax professional to determine their specific tax implications from an investment in such funds.
- Typically, no public market currently exists, and one may never exist, for the interests of any Qualified Opportunity Zone Fund. Qualified Opportunity Zone Funds are not liquid.
- Qualified Opportunity Zone Funds typically offer and sell interests pursuant to exemptions from the registration provisions of federal and state law and, accordingly, those interests are subject to restrictions on transfer.
- There is no guarantee that the investment objectives of any particular Qualified Opportunity Zone Fund will be achieved.
- Investments in real estate are subject to varying degrees of risk, including, among other things, local conditions such as an oversupply of space or reduced demand for properties, an inability to collect rent, vacancies, inflation and other increases in operating costs, adverse changes in laws and regulations applicable to owners of real estate and changing market demographics.
- The actual amount and timing of distributions paid by a Qualified Opportunity Zone Fund is not guaranteed and may vary. There is no guarantee that investors will receive distributions or a return of their capital.
- Qualified Opportunity Zone Funds that invest in for-lease properties depend on tenants for their revenue and may suffer adverse consequences as a result of any financial difficulties, bankruptcy or insolvency of their tenants.
- Disruptions in the financial markets and challenging economic conditions could adversely affect a Qualified Opportunity Zone Fund.
- Qualified Opportunity Zone Tax Benefits may not be available under state law and some states may impose their own requirements to qualify for the equivalent of the Qualified Opportunity Zone Tax Benefits under state law.
- An investment in a Qualified Opportunity Zone Fund is highly speculative.

Before purchasing interests, prospective investors should review a fund's offering memorandum, as may be supplemented from time to time, for more complete description of the risks and other disclosure related to participating in the offering.