Offerree Name: _____ Memorandum Number: _____

BLUEROCK Value Exchange™



Not For Subscription Documents

BR Parkview Multifamily, DST

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

Equity Offering Amount: $39,486,498 | **Minimum Investment Amount:** $100,000 (0.2533%) for 1031 Exchange

The date of this Memorandum is January 5, 2026

Investing in DST Interests involves a high degree of risk. Before investing, you should review the entire Confidential Private Placement Memorandum including the "Risk Factors" beginning on page 77.

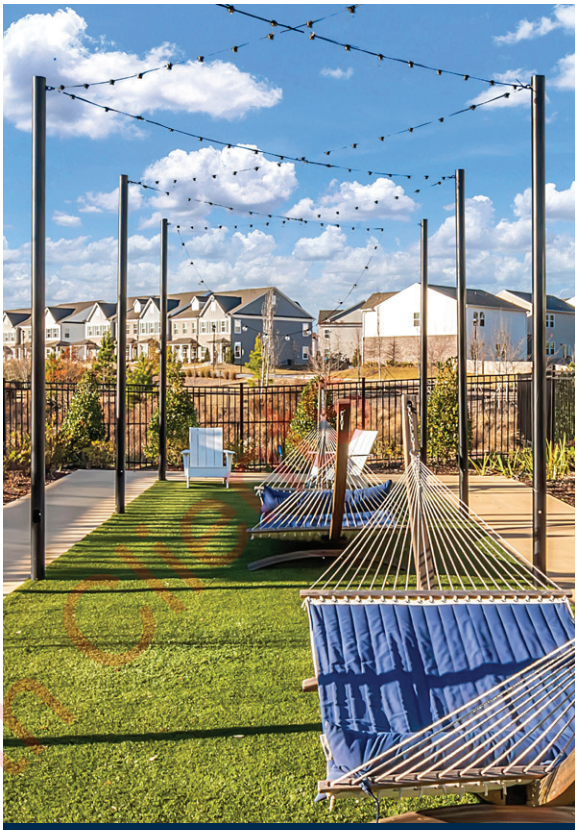
Offering Highlights

OFFERING HIGHLIGHTS $100,000 minimum investment	
Assumed Debt (0.2533% interest):	$97,818
Offering Purchase Price:	$78,111,498*
Equity Amount:	$39,486,498
Loan Amount:	$38,625,000
Loan Terms:	• 49.45% Loan-to-Capitalization | 10-year Term • 5.18% Fixed Interest Rate | 10-year Interest only
Cash Flow to Trust Under Master Lease:	4.30%**
Projected Hold Period:	7-10 Years

*Figure includes total purchase price, acquisition, offering fees and expenses, and operating and capital reserves.

**Figure reflects current distribution from Base Rent and Additional Rent paid pursuant to the Master Lease, shown on an annualized basis as a percentage of equity invested in the Property, after relevant expenses, such as operating costs, fees, and the Asset Management Fee are taken into account. This figure is not an assurance of future results and does not directly represent investor return. There is no guarantee investors will receive distributions or the return of their capital. The rate shown is on an annualized basis as a percentage of equity invested in the Property. See the Memorandum for additional detail.

See "The Property" in the Memorandum for additional detail. Also see "Risk Factors – Risks Related to the Property" in the Memorandum. There is no guarantee Purchasers will receive distributions or the return of their capital. See the "Risk Factors" section in the Memorandum. The results shown may not occur, and actual performance could vary significantly.



Outdoor Yoga Lawn

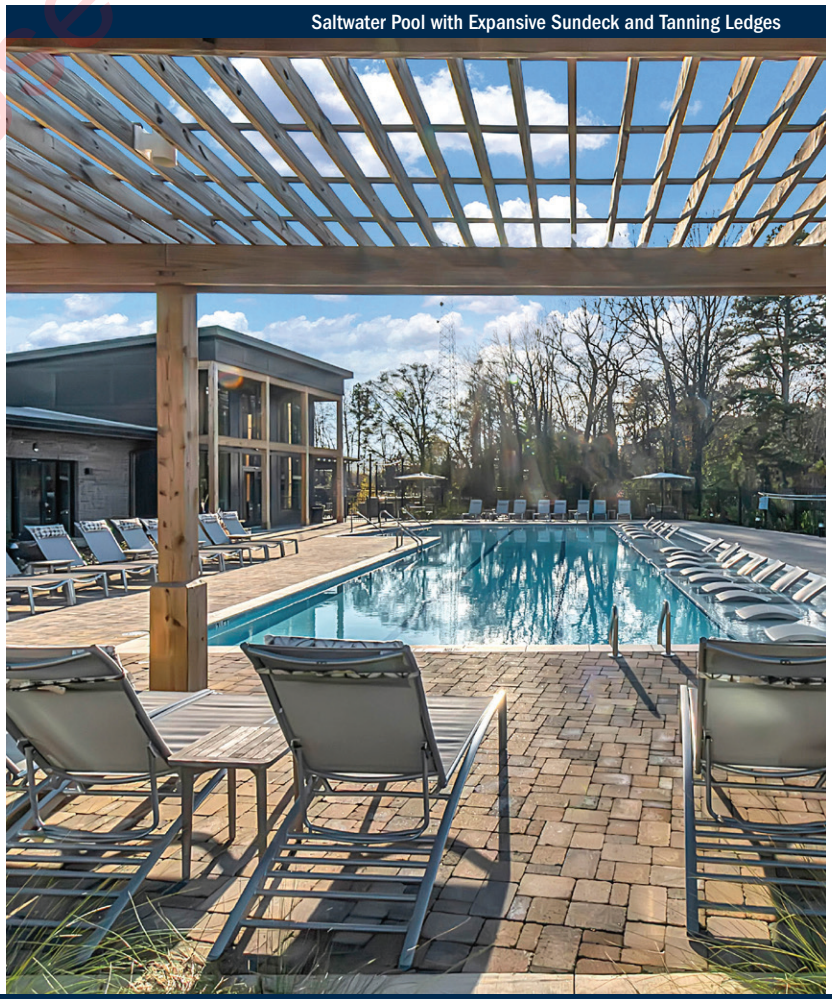


24/7 State-of-the-Art Fitness Center

Refined Club Room with Catering Kitchen and Lounge Seating



Saltwater Pool with Expansive Sundeck and Tanning Ledges



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BR PARKVIEW MULTIFAMILY, DST

OFFERING MEMORANDUM

Class 1 Beneficial Interests in a Delaware Statutory Trust
Minimum Purchase: $100,000
Maximum Offering Amount: $39,486,498

BR Parkview Multifamily, DST, a newly formed Delaware statutory trust (the "**Trust**"), is hereby offering (the "**Offering**") to sell to certain qualified, accredited investors (the "**Investors**") pursuant to this Confidential Private Placement Memorandum (as amended and supplemented and with all exhibits hereto, the "**Memorandum**") up to 100% of the class 1 beneficial interests (the "**Class 1 Beneficial Interests**" or "**Interests**") in the Trust. Owners of the Interests are referred to herein as "**Beneficial Owners**". **You should read this Memorandum in its entirety before making an investment decision.**

The Sponsor

The Offering is sponsored by BHM Parkview Exchange TRS, LLC, a Delaware limited liability company ("**BHMX**" or "**Sponsor**"), an indirect wholly owned taxable REIT subsidiary ("**TRS**") of Bluerock Residential Holdings, L.P., a Delaware limited partnership (the "**Operating Partnership**"). Bluerock Value Exchange, LLC, a Delaware limited liability company ("**BVEX**"), provides advisory services to the Sponsor. BVEX is a national sponsor of syndicated Section 1031 Exchange (defined below) offerings, with a focus on residential and industrial properties that can deliver stable cash flows and that have the potential for value creation. The Operating Partnership is the entity through which Bluerock Homes Trust, Inc., a Maryland corporation ("**BHM**"), conducts substantially all of its business and owns substantially all of its assets. BHM, through its interests in the Operating Partnership, focuses on acquiring a diversified portfolio of infill first-ring suburban single-family rental homes, built-to-rent communities, and other residential communities in high quality-of-life growth markets across the United States in the knowledge economy, targeting middle-market single-family home renters and multifamily apartment renters. BHM is listed on the NYSE American under the ticker symbol "BHM." As of September 30, 2025, BHM had gross assets of more than $1.1 billion with direct and indirect investments comprised of nearly 5,300 current and under-development homes. BHM is organized, and believes it conducts its operations in a manner, so as to qualify as a real estate investment trust ("**REIT**") for federal income tax purposes. For more additional information about BHM, please visit www.bluerockhomes.com. References in this Memorandum to "we," "us," "our," "ours" and similar terms are references to the Sponsor.

BHM is externally managed by Bluerock Homes Manager, LLC, an affiliate of Bluerock Real Estate, L.L.C., a Delaware limited liability company ("**Bluerock**"). Bluerock principals collectively have over 100 years of investing experience with more than $120 billion in real estate and capital markets experience and manage multiple well-recognized real estate private and public company platforms. Bluerock has more than $20 billion in acquired and managed assets and offers a complementary suite of public and private investment programs, with both short and long-term goals, to individual investors seeking solutions aimed at providing predictable income, capital growth, and tax benefits. All numerical data presented herein is as of September 30, 2025, unless otherwise indicated.

The Trust Agreement

The terms of the Trust are governed by the amended and restated trust agreement dated December 18, 2025 (the "**Trust Agreement**"). BR Parkview DST Manager, LLC, a Delaware limited liability company and an affiliate of the Sponsor (the "**Manager**"), is the manager of the Trust and is responsible for the operation of the Trust. The Manager is managed by senior members of the Sponsor's management team. See "THE MANAGER" for additional information. As of the date of this Memorandum, BHM Parkview Investment Co, LLC, a Delaware limited liability company and a joint venture between the Sponsor and BRRK DST Investor, LLC, a wholly owned subsidiary of Bluerock Real Estate Holdings, LLC, a Delaware limited liability company and an affiliate of the Sponsor (the "**Depositor**"), owns 100% of the beneficial interests in the Trust. If any Interests cannot be sold, the Depositor and/or its affiliate(s) will own the remaining Interests. The Interests owned will be held for investment purposes and not for resale.

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The Property

The Trust owns a multifamily apartment community located in Stone Mountain, Georgia commonly known as "District at Parkview Apartments" located at 5141 Stone Mountain Highway, Stone Mountain, Georgia 30087 (the "**Property**"). Built in 2023, the Property consists of approximately 15.55 acres of land and 264 residential units across eight residential buildings, a clubhouse/leasing office building, and an amenity building totaling 255,117 net rentable square feet. The Property has 442 parking spaces including 20 ADA spaces. Amenities include a community market, a saltwater pool with an expansive sundeck and tanning ledges, a refined club room with catering kitchen and lounge seating, a 24/7 state-of-the-art fitness center, dedicated yoga studio, grill islands, poolside fire pit, expansive bark park and pet wash, outdoor yoga lawn, work share cyber lounge with private offices, 24/7 package lockers with refrigerated storage, and complimentary electric vehicle charging stations.

The Property is located in the Atlanta-Sandy Springs-Marietta Metro (the "**Atlanta Metro**"), part of Gwinnett County in Georgia. The Property is located in Stone Mountain in South Gwinnett County. The Property benefits from its proximity to the Atlanta Metro's major employment clusters, as well as its central location offering convenient access to surrounding areas such as Decatur, Lawrenceville, Lilburn, Stone Mountain, Snellville, and the broader Atlanta metro region within a 30-minute drive, making it a highly desirable residential destination for professionals and families alike. The Property is located in a best-in-state school system, rated A- by niche.com, and home to Parkview High School, ranked the best school for sports in Georgia by Stadium Talk. Additionally, the Property is located near a commercial corridor, putting the Property within one mile of 2.5 million square feet of commercial space, 1.7 million square feet of retail space, 630,000 square feet of industrial space, 118,000 square feet of office space, and 100,000 square feet of restaurant space. The Property is also eight minutes from The Grove at Towne Center, a 145,000 square feet of mixed-use development positioned on 18 acres, including 50,000 square feet of dining and retail space, 44,000 square feet of library and coworking space, and 52,500 square feet of office space which will include medical office. The Property also benefits from a tax assessment freeze for 2026 and 2027. See "DESCRIPTION OF THE PROPERTY – *Agreements Affecting the Property*" for a description of the tax assessment freeze.

Acquisition and Financing

On December 18, 2025 (the "**Acquisition Date**"), the Trust acquired the Property for a purchase price of $66,600,000 (the "**Purchase Price**"). Prior to the Acquisition Date, BHM DST Acquisitions, LLC, a Delaware limited liability company and a wholly owned subsidiary of BHM ("**BHM Acquisitions**"), entered into that certain Purchase and Sale Agreement, dated November 26, 2025 (the "**Initial PSA**"), with District at Parkview MF, LLC, a Georgia limited liability company (the "**Seller**"), which Initial PSA was amended by that certain First Amendment to Purchase and Sale Agreement, dated December 4, 2025, by and between Seller and BHM Acquisitions (the "**First Amendment**"; the Initial PSA, as amended by the First Amendment is hereinafter referred to as the "**Original PSA**").

The Original PSA was assigned to the Depositor pursuant to that certain Assignment of Purchase and Sale Agreement by and between BHM Acquisitions, as assignor, and Depositor, as assignee, pursuant to which BHM Acquisitions assigned its rights and obligations under the Original PSA to Depositor (the "**BHM Acquisitions PSA Assignment**"), which Original PSA was further assigned to the Trust pursuant to that certain Assignment of PSA by and between Depositor, as assignor, and the Trust, as assignee, pursuant to which Depositor assigned its rights and obligations under the Original PSA to the Trust (the "**Depositor PSA Assignment**", and together with the BHM Acquisitions PSA Assignment, collectively, the "**PSA Assignments**", the Original PSA, as assigned by the PSA Assignments, the "**PSA**"). In consideration for the PSA Assignments, the Trust, having assumed the obligation of Depositor pursuant to the Depositor PSA Assignment, will pay the Manager, on behalf of BHM Acquisitions, an acquisition fee in the amount of $1,665,000 (the "**Acquisition Fee**") in connection with the acquisition of the Property. In addition, the Depositor conveyed certain other consideration to the Trust (the "**Depositor Contribution**") in exchange for all of the class 2 beneficial interests in the Trust (the "**Class 2 Beneficial Interests**").

The Trust funded the acquisition of the Property with (a) the Depositor Contribution, and (b) the proceeds of a loan to the Trust in the original principal amount of $38,625,000 (the "**Loan**") from KeyBank National Association ("**Lender**"), under the Federal National Mortgage Association ("**Fannie Mae**") Delegated Underwriting and Servicing ("**DUS**") loan program. The Loan has a term of approximately 10 years, maturing on January 1, 2036 (the "**Maturity Date**"), and bears interest at a fixed rate equal to 5.18% per annum, as evidenced by that certain note

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executed by the Trust and made payable to the order of the Lender (the "**Note**"). The Loan has a 30-year amortization schedule, with 10 years of interest-only payments. On a fully-loaded basis, the loan-to-capitalization ("**LTC**") ratio is approximately 49.45%. The Loan is "non-recourse" to the Trust except for standard non-recourse carveouts contained within the Loan Documents (as defined herein). The Loan was assigned at closing to Fannie Mae, however the Lender continues to service the Loan. The term "**Lender**" as used herein refers to KeyBank National Association as the original lender and Fannie Mae as the successor lender, as the context requires.

In connection with the Loan, the Sponsor obtained an appraisal for the Property dated December 19, 2025 (the "**Appraisal**"), prepared by Colliers International, reflecting an "As Is" market value of $68,100,000 for the Property as of October 28, 2025, which is $1,500,000 greater than the Purchase Price.

The Master Lease

Concurrently with acquiring the Property and the Loan, the Trust, leased the Property to BHM Parkview Leaseco, LLC, a newly-formed Delaware limited liability company, an affiliate of Sponsor and a wholly owned indirect subsidiary of the Operating Partnership (the "**Master Tenant**"), pursuant to a master lease agreement (the "**Master Lease**"). The Master Tenant subleases the units at the Property to residential tenants (collectively, the "**Residents**") pursuant to residential lease agreements (the "**Residential Leases**"). The Master Lease and the Residential Leases are collectively referred to herein as the "**Leases**."

FMV Option

The Beneficial Owners will grant the Operating Partnership an option to acquire the Interests (the "**FMV Option**"). If the Operating Partnership exercises the FMV Option (which exercise is subject to the Lender approval, costs and fees, and certain other provisions contained in the Loan Documents), Beneficial Owners, other than Cash Investors (defined below) (each such Beneficial Owner, a "**Contributing Investor**"), will receive an amount of common units in the Operating Partnership (such existing units, or other units that may be issued by the Operating partnership in the future, are the "**OP Units**") with an aggregate value equal to such Beneficial Owner's pro rata share of the appraised value of the Property, as determined by an independent appraisal firm selected by the Manager in its sole discretion (the "**FMV Option Appraised Value of the Property**") less any indebtedness encumbering such Beneficial Owner's Interest or the Beneficial Owner's pro rata share of any indebtedness encumbering the Property, which will be assumed or paid off by the Operating Partnership (the "**Exchange FMV**"), less the amount of the Call Option Fee (defined herein) (the "**Exchange Consideration**"). Such appraisal will be completed within one year prior to the date the FMV Option is exercised. The appraisal will be determined without any discounts but taking into account that the Property is subject to the Master Lease. In the event the appraisal performed for the purpose of determining the FMV Option Appraised Value of the Property results in a value that is less than the total combined purchase price paid for the Interests by the Beneficial Owners, the Manager will select a second independent appraisal firm in its sole discretion to conduct a second appraisal. If the second appraisal is required, the FMV Option Appraised Value of the Property will be equal to the higher of the two appraisals; however, if one appraisal is at least 20% greater than the other (the 20% to be based on the lower appraisal), then the Manager will select a third independent appraisal firm in its sole discretion to conduct a third appraisal. If the third appraisal is required, the FMV Option Appraised Value of the Property will be the average of the two highest appraisals obtained in the process of determining the FMV Option Appraised Value of the Property.

If the Operating Partnership exercises the FMV Option, Beneficial Owners may elect to have the Operating Partnership purchase some or all of its Interests for cash (each such Beneficial Owner, a "**Cash Investor**") with the cash purchase price for a Cash Investor's Interest (the "**Cash Amount**") equaling such Cash Investor's pro rata share of the Exchange FMV, less a 2% cash redemption fee (the "**Cash Redemption Fee**"). Beneficial Owners who elect to receive the Cash Amount of their Interests will be free to (a) structure a Section 1031 Exchange (to the extent permitted by applicable law at the time and provided that they comply with all Section 1031 Exchange requirements), or (b) cash out on a taxable basis. Because the Operating Partnership has sole discretion over whether to exercise the FMV Option, you should not assume the FMV Option will be exercised. It is possible that the consideration you receive in connection with the exercise of the FMV Option by the Operating Partnership may be less than the amount you paid for your Interest. See "SUMMARY OF THE TRUST AGREEMENT" for additional information.

Not for Distribution to Clients

BHM currently has one class of publicly traded stock authorized as of the date of this Memorandum, the Class A Common Stock (the "**Common Stock**"). In addition, BHM has one class of non-traded common stock authorized as of the date of this Memorandum, the Class C Common Stock, and has one class of non-traded preferred stock authorized as of the date of this Memorandum, Series A Redeemable Preferred Stock. The Operating Partnership has one corresponding class of OP Units for each class of common and preferred stock. Beneficial Owners may receive Class A OP Units if the FMV Option is exercised by the Operating Partnership or another class of OP Units that may be issued in the future. **Additional information regarding the Operating Partnership and BHM is contained in BHM's public filings, including its Form 10-K for the year ended December 31, 2024 (the "BHM 10-K") which may be obtained by visiting BHM's public website at www.bluerockhomes.com.** This Memorandum and the BHM 10-K are provided solely for informational purposes and are being furnished to you to assist you in considering an investment in Interests. By investing in the Interests, you will not be investing in BHM or the Operating Partnership.

Notwithstanding that a holder of OP Units may have the right to exchange its OP Units for shares of the corresponding class of Common Stock in BHM, no public market exists for the Interests or the OP Units (which you may receive if the FMV Option were to be exercised), and no public market for either of these is expected to develop. Interests and OP Units may not be resold or transferred except through registration or exemption from the registration requirements of the Securities Act (defined below) and applicable state securities laws; additional limitations on the transferability of Interest apply under the Trust Agreement. In addition, because the Interests are in a Trust that has incurred debt (or holds Property subject to debt) pursuant to the Loan Documents, the Lender may impose further limitations on transfers.

Each Investor will be required to execute such documents and signatures as the Manager may reasonably require in connection with the exercise of the FMV Option or the cash purchase, described above. Pursuant to Section 5.1 of the Trust Agreement, each Investor will grant the Manager a special and limited power of attorney as the attorney-in-fact for the Investor, with power and authority to act in the name and on behalf of the purchaser to execute, acknowledge, and swear to in the execution, acknowledgment and filing of documents relating to the FMV Option. For the Contributing Investors (i.e., the Investors participating in an exchange of Interests in the Trust for the OP Units pursuant to the FMV Option), the Manager will provide a tax protection agreement (a "**Tax Protection Agreement**") in which the Manager: (i) will agree not to directly or indirectly sell, exchange, transfer, or otherwise dispose of the Property or any interest therein (without regard to whether such disposition is voluntary or involuntary) in a transaction within three years of the date of the date of the exercise of the FMV Option that would cause a Contributing Investor to recognize any gain under Section 704(c) of the Internal Revenue Code of 1986, as amended (the "**Code**") (such transaction, a "**Triggering Event**"), and (ii) for a period of two years following the occurrence of a Triggering Event, will agree to pay a Contributing Investor's damages equal to the aggregate federal, state, and local income taxes incurred by such Contributing Investor in connection with such Triggering Event. Upon receipt of any and all documents and signatures required by the Manager or OP (such date of final receipt, the "**Receipt Date**"), the Manager will distribute (i) to any Contributing Investor the OP Units within 10 business days of the Receipt Date and (ii) to any Cash Investor the Cash Amount within 10 business days of the Receipt Date.

Purchase of Interests

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

The minimum amount of Interests that a Section 1031 Investor or an Investor making a cash investment without a Section 1031 Exchange may purchase is $100,000, unless the Trust waives this minimum requirement. For purposes of this Memorandum, various fees have been calculated based on the sale of 100% of the Interests, equivalent

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to $39,486,498 (the "**Maximum Offering Amount**"). For purposes of determining liabilities assumed with respect to the Property in connection with an Investor's Section 1031 Exchange, each Investor will be allocated a pro rata percentage of the Loan (approximately $97,818 per $100,000 Interest).

Unless extended by the Sponsor in its sole discretion, the Offering will terminate on or before the earlier of December 31, 2026 (the "**Offering Termination Date**"), or the date on which all $39,486,498 of the Interests offered hereby have been sold.

	Price To Investor	Sales Commissions and Expenses[1]	Proceeds to the Trust[2]
Minimum Cash Purchase [3]	$100,000	$9,450	$90,550
Maximum Offering Amount	$39,486,498	$3,731,474	$35,755,024

(1) Bluerock Capital Markets LLC, a Massachusetts limited liability company, a member of FINRA and an affiliate of the Sponsor, will serve as Managing Broker-Dealer for the Offering (the "**Managing Broker-Dealer**") and will receive sales commissions (the "**Sales Commissions**") of up to 6.0% of the purchase price of the Interests sold in the Offering ("**Total Sales**") by broker-dealers participating in the Offering (the "**Selling Group Members**"), who are members of the Financial Industry Regulatory Authority, Inc. ("**FINRA**"), which it will re-allow to the Selling Group Members; provided, however, in the event a commission rate lower than 6.0% is negotiated with a Selling Group Member, the Managing Broker-Dealer will receive the lower agreed upon rate. In addition, the Managing Broker-Dealer will receive, on a non-accountable basis, and will re-allow to Selling Group Members on a non-accountable basis, allowances for marketing and due diligence expenses of up to 1.25% of Total Sales ("**Marketing/Due Diligence Expense Allowances**"). The Managing Broker-Dealer will also receive a Managing Broker-Dealer Fee of up to 1.40% of Total Sales (the "**Managing Broker-Dealer Fee**") which it may at its sole discretion partially re-allow to the Selling Group Members. The Sponsor and its affiliates will be entitled to reimbursement for expenses incurred in connection with the Offering, on an accountable basis, of 0.80% of the Maximum Offering Amount (defined below), including, but not limited to, the costs of organizing the Trust and other entities, estimated marketing, legal, finance, accounting and printing fees and expenses incurred in connection with this Offering (the "**Organization and Offering Expenses**"). The total aggregate amount of Organization and Offering Expenses, Sales Commissions, Marketing/Due Diligence Expense Allowances, and the Managing Broker-Dealer Fee (collectively, "**Sales Commissions and Expenses**") will not exceed 9.45% of Total Sales. The Trust may, in its discretion, accept purchases of Interests net of all or a portion of the Sales Commissions otherwise payable from Investors purchasing through a Registered Investment Advisor ("**RIA**") with whom the Investor has agreed to pay a fee for investment advisory services in lieu of commissions, and affiliates of the Trust, including the Sponsor, may purchase the Interests net of Sales Commissions and the Marketing/Due Diligence Expense Allowances. See "PLAN OF DISTRIBUTION" and "ESTIMATED USE OF PROCEEDS" for additional information.

(2) The Trust is offering a maximum of $39,486,498 of Interests (the "**Maximum Offering Amount**"), representing 100% of the outstanding Interests in the Trust. The proceeds shown are after deducting Sales Commissions and Expenses, but before deducting fees and expenses incurred in connection with the Depositor Contribution and the closing of the Loan, including those payable to the Sponsor and its affiliates. See "ESTIMATED USE OF PROCEEDS" and "COMPENSATION OF THE SPONSOR AND AFFILIATES" for additional information.

(3) The minimum cash purchase price of $100,000 and deemed debt assumption of $97,818 represents approximately a 0.2533% ownership interest in the Trust. The Trust may waive the minimum purchase requirement in its sole discretion.

(4) This Offering of Interests is being made on a "best efforts" basis through the. The Trust, in its sole discretion, may terminate or modify this Offering, reject purchases of Interests in whole or in part, waive conditions to the purchase of Interests, and allow investments below the minimum purchase price. Proceeds received from any Investors pursuant to accepted subscriptions for Interests will be held until such time as the Sponsor conducts an initial closing of such subscriptions (the "**Initial Closing**"). There is no minimum raise requirement in this Offering, and the Sponsor can hold the Initial Closing at any time once one or more subscriptions for Interests have been accepted by the Trust. Notwithstanding the foregoing, in no event shall the number of initial record holders of Interests exceed the threshold for registration under Section 12(g) of the Securities Exchange Act of 1934 (the "Exchange Act") or any successor provision.

The date of this Memorandum is January 5, 2026.

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A WARNING ABOUT INVESTING IN THE INTERESTS

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

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

- Investors have limited control over the Trust and the Property.
- The Trustees (as defined herein) have limited duties to Investors, and limited authority.
- There are inherent risks with real estate investments generally.
- The long-term impact of the COVID-19 pandemic and the resulting global financial, economic and social distress remains uncertain.
- A deterioration in global financial, economic and social conditions could adversely impact the Master Tenant's operations and the Trust's financial results.
- A change in U.S. trade and/or immigration policies may have a material adverse effect on the Trust and the operating of the Property.
- The Trust will depend on the Master Tenant for revenue, and any default by the Master Tenant will adversely affect the Trust's operations.
- The Trust and the Master Tenant will depend on the Property Manager to operate the Property, and the Property Sub-Manager (defined below) subcontracted by the Property Manager to manage the Property.
- The Master Tenant and the Trust will depend on the Residents for revenue, and significant occupancy rate fluctuations or defaults by a significant number of the Residents under the Residential Leases will adversely affect the Trust's and the Master Tenant's operations.
- The Trust may suffer adverse consequences due to the financial difficulties, bankruptcy or insolvency of the Master Tenant.
- There are certain risks to the Master Lease structure, including that the Master Tenant is an affiliate of the Sponsor that will have limited capital and may not pay rent or perform its other obligations under the Master Lease.
- The costs of complying with environmental laws and other governmental laws and regulations may adversely affect the Trust.
- The Loan Documents will contain various restrictive covenants, and if the Trust fails to satisfy or violates these covenants, the Lender may declare the Loan in default and foreclose on the Property.
- The Loan may reduce the funds available for distribution and increase the risk of loss.
- The anticipated prepayment and defeasance provisions of the Loan Documents may limit and negatively affect the Trust's exit strategy.
- If the Trust is unable to sell or otherwise dispose of the Property before the maturity date of the Loan, it may be unable to repay the Loan.
- One or more affiliates of the Sponsor may own Interests, which could result in potential conflicts of interest.
- The Master Tenant will depend on the Operating Partnership to fund the Demand Note (defined below) that capitalizes the Master Tenant.
- The lack of diversity of investment.
- The existence of various conflicts of interest among the Sponsor, the Depositor, the Trust, the Master Tenant, the Manager, the Property Manager, the Operating Partnership, BHM and their affiliates.

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- If the FMV Option is exercised, Investors may be required to exchange their Interests for OP Units, cash or a combination of OP Units and cash.
- Holders of OP Units are subject to additional risks, which would apply if the FMV Option is exercised is exercised and Investors are required to exchange their Interests for OP Units.
- There is and will be no public market or liquidity for the Interests, the OP Units.
- The Interests and the OP Units are not registered with the Securities and Exchange Commission (the "**SEC**") or any state securities commissions.
- Investors may not realize a return on their investment for years, if at all.
- The Trust is not providing any prospective Investor with separate legal, accounting or business advice or representation.
- Various tax risks, including the risk that an acquisition of an Interest may not qualify as replacement property in a Section 1031 Exchange, whether by reason of the existence of the FMV Option or otherwise, and also including the tax risks inherent in the exercise of the FMV Option and the ownership of OP Units.

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

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

The Interests have not been, and will not be, registered under the Securities Act or any state securities laws. The Interests are being offered and sold pursuant to an exemption from the registration requirements of the Securities Act, in accordance with Rule 506(c) of Regulation D, and in compliance with any applicable state securities laws. The Interests will not be offered or sold in any state in which such offers or sales are not qualified or otherwise exempt from registration. The Trust reserves the right to reject any offer to purchase the Interests. In addition, the Trust reserves the right to cancel any sale at any time prior to the receipt of funds for purchase, if that sale, in the opinion of the Trust and its counsel, may violate any federal or state securities law or regulation or is otherwise objectionable for whatever reason. The Interests will be subject to restrictions on transferability and resale and you will not be able to transfer or resell Interests or any beneficial interest therein unless the Interests are registered pursuant to or exempted from such registration requirements. Investors must be prepared to bear the economic risk of an investment in the Interests for an indefinite period of time and be able to withstand a total loss of their investment.

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

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

This Memorandum contains summaries of certain agreements and other documents. Although the Sponsor believes these summaries are accurate, prospective Investors should refer to the actual agreements and documents available to prospective Investors in the Investor Data Room for more complete information about the rights, obligations and other matters in the agreements and documents. In addition, prospective Investors are strongly encouraged to have independent legal counsel closely review this Memorandum and all documents referenced herein and attached hereto, including, but not limited to, the Loan Documents.

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The mailing address of the Trust is 919 Third Avenue, 40th Floor, New York, New York 10022, and the telephone number is 888-558-1031.

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A WARNING ABOUT FORWARD LOOKING STATEMENTS

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

A WARNING ABOUT INFORMATION PROVIDED BY THIRD PARTIES

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

LEGENDS

NOTICE TO INVESTORS IN ALL U.S. STATES

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

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

ADDITIONAL NOTICE TO FLORIDA INVESTORS

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

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EXHIBIT B: TRUST AGREEMENT
EXHIBIT C: MASTER LEASE
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APPENDIX I: FINANCIAL FORECAST

The following documents are available upon request:

Appraisal
Asset Management Agreement

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Deed
Demand Note
Form of Residential Lease
Loan Documents
Owner's Title Insurance Policy and Underlying Documents
Phase I Environmental Site Assessment
Property Condition Assessment
Property Management Agreement
Purchase and Sale Agreement
Survey
Zoning Report

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WHO MAY INVEST

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

INVESTOR SUITABILITY REQUIREMENTS

Investment in the Interests involves a high degree of risk and is suitable only for persons of substantial financial means who have no need for liquidity in this investment. The Interests are being sold only to persons or entities who (i) invest the minimum amount and (ii) represent in writing and provide documentary evidence that they meet the Investor suitability requirements established by the Trust and as may be required under federal or state law. The Trust may accept purchases smaller than the minimum amount set forth above.

Each prospective Investor must represent in writing and furnish the Trust with satisfactory documentation that the prospective Investor meets, among others, **ALL** of the following requirements:

The Investor, together with the Investor's advisors, if any, has received, read, and fully understands the Memorandum, including all exhibits and other materials provided to the Investor. The Investor is basing the Investor's decision to invest on the Memorandum, including all exhibits and other materials provided to the Investor. The Investor has relied only on the information contained in said materials and has not relied upon any other documents or information or representations made by any other person; and

(a) The Investor understands that an investment in the Interests involves substantial risk and is fully cognizant of and understands all of the risk factors relating to a purchase of the Interests, including, without limitation, those risks set forth below in the section entitled "RISK FACTORS"; and

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

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

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

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

(f) The Investor is an "**Accredited Investor**" (as defined in Rule 501 of Regulation D under the Securities Act and as described below).

For purposes of calculating an Investor's net worth herein, "net worth" is defined as the difference between total assets, including home, home furnishings, and personal automobiles, and total liabilities.

In addition to certain institutional entities, a person or entity that meets one of the following tests will qualify as an Accredited Investor:

(i) If a natural person:

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

(2) a person holding a current Series 7, Series 65 or Series 82 FINRA license.

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(ii) If not natural person:

(1) an organization described in Code Section 501(c)(3), or a corporation, business trust, partnership, or limited liability company, not formed for the specific purpose of acquiring the Interests, with total assets in excess of **$5,000,000**;

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

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

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

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

(6) 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;

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

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

(9) 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;

(10) an entity (including an individual retirement account or Keogh plan) in which all of the equity owners (or beneficiaries, in the case of an individual retirement account or Keogh plan) are Accredited Investors;

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

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

(i) Neither you nor any subsidiary, affiliate, owner, shareholder, partner, member, indemnitor, guarantor or related person or entity:

(i) is a Sanctioned Person (defined below);

(ii) has more than 15% of its assets in Sanctioned Countries (defined below); or

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(iii) derives more than 15% of its operating income from investments in, or transactions with Sanctioned Persons or Sanctioned Countries.

For purposes of the foregoing, a "Sanctioned Person" means:

(X) 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.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx*, or as otherwise published from time to time, or

(Y) (i) an agency of the government of a Sanctioned Country, (ii) an organization controlled by a Sanctioned Country, or (iii) a person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC.

For purposes of the foregoing, a "Sanctioned Country" shall mean a country subject to a sanctions program identified on the list maintained by OFAC and available at *http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx*, or as otherwise published from time to time.

For purposes of calculating your net worth, "net worth" means the excess of total assets at fair market value (including personal and real property, but excluding the estimated fair market value of a person's primary home) over total liabilities. Total liabilities excludes any mortgage on the primary home in an amount of up to the home's estimated fair market value as long as the mortgage was incurred more than 60 days before the securities were purchased, but includes (i) any mortgage amount in excess of the home's fair market value and (ii) any mortgage amount that was borrowed during the 60-day period before the closing date for the sale of securities for the purpose of investing in the securities. In the case of fiduciary accounts, the net worth and/or income suitability requirements must be satisfied by the beneficiary of the account, or by the fiduciary, if the fiduciary directly or indirectly provides funds for the purchase of the Interests.

Investment Not Suitable For Certain Persons and Entities

Interests are not suitable investments for (i) an employee benefit plan within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974 ("ERISA") that is subject to the fiduciary responsibility provisions of Title I of ERISA (a "plan"), or a plan within the meaning of Code Section 4975(e)(1) that is subject to Code Section 4975 (also, a "plan"), including a qualified plan (any pension, profit sharing or stock bonus plan that is qualified under Code Section 401(a)) or an individual retirement account, (ii) any person that is directly or indirectly acquiring the Interest on behalf of, as investment manager of, as fiduciary of, as trustee of, or with assets of a plan (including any insurance company using assets in its general or separate account that may constitute assets of a plan), (iii) any other tax-exempt entity, or (iv) a foreign person. Therefore, this Memorandum does not discuss the risks that may be associated with an investment in an Interest by such plans, accounts, persons, entities or by a foreign person.

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

If you do not meet the requirements described above, do not read further and immediately return this Memorandum to the Trust or your broker-dealer. If you do not meet such requirements, this Memorandum does not constitute an offer to sell the Interests to you.

Also, each prospective Investor must represent and warrant that:

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

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

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

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HOW TO PURCHASE

The Interests may only be purchased by Accredited Investors, as described above in "WHO MAY INVEST." Prospective Investors must carefully read the Memorandum. Prospective Investors who would like to purchase an Interest must complete and send to his, her or its investment representative the Purchase Agreement, the form of which are attached as Exhibit A to this Memorandum, including the name, phone number and address of his, her or its qualified intermediary (if applicable), the required documentary evidence demonstrating that the Investor qualifies as an accredited investor, and must tender a check or wire funds (wire instructions will be provided) payable to the order of "BR Parkview Multifamily, DST." Upon the Trust's acceptance of the prospective Investor's Purchase Agreement, the Trust will circulate various additional documents for the prospective Investor to sign and return. The balance of the purchase price for an Interest will be payable in accordance with the Purchase Agreement.

A prospective Investor who would like to purchase the Interests must carefully read this Memorandum. To purchase the Interests, a prospective Investor must:

1. Complete and sign a Purchase Agreement, and, **on the last page, sign the acknowledgment of the representations and warranties contained therein**. Deliver the Purchase Agreement, together with the documentary evidence of accredited investor status specified in the Purchase Agreement to your investment representative. Upon receipt of such documents and verification of the prospective Investor's investment qualifications, the Trust will elect whether to accept the prospective Investor's investment. Upon the Trust's acceptance of a prospective Investor for the purchase of an Interest, the Trust will so notify the prospective Investor.

Prospective Investors may be accepted or rejected by the Trust at any time within 30 days of receipt of the foregoing documents. Any proposed purchase of Interests not accepted within 30 days of receipt shall be deemed rejected. Prospective Investors cannot acquire Interests if the Trust (or, if applicable, the Lender) does not approve such purchase. Investors whose subscriptions are accepted by the Trust must remit the entire purchase price for their Interests to the Trust by wiring such funds (wiring instructions will be provided by the Trust at such time) or by delivering a check for the purchase price made payable to the Trust.

2. Your investment representative will forward the documents to his, her or its broker/dealer. The broker/dealer will then forward the documents to**:**

BR Parkview Multifamily, DST
c/o Bluerock (Attn: Investor Relations)
27777 Franklin Road, Suite 900
Southfield, Michigan 48034
or via e-mail to 1031@bluerock.com

3. Follow the instructions below:

a) If your investment is part of a Section 1031 Exchange – The Trust and the qualified intermediary (the holder of the exchange proceeds from your Relinquished Property) will coordinate the payment for the purchase of the Interests. Upon receiving the Purchase Agreement, and the necessary escrow instructions from the Trust, the qualified intermediary will either wire the funds from the qualified escrow account to the Trust or deliver to the Sponsor, in person or by mail, a certified check **made payable to BR Parkview Multifamily, DST**.

b) If your investment is a direct investment – Payment for the purchase of Interests may be made by either wiring the funds directly to the Trust (the preferred method), or by delivering to the Sponsor, in person or by mail, a check **made payable to BR Parkview Multifamily, DST**.

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

See also "SUMMARY OF THE PURCHASE AGREEMENT" and "PLAN OF DISTRIBUTION."

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SUMMARY OF THE OFFERING

The following summary provides selected limited information regarding the Offering and should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Memorandum. You should read this entire Memorandum, including "RISK FACTORS," before making a decision to invest in an Interest. In this Memorandum, unless the context suggests otherwise, references to "we," "us" and "our" mean the Trust and the Sponsor and, where the context permits, its affiliates that may provide services in connection with the Offering, management of the Trust, and acquisition, financing, leasing, management and disposition of the Property.

The Issuer:	The Trust, BR Parkview Multifamily, DST, is the issuer of the Offering.
The Sponsor, the Operating Partnership, and BHM and Bluerock:	The Offering is sponsored by BHM Parkview Exchange TRS, LLC, an indirect subsidiary of the Operating Partnership and BHM. BHM focuses on acquiring a diversified portfolio of infill first-ring suburban single-family rental homes, built-to-rent communities, and other residential communities in high quality-of-life growth markets across the United States in the knowledge economy, targeting middle-market single-family home renters and multifamily apartment renters. BHM is listed on the NYSE American under the ticker symbol "BHM". As of September 30, 2025, BHM had gross assets of more than $1.1 billion with direct and indirect investments comprised of nearly 5,300 current and under-development homes. For more information, please refer to the BHM's public website at www.bluerockhomes.com.
Interests:	Each Investor will acquire beneficial ownership interests in the Trust subject to the terms of the Trust Agreement, and will thereupon become a Beneficial Owner of the Trust. The Trust Agreement will govern the rights and obligations of the Beneficial Owners with respect to the Trust. A copy of the Trust Agreement is attached to this Memorandum as Exhibit B. The Trust has two classes of interests: (1) the Interests; and (2) the Class 2 Beneficial Interests. In connection with the acquisition of the Property and in exchange for the Depositor Contribution to the Trust, the Trust issued to the Depositor all of the Class 2 Beneficial Interests, which initially constituted 100% of the issued and outstanding beneficial interests in the Trust. Pursuant to this Offering, the Trust is offering Interests for sale to prospective Investors. As the Interests are sold to Investors, up to 100% of the Depositor's Class 2 Beneficial Interests will be redeemed by the Trust on a one-for-one basis until the Maximum Offering Amount has been achieved and all the Interests have been sold. After paying for all reasonable and necessary costs of sale of the Interests to Beneficial Owners (not to exceed 15% of the purchase price of the Interests), the Trust will retain and utilize the next $2,000,000 of the net proceeds received by the Trust from the sale of Interests to fund the Trust Controlled Reserves (as defined below). Thereafter, the net proceeds will be used by the Trust in accordance with the Trust Agreement, including by distributing funds to Depositor and causing Depositor or its affiliates to repay certain carry costs associated with the acquisition of the Property and syndication of the Offering (the "**Carry Costs**"). The Depositor will retain and utilize any remaining net proceeds to fund any reimbursements, compensation and fees owed to the Sponsor and/or its affiliates in connection with the Offering. With regard to the foregoing, the term "net proceeds" from the sale of Interests will be equal to the purchase price of each Interest, less the Sales Commissions, Marketing/Due Diligence Expense Allowances, Managing Broker-Dealer Fee, and Organization and Offering Expenses allocable to each such sale. See "ESTIMATED USE OF PROCEEDS" and "COMPENSATION OF THE SPONSOR AND AFFILIATES" for additional information.

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Terms of the Offering: The Trust is offering to Investors up to $39,486,498 in Interests, representing 100% of the Interests in the Trust. The minimum amount of Interests that a Section 1031 Investor or an Investor making a cash investment without a Section 1031 Exchange may purchase is $100,000, unless the Trust waives this minimum requirement. The Offering is designed for, but not limited to, Investors seeking to participate in a Section 1031 Exchange. No assurances, however, can be made that any particular prospective Investor's purchase of the Interests will qualify under Section 1031 as each prospective Investor's situation is unique.

As of the date of this Memorandum, the Depositor owns 100% of the Class 2 Beneficial Interests. The proceeds of the Offering will be used, in part, to return to the Depositor its capital contributions and to reduce the Depositor's Class 2 Beneficial Interests in the Trust. If any Class 2 Beneficial Interests are not redeemed (because 100% of the Interests offered hereby are not sold), the Depositor and/or its affiliate will own the remaining Class 2 Beneficial Interests, which will be held for investment purposes and not for resale.

The Offering will terminate on or before the earlier of December 31, 2026 (which date is subject to extension by the Sponsor) or the date on which all $39,486,498 of the Interests offered hereby have been sold.

Although Investors will not assume any liability for the Loan, for purposes of determining liabilities assumed for federal income tax purposes (including in connection with a Section 1031 Exchange), each Investor should be deemed to have assumed approximately $97,818 of mortgage debt for each approximately 0.2533% beneficial ownership Interest that he, she or it acquires. The price of an Interest will include a pro rata portion of the value of the Property, Organization and Offering Expenses, Sales Commissions, Marketing/Due Diligence Expense Allowances, Managing Broker-Dealer Fee, Loan-Related Costs (defined below), Other Closing Costs (defined below), Acquisition Fee, and the Trust Controlled Reserves. See "ESTIMATED USE OF PROCEEDS" and "COMPENSATION OF THE SPONSOR AND AFFILIATES" for additional information.

Investment Objectives: The Sponsor's investment objectives for Beneficial Owners are to (i) preserve their capital investment; (ii) make monthly distributions starting at 4.40% per annum in 2026 and projected to range from 4.42% to 6.35% per annum in years two through ten which may be partially tax-deferred as a result of depreciation and amortization expenses; (iii) seek to increase rental rates to create additional value; and (iv) realize profit through the ownership and eventual sale, disposition, transfer or merger to facilitate a Section 1031 Exchange (under limited circumstances) or an exchange transaction pursuant to Section 721 of the Code with respect to the Property within approximately seven to ten years. See "BUSINESS PLAN" for additional discussion. **NO ASSURANCE CAN BE GIVEN THAT THESE OBJECTIVES WILL BE ACHIEVED**.

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

- **Instant value creation** as the Property was purchased for $1,500,000 below appraised value. (Source: Appraisal)

- **Attractive rental rate growth upside potential,** with affluent tenant base, and a 41% discount to homeownership in the area, provides significant growth potential for rental rate increases. (Source: Walker Dunlop)

- **Centrally located with convenient access across the entire Atlanta Metro,** the Property provides proximity to large employment clusters in the booming Interstate 85 Corridor and Downtown Atlanta, all within a 30-minute drive.

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- **Located in the fastest growing county in the Atlanta Metro,** ranked #1 in population growth since 1970 with 27% population growth the prior 10 years. (Source: FRED St. Louis, Gwinnett County)

- **Limited housing availability**, with forecasted housing demands of nearly 5x the current annual pace of new housing construction in Gwinnett County through 2040. (Source: Gwinnett County 2045 Unified Plan)

- **The Property is located in an award winning, best-in-state school system,** receiving an A- rating from Niche.com, and ranked as the best school for sports in Georgia by Stadium Talk.

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

The Property:

The Trust is the beneficial owner of a fee simple interest in the Property. The Property is a multifamily apartment community located in Stone Mountain, Georgia commonly known as "District at Parkview Apartments" located at 5141 Stone Mountain Highway, Stone Mountain, Georgia 30087. Built in 2023, the Property consists of approximately 15.55 acres of land and 264 residential units across eight residential buildings, a clubhouse/leasing office building, and an amenity building totaling 255,117 net rentable square feet. The Property has 442 parking spaces including 20 ADA spaces. Amenities include a community market, a saltwater pool with an expansive sundeck and tanning ledges, a refined club room with catering kitchen and lounge seating, a 24/7 state-of-the-art fitness center, dedicated yoga studio, grill islands, poolside fire pit, expansive bark park and pet wash, outdoor yoga lawn, work share cyber lounge with private offices, 24/7 package lockers with refrigerated storage, and complimentary electric vehicle charging stations.

The following table provides information about the residential units at the Property:

Type	Unit Count	Percent of Units	Average Square Feet*
1 Bedroom / 1 Bathroom	108	40.9%	745
2 Bedroom / 2 Bathroom	132	50.0%	1,074
3 Bedroom / 2 Bathroom	24	9.1%	1,367
Total	**264**	**100.0%**	**966**

* Average square footage is based on the Assessment (as defined below). As of November 30, 2025, the Property was 91% occupied. (Source: November 30, 2025 rent roll)

Acquisition and Financing:

On December 18, 2025, the Trust acquired the Property for the Purchase Price of $66,600,000. Prior to the Acquisition Date, BHM Acquisitions, a wholly owned subsidiary of BHM, entered into the Original PSA. The Original PSA was assigned to the Trust pursuant to the PSA Assignments. In consideration for the PSA Assignments, the Trust, having assumed the obligation of the Depositor pursuant to the Depositor PSA Assignment will pay the Manager, on behalf of BHM Acquisitions, the Acquisition Fee of $1,665,000 in connection with the acquisition of the Property.

As part of the Depositor Contribution, the Depositor caused the conveyance of the Original PSA and certain other consideration to the Trust, in exchange for the Class 2 Beneficial Interests. The Depositor Contribution, together with the Loan proceeds, enabled the Trust to acquire the Property for $78,111,498 (inclusive of expenses and fees associated with the acquisition).

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Under the Trust Agreement, the Trust is obligated to use net proceeds from the sale of Interests to redeem a proportionate amount of the Depositor's Class 2 Beneficial Interests.

In connection with the acquisition of the Property by the Trust, the Trust obtained the Loan in the original principal amount of $38,625,000 from the Lender, KeyBank National Association, under the Fannie Mae DUS loan program. The Loan was assigned at closing to Fannie Mae, however, KeyBank National Association continues to service the Loan.

The Loan is evidenced by that certain Multifamily Loan and Security Agreement (Non-Recourse) (Delaware Statutory Trust) between the Trust and the Lender (the "**Loan Agreement**") and the Note and is secured by a first priority mortgage on the Property (the "**Mortgage**", together with the Loan Agreement and the Note, the "**Loan Documents**") and other standard collateral rights granted in favor of the Lender to secure the Trust's obligations under the Loan Documents. The Loan is "non-recourse" to the Trust except for standard non-recourse carveouts contained within the Loan Documents. Copies of the Loan Documents are available upon request.

The Loan has a term of 10 years with a Maturity Date of January 1, 2036, and bears interest at a fixed rate of 5.18% per annum. Commencing on February 1, 2026 and on each monthly payment date thereafter, the Trust is required under the Loan Documents to make monthly, interest-only payments calculated on the basis of a 360-day year. The amount due on the first payment date is $172,289 and the amount due for each month thereafter is $155,616 if the prior month was a 28-day month, $161,174 if the prior month was a 29-day month, $166,731 if the prior month was a 30-day month, and $172,289 if the prior month was a 31-day month. On the Maturity Date, the Trust will be required to pay to the Lender the entire outstanding principal amount of the Loan, along with any accrued but unpaid interest.

In the event that, and for so long as any event of default has occurred and is continuing, the principal balance of the Loan will accrue interest at a default rate equal to the lesser of 9.18% and the maximum interest rate permitted by applicable law.

Although the Trust is responsible for the repayment of the Loan, the Loan is non-recourse to the Investors. Accordingly, the Investors have no personal liability in connection with the Loan. However, upon an uncured event of default under the Loan, the Lender will have the right to foreclose on the Property. If this were to occur, the Investors would likely lose their entire investment in the Trust. See "RISK FACTORS – *Risks Relating to Financing of the Property.*"

Investors of Interests should be deemed for federal income tax purposes, including for purposes of Section 1031, to have assumed their pro rata portion of the principal amount of the Loan. See "FEDERAL INCOME TAX CONSEQUENCES."

The Property is leveraged with the LTC ratio of approximately 49.45%, based on the Maximum Offering Amount for the Interests and the amount of the Loan.

Before investing, you should carefully consider the potential liabilities described under "*Acquisition and Contribution of the Property and Financing Terms*" and the risk factors set forth under "RISK FACTORS - *Risks Related to Financing of the Property.*"

Reserve Accounts: The Lender has required the Trust to establish certain reserves from the proceeds of the Loan. At the closing of the Loan, the Trust deposited into reserve accounts with the Lender $105,600 as replacement reserves for the Property (the "**Replacement Reserve Account**") and $204,871 as tax and insurance premium reserves for the Property (the "**Tax and Insurance Reserve Account**", together with the Replacement Reserve Account, the

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"**Lender-Mandated Reserve Accounts**"). The Lender also requires a monthly deposit of $4,400 by the Trust into the Replacement Reserve Account.

In addition to the Lender-Mandated Reserve Accounts, the Trust will establish and control a reserve account (the "**Trust Controlled Reserves**") in the initial amount of $2,000,000 to be funded as a priority from the Offering proceeds after paying for all reasonable and necessary costs of the sale of the Interests to Beneficial Owners (not to exceed 15% of the purchase price of the Interests), for Property and Offering related costs, including amenity upgrades, renovations, and other costs and expenses (including Trust costs), which may be drawn upon by the Master Tenant as provided in the Master Lease. In addition, the Trust will fund $250,000 from Offering proceeds into a Trust operating account (the "**Trust Operating Account**") for use by the Master Tenant with respect to initial operating costs at the Property.

In addition, as part of the Master Tenant Capitalization and to provide funds to the Master Tenant for use at the Property, a reserve account (the "**Master Tenant Reserve Account**") of $75,000 will be established, which will be funded with proceeds of the Offering. Any amounts remaining in the Master Tenant Reserve Account upon the sale of the Property will be retained by the Master Tenant. See "SUMMARY OF THE MASTER LEASE – *Capitalization of the Master Tenant*" and "SUMMARY OF THE MASTER LEASE – *Reserve Accounts*" for more information.

The Lender-Mandated Reserve Accounts, the Trust Controlled Reserves and the Master Tenant Reserve Account are collectively referred to herein as the "**Reserve Accounts**". If additional reserves are needed, the Manager may withhold distributions from the Trust to the Investors. Any amounts remaining in the Lender-Mandated Reserve Accounts and the Trust Controlled Reserves upon the sale of the Property will be distributed to the Investors (and any other holders of Interests) based on their respective pro rata Interests.

The Trust and Trust Agreement:

The terms of the Trust are governed by the Trust Agreement, a copy of which is attached as Exhibit B to this Memorandum. The Trust Agreement sets forth the rights and duties of the Investors and the Trustees with respect to the Property. The CSC Delaware Trust Company serves as co-trustee of the Trust (the "**Delaware Trustee**," together with the Manager, the "**Trustees**"). Additionally, the Delaware Trustee serves as an independent trustee (the "**Independent Trustee**") for the purpose of satisfying the Lender's requirement that the Trust have an independent trustee until the Loan has been paid in full.

BR Parkview DST Manager, LLC serves as the Manager of the Trust. The Manager has the power and authority to manage substantially all of the affairs and limited investment activities of the Trust, the primary responsibility for performing administrative actions in connection with the Trust, and the sole power to determine when it is appropriate to sell the Property, all of such power and authority limited to the extent such powers and authority are materially consistent with the powers and authority conferred upon the trustee in Revenue Ruling 2004-86. The Manager is managed indirectly by senior members of the Bluerock management team. See "THE MANAGER."

The Trust will terminate upon the first to occur of (i) the sale of the Property or (ii) a Transfer Distribution (defined below). The Manager will sell all of the Trust's right, title and interest in and to the Master Lease and the end-user tenant leases, the Property, and any and all other property and assets and interests of the Trust (collectively, the "**Trust Estate**") upon its determination (in its sole discretion) that the sale of the Trust Estate is appropriate; provided, however, that absent unusual circumstances, it is currently anticipated that the Trust will hold the Trust Estate for at least two years.

For purposes of this Memorandum, a "**Transfer Distribution"** shall be deemed to occur in the event that the Manager determines that the Master Tenant is insolvent or has defaulted

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in paying rent, that the Trust Estate is in jeopardy of being lost due to a default or imminent default on the Loan, or in certain other circumstances, and the Manager further determines to transfer title to the Trust Estate to a newly-formed Delaware limited liability company (the "**Springing LLC**") and terminate the Trust. If the Trust is terminated pursuant to a Transfer Distribution, the Beneficial Owners will become members in the Springing LLC, and the Manager, or an entity controlled by the Manager, will become the manager of the Springing LLC. See "SUMMARY OF THE TRUST AGREEMENT."

Master Lease: Concurrently with acquiring the Property and obtaining the Loan, the Trust entered into the Master Lease for the Property with the Master Tenant, an affiliate of Sponsor and a wholly owned indirect subsidiary of the Operating Partnership. The Trust has assigned the existing Residential Leases to the Master Tenant and all future Residential Leases will be entered into by the Master Tenant. A copy of the Master Lease is attached to this Memorandum as Exhibit C.

The initial term of the Master Lease is for 10 years and 93 days, subject to extensions as provided therein. The Master Tenant is responsible for the costs of operating, managing and maintaining the Property, and the Trust is responsible for all Capital Expenses (as defined in the Master Lease). See "SUMMARY OF THE MASTER LEASE" for additional discussion about the Master Lease.

Master Lease Rent: During the term of the Master Lease, the Master Tenant pays base rent in an annual amount set forth in the Master Lease, paid in monthly installments ("**Base Rent**"). The Master Tenant pays each monthly installment of Base Rent to the Lender in accordance with the terms and conditions of the Loan Documents.

In addition to the Base Rent, the Master Tenant is responsible for paying additional rent and supplemental rent. "**Additional Rent**" for each "**Lease Year**" (as defined herein) of the Master Lease, consists of 100% of the Master Tenant's gross income from the Property above a specifically stated hurdle for each Lease Year of the Master Lease and up to a cap amount for each such Lease Year. "**Supplemental Rent**" consists of 90% of the Master Tenant's gross income from the Property for each Lease Year of the Master Lease above a specifically stated hurdle for each Lease Year of the Master Lease. Additional Rent is paid monthly on an estimated basis and is subject to a year-end reconciliation within 90 days of the end of each Lease Year or as soon as practicable thereafter. Supplemental Rent is paid annually within 90 days of the end of each Lease Year or as soon as practicable thereafter. Both Additional Rent and Supplemental Rent are calculated on a Lease Year basis, with such calculations prorated for any partial Lease Year. The Base Rent, Additional Rent and Supplemental Rent are collectively referred to herein as the "**Rent**." In addition, the Master Lease provides that the Master Tenant is required to pay the real estate taxes, utility costs and Property insurance costs (collectively, the "**Uncontrollable Expenses**") for each Lease Year of the Master Lease (prorated for any partial Lease Year) up to the amount of projected Uncontrollable Expenses for each Lease Year as set forth in the Financial Forecast set forth on Appendix I to this Memorandum (the "**Projected Uncontrollable Expenses**"). For the avoidance of doubt, to the extent the actual Uncontrollable Expenses for a Lease Year exceed Projected Uncontrollable Expenses for such Lease Year, the Trust is responsible for such difference through reduction in amounts otherwise payable by the Master Tenant as Additional Rent or Supplemental Rent. However, if the actual Uncontrollable Expenses are less than the Projected Uncontrollable Expenses for a Lease Year, the difference will be paid by the Master Tenant to the Trust as Additional Rent (not later than the completion of a year-end reconciliation of such amounts, within 90 days of the end of each Lease Year or as soon as practicable thereafter)

The following table sets forth certain amounts included in the calculation of Rent. Not depicted in the following table is Rent for the final three months of the Term, which will be at the same rate as Rent in Year 10. See "SUMMARY OF THE MASTER LEASE."

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Projected Supplemental Rent represents the Trust's estimate as of the date hereof, but is not a contractual obligation.

Lease Year*	Base Rent	Additional Rent Breakpoint	Additional Rent Maximum	Supplemental Rent Breakpoint
Lease Year 1 (long year)	$2,028,564	$4,344,000	$1,698,000	$6,042,000
Lease Year 2	$2,028,564	$4,440,000	$1,831,200	$6,271,000
Lease Year 3	$2,034,121	$4,810,000	$1,698,000	$6,508,000
Lease Year 4	$2,028,564	$4,870,000	$1,831,200	$6,701,000
Lease Year 5	$2,028,564	$4,960,000	$1,831,200	$6,791,000
Lease Year 6	$2,028,564	$5,050,000	$1,831,200	$6,881,000
Lease Year 7	$2,034,121	$5,140,000	$1,831,200	$6,971,000
Lease Year 8	$2,028,564	$5,220,000	$1,831,200	$7,051,000
Lease Year 9	$2,028,564	$5,310,000	$1,831,200	$7,141,000
Lease Year 10	$2,028,564	$5,340,000	$1,831,200	$7,171,000

*The first lease year begins on December 18, 2025 and ends on December 31, 2026. The last lease year begins on January 1, 2035 and ends on March 21, 2036.
+There is no obligation for the Master Tenant to pay rent between January 1, 2036 and March 21, 2036.

Master Tenant Capitalization:

The Master Tenant is a newly-formed Delaware limited liability company, an affiliate of Sponsor and a wholly owned indirect subsidiary of the Operating Partnership. Capitalization of the Master Tenant consists of $585,000; of this amount, $75,000 will be funded through the "**Master Tenant Reserve Account**" (as defined below) and $510,000 will be funded through a non-interest bearing demand note from the Operating Partnership, (the "**Demand Note**", and together with the Master Tenant Reserve Account, the "**Master Tenant Capitalization**"). The Master Tenant does not have other substantial assets except its leasehold interest in the Property under the Master Lease. See "RISK FACTORS – *Risks Relating to the Master Tenant and the Master Lease – The Sponsor's Affiliate May Be Unable to Fulfill its Obligations Under the Demand Note*."

The Residents and the Residential Leases:

Each Residential Lease entitles the applicable Residents to the personal use and occupancy of the residential unit, which is the subject of the Residential Lease, as well as the use of certain common facilities on the Property, for the specified term set forth in the Residential Lease, subject to payment of recurring monthly rental obligations.

Property Management:

The Master Tenant entered into a property management agreement (the "**Property Management Agreement**") with Bluerock Homes Manager, LLC, a Delaware limited liability company (the "**Property Manager**"), an affiliate of the Sponsor. The Property Manager will receive a property management fee (the "**Property Management Fee**") equal to the amount of the Property Sub-Manager Fee as defined below. In addition, the Property Manager will be reimbursed for certain expenses in accordance with the terms of the Property Management Agreement. The Property Management Fee and any expense reimbursements will be paid solely by the Master Tenant. As detailed more fully in the Property Management Agreement, the Master Tenant's obligation to pay the Property Management Fee is subject and subordinate to the Master Tenant's obligation to cause the Property Manager to pay the Property's other budgeted operating expenses, including certain payments that may be required under the Loan.

The Property Manager has entered into a sub-property management agreement (the "**Sub-Property Management Agreement**") with RPM Living, LLC, a Texas limited liability company (the "**Property Sub-Manager**"), for all day-to-day, on-site management, leasing and related functions for the Property. Established in 2002 and headquartered in Austin, Texas, the Property Sub-Manager is a full-service multifamily property management, investment, and development company. The Property Sub-Manager currently manages

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more than 218,000 apartment units in markets across 30 states in the United States and is ranked the 4th largest national operator on the National Multifamily Housing Council's list of Top 50 in the United States for 2025. The Property Sub-Manager will receive a management fee (the "**Property Sub-Manager Fee**") equal to the greater of 2.50% of the Gross Receipts from the Property or $8,500, calculated on a per month basis. The fee will be payable each month by the Property Manager to the Property Sub-Manager and will be pro-rated for any partial months. The Property Sub-Manager will also be reimbursed for certain expenses.

See "SUMMARY OF PROPERTY MANAGEMENT AGREEMENTS" for additional information. Copies of the Property Management Agreement and Sub-Property Management Agreement are available upon request.

Asset Management: The Manager (BR Parkview DST Manager, LLC) will also provide asset management services to the Trust (the Manager in such capacity is referred to herein as the "**Asset Manager**"). The Asset Manager will (i) provide management services to the Trust with respect to the Property, including, but not limited to (a) providing Investor and lender relation services on behalf of the Trust, (b) responding to all inquiries from the Beneficial Owners, and (c) engaging any third-party transfer agent or shareholder services company to assist the Manager in providing such investor relations services, and (ii) implement all decisions and policies of the Trust.

Plan of Distribution: The Selling Group Members will make offers and sales of Interests on a "best efforts" basis. The commissions and expense reimbursements to the Selling Group Members are described in "ESTIMATED USE OF PROCEEDS" and "PLAN OF DISTRIBUTION" below.

Investor Suitability Requirements: Investment in the Interests involves a high degree of risk and is suitable only for persons of substantial financial means who have no need for liquidity and who can afford to lose their entire investment. The Trust will only accept a subscription from an Accredited Investor who satisfies the investor suitability requirements set forth herein. Interests are not suitable investments for (i) an employee benefit plan within the meaning of Section 3(3) of ERISA that is subject to the fiduciary responsibility provisions of Title I of ERISA (a "**plan**"), or a plan within the meaning of Code Section 4975(e)(1) that is subject to Code Section 4975 (also, a "**plan**"), including a qualified plan (any pension, profit sharing or stock bonus plan that is qualified under Code Section 401(a)) or an individual retirement account, (ii) any person that is directly or indirectly acquiring the Interest on behalf of, as investment manager of, as fiduciary of, as trustee of, or with assets of a plan (including any insurance company using assets in its general or separate account that may constitute assets of a plan), (iii) any other tax-exempt entity, or (iv) a foreign person. See "WHO MAY INVEST" for additional information.

Purchases of Interests: Prospective Investors must follow the instructions set forth in, and complete, the Investor questionnaire and purchase agreement, attached hereto as Exhibit A (together, the "**Purchase Agreement**"). The Trust may accept or reject a prospective Investor's Purchase Agreement in its sole discretion. If the Trust does not accept a Purchase Agreement within 30 days of its submission, then it will be deemed rejected. In the event a Purchase Agreement is rejected, the full amount of any check or wired funds sent by the prospective Investor will be returned.

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Sale or Transfer of Interests	The Interests are being offered and sold pursuant to exemptions from the registration provisions of federal and state law. Accordingly, the Interests are subject to restrictions on transfer. The Trust Agreement contains additional restrictions on transfer. See "SUMMARY OF THE TRUST AGREEMENT – *Restrictions On Transfer Of Interests*." The Loan Documents also contain certain restrictions on the transfer of Interests. If an Investor is able to sell his, her or its Interest, the Investor and his, her or its purchaser(s) will bear the costs, if any, of the sale or transfer.
FMV Option:	The Beneficial Owners will grant the Operating Partnership the FMV Option to acquire the Interests. If the Operating Partnership exercises the FMV Option (which exercise is also subject to the terms of the Loan Documents), Contributing Investors will receive the Exchange Consideration (an amount of OP Units with an aggregate value equal to the FMV Option Appraised Value of the Property less any indebtedness encumbering such Beneficial Owner's Interest or the Beneficial Owner's pro rata share of any indebtedness encumbering the Property, which will be assumed or paid off by the Operating Partnership, less the amount of the Call Option Fee). Such appraisal will be completed within one year prior to the date the FMV Option is exercised. The appraisal will be determined without any discounts but taking into account that the Property is subject to the Master Lease. In the event the appraisal performed for the purpose of determining the FMV Option Appraised Value of the Property results in a value that is less than the total combined purchase price paid for the Beneficial Interests by the Beneficial Owners, the Manager will select a second independent appraisal firm in its sole discretion to conduct a second appraisal. If the second appraisal is required, the FMV Option Appraised Value of the Property will be equal to the higher of the two appraisals; however, if one appraisal is at least 20% greater than the other (the 20% to be based on the lower appraisal), then the Manager will select a third independent appraisal firm in its sole discretion to conduct a third appraisal. If the third appraisal is required, the FMV Option Appraised Value of the Property will be the average of the two highest appraisals obtained in the process of determining the FMV Option Appraised Value of the Property. If the Operating Partnership exercises the FMV Option, Cash Investors may elect to receive the Cash Amount equaling such Cash Investor's pro rata share of the Exchange FMV, less the Cash Redemption Fee. Beneficial Owners who elect to receive the Cash Amount of their Interests will be free to (a) structure a Section 1031 Exchange (to the extent permitted by applicable law at the time and provided that they comply with all Section 1031 Exchange requirements), or (b) cash out on a taxable basis. Because the Operating Partnership has sole discretion over whether to exercise the FMV Option, you should not assume the FMV Option will be exercised. It is possible that the consideration you receive in connection with the exercise of the FMV Option by the Operating Partnership may be less than the amount you paid for your Interest. See "SUMMARY OF THE TRUST AGREEMENT."
Limited Liquidity; Redemption of OP Units if the FMV	There is no public market for the Interests and a public market for the Interests is not expected to develop in the future. An investment in the Interests will not be suitable for Investors desiring or requiring liquidity in the near future.

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Option is Exercised; Redemption of Common Stock:	Liquidity of the OP Units (which a Contributing Investor will receive if the FMV Option is exercised) is similarly limited. If the FMV Option is exercised, a Contributing Investor will receive OP Units as consideration for its Interests. After holding such OP Units for at least one year, and subject to certain restrictions, a holder of OP Units (an "**OP Unit Holder**") may require the Operating Partnership to redeem some or all of such OP Units. In that event, the Operating Partnership would redeem some or all of such OP Units for cash, or at BHM's option, for shares of Common Stock. In that event, the Operating Partnership would redeem such OP Units for Common Stock of the class that corresponds to the class of such redeemed OP Units. There is no public trading market for OP Units and it is unlikely that there will ever be a public trading market for OP Units. Common Stock is traded on the NYSE American. As a result, redemption of OP Units will likely be the only way to dispose of OP Units.
Compensation to Sponsor and its Affiliates:	The Sponsor and its affiliates will receive substantial compensation and fees from the sourcing, due diligence and completion of the acquisition of the Property, and in connection with the Offering and sale of Interests and the management, leasing, operation and disposition of the Property, which may include but are not limited to rents from the Property in excess of the amounts the Master Tenant are required to pay to the Trust under the Master Lease, the Property Management Fees, the Asset Management Fees, the Acquisition Fee, the Disposition Fees (defined below), a portion of the Carry Costs, including certain financing costs of the Sponsor and its affiliates in facilitating the acquisition of the Property. See "COMPENSATION OF THE SPONSOR AND AFFILIATES" for additional information.
Tax Considerations:	Tax counsel to the Trust ("**Special Tax Counsel**") has provided a tax opinion (the "**Tax Opinion**") that the acquisition of the Interests by an Investor **should** be treated as a direct acquisition of the Property for purposes of Section 1031. The Tax Opinion is specifically limited to the treatment of an Interest for purposes of Section 1031, however, and does not address any other tax issues that may be of interest to Investors based on their own particular circumstances. Accordingly, all prospective Investors must consult their own independent legal, tax, accounting and financial advisors and must represent in the Purchase Agreement that they have done so as an investment requirement. In addition, the Tax Opinion has been provided to the Trust to support the marketing of the Interests, and is not intended to be used and cannot be used to avoid penalties that may be imposed under federal tax law (although other facts can be used to avoid penalties, such as evidence of an Investor's good faith reliance on advice of his, her or its own independent counsel or the existence of substantial legal authority). A copy of the Tax Opinion is attached as Exhibit D to this Memorandum. For a more complete discussion of the tax consequences of ownership of Interests, see "FEDERAL INCOME TAX CONSEQUENCES." THE INVESTORS WILL ACQUIRE THEIR INTERESTS WITHOUT ANY REPRESENTATIONS OR WARRANTIES FROM THE TRUST, THE SPONSOR, THE MANAGER OR ANY OF THEIR AFFILIATES OR REPRESENTATIVES, AGENTS, OR COUNSEL REGARDING THE TAX IMPLICATIONS OF THE TRANSACTION. EACH INVESTOR MUST CONSULT HIS, HER OR ITS OWN INDEPENDENT ATTORNEYS, ACCOUNTANTS AND OTHER TAX ADVISORS REGARDING THE TAX IMPLICATIONS OF A PURCHASE OF AN INTEREST, INCLUDING WHETHER SUCH PURCHASE WILL QUALIFY AS PART OF A PROPOSED TAX-DEFERRED EXCHANGE UNDER SECTION 1031, IF ONE IS CONTEMPLATED. There are risks associated with the federal taxation of the purchase of an Interest, particularly where the purchase is intended to be part of a Section 1031 Exchange. Accordingly, all prospective Investors must consult their own independent legal, tax, accounting and financial advisors and must represent that they have done so as an investment requirement. You should carefully read the sections of this Memorandum

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entitled "RISK FACTORS – *Tax Risks of a Section 1031 Exchange*," "Other Tax Risks," and "FEDERAL INCOME TAX CONSIDERATIONS," and consult with your personal tax advisor before making an investment in Interests.

Reports: The Trust will prepare and send to each Investor unaudited, quarterly financial and operational reports and an annual report containing a cash basis audited trust-level year-end balance sheet and income statement. In addition, the Trust will send to each Investor such tax information as may be necessary for the preparation of the Investor's tax returns. See "REPORTS AND ADDITIONAL INFORMATION."

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FREQUENTLY ASKED QUESTIONS

We have summarized certain aspects of the Offering below. The responses to these frequently asked questions do not contain all of the information a prospective Investor should consider before making a decision to purchase an Interest. Read this Memorandum in its entirety and consult with your legal, tax and financial advisors about making an investment in an Interest.

Frequently Asked Questions Regarding the Offering and the Interests

Who is the Sponsor?

The Sponsor is an indirect wholly owned TRS of the Operating Partnership. The Operating Partnership is the entity through which BHM conducts substantially all of its business and owns substantially all of its assets. In today's knowledge economy, BHM focuses on acquiring a diversified portfolio of infill first-ring suburban single-family rental homes, built-to-rent communities, and other residential communities in high quality-of-life growth markets across the United States in the knowledge economy, targeting middle-market single-family home renters and multifamily apartment renters. BHM is listed on the NYSE American under the ticker symbol "BHM". As of September 30, 2025, BHM had gross assets of more than $1.1 billion with direct and indirect investments comprised of nearly 5,300 current and under-development homes. For more information, please refer to the BHM's public website at www.bluerockhomes.com. Additionally, BHM and BHMX are affiliates of Bluerock and BVEX.

The Sponsor has engaged BVEX for services related to this Offering. BVEX, a subsidiary of Bluerock, is a national sponsor of syndicated Section 1031 Exchange offerings with a focus on residential and industrial properties that can deliver stable cash flows and that have the potential for value creation. Bluerock principals collectively have over 100 years of investing experience with more than $120 billion in real estate and capital markets experience and manage multiple well-recognized real estate private and public company platforms. Bluerock has more than $20 billion in acquired and managed assets and offers a complementary suite of public and private investment programs, with both short and long-term goals, to individual investors seeking solutions aimed at providing predictable income, capital growth, and tax benefits. All numerical data presented herein is as of September 30, 2025, unless otherwise indicated.

How is the Property Owned?

The Trust owns the Property. This Offering is for Interests in the Trust. The Property is master leased by the Trust, to the Master Tenant, and the Master Tenant sub-leases the apartment units to the end-user tenants. The Trust is managed by the Manager.

What is a Delaware Statutory Trust?

The Trust is a DST. An offering of DST interests is used to syndicate real estate while preserving Investors' ability to exchange their relinquished property for Interests in the Trust in connection with a Section 1031 Exchange, and upon a sale of the Property, engage in a subsequent like-kind exchange (assuming the tax status of the DST remains unchanged). The DST structure provides certain advantages over a tenant-in-common structure. Some of the advantages of owning property under the DST structure are (1) more favorable financing terms; (2) no personal liability for beneficiaries under the financing of the property; and (3) lower transaction costs including lower administrative costs. The primary disadvantage of the DST structure is that the manager of the trust is limited in the actions it may take to address issues that may arise in connection with the ownership of the property. Additionally, while a tenant-in-common structure requires investor consent for certain material actions, in a DST structure, the Beneficial Owners have no right to participate in the Trust's management.

What is the Springing LLC?

A Transfer Distribution occurs in the event that the Manager determines the Master Tenant is insolvent or has defaulted in paying rent, that the Property is in jeopardy of being lost due to a default or imminent default on the Loan, or in certain other circumstances, and the Manager further determines to address such risks by transferring title to the Property to the Springing LLC, a newly-formed Delaware limited liability company, and terminate the Trust.

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If the Trust is terminated pursuant to a Transfer Distribution, the Beneficial Owners will become members in the Springing LLC, and the Manager, or an entity controlled by or affiliated with the Manager, will become the manager of the Springing LLC.

How is the Master Tenant Capitalized?

The Master Tenant is a newly-formed Delaware limited liability company that is an affiliate of the Sponsor. Capitalization of the Master Tenant consists of $585,000; of this amount, $75,000 will be funded through the Master Tenant Reserve Account and $510,000 will be funded through the Demand Note from the Operating Partnership, an affiliate of the Sponsor.

Will there be Debt on the Property?

Yes. Section 1031 generally requires taxpayers to offset debt on their relinquished property with equal or greater debt on their replacement property (or additional cash from another source). Investors who are exchanging relinquished property with a larger amount of debt than the proportionate amount of the Loan they are deemed to have assumed for tax purposes in connection with the acquisition of an Interest may recognize taxable gain (although additional cash from another source may offset the reduction in debt).

Am I responsible for any out-of-pocket costs associated with my purchase of the Interests?

Yes. You are responsible for all costs associated with your independent accountant, tax advisor, financial advisor and attorney in connection with the purchase of Interests. Please note that these costs should not be funded from the Section 1031 Exchange escrow held by your qualified intermediary, if applicable.

How do I find a qualified intermediary?

If you do not currently have a qualified intermediary, the Sponsor can provide a list of qualified intermediaries familiar with this type of sophisticated transaction upon request.

What if I want to sell my Interest before the Property is sold?

The Interests are being offered and sold pursuant to exemptions from the registration provisions of federal and state securities laws. Accordingly, the Interests are subject to restrictions on transfer (and the Trust Agreement and the Loan Documents contain additional transfer restrictions). If you are able to sell your Interest, you or your purchaser(s) will bear the costs, if any, of the sale or transfer.

Will I be subject to state income tax in the state in which the Property is located?

Some states have income thresholds that must be exceeded to be subject to income tax, but each state has its own filing requirements and tax code. You should consult with your own tax professional regarding individual state filings.

Is there an additional form that must be returned to the IRS when I transfer business property in a Section 1031 Exchange?

Yes. The IRS requires that you file Form 8824 with your annual tax filings for the year that you transfer the property. State and local governmental entities may also require additional filings. You should consult with your own tax professional regarding such filings.

Frequently Asked Questions Regarding the FMV Option and the OP Units

The following questions and answers are intended to give details about the OP Units which Beneficial Owners may receive if the Operating Partnership, or its successor or assignee, exercises the FMV Option. The information below is applicable to you only if your Interest is exchanged at the option of the Operating Partnership for OP Units pursuant to the FMV Option. You will have no control over whether the FMV Option will be exercised,

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and the Operating Partnership will be acting in its own best interests, including taking into account the timing of the exercise, when making any decision to exercise the FMV Option.

What is BHM?

BHM is a publicly traded real estate investment trust whose common shares are traded on the NYSE American under the ticker symbol "BHM". In today's knowledge economy, BHM focuses on acquiring a diversified portfolio of infill first-ring suburban single-family rental homes, built-to-rent communities, and other residential communities in high quality-of-life growth markets across the United States in the knowledge economy, targeting middle-market single-family home renters and multifamily apartment renters. As of September 30, 2025, BHM had gross assets of more than $1.1 billion with direct and indirect investments comprised of nearly 5,300 current and under-development homes. For more information, please refer to the BHM's public website at www.bluerockhomes.com. BHM is organized and conducts its operations in a manner so as to qualify as a REIT for federal income tax purposes.

What is the Operating Partnership?

The Operating Partnership is the entity through which BHM conducts substantially all of its business and owns (either directly or indirectly through subsidiaries, partnerships or joint ventures) substantially all of its assets.

What is a REIT?

In general, a REIT is a company that:

(i) pays dividends to investors of at least 90% of its taxable income for each year;

(ii) is not subject to the federal "double taxation" treatment of income that results from investments in a corporation because a REIT is not generally subject to federal corporate income taxes on its net income that it distributes to its shareholders, provided certain requirements are satisfied;

(iii) combines the capital of many investors to acquire or provide financing for real estate properties; and

(iv) offers the benefit of a diversified real estate portfolio under professional management.

What is an UPREIT and a Code Section 721 Contribution?

An "umbrella partnership real estate investment trust" (an "**UPREIT**") is a REIT structure in which the REIT holds all or substantially all of its properties through a subsidiary entity that is a partnership for federal income tax purposes (generally, a limited partnership in which the REIT holds the general partnership interest). BHM operates as an UPREIT, with the Operating Partnership as its subsidiary partnership. An advantage of the UPREIT structure is that it allows property owners to contribute properties to the Operating Partnership in exchange for OP Units on a tax-deferred basis, whereas a sale of a property to BHM would generally be a taxable transaction to the selling property owner, which gives BHM an advantage in acquiring desired properties from persons who may not otherwise sell their properties because of unfavorable tax results. This is because, generally, such a contribution will qualify as a tax-deferred contribution under Section 721. Code Section 721(a) generally provides that neither a contributing partner (i.e., an Investor) nor a transferee partnership (i.e., the Operating Partnership) will recognize gain or loss, for federal income tax purposes, upon a contribution of property (i.e., the Interest) to a partnership in exchange for a partnership interest (i.e., OP Units). The Interests should qualify as "property" for purposes of Code Section 721(a). For a discussion of the federal income tax consequences of the contribution of Interests to the Operating Partnership in exchange for OP Units, see "FEDERAL INCOME TAX CONSEQUENCES—*Tax Consequences Relevant to OP Units—The Operating Partnership—Tax consequences relating to contributed assets*."

What are OP Units?

The Operating Partnership has a class of OP Units that corresponds to each class of common and preferred stock of BHM (the holders of such units are the "**OP Unitholders**"). Each OP Unit is intended to be the substantial economic

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equivalent of one share of the corresponding class of Common Stock and is redeemable for Common Stock or cash, at BHM's election. However, OP Units are a different investment from Common Stock in many respects, including tax treatment, voting rights, and redemption rights.

While the OP Units are intended to be the substantial economic equivalent of one share of the corresponding class of Common Stock, should a Beneficial Owner require that the Operating Partnership redeem such OP Unitholder's OP Units (as discussed herein), and the Operating Partnership elects to redeem the OP Units for Common Stock, the OP Unitholder will receive the corresponding class of Common Stock.

Each Beneficial Owner that becomes an OP Unitholder will become a limited partner in the Operating Partnership and, along with our other limited partners, will have the rights and obligations set forth in the Operating Partnership's Second Amended and Restated Limited Partnership Agreement dated as of April 2, 2014, that certain First Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of October 21, 2015, that certain Second Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of December 21, 2015, that certain Third Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of March 1, 2016, that certain Fourth Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of March 29, 2016, that certain Fifth Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of July 15, 2016 that certain Sixth Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of October 11, 2016, that certain Seventh Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of July 21, 2017, that certain Eighth Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of October 21, 2017, that certain Ninth Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of November 15, 2017, that certain Tenth Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of August 6, 2018, that certain Eleventh Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of November 16, 2018, that certain Twelfth Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of November 19, 2019, that certain Thirteenth Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of September 22, 2022, that certain Fourteenth Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of December 1, 2022 and that certain that certain Fifteenth Amendment to the Second Amended and Restated Limited Partnership Agreement dated as of January 24, 2023 (the "**OP Partnership Agreement")**, a copy of which is available on the SEC's website.

As an OP Unitholder, subject to certain restrictions described below in "*Description of OP Units—Rights and Obligations of OP Unitholders*," you may require the Operating Partnership to redeem some or all of your OP Units for the corresponding class of Common Stock. A redemption generally will be a fully taxable transaction to you. For further information, see "*What are the federal income tax consequences of redeeming OP Units for shares of the Common Stock or for cash?*" below.

What are the principal benefits of ownership of OP Units?

The principal benefits of owning OP Units include the following:

(i) potential access to a diversified portfolio of income-producing, institutional-quality, highly amenitized live/work/play apartment communities in demographically attractive knowledge economy growth markets to appeal to the renter by choice;

(ii) diversification benefits and returns with respect to OP Units that are substantially equivalent to those of Common Stock;

(iii) a redemption program with respect to OP Units that may provide Beneficial Owners with more liquidity than other forms of real property ownership;

(iv) the ability to redeem OP Units in stages (as OP Units are not required to be redeemed all at once), allowing a Beneficial Owner to better manage taxable gain recognition;

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(v) the potential for a Beneficial Owner's heirs to receive a step-up in the tax basis of OP Units to fair market value, effectively eliminating the federal income tax on any capital gain inherent in your OP Units at the time of their transfer to their heirs;

(vi) the ability to utilize OP Units as an estate planning tool since multiple heirs can make independent decisions with respect to the sale of their inherited OP Units (unlike an investment in property where a single decision must often be made collectively); and

(vii) informational transparency with respect to the Operating Partnership and BHM, as BHM is a public reporting company with common stock that trades on the NYSE-American national exchange.

What is Code Section 721(a)?

Code Section 721(a) generally provides that neither a contributing partner (i.e., an Investor) nor a transferee partnership (i.e., the Operating Partnership) will recognize gain or loss, for federal income tax purposes, upon a contribution of property to a partnership in exchange for a partnership interest (i.e., OP Units). The Interests should qualify as "property" for purposes of Code Section 721(a). For a discussion of the federal income tax consequences of the contribution of Interests to the Operating Partnership in exchange for OP Units, see "FEDERAL INCOME TAX CONSEQUENCES—*Tax Consequences Relevant to OP Units—The Operating Partnership—Tax consequences relating to contributed assets*."

Are OP Unitholders liable for any debts of the Operating Partnership?

OP Unitholders, as limited partners in the Operating Partnership, are not individually liable for any debts, liabilities, contracts or obligations of the Operating Partnership in excess of their capital contributions to the Operating Partnership unless they enter into a separate guarantee agreement with respect to such debt. However, the debts, liabilities, contracts or obligations of the Operating Partnership could adversely affect your returns even though you are not directly liable for them.

Under certain circumstances, when the Beneficial Owners become OP Unitholders, they may be given the opportunity to enter into a guaranty agreement whereby they guaranty certain debts of the Operating Partnership in order to defer certain tax liabilities that otherwise might be due when a property transferred to the Operating Partnership is subject to liabilities and those liabilities are assumed, reallocated or otherwise repaid by the Operating Partnership. Beneficial Owners will have no control over whether the Operating Partnership engages in a transaction that causes an OP Unitholder to recognize taxable gain from a reduction in the nonrecourse liability allocable to a contributed property, or whether the opportunity to enter into a guaranty agreement in order to defer certain tax liabilities will be made available to the Beneficial Owners by the Operating Partnership. On October 5, 2016, the IRS issued temporary regulations and related proposed regulations (collectively, the "**2016 Temporary Regulations**") that consolidate certain broadly-defined guarantees, indemnities, and similar arrangements as "bottom-dollar guarantees" ("**BDGs**"). Under the 2016 Temporary Regulations, certain guarantees, such as a BDG, can no longer serve to allocate a partnership liability to the other members for purposes of income tax basis allocation under Code Section 752. On October 9, 2019, the IRS issued final regulations (the "**752 Final Regulations**") on partnership liabilities that are treated as recourse liabilities, on the treatment of BDGs, and on when certain obligations to restore a deficit balance in a partner's capital account are disregarded under Code Section 704. In relevant part, the 752 Final Regulations revised the definition of a BDG to specifically address capital contribution obligations and deficit restoration obligations. Specifically, under the 752 Final Regulations, a BDG includes, with respect to a capital contribution obligation and a deficit restoration obligation, any payment obligation other than one in which the partner is or would be required to (i) make the full amount of the partner's capital contribution or (ii) restore the full amount of the partner's deficit capital account. The 752 Final Regulations may have serious implications in general for Beneficial Owners who have negative capital accounts and insufficient basis, and most particularly for Beneficial Owners choosing to enter into guaranty agreements as described above in this paragraph. Beneficial Owners should consult their own tax advisor as to the tax implications concerning their investment. For a discussion of the consequences of the 752 Final Regulations, see "FEDERAL INCOME TAX CONSEQUENCES—*Possible Legislation or Other Actions Affecting REITs."*

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For a discussion of the federal income tax consequences relating to relief from liabilities and contributed assets to the Operating Partnership, see "FEDERAL INCOME TAX CONSEQUENCES—*Tax Consequences Relevant to OP Units—The Operating Partnership—Relief from liabilities/deemed cash distribution*" and "FEDERAL INCOME TAX CONSEQUENCES—*Tax Consequences Relevant to OP Units—The Operating Partnership—Tax consequences relating to contributed assets*."

If the FMV Option is exercised, how many OP Units or how much cash will I receive in exchange for my Interest?

If the FMV Option is exercised, Beneficial Owners will contribute (for federal income tax purposes) their Interests, subject to any indebtedness secured by their Interests or the Property, to the Operating Partnership in exchange for each Beneficial Owner's choice of OP Units or cash, subject to the Call Option Fee and/or Cash Redemption Fee, as applicable. If a Beneficial Owner elects to become a Contributing Investor, such Beneficial Owner will receive an amount of OP Units with an aggregate value equal to the Exchange FMV, less the amount of the Call Option Fee.

The number of OP Units the Beneficial Owner receives pursuant to the exercise of the FMV Option may vary, depending, in part, on (i) the FMV Option Appraised Value of the Property and (ii) the fair market value of the OP Units, both of which are subject to fluctuation and may change over time, including in the period between the purchase of the Beneficial Owner's Interest and any exercise of the FMV Option. A Beneficial Owner has no right to require an appraisal of the fair market value of the OP Units.

The FMV Option Appraised Value of the Property will be determined by an independent appraisal firm selected by the Manager in its sole discretion. Such appraisal will be completed within one year prior to the date the FMV Option is exercised. The appraisal will be determined without any discounts but taking into account that the Property is subject to the Master Lease. In the event the appraisal performed for the purpose of determining the FMV Option Appraised Value of the Property results in a value that is less than the total combined purchase price paid for the Beneficial Interests by the Beneficial Owners, the Manager will select a second independent appraisal firm in its sole discretion to conduct a second appraisal. If the second appraisal is required, the FMV Option Appraised Value of the Property will be equal to the higher of the two appraisals; however, if one appraisal is at least 20% greater than the other (the 20% to be based on the lower appraisal), then the Manager will select a third independent appraisal firm in its sole discretion to conduct a third appraisal. If the third appraisal is required, the FMV Option Appraised Value of the Property will be the average of the two highest appraisals obtained in the process of determining the FMV Option Appraised Value of the Property.

The Operating Partnership retains the right, in its sole and absolute discretion, to exercise the FMV Option. In the event a Beneficial Owner receives OP Units in connection with the exercise of the FMV Option, the Beneficial Owner will bear the benefits and burdens of any variation in the amount of OP Units received.

If a Beneficial Owner elects to become a Cash Investor instead of a Contributing Investor, the Cash Investor will receive the Cash Amount in exchange for its Interests, which will be equal to such Cash Investor's pro rata share of the Exchange FMV, less Cash Redemption Fee. Beneficial Owners who elect to receive the Cash Amount of their Interests will be free to (a) structure a Section 1031 Exchange (to the extent permitted by applicable law at the time and provided that they comply with all Section 1031 Exchange requirements), or (b) cash out on a taxable basis.

What are BHM's intentions with respect to a Liquidity Event?

BHM's Common Stock is publicly traded on the NYSE American under the ticker symbol "BHM."

For more information about BHM's portfolio and certain historical share prices, operating and financial information, including the last three years' financial statements, please refer to BHM's public website at: www.bluerockhomes.com.

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If I receive OP Units, will I receive current distributions on such units?

Distributions to OP Unitholders will be made quarterly (or, at the election of BHM, more frequently) and in amounts determined by BHM in its sole and absolute discretion. Specifically with respect to Beneficial Owners that acquire OP Units, distributions with respect to such OP Units are expected to be made with the same frequency as those paid with respect to the Common Stock and in amounts per OP Unit that match the amounts per share of the applicable class of Common Stock, so that a holder of one OP Unit will receive substantially the same amount of annual cash flow distributions as the amount of annual distributions paid to the holder of one share of the applicable class of Common Stock (before taking into account certain tax withholdings certain states may require with respect to OP Units). The distributions paid to stockholders of BHM will be determined by its board of directors (the "**Board**") and will typically depend on the amount of distributable funds, current and projected cash requirements, tax considerations and other factors. The timing and amounts of these distributions, if any, may change, as determined by the Board. However, in order to qualify as a REIT, BHM must make distributions of at least 90% of its taxable income for each year.

Does the present distribution yield on the Common Stock necessarily reflect the yield I will earn on my investment upon my receipt, if any, of OP Units?

BHM declared Common Stock dividends in March 2025.[1] To the extent the Board will authorize a Common Stock dividend in the future, each OP Unit is intended to be the substantial economic equivalent of one share of the corresponding class of Common Stock with respect to such dividend. The Operating Partnership intends to make distributions to the OP Unitholders such that a holder of one OP Unit will receive substantially the same amount of annual cash flow distributions as the amount of annual distributions paid to a holder of one share of the Common Stock (before taking into account certain tax withholdings certain states may require with respect to the OP Units). The amount of any distribution paid in a period, if any, will be determined by the Board in its sole discretion. Assuming that BHM does not adjust the per share amount of its annual distribution, the distribution yield on shares of the Common Stock will fluctuate if there is a change in the price of such shares.

As a result, to the extent that the value of OP Units at the time of receipt pursuant to an exercise of the FMV Option (which is determined based upon the per share price of the Common Stock at that time) is different from the present per share value of the Common Stock, the present distribution yield on the Common Stock may not reflect the yield you would earn in the future on your OP Units, whether or not the Common Stock distribution changes or remains the same.

If I receive OP Units pursuant to the exercise of the FMV Option, may I redeem them for shares of Common Stock?

If you receive OP Units as a result of the exercise of the FMV Option, you may require the Operating Partnership to redeem some or all of your OP Units after a one-year holding period. In such a case, the Operating Partnership will redeem your OP Units for, in BHM's sole discretion, cash or shares of the corresponding class of Common Stock effected through the exchange for each OP Unit redeemed. If the Operating Partnership elects to redeem a Beneficial Owner's OP Units for Common Stock, the Beneficial Owner shall receive a number of equal to the number of OP Units multiplied by the Conversion Factor (as described in the Operating Partnership agreement) as of the date of the redemption (as defined in the OP Partnership Agreement) which is currently equal to 1.0 (the "**REIT Shares Amount**"). If the Operating Partnership elects to redeem a Beneficial Owner's OP Units for cash, the Beneficial Owner shall receive cash in an amount equal to the Value (as defined in the OP Partnership Agreement) of the REIT Shares Amount.

What are the federal income tax consequences of redeeming OP Units for shares of the Common Stock or for cash?

An OP Unitholder should recognize taxable gain or loss upon a redemption of its OP Units in either case for shares of the Common Stock or, at the option each Beneficial Owner, for cash. The gain or loss recognized will be

[1] https://bluerock.com/bluerock-homes-trust/2025/03/11/bluerock-homes-trust-bhm-announces-commencement-of-quarterly-dividends-on-class-a-common-stock-and-class-c-common-stock/

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equal to the difference between (i) the sum of (A) the cash, *plus* (B) the fair market value of the Common Stock received, *plus* (C) the amount of the Operating Partnership liabilities allocable to such OP Unitholder at the time of the redemption and (ii) the OP Unitholder's adjusted tax basis in its OP Units. Prospective Investors should consult their own tax advisors regarding their individual tax consequences. See "FEDERAL INCOME TAX CONSEQUENCES—*Tax Consequences Relevant to OP Units—Limitations on Deductibility of Losses—Sale, redemption, exchange or abandonment of OP Units*."

Are OP Units or shares of Common Stock listed for trading on any national securities exchange or over-the-counter market?

OP Units are not listed for trading on any national securities exchange or over-the-counter market. However, after receiving your OP Units, and subject to restrictions described herein, you may request that the Operating Partnership redeem your OP Units for shares of the Common Stock. Shares of the Common Stock are publicly traded on the NYSE American under the ticker symbol "BHM." See "*If I receive OP Units pursuant to the exercise of the FMV Option, may I redeem them for shares of Common Stock?*" above.

If I receive OP Units, how do I report income on such units for federal and state income tax purposes?

In general, a partnership is treated as a "pass-through" entity for federal income tax purposes and is not itself subject to federal income taxation. Each OP Unitholder will be required to pay federal income tax and, in certain cases, state and local income taxes, on such OP Unitholder's allocable share of the Operating Partnership's income, gains, losses, deductions and expenses ("**Partnership Tax Items**"). Such allocable share may differ from the amount of cash distributions such OP Unitholder receives from the Operating Partnership. Each year, the Operating Partnership will provide each OP Unitholder with a Schedule K-1, which sets forth such OP Unitholder's allocable share of the Operating Partnership's Partnership Tax Items. Each OP Unitholder must report this income to the IRS on its own tax return. Additionally, each OP Unitholder will receive a Schedule K-1 for certain states in which the Operating Partnership holds property and will generally be required to file a tax return in each such state. The Operating Partnership may withhold on a portion of an OP Unitholder's distributions with respect to such OP Unitholder's non-resident state tax obligations. Any withholding tax paid on behalf of an OP Unitholder will be treated as if a like amount of cash had been distributed by the Operating Partnership to such OP Unitholder.

The rules applicable to the filing of composite returns are different from jurisdiction to jurisdiction. For example, certain jurisdictions allow partners to elect-out of a composite return while other jurisdictions require each partner's consent to be included in such a return. In addition, composite return rules may vary depending on the status of the partner. For example, states may limit the availability of composite returns to partners who are natural persons, or specifically deny C corporations the option of joining composite returns.

Following the exercise of the FMV Option, the Operating Partnership may require Beneficial Owners to provide certain information for tax purposes. You should consult your tax advisor regarding the requirements for reporting any income associated with your OP Units to the IRS and any state or other taxing authority.

During my ownership of OP Units, what type of information will I receive regarding my investment?

If you become an OP Unitholder, you will receive (or have access to) periodic updates from us, including:

(i) a statement regarding your distributions each quarter;

(ii) three REIT quarterly financial reports;

(iii) a REIT annual report with audited financials;

(iv) an annual IRS Schedule K-1; and

(v) as applicable, annual Schedule K-1s for states in which the Operating Partnership holds property.

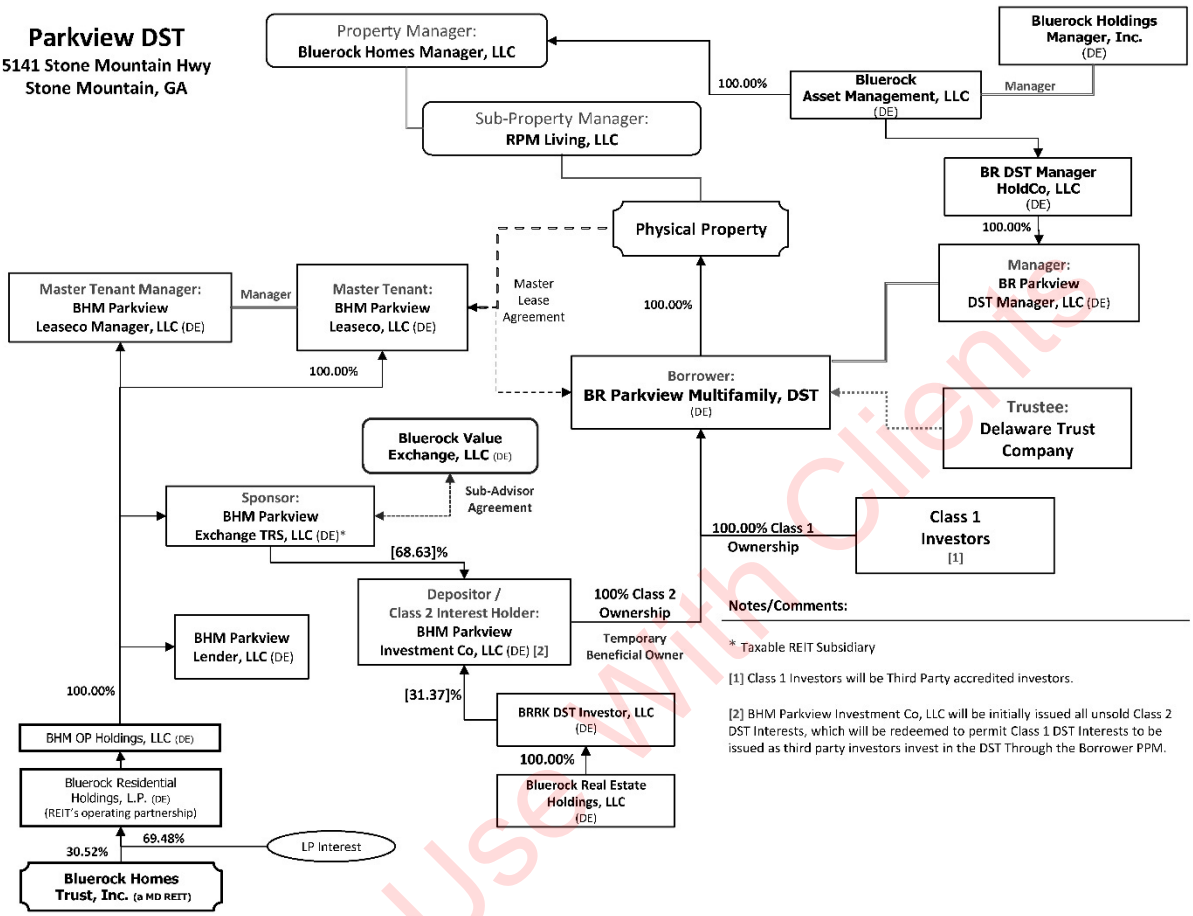
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If you redeem your OP Units for shares of Common Stock, you will subsequently receive a Form 1099 in place of a Schedule K-1, and you will continue to receive (or have made available to you) items (i) through (iii) listed immediately above.

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ORGANIZATIONAL CHART



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SUMMARY OF THE PURCHASE AGREEMENT

General

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

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

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

Submission of Offer to Purchase

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

Closing

At the closing of the purchase, the Investor will receive an Interest in the Trust. Prior to an Investor's closing, such Investor is required to deliver to the Trust: (1) the Purchase Agreement; (2) an executed signature page for the Trust Agreement; (3) any other documents as may reasonably be requested by the Trust; and (4) the purchase price for the Interest.

Limited Representations

The Trust provides limited representations or warranties in the Purchase Agreement, including with respect to the ownership of the Property and condition of the Property. Consequently, each Investor must rely on his, her, or its own investigations and analysis of the Property and is encouraged to seek the advice of his, her, or its own independent legal counsel, accountants, and real estate advisors.

No Tax Advice

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

Bad Actor Addendum

Investors who subscribe for a 20% or more beneficial interest in the Trust, as determined in accordance with the Trust Agreement as of the date of the Investor's subscription, will be required to complete a "bad actor addendum" in the form attached to the Purchase Agreement (the "**Bad Actor Addendum**"). Investors acquiring a 20% or more beneficial interest in the Trust ("**20% Investors**" and each a "**20% Investor**") shall be further required to complete and deliver to the Manager, concurrent with the execution and delivery of the Bad Actor Addendum, an irrevocable proxy granting the Manager the right to vote any and all Interests held by such 20% Investor (the "**Bad Actor Proxy**") upon the effectiveness of the Bad Actor Proxy. A Bad Actor Proxy shall become effective at such time as a 20%

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Investor becomes subject to a "disqualification event" as described in Rule 506(d) of Regulation D. Once effective, a Bad Actor Proxy shall remain in effect until the date upon which the applicable 20% Investor is no longer subject to any disqualification event.

Termination of the Purchase Agreement

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

An Investor's Purchase Agreement will be terminated if (a) a prospective Investor is not accepted by the Trust, (b) to any Investor who is not then in default upon written request from such Investor until the close of business on the third (3rd) day following the date upon which the Sponsor notifies the Investor that the Investor's subscription has been accepted or, (c) if the Trust terminates the Offering for any reason.

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

Indemnity

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

Arbitration

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

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SUMMARY OF THE TRUST AGREEMENT

General

The Trust is governed by that certain Amended and Restated Trust Agreement dated December 18, 2025, by and among the Depositor, the Manager, and the CSC Delaware Trust Company, as a Delaware Trustee. Additionally, the Delaware Trustee serves as an independent trustee for the purpose of satisfying the Lender's requirement that the Trust have an independent trustee until the Loan has been paid in full. The Investors will acquire their Interests in the Trust subject to the Trust Agreement, and will thereupon become Beneficial Owners of the Trust. The rights and obligations of the Beneficial Owners will be governed by the Trust Agreement.

The following is a summary of some of the significant provisions of the Trust Agreement and of the Springing LLC's Limited Liability Company Operating Agreement. This summary is qualified in its entirety by reference to the full text of such agreements. **Each prospective Investor should carefully review the entire Trust Agreement before investing. A copy of the Trust Agreement is attached as Exhibit B of this Memorandum.**

Summary of Certain Provisions of the Trust Agreement

The Beneficial Owners will own the Interests in the Trust subject to the Trust Agreement, and their corresponding rights and obligations will be governed by the Trust Agreement. The following is a summary of some of the significant provisions included in the Trust Agreement and a Springing LLC Agreement (which will be applicable upon a Transfer Distribution). It is qualified in its entirety by reference to the full text thereof. Each prospective Investor should review the entire Trust Agreement, which is included as an exhibit to this Memorandum, before investing. A copy of the Trust Agreement and Springing LLC Agreement are provided as Exhibit B to this Memorandum.

Investors as Beneficial Owners; Trust's Use of Proceeds

Pursuant to this Offering, the Trust is offering Interests for sale to prospective Investors. As Interests are sold to Investors, up to 100% of the Depositor's Class 2 Beneficial Interests will be redeemed by the Trust on a one-for-one basis until the Maximum Offering Amount has been achieved and all Interests have been sold.

After paying for all reasonable and necessary costs of sale of the Interests to Beneficial Owners (not to exceed 15% of the purchase price of the Interests), the Trust may and shall retain and utilize the next $2,000,000 of the net proceeds received by the Trust from the sale of Interests to fund the Trust Controlled Reserves. After the Trust Controlled Reserves (including Carry Costs) has been repaid in full, the Trust will retain and utilize any remaining net proceeds to fund any reimbursements, compensation, and fees owed to the Sponsor and/or its affiliates in connection with the Offering, including reimbursement of amounts contributed by the Depositor on account of the Acquisition Fee, if applicable. With regard to the above, the "net proceeds" from the sale of Interests shall be equal to the purchase price of each Interest, less the Sales Commissions, Marketing/Due Diligence Expense Allowances, Managing Broker-Dealer Fee and Organization and Offering Expenses allocable to each such sale. See "ESTIMATED USE OF PROCEEDS" and "COMPENSATION OF THE SPONSOR AND AFFILIATES."

Term

The Trust will terminate upon the first to occur of (i) a sale of the Property, (ii) the Trust Estate is in jeopardy of being lost due to any reason, (iii) the Manager determined that the Investors are at risk of losing all or a substantial portion of their investment in the Interest or (iv) a Transfer Distribution of the Property. The death, incapacity, dissolution, termination or bankruptcy of the Trustee, the Manager or any Beneficial Owner will not result in the termination or dissolution of the Trust.

The Delaware Trustee and Independent Trustee

CSC Delaware Trust Company, has been appointed as the Delaware Trustee and the Independent Trustee of the Trust. The Delaware Trustee or Independent Trustee, if applicable, holds the Property in trust for the benefit of the Beneficial Owners. The Delaware Trustee and Independent Trustee only has the limited powers and authority

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specified in the Trust Agreement. The Delaware Trustee and the Independent Trustee shall take such actions as may be directed in writing by the Manager, provided however, the Delaware Trustee (or the Independent Trustee, if applicable) is not permitted or required to take any action that is contrary to the Trust Agreement or applicable law. Neither the Delaware Trustee nor the Independent Trustee has a duty to take any action except as expressly provided for in the Trust Agreement.

Each of the Delaware Trustee and Independent 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. The Delaware Trustee and the Independent Trustee may resign at any time by giving at least 60 days' prior written notice to the Manager. The Trust will indemnify the Delaware Trustee and the Independent Trustee for all actions taken on behalf of the Trust except for willful misconduct, bad faith, fraud or gross negligence of the Delaware Trustee or the Independent Trustee, as applicable. The Manager may remove the Delaware Trustee or the Independent Trustee at any time, but only for the willful misconduct, bad faith, fraud or gross negligence of the Delaware Trustee or Independent Trustee, as applicable; provided that the Manager may not remove the Delaware Trustee or Independent Trustee without the consent of the Lender while the Loan is outstanding.

The Manager

BR Parkview DST Manager, LLC, an affiliate of the Sponsor, will serve as the Manager of the Trust. The Manager has the power and authority to manage the limited investment activities and affairs of the Trust as permitted under the Trust Agreement; provided, that the Manager has no power to engage on behalf of the Trust in activities in which the Trust could not engage directly, and all of the Manager's power and authority is limited to the extent such powers and authority is materially consistent with the powers and authority conferred upon the trustee in Revenue Ruling 2004-86. The Manager has the primary responsibility for performing the administrative actions set forth in the Trust Agreement, including collecting rents and making distributions. The Manager is authorized to execute and deliver, and cause the Trust to perform its obligations under transaction documents to which the Trust becomes a party. The Manager has the sole discretion to determine when it is appropriate to sell the Property. The Manager has a limited power of attorney on behalf of each Beneficial Owner, with power and authority to act in the name and on behalf of such Beneficial Owner to execute, acknowledge and swear to the execution, acknowledgment and filing of documents not inconsistent with the Trust Agreement.

The Manager may (but is not anticipated to) receive fees for its services under the Trust Agreement. The Manager may resign at any time by giving at least 30 days' prior written notice to the Trustee. The Beneficial Owners and the Trust will indemnify the Manager for all actions taken on behalf of a Trust except for fraud or gross negligence of the Manager. Any indemnity obligations shall be limited to and only paid out of the Trust Estate. The Manager will not have any liability to any person except for its own fraud or gross negligence. Subject to the next sentence, the Delaware Trustee may either (1) limit the duties of the Manager under the Trust Agreement, or (2) remove the Manager at any time, but only for the fraud or gross negligence of the Manager which causes material damage to, or diminution in value of, the Property. If any portion of the Loan remains outstanding, the Lender must consent to the Trustee's removal of the Manager or to any limitation of the Manager's duties.

Except as expressly provided in the Trust Agreement or other transaction documents contemplated thereby, the Manager does not have any duties or obligations with respect to the Trust, the Trust Agreement or other transactional documents contemplated therein. Notwithstanding the foregoing, following the issuance of a conversion notice, which will occur prior to the Initial Closing of Interests, the Trustee will have no ability to take any action that would cause the Trust to cease to qualify as an investment trust within the meaning of Treasury Regulations Section 301.7701-4(c). The Manager will keep customary and appropriate books and records relating to the Trust and the Property.

Power of Trustee and Manager

The Trust Agreement expressly prohibits the Trustee and the Manager 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 Master Lease on the Property or entering into new leases, except in the case of the Master

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Tenant's bankruptcy or insolvency; (e) making modifications to the Property (other than minor non-structural modifications) unless required by law; (f) accepting any capital from a Beneficial Owner (other than capital from an Investor that will be used to pay the fees, costs and expenses of the offer and sale of the Interests, fund initial reserves or repurchase up to 100% of the Depositor's Class 2 Beneficial Interests and thereby reduce the Depositor's ownership interest, as discussed above); or (g) taking any other action that in the reasoned opinion of Special Tax Counsel to the Trust should 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 effectuate a Transfer Distribution in order to take any of the above actions which may be necessary, in the Manager's sole discretion, to preserve and protect the Property. While the Property will remain subject to the Loan after any 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. Instead, the Beneficial Owners will become members in the Springing LLC, which will then own the Property. The Manager (or an affiliate of the Manager), will be the manager of the Springing LLC. See "*Summary of Certain Provisions of the "Springing LLC" Limited Liability Company Operating Agreement*" below.

Limited Duties of the Trustee and Manager

The Trust Agreement provides that the Trustee's and the Manager's duties, including fiduciary duties, and liabilities relating thereto to the Trust and the Beneficial Owners are limited to those duties (including fiduciary duties) expressly set forth in the Trust Agreement and the liabilities relating thereto. These duties may be less than are applicable to other investments, such as a partnership, limited liability company or corporation. Further, as a measure of protection for purposes of the contemplated Section 1031 Exchanges, the Trust Agreement provides that the Beneficial Owners do not have any power to give direction to the Trustee, the Manager or any other person, and that 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.

The Trust Agreement further provides that neither the Trustee nor the Manager will be liable to the Beneficial Owners for certain acts or omissions performed or omitted by it except for acts or omissions arising out of willful misconduct, bad faith, fraud or gross negligence, and that the Beneficial Owners will indemnify the Trustee and the Manager and each of their directors, officers, employees, and agents for any liability suffered by them arising out of their activities in connection with the Trust, except for liabilities resulting from willful misconduct, bad faith, fraud or gross negligence, in the case of the Trustee, and fraud or gross negligence, in the case of the Manager. Accordingly, the Beneficial Owners may have a more limited right of action than would otherwise be the case, absent such provisions.

Limited Transfer Rights

Except in certain limited circumstances, any selling Beneficial Owner must obtain the prior written consent of the Manager, which consent may be withheld in the Manager's sole and absolute discretion, in connection with the assignment or transfer of the Beneficial Owner's Interests.

Any transferee will take such Interest subject to the Trust Agreement and will become a Beneficial Owner only upon written acceptance and adoption of the Trust Agreement. Each Beneficial Owner will be responsible for compliance with applicable securities laws with respect to any sale of Interests.

Waivers

Except as expressly provided in the Trust Agreement, no Beneficial Owner (i) has an interest in the Property or (ii) will 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 any right, if any, under the DST Act to seek a judicial dissolution of the Trust, to terminate the Trust or, to the fullest extent permit 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, aides, supports, solicits or otherwise cooperates in the filing of an involuntary bankruptcy proceeding involving the Trust.

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Distributions

The Manager will distribute all available cash to the Beneficial Owners on a monthly basis, after paying or reimbursing the Manager for any reasonable fees or expenses paid by the Manager on behalf of the Trust and reserving and retaining such additional amounts as the Manager determines are necessary to pay anticipated ordinary current and future Trust expenses. The Trust's reserves, to the extent they are controlled by the Trust, shall be invested by the Manager 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 Manager 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; Transfer Distribution

Regarding the Trust, if the Manager determines that (i) all or any portion of the Trust Estate is in jeopardy of being lost due to any reason, (ii) the Investors are at risk of losing all or a substantial portion of their investment in their Beneficial Interests, or (iii) it needs to take a prohibited action as detailed in the Trust Agreement, then the Manager may elect to either (x) to the extent the foregoing circumstances apply to all of the assets comprising the Trust Estate, transfer title to all of the assets comprising the Trust Estate, or convert to the Springing LLC, or (y) to the extent the foregoing circumstances apply to less than all of the Trust, the Manager will distribute the interests in the Trust to the Beneficial Owners in partial liquidation of the Trust. The form of the limited liability company operating agreement of the Springing LLC is available to Beneficial Owners as part of Exhibit B to this Memorandum.

Regarding the Trust, if a conversion notice has been issued and the Manager determines that (a) either Master Tenant is insolvent or has failed to timely pay the full rent due under its respective Lease after the expiration of any applicable notice and cure provisions in the Master Lease (not including any permitted deferral of Rent due pursuant to Section 4.2 of the Master Lease), (b) the Trust Estate is in jeopardy of being lost due to a default or imminent default under the Loan, and, in either case, the Manager is prohibited from acting pursuant to Section 3.3 of the Trust Agreement, (c) the Master Tenant files for bankruptcy, seeks appointment of a receiver, makes an assignment for the benefit of its creditors or there occurs any similar event, (d) the Loan will commence hyper-amortization within ninety days under which all cash flow from the Property will need to be utilized to pay down the principal and interest on the Loan, (e) the Trust is otherwise terminated in violation of Section 3.3(c) of the Trust Agreement, (f) the Manager needs to take, but is precluded from taking, one of the actions enumerated in Section 3.3(c) of the Trust Agreement and the Manager 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, or (g) the Trust is otherwise terminated or dissolved without the consent of the Lender, then, in any such case, the Manager will transfer title to the assets comprising the Trust Estate to a Springing LLC, a newly-formed Delaware limited liability company that has a limited liability company operating agreement substantially similar to the form thereof attached to the Trust Agreement. If the Trust is terminated pursuant to a Transfer Distribution, the Beneficial Owners will become members in a Springing LLC, and the Manager of a Trust, or an entity controlled by the Manager of the Trust, will become the manager of the that Springing LLC.

If a determination has been made to make a Transfer Distribution, the Manager 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 Manager pursuant to the Transfer Distribution (which other form of transaction will only require the approval of the Manager and will not require the approval of any Beneficial Owners or the Trustee), provided that such alternative form of transaction is entered into to preserve and protect the Trust Estate for the benefit of the Beneficial Owners and is otherwise in compliance with the Statutory Trust Act. See below "*Summary of Certain Provisions of "Springing LLC" Limited Liability Company Operating Agreement*".

Sale of the Property

Pursuant to Section 2806(b)(3) of the Statutory Trust Act, the Manager will sell the Trust Estate upon its determination (in its sole discretion) that a sale of the Trust Estate is appropriate. However, absent unusual circumstances, it is anticipated that the Trust will hold the Trust Estate for at least two years. The Manager will be responsible for (i) determining the fair market value of the Property, (ii) providing notice to the Trustee of the sale of the Trust Estate and (iii) conducting the sale of the Trust Estate on behalf of the Trust under commercially reasonable

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terms and executing such documents and instruments required to be executed by the Trust to affect such sale (Manager will also provide to the Trustee in execution form any documents and instruments required to be executed by the Trustee to affect such sale). The Manager (and the Trustee, if necessary) will take all reasonable action that would seek to enable the sale to qualify, with respect to each Beneficial Owner, as a like-kind exchange within the meaning of Section 1031. After paying all amounts due to the Trustee and the Lender, if any, the Manager will distribute the balance of the proceeds (net of any closing costs payable by the Trust including any fee due to the Manager) to the Beneficial Owners.

The Manager will receive the Disposition Fee (a fee from the Trust equal to 3.5% of the gross proceeds of the sale, exchange or other disposition of the Property; "Property," with respect to the Disposition Fee that means any and all tracts of real property (and appurtenances) owned by the Trust) from which the Manager will pay all sales commissions payable to any third-party broker in connection with the sale, such that the aggregate amount of the Disposition Fee plus the third-party brokerage commission does not exceed 3.5% of the gross sales price of the Property. The Disposition Fee does not apply if the FMV Option is exercised.

FMV Option

The Beneficial Owners will grant the Operating Partnership a FMV Option. If the Operating Partnership exercises the FMV Option, a Contributing Investor will receive OP Units equal to the Exchange Consideration.

If the Operating Partnership exercises the FMV Option, Beneficial Owners may elect to have the Operating Partnership purchase its Interests for cash (Cash Investors) with the cash purchase price for the Cash Amount equaling such Cash Investor's pro rata share of the Exchange FMV, less the Cash Redemption Fee. Beneficial Owners who elect to receive the Cash Amount of their Interests will be free to (a) structure a Section 1031 Exchange (to the extent permitted by applicable law at the time and provided that they comply with all Section 1031 Exchange requirements), or (b) cash out on a taxable basis. Because the Operating Partnership has sole discretion over whether to exercise the FMV Option, you should not assume the FMV Option will be exercised. It is possible that the consideration you receive in connection with the exercise of the FMV Option by the Operating Partnership may be less than the amount you paid for your Interest.

Each Investor will be required to execute such documents and signatures as the Manager may reasonably require in connection with the exercise of the FMV Option or the cash purchase, described above. Pursuant to Section 5.1 of the Trust Agreement, each Investor will grant the Manager a special and limited power of attorney as the attorney-in-fact for the Investor, with power and authority to act in the name and on behalf of the Investor to execute, acknowledge, and swear to in the execution, acknowledgment and filing of documents relating to the FMV Option. For the Contributing Investors, the Manager will provide a the Tax Protection Agreement in which the Manager: (i) will agree not to directly or indirectly sell, exchange, transfer, or otherwise dispose of the Property or any interest therein (without regard to whether such disposition is voluntary or involuntary) in a transaction within three years of the date of the date of the exercise of the FMV Option that would cause a Contributing Investor to recognize any gain under Code Section 704(c) (Triggering Event), and (ii) for a period of two years following the occurrence of a Triggering Event, will agree to pay a Contributing Investor's damages equal to the aggregate federal, state and local income taxes incurred by such Contributing Investor in connection with such Triggering Event. Upon receipt of any and all documents and signatures required by the Manager or OP on the Receipt Date, the Manager will distribute (i) to any Contributing Investor the OP Units within 10 business days of the Receipt Date and (ii) to any Cash Investor the Cash Amount within 10 business days of the Receipt Date.

Restriction of Certain Rights

Beneficiaries of a DST have rights to certain information from the Trust under the DST Act. In prior investment programs of the Sponsor, including prior DST programs, small minority investors have attempted to use certain of these statutory information rights to seek to "greenmail" the Trust and to otherwise adversely affect the interests of legitimate investors in the investment program. Therefore, the Sponsor has determined it to be in the best interest of the program to eliminate the statutory information rights in favor of the following:

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- The Manager will furnish annual reports to investors regarding rent received from the Master Tenant, expenses of the Trust, the amount of the Trust's reserves and the amount of distributions made by the Trust to Beneficial Owners;
- Beneficial Owners may, on written demand to the Manager, once a quarter receive a copy of the Trust Agreement (with all Beneficial Owner identifying information redacted) and a copy of the Certificate of Trust;
- Beneficial Owners have no further informational rights, including no right to receive any list of the other Beneficial Owners or any of their contact information; and
- In addition, the Trust Agreement eliminates certain liabilities and duties of the Manager except as expressly set forth in the Trust Agreement; provided, however, no provision in the Trust Agreement is intended to or will operate to eliminate the implied covenant of good faith and fair dealing.

Tax Status of the Trust

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

Summary of Certain Provisions of
"Springing LLC" Limited Liability Company Operating Agreement

The following is a summary of some of the more significant provisions of the Limited Liability Company Operating Agreement of the Springing LLC (the "**Springing LLC Operating Agreement**") to be entered into upon a Transfer Distribution. A form of the Springing LLC Operating Agreement is attached to the Trust Agreement (which is Exhibit B to this Memorandum) and should be referred to for a complete statement of the rights and obligations of its members. The following is merely a summary of the terms of the Springing LLC Operating Agreement and is qualified in its entirety by the full text thereof. **Prospective Investors should carefully review the Springing LLC Operating Agreement before subscribing for Interests.**

Management. The Manager or its affiliate will become the manager of the Springing LLC upon a Transfer Distribution. The manager of the Springing LLC will have exclusive discretion in the management and control of the business and affairs of the Springing LLC. The Springing LLC Operating Agreement will grant to the manager broad authority in the exercise of the management and control of the Springing LLC. The manager of the Springing LLC will have complete power to do all things necessary or incident to the management and conduct of the Springing LLC's business.

Rights of Members of the Springing LLC. The Beneficial Owners will become members in the Springing LLC. The members of the Springing LLC 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 records of the Springing LLC. Upon the requisite vote of the members, the members will have the right to: (i) amend the Springing LLC Operating Agreement, subject to certain limitations specified in the Springing LLC Operating Agreement, with the consent of the manager, (ii) remove the manager for cause (as defined in the Springing LLC Operating Agreement), (iii) elect a successor manager, with the consent of the manager, (iv) elect a successor tax matters partner, with the consent of the manager, and (v) elect to continue the Springing LLC after a dissolution event, with the consent of the manager. The exercise of the foregoing specific rights will require the affirmative vote of the owners of record of more than 50% of the membership interests held by members in each case.

Limited Liability. Except as described below, no member or manager will be liable for the Springing LLC's debts or other obligations, except to the extent of such member or manager's share of undistributed profits, if any, and the amount of any distributions made to such member or manager by the Springing LLC constituting a return of such member or manager's capital contribution, unless such member or manager takes part in the control of the Springing LLC's business, which is not permitted under the Springing LLC Operating Agreement.

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Transfer of Membership Interests. No transfer of a membership interest in the Springing LLC may be made unless the manager of the Springing LLC, 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 limited partnership for federal income tax purposes. Further, no assignment of any membership interest 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. Moreover, any transfer of a membership interest will be subject to a right of first refusal, similar to that which is applicable under the Trust Agreement with respect to transfers of Interests, discussed above. A person to whom a transfer is to be made will not become a substituted member in the Springing LLC unless (i) the manager, in its sole discretion, has consented to such substitution, (ii) the person to whom the transfer is to be made has assumed any and all of the obligations under the Springing LLC Operating Agreement with respect to the membership interests to which the transfer relates, (iii) all reasonable expenses required in connection with the transfer have been paid by or for the account of the person to whom the transfer is to be made, and (iv) all agreements, certificates or amended certificates and all other documents have been executed and filed and 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.

Sale or Exchange of the Property. Similar to the provisions of the Trust Agreement, a Springing LLC may sell or convey the Property to a partnership in exchange for ownership interests in such partnership in a transaction structured as a tax-deferred contribution of the Property to such partnership under Code Section 721.

Additional Voluntary Capital Contributions. The manager may request at any time that the members make additional capital contributions to the Springing LLC 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 will adjust the members' capital contributions and membership interests to equitably reflect any additional capital contributions made by members.

Termination and Winding Up. The Springing LLC will be dissolved upon the occurrence of any of the following events:

(i) The manager of the Springing LLC determines to terminate the Springing LLC;

(ii) The sale, exchange or other disposition of the Property;

(iii) The occurrence of any event of dissolution in the Springing LLC's Certificate of Formation; or

(iv) The death, insanity, withdrawal, retirement, resignation, expulsion, insolvency or dissolution of the manager unless members holding more than 50% of the membership units of the Springing LLC consent to continue the business of the Springing LLC.

However, for so long as the Springing LLC's obligations under the Loan Documents remain outstanding, the Springing LLC may not be terminated without the prior written consent of the Lender.

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, (b) an accounting will be made, (c) the Springing LLC's liabilities will be paid or adequately provided for, (d) a reserve will be established to satisfy any legal requirements, and (e) the Springing LLC's remaining assets will be distributed to the members as provided for in proportion to their membership interests.

Meetings and Voting. A meeting of the members may be called at any time by the manager. The manager will call for a meeting following receipt of a written request of members holding more than 10% of the membership

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units of the Springing LLC. At a meeting of the members, the presence of members holding more than 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 thereof. Matters may also be brought on for action and implemented by the manager by Majority Vote (as defined in the Trust Agreement).

However, notwithstanding these provisions, as long as the Loan is outstanding the members will be conclusively deemed to have elected to continue the existence of the Springing LLC.

Removal or Withdrawal of Manager and Election of Successor Manager. The manager of the Springing LLC can be removed and its successor chosen by the members holding more than 50% of the membership interests. However, at any time the Loan is outstanding, consent of the Lender will also be required for removal of the manager and appointment of a successor manager.

Fees and Compensation to the Manager and its Affiliates. The manager of the Springing LLC, its affiliates, and affiliates of officers of the manager will be entitled to receive an administrative fee and additional compensation for any additional service performed on behalf of the Springing LLC equal to the then-prevailing market rates for similar services performed in the area where the Property is located. In addition, the Manager will receive a disposition fee from the Trust equal to 3.5% of the gross proceeds of the sale, exchange or other disposition of the Property from which it will pay all sales commissions payable to any third-party broker in connection with the sale, such that the aggregate amount of the Disposition Fee plus the third-party brokerage commission does not exceed 3.5% of the gross sales price of the Property. For the avoidance of doubt, the Disposition Fee shall not be payable in the event the FMV Option is exercised. In addition, the Trust will pay the Manager an amount equal to the amount, if any, of deferred and unpaid Asset Management Fee under the terms of the Property Management Agreement.

Books and Records. The Springing LLC Operating Agreement will require the manager to distribute to each member, promptly following the close of the Springing LLC's fiscal year on December 31, annual information necessary for tax purposes.

Indemnification. 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.

Power of Attorney. The manager of the Springing LLC will not be liable to any member of the Springing LLC or to the Springing LLC 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 Springing LLC, 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 Springing LLC. However, this provision will not relieve the manager from liability attributable to 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.

Restriction of Information Rights. The rights of members of the Springing LLC to information may be restricted similarly to how the rights of Beneficial Owners have been restricted as summarized above.

FMV Option. The Springing LLC Operating Agreement also contains provisions pursuant to which the members grant the Operating Partnership a fair market value option to purchase each member's membership interests in the Springing LLC for OP Units in a transaction intended to qualify as a tax-deferred exchange under Code Section 721. The relevant provisions of the Springing LLC Operating Agreement are substantially similar to the FMV Option provisions contained in the Trust Agreement.

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DESCRIPTION OF THE PROPERTY

The Trust owns the Property, a 264-unit multifamily apartment community located in Stone Mountain, Georgia commonly known as "District at Parkview Apartments" located at 5141 Stone Mountain Highway, Stone Mountain, Georgia 30087.

The Property is located in the Atlanta-Sandy Springs-Marietta Metro ("**Atlanta Metro**"), part of Gwinnett County in Georgia. The Property is located in Stone Mountain, positioned in South Gwinnett County. The Property benefits from its proximity to the Atlanta Metro's major employment clusters, as well as its central location offering convenient access to surrounding areas such as Decatur, Lawrenceville, Stone Mountain, Snellville, and the broader Atlanta metro region within a 30-minute drive, making it a highly desirable residential destination for professionals and families alike. The Property is located in a best-in-state school system, rated A- by niche.com, and home to Parkview High School, the best school for sports in Georgia by Stadium Talk. Additionally, the Property is located near a commercial corridor, putting the Property within one mile of 2.5 million square feet of commercial space, 1.7 million square feet of retail space, 630,000 square feet of industrial space, 118,000 square feet of office space, and 100,000 square feet of restaurant space. The Property is also eight minutes from The Grove at Towne Center, a 145,000 square feet of mixed-use development positioned on 18 acres, including 50,000 square feet of dining and retail space, 44,000 square feet of library and coworking space, and 52,500 square feet of office space which will include medical office. The Property also benefits from a tax assessment freeze for 2026 and 2027. See "DESCRIPTION OF THE PROPERTY – *Agreements Affecting the Property*" for a description of the tax assessment freeze.

Overview

The Property consists of approximately 15.55 acres of land and 264 residential units across eight residential buildings, a clubhouse/leasing office building, and an amenity building totaling 255,117 net rentable square feet. The Property has 442 parking spaces including 20 ADA spaces. Amenities include a community market, a saltwater pool with an expansive sundeck and tanning ledges, a refined club room with catering kitchen and lounge seating, a 24/7 state-of-the-art fitness center, dedicated yoga studio, grill islands, poolside fire pit, expansive bark park and pet wash, outdoor yoga lawn, work share cyber lounge with private offices, 24/7 package lockers with refrigerated storage, and complimentary electric vehicle charging stations.

All units include high ceilings and expansive windows, designer two-tone cabinetry and hardware, granite countertops with tiled backsplash, modern stainless-steel appliance package, resilient wood-style flooring, designer lighting and fixtures, spacious closets, lighted ceiling fans, and private patio or balcony. Select units include a full-size washer and dryer and private yards. The mix of units and average square footage per unit is summarized below:

Type[+]	Unit Count	Percent of Units	Average Square Feet
1 Bedroom / 1 Bathroom	108	40.9%	745
2 Bedroom / 2 Bathroom	132	50.0%	1,074
3 Bedroom / 2 Bathroom	24	9.1%	1,367
Total	**264**	**100.0%**	**966**

*Average square footage is based on the Assessment. As of November 30, 2025, the Property was 91% occupied. (Source: November 30, 2025 rent roll)

Property specific information for the Property is available in the Property Condition Assessment dated October 31, 2025 (the "**Assessment**"), Partner Engineering and Science, Inc. ("**Partner**"). A copy of the Assessment is available upon request. Information concerning the Property is summarized below.

General Property Information

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

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Address	Land Area*	Approximate Net Rentable SF of Building*	Year Built	Parking*	Zoning*
5141 Stone Mountain Highway, Stone Mountain, Georgia 30087	15.55 acres	255,117	2023	442 (422 surface, 20 ADA)	RM-24, Multifamily Residence District

*References in this Memorandum to (i) the acreage of the Property and number of parking spaces are based on the survey, (ii) the leasable square footage is based on the Assessment, and (iii) the zoning classification is based on the Zoning Report (defined below), copies of which are available upon request.

General Building Information

The following table is a summary of certain general information about the Property buildings based on the Assessment.

Construction

Exterior:	The exterior walls of the buildings consisted primarily of brick masonry and fiber cement board siding. Soffits were painted wood.
Foundation:	Based on experience with similar structures in this geographic region, Partner indicated that the foundation system was likely to consist of a conventional concrete spread footing system with continuous footings supporting perimeter walls and isolated pad footings at interior bearing locations with a reinforced-concrete slab.
Roof:	Roof coverings consisted of asphalt-composition shingles over pitched roof construction.
Structural Frame:	Based on the observation of exposed structure, the buildings appeared to be constructed of conventional wood stud platform framing.
Windows and Doors:	Windows appeared to be double-pane, fixed units in the leasing office and amenities building, and double-pane, operable units the apartment units. Window framing appeared to be wood and aluminum. The apartment unit entrances consisted of painted metal doors.

Unit Interiors

Walls / Ceilings:	Walls and ceilings are painted gypsum board.
Flooring:	Flooring consists of vinyl plank, and carpet.
Countertops:	Countertops are granite.
Cabinets:	Cabinetry is composition board.
Window Coverings:	Mini blinds.
Appliances:	Stainless steel appliances.
Washer / Dryer:	Side-by-side washers and dryers were provided in each of the units.
Bathrooms:	Typical bathroom fixtures included a floor-mounted, tank-type commode, a bathtub with integral shower arrangement, and a shower only arrangement.
Other Structures	Parking garages are provided in five free-standing structures located throughout the Property. Garage structures and exterior finishes are consistent with the building design.

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Amenities

Common Areas: A leasing office of approximately 3,600 square feet is located in a separate building at the Property. Construction details and finishes are consistent with those of the apartment buildings.

An amenity building of approximately 4,000 square feet is located in a separate building at the Property. Construction details and finishes are consistent with those of the apartment buildings.

Pools and Spas: The Property has one concrete pool with tile coping.

Other Amenities: A fenced dog park is located in the northeast corner of the Property. Barbeque areas are located at the central courtyard.

Mechanical, Electrical, and Plumbing

Water: Domestic hot water was supplied to the common restrooms and apartment units by individual unit electric water heaters.

Sanitary Waste and Vent: Sanitary waste and vent piping are PVC. The county provides sewage disposal.

HVAC: Heating and cooling were provided by direct expansion HVAC split systems. Each system had a fan coil unit and a condensing unit. Fan coil units were typically located In the unit mechanical closet. Manufactured by Goodman, condensing units were located at grade. Units had a typical input capacity of 2- to 2.5 tons and used R-410A refrigerant. Distribution of the conditioned air was by concealed sheet metal ductwork. Temperature was controlled by local thermostats located throughout the interior space. Accessory areas were heated by wall-mounted unit heaters. Ventilation was provided by bathroom fans.

Water Heater: Observed water heaters were manufactured by Bradford-White and had a typical rated capacity of 37-or 47-gallons.

Electrical: Electrical service was provided via several pad-mounted transformers located in the landscaped areas. Main electrical service at each meter center was rated at 2000-amp, 120/240-volt power. Breaker panels for lighting and power controls were located in each dwelling unit. Observed panels were manufactured by Leviton. Dwelling units were individually metered. Each dwelling unit was provided with 125-amp service. The unit breaker panels are equipped with arc fault/ground fault (AFCI/GFCI) circuitry.

Fire Suppression: The building was equipped with a wet-pipe automatic sprinkler system. Water was supplied via a fire sprinkler line from the municipal main that was reportedly fitted with flow and tamper switches and a backflow prevention device. The backflow prevention device is located in a below grade vault. Fire sprinkler piping appeared to be plastic. Sprinkler heads in the spares' cabinet appeared to be manufactured by Tyco.

Security: Gates secure the main entrance into the property and into the adjacent townhome community. The gates are swing-type and activated by key fob. Combination smoke and carbon monoxide detectors are located in each dwelling unit. Emergency lighting is provided by wall- and ceiling-mounted battery operated fixtures. Emergency means of egress locations are indicated by illuminated exit signs.

Common Area Interior In the leasing office, interior wall and ceiling finishes are painted drywall, and flooring is tile throughout. Central heating and air conditioning are provided. In the exercise facility,

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	interior wall and ceiling finishes are textured drywall, with one mirrored wall and LVP flooring. Central heating and air conditioning are provided.
Utilities	Water, storm and sanitary sewer are provided by Gwinnett County. Electricity is provided by Walton EMC.

Appraisal

In connection with the Loan, the Sponsor obtained the Appraisal, reflecting a market value "As-Is" for the Property, as of October 28, 2025, of $68,100,000. The appraised value of the Property is $1,500,000 higher than the purchase price.

Condition of the Property

The Assessment indicates that the Property is in generally good condition. Partner identified no immediate repairs, but identified long-term replacement and repair needs for the Property totaling $541,819 in inflated dollars ($205 per unit per year), assuming a 10-year holding period and an inflation rate of 2.5%. These long-term replacement and repair needs include the following items:

- **Site:** Asphalt seal coat and restriping ($54,000), and pool / spa filtration / circulation equipment replacement ($4,800). Subtotal: $58,800.
- **Structural Frame and Building Envelopes:** Exterior cleaning, painting and sealing ($198,000). Subtotal: $198,000.
- **Mechanical/Electrical/Plumbing Systems:** Replace hot water heaters ($3,750), replace split-system furnace/fan coil ($2,700), and replace split-system condenser ($2,200). Subtotal: $8,650.
- **Interior Elements:** Replace apartment carpet ($146,250), replace apartment vinyl ($10,000), replace apartment dishwasher ($3,500), replace apartment microwave ($14,750), replace apartment washer and dryer combo ($6,750), replace apartment refrigerator ($4,750), and replace apartment oven/range ($750). Subtotal: $186,750.

A copy of the Assessment is available upon request.

Related Reserves

Following completion of the sale of the Maximum Offering Amount, the Trust would have approximately $2,000,000 in the Trust Controlled Reserves, $250,000 in the Trust Operating Account available for use by the Master Tenant with respect to initial operating costs at the Property, $105,600 in the Replacement Reserve Account (totaling $2,355,600) available for improvements to and maintenance of the Property, which is higher than the $541,819 estimated capital repair items in the Assessment.

Environmental Site Assessment

A current Phase I Environmental Site Assessment of the Property (the "**Phase I**") has been obtained for the Property, which was prepared by Partner. The Phase I is dated as of October 31, 2025. A copy of the Phase I is available upon request. The Phase I was prepared in accordance with ASTM Practice E1527-21 Standard Practice for Environmental Site Assessments, which the USEPA and many states have recognized as adequate to demonstrate compliance with "All Appropriate Inquiry" for purposes of establishing landowner liability defenses under CERCLA.

The purpose of the Phase I is to assess the existing environmental conditions at and around the Property and render an opinion as to the existence of RECs, Controlled RECs, Historical RECs, *de minimis* conditions, and/or BERs in connection with the Property.

The Phase I for the Property did not identify any evidence of RECs, Controlled RECs, Historical RECs, BERs, or *de minimis* conditions. The Phase I did not recommend any additional action or investigation. A copy of the Phase I is available upon request.

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Zoning

The Trust obtained a zoning report dated November 19, 2025 (the "**Zoning Report**"), prepared by The Planning and Zoning Resource Company ("**PZR**"). The Property is zoned "RM-24" Multifamily Residence District and is legal conforming in use.

There are no zoning or building code violations on file with the Gwinnett County Planning and Development Department or fire code violations on file with the Gwinnett County Department of Fire.

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

Flood Zone	Seismic Zone	Wind Zone	Special Wind Region / Hurricane Susceptible Region
ZONE X (UNSHADED) (minimal risk area outside of the 0.2 percent and 1 percent annual chance flood plains)	ZONE 1 (area of low probability of damaging ground motion)	ZONE III (winds up to 200 mph)	No

Agreements Affecting the Property

The Property is subject to various restrictions, including easements, declarations, encroachments, and other agreements of record with neighboring landowners, and local governmental entities. Such various restrictions may restrict certain land and/or property uses, impose certain fees or obligations, and otherwise impact the operation and performance of the Property. In the Sponsor's judgement, none of these restrictions are material and are not currently expected to adversely impact the operations or future sale or other transfer of the Property.

Reciprocal Easement. The Property is subject to a Reciprocal Easement Agreement, dated as of March 31, 2022, recorded in Deed Book 59884, Page 824, between the Property Owner and the owner of the parcel that is adjacent to the Property to the northwest (the "**REA**"). The REA creates a roadway easement benefitting the Property, which easement provides the only access point for the Property to a public roadway, Glenn Club Drive. While the extinguishment of such easement or the termination of the REA would have an adverse impact on the Property, the Sponsor has obtained title insurance with respect to such easement, and there is not a material risk that of extinguishment of the REA or termination of the easement such that the Property could lose access to the public roadway.

Tax Assessment Freeze for 2026-2027. Property Tax Consultants, LLC was engaged by the Seller to file an ad valorem tax appeal for the Property in 2025. As a result of this appeal, the assessed value was successfully reduced from $63,497,400 to $40,000,000. The Property was completed on January 1, 2025, and under applicable guidelines, the final valuation established through the 2025 appeal will remain in effect when valuing the Property for 2026 and 2027, unless otherwise modified by mutual written agreement of the parties.

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SUMMARY OF THE MASTER LEASE

The Trust has entered into the Master Lease for the Property with the Master Tenant, BHM Parkview Leaseco, LLC, a newly-formed Delaware limited liability company, an affiliate of Sponsor and a wholly owned indirect subsidiary of the Operating Partnership. A copy of which is attached to this Memorandum as Exhibit C. The Master Lease is, with certain exceptions regarding Trust costs, an "absolute net" lease allocating to the Master Tenant all expenses and debt service associated with the operation of the Property. The Master Tenant will operate the Property and will be entitled to retain any positive difference between the Property's operating cash flow and the Master Lease payments, which include but are not limited to the payments due on behalf of the Trust under the Loan Documents. Likewise, the Master Tenant will bear the risk of any cash shortfalls between the net operating cash flow, after certain mandatory payments, and the payments required under the Master Lease, provided the Master Tenant may defer a portion of the monthly Additional Rent and annual Supplemental Rent as further described below.

Below is a description of significant, but select and limited, economic terms of the Master Lease. The fundamental information listed below is not exhaustive of all important terms of the Master Lease, such as, for example, the Trust's and Investors' liabilities associated with indemnification provisions and termination. The Master Lease is attached as Exhibit C to this Memorandum. Each prospective Investor should carefully review the Master Lease in its entirety before investing.

Term

The initial term of the Master Lease will be ten (10) years and 93 days (the "**Original Term**"), expiring on March 21, 2036 provided that the Original Term will be extended for so long as any obligation remains outstanding under the Loan Documents until all such obligations have been fully performed and satisfied. In addition, the Master Lease will automatically renew for up to three successive renewal terms of five years each (each a "**Renewal Term**," together with the Original Term, the "**Term**"), provided that the Master Tenant may elect not to renew by providing the Trust sixty (60) days' prior written notice prior to the expiration of the Original Term or Renewal Term, as applicable. During the Term, the Master Tenant is obligated to pay the Rent and bear all costs of operating, maintaining, repairing, and leasing the Property. The Master Lease may be terminated prior to the end of a Term in circumstances that include the following: (a) by the Trust in the event of an uncured default by the Master Tenant; (b) by the Trust or the Master Tenant in the event the Trust ceases to be a Delaware statutory trust, subject to the consent of the Lender; and (c) upon a sale of the Property, in which case the Master Lease terminates automatically.

The Master Lease commenced substantially contemporaneously with the acquisition of the Property and will continue for a base term expiring three months and one day after the maturity date of the Loan, unless sooner terminated pursuant to the terms of the Master Lease.

Rent

The following Rent is due under the Master Lease on a monthly basis: (1) Base Rent; (2) Additional Rent in an amount equal to the amount by which the gross revenues exceed the Additional Rent Breakpoint (as defined in the Master Lease and set forth in the table below) up to a maximum annual ceiling; and (3) when Base Rent and Additional Rent have been fully paid, an amount equal to 90% of the amount by which annual gross revenues exceed the Supplemental Rent Breakpoint (as defined in the Master Lease and set forth in the table below). The difference between the Base Rent and the Additional Rent Breakpoint for the Property for a given month, if any, after taking into account any expenses of the Property, will inure to the benefit of the Master Tenant and will not be available for distributions to the Trust or the Investors. Not depicted in the following table is Rent for the final three months of the Term, which will be at the same rate as Rent in Year 10.

Additionally, the Master Lease contemplates certain Projected Uncontrollable Costs. In the event that (a) the Projected Uncontrollable Costs for any calendar year exceed the actual uncontrollable costs, Master Tenant is required to pay the Trust the amount of such excess; and (b) if the actual uncontrollable costs for any calendar year exceed the Projected Uncontrollable Costs, Master Tenant is responsible for the payment of such excess, but is entitled to a reimbursement by offsetting such amount against monthly Additional Rent and (if necessary) annual Supplemental Rent. Projected Supplemental Rent represents the Trust's estimate as of the date hereof, but is not a contractual obligation.

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The monthly Base Rent and breakpoints and ceilings for the calculation of monthly Additional Rent and annual Supplemental Rent are specified in Exhibit C to the Master Lease, replicated below:

Lease Year*	Base Rent	Additional Rent Breakpoint	Additional Rent Maximum	Supplemental Rent Breakpoint
Lease Year 1 (long year)	$2,028,564	$4,344,000	$1,698,000	$6,042,000
Lease Year 2	$2,028,564	$4,440,000	$1,831,200	$6,271,000
Lease Year 3	$2,034,121	$4,810,000	$1,698,000	$6,508,000
Lease Year 4	$2,028,564	$4,870,000	$1,831,200	$6,701,000
Lease Year 5	$2,028,564	$4,960,000	$1,831,200	$6,791,000
Lease Year 6	$2,028,564	$5,050,000	$1,831,200	$6,881,000
Lease Year 7	$2,034,121	$5,140,000	$1,831,200	$6,971,000
Lease Year 8	$2,028,564	$5,220,000	$1,831,200	$7,051,000
Lease Year 9	$2,028,564	$5,310,000	$1,831,200	$7,141,000
Lease Year 10+	$2,028,564	$5,340,000	$1,831,200	$7,171,000

*The first lease year begins on December 18, 2025 and ends on December 31, 2026. The last lease year begins on January 1, 2035 and ends on March 21, 2036.
+There is no obligation for the Master Tenant to pay rent between January 1, 2036 and March 21, 2036.

If the Property's operating cash flow for a period is insufficient to pay all of the associated expenses of the Property (not including the Property Management Fee) and the full monthly Base Rent, then in such event, the Master Tenant may defer the payment of a portion of the monthly Additional Rent and annual Supplemental Rent due under the Master Lease until cash flow becomes available to pay such shortfall amounts or upon disposition of the Property. In addition, if Property revenue does not support the full projected amount of Additional Rent and/or Supplemental Rent, the Master Tenant may nevertheless pay an amount up to the full projected amount of Additional Rent and Supplemental Rent, and may recover any excess amounts of such payments from the Trust Controlled Reserves when the Master Tenant's obligations with respect to Additional Rent and Supplemental Rent are determined after the close of each Lease Year. Additionally, the Property Manager may elect to be paid less than the full amount of the Property Management Fee to which it may be entitled under the Property Management Agreement, in which event the Property Manager may also elect to accrue such amounts, without interest, to be paid at a later point in time. Any deferred and accrued Property Management Fees is due and payable in full upon a disposition of the Property from the disposition proceeds.

Impositions

Under the Master Lease, the Master Tenant is required to pay for all taxes, assessments, water and sewer rents, rates and charges, charges for public utilities, excises, levies, license and permit fees and other similar charges associated with the Property and all amounts in excess of reserves for taxes and insurance (collectively, the "**Impositions**").

Capitalization of Master Tenant

The Master Tenant is a newly formed Delaware limited liability company wholly owned by the Sponsor. The Master Tenant Capitalization consists of $585,000; of this amount, $75,000 will be funded through the Master Tenant Reserve Account and $510,000 will be funded through the Demand Note from the Operating Partnership. The Master Tenant Capitalization will be available for use by the Master Tenant in its discretion to satisfy its obligations under the Master Lease. The Master Tenant will have no obligation to replenish any portion of the Master Tenant Capitalization once it has been used. Any amounts remaining in the Master Tenant Reserve Account upon the sale of the Property will be retained by the Master Tenant.

Reserve Accounts

The Lender has required the Trust to establish the Lender-Mandated Reserve Accounts from the proceeds of the Loan. At the closing of the Loan, the Trust deposited $105,600 into the Replacement Reserve Account as

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replacement reserves for the Property and 204,871 into the Tax and Insurance Reserve Account as tax and insurance premium reserves for the Property. The Lender requires certain ongoing monthly deposits into the Lender-Mandated Reserve Accounts, which amounts are funded by the Master Tenant as part of its obligation to pay Rent to the Trust.

Also, the Trust will establish the Trust Controlled Reserves to make funds available for Property and Offering related costs, including amenity upgrades, renovations, and other costs and expenses (including Trust costs), which may be drawn upon by the Master Tenant as provided in the Master Lease. In addition, the Trust will fund $250,000 into a Trust Operating Account for use by the Master Tenant with respect to initial operating costs at the Property.

Any amounts remaining in the Lender-Mandated Reserve Accounts and Trust Controlled Reserves upon the sale of the Property will be distributed to the Investors (and any other holders of Interests) based on their respective pro rata Interests.

Maintenance and Repair; Alterations

The Trust is responsible for all "**Capital Expenses**," which shall mean any and all costs and expenses incurred in connection with major repairs, replacements, and improvements relating to the structural elements of the Property which are not Operating Costs (as defined below) and thus would be capitalized under generally accepted accounting principles, including, but not limited to (i) replacement of roofs, chimneys, gutters, downspouts, paving, curbs, ramps, driveways, parking lots, balconies, patios, windows, foundations, exterior walls and all load bearing walls, exterior doors and doorways, windows, elevators, fences, gates and HVAC systems and components thereof, and all furniture, fixtures and equipment, and (ii) exterior painting or other façade maintenance. In addition, "Capital Expenses" shall include any obligations of the Trust under the Loan Agreement with respect to environmental matters and capital repairs made at the Property. The Trust is not otherwise required to furnish any services or facilities or make any repairs, replacements or alterations in or to the Property.

The Master Tenant is responsible for (A) all costs and expenses (and taxes, if any, thereon) paid or incurred in respect of the operation, maintenance, management and security of the Property which, in accordance with generally accepted accounting principles are properly chargeable to the operation, maintenance, management and security of the Property, including the "**Cost of Utilities**" (which means the cost of electricity, gas, oil, steam, water, air conditioning, cable, internet and other fuel and utilities used or consumed in connection with the Property), property management fees, reasonable attorneys' fees and disbursements and auditing, management and other professional fees and expenses (hereinafter collectively referred to as "**Operating Costs**"), and (B) before any fine, penalty or cost may be added thereto for the non-payment of the same, all Impositions.

The Master Tenant may make alterations to (but not additions to, removals of, and substitutions for) the buildings or any portion thereof situated on the Property, provided that (a) no such alterations shall be undertaken without the Trust's prior written consent; (b) the fair market value of the Property shall not be lessened by reason thereof; (c) all such alterations shall be completed in compliance with any and all valid laws, rules, regulations, ordinances, orders, codes, judgments, decrees, injunctions, permits or similar norms or decisions of any Governmental Authority having jurisdiction over the Property or the use, manner of use or occupancy thereof (collectively, "**Law**"); (d) any such additions shall become the property of the Trust when completed. The Master Tenant shall discharge any and all liens filed against the Property arising out of any alteration thereof and, upon the written request of the Trust, shall deliver to the Trust a surety bond or other security satisfactory to the Trust to assure the completion thereof and (e) no such alterations shall be made without Lender's prior written consent to the extent such consent is required under the Loan Agreement.

The Master Tenant shall not construct or place upon the Property any additional buildings, structures, facilities or other improvements without the prior written consent of the Trust. The Trust does not have the right, power or ability to make more than minor non-structural modifications to the Property (in accordance with Revenue Ruling 2004-86).

The Master Tenant has the right to purchase personal property to be used for the benefit of the Property. Upon the expiration of the Term, all such personal property shall belong to the Trust.

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Damage or Destruction; Condemnation

In the event of a casualty or condemnation, the Trust (or the Master Tenant on the Trust's behalf) will, to the extent permitted by law and the Loan Documents, restore the Property using the insurance proceeds or award, as applicable. If either the insurance proceeds or award, as applicable, exceeds the cost to restore the Property, then the excess will be treated as Rent and paid to the Trust. In the event (1) all or a material portion of the Property is damaged or destroyed by fire or other casualty, or (2) there is a permanent Taking (as defined in the Master Lease) of all of the Property or less than all of the Property, but it is impractical to rebuild the Property or continue to operate the Property as a multifamily apartment complex, then the Master Lease automatically shall terminate and neither party shall have any further obligations thereunder.

Termination Rights

Other than the termination rights discussed above in connection with a casualty or a taking, the Master Lease will terminate in the event that all or substantially all of the Property is sold or transferred by the Trust in one transaction, including pursuant to the exercise of the FMV Option. Such termination will occur immediately after the sale or other transfer. The Master Lease will survive, however, in the event of a Transfer Distribution.

Assignment and Subletting

The Master Tenant may not sell, assign, transfer, mortgage, pledge or otherwise dispose of the Master Lease or any interest of the Master Tenant in the Master Lease, except with the prior written consent of the Trust and the Lender. The Master Tenant may sublet all or any portion of the Property without the necessity of obtaining the prior consent of the Trust; provided, however, that no such sublease will be valid unless it complies with the provisions set forth in the Master Lease. An assignment or sublease will not release the Master Tenant from its obligations under the Master Lease. Notwithstanding the foregoing, the Master Lease allows and permits the Master Tenant to enter into sublease arrangements with end-user tenants at the Property.

Subordination Agreement

Pursuant to the Loan Documents, the Lender required the Trust and the Master Tenant to enter into the Subordination, Assignment and Security Agreement (the "**Subordination Agreement**"), pursuant to which the Trust and the Master Tenant subordinated their rights in and to the Master Lease to the Mortgage and provided for collateral assignment to the Lender of all of the underlying leases, rents and occupancy rights. In addition, a default under the Master Lease will constitute a default under the Loan Documents.

Default/Remedies

The Master Tenant will default under its Master Lease, subject to certain applicable cure rights, in the event of: (i) the Master Tenant's failure to pay any installment of Rent, or any component thereof, or any Operating Costs or impositions as and when the same shall become due and payable, or any other amounts payable under the Master Lease as and when the same shall become due and payable; (ii) the Master Tenant's failure to comply with or observe any other term or condition of its Master Lease or any breach of a material representation or warranty made by the Master Tenant; (iii) the filing of a voluntary petition in bankruptcy by the Master Tenant, the adjudication of its bankruptcy or insolvency, the filing by the Master Tenant of a petition in bankruptcy or its acquiescence to the appointment of a trustee or a receiver for it; (iv) the assignment, pledge, or encumbrance of any of the rentals or other sums payable under the Residential Leases, other than to the Lender as requested by the Trust; (v) Master Tenant's interest in the Master Lease is mortgaged, encumbered, or pledged without the consent of the Trust; (vi) Master Tenant making a materially false or misleading representation, warranty, or statement in connection with the Master Lease; (vii) it becomes unlawful for the Master Tenant to perform any material obligation under the Master Lease; (viii) the institution of a proceeding, or entrance of a final court order, for the Master Tenant's dissolution; (ix) Master Tenant fails to deliver position of the Property at the end of the Term; or (x) an act or omission of the Master Tenant causes a breach of the Loan Documents.

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If the Master Tenant defaults under its Master Lease, past all applicable cure periods, the Trust may (i) terminate the Master Lease (with 10 days' notice); (ii) with 10 days' notice, but without terminating the Master Lease, terminate the Master Tenant's right to occupy the Property and re-enter and take possession of the Property; (iii) enter the Property and take any action required of the Master Tenant under the Master Lease, for which the Master Tenant is required to reimburse the Trust for its costs and expenses; (iv) upon termination of the Master Lease, if the Master Tenant has not vacated, treat the Master Tenant as a holdover, month-to-month tenant for which the Master Tenant is required to pay 150% Rent; and (v) exercise all other remedies available at law or in equity.

Indemnification

The Master Tenant will indemnify the Trust, and its officers, directors, trustees, employees, and beneficial interest holders, including the Investors from claims, damages, losses and expenses, including reasonable attorneys' fees, incurred or asserted against the Trust by reason of the Master Tenant's gross negligence, willful misconduct, fraud, or breach of the Master Lease. Notwithstanding anything to the contrary in the Master Lease, there shall be absolutely no personal liability on the part of the Trust or the Lender, its beneficiaries, trustees, members, partners, officers, directors, agents, employees, and/or disclosed or undisclosed principals with respect to any of the terms, covenants and conditions of the Master Lease, and the Master Tenant shall look solely to the equity of the Trust in the Property for the satisfaction of each and every remedy of the Master Tenant in the event of any breach by the Trust of any of the terms, covenants and conditions of the Master Lease, such exculpation of personal liability to be absolute and without any exception whatsoever.

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THE FMV OPTION AND THE OP UNITS

DESCRIPTION OF THE FMV OPTION

Under the FMV Option, the Operating Partnership will retain the right, but not the obligation, in its sole discretion to acquire any or all of the Interests in a given Trust from us, or after conveyance by us to the Beneficial Owners, from each Beneficial Owner. If the FMV Option is exercised, Contributing Investors will receive an amount of OP Units with an aggregate value (as determined by the Operating Partnership in good faith) equal to the Exchange Consideration. Alternatively, a Beneficial Owner may elect to become a Cash Investor and have the Operating Partnership acquire the Beneficial Owner's interests in the Trust for cash rather than exchange such interests for OP Units following the exercise of the Operating Partnership of its FMV Option, less the amount of the Cash Redemption Fee. If a Cash Investor elects to exercise its rights to have the Operating Partnership acquire its interests in the Trust for cash under the Trust Agreement with respect to a Notice of Exchange (as such term is defined in the Trust Agreement), it shall so notify the Operating Partnership in writing within 20 business days after the date on which the Manager mails the Notice of Exchange to the Beneficial Owner. If any Beneficial Owner does not provide such notice to the Manager within 20 business days after the mailing date of the Notice of Exchange, such Beneficial Owner will be deemed to have agreed to have the Operating Partnership acquire the Beneficial Owner's interest in the Trust in exchange for OP Units and will become a Contributing Investor. The Cash Amount a Cash Investor will receive in exchange for its Interest shall equal to the Exchange FMV of the Cash Investor's Interest as of the date the FMV Option is exercised, reduced the Cash Redemption Fee. Beneficial Owners who elect to receive the Cash Amount of their Interests will be free to (a) structure a Section 1031 Exchange (to the extent permitted by applicable law at the time and provided that they comply with all Section 1031 Exchange requirements), or (b) cash out on a taxable basis. Because there is a possibility that the FMV Option will not be exercised, you should assume when you acquire an Interest that you will not ultimately receive OP Units or cash pursuant to the FMV Option. The Operating Partnership cannot exercise its FMV Option until the Beneficial Owners have held their Interests for at least two years. The Exchange FMV of a Beneficial Owner's Interests will be determined by multiplying: (i) a Beneficial Owner's percentage of Interests in the Trust by (ii) the FMV Option Appraised Value of the Property, as determined by an independent appraisal firm selected by the Manager in its sole discretion, less any liabilities of the Property. The appraisal will be determined without any discounts but taking into account that the Property is subject to the Master Lease. In the event the appraisal performed for the purpose of determining the FMV Option Appraised Value of the Property results in a value that is less than the total combined purchase price paid for the Beneficial Interests by the Beneficial Owners, the Manager will select a second independent appraisal firm in its sole discretion to conduct a second appraisal. If the second appraisal is required, the FMV Option Appraised Value of the Property shall be equal to the higher of the two appraisals; however, if one appraisal is at least 20% greater than the other (the 20% to be based on the lower appraisal), then the Manager will select a third independent appraisal firm in its sole discretion to conduct a third appraisal. If the third appraisal is required, the FMV Option Appraised Value of the Property shall be the average of the two highest appraisals obtained in the process of determining the FMV Option Appraised Value of the Property. Should the Operating Partnership exercise the FMV Option, any Beneficial Owner who accepts OP Units will be considered a Contributing Investor and will no longer have a direct interest in the Trust. Once a Beneficial Owner becomes an OP Unitholder, such OP Unitholder will be subject to the terms of the OP Partnership Agreement.

An OP Unitholder will have the right to exchange its OP Units for shares of the corresponding class of Common Stock in BHM on a one-for-one basis, provided however, that such exchange will be governed by the terms of any applicable organizational documents for BHM at the time of such exchange. In addition, if and after the FMV Option is exercised, a Beneficial Owner will not be able to engage in any subsequent, individual Section 1031 Exchanges. Furthermore, a Beneficial Owner's ability to sell its OP Units or shares in BHM received in exchange for OP Units, may be impacted due to the general volatility of the capital markets, the risks associated with the market for BHM shares, and the limited market for OP Units. See "SUMMARY OF THE TRUST AGREEMENT."

Operating and Financial Information

For portfolio information, operating and financial information, including financial statements of BHM, please refer to BHM's public website at bluerockhomes.com.

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Historical Share Price, Operating and Financial Information

Please see the BHM's public website at bluerockhomes.com for portfolio information and certain historical share prices, operating and financial information, including the last three years' financial statements, of BHM.

SUMMARY OF THE OPERATING PARTNERSHIP

The Operating Partnership is the entity through which BHM conducts substantially all of its business and owns (either directly or indirectly through subsidiaries, partnerships or joint ventures) substantially all of its assets.

BHM is the sole general partner of the Operating Partnership and has the exclusive power to manage and conduct the business of the Operating Partnership. BHM holds substantially all of its assets in the Operating Partnership or in subsidiary entities in which the Operating Partnership owns an interest, and intends to make future acquisitions of real properties either directly for cash or in exchange for units of the Operating Partnership using the UPREIT structure. Certain fees and expense reimbursements are payable by the Operating Partnership and BHM to its external manager and its affiliates.

Description of OP Units

The Operating Partnership has a class of OP Units that corresponds to each class of common and preferred stock of BHM. Each OP Unit is intended to be the substantial economic equivalent of one share of the corresponding class of Common Stock and is redeemable for Common Stock or cash, at BHM's election. However, OP Units are a different investment from Common Stock in many respects, including tax treatment, voting rights, and redemption rights.

While the OP Units are intended to be the substantial economic equivalent of one share of the Common Stock, should a Beneficial Owner require that the Operating Partnership redeem such Beneficial Owner's OP Units (as discussed herein) and the Operating Partnership elects to redeem such OP Units for Common Stock, the Beneficial Owner will receive the Common Stock.

The rights and obligations of OP Unitholders are set forth in the OP Partnership Agreement. The following is a summary of certain provisions of the OP Partnership Agreement. This summary is not complete and is qualified in its entirety by reference to the OP Partnership Agreement. Because the following is only a summary, it does not contain all the information that you may find useful.

Capital Contributions

OP Unitholders have no right or obligation to make any additional capital contributions or loans to the Operating Partnership. BHM, as general partner of the Operating Partnership, may contribute additional capital to the Operating Partnership and receive additional partnership units and, under the OP Partnership Agreement, BHM is obligated to contribute the net proceeds of offerings of its shares as additional capital to the Operating Partnership. If BHM contributes additional capital to the Operating Partnership, it will receive additional partnership units, and its percentage interest will be increased on a proportionate basis based upon the amount of such additional capital contributions and the value of the Operating Partnership at the time of such contributions. Conversely, the percentage interests of the other limited partners will be decreased on a proportionate basis in the event of additional capital contributions by BHM. In addition, if BHM contributes additional capital to the Operating Partnership, the BHM will revalue the property of the Operating Partnership to its fair market value (as determined by BHM, as general partner) and the capital accounts of the partners will be adjusted to reflect the manner in which the unrealized gain or loss inherent in such property (that has not been reflected in the capital accounts previously) would be allocated among the partners under the terms of the OP Partnership Agreement if there were a taxable disposition of such property for its fair market value (as determined by BHM, as general partner) on the date of the revaluation. BHM may also cause the Operating Partnership to issue additional partnership units for such consideration and on such terms and conditions as it sees fit and without the approval of OP Unitholders. These additional partnership units may have preferences, powers and rights senior to OP Units.

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Operations

The OP Partnership Agreement requires that the Operating Partnership be operated in a manner (i) as to permit BHM at all times to qualify as REIT, unless it otherwise ceases to qualify as a REIT or its board of directors determines that it should no longer qualify as a REIT and (ii) avoid any federal income or excise tax liability imposed by the Code (other than any federal income tax liability associated with our retained capital gains). BHM is also empowered to do any and all acts necessary to ensure that the Operating Partnership will not be classified as a "publicly traded partnership" for purposes of Code Section 7704, which classification could result in the Operating Partnership being taxed as a corporation, rather than as a partnership.

In addition to the administrative and operating costs and expenses incurred by the Operating Partnership in acquiring and operating real properties, the Operating Partnership will pay all administrative costs and expenses of BHM and such expenses will be treated as expenses of the Operating Partnership. These costs and expenses include:

- all expenses relating to the formation and continuity of existence of BHM;
- all expenses relating to the public offering and registration of securities by BHM;
- all expenses associated with the preparation and filing of any periodic reports by BHM under federal, state or local laws or regulations;
- all expenses associated with compliance by BHM with applicable laws, rules and regulations; and
- all other operating or administrative costs of BHM incurred in the ordinary course of its business on behalf of the Operating Partnership.

Distributions

General. The Operating Partnership generally will distribute cash flow from operations and net sales proceeds from the disposition of real property and other assets to the partners of the Operating Partnership in accordance with their relative percentage interests, except that distributions to each class of ownership unit will be adjusted to reflect the class-specific expenses allocations to the corresponding class of Common Stock. Subject to the qualifications below, such distributions will be made quarterly (or, at the election of BHM, more frequently) in amounts determined by BHM in its sole and absolute discretion. Specifically with respect to investors who acquire OP Units, distributions with respect to such OP Units are expected to be made with the same frequency as those paid with respect to the Common Stock and in amounts per OP Unit that substantially match the amounts per share of Common Stock, so that a holder of one OP Unit will receive substantially the same amount of annual cash flow distributions as the amount of annual distributions paid to the holder of one share of the Common Stock (before taking into account certain tax withholdings certain states may require with respect to OP Units). The distributions paid to stockholders of BHM will be determined by the Board and will typically depend on the amount of distributable funds, current and projected cash requirements, tax considerations and other factors. Distributions are not guaranteed; the timing and amounts of these distributions, if any, may change, as determined by the Board.

Allocations. Profits and losses of the Operating Partnership (including depreciation and amortization deductions) for each fiscal year will generally be allocated to the partners of the Operating Partnership in accordance with their percentage interests in the partnership. All of the foregoing allocations are subject to compliance with the provisions of Sections 704(b) and 704(c) of the Code and Treasury regulations promulgated thereunder. To the extent Treasury regulations promulgated pursuant to Section 704(c) of the Code permit, BHM, as general partner, will have the authority to elect the method to be used by the Operating Partnership for allocating items with respect to contributed property acquired for OP Units for which fair market value differs from the adjusted tax basis at the time of contribution. Any such election shall be binding on all partners. See "FEDERAL INCOME TAX CONSEQUENCES—*Tax Consequences Relevant to OP Units—The Operating Partnership—Tax consequences relating to contributed assets."*

Liquidation. Upon liquidation of the Operating Partnership, after payment of debts and obligations, any remaining assets of the Operating Partnership will be distributed to the partners in the amount of the value for each unit held, calculated in accordance with BHM's valuation policies. If the Operating Partnership's remaining assets

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are not sufficient to pay the full value of each unit, then the holders of each class of unit will be distributed an amount equal to the product of (i) the remaining assets of the Operating Partnership and (ii) the ratio of (A) the value per unit of the applicable class of the OP Units to (B) the aggregate value of all classes of OP Units. If there are remaining assets available for distribution after each class has received its value (which is not likely because value would be adjusted upward prior to the liquidating distribution), then holders of the Operating Partnership's different classes of units will be treated the same, with each such holder receiving the same per unit distribution of any such excess.

Rights and Obligations of OP Unitholders

No right to participate in management. OP Unitholders do not have the right to participate in the management or control of the business of the Operating Partnership.

Limited liability. OP Unitholders are not liable for any debts, liabilities, contracts or obligations of the Operating Partnership in excess of their capital contribution to the Operating Partnership.

Redemption rights. Pursuant to the OP Partnership Agreement, limited partners (other than any subsidiary of BHM) will receive redemption rights, which will enable them to cause the Operating Partnership to redeem their OP Units in exchange for cash or, at the option of the BHM, as general partner, shares of Common Stock on a one-for-one basis, commencing one year from the date of issuance of such OP Units. Each limited partner must submit for redemption at least 1,000 OP Units or, if such limited partner holds less than 1,000 OP Units, all the OP Units owned by such limited partner. The number of shares of Common Stock issuable upon redemption of OP Units held by limited partners may be adjusted upon the occurrence of certain events such as share dividends, share subdivisions or combinations. We expect to fund any cash redemptions out of available cash or borrowings. Notwithstanding the foregoing, a limited partner will not be entitled to exercise its redemption rights if the delivery of common stock to the redeeming limited partner would:

- result in any person owning, directly or indirectly, shares of BHM Common Stock in excess of the stock ownership limit in its charter;
- result in BHM's shares being beneficially owned by fewer than 100 persons (determined without reference to any rules of attribution);
- result in BHM being "closely held" within the meaning of Code Section 856(h);
- cause BHM to own, actually or constructively, 10% or more of the ownership interests in a tenant (other than a TRS) its, the Operating Partnership's or a subsidiary partnership's real property, within the meaning of Code Section 856(d)(2)(B);
- cause BHM to fail to qualify as a REIT under the Code; or
- cause the acquisition of Common Stock by such redeeming limited partner to be "integrated" with any other distribution of Common Stock or OP Units for purposes of complying with the registration provisions of the Securities Act.

BHM, as general partner, may, in its sole and absolute discretion, waive any of these restrictions.

Transfer Limitations

There are certain limitations in connection with the transferability of OP Units as described below.

OP Units may not be transferred, in whole or in part, without the written consent of BHM, as general partner of the Operating Partnership, which consent may be granted or withheld in BHM's sole and absolute discretion. OP Units are also subject to other terms and restrictions contained in the OP Partnership Agreement among the Sponsor and certain limited partners of the Sponsor.

The OP Units have not been registered under the Securities Act or the securities laws of any state or other jurisdiction. In addition to the limitations set forth in the preceding paragraph, neither OP Units nor any interest or

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participation therein may be reoffered, sold, assigned, transferred, pledged, encumbered or otherwise disposed of ("**Transfer"**) in the absence of such registration or unless such transaction is exempt from, or not subject to, such registration.

No Transfer by any OP Unitholder, in whole or in part, may occur if (i) in the opinion of the Operating Partnership's legal counsel, the Transfer would result in the Operating Partnership being treated as an association taxable as a corporation (other than a qualified REIT subsidiary within the meaning of Code Section 856(i)), (ii) in the opinion of the Operating Partnership's legal counsel, the Transfer would adversely affect the ability of BHM, as general partner, to continue to qualify as a REIT or subject BHM to any additional taxes under Code Sections 857 or 4981, (iii) BHM, as general partner, determines, in its sole discretion, that such transfer, along or in connection with any other Transfers could cause the OP Units to be treated as readily on an "established securities market" or a "secondary market (or the substantial equivalent thereof)" within the meaning of Code Section 7704, or (iv) in the opinion of the Operating Partnership's legal counsel, such Transfer is reasonably likely to cause the Operating Partnership to fail to satisfy the 90% qualifying income test described in Code Section 7704(c).

An OP Unitholder, by its acceptance of OP Units, will be required to agree, for the benefit of the Sponsor, that in addition to the foregoing limitations, OP Units may be offered, resold, pledged or otherwise transferred, only (i) to the Sponsor, (ii) pursuant to a registration statement that has been declared effective under the Securities Act, (iii) to an "accredited investor" that is purchasing for its own account, (iv) outside the U.S. in a transaction complying with the provisions of rule 904 under the Securities Act, or (v) under any other available exemption from the registration requirements of the Securities Act, and in each case in accordance with any applicable securities laws of any state of the United States or any other applicable jurisdiction. Each OP Unitholder will notify any purchaser of OP Units from it of the resale restrictions referenced above.

The above restrictions on resale of OP Units (other than the need to obtain written consent from BHM for any transfer, which will apply in all cases) will apply from the date on which such OP Units are issued to the Beneficial Owners as a result of the FMV Option (the "**FMV Option Closing Date**") until the date that is three (3) years after the later of the FMV Option Closing Date and the last date that we or any of our affiliates were the owner of such OP Units or any predecessor of such OP Units and will not apply after such period ends.

We reserve the right to require you to deliver to us an opinion of counsel, certifications and other information reasonably satisfactory to us in connection with any offer, sale or other transfer of OP Units. We reserve the right to be reimbursed by the Beneficial Owner for any reasonable expenses associated with a transfer of OP Units.

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REGIONAL, LOCAL AREA AND MARKET ANALYSIS

The following is a brief summary of the real estate market in which the Property is located. Unless otherwise indicated, the information in this section is based on information contained in the Appraisal and other third-party reports or sources. **Neither the Trust nor the Sponsor have independently verified the information obtained from these sources and they cannot assure you of the accuracy or completeness of the data.** You are encouraged to request from the Trust a copy of the Appraisal and the market reports referred to below, and to review them in their entirety, prior to investing in the Interests. Forecasts and other forward-looking information in the Appraisal and other sources are subject to the same qualifications and the additional uncertainties regarding other forward-looking statements in this Memorandum.

REGIONAL OVERVIEW

The Property is located in Stone Mountain, Georgia, which is part of the Atlanta Metro. The Property is located along Stone Mountain Highway, a major thoroughfare that connects the area to Atlanta. The Property provides dynamic access to Atlanta Metro's employment nodes, while also offering a premier suburban location driven by surging population and employment growth. The Property is located in Gwinnett County, the leading county in the Atlanta Metro for population and employment growth. The Property is also located nearby substantial outdoor recreation areas including the Stone Mountain Park, which includes Stone Mountain Lake, five miles of walking, biking, and hiking trails, and two 18-hole golf courses. The Property is located in the booming Interstate 85 Corridor, home to Fortune 500 companies AGCO Corporation and Asbury Automotive, as well as 60 international companies, such as Mitsubishi Electric, Ricoh Electronics, and WIKA Instruments. The Property's local area is provided with significant connectivity through a robust interstate system. Interstate 20 is a primary east-west route for the southern United States providing connectivity from Columbia, South Carolina to Birmingham Alabama. Interstate 75 is a major north-south route connecting Miami, Florida to Canada. Interstate 85 is a major interstate for southeast United States, spanning all the way from Richmond, Virginia to Montgomery, Alabama, while also intersecting with major metros such as Charlotte, North Carolina.

Atlanta Metro Highlights

- 8th largest population metro in the United States and home to the world's busiest airport. (Source: U.S. Census Bureau)
- Headquarters of 34 Fortune 1000 companies and 18 Fortune 500 companies, making it the third largest concentration of Fortune 500 headquarters. (Source: Appraisal)
- #1 best places to live in the United States. (Money.com 2022)
- Located in the #1 state for business for 12 consecutive years. (Area Development Magazine 2025)
- The most educated city in the United States. (Source: Forbes 2024)
- #1 best city to start a career. (WalletHub 2025)
- #1 city for network speed and data performance. (Source: Walker Dunlop)

LOCAL OVERVIEW

The Atlanta Metro has the third-largest concentration of Fortune 500 companies in the United States. According to Georgia Power Community & Economic Development, 34 companies headquartered in the Atlanta Metro are included in the 2024 Fortune 1000, with 18 of those companies ranked in the Fortune 500. The Atlanta Metro sees significant economic expansion from these company headquarters in addition to a robust healthcare, higher education, advanced manufacturing and logistics, and technology industries.

The Atlanta metro healthcare industry is characterized by a significant concentration of large hospital systems like HCA Healthcare, Piedmont Healthcare, and Emory Healthcare, a major federal presence with the Center for Disease Control ("**CDC**") headquartered in Atlanta Metro. The healthcare industry in the Atlanta Metro stands out as

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one of the region's most dynamic and resilient sectors, driven by strong job growth, expanding infrastructure, and increasing investment in innovation. The industry employs nearly half a million people across the region, with steady annual growth rates that outpace national averages.

Atlanta Metro is home to the largest concentration of colleges and universities in the southeastern United States. The higher education sector in the Atlanta Metro is one of the city's greatest strengths, contributing significantly to its economy, workforce development, and innovation ecosystem. The region is home to more than 50 colleges, universities, and technical schools, including globally recognized institutions such as Emory University, Georgia Tech, Georgia State University, and Clark Atlanta University. Collectively, these institutions enroll over 300,000 students annually, making Atlanta Metro one of the largest higher education hubs in the southeastern United States.

The Atlanta Metro has been one of the most important transportation hubs in the United States since its founding as a railroad hub in 1837. It has grown into a leading global center for supply chain management due to its strong cluster of corporate headquarters, geographic location, and robust infrastructure. Atlanta Metro is home to distribution centers, offices and headquarters of some of the largest supply chain companies in the country.

Atlanta Metro is a world-class hub for technology design, implementation, and innovation. As one of the fastest-growing high-tech urban centers in the nation, Atlanta Metro is leading the way in creating a national center for innovation and industry growth. Atlanta Metro has gained the attention and investment of companies such as Google, Cisco, Microsoft, Micron, Visa, and more, all of whom have opened their own permanent offices or headquarters.

Key Investment Considerations:

- **Instant value creation** as the Property was purchased for $1,500,000 below appraised value. (Source: Appraisal)

- **Attractive rental rate growth upside potential,** with affluent tenant base, and a 41% discount to homeownership in the area, provides significant growth potential for rental rate increases. (Source: Walker Dunlop)

- **Centrally located with convenient access across the entire Atlanta Metro,** the Property provides proximity to large employment clusters in the booming Interstate-85 Corridor and Downtown Atlanta, all within a 30-minute drive.

- **Located in the fastest growing county in the Atlanta Metro,** ranked #1 in population growth since 1970 with 27% population growth the prior 10 years. (Source: FRED St. Louis, Gwinnett County)

- **Limited housing availability**, with forecasted housing demands of nearly 5x the current annual pace of new housing construction in Gwinnett County through 2040. (Source: Gwinnett County 2045 Unified Plan)

- **The Property is located in an award winning, best-in-state school system,** receiving an A- rating from Niche.com, and ranked as the best school for sports in Georgia by Stadium Talk.

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ECONOMY

The Atlanta Metro's top employers are led by the healthcare, education, and transportation industries. The top employers in the Atlanta Metro are listed below.

Atlanta Metro Top Employers		
Employer	**Business**	**Employees**
Delta Airlines	Air Transportation	42,090
Northside Hospital	Healthcare	32,000
Piedmont Healthcare	Healthcare	29,646
Publix Super Markets	Grocery	23,660
Wellstar Health System	Healthcare	21,020
The Home Depot	Retail	19,576
United Parcel Service Inc.	Delivery Service	17,037
Emory University	Education	13,500
Children's Healthcare of Atlanta	Healthcare	10,489
UPS Supply Chain Solutions	Delivery Service	10,121
Source: Appraisal		

Economic Growth and Employment

According to the Appraisal, the Atlanta Metro's employment has increased 2.0% year-over-year from 2015 to 2024, outperforming the state of Georgia. The Appraisal also states that the Atlanta Metro has a diverse economy with major sectors ranging from healthcare to transportation. Additionally, the Appraisal notes that the Atlanta Metro is projected to see positive median household income growth of 3.20 % annually through 2029. (Source: Appraisal)

The Atlanta Metro's unemployment rate is currently less than the national unemployment rate, and slightly above Georgia's unemployment rate. The table below compares the Atlanta Metro unemployment rate with Georgia and the nation.

Atlanta Metro Historical Unemployment Rate (Not Seasonally Adjusted)					
Aug 2025	2024	2023	2022	2021	2020
3.5%	3.3%	3.0%	2.9%	2.7%	5.2%
Georgia State Historical Unemployment Rate (Not Seasonally Adjusted)					
Aug 2025	2024	2023	2022	2021	2020
3.4%	3.6%	3.3%	3.3%	3.2%	5.1%
National Historical Unemployment Rate (Not Seasonally Adjusted)					
Aug 2025	2024	2023	2022	2021	2020
4.3%	4.1%	3.8%	3.5%	3.9%	6.7%
Source: Bureau of Labor Statistics					

Atlanta Metro Economic Driver: Healthcare

The Atlanta Metro healthcare industry is characterized by a significant concentration of large hospital systems like HCA Healthcare, Piedmont Healthcare, and Emory Healthcare, and a major federal presence with the CDC headquartered in Atlanta Metro. The healthcare industry in Atlanta Metro stands out as one of the region's most dynamic and resilient sectors, driven by strong job growth, expanding infrastructure, and increasing investment in innovation. The industry employs nearly half a million people across the metro area, with steady annual growth rates that outpace national averages. Other major hospital systems such as Northside Hospital and Children's Healthcare of Atlanta anchor the region's healthcare network, while new outpatient and ambulatory centers continue to expand

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access to care across suburban and urban communities alike. This decentralized growth has also fueled demand in the medical office real estate market, with rising leasing activity and substantial new developments underway. (Source: Metro Atlanta Chamber)

The Atlanta Metro's position as a hub for healthcare innovation further bolsters the industry. The region benefits from the presence of top research institutions and a growing ecosystem of health-tech and biotech startups focusing on telemedicine, diagnostics, and digital health solutions. This blend of academic research and private sector entrepreneurship fosters continuous improvement in patient care and service delivery. Additionally, Atlanta Metro's robust population growth and diverse demographics ensure sustained demand for a wide range of healthcare services. Altogether, the Atlanta Metro healthcare industry demonstrates strong fundamentals, including economic vitality, infrastructure investment, and innovation capacity. (Source: Bureau of Labor Statistics, Metro Atlanta Chamber, Georgia Chamber of Commerce)

The Atlanta Metro's healthcare sector is expected to see significant growth with substantial capital investments in process from some of the leading health systems in the area. The Grady Memorial Hospital, home to one of the busiest level 1 trauma centers in the country, recently added a 24-bed inpatient rehabilitation unit, with plans for a $46 million renovation project. Northside Hospital Gwinnett is expanding with a new patient tower, expected to be completed by 2025. This $400 million project will add 132 new patient beds, increasing the hospital's capacity from 388 to 520 beds. The expansion also includes a new patient entry lobby and outpatient waiting area. Additionally, the project will create approximately 5,000 new jobs for the region. Children's Healthcare of Atlanta and Emory University are both investing more than $1 billion in sprawling medical campuses. In 2017, Children's announced the $1.3 billion 446-bed Arthur M. Blank Hospital. Scheduled to open in 2025, the 19-story hospital is situated on a 78-acre campus on the north side of North Druid Hills along with the already completed Center for Advanced Pediatrics and the Administrative Support Center. On the south side of North Druid Hills Road, Emory announced a $1 billion project on a 60-acre campus. The Emory Musculoskeletal Institute opened in 2021, and other planned developments in the development include a hotel, offices and other research buildings. Additionally, completed in 2017, was the 90,000 square-foot Emory Sports Medicine Complex, a joining development between the Atlanta Hawks and Emory Healthcare, dedicated to the Hawks' Player Development and Practice Facility as well as a training and sports medicine facility of Emory Healthcare. (Source: Appraisal)

Atlanta Metro Economic Driver: Education

The Atlanta Metro is home to the largest concentration of colleges and universities in the southeastern United States. The higher education sector in the Atlanta Metro is one of the city's greatest strengths, contributing significantly to its economy, workforce development, and innovation ecosystem. The region is home to more than 50 colleges, universities, and technical schools, including globally recognized institutions such as Emory University, Georgia Tech, Georgia State University, and Clark Atlanta University. Collectively, these institutions enroll over 300,000 students annually, making Atlanta one of the largest higher education hubs in the southeastern United States. This concentration of academic talent supports a steady pipeline of skilled graduates in business, engineering, healthcare, technology, and the arts, assisting in driving the region's growing economy. (Source: Invest Atlanta)

Georgia Tech is ranked #33 among all National Universities by U.S. News & World Report (2024). The Georgia Tech College of Engineering is consistently ranked in the nation's top five, with its industrial engineering program holding the #1 spot for over two decades. As of Spring 2025, Georgia Tech enrolled more than 53,000 students, an 11.4% increase from the prior year's enrollment. Additionally, Georgia Tech provided a $5.8 billion economic impact during fiscal year 2024 and receives $1.37 billion annually in research awards across all seven Colleges and the Georgia Tech Research Institute, Georgia Tech is among the nation's most research-intensive universities. (Source: Appraisal, Georgia Tech)

Emory University is the largest private employer and secondary education institution in the region. The university is ranked #24 among National Universities by U.S. News & World Report (2024). Emory University is renowned for its medical school, business school, and law school, and it plays a pivotal role in healthcare and research, particularly through its partnership with Emory Healthcare, the largest healthcare system in Georgia. As of December 2024, Emory University enrolled more than 16,000 students, and including Emory Healthcare, supports more than 100,000 jobs statewide, providing an economic impact of $19.3 billion. (Source: Appraisal, Emory University)

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Georgia State University offers over 250-degree programs across 100 fields of study. The university is known for its diverse student body and strong emphasis on urban research and community engagement. In November of 2024, plans were announced to spend $107 million in upgrades to the Downtown Campus. These include the renovation of currently used buildings and the creation of a quadrangle. Georgia State University is home to 52,400 students and provides an economic impact of more than $3.2 billion for the area. (Source: Appraisal, Georgia State University)

Atlanta Metro Economic Driver: Supply Chain and Advanced Manufacturing

The Atlanta Metro has been one of the most important transportation hubs in the United States since its founding as a railroad hub in 1837. The Atlanta Metro has grown into a leading global center for supply chain management due to its strong cluster of corporate headquarters, geographic location, and robust infrastructure. The Atlanta Metro is home to distribution centers, offices and headquarters of some of the largest supply chain companies in the country, including Amazon, The Coca-Cola Company, Delta Air Lines, The Home Depot, Norfolk Southern and UPS. The region's rails, highways, airports and access to the fastest-growing port and three of the six largest port complexes in the country provide for continued growth and success for the supply chain industry. With companies like Dematic, Manhattan Associates Inc., and CHAINalytics headquartered here, Atlanta Metro is positioned as a global leader in supply chain management software. Finally, the Atlanta Metro is within a two-hour flight or two-day truck drive to 80% of United States metropolitan areas, providing outsized connectivity for supply chain companies. (Source: Metro Atlanta Chamber)

The supply chain and advanced manufacturing industry provide a substantial economic impact for the area given the presence of the aerospace industry in the Atlanta Metro. Georgia's manufacturing sector is a major economic driver, contributing to a large portion of the state's GDP. For example, manufacturing was responsible for 10% of the state's gross domestic product, totaling nearly $62 billion in 2019. The industry is a major employer. In 2020, there were approximately 389,400 manufacturing jobs in the state, and the Metro Atlanta Chamber estimates the airport and supporting aviation industries create 380,000 jobs in the Atlanta Metro area. (Source: Georgia Tech)

Atlanta Metro Economic Driver: Technology

The Atlanta Metro is a world-class hub for technology design, implementation, and innovation. As one of the fastest-growing high-tech urban centers in the nation, the Atlanta Metro is leading the way in creating a national center for innovation and industry growth. The Atlanta Metro has gained the attention and investment of companies such as Google, Cisco, Microsoft, Micron, Visa, and more, all of whom have opened their own permanent offices or headquarters. Georgia has been the epicenter of payments processing in the United States for decades. With companies such as Fiserv, Elavon and Global Payments based in our region, it's easy to choose the Atlanta Metro to host global transactions. The Atlanta Metro is also home to Georgia Tech, one of the top schools in the country for computer science and engineering degrees, and Augusta University's School of Computer and Cyber Sciences is strategically co-located with the new Army Cyber Command and NSA-Georgia at Fort Gordon. (Source: Metro Atlanta Chamber)

The technology industry has a significant economic impact on the Atlanta Metro, contributing billions to the state's economy, fostering job growth, and attracting investment. The Atlanta Metro attracted significant capital investment, with $2.25 billion invested in 2022 alone. The FinTech sector received $2.15 billion in investments across 2020-2022, and digital health received $15.3 billion in United States funding. Additionally, there are 33 corporate innovation centers in the area, which led to 15% job growth in the industry and 146 businesses expanding in the area during 2021. (Source: Metro Atlanta Chamber, Metro Atlanta CEO)

Regional Economic Summary

The Appraisal sums up the regional economy as one with a strong and diversified economy. The Atlanta Metro benefits from its central location, large economy, broad industry base, popularity with young professionals, and affordability for business and residents are main supports. Among the strengths of the Atlanta Metro area are a business-friendly environment, a diverse economy, strong in-migration and population growth, and a strong transportation and distribution infrastructure.

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Transportation

The Atlanta Metro has a robust transportation system. The Atlanta Metro is home to the world's busiest airport in terms of annual passenger flights. The Atlanta Metro also provides its residents with an expansive public transportation system, the Metropolitan Atlanta Rapid Transit Authority ("**MARTA**"), provides connectivity across the Atlanta Metro. Additionally, the Atlanta Metro is also home to one of the most extensive railway systems in America.

- The Hartsfield-Jackson Atlanta International Airport has been the busiest airport world-wide in terms of annual passenger flights. In March 2015, it was announced the airport would undergo a $6 billion renovation over the next 20 years. The airport plans to update the interior of the domestic passenger terminal and concourses and add a sixth runway and a 400-room hotel, as well as exterior translucent canopies covering several lanes of roadway and sidewalks at the domestic terminals. The sixth runway, estimated to cost $943 million, is scheduled to be completed by 2034.

- MARTA is the principal public transport operator in the Atlanta Metro. Formed in 1971 as strictly a bus system, MARTA operates a network of bus routes linked to a rapid transit system consisting of nearly 50 miles of rail track with 38 train stations. It is the eighth largest rapid transit system in the United States by ridership. MARTA also operates a separate paratransit service for disabled customers. MARTA is in the process of replacing its entire heavy rail fleet with 224 new railcars expected to be delivered prior to 2026. The project is set to cost $646 million. This replacement is set to greatly reduce waiting times over the current use cars, which have been in service for over 40 years.

- Georgia boasts one of the most extensive freight rail systems in the United States, with approximately 5,000 miles of track transporting more than 196 million tons of freight. Class I railroad companies CSX and Norfolk Southern provide rail service for the entire Atlanta Metro region. The railroads serve every major population and industrial center east of the Mississippi including Ontario and Montreal. The Atlanta Metro is also serviced by Amtrak. Peachtree Station is currently served by Amtrak's Crescent passenger train and provides passenger train access from New York to New Orleans. Currently studies are underway on a proposed Atlanta to Charlotte Passenger Rail Corridor Investment Plan, an extension of the Southeast High Speed Rail Corridor, which is under development from Charlotte to Washington, D.C. The extension from Charlotte would travel southeast through portions of South Carolina and into Atlanta Metro.

Fortune 500 Company Headquarters

The Atlanta Metro has the third largest concentration of Fortune 500 companies in the United States. According to Georgia Power Community & Economic Development, 34 companies headquartered in the Atlanta Metro are among the 2024 Fortune 1000, with 18 of those companies ranked in the Fortune 500. These companies include The Home Depot, United Parcel Service, The Coca-Cola Company, Delta Air Lines, Inc., The Southern Company, Genuine Parts Company, WestRock, PulteGroup, Inc., Norfolk Southern, Assurant, AGCo, Newell Brands, Asbury Automotive Group, Inc., Intercontinental Exchange, Global Payments, and Graphic Packaging. Fortune 500 companies in the Atlanta metro area have a significant economic effect by creating millions of jobs, boosting investment, and fostering a global business hub. These Fortune 500 companies are projected to create more than $500 billion a year in gross domestic product for the Atlanta Metro. (Source: Appraisal)

Professional Sports

The Atlanta Metro is home to several major professional sports teams, including the Atlanta Hawks, the Atlanta Braves and the Atlanta Falcons. These teams provide a significant economic impact for the region. The Atlanta Hawks are responsible for 1,500 jobs and recently invested in a $192.5 million renovation of State Farm Arena. Additionally, the Atlanta Hawks committed $40 million to economic empowerment in the Atlanta Metro. The Atlanta Braves employ nearly 1,500 people and in 2024 reported $663 million in total income. The Atlanta Falcons are responsible for nearly 5,450 jobs generating $222.1 million in labor income and earn $45.9 million in state tax and $32.1 million in local tax revenue.

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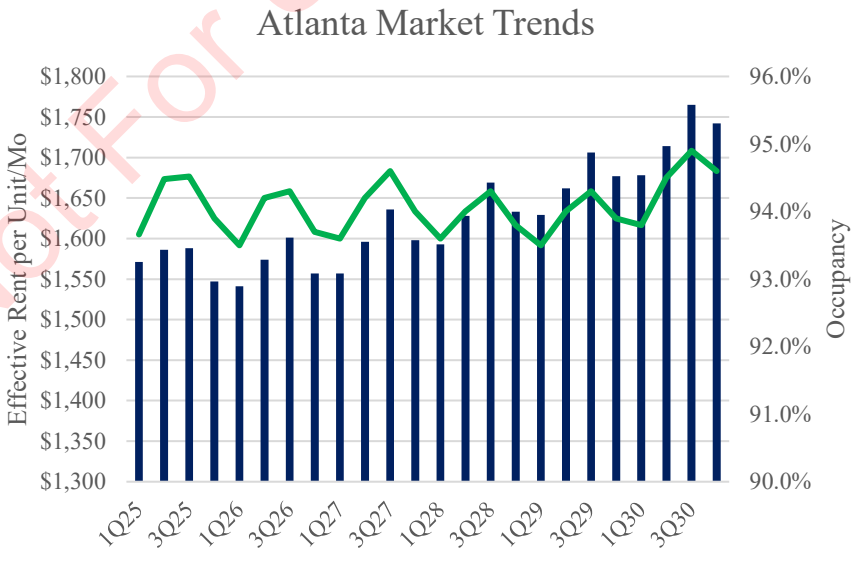
Attractions

According to TripAdvisor, the Atlanta Metro is full of attractions, including:

- Georgia Aquarium contains more than 70 amazing habitats, with thousands of marine animals such as whale sharks, manta rays, beluga whales, and more. Don't miss out on the animal encounter programs, where you can get up close and personal with dolphins, penguins, and sea lions.
- World of Coca-Cola, the one and only place you can explore the story of the world's most popular beverage brand. It's a place where anyone can experience moments of happiness and wonder. At World of Coca-Cola, inspiration is around every corner – from the vault where we secure our secret formula, to world-class art and memorabilia to more than 100 beverages to taste from around the world.
- Founded in 1926, the Atlanta History Center is an all-inclusive thirty-three-acre destination featuring the Atlanta History Museum, one of the Southeast's largest history museums; three historic houses, including the 1928 Swan House; the Kenan Research Center; the Grand Overlook event space; a museum shop and acres of historic gardens and trails.
- Built for the 1996 Summer Olympic Games, the Centennial Olympic Park offers weekly free concerts, a dancing water fountain for the kids and a memorial quilt in remembrance of the victims of the 1996 Olympic bombing.
- The Carter Presidential Library and Museum is a state-of-the-art museum tracing the life and work of President Jimmy Carter, from his childhood in Plains to the work he and Mrs. Carter do around the world to promote peace and health.

APARTMENT MARKET OVERVIEW

Fundamentals in the Atlanta Metro appear to be stable and are projected to continue their strong performance. Current occupancy in the Atlanta Metro is 93.9% with market rent per unit of $1,547. As shown in the chart below, occupancy is expected to remain stable while effective rental rates are projected to continue to increase. Axiometrics projects an average occupancy rate of approximately 94.1% and cumulative rent growth of 12.6% through Q4 2030. (Source: Axiometrics Market Trend Report, November 2025)

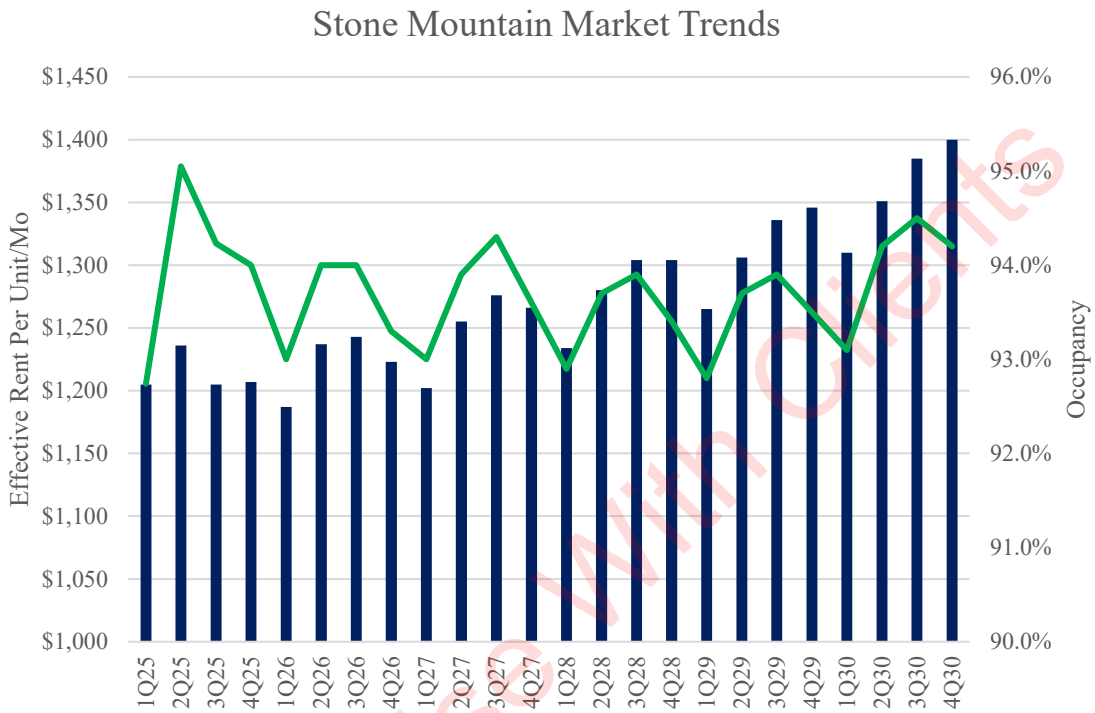


(Source: Axiometrics Market Trend Report, November 2025)

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Historical Trends

The Stone Mountain submarket fundamentals remain resilient. Apartment effective rent growth continues to remain positive and is projected to continue its growth through 2030, while occupancy rates are forecasted to range between 92.8% and 94.5%, as shown below. Axiometrics projects cumulative rent growth of 16% and average occupancy of 93.6% from Q4 2025 to Q4 2030.



(Source: Axiometrics Market Trend Report, November 2025)

Market Outlook

The Atlanta Metro has a strong economy and multifamily market largely due to its durable economic drivers such as the healthcare, education, and transportation industry. Occupancy rates are projected to remain high while effective rents are forecasted to rise.

The table below shows the Axiometrics five-year forecast (the "**Axiometrics Report**") for the Atlanta Metro multifamily market:

Year End	Occupancy Rate (%)	Asking Rent ($/unit/mo)	Asking Rent Inflation (%)
2025	93.9%	$1,547	-1.4%
2026	93.7%	$1,557	0.65%
2027	94.0%	$1,598	2.6%
2028	93.8%	$1,633	2.2%
2029	93.9%	$1,677	2.7%
2030	94.6%	$1,742	3.9%

According to the Bureau of Labor Statistics, total employment in the Atlanta Metro is 3.2 million as of August 2025. Occupancy rates in the Atlanta Metro are expected to hold steady averaging 94.1% through Q4 2030, while market rents are projected to rise 12.6% for the same time period.

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Overall, apartment market conditions in the Atlanta Metro appear stable with steady occupancy rates and projected rising rents. Projected new employment and associated demand should continue to drive market strength in the next several years.

Local Area Land Uses and Trends

According to the Appraisal, the Property is located in an area consisting of primarily residential, retail and industrial uses along major arterials Interstate 85 and Interstate 20. Gwinnett County has been one of the fastest growing counties in America for several decades. Gwinnett County has a diverse economic base and is the home to a number of large companies, including AGCO, Primerica, and Rock Tenn. In addition, Gwinnett County boasts the largest public-school system in the state and is home to Georgia Gwinnett College and Gwinnett Technical College. The local area's proximity to major highways and interstates is viewed as a positive attribute that drives growth in the area.

Demographic Analysis

Demand for additional residential property is a direct function of population change. Multifamily communities are products of a clearly definable demand relating directly to population shifts.

Housing, Population and Household Formation

The following table illustrates the population, household changes, and income levels for the Property's one, three, and five-mile radius. Households represent a basic unit of demand in the housing market. Household income available for expenditure on housing and other consumer items is a primary factor in determining the price/rent level of housing demand in a market area.

Selected Neighborhood Demographics			
5141 Stone Mountain Highway, Stone Mountain, GA 30087	1.0 mile radius	3.0 mile radius	5.0 mile radius
Population			
2010 Population	5,263	44,462	147,020
2020 Population	6,038	50,136	166,265
2024 Population	6,392	49,628	167,141
2029 Population	6,606	49,130	167,268
2010-2020 Cumulative Growth Rate	14.73%	12.76%	13.09%
2020-2024 Cumulative Growth Rate	5.86%	-1.01%	0.53%
2024-2029 Cumulative Growth Rate	3.35%	-1.00%	0.08%
Households			
2010 Households	2,055	15,862	51,385
2020 Households	2,188	17,214	56,333
2024 Households	2,342	17,204	56,916
2029 Households	2,441	17,120	57,136
2010-2020 Cumulative Growth Rate	6.47%	8.52%	9.63%
2020-2024 Cumulative Growth Rate	7.04%	-0.06%	1.03%
2024-2029 Cumulative Growth Rate	4.23%	-0.49%	0.39%
Income			
2024 Average Household Income	$107,477	$124,161	$110,512
2029 Average Household Income	$119,244	$136,759	$122,791
2024-2029 Cumulative Growth Rate	10.95%	10.15%	11.11%

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2024 Median Household Income	$83,875	$103,768	$88,642
2029 Median Household Income	$94,298	$116,137	$102,165
2024-2029 Cumulative Growth Rate	12.43%	11.92%	15.26%

The Property's neighborhood generally appears to be experiencing increases in population and households, and this is projected to continue over the foreseeable future. Additionally, income levels in the neighborhood appear to be above the national average. (Source: Appraisal)

Competitive Properties

There are six comparable properties within the Property's immediate submarket from the Appraisal summarized below:

Comparable Properties	Year Built	# of Units	Unit Type	Size	Weighted Avg. Rent	Rent/SF	Occupancy
The Reid	2021	242	1 / 1	746	$1,705	$2.29	97%
			1 / 1	782	$1,695	$2.17	
			1 / 1	800	-	-	
			1 / 1	929	-	-	
			2 / 2	1,121	$1,933	$1.72	
			2 / 2	1,135	$1,939	$1.71	
			2 / 2	1,226	$2,074	$1.69	
			3/2	1,338	$2,441	$1.82	
The Whitby	2023	331	1 / 1	759	$1,477	$1.95	93%
			1 / 1	792	$1,574	$1.99	
			1 / 1	814	$1,744	$2.14	
			1 / 1	816	$1,688	$2.07	
			2 / 2	1,068	$2,019	$1.89	
			2 / 2	1,083	$1,787	$1.65	
			2 / 2	1,098	$2,002	$1.82	
			2 / 2.5	1,452	-	-	
			3 / 2	1,369	-	-	
			3 / 2	1,405	-	-	
The Jade at Avondale	2020	270	Studio / 1	665	-	-	90%
			1 / 1	605	-	-	
			1 / 1	626	$1,348	$2.15	
			1 / 1	640	$1,445	$2.26	
			1 / 1	699	$1,523	$2.18	
			1 / 1	734	-	-	
			1 / 1	739	-	-	

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Comparable Properties	Year Built	# of Units	Unit Type	Size	Weighted Avg. Rent	Rent/SF	Occupancy
			1 / 1	745	-	-	
			1 / 1	832	-	-	
			1 / 1	870	-	-	
			1 / 1	879	-	-	
			1 / 1	898	$1,590	$1.77	
			1 / 1	936	$1,789	$1.91	
			2 / 2	1,046	-	-	
			2 / 2	1,147	-	-	
			2 / 2	1,207	$1,929	$1.60	
			2 / 2	1,222	$1,968	$1.61	
			2 / 2	1,242	$1,941	$1.56	
			2 / 2	1,271	$2,108	$1.66	
			2 / 2	1,311	$2,018	$1.54	
			2 / 2	1,480	-	-	
Celadon on Club	2023	352	1 / 1	685	$1,499	$2.19	88%
			1 / 1	748	$1,524	$2.04	
			1 / 1	859	$1,715	$2.00	
			2/2	1,143	-	-	
			2/2	1,101	$2,088	$1.90	
			2/2	1,165	$2,110	$1.81	
			2/2	1,070	$1,995	$1.86	
			2/2	1,143	$2,028	$1.77	
			3/2	1,438	$2,519	$1.75	
			3/2	1,438	$2,351	$1.63	
Parkview Place	2024	147	3/2	1,630	-	-	71%
			3/2	2,132	$2,545	$1.19	
			3/2.5	1,922	-	-	
			3/2.5	2,050	$2,533	$1.24	
			3/3.5	2,175	$2,533	$1.16	
			4/2	1,877	-	-	
			4/2.5	2,189	$3,125	$1.43	
			4/2.5	2,487	$3,113	$1.25	
			4/2.5	2,791	$3,275	$1.17	
			4/2.5	3,110	$3,325	$1.07	
The Tomlin	2022	288	1/1	486	-	-	87%

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Comparable Properties	Year Built	# of Units	Unit Type	Size	Weighted Avg. Rent	Rent/SF	Occupancy
			1/1	779	$1,599	$2.05	
			1/1	807	$1,687	$2.09	
			1/1	852	-	-	
			1/1.5	1,036	-	-	
			2/2	1,036	$2,212	$2.14	
			2/2	1,077	$2,079	$1.93	
			2/2	1,141	$2,338	$2.05	
			2/2	1,200	-	-	
			2/2	1,356	-	-	
			2/2	1,493	-	-	
			3/2	1,445	$2,806	$1.94	
			3/2	1,449	-	-	
			3/2	1,472	$2,996	$2.04	
Comparables Averages	**2022**	**272**		**1,196**	**$2,081**	**$1.74**	**88%**
District at Parkview	2024	264	1 / 1	685	$1,583	$2.31	92%
			1 / 1	735	$1,618	$2.20	
			1 / 1	739	$1,639	$2.22	
			1 / 1	765	$1,677	$2.19	
			1 / 1	784	$1,766	$2.25	
			1 / 1	833	$1,800	$2.16	
			2 / 2	1,053	$1,951	$1.85	
			2 / 2	1,100	$2,063	$1.88	
			3 / 2	1,367	$2,433	$1.78	
Property Averages	**2024**	**264**		**966**	**$1,901**	**$1.97**	**92%**

(Source: Appraisal)

The comparable properties reported occupancy rates in the range of 71% to 97%, with an average of 88% occupancy. The Property's occupancy rate was approximately 92% at the time of the Appraisal.

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ACQUISITION AND FINANCING

Acquisition

The Trust acquired the Property from the Seller on December 18, 2025 for the Purchase Price of $66,600,000 before the Sponsor acquisition fee. See "COMPENSATION OF THE SPONSOR AND AFFILIATES – *Acquisition Fee*" for additional information. The total cost for the acquisition of the Property, comprised of the Purchase Price of the Property, acquisition closing costs, financing closing costs and other fees and expenses, was $78,111,498.

Prior to the acquisition of the Property, BHM Acquisitions, a wholly owned subsidiary of BHM, entered into the Original PSA with the Seller, which was subsequently assigned to the Trust pursuant to the PSA Assignments. In consideration for the PSA Assignments, the Trust, having assumed the obligation of the Depositor pursuant to the Depositor PSA Assignment, has agreed to pay the Manager, on behalf of BHM Acquisitions, an Acquisition Fee in the amount of $1,665,000.

As part of the Depositor Contribution, the Depositor conveyed the Original PSA and certain other consideration to the Trust in exchange for 100% of the Class 2 Beneficial Interests in the Trust. The Depositor Contribution, together with the Loan proceeds, enabled the Trust to acquire the Property for $78,111,498 (inclusive of the expenses and fees associated with the acquisition). Under the Trust Agreement, the Trust is obligated to use net proceeds from the sale of Interests to redeem a proportionate amount of the Depositor's Class 2 Beneficial Interests.

The Trust funded the acquisition of the Property with (a) the Depositor Contribution, and (b) the proceeds of a Loan to the Trust. See "*Financing Terms*," below, for additional discussion regarding the Loan.

As provided in the opinion of Special Tax Counsel, attached as Exhibit D hereto, the potential Investors (via purchase of Interests in the Trust) should be treated as the owners of the Property for federal income tax purposes.

Financing Terms

In connection with the acquisition of the Property by the Trust, the Trust obtained the Loan in the original principal amount of $38,625,000 from the Lender, KeyBank National Association, under the Fannie Mae DUS loan program. The Loan was assigned at closing to Fannie Mae, however the Lender continues to service the Loan. The term "Lender" as used herein refers to KeyBank National Association as the original lender and Fannie Mae as the successor lender, as the context requires.

The Property is subject to a first-priority Mortgage and other standard collateral rights granted in favor of the Lender, to secure the Trust's obligations under the Loan. The Loan is "non-recourse" to the Trust except for standard non-recourse carveouts contained within that certain Multifamily Loan and Security Agreement (Non-Recourse) (Delaware Statutory Trust) by and between the Trust and Lender.

As Beneficial Owners in the Trust, the Investors are not required to execute personal guaranties for any portion of the Loan or an environmental indemnity agreement in favor of the Lender, and will not incur any personal liability with respect to the operation of the Property or under the Loan Documents, including liability for environmental claims. However, since the Property secures the Trust's obligations under the Loan, Beneficial Owners could lose some or the entire value of their Interests if the Trust were to default on the Loan and Lender were to foreclose on the Property. See "RISK FACTORS – *Risks Relating to Financing of the Property."*

EACH PROSPECTIVE INVESTOR SHOULD REVIEW THE LOAN DOCUMENTS, COPIES OF WHICH ARE AVAILABLE UPON REQUEST, BEFORE INVESTING. THE FOLLOWING IS A SUMMARY OF SOME OF THE SIGNIFICANT PROVISIONS OF THE LOAN DOCUMENTS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE FULL TEXT OF THE LOAN DOCUMENTS.

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Summary of Loan Terms

Amount:	$38,625,000
Term; Maturity Date:	Approximately 10 years, commencing on December 18, 2025 and maturing on January 1, 2036.
Interest Rate:	5.18% per annum (the "**Interest Rate**")
Default Rate:	In the event that, and for so long as any event of default has occurred and is continuing, the principal balance of the Loan will accrue interest at a default rate equal to the lesser of 9.18% and the maximum interest rate permitted by applicable law.
Amortization:	30-year schedule with 10 years of interest only payments
Fees:	The Lender will charge a late fee of 5% of any payment not made within 10 days of the due date.
Repayment:	Commencing on February 1, 2026 and on each monthly payment date thereafter, the Trust is required under the Loan Documents to make monthly, interest-only payments calculated on the basis of a 360-day year. The amount due on the first payment date is $172,289 and the amount due for each month thereafter is $155,616 if the prior month was a 28-day month, $161,174 if the prior month was a 29-day month, $166,731 if the prior month was a 30-day month, and $172,289 if the prior month was a 31-day month. On the Maturity Date, the Trust will be required to pay to the Lender the entire outstanding principal amount of the Loan, along with any accrued but unpaid interest.
Reserves:	The Lender has required the Trust to establish certain reserves from the proceeds of the Loan. At the closing of the Loan, the Trust deposited into reserve accounts with the Lender $105,600 into the Replacement Reserve Account and $204,871 into the Tax and Insurance Reserve Account. The Lender also requires a monthly deposit of $4,400 by the Trust into the Replacement Reserve Account.
Collateral:	The Loan is secured by (i) the deed of trust and other security instruments in or related to the Property, and (ii) a valid and perfected security interest in all personal property owned by the Trust located on or used in connection with the Property and any improvements thereon. The Master Tenant has entered into a separate Subordination Agreement (Delaware Statutory Trust Master Lease) (the "**Subordination Agreement**") pursuant to which the Master Lease will be subordinated to the Loan and the Master Tenant's interest in the Property and tenant leases has been assigned to the Trust and in turn assigned by the Trust to the Lender as additional collateral.
Prepayment:	The Loan is pre-payable in full, subject to a yield maintenance calculation (with a floor of 1.0% of the then principal balance of the Loan) if the Loan is prepaid during the first 114 months of the Loan. In addition, if prepayment is made after the expiration of such yield maintenance period but before the last calendar day of the fourth month prior to the month in which the loan matures, then the prepayment premium will be 1.0% of the amount of principal being prepaid. No prepayment premium is required during the 90-day period directly prior to maturity of the Loan. No voluntary partial prepayment is permitted.
Impositions:	The Trust is required to make monthly deposits into an imposition account for payment of property taxes, assessments, insurance premiums and other similar charges affecting the Property, in amounts established by the Lender in its discretion with such amounts to be sufficient to enable Lender to pay each imposition before the same becomes due, with no penalty or interest charge being added, plus an amount equal to no more than

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1/6th of the impositions for the trailing 12 months. The Master Tenant is required to fund these deposits as part of Additional Rent under the Master Lease.

Insurance: The Trust shall maintain insurance coverage as required by the Loan Documents.

Non-Recourse Loan: The Loan is secured by the Property. The Trust is responsible for repayment of the Loan. The Loan is nonrecourse to the Investors. Accordingly, the Investors will have no personal liability in connection with the Loan. However, upon an uncured event of default under 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 Trust.

Restrictions on Transfer of Interests: The Loan Documents contain limited restrictions on the transfer of the Interests. The Loan Documents permit the Trust to sell the Interests in the Trust, directly or indirectly, so long as certain requirements are satisfied, including but not limited to the following: (1) there are no more than 1,999 holders of direct or indirect beneficial interests in the Trust at any given time; (2) that the Trust (through the Manager), the Manager, and the Master Tenant continue to be controlled, directly or indirectly, by the Sponsor and its key principals; (3) each Beneficial Owner is an accredited investor; and (4) in the event a single transferee acquires and holds more than 25% of direct or indirect beneficial interests in the Trust, the transferee meets the Lender's underwriting approval standards set forth in the Loan Documents.

Limited Guaranty: BHM has executed a limited guaranty under which they will be responsible for liabilities, costs, expenses, claims, losses or damages incurred by the Lender as a result of the non-recourse carveout events referenced in the paragraph immediately above, over which they and their affiliates exercise relative control. Investors will not be required to execute a personal guaranty.

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PLAN OF DISTRIBUTION

General

Subject to the terms and conditions set forth in this Memorandum and the Trust Agreement, the Trust is offering a maximum of $39,486,498 of Interests (i.e., the Maximum Offering Amount), representing 100% of the Interests in the Trust. Each Investor must pay cash for its Interests. The Interests may be purchased only by prospective Investors who satisfy the investor suitability requirements. See "WHO MAY INVEST."

Marketing of Interests

The Trust will offer the Interests on a "best efforts" basis through the Managing Broker-Dealer and through other Selling Group Members.

The Managing Broker-Dealer will receive Sales Commissions of up to 6.0% of Total Sales, which it will re-allow to the Selling Group Members; provided, however, in the event a commission rate lower than 6.0% is negotiated with a Selling Group Member, the Managing Broker-Dealer will receive the lower agreed upon rate. In addition, the Managing Broker-Dealer will receive, on a non-accountable basis, and will re-allow to the Selling Group Members on a non-accountable basis, Marketing/Due Diligence Expense Allowances of up to 1.25% of Total Sales. The Managing Broker-Dealer will also receive a Managing Broker-Dealer Fee of up to 1.40% of Total Sales, which it may at its sole discretion partially re-allow to the Selling Group Members. The Sponsor and its affiliates will be entitled to reimbursement for Organization and Offering Expenses (expenses incurred in connection with the Offering, on an accountable basis, of 0.80% of the Maximum Offering Amount, including, but not limited to, the costs of organizing the Trust and other entities, estimated marketing, legal, accounting and printing fees and expenses incurred in connection with this Offering). The total aggregate amount of Organization and Offering Expenses, Sales Commissions, Marketing/Due Diligence Expense Allowances, and the Managing Broker-Dealer Fee (Sales Commissions and Expenses) will not exceed 9.45% of Total Sales. See "ESTIMATED USE OF PROCEEDS".

The Trust may, in its discretion, accept purchases of Interests net of all or a portion of the Sales Commissions otherwise payable from Investors purchasing through an RIA with whom the Investor has agreed to pay a fee for investment advisory services in lieu of commissions, and affiliates of the Trust, including the Sponsor, may purchase the Interests net of Sales Commissions and the Marketing/Due Diligence Expense Allowances. Further, a portion of the Sales Commissions payable from Investors purchasing through certain RIAs may be paid to the member firm that assist in the facilitation of such purchase including, without limitation, through the use of an online portal.

The Trust, the Sponsor, or other persons related to or affiliated with them, or other broker-dealers may purchase Interests on the same terms and conditions as any other Investor. Any such Investor may subsequently transfer Interests so acquired by them on the same terms and conditions as any other Investor.

The Trust and each broker-dealer participating in an Offering will agree to indemnify each other against certain liabilities including liabilities under the Securities Act or the Exchange Act, as amended, and state securities laws.

The Trust reserves the unconditional right to terminate or modify the Offering, to reject purchases of Interests in whole or in part, to waive conditions to the purchase of Interests and to allow purchases of less than the minimum purchase amount.

Subscription Period

The Trust may hold the Initial Closing at any time after one or more subscriptions for Interests have been accepted by the Trust. Following the Initial Closing, the remaining Interests will continue to be sold and closings may from time to time be conducted with respect to additional Interests sold until the Offering Termination Date, which is the earlier of (i) the date on which the Maximum Offering Amount of Interests is sold or (ii) October 31, 2026. The Sponsor may, however, extend the Offering in its absolute and sole discretion. There is no assurance that all of the Interests will be sold.

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Broker/Dealer Disqualifying Events

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

As of the date of this Memorandum, to the Trust's knowledge, no broker-dealer selling Interests in this Offering have experienced a Disqualifying Event that must be disclosed to Investors.

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ESTIMATED USE OF PROCEEDS

This table addresses the estimated use of proceeds from this Offering toward the costs, fees and expenses that have been incurred or may be incurred in connection with this Offering, including the selection and acquisition of the Property and procuring the related financing. The Trust is offering a maximum of $39,486,498 of Interests, representing 100% of the outstanding beneficial ownership interests in the Trust if the Maximum Offering Amount is sold. Proceeds raised from Investors in this Offering will be used to redeem the Class 2 Beneficial Interests held by the Depositor in order to reimburse it for the costs, fees and expenses it has incurred as described below. See "SUMMARY OF THE OFFERING – *The Trust.*" This table does not address the allocation for Federal income tax purposes of the amount paid by an Investor for its Interest. Potential Investors should discuss with their own tax advisors the tax treatment of the purchase of an Interest.

The following table sets forth the estimated use of proceeds from the Offering:

	Offering Proceeds	Loan Proceeds	% of Offering Proceeds	% of Total Capitalization
Total Proceeds	$39,486,498	$38,625,000	100.00%	100.00%
Use of Proceeds				
Offering Expenses				
Organization and Offering Expenses[1]	$(315,892)	$(0)	0.80%	0.40%
Sales Commissions [2]	$(2,369,190)	$(0)	6.00%	3.03%
Managing Broker-Dealer Fee & Marketing/Due Diligence Expense Allowances[3] [4]	$(1,046,392)	$(0)	2.65%	1.34%
Total	$(3,731,474)	$(0)	9.45%	4.78%
Acquisition Expenses				
Purchase Price of the Property[5]	$(28,285,471)	$(38,314,529)	71.63%	85.26%
Acquisition Fee[6]	$(1,665,000)	$(0)	4.22%	2.13%
Loan-Related Costs[7]	$(1,516,912)	$(0)	3.84%	1.94%
Other Closing Costs[8]	$(2,037,642)	$(0)	5.16%	2.61%
Lender-Mandated Reserves[9]	$(0)	$(310,471)	0.00%	0.40%
Trust Operating Account[10]	$(250,000)	$(0)	0.63%	0.32%
Trust Controlled Reserves[10]	$(2,000,000)	$(0)	5.07%	2.56%
Total	($35,755,025)	($38,625,000)	90.55%	95.22%
Total Proceeds Used	($39,486,498)	($38,625,000)	100.00%	100.00%

(1) The Sponsor and its affiliates will be entitled to reimbursement for expenses incurred in connection with the Offering, on an accountable basis, including, but not limited to, the costs of organizing the Trust and other entities, estimated marketing, legal, finance, accounting, and printing fees and expenses incurred in connection with this Offering. See "COMPENSATION OF THE SPONSOR AND AFFILIATES."

(2) The Selling Group Members will make offers and sales of Interests on a "best efforts" basis. Bluerock Capital Markets, LLC as Managing Broker-Dealer will receive sales commissions of up to 6.0% of Total Sales, which it will re-allow to the Selling Group Members; provided, however, in the event a commission rate lower than 6.0% is negotiated with a Selling Group Member, the Managing Broker-Dealer will receive the lower agreed upon rate.

(3) The Managing Broker-Dealer will also receive a Managing Broker-Dealer Fee of up to 1.4% of Total Sales, which it may at its sole discretion partially re-allow to the Selling Group Members.

(4) The Managing Broker-Dealer will receive, on a non-accountable basis, and will re-allow to the Selling Group Members on a non-accountable basis, allowances for marketing and due diligence expenses of up to 1.25% of Total Sales.

(5) The Purchase Price is exclusive of the Acquisition Fee, Loan-Related Costs, and Other Closing Costs. See "ACQUISITION

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AND FINANCING."

(6) The Manager will earn an Acquisition Fee of $1,665,000 which equals 2.50% of the purchase price of the Property for its and its management team's services in the identification, negotiation and acquisition of the Property.

(7) "Loan-Related Costs" include the costs and fees payable to the Lender, its agents and Sponsor. See "COMPENSATION OF THE SPONSOR AND AFFILIATES."

(8) "Other Closing Costs" include, as applicable, the Master Tenant Reserve Account of $75,000, transfer taxes, title charges, escrow fees, document preparation fees, legal fees (other than Lender legal fees), third-party costs, recording fees and entity formation costs, and other related costs. Any amounts remaining in the Master Tenant Reserve Account upon the sale of the Property will be retained by the Master Tenant. See "ACQUISITION AND FINANCING" and "COMPENSATION OF THE SPONSOR AND AFFILIATES." Each Investor will be responsible for the fees associated with their own legal, tax and other advisors.

(9) Loan proceeds have been deducted and escrowed in an amount equal to $310,471, representing $204,871 for the Tax and Insurance Reserve Account, and $105,600 for the Replacement Reserve Account.

(10) Assuming the Maximum Offering Amount is raised, $250,000 of the Offering proceeds will be funded into the Trust Operating Account, which will be for use by the Master Tenant with respect to initial operating costs at the Property, and $2,000,000 of the Offering proceeds will be funded into the Trust Controlled Reserves, which will be Trust-controlled. To the extent that the actual Organization and Offering Expenses, Sales Commissions, Marketing/Due Diligence Expense Allowances, Loan-Related Costs, and Other Closing Costs are below the amounts projected, any such savings in any such line item will be used to fund overages in other categories, with any such remainder to be contributed to the Trust Controlled Reserves. To the extent that the aggregate of the actual Organization and Offering Expenses, Loan-Related Costs and Other Closing Costs exceed the amounts projected, then any such shortfall will be funded first from savings in other categories and may be funded next from any other available reserves of the Trust.

For a description of the fees the Sponsor and its affiliates will receive in connection with the Offering, see "COMPENSATION OF THE SPONSOR AND AFFILIATES."

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BUSINESS PLAN

General

The ownership objectives for the Property will be to (i) preserve the Investors' capital investment; (ii) make monthly distributions starting at 4.40% per annum in 2026 and projected to range from 4.42% to 6.35% per annum in years two through ten, which may be partially tax-deferred as a result of depreciation and amortization expenses; (iii) seek to increase rental rates to create additional value; and (iv) realize profit through the ownership and eventual sale, disposition, transfer or merger to facilitate a Section 1031 Exchange (under limited circumstances) or an exchange transaction pursuant to Section 721 of the Code with respect to the Property within approximately seven to ten years. Further, the Sponsor plans to achieve these objectives by, among other things, increasing the net operating income of the Property through growth in rental rates and controlling expenses through professional property management and diligent asset management and further enhance and efficiently market the Property's live / work / play / socialize / lifestyle attributes to appeal to more affluent tenants in order to further increase the Property's value and Investor's investments in the Trust. There is no guarantee that the objectives will be successfully achieved, that the Property's value will be enhanced, or that the Property will be sold within the planned time period.

Bluerock Value Creation Opportunity

BHMX and BVEX believe the Property is attractively positioned for robust rental rate growth and significant property appreciation due to is desirable location within Gwinnett County, located within the area's top school district as well as nearby major employment and entertainment centers, and in an area with limited housing availability. In addition, the Property also benefits from a tax assessment freeze for 2026 and 2027. BHMX and BVEX plan to implement and administer multiple marketing and revenue management initiatives to further grow Property revenues and enhance the Property's value, including the following:

- Implement aggressive ongoing marketing campaigns to reach out to local corporations, businesses and vendors to obtain referrals, activity sponsorships and reciprocal business opportunities.
- Enhance the Property's internet marketing by engaging an internet firm specializing in search engine optimization. The utilization of a search engine optimization firm will improve the Property's online presence resulting in more cost efficient and cost-effective marketing. The firm will provide community-tailored paid internet search advertising campaigns.
- Hire a nationally recognized third-party property management company to oversee an on-site management team of experienced and enthusiastic professionals.
- Install a state-of-the-art computerized revenue management program that collates market and submarket data and establishes daily pricing for all units based on a number of primary factors including inventory, days on market, move-in date and location. This type of computerized revenue enhancement system is gaining wide acceptance in the multifamily management industry as being a cost-effective software program that will manage pricing in an effort to increase the financial performance of the Property.
- Introduce and monitor more aggressive increases in "Other Income" such as administrative fees, application fees, transfer fees, pet deposits and pet rent.
- Install a lease management system that targets the number of monthly lease expirations to approximately 10% of the units.
- Install a reputational management system that enhances the Property's on-line rating scores on industry rating sites as well as multiple search engine rating sites. In today's technology driven market, a property's on-line rating scores are critical search components for prospective residents.
- Conduct regular meetings between the Asset Manager and the regional third-party staff reviewing performance reports including new leasing activity, retention activity, pricing matrix, marketing programs and capital projects.
- Hold regular resident functions to foster a sense of community thereby increasing tenant retention.

BHMX and BVEX also plans to implement asset management programs including:

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- Maximize occupancy through implementation of a multiplatform marketing program including a focus on website and internet advertising, as well as utilization of print media if applicable.
- Leverage economies of scale with cost effective pricing structure on contractor and vendor services, insurance and maintenance supply inventory.
- Perform annual competitive bidding of contracts and services.
- Implement an annual property tax review and appeal program utilizing recognized national and/or local area tax consultants.

Implement an annual property insurance review utilizing recognized national insurance agencies.

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SUMMARY OF ASSET MANAGEMENT AGREEMENT

BR Parkview DST Manager, LLC serves as the Asset Manager pursuant to the Asset Management Agreement. The Asset Management Agreement governs the rights and obligations regarding the provision of asset management services for the Property and the compensation to be paid by the Trust to the Asset Manager.

The following is a summary of some of the significant provisions of the Asset Management Agreement. This summary is qualified in its entirety by reference to the full text of the Asset Management Agreement, a copy of which is available upon request.

Term:	The Asset Management Agreement remains in effect until terminated pursuant to the terms therein.
Duties of the Asset Manager:	In general, the Asset Manager will (i) provide management services to the Trust with respect to the Property, including, but not limited to (a) providing Investor and lender relation services on behalf of the Trust, (b) responding to all inquiries from the Beneficial Owners, and (c) engaging any third-party transfer agent or shareholder services company to assist the Manager in providing such investor relations services, and (ii) implement all decisions and policies of the Trust.
Asset Management Fee:	The Asset Manager will be paid an annual Asset Management Fee equal to 0.20% of Purchase Price (i.e., $133,200), commencing January 1, 2026 and paid monthly in arrears. In addition, the Asset Manager will be reimbursed for certain expenses. The Asset Management Fee and any expense reimbursements shall be paid by the Trust. The Asset Manager may elect to be paid less than the full amount of the Asset Management Fee to which it is entitled under the Asset Management Agreement, in which event the Asset Manager may also elect to defer or accrue such amounts, without interest, to be paid at a later point in time. Any deferred and accrued Asset Management Fees will be due and payable in full upon a disposition of the Property from the disposition proceeds.
Indemnification:	The Trust will hold the Asset Manager, as its agent, harmless from liability, except for willful misconduct, gross negligence, fraudulent or criminal conduct of the Asset Manager. This indemnity extends to and protects the Asset Manager's agents, officers, directors, beneficial owners, affiliated companies, and employees. The Asset Manager will hold the Trust harmless from liability arising from any action or inaction that constitutes gross negligence or fraudulent, criminal, or willful misconduct of the Asset Manager. This indemnity extends to and protects the Trust's agents, officers, directors, shareholders, affiliated companies, and employees.

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SUMMARY OF PROPERTY MANAGEMENT AGREEMENTS

The Property Manager and the Master Tenant have entered into the Property Management Agreement with respect to the Property. The Property Management Agreement governs the rights and obligations regarding the management of the Property and the compensation to be paid to the Property Manager.

Property Management Agreement

The following is a summary of some of the significant provisions of the Property Management Agreement. This summary is qualified in its entirety by reference to the full text of the agreement, a copy of which is available upon request.

Term:	The Property Management Agreement has an initial term of 12 months, but will be automatically renewed thereafter for successive one-year terms, unless terminated by one of the parties.
Rights and Duties of the Property Manager:	In general, the Property Manager will manage, coordinate, and supervise the ordinary and usual business and affairs pertaining to the operation, maintenance, leasing, licensing and management of the Property. The Property Manager intends to subcontract all day-to-day, on-site management, leasing and related functions at the Property to the Property Sub-Manager.
Property Management Fee:	The Property Manager will receive the Property Management Fee equal to the Property Sub-Manager Fee. In addition, the Property Manager will be reimbursed for certain expenses in accordance with the terms of the Property Management Agreement. The Property Management Fee and any expense reimbursements will be paid solely by the Master Tenant. As detailed more fully in the Property Management Agreement, the Master Tenant's obligation to pay the Property Management Fee is subject and subordinate to its obligation to cause the Property Manager to pay the Property's other budgeted operating expenses, including certain payments that may be required under the Loan. In addition, the Property Manager and the Property Sub-Manager will be reimbursed for certain expenses. The Property Management Fee and any expense reimbursements shall be paid solely by the Master Tenant. The Property Manager has subcontracted all day-to-day, on-site management, leasing and related functions for the Property to the Property Sub-Manager. The initial Property Sub-Manager is RPM Living, LLC, a Texas limited liability company. The Property Sub-Manager will receive the Property Sub-Manager Fee equal to the greater of (x) 2.50% of the Gross Receipts from the Property or (y) $8,500, calculated on a per month basis. This fee will be payable each month by the Property Manager to the Property Sub-Manager and will be pro-rated for any partial months.
Indemnification:	The Master Tenant will hold the Property Manager, as its agent, harmless from liability, except for willful misconduct or gross negligence of the Property Manager.
Termination:	If a Property Management Agreement is terminated other than through the expiration of the Term by the action of a Master Tenant or the Master Tenant's default, Master Tenant will owe Property Manager a termination fee in an amount equal to the Property Management Fee that would accrue over the remainder of the stated Term.
Budget:	The Property Manager will prepare and deliver each year to the Master Tenant an annual approved operating budget for the Property.

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The Property Manager has entered into the Sub-Property Management Agreement with the Property Sub-Manager, RPM Living, LLC, a Texas limited liability company, for all day-to-day, on-site management, leasing and related functions for the Property.

Sub-Property Management Agreement

The following is a summary of some of the significant provisions of the Sub-Property Management Agreement. This summary is qualified in its entirety by reference to the full text of the agreement, a copy of which is available upon request.

Term:	The Sub-Property Management Agreement has an initial term of 12 months, but will be automatically renewed thereafter for successive one-year terms, unless terminated by one of the parties.
Rights and Duties of the Property Sub-Manager:	The Property Sub-Manager will manage, coordinate, and supervise the ordinary and usual business and affairs pertaining to the operation, maintenance, leasing, licensing and management of the Property.
Property Management Fee:	The Property Sub-Manager will receive a property management fee equal to the greater of (i) 2.50% of the "Gross Receipts" from the Property, and (ii) $8,500, calculated on a per month basis. This fee will be payable each month by the Property Manager to the Property Sub-Manager and will be pro-rated for any partial months. "Gross Receipts" means all receipts from the Property, determined on a cash basis, from (a) tenant rentals, parking rent and other charges collected pursuant to tenant leases for each month; provided, however, that there shall be excluded from tenant rentals any refundable tenant security deposits not forfeited by tenants; (b) income from the operation of the Property, including but not limited to (to the extent of the excess over the amounts paid by Property Manager to the applicable provider of the associated service) utility reimbursements, cable television, telephone, internet access, security monitoring, laundry and vending machines; (c) cleaning, tenant security and damage deposits forfeited by tenants or applied by Property Manager during such period; (d) proceeds from rental interruption insurance; and (e) any other sums and charges collected in connection with termination of the tenant leases. Gross Receipts does not include the proceeds of (i) any sale, exchange, refinancing, condemnation, or other disposition of all or any part of the Property, (ii) any loans to the Property Manager whether or not secured by all or any part of the Property, (iii) any capital contributions to the Property Manager, (iv) any insurance (other than rental interruption insurance) maintained with regard to the Property, (v) proceeds of casualty insurance or damage claims as a result of damage or loss to the Property, (vi) condemnation awards received pursuant to a government taking of all or any portion of the Property, (vii) lump sum upfront and/or non-recurring payments paid by ancillary income providers (e.g. laundry, cable, antenna); (viii) revenue generated from contracts negotiated by Property Manager and managed by Property Manager or a third party; and (ix) tenant rentals and income from the operation of non-residential retail and/or commercial lease(s) (retail space revenue and management fee to be negotiated in an additional exhibit if applicable).
Indemnification:	Except to the extent the Property Sub-Manager is obligated to indemnify the Property Manager for the gross negligence, willful misconduct, fraud, or criminal actions of the Property Sub-Manager (including its employees) in connection with its performance under the Sub-Property Management Agreement, the Property Manager shall indemnify, hold harmless, and defend the Property Sub-Manager (and its partners, members, directors, shareholders, officers, employees, and agents), from and against any and all third-party liabilities, claims, causes of action, suits, losses, demands and expenses whatsoever including, but not limited to reasonable legal fees

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and expenses arising out of or in connection with the ownership, maintenance or operation of the Property or the Sub-Property Management Agreement or the performance of the property Sub-Manager's agreements thereunder (collectively "**Claims**"), including but not limited to, Claims alleging bodily injury or property damage, and/or the loss of use of property following and resulting from damage or destruction.

Termination: The Sub-Property Management Agreement may be terminated without cause by either the Property Manager or the Property Sub-Manager upon thirty days prior written notice from the terminating party to the other party. Upon such termination without cause, the Property Manager shall pay to the Property Sub-Manager all payments and reimbursable expenses actually incurred by the Property Sub-Manager through the date of termination.

The Sub-Property Management Agreement shall automatically terminate upon the sale of the Property, the termination of the Master Lease, or upon the condemnation of all or any material portion of the Property.

Budget: The Property Sub-Manager will prepare and deliver each year to the Property Manager an annual approved operating budget for the Property.

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RISK FACTORS

The Interests are speculative and involve a high degree of risk. A prospective Investor should be able to bear a complete loss of his, her, or its investment. If a prospective Investor intends to acquire the Interests to claim the Property as replacement property in a proposed Section 1031 Exchange, particular attention should be paid to the "FEDERAL INCOME TAX CONSEQUENCES" section of this Memorandum. The prospective Investor will not receive a legal opinion providing that the prospective Investor's particular investment in the Interests will qualify for tax-deferred exchange treatment under Section 1031.

Prospective Investors should carefully read this Memorandum and review the Financial Forecast attached as Appendix I to this Memorandum (including the assumptions thereto before purchasing an Interest). The Financial Forecast consists of "forward-looking" statements that are based on various assumptions regarding the Trust and future operation and management of the Property, such as lease occupancy, payment of rent and certain budgeted expenditures. Forward-looking statements can be identified by the use of words such as "may," "will," "plan," "potential," "projected," "should," "expect," "anticipate," "estimate," "continue" or comparable terminology. Forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy and some of which the Trust might not even anticipate. Although the Trust believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions at the time made, there can be no assurance that such expectations will be achieved. Future events and actual results, financial and otherwise, may differ materially from the results discussed in the forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements. In addition, any projections and representations, written or oral, which do not conform to those contained in this Memorandum, must be disregarded.

Among the factors about which assumptions are made:

- risks and uncertainties affecting the general economic climate and conditions;
- changes in interest rate levels, inflation, aggressive monetary policy, and volatility in the capital markets;
- changes in operating costs, including rising insurance and labor costs;
- our ability to obtain adequate insurance, including coverage for terrorist acts;
- the availability of financing on attractive terms or at all;
- changes in governmental regulation, tax rates, including property tax assessments, and similar matters; and
- other risks associated with the acquisition, ownership and maintenance of real estate set forth herein below.

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

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Delaware Statutory Trust Structure Risks

Beneficial Owners Possess Limited Control and Rights. The Trust will be operated and managed solely by the Manager. Investors, as Beneficial Owners, will have no right to participate in any aspect of the operation or management of the Trust. The Manager will not consult with the Beneficial Owners when making any decisions with respect to the Trust and the Property, including whether to sell the Property or effectuate a Transfer Distribution. The Beneficial Owners 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 Manager will collect the rents due from the Master Tenant under the Master Lease and make distributions therefrom in accordance with the terms of the Trust Agreement. The Manager will seek to sell the Property in accordance with the provisions of the Trust Agreement, which provides that the Manager has sole discretion to determine when it is appropriate to sell the Property; provided, however that the Operating Partnership has been granted the FMV Option, which it may elect to exercise in its sole discretion and will be acting in its own best interests when making any decision to exercise the FMV Option. The Trustee may remove the Manager only for cause (fraud or gross negligence causing material damage to, or diminution in value of, the Property), but only if the Lender consents (to the extent there is an outstanding Loan).

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. The Beneficial Owners do not have the right to sell or cause the sale of the Property. The Manager will be responsible for making decisions with regard to, among other things, selling the Property.

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

The Trustee and the Manager Have Limited Powers, and the Trust May Therefore Face Increased Termination Risk. In order to comply with the tax law regarding investment trusts and Section 1031 Exchanges, the Trust Agreement expressly prohibits the Trustee and the Manager 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 bankruptcy or insolvency of the Master Tenant or another tenant; (d) renegotiating the Master Lease or entering into new leases, except in the case of the Master Tenant's bankruptcy or insolvency; (e) making modifications to the Property (other than minor non-structural modifications) unless required by law; (f) accepting any capital from a Beneficial Owner (other than capital from an Investor that will be used to fund the Trust Controlled Reserves or repurchase the Depositor's Class 2 Beneficial Interests and thereby reduce the Depositor's ownership interest in the Trust); or (g) taking any other action that would, in the opinion of Special Tax Counsel to the Trust, cause the Trust to be treated as a business entity for federal income tax purposes.

As a result, the Trust may be required to effectuate a Transfer Distribution in order to take the actions necessary to preserve and protect the Property. In such case, while the Property will remain subject to the Loan after the Transfer Distribution, the Beneficial Owners will no longer be considered to own, for federal income tax purposes, a direct ownership interest in the Property. See "SUMMARY OF THE TRUST AGREEMENT."

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

Revenue Ruling 2004-86. The utilization of a DST (like the Trust) to acquire and hold property for purposes of a Section 1031 Exchange is based primarily on Revenue Ruling 2004-86, 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

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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 Treasury Regulation Section 301.7701-4) could have a significant adverse impact on the Beneficial Owners.

Sale. The Manager will sell the Trust Estate upon its determination (in its sole discretion) that the sale of the Trust Estate is appropriate; provided, however, that absent unusual circumstances, it is currently anticipated that the Trust will hold the Trust Estate for at least two years. The Operating Partnership will be acting in its own best interests when making any decision to exercise the FMV Option. 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 Trust Estate. The Beneficial Owners will not have the right to sell the Trust Estate. A Beneficial Owner may or may not be able to defer the recognition of gain for federal, state or local income tax purposes when a sale occurs.

Transfer to Newly-Formed Delaware Limited Liability Company. If the Manager determines that it is necessary to effectuate a Transfer Distribution, the Trust will transfer the Property to the Springing LLC, a newly-formed Delaware limited liability company. The Springing LLC 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, membership interests in the Springing LLC will not be treated as interests in real property for federal income tax purposes (including for purposes of Section 1031). 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 on a subsequent disposition of their membership interests in the Springing LLC or the Property under Section 1031.

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).

In the Event of an Adverse Effect on the Income of the Trust, the Trust Is Not Permitted to Obtain Additional Funds Through Additional Borrowings or Additional Capital, and Therefore Could Be Required to Effectuate a Transfer Distribution so as to Seek to Raise Capital through the Springing LLC. If, after a Transfer Distribution, additional funds are not available from any source, the Springing LLC may be forced to dispose of all or a portion of the Property on terms that may not be favorable to the Beneficial Owners. Further, apart from potential adverse economic consequences of a Transfer Distribution, a Transfer Distribution may have adverse tax consequences for the Beneficial Owners. See "FEDERAL INCOME TAX CONSEQUENCES."

The Trust Agreement Restricts Beneficial Owners' Rights to Information. The Trust Agreement eliminates certain rights to information the Beneficial Owners would have otherwise had under the Delaware Statutory Trust Act (the "**DST Act**"). While the Sponsor believes this is reasonable, necessary and prudent to protect the interests of legitimate Investors in the Trust from "greenmail" or other attacks by parties such as so-called "vulture investors" that are potentially harmful to the investment program, this nevertheless means that an Investor will have less access to information from the Trust than an Investor would be entitled to under the DST Act, including contact information for other Beneficial Owners.

The Purchase Agreement Contains an Exclusive Jurisdiction Provision. Section 18 of the Purchase Agreement requires Investors to agree to resolve any disputes arising out of, in connection with, or from the Purchase Agreement, or the transaction covered by the Purchase Agreement, within the County of New York, in the State of New York. As such, in the event of a dispute, Investors will not be able to select a jurisdiction other than New York in which to resolve it.

Real Estate Risks

Accuracy of Anticipated Results of Operations. The anticipated results of operations for the Trust as set forth in this Memorandum, including the pro forma financial projections attached as Appendix I: Financial Forecast, are based upon current estimates of income and expenses relating to the operation of the Property, should be considered speculative and are qualified in their entirety by the assumptions, information, limitations and risks disclosed in this

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Memorandum. If the assumptions on which these estimates are based do not prove correct, the Beneficial Owners who own Interests in the Trust will have difficulty in achieving their anticipated results. The anticipated results of operations assume occupancy levels and certain net rental rates. There can be no assurance that the Property can achieve stabilization or maintain the occupancy level or rate increases anticipated. Some of the other underlying assumptions inevitably may not materialize and unanticipated events and circumstances may occur. Therefore, the actual results achieved during the life of the Trust's ownership of the Property may vary from those anticipated, and the variation may be material. As a result, the rate of return to the Trust and the Beneficial Owners may be lower than that projected. Any return to the Beneficial Owners on their investment will depend on the ability of the Master Tenant, the Property Manager and the Property Sub-Manager to operate the Property profitably and ultimately sell the Property at a profit, which, in turn, will depend upon economic factors and conditions beyond their control.

Risks of Real Estate Ownership. The investment by Beneficial Owners will be subject to the risks generally incident to the ownership of real property, including changes in national and local economic conditions, changes in the investment climate for real estate investments, changes in the demand for or supply of competing properties, changes in local market conditions and neighborhood characteristics, the availability and cost of mortgage funds, the obligation to meet fixed and maturing obligations (if any), unanticipated holding costs, the availability and cost of necessary utilities and services, changes in real estate tax rates and other operating expenses, changes in governmental rules and fiscal policies, changes in zoning and other land use regulations, environmental controls, acts of God (which may result in uninsured losses), and other factors beyond the control of the Trust. Any negative change in the general economic conditions in the United States could adversely affect the financial condition and operating results of the Trust.

The Trust also will be subject to those risks inherent in the ownership of income-producing real property, such as occupancy, operating expenses and rental schedules, which in turn may be adversely affected by general and local economic conditions, the supply of and demand for properties of the type selected for investment, the financial condition of tenants and sellers of properties, zoning laws, federal and local rent controls and real property tax rates. Certain expenditures associated with real estate equity investments are fixed (principally mortgage payments, if any, real estate taxes, and maintenance costs) and are not necessarily decreased by events adversely affecting the income from such investments. The ability of the Trust to meet its obligations will depend on factors such as these and no assurance of profitable operations can be given.

The Property is Subject to Risks Relating to its Local Real Estate Market. Weakness or declines in the local economy and real estate market could cause vacancy rates at the Property to increase and could adversely affect the Trust's ability to generate leasing revenues and/or sell the Property under favorable terms. The factors which could affect economic conditions in the market generally include business layoffs, industry slowdowns, relocations of businesses, changing demographics, infrastructure quality and any oversupply of or reduced demand for real estate. Declines in the condition of the market could diminish the value of your investment and the Property. See also below, "*Public Health Risk May Affect Performance.*"

Risks of Investing in Multifamily Rental Properties; Competition. The rental of multifamily residential space is a highly competitive business. Ownership of the Property could be adversely affected by competitive properties in the real estate market, which could affect the operations of the Property and the ultimate value of the Property. Success in owning the Property, therefore, will depend in part upon the ability of the Master Tenant, the Property Manager, and the Property Sub-Manager (i) to retain current tenants at favorable rental rates; (ii) to attract other quality tenants upon the termination of existing leases if the existing tenants fail to renew or as otherwise needed; and (iii) to provide an attractive and convenient living environment for the tenants.

Although the Property will be leased to the Master Tenant throughout the term of the Trust, the Master Tenant is a newly-formed entity with limited financial resources. The financial performance of the Property therefore will be dependent to a significant degree on the ability of the Master Tenant, the Property Manager, and the Property Sub-Manager to retain current tenants, to attract new tenants, maintain, and/or increase rent collection rates and, as planned, to increase rental rates, all of which may in turn depend on factors both within and beyond the control of the Manager, the Trust, the Master Tenant, the Property Manager, and the Property Sub-Manager. These factors include changing demographic trends and traffic patterns, the availability and rental rates of competing residential space, and general and local economic conditions. The number of competitive multifamily properties in a particular area, and any increased affordability of owner occupied single and multifamily homes caused by declining housing prices, mortgage

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interest rates and government programs to promote home ownership, could have a material adverse impact on the Master Tenant, the Property Manager, and the Property Sub-Manager's ability to lease the Property and the rents they are able to obtain. The loss of a significant number of sub-tenants or the inability to maintain favorable rental rates with respect to the Property would adversely affect the value of the Property and/or the ability of the Master Tenant to pay Base Rent, which could result in the Lender declaring the Loan in default and foreclosing on the Property. This could result in the Investors losing their entire investment in the Property. The occurrence of a casualty resulting in damage to the Property could also decrease or interrupt the collection of tenant rents, which could adversely affect the Master Tenant's performance under the Master Lease and therefore also the Trust's ability to meet its obligations as they come due, including to make distributions to Beneficial Owners. Furthermore, the Property's leases with its end-user tenants may also permit them to terminate their leases if the leased premises are partially or completely damaged or destroyed by fire or other casualty. Such leases will also permit the end-user tenants to partially or completely abate rental payments during the time needed to rebuild or restore such damaged premises, which may also adversely affect the Property's financial performance.

Competition from Apartment Communities in the Surrounding Geographic Area. A number of apartment communities of similar size and amenities are located in the Property's immediate apartment sub-market. See "REGIONAL, LOCAL AREA AND MARKET ANALYSIS – *Competitive Properties*." The Appraisal has identified several comparable apartment communities located within close proximity to the Property. In addition, there are other Class B & C apartment communities in the surrounding region that may be more attractive to renters. Competing apartment communities may reduce demand for the Property, increase vacancy rates, decrease rental rates, and adversely impact the value of the Property. There also may be additional real property available in the general vicinity of the Property that could support the development of additional competing multifamily properties. An analysis of Axiometrics, Inc. ("**Axiometric**s") data as of Q3 2025 on all existing, planned, and under construction apartment communities in the Property's submarket show there are currently no properties under construction, six planned properties, and two properties in lease-up. Further, there are three properties under construction, eight planned properties and one property in lease up in neighboring submarkets. If constructed, the planned properties would deliver more than 385 units. If newer housing is built, it may siphon demand away from the Property, as newer housing tends to be more attractive to prospective tenants. It is possible that tenants from the Property will move to existing or new apartment communities in the surrounding area, which could adversely affect the financial performance of the Property. Competition from nearby apartment communities could make it more difficult to attract new tenants and/or to maintain or grow rental rates, and ultimately, sell the Property at an attractive price. The Property could also experience competition for real property investments from individuals, corporations, and other entities engaged in real estate investment activities. Other properties and real estate investments may be more attractive than the Property. As such, there is no assurance that the Property Manager or the Property Sub-Manager will be able to retain or attract end-user tenants to the Property at the same or higher rents given the current or future competition for tenants.

Agreements Affecting the Property May Impact the Operations and Performance of the Property. Multifamily properties, such as the Property, may be subject to various easements, declarations, restrictions, encroachments, and other agreements of record with neighboring landowners, and local governmental entities that may restrict certain land and/or property uses, impose certain fees or obligations, and otherwise impact the operation and performance of such properties. See "DESCRIPTION OF THE PROPERTY – *Agreements Affecting the Property*" for a discussion of any such agreements which may be material to a possible investment pursuant to this Memorandum.

Public Health Risk May Affect Performance. Public health concerns related to any outbreak of an infectious disease, including but not limited to, severe acute respiratory syndrome, avian flu, H1N1/09 flu, COVID-19 or any other serious public health concern (in each case, a "**Pandemic**"), could have a negative impact on the economy and the business activities in which the Trust may engage. The Trust's business activities and economic performance could also be negatively impacted by federal, state or local government laws and regulations in response to a Pandemic, including but not limited to restrictions on travel, quarantines, or restrictions on landlords' abilities to evict non-paying tenants. The full impact will depend on subsequent developments, including, among other factors, the duration and spread of the Pandemic, government orders restricting business and/or tenant operations, national and local unemployment levels, staff shortages and uncertainty with respect to the accessibility of additional liquidity or to the capital markets, any one or all of which make it very difficult to predict the economic performance of the Property and an Investor's participation in the Offering. Even if federal, state or local governments intervene and

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provide aid to industries negatively affected by a Pandemic, there can be no assurance that such aid would mitigate any material economic reduction in value of the Interests.

With regard to the Offering, Investors are advised that they could experience one or more of the following adverse consequences as a result of a Pandemic: (1) jurisdictional differences in governing law with regard to any governmental response to the Pandemic; (2) revenue or cash flow uncertainty caused by a decrease in rent collections; (3) default on the Loan encumbering the Property; and (4) uncertainty regarding the exit strategy for the Trust and other market participants.

The Financial Performance of the Property Will Depend Upon Ability of the Property Manager and Property Sub-Manager to Attract and Retain Tenants Who Will Meet Their Rental Obligations on a Timely Basis, Care for Their Living Space and Preserve or Enhance the Reputation of the Property. The financial performance of the Property and the related ability of the Property Manager and the Property Sub-Manager to meet the financial projections contained herein will depend upon many factors, a significant one being the end tenants' timely payment of rent under their leases and care they take with respect to their living spaces. If a material number of tenants become unable to make rental payments when due, decide not to renew their leases or decide to terminate their leases, this could result in a significant reduction in rental revenues, which could adversely affect the ability of the Master Tenant to make payments under the Master Lease, including payment of principal and interest on the Loan, which could adversely affect the value of the Property and/or result in the Lender declaring the Loan in default and foreclosing on the Property. This could result in the Investors losing their entire investment in the Trust. In addition, the failure by a large number of tenants to properly care for their units or common areas or to preserve or enhance the reputation of the Property could lead to increased repair and maintenance costs or otherwise adversely affect the value of the Property. Failure on the part of a tenant to comply with the terms of his or her lease may give the Master Tenant the right to terminate the lease, repossess the applicable premises and enforce payment obligations under the lease. However, the cost and effort involved in pursuing these remedies and collecting damages from a defaulting tenant could be greater than the value of the lease. There can be no assurance that the Master Tenant will be able to successfully pursue and collect from defaulting tenants or re-let the premises to new tenants without incurring substantial costs, if at all. If other tenants are found, the Property Manager or Property Sub-Manager may not be able to enter into new leases on favorable terms. The financial projections assume a minimum occupancy rate and certain net rental rates for the Property to enable the Master Tenant to comply with its obligations under the Master Lease, but there can be no assurance that the Property will maintain the minimum occupancy rate or that the minimum net rental rates will be achieved. The Loan Documents provide that the Lender must approve any change of the Master Tenant or Property Manager, which may make it difficult and/or costly to make a desired change in the management of the Property.

Leases for the Property Generally Have Short Terms, and the Property Manager or Property Sub-Manager May Be Unable to Renew Leases or Re-Let Units as Leases Expire. Most of the existing Residential Leases for the units at the Property have lease terms of 12 months. Consequently, the Property's performance may in large measure depend upon the effectiveness of the Property Manager's and Property Sub-Manager's marketing efforts to attract replacement tenants and/or to maintain the projected occupancy rate for the Property. Also, such efforts may be costly and require significant time. If tenants decide not to renew their leases upon expiration or decide to exercise an available right to terminate their leases, the Property Manager and Property Sub-Manager may not be able to re-let their units quickly or at the same or higher rates. Even if the tenants do renew or their units are re-let, the terms of renewal or re-leasing may be less favorable than current lease terms. If the Property Manager and Property Sub-Manager cannot promptly renew the leases or re-let the units, or if the rental rates upon renewal or re-leasing are significantly lower than expected rates, then the Property's financial operations and condition will be adversely affected and this, in turn, may adversely affect the Property's cash flow, the ability of the Master Tenant to pay all rents due under the Master Lease and the ability of the Trust to make its required payments under the Loan and/or to pay distributions to the Beneficial Owners.

Changes in Laws Could Adversely Affect the Property. Various Federal, state and local regulations, such as fire and safety requirements, environmental regulations, the Americans with Disabilities Act of 1990, non-discrimination and equal housing laws, land use restrictions and taxes affect the Property. If the Property does not comply with these requirements, the Trust may incur governmental fines or private damage awards. New, or amendments to existing, laws, rules, regulations or ordinances could require significant unanticipated expenditures or impose restrictions on the operation, redevelopment or sale of the Property. Such laws, rules, regulations or ordinances

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may adversely affect the ability of the Trust to operate or sell the Property. See also above, "*Public Health Risk May Affect Performance.*"

The Implications of the One Big Beautiful Bill Act on the Trust and the Property are uncertain. On July 4, 2025, President Trump signed into law the sweeping federal legislation known as the "One Big Beautiful Bill Act," (the "**OBBBA**") which introduces a broad range of economic, tax, and regulatory reforms that may significantly impact the real estate market. While the OBBBA provisions do not appear to have any direct implications for the Trust or the Property, it is currently impossible to predict what impact the OBBBA will have on the real estate market generally. Any negative impact could adversely affect the financial performance of the Property and the Trust.

Changes in U.S. trade and immigration policies may adversely affect the Trusts and the value of the Property. Changes in U.S. trade and immigration policies may adversely affect the Trust and the value of the Property. The U.S. government has, at various times, indicated its intent to revise trade agreements and impose tariffs on various imported goods and materials. Shifts in trade policy could lead to increased costs for imported goods and materials. In response to such policy changes, other countries may adopt retaliatory trade measures, which could make it more difficult or costly for U.S. companies to export products. These developments may also result in legal challenges, economic uncertainty, and disruptions in global supply chains. In addition, the U.S. government has accelerated enforcement of certain immigration laws, which have impacted not only businesses traditionally supported by immigrant labor such as agriculture and hospitality, but also technology-oriented businesses.

Although companies may take reasonable precautions to mitigate the impact of trade and immigration policy changes on its business, no company can fully insulate itself from government policy changes, whether foreign or domestic. Changes to government policies may have a materially adverse impact on the financial condition and operations of the Trust and the Property. For example, the Trust may be impacted by broader economic consequences such as reduced consumer confidence, increased costs for key materials, reduced discretionary spending, volatility in interest rates, changes in labor costs and the availability of experienced employees, and other similar factors. Such factors may, for example, impact the ability of the Master Tenant and/or the Property Manager to operate the Property which may adversely impact the financial performance or value of the Property, which may in turn negatively impact the proceeds received by the Beneficial Owners upon a disposition of Property.

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

Risks Relating to the Master Tenant and the Master Lease

Limited Capital of the Master Tenant. The financial stability of the Master Tenant may affect the financial performance of the Property. The Sponsor is under no obligation to contribute capital to the Master Tenant. The Master Tenant's capitalization consists of $585,000; of this amount $510,000 will be funded by the Demand Note from the Operating Partnership and $75,000 will be funded through the Master Tenant Reserve Account. If the Master Tenant requires funds in excess of Property net operating cash flow to pay the Rent required under the Master Lease (subject to limited deferral rights) or satisfy its other obligations under the Master Lease, it will need to call upon the Operating Partnership to contribute the amount of its Demand Note. However, no assurance can be given that the amount of the Demand Note will be sufficient to enable the Master Tenant to fund its obligations under the Master Lease, or that the Operating Partnership will be able to fund the Demand Note if called upon by the Master Tenant to do so, in which case the Master Tenant could default under the Master Lease, which also would be a default under the Loan, which could result in suspension or termination of distributions to Beneficial Owners and/or a foreclosure of the Property by the Lender. In addition, the costs and time involved in enforcing the Trust's rights under the Master Lease may be significant. Moreover, if the Trust were to terminate the Master Lease for non-payment, there is no assurance that it could find a new Master Tenant to operate the Property on terms better or equal to those in the Master

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Lease. If the Trust were unable to enter into a new master lease for the Property on the same terms or better terms, the returns to Investors would likely be materially adversely affected. In addition, if the Trust were unable to enter into a new master lease, it would likely become necessary for the Trust to effectuate a Transfer Distribution, in order to engage in leasing activities, which would likely give rise to adverse tax consequences to Investors. Absent insolvency or a bankruptcy by the Master Tenant, the Trustee may not be empowered to execute such a replacement Master Lease. Such events could cause the Investors to lose their entire investment in the Property and suffer adverse tax consequences.

The Sponsor's Affiliate May Be Unable to Fulfill its Obligations Under the Demand Note. The Operating Partnership has made the Demand Note equal the amount of $510,000 in favor of the Master Tenant in order to capitalize the Master Tenant. However, there can be no assurance that the Operating Partnership will be able to meet its obligations pursuant to such Demand Note. If the Operating Partnership is required to perform on other outstanding or future demand notes, guaranties or other obligations, or itself experiences an adverse financial event, it is possible that the Operating Partnership may not have sufficient funds or resources to perform its obligations under its Demand Note and/or may be unable or unwilling to fulfill its obligations to the Master Tenant of this Property. In the event of the insolvency or bankruptcy of the Operating Partnership, the Master Tenant would be required to compete with any other creditor claims that may be asserted against the same assets of those entities and any secured creditor claims would be superior to those of the Master Tenant under the Demand Note, which is unsecured. The assets of the Operating Partnership and its affiliates are subject to the various risks of real estate ownership, syndication and management, including, but not limited, to market value fluctuations and uncertainty of profitability of business operations. The ultimate value of their assets will depend upon their ability to successfully implement their respective business plans, which in turn depends upon competition, market forces and many other factors. If the Operating Partnership is unable to pay its Demand Note when called upon, the Master Tenant may have insufficient funds to meet its obligations as they come due, including without limitation paying the Base Rent as and when due under the Master Lease, upon which the Trust relies in order to be able to service the Loan. Thus, any failure of the Master Tenant to receive payment under the Demand Note in order to pay the Rent when due under the Master Lease could materially and adversely affect returns to the Investors, cause the Trust to terminate the Master Lease, and/or may cause a default under the Loan which could result in foreclosure and a complete loss of the Property and the entire investment of the Investors.

Performance of the Master Tenant Under the Master Lease. The ability of the Trust to meet its obligations is dependent upon the performance of the Master Tenant and its payment of Rent and other payments required under the Master Lease.

There is no assurance that the Master Tenant will pay Rent. There can be no assurance that the Master Tenant will make payments of Base Rent, Additional Rent or Supplemental Rent, as such payments are contingent upon the successful operation of the Property.

The Master Tenant relies on the Property Manager and the Property Sub-Manager to manage the Property. The Master Tenant has entered into the Property Management Agreement with the Property Manager. During the term of the Property Management Agreement, the Property Manager has the exclusive right to manage and operate the Property. The Property Manager has entered into the Sub-Property Management Agreement with the Property Sub-Manager to provide services. Accordingly, the prospective Investor should not purchase the Interests unless such prospective Investor is willing to entrust all such aspects of management and operation of the Property to the discretion of the Property Manager. A prospective Investor must carefully evaluate the personal experience and business performance of the principals of the Property Manager. See "MANAGEMENT – *Property Management*" for information regarding the Property Manager. If the Property Manager is not successful in operating and managing the Property, then an Investor's Interest may be adversely impacted, and the Investor may not achieve the expected return, if any, on its Interest.

The Trust may suffer adverse consequences due to the bankruptcy or insolvency of the Master Tenant. If a bankruptcy or similar insolvency proceeding were initiated with respect to the Master Tenant, the Trust would be adversely affected. For example, a bankruptcy trustee appointed for the Master Tenant might attempt to reject one or more Residential Leases. Further, as a result of the automatic stay provided for under the applicable bankruptcy laws, the Trust might not be able to enforce the Master Tenant's obligations under the Master Lease, or reach rental payments being made by Residents to the Master Tenant, which could negatively impact the Trust's ability to receive rent with

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respect to the Property. In the event of the bankruptcy or insolvency of the Master Tenant, the Trust would be able to terminate the Master Lease and either succeed to the Master Tenant's interest in the Residential Leases or negotiate new leases with the Residents. However, due to the nature of the Property and the Residential Leases, if the Trust was unable to obtain a replacement Master Tenant it would have to cause a Transfer Distribution to a Springing LLC to enable it to renegotiate and renew the Residential Leases and enter into new Residential Leases on an ongoing basis. Nevertheless, there is no guarantee that the Trust (or the Springing LLC) would be successful in succeeding to the Master Tenant's interest in the Residential Leases or entering into new Residential Leases.

Risks Relating to an Investment in the Property

Valuation. The Appraisal reflects a market value "As Is" for the Property of $68,100,000 as of October 28, 2025. The Purchase Price of $66,600,000 for the Property is lower than the $78,111,498 aggregate purchase price of the Interests, which includes $39,486,498 in equity for the Interests, assuming the Maximum Offering Amount is sold, and $38,625,000 for the Loan. See "ESTIMATED USE OF PROCEEDS." Thus, the Trust will be subject to immediate dilution and the Beneficial Owners may recover less than their invested capital upon any eventual sale of the Property. There can be no assurance that the value of the Property will appreciate or appreciate at a rate sufficient to provide a positive return on investment.

Property Not a Diversified Investment. By the terms of the Trust Agreement (as well as the terms of the Loan Documents), the Trust generally is not permitted to acquire real property other than the Property or any other assets or make any other investments. Because an investment in Interests represents an investment in one property, it is not a fully diversified investment. Accordingly, the poor performance of the Property would likely materially and adversely affect your investment in an Interest.

Physical Condition of the Property and Title; No Representations to Investors. The Trust will not make any warranties or representations to the Investors regarding the condition of the Property. A prospective Investor is investing in the Property in an "as is" condition, on a "where is" basis and "with all faults," without any warranties of merchantability or fitness for a particular use or purpose.

In addition, the Property is subject to various matters affecting title, including but not limited to zoning ordinances, building codes and matters set forth on the pro forma owner's title insurance policy and the survey, which policy and survey are available to prospective Investors on electronic/digital media. These matters may include, for example, easements, declarations, restrictions, agreements and other limitations on the right of the Trust to construct, develop and use the Property and may impose certain maintenance obligations upon the Trust. Documents related to the most significant matters affecting title are also available on electronic/digital media. In addition, other issues that are not disclosed by the policy or the Survey may affect title. In connection with the acquisition of the Property, the Trust obtained title insurance; however, the title is insured only in an amount equal to the purchase price of the Property, and not the full amount of the total acquisition cost. 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.

Environmental Issues. Federal, state and local laws may impose liability on a landowner for releases of or the presence on the premises of hazardous substances and petroleum, without regard to fault or knowledge of the presence of such substances. A landowner may be held liable for the release of hazardous substances and petroleum that occurred before it acquired title to, and/or that occur during ownership of a property, even if the conditions are not discovered until after it sells the property. If released hazardous substances or petroleum are found at any time on the Property, the Trust may be found to be responsible for all or a portion of cleanup costs, fines, penalties and other costs regardless of whether the Trust owned the Property when the releases occurred or such substances were discovered. Under the Federal Comprehensive Environmental Response, Compensation, and Liability Act ("**CERCLA**") (which does not apply to petroleum contamination), as well as other federal and state environmental laws (many of which do apply to petroleum products), a purchaser of property may qualify for affirmative defenses to, and exemptions from liability. One of the factors often critical to the defense is obtaining, within 180 days before acquiring the property, a Phase I Environmental Site Assessment (a "**Phase I**") that qualifies as "All Appropriate Inquiry."

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A current Phase I, dated October 31, 2025, has been obtained for the Property, which was performed by Partner in compliance with the standards of ASTM Practice E1527-21, which the United States Environmental Protection Agency ("**USEPA**") and many states have recognized as adequate to demonstrate compliance with "All Appropriate Inquiry."

The objective of the Phase I was to identify any Recognized Environmental Conditions ("**RECs**"), Controlled RECs ("**Controlled RECs**") Historical RECs ("**Historical RECs**"), *de minimis* conditions ("***de minimis* conditions**"), and/or Business Environmental Risks ("**BERs**"), as defined by ASTM E1527-21, in connection with the Property. A REC refers to "the presence of hazardous substances or petroleum products in, on, or at the subject property due to a release to the environment; the likely presence of hazardous substances or petroleum products in, on, or at the subject property due to a release or likely release to the environment; or the presence of hazardous substances or petroleum products in, on, or at the subject property under conditions that pose a material threat of a future release to the environment." A Controlled REC refers to a REC "affecting the subject property that has been addressed to the satisfaction of the applicable regulatory authority or authorities with hazardous substances or petroleum products allowed to remain in place subject to implementation of required controls (for example, activity and use limitations or other property use limitations)." A Historical REC refers to "a previous release of hazardous substances or petroleum products affecting the subject property that has been addressed to the satisfaction of the applicable regulatory authority or authorities and meeting unrestricted use criteria established by the applicable regulatory authority or authorities without subjecting the subject property to any controls (for example, activity and use limitations or other property use limitations)." A Historical REC is not a recognized environmental condition. *De minimis* conditions refer to "a condition related to a release that generally does not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies." *De minimis* conditions are not RECs or Controlled RECs. A BER refers to "a risk which can have a material environmental or environmentally-driven impact on the business associated with the current or planned use of commercial real estate, not necessarily related to those environmental issues required to be investigated" under ASTM E1527-21.

A Phase I does not involve any invasive testing. A Phase I is limited to a physical walk through or inspection of the Property and a review of the related governmental records. Consequently, there are no assurances that any actual environmental problems with or conditions on the Property would be exposed by a Phase I. In the event that environmental contamination consisting of hazardous substances or petroleum existed with respect to the Property when the Trust acquired the Property, but which was not disclosed in the Phase I, and the contamination is subsequently discovered on the Property, the Trust may be able to avail itself of the defenses to, and the exemptions from, liability that are available under CERCLA and other federal and state laws, since the Trust acquired the Property within 180 days of the completion date of the required components of the Phase I and otherwise satisfied the conditions of All Appropriate Inquiry.

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

Summary of Phase I

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

Governmental Laws and Regulations May Impose Significant Costs. Real property and the operations conducted on real property are subject to federal, state and local laws and regulations relating to protection of the environment and human health. The Property could be subject to liability in the form of fines, penalties or damages for noncompliance with these laws or regulations. These laws and regulations generally govern wastewater discharges, air emissions, the operation and removal of underground and above-ground storage tanks, the use, storage, treatment, transportation and disposal of solid and hazardous materials, the presence of toxic building materials, and other health and safety-related concerns. Some of these laws may impose joint and several liability on the tenants,

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owners or operators of real property for the costs to investigate or remediate contaminated properties, regardless of fault, whether the contamination occurred prior to purchase, or whether the acts causing the contamination were legal.

Construction of Improvements. Under applicable tax rules, if the Trust were to cause or allow the construction of more than minor, non-structural improvements to the Property, this activity could require a Transfer Distribution, which may have adverse tax consequences for the Beneficial Owners.

Risk of Mold Contamination. Mold contamination has been linked to a number of health problems, which could result in litigation by tenants seeking various remedies, including damages and the ability to terminate their leases. Mold growth may occur when moisture accumulates in buildings or on building materials. Some molds may produce airborne toxins or irritants. Recently there have been an increasing number of lawsuits against property owners and managers alleging personal injury and property damage caused by the presence of toxic molds. Some of these lawsuits have resulted in substantial monetary judgments or settlements. Insurance carriers generally exclude mold-related claims from standard policies and price mold endorsements at prohibitively high rates. The assessment of the Property in connection with the Phase I Report included an evaluation of any apparent mold growth ("AMG"). No AMG was observed within the dwelling units or common areas accessed. The mold evaluation was based on observation only. No sampling or assessment of inaccessible areas was performed. As such, no further evaluation is recommended. No assurance can be given either that an undetected mold condition does not presently exist at the Property or that a mold condition will not arise in the future.

The Trust Controlled Reserves May Be Inadequate. The Master Tenant, subject to the express terms of the Loan Documents, the Trust Agreement and the Master Lease, may draw upon the Trust Controlled Reserves for Trust costs and other Property costs and expenses. To the extent that Property expenses increase or unanticipated expenses arise, and the available reserves are insufficient to meet such expenses, the Trust may be forced to use some or all of the Rent payment received from the Master Tenant to pay such obligations of the Trust, or to effect a Transfer Distribution in order to raise the necessary capital through the Springing LLC for such purposes, because the Trust itself is prohibited from raising additional capital. Further, to the extent that the aggregate of the Organization and Offering Expenses, Loan-Related Costs and Other Closing Costs exceed the amounts projected, then any such shortfall will be funded first from savings in other categories and may be funded next from any other available reserves of the Trust, including from the Trust Controlled Reserves. In addition, construction of more than minor, non-structural improvements out of reserves established by the Trust may require the Trust to effectuate a Transfer Distribution, which may have adverse tax consequences for the Beneficial Owners.

Energy Shortages and Allocations. There may be shortages or increased costs of fuel, natural gas or electric power, or allocations thereof, by suppliers or governmental regulatory bodies in the area where the Property is located. We are unable to predict the extent, if any, to which such shortages, increased prices, or allocations will occur or the degree to which such events might influence the ability of the Property to meet stated goals. If such shortages occurred or such costs increased, however, they could materially and adversely affect the income derived by the Trust from the Property, the value of the Property and the value of the Interests.

Risks Related to Financing of the Property

Risks of Leverage. The Trust owns the Property subject to the Loan and Lender's rights under the Loan Documents. The Trust's use of leverage may increase the return on Investor's invested capital. However, the use of leverage also presents an additional element of risk in the event that the cash receipts from the operation of the Property be insufficient to meet the principal and interest payments on such indebtedness. In order to comply with tax requirements for Section 1031 Exchanges, the Trust is not permitted to obtain new financing and Beneficial Owners are not permitted to make additional capital contributions to the Trust, even if required and used to service the Loan. Thus, if the cash flow from the Property is insufficient to allow the Master Tenant to make the required payments under the Master Lease, including payments the Trust requires to service the Loan, the Lender may foreclose on the Property and the Beneficial Owners' equity in the Property may be reduced or lost entirely. A Transfer Distribution may make it possible to delay or avoid a foreclosure (because the Springing LLC is not restricted from refinancing the Property or raising new capital) but may, itself, cause adverse tax consequences for the Beneficial Owners. See "FEDERAL INCOME TAX CONSEQUENCES." Moreover, the cost of any refinancing of the Property after a Transfer Distribution, in the form of interest charges and financing fees imposed by lenders or affiliates of the Sponsor, might significantly reduce the profits or increase losses resulting from operation of the Property or Investor's

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investment in the Trust.

Although the Trustee can remove the Manager in certain limited circumstances, the Lender will likely require that there be an adequately capitalized successor Manager. This requirement may limit the Trustee's ability to remove the Manager, since the exercise of such right would give rise to a default under the Loan Documents absent the Lender's consent. The Trust cannot incur any additional borrowings or refinance the Property.

Scheduled Debt Payments Could Adversely Affect the Property's Financial Condition. In the future, the Property's cash flow could be insufficient to meet required payments under the Loan Documents or to pay cash flow to the Trust at expected levels. As a result of any shortfall, the Manager may be forced to cause the Trust to postpone capital expenditures necessary for the maintenance of the Property, suspend distributions to Beneficial Owners, or may require a sale or Transfer Distribution. There can be no assurance that the Manager will be able to sell the Property on acceptable terms, if at all, or that after a Transfer Distribution the Springing LLC would be able to raise sufficient additional capital to avert a Loan default and possible foreclosure of the Property by the Lender. In either case, Beneficial Owners could lose the entire value of their Interests.

Events of Default. The Loan is "non-recourse," meaning that the Lender may only seek recovery from the liquidation of its collateral (principally, the Property) for any amounts that remain due under the Loan after a default. However, the Loan Documents contain certain events that would allow the Lender to proceed against the Trust to repay losses incurred by the Lender, or in some instances, the full amount of the Loan (i.e., certain non-recourse carveouts), in addition to foreclosing on the Property and the other collateral for the Loan. Thus, if such events occur, "springing" liability to the Trust may result, including an amount equal, in certain instances, to the full amount of the Loan. The events under the Loan Documents for which the Trust may have liability beyond the value of the Lender's collateral (but in all cases, the Trust shall be liable to Lender to the extent of actual loss or damage suffered by Lender) include, but are not limited to the following:

- failure to pay as directed by the Lender upon demand after an Event of Default (to the extent actually received by the Trust or the Master Tenant): (A) all Rents to which the Lender is entitled under the Loan documents; and (B) the amount of all security deposits then held or thereafter collected from tenants and not property applied pursuant to the applicable Residential Leases;
- failure to (A) maintain all insurance policies required by the Loan Documents, except to the extent the Lender has an obligation to pay the premiums under the Loan Documents; or (B) maintain all insurance policies at the deductible levels required by the Lender;
- failure to (A) properly make insurance claims for the payment of insurance proceeds to which the Trust or Master Tenant is entitled under any insurance policy required by the Loan Documents, including failure to comply with or satisfy any term or condition provided under any such policy for the payment of such insurance proceeds or any failure to provide any such insurer with all information and documentation necessary to support any such claim, (B) apply all insurance proceeds received by the Trust or the Master Tenant as required by the Loan Documents, (C) pay to Lender any amounts received by the Trust or Master Tenant in connection with any casualty or other event of loss as required by the Loan Documents, or (D) pay to Lender any amounts received by the Trust or the Master Tenant in connection with a condemnation action, as required by the Loan Documents;
- failure to comply with any provision of the Loan Documents relating to the delivery of book and records, statements, schedules, and reports;
- except to the extent directed otherwise by the Lender pursuant to the Loan Documents, failure by the Master Tenant (or, if the Master Tenant has been terminated, by the Trust) to apply Rents to (A) the ordinary and necessary expenses of owning or operating the Property, (B) with respect to the Master Tenant, the Master Lease Base Rent, and (C) with respect to the Trust, the debt service amounts, as and when each is due and payable, except that the Trust will not be personally liable with respect to Rents that are distributed by the Trust or the Master Tenant in any calendar year if the Trust or the Master Tenant, as applicable, has paid (i) all ordinary and necessary expenses of owning or operating, as applicable, the Property, (ii) with respect to the Master Tenant, the Master Lease Base Rent, and (iii) with respect to the Trust, debt service amounts, in each case, for such calendar year;
- waste or abandonment of the Property;
- grossly negligent or reckless unintentional material misrepresentation or omission by the Trust, the

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Master Tenant, BMH as the guarantor, key principals, or any officer, director, partner, member, shareholder, or trustee of such parties in connection with ongoing financial or other reporting required by the Loan Documents or any request for action or consent of the Lender;

- any claims, actions, suits or proceedings arising from any tenant opportunity to purchase act applicable to and affecting the Property, including costs, attorneys' fees, and expenses incurred in connection with such claims, actions, suits or proceedings;
- in the event that the Trust indicates the Loan Type is an Acquisition of Controlling Interests, the failure to pay any and all transfer, recordation, or other taxes or fees that are required to be paid in connection with such Acquisition;
- fraud, written material misrepresentation, or material omission by a principal, or any direct or indirect officer, director, partner, manager, member, shareholder, or trustee of a principal in connection with (A) any application for or creation of the debt, (B) any Transfer or any assumption of the Loan, or (C) any Acquisition of Controlling Interests (in the event the Trust indicates the Loan Type is an Acquisition of Controlling Interests);
- failure of the Master Lease to be subordinate to the Mortgage or failure of the Master Lease to be terminated if so elected by the Lender in accordance with the Loan Documents;
- failure to effectuate a Transfer Distribution pursuant to a springing transfer;
- failure by the Trust to comply with the terms of the Trust Agreement;
- failure to comply with Section 7.01(c)(9) of the Loan agreement;
- failure by the Trust to enforce all terms, conditions, provisions, requirements and remedies under the Master Lease against the Master Tenant as directed by the Lender after an Event of Default;
- the modification or amendment of the Trust Agreement without the Lender's prior written consent, other than any amendment or modification that complies with the terms of the Loan Documents;
- any amendment, modification or termination of the Master Lease without the Lender's prior written consent (except as permitted in the Loan Documents);
- failure to comply with Delaware law applicable to the Trust's formation, status and existence as a Delaware statutory trust, including any resulting claims by the Beneficial Owners; or
- failure to comply with applicable securities laws and/or regulations governing the solicitation, sale, and/or offering of the Interests to prospective Investors.

Lender's Approval Rights. The Lender has numerous rights under the Loan Documents, including the right to approve certain changes in ownership and management. Prospective Investors are encouraged to review a complete set of the Loan Documents prior to subscribing for the Interests. The Loan Documents are available upon request.

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, or otherwise permitted under the Loan Documents. The Loan Documents provide 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 of the Property that is likely to result in the Beneficial Owners losing their entire investment in the Property. 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.

Ability to Repay the Loan. The ability of the Trust to repay the Loan will depend in part upon the sale or other disposition of the Property prior to, at the latest, the maturity date of the Loan. There can be no assurance that any such sale can be accomplished at a time or on such terms and conditions as will permit the Trust to repay the outstanding principal amount of the Loan. Without limitation, financial and/or market conditions in the future may affect the availability and cost of real estate loans, making real estate financing difficult or costly to obtain for potential buyers of the Property.

In the event that the Trust is unable to sell the Property prior to the maturity date of the Loan, the Trust may

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be required to effectuate a Transfer Distribution in order to allow the Springing LLC to seek to refinance the Loan. However, market conditions and the interest rate environment at that time could cause the cash flow from the Property to fluctuate and could impact capitalization rates, both of which could negatively impact the value of the Property and limit the Springing LLC's sale or refinancing options. As such, the Springing LLC may not be able to obtain refinancing on terms as favorable as the Loan and indeed may require additional equity capital infusions to be able to secure any refinancing loan at all. If sufficient funds are not available from a sale, refinancing or additional capital contributions to the resulting Springing LLC, the Springing LLC may be subject to the risk of defaulting under the Loan and losing the Property through foreclosure. Any such Transfer Distribution or foreclosure may have adverse tax consequences for the Beneficial Owners. See "FEDERAL INCOME TAX CONSEQUENCES."

Availability of Financing and Market Conditions. Market fluctuations in real estate financing may affect the availability and cost of funds needed in the future for the Property. Moreover, credit availability has been restricted in the past and may become restricted again in the future. Restrictions upon the availability of real estate financing or high interest rates for real estate loans could adversely affect the Property and the ability of the Trust to sell the Property at a profit or at any price.

Risks Relating to the Operation of the Property

Insurance; Uninsured Losses. The Master Tenant has obtained general liability and business interruption insurance for the Property. If a loss occurs that is partially or completely uninsured, the Beneficial Owners may lose all or a part of their investment. The Trust may be liable for any uninsured or underinsured personal injury, death or property damage claims. Liability in such cases may be unlimited. While insurance may help reduce the risk of loss, it increases costs and thus lowers the potential return to the Beneficial Owners.

Regulatory Matters. The value of the Property may be adversely affected by legislative, regulatory, administrative, and enforcement actions at the local, state and national levels in the area, among others, of environmental controls. In addition to possible increasingly restrictive zoning regulations and related land use controls, such restrictions may relate to air and water quality standards, noise pollution and indirect environmental impacts such as increased motor vehicle activity. See also above, "*Public Health Risk May Affect Performance.*"

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

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

Reliance on Management. Under the Trust Agreement, the Manager has the right to make administrative decisions on behalf of the Trust. Also, the Manager has the sole discretion to determine when to sell the Property and on what terms. The Manager has other extensive powers and authority, some of which are limited by the express

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terms of the Trust Agreement. In the event of a Transfer Distribution, however, the Manager or its affiliate, as the manager of the Springing LLC, would be granted expanded powers and the right to receive additional compensation. Accordingly, no Investor should purchase Interests unless such Investor recognizes that the Trust is limited in its ability to manage the Property and such Investor is willing to entrust such limited management of the Property and the power to sell the Property to the Trustee and the Manager, and after a Transfer Distribution the Investor is willing to entrust all aspects of the management of the Springing LLC to the Manager as its manager. See "THE MANAGER" and "SUMMARY OF THE TRUST AGREEMENT – *Termination of the Trust to Protect the Property; Transfer Distribution.*" Furthermore, under the Trust Agreement, the Trustee has the power and authority to remove the Manager for cause (fraud or gross negligence causing material damage to, or diminution in value of, the Property), but only if the Lender consents (to the extent there is an outstanding Loan).

Conflicts. The Manager and its affiliates are subject to conflicts of interest between their activities, roles and duties for other entities and the activities, roles and duties they have assumed on behalf of the Trust. Conflicts exist in allocating management time, services and functions between their current and future activities and the Trust. None of the arrangements or agreements described, including those relating to the purchase price of the Property or compensation, is the result of arm's-length negotiations. See "CONFLICTS OF INTEREST."

No Substantial Assets of the Manager, Master Tenant or Property Manager. Neither the Manager, the Master Tenant nor the Property Manager have any substantial assets. Thus, there is no assurance that the Manager, the Master Tenant or the Property Manager will have the financial resources to satisfy their respective obligations under the Trust Agreement, the Master Lease or the Property Management Agreement. In addition, neither the Sponsor, the Manager nor the Master Tenant is obligated to invest or provide additional capital on behalf of the Trust, the Beneficial Owners or the Property. Capitalization of the Master Tenant consists of $585,000; of this amount, $75,000 will be funded through the Master Tenant Reserve Account and $510,000 will be funded through the Demand Note from the Operating Partnership, an affiliate of the Sponsor. This Memorandum does not contain financial statements for the Sponsor, the Manager, the Master Tenant, the Property Manager, the Property Sub-Manager, Bluerock, or the Operating Partnership.

Compensation and Fees. The Sponsor and certain of its affiliates will receive certain compensation from the Trust for services rendered regardless of whether any sums are distributed to the Beneficial Owners. See "COMPENSATION OF THE SPONSOR AND AFFILIATES."

Offering Risks

No Market for Interests. The transfer of Interests will be subject to certain limitations. See "SUMMARY OF THE TRUST AGREEMENT – *Transfer Rights; Rights of First Refusal.*" Moreover, it is not anticipated that any public market for Interests will develop, and the transfer of Interests may result in adverse tax consequences for the transferor. See "FEDERAL INCOME TAX CONSEQUENCES." Consequently, Investors of Interests may not be able to liquidate their investments in the event of emergency or for any other reason. Moreover, Investors are specifically notified that Interests are not likely to be readily accepted as collateral for outside financing. Any purchase of Interests, therefore, should be considered only as a long-term investment.

Purchase Price of Interests. The purchase price of the Interests is based on the purchase price of the Property, and includes Organization and Offering Expenses, Sales Commissions, Marketing/Due Diligence Expense Allowances, Managing Broker-Dealer Fee, Loan-Related Costs, Other Closing Costs, the Acquisition Fee, and the Trust Controlled Reserves. If the Trust is unable to sell the Property at a price which would net (after repayment of the Loan and other applicable expenses) at least the aggregate of the purchase price paid for the Interests, the Investors would suffer a loss on their investment.

Risk that Investor Will Not Acquire Interest. After identifying the Property, a prospective Investor may not be accepted, or may be rejected as an investor for any reason or for no reason at all and such Investor may therefore lose the benefit of a Section 1031 Exchange. It is suggested and anticipated that Investors will attempt to mitigate these risks by identifying multiple properties in connection with their Section 1031 Exchange.

Impact of Leverage on Section 1031 Exchange. The Property is subject to financing in the form of the Loan. Section 1031 generally requires taxpayers to offset debt on their relinquished property with equal or greater

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debt on their replacement property (or additional cash from another source). Investors who are exchanging relinquished property with a larger amount of debt than the proportionate amount of the Loan they are deemed to have assumed for tax purposes in connection with the acquisition of an Interest may recognize taxable gain (although additional cash from another source may offset the reduction in debt). Each Investor will have its own unique debt and other Section 1031 Exchange issues. Therefore, each Investor must seek the advice of its own independent tax advisor as to qualification for tax deferral under Section 1031 and the Treasury Regulations promulgated thereunder, including the debt replacement rules.

FMV Option. The Operating Partnership may require that the Beneficial Owners exchange their Interests for OP Units in the Operating Partnership. If the FMV Option is exercised, a Contributing Investor will receive an amount of OP Units with an aggregate value equal to the Exchange FMV of the Beneficial Owner's Interests. Alternatively, a Beneficial Owner may elect to become a Cash Investor and have the Operating Partnership acquire the Beneficial Owner's Interests for cash rather than exchange such Interests for OP Units following the exercise of the Operating Partnership of its FMV Option. If a Cash Investor elects to exercise its rights to have the Operating Partnership acquire its Interests for cash under the Trust Agreement with respect to a Notice of Exchange (as such term is defined in the Trust Agreement), it shall so notify the Operating Partnership in writing within 10 business days after the date on which the Manager mails the Notice of Exchange to the Beneficial Owner. If any Beneficial Owner does not provide such notice to the Manager within 10 business days after the mailing date of the Notice of Exchange, such Beneficial Owner will be deemed to have agreed to have the Operating Partnership acquire the Beneficial Owner's Interest in exchange for OP Units and will become a Contributing Investor. The Cash Amount a Cash Investor will receive in exchange for its interest shall equal to the Exchange FMV of the Cash Investor's Interest as of the date the FMV Option is exercised, less the amount of the Call Option Fee. Because there is a possibility that the FMV Option will not be exercised, you should assume when you acquire an Interest that you will not ultimately receive OP Units or cash pursuant to the FMV Option. The Operating Partnership cannot exercise its FMV Option until the Beneficial Owners have held their Interests for at least two years. The Exchange FMV of a Beneficial Owner's interests will be determined by multiplying: (i) a Beneficial Owner's percentage of Interests in the Trust by (ii) the FMV Option Appraised Value of the Property, less any liabilities of the Property. Should the Operating Partnership exercise the FMV Option, any Beneficial Owner who accepts OP Units will be considered a Contributing Investor and will no longer have a direct interest in the Trust. Once a Beneficial Owner becomes an OP Unitholder, such OP Unitholder will be subject to the terms of the OP Partnership Agreement. An OP Unitholder will have the right to exchange its OP Units for shares of the corresponding class of Common Stock in BHM, provided however, that such exchange will be governed by the terms of any applicable offering materials for BHM at the time of such exchange. In addition, if and after the FMV Option is exercised, a Beneficial Owner will not be able to engage in a subsequent, individual Section 1031 Exchange with respect to such Beneficial Owner's investment in the Operating Partnership. Furthermore, a Beneficial Owner's ability to sell its OP Units or shares in BHM may be impacted due to the general volatility of the capital markets, the risks associated with the market for BHM shares, and the limited market for OP Units. See "SUMMARY OF THE TRUST AGREEMENT."

Timing of Sale of the Property. Beneficial Owners should not expect a sale of the Property within any specified period of time. Although the Trust Agreement allows the Manager to sell the Property at any time that, in the Manager's discretion, a sale is appropriate, it is currently anticipated that the Trust will hold the Property for at least two years. The decision to sell the Property will be made at the sole discretion of the Manager, subject to the FMV Option, and the Beneficial Owners will not have any right to participate in the decision to sell the Property.

Operation as a Limited Liability Company After a Transfer Distribution. If a Transfer Distribution occurs and the Property is transferred to the Springing LLC, the manager of the Springing LLC will have exclusive discretion in the management and control of the business and affairs of the Springing LLC. A copy of the limited liability agreement of the Springing LLC is attached to the Trust Agreement as an exhibit. The Beneficial Owners will become members of the Springing LLC, but they will not have the right to take part in the management or control of the business or affairs of the Springing LLC, and are permitted to vote only in a limited number of circumstances and can remove the manager of the Springing LLC only for cause. The Manager has the right to sell the Property at any time that, in the Manager's discretion, a sale is appropriate. Such sale could occur at a time that would be adverse to the interests of any given member either from a financial or tax standpoint. The manager of the Springing LLC, if it is a holder of membership interests in the Springing LLC, may have conflicts of interest with respect to the Springing LLC and the members. The manager of the Springing LLC is entitled to certain limitations of liability and to indemnity by the Springing LLC against liabilities not attributable to its fraud or gross negligence. Such indemnity and limitation

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of liability may limit rights that members would otherwise have to seek redress against the manager of the Springing LLC. See "*Summary of Certain Provisions of "Springing LLC" Limited Liability Company Operating Agreement*."

An affiliate of the Manager would be expected to serve as the manager of the Springing LLC and would be a newly-formed entity with limited financial resources. It would have no obligation to invest in or otherwise provide capital to the Springing LLC. Thus, the Springing LLC may not be able to satisfy its financial obligations, which could negatively impact the Beneficial Owners who, upon the occurrence of a Transfer Distribution, would become members of the Springing LLC. A member may become liable to the Springing LLC and to its creditors for and to the extent of any distribution made to such member if, after giving effect to such distribution, the remaining assets of the Springing LLC are not sufficient to pay its outstanding liabilities (other than liabilities to the members on account of their membership interests in the Springing LLC). It is not expected that there will be any market for membership interests in the Springing LLC. Thus, members may not be able to liquidate their investments in the event of an emergency or for any other reason.

No Minimum Offering Contingency. There is no minimum amount of Offering proceeds that must be raised or minimum number of Investors required in connection with this Offering. Accordingly, if the Sponsor is unable to sell all of the Interests, the Depositor will retain Class 2 Beneficial Interests. The ownership of Beneficial Interests in the Trust by the Depositor, an affiliate of the Sponsor, involves certain risks that potential Investors should consider, including, but not limited to, the fact that there may be conflicts of interest between the objectives of the Investors and that of the Sponsor, or, if the Offering is not fully subscribed, that a significant amount of the Trust's Beneficial Interests will not have been acquired by disinterested Investors after an assessment of the merits of the Offering.

Legal Counsel to the Trust, the Sponsor and Their Affiliates Does Not Represent the Investors. The Trust, the Sponsor, the Manager, the Master Tenant, the Depositor, and their affiliates are not represented by separate counsel. Further, legal counsel to Trust, the Sponsor, the Manager, the Master Tenant, the Depositor, and their affiliates have not been retained, and will not be available, to provide legal counsel, tax advice, or accounting advice to any prospective Investor.

Risks Related to the FMV Option and Ownership of OP Units and/or the BHM Common Stock.

FMV Option May Not Be Exercised. The Operating Partnership may choose not to exercise the FMV Option. The Beneficial Owners have no control over this decision or the timing of the Operating Partnership's election to exercise the FMV Option. Thus, each Investor must acquire an Interest with the understanding that it will be held for investment purposes, and the Beneficial Owner may not ultimately receive OP Units or cash (if any) from the Operating Partnership in exchange for the Interest. It is more likely that the FMV Option will be exercised if the Property held by the Trust is performing well. If the Property is not performing well or requires substantial infusions of additional capital, it is less likely that the FMV Option will be exercised.

The Interests are subject to the FMV Option. The Interests will be subject to the FMV Option, which is exercisable in the Operating Partnership's sole discretion. The fact that the Interests are subject to the FMV Option could adversely affect the amount a third party would be willing to pay for the Property or an Interest. The FMV Option is exercisable at the FMV Option Appraised Value of the Property which will be determined by an independent appraisal firm selected by the Manager in its sole discretion. Such appraisal will be completed within one year prior to the date the FMV Option is exercised. The appraisal will be determined without any discounts but taking into account that the Property is subject to the Master Lease and there are no guarantees that the future fair market value of the Interests will be equal to or greater than the price originally paid for the Interests.

You have no control over whether, when, or if your Interest will be exchanged by the Operating Partnership for OP Units pursuant to the FMV Option. The Operating Partnership will decide, in its sole and absolute discretion, whether or not to exchange your Interest for OP Units. The FMV Option and would first become exercisable after two years following the final closing of the sale of Interests in the Trust pursuant to the Offering. You have no control over this decision or the timing of the Operating Partnership's election to exercise the FMV Option. The FMV Option could be exercised at a time when the Exchange FMV of your Interest is below the amount you paid for your Interest or at a time when the relative fair market value of your Interest is low versus the value of the OP Units. The Operating Partnership will be acting in its own best interests when making any decision to exercise

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the FMV Option. Your investment risks will change if you hold OP Units. In addition, Exchange Consideration may be lower than the price a Beneficial Owner paid for its Interest. See "CONFLICTS OF INTEREST."

The OP Units will not be appraised in connection with the exercise of the FMV Option. Upon exercise of the FMV Option, the number of OP Units a Beneficial Owner will receive will be equal to (i) the Exchange Consideration (i.e., the Beneficial Owner's *pro rata* share of the FMV Option Appraised Value of the Property on the date of exercise less any indebtedness encumbering such Beneficial Owner's Interest or the Beneficial Owner's *pro rata* share of any indebtedness encumbering the Property, which will be assumed or paid off by the Operating Partnership, less the amount of the Call Option Fee), divided by (ii) the value of an OP Unit, as determined by the Operating Partnership in good faith (which, so long as the Common Stock is listed on a national exchange, is generally expected to be the closing price per share of the Common Stock for the single trading day prior to the date of the exercise). The FMV Option Appraised Value of the Property shall be determined by an independent appraisal firm selected by the Manager in its sole discretion. Such appraisal will have been completed within one year of the date the FMV Option is exercised. No discounts for lack of liquidity or minority interests will be considered in determining the Exchange FMV of Interests in the Trust. However, a Beneficial Owner has no right to require an appraisal of the fair market value of the OP Units. As a result, if the actual fair market value of an OP Unit is less than the Operating Partnership's good faith determination described above, the number of the OP Units received by a Beneficial Owner may be lower than if the Operating Partnership used the actual fair market value of the OP Units.

OP Unitholders are subject to similar risks, fees, and expenses as holders of Common Stock, without the same voting rights. Your Interest in the Property is subject to the FMV Option. As such you could be required to sell your Interest in return for OP Units unless you elect to receive cash. The Operating Partnership is the entity through which BHM conducts substantially all of its business and owns substantially all of its assets. The OP Units are structured to be economically equivalent to the corresponding class of Common Stock, subject to certain restrictions, may be exchanged for shares of Common Stock as described in "*The FMV Option and the OP Units–Rights and Obligations of OP Unitholders*." Therefore, because you may acquire OP Units or Common Stock, your investment is subject to the risks associated with an investment in the Common Stock. Please review the section titled "*RISK FACTORS"* in the BHM 10-K for a description of the risks associated with an investment in Common Stock.

All BHM expenses are borne by BHM's common stockholders and the Operating Partnership's partners *pro rata*. Therefore, as an owner of OP Units or Common Stock, you will bear a proportionate share of these expenses. Despite some similarities between the Common Stock and the OP Units, they differ with respect to voting rights. OP Unitholders have very limited voting rights with respect to the Operating Partnership and no voting rights with respect to the election of the directors of BHM or any other matters regarding BHM, as general partner of the Operating Partnership.

Value received upon exercise of the FMV Option may not reflect value of the Property. The Operating Partnership may exercise the FMV Option at the Exchange FMV. This value will be determined based on the FMV Option Appraised Value of the Property. If the value of the rentals at the Property are increasing relative to the Master Lease rent payments, the presence of the Master Lease may cause the Property to be worth less than would be the case if the Property were sold not subject to the Master Lease. This will reduce the number of OP Units an Investor receives in exchange for their Interests.

The Common Stock is subject to volatility. To the extent a Beneficial Owner received Common Stock as a result of redeeming OP Units received in connection with the exercise of the Operating Partnership of the FMV Option, such Common Stock is subject to volatility. The trading price of the Common Stock is subject to volatility as a result of a number of factors, including factors unrelated to BHM, including macroeconomic conditions, global events and investor sentiment. Volatility in the trading price of the Common Stock, could result in the value a Beneficial Owner can obtain in the sale of such Common Stock being significantly less than the Exchange Consideration.

Tax Risks

General. There are substantial risks associated with the federal income tax aspects of a purchase of an Interest, especially if the purchase is part of an exchange designed to qualify as a Section 1031 Exchange. The following paragraphs summarize some of these tax risks to an Investor with respect to the purchase of an Interest. A

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further discussion of the tax aspects (including other tax risks) of a purchase of an Interest is set forth under "Federal Income Tax Consequences." **Because the tax aspects of this Offering are complex and certain of the tax consequences may differ depending on individual tax circumstances, each prospective Investor is strongly encouraged to and should consult with and rely on its own tax advisor about this Offering's tax aspects in light of such Investor's individual situation. No representation or warranty of any kind is made with respect to the IRS' acceptance of the treatment of any item of income, deduction, gain, loss, credit or any other item by an Investor and there can be no assurance that the IRS will not challenge any such treatment.**

THIS SECTION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS CONTEMPLATED BY AND DESCRIBED IN THIS MEMORANDUM. EACH PROSPECTIVE INVESTOR SHOULD SEEK ADVICE BASED ON HIS, HER OR ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR CONCERNING THE INCOME AND OTHER TAX CONSEQUENCES OF PARTICIPATION IN THIS INVESTMENT.

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

Form of Ownership. On July 20, 2004, the IRS issued Revenue Ruling 2004-86, 2004-2 C.B. 191, which held that, assuming the other requirements of Code Section 1031 are satisfied, a taxpayer's exchange of real property for an Interest in the DST described in the ruling satisfies the requirements of Code Section 1031. The IRS based its holding on the following conclusions: (1) the DST is treated as an entity separate from its owners (and not as a co-ownership or agency arrangement); (2) the DST is an "investment" trust and not a "business entity" for federal income tax purposes; (3) the DST is a "grantor trust" for federal income tax purposes, with the holders of Interests in the DST treated as the grantors of the DST; and (4) the holders of Interests in the DST are treated as directly owning Interests in real property held by the DST. There are no authorities that directly address the tax treatment of the Trust other than Revenue Ruling 2004-86. It is possible that the IRS could revoke Revenue Ruling 2004-86 or, in the alternative, determine that the Trust does not comply with the requirements of that ruling or the underlying authorities. A determination that the Trust is not taxable as a trust (within the meaning of Treasury Regulation Section 301.7701-4) likely would have a significant adverse impact on the Beneficial Owners. Because the holding of Revenue Ruling 2004-86 is based on certain factual assumptions regarding the DST, not all of which apply to the Trust, and because there are provisions in the Trust Agreement which are not mentioned in the limited facts laid out in the ruling, there can be no guarantee that the Interests will satisfy the requirements of Code Section 1031.

Compliance with Revenue Ruling 2004-86. Special Tax Counsel believes that the powers and authority granted to the Trustee, Manager, Beneficial Owners, and the Trust in the Trust Agreement fall within the limited scope of the powers and authority that may be exercised by a trustee of an "investment trust." The Trust Agreement authorizes the Trust to own the Property, receive distributions from the Property, and make distributions thereof, enter into any agreements with qualified intermediaries for purposes of a Beneficial Owner's acquisition of an Interest

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pursuant to Code Section 1031, and notify the relevant parties of any defaults under the transaction documents. Additionally, the Trust Agreement expressly denies the Manager any power or authority to take actions that would cause the Trust to cease to constitute an investment trust within the meaning of Treasury Regulation Section 301.7701-4(c). Furthermore, the Trust Agreement expressly prohibits the Trustee, Manager, Beneficial Owners and the Trust from exercising any of the enumerated powers that are prohibited under Revenue Ruling 2004-86.

The Trust has been structured with a view to the trust addressed in Revenue Ruling 2004-86. However, distinctions exist between the Trust Agreement and other related arrangements and the trust and other related arrangements described in Revenue Ruling 2004-86. Special Tax Counsel believes these distinctions are not material. If, however, the IRS or a court were to disagree with the opinion of Special Tax Counsel, the Interests may be treated for federal income tax purposes as interests in a partnership and not as interests in real estate, and Investors would not be able to use their acquisition of Interests as part of a Section 1031 Exchange to defer gain under Code Section 1031. For a complete discussion of the Trust in comparison to the arrangement described in Revenue Ruling 2004-86, please see the attached opinion of Special Tax Counsel.

Classification for Purposes of Code Section 1031; No Ruling. We believe the Offering described in this Memorandum is structured in a manner that the Interests should be treated for federal income tax purposes as direct ownership interests in real estate and not as interests in a partnership. If the Interests were to be treated by the IRS or a court as interests in a partnership, then no Investor would be able to use its acquisition of Interests as part of a Section 1031 Exchange to defer gain under Code Section 1031. The IRS may challenge the tax treatment related to the Interests as described in this Memorandum.

We have obtained an opinion from Special Tax Counsel in connection with the Offering that the acquisition of an Interest by an Investor **should** be treated as a direct acquisition of the Property by an Investor for purposes of Section 1031. The issues which are the subject of such opinion have not been definitely resolved by statutory, administrative or case law. This opinion is based on the facts and circumstances set forth in the opinion and is not a guarantee of the current status of the law, and, as such, it should not be treated as a guarantee that the IRS or a court would concur with the conclusion in the opinion. If any of such facts or circumstances were to change, the tax consequences to Investors described in the opinion and in this Memorandum could change. See "FEDERAL INCOME TAX CONSEQUENCES."

Potential Significant Tax Costs If Interests Were Deemed to Be Interests in a Partnership. If Investors are treated for federal income tax purposes as having purchased interests in a partnership, the Investors who purchased their Interests as part of a Section 1031 Exchange would not qualify for deferral of gain under Code Section 1031, and each Investor who had relied on deferral of such Investor's gain from a disposition of other interests in real property would immediately recognize such gain and be subject to federal income tax thereon. Additionally, since such determination would of necessity come after such Investor had purchased his Interest, such Investor may have no cash from the disposition of its original interest in real property with which to pay the tax. Given the illiquid and long-term nature of an investment in the Interests, there would be no practical means of generating cash from an investment in the Interests to pay the tax. In such circumstances, an Investor will have to use funds from other sources to satisfy this tax liability.

Identification. Treasury Regulation Section 1.1031(k)-1(c)(4) permits taxpayers to identify alternative and multiple replacement properties under Code Section 1031. All properties acquired within 45 days of the sale of the relinquished property are deemed to have been properly identified. In addition, taxpayers are permitted to identify three properties without regard to the fair market value of the properties (the so-called "three-property rule") or multiple properties with a total fair market value not in excess of 200% of the value of the relinquished property (the "200% rule"). In the event that the IRS successfully challenges the valuation of a replacement property under the 200% rule, and as a result the replacement properties identified by the taxpayer exceed 200% of the value of the taxpayer's relinquished property, the taxpayer's identification may be treated as invalid, which may invalidate the taxpayer's like-kind exchange under Code Section 1031. A taxpayer also may identify any number of properties if it acquires at least 95% of the identified properties (the "95% rule"). The identification rules of Code Section 1031 are strictly construed, and an Investor's exchange will not qualify for deferral of gain under Code Section 1031 if too many properties or properties having too much value (including by reason of not excluding the effect of the Loan for "fair market value" purposes) are identified, if the properties are not correctly identified, or if the deadlines for identification are not met. Prospective Investors will have to rely on the 200% rule or 95% rule with respect to the

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Offering and should seek the advice of their tax advisors prior to subscribing for the Interests or making an identification.

Delayed Closing; Inability to Close. Prospective Investors who are completing a Section 1031 Exchange should be aware that closing on their Replacement Property must occur before "the earlier of (i) the day which is 180 days after the date on which the taxpayer transferred the property relinquished in the exchange, or (ii) the due date (determined with regard to extension) for the transferor's return for the taxable year in which the transfer of the Relinquished Property occurs." See Code Section 1031(a)(3)(B). No extensions will be granted or other relief afforded by the IRS to taxpayers who do not satisfy this requirement. Therefore, a delayed closing on the acquisition of an Interest could adversely affect the qualification of an exchange under Code Section 1031. Prospective Investors are strongly encouraged to "identify" the maximum number of alternative Replacement Properties and not to identify only the Property in this Offering.

Funds from a Section 1031 Exchange May Not Be Used for Certain Costs Associated with the Property; Possible Adverse Tax Treatment for Closing Costs and Reserves. Each Investor of an Interest will be obligated to pay its *pro rata* share of closing costs, financing expenses, reserves and other costs of the Offering. A portion of the proceeds of the Offering will be used to pay each Investor's pro rata share of such costs. In addition, a portion of the proceeds of the Offering may be treated as having been used to purchase an interest in reserves established by the Sponsor rather than for real estate. Under certain conditions, these costs, as well as reserves relating to the Property, may not constitute property that is like-kind to real estate for purposes of Code Section 1031. In particular, a portion of the Offering proceeds will be used to fund the Trust Controlled Reserves. You may elect to pay these costs with personal funds separate from your Section 1031 Exchange funds. 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, no advice or opinion of Special Tax Counsel will be given regarding the tax treatment of such costs and the treatment of proceeds attributable to the reserves, which may be taxable to those Investors who purchase their Interests as part of a Section 1031 Exchange. Therefore, each prospective Investor should seek the advice of a qualified tax advisor as to the proper treatment of such items.

The Use of Certain Exchange Proceeds May Result in Taxable "Boot." Any personal property that may be part of the Property, amounts used to establish reserves and impositions or other items that are not attributable to the purchase of real estate will not be treated as an interest in real estate and may be treated as "boot." It is possible that such amounts, if sufficient additional funds are borrowed by the Investors in excess of the indebtedness of an Investor's prior investment, will not be treated as boot. It is also possible that reserves will be treated as cash boot. In addition, the IRS could take the position that the increase in the purchase price of the Property paid by the Investors would not be considered as an interest in real estate and may be treated as "boot." In addition, to the extent that the portion of the debt acquired with the purchase of an Interest in the Property is less than the Investor's debt on the Relinquished Property, such difference will constitute "boot" and may be taxable depending on the Investor's basis in the Relinquished Property. In the event any item is determined to be "boot," the taxpayer will have current income for any such "boot" up to the amount of gain on the exchange of the real property. **No opinion is being provided by the Trust, the Manager, the Sponsor or their affiliates or counsel with respect to the amount of "boot" in the transaction. Prospective Investors must consult their own independent tax advisor regarding these items.**

Transfer Distribution to the Springing LLC. If a Transfer Distribution occurs, the Property will be transferred from the Trust to the Springing LLC and the membership interests in the Springing LLC will be proportionally distributed to the Beneficial Owners. It is anticipated that the Manager or its affiliate will serve as the manager of the Springing LLC. The Springing LLC will be treated as a partnership for federal income tax purposes. A Transfer Distribution may occur under the circumstances set forth in the Trust Agreement without regard to the tax consequences that arise as a result of the transaction. Under current law, such a transfer should not be subject to federal income tax pursuant to Code Section 721. The transfer could be subject, however, to state or local income, transfer or other taxes. In addition, there can be no assurances that such transfer will not be taxable under the federal income or other tax laws in effect at the time the transfer occurs. Because a Transfer Distribution could occur in several situations, it is not possible to determine all of the tax consequences to the Beneficial Owners in the event of a Transfer Distribution. **Prospective Investors should consult their own tax advisors regarding the tax consequences of a Transfer Distribution and the effect of the Property being held by the Springing LLC rather than the Trust.**

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Deferral of Tax Upon Sale of Springing LLC Membership Interests. Unlike Interests in the Trust, membership interests in the Springing LLC will not be treated as direct ownership interests in real property for federal income tax purposes (including for purposes of a Section 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 who receive membership interests in the Springing LLC will thereafter be able to defer the recognition of gain under Code Section 1031 upon a subsequent disposition of the Property or their membership interests in the Springing LLC.**

Status of the Master Lease as a True Lease for Federal Income Tax Purposes. Transactions structured as leases may be recharacterized for federal income tax purposes to reflect their economic substance. For example, in appropriate circumstances a purported lease of property may be recharacterized as a sale of the property providing for deferred payments. Such a recharacterization in this context would have significant (and adverse) tax consequences. For example, if the Master Lease were to be recharacterized as a sale of the Property, then an Investor would be unable to treat the acquired Interest as qualified "replacement property" in a Section 1031 Exchange in that the Interest would constitute an interest in real property that the Investor would not hold for investment. That is, the Investor would be treated as having immediately sold the acquired interest in the Property to the Master Tenant with the Master Tenant being treated as purchasing the Property (and all of the interests therein) from the Investors in exchange for an installment note for federal income tax purposes. As a result, Investors attempting to participate in Section 1031 Exchanges would not be treated as having received qualified replacement property when they acquired their Interest because the Investor would be treated as having made a loan to the Master Tenant. As the owner of the Property for federal income tax purposes, the Master Tenant would be entitled to claim any depreciation deductions. To the extent that payments of "rent" were recharacterized as payments of interest and principal, the payment of principal would not be treated as the receipt of taxable income by the Investors and would not be deductible by the Master Tenant, as applicable. All of these consequences could have a significant impact on the tax consequences of an investment in an Interest.

Revenue Procedure 2001-28 sets forth advance ruling guidelines for "true lease" status. We have not sought, and do not expect to request, a ruling from the IRS under Revenue Procedure 2001-28. These ruling guidelines provide certain criteria that the IRS will require to be satisfied in order to issue a private letter ruling that a lease is a "true lease" for federal income tax purposes. In the event of an examination by the IRS, the IRS and, ultimately, the courts of applicable jurisdiction, would consider these ruling guidelines, together with existing cases and rulings, for purposes of determining whether a lease qualifies as a true lease for federal income tax purposes. However, Special Tax Counsel does not believe that strict compliance with Revenue Procedure 2001-28 is required to conclude that the Master Lease should be characterized as a true lease for federal income tax purposes. Rather, Special Tax Counsel believes that satisfying most of the material ruling guidelines should be sufficient for purposes of determining the characterization of the Master Lease for federal income tax purposes. We will receive an opinion of Special Tax Counsel that Special Tax Counsel believes that the Master Lease should be treated as a true lease for federal income tax purposes and, therefore, the Investors (via their Interests in the Trust) should be treated as the true owners of the Property for federal income tax purposes. Similarly, if the Master Tenant were treated as a mere agent of the Trust rather than as a lessee, the power of the Master Tenant to make improvements to the Property and to re-lease the Property could be attributed to the Trust, and the Trust could be deemed to have powers prohibited under Revenue Ruling 2004-86. We have considered the issue and, after having consulted with Special Tax Counsel, have concluded that that Master Tenant should not be treated as an agent of the Trust. However, there is no assurance that the IRS would agree with these positions.

Foreclosure/Cancellation of Debt Income. In the event of a foreclosure of a mortgage or deed of trust on the Property, an Investor would realize gain, if any, in an amount equal to the excess of the Investor's share of the outstanding mortgage over its adjusted tax basis in the Property, even though the Investor might realize an economic loss upon such a foreclosure. In addition, the Investor could be required to pay income taxes with respect to such gain even though the Investor may receive no cash distributions as a result of such foreclosure.

If Property debt were to be cancelled without an accompanying foreclosure of the Property, then an Investor could have to recognize cancellation of debt income (subject to the applicability of one or more of the cancellation of debt exclusions, in which event such exclusion(s) might constitute only a "deferral" of such income effectuated by the Investor's reduction of tax attributes – including tax basis), which would be taxed as ordinary income, for federal income tax purposes. Also, the Investor would not be able to offset any such cancellation of debt income with any

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loss recognized by an Investor that would constitute a capital loss for federal income tax purposes (including any loss recognized by an Investor from the sale of his Interest in the likely event that the Interest could not be considered Section 1231 Real Property, defined below).

Tax Liability in Excess of Cash Distributions. It is possible that an Investor's tax liability resulting from its Interest will exceed its share of cash distributions from the Trust. This may occur because cash flow from the Property may be used to fund nondeductible operating or capital expenses of the Property. Thus, there may be years in which an Investor's tax liability exceeds its share of cash distributions from the Trust. The same tax consequences may result from a sale or transfer of an Interest, whether voluntary or involuntary, that gives rise to ordinary income or capital gain. In addition, a sale or exchange of the Property at an economic loss without a Section 1031 Exchange could result in ordinary income, depreciation recapture or capital gain to an Investor without any accompanying net cash proceeds from the sale or disposition of the Property to pay income taxes on such items. This is a particular risk for certain Investors, such as persons acquiring an Interest in a Section 1031 Exchange, whose income tax basis in an Interest may be substantially lower than his, her or its cash investment in the Property. If any of these circumstances occur, an Investor would have to use funds from other sources to satisfy its tax liability. See "FEDERAL INCOME TAX CONSEQUENCES - *Other Tax Consequences.*"

Risk of Audit. An audit of the tax returns of a Beneficial Owner by the IRS or any other taxing authority could result in a challenge to, and disallowance of, some of the deductions claimed on such returns. An audit also could challenge the qualification of a Section 1031 Exchange. No assurance or warranty of any kind can be made with respect to the deductibility of any items, or of the qualification of a Section 1031 Exchange, in the event of either an audit or any litigation resulting from an audit. An audit of an Investor's tax returns could arise as a result of an examination by the IRS or any state or local taxing authority or any other taxing authority of tax returns filed by the Sponsor or its affiliates, or a Beneficial Owner or any information returns filed by the Trust.

Changes in Federal Income Tax Law. The discussion of tax aspects contained in this Memorandum is based on law presently in effect and certain proposed Treasury Regulations. Nonetheless, prospective Investors should be aware that new administrative, legislative or judicial action could significantly change the tax aspects of an investment in an Interest. Any such change may or may not be retroactive with respect to transactions entered into or contemplated before the effective date of such change and could have a material adverse effect on an investment in an Interest. Specifically, the U.S. Congress periodically evaluates various proposed modifications to the Section 1031 Exchange rules that could, if enacted, prospectively repeal or restrict the ability to utilize a Section 1031 Exchange to achieve tax deferral on gain in connection with the disposition of real property or beneficial interests in a fixed investment trust. However, no assurance can be given that the currently anticipated federal income tax treatment of an Interest will not be modified by future legislative, judicial or administrative changes possibly with retroactive effect. For example, repeal or amendment of Code Section 1031 or the Treasury Regulations promulgated thereunder could negatively impact the use of a Section 1031 Exchange in connection with a Beneficial Owner's exit strategy.

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. Reportable transactions include transactions that generate losses under Code Section 165 and may include certain large like-kind exchanges entered into by corporations. The Sponsor and Special Tax Counsel have concluded that the sale of an Interest should not constitute a reportable transaction. Accordingly, the Trust and Special Tax Counsel do not intend 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 by the Trust and Special Tax Counsel. 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 federal income tax consequences, a prospective Investor should consider the state and local tax consequences of an investment in an Interest. Prospective Investors must consult with their own tax advisors concerning the applicability and impact of any state and local tax laws. Investors may be required to file state tax returns in the state where the Property is located in connection with the ownership of an Interest. Some states adopt Code Section 1031 in whole, other states adopt it in part and still other states impose their own requirements to qualify for deferral of gain under state law. In addition, while many states follow federal tax law by treating the owner of an interest in a fixed investment trust as owning an interest in the assets held by the Trust, other state laws may differ and could result in the imposition of income or other taxes on such entities. Therefore,

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each Investor must consult his own tax advisor as to the qualification of a transaction for deferral of gain under state law. See "FEDERAL INCOME TAX CONSEQUENCES."

Specifically with respect to the State of Georgia, where the Property is located, it should be noted that upon a sale or other disposition of the Property, depending in part upon the structure through which such transaction is effectuated, the acquiror may be required to withhold, with respect to Investors that are not residents of Georgia and that are otherwise not eligible for an exemption, a withholding tax equal to 3% of such Investor's pro rata share of the purchase price or other consideration received in exchange for the Property. Accordingly, Investors should be aware that prior to the closing of a sale of the Property by the Trust, Investors may be required to provide forms and affidavits required by the State of Georgia in connection with such withholding, and to the extent applicable, an amount equal to 3% of the applicable portion of the purchase price may be withheld and remitted to the State of Georgia Department of Revenue on their behalf (which should be applicable to offset any income taxes owed by such Investors in respect of such transaction). To the extent Investors engage in a Section 1031 exchange in connection with such sale, or receive OP Units in connection with an exercise of the FMV Option, Investors are expected to be able to avoid this potential withholding by submitting an affidavit certifying that their Georgia State income tax liability is less than $600, which would be expected to be the case in a tax deferred transaction under Section 1031 or under Section 721. Because these State of Georgia withholding rules do not apply to all Investors, including not to all investors who are not residents of the State of Georgia, Investors should seek the advice of their own independent tax advisors as to state and local tax issues, including the potential applicability of such withholding rules, to them in light of their individual circumstances.

Accuracy-Related Penalties and Interest. In the event of an audit that disallows an Investor's deductions or disqualifies an Investor's Section 1031 Exchange, Investors should be aware that the IRS could assess significant penalties and interest on tax deficiencies. The Code provides for penalties relating to the accuracy of tax returns equal to 20% of the portion of the tax underpayment to which the penalty applies. The penalty applies to any portion of any understatement that is attributable to (i) negligence or disregard of rules or regulations, (ii) any substantial understatement of income tax, or (iii) any substantial valuation misstatement. A substantial valuation misstatement occurs if the value of any property or the adjusted basis of such property is 150% or more of the amount determined to be the proper valuation or adjusted basis. This penalty generally doubles if the property's valuation or the adjusted basis is overstated by 200% or more. In addition to these provisions, there is 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. Any interest attributable to unpaid taxes associated with a non-disclosed reportable transaction may not be deductible for federal income tax purposes. See "FEDERAL INCOME TAX CONSEQUENCES – *Other Tax Consequences - Accuracy-Related Penalties and Penalties for the Failure to Disclose.*"

IRS could challenge purchase of Interest followed by possible exercise of the FMV Option under step transaction principles. The acquisition of an Interest and a subsequent exchange of such Interest for OP Units pursuant to the FMV Option (if such option were to be exercised by the Operating Partnership), may be challenged by the IRS under "step transaction" principles on the basis that they should be treated as a single transaction, whereby a Beneficial Owner should be treated for federal income tax purposes as having simply purchased OP Units (or Common Stock) and as not ever having held an undivided interest in the Property held by the Trust. The receipt of an interest in the Operating Partnership (or Common Stock) would not qualify as "replacement property" for a Section 1031 Exchange. In addition, the IRS could also conceivably assert that given the FMV Option, a Beneficial Owner should be treated as purchasing its Interest for resale, rather than to hold for investment purposes, and thereby disqualifying the Interest as potential "replacement property" for a Section 1031 Exchange on that basis as well. Special Tax Counsel will issue an opinion that the Investors should be respected as the owners of their respective Interests notwithstanding the existence of the FMV Option. This opinion is based in part on the factors which may influence the exercise of the FMV Option, and that there is a possibility that the FMV Option would not be exercised. In addition, the FMV Option would first become exercisable after two years following the final closing of the sale of Interests in the Trust pursuant to the Offering.

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COMPENSATION OF THE SPONSOR AND AFFILIATES

The Sponsor, the Managing Broker-Dealer, the Manager, the Master Tenant, the Property Manager, the Property Sub-Manager and their respective affiliates will earn fees in connection with the sourcing, due diligence and completion of the acquisition of the Property, and in connection with the offering and sale of Interests and the management, financing, leasing, operation and sale of the Property and receive reimbursement of expenses incurred by such parties in the Offering. The following table sets forth estimates of such compensation, fees, reimbursements and other compensation. Actual amounts may vary depending upon the timing and amount of Interests sold, the performance of the Property and the timing of and proceeds from any sale of the Property.

Type of Compensation or Reimbursement	Description	Estimated Maximum Amount of Compensation
Offering		
Organization and Offering Expenses:	The Sponsor and its affiliates will be entitled to reimbursement for Organization and Offering Expenses, on an accountable basis, estimated at $315,892 or 0.80% of the Maximum Offering Amount.	$315,892
Sales Commissions:	The Managing Broker-Dealer will receive Sales Commissions up to 6.0% of Total Sales, some or all which it may re-allow to the Selling Group Members; provided, however, in the event a lower commission rate is negotiated with a Selling Group Member, the Managing Broker-Dealer will receive the lower agreed upon rate.	$2,369,190
Marketing/Due Diligence Expense Allowances; Managing Broker-Dealer Fee:	The Managing Broker-Dealer, an affiliate of the Sponsor, will receive, on a non-accountable basis, and will re-allow to the Selling Group Members on a non-accountable basis, allowances for marketing and due diligence expenses of up to 1.25% of Total Sales. The Managing Broker-Dealer will also receive a Managing Broker-Dealer Fee of up to 1.4% of Total Sales, which it may at its sole discretion partially re-allow to the Selling Group Members.	$1,046,392 (combined)
Manager's Acquisition Fee:	The Manager will receive an Acquisition Fee representing 2.50% of the purchase price for its and its management team's services in the identification, negotiation, and acquisition of the Property.	$1,665,000
Trust Operating Account:	The Trust will fund $250,000 into the Trust Operating Account for use by the Master Tenant with respect to initial operating costs at the Property.	$250,000
Loan-Related Costs:	Loan-Related Costs are estimated at $1,516,912, including $1,035,162 in Carry Costs, and are (i) the fees and costs payable to the Lender and its agents for the closing of the Loan, and (ii) the expenses and fees incurred including an estimated $1,285,162 payable to an affiliate of Bluerock, which could be viewed as compensation to the Sponsor because such costs were incurred in order to enable it to cause the Trust to acquire the Property. In no circumstance shall the Class 2 Beneficial Owners be required to fund any portion of these or any other Carry Costs.	$1,516,912

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Type of Compensation or Reimbursement	Description	Estimated Maximum Amount of Compensation
Redemption of Class 2 Beneficial Interests held by the Depositor:	The Trust will redeem all of the Class 2 Beneficial Interests held by the Depositor as provided in the Depositor's operating agreement.	Impracticable to determine at this time
Master Tenant Reserve Account:	The Trust will fund the Master Tenant Reserve Account as part of the Master Tenant Capitalization, which the Master Tenant may use for the Property. The Master Tenant Reserve Account was funded with proceeds of the Offering. Any amounts remaining in the Master Tenant Reserve Account upon the sale of the Property will be retained by the Master Tenant.	$75,000
Other Closing Costs:	The Sponsor and its affiliates will be entitled to reimbursement for their other legal and closing costs actually incurred in connection with the due diligence and acquisition of the Property, including but not limited to in connection with the Depositor Contribution, estimated at $2,037,642 (which includes the Master Tenant Reserve Account of $75,000). Such costs include, if applicable, transfer taxes, title charges, escrow fees, document preparation fees, legal fees (other than the Lender legal fees), third-party costs, recording fees, entity formation costs and other related costs.	$2,037,642
Operations		
Distributions:	The Depositor will receive its proportionate share of distributions by the Trust proportionate to its Class 2 Beneficial Interests (i.e., the unsold Interests).	Impractical to determine at this time.
Master Lease Operating Profit:	The Master Tenant will retain net operating revenues from the Property that exceed the total rent payable to the Trust under the Master Lease.	Impracticable to determine at this time.
Property Management Fee:	The Property Manager will receive the Property Management Fee equal to the Property Sub-Manager Fee. In addition, the Property Manager will be reimbursed for certain expenses in accordance with the terms of the Property Management Agreement. The Property Management Fee and any expense reimbursements will be paid solely by the Master Tenant. As detailed more fully in the Property Management Agreement, the Master Tenant's obligation to pay the Property Management Fee is subject and subordinate to its obligation to cause the Property Manager to pay the Property's other budgeted operating expenses, including certain payments that may be required under the Loan. In addition, the Property Manager and the Property Sub-Manager will be reimbursed for certain expenses. The Property Management Fee and any expense reimbursements shall be paid solely by the Master Tenant. The Property Manager has subcontracted all day-to-day, on-site management, leasing and related functions for the Property to the	Estimated to be $152,161 for the initial year of the term of the Master Lease (Lease Year 1); however, it is not possible to determine at this time.

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Type of Compensation or Reimbursement	Description	Estimated Maximum Amount of Compensation
	Property Sub-Manager. The initial Property Sub-Manager is RPM Living, LLC, a Texas limited liability company. The Property Sub-Manager will receive the Property Sub-Manager Fee equal to the greater of (x) 2.50% of the Gross Receipts from the Property or (y) $8,500, calculated on a per month basis. This fee will be payable each month by the Property Manager to the Property Sub-Manager and will be pro-rated for any partial months.	
Asset Management Fee:	The Master Tenant will be obligated under the Asset Management Agreement (the "**Asset Management Agreement**") to pay the Asset Manager an annual asset management fee for supervising the services of the Property Manager, which will be equal to 0.20% of the Purchase Price (i.e., $133,200), commencing January 1, 2026 and paid monthly in arrears (the "**Asset Management Fee**"). The Asset Manager may, at its sole discretion, defer a portion or all of the Asset Management Fee. The Asset Management Fee will be paid on a pro rata basis, monthly in arrears, and if the Asset Management Agreement terminates during any calendar year, shall be pro-rated for any such partial year. The Asset Management Fee will be paid to the Asset Manager, which is an affiliated entity of the Sponsor.	Up to $133,200 per annum
Liquidation		
Disposition Fees:	The Manager will receive a disposition fee from the Trust equal to 3.5% of the gross proceeds of the sale, exchange or other disposition of the Property (the "**Disposition Fee**") from which it shall pay all sales commissions payable to any third-party broker in connection with the sale, such that the aggregate amount of the Disposition Fee plus the third-party brokerage commission does not exceed 3.5% of the gross sales price of the Property. **For the avoidance of doubt, the Disposition Fee will not be payable in the event the FMV Option is exercised**.	Impracticable to determine at this time.
FMV Option Exercised		
Call Option Fee:	1.0% of the FMV Option Appraised Value of the Property as applied to the pro rata share of each Contributing Investor.	Impracticable to determine at this time.
Redemption Fee:	1.0% holdback of the Common Stock to the extent OP Units are converted to Common Stock.	Impracticable to determine at this time.
Cash Redemption Fee:	If a Cash Investor elects to exercise its rights to have the Operating Partnership acquire its interests in the Trust for cash, the Cash Amount shall equal to the Exchange FMV, reduced by the Cash Redemption Fee (2.0% of the Exchange FMV).	Impracticable to determine at this time.

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To the extent that the actual Organization and Offering Expenses, Sales Commissions, Marketing/Due Diligence Expense Allowances, Loan-Related Costs and/or Other Closing Costs are below the amounts projected or estimated for any particular line item, any such savings will be used first to fund overages in other categories and next to further fund the Trust Controlled Reserves. If, however, the actual Organization and Offering Expenses, Loan-Related Costs, and/or Other Closing Costs exceed the amounts projected or estimated, then any such shortfall will be funded first from savings in other categories and may be funded next from any other available reserves of the Trust.

The Sponsor, the Master Tenant, the Manager, the Property Manager and their respective affiliates shall receive additional compensation for any additional services performed on behalf of the Trust or Beneficial Owners so long as such services are provided on terms and conditions no less favorable to the Trust and Beneficial Owners than could be obtained from independent third parties for comparable services in the same location. The Independent Trustee will also receive customary compensation from the Trust.

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THE MANAGER

Sponsor, Manager and their Officers

The Offering is sponsored by BHMX, a wholly owned indirect TRS of the Operating Partnership. The Operating Partnership is the entity through which BHM conducts substantially all of its business and owns substantially all of its assets. In today's knowledge economy, BHM focuses on acquiring a diversified portfolio of infill first-ring suburban single-family rental homes, built-to-rent communities, and other residential communities in high quality-of-life growth markets across the United States in the knowledge economy, targeting middle-market single-family home renters and multifamily apartment renters. BHM is listed on the NYSE American under the ticker symbol "BHM". As of September 30, 2025, BHM had gross assets of more than $1.1 billion with direct and indirect investments comprised of nearly 5,300 current and under-development homes. For more information, please visit BHM's public website at bluerockhomes.com. BHM intends to elect to be taxed as a REIT for federal income tax purposes, commencing with its 2022 taxable year and it intends to operate in accordance with the requirements for qualification as a REIT.

BHM and BHMX are externally managed by an affiliate of Bluerock and BVEX. BVEX is a national sponsor of syndicated Section 1031 Exchange offerings with a focus on residential and industrial properties that can deliver stable cash flows and that have the potential for value creation. Bluerock principals collectively have over 100 years of investing experience with more than $120 billion in real estate and capital markets experience and manage multiple well-recognized real estate private and public company platforms. Bluerock has more than $18 billion in acquired and managed assets and offers a complementary suite of public and private investment programs, with both short and long-term goals, to individual investors seeking solutions aimed at providing predictable income, capital growth, and tax benefits.

The following persons are the senior members of the Sponsor and Bluerock's management team who will be primarily responsible for operating the Trust and making management decisions concerning it and the Manager, such persons being subject to change at any time. In addition, the Sponsor and Manager shall have access to and ability to draw upon the substantial resources and expertise of Bluerock and its senior management.

Name	Position	Age *
R. Ramin Kamfar	Founder & Chief Executive Officer, Bluerock	62
Joshua M. Hoffman	President, Bluerock Value Exchange	47
Jordan B. Ruddy	Chief Operating Officer, Bluerock	62
Jason Emala	General Counsel, Bluerock	47
Ryan S. MacDonald	Chief Investment Officer, Bluerock	42
Michael DiFranco	Executive Vice President, Operations, Bluerock	61
Caroline Johnson	Senior Vice President – Corporate Finance, Bluerock	47

* As of December 15, 2025.

R. Ramin Kamfar, Founder & CEO. Mr. Kamfar has over 30 years of experience in various aspects of real estate, mergers and acquisitions, private equity investing, investment banking, and public and private financings. Since 2002, Mr. Kamfar has served in various senior capacities on behalf of Bluerock, including currently serving as Chairman and CEO at Bluerock. From 1988 to 1993, Mr. Kamfar worked as an investment banker at Lehman Brothers Inc., New York, New York, where he specialized in mergers and acquisitions and corporate finance. From 1993 to 2002, Mr. Kamfar executed a growth/consolidation strategy to build a startup into a leading public company in the 'fast casual' market now known as Einstein Noah Restaurant Group, Inc. with approximately 800 locations and $400 million in gross revenues. Mr. Kamfar received an M.B.A. degree with distinction in Finance from The Wharton School of the University of Pennsylvania, and a B.S. degree with distinction in Finance in 1985 from the University of Maryland College Park.

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Joshua M. Hoffman, President, Bluerock Value Exchange. Mr. Hoffman serves as President of Bluerock Value Exchange and concurrently serves as Managing Director for Bluerock and its affiliates, which he joined in 2009. Mr. Hoffman is responsible for sales operations, due diligence and marketing of Bluerock's investment platforms and offerings. Mr. Hoffman has extensive and wide-ranging experience structuring and product oversight of more than 135 individual real estate securities offerings during the course of his career including: 65 sponsored 1031-exchange programs, public, closed-end interval funds, publicly traded REITs, private non-traded REITs, and real estate-related regulation D programs including: multi-property limited liability companies, notes and debentures totaling more than $5 billion in total capital raised from investors. Prior to joining Bluerock, Mr. Hoffman served in a similar capacity for a private real estate security sponsor. Mr. Hoffman received his B.A. in Business Administration from Boise State University. He currently holds FINRA Series 7 and 63 licenses.

Jordan B. Ruddy, Chief Operating Officer. Mr. Ruddy has over 30 years of experience in real estate acquisitions, financings, management and dispositions. Since 2002, Mr. Ruddy has served in various senior capacities on behalf of Bluerock, including currently serving as President of Bluerock. Previously, Mr. Ruddy served as a real estate investment banker at Banc of America Securities LLC, as Vice President of Amerimar Enterprises, a real estate company specializing in value-added investments nationwide, as a real estate investment banker at Smith Barney Inc. Prior to Smith Barney, Mr. Ruddy served in the real estate department of The Chase Manhattan Bank. Mr. Ruddy received an M.B.A. degree in Finance and Real Estate from The Wharton School of the University of Pennsylvania, and a B.S. degree with high honors in Economics from the London School of Economics.

Jason Emala, General Counsel. Mr. Emala serves as General Counsel of Bluerock. Prior to joining Bluerock in May 2018, Mr. Emala held senior legal positions at a number of sponsors/broker-dealers in the alternative investment space, including Cantor Fitzgerald from June 2016 to May 2018. Prior to these roles, Mr. Emala was an associate at international law firms White & Case, LLP and Fried, Frank, Harris, Shriver & Jacobson LLP. Mr. Emala earned a B.S. in Finance from the University of Maryland, College Park, a J.D., with honors, from the George Washington University Law School and an LLM in Securities and Financial Regulation from the Georgetown University Law Center.

Ryan S. MacDonald, Chief Investment Officer. Mr. MacDonald serves as Chief Investment Officer of Bluerock which he joined in 2008. Mr. MacDonald is responsible for sourcing, underwriting, structuring, financing and closing of all Bluerock real estate investments, as well as ongoing asset management responsibilities including value-added renovation oversight and dispositions. To date, with Bluerock, Mr. MacDonald has been involved with real estate transactions with an aggregate value of approximately $11 billion. Prior to joining Bluerock, Mr. MacDonald was an Investment Analyst for PNC Realty Investors. Mr. MacDonald received a B.A. in Economics from the University of Maryland, College Park.

Michael DiFranco, Executive Vice President, Operations. Mr. DiFranco serves as our Executive Vice President, Operations for Bluerock which he joined in November 2018. In his role, Mr. DiFranco is responsible for the operational and financial performance of Bluerock's multi-family housing portfolio. Prior to joining the Bluerock, from 2005 to 2016, Mr. DiFranco held several roles of increasing responsibilities with Apartment & Investment Management Company (NYSE: AIV), including serving four years as Senior Vice President of Financial Operations. From 2016 to 2018, Mr. DiFranco served as Senior Vice President of Financial Operations with The Irvine Company Apartment Communities, overseeing Revenue Management, Business Intelligence and Portfolio Management. Mr. DiFranco received a B.A. in Business from Texas A&M University, College Station, an M.B.A. from The University of Texas at Austin and an M.S. in Information Systems from The University of Colorado, Denver.

Caroline Johnson, Senior Vice President – Corporate Finance. Caroline Johnson serves as Senior Vice President of Finance for Bluerock and certain of its affiliates. Ms. Johnson is responsible for the oversight of all financial recordkeeping and reporting aspects of those companies. Previously, Ms. Johnson served as the CFO from January 2008 to July 2018 for The Seligman Group, a high net worth family office. In her capacity as CFO, Ms. Johnson was responsible for all finance, accounting and operational oversight of a mixed-use real estate portfolio with sizeable assets in excess of five million square feet, Quantum Capital Management, LLC, a wealth management company and Presidential Aviation, Inc., a private aviation company. Ms. Johnson served as the controller for The Seligman Group from October 2004 to December 2007 prior to taking her role as CFO. Prior to 2004, Ms. Johnson worked for a regional CPA firm with focus in the real estate industry where she earned her CPA certification. Ms. Johnson received her B.A. degree in Accounting from Michigan State University.

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PRIOR PERFORMANCE OF BLUEROCK AND ITS AFFILIATES

The information presented in this section is intended to represent the historical experience of real estate programs for which Bluerock and its affiliates is or was the sponsor as of September 30, 2025 unless otherwise indicated. A prospective Investor should not assume that he, she, or it will experience returns, if any, comparable to those experienced by Investors in such prior real estate programs. This Memorandum does not include any prior performance tables.

Experience and Background

BHM is a public REIT that focuses on acquiring a diversified portfolio of infill first-ring suburban single-family rental homes, built-to-rent communities and other residential communities in knowledge-economy and high quality of life growth markets across the United States, targeting middle-market single-family home renters. BHM is listed on the NYSE American under the ticker symbol "BHM". As of September 30, 2025, BHM had gross assets of more than $1.1 billion with direct and indirect investments comprised of nearly 5,300 current and under-development homes. Many of Bluerock's senior managers acting on behalf of the Sponsor and Manager are also directly or indirectly involved in the management and operations of the BHM. For more information, please visit BHM's public website at bluerockhomes.com.

Since 2002, Bluerock and its affiliates have acquired a diverse portfolio of real estate investments through the syndication of various programs which combined represent:

- 137 full-cycle residential properties resulting in a 22.2% blended net internal rate of return as of September 30, 2025 see "*Full-Cycle Apartment Properties*";
- 237 apartment, industrial and commercial office real estate properties (current and full-cycle);
- Nearly 55 million combined square feet of apartment and industrial real estate, as of September 30, 2025;
- 12 different states across the United States;
- Nearly $9.6 billion in total real estate investments; and
- Over 230,000 active investors across all programs.

The information presented in this section represents the historical experience of real estate programs sponsored by Bluerock and its affiliates. The information in this section shows relevant summary information concerning sponsored programs as of September 30, 2025, unless otherwise indicated. Investors in this Offering sponsored by the Sponsor should not assume that they will experience returns, if any, comparable to those experienced by Investors in any of the prior programs discussed below.

Residential Experience / Current Residential Portfolio

Bluerock and its affiliates have significant current and past residential real estate experience including the current management and operation of 50 residential properties located in 12 states comprised of more than 8,900 units and nearly 10.5 million square feet for an acquisition cost of more than $2.2 billion. A summary of Bluerock's current residential portfolio is presented in the table below:

Property Name	Location	Acquisition Date	Square Feet	Purchase Price $MM[3]	LTV %	% Leased 9/30/2025
79 West	Panama City Beach, FL	Jan 2022	252,522	$80.82	47%	94%
Abode at Wendell Falls	Raleigh, NC	Dec 2023	272,200	$56.04	55%	0%*
Allure at Southpark	Charlotte, NC	Nov 2024	315,000	$92.00	58%	90%
Avenue at Timberlin Park	Jacksonville, FL	Jul 2024	227,000	$33.8	65%	96%
Axelrod SFR	Granbury, TX	Oct 2021	30,988	$4.13	64%	89%

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Ballast SFR	WA / CO / AZ	Apr 2022	159,162	$32.00	65%	90%
Canvas at Wildwood	Wildwood, FL	Dec 2024	215,040	$70.60	65%	0%*
Churchill Downs	Pinehurst, NC	May 2025	284,800	$68.52	45%	96%
Dasher Pointe	Savannah, GA	Mar 2022	35,173	$8.73	65%	98%
DFW 189	Dallas-Fort Worth, TX	Dec 2021	158,067	$19.92	68%	19%
Edgewater	Webster, TX	Feb 2021	439,242	$68.19	55%	96%
Encore Chandler	Encore, AZ	Nov 2023	167,856	$61.50	80%	88%*
Everwood	Webster, TX	Dec 2019	438,028	$85.64	55%	97%
Flats 170	Odenton, MD	Oct 2021	369,255	$156.45	51%	96%
Galleria Village	Charlotte, NC	Nov 2020	191,716	$46.71	52%	91%
Golden Pacific Capital	Kansas City, MO	Nov 2021	277,197	$34.84	70%	91%
Granbury SFR	Granbury, TX	Aug 2021	59,940	$8.10	68%	89%
Granbury SFR 2.0	Granbury, TX	Mar 2022	55,956	$7.65	70%	89%
Greylyn Portfolio	Charlotte, NC	May 2021	266,310	$77.54	50%	97%
Harmony at Clear Creek	Kansas City, KS	Aug 2025	443,094	$77.71	60%	0%*
Harrison Trace	Charlotte, NC	June 2022	145,359	$48.18	0%	95%
Ile Homes	Dallas, TX	Oct 2021	798,054	$103.63	70%	91%
Indigo Cove	Bluffton, SC	Jun 2024	133,332	$33.52	66%	0%*
Indy SFR	Indianapolis, IN	Aug 2021	51,251	$2.65	56%	92%
Lake Linganore	New Market, MD	Jun 2021	308,846	$105.64	52%	95%
Lake Shore	Savannah, GA	Mar 2022	52,500	$7.05	65%	98%
Lubbock SFR	Lubbock, TX	Aug 2021	66,940	$5.60	64%	89%
Lubbock SFR 2.0	Lubbock, TX	Oct 2021	136,112	$9.28	66%	89%
Lubbock SFR 3.0	Lubbock, TX	Dec 2021	49,257	$4.57	70%	89%
Lynnwood SFR	Lubbock, TX	Nov 2021	27,560	$2.45	67%	89%
Lynnwood SFR 2.0	Lubbock, TX	Nov 2021	26,184	$0.49	70%	89%
Meadows	Davenport, FL	Aug 2019	322,712	$68.56	56%	95%
Preserves at Canal	Brunswick, GA	Dec 2024	221,000	$56.87	74%	0%*
Sanford Marketplace	Sanford, NC	Jun 2025	273,300	$60.25	50%	0%*
Skytop Apartments	Cincinnati, OH	Sept 2025	255,117	$102.94	56%	95%
Springfield SFR	Springfield, MO	Aug 2021	455,010	$35.53	63%	92%
Springtown SFR	Springtown, TX	Aug 2021	71,553	$9.35	68%	89%
Springtown SFR 2.0	Springtown, TX	Oct 2021	22,456	$2.99	63%	89%
Sunrise Parc	Kissimmee, FL	Mar 2020	291,639	$74.69	58%	95%
Texarkana SFR	Texarkana, TX	Aug 2021	38,338	$3.10	66%	89%
Texas Portfolio 183	Corpus Christi/Weatherford, TX	Aug 2021	206,821	$27.23	66%	89%
The Gate	Orlando, FL	Jan 2019	315,460	$72.31	54%	96%
Villas at Huffmeister	Houston, TX	Jan 2024	342,586	$44.25	61%	96%
Wayford at Concord	Concord, NC	Dec 2018	213,758	$44.40	68%	93%
Wayford at Innovation Park	Charlotte, NC	Jun 2021	316,470	$58.73	65%	94%
Wayford at Pringle	Charlotte, NC	Jan 2024	157,692	$40.76	55%	86%
Yauger Park	Olympia, WA	Apr 2021	98,000	$24.50	32%	99%
Subtotal			**10,438,770**	**$2,217.79**	**57%**	**93%***

[3] All amounts shown represent 100% interests in the applicable property including portions owned by joint venture partners or syndication Investors.
* Excludes Abode at Wendell Falls, Canvas at Wildwood, Encore Chandler, Harmony at Clear Creek, Indigo Cove, Preserves at Canal, and Sanford Marketplace, which are currently in development / lease-up.

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Aggregate Residential Portfolio Summary

As a percentage of the real estate portfolio managed by Bluerock and its affiliates, the diversification of these properties by geographic area is as follows:

Area	
Mid-Atlantic	28.0%
Midwest	6.0%
Northeast	0.0%
Southeast	20.0%
South Central	36.0%
West Coast	4.0%
Mountain	6.0%
TOTAL	**100%**

Public Real Estate Programs

Bluerock Homes Trust, Inc. ("**BHM**") is a REIT formed to assemble a portfolio of institutional residential properties including single-family homes, build-to-rent communities, and other residential communities, located in knowledge-economy and high quality of life growth markets of the Sunbelt and Western United States. BHM is listed on the NYSE American under the ticker symbol "BHM". As of September 30, 2025, BHM had gross assets of more than $1.1 billion and owned indirect equity interests in 22 real estate investments comprised of nearly 5,300 current and under-development homes. Many of Bluerock's senior managers acting on behalf of the Sponsor and Manager are also directly or indirectly involved in the management and operations of BHM.

The Bluerock Total Income+ Real Estate Fund ("**TI+ Fund**") is a public closed-end fund. TI+ Fund pursues its investment objectives using a multi-strategy, multi-manager, multi-sector approach, primarily investing in a strategic combination of what TI+ Fund's advisor believes are 'highly-rated' global institutional private equity real estate and institutional public real estate investment funds. As of September 30, 2025 TI+ Fund had assets under management of $3.6 billion and has made investments into underlying securities that collectively include more than $251 billion in gross asset value, comprising nearly 5,500 properties across the United States with a combined average occupancy of 91%. Many of Bluerock's senior managers acting on behalf of the Sponsor and Manager are also directly or indirectly involved in the management and operations of TI+ Fund. For additional information, please visit the TI+ Fund's website at: www.bluerockfunds.com.

Prior Private Real Estate Programs

Since 2002, Bluerock and its affiliates, including the Sponsor, have sponsored 63 private programs (60 that have closed), including 53 Code Section 1031-Exchange DST / Tenant-in-Common ("**TIC**") private offerings, for a total real estate acquisition cost (with leverage) of more than $3.0 billion. In addition, Bluerock has completed its offering of units in Bluerock Special Opportunity + Income Fund, LLC ("**SOIF I**"), Bluerock Special Opportunity + Income Fund II, LLC ("**SOIF II**"), Bluerock Special Opportunity + Income Fund III, LLC ("**SOIF III**"), Bluerock Growth Fund, LLC ("**Bluerock Growth Fund**") and Bluerock Growth Fund II, LLC ("**Bluerock Growth Fund II**"). As of September 30, 2025, SOIF I has raised approximately $29.2 million in equity for total real estate acquisition costs of approximately $418 million represented by interests in 15 apartment properties comprised of approximately 3,742 units and approximately 3.5 million square feet; of which, 14 properties have been sold representing $317 million in acquisition cost, 2.8 million square feet and 3,042 units. SOIF II has raised approximately $55 million in equity for total real estate acquisition and development costs of approximately $868 million represented by interests in 19 apartment properties comprised of approximately 5,939 units and more than 6.7 million square feet; of which, 18 properties have been sold representing $723.8 million in acquisition cost, 4.8 million square feet and 4,740 units. SOIF III has raised approximately $26 million in equity for total real estate acquisition and development costs of approximately $733 million represented by interests in 15 apartment properties comprised of approximately 4,360 units and 4.2 million square feet; of which, 15 properties have been sold representing $733 million in acquisition cost, 4.2 million square feet and 4,360 units. Bluerock Growth Fund raised approximately $20.1 million in equity for total real estate acquisition costs of approximately $139 million represented by interests in three apartment properties comprised of approximately 759 units and 585,000 square feet. All three properties in Bluerock Growth Fund have been sold representing $140 million in acquisition cost and the fund distributed all final proceeds in Q3 2022.

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Bluerock Growth Fund II raised approximately $1.6 million in equity for total real estate preferred equity of approximately $1.3 million represented by interests in one apartment properties comprised of approximately 340 units and 284,000 square feet. Bluerock Growth Fund II sold its single preferred equity investment in January 2022 for $2.42 million as compared to its investment cost of $1.63 million for a 1.49x final equity investment return to investors. The interests owned in the apartment properties described in this section are contained and further detailed in the "*Residential Experience / Current Apartment Portfolio*" section above.

Full-Cycle Apartment Properties

As of September 30, 2025, 137 properties and 30 programs sponsored by Bluerock have gone full cycle from acquisition to sale. The table below summarizes these properties/programs:

Residential

Property Name	Acquisition / Sale Date	Location	Purchase Cost (MMs)[4]	Equity Invested (MMs)	Total Gross Return (MMs)[5]	Hold Period	Blended Net IRR[6]
The Ashford	11/09-09/11	Atlanta, GA	$ 19.75	$2.04	$ 4.19	23 mo.	**30.4%**
Lynd Portfolio Subtotal[7]			$ 21.90	$6.34	$ 12.09	36 mo.	**17.5%**
Mesa Ridge	12/08-03/11	San Antonio, TX	$ 6.55	$2.01	$ 4.81	27 mo.	-
Meadows	2/08-10/11	Austin, TX	$ 3.45	$1.04	$ 2.47	34 mo.	
Stratford	12/08-10/12	San Antonio, TX	$ 11.90	$3.29	$ 4.81	40 mo.	
Tech Ridge	2/10-8/12	Austin, TX	$ 17.19	$6.03	$ 13.17	30 mo.	**28.2%**
Note 16	3/12-6/13	Nashville, TN	$ 11.30	$1.42	$ 2.51	15 mo.	**44.5%**
Hillsboro	9/10-9/13	Nashville, TN	$ 31.60	$3.90	$ 8.56	36 mo.	**25.1%**
Meadowmont	4/10-9/13	Chapel Hill, NC	$ 37.00	$4.70	$ 11.33	42 mo.	**24.5%**
The Stratford	6/12-12/13	Cary, NC	$ 20.30	$5.29	$ 7.90	17 mo.	**22.9%**
Arbor Terrace^	5/11-3/14	Marietta, GA	$16.73	$7.89	$ 10.01	34 mo.	**7.8%**
Creekside Village	3/10-3/14	Chattanooga, TN	$ 14.25	$1.82	$ 4.13	48 mo.	**14.8%**
Estates at Perimeter	9/10-11/14	Augusta, GA	$ 24.95	$1.93	$ 2.41	50 mo.	**2.5%**
Grove at Waterford	4/12-11/14	Hendersonville, TN	$ 27.88	$4.67	$ 6.25	31 mo.	**35.0%**
23Hundred Berry Hill	10/12-01/15	Nashville, TN	$ 33.67	$4.44	$ 8.35	27 mo.	**43.7%**
Villas at Oak Crest	4/12-9/15	Chattanooga, TN	$ 15.52	$2.85	$ 3.79	41 mo.	**14.0%**
North Park Towers^	12/05-10/15	Southfield, MI	$ 36.90	$11.43	$ 2.83	118 mo.	**-11.6%**
Artisan on 18th	6/13-10/15	Nashville, TN	$ 22.30	$1.00	$ 2.12	28 mo.	**35.2%**
Indian Springs	9/11-10/15	El Paso, TX	$ 12.35	$2.74	$ 2.69	49 mo.	**-0.5%**
Springhouse	12/09-08/16	Newport News, VA	$ 29.25	$6.89	$ 16.56	80 mo.	**13.6%**
Mesa Ridge^	3/11-11/16	San Antonio, TX	$ 10.94	$5.16	$ 7.92	68 mo.	**9.6%**
EOS	7/14-12/16	Orlando, FL	$ 36.96	$11.09	$ 19.63	30 mo.	**26.6%**
Village Green	9/12-2/17	Ann Arbor, MI	$ 58.00	$8.19	$ 18.43	53 mo.	**8.0%**
Lansbrook	3/14-4/17	Palm Harbor, FL	$ 58.50	$16.51	$ 30.53	37 mo.	**16.4%**
Fox Hill	4/15-4/17	Austin, TX	$ 38.15	$11.92	$ 19.31	24 mo.	**19.2%**
MDA City	12/12-6/17	Chicago, IL	$ 54.87	$9.76	$ 22.68	54 mo.	**19.9%**
CoHo House	7/14-11/17	Atlanta, GA	$ 20.76	$5.29	$ 6.67	41 mo.	**-3.1%**
Chace Lake Villas^	6/12-12/17	Birmingham, AL	$ 26.34	$12.23	$ 17.08	66 mo.	**8.1%**
Alamance Reserve^	1/14/-3/18	Burlington, NC	$ 23.79	$11.09	$ 11.46	50 mo.	**6.9%**
Stonebrook^	9/11-4/19	Nashville, TN	$ 18.25	$8.67	$ 31.38	91 mo.	**22.7%**
Four Corners^	2/16-7/19	Orlando, FL	$ 38.85	$16.59	$ 27.49	41 mo.	**22.4%**
Plaza Gardens^	8/08-7/19	Overland Park, KS	$ 30.21	$11.21	$ 15.04	131 mo.	**4.2%**
Sorrel Phillips Creek[4]	10/15-7/19	Frisco, TX	$ 55.26	$33.60	$46.66	46 mo.	**10.3%**
Sovereign Apartments[4]	11/15-7/19	Fort Worth, TX	$ 44.44	--	--	--	--
Preston View	2/17-7/19	Morrisville, NC	$ 59.50	$20.00	$ 23.27	31 mo.	**6.8%**
Leigh House	12/15-7/19	Raleigh, NC	$ 40.20	$12.00	$23.24	44 mo.	**8.7%**

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Arium Palms Gateway	08/15-8/19	Orlando, FL	$ 37.00	$13.00	$20.40	49 mo.	**13.7%**
Valley Townhomes^	07/08-9/19	Puyallup, WA	$ 42.57	$19.6	$34.90	136 mo.	**9.4%**
Marquis Portfolio[7]			$188.85	$47.38	$67.45	33 mo.	**12.6%**
Marquis at Stone Oak	06/17-9/19	San Antonio, TX	$ 55.35			27 mo.	
Marquis at Crown Ridge	06/17-9/19	San Antonio, TX	$39.50			27 mo.	
Marquis at TPC	6/17-5/20	San Antonio, TX	$20.85			35 mo.	
Marquis at the Cascades	6/17-3/21	Tyler, TX	$73.15			44 mo.	
Ansley Village	5/14-10/19	Macon, GA	$31.76	$14.17	$19.47	67 mo.	**8.4%**
Helios	5/15-1/20	Atlanta, GA	$51.40	$14.69	$27.78	56 mo.	**6.4%**
Whetstone Apartments	5/15-1/20	Durham, NC	$35.63	$13.44	$21.83	56 mo.	**7.4%**
Ashton Reserve	8/15-4/20	Charlotte, NC	$66.57	$21.40	$36.51	57 mo.	**13.8%**
Enders Place	10/12-5/20	Orlando, FL	$25.10	$14.23	$27.95	92 mo.	**19.4%**
CADE Boca Raton	9/16-10/20	Boca Raton, FL	$30.10	$15.38	$20.27	49 mo.	**1.0%**
Novel Perimeter	12/16-12/20	Atlanta, GA	$71.00	$26.22	$36.70	48 mo.	**10.0%**
Arlo	1/16-12/20	Charlotte, NC	$60.00	$34.51	$50.59	58 mo.	**6.0%**
Riverside Apartments	12/18-12/20	Austin, TX	$37.90	$13.94	$16.51	24 mo.	**13.1%**
Arium Grandewood	12/14-1/21	Orlando, FL	$44.65	$9.68	$34.92	62 mo.	**24.4%**
Big Creek	12/16-2/21	Alpharetta, GA	$84.45	$35.95	$51.57	50 mo.	**11.1%**
James on South First	11/16-2/21	Austin, TX	$36.75	$10.45	$19.95	51 mo.	**17.4%**
Alexan Southside Place	1/15-3/21	Houston, TX	$49.00	$19.05	$10.43	74 mo.	**-16.8%**
The Conley	10/18-3/21	Leander, TX	$44.00	$15.23	$19.09	29 mo.	**13.0%**
Plantation Park	6/18-6/21	Lake Jackson, TX	$35.60	$8.43	$5.00	36 mo.	**-19.4%**
The Reserve at Palmer Ranch	1/16-6/21	Sarasota, FL	$39.25	$6.42	$22.22	66 mo.	**22.2%**
Vicker's Historic Roswell	12/16-6/21	Roswell, GA	$31.90	$13.88	$18.84	55 mo.	**8.50%**
Park and Kingston	12/15-7/21	Charlotte, NC	$27.86	$12.23	$28.93	67 mo.	**17.55%**
The District at Scottsdale	12/19-7/21	Scottsdale, AZ	$124.00	$50.47	$70.78	19 mo.	**25.16%**
Mira Vista	12/19-9/21	Austin, TX	$23.25	$5.25	$6.34	21 mo.	**10.41%**
Beach House	4/16-10/21	Jacksonville, FL	$51.58	$21.56	$35.53	66 mo.	**11.50%**
Riverside	6/16-12/21	Jacksonville, FL	$64.13	$26.72	$42.75	66 mo.	**11.00%**
Belmont Crossing	12/19-12/21	Smyrna, GA	$18.45	$2.74	$3.34	24 mo.	**11.39%**
Sierra Terrace	12/19-12/21	Atlanta, GA	$17.60	$3.71	$4.63	24 mo.	**11.39%**
Sierra Village	12/19-12/21	Atlanta, GA	$18.00	$3.80	$4.63	24 mo.	**11.39%**
Thornton Flats	9/19-12/21	Austin, TX	$22.00	$5.35	$6.30	27 mo.	**9.31%**
Alexan City Centre	7/14-1/22	Houston, TX	$83.20	$45.06	$35.34	91 mo.	**-6.47%**
Reunion Apartments	9/20-2/22	Orlando, FL	$47.60	$10.00	$12.54	18 mo.	**19.19%**
The Hartley at Blue Hill Loan	1/19-2/22	Chapel Hill, NC	$99.20	$44.50	$53.77	26 mo.	**11.5%**
Motif	12/15-3/22	Fort Lauderdale, FL	$135.40	$71.63	$120.22	76 mo.	**8.27%**
Georgetown Crossing	1/20-3/22	Savannah, GA	$20.90	$2.18	$2.66	27 mo.	**11.38%**
Domain at the One Forty	12/15-5/22	Garland, TX	$53.30	$19.17	$38.40	77 mo.	**12.89%**
Park on the Square	1/20-4/22	Pensacola, FL	$32.00	$5.81	$7.12	27 mo.	**11.38%**
The Commons on Anniston	4/20-6/22	Jacksonville, FL	$25.90	$3.88	$4.77	26 mo.	**11.37%**
Zoey	3/20-8/22	Austin, TX	$59.50	$23.50	$27.04	29 mo.	**10.27%**
Weatherford BFR 185	2/22-7/22	Weatherford, TX	$46.32	$9.65	$10.15	5 mo.	**12.81%**
Axis West^	5/18-10/22	Orlando, FL	$69.90	$31.82	$40.87	51 mo.	**9.80%**
Clearwater^	9/15-8/22	Clearwater, FL	$46.25	$19.31	$36.16	83. mo.	**14.70%**
Grand at Westside^	2/18-8/22	Kissimmee, FL	$74.44	$33.22	$51.50	54 mo.	**15.20%**
Grand Dominion^	9/17-8/22	San Antonio, TX	$56.90	$23.46	$32.44	59 mo.	**11.60%**
Sonoma Pointe^	8/17-8/22	Kissimmee, FL	$44.53	$18.99	$38.29	60 mo.	**20.30%**
Gulfshore Apartment Homes	1/16-10/22	Naples, FL	$47.00	$51.46	$59.90	81 mo.	**27.51%**

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The Preserve at Henderson Beach	3/16-10/22	Destin, FL	$53.70	$17.16	$82.45	79 mo.	**34.76%**
Arium Westside	7/16-10/22	Atlanta, GA	$74.50	$24.63	$62.27	75 mo.	**19.62%**
Arium Glenridge	10/16-10/22	Atlanta, GA	$69.50	$27.15	$73.13	72 mo.	**22.35%**
Roswell City Walk	12/16-10/22	Roswell. GA	$76.00	$25.99	$79.80	70 mo.	**24.91%**
Pine Lakes Preserve	12/16-10/22	Port St. Lucie, FL	$38.50	$13.28	$54.97	70 mo.	**41.71%**
The Brodie	12/16-10/22	Austin, TX	$48.90	$16.55	$56.41	70 mo.	**24.90%**
Wesley Village	3/17-10/22	Charlotte, NC	$56.89	$18.41	$62.56	67 mo.	**27.73%**
Villages at Cypress Creek	9/17-10/22	Houston, TX	$40.70	$17.37	$32.50	61 mo.	**24.64%**
Citrus Tower	9/17-10/22	Clermont, FL	$55.25	$15.48	$53.89	61 mo.	**31.31%**
Outlook at Greystone	10/17-10/22	Birmingham, AL	$36.25	$37.61	$45.56	60 mo.	**21.97%**
Arium Metrowest	10.17-10/22	Orlando, FL	$86.00	$88.02	$92.94	60 mo.	**28.18%**
Arium Hunters Creek	10/17-10/22	Orlando, FL	$97.50	$28.60	$99.81	60 mo.	**32.36%**
The Mills	11/17-10/22	Greenville, SC	$40.25	$14.80	$46.65	59 mo.	**29.67%**
The Links at Plum Creek	3/18-10/22	Castle Rock, CO	$61.10	$24.59	$62.51	54 mo.	**25.23%**
Sands Parc	5/18-10/22	Daytona Beach, FL	$46.20	$46.96	$75.20	52 mo.	**16.16%**
Veranda at Centerfield	7/18-10/22	Houston, TX	$40.15	$18.16	$36.81	50 mo.	**23.13%**
Ashford Belmar	11/18-10/22	Lakewood, CO	$143.50	$46.67	$118.84	47 mo.	**29.44%**
Providence Trail	6/19-10/22	Mount Juliet, TN	$68.50	$22.20	$65.09	40 mo.	**41.87%**
Element	6/19-10/22	Las Vegas, NV	$41.75	$13.67	$44.48	40 mo.	**48.93%**
The Sanctuary	7/19-10/22	Las Vegas, NV	$51.75	$19.69	$59.31	39 mo.	**44.41%**
Denim	7/19-10/22	Scottsdale, AZ	$141.25	$51.08	$165.62	39 mo.	**52.78%**
Chattahoochee Ridge	11/19-10/22	Atlanta, GA	$69.75	$25.70	$54.40	35 mo.	**33.06%**
Avenue 25	1/20-10/22	Phoenix, AZ	$55.60	$19.97	$59.31	33 mo.	**51.93%**
Falls at Forsyth	1/20-10/22	Cumming, GA	$82.50	$82.91	$74.49	33 mo.	**29.68%**
Chevy Chase	7/20-10/22	Austin, TX	$34.50	$12.90	$27.09	27 mo.	**52.40%**
Elan Apartments	12/20-10/22	Austin, TX	$39.50	$16.55	$36.88	22 mo.	**76.75%**
Carrington Park Apartments	12/20-10/22	Morrisville, NC	$52.00	$23.65	$51.71	22 mo.	**69.61%**
Cielo on Gilbert	12/20-10/22	Phoenix, AZ	$74.25	$20.50	$87.51	22 mo.	**140.23%**
Windsor Falls	4/21-10/22	Raleigh, NC	$48.78	$22.12	$40.50	18 mo.	**64.59%**
Hunter's Pointe	12/20-10/22	Pensacola, FL	$21.75	$1.70	$2.04	22 mo.	**11.41%**
Water's Edge	12/20-10/22	Pensacola, FL	$25.75	$3.25	$3.96	22 mo.	**11.38%**
Encore Chandler Development	12/20-10/22	Chandler, AZ	$47.70	$10.23	$13.30	22 mo.	**55.24%**
The Riley	3/21-10/22	Richardson, TX	$58.00	$6.96	$8.27	19 mo.	**11.89%**
The Reserve at Palmer Ranch	6/21-10/22	Sarasota, FL	$57.60	$11.40	$13.21	16 mo.	**12.26%**
Deerwood Apartments	6/21-10/22	Houston, TX	$65.81	$16.45	$17.99	16 mo.	**11.77%**
Deercross Apartments	6/21-10/22	Indianapolis, IN	$29.60	$4.00	$4.57	16 mo.	**11.31%**
Wilkinson Crossings at Dawsonville	7/21-10/22	Dawsonville, GA	$55.50	$10.45	$11.87	15 mo.	**11.33%**
Renew 3030	8/21-10/22	Mesa, AZ	$24.30	$7.06	$7.89	14 mo.	**10.91%**
Wilkinson Spring Parc	7/21-10/22	Dallas, TX	$42.30	$8.00	$9.09	15 mo.	**11.33%**
Orange City Apartments	8/21-10/22	Orange City, FL	$60.53	$15.13	$18.92	14 mo.	**98.76%**
Lower Broadway	8/21-10/22	Sam Antonio, TX	$87.92	$15.78	$20.51	14 mo.	**98.50%**
Avondale Hills	9/20-10/22	Atlanta, GA	$50.70	$11.75	$14.02	13 mo.	**12.08%**
The DeSota^	4/19-3/23	Sarasota, FL	$89.62	$37.65	$47.44	47 mo.	**13.10%**
Glenwood^	12/17-7/23	Atlanta, GA	$55.40	$22.97	$31.67	68 mo.	**6.90%**
The Cottages at Warner Robins	12/21-12/12	Warner Robins, GA	$53.10	$13.25	$16.56	24 mo.	**12.50%**
Quinn35^	6/19-9/24	Shrewsbury, MA	$85.47	$35.32	$52.72	63 mo.	**9.70%**
Navigator Villas	12/19-8/24	Pasco, WA	$28.50	$8.46	$18.27	56 mo.	**14.81%**
Willow Park	6/21-12/21	Fort Worth, TX	$17.10	$4.63	$6.09	42 mo.	**18.1%**

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The Woods at Forrest Hill	12/21-12/24	Forrest Hill, TX	$14.76	$13.86	$15.93	36 mo.	**14.4%**
Peak Housing Operating Partnership	4/21-12/24	Dallas, TX	$47.60	$20.32	$24.97	44 mo.	**9.5%**
Westerly	11/19-5/25	Franklin, MA	$92.82	$38.44	$53.16	66 mo.	**7.2%**
Cottages at Myrtle Beach	7/21-6/25	Myrtle Beach. SC	$63.17	$17.91	$28.09	47 mo.	**14.8%**
Jefferson Place	8/18-8/25	Frederick, MD	$62.54	$26.54	$41.65	84 mo.	**8.4%**
Cottages at Port St. Lucie	8/21-8/25	Port St. Lucie, FL	$69.57	$18.79	$30.14	48 mo.	**14.8%**
Total			**$6,492.61**	**$2,327.32**	**$4,219.44**	**46 mo.**	**22.2%**

(4) All amounts shown represent 100% interests in each property, including portions owned by joint venture partners or syndication Investors.

(5) Figure represents total proceeds from distributions and net proceeds from sale.

(6) Internal Rate of Return ("**IRR**") is the discount rate that makes the net present value of all cash flows from the project equal to zero and considers cash flow and sale proceeds as part of an investment total return. The net IRR considers all applicable property-level fees and expenses; excluding any up-front offering-level fees and expenses, including: commissions, offering and organization fees, placement fees, and marketing fees (as applicable), except for properties identified by ^ for which net IRRs are calculated after subtractions for offering-level fees and expenses. Accordingly, in some instances, actual Investor-level returns for the investment program may not be indicative of the net IRR of the individual project(s). In some cases, the net IRRs are report as blended as applicable representing the simple average of the net IRRs of the respective Bluerock entities having an equity investment in the properties.

(7) The Mesa, Meadows, and Stratford were part of a portfolio purchase and because of the transaction structure, the IRR is reported on a portfolio basis. Sorrel Phillips Creek and Sovereign Apartments were sold as a portfolio and because of the transaction structure, equity investment, total return, and IRR were reported on a portfolio basis. Marquis at Stone Oak, Marquis at Crown Ridge, Marquis at TPC, and Marquis at the Cascades were part of a portfolio purchase and because of the transaction structure, the IRR is reported on a portfolio basis.

Affiliates of Bluerock serve (or, in the case of the completed programs, served) as either property manager and/or asset manager for each of its programs.

Bluerock has other investment programs that are not disclosed above, primarily consisting of offerings of commercial office space and a net lease retail portfolio, as well as a two debenture/notes programs. Information related to these programs is available upon request.

Adverse Business Developments

Apartment Sector

The North Park Towers property located in Southfield, Michigan was purchased in December of 2005 as a condo conversion project. The North Park Towers DST program reduced, and later suspended, investor distributions in September 2009, and December 2010, respectively, due to continued pressure from the weak Michigan economy and the deterioration of the domestic automobile manufacturing industry. In April of 2013, the property's mortgage loan was repaid at a discount, including through a recapitalization funded in part by certain Bluerock managers. The property was later refinanced and, in April 2014, was sold to Bluerock Residential Growth REIT at fair market value of $15.6 million compared to original purchase price of $36.9 million.

The 1355 First Avenue luxury condo development property located in New York, New York was purchased in June 2007. The 1355 First Avenue TIC program suspended investor distributions in August 2009, and, as a result of the lack of credit for construction financing following the global financial crisis and the so-called "Great Recession," which led to a delay in the development of the project, undertook additional and dilutive interim capital raising efforts. In January 2013, the project closed $108 million in construction financing. Construction was completed in the fourth quarter of 2015. As of June 30, 2021, the project fully sold out as condominiums. Based on projected final condominium sales and closeout of the project, it is projected that the original tenants in common investors will receive approximately 60% of their original investment and investors in the 1355 First Avenue notes and preferred equity program will not receive any further recovery.

The Gate property located in Orlando, Florida was acquired in January 2019. The BR Gate, DST program reduced distributions from 4.75% to 2.75% effective January 2024 due to a sharp, 83% year-over-year or 582% since acquisition, increase in insurance costs.

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The 79 West property located in Panama City Beach, Florida was acquired in January 2022. The BR 79 West, DST program reduced distributions to 0.00% effective May 2025 due to significant increases in insurance costs and to replenish Trust reserves.

Office Sector

The Summit at Southpoint property located in Jacksonville, Florida was purchased in December of 2006. The Summit at Southpoint TIC program reduced, and later suspended, investor distributions in April 2009 and November 2013, respectively, in order to build necessary reserves for upcoming lease rollovers and associated tenant improvement and leasing commission expenses. In February 2017, Summit at Southpoint successfully completed a loan refinance. Summit at Southpoint subsequently sold for $29.5 million as compared to original purchase price of approximately $37.4 million in September 2018.

The Landmark portfolio located in St. Louis, Missouri was purchased in March of 2007. The Landmark TIC program reduced, and later suspended, investor distributions effective April 2012 and April 2013, respectively. In June 2013, Bluerock cooperated with TIC owners in the formation of a steering committee to seek to restructure the existing mortgage loan, which went into default the same month. In November 2013, Landmark's TIC steering committee, at the request of the secured lender, consented to the appointment of a receiver for the property, and the portfolio was subsequently foreclosed without opposition by Landmark's TIC steering committee**.**

The Cummings Research Park I, II, III ("**CRP I**", "**CRP II**", "**CRP III**") TIC properties located in Huntsville, Alabama were purchased in November of 2007. The properties maintained occupancy in the 94% - 99% range throughout 2009-2012, and subsequently experienced a significant increase in vacancy beginning in 2013 as a result of a softening in the leasing market related to government defense spending cuts and U.S. Government Sequestration. All three properties experienced reductions of distributions to owners beginning in 2012-13 and ultimate suspension of distributions to owners beginning in 2014-15. CRP I was subsequently sold for $41.75 million as compared to original purchase price of approximately $46.5 million in March 2020. The special servicer for the CRP II mortgage refused to cooperate and on November 1, 2016 the property was turned over to a receiver appointed by the special servicer. In August 2018, the special servicer completed its foreclosure of the CRP II mortgage. CRP III was subsequently sold for $41.25 million as compared to original purchase price of approximately $45.5 million in March 2020.

The Town and Country property was purchased in June of 2008. The Town and Country DST program experienced vary levels of distributions to members from October 2010 through 2018 as a result of challenging market conditions, in order to build necessary reserves for upcoming lease rollovers and associated tenant improvement and leasing commission expenses, and for a mortgage refinance. Town and Country was subsequently sold for $50 million as compared to original purchase price of approximately $51.79 million in November of 2018.

The total return to investors under some of the foregoing programs will be lower than previously anticipated due to adverse market conditions.

Investors of Interests will not acquire any interest in Bluerock's programs discussed above. Further, you should not assume that Investors will experience returns, if any, comparable to those experienced by Investors in the prior Bluerock-sponsored programs.

IN CONSIDERING THE PRIOR PERFORMANCE INFORMATION CONTAINED HEREIN, PROSPECTIVE PURCHASERS SHOULD BEAR IN MIND THAT PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT COMPARABLE RESULTS WILL BE ACHIEVED IN THE FUTURE.

IT IS ANTICIPATED THAT THE OPERATING RESULTS OF THE TRUST WILL BE SIGNIFICANTLY DIFFERENT THAN THOSE OF THE PRIOR BLUEROCK-SPONSORED PROGRAMS.

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CONFLICTS OF INTEREST

The structure and proposed method of operation with respect to this Offering creates certain inherent conflicts of interest between the Sponsor, the Master Tenant, the Manager, and their respective principals and affiliates will act as the manager, advisor, controlling party or sponsor of other Delaware statutory trusts, limited liability companies, partnerships and other entities from time to time. These other entities may own properties similar to the Property, which may compete with the Property, and may acquire additional properties in the future that may also compete with the Property. The Sponsor, the Master Tenant, and the Manager, and their respective principals and affiliates also have existing responsibilities and, in the future, may have additional responsibilities, to provide management and services to a number of other entities. Certain restrictions have been provided in the Trust Agreement that are designed to protect the interests of the Beneficial Owners in this regard. Notwithstanding the foregoing, principal areas in which conflicts are anticipated to occur are as follows.

Competition with Affiliates

The Sponsor and its affiliates are involved in the acquisition, development and management of real property and are facilitators of Section 1031 Exchanges. Any affiliated entity, whether or not currently existing, could compete with the Trust and the Beneficial Owners in the sale or operation of the Property. For example, the Sponsor or its affiliates may in the future own, finance or represent properties in the same market as the Property, which may compete for tenants with respect to the Property.

Provision by Affiliates of Services to the Trust or to Persons Dealing with the Trust

Neither the Sponsor nor any of its affiliates will be prohibited from providing services to, or otherwise dealing or doing business with, the Trust or Beneficial Owners or persons that deal with the Trust or Beneficial Owners, although no such services or activities (other than the services and activities disclosed in this Memorandum) are contemplated and any such services (if provided) must be on market terms.

Competition for Sponsor's Management Services

The Sponsor's management personnel believe that they will have sufficient time to discharge fully their responsibilities to the Trust and Beneficial Owners and to other business activities in which it is or may become involved. However, the Sponsor's management personnel are engaged in substantial other activities apart from their responsibilities under the Trust Agreement (including their duties at Bluerock, BHM, BIGR, Bluerock Total Income+ Real Estate Fund, and Bluerock High Income Institutional Credit Fund). Accordingly, the Sponsor and its affiliates will devote only so much of their time to the business of the Trust as is reasonably required in their judgment. The Sponsor and its affiliates will have conflicts of interest in allocating management time, services and functions among the properties held through this or any other program they may sponsor, as well as with other business ventures in which they are or may become involved.

Compensation and Reimbursements Irrespective of Property Profitability

The Sponsor and its affiliates will receive certain compensation from the Trust for services rendered regardless of whether rent is paid to the Trust. See "ESTIMATED USE OF PROCEEDS" and "COMPENSATION OF THE SPONSOR AND AFFILIATES" in this Memorandum.

Sale of the Property

If the Manager decides to sell either Property, the Property Manager, the Sponsor or its affiliates may be paid Disposition Fees or other fees and compensation on the sale of such Property. The right to receive or participate in Disposition Fees or other fees and compensation may provide the Sponsor, an affiliate of the Property Manager, with an incentive to encourage a sale of a Property at a time that is not optimal for, or on terms that are not advantageous to, the Trust or the Beneficial Owners. **For the avoidance of doubt, the Disposition Fee will not be payable in the event the FMV Option is exercised**.

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Ownership of Interests

The Sponsor or its affiliates may elect to acquire or retain a portion of the Interests or to sell or transfer Interests to persons who are related to it, including employees or persons who have other relationships with it or its affiliates. In such event, although the rights of Beneficial Owners are extremely limited under the terms of the Trust Agreement, the interests of the Sponsor and its affiliates (or other closely connected parties) as Beneficial Owners may not be aligned with those of the Trust or other Beneficial Owners. Further, in the event of a Transfer Distribution, Beneficial Owners who were affiliates of the Sponsor could control the Springing LLC as members.

Exercise of FMV Option. The FMV Option is exercisable at the Operating Partnership's sole and absolute discretion. The Operating Partnership will determine whether or not to exercise the FMV Option taking into account only the best interests of the Operating Partnership and not the Beneficial Owners. This may result in the Operating Partnership exercising the FMV Option at a time when they believe that the value of the OP Units as compared to the value of the Interests is high. In addition, they may determine not to exercise the FMV Option if they believe that the underlying Property is not an attractive acquisition opportunity for the Operating Partnership. As such it will be acting in its own interest when determining whether to exercise the FMV Option.

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FEDERAL INCOME TAX CONSEQUENCES

The following discussion applies only if an Investor buys an Interest directly from the Trust pursuant to this Offering. You should not view the following analysis as a substitute for careful tax planning, particularly since the income tax consequences of an investment in an Interest are uncertain and complex. Also, the tax consequences will not be the same for all taxpayers. You should be aware that the following discussion necessarily condenses or eliminates many details that might adversely affect you significantly and does not address the tax issues that may be important to you if you are subject to special tax treatment, such as a foreigner or tax-exempt entity. For example, special rules not discussed here may apply to you if you are: a broker-dealer or a dealer in securities or currencies; an S corporation; a bank, thrift or other financial institution; a regulated investment company or a real estate investment trust; an insurance company; a tax-exempt organization; subject to any alternative minimum tax provisions of the Code; holding the Interests as part of a hedge, straddle, conversion, integrated, or other risk reduction or constructive sale transaction; a U.S. person whose "functional currency" is not the U.S. dollar; or a U.S. expatriate or former long-term resident. The following discussion of federal income tax consequences is based on laws and regulations presently in effect and, except where noted, does not address state, local, foreign, or other tax laws, including gift and estate tax laws. Each prospective Investor should consult his, her or its own tax advisor about the specific tax consequences to him, her, or it before investing.

You should be aware that new administrative, legislative or judicial action could significantly change the tax aspects associated with an Interest. Many of the relevant provisions are complex and their scope and interpretations are presently uncertain. Accordingly, there is uncertainty concerning certain tax aspects discussed herein, and there can be no assurance that the IRS may not challenge some of the deductions you may claim or positions you may take. Should the IRS challenge the tax treatment of an investment in an Interest, even if the challenge is unsuccessful, you could be faced with substantial legal and accounting costs in resisting the challenge.

You should not buy an Interest solely for the purpose of obtaining a tax shelter for income from other sources. An Interest is unlikely to provide any such tax shelter.

Before buying an Interest, you must represent and warrant that you:

(i) have independently obtained advice from your legal counsel and/or accountant about any tax-deferred exchange under Code Section 1031 and applicable state laws, including, without limitation, whether your acquisition of an Interest pursuant to this Offering will enable you to defer the recognition of gain on your disposition of "relinquished property" pursuant to Code Section 1031, and you are relying on such advice;

(ii) understand that neither the Trust, the Sponsor, the Trustee, the Manager nor any of their affiliates have obtained a ruling from the Internal Revenue Service that an Interest will be treated as an undivided interest in real estate, as opposed to an interest in a partnership, a security or a certificate of trust or beneficial interest;

(i) understand that the federal income tax consequences of an investment in an Interest, especially the treatment of the transaction under Code Section 1031 and the related Section 1031 Exchange rules, are complex and vary with the facts and circumstances of each individual Investor;

(ii) are a U.S. person; and

(iii) understand that the opinion of Special Tax Counsel is only Special Tax Counsel's view of the anticipated federal income tax treatment and there is no guarantee that the IRS will agree with such opinion.

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Nature of Interests

Classification of Trust. The Sponsor has attempted to structure the Offering of Interests so that an Investor acquiring an Interest will be treated for Code Section 1031 purposes as acquiring an interest in real estate and not either an interest in a partnership, a security or a certificate of trust or beneficial interest. If an Interest was to be treated as an interest in a partnership, a security or a certificate of trust or beneficial interest, then an Investor of an Interest would be unable to use its acquisition of an Interest as part of a transaction to defer gain under Code Section 1031.

The Trust has obtained an opinion from Special Tax Counsel in connection with the Offering that the acquisition of an Interest by an Investor **should** be treated as a direct acquisition of the Property by an Investor for purposes of Section 1031. The issues which are the subject of such opinion have not been definitely resolved by statutory, administrative or case law. An Investor who is acquiring an Interest as "replacement property" in a Section 1031 Exchange for an interest in real estate must be aware that in order to qualify any of his gain realized in such exchange for tax deferral under Code Section 1031, the Interest must be treated as an interest in real estate.

Special Tax Counsel's opinion is based upon existing cases and rulings, and, in particular, the analysis in Revenue Ruling 2004-86, 2004-2 CB 191. Revenue Ruling 2004-86 sets forth the limited circumstances under which a DST may be classified as an "investment trust" for federal income tax purposes rather than as a business entity taxable as a corporation or partnership. Revenue Ruling 2004-86 concludes that because the owner of an "investment trust" is considered to own an undivided fractional interest in the trust assets attributable to that interest for federal income tax purposes, the exchange of real property for an interest in an "investment trust" that holds only real property through a qualified intermediary is treated as an exchange of real property for an interest in real property, and not the exchange of real property for a certificate of trust or beneficial interest for purposes of Code Section 1031.

The Trust and other related arrangements have been structured to be substantially similar to the trust and other related arrangements described in Revenue Ruling 2004-86. There are several possible distinctions, however, including, but not limited to: (i) the ongoing role of the Manager; (ii) the potential termination of the Trust as a result of a Transfer Distribution; and (iii) providing the Manager with discretion to cause a sale of the Property. Special Tax Counsel has concluded that all of these provisions are consistent with the analysis in Revenue Ruling 2004-86 and the underlying cases and rulings, but no ruling will be obtained from the IRS in this regard.

The Trust and the Sponsor have not received and will not request a private ruling from the IRS regarding the federal income tax classification of the Trust. After examining the relevant cases, Treasury Regulations and rulings (and, in particular, Revenue Ruling 2004-86 and Treasury Regulations Section 301.7701-4(c)), however, Special Tax Counsel has concluded that the Trust should be treated as an "investment trust" for federal income tax purposes because the powers and authority granted to the Trustee, Manager, Beneficial Owners and the Trust in the Trust Agreement do not exceed the powers and authority of the "investment trust" described in Revenue Ruling 2004-86. Special Tax Counsel has also concluded that the Beneficial Owners should be treated as grantors of the Trust. Special Tax Counsel further believes that these conclusions are consistent with the underlying cases, Treasury Regulations and rulings that govern whether a DST is classified for federal income tax purposes as an "investment trust" or instead as a business entity taxable as a corporation or partnership.

There is always a risk that the IRS may not agree with such opinion. The opinion of Special Tax Counsel is predicated on all the facts and conditions set forth in the opinion and 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 opinion prove incorrect, it is possible that the tax consequences could change.

THE ABOVE IS A SUMMARY OF THE OPINION FROM SPECIAL TAX COUNSEL. INVESTORS SHOULD REVIEW THE ATTACHED OPINION IN ITS ENTIRETY.

Potential Significant Tax Costs If Interests Were Classified as Interests in a Partnership, Securities or Certificates of Trust or Beneficial Interests. If the Investors were to be treated for tax purposes as purchasing interests in a partnership, securities or certificates of trust or beneficial interests, the Investors would not qualify for deferral of

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gain under Code Section 1031, and each Investor who had relied on deferral of his gain from disposition of other interests in real property would immediately recognize such gain and be subject to federal income tax thereon. Moreover, since such determination would of necessity come after such Investor had purchased his Interest, such Investor would have no cash from the disposition of his original interests in real estate with which to pay the tax. Given the illiquid and long-term nature of an investment in the Interests, there would be no practical means of generating cash from an investment in the Interests to pay the tax. In such a case, an Investor would have to use funds from other sources to satisfy his tax liabilities.

Section 1031 Non-Recognition 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 under the three-property rule or multiple properties with a total fair market value not in excess of 200% of the value of the relinquished property under the 200% rule. A taxpayer also may identify any number of properties if it acquires at least 95% of the identified properties under the 95% rule.

For purposes of both the 200% rule and 95% rule, "fair market value" means the fair market value of the applicable property without regard to any liabilities secured by the property. Thus, a taxpayer identifying under the 200% rule for an unencumbered Relinquished Property having a value of $20 million could only identify Replacement Property(ies) having an aggregate gross fair market value (without regard to any liabilities which may encumber such property(ies)) of $40 million, in which case the identification of a single Replacement Property having a $30 million equity value but which is secured by a $20 million liability (and, thus, having a $50 million gross value) would violate the 200% rule.

After consulting with Special Tax Counsel, the Sponsor believes that the Property should constitute a single property for purposes of the three-property rule. Because there can be no assurance that an Investor's offer to acquire an Interest will be accepted, an Investor should not identify the Property as the only potential replacement property. In general, the identification rules of Code Section 1031 are strictly construed, and an Investor's exchange will not qualify for deferral of gain under Code Section 1031 if too few or too many properties are identified or if the deadlines for identification are not met.

Special Tax Counsel will not render an opinion on identification matters and prospective Investors 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 Code Section 1031. Code Section 1031 provides for non-recognition of gain or loss only if real property held for use in a trade or business or for investment is exchanged for other real 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 non-recognition under Code Section 1031. For instance, prospective Investors seeking to engage in a "deferred" exchange (within the meaning of Treasury Regulation Section 1.1031(k)-1) must properly identify one or more potential replacement properties within the 45-day identification period and complete the exchange within the 180-day exchange period. Such prospective Investors also should consider whether their arrangement falls within the "qualified intermediary" and/or "qualified escrow account" safe harbors of Treasury Regulation Section 1.1031(k)-1(g). Prospective Investors wishing to engage in a "reverse" or "parking" exchange should consult Revenue Procedure 2000-37, 2002-2 C.B. 308, which establishes a safe harbor for such exchanges. Each prospective Investor will have to determine with such his, her or its own tax advisors whether an exchange to be engaged in by the prospective Investor satisfies the requirements of Code Section 1031.

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Each Investor will have to determine with such Investor's own tax advisors whether an exchange engaged in by the Investor satisfies the requirements of Code Section 1031.

Receipt of Identified Property. In addition to satisfying the identification rules, a taxpayer seeking to complete a Section 1031 Exchange must actually receive identified replacement property by no later than midnight on the earlier of the 180th day after the date that the taxpayer transfers the relinquished property or the due date (including extensions) for the taxpayer's income tax return for the taxable year in which the transfer of the relinquished property occurs.

"Real property" for purposes of Code Section 1031. Section 1031 Exchanges only apply to "real property" Under Treasury Regulations, property is classified as real property for purposes of Code Section 1031 if the property is (i) classified as real property under the law of the state or local jurisdiction in which the property is located (subject to certain exceptions), (ii) specifically listed as real property in the Treasury Regulations, such as land, improvements to land, unsevered natural products of land, water and air space superjacent to land, and certain intangible interests in real property, or (iii) considered real property based on all the facts and circumstances under the various factors provided in the Treasury Regulations. The Treasury Regulations have also provided guidance for taxpayers receiving incidental personal property or paying for incidental personal property with funds being held by a qualified intermediary during a Section 1031 Exchange. Paying for or receiving personal property during a Section 1031 Exchange will not disqualify the entire transaction as long as the personal property is considered "incidental." Personal property will be considered "incidental" to real property acquired in a Section 1031 Exchange if, (i) in standard commercial transactions, the personal property is typically transferred together with the real property, and (ii) the aggregate fair market value of the incidental personal property transferred with the real property does not exceed 15% of the aggregate fair market value of the Replacement Property. Each prospective Investor will have to determine with such his, her, or its own tax advisors whether an exchange engaged in by the prospective Investor satisfies the requirements of Code Section 1031.

Treatment as Securities. Code Section 1031 excludes securities from the categories of property that may qualify for non-recognition. Thus, if the IRS were to classify the Interests as securities for Code Section 1031 purposes, the Interests would not qualify as replacement property for a Section 1031 Exchange. The term security is not defined in Code Section 1031 or the Treasury Regulations promulgated thereunder.

Based on an analysis of relevant authorities, however, Special Tax Counsel has concluded that, in all material respects, an Interest should not be considered a security for purposes of Code Section 1031 even though an Interest may be a security under applicable federal and state securities laws.

Tax Rates. Under current law, and subject to certain exceptions, long-term capital gains of individuals are generally subject to tax at a maximum federal income tax rate of 20% (25% for any long-term capital gains that constitute "unrecaptured Section 1250 gain") and ordinary income of individuals is generally subject to a maximum federal income tax rate of 37%. In addition, the Code generally imposes on certain individuals, trusts, and estates an additional "Medicare Tax" of 3.8% on the lesser of (i) "net investment income", or (ii) the excess of modified adjusted gross income over a threshold amount. Prospective Investors should consult with their own tax advisors regarding the possible implications of the Medicare Tax in light of their individual circumstances.

20% Passthrough Deduction. The Code also provides a 20% deduction on a taxpayer's "qualified business income". This deduction, under Code Section 199A, reduces the highest marginal effective tax rate for ordinary income from 37% to 29.6% for income arising from a "qualified trade or business" conducted by a partnership, S corporation, or sole proprietorship. In the case of a partnership or S corporation, Code Section 199A applies at both the entity and individual partner or shareholder level. For taxpayers above certain income thresholds, the "qualified trade or business" must have sufficient amounts of W-2 wages paid or a combined sufficient amount of wages plus the unadjusted basis of certain property (including buildings, but not land).

Treasury Regulations provide guidance regarding many of the open issues and technical questions posed with respect to Code Section 199A, including final rules relating to aggregation of certain real estate activities engaged in through multiple partnerships or S corporations, as well as enumerating certain factors relevant for determining real estate trade or business status. In the final regulations, the IRS elected not to apply the grouping rules of Code Section

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469; however, the final regulations allow for aggregation of direct and indirectly held real estate businesses provided certain requirements set out in the final regulations are satisfied. Additionally, IRS Revenue Procedure 2019-38 provides that real estate rented or leased under a triple net lease may not be included in a "rental real estate enterprise" that falls within a real estate trade or business safe harbor. Further, in Revenue Procedure 2019-38, the IRS defined a "triple net lease" as "a lease agreement that requires the tenant or lessee to pay taxes, fees, and insurance, and to pay for maintenance activities for a property in addition to rent and utilities." The definition of a triple net lease for the purpose of Revenue Procedure 2019-38 may overlap significantly with the Master Lease.

Prospective Investors should consult with their own tax advisor regarding the possible application of Code Section 199A to their own particular circumstances.

Changes to the Section 1031 Exchange Rules Could Have Negative Implications. The U.S. Congress periodically evaluates various proposed modifications to the Section 1031 Exchange rules that could, if enacted, prospectively repeal or restrict the ability to utilize a Section 1031 Exchange to achieve tax deferral on gain in connection with the disposition of real property or beneficial interests in a fixed investment trust. However, no assurance can be given that the currently anticipated federal income tax treatment of an Interest will not be modified by future legislative, judicial or administrative changes possibly with retroactive effect. For example, repeal or amendment of Code Section 1031 or the Treasury Regulations promulgated thereunder could negatively impact the use of a Section 1031 Exchange in connection with a Beneficial Owner's exit strategy.

Status of the Master Lease as a True Lease for Federal Income Tax Purposes. Transactions structured as leases may be recharacterized for federal income tax purposes to reflect their economic substance. For example, in appropriate circumstances a purported lease of property may be recharacterized as a sale of the property providing for deferred payments. Such a recharacterization in this context would have significant (and adverse) tax consequences. For example, if the Master Lease were to be recharacterized as a sale of the Property, then an Investor would be unable to treat the acquired Interest as qualified "replacement property" in a Section 1031 Exchange in that the Interest would constitute an interest in real property that the Investor would not hold for investment. That is, the Investor would be treated as having immediately sold the acquired interest in the Property to the Master Tenant with the Master Tenant being treated as purchasing the Property (and all of the interests therein) from the Investors in exchange for an installment note for federal income tax purposes. As a result, Investors attempting to participate in Section 1031 Exchanges would not be treated as having received qualified replacement property when they acquired their Interest because the Investor would be treated as having made a loan to the Master Tenant. As the owner of the Property for federal income tax purposes, the Master Tenant would be entitled to claim any depreciation deductions. To the extent that payments of "rent" were recharacterized as payments of interest and principal, the payment of principal would not be treated as the receipt of taxable income by the Investors and would not be deductible by the Master Tenant, as applicable. All of these consequences could have a significant impact on the tax consequences of an investment in an Interest.

Revenue Procedure 2001-28 sets forth advance ruling guidelines for "true lease" status. We have not sought, and do not expect to request, a ruling from the IRS under Revenue Procedure 2001-28. These ruling guidelines provide certain criteria that the IRS will require to be satisfied in order to issue a private letter ruling that a lease is a "true lease" for federal income tax purposes. In the event of an examination by the IRS, the IRS and, ultimately, the courts of applicable jurisdiction, would consider these ruling guidelines, together with existing cases and rulings, for purposes of determining whether a lease qualifies as a true lease for federal income tax purposes. However, Special Tax Counsel does not believe that strict compliance with Revenue Procedure 2001-28 is required to conclude that the Master Lease should be characterized as a true lease for federal income tax purposes. Rather, Special Tax Counsel believes that satisfying most of the material ruling guidelines should be sufficient for purposes of determining the characterization of the Master Lease for federal income tax purposes. We will receive an opinion of Special Tax Counsel that Special Tax Counsel believes that the Master Lease should be treated as a true lease for federal income tax purposes. Similarly, if the Master Tenant were treated as a mere agent of the Trust rather than as a lessee, the power of the Master Tenant to make improvements to the Property and to re-lease the Property could be attributed to the Trust, and the Trust could be deemed to have powers prohibited under Revenue Ruling 2004-86. We have considered the issue and, after having consulted with Special Tax Counsel, have concluded that that Master Tenant should not be treated as an agent of the Trust. However, there is no assurance that the IRS would agree with these positions.

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Other Tax Consequences

Taxation of the Trust. Special Tax Counsel has opined that the Trust should be classified as an "investment trust" treated as a "trust" for federal income tax purposes and, further, that the Beneficial Owners should be treated as "grantors" of the Trust. Accordingly, the Trust should not be subject to federal income tax and each Beneficial Owner should be subject to federal income taxation as if he owned directly the portion of the Property proportionate to the Interest owned by the Beneficial Owner and as if he paid directly his share of expenses paid by the Trust. Accordingly, the Beneficial Owners should be treated as grantors of the Trust means that a Beneficial Owner is required to take into account, in computing the federal income tax liability, the proportionate share of all items of income, gain, loss, deduction and credit attributable to the Trust. In addition, all property owned by the Trust will be deemed for federal income tax purposes to be owned by the grantors of the Trust in proportion to their Interests in the Trust.

The following discussion assumes that the Trust is, and the Interests represent interests in, an "investment trust" that is treated as a trust for federal income tax purposes.

Section 467 Rent Allocation. Under the Master Lease, if the Property's cash flow is insufficient to support all operating expenses and certain rent payments, the Master Tenant may defer on a month-to-month basis a portion of the rent payments, but only so long as the amount of Base Rent paid to or on behalf of the Trust is sufficient to fully service the Trust's payment obligations under the Loan Documents. Although the issue is not completely settled under existing law, under Code Section 467, if the Master Tenant were to defer payment of rent the Beneficial Owners may still be required to report and pay tax on rent in accordance with the schedule set forth on Exhibit A to the Master Lease. As a result, Beneficial Owners may be required to recognize rental income even though all of the rent may not be currently paid and, in such circumstances, may have to use funds from other sources to pay tax on such income. In addition, Beneficial Owners may have to recognize imputed interest income on such deferred amounts.

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 non-recourse liabilities to which a Property is subject are in excess of the fair market value of the Property, an Investor will not be entitled to take depreciation deductions to the extent deductions are derived from such excess. In addition, an Investor's ability to take advantage of any such depreciation deductions will be dependent in part on the Investor's income tax basis in the Interest. Accordingly, because the income tax basis of an Investor acquiring its Interest in a Section 1031 Exchange will be generally equal to the Investor's income tax basis in its relinquished property, which is generally expected to be less (and in many cases materially less) that the fair market value of the Interest, an Investor's ability to take advantage of depreciation deductions should be expected to be limited.

Allocation of Liabilities. Any liabilities incurred by a Trust will be allocated, for federal income tax purposes, to the Beneficial Owners pro rata in proportion to their Interests. For purposes of determining the purchase price of replacement property in a Section 1031 Exchange, each Investor should be able to include the proportionate share of the liabilities that encumber the Property at the time of the acquisition of an Interest.

Payments to Sponsor and its Affiliates. 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 Investor should be treated for federal income tax purposes as buying an undivided interest in the Property, it is possible the IRS may take the view that the amount by which the price of an undivided interest exceeds the pro rata share of the price paid by the Trust for the Property is not to be treated as a sale of real estate, but instead as a nondeductible capitalized item.

Real estate brokerage commissions (whether or not paid to affiliates of the Sponsor) will be treated as capitalized expenditures and added to the basis of the Property. Real estate brokerage commissions (whether or not paid to affiliates of the Sponsor) paid upon the sale, exchange or other disposition of the Property will be treated as an adjustment to the sales price.

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Possible Adverse Tax Treatment for Closing Costs and Reserves. A portion of the proceeds of the Offering will be used to pay each Investor's *pro rata* share of closing costs, expenses, and other costs of the Offering. In addition, a portion of the proceeds of the Offering may be treated as having been used to purchase an interest in reserves established by the Sponsor rather than for real estate. 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, no advice or opinion of Special Tax Counsel will be given regarding the tax treatment of such costs and the treatment of proceeds attributable to the reserves, which may be taxable to those Investors who purchase their Interests as part of a Section 1031 Exchange. Therefore, each prospective Investor should seek the advice of a qualified tax advisor as to the proper treatment of such items.

In addition, a portion of the Offering proceeds will be used to fund the Trust Controlled Reserves. Exchange proceeds used to fund the Trust Controlled Reserves will not be treated as reinvested in qualifying replacement property for purposes of Code Section 1031. As a result, Investors may recognize gain on a Section 1031 Exchange to the extent these contributions are not made from a source other than exchange proceeds. For federal income tax purposes, each Investor will be deemed to have funded a pro rata share of the Trust Controlled Reserves out of the Offering proceeds in proportion to its Interest regardless of whether the funds paid by the Investor to acquire its Interest are used to fund the Trust Controlled Reserves or redeem the Class 2 Beneficial Interests from the Depositor. Therefore, each prospective Investor should seek the advice of a qualified tax advisor as to the proper treatment of such items.

Receipt of Boot. In a Section 1031 Exchange, money received or deemed received in addition to the like-kind property is referred to as "boot." Gain realized on the relinquished property transaction is recognized up to the amount of "boot" received or deemed received. Generally, personal property, amounts used to establish reserves and impounds or other similar items, as well as seller credits, funded out of relinquished property proceeds may not be treated as an interest in real estate in connection with acquiring replacement property and may be treated as "boot." Prospective Investors should be aware that the IRS may take the position that, if paid with funds derived from the sale of relinquished property in a Section 1031 Exchange, certain costs, escrows, reserves and impounds, as well as seller credits, paid in connection with the sale of relinquished property and purchase of replacement property may be deemed "boot" and be taxable income to the investor. In addition, the amounts used to fund the Trust Controlled Reserves will be "boot", and if any personal property is acquired, the value of such personal property will be "boot." However, the IRS has provided guidance in Revenue Ruling 72-456, 1972-2 C.B. 468 regarding transactional costs paid by the taxpayer with exchange proceeds. In such ruling the IRS indicated that transactional costs paid by the investor, such as brokerage commissions, can be deducted against transactional costs paid out in connection with the exchange. It is also possible that some of these items considered "boot" and not treated as like-kind amounts may be offset by similar items from a taxpayer's relinquished property transaction, thereby reducing taxable gain recognition.

No opinion of Special Tax Counsel will be provided with respect to the amount of "boot" in the transaction and no representation or warranty of any kind is made with respect to the tax consequences of a Section 1031 Exchange. Any amounts that are not treated as a like-kind interest in real estate will also result in taxable income to an Investor to the extent of such Investor's gain. Loan fees, points, loan application fees, mortgage insurance, lender's title insurance, assurance, assumption fees, and other costs related to the acquisition of a loan for the replacement property, such as appraisals, are most likely not exchange expenses and do not reduce realized or recognized gain. These costs generally are treated as part of the costs of obtaining a loan as opposed to costs in obtaining the property. Thus, if these costs are paid with exchange funds, they have the effect of potentially causing taxable "boot" to the investor. Each prospective Investor should seek the advice of a qualified tax advisor as to the proper treatment and impact of such items.

Deductibility of Trust's Fees and Expenses. In computing his, her or its federal income tax liability, an Investor will be entitled to deduct, consistent with his, her or its method of accounting, the Investor's share of reasonable administrative fees, trustee fees and other fees, if any, paid or incurred by the Trust as provided in Code Sections 162 or 212, which may be subject to the limitations applicable to miscellaneous itemized deductions. All miscellaneous itemized deductions had been suspended for taxable years between 2018 and 2025, and, pursuant to the OBBBA, such miscellaneous itemized deductions have been permanently suspended. As such, a Beneficial Owner will not be able to deduct his, her or its share of such fees paid by the Trust. However, if a Beneficial Owner owns its Interests in connection with a trade or business, Trust fees and expenses may be deductible under Code Section 162. Prospective Investors should seek the advice of a qualified tax advisor as to the proper treatment of such items.

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Transfer to the Springing LLC. If a Transfer Distribution occurs, the Property will be transferred from the Trust to the Springing LLC and the membership interests in the Springing LLC will be distributed to the Beneficial Owners. It is anticipated that the Manager or its affiliate will serve as the manager of the Springing LLC. The Springing LLC will be treated as a partnership for federal income tax purposes. A Transfer Distribution may occur under the circumstances set forth in the Trust Agreement without regard to the tax consequences that arise as a result of the transaction. Under current law, such a transfer would not be subject to federal income tax pursuant to Code Section 721. The transfer could be subject, however, to state or local income, transfer or other taxes. In addition, there can be no assurance that such transfer will not be taxable under the federal income or other tax laws in effect at the time the transfer occurs. Because a Transfer Distribution could occur in several situations, it is not possible to determine all of the tax consequences to the Beneficial Owners in the event of a Transfer Distribution. **INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF A TRANSFER DISTRIBUTION AND THE EFFECT OF THE PROPERTY BEING HELD BY THE SPRINGING LLC RATHER THAN THE TRUST.**

Likely Lack of Deferral of Tax upon Sale of Springing LLC Membership Interests. 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 like-kind exchange under Code Section 1031). **THUS, IF THE TRUST TRANSFERS THE PROPERTY TO THE SPRINGING LLC IN A TRANSFER DISTRIBUTION, IT IS UNLIKELY THAT ANY OF THE BENEFICIAL OWNERS WHO RECEIVE INTERESTS IN THE SPRINGING LLC WILL THEREAFTER BE ABLE TO DEFER THE RECOGNITION OF GAIN UNDER CODE SECTION 1031 ON A SUBSEQUENT DISPOSITION OF THEIR MEMBERSHIP INTERESTS IN THE SPRINGING LLC OR DISPOSITION OF THE INTEREST IN THE PROPERTY BY THE SPRINGING LLC.**

Step transaction doctrine. There are a number of judicial doctrines which may conceivably apply to a Beneficial Owner's acquisition of Interests, followed by a subsequent exchange of those Interests by the Beneficial Owner for ownership interests in a partnership. Courts have applied the so-called "step transaction doctrine" to determine whether a series of formally separate "steps" should be treated as a single transaction because those steps are integrated, interdependent or focused towards a particular end result. If the step transaction doctrine were to apply, the IRS could argue that the Beneficial Owners' acquisition of their Interests and any subsequent conversion of their Interests into OP Units should be integrated such that Beneficial Owners should be treated as having initially acquired OP Units. Because the receipt of interests in a partnership does not qualify for like-kind exchange treatment under Code Section 1031, if this position were sustained, Beneficial Owners acquiring Interests would not qualify for like-kind treatment. The IRS could also argue, based on the existence of the FMV Option, that Beneficial Owners held their Interests for sale rather than for investment. Because the acquisition of an interest for sale does not qualify for like-kind exchange treatment, if this argument were successful, the acquisition of an Interest also would not qualify for Section 1031 Exchange treatment.

The step transaction doctrine embodies a general requirement that all steps which are an integral part of a transaction will be considered in determining the proper tax treatment for a transaction. The step transaction doctrine may be applied by the IRS if (i) there was a pre-existing binding commitment to take each of the steps at the time the transaction was commenced; (ii) the steps were functionally interdependent in the sense the earlier step would have been unproductive without the later steps; or (iii) if there exists an intention to undertake each supposedly separate transaction in order to achieve a specific end result.

The step transaction doctrine should not be applicable to the proposed arrangement in this Offering. The FMV Option is a call option which provides the Operating Partnership the right, but not the obligation, to acquire Interests in exchange for OP Units. There is no binding commitment by the parties to exchange the Interests for OP Units. The Operating Partnership may never exercise the FMV Option, or it may attempt but fail to exercise the FMV Option. In such a case, none of the Beneficial Owners will have the opportunity to exchange their Interests for OP Units.

In addition, the Interests are intended to qualify immediately as real property interests for federal income tax purposes, and the Trust and Property will be owned by each of the Beneficial Owners for at least two years. Because the Interests are valuable as replacement property for a Section 1031 Exchange whether or not the FMV Option is ever exercised, the acquisition of an Interest is not a step which is unproductive without a later step. This should prevent a conclusion that these steps are functionally interdependent.

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Unless and until the FMV Option is exercised, a Beneficial Owner will have no ownership rights whatsoever in the Operating Partnership. Moreover, the number of OP Units that a Beneficial Owner may receive is also completely uncertain at this time. As a result, the economic effect of the exercise of the FMV Option cannot be known at this time.

Finally, a Beneficial Owner will have no control over whether an Interest will be exchanged pursuant to the FMV Option and there is a possibility that the FMV Option will not be exercised. Because an Investor must acquire an Interest with the understanding that it may not ultimately receive OP Units, it would be difficult for the IRS to characterize a Beneficial Owner's acquisition of an Interest as having only been done in order to ultimately achieve a specific end result (i.e., to acquire the OP Units).

Thus, the step transaction doctrine should not be applied to recharacterize your acquisition of Interests as an immediate acquisition of OP Units which do not qualify as replacement property for purposes of Code Section 1031, or as the acquisition of property held for sale rather than for investment.

Limitations on Losses and Credits from Passive Activities. Losses from passive trade or business activities generally may not be used to offset "portfolio income," i.e., interest, dividends and royalties, or salary or other active business income. Losses from passive activities may generally be used to offset only income from passive activities. Interest deductions attributable to passive activities are treated as passive activity losses, and not as investment interest. Thus, such interest deductions are subject to limitation under the passive activity loss rule and not under the investment interest limitation. Credits from passive activities generally are limited to the tax attributable to the income from passive activities. Passive activities include: (i) trade or business activities in which the taxpayer does not materially participate, and (ii) rental activities. Thus, an Investor's share of the Property's income and loss will, in all likelihood, constitute income and loss from passive activities and will be subject to such limitation.

Losses (or credits that exceed the regular tax allocable to passive activities) from passive activities that exceed passive activity income are disallowed and can be carried forward and treated as deductions and credits from passive activities in subsequent taxable years. Disallowed losses from an activity, except for certain dispositions to related parties, are allowed in full when the taxpayer disposes of his, her or its entire interest in the activity in a taxable transaction.

In the case of rental real estate activities in which an individual actively participates, up to $25,000 of losses (and credits in a deduction-equivalent sense) from all such activities are allowed each year against portfolio income and salary and active business income of the taxpayer. Except as provided below with respect to "real estate professionals," Investors will not, in all likelihood, be actively participating in the Property's rental real estate activities, and therefore will not be able to deduct any loss against their portfolio or active business income. Moreover, even if an Investor actively participates in rental real estate activities, there is a phase out of the $25,000 allowable loss equal to 50% of the amount by which an Investor's adjusted gross revenue exceeds $100,000. Therefore, if an Investor's adjusted gross income is $150,000 or more for any given year, they cannot use any of the $25,000 passive losses to offset non-passive income under this rule.

Certain taxpayers can, in limited circumstances, deduct losses and credits from rental real estate activities against other income, such as salaries, interest, dividends, etc. A taxpayer qualifies for this exception to the passive loss rules described above if: (i) more than half of the personal services performed by the taxpayer in trades or businesses during a year are performed in real property trades or businesses in which the taxpayer materially participates, (ii) the taxpayer performs more than 750 hours of services during the year in real property trades or businesses in which the taxpayer materially participates, and (iii) the taxpayer elects to treat all interests in rental real estate as a single activity. Code Section 469(c) provides that a qualifying real estate professional must establish material participation in each separate rental activity. However, an exception allows a qualifying real estate professional to elect to aggregate all interests in rental real estate for purposes of measuring material participation. In the case of a joint return, one spouse must satisfy both requirements. In the case of a joint return, one spouse must satisfy both requirements. A real property trade or business is any real property development, redevelopment, construction, reconstruction, acquisition, conversion, rental, operation, management, leasing or brokerage trade or business. In determining whether a taxpayer performs more than half of his, her or its personal services in real property trades or businesses, services performed as an employee are disregarded unless the employee owns more than 5% of the employer. Investors should consult with their own tax advisor to determine if this rule applies to them.

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Limitation on Excess Business Loss Deduction. Excess business losses of a taxpayer other than a corporation are not allowed for the taxable year. Such losses are carried forward and treated as part of the taxpayer's net operating loss carryforward in subsequent taxable years. An excess business loss for the taxable year is the excess of aggregate deductions of the taxpayer attributable to trades or businesses of the taxpayer over the sum of aggregate gross income or gain of the taxpayer plus a threshold amount. The threshold amount, which is indexed for inflation, is $256,000 for 2026 ($512,000 for joint-return filers). The provision applies after the application of the passive loss rules, and applies at the partner or shareholder level in the case of a partnership or S corporation.

Net Income and Loss of Each Investor. Each Investor will be required to determine his, her or its own net income or loss from the Property and the Trust for income tax purposes. Each Investor will be required to pay his share of expenses of the Property and the Trust, and will be entitled to his, her or its share of income therefrom. Certain expenses, such as depreciation, will be different for different Investors. The Manager will keep or otherwise engage a third party recordkeeping service provider to manage the records and provide information about expenses and income of the Property and the Trust for each Investor. An Investor, however, will be required to keep separate records to separately report his income.

Any gain or loss realized on the sale or exchange of an Interest will generally be treated as capital gain or loss, provided the seller is not deemed a "dealer" in real property. As a general rule, the holding of interests in real property for investment is not the type of activity that would cause a person or entity to be considered a "dealer" in real property. The question of "dealer" status is a question of fact, will depend on all of the facts and circumstances and will be determined at the time of a sale. If an Investor is deemed a "dealer" and his Interest is not considered either a capital asset or real property held by Investor for more than one year and used by Investor in a trade or business under Code Section 1231 ("**Section 1231 Real Property**") any gain or loss on the sale or other disposition of the Interest would be treated as ordinary income or loss. However, regardless of whether the selling Investor is a "dealer," any portion of the gain that is attributable to unrealized receivables, depreciation recapture or inventory items will generally be treated as ordinary income. In general, if an Interest is a capital asset, any profit or loss realized on its sale or exchange (or the sale of the Property) (except to the extent that such profit represents gain attributable to unrealized receivables or depreciation recapture taxable as ordinary income or at a 25% federal tax rate) will be treated as capital gain or loss under the Code. Any such capital gain attributable to an asset held more than 12 months will generally be taxed to individuals at the highest applicable long-term capital gain tax rate.

In determining the amount realized on the sale or exchange of an Interest or the Property, an Investor must include, among other things, the Investor's share of assumed indebtedness on the Property. Therefore, it is possible that the gain realized upon the sale of an Interest or the Property may exceed the cash proceeds of the sale, and, in some cases, the income taxes payable with respect to the gain realized on the sale may exceed such cash proceeds. If assets sold or involuntarily converted constitute Section 1231 Assets, gain or loss attributable to such assets would be combined with any other Code Section 1231 gains or losses realized by the Investor in that year, and the resulting net Code Section 1231 gains or losses would be taxed as capital gains or constitute ordinary losses, as the case may be. This treatment may be altered depending on the disposition of Code Section 1231 property over several years. In general, net Code Section 1231 gains are recaptured as ordinary income to the extent of net Code Section 1231 losses in the five preceding taxable years.

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 the Investor's share of the Property's non-recourse indebtedness exceeds the adjusted basis of the Investor in its Interest, the Investor may recognize gain for income tax purposes upon the transfer. Such gain, if any, will generally be treated as capital gain. Gifts of Interests may also be subject to a gift tax imposed under the rules generally applicable to all gifts of property.

Foreclosure/Cancellation of Debt Income. In the event of a foreclosure of a mortgage or deed of trust on the Property, an Investor would realize gain, if any, in an amount equal to the excess of the Investor's share of the outstanding mortgage over its adjusted tax basis in the Property, even though the Investor might realize an economic loss upon such a foreclosure. In addition, the Investor could be required to pay income taxes with respect to such gain even though the Investor may receive no cash distributions as a result of such foreclosure.

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If Property debt were to be cancelled without an accompanying foreclosure of the Property, then an Investor could have to recognize cancellation of debt income (subject to the applicability of one or more of the cancellation of debt exclusions, in which event such exclusion(s) might constitute only a "deferral" of such income effectuated by the Investor's reduction of tax attributes – including tax basis), which would be taxed as ordinary income, for federal income tax purposes. Also, the Investor would not be able to offset any such cancellation of debt income with any loss recognized by an Investor that would constitute a capital loss for federal income tax purposes (including any loss recognized by an Investor from the sale of his Interest in the likely event that the Interest could not be considered Section 1231 Real Property).

Tax Elections. The Sponsor will attempt to structure the Interests so that they will be treated as interests in an investment trust and not as interests in a partnership. As a result, the Investors will be required to make any applicable tax elections. However, if the Investors were treated as partners in a partnership, applicable elections would have to be made by the partnership. No mechanism is provided for the Trust to make any such elections.

Method of Accounting. An Investor will be required to report income under the Investor's applicable accounting method.

Alternative Minimum Tax. Taxpayers may be subject to the alternative minimum tax in lieu of the regular federal income tax. The alternative minimum tax applies to the taxable income increased by designated tax preferences. Each Investor should consult with his, her or its tax advisor concerning the impact, if any, of the alternative minimum tax on the Investor.

The Medicare Tax. Income and gain from passive activities may be subject to the Medicare Tax. Certain Investors who are U.S. individuals are subject to the Medicare Tax, an additional 3.8% tax on their "net investment income" and certain estates and trusts are subject to an additional 3.8% tax on their undistributed "net investment income." Among other items, "net investment income" generally includes passive investment income, such as rent and net gain from the disposition of investment property, less certain deductions. Prospective Investors should consult their tax advisors with respect to the tax consequences to them of the rules described above.

Activities Not Engaged in for Profit. Under Code Section 183, 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. Code Section 183 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 an Investor to conclude that the Investor 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 an Investor 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.

Limitation on Losses under the At-Risk Rules. An Investor that is an individual or closely held corporation will be unable to deduct losses from the Property, if any, to the extent such losses exceed the amount such Investor is "at risk." An Investor's initial amount at risk will generally equal the sum of (1) the amount of cash paid for the Interest, (2) the amount, if any, of recourse financing obtained by the Investor to acquire its Interest, and (3) the amount of any qualified non-recourse indebtedness encumbering the Property. An Investor's amount at risk will be reduced by the amount of any cash flow to such Investor and the amount of the Investor's loss, and will be increased by the amount of the Investor's income from the activity. Losses not allowed under the at-risk provisions may be carried forward to subsequent taxable years and used when the amount at risk increases. Special Tax Counsel will issue no opinion concerning the application of the at-risk rules to owners of Interests.

General Limitations on the Deductibility of Interest. In addition to the limitations on the deductibility of interest incurred in connection with passive activities, and the "at-risk" rules, the following are additional restrictions on the deduction of interest:

Capitalized Interest. Interest on debt incurred to finance construction of real property is not currently deductible and must be capitalized as part of the cost of the real property.

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Interest Incurred to Carry Tax-Exempt Securities. Code Section 265(a)(2) 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 Code Section 265(a)(2) turns on each Investor's purpose for acquiring an Interest. Thus, Code Section 265(a)(2) might be applied to an Investor whose purpose for investing in an Interest rather than in a nonleveraged investment is to enable such Investor to continue to carry tax-exempt obligations. It should be noted that Code Section 7701(f) directs the IRS to prescribe regulations as may be necessary or 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 Code Section 265(a)(2) may be applied to an Investor if the Investor does not himself or herself own tax-exempt obligations or stock of a regulated investment company that distributes exempt interest dividends but rather such obligations or stock are owned by a person, entity or other intermediary related to the Investor.

Prepaid Interest. Interest prepayments (including "points") must be capitalized and amortized over the life of the loan with respect to which they are paid.

Limitation on Business Interest Deductions. Code Section 163(j) limits annual deductions for "business interest" expense to the sum of business interest income plus 30% of "adjusted taxable income" ("**ATI**") (plus certain motor vehicle floor plan financing interest of the taxpayer). Business interest in excess of the allowed current deduction may be carried forward indefinitely. On January 5, 2021, the Treasury and the IRS issued new final regulations under Code Section 163(j) (the "**2021 Final 163(j) Regulations**") clarified how taxpayers determine their ATI. Taxpayers generally determine their ATI by starting with "tentative taxable income" and applying additions and subtractions as specified in the existing Treasury Regulations consistent with the statute (as the statute has been amended pursuant to the OBBBA). The 2021 Final 163(j) Regulations provide taxpayers the option of an alternative method in determining such subtraction where it may be computed as the lesser of: (1) any gain recognized on the sale or disposition of such property, or (2) any depreciation, depletion, and amortization with respect to such property.

Business interest means any interest paid or accrued on indebtedness properly allocable to a trade or business, provided that investment interest (within the meaning of Code Section 163(d)) or (pursuant to the OBBBA) interest which is capitalized under Code Section 263(g) or 263A(f) does not constitute business interest. For this purpose, a trade or business does not include the trade or business of performing services as an employee or any electing real property trade or business (or any electing farming business or certain regulated utility businesses). A real property trade or business is any real property development, redevelopment, construction, reconstruction, acquisition, conversion, rental, operation, management, leasing or brokerage trade or business.

To take advantage of this exception, a taxpayer must make an irrevocable election to be excluded from Code Section 163(j) and forego or limit certain other tax benefits. An electing real property trade or business is required to use the alternative depreciation systemfor any nonresidential real property (which would then be depreciable by the straight line method over 40 years) or residential rental property (which would then be depreciable by the straight line method over 30 years), or for certain improvements to an interior portion of a building which is nonresidential real property (which would then be depreciable by the straight line method over 20 years). Each prospective Investor should consult with his, her, or its tax advisor concerning the possible application of Code Section 163(j) to his, her, or its particular circumstances.

Tax Liability in Excess of Cash Distributions. It is possible that an Investor's tax liability resulting from its Interest will exceed its share of cash distributions from the Trust. This may occur, for example, because cash flow from a Property may be used to fund nondeductible operating or capital expenses of such Property or reserves. Thus, there may be years in which an Investor's tax liability exceeds its share of cash distributions from the Trust, in which case an Investor would have to use funds from other sources to satisfy its tax liability. The same tax consequences may result from a sale or transfer of an Interest, whether voluntary or involuntary, that gives rise to ordinary income or capital gain.

Accuracy-Related Penalties and Penalties for the Failure to Disclose. The Code provides for penalties relating to the accuracy of tax returns equal to 20% of the portion of the understatement to which the penalty applies. 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

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valuation misstatement. The penalty is increased to 40% in the case of an understatement which is attributable to one or more "nondisclosed noneconomic substance" transactions or a misstatement in the value of any property (or its adjusted basis) of 200% or more. 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. Any interest attributable to unpaid taxes associated with a non-disclosed 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). Under the TCJA, the 10% threshold is reduced to 5% for taxpayers claiming the deduction for "qualified business income" under Code Section 199A.

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 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. For a C corporation, a substantial understatement generally occurs if the amount of the understatement exceeds the lesser of: (i) 10% of the tax required to be shown on the return for that tax year (or $10,000, if that is greater); or (ii) $10,000,000.

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 Code Section 6011.

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 Code Section 6011, (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. The reasonable cause exception does not apply to any portion of an underpayment that is attributable to one or more transactions that lack "economic substance." Economic substance is deemed to exist where a transaction changes in a meaningful way (apart from federal income tax effects) a taxpayer's economic position and the taxpayer has a substantial purpose (apart from federal income tax effects) for entering into such transaction.

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. Sponsor and Special Tax Counsel have concluded that the sale of an Interest should not constitute a reportable transaction.

Accordingly, the Sponsor and Special Tax Counsel do not intend 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 by the Sponsor and Special Tax Counsel. Significant penalties could apply if a party fails to comply with these rules, and such rules are ultimately determined to be applicable.

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Tax Penalties. The Tax Opinion was written to support the promotion or marketing of this transaction, and each Investor should seek advice based on the Investor's particular circumstances from an independent tax advisor. Any discussion of the tax consequences of an investment in the Trust is not intended or written by the Sponsor or its counsel to be used, and cannot be used, by any person for the purpose of avoiding tax penalties that may be imposed under the Code.

Codification of Economic Substance Doctrine (Code Section 7701(o)). Congress codified the existing "economic substance doctrine" creating a new penalty equal to 20% of the portion of any underpayment attributable to the fact that a transaction lacks economic substance. The penalty increases to 40% if the transaction is not adequately disclosed and is imposed on a strict liability basis (i.e., the taxpayer may not avoid the penalty by demonstrating that their position was supported by substantial authority or that the taxpayer reasonably relied on advice from a tax advisor). The economic substance doctrine applies only if it is relevant to a transaction and determination of whether the economic substance doctrine is relevant to a transaction shall be made in the same manner as if the doctrine had never been codified. In the case of any transaction to which the economic substance doctrine is relevant, the transaction is treated as having economic substance if (1) the transaction changes in a meaningful way (apart from Federal income tax effects) the taxpayer's economic position, and (2) the taxpayer has a substantial purpose (apart from Federal income tax effects) for entering into such transaction.

State and Local Taxes. In addition to the federal income tax consequences described above, each prospective Investor should consider the state tax consequences of an investment in an Interest. An Investor's share of income or loss generally will be required to be included in determining its reportable income for state and local tax purposes. See "RISK FACTORS – Tax Risks – State and Local Taxes" for information regarding the potential State of Georgia income tax consequences arising from an investment in and disposition of the Interests or the Property. Subject to certain phaseouts, an individual or married filers cannot deduct more than $40,000 of combined state and local income and property taxes annually for taxable years beginning after December 31, 2024 and ending before January 1, 2030. Taxes attributable to income earned from the Interests should count towards the $40,000 limitation. A prospective Investor must seek the advice of its own independent tax advisor as to state and local tax issues.

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TAX CONSEQUENCES RELEVANT TO OP UNITS

The Operating Partnership

Partnership status. Even though the Operating Partnership will not elect to be treated as an association for federal income tax purposes, it may be taxed as a corporation if it is deemed to be a "publicly traded partnership." A publicly traded partnership is a partnership whose interests are traded on an established securities market or are readily tradable on a secondary market or the substantial equivalent thereof. The OP Partnership Agreement contains restrictions intended to ensure that the OP Units are not considered to be traded on an established securities market or readily tradable on a secondary market or the substantial equivalent thereof. However, to the extent that such restrictions are ineffective to ensure that the OP Units are not considered to be traded on an established securities market or readily tradable on a secondary market or the substantial equivalent thereof, the Operating Partnership is expected to qualify for the 90% passive income exception discussed below.

Even if the Operating Partnership were considered a publicly traded partnership under the relevant Treasury Regulations, the Operating Partnership should not be treated as a corporation for federal income tax purposes as long as 90% or more of its gross income consists of "qualifying income" under Code Section 7704(d). In general, qualifying income includes interest, dividends, real property rents (as defined by Code Section 856) and gain from the sale or disposition of real property.

If the Operating Partnership were characterized as a publicly traded partnership, even if it were not taxable as a corporation because of the qualifying income exception, however, OP Unitholders would be subject to special rules under Code Section 469. Under such rules, OP Unitholders would be required to treat any loss derived from the Operating Partnership separately from any income or loss derived from any other publicly traded partnership, as well as from income or loss derived from any other passive activities. In such case, any net losses or credits attributable to the Operating Partnership which are carried forward may only be offset against future income of the Operating Partnership. Moreover, unlike other passive activity losses, suspended losses attributable to the Operating Partnership would only be allowed upon the complete disposition of an OP Unitholder's "entire interest" in the Operating Partnership.

If the Operating Partnership were classified as an association or a publicly traded partnership taxable as a corporation, it would be subject to tax at the entity level and OP Unitholders would be subject to tax in the same manner as stockholders of a corporation. As a result, such OP Unitholders could incur substantial additional unforeseen tax liability. In addition, characterization of the Operating Partnership as an association or publicly traded partnership taxable as a corporation would also result in the termination of BHM's status as a REIT for federal income tax purposes, which would have a material adverse effect on BHM.

The following discussion assumes that the Operating Partnership is, and will continue to be, classified and taxed as a partnership for federal income tax purposes. An entity classified as a partnership for federal income tax purposes generally is not a taxable entity and incurs no federal income tax liability.

Allocations of profits and losses. In general, a partnership is treated as a "pass-through" entity for federal income tax purposes and is not itself subject to federal income taxation. Each partner of a partnership, however, is subject to tax on its allocable share of Partnership Tax Items including partnership income, gains, losses, deductions and expenses for each taxable year of the partnership ending within or with such taxable year of the partner, whether or not such partner receives any actual distributions from the partnership during the taxable year. Generally, the characterization of any particular Partnership Tax Item is determined at the partnership, rather than at the partner level, and the amount of a partner's allocable share of such item is governed by the terms of the partnership agreement.

No federal income tax will be payable by the Operating Partnership. Instead, each OP Unitholder will be (i) required to include in income its allocable share of any the Operating Partnership income or gains and (ii) entitled to deduct its allocable share of any the Operating Partnership deductions or losses but only to the extent of such OP Unitholder's adjusted tax basis in its OP Units and subject to the "at risk" and "passive activity loss" rules discussed below under "*Limitations on Deductibility of Losses*." An OP Unitholder's allocable share of the Operating Partnership's taxable income may exceed the cash distributions to such OP Unitholder for any year to the extent that the Operating Partnership retains its profits rather than distributing them.

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For federal income tax purposes, an OP Unitholder's allocable share of the Operating Partnership's Partnership Tax Items will be determined by the OP Partnership Agreement if such allocations either have "substantial economic effect" or are determined to be in accordance with the OP Unitholder's interests in the Operating Partnership. If the allocations provided by the OP Partnership Agreement were successfully challenged by the IRS, the redetermination of the allocations to a particular OP Unitholder for federal income tax purposes may be less favorable than the allocation set forth in the OP Partnership Agreement.

Tax basis of a Partnership Interest. A partner's adjusted tax basis in its partnership interest is relevant, among other things, for determining (i) gain or loss upon a taxable disposition of its partnership interest, (ii) gain upon the receipt of partnership distributions and (iii) the limitations imposed on the use of partnership deductions and losses allocable to such partner. Generally, the adjusted tax basis of an OP Unitholder's interest in the Operating Partnership is equal to (A) the amount of cash and the adjusted tax basis of the property contributed by the OP Unitholder to the Operating Partnership in exchange for OP Units, (B) increased by the OP Unitholder's allocable share of the Operating Partnership income and gains, (C) increased by the OP Unitholder's allocable share of the Operating Partnership liabilities, (D) reduced, but not below zero, by the OP Unitholder's allocable share of the Operating Partnership distributions, deductions and losses and (E) reduced, but not below zero, by the OP Unitholder's liabilities assumed by the Operating Partnership. As previously noted, the 752 Final Regulations implemented sweeping changes to the rules regarding the allocation of partnership liabilities, particularly as they relate to the scope and effectiveness of BDGs. See "FEDERAL INCOME TAX CONSEQUENCES – *The 752 Final Regulations*" for further discussion of the implications of the 752 Final Regulations.

The 752 Final Regulations. In general, a partner can determine its tax basis in the partnership by adding the partner's share of partnership liabilities and adjusting for any differences between the "outside" basis of the partner's interest in the partnership and the "inside" basis of the partnership in the property it holds. If a partner receives a distribution from a partnership or has a loss in excess of its outside basis (i.e., "insufficient basis"), such partner cannot take a negative basis in the partnership. Instead, such partner is taxed upon distributions in excess of basis or is prohibited from recognizing such losses. Previously, regulations allocated to a partner any portion of a partnership liability as to which such partner bears the economic risk, even if it was the portion of the liability bearing the least risk. Such allocation gave the partner additional basis, thereby allowing the partner to avoid incurring taxable income resulting from insufficient basis.

The 2016 Temporary Regulations were issued on October 5, 2016 and consolidate certain broadly-defined guarantees, indemnities, and similar arrangements as BDGs. Under the 2016 Temporary Regulations, a guarantee, such as a BDG, can no longer serve to allocate a partnership liability to the other members for purposes of income tax basis allocation under Code Section 752. This conclusion is contrary to established practice regarding the proper treatment of such guarantees among tax practitioners and the real estate industry and has serious implications in general for partners who have negative capital accounts and insufficient basis, and most particularly for partners who enter into agreements designed to allocate additional basis to such partners, such as BDGs.

As a matter of substance, the 2016 Temporary Regulations purport to address the allocation of debt under Code Section 752 among the owners of entities treated as partnerships for federal income tax purposes. The 2016 Temporary Regulations under Code Section 752 disregard BDGs as an adequate means of creating an EROL. This imposes significant limitations on the ability to utilize BDGs or deficit restoration obligations consistent with historical industry practice.

On October 9, 2019, the IRS issued the 752 Final Regulations with some changes to the 2016 Temporary Regulations. In relevant part, the 752 Final Regulations revised the definition of a BDG to specifically address capital contribution obligations and deficit restoration obligations. Specifically, under the 752 Final Regulations, a BDG includes, with respect to a capital contribution obligation and a deficit restoration obligation, any payment obligation other than one in which the partner is or would be required to (i) make the full amount of the partner's capital contribution or (ii) restore the full amount of the partner's deficit capital account. Further, the 752 Final Regulations provide that a payment obligation of a partner (or related person) is not recognized if facts and circumstances indicate that a principal purpose of the arrangement is to eliminate the partner's EROL with respect to that obligation or create the appearance of the partner or related person bearing the EROL when the substance is otherwise. The 752 Final Regulations provide a non-exclusive list of factors that may indicate such plan. Finally, the 752 Final Regulations

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include rules under Treasury Regulations Section 1.704-1 providing that capital contribution obligations and deficit restoration obligations are not respected if they are BDGs.

Accordingly, Beneficial Owners may find themselves with insufficient allocated debt, with the result that the partner will be deemed to have received a distribution of cash from the Operating Partnership for federal income tax purposes that eliminates the negative capital account balance and, as a result, may be required to recognize taxable income or gain. Beneficial Owners should consult their own tax advisor as to the tax implications concerning their investment.

PROSPECTIVE INVESTORS SHOULD BE AWARE THAT REGULATIONS REGARDING THE ALLOCATION OF PARTNERSHIP LIABILITIES IMPOSE MATERIAL LIMITATIONS ON THE SCOPE AND/OR EFFECTIVENESS OF CERTAIN GUARANTEES AND, THEREFORE, COULD RESULT IN RECOGNITION OF GAIN BY THE PROSPECTIVE INVESTORS. EACH PROSPECTIVE INVESTORS SHOULD CONSULT ITS OWN LEGAL COUNSEL AND TAX ADVISOR AS TO THE LEGAL AND TAX AND RELATED MATTERS CONCERNING THE 752 FINAL REGULATIONS.

Treatment of cash distributions. Cash distributions received from a partnership do not necessarily correlate with income earned by the partnership as determined for federal income tax purposes. Thus, an OP Unitholder's federal income tax liability in respect of its allocable share of the Operating Partnership taxable income for a particular taxable year may exceed the amount of cash, if any, received by the OP Unitholder from the Operating Partnership during such year.

If cash distributions, including any "deemed" cash distributions as discussed below, received by an OP Unitholder in any taxable year, exceed the OP Unitholder's allocable share of the Operating Partnership taxable income for that taxable year, the excess will constitute a return of capital to the extent of such OP Unitholder's adjusted tax basis in its Operating Partnership interest. Such return of capital will not be includible in the taxable income of the OP Unitholder, for federal income tax purposes, but it will reduce, but not below zero, the adjusted tax basis of the Operating Partnership interest held by the OP Unitholder. If an OP Unitholder's tax basis in its Operating Partnership interest is reduced to zero, a subsequent cash distribution received by the OP Unitholder will be subject to tax as capital gain or ordinary income, but only if, and to the extent that, such distribution exceeds the subsequent positive adjustments, if any, to the tax basis of the OP Unitholder's interest in the Operating Partnership as determined at the end of the taxable year during which such distribution is received.

However, a non-*pro rata* distribution (or deemed distribution) of money or property may result in ordinary income to an OP Unitholder, regardless of such OP Unitholder's tax basis in its OP Units, if the distribution reduces such OP Unitholder's share of the Operating Partnership's "Section 751 Assets." "Section 751 Assets" are defined by the Code to include "unrealized receivables" and "inventory items which have appreciated substantially in value" (generally, "inventory items" the fair market value of which exceeds 120% of its adjusted basis). Among other things, unrealized receivables include amounts attributable to previously claimed depreciation deductions on certain types of property. To the extent that such a reduction in an OP Unitholder's share of Section 751 Assets occurs, the Operating Partnership will be deemed to have distributed a proportionate share of the Section 751 Assets to such OP Unitholder followed by a deemed exchange of such Section 751 assets with the Operating Partnership in return for the non-*pro rata* portion of the actual distribution made to such OP Unitholder. This deemed exchange will generally result in the realization of ordinary income under Section 751(b) by an OP Unitholder. Such income will equal the excess of (i) the non-*pro rata* portion of such distribution, over (ii) an OP Unitholder's tax basis in such OP Unitholder's share of such Section 751 Assets deemed relinquished in the exchange.

Relief from liabilities/deemed cash distribution. Under the applicable provisions of the Code, a partner in a partnership includes in the basis in its partnership interest its share of the partnership's liabilities, determined in accordance with the Treasury Regulations under Code Section 752. For purposes of these rules, if a partner's share of the partnership liabilities is reduced for any reason, the partner is deemed to have received a cash distribution equal to the amount of such reduction.

Under Code Section 752 and the Treasury Regulations thereunder, a partner's share of partnership liabilities generally equals the sum of such partner's share of partnership recourse liabilities plus the partner's share of partnership nonrecourse liabilities. A partnership liability is a recourse liability to the extent that any partner or a

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related person bears the economic risk of loss for that liability under the Treasury Regulations, and a partnership liability is nonrecourse to the extent that no partner or related person bears the economic risk of loss for that liability under the Treasury Regulations. A partner's share of partnership nonrecourse liabilities equals the sum of:

- the partner's share of "partnership minimum gain," determined in accordance with the rules of Code Section 704(b)and the Treasury Regulations thereunder;

- the amount of any taxable gain that would be allocated to the partner under Code Section 704(c)(or in the same manner as Code Section 704(c) in connection with a revaluation of partnership property) if the partnership disposed of (in a taxable transaction) all partnership property subject to one or more nonrecourse liabilities of the partnership in full satisfaction of the liabilities and for no consideration other than an amount that equals the excess of the debt allocable to a property over the property's tax basis (referred to as "**Section 704(c) Minimum Gain**"); and

- the partner's share of excess nonrecourse liabilities (those not allocated under the first and second bullet points above), which is determined generally by such partner's relative interest in the partnership.

- In accordance with the above rules, each nonrecourse liability of the Operating Partnership (or a subsidiary partnership) that is secured by the replacement property will be allocated to each OP Unitholder first in the amount of such OP Unitholder's share of any Section 704(c) Minimum Gain with respect to such property and thereafter in accordance with each OP Unitholder's relative interest in the Operating Partnership. A decrease in an OP Unitholder's share of the Operating Partnership's liabilities resulting from the payment or other settlement, or reallocation of such liabilities is generally treated, for federal income tax purposes, as a deemed cash distribution. A decrease in an OP Unitholder's percentage interest in the Operating Partnership because of the issuance by the Operating Partnership of additional OP Units or otherwise, may decrease an OP Unitholder's share of nonrecourse liabilities of the Operating Partnership and thus, may result in a corresponding deemed distribution of cash. See "*Treatment of cash distributions*" above.

Tax consequences relating to contributed assets. Generally, Code Section 721(a) provides that neither the contributing partner nor the Operating Partnership will recognize a gain or loss, for federal income tax purposes, upon a contribution of property (such as an Interest) to the Operating Partnership in exchange for OP Units. Notwithstanding this general rule of nonrecognition, the contributing partner may recognize gain where the property transferred is subject to liabilities, or where the Operating Partnership assumes liabilities in connection with a transfer of property, and the amount of such liabilities exceeds the amount of the Operating Partnership liabilities allocated to the contributing partner as determined immediately after the transfer in accordance with the rules described above. Such excess is treated by the contributing partner, for federal income tax purposes, as the receipt of a deemed distribution of cash to the contributing partner from the Operating Partnership. See "*Treatment of cash distributions*" above.

As previously noted, the U.S. Department of the Treasury and the IRS have issued the 752 Final Regulations, which implemented sweeping changes to the existing rules regarding the allocation of partnership liabilities and the use of BDGs. Accordingly, gain that would otherwise be reduced or eliminated through allocation of additional debt to an Investor through an Investor's guarantee may create a recognition event. See "FEDERAL INCOME TAX CONSEQUENCES – *The 752 Final Regulations*" for further discussion of the implications of the 752 Final Regulations.

Section 704(c). Pursuant to Code Section 704(c), if a contributing partner transfers property to the Operating Partnership in exchange for OP Units, the Partnership Tax Items must be allocated in a manner such that the contributing partner is charged with, or benefits from, the unrealized taxable gain or unrealized taxable loss associated with such property at the time of the contribution. The amount of such unrealized gain or unrealized loss is generally equal to the difference between the fair market value of the contributed property at the time of contribution and the adjusted tax basis of such property at the time of contribution. Where a partner contributes cash to a partnership that holds appreciated or depreciated property, Treasury Regulations provide for a similar allocation of such items from such property of the partnership to the pre-existing partners. These latter rules may apply to a contribution by BHM to the Operating Partnership of cash proceeds received by BHM from the offering of its stock. Such allocations are solely for federal income tax purposes and do not affect the book capital accounts or other economic or legal arrangements among OP Unitholders. The general purpose underlying Section 704(c) is to prevent the shifting of

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built-in unrealized gain or loss among partners for tax purposes, which is accomplished by requiring the special allocation of certain Partnership Tax Items in order to place both the noncontributing and contributing partners in the same tax position that they would have been in if the contributing partner (or in the case of contribution of cash, the pre-existing partners) had contributed property with (or the pre-existing property of the partnership had) an adjusted tax basis equal to its fair market value. Treasury Regulations provide the Operating Partnership with several alternative methods and allow the Operating Partnership to adopt any other reasonable method to make allocations to reduce or eliminate the difference (the "**Book-Tax Difference**") between the fair market value and the adjusted tax basis of the contributed property at the time of contribution.

If the FMV Option were to be exercised by the Operating Partnership, then the Interests that an Investor would convey to the Operating Partnership in exchange for OP Units (and, in particular, Interests of a Beneficial Owner that acquired such Interests as "replacement property" in a Section 1031 Exchange) would likely constitute property with unrealized built-in gain and, thus, be subject to Code Section 704(c).

Under the OP Partnership Agreement, subject to exceptions applicable to the special limited partnership interests, depreciation or amortization deductions of the Operating Partnership generally will be allocated among OP Unitholders in accordance with their respective interests in the Operating Partnership, except to the extent that the Operating Partnership is required under Code Section 704(c) to use a different method for allocating depreciation deductions.

In the event the Operating Partnership disposes of contributed property, income attributable to the Book-Tax Difference of such contributed property generally will be allocated to the contributing partner, and all other OP Unitholders generally will be allocated only their share of gains attributable to appreciation, if any, occurring after the contribution of the contributed property. These incremental allocations of income will not result in additional cash distributions to the contributing partner, with the result that the contributing partner may not receive cash sufficient to pay the taxes attributable to such income. Thus, if the Operating Partnership sold either the replacement property or the Interests after their respective contribution to the Operating Partnership, the individual Investor would recognize any gain inherent in the replacement property or the Interests on the day of their contribution.

While the special allocation rules will tend to eliminate the Book-Tax Differences with respect to the contributed property over the life of the Operating Partnership, they do not always entirely rectify the Book-Tax Difference on an annual basis or with respect to a specific taxable transaction such as a sale. Thus, the carryover basis of the contributed property in the hands of the Operating Partnership may cause a noncontributing OP Unitholder to be allocated lower amounts of depreciation and other deductions for tax purposes than would be allocated to such OP Unitholder if the contributed property had a tax basis equal to its fair market value at the time of contribution, and a contributing OP Unitholder could possibly be allocated taxable gain in the event of a sale of the contributed property in excess of the economic or book income allocated to such contributing OP Unitholder as a result of such sale (and in excess of the OP Unitholder's share of the cash proceeds from such sale).

No reimbursement to contributing partners recognizing gain upon the direct or indirect sale or disposition of contributed Property. The Operating Partnership will not reimburse and/or pay damages with respect to any federal, state and local taxes incurred by contributing partners in connection with the direct or indirect sale or disposition of contributed Property. As a result, the Operating Partnership generally will not offer "tax protection agreements" or any similar arrangement pursuant to which a contributing partner would otherwise be reimbursed and grossed up for any such taxes; *provided*, *however*, that the Operating Partnership reserves the right, in its sole and absolute discretion, should it find it necessary, to offer a "tax protection agreement" or similar arrangement in certain circumstances. Investors will have no control over whether or not the Operating Partnership sells or otherwise disposes of contributed Property and, therefore, must be prepared to bear the burden of any federal, state and local taxes that may be incurred in connection with taxable gain arising from a sale or disposition of contributed Property.

Disguised sales. A contribution by an OP Unitholder to the Operating Partnership generally will be tax free to such OP Unitholder except to the extent it is treated as a "disguised sale" under the Code. A transfer of property by a partner to a partnership followed by a related transfer by the partnership of money or other property (including in certain cases the assumption of, or taking subject to, a liability) to the partner is treated as a "disguised sale" if (i) the second transfer would not have occurred but for the first transfer and (ii) the second transfer is not dependent on the entrepreneurial risks of the partnership's operations. In a disguised sale, the partner is treated as if it sold the contributed property to the partnership on the date the property was contributed to the partnership. Transfers of money

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or other property by a partnership to a partner that are made within two years of such partner's contribution of property to the partnership (including redemptions of OP Units for cash or shares of Common Stock) must be reported to the IRS and are presumed to be a disguised sale unless the facts and circumstances clearly establish that the transfers do not constitute a sale. Transfers of money or other property by a partnership to a partner that occur more than two years after such partner's contribution of property to the partnership (including redemptions of OP Units for cash or Common Stock) are presumed not to be disguised sales unless the facts and circumstances clearly establish otherwise.

Generally, if a liability is incurred in anticipation of the transfer of such property to the Operating Partnership, or during the two year period prior to the transfer of property to the Operating Partnership and any excess debt proceeds are obtained by the contributing partner, all or a portion of the liability may be presumed to be incurred in anticipation of the transfer ("nonqualified liability"), and thus must be treated as consideration for purposes of the disguised sale rules, unless the facts and circumstances clearly establish otherwise. Although the contributing partner may rebut such presumption by showing that the liability was not incurred in anticipation of the transfer of property to the Operating Partnership, the contributing partner must disclose its tax treatment of such liability to the IRS in a statement attached to the contributing partner's tax return. The assumption of any nonqualified liability by the Operating Partnership will be treated as additional consideration received by the contributing partner for purposes of the disguised sale rules to the extent that the amount of such liability exceeds the contributing partner's share of such liability immediately after the Operating Partnership assumes the liability. In such event, a portion of the liability which did not generate excess debt proceeds could also be treated as additional disguised sale consideration received by the contributing partner. This portion generally would be the lesser of (i) the amount of consideration that would result if the entire liability were nonqualified or (ii) the amount of the "qualified liability" multiplied by the contributing partner's "net equity percentage" in the transferred property. The contributing partner's net equity percentage in the transferred property should generally be equal to the percentage determined by dividing (x) the amount of cash or other consideration (excluding OP Units) received by the contributing partner that is treated as proceeds realized from a disguised sale of the transferred property, by (y) the excess of the gross fair market value of the property at the time of transfer over any "qualified liabilities" encumbering the property.

An exception to the presumption that cash distributions received within two years of a contribution to a partnership constitute proceeds from a "disguised sale" is provided for distributions of "operating cash flow" as such term is defined in the Treasury Regulations. Operating cash flow distributions are presumed not to be part of a sale of property to a partnership unless the facts and circumstances clearly establish that the distribution of operating cash flow is part of a sale. The Treasury Regulations contain a safe harbor for calculating a partner's interest in such operating cash flow. We believe that quarterly distributions of "available cash" (as defined in the OP Partnership Agreement) to OP Unitholders will generally not be treated as part of a disguised sale either because such distributions will qualify for the operating cash flow safe harbor or they will otherwise be dependent on the entrepreneurial risk of the Operating Partnership's operations.

Ability to engage in subsequent like-kind exchanges. In general, an exchange of a Partnership Interest for other property cannot qualify as a Section 1031 Exchange. Accordingly, if the FMV Option were exercised, the OP Units that would be received by a Beneficial Owner in exchange for the Investor's Interest in a Trust could not thereafter be disposed of as part of a Section 1031 Exchange.

Limitations on Deductibility of Losses

Basis limitation. To the extent that an OP Unitholder's allocable share of the Operating Partnership deductions and losses exceeds its adjusted tax basis in its Operating Partnership interest at the end of the taxable year in which the losses and deductions flow through, the excess losses and deductions cannot be utilized, for federal income tax purposes, by the OP Unitholder in such year. The excess losses and deductions may, however, be utilized in the first succeeding taxable year in which, and to the extent that, there is an increase in the tax basis of the Operating Partnership interest held by such OP Unitholder, but only to the extent permitted under the "at risk" and "passive activity loss" rules discussed below.

"At risk" limitation. Under the "at risk" rules of Code Section 465, a noncorporate taxpayer and a closely held corporate taxpayer are generally not permitted to claim a deduction, for federal income tax purposes, in respect of a loss from an activity, whether conducted directly by the taxpayer or through an investment in a partnership, to the extent that the loss exceeds the aggregate dollar amount which the taxpayer has "at risk" in such activity at the close

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of the taxable year. To the extent that losses are not permitted to be used in any taxable year, such losses may be carried over to subsequent taxable years and may be claimed as a deduction by the taxpayer if, and to the extent that, the amount which the taxpayer has "at risk" is increased. Provided certain requirements are met, the "at risk" rules generally do not apply to losses arising from any activity that constitutes "the holding of real property," which should be the circumstance for OP Unitholders.

"Passive activity loss" limitation. The passive activity loss rules of Code Section 469 limit the use of losses derived from passive activities, which generally includes an investment in limited partnership interests such as OP Units. If an investment in an OP Unit is treated as a passive activity, an OP Unitholder who is an individual Investor, as well as certain other types of Investors, would not be able to use losses from the Operating Partnership to offset nonpassive activity income, including salary, business income and portfolio income (e.g., dividends, interest, royalties and gain on the disposition of portfolio investments) received during the taxable year. Passive activity losses that are disallowed for a particular taxable year may, however, be carried forward to offset passive activity income earned by an OP Unitholder in future taxable years. In addition, such disallowed losses may be claimed as a deduction, subject to the basis and at risk limitations discussed above, upon a taxable disposition of an OP Unitholder's entire interest in the Operating Partnership, whether or not such OP Unitholder has received any passive activity income during the year of disposition.

Section 754 election. The Operating Partnership has made the election permitted by Code Section 754. Such election is irrevocable without the consent of the IRS. The election generally permits an Investor of OP Units, such as BHM when it acquires OP Units from OP Unitholders, to adjust its share of the basis in the Operating Partnership's properties pursuant to Code Section 743(b) to fair market value (as reflected by the value of consideration paid for OP Units), as if such Investor had acquired a direct interest in the Operating Partnership assets. The Section 743(b) adjustment is attributed solely to an Investor of OP Units and is not added to the basis of the Operating Partnership's assets associated with all OP Unitholders in the Operating Partnership.

Depreciation. Code Section 168(i)(7)provides that in the case of property transferred to a partnership in a tax-deferred contribution under Code Section 721, the transferee will be treated as the transferor for purposes of computing the depreciation deduction with respect to so much of the basis in the hands of the transferee as does not exceed the adjusted basis in the hands of the transferor. The effect of this rule would be to continue the historic basis, placed in service dates and methods with respect to the depreciation of the properties being contributed by a contributing partner to the Operating Partnership in exchange for OP Units. However, an acquirer of OP Units that obtains a Section 743(b) adjustment by reason of such acquisition (see "*Section 754 Election*" above) generally will be allowed depreciation with respect to such adjustment beginning as of the date of the exchange as if it were new property placed in service as of that date.

Sale, redemption, exchange or abandonment of OP Units. An OP Unitholder will recognize a gain or loss upon a sale of an OP Unit, a redemption of an OP Unit for cash, a redemption of an OP Unit for shares of the Common Stock or other taxable disposition of an OP Unit. Gain or loss recognized upon a sale or exchange of an OP Unit will be equal to the difference between (i) the amount realized in the transaction (i.e., the sum of the cash and the fair market value of any property received for an OP Unit plus the amount of the Operating Partnership liabilities allocable to such OP Unit at such time) and (ii) an OP Unitholder's tax basis in an OP Unit disposed of, which tax basis will be adjusted for such OP Unitholder's allocable share of the Operating Partnership's income or loss for the taxable year of the disposition. The tax liability resulting from the gain recognized on a disposition of an OP Unit could exceed the amount of cash and the fair market value of property received.

If the Operating Partnership redeems an OP Unitholder's OP Units for cash (which is not contributed by BHM to effect the redemption), the tax consequences generally would be the same as described in the preceding paragraphs, except that if the Operating Partnership redeems less than all of an OP Unitholder's OP Units, such OP Unitholder would recognize no taxable loss and would recognize taxable gain only to the extent that the cash, plus the amount of the Operating Partnership liabilities allocable to the redeemed OP Units, exceeded such OP Unitholder's adjusted tax basis in all of such OP Unitholder's OP Units immediately before the redemption.

Generally, gain or loss recognized by an OP Unitholder on the sale or other taxable disposition of an OP Unit will be taxable as capital gain or loss. However, to the extent that the amount realized upon the sale or other taxable disposition of an OP Unit attributable to an OP Unitholder's share of "unrealized receivables" of the Operating Partnership exceeds the basis attributable to those assets, such excess will be treated as ordinary income. Among other

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things, "unrealized receivables" include amounts attributable to previously claimed depreciation deductions on certain types of property. In addition, the maximum federal income tax rate for net capital gains attributable to the sale of depreciable real property (which may be determined to include an interest in a partnership such as the Operating Partnership) held for more than twelve months is currently 25% (rather than 20%) to the extent of previously claimed depreciation deductions that would not be treated as "unrealized receivables."

Termination of the Operating Partnership. In the event of the dissolution of the Operating Partnership, a distribution of partnership property (other than money and marketable securities) should not result in taxable gain to an OP Unitholder (except to the extent provided in Code Sections 704(c)(1)(B) and 737 for liquidations occurring within seven years of the date of the contribution by an OP Unitholder of property to the Operating Partnership, including the conveyance, or contribution, by a Beneficial Owner of an Interest in a Trust to the Operating Partnership pursuant to the FMV Option, if Operating Partnership were to exercise said option). An OP Unitholder holds such distributed property with a basis equal to the adjusted basis of such OP Units exchanged therefor, reduced by any money distributed in liquidation. However, the liquidation of the Operating Partnership generally will be taxable to an OP Unitholder to the extent that the value of any money and marketable securities distributed in liquidation (including any money deemed distributed as a result of relief from liabilities) exceeds such OP Unitholder's tax basis in its OP Units.

Information returns and audit procedures. BHM, as general partner, will use commercially reasonable efforts to provide to OP Unitholders at any time during the applicable taxable year tax information with respect to the Operating Partnership necessary for holders to prepare their federal and state income tax returns within 75 days of the closing of the taxable year. The Code imposes certain penalties on partnerships and partners in the event of failure to make various filings in a timely manner and in the event of various understatements of income tax. BHM, as general partner, intends to cause the Operating Partnership to comply fully with all applicable filing and reporting requirements.

In addition to federal income tax return filing obligations, OP Unitholders may be subject to taxation and tax return filing obligations in state or local jurisdictions in which the Operating Partnership operates or is deemed to operate, as well as in such OP Unitholder's own state or locality of residence or domicile. Certain states permit partnerships with non-resident partners to file "composite" tax returns on behalf of such partners. The Operating Partnership may decide, in its sole discretion, to file composite tax returns in applicable jurisdictions and pay tax on behalf of certain non-resident OP Unitholders (other than OP Unitholders that elect not to be included in such returns) if the Operating Partnership determines that such returns would mitigate OP Unitholders' administrative burdens of filing tax returns in multiple jurisdictions. Any such tax paid on behalf of an OP Unitholder will be treated as if a like amount of cash had been distributed by the Operating Partnership to such OP Unitholder. The rules applicable to the filing of composite returns are different from jurisdiction to jurisdiction. For example, certain jurisdictions allow partners to elect-out of a composite return while other jurisdictions require each partner's consent to be included in such a return. Following the exercise of the FMV Option and if you receive OP Units, the Operating Partnership would require you to provide certain information including, but not limited to, whether or not you would prefer to be included in such "composite" tax returns. In addition, the Operating Partnership will require you to provide information regarding your tax basis in your Interest. Initially, this will include providing a copy of any related IRS Form 8824 and related depreciation methodologies and related information upon your acquisition of an Interest in the Trust. At the time you become an OP Unitholder, we will require updated depreciation information. In the event updated depreciation information is not provided, the Operating Partnership will estimate your tax basis using previously provided tax basis information. In the event no information is provided, the Operating Partnership will assign a zero tax basis to the OP Unitholder which may create adverse tax consequences for such OP Unitholder. The Operating Partnership would not be liable with respect to any taxes or losses that result from your failure to provide complete or correct information. **You should consult your tax advisor regarding the requirements for reporting any income associated with OP Units to the IRS and any state or other taxing authority.**

In the event of a tax audit of the Operating Partnership, the IRS may impose a partnership-level tax on any imputed underpayment resulting from partnership-level adjustments. The partnership-level tax (plus any penalty and interest) will be assessed and generally will be collected from the partnership in the year in which the IRS concludes the audit, referred to as the "**Adjustment Year**", as opposed to the year of the tax return subject to the audit, referred to as the "**Return Year**".

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In certain circumstances and subject to certain conditions, a partnership may be able to elect to push out the partnership-level adjustment to the partners who participated in the partnership for the Return Year, in which case each such partner, not the partnership, would be responsible for the payment of any tax deficiency. If such an election is made by the Operating Partnership, interest on any deficiency will be at a higher interest rate than that which would otherwise apply to tax underpayments. If such an election is not made, the Operating Partnership's tax liability (including interest and penalties) arising from audit adjustments would be economically borne (through reductions in distributions by the Operating Partnership or payments to the Operating Partnership) by the partners of the Operating Partnership in the Adjustment Year (not the Return Year) and without regard to the partners' actual U.S. income tax liability that would have resulted from the adjustment. This means that each partner would bear its allocable share of the Operating Partnership's tax liability arising from an audit adjustment regardless of whether that partner was subject to U.S. income tax and irrespective of whether such partner was a partner in the Return Year.

It is possible that these rules could result in the Operating Partnership being required to pay additional taxes, interest and penalties as a result of an audit adjustment, and an OP Unitholder could be required to bear the economic burden of those taxes, interest and penalties. Investors are urged to consult their tax advisors with respect to these changes and their potential impact on their investment.

Federal Income Tax Considerations Relevant to an Investment in BHM

For a summary of material federal income tax considerations associated with an investment in Common Stock, including a discussion of the federal income tax requirements for BHM to qualify as a REIT, see "FEDERAL INCOME TAX CONSIDERATIONS" in the BHM 10-K. Special Tax Counsel did not prepare the BHM 10-K and, therefore, is not expressing any opinion with respect to the accuracy or completeness of the discussion of tax issues in the BHM 10-K.

Possible Legislation or Other Actions Affecting REITs

The rules dealing with federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department. Changes to federal laws and interpretations thereof, with possible retroactive effect, could adversely affect an investment in the Operating Partnership or BHM.

General Tax Implications of the Exercise of the FMV Option

The conversion of a Beneficial Owner's Interests (or in the event of a Transfer Distribution) into OP Units pursuant to the Operating Partnership's exercise of the FMV Option is intended to qualify as a tax-deferred exchange under Code Section 721 (i.e., non-recognition of gain or loss to a partnership or any of its partners in the case of a contribution of property to the partnership in exchange for an interest in the partnership).

Code Section 752(a) treats a decrease in a partner's share of a partnership's debt or assumption by a partnership of a partner's individual debt as a distribution of cash by the partnership to the partner and an increase in a partner's share of a partnership's debt or assumption or allocation of a partnership's debt to a partner as a contribution of cash by the partner to the partnership. Decreases and increases in the same year are netted. As a result, a Beneficial Owner receiving OP Units in connection with the exercise of the FMV Option will be treated as receiving a cash distribution to the extent of the Operating Partnership's assumption of debt previously allocated to the Beneficial Owner's Interest and treated as making a cash contribution in the amount of the Beneficial Owner's allocable share of the Operating Partnership's debt. This may result in a net decrease in debt allocable to the Beneficial Owner and a corresponding net deemed cash distribution. If such deemed cash distribution exceeds the Beneficial Owner's basis in the contributed Interest, taxable gain could result. Each prospective Investor must seek the advice of a qualified tax advisor as to the potential implications of Code Section 752 and the 752 Final Regulations to an investment in the Interests should the FMV Option be exercised.

Prospective Investors should note that a number of issues discussed in this Memorandum have not been definitively resolved by statutes, regulations, rulings or judicial opinions. Accordingly, no assurances can be given that the conclusions expressed herein will be accepted by the IRS, or, if contested, would be sustained by a court, or that legislative changes or administrative pronouncements or court decisions may not be

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forthcoming that would significantly alter or modify the conclusions expressed herein. Each Investor must consult its own tax counsel about the tax consequences of an investment in an Interest.

The opinion and discussion are written to support the promotion or marketing of a particular transaction, and each Investor should seek advice based on the Investor's particular circumstances from an independent tax advisor.

Seyfarth Shaw LLP, as Special Tax Counsel to the Trust, has acted solely as federal income tax counsel, securities counsel, and finance co-counsel with respect to the Offering, and has not acted as real estate counsel or in any other capacity with respect to the Offering. Special Tax Counsel's tax opinion and advice to the Sponsor relates solely to 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. Special Tax Counsel does not represent the prospective Investors. Prospective Investors 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.

Please note that any discussions of federal income tax matters set forth in this Memorandum have been written solely to support the marketing of the Interests. All prospective Investors must consult their own independent legal, tax, accounting and financial 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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LITIGATION

The Sponsor and affiliates are subject to litigation from time to time, but in the opinion of the Sponsor, there are no actions pending against the Sponsor or its affiliates or their respective management members, or, to the knowledge of the Manager and Sponsor, contemplated, that, based on facts and circumstances, are expected to have a material adverse effect on the Trust, the Manager, the Sponsor or the Property, their financial condition or their operations.

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

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REPORTS AND ADDITIONAL INFORMATION

Reports

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

The Manager intends to provide all Investors with a quarterly investor report, which will include a financial update as well as updates regarding the performance of the Property and an annual report containing a cash basis audited trust-level year-end balance sheet and income statement. However, the Manager will not begin providing these investor reports until the later to occur of (1) the last Investor closing on his, her or its investment in the Trust, (2) the Trust completing its first full year of operations, and (3) with respect to each Investor, the Investor providing the Manager with an email address to receive electronic delivery of the investor reports.

Tax Information

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

Additional Information

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

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EXHIBIT A
PURCHASE AGREEMENT

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Investor Questionnaire & Purchase Agreement for DST Interests in BR Parkview Multifamily, DST

Dear Prospective Purchaser:

Thank you for your interest in the offering of Class 1 beneficial interests in BR Parkview Multifamily, DST, a Delaware statutory trust ("Interests"), sponsored by BHM Parkview Exchange TRS, LLC. We would like to provide you every opportunity to review the accompanying offering materials before deciding to invest.

In order to complete the closing of this transaction, please provide the following information regarding your desired investment:

Name of Prospective Purchaser: _____
[Please note that if this is a Section 1031 or Section 1033 tax deferred exchange, the replacement property must be held in exactly the same name as the relinquished property. List the name(s) exactly as they appeared on the title of the relinquished property.]

FinCEN ID (if applicable): _____

Type of Investment: (check all that apply)

☐ Section 1031 or 1033 tax-deferred exchange. (If 1031, please complete Section V).

☐ Cash investment.

Amount of Equity Investment: $_____

☐ **Registered Investment Advisor (RIA) (no selling commissions are paid on investments made through an RIA).** *[Check only if investment is made through the RIA in its capacity as an RIA and not in its capacity as a "registered representative", if applicable, with whom the investor has agreed to pay a fee for investment advisory services in lieu of normal commissions.]*

RIA Fee Arrangement (check if applicable):

☐ Advisory fee will be deducted from Member monthly cash distribution. Signed Letter of Direction required.

Funds to Close: Please indicate how you will be purchasing your interest.

☐ Funds will be wired by my qualified intermediary (the holder of the exchange proceeds from my relinquished property).

☐ Funds will be wired by me.

☐ I have enclosed a **check made payable to BR Parkview Multifamily, DST**.

In addition, in order to complete the closing of your investment, the following information is required:

☐ **Investor Questionnaire** (attached): please complete, sign and date.

☐ **Purchase Agreement** (attached): please complete, sign and date.

☐ **Entity Documentation** (i.e., trust certificate and trust agreement, as amended; corporate bylaws; partnership agreement; operating agreement; resolution, as applicable). Please note that the documentation submitted **must include documents authorizing signing authority** and should include any and all amendments.

☐ **Accreditation Letter of Accredited Investor Status** (attached): please have an applicable third-party professional complete, sign and date.

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Fillable PDFs are available upon request at 1031@bluerock.com. Please complete and return all documentation to: Bluerock (Attn: Investor Relations), 27777 Franklin Road, Suite 900 Southfield, Michigan 48034 or via e-mail to 1031@bluerock.com.

For questions or assistance, please contact (888) 558-1031 or 1031@bluerock.com

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BR PARKVIEW MULTIFAMILY, DST APPROVAL PAGE

Name of Prospective Purchaser: _____

Broker Dealer Principal or RIA Principal APPROVAL
(A Principal of the Broker Dealer or Registered Investment Advisor must approve and sign below)

☐ **The investment provided for herein is APPROVED.**

Signature: _____ Date: _____

Printed Name: _____

B/D or RIA Name: _____

Address: _____

City / State / Zip: _____

Phone No.: _____

E-mail Address: _____

Financial Advisor APPROVAL AND CERTIFICATION
(Financial Advisor must approve, certify and sign below)

☐ **The investment provided for herein is APPROVED.**

The undersigned Financial Advisor hereby represents and warrants that he or she will comply with the applicable requirements of the Securities Act of 1933, as amended, and the published rules and regulations of the Securities and Exchange Commission thereunder, and applicable blue sky or other state securities laws, as well as the rules and regulations of FINRA or any other applicable regulatory authority. The undersigned further represents and warrants that he or she is not subject to any of the "Bad Actor" disqualifications described in Rule 506(d) under the Securities Act of 1933, as amended, except for such event: (1) contemplated by Rule 506(d)(2) of the Securities Act of 1933, as amended, and (2) a reasonably detailed description of which has been furnished to **BR PARKVIEW MULTIFAMILY, DST** in writing.

Signature: _____ Date: _____

Printed Name: _____

Address: _____

City / State / Zip: _____

Phone No.: _____

E-mail Address: _____

B/D or RIA Name: _____

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BR PARKVIEW MULTIFAMILY, DST

Instructions to Investor Questionnaire & Purchase Agreement

IMPORTANT NOTE: PLEASE MAKE SURE THAT ANY CHECKS ARE MADE PAYABLE TO BR PARKVIEW MULTIFAMILY, DST. CHECKS MADE PAYABLE TO BHM PARKVIEW EXCHANGE TRS, LLC WILL NOT BE ACCEPTED.

Please read carefully the Offering Memorandum for the beneficial ownership interests ("**Interests**") in **BR PARKVIEW MULTIFAMILY, DST**, a Delaware statutory trust, (the "**Seller**"), dated January 5, 2026 (as amended and supplemented from time to time, the "**Memorandum**"), and all exhibits thereto, before deciding to purchase the Interests.

This private offering of Interests is limited to a purchaser who certifies that he, she or it is an "accredited investor," as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended, and meets all of the qualifications set forth in the Memorandum. If you meet these qualifications and desire to purchase an Interest, then please follow the instructions below to complete your purchase.

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

INSTRUCTIONS TO PROSPECTIVE PURCHASERS FOR PURCHASING INTERESTS:

1. This Investor Questionnaire & Purchase Agreement is comprised of two parts – the Investor Questionnaire and the Purchase Agreement, each of which is accompanied by specific instructions. You must complete, sign and date both parts of the Investor Questionnaire & Purchase Agreement according to the instructions provided**.** Deliver the completed and signed Investor Questionnaire & Purchase Agreement to your financial advisor.

2. Your financial advisor will forward the documents to his/her Broker Dealer or Registered Investment Advisor. The Broker Dealer or Registered Investment Advisor will then forward the documents to **Bluerock (Attn: Investor Relations), 27777 Franklin Road, Suite 900 Southfield, Michigan 48034** or via e-mail to 1031@bluerock.com.

3. If your investment is part of an Internal Revenue Code section 1031 ("Section 1031") tax-deferred exchange: The Seller and the qualified intermediary (the holder of the exchange proceeds from your relinquished property) will coordinate the payment for the purchase of the Interests. Upon receiving the Purchase Agreement, and the necessary escrow instructions from the Seller, the qualified intermediary will either wire the funds from the qualified escrow account to the Seller or deliver to Bluerock, in person or by mail, a check made payable to **BR PARKVIEW MULTIFAMILY, DST**.

4. If your investment is a direct investment: Payment for the purchase of Interests may be made by either wiring the funds directly to the Seller (the preferred method), or by delivering to Bluerock, in person or by mail, a check made payable to **BR PARKVIEW MULTIFAMILY, DST**. If you choose to wire the funds directly, please contact Investor Services at Bluerock (888) 558-1031 for the necessary escrow instructions.

5. Note: Submission of your Investor Questionnaire & Purchase Agreement does not guarantee a reservation or acceptance by Bluerock. Such acknowledgement can only be provided to you by a representative of Bluerock in writing to you on or before a transaction closing.

Please note that investments will not be accepted from, or on behalf of tax-exempt entities, including but not limited to qualified employee pension and profit sharing trusts, individual retirement accounts, Simple 401(k) plans, annuities and charitable remainder trusts.

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INVESTOR QUESTIONNAIRE

SECTION I – OWNERSHIP AND INVESTMENT INFORMATION

A. IF THE INVESTOR IS AN INDIVIDUAL(S), PLEASE COMPLETE THE FOLLOWING:

Name of Investor: _____

Name of Joint Investor (if applicable): _____

Primary State of residency: _____

Type of ownership: ☐ Individual Ownership ☐ Joint Tenants ☐ Tenants in Common ☐ Community Property

Each investor must initial the statement or statements below that truthfully describe him or her:

_____ _____ I am a natural person whose individual net worth or joint net worth with my spouse (or spousal equivalent[1]), exceeds $1,000,000 at the time of purchasing the Interests; *provided*, that for purposes of calculating such net worth: (1) my primary residence shall not be included as an asset; (2) indebtedness that is secured by my primary residence, up to the estimated fair market value of the primary residence at the time of the closing of my acquisition of the Interests, shall not be included as a liability; *provided, however*, that if the amount of such indebtedness outstanding at the time of the closing of my acquisition of the Interests exceeds the amount of indebtedness outstanding 60 days before such time, other than as a result of the acquisition of the primary residence (such as, for example, if I take out a home equity loan that is not used to acquire a primary residence during such 60-day time frame), the amount of such new indebtedness shall be included as a liability; and (3) indebtedness that is secured by my primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability.

_____ _____ I am a natural person who had an individual income in excess of $200,000 in each of the two most recent preceding full calendar years or joint income with my spouse (or spousal equivalent) in excess of $300,000 in each of those years, and I have (individually or with my spouse or spousal equivalent) a reasonable expectation of reaching the same income level in the current year.

If any of the three options below are initialed, you must provide occupation, employer and employer's address in Section II page E9

_____ _____ I am a director, executive officer, general partner, or person serving in a similar capacity of (1) the Seller; (2) the Manager (as defined herein); or (3) any of the Manager's managing affiliates.

_____ _____ I am an employee of (1) the Manager or any of the Manager's affiliates who in such role has participated in investment activities of the Seller or one or more other affiliated investment vehicles; or (2) an unaffiliated Section 3(c)(1) or 3(c)(7) fund or any of its managing entities who, in such role, has participated in the investment activities of the Seller, in either case for at least the past 12 months in connection with my regular job duties.

_____ _____ I am a natural person holding a Series 7, 65 or 82 license issued by the Financial Industry Regulatory Authority, Inc. ("**FINRA**"); and whose license remains in good standing.[2]

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[1] The term "spouse" includes a "spousal equivalent" which is defined as a cohabitant occupying a relationship generally equivalent to that of a spouse.

[2] Investors making this election must enclose with their completed Investor Questionnaire a detailed report from FINRA's BrokerCheck website (https://brokercheck.finra.org/) (i) verifying that the Investor passed a Series 7, Series 65 or Series 82 exam, and (ii) confirming that his or her license remains in good standing

B. IF THE INVESTOR IS A TRUST, PLEASE COMPLETE THE FOLLOWING:

Name of Trust: _____

Trust Taxpayer Identification Number: _____

Names of Trustees: 1. _____

2. _____

3. _____

4. _____

Please complete a Trust Certificate (Appendix A) and submit a copy of the Trust Agreement and any amendments.

Please note: If a prospective purchaser is purchasing Interests through a trust that is a taxpaying entity, then all trustees must complete and execute the Investor Questionnaire on behalf of the trust and all questions concerning income, assets, and accreditation will pertain to the trust. If, on the other hand, the trust is not the taxpaying entity with respect to this investment (e.g., a grantor trust), then the person paying the tax on the trust's income (the "taxpayer") must complete and execute the Investor Questionnaire and all questions concerning income, and assets will pertain to the taxpayer.

Please select the appropriate type of trust below and initial accordingly.

Revocable Trusts: Please initial the statement or statements below that truthfully describe the grantor of the trust:

_____ _____ Purchaser is a revocable trust: (1) not formed for the specific purpose of acquiring the Interests; (2) with total assets in excess of $5,000,000; and (3) 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.

_____ _____ Purchaser is a revocable trust in which the trustee, or co-trustee, of the trust is a bank, insurance company, registered investment company, business development company, or small investment company.

_____ _____ Purchaser is a trust in which each grantor is either:

(a) a natural person whose individual net worth or joint net worth with that person's spouse (or spousal equivalent), exceeds $1,000,000 at the time of purchasing the Interests; *provided*, that for purposes of calculating such net worth: (1) the person's primary residence shall not be included as an asset; (2) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the closing of the person's acquisition of the Interests, shall not be included as a liability; *provided, however*, that if the amount of such indebtedness outstanding at the time of the closing of the person's acquisition of the Interests exceeds the amount of indebtedness outstanding 60 days before such time, other than as a result of the acquisition of the primary residence (such as, for example, if the person takes out a home equity loan that is not used to acquire a primary residence during such 60-day time frame), the amount of such new indebtedness shall be included as a liability; and (3) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability; OR

(b) a natural person who had individual income in excess of $200,000 in each of the two most recent preceding full calendar years or joint income with their spouse (or spousal equivalent) in excess of $300,000 in each of those years, and who has (individually or with their spouse or spousal equivalent) a reasonable expectation of reaching the same income level in the current year.

Irrevocable Trusts: Please initial the statement below that truthfully describes the prospective purchaser:

_____ _____ Purchaser is an irrevocable trust: (1) not formed for the specific purpose of acquiring the Interests; (2) with total assets in excess of $5,000,000; and (3) 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.

_____ _____ Purchaser is a trust in which the trustee, or co-trustee, of the trust is a bank, insurance company, registered investment company, business development company, or small investment company.

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_____ _____ Purchaser is an irrevocable trust (1) that has all of the characteristics set forth in Question 255.24 of SEC's Compliance and Disclosure Interpretations; and (2) whose grantor satisfies one or more of the accreditation standards set forth under this Investor Questionnaire.

After completing this page, you may proceed to Section II.

C. IF THE PROSPECTIVE PURCHASER IS AN ENTITY (CORPORATION, PARTNERSHIP, LLC), PLEASE COMPLETE THE FOLLOWING:

Name of Entity: _____

Entity Address: _____

City / State / Zip: _____

Entity Taxpayer Identification Number: _____

Names of Equity Owners/Signatories:	Ownership Percentage (must total 100%):
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____

Type of ownership: ☐ Corporation ☐ Partnership ☐ Limited Liability Company ☐ Other: _____

Corporation - If purchasing as a **corporation**, the prospective purchaser must submit the following: (1) a copy of the corporation's bylaws, with any and all amendments; (2) a completed Incumbency Certificate (Appendix B); and (3) a completed Corporate Resolution or Officer's Certificate (Appendix C or Appendix D).

Partnerships - If purchasing as a **partnership**, the prospective purchaser must submit the following: (1) a copy of the Partnership Agreement, with any and all amendments; and (2) a completed Partnership Resolution (Appendix E).

Limited Liability Company - If purchasing as a **limited liability company**, the prospective purchaser must submit the following: (1) a copy of the Operating Agreement, with any and all amendments; and (2) a completed LLC Resolution (Appendix F).

Please initial ALL statements below that truthfully describe the prospective purchaser (continued on next page):

_____ _____ Prospective purchaser is not subject to any of the "Bad Actor" disqualifications described in Rule 506(d) under the Securities Act of 1933, as amended, except for such event: (1) contemplated by Rule 506(d)(2) of the Securities Act of 1933, as amended.

_____ _____ 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" means a benefit plan investor within the meaning of U.S. Department of Labor Regulation 29 C.F.R. Section 2510.3-101, which includes (i) any employee benefit plan (as defined in Section 3(3) of ERISA), whether or not such plan is subject to Title I of ERISA (which includes both U.S. and Non-U.S. plans, plans of governmental entities as well as private employers, church plans and certain assets held in connection with nonqualified deferred compensation plans); (ii) any plan described in Code Section 4975(e)(1) (which includes a trust described in Code Section 401(a) which forms a part of a plan, which trust or plan is exempt from tax under Code Section 501(a), a plan described in Code Section 403(a), an individual retirement account described in Code Sections 408(a) or 408A, an individual retirement annuity described in Code Section 408(b), a medical savings account described in Code Section 220(d), and an education individual retirement account described in Code Section 530); and (iii) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (generally because 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. One hundred percent (100%) of an investor's Interests whose underlying assets include "plan assets," such as a fund

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investor, shall be treated as "plan assets" by the Trustees for purposes of meeting an exemption under the Department of Labor regulation.

Please initial <u>ALL</u> statements below that truthfully describe the prospective purchaser:

____ _____ Prospective purchaser is an entity in which all the equity owners are either:

(c) natural persons whose individual net worth or joint net worth with that person's spouse (or spousal equivalent), exceeds $1,000,000 at the time of purchasing the Interests; *provided*, that for purposes of calculating such net worth: (1) the person's primary residence shall not be included as an asset; (2) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the closing of the person's acquisition of the Interests, shall not be included as a liability; *provided, however*, that if the amount of such indebtedness outstanding at the time of the closing of the person's acquisition of the Interests exceeds the amount of indebtedness outstanding 60 days before such time, other than as a result of the acquisition of the primary residence (such as, for example, if the person takes out a home equity loan that is not used to acquire a primary residence during such 60-day time frame), the amount of such new indebtedness shall be included as a liability; and (3) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability; OR

(d) natural persons who had individual income in excess of $200,000 in each of the two most recent preceding full calendar years or joint income with their spouse (or spousal equivalent) in excess of $300,000 in each of those years, and who have (individually or with their spouse or spousal equivalent) a reasonable expectation of reaching the same income level in the current year.

_____ _____ Prospective purchaser is a corporation, a business trust, a partnership, a limited liability company, an Indian tribe, a labor union, or a governmental body or fund: (1) not formed for the specific purpose of acquiring the securities offered; (2) with total assets in excess of $5,000,000; and (3) with the power and authority to execute and comply with the terms of this Investor Questionnaire and Purchase Agreement.

_____ _____ Prospective purchaser is any of the following: (1) a bank or savings and loan association or other institution acting in its individual or fiduciary capacity; (2) a broker or dealer; (3) an insurance company; (4) an investment company or a business development company under the Investment Company Act of 1940; (5) a private business development company under the Investment Advisers Act of 1940; (6) a Small Business Investment Company licensed by the U.S. Small Business Administration; (7) either (i) registered with the United States Securities and Exchange Commission as an investment adviser or an exempt reporting adviser under Section 203 of the Advisers Act; or (ii) registered as an investment adviser or equivalent under the laws of any state of the United States of America; (8) a "rural business investment company" as defined in Section 384A of the Consolidated Farm and Rural Development Act, as amended; or (9) a "family office" or "family client" (each as defined in Rule 202(a)(11)(G)-1 of the Advisers Act) of a family office that (i) has at least $5,000,000 in assets under management; (ii) was not formed for the specific purpose of acquiring the securities offered; and (iii) is directed by a person who has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of acquiring Interests.

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SECTION II – PROSPECTIVE PURCHASER INFORMATION

PROSPECTIVE PURCHASER #1 (SPOUSE #1, TRUSTEE #1, EQUITY OWNER #1, ETC.)

Salutation: _____ Mr. _____ Ms. _____Mrs. ____Dr.

Name: _____

Date of Birth: _____

Social Security No.: _____

Home Address: _____

City / State / Zip: _____

Mailing Address: _____

City / State / Zip: _____

Phone Number.: Cell Phone: _____ Home or Office: _____

E-mail Address: _____

Country of Residence: _____

PROSPECTIVE PURCHASER #2 (SPOUSE #2, TRUSTEE #2, EQUITY OWNER #2, ETC.)

Salutation: _____ Mr. _____ Ms. _____Mrs. ____Dr.

Name: _____

Date of Birth: _____

Social Security No.: _____

Home Address: _____

City / State / Zip: _____

Mailing Address: _____

City / State / Zip: _____

Phone Number.: Cell Phone: _____ Home or Office: _____

E-mail Address: _____

Country of Residence: _____

Purchaser's Occupation: _____

Name of Purchaser's Employer:_____

Employer's Address: _____

Please provide additional pages as necessary to complete this Section II for all equity owners.

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SECTION III – PROSPECTIVE PURCHASER DISTRIBUTION OPTIONS

Please direct distributions: (Select one.)

☐ VIA MAIL TO: MAILING ADDRESS OF RECORD

☐ VIA MAIL TO BANK OR BROKERAGE ACCOUNT: (Complete #1, #2, #3 and #5 in below box.)

☐ VIA ELECTRONIC DEPOSIT (ACH) TO: (Complete #1 through #5 and attach a voided check.)

1. _____
Name of Bank, Brokerage Firm or Individual

2. _____
Mailing Address

3. _____
City, State, Zip Code

4. _____
Bank ABA Number

5. _____
Account / Brokerage Number

☐ Checking ☐ Savings

Electronic Deposit (ACH) Authorization - I (we) authorize the Seller's manager and signatory trustee (the "Manager"), to deposit distributions from my (our) interest in the Seller to my (our) account indicated above at the depository financial institution (hereinafter, the "Depository") indicated above. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law. I (we) further authorize the Manager to debit my (our) account noted below in the event that the Manager erroneously deposits additional funds to which I (we) am (are) not entitled, provided that such debit shall not exceed the original amount of the erroneous deposit. In the event that I (we) withdraw funds erroneously deposited into my (our) account before the Manager reverses such deposit, I (we) agree that the Manager has the right to retain any future distributions to which I (we) am (are) entitled until the erroneously deposited amounts are recovered by the Manager. This authorization is to remain in full force and effect until the Manager has received written notification from me (or either of us) of its termination in such time and in such manner as to afford the Manager and the Depository a reasonable opportunity to act on it, or until the Manager has sent me written notice of termination of this authorization.

The signature(s) of all Prospective Purchasers of record are required.

_____ _____
Signature of Prospective Purchaser Signature of Co-Prospective Purchaser (if applicable)

SECTION IV – SUBSTITUTE W-9

TO BE COMPLETED BY INDIVIDUAL/ENTITY FOR WHICH INFORMATION WILL BE REPORTED TO THE IRS.

THE UNDERSIGNED CERTIFIES, under penalties of perjury that: (1) the taxpayer identification number shown below is true, correct and complete; (2) I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or distributions, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding; (3) I am a U.S. person (including Resident Alien); and (4) I am exempt from Foreign Account Tax Compliance Act ("FATCA") reporting.

Taxpayer Identification No.: _____

Signature of Prospective Purchaser: _____
Date

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SECTION V – SECTION 1031 INVESTORS ONLY

I (we) hereby provide the following information pertaining to my (our) Qualified Intermediary for this acquisition. I (we) request and authorize my (our) Qualified intermediary to furnish the Seller any information requested regarding my (our) Section 1031 exchange.

The following Qualified Intermediary is authorized and instructed to fund all equity due to close the transaction prior to the scheduled closing date:

Company Name: _____

Contact Person: _____

Address: _____

City / State / Zip Code: _____

Telephone No.: _____

Facsimile No.: _____

E-mail Address: _____

Is escrow closed (please check one): _____ Yes _____ No

Closing date of relinquished property: _____

I (we) instruct my (our) Qualified Intermediary to wire (check only one box):

☐ All funds held by the Qualified Intermediary in the qualified escrow account, which is $_____, excluding any accumulated interest and expenses that cause the amount to be less than a whole dollar (rounding up or down), with the understanding that these costs will be treated as boot.

☐ Only $_____ held by the Qualified Intermediary in the qualified escrow account.

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SIGNATURE PAGE TO INVESTOR QUESTIONNAIRE – ALL PROSPECTIVE PURCHASERS MUST SIGN.

I (we) acknowledge and agree to all of the representations and warranties contained in this Investor Questionnaire.

Executed this _____day of _____, 20_____

(Date must be completed.)

If a natural person:

Signature: _____

Name: _____

(If Joint Ownership: to be signed by joint owner.)

Signature: _____

Name: _____

If not a natural person:

Name of Trust/Entity: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

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ALL PROSPECTIVE PURCHASERS MUST SIGN THIS PAGE

SIGNATURE PAGE TO THE TRUST AGREEMENT OF BR PARKVIEW MULTIFAMILY, 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 **BR PARKVIEW MULTIFAMILY, DST**, dated December 18, 2025 (the "**Trust Agreement**"), as may be further amended or supplemented from time to time, and hereby covenants and agrees to be bound by the Trust Agreement.

ON BEHALF OF OR BY INDIVIDUAL PROSPECTIVE PURCHASER(S):

Signature Prospective Purchaser #1	Signature Prospective Purchaser #2
Please Print Name	Please Print Name
Signature Prospective Purchaser #3	Signature Prospective Purchaser #4
Please Print Name	Please Print Name

ON BEHALF OF OR BY OTHER ENTITY (trust, corporation, partnership, limited liability company):

NAME OF TRUST/ENTITY: _____

Signature of Trustee/Equity Owner	Signature of Trustee/Equity Owner
Please Print Name / Title	Please Print Name / Title
Signature of Trustee/Equity Owner	Signature of Trustee/Equity Owner
Please Print Name / Title	Please Print Name / Title

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APPENDIX A – TRUST CERTIFICATE

Note: To be completed only by those Prospective Purchasers investing through a trust.

1. The title of the Trust to which this Certificate applies is: _____

   _____

2. The date of the Trust Agreement is: _____

3. The date of the last amendment to the Trust Agreement (if any) is: _____

4. The grantor(s) or testator(s) of the Trust is/are: _____

5. The Seller has the authority to accept orders and other instructions relative to the Trust account from designated trustees, who are:

Trustee Name (please print)	Date of Birth	Trustee Name (please print)	Date of Birth
Trustee Name (please print)	Date of Birth	Trustee Name (please print)	Date of Birth

6. **Please select one of the following three options**:

   ☐ The trustee(s) listed above may act independently as provided in the Trust Agreement, and the execution by any one trustee can bind the Trust.

   ☐ The trustees listed above may act as a majority as provided in the Trust Agreement.

   ☐ The trustee(s) listed above must act unanimously as provided in the Trust Agreement, and the execution or authorization of all of the trustees is required to bind the Trust.

7. The undersigned, constituting all of the trustee(s) of the Trust, hereby certify as follows:

   a) A true and correct copy of the Trust Agreement is attached hereto and that, as of the date hereof, the Trust Agreement has not been amended (except as to any attached amendments) or revoked and is still in full force and effect.

   b) As the trustee(s) of the Trust, we have determined that the investment in, and purchase of Interests in **BR PARKVIEW MULTIFAMILY, DST** is authorized by the terms of the Trust Agreement and is of benefit to the Trust, and we have determined to make such investment on behalf of the Trust.

   c) We, the trustees, jointly and severally, indemnify **BR PARKVIEW MULTIFAMILY, DST** and hold **BR PARKVIEW MULTIFAMILY, DST** harmless from and against any liability relating to effecting any orders, transactions, instructions or directions given by any individuals listed in this Certificate.

All trustees must sign and date below.

Trustee Signature	Date	Trustee Signature	Date
Trustee Signature	Date	Trustee Signature	Date

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APPENDIX B – INCUMBENCY CERTIFICATE

Note: To be completed only by those Prospective Purchasers investing through a corporation.

_____

Name of Corporation

_____

State of Incorporation

The undersigned hereby certifies that the following persons are the duly elected directors and officers, respectively, of _____, a/an _____ corporation.

_____ Director _____ Director

_____ Director _____ Director

_____ Director _____ Director

_____ President _____ Vice President

_____ Treasurer _____ Secretary

Dated effective _____, 20_____

_____, a/an

_____ corporation

By: _____

Name: _____

Secretary

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APPENDIX C – CORPORATE RESOLUTION

Note: To be completed only by those Prospective Purchasers investing through a corporation.
Additional Note: Appendix D may be provided as an alternative to this Appendix C.

The undersigned, being all the members of the Board of Directors (the "Board of Directors") of _____, a/an _____ corporation (the "Corporation"), hereby adopt the following preambles and resolutions:

WHEREAS, the Corporation desires to purchase an interest in **BR PARKVIEW MULTIFAMILY, DST** (the "Investment");

WHEREAS, that the Corporation is authorized to execute and deliver all documents relating to the Investment; and

WHEREAS, the Board of Directors believes it to be in the best interest of the Corporation to make the Investment and execute any documents related thereto.

NOW THEREFORE, BE IT RESOLVED, that the Investment is hereby approved, confirmed and ratified by the Board of Directors in all respects;

FURTHER RESOLVED, that _____, an officer of the Corporation ("Officer"), is hereby authorized and directed to execute, deliver and perform those agreements and documents related to the Investment, in the name and on behalf of the Corporation, with such changes therein and additions thereto as the Officer may deem necessary, appropriate or advisable to effect the transactions contemplated by the foregoing resolution;

FURTHER RESOLVED, that the Officer is hereby authorized and directed to execute, deliver and perform all further instruments and documentation and to take all other actions, in the name and on behalf of the Corporation, as it may deem convenient or proper to carry out the Investment; and

FURTHER RESOLVED, that any action heretofore taken and all documentation heretofore delivered by the Corporation or the Officer in furtherance of the Investment and foregoing resolutions are hereby ratified and confirmed in all respects.

Dated effective _____, 20____

_____	_____
Director (signature)	Director (signature)
_____	_____
Director (signature)	Director (signature)
_____	_____
Director (signature)	Director (signature)

Being all of the Directors of the Corporation

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APPENDIX D – OFFICER'S CERTIFICATE

Note: To be completed only by those Prospective Purchasers investing through a corporation.
Additional Note: Appendix C may be provided as an alternative to this Appendix D.

The undersigned, _____, hereby certifies that:

1. _____ is the _____ of _____, a/an _____ corporation ("Corporation"), and has personal knowledge of the matters set forth herein.
2. This Certificate is executed to evidence the approval and consent of the Corporation to purchase an interest in **BR PARKVIEW MULTIFAMILY, DST** (the "Investment").
3. The undersigned acknowledges that the Corporation is authorized to execute and deliver all documents relating to the Investment.
4. Pursuant to the organizational documents of the Corporation, the specific consent or approval of the Board of Directors of the Corporation is not necessary for the consummation of the Investment.
5. The undersigned acting alone has the authority, pursuant to the organizational documents of the Corporation, to execute all documents related to the Investment.
6. This Certificate may be relied upon by **BR PARKVIEW MULTIFAMILY, DST** and its affiliates.

Dated effective _____, 20_____

By: _____

Name: _____

Title: _____

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APPENDIX E – PARTNERSHIP RESOLUTION

Note: To be completed only by those Prospective Purchasers investing through a partnership.

The undersigned, being all the partners (the "Partners") of _____, a/an _____ partnership (the "Partnership"), hereby adopt the following preambles and resolutions:

WHEREAS, the Partnership desires to purchase an interest in **BR PARKVIEW MULTIFAMILY, DST** (the "Investment");

WHEREAS, that the Partnership is authorized to execute and deliver all documents relating to the Investment; and

WHEREAS, the Partners believe it to be in the best interest of the Partnership to make the Investment and any execute any documents related thereto.

NOW THEREFORE, BE IT RESOLVED, that the Investment is hereby approved, confirmed and ratified by the Partners in all respects;

FURTHER RESOLVED, that _____, an agent of the Partnership ("Authorized Person"), is hereby authorized and directed to execute, deliver and perform those agreements and documents related to the Investment, in the name and on behalf of the Partnership, with such changes therein and additions thereto as the Authorized Person may deem necessary, appropriate or advisable to effect the transactions contemplated by the foregoing resolution;

FURTHER RESOLVED, that the Authorized Person is hereby authorized and directed to execute, deliver and perform all further instruments and documentation and to take all other actions, in the name and on behalf of the Partnership, as it may deem convenient or proper to carry out the Investment; and

FURTHER RESOLVED, that any action heretofore taken and all documentation heretofore delivered by the Partnership or the Authorized Person in furtherance of the Investment and foregoing resolutions are hereby ratified and confirmed in all respects.

Dated effective _____, 20_____

_____	_____
Partner (signature)	Partner (signature)
_____	_____
Partner (signature)	Partner (signature)
_____	_____
Partner (signature)	Partner (signature)

Being all of the Partners of the Partnership

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APPENDIX F – LIMITED LIABILITY COMPANY RESOLUTION

Note: To be completed only by those Prospective Purchasers investing through a limited liability company.

The undersigned, being all the members (the "Members") of _____, a/an _____ limited liability company (the "LLC"), hereby adopt the following preambles and resolutions:

WHEREAS, the LLC desires to purchase an interest in **BR PARKVIEW MULTIFAMILY, DST** (the "Investment");

WHEREAS, that the LLC is authorized to execute and deliver all documents relating to the Investment; and

WHEREAS, the Members believe it to be in the best interest of the LLC to make the Investment and execute any documents related thereto.

NOW THEREFORE, BE IT RESOLVED, that the Investment is hereby approved, confirmed and ratified by the Members in all respects;

FURTHER RESOLVED, that _____, an agent of the LLC ("Authorized Person"), is hereby authorized and directed to execute, deliver and perform those agreements and documents related to the Investment, in the name and on behalf of the LLC, with such changes therein and additions thereto as the Authorized Person may deem necessary, appropriate or advisable to effect the transactions contemplated by the foregoing resolution;

FURTHER RESOLVED, that the Authorized Person is hereby authorized and directed to execute, deliver and perform all further instruments and documentation and to take all other actions, in the name and on behalf of the LLC, as it may deem convenient or proper to carry out the Investment; and

FURTHER RESOLVED, that any action heretofore taken and all documentation heretofore delivered by the LLC or the Authorized Person in furtherance of the Investment and foregoing resolutions are hereby ratified and confirmed in all respects.

Dated effective _____, 20_____

_____	_____
Member (signature)	Member (signature)
_____	_____
Member (signature)	Member (signature)
_____	_____
Member (signature)	Member (signature)

Being all of the Members of the LLC

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PURCHASE AGREEMENT

INSTRUCTIONS

BR PARKVIEW MULTIFAMILY, DST, a Delaware statutory trust (the "Seller"), is offering up to $39,486,498 interests ("Interests") to certain qualified persons. The minimum amount of Interests that a Prospective Purchaser completing a Section 1031 tax-deferred exchange (as defined herein) may purchase is $100,000, unless the Seller waives this minimum requirement. The minimum amount of Interests that a Prospective Purchaser making a cash investment without a Section 1031 tax-deferred exchange may purchase is $100,000, unless the Seller waives this minimum requirement. If all Interests cannot be sold, the depositor of the Seller will own the remaining Interests until such time when the depositor sells or otherwise transfers the Interests pursuant to the terms of the trust agreement of the Seller.

No person is authorized to receive the Investor Questionnaire & Purchase Agreement unless it is preceded or accompanied by a copy of the Seller's Memorandum. Reproduction or circulation of these materials, in whole or in part, is prohibited except as specifically provided herein.

If, after you have carefully reviewed the Memorandum, you wish to purchase an Interest, please carefully review and complete the Purchase Agreement that follows. The Seller cannot and will not accept a Purchase Agreement that is missing information or signatures until such information and signatures are provided. The Seller will treat all information confidentially, except as otherwise indicated herein.

The Seller will not evaluate whether the acquisition of Interests offered hereby is suitable for any particular person. **You should consult with your tax and legal advisor prior to purchasing Interests.**

Payment of the purchase price for the Interests may be made by either wiring the funds directly to the Seller (the preferred method), or by delivering to Bluerock (Attn: Investor Relations), in person or by mail, a check that is made payable to **BR PARKVIEW MULTIFAMILY, DST**. If the purchase of an Interest is part of a Section 1031 tax-deferred exchange, payment to the Seller should be coordinated through the qualified intermediary who holds your exchange proceeds from the relinquished property.

The mailing address for all purchases is as follows:

Bluerock
(Attn: Investor Relations)
27777 Franklin Road, Suite 900
Southfield, Michigan 48034

or via e-mail at 1031@bluerockre.com

The Seller will not accept investments from, or made on behalf of, tax exempt entities, including but not limited to qualified employee pension and profit sharing trusts, individual retirement accounts, Simple 401(k) plans, annuities and charitable remainder trusts. In addition, the Seller reserves the right to reject, in its sole discretion, any purchase, for any reason or for no reason. If the Seller rejects your offer to purchase Interests, the Seller will return your payment and related purchase documents.

If you have any questions concerning the Purchase Agreement, or if you need additional copies of the Investor Questionnaire & Purchase Agreement, please call or write **Investor Relations c/o Bluerock, 27777 Franklin Road, Suite 900, Southfield, Michigan 48034, (888) 558-1031.**

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PURCHASE AGREEMENT OF BR PARKVIEW MULTIFAMILY, DST

Up to $39,486,498 of Interests

THIS PURCHASE AGREEMENT (the "**Purchase Agreement**") is made by and between **BR PARKVIEW MULTIFAMILY, DST**, a Delaware statutory trust (the "**Seller**") and the undersigned, with reference to the facts set forth below.

RECITALS

A. The Seller owns certain real property located at 5141 Stone Mountain Highway, Stone Mountain, Georgia 30087, commonly known as "District at Parkview Apartments," and more particularly described on Exhibit A hereto.

B. The Seller is offering (the "**Offering**") to sell to certain qualified, accredited investors pursuant to that certain Offering Memorandum, dated January 5, 2026 (as amended and supplemented from time to time, the "**Memorandum**"), beneficial ownership interests in the Seller (the "**Interests**").

C. The Seller desires to sell and the undersigned desires to buy the Interests on the terms and conditions set forth in the Memorandum. This sale will be made pursuant to 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. Purchase of Interests. The undersigned, intending to be legally bound, hereby irrevocably offers to purchase $_____ worth of Interests in the Seller, and agrees to pay a total cost of $197,818 for each 0.2533% Interest to be acquired, which shall be allocated $100,000 in cash (for each 0.2533% ownership interest in the Seller purchased) and $97,818 in the nature of the attributed debt (for each 0.2533% ownership interest in the Seller purchased). The Interests are being purchased pursuant to the terms and conditions of the Memorandum, receipt of which is hereby acknowledged. Terms not defined herein shall have the same meanings as in the Memorandum.

2. Amount and Method of Payment. Payment for the Interests purchased hereunder is to be made by either wiring the funds from the qualified escrow account or by delivering to Bluerock, in person or by mail, a **check made payable to "BR PARKVIEW MULTIFAMILY, DST"** for the aggregate purchase price of the Interests. The minimum amount of Interests that a Prospective Purchaser completing an Internal Revenue Code section 1031 ("**Section 1031**") tax-deferred exchange will be required to purchase is $100,000, unless the Seller waives such requirement. The minimum amount of Interests that a prospective Investor making a cash investment without a Section 1031 tax-deferred exchange will be required to purchase is $100,000, unless the Seller waives such requirement. If the purchase of an Interest is part of a Section 1031 tax-deferred exchange, payment shall be coordinated through the undersigned's qualified intermediary who holds the undersigned's exchange proceeds from the relinquished property.

3. Acceptance of Purchase. The undersigned understands and agrees that the Seller, in its sole discretion, reserves the right to accept or reject this or any other offer to purchase for the Interests in whole or in part. If this offer to purchase is rejected in whole or in part, or if the Seller terminates the Offering for any reason, the Seller will promptly return the applicable portion of the purchase price. This Purchase Agreement shall thereafter have no force or effect with respect to the rejected portion of the purchase of Interests.

4. Representations and Warranties of the Seller. The Seller hereby acknowledges, represents and warrants that:

(a) Status. The Seller is a validly formed and existing statutory trust under the laws of the State of Delaware.

(b) Issuance. When issued, authenticated and delivered by the Seller and paid for by the undersigned pursuant to the provisions of this Purchase Agreement and of the Seller's Trust Agreement, as amended or restated from time to time (the "**Trust Agreement**"), the undersigned's Interests will be duly and validly issued and outstanding and entitled to the benefits provided by the Trust Agreement, except as such enforceability may be limited by the effect of (i) bankruptcy, insolvency, reorganization, receivership, moratorium or other similar laws affecting the enforcement of the rights of creditors generally, and (ii) general principles of equity, whether enforcement is sought in a proceeding in equity or at law.

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5. Representations and Warranties of the Undersigned. The undersigned hereby acknowledges, represents and warrants that:

(a) The Interests offered by the Memorandum have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**"), or under the laws of any state, and are being offered and sold in reliance on exemptions from the provisions of the Securities Act and applicable state law. The Interests have not been approved or disapproved by the Securities and Exchange Commission, any state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon, or endorsed the merits of, the offering or the accuracy or adequacy of the Memorandum. The undersigned hereby further acknowledges, represents and warrants that:

(i) the undersigned has received the Memorandum, has carefully reviewed it and understands the information contained therein and information otherwise provided in writing by the Seller relating to this investment;

(ii) the undersigned acknowledges that all documents, records and books pertaining to this investment (including, without limitation, the Memorandum) have been made available for inspection to the undersigned or the undersigned's agents or advisors;

(iii) the undersigned, either directly or through advisors, has had a reasonable opportunity to ask questions of and receive information and answers from a person or persons acting on behalf of the Seller concerning the Offering and, as the undersigned may deem necessary, to verify the information contained in the Memorandum, and all questions have been answered and all such information has been provided to the full satisfaction of the undersigned;

(iv) no oral or written representations have been made or oral or written information furnished to the undersigned or his or her advisor(s) in connection with the Offering that were in any way inconsistent with the information stated in the Memorandum;

(v) the undersigned qualifies as an "accredited investor," as defined in Rule 501(a) of Regulation D under the Securities Act;

(vi) the undersigned is not purchasing the Interests on behalf of any tax exempt entity, including but not limited to any qualified employee pension or profit sharing trust, any individual retirement account, Simple 401(k) plan, annuity or charitable remainder trust;

(vii) the undersigned's overall commitment to investments that are not readily marketable is not disproportionate to the undersigned's net worth and the undersigned's investment in the Interests will not cause the overall commitment to become disproportionate to the undersigned's net worth;

(viii) the undersigned has reached the age of majority, has adequate net worth and means of providing for the undersigned's current needs and personal contingencies, is able to bear the substantial economic risks of an investment in the Interests for an indefinite period of time, has no need for liquidity in such investment and, at the present time, could afford a complete loss of such investment;

(ix) the undersigned has the requisite knowledge and experience in financial and business matters so as to enable the undersigned to use the information made available to evaluate the merits and risks of an investment in the Interests and to make an informed decision;

(x) the undersigned is acquiring the Interests solely for his or her own account as principal, for investment purposes only and not with a view to the resale or distribution thereof in whole or in part, and no other person has a direct or beneficial interest in the Interests purchased by the undersigned;

(xi) the undersigned will not sell or otherwise transfer his or her Interests without complying with all applicable laws and fully understands and agrees that he or she must bear the economic risk of his or her purchase for an indefinite period of time because, among other reasons, the Interests may not be readily transferable; and

(xii) the undersigned's assets have not been the subject of any proceeding under any matter relating to bankruptcy, insolvency, reorganization, conservatorship, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to its debts or debtors ("**Creditor Rights Laws**") during the ten (10) years prior to the date hereof, nor has the undersigned sought the protection of any Creditors Rights Laws during

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the ten (10) years prior to the date hereof. The foregoing representation with regard to this paragraph also are applicable to the undersigned's affiliates which the undersigned owns or controls, including any individual, corporation, partnership, joint venture, limited liability company, estate, trust, unincorporated association and any fiduciary acting in such capacity on behalf of any of the foregoing, and further including any such entity in which the undersigned or its affiliate is an officer or director.

(b) The undersigned recognizes that the purchase of the Interests involves a number of significant risks and other factors relating to the structure and objectives of the Seller as described in the Memorandum under the heading "Risk Factors" and that there can be no assurance that the Seller will achieve its objectives. In addition, the undersigned acknowledges that:

(i) no federal or state agency has passed upon the adequacy of the information presented to the undersigned or made any finding or determination as to the fairness of this investment; and

(ii) there is no established market for the Interests and a public market for the Interests may never develop.

(c) **The undersigned understands that the Seller has not obtained a specific Private Letter Ruling from the Internal Revenue Service ("IRS") addressing the treatment of the Interests in this Offering for income tax purposes, including but not limited to whether an Interest is "of like kind" to real estate for purposes of Section 1031 or is "similar or related in service or use" to involuntarily converted property of the undersigned for purposes of Internal Revenue Code section 1033 ("Section 1033"). In addition, the undersigned understands that the tax consequences of an investment in the Interests, especially the qualification of the transaction under Section 1031 or Section 1033 of the Code and the related rules, are complex and vary with the facts and circumstances of each individual. Therefore, the undersigned represents and warrants that he or she: (1) has independently obtained advice from legal counsel and/or accountants about a tax-deferred exchange under Section 1031 or a conversion under Section 1033 and applicable state laws, including, without limitation, whether the acquisition of an Interest may qualify as part of a tax-deferred exchange or involuntary conversion, and he or she relying on such advice; (2) understands that the Seller has not obtained a ruling from the IRS addressing the treatment of the Interests in this Offering for income tax purposes, including but not limited to whether an Interest is "of like kind" to real estate for purposes of Section 1031 or is "similar or related in service or use" to involuntarily converted property of the undersigned for purposes of Section 1033; (3) understands that the tax consequences of an investment in an Interest, especially the treatment of the transaction under Section 1031 and the related Section 1031 exchange rules, or under Section 1033 and its underlying rules, are complex and vary with the facts and circumstances of each individual purchaser; and (4) understands that the opinion of Seyfarth Shaw LLP, as tax counsel to the Seller, is only Seyfarth Shaw LLP's view of the anticipated tax treatment, and there is no guarantee that the IRS will agree with such opinion.**

(d) If the undersigned is purchasing the Interests in a representative or fiduciary capacity, e.g., serving as a qualified intermediary, the representations and warranties contained herein (and in any other written statement or document delivered to the Seller in connection herewith) shall be deemed to have been made on behalf of the person or persons for whom the Interests are being purchased.

(e) All information furnished to the Seller by the undersigned is correct and complete as of the date of this Purchase Agreement, and the undersigned will immediately furnish revised or corrected information to the Seller if there should be any material change in this information prior to the Seller completing the Offering.

(f) Within five days after receipt of a request from the Seller, the undersigned hereby 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 ordinances to which the Seller is subject.

(g) The undersigned has not distributed the Memorandum to anyone other than his or her advisors, if any, and no one other than the undersigned and his or her advisors, if any, has used the Memorandum.

(h) The foregoing representations, warranties and agreements, together with all other representations and warranties made or given by the undersigned to the Seller in any other written statement or document delivered in connection with the Offering shall be true and correct in all respects on and as of the date the purchase is accepted as if made on that date. If more than one person is signing this Purchase Agreement, each representation, warranty and undertaking herein shall be the joint and several representation, warranty and undertaking of each such person.

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6. Additional Representations and Warranties – Section 1031 Exchanges. **The following additional representations and warranties apply only to those investors purchasing Interests as part of a Section 1031 tax-deferred exchange.**

(a) The undersigned hereby acknowledges, represents and warrants that:

(i) The undersigned's rights under this Purchase Agreement may be assigned to his, her or its qualified intermediary (the "**Qualified Intermediary**") for the purpose of completing a Section 1031 exchange.

(b) The Seller hereby acknowledges, represents and warrants that:

(i) It is the intent of the undersigned to effect a Section 1031 tax-deferred exchange, which will not delay the closing or cause additional expense to the Seller.

(ii) The Seller will cooperate with the undersigned and his, her or its Qualified Intermediary in a manner necessary to complete the Section 1031 tax-deferred exchange.

7. Authorization. The undersigned releases to the Seller and those third-party vendors retained to conduct credit and background evaluations in accordance with the questions contained in the Investor Questionnaire (the "**Vendors**") any information regarding the undersigned's employment status, bank account records, mortgage or other current or prior credit, collection accounts, rental history, state and federal tax liens, state and federal crimes, state and federal civil litigation and bankruptcy, and state and county UCC (Uniform Commercial Code) searches. As part of such authorization, the undersigned hereby authorizes the Seller's release of such information to the Vendors. This information is for the confidential use of the Seller and the Vendors only.

8. Indemnification. The undersigned agrees to indemnify and hold harmless the Seller and the Seller's Signatory Trustee and their respective officers, directors, employees, beneficiaries, trustees, and agents (the "**Indemnified Parties**") against any and all loss, liability, claim, damage and expense whatsoever (including reasonable attorneys' fees) arising out of or based upon any false representation or warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein, or in any other document furnished by the undersigned 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) incurred by the Indemnified Parties in investigating, preparing or 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.

9. Additional Information. To assist Seller with complying with any applicable legal or tax requirements, the undersigned hereby acknowledges and agrees that the Seller may make such further inquiry and obtain such additional information, representations, and/or forms as it may deem appropriate with regard to the suitability of the undersigned.

10. Irrevocability; Binding Effect. The undersigned hereby acknowledges and agrees that, except as provided under applicable state law, the purchase hereunder is irrevocable and may not be canceled, terminated or revoked and that this Purchase Agreement shall survive the death or disability of the undersigned and shall be binding upon and inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives and assigns.

11. Modifications. Neither this Purchase Agreement nor any provision hereof shall be waived, modified, discharged or terminated except by an instrument in writing signed by the party against whom any such waiver, modification, discharge or termination is sought.

12. Notices. Any notice, demand or other communication that any party hereto may be required, or may elect, or give to any other party hereunder shall be sufficiently given if: (1) deposited, postage prepaid, in a United States mailbox, stamped registered or certified mail, return receipt requested, or with an established and reputable overnight delivery service, addressed to BR PARKVIEW MULTIFAMILY, DST, c/o Bluerock, 27777 Franklin Road, Suite 900, Southfield, Michigan 48034, Attn: Investor Relations, or to the undersigned Prospective Purchaser at the address set forth on the signature page of the Investor Questionnaire or such other address as the parties may agree; or (2) delivered personally at such address.

13. Counterparts; Signatures. This Purchase Agreement, the related Investor Questionnaire and supporting documents may be executed and delivered (including by facsimile transmission or portable document format (PDF)) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same Purchase Agreement, Investor Questionnaire or other document, as applicable.

14. Entire Agreement. This Purchase Agreement contains the entire agreement of the parties with respect to the subject

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matter hereof and there are no representations, covenants or other agreements except as stated or referred to herein.

15. Severability. Each provision of this Purchase Agreement is intended to be severable from every other provision, and the invalidity or illegality of any portion hereof shall not affect the validity or legality of the remainder hereof.

16. Assignability. This Purchase Agreement is not transferable or assignable by the undersigned except to a qualified intermediary in the case of a Section 1031 tax-deferred exchange.

17. Applicable Law. This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of New York as applied to residents of that state executing contracts wholly to be performed in that state.

18. Choice of Jurisdiction. The undersigned agrees that any action or proceeding arising, directly, indirectly, or otherwise, in connection with, out of, or from this Purchase Agreement, and breach thereof, or any transaction covered hereby shall be resolved, whether by arbitration or otherwise, within the County of New York, State of New York. The parties further agree that any such relief whatsoever in connection with this Purchase Agreement shall be commenced exclusively in the United States federal or state courts, or if possible before an arbitral body, located within the County of New York, State of New York.

19. Reimbursement. If any action or other proceeding, other than arbitration, is brought to enforce this Purchase Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this Purchase Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorney's fees and other costs incurred in the action or proceeding in addition to any other relief to which they may be entitled.

20. Certificates of Non-Foreign Status. Under penalties of perjury, the undersigned declares that, to the best of his or her knowledge and belief the following statements are true, correct and complete: (1) the undersigned is not a foreign person for purposes of U.S. income taxation (i.e., he or she is not a nonresident alien, nor executing this document as an officer of a foreign corporation, as a partner in a foreign partnership, or as a fiduciary of a foreign employee benefit plan, foreign trust or foreign estate); (2) that the following information contained elsewhere in the Purchase Agreement or the Investor Questionnaire is true, correct and complete: the U.S. taxpayer identification number (i.e., social security number), and the home address; and (3) that the undersigned agrees to inform the Seller promptly if the undersigned becomes a nonresident alien (in the case of an individual) or other foreign person (in case of an entity) during the three years immediately following the date hereof.

21. Certification regarding Securities Laws. By signing below, the undersigned certifies that he or she has read and understands the following additional considerations:

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. The Interests offered hereby are subject to investment risk, including the possible loss of principal.

[Remainder of the Page Intentionally Left Blank]

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I (we) acknowledge and agree to all of the representations and warranties contained in this Purchase Agreement.

SELLER

Executed this ____ day of _____, 20___

BR PARKVIEW MULTIFAMILY, DST, a Delaware Statutory Trust

By: BR Parkview Multifamily DST Manager, LLC

Its: Manager

By: _____

Name: _____

BUYER

Executed this ____ day of _____, 20___
(Date must be completed.)

If a natural person:

Signature: _____

Name: _____

(If Joint Ownership: to be signed by joint owner.)

Signature: _____

Name: _____

If not a natural person:

Name of Trust/Entity: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

Signature: _____

Name: _____

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EXHIBIT A TO PURCHASE AGREEMENT

Legal Description

That certain real property known as "Lot 1" on the Final Plat of Park View Development recorded December 15, 2021 in Plat Book 153, page 292 in the real property records of Gwinnett County, Georgia.

Such real property is also described as:

All that tract or parcel of land lying and being in Land Lot 61 of the 6th District, Gwinnett County, Georgia, and being more particularly described as follows:

Commencing at a 1/2-inch rebar found at the Land Lot Corner common to Land Lots 61, 62, 75 and 76, said point having State Plane Coordinate values of North: 1,393,846.56 feet and East:2,313,593.70 feet; Thence South 29 degrees 42 minutes 08 seconds East, a distance of 615.35 feet to a 1/2-inch rebar found; Thence South 29 degrees 44 minutes 58 seconds East, a distance of 929.94 feet to a 5/8-inch rebar set, said point being the TRUE POINT OF BEGINNING; Thence South 29 degrees 44 minutes 58 seconds East, a distance of 851.43 feet to a 1/2-inch rebar found; Thence South 29 degrees 44 minutes 33 seconds East, a distance of 395.49 feet to a 5/8-inch rebar set; Thence South 50 degrees 06 minutes 14 seconds West, a distance of 162.77 feet to a 5/8-inch rebar set; Thence South 68 degrees 10 minutes 10 seconds West, a distance of 99.91 feet to a 5/8-inch rebar set; Thence South 56 degrees 26 minutes 56 seconds West, a distance of 44.91 feet to a 1/2-inch open top pipe found; Thence South 15 degrees 10 minutes 50 seconds East, a distance of 81.18 feet to a 1/2-inch rebar found located on the Northerly right-of-way line of U.S. Highway 78, a.k.a Stone Mountain Highway; Thence along said right-of-way line South 77 degrees 27 minutes 51 seconds West, a distance of 405.97 feet to a 1/2-inch rebar found; Thence departing said right-of-way line North 29 degrees 17 minutes 35 seconds West, a distance of 201.28 feet to a angle iron found; Thence North 29 degrees 26 minutes 47 seconds West, a distance of 479.39 feet to a 1/2-inch rebar found; Thence North 29 degrees 30 minutes 26 seconds West, a distance of 206.87 feet to a 5/8-inch rebar set; Thence South 59 degrees 15 minutes 14 seconds East, a distance of 65.34 feet to a 5/8-inch rebar set; Thence South 49 degrees 31 minutes 40 seconds East, a distance of 51.99 feet to a 5/8-inch rebar set; Thence South 69 degrees 06 minutes 28 seconds East, a distance of 80.34 feet to a 5/8-inch rebar set; Thence North 61 degrees 39 minutes 34 seconds East, a distance of 22.03 feet to a 5/8-inch rebar set; Thence North 80 degrees 13 minutes 54 seconds East, a distance of 15.84 feet to a 5/8-inch rebar set; Thence North 22 degrees 10 minutes 18 seconds East, a distance of 19.06 feet to a 5/8-inch rebar set; Thence North 36 degrees 10 minutes 07 seconds East, a distance of 24.19 feet to a 5/8-inch rebar set; Thence North 29 degrees 57 minutes 50 seconds East, a distance of 41.38 feet to a 5/8-inch rebar set; Thence North 45 degrees 07 minutes 02 seconds East, a distance of 17.77 feet to a 5/8-inch rebar set; Thence North 09 degrees 33 minutes 34 seconds East, a distance of 41.55 feet to a 5/8-inch rebar set; Thence North 10 degrees 32 minutes 15 seconds West, a distance of 35.03 feet to a 5/8-inch rebar set; Thence North 13 degrees 21 minutes 04 seconds West, a distance of 8.87 feet to a 5/8-inch rebar set; Thence North 36 degrees 42 minutes 15 seconds West, a distance of 16.28 feet to a 5/8-inch rebar set; Thence North 42 degrees 15 minutes 44 seconds West, a distance of 15.23 feet to a 5/8-inch rebar set; Thence North 10 degrees 33 minutes 34 seconds West, a distance of 6.28 feet to a 5/8-inch rebar set; Thence North 21 degrees 11 minutes 01 seconds East, a distance of 5.19 feet to a 5/8-inch rebar set; Thence North 31 degrees 54 minutes 29 seconds East, a distance of 41.45 feet to a 5/8-inch rebar set; Thence North 59 degrees 46 minutes 19 seconds East, a distance of 10.97 feet to a 5/8-inch rebar set; Thence North 47 degrees 28 minutes 38 seconds East, a distance of 26.33 feet to a 5/8-inch rebar set; Thence North 40 degrees 34 minutes 56 seconds East, a distance of 35.67 feet to a 5/8-inch rebar set; Thence North 35 degrees 50 minutes 52 seconds East, a distance of 21.47 feet to a 5/8-inch rebar set; Thence North 43 degrees 27 minutes 43 seconds East, a distance of 18.49 feet to a 5/8-inch rebar set; Thence North 54 degrees 18 minutes 10 seconds East, a distance of 16.52 feet to a 5/8-inch rebar set; Thence North 73 degrees 27 minutes 36 seconds East, a distance of 13.89 feet to a 5/8-inch rebar set; Thence North 87 degrees 25 minutes 44 seconds East, a distance of 38.56 feet to a 5/8-inch rebar set; Thence North 06 degrees 20 minutes 50 seconds East, a distance of 390.74 feet to a 5/8-inch rebar set, said point being the TRUE POINT OF BEGINNING.

Said tract of land contains 15.598 Acres.

LESS AND EXCEPT that certain property conveyed by Right-of-Way Deed from District at Parkview MF, LLC to Department of Transportation, dated January 10, 2022, filed for record January 13, 2022, and recorded in Deed Book 59605, page 259, Gwinnett County, Georgia records.

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TOGETHER WITH easements and other interests in real property of Grantor, if any, contained in Reciprocal Easement Agreement by and between District at Parkview MF, LLC, a Georgia limited liability company and District at Parkview BFR, LLC, a Georgia limited liability company, dated March 31, 2022, filed for record April 20, 2022, and recorded in Deed Book 59884, page 824, Gwinnett County, Georgia records.

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Accreditation Letter of Accredited Investor Status

ACCREDITATION LETTER
NOTE: THIS ACCREDITATION LETTER (OR DOCUMENTATION OTHERWISE MATERIALLY IDENTICAL IN SUBSTANCE) IS REQUIRED TO BE COMPLETED AND PROVIDED ON BEHALF OF EACH SUBSCRIBER.

TO BE PREPARED BY THE SUBSCRIBER'S THIRD-PARTY LICENSED ATTORNEY, CERTIFIED PUBLIC ACCOUNTANT, AN SEC-REGISTERED INVESTMENT ADVISER, A REGISTERED BROKER-DEALER, INVESTMENT ADVISER REPRESENTATIVE, REGISTERED REPRESENTATIVE, OR SUCH OTHER THIRD-PARTY PROFESSIONAL (I) WHO SHALL TAKE REASONABLE STEPS TO VERIFY AND HAS DETERMINED THAT SUCH SUBSCRIBER IS AN ACCREDITED INVESTOR AND (II) THE SPONSOR HAS A REASONABLE BASIS TO RELY ON SUCH VERIFICATION.

In connection with a proposed investment pursuant to Rule 506(c) of Regulation D under the Securities Act of 1933, as amended (the "**Securities Act**"), I hereby confirm that, as of the date set forth below, _____ is/are "accredited investor(s)" as defined in Rule 501(a) of Regulation D under the Securities Act.

In making this determination, I have reviewed selected documents and information and determined within the ***prior three months***:

(Initial one of the options below)

_____ With respect to **Income**: Any Internal Revenue Service form that reports the purchaser's income (including, but not limited to, Form W–2, Form 1099, Schedule K–1 of Form 1065, and Form 1040) or such other documentation that provides me with a reasonable basis to verify that purchaser has the income level necessary to qualify as an "accredited investor" during the current year;

_____ With respect to **Net Worth**: Such asset and liability documentation that provides me with a reasonable basis to verify that purchaser has the net worth level necessary to qualify as an "accredited investor" during the current year. Documentation may include, but is not limited to, bank statements, brokerage statements and other statements of securities holdings, certificates of deposit, tax assessments, appraisal reports issued by independent third parties, and/or such other comparable documentation to determine real property and other asset valuation and debt, as applicable; liabilities may be determined through a consumer report or credit report from at least one of the nationwide consumer reporting agencies, or such other materials and documentation that the undersigned has determined presents fairly and accurately the financial condition of the proposed investor stated above.

I am a _____ (attorney, CPA, broker-dealer, investment adviser representative, registered representative, or other third-party professional _____ (indicate here)).

- If applicable, my license number is _____ and, I am in good standing in the state of _____.

Sincerely,

_____

Printed Name: _____

Date: _____

Phone Number: _____

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EXHIBIT B
TRUST AGREEMENT

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AMENDED AND RESTATED TRUST AGREEMENT

OF

BR PARKVIEW MULTIFAMILY, DST, A DELAWARE STATUTORY TRUST

DATED AS OF

December 18, 2025

BY AND AMONG

BHM PARKVIEW INVESTMENT CO, LLC,

A DELAWARE LIMITED LIABILITY COMPANY,

AS DEPOSITOR

BR PARKVIEW DST MANAGER, LLC,

A DELAWARE LIMITED LIABILITY COMPANY,

AS MANAGER,

AND

CSC DELAWARE TRUST COMPANY,

AS TRUSTEE

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AMENDED AND RESTATED TRUST AGREEMENT
OF
BR PARKVIEW MULTIFAMILY, DST,
A DELAWARE STATUTORY TRUST

This AMENDED AND RESTATED TRUST AGREEMENT, dated as of December 18, 2025 (the "Effective Date") (as the same may be amended or supplemented from time to time, this "Trust Agreement"), is made by and among BHM Parkview Investment Co, LLC, a Delaware limited liability company (the "Depositor"), BR Parkview DST Manager, LLC, a Delaware limited liability company, as manager (the "Manager"), CSC Delaware Trust Company ("DTC"), as trustee (the "Trustee"), and as Independent Trustee, as the case may require (in such capacity, the "Independent Trustee").

RECITALS

A. The Depositor and DTC, as Trustee, have heretofore formed BR Parkview Multifamily, DST as a Delaware statutory trust (the "Trust") in accordance with Chapter 38 of Title 12 of the Delaware Code, 12 Del. C. §3801, *et seq.* (the "Statutory Trust Act") by filing that certain certificate of trust (the "Certificate of Trust") with the Secretary of State of the State of Delaware on November 26, 2025.

B. The Depositor, the Manager, and DTC, as Trustee, entered into that certain Trust Agreement of the Trust dated November 26, 2025 (the "Original Trust Agreement").

C. The Depositor, DTC, as Trustee and as Independent Trustee, and the Manager desire to enter into this Trust Agreement to amend and restate in its entirety the Original Trust Agreement.

D. BHM Parkview Exchange TRS, LLC, a Delaware limited liability company (the "Sponsor"), is an indirect wholly owned taxable real estate investment trust subsidiary of Bluerock Residential Holdings, L.P., a Delaware limited partnership (the "OP"), which is a subsidiary of Bluerock Homes Trust, Inc., a Maryland corporation.

E. BHM DST Acquisitions, LLC, a Delaware limited liability company ("BHM"), an affiliate of Sponsor, is a party to that certain Purchase and Sale Agreement (as amended, restated, assigned or otherwise modified as of the date hereof, the "Original PSA"), by and among District at Parkview MF, LLC, a Georgia limited liability company, as seller, and BHM, as purchaser, for the purchase of certain real estate more particularly described on Exhibit A, together with all buildings, structures, fixtures, and improvements located thereon (the "Real Estate"). The Depositor acquired its rights to the PSA pursuant to that certain Assignment of PSA, by and between BHM and the Depositor, pursuant to which BHM assigned its rights and obligations under the PSA to the Depositor (the "PSA Assignment"; and together with the Original PSA, collectively, the "PSA"). As further consideration for the PSA Assignment, the Depositor has agreed to pay Manager, on behalf of BHM, an acquisition fee in the amount of $1,665,000 (the "Acquisition Fee") in connection with the acquisition of the Real Estate.

F. The Depositor has agreed to convey the PSA to the Trust, together with an amount of cash, which when combined with the proceeds from the First Mortgage Loan (as hereinafter defined), will be sufficient to enable the Trust to acquire the Real Estate, in exchange for one hundred percent (100%) of the Class 2 Beneficial Interests (as hereinafter defined) in the Trust as reflected by the Class 2 Beneficial Ownership Certificate (as hereinafter defined) issued to Depositor. The Trust, in connection with such assignment, assumed the rights and responsibilities of Depositor under the PSA, including the obligation to pay the Acquisition Fee to Manager. The cash deposited by the Depositor with the Trust shall be sufficient to cover the payment of the Acquisition Fee.

G. It is anticipated that certain Persons (as hereinafter defined) will acquire Class 1 Beneficial Interests (as hereinafter defined) in the Trust as evidenced by newly issued Class 1 Beneficial Ownership Certificates (as hereinafter defined) in exchange for payment of money to the Trust and become Class 1 Beneficial Owners (as hereinafter defined) in accordance with the provisions of this Trust Agreement, which money will be distributed to the Depositor in whole or partial redemption of the Beneficial Interests held by the Depositor.

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H. Concurrently with the acquisition of the Real Estate by the Trust, the Real Estate will become subject to certain Financing Documents (as hereinafter defined) and the Leases (as hereinafter defined).

I. The Trust has retained the Manager to undertake certain actions and perform certain duties that would otherwise be performed by the Trust.

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 to amend and restate in its entirety the Original Trust Agreement and agree as follows:

ARTICLE 1
DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions. Capitalized terms used in this Trust Agreement shall have the meanings as set forth below. Capitalized terms not otherwise defined herein have the meanings set forth in the First Mortgage Loan Agreement.

"Acquisition Fee" has the meaning given to such term in the Recitals.

"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.

"Asset Management Fee" shall have the meaning given such term in Section 9.4.

"Beneficial Interest" means a beneficial interest in the Trust, as such term is used in the Statutory Trust Act, all of which interests shall be either Class 1 Beneficial Interests or Class 2 Beneficial Interests.

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

"Beneficial Ownership Certificate" means a certificate, stating whether it is a Class 1 Beneficial Ownership Certificate or a Class 2 Beneficial Ownership Certificate, in substantially the form of Exhibit B-1 or Exhibit B-2, respectively, evidencing a Beneficial Interest in the Trust.

"Business Day" is any day other than on Saturday, Sunday or legal holiday in the State of Delaware.

"Call-Option Fee" has the meaning given to such term in Section 10.1.

"Cash Amount" has the meaning given to such term in Section 10.2.

"Cash Investor" has the meaning given to such term in Section 10.2.

"Cash Redemption Fee" has the meaning given to such term in Section 10.2.

"Certificate of Trust" means the certificate of trust of the Trust, a copy of which is attached as Exhibit C.

"Class 1 Beneficial Interests" means the Beneficial Interests held by the Investors.

"Class 1 Beneficial Owners" means the Investors.

"Class 1 Beneficial Ownership Certificates" means the Beneficial Ownership Certificates issued to the Investors.

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"Class 2 Beneficial Interest" means the Beneficial Interest held by the Depositor.

"Class 2 Beneficial Owner" means the Depositor and any permitted assignee of the Class 2 Beneficial Interest.

"Class 2 Beneficial Ownership Certificate" means the Beneficial Ownership Certificate issued to the Depositor and any permitted assignee of the Class 2 Beneficial Interest, and if, at any time, the Class 2 Beneficial Interest is held by more than one Person, such term in the plural shall mean the Beneficial Ownership Certificates issued to such Persons.

"Closing Date" means that date of the first sale of Class 1 Beneficial Interests in the Trust to the Investors.

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

"Contributing Investor" has the meaning given to such term in Section 10.1.

"Conversion Notice" means the notice, in substantially the form of Exhibit G, issued by the Depositor to the Trustee and the Manager stating that the provisions of Section 3.3(c) shall become effective upon receipt of the notice by the Trustee.

"Costs of Sale" has the meaning given to such term in Section 6.14.

"Depositor" means BHM Parkview Investment Co, LLC.

"Disposition Fee" has the meaning given to such term in Section 9.4.

"Divide" shall mean the filing of a certificate of division, adoption of a plan of division, amending of any organizational documents, or any other actions taken, permitted, or consented to in order to divide a Person into two or more Persons pursuant to a plan of division such as contemplated under the Delaware Limited Liability Company Act or any other similar requirement of law in any jurisdiction. The term "Divide" shall have a correlative meaning.

"DTC" 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.

"Exchange FMV" has the meaning given to such term in Section 10.4.

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

"Financing Documents" means the First Mortgage Loan Documents and any other documents or agreements contemplated by any of the foregoing or otherwise required by Lender.

"First Mortgage" means the first-priority mortgage securing the First Mortgage Loan.

"First Mortgage Loan" means the Lender's mortgage loan in the original principal amount of approximately $38,625,000, secured by the First Mortgage and the First Mortgage Loan Documents.

"First Mortgage Loan Agreement" means that certain Multifamily Loan and Security Agreement (Non-Recourse) (Delaware Statutory Trust) dated on or about the date hereof (as the same may be amended, restated and/or modified from time to time), by and between the Trust and Lender.

"First Mortgage Loan Documents" means, in connection with the First Mortgage Loan, the First Mortgage and all related assignments of leases and rents, and the other security instruments and documents related to the Property.

"FMV Option" has the meaning given to such term in Section 10.1.

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"FMV Option Appraised Value of the Property" has the meaning given to such term in Section 10.4.

"Independent Trustee" shall mean DTC, the trustee serving as the Independent Trustee in compliance with the terms of Section 4.01(a)(3) of the First Mortgage Loan Agreement.

"Investors" means the original purchasers of Class 1 Beneficial Interests in the Trust and any permitted assignees of such Class 1 Beneficial Interests.

"Leases" means (i) the Master Lease and (ii) any subleases relating to the Real Estate.

"Lender" means KeyBank National Association under the Federal National Mortgage Association Delegated Underwriting and Servicing program, together with its successors, assigns, and transferees.

"LLC" has the meaning given to such term in Section 9.2.

"LLC Agreement" has the meaning given to such term in Section 11.10.

"Manager" means the Person serving, at the time of determination, as the manager under this Trust Agreement. As of the Effective Date, the Manager is BR Parkview DST Manager, LLC, a Delaware limited liability company.

"Manager Covered Expenses" has the meaning given to such term in Section 5.4.

"Manager Indemnified Persons" has the meaning given to such term in Section 5.4.

"Master Lease" means that master lease agreement between the Trust, as landlord, and Master Tenant, as master tenant, relating to the Real Estate, together with all amendments, supplements and modifications thereto.

"Master Tenant" means BHM Parkview Leaseco, LLC, a Delaware limited liability company, as master tenant under the Master Lease, including all permitted assigns, transferees and successors.

"Memorandum" means any Offering Memorandum (as supplemented and amended from time to time), through which the Class 1 Beneficial Interests are being syndicated to accredited investors.

"Notice of Exchange" has the meaning given to such term in Section 10.1.

"OP" means Bluerock Residential Holdings, L.P., a Delaware limited partnership.

"OP Units" has the meaning given to such term in Section 10.1.

"Original PSA" has the meaning given to such term in the Recitals.

"Original Trust Agreement" has the meaning given such term in the Recitals.

"Ownership Records" means the records maintained by the Manager, substantially in the form of Exhibit D, 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 Manager contemporaneously to reflect the issuance of Beneficial Interests and Beneficial Ownership Certificates 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 Interest in the Trust held by such Beneficial Owner as reflected on the most recent Ownership Records and evidenced by the Beneficial Ownership Certificate held by such Beneficial Owner. For the avoidance of doubt, the sum of (i) the Percentage Share of the Class 1 Beneficial Interests and (ii) the Percentage Share of the Class 2 Beneficial Interests at all times shall be 100%.

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"Permitted Investment" has the meaning set forth in Section 7.2.

"Permitted Transfer" means the transfer of a Class 1 Beneficial Interest (i) by devise, descent or by operation of law upon the death of a Class 1 Beneficial Owner or the member, partner, or stockholder of a Class 1 Beneficial Owner or (ii) for estate planning purposes primarily for the benefit of such Beneficial Owner.

"Permitted Equipment Financing" shall have the meaning given to such term in the First Mortgage Loan Agreement.

"Person" means a natural person, corporation, limited partnership, general partnership, 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.

"PSA" has the meaning given to such term in the Recitals.

"Property" means Real Estate.

"Purchase Agreement" means the agreement to be entered into by the Trust (through the Manager) and each Investor with respect to the acquisition of Class 1 Beneficial Interests by the Investors.

"Real Estate" has the meaning given to such term in the Recitals.

"Regulations" means U.S. Treasury Regulations promulgated under the Code.

"Replacement Reserve" means the replacement and immediate repairs reserves funded at closing from the First Mortgage Loan proceeds and controlled by Lender. The Replacement Reserve shall also hold the ongoing monthly deposits from the Real Estate established pursuant to the Financing Documents.

"Reserves" has the meaning given to such term in Section 7.2 and includes, without limitation, the Trust Controlled Reserves, the Replacement Reserve, and any other reserve or escrow account required by Lender under the Financing Documents or by the Trust as elsewhere provided herein.

"ROFR Notice" has the meaning given to such term in Section 6.4(b).

"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.

"Signature Page" has the meaning given to such term in Section 11.10.

"Sponsor" means BHM Parkview Exchange TRS, LLC, a Delaware limited liability company, which is an indirect wholly owned "taxable real estate investment trust subsidiary" of the OP.

"Statutory Trust Act" has the meaning given to such term in the Recitals.

"Tax Protection Agreement" has the meaning given to such term in Section 10.3.

"Tenant" means the Person identified as the tenant or lessee in each of the Leases.

"Third-Party Offer" means an offer, whether solicited or unsolicited, to purchase all or a portion of a Class 1 Beneficial Interest or a controlling ownership interest in the Selling Beneficial Owner that (a) is for a specified price and stated terms, (b) is made by a Person, identified therein by name and address and (c) contains all terms and conditions of the proposed purchase and sale thereof.

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"Transaction Documents" means the Trust Agreement, the PSA, the Purchase Agreement, the Leases, and 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.

"Triggering Event" has the meaning given to such term in Section 10.3.

"Trust" means BR PARKVIEW MULTIFAMILY, DST, a Delaware statutory trust continued 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 Controlled Reserves" has the meaning given to such term in Section 6.14.

"Trust Estate" means all of the Trust's right, title, and interest in and to the Leases, 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.

"Trustee" means the Person serving, at the time of determination, as the trustee under this Trust Agreement, in such Person's capacity as Trustee and not in such Person's individual capacity. As of the Effective Date, the Person serving as Trustee is DTC.

"Trustee Covered Expenses" has the meaning given to such term in Section 4.5.

"Trustee Indemnified Persons" has the meaning given to such term in Section 4.5.

ARTICLE 2
GENERAL MATTERS

Section 2.1 Organizational Matters.

(a) DTC is hereby appointed as the Trustee, and DTC hereby accepts such appointment, pursuant and subject to this Trust Agreement.

(b) The filing of the Certificate of Trust has been duly made at the office of the Secretary of State of the State of Delaware (the "Secretary of State"), and the Trustee is hereby authorized to execute and file in the office of the Secretary of State such other 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 "BR PARKVIEW MULTIFAMILY, DST". The Manager 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 to which the Trust is or becomes a party from time to time) 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 Trustee or the Manager individually or to the officers, agents or employees of the Trust, the Trustee, or the Manager.

(d) The principal office of the Trust, and such additional offices as the Manager may determine to establish, shall be located at such places inside or outside of the State of Delaware as the Manager shall designate from time to time. The principal office of the Trust is located at c/o Bluerock Real Estate Holdings, LLC, 919 Third Avenue, Suite 4000, New York, NY 10022.

(e) Legal title to the Trust Estate shall be vested in the Trust as a separate legal entity.

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(f) Depositor, DTC, and the Manager hereby acknowledge and agree to the amendment and restatement of the Original Trust Agreement in its entirety pursuant to the terms of this Trust Agreement.

Section 2.2 Declaration of Trust and Statement of Intent.

(a) The Trust 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 Trustee is a "trustee," the Manager 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 of such term as provided in or as used in the Statutory Trust Act.

Section 2.3 Purposes. The purposes of the Trust are, and the Trust has all requisite power, authority and authorization to engage in, in addition to the activities set forth in Section 5.3(b) hereof, the following activities: (i) to have the Trust acquire the Real Estate and enter into, execute, deliver and perform the Leases, the Financing Documents and the other Transaction Documents to which it is or becomes a party from time to time; (ii) to hold for investment and eventually dispose of the Real Estate; and (iii) to take only such other actions as the Manager deems necessary or appropriate to carry out the foregoing. Neither the Trustee, the Manager, Investors or Beneficial Owners, nor any of their agents or affiliates, shall provide services related to the Trust or the Real Estate: (a) that are not "customary services" within the meaning of Revenue Ruling 75-374, 1975-2 C.B. 261; (b) the payment for which would not qualify as "rents from real property" within the meaning of Code Section 512(b)(3)(A)(i) and the Regulations thereunder; or (c) the payment for which would not qualify as "rents from real property" within the meaning of Code Sections 856(c)(2)(C) and 856(c)(3)(A) and the Regulations thereunder. The Trust shall conduct no business other than as specifically set forth in this Section 2.3.

ARTICLE 3
PROVISIONS RELATING TO THE FIRST MORTGAGE 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 First Mortgage 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 or elsewhere in this Trust Agreement shall limit or impair the Trust's power, authority and authorization (or limit or impair the Manager's power, authority and authorization to cause the Trust) to enter into, execute, deliver, and perform its obligations under, the Transaction Documents to which it is or becomes a party from time to time, and to do so without the need for the consent or approval of any Beneficial Owner or other Person, 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 First Mortgage Loan. So long as the First Mortgage Loan remains outstanding, the provisions of this Section 3.2 shall be in full force and effect. The terms of this Trust Agreement are further limited by and subject to the provisions of the Financing Documents while the First Mortgage Loan remains outstanding. Capitalized terms used in the Section 3.2 and not defined herein shall have the meaning given such terms in the Financing Documents.

(b) Until the First Mortgage Loan is paid in full, the Trust must remain a Single Purpose Entity. A "Single Purpose Entity" means with respect to the Trust, a Delaware statutory trust or, following a Transfer Distribution, a limited liability company, which at all times since its formation and thereafter:

(i) shall not acquire, lease, or operate any real property, personal property, or assets other than, pursuant to the Master Lease, the fee or leasehold interest in the Real Estate, as applicable;

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(ii) shall not acquire, own, operate, or participate in any business other than, as lessor pursuant to the Master Lease, the leasing, ownership, management, operation, and maintenance of the Real Estate;

(iii) shall not commingle its assets or funds with those of any other Person, unless such assets or funds can easily be segregated and identified in the ordinary course of business from those of any other Person;

(iv) shall maintain its financial statements, accounting records, and other partnership, real estate investment trust, limited liability company, or corporate documents, as the case may be, separate from those of any other Person (unless such entity's assets are included in a consolidated financial statement prepared in accordance with generally accepted accounting principles); provided the beneficial interest holders of the Trust may also include their share of the assets on their personal financial statements;

(v) shall have no material financial obligation under any indenture, mortgage, deed of trust, deed to secure debt, loan agreement, other agreement or instrument to which it is a party or by which it is otherwise bound, or to which the Real Estate is subject or by which it is otherwise encumbered, other than:

1. Permitted Equipment Financing or unsecured trade payables incurred in the ordinary course of the operation of the Property (exclusive of amounts (a) to be paid out of the Replacement Reserve Account or Repairs Escrow Account, or (b) for rehabilitation, restoration, repairs, or replacements of the Property or otherwise approved by Lender) so long as such trade payables 1. are not evidenced by a promissory note, 2. are payable within sixty (60) days of the date incurred, and 3. as of any date, do not exceed, in the aggregate, two percent (2%) of the original principal balance of the First Mortgage Loan; provided, however, that otherwise compliant outstanding trade payables may exceed two percent (2%) up to an aggregate amount of four percent (4%) of the original principal balance of the First Mortgage Loan for a period (beginning on or after the Effective Date) not to exceed ninety (90) consecutive days;

2. if the Security Instrument grants a lien on a leasehold estate, the Trust's obligations as lessee under the ground lease creating such leasehold estate;

3. obligations under the First Mortgage Loan Documents and obligations secured by the Real Estate to the extent permitted by the First Mortgage Loan Documents; and

4. obligations under the Permitted Encumbrances;

(vi) shall not assume, guaranty, or pledge its assets to secure the liabilities or obligations of any other Person (except, with respect to the Trust only, in connection with the First Mortgage Loan or other mortgage loans that have been paid in full or collaterally assigned to Lender, including in connection with any Consolidation, Extension and Modification Agreement or similar instrument) or hold out its credit as being available to satisfy the obligations of any other Person;

(vii) shall not make loans or advances to any other Person;

(viii) other than the Master Lease, shall not enter into, or become a party to, any transaction with any Affiliate, except in the ordinary course of business and on terms which are no more favorable to any such Affiliate than would be obtained in a comparable arm's-length transaction with an unrelated third party, provided that neither the Trust's acquisition of the Property nor the Trust's entry into and performance of its obligations under the Master Lease Documents shall be deemed to breach this covenant;

(ix) shall have at all times an Independent Trustee in compliance with the provisions of the First Mortgage Loan Documents; or

(x) shall not Divide.

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Section 3.3 Provisions Relating to Tax Treatment.

(a) Prior to the effective date of the Conversion Notice, the sole Beneficial Owner of the Trust shall be the Depositor. The rights of the Depositor (as the Class 2 Beneficial Owner) with respect to the assets and property held by the Trust, as provided in Section 6.11 hereof, are such that the Trust will be characterized at such time as a "business entity" within the meaning of Regulations Section 301.7701-3. Because the Depositor will be the sole Beneficial Owner, prior to the Conversion Notice, the Trust will be characterized as a disregarded entity, and all assets and property of the Trust shall be treated for federal income tax purposes as assets and property of the Depositor.

(b) Upon the effective date of the Conversion Notice, the special rights of Depositor (as the Class 2 Beneficial Owner) set forth in Section 6.11 will terminate, as set forth in Section 6.12, and the Depositor will have the same rights as any Class 1 Beneficial Owner. At that time, the Depositor will be deemed for Federal income tax purposes to have transferred the Real Estate to a separate entity, the Trust, which will be classified for Federal income tax purposes as specified in Section 3.3(c).

(c) It is the intention of the parties hereto that upon and at all times after the effective date of the Conversion Notice that the Trust shall constitute an investment trust pursuant to Regulations Section 301.7701-4(c) and that 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. Upon and after issuance of the Conversion Notice, none of the Trustee, the Manager, 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 with respect to the Trust if the taking of such action or actions should be expected, in the reasoned opinion of tax counsel to the Trust, to constitute the exercise of a power under the Trust Agreement to "vary the investment of the certificate holders" within the meaning of Regulations Section 301.7701-4(c)(1) and Rev. Rul. 2004-86:

(1) sell, transfer or exchange the Real Estate except as required under 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 7.2;

(3) renegotiate the terms of the First Mortgage Loan or enter into new financing, except in the case of Master Tenant's bankruptcy or insolvency;

(4) renegotiate the Master Lease or enter into new leases (other than the original Master Lease entered into in connection with the acquisition of the Real Estate), except in the case of the Master Tenant's bankruptcy or insolvency;

(5) make modifications to the Real Estate (other than minor non-structural modifications) unless required by law; or

(6) accept any capital from a Beneficial Owner (other than capital from an Investor that will be (i) used to pay expenses of the offer and sale of the Class 1 Beneficial Interests, (ii) used to fund Reserves, or (iii) distributed to the Depositor and reduce the Depositor's Percentage Share).

The Trust shall hold the Trust Estate for investment purposes and only lease the Real Estate to the Master Tenant. The activities of the Trust with respect to the Trust Estate after the effective date of the Conversion Notice 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 Trustee, Beneficial Owners, the Manager or 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 this Section 3.3. Without limiting the generality of the foregoing, upon and after the effective date of the Conversion Notice, (i) none of the Trustee, the Manager, the Beneficial Owners and

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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 Regulations Section 301.7701-4 and not treated as a "business entity" within the meaning of Regulations Section 301.7701-3, 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, after the effective date of the issuance of the Conversion Notice, the Trust is intended to be and shall constitute an investment trust pursuant to Regulations Section 301.7701-4(c) 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 TRUSTEE AND THE INDEPENDENT TRUSTEE

Section 4.1 Power and Authority. Each of the Trustee and the Independent 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, and (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, and take such action or refrain from taking such action under this Trust Agreement as may be directed in a writing delivered to the Trustee by the Manager; provided, however, that the Trustee or the Independent Trustee, as applicable, shall not be required to take or refrain from taking any such action if the Trustee or the Independent Trustee, as applicable, shall believe, or shall have been advised by counsel, that such performance is likely to involve the Trustee or the Independent Trustee in personal liability or is contrary to the terms of this Trust Agreement or of any document contemplated hereby to which the Trust, the Trustee or the Independent Trustee is or becomes a party or is otherwise contrary to law. The Manager agrees not to instruct the Trustee or the Independent Trustee, as applicable, to take any action that is contrary to the terms of this Trust Agreement or of any document contemplated hereby to which the Trust or the Trustee or Independent Trustee is or becomes party or that is otherwise contrary to law. Other than as expressly provided for in this Trust Agreement, the Trustee and the Independent Trustee shall have no duty to take any action for or on behalf of the Trust.

Section 4.2 Trustee and Independent Trustee May Request Direction. If at any time the Trustee or Independent Trustee, as applicable, 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 Trustee or Independent Trustee, as applicable may deliver a notice to a court of applicable 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 Trustee or Independent Trustee, as applicable, in reliance thereon. Until the Trustee or Independent 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 Trustee's and Independent Trustee's Capacity. In accepting the trust hereby created, DTC acts solely as Trustee or Independent Trustee, as applicable, hereunder and not in its individual capacity, serves the Trust solely to fulfill the Trust's obligation pursuant to Section 3807(a) of the Statutory Trust Act to have at least one trustee who has its principal place of business in the State of Delaware and all Persons having any claim against the 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 DTC, in its individual capacity or in its capacity as Trustee or Independent Trustee (as applicable), (i) have any duty to choose or supervise, nor shall it have any liability for the actions or inactions of, the Manager or any officer, manager, employee, or other Person (other than DTC 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 Manager, or any officer, manager, employee, or other Person (other than DTC and its own employees); provided, however, that this limitation shall not protect DTC 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. Under no circumstances shall the Trustee or Independent Trustee (as applicable): (i) be personally liable for any representation,

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warranty, covenant, agreement or indebtedness of the Trust; or (ii) be liable for any punitive, exemplary, consequential, special or other damages for a breach of this Agreement.

Section 4.4 Duties. None of the Trustee, Independent Trustee or any successor 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 fiduciary or other duties or obligations shall be read into this Trust Agreement against the Trustee, Independent Trustee or any successor trustee. The right of the Trustee or Independent Trustee, as applicable, 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 Trustee, the Independent Trustee and any successor trustee (i) shall have no duties (fiduciary or otherwise) to any Person other than the Trust and the Beneficial Owners, and all such duties (including only those fiduciary duties expressly set forth herein as being fiduciary in nature) shall be restricted to those duties (including fiduciary duties) expressly set forth in this Trust Agreement, and (ii) shall have no liability (including no liability for breach of contract or breach of duty) to any Person other than the Trust and the Beneficial Owners, and all such liability shall be restricted to those liabilities expressly set forth in this Trust Agreement and only those which are due to its willful misconduct, bad faith, fraud or gross negligence in the performance of its duties under this Trust Agreement; provided, however, no provision of this Trust Agreement is intended to or shall eliminate the implied contractual covenant of good faith and fair dealing or limit or eliminate liability for any act or omission that constitutes a bad faith violation of the implied contractual covenant of good faith and fair dealing.

Section 4.5 Indemnification. To the fullest extent permitted by law, the Trust agrees, and the Beneficial Owners hereby acknowledge and agree that the Trust agrees to: (i) reimburse the Person serving as Trustee and/or any successor 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 Person serving as Trustee and/or any successor Trustee, and the officers, directors, employees and agents of the Person serving as Trustee and/or any successor Trustee and (iii) reimburse the Person serving as Independent Trustee and/or any successor Independent 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 (the persons listed in (i), (ii) and (iii) collectively, the "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, "Trustee Covered Expenses"), to the extent that such Trustee Covered Expenses arise out of or are imposed upon or asserted at any time against any such Trustee Indemnified Persons, including without limitation on the basis of ordinary negligence on the part of any such 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 Trustee Indemnified Person for Trustee Covered Expenses to the extent such Trustee Covered Expenses result from the willful misconduct, bad faith, fraud or gross negligence of such Trustee Indemnified Person; and (iii) to the fullest extent permitted by law, advance to each such Trustee Indemnified Person Trustee Covered Expenses incurred by such 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, only upon receipt by any Beneficial Owner of an undertaking, by or on behalf of such Trustee Indemnified Person, to repay such amount if a court of competent jurisdiction renders a final, non-appealable judgment that includes a specific finding of fact that such 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 Trustee, shall survive the dissolution and termination of the Trust, and shall survive the termination, amendment, supplement, and/or restatement of this Trust Agreement. So long as any obligation evidenced or secured by the Financing Documents is outstanding, no indemnity payment from the funds of the Trust (as distinct from funds from other sources, such as insurance) of any indemnity pursuant to this Section 4.5 shall be payable from amounts allocable to the Lender pursuant to the Financing Documents. Any indemnification set forth in this Trust Agreement shall be fully subordinate to the First Mortgage 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. The indemnification provided under this Section 4.5 shall be limited to and only paid out of the Trust Estate.

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Section 4.6 Removal; Resignation; Succession. The Trustee and the Independent Trustee may resign at any time by giving at least 60 days' prior written notice to the Manager. The Manager may at any time remove the Trustee or the Independent Trustee for cause by written notice to the Trustee or Independent Trustee, as applicable. Cause shall only result from the willful misconduct, bad faith, fraud or gross negligence of the Trustee or Independent Trustee (as applicable), as determined by arbitration under the procedures described in Section 11.12. Such resignation or removal shall be effective upon the acceptance of appointment by a successor trustee as hereinafter provided. In case of the removal or resignation of a trustee, the Manager may appoint a successor by written instrument. If a successor trustee shall not have been appointed within 60 days after the giving of such notice, the Trustee, Independent Trustee, or any of the Beneficial Owners may apply to any court of competent jurisdiction in the United States to appoint a successor trustee to act until such time, if any, as a successor shall have been appointed as provided above. Any successor so appointed by such court shall immediately and without further act be superseded by any successor appointed as provided above within one year from the date of the appointment by such court. Any successor, however appointed, shall execute and deliver to its predecessor 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 trustee in the trusts hereunder with like effect as if originally named the Trustee or Independent Trustee (as applicable) 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 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.

Any successor 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 Trustee or Independent 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 Trustee or Independent Trustee (as applicable) shall be a party, or any corporation to which substantially all the corporate trust business of the Trustee or Independent Trustee (as applicable) may be transferred, shall, subject to the preceding sentence, be the Trustee or Independent Trustee (as applicable) under this Trust Agreement without further act.

Section 4.7 Fees and Expenses. The Trustee and Independent Trustee shall receive as compensation for its services hereunder such fees as have been separately agreed upon between Depositor on the one hand and the Trustee and Independent Trustee on the other hand, which fees are set forth on Schedule I attached hereto. The Trustee and the Independent Trustee shall not have any obligation by virtue of this Trust Agreement to spend any of its/their own funds, or to take any action that could result in its/their incurring any cost or expense.

ARTICLE 5
CONCERNING THE MANAGER

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 Manager. The Manager shall have the power and authority, and is hereby authorized and empowered, 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, provided that the Manager shall have no power to engage on behalf of the Trust in any activities that the Trust could not engage in directly, and further provided that the Manager shall at all times be subject to the terms and provisions of the Trust Agreement. The Manager 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, and in furtherance thereof, the Class 2 Beneficial Owner, at any time prior to the issuance of the Conversion Notice, may confirm such authorization, empowerment, and direction and otherwise direct the Manager in connection with the investment activities and affairs of the Trust. Notwithstanding the other provisions of this Section 5.1, the Manager shall have the power and authority to cause the Trust to (i) acquire the Real Estate; and (ii) execute and deliver the Master Lease and the Financing Documents in connection with the acquisition of the Real Estate (but, except as otherwise provided herein, shall not have the power to renegotiate, amend or restate the Master Lease and the Financing Documents following the issuance of the Conversion Notice). Further, the Manager shall at all times during the term of the Trust have a special and limited power of attorney as the attorney-

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in-fact for each Beneficial Owner, with power and authority to act in the name and on behalf of each such Beneficial Owner to execute, acknowledge, and swear to in the execution, acknowledgment and filing of documents that are not inconsistent with the provisions of this Trust Agreement and which may include, by way of illustration but not by way of limitation, documents relating to the FMV Option.

Section 5.2 Manager's Capacity**.** The Manager acts solely as an agent of the Trust and not in its individual capacity, and all Persons having any claim against the Manager 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 Manager shall not have any liability to any Person except for its own fraud or gross negligence.

Section 5.3 Duties.

(a) The Manager has primary responsibility for performing the administrative actions set forth in this Section 5.3. In addition, the Manager shall have the obligations with respect to a potential sale of the Trust Estate set forth in Article 9. The Manager shall have no duty or obligation to comply with any directive from any Beneficial Owner with respect to the Trust Estate. The Manager 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 Manager. The right of the Manager 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, (i) the Manager's duties and liabilities relating thereto to the Trust and the Beneficial Owners shall be restricted to those duties expressly set forth in this Trust Agreement and liabilities relating thereto, and (ii) Manager has no fiduciary duties whatsoever to the Trust or to Beneficial Owners. For the avoidance of doubt, Manager's duties are limited to the maximum extent permitted under Section 3806(e) of the Statutory Trust Act.

(b) Without limiting the generality of Section 5.3(a) above or Section 9 below, upon and after the issuance of the Conversion Notice, the Manager, 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:

(1) Receiving the contribution of PSA, acquiring the Real Estate subject to the Leases and entering into the Master Lease and the First Mortgage Loan;

(2) 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 Regulation Section 1.1031(k)-1;

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

(6) take any action which in the reasoned opinion of tax counsel to the Trust, should not have an adverse effect on either the treatment of the Trust as an "investment trust" within the meaning of Regulation Section 301.7701-4(c) or each Beneficial Owner as a "grantor" within the meaning of Code Section 671; and

(7) solely to the extent necessitated by the bankruptcy or insolvency of the Master 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 or renegotiating or refinancing any debt secured by the Real Estate (including, without limitation, the First Mortgage Loan).

The foregoing notwithstanding, from and after the issuance of the Conversion Notice, under no circumstances shall the power or authority of the Manager include the ability to take any actions which would cause the Trust to cease to

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constitute an "investment trust" within the meaning of Regulation Section 301.7701-4(c). After issuance of the Conversion Notice, the power and authority of the Manager 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.

(c) The Manager shall keep customary and appropriate books and records relating to the Trust and the Trust Estate and shall certify reports regarding the same to Lender, if required by the Financing Documents. The Manager 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.

(d) The Manager shall promptly furnish to the Beneficial Owners copies of any reports, notices, requests, demands, certificates, financial statements and any other writings that the Financing Documents require that the Manager distribute to the Beneficial Owners (unless the Manager reasonably believes the same have been already sent directly to the Beneficial Owners in which case the Manager shall have no obligation to re-distribute them).

(e) The Manager shall not be required to act or refrain from acting under this Trust Agreement or the Financing Documents if the Manager reasonably determines, or has been advised by counsel, that such actions or inactions may result in personal liability, unless the Manager 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 Manager.

(f) The Manager shall not, on its own behalf (in contrast to actions that the Manager 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 Manager shall manage, control, dispose of or otherwise deal with the Trust Estate in its discretion, subject to any restrictions or obligations set forth in the Financing Documents or this Trust Agreement.

(h) The Manager 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 Manager shall provide to the Trustee a copy of the Ownership Records contemporaneously with each revision thereto.

Section 5.4 Indemnification. The Class 1 Beneficial Owners and the Trust, jointly and severally, hereby agree to (i) reimburse the Manager 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 Manager, and the officers, directors, employees and agents of the Manager (collectively, including the Manager, the "Manager 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, "Manager Covered Expenses"), to the extent that such Manager Covered Expenses arise out of or are imposed upon or asserted at any time against such Manager Indemnified Persons, including without limitation on the basis of ordinary negligence on the part of any such Manager 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 Class 1 Beneficial Owners shall not be required to indemnify a Manager Indemnified Person for Manager Covered Expenses to the extent such Manager Covered Expenses result from the fraud or gross negligence of such Manager Indemnified Person, and (iii) to the fullest extent permitted by law, advance to each such Manager Indemnified Person Manager Covered Expenses incurred by such Manager 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

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final disposition of such claim, demand, action, suit or proceeding upon receipt by any Class 1 Beneficial Owner of an undertaking, by or on behalf of such Manager Indemnified Person, to repay such amount unless a court of competent jurisdiction renders a final, non-appealable judgment that includes a specific finding of fact that such Manager Indemnified Person is not entitled to be indemnified therefor under this Section 5.4. The obligations of the Class 1 Beneficial Owners and the Trust under this Section 5.4 shall survive the resignation or removal of the Manager, shall survive the dissolution and termination of the Trust, and shall survive the termination, amendment, supplement, and/or restatement of this Trust Agreement. So long as any obligation evidenced or secured by the Financing Documents is outstanding, no indemnity payment from funds of the Trust (as distinct from funds from other sources, such as insurance) of any indemnity pursuant to this Section 5.4 shall be payable from amounts allocable to the Lender pursuant to the Financing Documents. Any indemnification set forth in this Trust Agreement shall be fully subordinate to the First Mortgage 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. Notwithstanding anything to the contrary in the above, in all cases, the indemnification obligations of the Class 1 Beneficial Owners under this Section 5.4 shall be limited to and only paid out of the Trust Estate.

Section 5.5 Fees and Expenses. Except as set forth in Section 9.4, the Manager shall receive no compensation for its services as Manager. The Manager 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 5.6 Sale or Transfer of Trust Estate by Manager Is Binding. Any sale or other conveyance of the Trust Estate or any part thereof by the Manager made for and on behalf of the Trust pursuant to the terms of this Trust Agreement, including but not limited to the contribution of the Trust Estate to a partnership in exchange for ownership interests in such partnership in a transaction structured as a tax-deferred contribution of all, or a part of, the Trust Estate to such partnership under Section 721 of the Code, and the distribution of such ownership interests to the Investors in liquidation of the Trust pursuant to Article 9, 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 Manager may resign at any time by giving at least 30 days' prior written notice to the Trustee. The Trustee may at all times prior to the payment in full of the First Mortgage Loan, remove the Manager for cause by written notice to the Manager. "Cause" sufficient to warrant a removal shall exist only in the event of the fraud or gross negligence of the Manager which causes material damage to, or diminution in value of, the Trust Estate. Such resignation or removal shall be effective upon the acceptance of appointment by a successor Manager as hereinafter provided. In case of the removal or resignation of the Manager, the Trustee, may appoint a successor by written instrument. If a successor Manager shall not have been appointed within 15 days after the giving of such notice, the Manager or any of the Beneficial Owners may apply to any court of competent jurisdiction in the United States to appoint a successor Manager to act until such time, if any, as a successor shall have been appointed as provided above. 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 Manager 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 Manager in the trusts hereunder with like effect as if originally named the Manager 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 Manager in its individual capacity shall survive the resignation or removal of such predecessor Manager, shall survive the dissolution and termination of the Trust, and shall survive the termination, amendment, supplement, and/or restatement of this Trust Agreement.

ARTICLE 6
BENEFICIAL INTERESTS

Section 6.1 Issuance of Class 1 and Class 2 Beneficial Ownership Certificates.

(a) In connection with the execution of this Trust Agreement, the Depositor shall convey to the Trust: (i) the PSA; and (ii) an amount of cash sufficient, together with the net proceeds of the First Mortgage Loan,

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to acquire the Real Estate and pay and fund, as applicable, all of the costs, fees, expenses, and Reserves required in connection with the issuance of Class 1 Beneficial Interests. The Trust shall issue to the Depositor a Class 2 Beneficial Ownership Certificate in substantially the form set forth in Exhibit B-2, with such appropriate insertions, omissions, substitutions, endorsements and other variations as are required by this Trust Agreement, and with such letters, numbers or other marks of identification and such legends and endorsements placed thereon as may, consistent herewith, be approved by the Manager, shall be issued in registered form and delivered to, and registered in the name of, the Depositor. Each Class 2 Beneficial Ownership Certificate shall be printed and dated the date of its execution. Any portion of any Class 2 Beneficial Ownership Certificate may be set forth on the reverse or subsequent pages thereof. The Class 2 Beneficial Ownership Certificate shall be printed, lithographed, typewritten, mimeographed, photocopied or otherwise produced or may be produced in any other manner, including in electronic form, as may, consistently herewith, be determined by the Manager. While the Class 2 Beneficial Interests are held by a single Beneficial Owner such certificate shall represent ownership of the entire Percentage Share from time to time of the Class 2 Beneficial Interests. If, at any time, the Class 2 Beneficial Interests are held by more than one Beneficial Owner, each Class 2 Beneficial Ownership Certificate shall represent ownership of the Percentage Share of the Beneficial Interests to which it corresponds.

(b) Following the issuance of the Conversion Notice, on or after the Closing Date one or more Investors who have executed Purchase Agreement(s) and contributed cash to the Trust shall be issued Class 1 Beneficial Ownership Certificates, in substantially the form set forth in Exhibit B-1, with such appropriate insertions, omissions, substitutions and other variations to evidence their investment and as are otherwise required by this Trust Agreement, and with such letters, numbers or other marks of identification and such legends and endorsements placed thereon as may, consistent herewith, be approved by the Manager. Such Class 1 Beneficial Ownership Certificates shall be issued in registered form and delivered to, and registered in the name of, the applicable Beneficial Owner. Notwithstanding the foregoing, no Class 1 Beneficial Owner, and no assignee or transferee of a Class 1 Beneficial Interest, may own more than a 49% Percentage Share of the aggregate Class 1 Beneficial Ownership Certificates, and any purported issuance of a Class 1 Beneficial Ownership Certificate in violation of the foregoing shall be null, void and of no effect whatsoever. Each Class 1 Beneficial Ownership Certificate shall be printed and dated the date of its execution. Any portion of any Class 1 Beneficial Ownership Certificate may be set forth on the reverse or subsequent pages thereof. The Class 1 Beneficial Ownership Certificate shall be printed, lithographed, typewritten, mimeographed, photocopied or otherwise produced or may be produced in any other manner as may, consistently herewith, be determined by the Manager.

(c) The Manager is hereby authorized to execute each Beneficial Ownership Certificate for and on behalf of the Trust by the manual signature of any duly authorized officer of the Manager, such execution to constitute the authentication thereof.

(d) Each Beneficial Ownership Certificate bearing the manual signature of any individual who at the time such Beneficial Ownership Certificate was executed was a duly authorized officer of the Manager shall bind the Trust, notwithstanding that any such individual has ceased to hold such office or to be a duly authorized officer of the Manager prior to the delivery of such Beneficial Ownership Certificate or at any time thereafter. No Beneficial Ownership Certificate shall be valid for any purpose unless it is executed on behalf of the Trust by the Manager. The signature of a duly authorized officer of the Manager on any Beneficial Ownership Certificate shall be conclusive evidence that such Beneficial Ownership Certificate has been duly executed and authenticated under this Trust Agreement.

(e) Any Beneficial Owner shall be deemed, by virtue of the acceptance of such Beneficial Ownership Certificate or beneficial interest 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.

(f) Notwithstanding anything to the contrary in this Trust Agreement, any provisions of this Trust Agreement relating to Beneficial Ownership Certificates shall be construed as optional, and it shall be within the Manager's sole discretion as to whether or not the Trust issues Beneficial Ownership Certificates pursuant to the terms and provisions of this Trust Agreement or, in the alternative, determines and evidences the fact of ownership.

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Section 6.2 Ownership Records. The Manager shall at all times be the Person at whose office a Beneficial Ownership Certificate 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 Beneficial Ownership Certificate may be served. The Manager 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 not prohibited under the terms of this Trust Agreement, the Manager shall issue a new Beneficial Ownership Certificate setting forth the current percentage interest in the Trust held by such new Beneficial Owner, the transferring Beneficial Owner shall surrender its Beneficial Ownership Certificate for cancellation and if applicable the Manager shall issue a new Beneficial Ownership Certificate setting forth the Beneficial Interest retained by any transferring Beneficial Owner. The Beneficial Ownership Certificates may not be negotiated, endorsed or otherwise transferred to a holder in violation of Sections 6.4, 6.5 or 6.6.

Section 6.3 Mutilated, Destroyed, Lost or Stolen Beneficial Ownership Certificates. If any Beneficial Ownership Certificate shall become mutilated, destroyed, lost or stolen, the Trust shall, upon the written request of the holder of any Beneficial Ownership Certificate thereof and presentation of the Beneficial Ownership Certificate or satisfactory evidence of destruction, loss or theft thereof to the Manager, issue and deliver in exchange therefor or in replacement thereof, a new Beneficial Ownership Certificate in the name of such Beneficial Owner evidencing the same Beneficial Interest and dated the date of its execution. If the Beneficial Ownership Certificate being replaced has become mutilated, such Beneficial Ownership Certificate shall be surrendered to the Manager. If the Beneficial Ownership Certificate being replaced has been destroyed, lost or stolen, the Beneficial Owner thereof shall furnish to the Trust and the Manager (i) a written indemnity by such Beneficial Owner to the Trust and the Manager which provides for such Person to save the Trust and the Manager harmless; and (ii) evidence satisfactory to the Trust and the Manager of the destruction, loss or theft of such Beneficial Ownership Certificate and of the ownership thereof. The applicable Beneficial Owner shall pay any tax imposed in connection therewith.

Section 6.4 Restrictions on Transfer.

(a) Except for a Permitted Transfer, the prior written consent of the Manager, which consent may be withheld in Manager's sole and absolute discretion, is required in connection with the assignment or transfer of all or any portion of the Beneficial Interest of any Beneficial Owner. All expenses of any such transfer shall be paid by the assigning or transferring Beneficial Owner. In addition, no Class 1 Beneficial Owner, and no assignee or transferee of a Class 1 Beneficial Interest, may own more than a 49% Percentage Share of the aggregate Class 1 Beneficial Ownership Certificates, and any purported transfer or assignment of a Class 1 Beneficial Interest in violation of the foregoing shall be null, void and of no effect whatsoever.

(b) Right of First Refusal. Upon the receipt of a Third-Party Offer by a Selling Beneficial Owner, such Selling Beneficial Owner shall provide the Depositor notice of such Third-Party Offer, together with a true, correct and complete copy of such Third-Party Offer (collectively, the "ROFR Notice"). The Depositor will then have the right, but not the obligation, assignable in its sole and absolute discretion to any other Person, within ten (10) Business Days after Depositor's receipt of the ROFR Notice, to elect to purchase the Offered Interest for the price and upon the terms and conditions as are contained in the Third-Party Offer by providing notice of such election to the Selling Beneficial Owner; provided, however, that the price that the Depositor or its assignee shall pay for the Offered Interest shall be reduced by any broker's fees or commissions that would have been payable to any person under the Third-Party Offer if the Offered Interest had been sold pursuant to the Third-Party Offer. The giving of a ROFR Notice by a Selling Beneficial Owner to the Depositor shall constitute a representation and warranty by the Selling Beneficial Owner to the Offerees that the Third-Party Offer is bona fide in all respects. If the Depositor elects to purchase or assign the right to purchase the Offered Interest as described above, the closing on the sale of the Offered Interest shall take place within sixty (60) days of Depositor's election to purchase or assign the right to purchase the Offered Interest, at a place and time to be mutually agreed between the Selling Beneficial Owner and the Depositor or other purchasing party. If the Depositor does not elect, within ten (10) days of Depositor's receipt of the ROFR Notice, to purchase or assign the right to purchase the Offered Interest as described above, then the Selling Beneficial Owner shall be free to sell the Offered Interest to the Person who made the Third-Party Offer in accordance with the terms and conditions of the Third-Party Offer; provided, that (i) if the Offered Interest will not be sold for the price or upon the other terms and conditions stated in the Third-Party Offer for any reason, the Offered Interest may not be sold unless and until the Depositor has been given an opportunity to accept the revised Third-Party Offer in

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accordance with the terms and conditions of the right of first refusal contained in this Trust Agreement and (ii) the Depositor's election not to exercise its right of first refusal under this Trust Agreement shall not be deemed a waiver of its rights under this Trust Agreement with respect to any other Third-Party Offers. Any transfer in violation of this Section 6.4(b) shall, to the fullest extent permitted by law, be null, void and of no effect whatsoever and the Trust (through the Depositor) may enforce this Section 6.4(b), without limitation, by injunction, specific performance or other equitable relief. Notwithstanding anything in this Trust Agreement to the contrary, the right of first refusal described in this Trust Agreement shall not be applicable with respect to a Permitted Transfer.

Section 6.5 Conditions to Admission of New Beneficial Owners. Any assignee or transferee of a Class 1 Beneficial Owner shall become a Class 1 Beneficial Owner only upon such assignee's or transferee's written acceptance and adoption of this Trust Agreement, as manifested by its execution and delivery to the Manager of an executed agreement substantially in the form of Exhibit E, plus the issuance by the Trust of a new Class 1 Beneficial Ownership Certificate to such assignee or transferee, copies of which will be provided by the Manager to the Trustee. Any assignee or transferee of a Class 2 Beneficial Owner shall become a Class 2 Beneficial Owner upon the transfer of such Class 2 Beneficial Interests in accordance with Section 6.2 hereof and shall be deemed to have accepted and adopted the terms of this Trust Agreement upon the completion of such transfer.

Section 6.6 Limit on Number of Beneficial Owners. Notwithstanding anything to the contrary in this Trust Agreement, the Trust shall at no time have more than one thousand nine hundred and ninety-nine (1,999) Beneficial Owners. 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 terms and conditions of this Trust Agreement and applicable securities laws and regulations. Each Beneficial Owner hereby acknowledges that (y) 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 Trustee, the Manager, 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. For the avoidance of doubt, Manager has no fiduciary duties to Beneficial Owners.

Section 6.9 No Legal Title to Trust Estate. Legal title to the Trust Estate, including the Real Estate, shall be held by the Trust, and the Beneficial Owners shall not have legal title to the Trust Estate. The death, incapacity, dissolution, termination, or bankruptcy of any Beneficial Owner, Manager or Trustee shall not result in the termination or dissolution of the Trust.

Section 6.10 In-Kind Distributions. Except as expressly provided in Section 9.2, 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 permit by law, to partition the Trust Estate.

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Section 6.11 Rights and Powers of Class 2 Beneficial Owner Prior to Conversion Notice. Prior to the issuance of the Conversion Notice, the Class 2 Beneficial Owner shall have the right and power, at its sole discretion (but subject to the restrictions in Article 3), to:

(a) Cause the Trust to acquire the Real Estate and enter into, or direct the Manager to enter into, the Transaction Documents;

(b) Contribute additional assets to the Trust;

(c) Cause the Trust to negotiate or re-negotiate loans or leases;

(d) Cause the Trust to sell all or any portion of its assets and re-invest the proceeds of such sale or sales; and

(e) Amend this Trust Agreement.

It is expressly understood by the Class 2 Beneficial Owner that these powers are inconsistent with the ability to classify the Trust as an "investment trust" under Regulations Section 301.7701-4(c), and the Trust shall not be so classified prior to the issuance of the Conversion Notice. The Percentage Share of the Class 2 Beneficial Owner prior to the issuance of any Class 1 Beneficial Interests (pursuant to Section 6.14 hereof) shall be 100%.

Section 6.12 Issuance of Conversion Notice. The Class 2 Beneficial Owner may, at any time in its sole discretion, issue the Conversion Notice to the Trustee and the Manager. Upon issuance of the Conversion Notice, the Class 2 Beneficial Owner shall no longer have any of the rights or powers set forth in Section 6.11. Instead, after issuance of the Conversion Notice, the Class 2 Beneficial Owner shall have only those rights and powers as apply to a Class 1 Beneficial Owner (as set forth in Section 6.13). In no event may any Class 1 Beneficial Interests be issued to Investors until at least three (3) days after the issuance of the Conversion Notice.

Section 6.13 Rights and Powers of Class 1 Beneficial Owners. The Class 1 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 Class 1 Beneficial Owners shall not have the right or power to direct in any manner the Trust or the Manager in connection with the operation of the Trust or the actions of the Trustee or the Manager. In addition, the Class 1 Beneficial Owners shall not have the right or power to:

(a) Contribute additional assets to the Trust (other than the initial contribution of cash in exchange for Class 1 Beneficial Interests);

(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.

Section 6.14 Contributions by the Class 1 Beneficial Owners; Issuance of Class 1 Beneficial Ownership Certificates; Reduction in Class 2 Beneficial Interests. The Trust shall issue Class 1 Beneficial Ownership Certificates to the Investors upon the contribution of cash to the Trust by the Investors in exchange for Class 1 Beneficial Interests until all Class 1 Beneficial Interests have been acquired. The amount of cash contributed by, and the Percentage Share of, each Investor shall be determined by the Manager and shall be set forth in the Purchase Agreement(s) for each Investor, which shall be based upon a purchase price which in no event shall be less than the price for each Class 1 Beneficial Interest disclosed in the Memorandum. All cash contributed by an Investor in exchange for Class 1 Beneficial Interests shall be used first by the Trust to pay (either directly or indirectly by distributing such funds to the Depositor and causing the Depositor to pay), subject to the Financing Documents, all reasonable and necessary costs of sale to the Investors of the Class 1 Beneficial Interests (provided that such costs shall not exceed fifteen percent (15%) of the purchase price of the Class 1 Beneficial Interest) (the "Costs of Sale"); and next, to fund the first $2,000,000 of and to establish a Manager-controlled reserve account on behalf of and owned by the Trust for costs

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and expenses associated with the Real Estate (the "Trust Controlled Reserves"); and next, to use any remainder to fund any remaining reimbursements, compensation, and/or fees owed to the Sponsor or its affiliates in connection with the offering, all as provided in the Memorandum. In connection with each such sale of Class 1 Beneficial Interests, the Percentage Share of the Class 2 Beneficial Interests shall be reduced by an amount equal to the Percentage Share granted by the Trust to each contributing Class 1 Beneficial Owner, and the Class 2 Beneficial Owner shall simultaneously surrender such corresponding Class 2 Beneficial Ownership Certificate(s) for cancellation. Upon the sale of all of the Class 1 Beneficial Interests (representing a 100.0% Percentage Share of the Trust), the Depositor and any permitted assignee of the Class 2 Beneficial Interest will no longer have any Beneficial Interest in the Trust, and no Class 2 Beneficial Interests will remain outstanding. In the event not all Class 2 Beneficial Interests are redeemed pursuant to this Section 6.14 by two (2) years after the Closing Date, the Class 2 Beneficial Owner shall surrender to (i) the Trust, or (ii) such other third party, as designated by the Class 2 Beneficial Owner in its sole and absolute discretion for no additional consideration its entire remaining Class 2 Beneficial Ownership Certificate. For U.S. federal income tax purposes, all funds received by the Trust from the Investors after issuance of the Conversion Notice shall be treated as having been used to acquire the Real Estate and pay the associated costs and expenses in connection therewith, and each Class 1 Beneficial Owner shall be treated as having funded its Percentage Share of the Trust Controlled Reserves.

ARTICLE 7
DISTRIBUTIONS AND REPORTS

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

Section 7.2 Distributions in General. The Manager shall distribute all available cash to the Beneficial Owners in accordance with their Percentage Shares on a monthly basis (or, prior to the issuance of the Conversion Notice, at such intervals as the Manager may determine in its sole discretion), but only after (i) paying or reimbursing the Trustee and then the Manager, respectively, for any claims subject to indemnification (including as provided in Sections 4.5 and 5.4, respectively) and for their respective reasonable fees and/or expenses actually incurred on behalf of the Trust and (ii) retaining such additional amounts as the Manager in its discretion determines are necessary to pay anticipated ordinary current and future Trust expenses ("Reserves"), and (iii) satisfying debt service and related expenses on the First Mortgage Loan and any other requirements imposed under the Financing Documents. Reserves and any other cash retained pursuant to this paragraph shall be invested by or on behalf of the Manager 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, escrow bank or transfer agent, with 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 quarter, which amounts shall take into account for any Beneficial Owner any amounts required to be paid by the Trust or the Manager to any third party in connection with such Beneficial Owner's arrangements with such Beneficial Owner's broker-dealer of record with respect to its ownership of Class 1 Beneficial Interests.

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 Manager. The Manager shall be responsible for receiving all cash from the Master 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 Manager shall furnish annual reports, audited by a nationally recognized accounting firm selected by the Manager from time to time, to each of the Beneficial Owners as to the amounts of rent received from the Master Tenant, the expenses incurred by the Trust with respect to

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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 Information. Upon written demand of the Manager made by a Beneficial Owner, which written demand may not be made more than once per calendar quarter, a Beneficial Owner shall have the right to receive a copy of this Trust Agreement and the Certificate of Trust, and any amendments to either of them, provided that such copy shall not contain any identifying information with regard to any other Beneficial Owner. Except as specifically set forth in Sections 7.4 or 7.5, or elsewhere in this Trust Agreement, no Beneficial Owner or group of Beneficial Owners shall have any right to demand or receive any information, report, or document from Manager or Trustee. Without limiting the foregoing, no Beneficial Owner shall have the right under this Trust Agreement to receive, review, copy or inspect any list of the Beneficial Owners or any identifying information with regard to the Beneficial Owners, whether or not requested, and Manager shall not have any obligation to provide such information. Notwithstanding anything to the contrary contained herein or the Statutory Trust Act, a Beneficial Owner or group of Beneficial Owners shall not have any of the rights to information or other rights set forth in §3819 of the Statutory Trust Act.

ARTICLE 8
RELIANCE; REPRESENTATIONS; COVENANTS

Section 8.1 Good Faith Reliance. Neither the Trustee nor the Manager 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 Trustee and the Manager 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 Trustee and the Manager for any action taken or omitted to be taken by them in good faith in reliance thereon, and the Trustee and the Manager 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 Trustee and the Manager 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 Trustee or the Manager 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 Trustee shall be fully protected in relying upon the most recent Ownership Records delivered to it by the Manager.

Section 8.2 No Representations or Warranties as to Certain Matters. NEITHER THE TRUSTEE NOR THE MANAGER, EITHER WHEN ACTING HEREUNDER IN ITS CAPACITY AS TRUSTEE OR MANAGER 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 Trustee nor the Manager 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 Trustee or the Manager in its individual capacity. Each of the Trustee and the Manager represents and warrants to the Beneficial Owners that it has authorized, executed and delivered the Trust Agreement.

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ARTICLE 9
TERMINATION

Section 9.1 Termination in General. The Trust shall not have perpetual existence and instead shall be dissolved and wound up in accordance with Section 3808 of the Statutory Trust Act upon the first to occur of a Transfer Distribution or the sale or other transfer of the Trust Estate, including pursuant to Section 9.3, 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 7.3, the First Mortgage Loan shall have been defeased, paid in full or assumed in accordance with the terms of the Financing Documents.

Section 9.2 Termination to Protect and Conserve Trust Estate. 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 Conversion Notice has been issued and the Manager determines that (a) the Master Tenant is insolvent or has failed to timely pay the full rent due under the Master Lease after the expiration of any applicable notice and cure provisions in the Master Lease (not including any permitted deferral of rent due pursuant to Section 4.2 of the Master Lease), (b) the Trust Estate is in jeopardy of being lost due to a default or imminent default on the First Mortgage Loan, and in either case, the Manager is prohibited from acting pursuant to Section 3.3 hereof, (c) the Master Tenant files for bankruptcy, seeks appointment of a receiver, makes an assignment for the benefit of its creditors or there occurs any similar event, (d) the First Mortgage Loan will commence hyper-amortization within ninety (90) days under which all cash flow from the Real Estate will need to be utilized to pay down the principal and interest on the First Mortgage Loan, (e) the Trust is otherwise terminated in violation of Section 3.3(c), (f) the Manager needs to take, but is precluded from taking, one of the actions enumerated in Section 3.3(c) and the Manager 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, or (g) the Trust is otherwise terminated or dissolved without the consent of Lender. In any of the foregoing cases, 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 Certificates. Subject to the requirements of Section 3808 of the Statutory Trust Act, immediately before any such liquidating distributions, and only in the event that a distribution is to be made to the Beneficial Owners under Section 9.2(ii), the Manager shall transfer title to the assets comprising the Trust Estate to a newly formed Delaware limited liability company (the "LLC") that has a limited liability company operating agreement substantially similar to that set forth in Exhibit F (the "Transfer Distribution"). As part of the Transfer Distribution, the Manager shall cause the membership interests in the LLC to be distributed to the Beneficial Owners in proportion to their Percentage Shares immediately prior to the dissolution of the Trust in complete satisfaction of their Beneficial Interests and their Beneficial Ownership Certificates in order to consummate the dissolution of the Trust. It is the express intent of this Trust Agreement that no distribution be made under this Section 9.2 except in the rare and unexpected situation in which such distribution is necessary to prevent the loss of the Trust Estate. To the fullest extent permitted by applicable law, the Manager shall be fully protected in any such determination made in good faith that a condition under Section 9.2(ii) exists, and shall have no liability to any Person, including without limitation the Beneficial Owners, with respect to any such determination. If a determination has been made to make a Transfer Distribution under Section 9.2(ii), the Manager 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 Manager pursuant to the Transfer Distribution (which other form of transaction shall only require the approval of the Manager and shall not require the approval of any Beneficial Owners or the Trustee), provided that such alternative form of transaction is entered into to preserve and protect the Trust Estate for the benefit of the Beneficial Owners and is otherwise in compliance with the Statutory Trust Act.

Section 9.3 Sale or Other Transfer of the Trust Estate. Pursuant to Section 3806(b)(3) of the Statutory Trust Act, the Manager shall sell or transfer the Trust Estate upon its determination (in its sole discretion) that a sale or a transfer of the Trust Estate is appropriate; provided, however, that it is the intent of the parties to this Trust Agreement that the Trust Estate will be held by the Trust for at least two (2) years. Any such sale or transfer of the Trust Estate shall occur as soon as practicable after the Manager has determined that the sale or transfer of the Trust Estate is appropriate. The Manager shall be responsible for (i) determining the fair market value of the Trust Estate, (ii) providing notice to the Trustee of the sale or transfer of the Trust Estate and (iii) conducting the sale or transfer of

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the Trust Estate on behalf of the Trust under commercially reasonable terms and executing such documents and instruments required to be executed by the Trust to affect such sale or transfer (Manager shall also provide to the Trustee in execution form any documents and instruments required to be executed by the Trustee to affect such sale or transfer). The Manager (and the Trustee, if necessary) shall take all reasonable action that would seek to enable the sale or transfer to qualify, with respect to each Beneficial Owner, as a like-kind exchange within the meaning of Code Section 1031 or a tax-deferred contribution under Code Section 721. Any sale or transfer of the Real Estate shall be on an "as-is, where-is" basis (or on such terms as are deemed commercially reasonable by the Manager) and without any representations or warranties by the Trustee or the Manager (other than representations as to their respective authority to enter into the sale). For the avoidance of doubt, and consistent with the provisions of Section 5.4, the Manager 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; provided, however, the Trust shall reimburse the Manager for any such out of pocket cost or expense reasonably incurred in connection with a sale of the Trust Estate to a third party as contemplated under this Trust Agreement, including, without limitation, any brokerage or consulting fees payable on such disposition and real estate transaction costs, including legal fees, title fees, transfer taxes, recording fees and other similar costs associated with selling real estate. To the extent that any such costs are incurred on behalf of the Manager, the Manager may remit any reimbursement provided for under this Section 9.3 to the party that incurred the costs on the Manger's behalf and, consistent with the provisions of Section 5.4, obtain reimbursement for such costs.

Section 9.4 Manager Fees. The Manager shall receive a disposition fee from the Trust equal to not more than 3.5% of the gross proceeds of any of the sale, exchange or other disposition of all or any portion of the Property or the Trust Estate (the "Disposition Fee"), from which Manager shall pay all sales commissions payable to any third-party broker in connection with such sale, such that the aggregate amount of the Disposition Fee plus the third-party brokerage commission does not exceed 3.5% of the gross sales price. In addition, in the event of a sale or other transfer of the Trust Estate under Section 9.3, the Trust shall pay the Manager any deferred and unpaid Asset Management Fee (as defined in that certain Asset Management Agreement between the Manager and the Trust, dated as of December 18, 2025). The payment of the Asset Management Fee and the Disposition Fee shall be subordinate to the Financing Documents. Further, for the avoidance of doubt, the Disposition Fee shall not be payable in the event the FMV Option is exercised. The Disposition Fee is compensation for the agreement of the Manager to assist the Trust in disposing of the Real Estate as the Trust may reasonably request.

Section 9.5 Loan Paid in Full. If the Manager determines that the First Mortgage Loan, including all interest, principal and penalties, if any, has been paid in full and the Trust Estate has not been sold pursuant to Section 9.3, then the Manager 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 9.2.

Section 9.6 Certificate of Cancellation. Upon the completion of the dissolution and winding up of the Trust, upon receipt of a written direction from the Manager, the Certificate of Trust shall be cancelled by the Trustee,

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acting upon direction by the Manager and at the expense of the Trust, and the Trustee shall execute and cause a certificate of cancellation to be filed in the office of the Secretary of State.

ARTICLE 10
FMV OPTION

Section 10.1 FMV Option. Subject to the requirements of the Financing Documents and Section 10.2 and Section 10.3, each of the Investors does hereby grant to the OP, its affiliates, successors or assigns, the right, but not the obligation, to require that each such Investor exchange its interest in the Trust for units in the OP (the "OP Units") in a transaction intended to qualify as a tax-deferred exchange under Code Section 721, pursuant to the terms of this Article 10 (the "FMV Option"). Each Investor participating in an exchange of its interest in the Trust for the OP Units pursuant to the FMV Option (a "Contributing Investor") shall receive an amount of OP Units with an aggregate value (as determined by the OP in good faith equal to the Exchange FMV (as defined below)) of such Contributing Investor's interest in the Trust as of the date the FMV Option is exercised, less the amount of the Call-Option Fee (as defined below). In connection with the exercise of the FMV Option, the Manager shall receive a call-option fee from the Trust equal to 1.0% of the FMV Option Appraised Value of the Property (the "Call-Option Fee"). For the avoidance of doubt, the Call-Option Fee shall only be payable if the FMV Option is exercised. The FMV Option shall be exercised pursuant to a "Notice of Exchange," a form of which is attached as Exhibit H to this Trust Agreement, delivered to the Investors by the OP. The OP and/or the Manager may, but is/are not obligated to, coordinate to provide the Investors with a non-binding survey in advance of an anticipated Notice of Exchange in order to seek input from the Investors regarding their desire to become either a Contributing Investor or a Cash Investor (defined below) in connection with a contemplated exercise of the FMV Option. Notwithstanding anything to the contrary, the OP may not exercise the FMV Option until all Investors have held their Beneficial Interests for at least two (2) years.

Section 10.2 Cash Investors. Notwithstanding the provisions of Section 10.1, a Beneficial Owner may elect to have the OP acquire some or all of the Beneficial Owner's interests in the Trust for cash rather than exchange such interests for OP Units following the exercise by the OP of its FMV Option (a Beneficial Owner who makes an election under this Section 10.2, a "Cash Investor"). If a Cash Investor elects to exercise its rights to have the OP acquire its interests in the Trust for cash under this Section 10.2 with respect to a Notice of Exchange, it shall so notify the OP in writing within twenty (20) Business Days after the date on which the Manager mails the Notice of Exchange to the Beneficial Owner. If any Beneficial Owner does not provide such notice to the Manager within twenty (20) Business Days after the mailing date of the Notice of Exchange, such Beneficial Owner will be deemed to have agreed to have the OP acquire the Beneficial Owner's interest in the Trust in exchange for OP Units. The cash purchase price for a Cash Investor's interest (the "Cash Amount") shall be equal to the Exchange FMV of such Cash Investor's interest in the Trust as of the date the FMV Option is exercised, reduced by a 2% cash redemption fee (the "Cash Redemption Fee"). For the avoidance of doubt, the Cash Redemption Fee shall only apply to the Cash Amount.

Section 10.3 Documentation and Signatures; Delivery. Each Investor agrees to execute such documents and signatures as the Manager or the OP may reasonably require in connection with the exercise of the FMV Option under Section 10.1 or the cash purchase, if any, under Section 10.2. For a Contributing Investor, the Manager shall provide a tax protection agreement (a "Tax Protection Agreement") in which the Manager: (i) will agree not to directly or indirectly sell, exchange, transfer, or otherwise dispose of the Real Estate or any interest therein (without regard to whether such disposition is voluntary or involuntary) in a transaction within three (3) years of the date of the exercise of the FMV Option that would cause a Contributing Investor to recognize any gain under Code Section 704(c) (such transaction, a "Triggering Event"), and (ii) for a period of three (3) years following the occurrence of a Triggering Event, will agree to pay a Contributing Investor's damages equal to the aggregate federal, state and local income taxes incurred by such Contributing Investor in connection with such Triggering Event. Upon receipt of any and all documents and signatures required by the Manager or OP under this Section 10.3 (such date of final receipt, the "Receipt Date"), the Manager shall distribute (i) to any Contributing Investor the OP Units within ten (10) Business Days of the Receipt Date and (ii) to any Cash Investor the Cash Amount within ten (10) Business Days of the Receipt Date.

Section 10.4 Determination of Fair Market Value of Interests in the Trust. For the purposes of the FMV Option, the fair market value (the "Exchange FMV") of an Investor's interests in the Trust to be acquired by the OP will be determined by multiplying: (i) the Percentage Share represented by the interests in the Trust to be acquired by

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the OP by (ii) the fair market value of the Property, taking the Master Lease into account, as determined by an independent appraisal firm selected by the Manager in its sole discretion (the "FMV Option Appraised Value of the Property"), less any liabilities of the Property. Such appraisal, shall have been completed within one (1) year prior to the date the FMV Option is exercised. No discounts for lack of liquidity or minority interests shall be considered in determining the fair market value of such interests in the Trust. In the event the appraisal performed for the purpose of determining the FMV Option Appraised Value of the Property results in a value that is less than the total combined purchase price paid for the Beneficial Interests by the Beneficial Owners, the Manager will select a second independent appraisal firm in its sole discretion to conduct a second appraisal. If the second appraisal is required, the FMV Option Appraised Value of the Property shall be equal to the higher of the two appraisals; however, if one appraisal is at least 20% greater than the other (the 20% to be based on the lower appraisal), then the Manager will select a third independent appraisal firm in its sole discretion to conduct a third appraisal. If the third appraisal is required, the FMV Option Appraised Value of the Property shall be the average of the two highest appraisals obtained in the process of determining the FMV Option Appraised Value of the Property.

Section 10.5 Continued Existence of Trust. Notwithstanding anything to the contrary in this Trust Agreement, the Trust shall survive the exercise of the FMV Option by the OP; provided, however, that following the exercise of the FMV Option and the completion of the distributions under Section 10.3, the Trust shall take any and all necessary actions to cease to be treated as a fixed investment trust under Regulations Section 301.7701-4(c) and instead be treated as a "disregarded entity" under Regulations Section 301.7701-3 for federal income tax purposes.

ARTICLE 11
MISCELLANEOUS

Section 11.1 Limitations on Rights of Others; Third-Party Beneficiaries. Nothing in this Trust Agreement, whether express or implied, shall give to any Person other than the Depositor, the Trustee, the Manager, the Beneficial Owners, and the Trust any legal or equitable right, remedy or claim hereunder, and shall not confer any rights or remedies on any individual other than the parties hereto and their respective successors and permitted assigns. Notwithstanding the preceding sentence, the Lender shall be an explicit third-party beneficiary of this Trust Agreement with the right to independently enforce the terms of this Trust Agreement.

Section 11.2 Successors and Assigns. All covenants and agreements contained herein shall be binding upon and inure to the benefit of the Depositor, the Trustee, the Manager, 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 11.3 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 11.4 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 11.5 Amendments. This Trust Agreement may be supplemented or amended by the Manager as determined solely by the Manager and will not require the consent of the Beneficial Owners; provided, however, that without the written consent of the Trustee in its individual capacity, no such supplement or amendment shall be enforceable against the Trustee in its individual capacity to the extent such supplement or amendment affects the Trustee in its individual capacity. During the period that the First Mortgage Loan is outstanding, this Trust Agreement may not be supplemented or amended, and no term or provision hereof may be waived, discharged or terminated.

Section 11.6 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.

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If to the Depositor:

BHM Parkview Investment Co, LLC
c/o Bluerock Real Estate, L.L.C.
919 Third Avenue, Suite 4000
New York, NY 10022
Attention: General Counsel
Email: legal@bluerock.com

With a copy to:

Seyfarth Shaw LLP
233 S. Wacker Drive
Suite 8000
Chicago, Illinois 60606-6448
Attention: Steve Meier
Email: SMeier@seyfarth.com

If to the Trustee:

CSC Delaware Trust Company
251 Little Falls Drive
Wilmington, DE 19808
Attn: Corporate Trust Services
Email: USTrustAgency@delawaretrust.com

If to the Manager:

BR Parkview DST Manager, LLC
c/o Bluerock Real Estate, L.L.C.
919 Third Avenue, Suite 4000
New York, NY 10022
Attention: General Counsel
Email: legal@bluerock.com

With a copy to:

Seyfarth Shaw LLP
233 S. Wacker Drive
Suite 8000
Chicago, Illinois 60606-6448
Attention: Steve Meier
Email: SMeier@seyfarth.com

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

From time to time the Depositor, Trustee, or Manager 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 Manager.

Section 11.7 Governing Law; Venue; Jury Trial Waiver. 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). The laws of the state of Delaware pertaining to trusts (other than the Statutory Trust Act) shall not apply to this Trust Agreement, except to the extent otherwise required by the Statutory Trust Act. Any legal proceeding concerning interpretation or enforcement of any provision of this Trust Agreement shall be venued exclusively in the Borough of Manhattan, New York City, New York. Beneficial Owners hereby waive trial by jury in any action,

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proceeding or counterclaim brought by any of the parties hereto on any matters whatsoever arising out of or in any way connected with this Trust Agreement, or in connection with any emergency statutory or any other statutory remedy.

Section 11.8 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 11.9 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 11.10 Signature of Beneficial Owners. Each Investor will execute the Agreement of Assignee or Transferee Beneficial Owner of BR PARKVIEW MULTIFAMILY, DST in substantially the form set forth in Exhibit E hereto (the "Signature Page") in connection with their acquisition of a Class 1 Beneficial Ownership Certificate. By executing the Signature Page, each Investor hereby acknowledges and agrees to be bound by the terms of the limited liability company agreement contemplated under Section 9.2 and in the form substantially similar to that set forth in Exhibit F hereto (the "LLC Agreement") when and if such limited liability company is formed in accordance with the LLC Agreement. In addition, in light of their agreement to this Section 11.10, each Investor hereby acknowledges and agrees that their signature to the LLC Agreement will not be required as of the Transfer Date (as defined in the LLC Agreement).

Section 11.11 Division. Neither the Trust nor the Trustee, the Manager or any other Person, shall have the power to divide the Trust under the Statutory Trust Act or under any applicable trust law. The Trust shall not file a certificate of division, adopt a plan of division, amend any of its organizational documents, or take, permit, or consent to any other actions in order to divide the Trust into two or more entities pursuant to a plan of division.

[Signature Page Follows]

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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:

BHM Parkview Investment Co, LLC, a Delaware limited liability company

By: _____
Name: Jordan Ruddy
Title: Authorized Signatory

THE MANAGER:

BR Parkview DST Manager, LLC, a Delaware limited liability company

By: _____
Name: Jordan Ruddy
Title: Authorized Signatory

THE TRUSTEE:

CSC DELAWARE TRUST COMPANY

By: _____
Name: _____
Title: _____

ACKNOWLEDGED AND AGREED WITH RESPECT TO ARTICLE 10:

BLUEROCK RESIDENTIAL HOLDINGS, L.P., a Delaware limited partnership

By: BLUEROCK HOMES TRUST, INC., a Maryland corporation, its general partner

By: _____
Name: Jordan Ruddy
Title: Authorized Signatory

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THE INDEPENDENT TRUSTEE:

CSC DELAWARE TRUST COMPANY

By: _____
Name: _____
Title: _____

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Schedule I

FEE SCHEDULE

(attached hereto)

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FEE SCHEDULE

Account Acceptance Fee

A one-time fee to cover the administrative review and negotiation of the transaction documents, the establishment of necessary accounts and records, implementation of necessary procedures and execution and delivery of all relevant documents.

$500
(payable upon our appointment as trustee)

Annual Trustee Fee

$1,500.00
(payable upon our appointment as trustee and upon each subsequent annual anniversary date)

Annual Independent Trustee Fee (if applicable)

$1,500.00
(payable upon our appointment as trustee and upon each subsequent annual anniversary date)

Out-of-Pocket and Extraordinary Expenses

Out-of-pocket expenses, fees and disbursements, counsel fees and expenses, and services of an unanticipated or extraordinary nature are not included in the above fee schedule and will be billed at cost.

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251 Little Falls Drive, Wilmington, Delaware 19808 1 877 374 6010 | 302 636 5404 302 636 8666 delawaretrust.com

EXHIBIT A

LAND – LEGAL DESCRIPTION

That certain real property known as "Lot 1" on the Final Plat of Park View Development recorded December 15, 2021 in Plat Book 153, page 292 in the real property records of Gwinnett County, Georgia.

Such real property is also described as:

All that tract or parcel of land lying and being in Land Lot 61 of the 6th District, Gwinnett County, Georgia, and being more particularly described as follows:

Commencing at a 1/2-inch rebar found at the Land Lot Corner common to Land Lots 61, 62, 75 and 76, said point having State Plane Coordinate values of North: 1,393,846.56 feet and East:2,313,593.70 feet; Thence South 29 degrees 42 minutes 08 seconds East, a distance of 615.35 feet to a 1/2-inch rebar found; Thence South 29 degrees 44 minutes 58 seconds East, a distance of 929.94 feet to a 5/8-inch rebar set, said point being the TRUE POINT OF BEGINNING; Thence South 29 degrees 44 minutes 58 seconds East, a distance of 851.43 feet to a 1/2-inch rebar found; Thence South 29 degrees 44 minutes 33 seconds East, a distance of 395.49 feet to a 5/8-inch rebar set; Thence South 50 degrees 06 minutes 14 seconds West, a distance of 162.77 feet to a 5/8-inch rebar set; Thence South 68 degrees 10 minutes 10 seconds West, a distance of 99.91 feet to a 5/8-inch rebar set; Thence South 56 degrees 26 minutes 56 seconds West, a distance of 44.91 feet to a 1/2-inch open top pipe found; Thence South 15 degrees 10 minutes 50 seconds East, a distance of 81.18 feet to a 1/2-inch rebar found located on the Northerly right-of-way line of U.S. Highway 78, a.k.a Stone Mountain Highway; Thence along said right-of-way line South 77 degrees 27 minutes 51 seconds West, a distance of 405.97 feet to a 1/2-inch rebar found; Thence departing said right-of-way line North 29 degrees 17 minutes 35 seconds West, a distance of 201.28 feet to a angle iron found; Thence North 29 degrees 26 minutes 47 seconds West, a distance of 479.39 feet to a 1/2-inch rebar found; Thence North 29 degrees 30 minutes 26 seconds West, a distance of 206.87 feet to a 5/8-inch rebar set; Thence South 59 degrees 15 minutes 14 seconds East, a distance of 65.34 feet to a 5/8-inch rebar set; Thence South 49 degrees 31 minutes 40 seconds East, a distance of 51.99 feet to a 5/8-inch rebar set; Thence South 69 degrees 06 minutes 28 seconds East, a distance of 80.34 feet to a 5/8-inch rebar set; Thence North 61 degrees 39 minutes 34 seconds East, a distance of 22.03 feet to a 5/8-inch rebar set; Thence North 80 degrees 13 minutes 54 seconds East, a distance of 15.84 feet to a 5/8-inch rebar set; Thence North 22 degrees 10 minutes 18 seconds East, a distance of 19.06 feet to a 5/8-inch rebar set; Thence North 36 degrees 10 minutes 07 seconds East, a distance of 24.19 feet to a 5/8-inch rebar set; Thence North 29 degrees 57 minutes 50 seconds East, a distance of 41.38 feet to a 5/8-inch rebar set; Thence North 45 degrees 07 minutes 02 seconds East, a distance of 17.77 feet to a 5/8-inch rebar set; Thence North 09 degrees 33 minutes 34 seconds East, a distance of 41.55 feet to a 5/8-inch rebar set; Thence North 10 degrees 32 minutes 15 seconds West, a distance of 35.03 feet to a 5/8-inch rebar set; Thence North 13 degrees 21 minutes 04 seconds West, a distance of 8.87 feet to a 5/8-inch rebar set; Thence North 36 degrees 42 minutes 15 seconds West, a distance of 16.28 feet to a 5/8-inch rebar set; Thence North 42 degrees 15 minutes 44 seconds West, a distance of 15.23 feet to a 5/8-inch rebar set; Thence North 10 degrees 33 minutes 34 seconds West, a distance of 6.28 feet to a 5/8-inch rebar set; Thence North 21 degrees 11 minutes 01 seconds East, a distance of 5.19 feet to a 5/8-inch rebar set; Thence North 31 degrees 54 minutes 29 seconds East, a distance of 41.45 feet to a 5/8-inch rebar set; Thence North 59 degrees 46 minutes 19 seconds East, a distance of 10.97 feet to a 5/8-inch rebar set; Thence North 47 degrees 28 minutes 38 seconds East, a distance of 26.33 feet to a 5/8-inch rebar set; Thence North 40 degrees 34 minutes 56 seconds East, a distance of 35.67 feet to a 5/8-inch rebar set; Thence North 35 degrees 50 minutes 52 seconds East, a distance of 21.47 feet to a 5/8-inch rebar set; Thence North 43 degrees 27 minutes 43 seconds East, a distance of 18.49 feet to a 5/8-inch rebar set; Thence North 54 degrees 18 minutes 10 seconds East, a distance of 16.52 feet to a 5/8-inch rebar set; Thence North 73 degrees 27 minutes 36 seconds East, a distance of 13.89 feet to a 5/8-inch rebar set; Thence North 87 degrees 25 minutes 44 seconds East, a distance of 38.56 feet to a 5/8-inch rebar set; Thence North 06 degrees 20 minutes 50 seconds East, a distance of 390.74 feet to a 5/8-inch rebar set, said point being the TRUE POINT OF BEGINNING.

Said tract of land contains 15.598 Acres.

LESS AND EXCEPT that certain property conveyed by Right-of-Way Deed from District at Parkview MF, LLC to Department of Transportation, dated January 10, 2022, filed for record January 13, 2022, and recorded in Deed Book 59605, page 259, Gwinnett County, Georgia records.

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TOGETHER WITH easements and other interests in real property of Grantor, if any, contained in Reciprocal Easement Agreement by and between District at Parkview MF, LLC, a Georgia limited liability company and District at Parkview BFR, LLC, a Georgia limited liability company, dated March 31, 2022, filed for record April 20, 2022, and recorded in Deed Book 59884, page 824, Gwinnett County, Georgia records.

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EXHIBIT B-1

FORM OF CLASS 1 BENEFICIAL OWNERSHIP CERTIFICATE

THIS CLASS 1 BENEFICIAL OWNERSHIP CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY IN ANY JURISDICTION. THIS CLASS 1 BENEFICIAL OWNERSHIP CERTIFICATE MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS REGISTERED, OTHER THAN PURSUANT TO AN EXEMPTION FROM OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE SECURITIES LAWS. TRANSFER OF A BENEFICIAL INTEREST IN THE TRUST, OR OF ANY RIGHT, TITLE OR INTEREST THEREIN, SHALL OCCUR IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE TRUST AGREEMENT AND ONLY UPON AND BY VIRTUE OF THE ENTRY OF SUCH TRANSFER IN THE OWNERSHIP RECORDS OF THE TRUST. THIS CLASS 1 BENEFICIAL OWNERSHIP CERTIFICATE IS NON-TRANSFERABLE AND MAY NOT BE NEGOTIATED, ENDORSED OR OTHERWISE TRANSFERRED TO A HOLDER.

BR PARKVIEW MULTIFAMILY, DST

CLASS 1 BENEFICIAL OWNERSHIP CERTIFICATE

No. _____

BR PARKVIEW MULTIFAMILY, DST, a statutory trust organized under the laws of the State of Delaware (the "Issuer"), certifies that _____ is the owner of a Class 1 Beneficial Interest equal to __% (_____ percent) of the interest in the Issuer, issued pursuant to the Amended and Restated Trust Agreement dated as of December 18, 2025 (as may be amended or supplemented from time to time, the "Trust Agreement") by and among BHM Parkview Investment Co, LLC, as Depositor, BR Parkview DST Manager, LLC, as Manager, and CSC Delaware Trust Company, as Trustee.

All capitalized terms used in this Class 1 Beneficial Ownership Certificate and not defined herein shall have the meanings assigned to such terms in the Trust Agreement. Reference is made to the Trust Agreement and any agreements supplemental thereto for a statement of the respective rights and obligations thereunder of the Depositor, the Manager, the Trustee, and the Beneficial Owners. This Class 1 Beneficial Ownership Certificate is subject to all terms of the Trust Agreement.

This Class 1 Beneficial Ownership Certificate shall in all respects be governed by, and construed in accordance with, the laws of the State of Delaware.

By accepting this Class 1 Beneficial Ownership Certificate, the holder hereof hereby acknowledges and agrees that in its capacity as a Beneficial Owner it lacks the ability to (i) seek a partition of the Trust's assets, (ii) file a voluntary bankruptcy petition on behalf of the Trust, or (iii) institute against, or join any other Person in instituting against, the Trust, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding or other proceedings under any applicable insolvency law.

IN WITNESS WHEREOF, the Issuer has caused this Class 1 Beneficial Ownership Certificate to be signed manually by the Manager in accordance with the terms of the Trust Agreement.

Date: _____

BR PARKVIEW MULTIFAMILY, DST

By: BR Parkview DST Manager, LLC, not in its individual capacity, but solely as Manager of the Issuer

By:_____
Name:_____
Title:_____

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EXHIBIT B-2

FORM OF CLASS 2 BENEFICIAL OWNERSHIP CERTIFICATE

THIS CLASS 2 BENEFICIAL OWNERSHIP CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY IN ANY JURISDICTION. THIS CLASS 2 BENEFICIAL OWNERSHIP CERTIFICATE MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS REGISTERED, OTHER THAN PURSUANT TO AN EXEMPTION FROM OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE SECURITIES LAWS. 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 OF THE TRUST. THIS CLASS 2 BENEFICIAL OWNERSHIP CERTIFICATE IS NON-TRANSFERABLE AND MAY NOT BE NEGOTIATED, ENDORSED OR OTHERWISE TRANSFERRED TO A HOLDER.

BR PARKVIEW MULTIFAMILY, DST

CLASS 2 BENEFICIAL OWNERSHIP CERTIFICATE

No. _____

BR PARKVIEW MULTIFAMILY, DST, a statutory trust organized under the laws of the State of Delaware (the "Issuer"), certifies that _____ is the owner of ____% of the issued and outstanding Class 2 Beneficial Interests in the Issuer, issued pursuant to the Amended and Restated Trust Agreement dated as of December 18, 2025 (as may be amended or supplemented from time to time, the "Trust Agreement") by and among BHM Parkview Investment Co, LLC, as Depositor, BR Parkview DST Manager, LLC, as Manager, and CSC Delaware Trust Company, as Trustee.

All capitalized terms used in this Class 2 Beneficial Ownership Certificate and not defined herein shall have the meanings assigned to such terms in the Trust Agreement. Reference is made to the Trust Agreement and any agreements supplemental thereto for a statement of the respective rights and obligations thereunder of the Depositor, the Manager, the Trustee, and the Beneficial Owners. This Class 2 Beneficial Ownership Certificate is subject to all terms of the Trust Agreement. Any transferee or assignee of all or any portion of the Class 2 Beneficial Interests represented by this Class 2 Beneficial Ownership Certificate is subject to, and agrees to be bound and abide by the terms of the Trust Agreement.

This Class 2 Beneficial Ownership Certificate shall in all respects be governed by, and construed in accordance with, the laws of the State of Delaware.

By accepting this Class 2 Beneficial Ownership Certificate, the holder hereof hereby acknowledges and agrees that in its capacity as a Beneficial Owner it lacks the ability to (i) seek a partition of the Trust's assets, (ii) file a voluntary bankruptcy petition on behalf of the Trust, or (iii) institute against, or join any other Person in instituting against, the Trust, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding or other proceedings under any applicable insolvency law.

IN WITNESS WHEREOF, the Issuer has caused this Class 2 Beneficial Ownership Certificate to be signed manually by the Manager in accordance with the terms of the Trust Agreement.

Date: _____

BR PARKVIEW MULTIFAMILY, DST

By: BR Parkview DST Manager, LLC, not in its individual capacity, but solely as Manager of the Issuer

By:_____
Name:_____
Title:_____

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ENDORSEMENT

FOR VALUE RECEIVED, BHM Parkview Investment Co, LLC, the registered holder, hereby assigns, transfers, conveys, and delivers unto _____ the Class 2 Beneficial Interests in BR PARKVIEW MULTIFAMILY, DST, a Delaware statutory trust (the "Trust"), standing in its name on the books of said Trust and represented by Class 2 Beneficial Ownership Certificate, Certificate Number 1 and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Class 2 Beneficial Interest on the books of the Trust with full power of substitution in the premises.

Dated: _____

BHM Parkview Investment Co, LLC

By: _____

By: _____
Name: Jordan Ruddy
Its: Authorized Signatory

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EXHIBIT C

CERTIFICATE OF TRUST
OF
BR PARKVIEW MULTIFAMILY, DST

(COPY TO BE ATTACHED)

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EXHIBIT D

OWNERSHIP RECORDS
FOR
BR PARKVIEW MULTIFAMILY, DST
LAST REVISED _____ __, 20__.

Name:	Mailing Address:	Percentage (%) Beneficial Interest
_____	_____	_____

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

BR Parkview DST Manager, LLC, not in its individual capacity, but solely as Manager

By:_____
Name:_____
Title:_____

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EXHIBIT E

AGREEMENT OF ASSIGNEE OR TRANSFEREE BENEFICIAL OWNER OF

BR PARKVIEW MULTIFAMILY, 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 Amended and Restated Trust Agreement of BR PARKVIEW MULTIFAMILY, DST (the "Trust"), dated as of December 18, 2025 (the "Trust Agreement"), by and among BHM Parkview Investment Co, LLC, as Depositor, BR Parkview DST Manager, LLC, as Manager, and CSC Delaware Trust Company, as Trustee, and hereby covenants and agrees to be bound by the Trust Agreement as a Class 1 Beneficial Owner under the Trust. 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 Class 1 Beneficial Interest, the undersigned hereby makes the following representations, warranties, covenants, acknowledgments, agreements, and understandings to and in favor of the Trust, the Depositor, the Manager, and the Trustee:

1.1 Acknowledges (i) that the Class 1 Beneficial Interest being acquired by the undersigned pursuant to the contract of sale or other written agreement attached hereto as Exhibit A and that there are no side letters or other undisclosed understandings or agreements between buyer and seller (hereinafter the "Offer").

1.2 Represents and warrants that the undersigned: (i) understands and is aware that there are substantial uncertainties regarding the treatment of the undersigned's Class 1 Beneficial Interest as real estate for federal income tax purposes; (ii) fully understands that there is significant risk that the undersigned's Class 1 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 Class 1 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 Class 1 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 Class 1 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 Class 1 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 Class 1 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 the opinion of counsel issued to the Trust states that a purchaser's Class 1 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 Class 1 Beneficial Interest by the undersigned as a purchase by the undersigned of a direct ownership interest in the Real Estate.

1.3 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 Class 1 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.

1.4 Represents and warrants that the undersigned, in determining to acquire the Class 1 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 Class 1 Beneficial Interest and that none of Bluerock Real Estate, L.L.C., Bluerock Real Estate Holdings, LLC, the Trust, the Trustee, the Manager, the Depositor, or the Sponsor (or any of their respective owners, officers, representatives, professionals or agents) has

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made any representation to the undersigned regarding the Class 1 Beneficial Interest or the assets or liabilities of the Trust or the financial viability of the Trust or an investment in the Class 1 Beneficial Interests.

1.5 Acknowledges that the Class 1 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 operating agreement contemplated under Section 9.2 of the Trust Agreement and attached as Exhibit F thereto, both of which the undersigned accepts and by which the undersigned agrees by execution hereof to be legally bound notwithstanding that his or her signature will not be required on either agreement.

1.6 Represents and warrants that the undersigned either (i) is an accredited investor, or (ii) is acquiring the Class 1 Beneficial Interest in a fiduciary capacity for a person meeting such condition.

1.7 Represents and warrants that the Class 1 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 Class 1 Beneficial Interest or any portion thereof to any other Person.

1.8 Represents and warrants that the undersigned (i) can bear the economic risk of the purchase of the Class 1 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 Class 1 Beneficial Interests, and (iii) if an individual, is at least 19 years of age.

1.9 Understands that the Class 1 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 "Summary of the Trust Agreement – Summary of Certain Provisions of the Trust Agreement –Transfer Rights," which restrictions are in addition to certain other restrictions set forth in the Trust Agreement.

1.10 Understands that a legend will be placed on the Class 1 Beneficial Ownership Certificate with respect to restrictions on distribution, transfer, resale, assignment or subdivision of the Class 1 Beneficial Interest imposed by applicable federal and state securities laws.

1.11 Agrees that the undersigned will not sell or otherwise transfer or dispose of any Class 1 Beneficial Interest or any portion thereof unless (i) such Class 1 Beneficial Interest is registered under the Securities Act and any applicable state securities laws or, if required by the Trust (through the Manager), the undersigned obtains an opinion of counsel that is satisfactory to the Trust that such Class 1 Beneficial Interest may be sold in reliance on an exemption from such registration requirements, and (ii) the transfer is otherwise made in accordance with the Trust Agreement.

1.12 Agrees that the undersigned will not sell or transfer a Class 1 Beneficial Interest or any portion thereof to (i) an employee benefit plan within the meaning of Section 3(3) of ERISA that is subject to the fiduciary responsibility provisions of Title I of ERISA (a "plan"), or a plan within the meaning of Code Section 4975(e)(1) that is subject to Code Section 4975 (also, a "plan"), including a qualified plan (any pension, profit sharing or stock bonus plan that is qualified under Code Section 401(a)) or an individual retirement account; (ii) any Person that is directly or indirectly acquiring a Class 1 Beneficial Interest on behalf of, as investment manager of, as fiduciary of, as trustee of, or with assets of a plan (including any insurance company using assets in its general or separate account that may constitute assets of a plan); (iii) a charitable remainder trust; (iv) any other tax-exempt entity; or (v) a foreign Person.

1.13 Understands that (i) the Trust has no obligation or intention to register any Class 1 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 Class 1 Beneficial Interest or any portion thereof for an indefinite period of time or at any particular time.

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1.14 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 Class 1 Beneficial Interests, passed upon or endorsed the merits of the Trust's offering of Class 1 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.

1.15 Represents, warrants and agrees that, if the undersigned is acquiring the Class 1 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 Class 1 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 Manager deems appropriate shall be furnished regarding such Person or Persons.

1.16 Acknowledges and agrees that counsel, including special tax counsel, to the Trust, the Depositor, the Manager 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 Class 1 Beneficial Interest.

1.17 Agrees to indemnify, defend and hold harmless Bluerock Real Estate, L.L.C., Bluerock Real Estate Holdings, LLC, the Trust, Trustee, Depositor, and Manager, 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 Class 1 Beneficial Interest, the undersigned shall indemnify and hold the Indemnified Persons 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 Persons 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.

1.18 Represents and warrants that neither the undersigned nor any Affiliate of the undersigned (i) is a Sanctioned Person (defined below), (ii) has more than 15% of its assets in Sanctioned Countries (defined below), or (iii) derives more than 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.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx*, 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.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx*, or as otherwise published from time to time.

1.19 Acknowledges that the Class 2 Beneficial Owner has certain rights under the Trust Agreement, as more particularly set forth in the Trust Agreement.

[SIGNATURE PAGE FOLLOWS]

The representations, warranties, acknowledgments, understandings and indemnities of transferee or assignee set forth herein above shall survive the undersigned's acquisition of the Class 1 Beneficial Interest.

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_____

Name: _____

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EXHIBIT F

FORM OF LIMITED LIABILITY COMPANY AGREEMENT

OPERATING AGREEMENT
OF
BR PARKVIEW MULTIFAMILY SPRINGING, LLC

This Limited Liability Company Agreement ("Agreement"), effective as of the Transfer Date, is entered into by and between BR PARKVIEW MULTIFAMILY, DST, a Delaware statutory trust (the "Trust" or the "Initial Member"), as the Initial Member, and BR PARKVIEW MULTIFAMILY SPRINGING MANAGER, LLC, a Delaware limited liability company (the "Manager") and with the expectation of the admission of the parties listed on Exhibit II attached hereto, as Members, pursuant to the Act on the following terms and conditions.

RECITALS

WHEREAS, an Affiliate of the Manager established the Trust to acquire and hold the Property and sell Beneficial Interests in the Trust, pursuant to that certain Offering Memorandum (as supplemented or amended, the "Memorandum");

WHEREAS, the Members hold all of the Beneficial Interests in the Trust as the Beneficial Owners thereof and in the percentage amounts reflected on Exhibit II attached hereto;

WHEREAS, the Manager or its predecessor in interest has determined that a distribution of Units to the Beneficial Owners in exchange for, and in termination of, to their Beneficial Interests should be made pursuant to Section 9.2 of the Trust Agreement in order to preserve and protect the Trust Estate;

WHEREAS, in order to preserve and protect the Trust Estate, the Manager established the Company to hold the Property and issue the Units to the Trust in exchange for its contribution of the Trust Estate to the Company; and

WHEREAS, upon termination of the Trust (which will occur immediately after the transfer of the Trust Estate to the Company in exchange for Units), the Trust, as Initial Member, will distribute all of the Units held by the Trust to the Beneficial Owners (in the amounts reflected on Exhibit II attached hereto) in proportion to their Beneficial Interests, and, in connection therewith, the Manager will admit the Beneficial Owners as Members of the Company and the interest of the Initial Member in the Company will be terminated.

NOW THEREFORE, the Members and the Manager agree that the Company shall be governed by and operated pursuant to the Act and the terms of this Agreement as hereinafter set forth.

1. Organization.

1.1 Limited Liability Company. On or prior to the Transfer Date, the Manager shall file a Certificate of Formation with the office of the Secretary of State of Delaware in accordance with and pursuant to the Act to form the Company.

1.2 Name and Place of Business. The name of the Company shall be "BR PARKVIEW MULTIFAMILY SPRINGING, LLC", and its principal place of business shall be at c/o Bluerock Real Estate, L.L.C., 919 Third Avenue, Suite 4000, New York, NY 10022. The Manager may change such name, change such place of business or establish additional places of business of the Company as the Manager may determine to be necessary or desirable.

1.3 Business and Purpose of the Company. The nature of the business and the purposes to be conducted and promoted by the Company are to engage solely in the following activities:

1.3.1 To own, hold, sell, assign, transfer, and otherwise deal with the Property.

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1.3.2 To exercise all powers enumerated in the Act if necessary or convenient to the conduct, promotion or attainment of the business or purposes otherwise set forth herein.

1.3.3 Notwithstanding anything to the contrary set forth in paragraphs 1.3.1 and 1.3.2 above, since its formation and thereafter until the First Mortgage Loan is paid in full, the Company will continue to (i) be organized solely for the purpose of owning the Property, (ii) not engage in any business unrelated to the ownership of the Property, and (iii) not have any assets other than those related to the Property.

1.4 Term. The term of the Company shall terminate as provided in Section 14 of this Agreement; provided, however, that the Company may not be dissolved at any time during which the First Mortgage Loan remains outstanding with the Lender for the Property.

1.5 Required Filings. The Manager shall execute, acknowledge, file, record and/or publish such certificates and documents as may be required by this Agreement or by law in connection with the formation and operation of the Company.

1.6 Registered Office and Registered Agent. The Company's initial registered office and initial registered agent shall be as provided in the Certificate of Formation. The registered office and registered agent may be changed from time to time by the Manager by filing the address of the new registered office and/or the name of the new registered agent pursuant to the Act.

1.7 Certain Transactions. Any Member, or any Affiliate of a Member, or any shareholder, officer, director, employee, partner, member or any person owning an interest therein, may engage in or possess an interest in any other business or venture of any nature or description, whether or not competitive with the Company, including, but not limited to, the acquisition, syndication, ownership, financing, leasing, operation, maintenance, management, brokerage, construction and development of property similar to the Property and no Member, or any Affiliate of a Member, or any shareholder, officer, director, employee, partner, member or any person owning an interest therein shall have any interest in such other business or venture by reason of their interest in the Company.

2. Definitions. Definitions for this Agreement are set forth on Exhibit I and are incorporated herein.

3. Capitalization and Financing.

3.1 Members' Capital Contributions.

3.1.1 Initial Member. The Trust, as the Initial Member, shall contribute the Trust Estate to the Company in exchange for all of the authorized Units in the Company. The Trust shall then distribute the Units to the Beneficial Owners in proportion to and in exchange for, and in termination of, their Beneficial Interests in the Trust.

3.1.2 Units. The Company is hereby authorized to initially issue ten thousand (10,000) Units and to admit the Beneficial Owners as Members of the Company.

3.1.3 Liabilities of Members. Except as specifically provided in this Agreement, neither the Manager nor any Member shall be required to make any additional contributions to the Company and no Manager or Member shall be liable for the debts, liabilities, contracts, or any other obligations of the Company, nor shall the Manager or the Members be required to lend any funds to the Company.

3.2 Additional Voluntary Capital Contributions or Additional Units. The Manager may determine, in its sole discretion, that Capital Expenditures are in the best interest of the Company. The Manager may request the Members to make additional voluntary capital contributions ("Additional Voluntary Capital Contributions") or may sell additional Units to new Members to enable the Company to make Capital Expenditures. In the event the Manager requests Additional Voluntary Capital Contributions, the Manager shall notify the Members in writing of the requested amount of such Additional Voluntary Capital Contribution, and a Member may, within fifteen (15) days of receiving such notice, elect (in writing by notice given to the Manager) to make the requested Additional Voluntary Capital

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Contributions. If the total specified amount by the Members wishing to make the Additional Voluntary Capital Contributions is less than the amount requested by the Manager, the Manager, in addition to providing the Members with a supplemental request for the remaining portion of the requested Additional Voluntary Capital Contribution, is hereby authorized to admit additional Members as necessary to insure that it receives the requested amount of Additional Voluntary Capital Contributions. To the extent that any Additional Voluntary Capital Contributions are made, whether by existing Members or upon the sale of Units to new Members, new Units shall be issued for those Additional Voluntary Capital Contributions on the basis of the fair market value as determined in the sole discretion of the Manager. In the event the Manager determines to sell additional Units, existing Members may participate on the same basis as new Members on a first-come first-serve basis. Fractional Units may be issued hereunder.

3.3 Manager Loans. Provided it does not violate or conflict with the Financing Documents, the Manager or its Affiliates may, but will have no obligation to, make loans to the Company to pay Company operating expenses if deemed necessary in Manager's reasonable business judgment. Any such loan shall bear interest at the actual cost of funds to the Manager and provide for the payment of principal and any accrued but unpaid interest in accordance with the terms of the promissory note evidencing such loan, but in no event later than dissolution of the Company.

4. Allocation of Income and Loss.

4.1 Allocation to the Manager and Members. For each fiscal year, the income and loss of the Company shall be allocated to the Members in proportion to their Units.

4.2 Allocation Among Units. Except as otherwise provided in this Agreement, all Distributions and allocations made to the Units shall be in the ratio of the number of Units held by each such Member on the date of such allocation (which allocation date shall be deemed to be the last day of each month) to the total outstanding Units as of such date, and, except as otherwise provided in this Agreement, without regard to the number of days during such month that the Units were held by each Member. In the event additional Members are admitted to the Company on different dates during any fiscal year, the income or loss allocated to Members for that fiscal year shall be apportioned among them in proportion to the number of Units each Member held from time to time during the fiscal year in accordance with Code Section 706.

4.3 Allocation of Company Items. Except as otherwise provided herein, whenever a proportionate part of income or loss is allocated to a Member, every item of income, gain, loss or deduction entering into the computation of such income or loss, and every item of credit or tax preference related to such allocation and applicable to the period during which such income or loss was realized, shall be allocated to a Member in the same proportion.

4.4 Assignment. In the event of the assignment of a Unit, the income and loss shall be apportioned as between the Member and his or her assignee based upon the number of months of their respective ownership during the year in which the assignment occurs, without regard to the results of the Company's operations during the period before or after such assignment. Distributions shall be made to the holder of record of the Units as of the date of the Distribution. An assignee that receives Units during the first fifteen (15) days of a month will receive any allocations relative to such month. An assignee that acquires Units on or after the sixteenth (16th) day of a month will be treated as acquiring his or her Units on the first day of the following month.

4.5 Consent of Members. The methods for allocating income and loss are hereby expressly consented to by each Member as a condition of becoming a Member.

4.6 Withholding Obligations.

4.6.1 If the Company is required (as determined in good faith by the Manager) to make a payment ("Tax Payment") with respect to any Member to discharge any legal obligation on the part of the Company or the Manager to make payments to any governmental authority with respect to any federal, foreign, state or local tax liability of such Member arising as a result of such Member's interest in the Company, then, notwithstanding any other provision of this Agreement to the contrary, the amount of any such Tax Payment shall be deemed to be a loan by the Company to such Member, which loan shall bear interest at the Prime Rate and be payable upon demand or by offset to any Distribution which otherwise would be made to such Member.

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4.6.2 If and to the extent the Company or the Manager is required to make any Tax Payment with respect to any Member, or elects to make payment on any loan described in Section 4.6.1 by offset to a Distribution to a Member, either (i) such Member's proportionate share of such Distribution shall be reduced by the amount of such Tax Payment, or (ii) such Member shall pay to the Company prior to such Distribution an amount of cash equal to such Tax Payment. In the event a portion of a Distribution in kind is retained by the Company pursuant to clause (i) above, such retained property may, in the discretion of the Manager, either (A) be distributed to the other Members, or (B) be sold by the Company to generate the cash necessary to satisfy such Tax Payment. If the property is sold, then for purposes of income tax allocations only under this Agreement, any gain or loss from such sale or exchange shall be allocated to the Member to whom the Tax Payment relates. If the property is sold at a gain, and the Company is required to make any Tax Payment on such gain, the Member to whom the gain is allocated shall pay the Company prior to the due date of the Tax Payment an amount of cash equal to such Tax Payment.

4.6.3 The Manager shall be entitled to hold back any Distribution to any Member to the extent the Manager believes in good faith that a Tax Payment will be required with respect to such Member in the future and the Manager believes that there will not be sufficient subsequent Distributions to make such Tax Payment.

5. Distributions.

5.1 Cash from Operations. Except as provided in Section 5.2 and as otherwise provided in Section 14, Distributable Cash with respect to each calendar year shall be distributed to the Members in proportion to their Units.

5.2 Restrictions. The Company intends to make periodic distributions of substantially all cash determined by the Manager to be distributable, subject to the following: (i) Distributions may be restricted or suspended for periods when the Manager determines in its reasonable discretion that it is in the best interest of the Company; (ii) all Distributions are subject to the establishment and maintenance by Manager of reasonable reserves for payment of potential future Company obligations; and (iii) all Distributions shall be paid only to the extent that all currently due operating expenses have been paid or otherwise provided for and all amounts then due and payable under the Financing Documents have been paid or otherwise provided for.

6. Compensation to the Manager and its Affiliates.

6.1 Fees and Compensation to the Manager and its Affiliates. The Manager, its Affiliates, and Affiliates of officers of the Manager shall be entitled to receive an administrative fee and additional compensation for any additional service performed on behalf of the Company equal to the then prevailing market rates for similar services performed in the area where the Property is located. In addition, the Manager shall receive a disposition fee from the Company not to exceed 3.5% of the gross proceeds (or transfer value, as applicable) of the sale, exchange or other disposition of the Property (the "Disposition Fee"), from which the Manager shall pay all sales commissions payable to any third-party broker in connection with the sale, such that the aggregate amount of the Disposition Fee plus the third-party brokerage commission does not exceed 3.5% of the gross sales price of the Property. For the avoidance of doubt, the Disposition Fee shall not be payable in the event the FMV Option (as defined below) is exercised.

6.2 Company Expenses.

6.2.1 Operating Expenses. Subject to the limitations set forth in Section 6.2.2, the Company shall pay directly, or reimburse the Manager as the case may be, for all of the costs and expenses of the Company's operations, including, without limitation, the following costs and expenses: (i) all Organization Expenses advanced or otherwise paid by the Manager; (ii) all costs of personnel employed by the Company and directly involved in the Company's business; (iii) all compensation due to the Manager or its Affiliates; (iv) all costs of personnel employed by the Manager or its Affiliates and directly involved in the business of the Company; (v) all costs of borrowed money and taxes applicable to the Company; (vi) legal, accounting, audit, brokerage, and other fees; (vii) fees and expenses paid to independent contractors, mortgage bankers, real estate brokers, and other agents; (viii) all expenses incurred in connection with the maintenance of Company books and records, the preparation and dissemination of reports, tax returns or other information to the Members and the making of Distributions to the Members; (ix) expenses incurred in preparation and filing reports or other information with appropriate regulatory agencies; (x) expenses of insurance as required in connection with the business of the Company, other than any insurance insuring

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the Manager against losses for which it is not entitled to be indemnified under Section 7.7; (xi) costs incurred in connection with any litigation in which the Company may become involved, or any examination, investigation, or other proceedings conducted by any regulatory agency, including legal and accounting fees; (xii) the actual costs of goods and materials used by or for the Company; (xiii) the costs of services that could be performed directly for the Company by independent parties such as legal, accounting, secretarial or clerical, reporting, transfer agent, data processing and duplicating services but which are in fact performed by the Manager or its Affiliates, but not in excess of the lesser of: (a) the actual costs to the Manager or its Affiliates of providing such services; or (b) the amounts which the Company would otherwise be required to pay to independent parties for comparable services in the same geographic locale; (xiv) expenses of Company administration, accounting, documentation and reporting; (xv) expenses of revising, amending, modifying, or terminating this Agreement; (xvi) all travel expenses incurred in connection with the Company's business; and (xvii) all other costs and expenses incurred in connection with the business of the Company exclusive of those set forth in Section 6.2.2. All payments set forth herein shall be paid from any funds available after payment of, or other provision for, all other currently due operating expenses for the Property and all currently due amounts under the Financing Documents.

6.2.2 Manager Overhead. Except as set forth in this Section 6, the Manager and its Affiliates shall not be reimbursed for overhead expenses incurred in connection with the Company, including but not limited to rent, depreciation, utilities, capital equipment, or other administrative items.

7. Authority and Responsibilities of the Manager.

7.1 Management. The Manager shall manage the business and affairs of the Company. Except as otherwise set forth in this Agreement and the Certificate of Formation, and to the maximum extent permitted by law, the Manager shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters, and to perform any and all other acts or activities customary or incident to the management of the Company's business.

7.2 Number, Tenure and Qualifications. The Company shall have one Manager, which shall be BR PARKVIEW MULTIFAMILY SPRINGING MANAGER, LLC. The Manager shall remain the Manager until such Manager is removed, withdraws or resigns.

7.3 Manager Authority. The Manager shall have all authority, rights and powers conferred by law (subject only to Section 7.4 and Section 10 hereof and the Certificate of Formation) and those required or appropriate to the management of the Company's business, as limited by Section 1.3, which, by way of illustration but not by way of limitation, shall include the right, authority and power to cause the Company to:

7.3.1 Take all actions relating to the management of the Property;

7.3.2 Hold, sell, exchange or otherwise dispose of the Property;

7.3.3 Borrow money, and, if security is required therefor subject the Property to any security device, and to prepay, in whole or in part, refinance, increase, modify, consolidate, or extend any security device. All of the foregoing shall be on such terms and in such amounts as the Manager, in its sole discretion, deems to be in the best interest of the Company and subject to any restrictions or limitations established under the Financing Documents;

7.3.4 Enter into such contracts and agreements as the Manager determines to be reasonably necessary or appropriate in connection with the Company's business and purpose (including contracts with Affiliates of the Manager), and any contract of insurance that the Manager deems necessary or appropriate for the protection of the Company and the Manager, including errors and omissions insurance, for the conservation of Company assets, or for any purpose convenient or beneficial to the Company;

7.3.5 Employ persons, who may be Affiliates of the Manager, in the operation and management of the business of the Company;

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7.3.6 Prepare or cause to be prepared reports, statements, and other relevant information for distribution to the Members;

7.3.7 Open accounts and deposits and maintain funds in the name of the Company in banks, savings and loan associations, "money market" mutual funds and other instruments as the Manager may deem in its discretion to be necessary or desirable;

7.3.8 Cause the Company to make or revoke any of the elections referred to in the Code (the Manager shall have no obligation to make any such elections);

7.3.9 Select as its accounting year a calendar or fiscal year as may be approved by the Internal Revenue Service (the Company initially intends to adopt the calendar year);

7.3.10 Determine the appropriate accounting method or methods to be used by the Company;

7.3.11 In addition to any amendments otherwise authorized herein, amend this Agreement without any action on the part of the Members by special or general power of attorney or otherwise to:

(a) Add to the representations, duties, services or obligations of the Manager or its Affiliates, for the benefit of the Members;

(b) Cure any ambiguity or mistake, correct or supplement any provision herein that may be inconsistent with any other provision herein, or make any other provision with respect to matters or questions arising under this Agreement that will not be inconsistent with the provisions of this Agreement;

(c) Amend this Agreement to reflect the addition or substitution of Members;

(d) Minimize the adverse impact of, or comply with, any final regulation of the United States Department of Labor, or other federal agency having jurisdiction, defining "plan assets" for ERISA purposes;

(e) Reconstitute the Company under the laws of another state if beneficial;

(f) Execute, acknowledge and deliver any and all instruments to effectuate the foregoing, including the execution, acknowledgment and delivery of any such instrument by the attorney-in-fact for the Manager under a special or limited power of attorney, and to take all such actions in connection therewith as the Manager shall deem necessary or appropriate with the signature of the Manager acting alone;

(g) Make any changes to this Agreement required by the Lender or any subsequent lender that may be required to obtain financing or any refinancing of the First Mortgage Loan so long as such changes are not adverse to the interests of the Members; and

(h) Delete or add any provision to this Agreement required to be so deleted or added for the benefit of the members by the staff of the Securities and Exchange Commission or by a state "Blue Sky" Commissioner or similar official.

7.3.12 Require in any Company contract that the Manager shall not have any personal liability, but that the person or entity contracting with the Company is to look solely to the Company and its assets for satisfaction;

7.3.13 Lease personal property for use by the Company;

7.3.14 Establish reserves from income in such amounts as the Manager may deem appropriate;

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7.3.15 Provided it does not violate or conflict with the Financing Documents, make secured or unsecured loans to the Company and receive interest at the rates set forth herein;

7.3.16 Represent the Company and the Members as "partnership representative" within the meaning of the Code in discussions with the Internal Revenue Service regarding the tax treatment of items of Company income, loss, deduction or credit, or any other matter reflected in the Company's returns, and, if deemed in the best interest of the Members, to agree to final Company administrative adjustments or file a petition for a readjustment of the Company items in question with the applicable court;

7.3.17 Redeem or repurchase Units on behalf of the Company;

7.3.18 Hold an election for a successor Manager before the resignation, withdrawal, expulsion or dissolution of the Manager;

7.3.19 Initiate, settle and defend legal actions on behalf of the Company;

7.3.20 Admit itself as a Member, but only to the extent necessary to fulfill its duties as the manager of the Company and, in any event, without any Economic Interest;

7.3.21 Enter into any transaction with any partnership, company or venture;

7.3.22 Perform any and all other acts which the Manager is obligated to perform hereunder;

7.3.23 Perform any and all other acts which the Manager is permitted to perform under the Act; and

7.3.24 Execute, acknowledge and deliver any and all instruments to effectuate the foregoing and take all such actions in connection therewith as the Manager may deem necessary or appropriate. The Manager may, on behalf and in the name of the Company, execute any and all documents or instruments.

7.4 Restrictions on Manager's Authority. Subject to the balance of the terms of this Agreement and the Certificate of Formation, neither the Manager nor any Affiliates shall have authority, without a Majority Vote of the Units, to:

7.4.1 Enter into contracts with the Company that would bind the Company after the expulsion, withdrawal, Event of Insolvency, or other cessation to exist of the Manager, or to continue the business of the Company after the occurrence of such event;

7.4.2 Use or permit any other person to use Company funds or assets in any manner except for the exclusive benefit of the Company;

7.4.3 Alter the primary purpose of the Company;

7.4.4 Sell or lease to the Company any real property in which the Manager or any Affiliate has any interest;

7.4.5 Admit another person or entity as the Manager, except with the consent of the Members as provided in this Agreement;

7.4.6 Reinvest Cash from Operations in any additional properties;

7.4.7 Enter into any agreement imposing personal liability on any Member; or

7.4.8 Commingle the Company funds with those of any other person or entity, except for (i) the temporary deposit of funds in a bank checking account for the sole purpose of making Distributions immediately

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thereafter to the Members and the Manager or (ii) funds attributable to the Property and held for use in the management of the operations of the Property.

7.5 Responsibilities of the Manager. The Manager shall:

7.5.1 Have a fiduciary responsibility for the safekeeping and use of all the funds of the Company (but Manager shall have no other fiduciary duties);

7.5.2 Devote such of its time and business efforts to the business of the Company as it shall in its discretion, exercised in good faith, determine to be necessary to conduct the business of the Company for the benefit of the Company and the Members;

7.5.3 File and publish all certificates, statements, or other instruments required by law for formation, qualification and operation of the Company and for the conduct of its business in all appropriate jurisdictions;

7.5.4 Cause the Company to be protected by public liability, property damage and other insurance determined by the Manager in its discretion to be appropriate to the business of the Company; and

7.5.5 At all times use its best efforts to meet applicable requirements for the Company to be taxed as a Company and not as an association taxable as a corporation.

7.5.6 Exercise commercially reasonable efforts to pursue a follow-on syndication of the membership interests of BHM Parkview Investment Co, LLC, if any, within a reasonable time after the Transfer Date.

7.6 Administration of Company. So long as it is the Manager and the provisions of this Agreement for compensation and reimbursement of expenses of the Manager are observed, the Manager shall have the responsibility of providing continuing administrative and executive support, advice, consultation, analysis and supervision with respect to the functions of the Company, and compliance with federal, state and local regulatory requirements and procedures. In this regard, the Manager may retain the services of such Affiliates or unaffiliated parties as the Manager may deem appropriate to provide management and financial consultation and advice, and may enter into agreements for the management and operation of Company assets.

7.7 Indemnification of Manager.

7.7.1 The Manager, its shareholders, Affiliates, officers, directors, partners, manager, members, employees, agents and assigns, shall not be liable for, and shall be indemnified and held harmless (to the extent of the Company's assets) from, any loss or damage incurred by them, the Company or the Members in connection with the business of the Company, including costs and reasonable attorneys' fees and any amounts expended in the settlement of any claims of loss or damage resulting from any act or omission, which shall not constitute fraud or gross negligence, pursuant to the authority granted, to promote the interests of the Company. Moreover, the Manager shall not be liable to the Company or the Members because any taxing authorities disallow or adjust any deductions or credits in the Company income tax returns.

7.7.2 Notwithstanding anything contained herein to the contrary, any indemnification of the Manager or any Member shall be fully subordinated to any obligations respecting the Property (including, without limitation, the Financing Documents which secure the First Mortgage Loan) and such indemnification shall not constitute a claim against the Company in the event that cash flow in excess of amounts necessary to pay holders of such obligations is insufficient to pay such indemnification obligations.

7.8 No Personal Liability for Return of Capital. The Manager shall not be personally liable or responsible for the return or repayment of all or any portion of the Capital Contribution of any Member or any loan made by any Member to the Company, it being expressly understood that any such return of capital or repayment of

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any loan shall be made solely from the assets (which shall not include any right of contribution from any Member) of the Company.

7.9 Authority as to Third Persons.

7.9.1 No third party dealing with the Company shall be required to investigate the authority of the Manager or secure the approval or confirmation by any Member of any act of the Manager in connection with the Company business. No purchaser of any property or interest owned by the Company shall be required to determine the right to sell or the authority of the Manager to sign and deliver any instrument of transfer on behalf of the Company, or to see to the application or distribution of revenues or proceeds paid or credited in connection therewith.

7.9.2 The Manager shall have full authority to execute on behalf of the Company any and all agreements, contracts, conveyances, deeds, mortgages and other instruments, and the execution thereof by the Manager, executing on behalf of the Company, shall be the only execution necessary to bind the Company thereto. No signature of any Member shall be required.

7.9.3 The Manager shall have the right by separate instrument or document to authorize one or more individuals or entities to execute leases and lease-related documents on behalf of the Company and any leases and documents executed by such agent shall be binding upon the Company as if executed by the Manager.

8. [Intentionally Omitted]

9. Rights, Authority and Voting of The Members.

9.1 Members are Not Agents. Pursuant to Section 7 and the Certificate of Formation, the day-to-day management of the Company is vested solely in the Manager. No Member, acting in the capacity of a Member, is an agent of the Company nor can any Member in such capacity bind or execute any instrument on behalf of the Company.

9.2 Voting Rights of Members. Subject to the terms of the Financing Documents, Members who own Units shall be entitled to cast one vote for each Unit they own. Except as otherwise specifically provided in this Agreement, and subject to receipt of the written approval of the Lenders if required under the Financing Documents, Members shall have the right to vote only upon the following matters:

9.2.1 Removal of the Manager as provided in Section 11.2 of this Agreement;

9.2.2 Election of a successor Partnership Representative;

9.2.3 Amendment of this Agreement (except as otherwise provided herein);

9.2.4 Extension of the term of the Company as provided in Section 14.1.4 when there is a Dissolution Event; or

9.2.5 Election of a successor Manager.

9.3 Member Vote; Consent of Manager. All matters upon which the Members may vote, except as otherwise provided in this Agreement, shall require a Majority Vote and, except for removal of the Manager as provided in Section 11.2, the consent of the Manager to pass and become effective, which consent of Manager shall not be unreasonably withheld, conditioned, or delayed. The foregoing notwithstanding, at any time the First Mortgage Loan is outstanding, all Members shall be conclusively deemed to have elected to continue the existence of the Company under Section 9.2.4.

9.4 Meetings of the Members. The Manager may at any time call for a meeting of the Members, or for a vote without a meeting, on matters on which the Members are entitled to vote, and shall call for such a meeting (but not a vote without a meeting) following receipt of a written request therefor of Members holding more than ten percent

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(10%) of the Units entitled to vote as of the record date. Within twenty (20) days after receipt of such request, the Manager shall notify all Members of record on the record date of the meeting.

9.4.1 Notice. Except as provided by Section 9.4.5, written notice of each meeting shall be given to each Member entitled to vote, either personally or by mail or other means of written communication, charges prepaid, addressed to such Member at his or her address appearing on the books of the Company or given by him or her to the Company for the purpose of notice or, if no such address appears or is given, at the principal executive office of the Company, or by publication of notice at least once in a newspaper of general circulation in the county in which such office is located. All such notices shall be sent not less than five (5), nor more than sixty (60), days before such meeting. The notice shall specify the place, date and hour of the meeting and the general nature of business to be transacted, and no other business shall be transacted at the meeting.

9.4.2 Adjourned Meeting and Notice Thereof. When a Members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Company may transact any business that might have been transacted at the original meeting. If the adjournment is for more than forty-five (45) days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting.

9.4.3 Quorum. The presence in person or by proxy of the persons entitled to vote a majority of the Units shall constitute a quorum for the transaction of business. The Members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment. Any meeting of Members may be adjourned from time to time by a Majority Vote of the Units represented either in person or by proxy.

9.4.4 Consent of Absentees. The transactions of any meeting of Members, however called and noticed and wherever held, are as valid as though they occurred at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of the meeting or an approval of the minutes thereof. All waivers, consents and approvals shall be filed with the Company records or made a part of the minutes of the meeting.

9.4.5 Action Without Meeting. Except as otherwise provided in this Agreement, any action which may be taken at any meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by Members having not less than the minimum number of votes that would be necessary to authorize or take that action at a meeting at which all entitled to vote thereon were present and voted. In the event the Members are requested to consent on a matter without a meeting, each Member shall be given not less than five (5), nor more than sixty (60), days prior notice.

9.4.6 Record Dates. For purposes of determining the Members entitled to notice of any meeting or to vote or entitled to receive any Distributions or to exercise any rights in respect of any other lawful matter, the Manager may fix in advance a record date, which is not more than sixty (60) nor less than five (5) days prior to the date of the meeting nor more than sixty (60) days prior to any other action. If no record date is fixed:

(a) The record date for determining Members entitled to notice of or to vote at a meeting of Members shall be at the close of business on the Business Day next preceding the day on which notice is given or, if notice is waived, at the close of business on the Business Day next preceding the day on which the meeting is held;

(b) The record date for determining Members entitled to give consent to Company action in writing without a meeting shall be the day on which the first written consent is given;

(c) The record date for determining Members for any other purpose shall be at the close of business on the day on which the Manager adopts it, or the sixtieth (60th) day before the date of the other action, whichever is later; and

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(d) A determination of Members of record entitled to notice of or to vote at a meeting of Members shall apply to any adjournment of the meeting unless the Manager, or the Members who requested the meeting, fix a new record date for the adjourned meeting, but the Manager, or such Members, shall fix a new record date if the meeting is adjourned for more than forty-five (45) days from the date set for the original meeting.

9.4.7 Proxies. Every person entitled to vote or execute consents shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the Manager. No proxy shall be valid after the expiration of three (3) months from the date thereof unless otherwise provided in the proxy. Every proxy continues in full force and effect until revoked as specified or unless it states that it is irrevocable. A proxy that states that it is irrevocable is irrevocable for the period specified therein to the fullest extent permitted by law.

9.4.8 Chairman of Meeting. The Manager may select any person to preside as Chairman of any meeting of the Members, and if such person shall be absent from the meeting, or fail or be unable to preside, the Manager may name any other person in substitution therefor as Chairman. In the absence of an express selection by the Manager of a Chairman or substitute therefor, the Chief Executive Officer, President, Vice President, Secretary, or Chief Financial Officer of the Manager. shall preside as Chairman, in that order. The Chairman of the meeting shall designate a secretary for such meeting, who shall take and keep or cause to be taken and kept minutes of the proceedings thereof. The conduct of all Members' meetings shall at all times be within the discretion of the Chairman of the meeting and shall be conducted under such rules as he may prescribe. The Chairman shall have the right and power to adjourn any meeting at any time, without a vote of the Units present in person or represented by proxy, if the Chairman shall determine such action to be in the best interests of the Company.

9.4.9 Inspectors of Election. In advance of any meeting of Members, the Manager may appoint any persons other than nominees for Manager or other office as the inspector of election to act at the meeting and any adjournment thereof. If an inspector of election is not so appointed, or if any such person fails to appear or refuses to act, the Chairman of any such meeting may, and on the request of any Member or his proxy shall, make such appointment at the meeting. The inspector of election shall determine the number of Units outstanding and the voting power of each, the Units represented at the meeting, the existence of a quorum, the authenticity, validity and effect of proxies, receive votes, ballots or consents, hear and determine all challenges and questions in any way arising in connection with the right to vote, count and tabulate all votes or consents, determine when the polls shall close, determine the result and do such acts as may be proper to conduct the election or vote with fairness to all Members.

9.4.10 Record Date and Closing Company Books. When a record date is fixed, only Members of record on that date are entitled to notice of and to vote at the meeting or to receive a Distribution, or allotment of rights, or to exercise the rights, as the case may be, notwithstanding any transfer of any Units on the books of the Company after the record date.

9.5 Rights of Members. No Member shall have the right or power to: (i) withdraw or reduce his contribution to the capital of the Company, except as a result of the dissolution and termination of the Company or as otherwise provided in this Agreement or by law; (ii) bring an action for partition against the Company; (iii) demand or receive property other than cash in return for his Capital Contribution; or (iv) direct the Manager with respect to day-to-day management of the Company or its books and records. Except as provided in this Agreement, no Member shall have priority over any other Member either as to the return of Capital Contributions or as to allocations of the income, loss or Distributions of the Company. Other than upon the termination and dissolution of the Company as provided by this Agreement, there has been no time agreed upon when the contribution of each Member (other than the Initial Member) is to be returned.

9.6 Restrictions on the Member. No Member shall:

9.6.1 Disclose to any non-Member other than their lawyers, accountants or consultants and/or commercially exploit any of the Company's business practices, trade secrets or any other information not generally known to the business community;

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9.6.2 Do any other act or deed with the intention of harming the business operations of the Company; or

9.6.3 Do any act contrary to this Agreement.

9.7 Return of Capital of Member. In accordance with the Act, a Member may, under certain circumstances, be required to return to the Company, for the benefit of the Company's creditors, amounts previously distributed to the Member. If any court of competent jurisdiction holds that any Member is obligated to make any such payment, such obligation shall be the obligation of such Member and not of the Company, the Manager or any other Member.

10. Separateness Provisions.

10.1 Lender Covenants.

10.1.1 This Section 10.1 is adopted in order to comply with certain provisions required in order to qualify the Company as a "single purpose entity" as required under the Financing Documents.

10.1.2 Until the First Mortgage Loan is paid in full, the Company must remain a Single Purpose Entity. A "Single Purpose Entity" means with respect to the Company, a limited liability company, which at all times since its formation and thereafter will comply with the following provisions:

(a) the Company shall not acquire or lease any real property, personal property, or assets other than the Property;

(b) the Company shall not acquire, own, operate, or participate in any business other than the leasing, ownership, management, operation, and maintenance of the Property;

(c) the Company shall not commingle its assets or funds with those of any other Person, unless such assets or funds can easily be segregated and identified in the ordinary course of business from those of any other Person;

(d) the Company shall maintain its financial statements, accounting records, and other partnership, real estate investment trust, limited liability company, or corporate documents, as the case may be, separate from those of any other Person (unless such entity's assets are included in a consolidated financial statement prepared in accordance with generally accepted accounting principles), provided the beneficial interest holders of the company may also include their share of the assets on their personal financial statements;

(e) the Company shall have no material financial obligation under any indenture, mortgage, deed of trust, deed to secure debt, loan agreement, other agreement or instrument to which it is a party or by which it is otherwise bound, or to which the Property is subject or by which it is otherwise encumbered, other than:

(1) Permitted Equipment Financing and unsecured trade payables incurred in the ordinary course of the operation of the Property (exclusive of amounts (a) to be paid out of the Reserves, or (b) for rehabilitation, restoration, repairs, or replacements of the Property or otherwise approved by Lender) so long as such trade payables 1. are not evidenced by a promissory note, 2. are payable within sixty (60) days of the date incurred, and 3. as of any date, do not exceed, in the aggregate, two percent (2%) of the original principal balance of the First Mortgage Loan; provided, however, that otherwise compliant outstanding trade payables may exceed two percent (2%) up to an aggregate amount of four percent (4%) of the original principal balance of the First Mortgage Loan for a period (beginning on or after the Effective Date) not to exceed ninety (90) consecutive days;

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(2) if the Security Instrument (as defined in the First Mortgage Loan Documents) grants a lien on a leasehold estate, the Company's obligations as lessee under the ground lease creating such leasehold estate;

(3) obligations under the First Mortgage Loan Documents and obligations secured by the Property to the extent permitted by the First Mortgage Loan Documents; and

(4) obligations under the Permitted Encumbrances (as defined in the First Mortgage Loan Documents);

(f) the Company shall not assume, guaranty, or pledge its assets to secure the liabilities or obligations of any other Person (except, with respect to the Company only, in connection with the First Mortgage Loan or other mortgage loans that have been paid in full or collaterally assigned to Lender, including in connection with any Consolidation, Extension and Modification Agreement or similar instrument) or hold out its credit as being available to satisfy the obligations of any other Person;

(g) the Company shall not make loans or advances to any other Person;

(h) the Company shall not enter into, or become a party to, any transaction with any Affiliate (as defined in the First Mortgage Loan Documents), except in the ordinary course of business and on terms which are no more favorable to any such Affiliate than would be obtained in a comparable arm's-length transaction with an unrelated third party, provided that neither the Company's acquisition of the Property nor the Company's entry into and performance of its obligations under the Master Lease shall be deemed to breach this covenant;

(i) the Company shall have at all times an Independent Trustee in compliance with the First Mortgage Loan Documents; or

(j) the Company shall not Divide.

10.1.3 Notwithstanding anything to the contrary in this Agreement, no transfer of a Unit will be permitted under the Financing Documents, unless the provisions of this Section 10 are satisfied at all times.

11. Resignation, Withdrawal or Removal of the Manager.

11.1 Resignation or Withdrawal of the Manager. Subject to Section 12 hereof, the Manager shall not resign or withdraw as the Manager or do any act that would require its resignation or withdrawal without a Majority Vote. So long as the First Mortgage Loan is outstanding, the Manager may not resign, except as permitted under the Financing Documents. If the Manager is permitted to resign pursuant to this Section 11.1, an additional Manager of the Company shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement, which instrument may be a counterpart signature page to this Agreement. Such admission shall be deemed effective immediately prior to the resignation and, immediately following such admission, the resigning Manager shall cease to be a Manager of the Company.

11.2 Removal. Subject to the terms of the Financing Documents, the Manager may be removed by a Majority Vote for "cause". For purposes of this Section 11.2, "cause" shall be deemed to exist (i) if the Manager has engaged in fraud or gross negligence and has materially damaged the Company, or (ii) upon an Event of Insolvency of the Manager.

11.3 Manager's Fees. Upon the removal of the Manager pursuant to Section 11.2 or its withdrawal with the approval of a Majority Vote, such Manager shall be paid all of its earned but unpaid fees and other compensation remaining to be paid under this Agreement. The Company shall pay these amounts to the Manager in cash prior to the effective date of the removal or withdrawal of the Manager. All fees and compensation paid to the Manager pursuant to this Section 11.3 shall be subordinate to all amounts owed by the Company to the Lender; provided,

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however, the Manager shall be entitled to receive and keep all such fees and compensation paid to the Manager so long as the First Mortgage Loans are not in default at the time such fees and compensation are paid to the Manager.

12. Assignment of Units.

12.1 Permitted Assignments. Subject to the terms and conditions of the Financing Documents, a Member may only sell, assign, hypothecate, encumber or otherwise transfer all or any part of his or her interest in the Company if the following requirements are satisfied:

12.1.1 The Manager consents in its sole and absolute discretion in writing to the transfer;

12.1.2 No Member shall transfer, assign or convey or offer to transfer, assign or convey all or any portion of a Unit to any person who does not possess the financial qualifications required of all persons who become Members, as described in the Memorandum;

12.1.3 No Member shall have the right to transfer any Unit to any minor or to any person who, for any reason, lacks the capacity to contract for himself or herself under applicable law. Such limitations shall not, however, restrict the right of any Member to transfer any one or more Units to a custodian or a trustee for a minor or other person who lacks such contractual capacity;

12.1.4 The Manager, with advice of counsel, must determine that such transfer will not jeopardize the applicability of the exemptions from the registration requirements under the Securities Act of 1933, as amended, and registration or qualification under state securities laws relied upon by the Company and Manager in offering and selling the Units or otherwise violate any federal or state securities laws;

12.1.5 The Manager, with advice of counsel, must determine that, despite such transfer, Units will not be deemed traded on an established securities market or "readily tradable on a secondary market (or the substantial equivalent thereof)" under Section 7704 of the Code;

12.1.6 Any such transfer shall be by a written instrument of assignment, the terms of which are not in contravention of any of the provisions of this Agreement, and which has been duly executed by the assignor of such Units and accepted by the Manager in writing, in advance of consummation of the transfer;

12.1.7 A transfer fee shall be paid by the transferring Member in such amount as may be required by the Manager and/or Lender to cover all reasonable expenses, including attorneys' fees, connected with such assignment;

12.1.8 The transfer will not result in qualified benefit plans owning twenty-five percent (25%) or more of the Units; and

12.1.9 The transfer will not violate any of the terms of the Financing Documents, including any requirement for Lender approval of the transfer.

12.2 [Reserved].

12.3 Records of Ownership. The Manager shall keep Records of Ownership, which shall include records of the transfer and exchange of Units. Notwithstanding any provision of this Agreement to the contrary, transfer of a Unit, or of any right, title or interest therein, shall occur only upon and by virtue of the entry of such transfer in the Records of Ownership.

12.4 Substituted Member.

12.4.1 Conditions to be Satisfied. Subject to the terms of the Financing Documents, no person shall have the right to become a Substituted Member unless the Manager shall consent thereto in accordance with Section 12.1.1 and all of the following conditions are satisfied:

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(a) A duly executed and acknowledged written instrument of assignment shall have been filed with the Company, which instrument shall specify the number of Units being assigned and set forth the intention of the assignor that the assignee succeed to the assignor's interest as a Substituted Member in his or her place;

(b) The assignor and assignee shall have executed, acknowledged and delivered such other instruments as the Manager may deem necessary or desirable to effect such substitution, which may include an opinion of counsel regarding the effect and legality of any such proposed transfer, and which shall include: (i) the written acceptance and adoption by the assignee of the provisions of this Agreement and (ii) the execution, acknowledgment and delivery to the Manager of a special power of attorney, the form and content of which are more fully described herein; and

(c) A transfer fee sufficient to cover all reasonable expenses connected with such substitution shall have been paid to the Company.

12.4.2 Consent of Manager. The consent of the Manager shall be required to admit a person as a Substituted Member. The granting or withholding of such consent shall be within the sole and absolute discretion of the Manager.

12.4.3 Consent of Member. By executing or adopting this Agreement, each Member hereby consents to the admission of additional or Substituted Members upon consent of the Manager and in compliance with this Agreement.

12.5 Assignment of 50% or More of Units. No assignment of any Units may be made if the Units to be assigned, when added to the total of all other Units assigned within the thirteen (13) immediately preceding months, would, in the advice of counsel for the Company, result in the termination of the Company under the Code.

12.6 Transfer Subject to Law. No assignment, sale, transfer, exchange or other disposition of any Units may be made except in compliance with the applicable governmental laws and regulations, including state and federal securities laws.

12.7 Termination of Limited Liability Company Interest. Upon the transfer of a Unit in violation of this Agreement, or the occurrence of a Member Dissolution that does not result in the dissolution of the Company, the Limited Liability Company Interest of a Member shall be, at the option of the Manager in its sole and absolute discretion, either (a) converted into an Economic Interest, or (b) deemed void ab initio and shall not be binding on the Company, the Manager or any other Member.

12.8 FMV Option.

12.8.1 FMV Option. Subject to Sections 12.8.2 and 12.8.3, each of the Members does hereby grant to Bluerock Residential Holdings, L.P., a Delaware limited partnership ("OP"), its affiliates, successors or assigns, the right, but not the obligation, to require that each such Member exchange its interest in the Company for units in the OP (the "OP Units") in a transaction intended to qualify as a tax-deferred exchange under Code Section 721, pursuant to the terms of this Section 12.8 (the "FMV Option"). Each Member participating in an exchange of its interests in the Company for the OP Units pursuant to the FMV Option (a "Contributing Member") shall receive an amount of OP Units with an aggregate value (as determined by the OP in good faith equal to the Exchange FMV (as defined below)) of such Contributing Member's interest in the Company as of the date the FMV Option is exercised, less the amount of the Call-Option Fee (as defined below). In connection with the exercise of the FMV Option, the Manager shall receive a call-option fee from the Trust equal to 1.0% of the FMV Option Appraised Value of the Property (the "Call-Option Fee"). For the avoidance of doubt, the Call-Option Fee shall only be payable if the FMV Option is exercised. The FMV Option shall be exercised pursuant to a "Notice of Exchange," a form of which is attached as Exhibit III to this Agreement, delivered to the Members by the OP. The OP and/or the Manager may, but is/are not obligated to, coordinate to provide the Members with a non-binding survey in advance of an anticipated Notice of Exchange in order to

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seek input from the Members regarding their desire to become either a Contributing Member or a Cash Member (defined below) in connection with a contemplated exercise of the FMV Option.

12.8.2 Cash Members. Notwithstanding the provisions of Section 12.8.1, a Member may elect to have the OP acquire the Member's interests in the Company for cash rather than exchange such interests for OP Units following the exercise of the OP of its FMV Option (a Member who makes an election under this Section 12.8.2, a "Cash Member"). If a Cash Member elects to exercise its rights to have the OP acquire its interests in the Company for cash under this Section 12.8.2 with respect to a Notice of Exchange, it shall so notify the OP in writing within twenty (20) Business Days after the date on which the Manager mails the Notice of Exchange to the Member. If any Member does not provide such notice to the Manager within twenty (20) Business Days after the mailing date of the Notice of Exchange, such Member will be deemed to have agreed to have the OP acquire the Member's interest in the Company in exchange for OP Units. The cash purchase price for a Cash Member's interest (the "Cash Amount") shall be equal to the Exchange FMV of such Cash Investor's interest in the Trust as of the date the FMV Option is exercised, reduced by a 2% cash redemption fee (the "Cash Redemption Fee"). For the avoidance of doubt, the Cash Redemption Fee shall only apply to the Cash Amount.

12.8.3 Documentation and Signatures; Delivery. Each Member agrees to execute such documents and signatures as the Manager or the OP may reasonably require in connection with the exercise of the FMV Option under Section 12.8.1 or the cash purchase, if any, under Section 12.8.2. For a Contributing Member, the Manager shall provide a tax protection agreement (a "Tax Protection Agreement") in which the Manager: (i) will agree not to directly or indirectly sell, exchange, transfer, or otherwise dispose of the Real Estate or any interest therein (without regard to whether such disposition is voluntary or involuntary) in a transaction within three (3) years of the date of the exercise of the FMV Option that would cause a Contributing Member to recognize any gain under Code Section 704(c) (such transaction, a "Triggering Event"), and (ii) for a period of three (3) years following the occurrence of a Triggering Event, will agree to pay a Contributing Member's damages equal to the aggregate federal, state and local income taxes incurred by such Contributing Member in connection with such Triggering Event. Upon receipt of any and all documents and signatures required by the Manager or OP under this Section 12.8.3 (such date of final receipt, the "Receipt Date"), the Manager shall distribute (i) to any Contributing Member the OP Units within ten (10) Business Days of the Receipt Date and (ii) to any Cash Member the Cash Amount within ten (10) Business Days of the Receipt Date.

12.8.4 Determination of Fair Market Value of Interests in the Company. For the purposes of the FMV Option, the fair market value (the "Exchange FMV") of a Member's interests in the company to be acquired by the OP will be determined by multiplying: (i) the Percentage Share represented by the interests in the Company to be acquired by the OP by (ii) the fair market value of the Property, taking the Master Lease into account, as determined by an independent appraisal firm selected by the Manager in its sole discretion (the "FMV Option Appraised Value of the Property"), less any liabilities of the Property. Such appraisal, shall have been completed within one (1) year of the date the FMV Option is exercised. No discounts for lack of liquidity or minority interests shall be considered in determining the fair market value of such interests in the Company. In the event the appraisal performed for the purpose of determining the FMV Option Appraised Value of the Property results in a value that is less than the total combined purchase price paid for the Beneficial Interests by the Beneficial Owners, the Manager will select a second independent appraisal firm in its sole discretion to conduct a second appraisal. If the second appraisal is required, the FMV Option Appraised Value of the Property shall be equal to the higher of the two appraisals; however, if one appraisal is at least 20% greater than the other (the 20% to be based on the lower appraisal), then the Manager will select a third independent appraisal firm in its sole discretion to conduct a third appraisal. If the third appraisal is required, the FMV Option Appraised Value of the Property shall be the average of the two highest appraisals obtained in the process of determining the FMV Option Appraised Value of the Property.

12.8.5 Continued Existence of Company. Notwithstanding anything to the contrary in this Agreement, the Company shall survive the exercise of the FMV Option by the OP. The Company intends to remain a "disregarded entity" under Regulations Section 301.7701-3 for federal income tax purposes.

13. Books, Records, Accounting and Reports.

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13.1 Records, Audits and Reports. The Company shall maintain at its principal office the Company's records and accounts of all operations and expenditures of the Company including the following:

13.1.1 A current list in alphabetical order of the full name and last known business or resident address of each Member and Manager, together with the number of Units owned by each Member;

13.1.2 A copy of the Certificate of Formation and all amendments thereto, together with any powers of attorney pursuant to which the Certificate of Formation or any amendments thereto were executed;

13.1.3 Copies of the Company's federal, state, and local income tax or information returns and reports, if any, for the six (6) most recent taxable years;

13.1.4 Copies of this Agreement and any amendments thereto together with any powers of attorney pursuant to which any written accounting or any amendments thereto were executed;

13.1.5 Copies of any financial statements of the Company, if any, for the six (6) most recent years; and

13.1.6 The Company's books and records as they relate to the internal affairs of the Company for at least the current and past four (4) fiscal years.

13.2 Delivery to Members.

13.2.1 Each Member and each Member's representative designated in writing have the right, upon reasonable written request for purposes related to the interest of that person as a Member, which purposes are set forth in the written request, to receive from the Company a copy of this Agreement and the Certificate of Formation and all amendments thereto, together with executed copies of any written powers of attorney pursuant to which this Agreement and any certificate and all amendments thereto have been executed, provided such copy shall not contain any identifying information with regard to a Member and shall be redacted of such information.

13.2.2 Other than as expressly provided in this Agreement, no Member shall have any right to information, reports or records of the Company or with respect to any Member or the Manager. Without limiting the foregoing, no Member shall have the right under this Agreement to receive, review, copy or inspect any list of the Members or any identifying information with regard to the Members, whether or not requested, and Manager shall not have any obligation to provide such information.

13.3 Annual Report. The Manager will cause the Company, at the Company's expense, to prepare an annual report containing a year-end balance sheet, income statement and a statement of changes in financial position. Copies of such statements shall be distributed to each Member within ninety (90) days after the close of each fiscal year of the Company.

13.4 Tax Information. The Manager shall cause the Company, at the Company's expense, to prepare and timely file income tax returns for the Company with the appropriate authorities and shall cause all Company information necessary in the preparation of the Members' individual income tax returns to be distributed to the Members not later than 75 days after the end of the Company's fiscal year.

14. Termination and Dissolution of the Company.

14.1 Termination of Company. Subject to the limitations contained in Section 1.4 and Section 10 of this Agreement and to the Certificate of Formation, the Company shall be dissolved, shall terminate and its assets shall be disposed of, and its affairs wound up, upon the earliest to occur of the following:

14.1.1 Upon the happening of any event of dissolution specified in the Certificate of Formation;

14.1.2 A determination by the Manager to terminate the Company;

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14.1.3 The sale of the Contributed Property, held by the Company, or the receipt of the final payment on any seller financing provided by the Company on the sale of the Contributed Property, if later; or

14.1.4 The occurrence of a Dissolution Event unless the business of the Company is continued by a Majority Vote of the remaining Members within ninety (90) days following the occurrence of the event, which shall be mandatory at the times any amounts remain outstanding under the First Mortgage Loan.

The bankruptcy, death, dissolution, liquidation, termination or adjudication of incompetency of a Member (a "Member Dissolution") shall not cause the termination or dissolution of the Company and the business of the Company shall continue.

14.2 Certificate of Cancellation. As soon as possible following the completion of the winding up of the Company, a Manager who has not wrongfully dissolved the Company or, if none, the Members, shall execute and file a Certificate of Cancellation in such form as shall be required by the Act. The Company shall continue to exist as a separate legal entity until the Certificate of Cancellation has been filed in accordance with the Act.

14.3 Liquidation of Assets. Upon a dissolution and termination of the Company, the Manager (or in case there is no Manager, the Members or person designated by a Majority Vote) shall take full account of the Company assets and liabilities, shall liquidate the assets as promptly as is consistent with obtaining the fair market value thereof, and shall apply and distribute the proceeds therefrom in the following order:

14.3.1 To the payment of creditors of the Company, including the Lender, other than Members who are creditors, but excluding secured creditors whose obligations will be assumed or otherwise transferred on liquidation of Company assets, and then to the payment of Members who are creditors of the Company;

14.3.2 To the setting up of any reserves as required by law for any liabilities or obligations of the Company; provided, however, that said reserves shall be deposited with a bank or trust company in escrow with interest for the purpose of disbursing such reserves for the payment of any of the aforementioned contingencies and, at the expiration of a reasonable period, for the purpose of distributing the balance remaining in accordance with the remaining provisions of this Section 14.3; and

14.3.3 To the Members in proportion to their Units.

14.4 Distributions Upon Dissolution. Each Member shall look solely to the assets of the Company for all Distributions and shall have no recourse therefor (upon dissolution or otherwise) against any Manager or any Member.

14.5 Limitation on Distributions. Notwithstanding any other provision in this Agreement, the Company shall make no distribution that would violate the Act, the Financing Documents or other applicable law.

14.6 Waiver of Dissolution and Termination. Notwithstanding anything to the contrary contained in this Agreement, the Company and its Members, to the fullest extent permitted by law, hereby waive their right to dissolve or terminate (and waive their right to consent to the dissolution or termination of) the Company or this Agreement, and shall not take any action toward that end, so long as the First Mortgage Loan remains outstanding to Lender, except upon the express prior written consent of the Lender. This paragraph shall cease to be of further force or effect once the First Mortgage Loan is no longer outstanding and no other obligation of any kind whatsoever is owed or due to the Lender.

15. Special and Limited Power of Attorney.

15.1 Power of Attorney. The Manager shall at all times during the term of the Company have a special and limited power of attorney as the attorney-in-fact for each Member, with power and authority to act in the name and on behalf of each such Member to execute, acknowledge, and swear to in the execution, acknowledgment and filing of documents that are not inconsistent with the provisions of this Agreement and which may include, by way of illustration but not by way of limitation, the following:

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15.1.1 This Agreement, as well as any amendments to the foregoing which, under the laws of the State of Delaware or the laws of any other state, are required to be filed or which the Manager shall deem it advisable to file;

15.1.2 Any other instrument or document that may be required to be filed by the Company under the laws of any state or by any governmental agency or which the Manager shall deem it advisable to file;

15.1.3 Any instrument or document that may be required to effect the continuation of the Company, the admission of Substituted Members, or the dissolution and termination of the Company (provided such continuation, admission or dissolution and termination are in accordance with the terms of this Agreement);

15.1.4 Any instrument of conveyance or encumbrance with respect to the Contributed Property;

15.1.5 This Agreement or any other instrument or document to include any special purpose entity or bankruptcy remote entity requirement imposed by the Lender; and

15.1.6 Any and all other instruments as the Manager may deem necessary or desirable to effect the purposes of this Agreement and carry out fully its provisions, including, but not limited to, those in Sections 7 and 17.

15.2 Provision of Power of Attorney. The special and limited power of attorney of the Manager:

15.2.1 Is a special power of attorney coupled with the interest of the Manager in the Company, and its assets, is irrevocable, shall survive the death, incapacity, termination or dissolution of the granting Member, and is limited to those matters herein set forth;

15.2.2 May be exercised by the Manager by and through one or more of the officers of the Manager, for each of the Members by the signature of the Manager acting as attorney-in-fact for the Members, together with a list of all Members executing such instrument by their attorney-in-fact or by such other method as may be required or requested in connection with the recording or filing of any instrument or other document so executed; and

15.2.3 Shall survive an assignment by a Member of all or any portion of his or her Units except that, where the assignee of the Units owned by the Member has been approved by the Manager for admission to the Company as a Substituted Member, the special power of attorney shall survive such assignment for the sole purpose of enabling the Manager to execute, acknowledge and file any instrument or document necessary to effect such substitution to the fullest extent permitted by law.

15.3 Notice to Members. The Manager shall promptly furnish to a Member a copy of any amendment to this Agreement executed by the Manager pursuant to a power of attorney from the Member.

16. Relationship of this Agreement to the Act. Many of the terms of this Agreement are intended to alter or extend provisions of the Act as they may apply to the Company or the Members. Any failure of this Agreement to mention or specify the relationship of such terms to provisions of the Act that may affect the scope or application of such terms shall not be construed to mean that any of such terms are not intended to be a provision of this Agreement authorized or permitted by the Act or which in whole or in part alters, extends or supplants provisions of the Act as may be allowed thereby.

17. Amendment of Agreement.

17.1 Admission of Member. Amendments to this Agreement for the admission of any Member or Substituted Member shall not, if in accordance with the terms of this Agreement and the Financing Documents, require the consent of any Member.

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17.2 Amendments with Consent of Members. Subject to the terms of the Certificate of Formation, in addition to any amendments otherwise authorized herein, this Agreement may be amended by the Manager with a Majority Vote of the Units; provided, however, that any amendment that would treat a specific Member less favorably than another Member (in application but not in effect), then such amendment shall require the vote of such adversely affected Member.

17.3 Amendments Without Consent of the Members. Subject to the terms of the Certificate of Formation, in addition to any amendment to this Agreement authorized pursuant to Section 7.3.11 or otherwise authorized herein, the Manager may amend this Agreement, without the consent of any of the Members, to (i) change the name and/or principal place of business of the Company, or (ii) decrease the rights and powers of the Manager (so long as such decrease does not impair the ability of the Manager to manage the Company and conduct its business and affairs); provided, however, that no amendment shall be adopted pursuant to this Section 17.3 unless the adoption thereof (A) is for the benefit of or not adverse to the interests of the Members, (B) is not inconsistent with Section 7 or Section 10, and (C) does not affect the limited liability of the Members or the status of the Company as a partnership for federal income tax purposes. Further, the Manager shall be allowed to amend this Agreement without the consent of any of the Members to comply with any terms or modifications required by any lender to make this Agreement comply with any single purpose entity requirements; provided, however, no such amendment shall be adverse to the interests of the Members.

17.4 Execution and Recording of Amendments. Any amendment to this Agreement shall be executed by the Manager, and by the Manager as attorney-in-fact for the Members pursuant to the power of attorney contained in Section 15. After the execution of such amendment, the Manager shall also prepare and record or file any certificate or other document which may be required to be recorded or filed with respect to such amendment, either under the Act or under the laws of any other jurisdiction in which the Company holds any property or otherwise does business.

18. Member Representations. Each Member hereby represents and warrants to the Company, the Manager and all other Members that:

18.1 Such Member has the power and authority to execute and comply with the terms and provisions hereof.

18.2 Such Member's interest in the Company has not and will not be registered under the Securities Act of 1933, as amended, or the securities laws of any state, and cannot be sold or transferred without compliance with the registration provisions of said Securities Act of 1933, as amended, and the applicable state securities laws, or compliance with the exemptions, if any, available thereunder. Such Member understands that neither the Company nor the Manager or any other Member has any obligation or intention to register the Member interests under any federal or state securities act or law, or to file the reports to make public the information required by Rule 144 under the Securities Act of 1933, as amended.

19. Miscellaneous.

19.1 Counterparts. This Agreement may be executed in several counterparts, and all so executed shall constitute one Agreement, binding on all of the parties hereto, notwithstanding that all of the parties are not signatory to the original or the same counterpart.

19.2 Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the respective Members.

19.3 Severability. In the event any sentence or Section of this Agreement is declared by a court of competent jurisdiction to be void, such sentence or Section shall be deemed severed from the remainder of this Agreement and the balance of this Agreement shall remain in full force and effect.

19.4 Notices. All notices under this Agreement shall be in writing and shall be given to the Member entitled thereto, by personal service or by mail, posted to the address maintained by the Company for such person or at such other address as he or she may specify in writing; provided, however, that in the event that any such Member

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does not respond to the personal service or mail as set forth above, that the Manager shall send out one additional notice by certified mail return receipt requested or by a delivery service that maintains records regarding their deliveries or attempted deliveries.

19.5 Manager's Address. The address of the Manager is as follows:

BR PARKVIEW MULTIFAMILY SPRINGING MANAGER, LLC
c/o Bluerock Real Estate, L.L.C.
919 Third Avenue
Suite 4000
New York, NY 10022

19.6 Governing Law. This 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). Any legal proceeding concerning interpretation or enforcement of any provision of this Agreement shall be venued exclusively in the Borough of Manhattan, New York City, New York. Members hereby waive trial by jury in any action, proceeding or counterclaim brought by any of the parties hereto on any matters whatsoever arising out of or in any way connected with this Agreement, or in connection with any emergency statutory or any other statutory remedy.

19.7 Captions. Section titles or captions contained in this Agreement are inserted only as a matter of convenience and reference. Such titles and captions in no way define, limit, extend or describe the scope of this Agreement nor the intent of any provisions hereof.

19.8 Gender. Whenever required by the context hereof, the singular shall include the plural, and vice versa, the masculine gender shall include the feminine and neuter genders, and vice versa.

19.9 Time. Time is of the essence with respect to this Agreement.

19.10 Additional Documents. Each Member, upon the request of the Manager, shall perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement, including, but not limited to, providing acknowledgment before a Notary Public of any signature made by a Member.

19.11 Descriptions. All descriptions referred to in this Agreement are expressly incorporated herein by reference as if set forth in full, whether or not attached hereto.

19.12 Choice of Law and Venue. Any action relating to or arising out of this Agreement shall be brought only in a court of competent jurisdiction located in the borough of Manhattan in New York County, New York, and in such action the substantive laws of the State of New York shall be applicable, without regard to any choice of laws principles. Members hereby waive trial by jury in any action, proceeding or counterclaim brought by any of the parties hereto on any matters whatsoever arising out of or in any way connected with this Agreement, or in connection with any emergency statutory or any other statutory remedy.

19.13 Partition. The Members agree that the assets of the Company are not and will not be suitable for partition. Accordingly, each of the Members hereby irrevocably waives any and all rights that he may have, or may obtain, to maintain any action for partition of any of the assets of the Company.

19.14 Integrated and Binding Agreement. This Agreement contains the entire understanding and agreement among the Members with respect to the subject matter hereof, and there are no other agreements, understandings, representations or warranties among the Members other than those set forth herein except the Purchase Agreement executed in connection with the purchase of Beneficial Interests in the Trust (the "Purchase Agreement"). This Agreement may be amended only as provided in this Agreement.

19.15 Legal Counsel. Each Member acknowledges and agrees that counsel representing the Company, the Manager and its Affiliates does not represent and shall not be deemed under the applicable codes of professional

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responsibility to have represented or to be representing any or all of the Members, other than the Manager, in any respect. In addition, each Member consents to the Manager hiring counsel for the Company that is also counsel to one or more of the Managers.

19.16 Title to Company Property. All property owned by the Company shall be owned by the Company as an entity and, insofar as permitted by applicable law, no Member shall have any ownership interest in any Company property in its individual name or right, and each Member's Limited Liability Company Interest shall be personal property for all purposes. As long as any obligation to the Lender is outstanding, nothing herein is intended to give any creditor of a Member any rights in the Member's interest in the Company other than as an assignee of the Member's interest in the Company and such creditor will have no direct claim to the assets of the Company.

19.17 Conflict. In the event of a conflict between the terms of this Agreement and the Certificate of Formation, the terms of the Certificate of Formation shall control.

19.18 Signature of the Members. The Members hereby acknowledge and agree that by signing the Purchase Agreement they are also agreeing to be bound by the terms of this Agreement and that their signature hereto will not be required as of the Transfer Date.

* * * *

IN WITNESS WHEREOF, the undersigned have set their hands to this Agreement as of the date set forth below.

MANAGER:
BR PARKVIEW MULTIFAMILY SPRINGING MANAGER, LLC,
a Delaware limited liability company

By: _____
Name_____
Title: _____

Date: _____

INITIAL MEMBER:
BHM Parkview Investment Co, LLC,
a Delaware limited liability company

By: _____
Its: _____

Date: _____

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ACKNOWLEDGED AND AGREED WITH RESPECT TO SECTION 12.8:

BLUEROCK RESIDENTIAL HOLDINGS, L.P., a Delaware limited partnership

By: BLUEROCK HOMES TRUST, INC.,
a Maryland corporation, its General Partner

By: _____
Name: _____
Title: _____

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EXHIBIT I

DEFINITIONS

"Act" shall mean the Delaware Limited Liability Company Act, as the same may be amended from time to time.

"Additional Voluntary Capital Contributions" means those additional Capital Contributions which may be voluntarily given pursuant to Section 3.2 hereof.

"Affiliate" shall mean (i) any person directly or indirectly controlling, controlled by or under common control with another person; (ii) a person owning or controlling ten percent (10%) or more of the outstanding voting securities of such other person; (iii) any officer, director or partner of such other person; and (iv) if such other person is an officer, director or partner, any company for which such person acts in any capacity. The term "person" shall include any natural person, corporation, partnership, company, trust, unincorporated association or other legal entity.

"Agreement" shall mean this Limited Liability Company Agreement, as amended from time to time.

"Beneficial Interest" means a beneficial interest in the Trust, as such term is used in the Statutory Trust Act, all of which interests shall be either Class 1 Beneficial Interests (as defined in the Trust Agreement) or the Class 2 Beneficial Interests (as defined in the Trust Agreement).

"Beneficial Owner" means each person who, at the time of determination, holds a Beneficial Interest as reflected on the Ownership Records (as defined in the Trust Agreement) as of the Transfer Date.

"Business Day" is any day other than on Saturday, Sunday or legal holiday in the State of Delaware.

"Call-Option Fee" has the meaning given to such term in Section 12.8.1

"Capital Contribution(s)" means, with respect to any Member, or all of the Members, all cash and properties contributed to the Company pursuant to Section 3.1.1 of this Agreement net of liabilities assumed or taken subject to by the Company.

"Capital Expenditures" means expenditures for items that are capital in nature, including, but not limited to, tenant improvements, leasing commissions, and major repairs, made at the discretion of the Manager.

"Cash Amount" has the meaning given to such term in Section 12.8.2.

"Cash from Operations" shall mean the net cash realized by the Company from all sources, including, but not limited to, the operations of the Company including the sale, financing, refinancing or other disposition of the Contributed Property, after payment of all cash expenditures of the Company, including, but not limited to, all operating expenses including all fees payable to the Manager or its Affiliates, all payments of principal and interest on indebtedness, and such reserves and retentions as the Manager reasonably determines to be necessary and desirable in connection with Company operations with its then existing assets and any anticipated acquisitions.

"Cash Member" has the meaning given to such term in Section 12.8.2.

"Cash Redemption Fee" has the meaning given to such term in Section 12.8.2.

"Certificate of Cancellation" shall mean the Certificate of Cancellation of the Company as filed with the Secretary of State of Delaware.

"Certificate of Formation" shall mean the Certificate of Formation of the Company as filed with the Secretary of State of Delaware as the same may be amended or restated from time to time.

"Code" shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequently enacted federal revenue laws.

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"Company" shall mean BR PARKVIEW MULTIFAMILY SPRINGING, LLC.

"Contributed Property" means all of the Trust's right, title, and interest in and to the Real Estate, the Lease or Leases (as defined in the Trust Agreement), as applicable, 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, contributed by the Trust pursuant to the Transfer Distribution, and all of which are or will be acquired by the Company in connection with the formation of the Company.

"Contributing Member" shall have the meaning given such term in Section 12.8.1.

"Disposition Fee" has the meaning given such term in Section 6.1.

"Dissolution Event" shall mean with respect to the Manager one or more of the following: the death, insanity, withdrawal, retirement, resignation, expulsion, Event of Insolvency or dissolution (unless reconstituted by the Manager) of the Manager unless the Members consent to continue the business of the Company pursuant to Section 14.1.4.

"Distributable Cash" shall mean Cash from Operations and Capital Contributions determined by the Manager to be available for Distribution to the Members.

"Distribution" shall refer to any money or other property transferred without consideration (other than repurchased Units) to Members with respect to their interests or Units in the Company but shall not include any payments to the Manager pursuant to Section 6.

"Economic Interest" shall mean an interest in the income, loss and Distributions of the Company but shall not include any right to vote or to participate in the management of the Company.

"Event of Insolvency" shall occur when an order for relief against the Manager is entered under Chapter 7 of the federal bankruptcy law, or (A) the Manager: (1) makes a general assignment for the benefit of creditors, (2) files a voluntary petition under the federal bankruptcy law, (3) files a petition or answer seeking for that Manager a reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, (4) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the Manager in any proceeding of this nature, or (5) seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of that Manager or of all or a substantial part of that Manager's properties, or (B) the expiration of sixty (60) days after either (1) the commencement of any proceeding against the Manager seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law, or regulation, if the proceeding has not been dismissed, or (2) the appointment without the Manager's consent or acquiescence of a trustee, receiver, or liquidator of the Manager or of all or any substantial part of the Manager's properties, if the appointment has not been vacated or stayed (or if within sixty (60) days after the expiration of any such stay, the appointment is not vacated).

"Financing Documents" means the First Mortgage Loan Documents and any other documents or agreements contemplated by any of the foregoing or otherwise required by Lender.

"First Mortgage" means the first-priority mortgage securing the First Mortgage Loan.

"First Mortgage Loan" means the Lender's mortgage loan in the original principal amount of approximately $38,625,000, secured by the First Mortgage and the First Mortgage Loan Documents.

"First Mortgage Loan Agreement" means that certain Multifamily Loan and Security Agreement (Non-Recourse) (Delaware Statutory Trust) dated on or about the date hereof (as the same may be amended, restated and/or modified from time to time), by and between the Trust and Lender.

"First Mortgage Loan Documents" means, in connection with the First Mortgage Loan, the First Mortgage and all related assignments of leases and rents, and the other security instruments and documents related to the Property.

"FMV Option" shall have the meaning set forth in Section 12.8.1.

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"Initial Member" shall mean the Trust.

"Lease" means that master lease agreement entered into between the Trust and BHM PARKVIEW LEASECO, LLC, together with all amendments, supplements and modifications thereto.

"Lender" means KeyBank National Association under the Federal National Mortgage Association Delegated Underwriting and Servicing program, together with its successors, assigns and transferees.

"Limited Liability Company Interest" shall mean a Member's entire interest in the Company including such Member's Economic Interest and such voting and other rights and privileges that the Member may enjoy by being a Member.

"Liquidation" means, in respect to the Company, the earlier of the date upon which the Company is terminated under Section 708(b)(1) of the Code or the date upon which the Company ceases to be a going concern (even though it may exist for purposes of winding up its affairs, paying its debts and distributing any remaining balance to its Members), and in respect to a Member, where the Company is not in Liquidation means the date upon which occurs the termination of the Member's entire interest in the Company by means of a Distribution or the making of the last of a series of Distributions (whether or not made in more than one (1) year) to the Member by the Company.

"Majority Vote" shall mean the vote of more than fifty percent (50%) of the Units entitled to vote. Members shall be entitled to cast one vote for each Unit they own, and a fractional vote for each fractional Unit they own. All Units shall be deemed to have voted FOR the proposed action unless affirmatively cast AGAINST the proposed action in a timely manner, except that votes under Section 9.2.1, 9.2.2, and 9.2.5 shall require the actual and affirmative vote of more than 50% of the Units to pass the proposed action.

"Manager" shall refer to BR PARKVIEW MULTIFAMILY SPRINGING MANAGER, LLC, a Delaware limited liability company. The term "Manager" shall also refer to any successor or additional Manager who is admitted to the Company as the Manager.

"Member" or "Members" shall mean the persons listed on Exhibit II attached hereto.

"Member Dissolution" shall have the meaning set forth in Section 14.1.

"Notice of Exchange" has the meaning given to such term in Section 12.8.1.

"OP" means BLUEROCK RESIDENTIAL HOLDINGS, L.P., a Delaware limited partnership.

"OP Units" shall have the meaning set forth in Section 12.8.1.

"Organization Expenses" shall mean all expenses incurred in connection with the organization and formation of the Company, including but not limited to legal and accounting fees, tax planning fees, promotional fees or expenses, filing and recording fees and other costs or expenses incurred in connection therewith.

"Partnership Representative" means the "partnership representative," as said term is used in section 6223(a) of the Code. The Partnership Representative shall be the Manager until such time as a new Partnership Representative is selected by the Company.

"Person" means a natural person, corporation, limited partnership, general partnership, 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.

"Prime Rate" shall mean the reference rate announced from time-to-time by the Wall Street Journal, and changes in the Prime Rate shall be deemed to occur on the date that changes in such rate are announced.

"Property" shall mean the property known as "District at Parkview Apartments" located at 5141 Stone Mountain Highway, Stone Mountain, Georgia 30087.

"Receipt Date" shall have the meaning set forth in Section 12.8.3.

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"Records of Ownership" means the records maintained by the Manager indicating from time to time the name, mailing address, and the number of Units of each Member, and shall be revised by the Manager contemporaneously to reflect the issuance of additional Units in accordance with this Agreement, changes in mailing addresses, or other changes.

"Security Instrument" means any mortgage and security agreement or deed of trust and security agreement, as the case may be, encumbering the Real Estate as security for the First Mortgage Loan.

"Substituted Member" shall mean any person admitted as a substituted Member pursuant to this Agreement.

"Tax Payment" shall have the meaning set forth in Section 4.6.1.

"Tax Protection Agreement" has the meaning given to such term in Section 12.8.3.

"Transfer Date" shall mean the date the Contributed Property is contributed to the Company pursuant to Section 9.2 of the Trust Agreement.

"Triggering Event" has the meaning given to such term in Section 12.8.3.

"Trust" means BR PARKVIEW MULTIFAMILY, DST, that certain Delaware statutory trust formed by and in accordance with, and governed by, the Trust Agreement.

"Trust Agreement" means that certain Amended and Restated Trust Agreement dated as of December 18, 2025 by and among BHM Parkview Investment Co, LLC, as Depositor, BR Parkview DST Manager, LLC, as Manager, and CSC Delaware Trust Company, as Trustee.

"Trust Estate" means all of the Trust's right, title, and interest in and to the Property, the Lease 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, held by the Trust prior to the Transfer Distribution.

"Trustee" means the person serving, at the time of determination, as the trustee under the Trust.

"Unit" shall represent an interest in the Company entitling the owner of the Unit if admitted as a Member or Manager to the respective voting and other rights afforded to a Member holding a Unit, and affording to such Member's share in income, loss and Distributions as provided for in this Agreement. The Units shall consist of ten thousand (10,000) Units held by the Members.

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EXHIBIT II

MEMBERS

(prior Beneficial Owners under the Trust Agreement)

Name	Address	Percentage Interest in the Trust	Number of Units
[Members]		[____]%	[____] Units

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EXHIBIT III
NOTICE OF EXCHANGE

In accordance with Section 12.8.1 of the Limited Liability Company Agreement (the "Agreement") of BR PARKVIEW MULTIFAMILY SPRINGING, LLC (the "Company") the undersigned hereby irrevocably requires _____ (the "Member") to exchange its _____% interest in the Company for (a) the OP Units (as defined in the Agreement) in the amount of the fair market value of the Member's interest in the Company or (b) the Cash Amount (as defined in the Agreement), provided however, that the Member must notify the undersigned in writing within twenty (20) Business Days (as defined in the Agreement) of the date of this Notice of Exchange should it desire to receive the Cash Amount rather than OP Units. Unless a separate notice has been provided by the OP, the Member shall be deemed to have surrendered its interest in the Company and all rights, title and interest therein in exchange for the OP Units. The undersigned shall deliver the OP Units or Cash Amount, whichever is applicable, to the Member in accordance with the terms of Section 12.8.3 of the Agreement and to the address specified in Section 1.2 of the Agreement.

Date: _____, ___

BLUEROCK RESIDENTIAL HOLDINGS, L.P., a Delaware limited partnership

By: BLUEROCK HOMES TRUST, INC.
a Maryland corporation, its general partner

By: _____
Name: Jordan Ruddy
Title: Authorized Signatory

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EXHIBIT G

FORM OF CONVERSION NOTICE

BHM Parkview Investment Co, LLC (the "Depositor"), as the sole Class 2 Beneficial Owner and the sole holder of the Class 2 Beneficial Ownership Certificates in BR Parkview Multifamily, DST (the "Trust"), hereby provides a Conversion Notice pursuant to Section 6.12 of the Amended and Restated Trust Agreement dated as of April 28, 2025.

Date: _____, 20__

BHM Parkview Investment Co, LLC, a Delaware limited liability company

By: BR Parkview DST Manager, LLC, a Delaware limited liability company, its Manager

By:_____
Name:_____
Title:_____

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EXHIBIT H

NOTICE OF EXCHANGE

In accordance with Section 10.1 of the Trust Agreement (the "Agreement") of BR Parkview Multifamily, DST (the "Trust") the undersigned hereby irrevocably requires _____ (the "Investor") to exchange its _____% interest in the Trust for (a) the OP Units (as defined in the Agreement) in the amount of the fair market value of the Investor's interest in the Trust or (b) the Cash Amount (as defined in the Agreement), provided however, that the Investor must notify the undersigned in writing within twenty (20) Business Days (as defined in the Agreement) of the date of this Notice of Exchange should it desire to receive the Cash Amount rather than OP Units. Unless a separate notice has been provided by the OP, the Investor shall be deemed to have surrendered its interest in the Trust and all rights, title and interest therein in exchange for the OP Units. The undersigned shall deliver the OP Units or Cash Amount, whichever is applicable, to the Investor in accordance with the terms of Section 10.3 of the Agreement and to the address specified in Section 2.1 of the Agreement.

Date: _____, 20___

BLUEROCK RESIDENTIAL HOLDINGS, L.P., a Delaware limited partnership

By: BLUEROCK HOMES TRUST, INC.
a Maryland corporation, its general partner

By: _____
Name: Jordan Ruddy
Title: Authorized Signatory

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EXHIBIT C
MASTER LEASE

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MASTER LEASE
FOR
DISTRICT AT PARKVIEW APARTMENTS

THIS MASTER LEASE (this "**Lease**") is entered into to be effective as of December 18, 2025 between BR PARKVIEW MULTIFAMILY, DST, a Delaware statutory trust (the "**Landlord**"), and BHM PARKVIEW LEASECO, LLC, a Delaware limited liability company (the "**Tenant**").

ARTICLE 1
Demise of Premises

Landlord, for and in consideration of the rents to be paid and the covenants and agreements hereinafter contained to be kept and performed by Tenant, hereby demises and leases to Tenant and Tenant hereby lets and takes from Landlord, for the term hereinafter set forth, (i) Landlord's interest in the real estate located 5141 Stone Mountain Highway, Stone Mountain, Georgia 30087, commonly known as "District at Parkview Apartments", as more particularly described on Exhibit A attached hereto and made a part hereof, together with (ii) the easements, rights and appurtenances thereunto belonging or appertaining, (iii) the improvements, buildings, equipment and personal property located thereon and associated therewith and owned by Landlord, (iv) the leases and other agreements to occupy such improved real property, and (v) all other rights and property (real, personal and intangible) associated with such improved real property (the "**Property**").

ARTICLE 2
Term of Lease

Section 2.01. The term of this Lease shall commence on the date hereof, and shall expire, unless sooner terminated as hereinafter provided, on the date that is ten (10) years and ninety-three (93) days after December 18, 2025, which is March 21, 2036 (the "**Original Term**"). Provided that Tenant is not in default hereunder as of the expiration of the Original Term or the renewal term, as applicable, this Lease shall automatically be renewed for three (3) successive five (5) year terms upon expiration of the Original Term or the renewal term, as applicable, on the same terms and conditions contained herein, provided that Tenant may elect not to renew by providing Landlord sixty (60) days' prior written notice prior to the expiration of the Original Term or renewal term (the Original Term, including all applicable extensions, is referred to herein as the "**Term**"). Each year during the Term is herein referred to as a "**Lease Year**," with the first Lease Year commencing on the date hereof and ending on December 31, 2026, and each subsequent Lease Year commencing on January 1st and end on December 31st of each calendar year, except for the last Lease Year, which will begin on January 1st and end on the last day of the Original Term. For the avoidance of doubt and notwithstanding the foregoing, the rental amounts reflected herein for the Original Term shall reflect that no rental payments are owed for the portion of the final Lease Year of the Original Term beginning on January 1, 2036 through the end of the Original Term. The term of this Lease shall automatically terminate upon: (i) the sale or other disposition of the Property by the Landlord; or (ii) from and after the completion of the offering of beneficial interests in the Landlord pursuant to that certain Confidential Private Placement Memorandum for

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Beneficial Interests in BR Parkview Multifamily, DST, the assimilation of all of the beneficial interests in BR Parkview Multifamily, DST in a single owner. For the avoidance of doubt, for so long as any obligation remains outstanding under any of the Loan Documents (as hereinafter defined), the Term of this Lease shall automatically extend beyond the Original Term or renewal term, as applicable, and shall continue in full force and effect thereafter until all such obligations have been fully performed and satisfied.

Section 2.02. This Lease constitutes the absolute and unconditional obligation of Tenant. Tenant waives all rights which are not expressly stated in this Lease but which may now or otherwise be conferred by law (i) to quit, terminate or surrender this Lease or the Property, (ii) to any setoff, counterclaim, recoupment, abatement, suspension, deferment, diminution, deduction, reduction or defense of or to "**Rent**" (as defined below) or any other sums payable under this Lease, except as otherwise expressly provided in this Lease, and (iii) for any statutory lien or offset right against Landlord or its property. Notwithstanding clause (i) above, if a person not affiliated with Tenant is the administrative manager (or otherwise in control) of Landlord, Tenant shall have the right to terminate this Lease in the event of a default by Landlord hereunder.

ARTICLE 3
Rent

Section 3.01.

(a) Tenant shall pay to Landlord during the Term, in currency of the United States of America, at the office of Landlord, or at such other address as shall be specified, in writing, from time to time by Landlord, the rentals hereinafter provided. If Landlord so requests, Tenant agrees to make Rent payments by wire transfer of immediately available federal funds.

(b) Tenant covenants to pay Landlord, in lawful money of the United States of America, without notice or demand and without any set-off, deduction or abatement whatsoever except with respect to Additional Rent and Supplemental Rent (but not Base Rent) to the extent set forth in Section 7.04 hereof, at the office of Landlord, or at such other address designated by Landlord during the Term of this Lease, the following:

(i) an annual amount, as set forth on Exhibit C, (the "**Base Rent**") on the first day of each month in arrears. Landlord shall pay each monthly installment of Base Rent to KeyBank National Association, a national banking association, pursuant to the Fannie Mae Program, and its successors and assigns (the "**Lender**"), in accordance with the terms and conditions of the documents (collectively, the "**Loan Documents**") evidencing and/or securing the loan in the original principal amount of $38,625,000.00 (the "**Loan**") from Lender to Landlord. For the avoidance of doubt, the foregoing direction does not constitute an assumption of Landlord's obligations under the Loan Documents, and does not alter Landlord's obligations thereunder, but rather is an accommodation to Landlord which constitutes consideration hereunder. Prorated monthly payments of Base Rent shall be made if the Term of this Lease begins on a date other than the first day of a month or ends on a date other than the last day of a month. In the event that the payments due Lender under the Loan Documents are modified, then Base Rent, Additional Rent and Supplemental Rent (each as applicable) hereunder shall be equitably adjusted to take such modification into account. For the avoidance of doubt, Base Rent does not include any

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balloon payments or otherwise accelerated payment of principal that may be required under the Loan Documents, and further does not include any amounts funded by Landlord into the "Lender-Mandated Reserve Accounts" (as defined herein), whether for "Impositions" (as defined herein) or otherwise in connection with the Landlord's acquisition of the Property, it being understood and agreed that any such amounts are a direct obligation of the Landlord incurred in connection with its acquisition of the Property. Base Rent shall include amounts required by the Lender to be deposited monthly with Landlord (or Landlord's designee), in connection with its payment of Base Rent, to fund the Lender-Mandated Reserves (as defined below) with any account(s) holding such reserves being held in the Lender-Mandated Reserve Account (as defined below), which Tenant may use to pay for Capital Expenses, subject to the terms of the Loan Documents notwithstanding anything to the contrary contained herein, provided, however, that in recognition of the fact that reserve accounts mandated by the Lender reflect a financial obligation of the Landlord, the Tenant may satisfy its obligations with respect to such non-debt service components of Base Rent by withdrawing such amounts from any Trust Controlled Reserves (as defined below).

(ii) an amount equal to one hundred percent (100%) of Gross Income for a year ("**Additional Rent**") between the additional rent breakpoint for that year (the "**Additional Rent Breakpoint**") and a maximum amount of Gross Income for that year (the "**Additional Rent Maximum**"), each as outlined on Exhibit C. Additional Rent shall be calculated for each Lease Year (prorated for any partial year). Tenant shall pay Additional Rent to Landlord in monthly installments in arrears, which shall be due on the first day of each month following the month with respect to which such Additional Rent installment is owed. Such installment payments shall be based on Tenant's good faith estimates taking into consideration the operational characteristics of the Property. Prorated monthly payments of Additional Rent shall be made if the Term of this Lease begins on a date other than the first day of a month or ends on a date other than the last day of a month. Tenant and Landlord shall reconcile Additional Rent within 90 days after the end of each calendar year, or as soon as practicable thereafter. For purposes of this Lease, "**Gross Income**" means all income collected by Tenant from rents, license fees and/or assessments and other items arising from the use of the Property, including but not limited to, rents on the Property, space tenant payments for reimbursement of real estate taxes, property liability and other insurance, common area maintenance, tax reduction fees, late fees, returned check charges, damages and repairs, and all other space tenant reimbursements, administrative charges, proceeds of rental interruption insurance, parking fees, reimbursement of lender impounds for insurance, real estate taxes and reserves, proceeds from insurance claims, income from coin operated machines and other miscellaneous income, due or to become due, provided, however, that Gross Income shall not include such amounts reflected in the Financial Forecast attached as Exhibit E to the Confidential Private Placement Memorandum for Beneficial Interests in BR Parkview Multifamily, DST (the "**Financial Forecast**") as amounts from discrete operations of the Tenant with respect to the Property with respect to which expenses incurred in connection with such operations are first taken into account, and instead such amounts taking such expenses into account shall be included.

(iii) an amount equal to ninety percent (90%) of Gross Income for a year ("**Supplemental Rent**") that exceeds the supplemental rent breakpoint for that year ("**Supplemental Rent Breakpoint**"), as outlined on Exhibit C (Base Rent, Additional Rent, Supplemental Rent and any other amounts payable by Tenant to Landlord hereunder are collectively referred to as "**Rent**"). Supplemental Rent shall only be paid after Base Rent and

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Additional Rent have been fully paid. Supplemental Rent shall be calculated on a calendar year basis (prorated for any partial year) and shall be paid in arrears by Tenant to Landlord within 90 days after the end of each calendar year, or as soon as practicable thereafter.

(iv) Notwithstanding the foregoing, or anything in this Lease to the contrary, Base Rent includes only the amounts specified in Section 3.01(b) and does not, by way of illustration but not limitation, include any balloon payments, acceleration of payments, increased payments arising by reason of an event of default under the Loan. In the event that the payments due to the Lender under the Loan Documents are increased other than as already contemplated in this Section 3.01(b) and Tenant is required to remit such payments out of cash flow from the Property that exceeds the Base Rent contemplated in Section 3.01(b)(i), then to the extent (and only to the extent) of such cash flow in excess of Base Rent, such increased payments remitted to the Landlord by Tenant will be treated as having been paid to Landlord as Additional Rent and Supplemental Rent (each as applicable) in satisfaction of Tenant's obligation to pay such amounts to Landlord under this Lease.

(c) Subject to Section 3.01(e), additional financial obligations of Tenant to Landlord consist of the following:

(i) Tenant shall pay (A) all costs and expenses (and taxes, if any, thereon) paid or incurred in respect of the operation, maintenance, management and security of the Property which, in accordance with generally accepted accounting principles are properly chargeable to the operation, maintenance, management and security of the Property, including the "**Cost of Utilities**" (which for purposes of this Lease shall mean the cost of electricity, gas, oil, steam, water, air conditioning, cable, internet and other fuel and utilities used or consumed in connection with the Property), property management fees, reasonable attorneys' fees and disbursements and auditing, management and other professional fees and expenses (hereinafter collectively, in addition to the items described in Section 7.01, referred to as "**Operating Costs**"), and (B) before any fine, penalty or cost may be added thereto for the nonpayment thereof, subject to Section 3.01(c)(iii) hereof, all taxes, assessments, water and sewer rents, rates and charges, charges for public utilities, excises, levies, license and permit fees and other similar charges associated with the Property and the transactions contemplated in this Lease in excess of the Tax and Insurance Reserve Funds (as defined in Section 7.03) (each, an "**Imposition**" and collectively, "**Impositions**").

(ii) Nothing herein shall obligate Tenant to pay, and the term "Impositions" shall exclude, federal, state or local (A) transfer taxes as the result of a conveyance by (or suffered by) Landlord, (B) franchise, capital stock or similar taxes if any, of Landlord, (C) income, excess profits or other taxes, if any, of Landlord, determined on the basis of or measured by its net income, or (D) any estate, inheritance, succession, gift, capital levy or similar taxes, unless the taxes referred to in clauses (B) and (C) above are in lieu of or a substitute for any other tax or assessment upon or with respect to any of the Property which, if such other tax or assessment were in effect at the commencement of the Term, would be payable by Tenant. In the event that any assessment against any of the Property may be paid in installments, Tenant shall have the option to pay such assessment in installments; and in such event, Tenant shall be liable only for those installments which become due and payable during the Term. Tenant shall prepare and file all tax reports required by governmental authorities which relate to the Impositions.

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(iii) After prior written notice to and with the prior consent of Landlord, Tenant shall not be required to pay any Imposition so long as Tenant shall contest, in good faith and at its expense, the amount thereof by appropriate proceedings which shall operate during the pendency thereof to prevent the collection of, or other realization upon any property securing, the Imposition. In no event shall Tenant pursue any contest with respect to any Imposition in such manner that exposes Landlord to (A) criminal liability, penalty or sanction, (B) any civil liability, penalty or sanction for which Tenant has not made provisions reasonably acceptable to Landlord and Lender or (C) defeasance of its interest in the Property. Tenant agrees that each such contest shall be promptly and diligently prosecuted to final conclusion, except that Tenant shall have the right to attempt to settle or compromise such contest through negotiations. Tenant shall pay and save the Lender and Landlord harmless against any and all losses, judgments, decrees and costs (including all reasonable attorneys' fees and expenses) in connection with any such contest and shall, promptly after the final determination of such contest, fully pay and discharge the amounts which shall be levied, assessed, charged or imposed or be determined to be payable therein or in connection therewith, together with all penalties, fines, interest, costs and expenses thereof or in connection therewith, and perform all acts the performance of which shall be ordered or decreed as a result thereof.

(d) Provided such monthly escrows are required by the first lienholder of the Property, Tenant shall deposit monthly with Landlord (or Landlord's designee), simultaneously with its payment of Rent, as additional rent, one-twelfth (1/12) of the Impositions and premiums for insurance required under Article 4 hereof, which amounts may be adjusted from time to time depending on such Impositions and insurance premiums from time to time, in amounts sufficient to pay the same when due. This Section 3.01 is subject to the terms and conditions of the Loan Documents. Tenant may use the Tax and Insurance Reserve Funds to fund such payments. Any such tax or insurance reserve amounts (and the items that such funds are used to satisfy) shall for all purposes of this Lease be treated not as an obligation of Tenant to Landlord but rather an obligation of Landlord which Landlord was required by Lender to fund and satisfy in connection with Landlord's acquisition of the Property.

(e) Tenant and Landlord hereby agree that, as provided in this Lease, Tenant will pay, on behalf of Landlord, any real estate taxes with respect to the Property, the Insurance Costs (as defined in Section 4.02) and the Cost of Utilities, including any dues, assessments or fees related to the condominium association to which the Property is related (the "**Uncontrollable Expenses**"). Nevertheless, Landlord and Tenant hereby agree that Tenant is financially responsible solely for the amount of Uncontrollable Expenses set forth as the projected Uncontrollable Expenses in the Financial Forecast (such projected amounts the "**Projected Uncontrollable Expenses**"). If the actual Uncontrollable Expenses for any calendar year exceed the Projected Uncontrollable Expenses for such calendar year, then Tenant shall be entitled to offset the amount of such excess against Additional Rent and/or Supplemental Rent falling due hereunder. If the actual Uncontrollable Expenses are less than the Projected Uncontrollable Expenses, then Tenant shall pay such amount to Landlord as additional Rent hereunder (determined and paid in a manner consistent with the determination and payment hereunder of Supplemental Rent).

Section 3.02. Landlord shall promptly send to Tenant all bills which it may receive for Impositions and Operating Costs referred to in Section 3.01 above. Tenant shall make payment of all Impositions directly to the appropriate Governmental Authority (as hereinafter defined) and all

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Operating Costs to the parties to whom such amounts are due and payable. Within fifteen (15) days after receipt thereof, Tenant shall make available to Landlord for its inspection official receipts of the appropriate taxing authority, or other proof satisfactory to Landlord, evidencing the payment of any Imposition payable directly by Tenant to a Governmental Authority as in this Article provided. To the extent available, Tenant shall be entitled to use amounts deposited pursuant to Section 3.01(c) above to fund the payment of Impositions and premiums for insurance.

Section 3.03. Landlord shall inform Tenant in writing, within five (5) business days following receipt of notice thereof, of any audit, threatened audit, or other administrative or judicial proceeding or action by any Governmental Authority which could give rise to an obligation by Tenant to pay, or indemnify Landlord for, Impositions.

Section 3.04. Notwithstanding any other terms of this Article 3, Tenant shall not be required to pay, nor to indemnify or hold harmless Landlord to the extent (and only to the extent) that any Imposition or Operating Cost arises or is increased directly as a result of the breach by Landlord of any of its obligations under this Lease.

Section 3.05. To the extent that any portion of the Operating Costs or Impositions relate to any period not included within the Term, Tenant's obligation to pay the same shall be prorated.

Section 3.06. Tenant shall pay the Rent, Operating Costs, Impositions and all other amounts due and payable hereunder without notice, demand, setoff, counterclaim, deduction, defense, abatement, suspension, deferment, diminution or reduction during the Term.

Section 3.07. If any installment of Rent is not paid within fifteen (15) days after written notice is given by Landlord to Tenant that the same is overdue, Tenant shall pay to Landlord, as additional rent, a late charge equal to the late charge assessed by Landlord's lender with respect to the mortgage payment which would have been funded by Landlord utilizing such overdue installment of Rent, had it been paid to Landlord in a timely fashion.

Section 3.08. Landlord and Tenant agree that this Lease is a true lease and does not represent a financing arrangement, partnership, joint venture, management or other arrangement. Each party shall reflect the transactions represented by this Lease in all applicable books, records and reports (including, without limitation, income tax filings) in a manner consistent with "true lease" treatment rather than "financing," "partnership" or "management" treatment.

Section 3.09. For the avoidance of doubt, and subject to the terms and conditions of the Loan Documents, Tenant's obligation to pay rent and any other amounts to Landlord shall be limited to the Rent and Tenant shall be entitled to retain any other revenues generated by the Property after payment of Rent and any other amounts Tenant is expressly required to pay under this Lease.

Section 3.10. While the Loan is outstanding, Tenant shall, as an accommodation to Landlord, provide all financial information and other reporting information required under the Loan Documents to Lender on behalf of Landlord.

Section 3.11. Landlord or Tenant shall prepare an annual budget each year in accordance with the Loan Documents.

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ARTICLE 4
Insurance

Section 4.01. Throughout the Term, Landlord may, at Landlord's sole cost and expense, obtain and maintain, or cause to be obtained and maintained, insurance in amounts and against risks consistent with insurance coverages obtained and maintained by owners of improved real property similar to the Property. Landlord shall be a named insured on any such policies.

Section 4.02. Throughout the Term, Tenant shall, at Tenant's sole cost and expense after the Tax and Insurance Reserve Funds have been utilized for payment of insurance premiums as provided in Section 7.04 (subject to Section 3.01(e)), obtain and maintain, or cause to be obtained and maintained, insurance, in the amounts and against the risks, described on Exhibit B attached hereto and made a part hereof, or, if different, such insurance, in the amounts and against the risks, as may be required by any lender that has made a loan to Landlord secured by the Property. Landlord shall be named as an additional insured on all such policies of insurance. To the extent any lender that has made a loan to Landlord secured by the Property requires a change to the insurance coverages described on Exhibit B, Landlord shall notify Tenant, in writing, not less than thirty (30) days prior to the date upon which any such change in insurance coverage is required to become effective hereunder. Any lender shall be named as a mortgagee and loss payee on the property/casualty insurance policy and as an additional insured on the liability policy, as may be required by such lender. All costs incurred by Tenant in maintaining the insurance required by this Section 4.02 are herein collectively referred to as the "**Insurance Costs**."

Section 4.03. Landlord shall be furnished with evidence reasonably satisfactory to Landlord of Tenant's payment of the premiums for the insurance coverage required by this Lease. Tenant shall renew all such insurance and deliver to Landlord certificates evidencing such renewals before any such insurance is set to expire (except to the extent that provision for payment of the premiums therefor is actually made pursuant to Section 3.01(c) of this Lease).

Section 4.04. Landlord shall not be required to incur any expense under any policy of insurance maintained by Tenant or to prosecute any claim against any insurer or to contest any settlement proposed by any insurer. Tenant may, at its cost and expense, prosecute any such claim or contest any such settlement.

ARTICLE 5
Casualty and Restoration

Section 5.01. If during the Term all or any part of the Property shall be damaged or destroyed by fire or other casualty, Tenant shall promptly give notice thereof to Landlord.

Section 5.02.

(a) If during the Term all or any part of the Property shall be damaged or destroyed by any fire or other casualty, this Lease shall continue in full force and effect. Subject in all respects to the terms of the Loan Documents, any insurance proceeds received by Landlord on account of such damage or destruction, less the actual cost, fees and expenses, if any, incurred in connection with adjustment of the loss, shall, provided no default by Tenant or Event of Default shall have occurred and be continuing hereunder, be used by Landlord to cause the repair,

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restoration or replacement of any portion of the Property so damaged or destroyed as nearly as possible to its value, condition and character immediately prior to such damage or destruction and to pay contractors, subcontractors, materialmen, engineers, architects or other persons who have rendered services or furnished materials for said repairs, restorations or replacements (collectively, the "**Casualty Restoration**"), and shall be paid out from time to time as the Casualty Restoration progresses upon the written request of Tenant.

(b) If the insurance proceeds received by Landlord are applied to the cost of the Casualty Restoration and the insurance proceeds shall, at any time, be insufficient to pay the cost of the Casualty Restoration, Landlord shall use the Reserve Account (as defined in Article 7) to make up the deficiency, subject to any required approvals of the first lienholder of the Property. In the event the Reserve Accounts are insufficient to make up the deficiency, Landlord shall be required to make up any remaining deficiency. If such net insurance proceeds shall exceed the cost of the Casualty Restoration, then, in such event, Landlord, shall retain the excess.

Section 5.03. If Landlord fails to diligently pursue to completion the Casualty Restoration of any portion of the Property damaged or destroyed by fire or other casualty as provided in Section 5.02(a) above, then, in such event, subject to the terms and conditions of the Loan Documents, Tenant shall have the right to perform such Casualty Restoration on behalf of Landlord and at Landlord's expense. Subject to any required approval of the first lienholder of the Property, Tenant shall have the right to use the Reserve Accounts in connection with any such Casualty Restoration performed by Tenant on behalf of Landlord.

Section 5.04. Landlord shall have the right to satisfy its obligations under this Article 5 by requiring the property manager of the Property to perform the Casualty Restoration.

Section 5.05. Notwithstanding the foregoing provisions of this Article 5, but subject to the terms of the Loan Documents, in the event all or a material portion of the Property is damaged or destroyed by fire or other casualty, following which (i) Landlord's lender elects not to make the insurance proceeds available to Landlord for restoration, and (ii) Landlord then elects not to reconstruct the Property, then this Lease automatically shall terminate and neither party shall have any further obligations hereunder.

ARTICLE 6
Condemnation

Section 6.01.

(a) If during the Term all or any part of the Property shall be subject to a "**Taking**," which shall mean any taking of the Property or a part thereof, in or by condemnation or other eminent domain proceeding, this Lease shall continue in full force and effect. Tenant hereby assigns to Landlord any award, payment or compensation to which it may be or become entitled during the Term by reason of a Taking whether the same shall be paid or payable in respect of Tenant's leasehold interest hereunder or otherwise. Subject in all respects to the terms of the Loan Documents, and provided no default by Tenant or Event of Default shall have occurred and be continuing hereunder, Landlord shall be obligated to cause the repair, restoration or rebuilding of any part of the Property remaining after such Taking, including payment of all contractors,

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subcontractors, materialmen, engineers, architects or other persons who render services or furnish materials for said repairs, restorations or rebuilding (collectively, the "**Condemnation Restoration**"). The Condemnation Restoration shall be performed by Landlord so as to restore the Property, as nearly as possible, to its value, condition and character immediately prior to such Taking. Any award, payment or compensation paid or assigned to Landlord on account of said Taking, less the actual costs, fees and expenses, if any, incurred in connection with obtaining the award, shall be used by Landlord to perform the Condemnation Restoration.

(b) If the award, payment or compensation received by Landlord as the result of a Taking are applied to the cost of the Condemnation Restoration and said award, payment or compensation shall, at any time, be insufficient to pay the cost of the Condemnation Restoration, Landlord shall use the Reserve Accounts (as defined in Section 7.03) to make up the deficiency, subject to any required approvals of the first lienholder of the Property. Should the award, payment or compensation, together with the Reserve Accounts, be insufficient to pay the cost of the Condemnation Restoration, then Landlord shall be required to make up any remaining deficiency. If such award, payment or compensation shall exceed the cost of the Condemnation Restoration, then, in such event, Landlord shall retain the excess.

(c) If Landlord fails to diligently pursue to completion the Condemnation Restoration of any portion of the Property affected by any Taking as provided in Section 6.01(a) hereof, then, in such event, Tenant shall have the right to perform such Condemnation Restoration on behalf of Landlord and at Landlord's expense. Subject to any required approval of the first lienholder of the Property, Tenant shall have the right to use the Reserve Accounts in connection with any such Condemnation Restoration performed by Tenant on behalf of Landlord.

(d) Landlord shall be entitled to participate in any Taking proceeding at Landlord's cost and expense.

Section 6.02.

(a) If during the Term (i) there is a permanent Taking of all of the Property, or (ii) there is a permanent taking of less than all of the Property but it is impractical to rebuild the Property and/or continue to operate the Property as a multi-family apartment complex, then this Lease automatically shall terminate, and neither party shall have any further obligations hereunder.

(b) If during the Term (i) there is a permanent Taking of less than all of the Property and it is economically feasible to rebuild the Property and/or continue to operate the Property as a multi-family apartment complex, or (ii) the use or occupancy of any part, or all, of the Property shall be temporarily requisitioned by any federal government, or any state or other political subdivision thereof, or any agency, court or body of the federal government, any state or other political subdivision thereof, exercising executive, legislative, judicial, regulatory or administrative functions (collectively, "**Governmental Authority**"), then this Lease shall continue in full force and effect, however, (A) Landlord shall proceed to perform any necessary repairs, restoration or replacement, and (B) Landlord and Tenant shall adjust the Rent in an equitable fashion to reflect the economic effect of any such Taking or temporary requisition.

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Section 6.03. Landlord shall have the right to satisfy its obligations under this Article 6 by requiring the property manager of the Property to perform the Condemnation Restoration.

Section 6.04. This Article 6 is subject to the terms and conditions of the Loan Documents.

ARTICLE 7
Maintenance and Repairs

Section 7.01. Tenant shall be financially responsible for all "**Operating Costs**" as defined in Section 3.01(c)(i). Tenant shall take good care (or cause good care to be taken) of the Property, alleyways and passageways and the sidewalks, curbs and vaults adjoining the Property, and keep the same (or cause the same to be kept) in good order and condition, ordinary wear and tear and obsolescence excepted, and make necessary nonstructural repairs thereto, interior and exterior. Tenant shall perform all personal property replacements and repairs, and all repairs necessary to avoid any structural damage or injury to the Property, whether or not the cost of such replacements or repairs constitute Operating Costs borne by Tenant or Capital Expenses borne by Landlord, it being understood, for the avoidance of doubt, that Tenant's performance obligations as set forth in this Section 7.01 (or in any other section of this Lease) do not alter the relative financial responsibilities of Tenant and Landlord otherwise established in this Lease, and it being further understood, for the avoidance of doubt, that notwithstanding Tenant's performance obligations set forth in this Section 7.01 and in Section 7.02, to the extent a Tenant performance obligation arises with respect to an item for which Landlord is financially responsible, Tenant shall not be obligated to perform such item if funds are not immediately available to Tenant, as reasonably determined by Tenant taking Tenant's rights set forth in Section 7.04 into account, to compensate Tenant for any costs associated with such item.

Section 7.02. Landlord shall be responsible for all "**Capital Expenses**," which shall mean any and all costs and expenses incurred in connection with the Property that are not Operating Costs, including, but not limited to (i) replacement of roofs, chimneys, gutters, downspouts, paving, curbs, ramps, driveways, parking lots, balconies, patios, windows, foundations, exterior walls and all load bearing walls, exterior doors and doorways, windows, elevators, fences, gates and HVAC systems and components thereof, and all furniture, fixtures and equipment, and (ii) exterior painting or other façade maintenance. In addition, "Capital Expenses" shall include any obligations of the Landlord under the Loan Agreement (as hereinafter defined) with respect to environmental matters and capital repairs made at the Property, and shall further include any special assessments for items described in this Section 7.02 made by the condominium association to which the Property is related. Other than as set forth in this Section 7.02, Landlord shall not be required to furnish any services or facilities or make any repairs, replacements or alterations in or to the Property, and Tenant hereby assumes the full and sole responsibility (but not cost) for the operation, repair, replacement, maintenance and management of the Property.

Section 7.03. Subject to the terms and conditions of the Loan Documents, upon the execution of this Lease, Landlord shall deposit the following sums into separate accounts designated by Tenant: (a) $105,600, which shall constitute the initial funding of the "**Replacement Reserve Funds**" and which shall be available for payment of Capital Expenses related to certain repairs and replacements during the Term, and (b) $204,871 which shall constitute the initial funding of the "**Tax and Insurance Reserve Funds**" and which shall be used to pay the first

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amounts of insurance premiums due with respect to insurance maintained for the Property during the Term and the first amounts in real estate taxes due with respect to the Property during the term. The Replacement Reserve Funds and the Tax and Insurance Reserve Funds are collectively referred to herein as the as the "**Lender-Mandated Reserves**" to be funded into "**Lender-Mandated Reserve Accounts**." In addition, Landlord shall fund (i) the "**Trust Controlled Reserves Account**" with a deposit in the amount of $2,000,000, (ii) the "**Trust Operating Account**" with a deposit of $250,000, which shall be available to Tenant as provided in Section 7.04 and which shall be treated as funds of Landlord for all purposes of this Lease, and (iii) the "**Master Tenant Reserve Account**" with a deposit of $75,000, which shall be treated as funds of Tenant for all purposes of this Lease. The Lender-Mandated Reserve Accounts, the Trust Controlled Reserves Account, the Trust Operating Account, and the Master Tenant Reserve Account are collectively referred to herein as the "**Reserve Accounts**." The Lender-Mandated Reserve Accounts shall be funded out of the proceeds of the Loan and the Trust Controlled Reserves Account, Trust Operating Account and the Master Tenant Reserve Account are funded out of offering proceeds. The Tax and Insurance Reserve Funds (and the items that such funds are used to satisfy) shall for all purposes of this Lease be treated not as an obligation of Tenant to Landlord but rather an obligation of Landlord which Landlord was required by Lender to fund and satisfy in connection with Landlord's acquisition of the Property. Subject to the terms and conditions of the Loan Documents, the Reserve Accounts shall be held by Tenant to use in accordance with this Lease. Upon the expiration or earlier termination of this Lease, any funds remaining in the Reserve Accounts except for the Master Tenant Reserve Account shall be disbursed to Landlord or its designee and any funds remaining in the Master Tenant Reserve Account shall be disbursed to Tenant or its designee.

Section 7.04. Subject to any required approvals of the first lienholder of the Property and, if applicable, to the terms of the Loan Documents, funds in the Reserve Accounts shall be available to and may be withdrawn by Tenant to pay for (i) Operating Costs and Capital Expenses described in Section 7.02 above, as determined by Tenant in its sole discretion, (ii) any Casualty Restoration, (iii) any Condemnation Restoration, and (iv) to satisfy Tenant's obligations with respect to non-debt service components of Base Rent. Tenant may use the Master Tenant Reserve Account for any costs that it may incur in connection with this Lease, including start-up costs. If the Reserve Accounts are not available for any reason and funds of Tenant (including for the avoidance of doubt funds in the Trust Operating Account) are used to pay for expenses for which Landlord is responsible hereunder (including, without limitation, funding any Lender-Mandated Reserves that are used to pay for obligations hereunder that belong to Landlord) or under the Loan Documents, and such amount is outstanding for a period in excess of ninety (90) days, such amount shall be treated as a loan from Tenant to Landlord bearing interest at the prime rate (or base rate) reported from time to time in the "Money Rates" column or section of The Wall Street Journal as being the base rate on corporate loans at larger United States money center commercial banks plus five percent (5%), which Tenant may recover by set off against Additional Rent and Supplemental Rent (but not, for the avoidance of doubt, against Base Rent) and, if not previously repaid, out of the gross sales proceeds of the Property if such amounts are not repaid prior to the sale or exchange of the Property (or the expiration or earlier termination of this Lease if sooner). Any amounts so reimbursed by Landlord to Tenant out of Additional Rent, Supplemental Rent or proceeds from the sale of the Property shall be treated first as having been paid to Tenant (whether as Additional Rent, Supplemental Rent or proceeds from the sale of the Property) and then remitted by Landlord to Tenant in satisfaction of Landlord's obligation pursuant to this Section 7.04. If funds held in the

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Reserve Accounts (other than the Trust Operating Account or Master Tenant Reserve Account) are used to pay for expenses for which Tenant is responsible hereunder, and such amount is outstanding for a period in excess of ninety (90) days, such amount shall be treated as a loan from Landlord to Tenant bearing interest at the prime rate (or base rate) reported from time to time in the "Money Rates" column or section of The Wall Street Journal as being the base rate on corporate loans at larger United States money center commercial banks plus five percent (5%), which Tenant will reimburse to the Reserve Accounts as soon as practicable thereafter, and in no event later than the expiration or earlier termination of this Lease.

Section 7.05. Tenant shall have the right to satisfy its obligations with respect to the Property under this Article 7 by requiring the property manager to cause the performance of such obligations.

Section 7.06. The necessity for and adequacy of replacements, maintenance and repairs to the Property pursuant to this Article 7 shall be measured by the standard which is appropriate for "Class A" multifamily residential property in the area in which the Property is situated.

ARTICLE 8
Alterations and Additions

Section 8.01. Subject to the terms and conditions of the Loan Documents, Tenant may make alterations to (but not additions to, removals of, and substitutions for) the buildings or any portion thereof situated on the Property, provided that (a) no such alterations shall be undertaken without Landlord's prior written consent; (b) the fair market value of the Property shall not be lessened by reason thereof; (c) all such alterations shall be completed in compliance with any and all valid laws, rules, regulations, ordinances, orders, codes, judgments, decrees, injunctions, permits or similar norms or decisions of any Governmental Authority having jurisdiction over the Property or the use, manner of use or occupancy thereof (collectively, "**Law**"); (d) any such additions shall become the property of Landlord when completed. Tenant shall discharge any and all liens filed against the Property arising out of any alteration thereof and, upon the written request of Landlord, shall deliver to Landlord a surety bond or other security satisfactory to Landlord to assure the completion thereof and (e) no such alterations shall be made without Lender's prior written consent to the extent such consent is required under the Loan Agreement.

Section 8.02. Tenant shall not construct or place upon the Property any additional buildings, structures, facilities or other improvements without the prior written consent of Landlord. Notwithstanding anything else in this Lease, or at any time Landlord is a Delaware statutory trust, Landlord shall not have the right, power or ability to make more than minor non-structural modifications to the Property (in accordance with Revenue Ruling 2004-86).

Section 8.03. Tenant shall have the right, from time to time, to purchase personal property to be used for the benefit of the Property. Upon the expiration of the Term, all such personal property shall belong to Landlord.

ARTICLE 9
Compliance with Law; Zoning

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Section 9.01. Tenant shall during the Term, at its sole cost and expense, except for noncompliances which may have existed prior to the commencement of the Term, promptly comply (or cause compliance) with all Laws which may be applicable to the Property or to the use, manner of use or occupancy thereof, and shall take all actions reasonably necessary to comply with any and all orders or requirements affecting the Property by any federal, state, county or municipal authority having jurisdiction over the Property. Tenant shall likewise observe and comply (or cause observance and compliance) with the requirements of all policies of public liability, fire and other insurance at any time in force with respect to the Property. In addition, Tenant shall cause all tenants, subtenants or other occupants of the Property to comply with all Laws which may be applicable to the Property or to the use, manner of use or occupancy thereof.

Section 9.02. Tenant shall not cause or maintain any nuisance in or upon the Property. Tenant shall not suffer or permit the Property, or any portion thereof, to be used by the public, as such, in any way as might tend to impair Landlord's title thereto.

Section 9.03. If Tenant fails to timely take (or cause to be taken), or to diligently and expeditiously proceed to complete (or cause completion) in a timely fashion, any such action described in Section 9.01 or 9.02 hereof, Landlord may, in its sole and absolute discretion, upon prior written notice to Tenant, make payments toward the performance or satisfaction of the same, but shall in no event be under any obligation to do so. All sums so advanced or paid by Landlord (including, without limitation, counsel and consultant fees and expenses, investigation and laboratory fees and expenses, and fines or other penalty payments) and all sums paid in connection with any judicial or administrative investigation or proceeding relating thereto, will immediately, upon demand, become due and payable from Tenant.

Section 9.04. Without Landlord's prior written consent, Tenant shall not (a) change, consent or apply for the change of the zoning or any land use regulation affecting the Property or any part thereof, or (b) combine the Property with any other parcel to create an enlarged zoning or tax lot.

ARTICLE 10
Discharge of Liens

In the event that the Property or any part thereof or Tenant's leasehold interest therein shall, at any time during the Term, become subject to any vendor's, mechanic's, laborer's, materialman's or other, encumbrance or charge other than any such lien based upon the furnishing of materials or labor to Landlord and contracted for by Landlord, Tenant shall cause the same, at its sole cost and expense, to be discharged or bonded promptly after notice thereof.

ARTICLE 11
Right of Landlord to Perform Tenant's Covenants

Landlord shall have the right at any time, after ten (10) days' notice to Tenant (or without notice in case of emergency or in case any fine, penalty or cost may otherwise be imposed or incurred), or upon such lesser period of notice as is otherwise herein provided for, to make any payment or perform any act required of Tenant under this Lease, and in exercising such right, to incur necessary and incidental costs and expenses, including, without limitation, reasonable

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counsel fees and expenses. Nothing herein shall imply any obligation on the part of Landlord to make any payment or perform any act required of Tenant, and the exercise of the right so to do shall not constitute a release of any obligation or a waiver of any default. All payments made by Landlord and all costs and expenses incurred by Landlord in connection with any exercise of such right, shall be payable to Landlord by Tenant within ten (10) days after written demand.

ARTICLE 12
Entry on Property by Landlord

At any time, Landlord, through its agents or employees, at all reasonable times and upon prior notice to Tenant, shall have the right to enter the Property to inspect same.

ARTICLE 13
Assignment and Subletting

Section 13.01. Tenant shall not assign this Lease or its interest under this Lease, directly or indirectly, unless it first obtains the prior written consent of Landlord and Lender, which may be withheld in either's sole discretion, whether reasonable or unreasonable. Notwithstanding the foregoing, but subject to the terms and conditions of the Loan Documents, Tenant shall have the right to enter into individual space tenant leases at the Property ("**Space Leases**") or modify, amend, cancel, terminate, extend or renew any Space Leases with one or more subtenants (each a "**Subtenant**" or collectively the "**Subtenants**"). In addition, Tenant shall not grant easements, licenses, rights-of-way or any other rights or privileges in the nature of easements with respect to the Property without the prior written consent of Landlord in each instance. Landlord shall have an unconditional right to assign this Lease, subject only to obtaining the consent of Lender. For the avoidance of doubt, this Section 13.01 does not apply to any direct or indirect transfers of any ownership interest in Tenant.

Section 13.02. Each of the Space Leases entered into after the date hereof must in each instance contain provisions substantially as follows:

> ("**Sublessee**") covenants and agrees that, if by reason of a default (after the expiration of all applicable notice and grace periods) upon the part of Tenant, the tenant under the underlying lease ("**Sublessor**"), dated December 18, 2025, between BR Parkview Multifamily, DST, as landlord, and Sublessor, as Tenant, covering the Property (as amended, the "**Master Lease**"), or if for any other reason of any nature whatsoever the Master Lease is terminated by summary dispossess proceeding or otherwise, Sublessee, at the request in writing of the then landlord under such Master Lease, shall attorn to and recognize such successor or assignee of sublessor, or any other tenant under the Master Lease (as the same may be modified, amended or replaced) as Sublessee's landlord. Sublessee covenants and agrees to execute and deliver, at any time and from time to time, upon the request of the landlord under such underlying lease, any instrument which may be necessary or appropriate to evidence such attornment. Sublessee further waives the provisions of any statute or rule of law now or hereafter in effect which may terminate this lease or give or purport to give Sublessee

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any right of election to terminate this lease or to surrender possession of the Property demised hereby in the event such underlying lease terminates or in the event any such proceeding is brought by such landlord under such underlying lease, if such landlord shall have requested in writing that Sublessee agree that this lease shall not be affected in any way whatsoever by any such proceeding or termination."

Section 13.03. During the Term, neither this Lease nor the Term hereby demised shall be mortgaged by Tenant, nor shall Tenant mortgage or pledge the interest of Tenant in and to any Space Lease or the rentals payable thereunder, except as required by the Lender in connection with a first mortgage loan secured by the Property. Any such mortgage or pledge and any Space Lease, easement, license, right-of-way or other right or privilege made or granted in violation of or without compliance with Section 13.01 of this Lease shall be null and void.

Section 13.04. Tenant may not otherwise sell, assign, transfer, mortgage, pledge or otherwise dispose of any interest in, including personal property (other than obsolete or worn out personalty that are contemporaneously replaced by unencumbered items of equal or better function and quality), of the Property without Landlord's prior written consent, which Landlord may grant or withhold in its sole and absolute discretion.

Section 13.05. The Tenant hereby assigns to the Landlord all rents due or to become due from any present or future Subtenant, provided that so long as the Tenant is not under an Event of Default hereunder, the Tenant shall have the right to collect and receive such rents for the Tenant's own uses and purposes. The effective date of the Landlord's right to collect rents described in this Section 13.05 of this Lease shall be the date of the happening of an Event of Default under Section 16 of this Lease. Upon an Event of Default, the Landlord shall apply any net amount collected by the Landlord from Subtenants to the Base Rent or Additional Rent due under this Lease. No collection of rent by the Landlord from an assignee of this Lease or from a Subtenant shall constitute a waiver of any of the provisions of this Section or an acceptance of the assignee or Subtenant as a tenant or a release of the Tenant from performance by the Tenant of the Tenant's obligations under this Lease. The Tenant without the prior consent of the Landlord in writing, shall not directly or indirectly collect or accept any payment of subrent (exclusive of security deposits) under any Space Lease more than 1 month in advance of the date when the same shall become due.

ARTICLE 14
Use of Property; Quiet Enjoyment

Section 14.01. Tenant shall use the Property solely as a multi-family apartment complex and other uses incidental thereto.

Section 14.02. Tenant, upon paying amounts payable under this Lease provided for and observing and keeping the covenants, agreements, terms and conditions of this Lease on its part to be observed and performed, shall, subject to the covenants, agreements, terms and conditions of this Lease, lawfully and quietly hold, occupy and enjoy the Property during the Term, without hindrance or molestation by Landlord or by any other party claiming under Landlord.

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ARTICLE 15
Indemnification of Landlord; Limitation of Liability

Section 15.01. In addition to Tenant's obligations to indemnify Landlord as set forth in other Sections of this Lease, Tenant will indemnify and save harmless Landlord, its beneficiaries, trustees, partners, members, shareholders, officers, directors and employees (each individually an "**Indemnified Party**" and collectively, the "**Indemnified Parties**") from and against any and all liabilities, obligations, damages, penalties, claims, costs, charges and expenses, including, without limitation, reasonable attorneys' fees and expenses, which may be imposed upon or incurred by or asserted against such persons (except to the extent the same are caused by the negligence or willful misconduct of Landlord, its agents, employees, licensees, invitees, contractors and/or subcontractors) by reason of any of the following occurring during the Term:

(a) any work or thing done by (or at the direction of) anyone other than Landlord in, on or about the Property or any part thereof;

(b) any use, non-use, possession, occupation, condition, operation, maintenance or management of the Property or any part thereof or any street, alley, sidewalk, curb, passageway or space adjacent thereto;

(c) any negligence of Tenant or any agent, contractor, employee, licensee or invitee of Tenant;

(d) any accident or injury to any person (including death) or damage to property occurring in, on or about the Property or any part thereof or any street, alley, sidewalk, curb, passageway, or space adjacent thereto; and

(e) any failure on the part of Tenant to perform or comply with any of the agreements, terms or conditions contained in this Lease on its part to be performed or complied with.

Section 15.02. In the event that any action or proceeding shall be brought against an Indemnified Party by reason of any matter covered by this Section, Tenant, upon notice from the Indemnified Party, will at Tenant's sole cost and expense resist or defend the same. To the extent of the proceeds received by Landlord under any insurance policy furnished or supplied to Landlord by Tenant, Tenant's obligation to indemnify and save harmless an Indemnified Party against the hazard which is the subject of such insurance shall be deemed to be satisfied. Tenant acknowledges that Landlord may enter into Loan Documents, which may include provisions for personal liability for Landlord on certain "nonrecourse carve-outs." Tenant hereby agrees that to the extent that Landlord is required to make payments on such indemnification as a direct result of (i) Tenant's fraud, willful misconduct or misappropriation, (ii) Tenant's commission of a criminal act, (iii) the misapplication by Tenant of any funds derived from the Property received by Tenant, including any failure to apply such proceeds in accordance with Lender Requirements, or (iv) damage or destruction to the Property caused by acts of Tenant that are grossly negligent, Tenant will indemnify Landlord for any such liability that was caused by such actions.

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Section 15.03. Tenant hereby waives its rights to claim that this Lease creates a de facto guaranty relationship between the parties or entitles Tenant to guarantor protections.

Section 15.04.

(a) Tenant is fully familiar with the physical condition of the Property and takes the same hereunder "as is" and "where is."

(b) TENANT ACKNOWLEDGES THAT LANDLORD (WHETHER ACTING AS LANDLORD HEREUNDER OR IN ANY OTHER CAPACITY) HAS NOT MADE AND WILL NOT MAKE, NOR SHALL LANDLORD BE DEEMED TO HAVE MADE, ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, INCLUDING ANY WARRANTY OR REPRESENTATION AS TO ITS FITNESS FOR USE OR PURPOSE, DESIGN OR CONDITION FOR ANY PARTICULAR USE OR PURPOSE, AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP THEREIN, LATENT OR PATENT, AS TO LANDLORD'S TITLE THERETO, OR AS TO VALUE, COMPLIANCE WITH SPECIFICATIONS, LOCATION, USE, CONDITION, MERCHANTABILITY, QUALITY, DESCRIPTION, DURABILITY OR OPERATION, IT BEING AGREED THAT ALL RISKS INCIDENT THERETO ARE TO BE BORNE BY TENANT. In the event of any defect or deficiency in the Property of any nature, whether patent or latent, Landlord shall not have any responsibility or liability with respect thereto or for any incidental or consequential damages (including strict liability in tort). The provisions of this Section 15.04 have been negotiated, and the foregoing provisions are intended to be a complete exclusion and negation of any warranties by Landlord, express or implied, with respect to the Property, arising pursuant to the uniform commercial code or any other Law now or hereafter in effect or otherwise.

(c) Tenant acknowledges and agrees that Tenant has examined the title to the Property prior to the execution and delivery of this Lease and has found such title to be satisfactory for the purposes contemplated by this Lease.

(d) Landlord hereby assigns to Tenant, to the extent assignable and without recourse or warranty whatsoever, all warranties, guaranties and indemnities, express or implied, and similar rights which Landlord may have against any third party in respect of the Property, including, without limitation, any manufacturer, seller, engineer, contractor or builder, including, but not limited to, any rights and remedies existing under contract or pursuant to the uniform commercial code (collectively, the "**Guaranties**") except those which relate to the structural components of the Property. Such assignment shall remain in effect until the expiration or earlier termination of this Lease. Landlord shall also retain the right to enforce any Guaranties assigned in the name of Tenant upon the occurrence of an Event of Default. Landlord hereby agrees to execute and deliver at Tenant's expense such further documents, including powers of attorney, as Tenant may reasonably request in order that Tenant may have the full benefit of the assignment effected or intended to be effected by this Section 15.04(d). Upon the termination of this Lease, the Guaranties shall automatically revert to Landlord. The foregoing provision of reversion shall be self-operative and no further instrument of reassignment shall be required. In confirmation of such reassignment Tenant shall execute and deliver promptly any certificate or other instrument which Landlord may request. Any monies collected by Tenant under any of the Guaranties after

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the occurrence of and during the continuation of an Event of Default shall be held in trust by Tenant and promptly paid over to Landlord. To the extent any of the Guaranties are not assignable by Landlord, Landlord shall, upon request by Tenant, enforce same for the benefit of Tenant, at Tenant's sole cost and expense.

Section 15.05. Tenant shall indemnify Landlord against all legal costs and charges incurred in obtaining possession of the Property after default by Tenant or after Tenant's default in surrendering possession upon expiration or earlier termination of this Lease or enforcing any covenant or agreement of Tenant herein contained.

Section 15.06. Notwithstanding anything to the contrary provided in this Lease, there shall be absolutely no personal liability on the part of Landlord or Lender, its beneficiaries, trustees, members, partners, officers, directors, agents, employees, and/or disclosed or undisclosed principals with respect to any of the terms, covenants and conditions of this Lease, and Tenant shall look solely to the equity of Landlord in the Property for the satisfaction of each and every remedy of Tenant in the event of any breach by Landlord of any of the terms, covenants and conditions of this Lease, such exculpation of personal liability to be absolute and without any exception whatsoever.

Section 15.07. The obligations of Tenant under this Article 15 and under Section 24.02 shall survive the expiration or earlier termination of this Lease, by which is meant that a claim relating to any matter occurring, arising, accruing or otherwise happening during the term of this Lease as to which Tenant has obligations under this Article 15 or under Section 24.02, may be asserted against Tenant after (and notwithstanding) the expiration or earlier termination of this Lease.

ARTICLE 16
Default and Remedies

Section 16.01. During the Term, any one or more of the following acts or events shall constitute an "**Event of Default**," provided, however that to the extent there is conflict between this Lease and the Subordination, Assignment and Security Agreement (the "**SASA**") required by the Lender, the SASA shall govern.

(a) Tenant (i) shall default in making the payment of any installment of the Rent, or any component thereof, or any Operating Costs or Impositions as and when the same shall become due and payable hereunder, which default continues for a period of ten (10) days following written notice thereof from Landlord, or (ii) shall fail to pay any other amounts payable under this Lease as and when the same shall become due and payable or shall default in any other manner curable by the payment of money; or

(b) Tenant shall default in the performance of or compliance with any of the other covenants, agreements, terms or conditions of this Lease to be performed by or complied with by Tenant (other than any default curable by payment of money), and such default shall continue for a period of thirty (30) days after receipt of written notice thereof from Landlord to Tenant, or, in the case of a default which cannot, with due diligence, be cured within thirty (30) days, Tenant shall fail to proceed promptly (except for unavoidable delays) after the giving of such

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notice and with all due diligence to cure such default and thereafter to prosecute the curing thereof with all due diligence (it being intended that as to a default not susceptible of being cured with due diligence within thirty (30) days, the time within which such default may be cured shall be extended for such period as may be reasonably necessary to permit the same to be cured with all due diligence; provided, however that in no event shall the extension of any such cure period exceed any applicable cure periods under the Loan Documents or otherwise result in a cure period exceeding one hundred eighty (180) days); provided further that in no event shall Tenant be afforded a cure period for a default that is also a default under the Loan Agreement or Loan Documents executed in connection with the Loan that extends the cure period afforded to Landlord under the Loan Agreement or Loan Documents executed in connection with the Loan; or

(c) Tenant shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, composition, readjustment or similar relief under any present or future bankruptcy or other applicable Law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver, or liquidator of Tenant or of all or any substantial part of its properties or of all or any part of the Property; or

(d) if within ninety (90) days after the filing of an involuntary petition in bankruptcy against Tenant or the commencement of any proceeding against Tenant seeking any reorganization, composition, readjustment or similar relief under any Law, such proceeding shall not have been dismissed, or if, within ninety (90) days after the appointment, without the consent or acquiescence of Tenant, of any trustee, receiver or liquidator of Tenant or of all or any substantial part of the properties of Tenant or of all or any part of the Property, such appointment shall not have been vacated or stayed on appeal or otherwise, or if, within ninety (90) days after the expiration of any such stay, such appointment shall not have been vacated, or if, within ninety (90) days after the taking of possession, without the consent or acquiescence of Tenant, of the property of Tenant by any Governmental Authority pursuant to statutory authority for the dissolution or liquidation of Tenant, such taking shall not have been vacated or stayed on appeal or otherwise; or

(e) if Tenant shall assign, pledge or encumber any of the rentals or other sums payable from time to time under the Space Leases, other than to Landlord's lender, as may be requested by Landlord; or

(f) if, without the consent of Landlord (or as otherwise permitted herein), Tenant's interest in this Lease or the Term hereby demised shall be mortgaged, encumbered or pledged; or

(g) if any representation, warranty or statement made or deemed to be made by Tenant hereunder or in connection herewith is or proves to have been incorrect or misleading in any material respect when made; or

(h) if it becomes unlawful for Tenant to perform any material obligation hereunder or under any other document executed in connection herewith; or

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(i) Tenant ceases to do business or terminates its business as presently conducted for any reason whatsoever or institutes any proceeding for its dissolution or termination; or

(j) if Tenant fails to deliver possession of the Property at the end of the Term; or

(k) if any act or omission of Tenant results in the breach of any indenture, deed of trust, mortgage or other instrument (beyond any applicable notice and cure periods contained therein) to which Landlord or Tenant is a party or to which the Property is bound or may be affected;

then, and in any such event, and during the continuance thereof, Landlord may at its option, then or thereafter while any such Event of Default shall continue and notwithstanding the fact that Landlord may have any other remedy hereunder or at law or in equity, and without prejudice to any of the same, pursue one or more of the following remedies: (1) by notice to Tenant, designate a date, not less than ten (10) days after the giving of such notice, on which this Lease shall terminate; and thereupon, on such date the Term of this Lease and the estate hereby granted shall expire and terminate upon the date specified in such notice with the same force and effect as if the date specified in such notice were the date herein fixed for the expiration of the Term of this Lease, and all rights of Tenant hereunder shall expire and terminate, but Tenant shall remain liable as hereinafter provided and/or (2) pursue any other remedies available to Landlord at law or in equity; so long as the foregoing actions are not prohibited by the Loan Documents.

Section 16.02. If this Lease is terminated as provided in Section 16.01, or as permitted by Law, Tenant shall peaceably quit and surrender the Property to Landlord, and Landlord may, without further notice, enter upon, re-enter, possess and repossess the same by summary proceedings, ejectment or other legal proceeding, and again have, repossess and enjoy the same as if this Lease had not been made, and in any such event neither Tenant nor any person claiming through or under Tenant by virtue of any Law or an order of any court shall be entitled to possession or to remain in possession of the Property but shall forthwith quit and surrender the Property. After any termination of this Lease, Landlord will be entitled to recover all unpaid rent that has accrued through the date of termination plus the costs of performing any of Tenant's obligations (other than the payment of rent) that should have been but were not satisfied as of the date of such termination.

Section 16.03. Upon the occurrence and during the continuance of an Event of Default, in addition to any other remedies available to Landlord under this Lease, at law or in equity, Landlord shall have the right to continue this Lease in full force and effect, whether or not Tenant shall have abandoned the Property. If Landlord elects to continue this Lease in full force and effect pursuant to this Section 16.03, then Landlord shall be entitled to enforce all of its rights and remedies under this Lease, including the right to recover Rent as it becomes due. Landlord's election not to terminate this Lease pursuant to this Section 16.03 or pursuant to any other provision of this Lease, at law or in equity, shall not preclude Landlord from subsequently electing to terminate this Lease or pursuing any of its other remedies.

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Section 16.04. The exercise, or beginning of the exercise, by Landlord of any one or more of the rights or remedies provided for in this Lease or otherwise existing at law or in equity, or otherwise, shall not preclude the simultaneous or later exercise by Landlord of any or all other rights or remedies so provided for or so existing. The obligations of Tenant under this Article 16 shall survive the expiration or any earlier termination of this Lease.

ARTICLE 17
Additional Rights of Landlord

Section 17.01. No right or remedy conferred upon or reserved to Landlord shall be exclusive of any other right or remedy, and any right and remedy shall be cumulative and in addition to every other right or remedy given hereunder or now or hereafter existing at law or in equity. The failure of Landlord to insist at any time upon the strict performance of any covenant or agreement or to exercise any right, power or remedy contained in this Lease shall not be construed as a waiver or relinquishment thereof for the future. A receipt by Landlord of any installment of Rent (or any component thereof) or any other amount hereunder with knowledge of the breach of any covenant or agreement contained in this Lease shall not be deemed a waiver of such breach, and no waiver by Landlord of any provision of this Lease shall be deemed to have been made unless expressed in writing and signed by Landlord. Landlord shall be entitled, to the extent permitted by Law, to injunctive relief in case of the violation, or attempted or threatened violation, of any covenant, agreement, condition or provision of this Lease or to a decree compelling performance of any covenant, agreement, condition or provision of this Lease, or to any other remedy allowed Landlord by Law. In addition to the foregoing, notwithstanding anything to the contrary contained in this Lease, wherever this Lease requires Landlord's prior consent, no such consent shall be deemed to have been made by Landlord unless expressed in writing and signed by Landlord.

Section 17.02. If an Event of Default occurs and is continuing during the Term, Tenant hereby waives and surrenders for itself and all those claiming under it (a) any right and privilege which it or any of them may have under any Law to redeem the Property or to have a continuance of this Lease for the Term after termination of Tenant's right of occupancy by order or judgment of any court or by any legal process or writ, or under the terms of this Lease, or after the termination of the Term of this Lease as herein provided, and (b) the benefits of any Law which exempts property from liability for debt or for distress for rent.

Section 17.03. If Tenant shall be in default in the observance or performance of any of its obligations under this Lease and an action shall be brought for the enforcement thereof in which it shall be determined that Tenant was in default, Tenant shall pay to Landlord the expenses incurred in connection therewith, including reasonable attorneys' fees.

ARTICLE 18
Estoppel Certificates

Tenant will, from time to time upon not less than ten (10) days' prior written request by Landlord, deliver to Landlord a written statement certifying that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified, and setting forth such modifications) and the dates to which the Rent and other

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amounts due hereunder have been paid, and either stating that to the knowledge of Tenant no default exists in the performance of any covenant, agreement or condition contained in this Lease or specifying each default of which Tenant may have knowledge. Tenant will provide any additional certifications to Landlord as may be required by Lender from Landlord in the Loan Agreement. Tenant agrees that if for any reason any such estoppel certificate or other certificate is not timely delivered by Tenant to Landlord, then Landlord, as the agent and the attorney-in-fact of Tenant, shall be entitled to take such actions and execute such certificates, and Tenant hereby irrevocably designates and appoints Landlord as Tenant's agent and attorney-in-fact to execute any such certificates on Tenant's behalf.

ARTICLE 19
No Merger

There shall be no merger of this Lease or of the leasehold estate hereby created with the fee estate in the Property or any part thereof by reason of the fact that the same person may acquire or hold, directly or indirectly, this Lease or the leasehold estate hereby created, or any interest in this Lease or in such leasehold estate, as well as the fee estate in the Property.

ARTICLE 20
Surrender and Holding Over

Section 20.01. Upon the expiration or earlier termination of this Lease, Tenant shall peaceably leave and surrender the Property (except as to any portion thereof with respect to which this Lease has previously terminated) to Landlord. Tenant shall remove from the Property on or prior to such expiration or earlier termination the trade fixtures and personal property which are owned by Tenant, and Tenant at its expense shall, on or prior to such expiration or earlier termination, repair any damage caused by such removal. Trade fixtures and personal property not so removed at the end of the Term or within thirty (30) days after the earlier termination of the Term for any reason whatsoever shall become the property of Landlord, and Landlord may thereafter cause such property to be removed from the Property. The cost of removing and disposing of such property and repairing any damage to any of the Property caused by such removal shall be borne by Tenant. Landlord shall not in any manner or to any extent be obligated to reimburse Tenant for any property which becomes the property of Landlord as a result of such expiration or earlier termination.

Section 20.02 Any holding over by Tenant of the Property after the expiration or earlier termination of the Term of this Lease or any extensions thereof, with the consent of Landlord, shall operate and be construed as a tenancy from month to month only, at the Rent reserved herein and otherwise upon the same terms and conditions as contained in this Lease. Notwithstanding the foregoing, any holding over without Landlord's consent shall entitle Landlord, in addition to collecting Rent at a rate of one hundred fifty percent (150%) thereof from and after the date of such holding over, to exercise all rights and remedies provided by law or in equity, including the remedies of Section 16.01.

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ARTICLE 21

Space Leases

Tenant covenants and agrees to observe and perform all of the duties and obligations of the landlord/lessor to be observed and performed under Space Leases and to use Tenant's best efforts to enforce the conditions and obligations imposed on the tenants under the Space Leases to the extent prudent in the then current market. Subject to the terms of this Lease, during the Term, Tenant shall be entitled to all of the benefits of the "Landlord" under the Space Leases (whether the Space Leases are entered into by Landlord or Tenant), including, without limitation, the right to collect and use the rents under the Space Leases. Tenant shall not assign the right to receive any rental or other sums payable under the Space Leases or any other rights under the Space Leases, without the prior written consent of Landlord in each instance.

ARTICLE 22

Fee Mortgages; Subordination

Except pursuant to the Loan made by Lender to Landlord as of even date herewith, Tenant shall not mortgage, pledge or otherwise finance its interest in this Lease or the Property. Both Tenant and Landlord agree that, for federal and applicable state tax purposes, Tenant and Landlord shall characterize this Lease in a manner consistent with applicable tax laws as Tenant and Landlord jointly shall determine. Tenant acknowledges that Landlord may have entered into (or may in the future enter into) mortgage financings related to its ownership of the Property (and as part of such financings, Landlord may pledge its interests in this Lease and execute and/or deliver such other documents and instruments Landlord deems necessary and/or appropriate to consummate such transactions). This Lease is and shall be subject and subordinate to any and all fee mortgages now or hereafter in effect entered into by Landlord, it being understood and agreed that Tenant shall have no responsibility whatsoever under such financing arrangements and/or fee mortgages or to the holder of any such fee mortgages, except as may be otherwise agreed by Tenant in writing or pursuant to the Loan Documents. For the avoidance of doubt, Tenant agrees that this Lease shall be subject and subordinate at all times to the lien of the Loan Documents. Tenant acknowledges that, pursuant to the Loan Documents, Lender has the right to terminate this Lease and remove Tenant, including, without limitation, upon the occurrence and during the continuance of an Event of Default described in the Loan Documents. In the event the Lease is not terminated in connection with a foreclosure or deed-in-lieu transaction, then Tenant shall attorn to the purchaser at any foreclosure sale or sale pursuant to the exercise of any power of sale under the Loan Documents, in which event Tenant shall automatically be and become the master tenant of such purchaser. Except as provided in Section 3.01(a), Tenant shall not be required to make any payments nor shall Tenant be deemed to be either a borrower or guarantor under any financing transaction entered into by Landlord. Lender shall not have any liability under this Lease until it has record title to the Property or becomes a mortgagee in possession after which the Lender will only have liability for acts or omissions arising after such date.

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ARTICLE 23
Property Manager

Subject to the terms of the Loan Documents, Tenant may appoint an affiliate or other third-party manager from time to time as the property manager or asset manager for the Property.

ARTICLE 24
Hazardous Substances

Section 24.01. Tenant agrees that it will not on, about, or under the Property, make, release, treat or dispose of any "hazardous substances" as that term is defined in the Comprehensive Environmental Response, Compensation and Liability Act, and the rules and regulations promulgated pursuant thereto, as from time to time amended, 42 U.S.C. § 9601 *et seq.* (the "**Act**"); but the foregoing shall not prevent the use of any hazardous substances in accordance with applicable Laws and regulations. Tenant represents and warrants that it will at all times comply with the Act and any other federal, state or local Laws, rules or regulations governing "Hazardous Materials." "**Hazardous Materials**" as used herein shall mean all chemicals, petroleum, crude oil or any fraction thereof, hydrocarbons, polychlorinated biphenyls (PCBs), asbestos, asbestos-containing materials and/or products, urea formaldehyde, or any substances which are classified as "hazardous" or "toxic" under the Act; hazardous waste as defined under the Solid Waste Disposal Act, as amended 42 U.S.C. § 6901 *et seq.;* air pollutants regulated under the Clean Air Act, as amended, 42 U.S.C. § 7401, *et seq.;* pollutants as defined under the Clean Water Act, as amended, 33 U.S.C. § 125 1, *et seq.,* any pesticide as defined by Federal Insecticide, Fungicide, and Rodenticide Act, as amended, 7 U.S.C. § 136, *et seq.,* any hazardous chemical substance or mixture or imminently hazardous substance or mixture regulated by the Toxic Substances Control Act, as amended, 15 U.S.C. § 2601, et Seq., any substance listed in the United States Department of Transportation Table at 45 CFR 172.101; any chemicals included in regulations promulgated under the above listed statutes; any explosives, radioactive material, and any chemical or other substance regulated by federal, state or local statutes similar to the federal statutes listed above and regulations promulgated under such federal, state or local statutes.

Section 24.02. To the extent required by the Act and/or any federal, state or local Laws, rules or regulations governing Hazardous Materials, Tenant shall remove any hazardous substances (as defined in the Act) and Hazardous Materials (as defined above) whether now or hereafter existing on the Property and whether or not arising out of or in any manner connected with Tenant's occupancy of the Property during the Term. In addition to, and without limiting Article 15 of this Lease, Tenant shall and hereby does agree to defend, indemnify and hold the Indemnified Parties harmless from and against any and all causes of actions, suits, demands or judgments of any nature whatsoever, losses, damages, penalties, expenses, fees, claims, costs (including response and remedial costs), and liabilities, including, but not limited to, reasonable attorneys' fees and costs of litigation, arising out of or in any manner connected with (i) the violation of any applicable federal, state or local environmental Law with respect to the Property or Tenant's or any other person's or entity's prior ownership of the Property; (ii) the "release" or "threatened release" of or failure to remove, as required by this Article 24, "hazardous substances" (as defined in the Act) and Hazardous Materials (as defined above) at or from the Property or any portion or portions thereof, including any past or current release and any release or threatened release during the Term whether or not arising out of or in any manner connected with Tenant's

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occupancy of the Property during the Term. The provisions of this Section 24.02 shall survive the expiration or earlier termination of this Lease as provided in Section 15.07.

Section 24.03. Tenant agrees that it will not install any underground storage tanks at the Property without specific, prior written approval from Landlord. Tenant agrees that it will not store combustible or flammable materials on the Property in violation of the Act or any other federal, state or local laws, rules or regulations governing Hazardous Materials.

ARTICLE 25
Miscellaneous

Section 25.01. Each covenant and agreement contained in this Lease shall be construed to be a separate and independent covenant and agreement, and the breach of any such covenant or agreement by Landlord shall not discharge or relieve Tenant from Tenant's obligation to observe and perform each and every covenant and agreement of this Lease to be observed and performed by Tenant. If any term or provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid and unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected, and each term and provision of this Lease shall be valid and enforceable to the maximum extent permitted by Law.

Section 25.02. This Lease shall be construed and enforced in accordance with the internal laws of the State in which the Property is located without regard to principles of conflicts of laws.

Section 25.03. This Lease has been executed and delivered, for the convenience of Landlord and Tenant, in several counterparts, but it is intended that all counterparts shall constitute only one Lease. Facsimile signature pages shall be effective for purposes of this paragraph.

Section 25.04. This Lease may not be changed, modified or discharged except by a writing signed by the party against whom such change, modification or discharge is being brought.

Section 25.05. All covenants, conditions and obligations contained in this Lease shall be binding upon and inure to the benefit of the respective permitted successors and assigns of Landlord and Tenant to the same extent as if such permitted successor and assign were named as a party to this Lease.

Section 25.06. All notices, demands, requests, consents, approvals, offers, statements and other instruments or communications required or permitted to be given pursuant to the provisions of this Lease (collectively "**Notice**" or "**Notices**") shall be in writing and shall be deemed to have been given for all purposes (i) three (3) days after having been sent by United States mail, by registered or certified mail, return receipt requested, postage prepaid, addressed to the other party at its address as stated below, or (ii) one (1) day after having been sent by Federal Express, United Parcel or other nationally recognized air courier service.

To the Addresses stated below:

If to Landlord: BR Parkview Multifamily, DST
c/o Bluerock Real Estate, L.L.C.
919 Third Avenue, Suite 4000

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New York, NY 10022

If to Tenant: BHM Parkview Leaseco, LLC
c/o Bluerock Real Estate, L.L.C.
919 Third Avenue, Suite 4000
New York, NY 10022

If any lender shall have advised Tenant by Notice in the manner aforesaid that it is the holder of a mortgage encumbering the Property and states in said Notice its address for the receipt of Notices, then simultaneously with the giving of any Notice by Tenant to Landlord, Tenant shall send a copy of such Notice to such lender in the manner aforesaid. For the avoidance of doubt, Tenant hereby acknowledges that Lender is the holder of a mortgage on the Property and hereby agrees to provide a copy of any such Notice to Lender. For the purposes of this Section 25.06, any party may substitute its address by giving fifteen (15) days' notice to the other party in the manner provided above. Any Notice may be given on behalf of any party by its counsel.

Section 25.07. The leasehold estate created by this Lease runs with the land, and shall be binding upon any future owner of the Property.

Section 25.08. Landlord and Tenant hereby each waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Property, or any claim or injury or damage (to the extent such waiver is enforceable by law in such circumstance).

Section 25.09. Venue. Any controversy between the parties hereto arising out of or related to this Lease shall be brought in the State or Federal courts of the Property jurisdiction.

Section 25.10. Time is of the essence of each and every provision of this Lease.

Section 25.11. Notwithstanding anything to the contrary contained in this Lease or in any other agreement between Landlord and Tenant, at all times while any obligation remains outstanding under the Loan: (a) both Tenant and Landlord shall observe and perform their respective covenants set forth in the Loan Agreement made by and between Lender and Landlord with respect to the Loan (the "**Loan Agreement**") and the other Loan Documents; (b) Tenant shall execute such documents, instruments and agreements as Lender may require in connection with the Loan Documents, including as specifically provided for in the Loan Agreement; (c) Tenant shall not take, or fail to take, any action under this Lease which would result in a violation of Landlord's obligations under the Loan Documents; (d) in the event of any inconsistency or contradiction between the terms thereof and the terms of this Lease, the terms of the Loan Documents shall govern and control; and (e) no amendment, termination or other modification to this Lease may be made or shall be effective without the prior written consent of Lender.

Section 25.12. Tenant hereby grants a power of attorney to Landlord, which such power of attorney is hereby assigned to Lender, to permit Landlord (and Lender, on Landlord's behalf) to exercise the attorney in fact rights set forth in the Loan Agreement.

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ARTICLE 26
Lender Protections

Notwithstanding anything to the contrary contained in this Lease, for so long as the Loan remains outstanding, the following provisions shall apply and control:

Section 26.01. Tenant shall pay Lender, on Landlord's behalf, any and all payments of any kind required pursuant to the Loan Documents irrespective of "cash flow" from, or revenue with respect to, the Property, and such payments shall not be subject to set off against any rent payments under this Lease; provided that Master Lessee is not understood or intended to be, and shall not be treated as, a *de facto* co-borrower, guarantor, agent or similar party for or under the Mortgage Loan.

Section 26.02. All amounts (including, without limitation, rent) owed by Tenant to Landlord pursuant to any provision of this Lease shall bear interest from the date due until paid at a rate equal to or greater than the default rate required pursuant to the Loan Documents, subject to applicable law.

Section 26.03. Tenant shall not take, or fail to take, any action which would result in a violation of the terms of the Loan Documents, including, without limitation, Tenant shall operate, maintain, use or permit the Property to be used in such a manner as to comply with the "Operating Covenants" (as defined in the Loan Documents).

Section 26.04. All insurance policies required to be maintained by Tenant pursuant to this Lease shall at all times comply with the insurance requirements set forth in the Loan Documents, and shall specifically name Fannie Mae as an additional insured and contain a mortgagee clause and loss payable clause for the benefit of Fannie Mae, its successors and assigns.

Section 26.05. Tenant acknowledges and agrees that, pursuant to the Loan Documents, Lender has the right to terminate this Lease after a Master Lease Termination Event (as defined in the Loan Documents).

Section 26.06. Tenant acknowledges and agrees that to the extent there is any inconsistency or conflict between the terms of this Lease and the terms of the Loan Documents, the Loan Documents shall govern.

Section 26.07. Tenant has executed and delivered an assignment of leases and rents and other documents required by Landlord to secure Tenant's obligations under this Lease, which documents are hereby deemed to be lease documents together with this Lease.

Section 26.08. Tenant agrees to execute and deliver an estoppel certificate in a form required by Lender.

Section 26.09. Tenant (a) acknowledges and agrees that (i) this Lease, Tenant's leasehold estate and any payments or reimbursements or amounts due Tenant are hereby made subject and subordinate to the Loan, the Loan Documents and all liens created thereunder, and (ii) Tenant's and any guarantor's claims against Landlord are hereby made subordinate to Lender's claims

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against Landlord, and (b) agrees to execute and deliver a subordination agreement in favor of Lender confirming such subordination.

Section 26.10. Tenant acknowledges and agrees that Landlord may (a) enter into the Loan, (b) encumber Landlord's fee estate and the other Property as described in the Loan Documents, and (c) assign its interest in the Master Lease Documents (as defined in the Loan Documents) as described in the Loan Documents.

Section 26.11. Tenant acknowledges and agrees that Lender's exercise of remedies under the Loan Documents shall not be affected or impaired by the terms of this Lease, or by whether a default under this Lease has occurred.

Section 26.12. Tenant represents and warrants that all representations and warranties with respect to the Property and Tenant set forth in the Loan Documents are true and correct.

Section 26.13. With respect to any Master Lessee obligations in any Master Lease Document, Tenant shall be responsible for indemnifying or reimbursing Landlord for Landlord's indemnification, reimbursement, and other similar obligations to Lender, and Tenant shall maintain appropriate insurance for such purposes.

Section 26.14. Tenant acknowledges and agrees that Tenant's engagement of a property manager and the amendment and termination of any property management agreement shall comply with the criteria set forth in the Loan Agreement (as defined in the Loan Documents).

Section 26.15. [INTENTIONALLY OMITTED]

Section 26.16. Tenant acknowledges and agrees that Lender (and its assignee or nominee) may transfer the lessor's interest in this Lease without notice to or consent of Tenant following a foreclosure under the Security Instrument (as defined in the Loan Documents) (or a deed in lieu of foreclosure or any other comparable exercise of remedies).

Section 26.17. To the extent that Landlord is obligated to make replacement/repair escrow deposits in this Lease, Master Lessee shall assume such responsibilities and pay any related amounts as part of its rent payment.

Section 26.18. Tenant acknowledges and agrees that, notwithstanding anything to the contrary contained in the Master Lease Documents, in the event that an "Event of Default" under the Loan Documents is also a default under the Master Lease Documents, or vice versa, the cure period, if any, for such default shall be the shorter of cure period, if any, set forth in the Master Lease Documents and the cure period, if any, set forth in the Loan Documents.

Section 26.19. Subject to the terms of the Subordination Agreement (DST Master Lease) (as defined in the Loan Documents), Landlord agrees that all applicable remedies available to Lender under the Loan Documents are available to Landlord under this Lease.

Section 26.20. In no event shall Tenant be entitled to special, consequential, or punitive damages and Landlord's liability under this Lease shall be limited to its interest in the Property.

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Section 26.21. Landlord and Tenant shall copy Lender on any notice of default delivered under this Lease or any other Master Lease Document.

Section 26.22. Tenant acknowledges and agrees that (a) Landlord's election of one remedy under this Lease shall not impair the exercise of alternate or additional remedies or constitute a waiver thereof, and (b) Landlord shall have no duty to mitigate damages unless required by law.

Section 26.23. Tenant hereby irrevocably constitutes and appoints Landlord as Tenant's attorney-in-fact to demand, receive and enforce its rights with respect to the provisions set forth in the Master Lease Documents and to do any and all acts in Tenant's name or in the name of Landlord with the same force and effect as Tenant could do if this power of attorney had not been granted. The foregoing appointment shall be deemed to be coupled with an interest and irrevocable. Tenant (a) acknowledges that such power of attorney has been or will be assigned to Lender, (b) consents to such assignment, and (c) agrees to recognize Lender as Landlord's attorney-in-fact.

Section 26.24. [INTENTIONALLY OMITTED]

Section 26.25. [INTENTIONALLY OMITTED]

Section 26.26. The invalidity or unenforceability of any provision of this Lease shall not affect the validity or enforceability of any other provision of this Lease, all of which shall remain in full force and effect. This Lease contains the complete and entire agreement among the parties as to the matters covered, rights granted and the obligations assumed in this Lease.

Section 26.27. Tenant acknowledges and agrees that any consent of Landlord required under this Lease shall never be deemed and shall require Landlord's actual written consent.

Section 26.28. Tenant acknowledges and agrees that (a) notices under this Lease shall be given in the same manner as set forth in the Loan Agreement, and (b) Landlord is authorized to deliver any notice, request, report, or other communication received from Tenant to Lender.

Section 26.29. Tenant acknowledges and agrees that Landlord and Lender may disclose all information received from Tenant concerning Tenant, the Master Lease Documents, or the Property without Tenant's consent.

Section 26.30. Tenant shall not Divide (as defined in the Loan Agreement).

[SIGNATURE PAGES FOLLOW]

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SIGNATURE PAGE
TO THE
MASTER LEASE

LANDLORD:

BR PARKVIEW MULTIFAMILY, DST, a Delaware statutory trust

By: BR PARKVIEW DST MANAGER, LLC, a Delaware limited liability company, its Manager

By: _____
Name: Jordan Ruddy
Title: Authorized Signatory

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TENANT:

BHM PARKVIEW LEASECO, LLC,
a Delaware limited liability company

By: BR PARKVIEW LEASECO MANAGER, LLC, a Delaware limited liability company, its Manager

By: _____
Name: Jordan Ruddy
Title: Authorized Signatory

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EXHIBIT A

LEGAL DESCRIPTION

That certain real property known as "Lot 1" on the Final Plat of Park View Development recorded December 15, 2021 in Plat Book 153, page 292 in the real property records of Gwinnett County, Georgia.

Such real property is also described as:

All that tract or parcel of land lying and being in Land Lot 61 of the 6th District, Gwinnett County, Georgia, and being more particularly described as follows:

Commencing at a 1/2-inch rebar found at the Land Lot Corner common to Land Lots 61, 62, 75 and 76, said point having State Plane Coordinate values of North: 1,393,846.56 feet and East:2,313,593.70 feet; Thence South 29 degrees 42 minutes 08 seconds East, a distance of 615.35 feet to a 1/2-inch rebar found; Thence South 29 degrees 44 minutes 58 seconds East, a distance of 929.94 feet to a 5/8-inch rebar set, said point being the TRUE POINT OF BEGINNING; Thence South 29 degrees 44 minutes 58 seconds East, a distance of 851.43 feet to a 1/2-inch rebar found; Thence South 29 degrees 44 minutes 33 seconds East, a distance of 395.49 feet to a 5/8-inch rebar set; Thence South 50 degrees 06 minutes 14 seconds West, a distance of 162.77 feet to a 5/8-inch rebar set; Thence South 68 degrees 10 minutes 10 seconds West, a distance of 99.91 feet to a 5/8-inch rebar set; Thence South 56 degrees 26 minutes 56 seconds West, a distance of 44.91 feet to a 1/2-inch open top pipe found; Thence South 15 degrees 10 minutes 50 seconds East, a distance of 81.18 feet to a 1/2-inch rebar found located on the Northerly right-of-way line of U.S. Highway 78, a.k.a Stone Mountain Highway; Thence along said right-of-way line South 77 degrees 27 minutes 51 seconds West, a distance of 405.97 feet to a 1/2-inch rebar found; Thence departing said right-of-way line North 29 degrees 17 minutes 35 seconds West, a distance of 201.28 feet to a angle iron found; Thence North 29 degrees 26 minutes 47 seconds West, a distance of 479.39 feet to a 1/2-inch rebar found; Thence North 29 degrees 30 minutes 26 seconds West, a distance of 206.87 feet to a 5/8-inch rebar set; Thence South 59 degrees 15 minutes 14 seconds East, a distance of 65.34 feet to a 5/8-inch rebar set; Thence South 49 degrees 31 minutes 40 seconds East, a distance of 51.99 feet to a 5/8-inch rebar set; Thence South 69 degrees 06 minutes 28 seconds East, a distance of 80.34 feet to a 5/8-inch rebar set; Thence North 61 degrees 39 minutes 34 seconds East, a distance of 22.03 feet to a 5/8-inch rebar set; Thence North 80 degrees 13 minutes 54 seconds East, a distance of 15.84 feet to a 5/8-inch rebar set; Thence North 22 degrees 10 minutes 18 seconds East, a distance of 19.06 feet to a 5/8-inch rebar set; Thence North 36 degrees 10 minutes 07 seconds East, a distance of 24.19 feet to a 5/8-inch rebar set; Thence North 29 degrees 57 minutes 50 seconds East, a distance of 41.38 feet to a 5/8-inch rebar set; Thence North 45 degrees 07 minutes 02 seconds East, a distance of 17.77 feet to a 5/8-inch rebar set; Thence North 09 degrees 33 minutes 34 seconds East, a distance of 41.55 feet to a 5/8-inch rebar set; Thence North 10 degrees 32 minutes 15 seconds West, a distance of 35.03 feet to a 5/8-inch rebar set; Thence North 13 degrees 21 minutes 04 seconds West, a distance of 8.87 feet to a 5/8-inch rebar set; Thence North 36 degrees 42 minutes 15 seconds West, a distance of 16.28 feet to a 5/8-inch rebar set; Thence North 42 degrees 15 minutes 44 seconds West, a distance of 15.23 feet to a 5/8-inch rebar set; Thence North 10 degrees 33 minutes 34 seconds West, a distance of 6.28 feet

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to a 5/8-inch rebar set; Thence North 21 degrees 11 minutes 01 seconds East, a distance of 5.19 feet to a 5/8-inch rebar set; Thence North 31 degrees 54 minutes 29 seconds East, a distance of 41.45 feet to a 5/8-inch rebar set; Thence North 59 degrees 46 minutes 19 seconds East, a distance of 10.97 feet to a 5/8-inch rebar set; Thence North 47 degrees 28 minutes 38 seconds East, a distance of 26.33 feet to a 5/8-inch rebar set; Thence North 40 degrees 34 minutes 56 seconds East, a distance of 35.67 feet to a 5/8-inch rebar set; Thence North 35 degrees 50 minutes 52 seconds East, a distance of 21.47 feet to a 5/8-inch rebar set; Thence North 43 degrees 27 minutes 43 seconds East, a distance of 18.49 feet to a 5/8-inch rebar set; Thence North 54 degrees 18 minutes 10 seconds East, a distance of 16.52 feet to a 5/8-inch rebar set; Thence North 73 degrees 27 minutes 36 seconds East, a distance of 13.89 feet to a 5/8-inch rebar set; Thence North 87 degrees 25 minutes 44 seconds East, a distance of 38.56 feet to a 5/8-inch rebar set; Thence North 06 degrees 20 minutes 50 seconds East, a distance of 390.74 feet to a 5/8-inch rebar set, said point being the TRUE POINT OF BEGINNING.

Said tract of land contains 15.598 Acres.

LESS AND EXCEPT that certain property conveyed by Right-of-Way Deed from District at Parkview MF, LLC to Department of Transportation, dated January 10, 2022, filed for record January 13, 2022, and recorded in Deed Book 59605, page 259, Gwinnett County, Georgia records.

TOGETHER WITH easements and other interests in real property of Grantor, if any, contained in Reciprocal Easement Agreement by and between District at Parkview MF, LLC, a Georgia limited liability company and District at Parkview BFR, LLC, a Georgia limited liability company, dated March 31, 2022, filed for record April 20, 2022, and recorded in Deed Book 59884, page 824, Gwinnett County, Georgia records.

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EXHIBIT B

INSURANCE COVERAGES

Tenant shall, at Tenant's expense after the Tax and Insurance Escrow Funds have been utilized for payment of insurance premiums as provided in Section 7.04(c) (subject to Section 3.01(e) of the Lease), maintain, or cause to be maintained, in force and effect on the Property at all times while this Lease continues in effect the following insurance or, if different, such insurance as may be required by any lender that has made a loan to Landlord secured by the Property:

(a) Insurance against loss or damage to the Property by fire, windstorm, tornado and hail, and against loss and damage by such other, further and additional risks as may be now or hereafter embraced by an "all-risk" form of insurance policy. The amount of such insurance shall be not less than one hundred percent (100%) of the full replacement (insurable) cost of the improvements, furniture, furnishings, fixtures, equipment and other items (whether personalty or fixtures) included in the Property and owned by Landlord from time to time, without reduction for depreciation. The determination of the replacement cost amount shall be Landlord's election, by reference to such indices, appraisals or information as Landlord determines in its reasonable discretion. Full replacement cost, as used herein, means, with respect to the Improvements, the cost of replacing the Improvements without regard to deduction for depreciation, exclusive of the cost of excavations, foundations and footings below the lowest basement floor, and means, with respect to such furniture, furnishings, fixtures, equipment and other items, the cost of replacing the same, in each case, with inflation guard coverage to reflect the effect of inflation, or annual valuation. Each policy or policies shall contain a replacement cost endorsement and either an agreed amount endorsement (to avoid the operation of any co-insurance provisions) or a waiver of any co-insurance provisions, all subject to Landlord's approval.

(b) Comprehensive Commercial General Liability Insurance for personal injury, bodily injury, death and property damage liability in amounts not less than $6,000,000 per occurrence and $7,000,000 in the aggregate (both inclusive of umbrella coverage). During any construction on the Property, Tenant's general contractor for such construction shall also provide the insurance required in this subsection (b). Landlord hereby retains the right to periodically review the amount of said liability insurance being maintained by Tenant and, not more than annually (unless an event occurs or a state of facts exists which, with the giving of notice and/or the passage of time, would constitute an Event of Default (such event or state of facts, a "**Default**") shall exist hereunder, in which case such limitation shall not apply), to require an increase in the amount of said liability insurance should Landlord deem an increase to be reasonably prudent under then existing circumstances.

(c) General boiler and machinery insurance coverage is required if steam boilers or other pressure-fired vessels are in operation at the Property. Minimum liability amount per accident shall be not less than the sum of the full replacement (insurable) cost of the improvements, furniture, furnishings, fixtures, equipment and other items (whether personalty or fixtures) included in the Property under section (a) above plus the loss of rents under section (f) below.

(d) If the Property is identified by the Secretary of Housing and Urban Development as being situated in an area now or subsequently designated as having special flood hazards (including,

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without limitation, those areas designated as Zone A or Zone V), flood insurance in an amount equal to the lesser of: (i) the minimum amount required, under the terms of coverage, to compensate for any damage or loss on a replacement basis (or the unpaid balance of the indebtedness secured hereby if replacement cost coverage is not available for the type of building insurance); or (ii) the maximum insurance available under the appropriate National Flood Insurance Administration program.

(e) During the period of any construction on the Property or renovation or alteration of the Improvements, a so-called "Builder's All-Risk Completed Value" or "Course of Construction" insurance policy in non-reporting form for any Improvements under construction, renovation or alteration, and construction operations liability insurance, in amounts approved by Landlord and Worker's Compensation Insurance covering all persons engaged in such construction, renovation or alteration.

(f) Loss of rents or loss of business income insurance in amounts sufficient to compensate Tenant for all Rents and Profits during a period of not less than twelve (12) months in which the Property may be damaged or destroyed. The amount of coverage shall be adjusted annually to reflect the Rents and Profits of income payable during the succeeding twelve (12) month period.

(g) Such other insurance on the Property or on any replacements or substitutions thereof or additions thereto as may from time to time be required by Landlord against other insurable hazards or casualties which at the time are commonly insured against in the case of property similarly situated including, without limitation, Sinkhole, Mine Subsidence, Earthquake and Environmental insurance, due regard being given to the height and type of buildings, their construction, location, use and occupancy.

All such insurance shall (i) be with insurers authorized to do business in the state within which the Property is located and which have and maintain a rating of at least "A- IX" from A.M. Best, (ii) contain the complete address of the Property (or a complete legal description), (iii) be for terms of at least one year, (iv) contain deductibles which do not exceed $100,000 with respect to windstorm and hail coverage a deductible not to exceed five percent (5%) of the value of the improvements, unless higher deductibles are approved by Landlord, and (v) be subject to the reasonable approval of Landlord as to insurance companies, amounts, content, forms of policies, method by which premiums are paid and expiration dates.

Without limiting the required endorsements to the insurance policies, all such policies shall include a standard, non-contributory clause naming Landlord's lender (x) as an additional insured under all liability insurance policies (y) as the loss payee on all loss of rents or loss of business income insurance policies, and (z) as the mortgagee and loss payee on all property insurance policies. Tenant further agrees that all such insurance policies: (1) shall provide for at least thirty (30) days' prior written notice to Landlord and Landlord's lender prior to any cancellation or termination thereof and prior to any material modification thereof which affects the interest of Landlord; (2) with respect to the property and casualty coverages shall contain an endorsement or agreement by the insurer that any loss shall be payable to Landlord and Landlord's lender in accordance with the terms of such policy notwithstanding any act or negligence of Tenant which might otherwise result in forfeiture of such insurance; (3) with respect to the general liability coverage a severability of interests; (4) shall waive all rights of subrogation against Landlord and

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Landlord's lender; (5) in the event that the real estate or the improvements are "legal non-conforming" use under applicable building, zoning or land use laws or ordinances, shall include an ordinance or law coverage endorsement which will contain Coverage A: "Loss Due to Operation of Law" (with a minimum liability limit equal to replacement cost with agreed value endorsement), Coverage B: "Demolition Cost" and Coverage C: "Increased Cost of Construction" coverages; and (6) may be in the form of a blanket policy provided that, in the event that any such coverage is provided in the form of a blanket policy, Tenant hereby acknowledges and agrees that failure to pay any portion of the premium therefor which is not allocable to the Property or by any other action not relating to the Property which would otherwise permit the issuer thereof to cancel coverage thereof, would require the Property to be insured by a separate, single-property policy. The blanket policy must properly identify and fully protect the Property as if a separate policy were issued for 100% of replacement cost at the time of loss and otherwise meet all of Landlord's applicable insurance requirements.

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EXHIBIT C

RENT

Lease Year	Base Rent	Additional Rent Breakpoint	Additional Rent Maximum	Supplement Rent Breakpoint
Lease Year 1	$2,028,564	$4,344,000	$1,698,000	$6,042,000
Lease Year 2	$2,028,564	$4,440,000	$1,831,200	$6,271,000
Lease Year 3	$2,034,121	$4,810,000	$1,698,000	$6,508,000
Lease Year 4	$2,028,564	$4,870,000	$1,831,200	$6,701,000
Lease Year 5	$2,028,564	$4,960,000	$1,831,200	$6,791,000
Lease Year 6	$2,028,564	$5,050,000	$1,831,200	$6,881,000
Lease Year 7	$2,034,121	$5,140,000	$1,831,200	$6,971,000
Lease Year 8	$2,028,564	$5,220,000	$1,831,200	$7,051,000
Lease Year 9	$2,028,564	$5,310,000	$1,831,200	$7,141,000
Lease Year 10	$2,028,564	$5,340,000	$1,831,200	$7,171,000

For the avoidance of doubt, the Tenant shall satisfy its obligations under Section 3.01(c) and 3.01(d) of this Lease as provided therein.

Option Term 1 — The Rent for each Lease Year of Option Term 1 shall be equal to the sum of the then-annual debt service applicable in each remaining Lease Year of Option Term 1 (which amount shall constitute Base Rent for each remaining Lease Year of Option Term 1, which shall be payable as provided in this Lease), with Additional Rent and Supplemental Rent (including the percentages of Gross Income, breakpoints and caps with respect thereto) determined by the Tenant in a manner consistent with the determination of such amounts during Lease Year 10, with a maximum equal to 1.05 times the Rent during Lease Year 10.

Option Term 2 — The Rent for each Lease Year of Option Term 2 shall be equal to the sum of the then-annual debt service applicable in each Lease Year of Option Term 2 (which amount shall constitute Base Rent for each Lease Year of Option Term 2, which shall be payable as provided in this Lease), with Additional Rent and Supplemental Rent (including the percentages of Gross Income, breakpoints and caps with respect thereto) determined by the Tenant in a manner consistent with the determination of such amounts during Lease Year 15, with a maximum equal to 1.05 times the Rent during Lease Year 15.

Option Term 3 — The Rent for each lease year of Option Term 3 shall be equal to the sum of the then-annual debt service applicable in each Lease Year of Option Term 3 (which amount shall constitute Base Rent for each Lease Year of Option

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Term 3, which shall be payable as provided in this Lease), with Additional Rent and Supplemental Rent (including the percentages of Gross Income, breakpoints and caps with respect thereto) determined by the Tenant in a manner consistent with the determination of such amounts during Lease Year 20, with a maximum equal to 1.05 times the Rent during Lease Year 20.

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EXHIBIT D
TAX OPINION

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January 5, 2026

BR Parkview Multifamily, DST
c/o BR Parkview DST Manager, LLC
919 Third Avenue, 40th Floor
New York, New York, 10022

Ladies and Gentlemen:

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

Based on the relevant facts and applicable law and subject to the qualifications discussed below, we conclude that, for federal income tax purposes, the acquisition by an investor (an "Investor") of a beneficial interest in the Trust (an "Interest") should be treated as a direct acquisition of an ownership interest in the Real Estate by the Investor for purposes of Code Section 1031. In reaching this conclusion and in evaluating the issues related thereto, we have not taken into account the possibility that a tax return will not be audited or that an issue will not be raised on audit.

A tax opinion rendered at a "should" level of confidence such as this Opinion involves a greater degree of certainty than a "more likely than not" opinion, but it is not a "will" opinion nor any guarantee of tax consequences. There can be no assurance that the Internal Revenue Service (the "IRS") would agree with our conclusions, would not successfully challenge our conclusions upon audit, or would not prevail in their challenge if litigated.

In addition, qualification of a transaction pursuant to Code Section 1031 for an Investor involves issues based on numerous specific facts which are not and cannot be known to us; therefore, we give no opinion as to the ability of any Investor to effectuate a tax-deferred exchange of like-kind property under Code Section 1031. This Opinion addresses only one aspect of qualifying under Code Section 1031, *i.e.*, whether the acquisition of an Interest should be treated as a direct acquisition of an ownership interest in the Real Estate for purposes of Code Section 1031. We are not opining, among other things, as to whether some portion of the Real Estate may be characterized as "personal property" as opposed to "real property," either for purposes of Code Section 1031, or for purposes of any other laws to the extent they may be relevant to characterization for purposes of Code Section 1031. Finally, this Opinion does not address any

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state, local, or non-United States income tax consequences, or any non-income tax consequences, of the transactions described herein.

In giving this Opinion, we have reviewed the following:

(i) the Amended and Restated Trust Agreement of the Trust (the "Trust Agreement"), among CSC Delaware Trust Company, as Delaware trustee and independent trustee (the "Delaware Trustee"), BR Parkview DST Manager, LLC, a Delaware limited liability company that is an affiliate of BHM Parkview Exchange TRS, LLC (the "Sponsor"), as manager (the "Trust Manager," and together with the Delaware Trustee, the "Trustees"), BHM Parkview Investment Co, LLC, a Delaware limited liability company that is an affiliate of the Sponsor, as the initial beneficiary of the Trust (the "Depositor"), Bluerock Residential Holdings, L.P., a Delaware limited partnership that is an affiliate of the Sponsor (the "Operating Partnership"), solely in order to acknowledge its rights and obligations under Article 10, described below, and the Investors;

(ii) the Purchase and Sale Agreement (the "PSA") between BHM DST Acquisitions, LLC, a Delaware limited liability company, as buyer, and District at Parview MF, LLC, a Georgia limited liability company that is unaffiliated with the Sponsor, as seller, and the Assignments of PSA between BHM DST Acquisitions, LLC, as assignor, and the Trust, as assignee, pursuant to which the Trust acquired the land and improvements that will be commonly referred to as "District at Parkview Apartments" and is located at 55141 Stone Mountain Highway, Stone Mountain, Georgia 30087 (the "Real Estate");

(iii) the Multifamily Loan and Security Agreement (the "Loan Agreement") and related loan documents (the "Loan Documents") with respect to the loan (the "Loan") between the Trust, as borrower, and KeyBank National Association, a national banking association that is unaffiliated with the Sponsor, as lender (the "Lender"), under the under the Federal National Mortgage Association;

(iv) the Master Lease (the "Master Lease") between the Trust, as master landlord, and BHM Parkview Leaseco, LLC, a Delaware limited liability company that is affiliated with the Sponsor, as master tenant (the "Master Tenant"). The Master Tenant will sublease the Real Estate to various residential subtenants;

(v) the Asset Management Agreement (the "Asset Management Agreement") pursuant to which the Trust has retained BR Parkview DST Manager, LLC (in such capacity, as asset manager, the "Asset Manager"), to provide asset management services to the Trust, in exchange for a fixed dollar amount;

(vi) the Property Management Agreement (the "Property Management Agreement") between the Master Tenant and Bluerock Homes Manager, LLC, a Delaware limited liability company that is affiliated with the Sponsor (the "Property Manager" and together with the Asset Manager, the "Managers"), and the Sub-Property Management

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Agreement (the "Sub-PMA") between the Property Manager and RPM Living, LLC, a Texas limited liability company that is unaffiliated with the Sponsor (the "Sub-PM");

(vii) the Private Placement Memorandum with respect to the Interests, dated January 5, 2026 (the "Private Placement Memorandum") (items (i) through (vii) are collectively referred to as the "Transaction Documents");

(viii) applicable provisions of the Code, final, temporary, and proposed Treasury Regulations promulgated thereunder, judicial decisions, Revenue Rulings, and other interpretative releases of the IRS; and

(ix) such other materials and documents as we considered relevant.

For federal income tax purposes, (a) the Sponsor is a corporation, (b) the Trust Manager (which is also the Asset Manager) and the Property Manager are disregarded as entities separate from a corporation that is not the same corporation as the Sponsor, (c) the Depositor is a partnership for income tax purposes between the Sponsor and Bluerock Real Estate Holdings, LLC, a Delaware limited liability company that is itself a partnership for income tax purposes, (d) the Operating Partnership is a partnership and (e) the Master Tenant is disregarded as an entity separate from the Operating Partnership.

Our Opinion is expressly based upon the following representations from the Sponsor: (i) there are and will be no written or oral agreements other than the Transaction Documents or understandings inconsistent with or significant to the transactions contemplated herein, and any final Transaction Documents that were not final as of the date of our review will conform with the Transaction Document drafts we have reviewed in all material respects; (ii) all payments made to or by the Trust, the Trustees, the Managers, and their affiliates will be at fair market value; (iii) the Rent (as defined in the Master Lease) payable under the Master Lease constitutes fair market value rent for the Real Estate; (iv) the Trust has made a substantial equity investment in the Real Estate, reasonably expects the improvements included in the Real Estate to have a substantial remaining economic useful life and residual value at the end of the Master Lease term (assuming exercise of all renewal options), and reasonably expects to realize a substantial economic profit from the Master Lease and subsequent further leasing and/or disposition of the Real Estate apart from the value of tax benefits and net of the Disposition Fee (as defined below); (v) the Master Tenant is reasonably capitalized, is acting as a principal for its own account in leasing the Real Estate from the Trust, and subleasing the Real Estate to subtenants, and may reasonably be expected to realize a commercially reasonable profit from its lease and sublease of the Real Estate; (vi) the Trust and Master Tenant intend that the Master Lease constitute a true lease and not a partnership, a joint venture, or a management, agency or nominee agreement; (vii) neither the Trust nor any Trustee, employee, agent or independent contractor of the Trust, including the Asset Manager, will provide any services to the Master Tenant or any subtenant; (viii) the Lender is not related to any Investor or any Trustee; (ix) none of the Sponsor, the Trust, the Managers or any affiliate of any thereof has loaned or will loan to any Investor any of the funds necessary to acquire his, her or its Interest in the Trust or has guaranteed or will guarantee any indebtedness incurred by any Investor to acquire his, her or its Interest in the Trust; (x) none of the Master Tenant, any subtenants, or any

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party related to any thereof holds any option to acquire the Real Estate itself; (xi) none of the Trust, the Trustees or the Asset Manager has entered into or will enter into any agreement or understanding with any beneficiary of the Trust creating an agency or nominee relationship and none of the Trust, the Trustees or the Asset Manager has been or will be represented as an agent or nominee of any beneficiary of the Trust in dealings with third parties; (xii) the Trust has not opted-out and will not opt-out of its status as a separate legal entity pursuant to Section 3810(a)(2) of the Delaware Statutory Trust Act; (xiii) the Trust has no liability to the Master Tenant, the Property Manager, the Sub-PM or any other person or entity for payment of any fees or other compensation payable to the Property Manager under the Property Management Agreement, including the Property Management Fee (as defined below); (xiv) in the event of an exercise of the FMV Option (as defined below), it is reasonable to expect that the cash or OP Units (as defined below) to be paid to the Investors as the purchase price for their Interests in the Trust will have an aggregate fair market value at the time of such purchase equal or approximately equal to the fair market value of the Real Estate at the time of such purchase; (xv) as disclosed in the Private Placement Memorandum, there are many factors that may influence whether or not the FMV Option will be exercised, including but not limited to significant changes in interest rates, significant decreases in the value of the Real Estate, adverse changes in economic conditions generally or specifically with respect to the locations of the Real Estate, there is a significant increase in the supply of, or decrease in the demand for, properties that are similar to or that compete with the Real Estate, there is a catastrophic loss or damage to the Real Estate, liabilities associated with the Real Estate are discovered or are determined to be greater than previously anticipated, an environmentally hazardous condition is discovered at the Real Estate, the Property is subject to a material condemnation proceeding, either the REIT (as defined below) or the Operating Partnership suspend capital raising activities or elect not to acquire additional properties, and there is an adverse change in tax, real estate, environmental or zoning laws, and in light of the foregoing, neither the Operating Partnership nor the Sponsor currently intends to exercise or cause the Operating Partnership to exercise the FMV Option, and the Operating Partnership is at least as likely as not to exercise the FMV Option; (xvi) the capital improvements to the Real Estate funded by the Trust and not required by law will not change the fundamental nature of the Real Estate as a multifamily residential community or materially change the size or number of units included in the Real Estate; (xvii) the obligation of the Trust to fund capital improvements has not been entered into by the Trust to take advantage of variations in the market to improve the investment of the Investors but rather has been entered into by the Trust in order to protect and conserve the Real Estate for the Investors; (xviii) any increase in the value of the Real Estate attributable to such capital improvements will be incidental to the purpose to protect and conserve the Real Estate for the Investors; and (xix) the Disposition Fee is compensation for the agreement of the Trust Manager to assist the Trust in disposing of the Real Estate as the Trust may reasonably request.

In addition, in rendering this Opinion, we have, with your permission, assumed that: (i) the Interests will be acquired by the Investors directly from the Trust and the Depositor's interest in the Trust will be reduced in proportion to the amount of such acquisitions; (ii) none of the Depositor, the Trust, the Managers, the Trustees, or any Investor has made or will make an election, or has taken or will take any other action, that would cause the Trust to be classified as an association taxable as a corporation or a partnership for federal income tax purposes; (iii) the

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Transaction Documents (without modification) are properly executed and delivered, and are enforceable in accordance with their terms; (iv) all parties to the Transaction Documents will comply with all provisions of the Transaction Documents, and will take no action inconsistent with the Transaction Documents or any terms of this Opinion; (v) all transactions described in the Private Placement Memorandum have occurred or will occur as described in the Private Placement Memorandum; and (vi) neither the exchanged property nor the replacement property in any Code Section 1031 exchange involving the Trust is, or at any relevant time has been or will be, tax-exempt use property within the meaning of Code Section 470(e)(4)(A). We have further assumed the accuracy and completeness of all documents and records that we have reviewed, the genuineness of all signatures, the authenticity of the documents submitted to us as originals, and the conformity to authentic original documents of all documents submitted to us as pro forma or reproduced copies.

Capitalized terms which are not herein defined have the meanings ascribed to them in the Transaction Documents.

For the avoidance of doubt, the term "Investors" as used herein does not include the Sponsor or any affiliate thereof.

DELAWARE STATUTORY TRUST ACT

The Delaware Statutory Trust Act provides rules for trusts formed thereunder ("Delaware Statutory Trusts"). A Delaware Statutory Trust is an unincorporated association which is created by a trust agreement or other governing instrument under which property is or will be held, managed, administered, controlled, invested, reinvested and/or operated, or business or professional activities for profit are carried on or will be carried on, by a trustee or trustees or as otherwise provided in the governing instrument for the benefit of such person or persons as are or may become beneficial owners or as otherwise provided in the governing instrument. DSTA Section 3801(g).

A Delaware Statutory Trust is required to file a certificate of trust in the office of the Secretary of State of the State of Delaware. DSTA Section 3810(a)(1). Unless otherwise provided in its certificate of trust and in its governing instrument, a Delaware Statutory Trust is a separate legal entity. DSTA Section 3810(a)(2). Except in the case of a Delaware Statutory Trust that is a registered investment company under the Investment Company Act of 1940, as amended, a Delaware Statutory Trust shall at all times have at least one trustee which, in the case of a natural person, shall be a person who is a Delaware resident or which, in all other cases, has its principal place of business in Delaware. DSTA Section 3807(a), (b). A Delaware Statutory Trust may sue and be sued, and the property of a Delaware Statutory Trust is subject to attachment and execution as if it were a corporation. DSTA Section 3804(a). Except to the extent otherwise provided in the governing instrument of a Delaware Statutory Trust, the beneficial owners shall be entitled to the same limitation of personal liability extended to stockholders of Delaware corporations. DSTA Section 3803(a).

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Except to the extent otherwise provided in the governing instrument of a Delaware Statutory Trust, a beneficial owner shall have an undivided beneficial interest in the property of the Delaware Statutory Trust and shall share in the profits and losses of the Delaware Statutory Trust in the proportion (expressed as a percentage) of the entire undivided beneficial interest in the Delaware Statutory Trust owned by such beneficial owner. DSTA Section 3805(a). No creditor of the beneficial owner shall have any right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of the Delaware Statutory Trust. DSTA Section 3805(b). No creditor of the trustee shall have any right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of the Delaware Statutory Trust with respect to any claim against, or obligation of, such trustee in its individual capacity and not related to the Delaware Statutory Trust. DSTA Section 3805(g). Except to the extent otherwise provided in the governing instrument of a Delaware Statutory Trust, the death, incapacity, dissolution, termination, or bankruptcy of a beneficial owner or a trustee shall not result in the termination or dissolution of a Delaware Statutory Trust. DSTA Section 3808(b). Except to the extent otherwise provided in the governing instrument of a Delaware Statutory Trust, a Delaware Statutory Trust may acquire, by purchase, redemption, or otherwise, any beneficial interest in the Delaware Statutory Trust held by a beneficial owner of the Delaware Statutory Trust. DSTA Section 3818.

To the extent that, at law or in equity, a trustee or beneficial owner or other person has duties (including fiduciary duties) to a statutory trust or to another trustee or beneficial owner or to another person that is a party to or is otherwise bound by a governing instrument, the trustee's or beneficial owner's or other person's duties may be expanded or restricted or eliminated by provisions in the governing instrument; provided, that the governing instrument may not eliminate the implied contractual covenant of good faith and fair dealing. DSTA Section 3806(c).

Pursuant to an agreement of merger or consolidation, a Delaware Statutory Trust may merge or consolidate with or into one or more Delaware Statutory Trusts or other business entities formed or organized or existing under the laws of the State of Delaware or any other State or the United States or any foreign country or other foreign jurisdiction, with such Delaware Statutory Trust or other business entity as the agreement shall provide being the surviving or resulting Delaware Statutory Trust or other business entity. DSTA Section 3815(a). If the governing instrument of a Delaware Statutory Trust specifies the manner of authorizing a conversion of the Delaware Statutory Trust to another business entity, the conversion shall be authorized as specified in the governing instrument. DSTA Section 3821(a), (b).

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RELEVANT PROVISIONS IN THE TRANSACTION DOCUMENTS

A. Trust Agreement

Section 2.1(e) provides that legal title to the Real Estate and other assets of the Trust (collectively the "Trust Estate") will be vested in the Trust as a separate legal entity.

Section 2.2(a) provides that the Trust shall hold the Trust Estate for the benefit of the Investors on the terms set forth in the Trust Agreement. Section 2.2(b) provides that it is the intention of the

parties to the Trust Agreement that the Trust constitute a statutory trust within the meaning of the Delaware Statutory Trust Act.

Section 2.3 provides that the purposes of the Trust are to engage in the following activities: (i) to acquire the Real Estate and enter into, execute, deliver and perform the leases, the Loan Documents and other Transaction Documents to which it is or becomes a party from time to time, (ii) to hold for investment and eventually dispose of the Real Estate, and (iii) to take only such other actions as the Trust Manager deems necessary to carry out the foregoing. Section 2.3 also provides that (a) neither the Trust Manager, Delaware Trustee, the Investors, nor their agents or affiliates shall provide services related to the Trust or the Real Estate (1) that are not "customary services" within the meaning of Revenue Ruling 75-374, 1975-2 C.B. 261, (2) the payment for which would not qualify as "rents from real property" within the meaning of Code Section 512(b)(3)(A)(i) and the Regulations thereunder, or (3) the payment for which would not qualify as "rents from real property" within the meaning of Code Sections 856(c)(2)(C) and 856(c)(3)(A) and the Regulations thereunder; and (b) the Trust shall conduct no activities other than as specifically provided in Section 2.3.

Section 3.2 prohibits the Trust and the Trustees from performing any act in contravention of, or constituting an event of default under, the Loan Documents. Section 3.2(b)(iv) requires the Trustees to prepare separate financial statements and file tax returns for the Trust.

Section 3.3(b) contemplates that, upon the effective date of the Conversion Notice by the Depositor (which notice will be issued prior to the sale of any Interests by the Trust), the Depositor will have the same rights as any Investor and will be deemed for Federal income tax purposes to have transferred the Real Estate to a separate entity, the Trust, which will be classified for Federal income tax purposes as specified in Section 3.3(c).

Section 3.3(c) provides that, from and after the effective date of the Conversion Notice, the Trust will constitute an investment trust within the meaning of Treasury Regulation Section 301.7701-4(c) and each Investor will be treated as a grantor within the meaning of Code Section 671. Section 3.3(c) further provides that each Investor will be treated for federal income tax purposes as if it owns a direct interest in the Trust and the Real Estate, and that each Investor agrees to report its interest in the Trust in a manner consistent with the foregoing and otherwise not to take any action inconsistent with the foregoing. Section 3.3(c) further provides that none of the Delaware Trustee, the Trust Manager, the Investors and/or the Trust shall have power and authority, or shall be authorized, and each of them is expressly prohibited from taking, and none of them shall be allowed to take, any of the actions listed in Section 3.3(c), if the taking of such action or actions should be expected, in the reasoned opinion of tax counsel to the Trust, to constitute the exercise of a power under the Trust Agreement to "vary the investment of the certificate holders" within the meaning of Regulations Section 301.7701-4(c)(1) and Rev. Rul. 2004-86. Section 3.3(c) further provides that the Trust will hold the Trust Estate for investment purposes, the activities of the Trust with respect to the Trust Estate will be limited to activities which are customary services in connection with the holding of the Trust Estate, none of the Trustees, the Investors and their agents will provide non-customary services with respect to the Real Estate, and the Trust will conduct no activities other than as specifically provided in Section 3.3 of the Trust Agreement.

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Section 3.3(c) further provides that none of the Delaware Trustee, the Trust Manager, the Investors 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 Treasury Regulation Section 301.7701-4 and not treated as a "business entity" within the meaning of Treasury Regulation Section 301.7701-3, and the Trust Agreement shall be interpreted and enforced so as to be in compliance with the requirements of Revenue Ruling 2004-86.

Section 5.3(a) provides that to the fullest extent permitted by applicable law, including without limitation Section 3806 of the Delaware Statutory Trust Act, the Trust Manager's duties and liabilities relating to the Trust and the Investors shall be restricted to those duties and liabilities expressly set forth in the Trust Agreement and, for the avoidance of doubt, the Trust Manager's duties are limited to the maximum extent permitted under Section 3806(e) of the Delaware Statutory Trust Act.

Section 5.3(b) authorizes the Trust Manager to take certain actions necessary to conserve and protect the Trust Estate, including (i) acquiring the Real Estate subject to the leases and entering into the Master Lease and the Loan Documents, (ii) complying with the terms of the Loan Documents; (iii) collecting rents and making distributions in accordance with the Trust Agreement, (iv) entering into any agreement for purposes of completing tax-free exchanges of real property with a qualified intermediary as defined in Section 1031, (v) notifying the relevant parties of any default by them under the Transaction Documents, (vi) take any action which in the reasoned of tax counsel to the Trust, should not have an adverse effect on either the treatment of the Trust as an investment trust within the meaning of Regulation Section 301.7701-4(c) or each Investor as a grantor within the meaning of Code Section 671, and (vii) solely to the extent necessitated by the bankruptcy or insolvency of the Master Tenant or any other tenant of the Real Estate, if the Trust has not terminated under its terms, entering into a new lease with respect to the Real Estate or renegotiating or refinancing any debt secured by the Real Estate (including, without limitation, the Loan).

Section 5.3(g) provides that the Trust Manager shall manage, control, dispose of or otherwise deal with the Trust Estate subject to the restrictions set forth in the Loan Documents and the Trust Agreement. Section 6.13 provides that the sole right of the Investors with respect to their Interests is to receive distributions from the Trust as a result of the operations or sale of the Real Estate.

Section 6.8 states that the Trust Agreement shall not be interpreted to impose a partnership or joint venture relationship on the Investors. Section 6.8 further states that no Investor will have any liability for the debts or obligations incurred by any other Investor with respect to the Trust Estate or otherwise, and no Investor will have any authority, other than as specifically provided in the Trust Agreement, to act on behalf of any other Investor or to impose any obligation with respect to the Trust Estate. Section 6.8 further states that neither the power to give direction to the Delaware Trustee, the Trust Manager, or any other person nor the exercise thereof by any Investor shall cause such Investor to have duties (including fiduciary duties) or liabilities relating thereto to the Trust or to any Investor.

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Section 6.9 provides that the legal title to the Trust Estate, including the Real Estate, shall be held by the Trust, and the Investors will not have legal title to the Trust Estate and the Trust will not terminate by reason of the death, incapacity, dissolution, termination or bankruptcy of any Investor. Section 6.10 provides that except as expressly provided in the Trust Agreement no Investor has a right to demand or receive an in-kind distribution of the Trust Estate from the Trust.

Section 7.2 directs the Trust Manager to distribute the available cash of the Trust (which would include the proceeds from the sale of any individual Property) to the Investors on a monthly basis in proportion to their percentage ownership interests in the Trust, after (i) paying or reimbursing the Trust Manager or the Delaware Trustee for any fees or expenses incurred by the Trust Manager or the Delaware Trustee on behalf of the Trust (including fees of the Trust Manager), (ii) retaining such additional amounts as the Trust Manager determines are necessary to pay anticipated ordinary current and future Trust expenses, and (iii) satisfying debt service and related expenses on the Loan and any other requirements imposed under the Loan Documents. Undistributed cash may be invested only in short-term government obligations of (or guaranteed by) the United States, or any agency or instrumentality thereof and in certificates of deposit or interest-bearing bank accounts with a bank or trust company having a minimum stated capital and surplus ("Permitted Investments"). All such obligations must mature before the subsequent distribution date, and be held to maturity. Distributions to particular Investors may take into account amounts required to be paid to any third party in connection with such Investor's ownership of a particular type of Interests.

Section 9.1 provides that the Trust will dissolve in accordance with Section 3808 of the Act, and that each Investor's share of the Trust Estate will be distributed to the Investors in proportion to each Investor's percentage ownership interest in the Trust, upon the first to occur of a Transfer Distribution (as defined below) or a sale of the Real Estate; provided, however, that in connection with a sale of the Trust Estate in accordance with the terms of the Trust Agreement, the Loan shall have been defeased, paid in full or assumed in accordance with the terms of the Loan Documents.

Section 9.2 provides that, subject to the terms and conditions of the Loan Documents, upon the first to occur of (i) a sale of the Trust Estate pursuant to Section 9.3 or (ii) if the Conversation has been issued and the Trust Manager determines that (a) the Master Tenant is insolvent or has failed to timely pay the full rent due under the Master Lease after the expiration of any applicable notice and cure provisions in the Master Lease (not including any permitted deferral of rent due pursuant to the Master Lease), (b) the Trust Estate is in jeopardy of being lost due to a default or imminent default on the Loan, and in either case, the Trust Manager is prohibited from acting pursuant to Section 3.3 of the Trust Agreement, (c) the Master Tenant files for bankruptcy, seeks appointment of a receiver, makes an assignment for the benefit of its creditors or there occurs any similar event, (d) the Loan will commence hyper-amortization within ninety (90) days under which all cash flow from the Real Estate will need to be utilized to pay down the principal and interest on the Loan, (e) the Trust is otherwise terminated in violation of Section 3.3(c), (f) the Trust Manager needs to take, but is precluded from taking, one of the actions enumerated in Section 3.3(c) and the Trust Manager determines in writing that dissolution of the Trust is necessary and appropriate to preserve and protect the Trust Estate for the benefit of the Investors, or (g) the Trust is otherwise terminated or dissolved without the consent of Lender. In any of the foregoing cases, the Trust

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shall dissolve and wind up in accordance with Section 3808 of the Statutory Trust Act and each Investor's percentage of ownership of the Trust Estate shall be distributed to such Investor in accordance with this Section 9.2 in full and complete satisfaction and redemption of their ownership certificates. Subject to the requirements of Section 3808 of the Statutory Trust Act, immediately before any such liquidating distributions, and only in the event that a distribution is to be made to the Investors under Section 9.2, the Trust Manager shall transfer title to the assets comprising the Trust Estate (the "Transfer Distribution") to a newly formed Delaware limited liability company (the "LLC"). As part of the Transfer Distribution, the Trust Manager shall cause the membership interests in the LLC to be distributed to the Investors in proportion to their percentage of ownership immediately prior to the dissolution of the Trust in complete satisfaction of their Interests and their ownership certificates in order to consummate the dissolution of the Trust. It is the express intent of the Trust Agreement that no distribution be made under this Section 9.2 except in the rare and unexpected situation in which such distribution is necessary to prevent the loss of the Trust Estate. Section 9.2 further provides that the Trust Manager shall be fully protected in any such determination made in good faith that a condition exists, and shall have no liability to any person, including without limitation the Investors, with respect to any such determination. If a determination has been made to make a Transfer Distribution, the Trust Manager 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 Trust Manager pursuant to the Transfer Distribution (which other form of transaction shall only require the approval of the Trust Manager and shall not require the approval of any Investors or the Delaware Trustee), provided that such alternative form of transaction is entered into to preserve and protect the Trust Estate for the benefit of the Investors and is otherwise in compliance with the Statutory Trust Act.

Section 9.3 provides that the Trust Manager shall sell or transfer the Trust Estate upon its determination (in its sole discretion) that a sale or a transfer of the Trust Estate is appropriate; provided, however, that it is the intent of the parties to the Trust Agreement that the Trust Estate will be held by the Trust for at least two years. Any such sale or transfer of the Trust Estate shall occur as soon as practicable after the Trust Manager has determined that the sale or transfer of the Trust Estate is appropriate. The Trust Manager shall be responsible for (i) determining the fair market value of the Trust Estate, (ii) providing notice to the Delaware Trustee of the sale or transfer of the Trust Estate and (iii) conducting the sale or transfer of the Trust Estate on behalf of the Trust under commercially reasonable terms and executing such documents and instruments required to be executed by the Trust to affect such sale or transfer (Trust Manager shall also provide to the Delaware Trustee in execution form any documents and instruments required to be executed by the Trustee to affect such sale or transfer). The Trust Manager (and the Delaware Trustee, if necessary) shall take all reasonable action that would seek to enable the sale or transfer to qualify, with respect to each Investor, as a like-kind exchange within the meaning of Code Section 1031 or a tax-deferred contribution under Code Section 721.

Section 9.4 provides that the Trust Manager is entitled to receive a disposition fee from the Trust equal to not more than 3.5% of the gross proceeds of any of the sale, exchange or other disposition of all or any portion of the Property or the Trust Estate (the "Disposition Fee"), from which Trust

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Manager shall pay all sales commissions payable to any third-party broker in connection with such sale, such that the aggregate amount of the Disposition Fee plus the third-party brokerage commission does not exceed 3.5% of the gross sales price. In addition, in the event of a sale or other transfer of the Trust Estate under Section 9.3, the Trust shall pay the Trust Manager any deferred and unpaid Asset Management Fee. The payment of the Asset Management Fee and the Disposition Fee shall be subordinate to the Loan Documents. Section 9.4 further provides that the Disposition Fee shall not be payable in the event the FMV Option is exercised.

Section 10.1 provides that each of the Investors grants to the Operating Partnership, its affiliates, successors or assigns, the right, but not the obligation, to require that each such Investor exchange its interest in the Trust for units in the Operating Partnership (the "OP Units") in a transaction intended to qualify as a tax-deferred exchange under Code Section 721, pursuant to the terms of to the Trust Agreement (the "FMV Option"). Each Investor participating in an exchange of its interest in the Trust for the OP Units pursuant to the FMV Option (a "Contributing Investor") shall receive an amount of OP Units with an aggregate value (as determined by the Operating Partnership in good faith) equal to the Exchange FMV (as defined below) of such Contributing Investor's Interest as of the date the FMV Option is exercised less a fee.

Section 10.2 provides that an Investor may elect to have the Operating Partnership acquire some or all of the Investor's interests in the Trust for cash rather than exchange such interests for OP Units following the exercise by the Operating Partnership of its FMV Option (an Investor who makes an election under Section 10.2, a "Cash Investor"). The cash purchase price for a Cash Investor's Interest (the "Cash Amount") shall be equal to the Exchange FMV of such Cash Investor's Interest as of the date the FMV Option is exercised less a fee.

Section 10.4 provides that the fair market value (the "Exchange FMV") of an Investor's Interest will be determined by multiplying: (i) the Investor's percentage interest in the Trust by (ii) the fair market value of the Real Estate as determined by an independent appraisal firm selected by the Trust Manager in its sole discretion (the "Appraised Value"), less any liabilities of the Real Estate. Such appraisal shall have been completed within one (1) year prior to the date the FMV Option is exercised. No discounts for lack of liquidity or minority interests shall be considered in determining the fair market value of the Interests. In the event the appraisal performed for the purpose of determining the Appraised Value results in a value that is less than the total combined purchase price paid for the Interests by the Investors, the Trust Manager will select a second independent appraisal firm in its sole discretion to conduct a second appraisal. If the second appraisal is required, the Appraised Value shall be equal to the higher of the two appraisals; however, if one appraisal is at least 20% greater than the other (the 20% to be based on the lower appraisal), then the Trust Manager will select a third independent appraisal firm in its sole discretion to conduct a third appraisal. If the third appraisal is required, the Appraised Value shall be the average of the two highest appraisals obtained in the process of determining the Appraised Value.

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B. Master Lease

Section 2.01 provides that the original term of the Master Lease continues for ten (10) years and ninety-three (93) days from the date of its inception, provided however that (a) for so long as Master Tenant is not in default as of the expiration of the original term or the renewal term, as applicable, the Master Lease shall automatically be renewed for up to three (3) successive five (5) year renewal terms, unless the Master Tenant elects not to renew the Master Lease by providing sixty (60) days' prior written notice to the Trust, (b) for so long as any obligation remains outstanding under any of the Loan Documents, the Master Lease will automatically extend beyond the original term or renewal term, as applicable, and shall continue in full force and effect thereafter until all such obligations have been fully performed and satisfied, (c) the Master Lease shall automatically terminate upon the sale of the Real Estate, and (d) pursuant to Section 16.01, the Trust may terminate the Master Lease in the event of an uncured default by the Master Tenant.

Section 3.01(b) and Exhibit C provide that the amount of rent payable for a year (the "Rent") is equal to: (i) a base amount (the "Base Rent") equal to scheduled debt service of the Trust; and (ii) an additional amount (the "Additional Rent") equal to 100% of the Master Tenant's gross revenue from the Trust Property between a specifically stated, annually escalating floor and a specifically stated, annually escalating ceiling (the "Additional Rent Ceiling"); and (iii) an additional amount (the "Supplemental Rent") equal to 90% of the Master Tenant's gross revenue from the Trust Property that exceeds the Additional Rent Ceiling. Section 3.01(b) further provides that, in recognition of the fact that reserve accounts mandated by the Lender reflect a financial obligation of the Trust, the Master Tenant may satisfy its obligations with respect to such non-debt service components of Base Rent by withdrawing such amounts from any Supplemental Trust Reserves (as defined in the Master Lease), and gross revenue does not include any amounts from discrete operations of the Master Tenant with respect to the Real Estate with respect to which expenses incurred in connection with such operations are first taken into account, and instead such amounts taking such expenses into account shall be included.

Section 3.01(e) provides that the Master Tenant will pay, on behalf of the Trust, the "Uncontrollable Expenses" (*i.e.*, costs relating to real estate taxes, Insurance Costs, and the Cost of Utilities (as those terms are defined in the Master Lease)) for each year of the Master Lease. Nevertheless, Section 3.01(e) provides that the Master Tenant is only financially responsible for the Uncontrollable Expenses for each year up to a specified amount (the "Projected Uncontrollable Expenses"). To the extent the Uncontrollable Expenses for a year exceed the Projected Uncontrollable Expenses, the excess reduces the amount of Additional Rent and/or Supplemental Rent that the Master Tenant is required to pay under the Master Lease, and to the extent the Projected Uncontrollable Expenses are greater than the actual Uncontrollable Expenses, the difference will be paid by the Master Tenant to the Trust as additional Rent.

Section 3.08 provides that the Trust and the Master Tenant agree that the Master Lease is a "true lease" and not a financing arrangement, partnership, joint venture, management or other arrangement, and that the parties will reflect the transactions embodied in the Master Lease in a manner consistent with "true lease" treatment rather than "financing," "partnership" or "management" treatment.

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Sections 4.02 and 4.03 provide that the Master Tenant is required to maintain insurance with respect to the Trust Property, including but not limited to casualty and business interruption insurance in respect of the Trust Property.

Section 7.01 provides that the Master Tenant is responsible for all "Operating Costs" (as such term is defined in the Master Lease), and is also responsible to take good care, including paying all costs and expenses required therefor, of the premises, alleyways and passageways and the sidewalks, curbs and vaults adjoining the premises, and keep the same (or cause the same to be kept) in good order and condition, ordinary wear and tear and obsolescence excepted, and make necessary nonstructural repairs thereto, interior and exterior.

Section 7.02 provides that the Trust is responsible for all "Capital Expenses," which means the costs and expenses incurred in connection with the Trust Property that are not Operating Costs.

Section 7.04 provides that if the Master Tenant uses any "Reserve Accounts" (as such term is defined in the Master Lease) established for the benefit of the Trust to pay any obligations of the Master Tenant and such amount is outstanding for a period in excess of ninety (90) days, then the Master Tenant must reimburse such amounts plus interest on or before the expiration or termination of the Master Lease. Section 7.04 further provides that if the Master Tenant bears an expense that is an obligation of the Trust under the Master Lease and such amount is outstanding for a period in excess of ninety (90) days, the Master Tenant may reduce Additional Rent or Supplemental Rent in order to recover such advances plus interest and that any unreimbursed advances and/or interest is required to be repaid to the Master Tenant out of the proceeds of the sale or exchange of the Real Estate (if not fully reimbursed by the time of such sale).

Section 8.01 provides that the Master Tenant may make alterations to (but not additions to, removals of or substitutions for) the Real Estate with the Trust's prior written consent, provided that certain other conditions are met.

Section 13.01 provides that the Master Tenant may not assign its interest in the Master Lease without the consent of the Trust. Section 13.01 further provides that the Master Tenant may enter into subleases of the Trust Property with subtenants.

Section 16.01 provides that if any "Event of Default" occurs, the Trust can give notice of such default and terminate the Master Lease (or take possession of the Trust Property without terminating the Master Lease) after giving notice. Section 16.01 generally defines "Event of Default" to include, among other things: (a) (i) the failure by the Master Tenant to pay Rent, Operating Costs, or Impositions as and when the same shall become due and payable, which failure is not cured within ten (10) days after notice or (ii) the failure to pay any other amounts payable under the Master Lease as and when the same shall become due and payable or the default in any other manner curable by the payment of money; (b) the failure to comply with the other terms of the Master Lease (other than any default curable by payment of money), which such failure is not cured within thirty (30) days after notice (or longer if the Master Tenant diligently undertakes efforts to cure such Default); (c) the filing by the Master Tenant of a voluntary bankruptcy petition or the adjudication of the Master Tenant as a bankrupt or insolvent (including any petition or

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answer seeking any reorganization, composition, readjustment or similar relief); (d) the filing of an involuntary petition in bankruptcy against the Master Tenant or the commencement of any proceeding against the Master Tenant seeking any reorganization, composition, readjustment or similar relief under any law if not dismissed within ninety (90) days; (e) a prohibited assignment, pledge or encumbrance of any rental or other sum payable under a sublease other than, at the Trust's request, to the Lender; (f) a prohibited mortgaging, pledge or encumbrance of the Master Tenant's interest in the Master Lease; (g) any representation or warranty of the Master Tenant is incorrect or misleading in any material respect; (h) if the performance by the Master Tenant of any material obligation becomes unlawful; (i) the termination or liquidation of the Master Tenant; (j) the failure by the Master Tenant to deliver possession of the Real Estate at the end of the term of the Master Lease; or (k) an action or omission of the Master Tenant resulting in a breach of any indenture, deed of trust, mortgage or other instrument (beyond any applicable notice and cure periods) to which the Trust or the Master Tenant is a party or to which the Real Estate is bound or may be affected.

C. Property Management Agreement and Sub-PMA

Article 1 provides that the Master Tenant grants to Property Manager, as an independent contractor, the sole and exclusive right to manage and operate the Real Estate, subject to the terms and provisions of this Agreement.

Section 2.1 provides that the original term of the Property Management Agreement is one year and will be automatically renew for successive one-year terms until terminated.

Article 3 provides that the Property Manager's obligations are to manage and operate the Real Estate in a manner consistent with the management and operation of comparable properties in the Real Estate's jurisdiction, shall provide such services as are customarily provided by a manager of properties of comparable class and standing, and shall consult with Master Tenant and keep Master Tenant advised as to all material or extraordinary matters and decisions affecting the Real Estate, specifically: (a) maintain businesslike relations with tenants of the Real Estate whose service requests shall be received, considered, and recorded in systematic fashion in order to show the action taken with respect to each request; (b) use good faith efforts to collect all rents and other sums and charges due from tenant, sub-tenants, licensees and concessionaires of the Real Estate; and (c) commercially reasonable efforts to obtain and keep financially responsible tenants of the Real Estate.

Article 4 provides that the Master Tenant will pay a fee equal to the greater of (x) two and one half percent (2.50%) of the Gross Receipts of the Real Estate and (y) $8,500.00 (such amount to be pro-rated for any partial months), calculated on a per-month basis (the "Property Management Fee"). The term "Gross Receipts" means the entire amount of all receipts, determined on a cash basis, from (a) tenant rentals and other sums pursuant to tenant leases (excluding security deposits, except as provided below) and other amounts for rental of the Property, including garage income, parking fees and similar amounts, (b) income from the operation of the Property, including but not limited to (to the extent of the excess over the amounts paid by Master Lessee or Landlord to the applicable provider of the associated service), utility reimbursements, cable television, telephone,

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internet access, security monitoring, laundry and vending machines, (c) business interruption insurance proceeds, (d) any sums and charges in connection with termination of the tenant leases or settlement of rent claims, net of litigation or collection costs, and (e) application fees, cleaning fees, pet fees, administrative fees, and other similar miscellaneous income.

Article 8 provides that the Property Management Agreement will terminate (1) in the event of an uncured default by the other party or if certain bankruptcy or insolvency events occur; and (2) automatically in the event the Trust sells the Real Estate.

Pursuant to the Sub-PMA, the Property Manager has subcontracted all day-to-day, on-site management, leasing and related functions for the Real Estate to the Sub-PM and, accordingly, will pay over the entire Property Management Fee to the Sub-PM.

D. Loan and Subordination Agreements.

The Trust borrowed $38,625,000 from the Lender pursuant to the Loan Agreement. The Loan is evidenced by a Multifamily Note made by the Trust in favor of the Lender, bears interest at a rate of 5.180% per annum, has a term of 10 years, and is secured by (1) a Multifamily Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing made by the Trust in favor of the Lender with respect to the Real Estate, (2) a Property Level Assignment of Leases and Rents pursuant to which Master Tenant assigned all its present and future right, title and interest in the Leases and Rents with respect to the Real Estate to the Trust as additional collateral for Master Tenant's obligations under the Master Lease, (3) a Subordination Agreement made by Master Tenant to the Lender, pursuant to which Master Tenant subordinates its right, title and interest to and under the Master Lease to the Loan Documents and (4) an Assignment of Management Agreement made by the Trust in favor of the Lender, Master Tenant has assigned all its right, title and interest in the Property Management Agreement to the Trust as additional collateral for Master Tenant's obligations under the Master Lease and the Trust has simultaneously assigned its rights, title and interest in the Property Management Agreement to Lender as additional collateral for the Loan. The Trust is required to be a single purpose entity under the terms of the Loan Agreement.

TAX ANALYSIS

It is our opinion that, for federal income tax purposes, the acquisition by the Investors of the Interests should be treated as the direct acquistion by the Investors of ownership interests in the Real Estate for purposes of Code Section 1031.

The principal authority governing the treatment of interests in Delaware Statutory Trusts for purposes of Code Section 1031 is Revenue Ruling 2004-86, 2004-2 C.B. 191. As more fully described below, our conclusion as to the treatment of the Interests under Code Section 1031 is based largely on the similarity between the facts described in Revenue Ruling 2004-86 and the facts in respect of the Trust, and the Treasury Regulations and case law that form the basis for the revenue ruling.

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Treatment of the Interests as Real Property for Purposes of Code Section 1031.

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

Revenue Ruling 2004-86, 2004-2 C.B. 191 held that, assuming the other requirements of Code Section 1031 are satisfied, a taxpayer may exchange real property for a beneficial interest in a Delaware Statutory Trust such as the trust described in the ruling (the "DST") in a tax-free exchange under Code Section 1031. The holding of Revenue Ruling 2004-86 is based on certain factual assumptions regarding the provisions of the trust agreement of the DST, although not all the facts described in the ruling are crucial to its holding. The facts as set forth in Revenue Ruling 2004-86 are as follows:

> On January 1, 2005, A, an individual, borrows money from BK, a bank, and signs a 10-year note bearing adequate stated interest, within the meaning of § 483. On January 1, 2005, A uses the proceeds of the loan to purchase Blackacre, rental real property. The note is secured by Blackacre and is nonrecourse to A.
>
> Immediately following A's purchase of Blackacre, A enters into a net lease with Z for a term of 10 years. Under the terms of the lease, Z is to pay all taxes, assessments, fees, or other charges imposed on Blackacre by federal, state, or local authorities. In addition, Z is to pay all insurance, maintenance, ordinary repairs, and utilities relating to Blackacre. Z may sublease Blackacre. Z's rent is a fixed amount that may be adjusted by a formula described in the lease agreement that is based upon a fixed rate or an objective index, such as an escalator clause based upon the Consumer Price Index, but adjustments to the rate or index are not within the control of any of the parties to the lease. Z's rent is not contingent on Z's ability to lease the property or on Z's gross sales or net profits derived from the property.
>
> Also on January 1, 2005, A forms DST, a Delaware statutory trust described in the Delaware Statutory Trust Act, Del. Code Ann. Title 12, §§ 3801-3824, to hold property for investment. A contributes Blackacre to DST. Upon contribution, DST assumes A's rights and obligations under the note with BK and the lease with Z. In accordance with the terms of the note, neither DST nor any of its beneficial owners are personally liable to BK on the note, which continues to be secured by Blackacre.
>
> The trust agreement provides that interests in DST are freely transferable. However, DST interests are not publicly traded on an established securities market. DST will terminate on the earlier of 10 years from the date of its creation or the disposition of Blackacre, but will not terminate on the bankruptcy, death, or incapacity of any owner or on the transfer of any right, title, or interest of the owners. The trust agreement further provides that interests in DST will be of a single class, representing undivided beneficial interests in the assets of DST.

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Under the trust agreement, the trustee is authorized to establish a reasonable reserve for expenses associated with holding Blackacre that may be payable out of trust funds. The trustee is required to distribute all available cash less reserves quarterly to each beneficial owner in proportion to their respective interests in DST. The trustee is required to invest cash received from Blackacre between each quarterly distribution and all cash held in reserve in short-term obligations of (or guaranteed by) the United States, or any agency or instrumentality thereof, and in certificates of deposit of any bank or trust company having a minimum stated surplus and capital. The trustee is permitted to invest only in obligations maturing prior to the next distribution date and is required to hold such obligations until maturity. In addition to the right to a quarterly distribution of cash, each beneficial owner has the right to an in-kind distribution of its proportionate share of trust property.

The trust agreement provides that the trustee's activities are limited to the collection and distribution of income. The trustee may not exchange Blackacre for other property, purchase assets other than the short-term investments described above, or accept additional contributions of assets (including money) to DST. The trustee may not renegotiate the terms of the debt used to acquire Blackacre and may not renegotiate the lease with Z or enter into leases with tenants other than Z, except in the case of Z's bankruptcy or insolvency. In addition, the trustee may make only minor non-structural modifications to Blackacre, unless otherwise required by law. The trust agreement further provides that the trustee may engage in ministerial activities to the extent required to maintain and operate DST under local law.

On January 3, 2005, B and C exchange Whiteacre and Greenacre, respectively, for all of A's interests in DST through a qualified intermediary, within the meaning of § 1.1031(k)-1(g). A does not engage in a § 1031 exchange. Whiteacre and Greenacre were held for investment and are of like kind to Blackacre, within the meaning of § 1031.

Neither DST nor its trustee enters into a written agreement with A, B, or C, creating an agency relationship. In dealings with third parties, neither DST nor its trustee is represented as an agent of A, B, or C.

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

The IRS's conclusions in Revenue Ruling 2004-86 were as follows:

(1) The Delaware statutory trust described above is an investment trust, under § 301.7701-4(c), that will be classified as a trust for federal tax purposes.

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> (2) A taxpayer may exchange real property for an interest in the Delaware statutory trust described above without recognition of gain or loss under § 1031, if the other requirements of § 1031 are satisfied.

The IRS noted that, under the facts of Revenue Ruling 2004-86, if the DST's trustee had the power to do one or more of the following acts, it would be classified as a partnership or other business entity for federal income tax purposes:

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

In addition, the DST would not have qualified as an "investment" trust had it been able to (a) accept additional contributions of new cash or assets from existing or new owners, or (b) invest reserves and cash in investments other than short term government obligations, certificates of deposit or interest bearing accounts that are held to maturity and that mature prior to the distribution of cash to the DST's owners.

Various facts in Revenue Ruling 2004-86 in our view are not determinative of the outcome, including (a) that Blackacre was subject to the note and lease prior to being contributed to the DST, (b) that each owner had a right to an in-kind distribution of the DST's property, and (c) that the persons who acquired interests in the DST acquired their interests indirectly from the original owner of the DST rather than from the DST itself.

In rendering the opinion set forth in this opinion letter, we analyze below in light of relevant authorities: (1) the Trust's classification as an entity separate from the Investors (and not as an agency arrangement) for federal income tax purposes; (2) the Trust's classification as an "investment trust" (and not as a business entity) for federal income tax purposes; (3) whether the Master Lease constitutes a true lease for federal income tax purposes; (4) the Trust's classification as a "grantor trust" for federal income tax purposes; (5) whether the Investors should be respected as the owners of their respective Interests notwithstanding the existence of the FMV Option; (6) the treatment of the Investors as holding direct interests in the Real Estate for federal income tax purposes; and (7) the Property Management Fee and the Disposition Fee.

1. ***Classification of the Trust as an Entity Separate from the Investors for Federal Income Tax Purposes.***

Under Treasury Regulation Section 301.7701-1(a)(1), whether an organization is an entity separate from its owners for federal tax purposes is a matter of federal tax law and does not depend on whether the organization is recognized as an entity under local law. Revenue Ruling 2004-86 states that, generally, when participants in a venture form a state law entity and avail themselves of the benefits of that entity for a valid business purpose, such as investment or profit, and not for tax avoidance, the entity will be recognized for federal income tax purposes.

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The IRS concluded that the DST in Revenue Ruling 2004-86 was an entity for federal income tax purposes. We believe that the Trust is substantially similar to the DST. First, and most importantly, both the DST and the Trust are Delaware Statutory Trusts, subject to the provisions of the Delaware Statutory Trust Act. The Sponsor has represented that the Trust has not opted out and will not opt out of its status as a separate legal entity under the Delaware Statutory Trust Act. Second, Section 2.3 of the Trust Agreement provides that one of the purposes of the Trust is to hold the Real Estate for investment purposes. This provision of the Trust Agreement is consistent with the purpose of the DST in Revenue Ruling 2004-86 (*i.e.*, "to hold property for investment"). Third, Sections 5.3(a) of the Trust Agreement provide that the Investors are not liable for any liabilities or obligations of other Investors, the Trust or the Trustees or for the performance of the Trust Agreement. Fourth, consistent with the DST's trust agreement, the Trust Agreement does not purport to create an agency relationship. In addition, the Sponsor has represented that none of the Trust, the Trustees or the Asset Manager has entered into or will enter into any agreement or understanding with any beneficiary of the Trust creating an agency or nominee relationship and none of the Trust, the Trustees or the Asset Manager has been or will be represented as an agent or nominee of any beneficiary of the Trust in dealings with third parties. Accordingly, the Trust should be respected as an entity separate from the Investors for federal income tax purposes.

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

In general, an organization constitutes a trust for tax purposes if it is an arrangement whereby trustees take title to property for the purpose of protecting or conserving it for the beneficiaries. Generally speaking, an arrangement will be treated as a trust for tax purposes if the purpose of the arrangement is to vest in trustees responsibility for the protection and conservation of property for beneficiaries who cannot share in the discharge of that responsibility and, therefore, are not associates in a joint enterprise for the conduct of business for profit. Treasury Regulation Sections 301.7701-1(a)(1), (b), 4(a).

There are other arrangements which are known as trusts because the legal title to property is conveyed to trustees for the benefit of beneficiaries, but which are not classified as trusts for tax purposes because they are not simply arrangements to protect or conserve the property for the beneficiaries. These trusts, which are often known as business or commercial trusts, generally are created by the beneficiaries simply as a device to carry on a profit-making business which normally would have been carried on through business organizations that are classified as corporations or partnerships for tax purposes. The fact that the corpus of such a trust is not supplied by the beneficiaries is not sufficient reason in itself for classifying the arrangement as an ordinary trust rather than as a corporation or a partnership for tax purposes. The technical casting of an organization in trust form, by conveying title to property to trustees for the benefit of persons designated as beneficiaries, will not change the real character of the organization if the organization is more properly classified as a corporation or a partnership for tax purposes. Treasury Regulation Section 301.7701-4(b).

An investment trust will not be classified as a trust if there is a power under the trust agreement to vary the investment of the certificate holders. An investment trust with a single class of ownership

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interests, representing undivided beneficial interests in the assets of the trust, will be classified as a trust for tax purposes if there is no power under the trust agreement to vary the investment of the certificate holders. An investment trust with multiple classes of ownership interests ordinarily will be classified as a corporation or a partnership for tax purposes. An investment trust with multiple classes of ownership interests will be classified as a trust for tax purposes, however, if the trust is formed to facilitate direct investment in the assets of the trust and the existence of multiple classes of ownership interests is incidental to that purpose and if there is no power under the trust agreement to vary the investment of the certificate holders. Treasury Regulation Section 301.7701-4(c).

A. Investment Trusts in General.

The DST in Revenue Ruling 2004-86 was held to be an "investment" trust and not a business entity. The courts and the IRS have considered the distinctions between an "investment" trust and a business entity on several other occassions.

In *Commissioner v. Chase National Bank*, 122 F. 2d 540 (2d Cir. 1941), a depositor transferred units consisting of the common stock of a number of corporations to a trust, and then sold trust certificates to investors. The trustee was vested with all of the rights of ownership of the shares except that the depositor controlled the voting rights of the shares and the trust instrument governed and restricted the disposal of the shares. Under the terms of the trust instrument, property deposited into the trust was held until some disposition of it was made consistent with the terms of the trust instrument. Further, distributions of currently available funds were required. No purchases were to be made by the trustee by way of reinvestment of funds or otherwise. The IRS argued that the trust was taxable as a corporation for federal income tax purposes. The court rejected the IRS's argument, holding that because the trust agreement required the trust property "to be held for investment and not to be used as capital in the transaction of business for profit like a corporation organized for such a purpose," the trust was prevented from becoming more than a "strict investment" trust. *Id*. at 543.

In *Commissioner v. North American Bond Trust*, 122 F. 2d 545 (2d Cir. 1941), *cert. denied*, 314 U.S. 701 (1942), a companion case to *Chase National Bank*, the court reached a different conclusion regarding the treatment of a trust for federal income tax purposes. In contrast to the terms of the trust instrument in *Chase National Bank*, the terms of the trust instrument in *North American Bond Trust* accorded the depositor the power "to take advantage of market variations to improve the investments of even the first investors." *Id*. at 546. This power arose in two ways. First, in making up new units, the depositor was not confined to the same bonds he had selected for the previous units. Second, the bonds of all units constituted a single pool in which each certificate holder shared according to his proportion of all the certificates issued. As a result, the money from new investors could be used to purchase new bond issues which would in turn reduce the existing certificate holders' interests in the old bond issues. Based on these facts, the court held that the depositor "had power, though a limited power, to vary the existing investments of all certificate holders at will…" (*Id.*), and accordingly that the trust was an association taxable as a corporation.

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Revenue Ruling 75-192, 1975-1 C.B. 384, concerned a trust agreement that required the trustee to invest cash on hand between quarterly distribution dates in short term government obligations or in certificates of deposit issued by banks with minimum stated surplus and capital that mature prior to the following distribution date. The IRS concluded that, because the trust agreement restricted the trustee to a fixed return similar to that earned on a bank account, there was no opportunity to profit from market fluctuations.

In Revenue Ruling 79-77, 1979-1 C.B. 448, the IRS ruled that a trust formed to hold real property was an ordinary trust under Treasury Regulation Section 301.7701-4(a) and a grantor trust under Subpart E of Subchapter J, Chapter 1 of the Code (*i.e.*, Code Section 671 *et seq*.), and not a business entity within the meaning of Treasury Regulation Section 301.7701-4(b) (i.*e*., a partnership or an association taxable as a corporation), where the trustee's duties were limited to: (i) holding title to real estate; (ii) at the direction of the beneficiaries, signing a 20-year triple net lease (with renewal options) for the real estate; (iii) enforcing the lease; (iv) signing such other agreements as are approved by the beneficiaries; (v) approving minor alterations to the real estate; and (vi) distributing net income of the trust to the beneficiaries on a quarterly basis.[1]

In other situations, however, the IRS has determined that an arrangement formed to hold real estate was properly classified as a business entity. For example, in Revenue Ruling 78-371, 1978-2 C.B. 344, the heirs to certain real estate established a trust and transferred to the trust real estate subject to a net lease. The trust agreement expressly authorized the trustees to acquire additional real estate, to sell assets of the trust, to invest such sales proceeds in certain types of financial products, to borrow money, to mortgage and lease the trust property, and to build or remove improvements from the trust property without the knowledge or consent of the owners of the trust. The IRS concluded that the trustee's power to engage in extensive real estate operations and to invest the sales proceeds in financial products indicated that the trust was not formed merely to protect and conserve the trust property and ruled that the trust was taxable as a corporation.

Revenue Ruling 78-371 may be contrasted with Revenue Ruling 75-374, 1975-2 C.B. 261. In this ruling, the IRS addressed the level of joint business activity that would cause co-owners of real estate to be viewed as partners for tax purposes. The co-owners of an apartment project hired an unrelated management company to manage the apartment project; the management company negotiated and executed the leases for the apartment units, collected rents and other payments from tenants, and paid taxes, assessments and insurance premiums relating to the project. The management company performed (i) all services customarily performed in connection with the maintenance and repair of the apartment project (such as providing heat, air conditioning, hot and cold water, unattended parking, normal repairs, trash removal and cleaning of service areas), and

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[1] *See also* Private Letter Ruling 9352008 (September 29, 1993), in which the IRS ruled that an ownership interest in real estate should be respected as such for tax purposes and not re-characterized as a partnership interest where the real estate was subject to a net lease: "mere co-ownership of an interest in real property without providing more than the customary services of maintenance and repair and collecting of rents will not render a co-ownership a partnership . . . [The real estate] is already subject to a net lease, under which the lessee is responsible to pay all insurance premiums, general real estate taxes and special assessments, most of the utility expenses and a significant portion of the repair costs . . . Therefore, co-ownership of [the real estate] . . . is not, in and of itself, a partnership."

(ii) certain additional services such as attended parking, gas, electricity and other utilities. Customary tenant services were furnished by the management company to the tenants at no additional charge above the basic rental payments. The management company paid the costs incurred in providing the additional services and retained the charges paid by the tenants. The ruling concluded that the co-owners were not partners for tax purposes because the furnishing of customary services in connection with maintenance and repair did not render the co-ownership a partnership. The IRS also found that the management company was not an agent of the co-owners because the co-owners did not share any of the profits realized from the rendition of the non-customary additional services by the management company.

Subject to the discussion below of differences between the facts in respect of the Trust and the facts of Revenue Ruling 2004-86, we believe that the arrangements provided for under the Trust Agreement and the Master Lease are similar to the arrangements described in *Chase National Bank* and Revenue Rulings 2004-86, 79-77, 75-192, and 75-374, and are distinguishable from the arrangements discussed in *North American Bond Trust* and Revenue Ruling 78-371. The Trust satisfies the "one class of interests" requirement because Section 3.3 of the Trust Agreement provides that from and after the issuance of the Conversion Notice, and, accordingly, at all times that the Interests and the Class 2 Interests are simultaneously outstanding, there will be no economic differences and no differences between the rights and obligations of the Interests and the Class 2 Interests and each Investor has the same rights and obligations under the Trust Agreement as every other Investor. Section 2.3 of the Trust Agreement provides that one of the purposes of the Trust is to hold the Real Estate for investment purposes and that neither the Trustees, the Investors, nor their agents shall provide non-customary services with respect to the Real Estate. The Sponsor has represented that neither the Trust nor any Trustee, employee, agent or independent contractor of the Trust, including the Asset Manager, will provide any services to the Master Tenant or any subtenant. Section 2.2 of the Trust Agreement states that (i) the Trustees holds the Trust Property for the benefit of the Investors, subject to the obligations of the Trust; (ii) it is the intention of the parties to the Trust Agreement that the Trust constitute a "statutory trust" within the meaning of the DSTA. Section 6.8 of the Trust Agreement provides that Trust not constitute an agency, partnership, corporation, association or business trust for federal income tax purposes. Section 3.3(c) provides that the Investors shall be treated for federal income tax purposes as owning a direct interest in the Real Estate and other Trust Property and shall be obligated to report their Interest consistently with such characterization. Article 7 of the Trust Agreement (1) directs the Trust Manager to distribute all available cash to the Investors in accordance with their "Percentage" after paying debt service on the Loan and related expenses and retaining funds as required for a reasonable reserve as necessary to pay anticipated current and future ordinary Trust expenses, and (2) requires undistributed cash to be invested only in short-term government obligations and in certificates of deposit or interest-bearing bank accounts with a bank or trust company having a minimum stated capital. Section 3.3(c) of the Trust Agreement provides that from and after such time as there is more than one Investor in the Trust, the Trust shall not constitute a business entity, but shall instead constitute an investment trust within the meaning of Treasury Regulation Section 301.7701-4(c). Section 3.3(c) of the Trust Agreement prohibits the Trustees from taking certain specified actions, if the effect would be that such action or actions would constitute a power under the Trust Agreement to "vary the investment of the certificate

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holders" under Regulation Section 301.7701-4(c)(1) and Revenue Ruling 2004-86. The Master Lease is a net lease and, pursuant to the Trust Agreement, the Master Lease may not be renegotiated unless the Master Tenant becomes bankrupt or insolvent.

B. Certain Differences between the Facts in Respect of the Trust and the Facts of Revenue Ruling 2004-86.

We have considered differences between the facts in respect of the Trust and the facts of Revenue Ruling 2004-86, including the differences noted below.

I. Loan Events of Default

Nothing in the Loan Documents constitutes a power under the Trust Agreement to vary the investment of the Investors (or creates a second class of ownership interests in the Trust). To be sure, were the Lender to foreclose on the Real Estate or terminate the Master Lease or both in consequence of a Loan Event of Default, the corpus of the Trust would change. That is to say, either the Trust corpus would then consist of the Real Estate alone (if the Lender elected to terminate the Master Lease but not to foreclose on the Real Estate) or else the Trust corpus would be essentially a null set (if the Lender elected to foreclose on the Real Estate). Either way, the Trust would have no choice but to terminate, since its property would have been taken away from it (in the event of a foreclosure) or it would retain title to the Real Estate with no ability (absent a Master Tenant bankruptcy or insolvency) to renegotiate the Loan or to re-lease the Real Estate given the constraints imposed by Revenue Ruling 2004-86.

That said, the change in the Trust corpus would be the result of a power of the Lender under the Loan Documents, and not a power of the Trustees under the Trust Agreement. The only power the Trustees would have under the Trust Agreement would be to distribute whatever property the Trust had to the Investors in proportion to their percentage interests in the Trust (as tenants in common to the extent the distributed property consisted of the Real Estate) or to convert the Trust into an LLC (which in effect would constitute a distribution to the Investors of undivided interests in the Real Estate if the Trust had title thereto and/or percentage interests in any other Trust property including cash, coupled with contributions of the distributed property by the Investors to the LLC).

Even if a change in the Trust corpus pending liquidation of the Trust was a result of the existence of a power under the Trust Agreement, the change in corpus would not result in a variation of the investment of the Investors within the meaning of the case law or the investment trust Regulations (the "Sears Regulations"). Setting out the conceptual framework for the Sears Regulations, Judge Learned Hand stated in *North American Bond Trust* that there is no power to vary the investment of trust beneficiaries where the assets of the trust "were 'frozen,' so to speak, for the duration of the trust" such that the trust agreement did not confer "an opportunity to take advantage of variations in the market." Thus, the IRS ruled in Revenue Ruling 78-149, 1978-1 C. B. 448, that "[t]he existence of a power to sell trust assets does not give rise to a power to vary the investment [of the trust beneficiaries]. Rather, it is the ability to substitute new investments, the power to reinvest, that requires an investment trust to be classified as an association [taxable as a

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corporation, or as a partnership]." The Trust here at issue may sell its assets to its Lender (by means of a foreclosure) or to a third party (and use the proceeds in whole or part to satisfy the Loan), but the Trustees do not have authority under the Trust Agreement to reinvest sales proceeds to take advantage of market variations. See also, Private Letter Ruling 9212015 (Dec. 19, 1991) (power to sell trust corpus for stock and cash and distribute same to beneficiaries in liquidation of the trust merely facilitates the liquidation of the trust and is not a power to vary the investment of the beneficiaries).

II. Guaranty of Non-Recourse Obligations.

Bluerock Homes Trust, Inc. (the "Guarantor"), an affiliate of the Sponsor, executed limited guaranty agreements with the Lender pursuant to which it will guarantee certain obligations with respect to the Loan in the event certain acts occur and the Trust executed an environmental indemnity (which the Guarantor has guaranteed) with the Lender pursuant to which it will guarantee certain obligations with respect to the Loan if certain environmental liabilities arise with respect to the Real Estate (collectively, the "Guaranty"). Because the Guarantor's and/or the Trust's payment obligations under the Guaranty will only be triggered upon the occurrence of certain events or with respect to the environmental condition of the Real Estate and is not an absolute guaranty of repayment of the Loan, we do not believe that the Guaranty should be treated as an impermissible loss sharing arrangement that could constitute a partnership between the Guarantor and the Trust (or the Investors) for income tax purposes, or should otherwise be treated as compelling additional capital to be contributed to the Trust in the event the Guaranty is triggered. Compare, CCA 201606027 (Oct. 23, 2015) and AM 2016-001 (March 31, 2016).

III. Conversion of Trust to LLC.

The ability of the Trustees to convert the Trust to an LLC in specified circumstances should not constitute a power to vary the investment of the Investors. In such event, of course, the Investors will no longer be investors in a trust but instead will be investors in a newly formed limited liability company. Be that as it may, the corpus of the Trust would not have changed during the continuance of the Trust as a trust for state law purposes. Thus, the IRS ruled in Revenue Ruling 81-238, 1981-2 C. B. 248, that a trust retains its tax status as such notwithstanding arrangements whereby the beneficiaries may reinvest distributions in a newly formed trust, noting that "[t]he plan does not involve reinvestment in the original trust." Private letter rulings (which under Code Section 6110(k)(3) may not be used or cited as precedent) have made it clear that such arrangements amount to a reinvestment of trust distributions into the original trust only if the subsequent trust in substance is simply a continuation of, and therefore the same trust as, the original trust. As a limited liability company and not a trust, any LLC into which the Trust is converted cannot be the same entity as the original Trust. Private Letter Ruling 199943042 (July 23, 1999); Private Letter Ruling 200007006 (Nov. 15, 1999).

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IV. Relationship between the Trust Manager, the Asset Manager, the Master Tenant, and the Property Manager.

In rendering this Opinion we have considered the relationship between the Trust Manager (which is also the Asset Manager), the Master Tenant, and the Property Manager, which are all affiliates. At least arguably, therefore, the activities of the Master Tenant and the Property Manager with respect to the operation and management of the Real Estate should be attributed to the Trust Manager and/or Asset Manager for tax purposes, in which event the Trust would be treated as a business trust rather than an investment trust.

We do not believe the relationship between the Trust Manager and/or Asset Manager, on the one hand, and the Master Tenant and/or Property Manager, on the other hand, should lead to a conclusion that the Trust is engaged in the operation of the Real Estate. The Trust Manager, and/or Asset Manager, the Master Tenant, and the Property Manager are separate entities under applicable state non-tax law and the Trust Manager, and/or Asset Manager and the Master Tenant are separate entities for federal income tax purposes. Moreover, the Trust Manager is expressly required by the Trust Agreement to deal with the Real Estate consistent with their duties to conserve and protect the Trust corpus for the benefit of the Investors; the Trust Manager is subject to an implied contractual covenant of good faith and fair dealing under the Delaware Statutory Trust Act; the contractual duties of the Trust Manager under the Trust Agreement are essentially ministerial in nature; and the Asset Manager's activities do not relate to the operation of the Real Estate. Also, pursuant to the Sub-PMA, the Property Manager has subcontracted all day-to-day, on-site management, leasing and related functions for the Real Estate to the Sub-PM (which is unaffiliated with the Sponsor). Accordingly, in our judgment on balance the relationship between the Trust Manager, the Asset Manager, the Master Tenant, and the Property Manager should not defeat the status of the Trust as an investment trust.

V. The Obligation of the Trust to Fund Capital Expenditures.

The Trust has the obligation under the Master Lease to fund certain capital improvements with respect to the Real Estate. More specifically, the Trust is responsible for the costs and expenses incurred in connection with major repairs, replacements, and improvements relating to the structural elements of the Trust Property which are not Operating Costs and would be capitalized under generally accepted accounting principles. The DST in Revenue Ruling 2004-86 had no such obligation.

The IRS asserted in Revenue Ruling 2004-86 that a state law trust is properly classified as a business entity for Federal income tax purposes if the trustees have a power under the trust agreement to make more than minor non-structural modifications to the leased property not required by law. The exact scope of the asserted rule is unclear. To be sure, modifications required by law should not transmute a trust into a business entity because they are imposed on the trust rather than being volitional on the part of the trustees. As to modifications not required by law, we believe that modifications made or funded by a trust to property owned by the trust and leased to a tenant, regardless of whether such modifications are minor or more than minor and whether structural or non-structural, should transmute the trust into a business entity only if the

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modifications change the fundamental nature of the property (e.g., conversion of a multi-family property into a hotel, conversion of a self-storage facility into an office building, or conversion of a five story commercial or residential property into a 30 story property of the same type), presumably in order to improve the profitability and in turn the value of the trust property. Volitional modifications in our view should not result in a variation in the investment of the trustors, on the other hand, where the modifications are intended to protect and conserve the trust property (e.g., replacing a leaky roof or a structurally unsound load bearing wall) and where any increase in the value of the trust property is incidental to the accomplishment of that purpose rather than the motivation for the modification.

In Revenue Ruling 2004-86 the IRS relied on *North American Bond Trust*, *supra*, for the proposition that a power to vary the investment of certificate holders exists where there is a managerial power under the trust agreement that enables a trust to take advantage of variations in the market to improve the investment of the investors. In addition to modifications, the IRS gave four examples of such a proscribed power: a power to dispose of the trust property and acquire new property, a power to renegotiate a lease or enter into new leases, a power to renegotiate or refinance trust indebtedness, and a power to invest cash except in tightly constrained circumstances. All of these powers vary the investment of the trust beneficiaries by changing the trust corpus (substituting new property) or evidence an intent to take advantage of market conditions to improve the investment of the trust beneficiaries (entering into new leases with higher market rents, taking advantage of reductions in market interest rates, investing cash for a return). As a result, existence of any such power is sufficient to turn the venture into a business for tax purposes. By way of contrast, the IRS held in Revenue Ruling 79-77 that a lessor trust may consent to alterations to the leased property not required by law if the trustee reasonably believes that the alterations protect and conserve the trust estate. Similarly, the IRS held in Revenue Ruling 90-63 that a power in the trustees to consent to a change in the credit support for tax exempt bonds held by the trust did not constitute a power to vary the investment of the beneficiaries because the trustees reasonably believed that the change was advisable to maintain the value of the trust assets by preserving the credit rating on the bonds, with any increase in the value of the trust assets being incidental to that purpose and therefore not the result of trading in the securities and thereby profiting from market fluctuations. 1979-1 C.B. 448, 1990-2 CB. 270.

In the situation at hand, the Sponsor has represented that the capital improvements to the Real Estate funded by the Trust and not required by law will not change the fundamental nature of the Real Estate as a multifamily residential community or materially change the size or number of units included in the Real Estate, that the obligation of the Trust to fund capital improvements has not been entered into by the Trust to take advantage of variations in the market to improve the investment of the Investors but rather has been entered into by the Trust in order to protect and conserve the Real Estate for the Investors, and that any increase in the value of the Real Estate attributable to such capital improvements will be incidental to that purpose. Accordingly, the obligation of the Trust to fund capital improvements should not result in the Trust's being classified as a business entity for Federal income tax purposes.

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VI. Relationship Between Trust and Master Tenant.

In addition to the foregoing differences between the facts in respect to the Trust and the facts of Revenue Ruling 2004-86, the facts in respect of the Trust also differ from the facts in a private letter ruling that preceded the issuance of Revenue Ruling 2004-86 by almost 40 years. More specifically, the IRS took the position that an arrangement involving a trust which leased multiple real property interests to a tenant was not a valid fixed investment trust by reason of the conflation of the activities of tenant with those of the trust. In that situation, leases for various retail stores, warehouses, plants or distribution centers recited an intent that the property be used by the tenant for its purposes and at the same time in a manner that would insure its being developed to the maximum benefit of the lessor (the trust) insofar as not inconsistent with the tenant's interests. The leases each provided in part as follows: "It is the intention of the parties that said property shall be managed by [tenant] in a manner that will permit [tenant] to enjoy all of the rights, privileges, profits and advantages accruing to [tenant] as tenant under the provisions of this [lease] and at the same time in a manner that will insure that the said property will be used, applied and developed to the maximum benefit of [trust]... and to the beneficiaries… . At the final expiration of any lease, the trustees agree to accept the premises with such alteration, remodeling, construction, new building or improvement, as may have been made" (emphasis added). The private letter ruling indicates that although the trust instrument generally provided for limited trustee powers consistent with fixed investment trust status, "[s]pecific provisions of the leases are repeatedly referred to and restated in the main body of the trust instrument itself."

The IRS viewed this arrangement as resulting in the tenant (as the originating and dominating party to the overall arrangement) playing a role in the overall operation of the trust. The IRS specifically observed that "[t]he provisions of the leases were sufficiently integrated with the trust agreement and other relevant documents so that the powers of the lessee under the leases may be considered as powers of the trustee under the trust agreement to vary the investment of the certificate holders." The IRS determined that the arrangements, which allowed for possible improvements or entire replacements of buildings for the maximum benefit of both the lessee and the lessor, may be considered as involving the taking of advantage of market variations to improve the investment of the trust beneficiaries. Accordingly, the IRS classified the trust as a corporation for tax purposes. Private Letter Ruling 6501275170A (January 27, 1965).

In the case of the Trust, each party to the arrangements (Trust, Master Tenant, Trust Manager, the Asset Manager and the Property Manager) has its own separate interest and rights. Unlike the facts of the private ruling, in which the leases themselves provided that a joint purpose thereof was to improve the investment of the trust beneficiaries, and in which the trust agreement parroted key provisions of the leases to that effect, the arrangements in the present case, including the Trust Agreement and the Master Lease, make no similar provision whatsoever. Other than the ability to sublease the Real Estate, the Master Tenant has no power under the Master Lease or otherwise with respect to the Real Estate that is inconsistent with powers that the Trust itself is allowed to have with respect to the Real Estate under Revenue Ruling 2004-86 and the underlying authorities with respect to investment trust status. And, while not explicitly stated, and leaving aside the restrictions on investment trust activities permitted under Revenue Ruling 2004-86, it seems readily apparent that had the powers of the tenant in Private Letter Ruling 6501275170A been

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limited to the mere ability to lease and release its various leased properties, it is unlikely that the outcome of that ruling would have been unfavorable to the taxpayer since the obvious premise for the arrangement proposed in the private ruling – to materially modify the leased properties for the benefit of the trust beneficiaries – would have been nullified. For these and other reasons, we believe the situation with respect to the Trust should not be controlled by the principles described in Private Letter Ruling 6501275170A even if private rulings qualified as legal precedent, which they do not.

VII. Conclusion.

The differences described in the preceding paragraphs, and any other differences between the Trust and the DST (including the Rent structure under the Master Lease), should not in our view defeat the classification of the Trust as an investment trust under Treasury Regulation Section 301.7701-4(c)(1) because they do not cause the Trust to have more than a single class of ownership interests and do not create a power to vary the investment of the Investors during the term of the Trust.

3. Characterization of the Master Lease for Federal Income Tax Purposes.

If the Master Lease is not a true lease for federal income tax purposes, then an Interest would not be eligible for a Code Section 1031 exchange because the Investors would not be the tax owners of the Real Estate. If the Master Lease constitutes a partnership agreement for tax purposes, then an Interest in the Trust would also not be eligible for a Code Section 1031 exchange because partnership interests cannot be exchanged for real property on a tax-free basis. If the Master Lease constitutes a contract under which the Master Tenant or the Property Manager manages the Real Estate on behalf of the Trust, then the Trust would not be simply conserving and protecting the Trust estate but rather would be engaged in a business such that the Trust would not constitute a fixed investment trust and the Investors would again not be the tax owners of the Real Estate.

For the reasons discussed below, in our view the Master Lease should be respected as a true lease and not re-characterized as a partnership agreement or a management contract for federal income tax purposes.

A. The Master Lease Should be Respected as a True Lease.

In 1939, the Supreme Court in *Helvering v. F&R Lazarus & Co.* established that tax ownership in a lease transaction is not determined by the location of title or by the nomenclature adopted by the parties to the transaction: "In the field of taxation, administrators of the laws and the courts are concerned with substance and realities, and formal written documents are not rigidly binding." Thus, as in other areas of the tax law, substance takes priority over form. In the context of a lease, the fundamental issue is whether, taking into account all the facts and circumstances, the lessor has sufficient benefits and burdens of ownership to be respected as the owner of the leased property for tax purposes, or whether the lessor is in substance a conditional seller, a lender, a holder of an option, some other type of participant in the transaction, or perhaps an accommodation party rather

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than a real participant in the transaction. *Helvering v. F&R Lazarus & Co.*, 308 U.S. 252, 255 (1939) (lessee is tax owner).

In 1978, the Supreme Court revisited the true lease issue in *Frank Lyon Company v. Commissioner*: "we hold that where, as here, there is a genuine multiple-party transaction with economic substance which is compelled or encouraged by business or regulatory realities, is imbued with tax-independent considerations, and is not shaped solely by tax-avoidance features that have meaningless labels attached, the Government should honor the allocation of rights and duties effectuated by the parties. Expressed another way, so long as the lessor retains significant and genuine attributes of the traditional lessor status, the form of the transaction adopted by the parties governs for tax purposes." *Frank Lyon Company v. Commissioner*, 435 U.S. 561, 583-84 (1978) (lessor is tax owner).

Both before and after the Supreme Court decisions, the IRS and the courts have considered the true lease issue. It is fair to conclude from the various cases and rulings that the principal aspect of a true lease for tax purposes is the availability to the lessor of a substantial anticipated residual value at the end of the lease term in underlying property in which the lessor has made a substantial equity investment, the enjoyment of which is subject to market forces and conditions, and the opportunity of the lessor, by realizing such residual value, to achieve a substantial economic profit from the lease transaction apart from the value of tax benefits. *See generally,* Michael G. Robinson and William A. Macan IV, "Tax Considerations," Chapter 3 of Ian Shrank and Arnold G. Gough, Jr. (eds), Equipment Leasing - Leveraged Leasing (5th ed. 2014); *see also,* Rev. Proc. 2001-28, 2001-1 C.B. 1156 (IRS advance ruling guidelines for leveraged lease transactions).

The Master Lease is styled as a lease. The Master Lease grants the right to possession and use of the Real Estate to the Master Tenant for a term of years. The Trust has lessor remedies such as repossession of the Real Estate in the case of an uncured event of default. The Sponsor has represented that the Trust has made or will make a substantial equity investment in the Real Estate, reasonably expects the improvements included in the Real Estate to have a substantial remaining economic useful life and residual value at the end of the Master Lease term (assuming exercise of all renewal options), and reasonably expects to realize a substantial economic profit from the Master Lease and subsequent further leasing and/or disposition of the Real Estate apart from the value of tax benefits and net of the Disposition Fee, putting aside the FMV Option (discussed below), and neither the Master Tenant nor any affiliate has any option to purchase the Real Estate from the Trust. In addition, the Lender is unrelated to the Master Tenant so that there is no issue of so-called lessee debt, and the Real Estate is not so-called limited use property that would be useful only to or useable only by the Master Tenant or an affiliate at the end of the term of the Master Lease. We also note that, although the Guarantor is an affiliate of the Master Tenant, it does not guaranty the Loan incurred by the Trust in respect of the Real Estate, but only guarantees that the third-party Lender will not incur losses by reason of fraud, misappropriation of funds, environmental liability, or certain other specified events.

Accordingly, in our view the Master Lease should be respected as a true lease for federal income tax purposes, with the result that the Master Tenant should not be treated as the owner of the Real Estate for tax purposes.

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B. The Master Lease Should Not be Recharacterized as a Partnership Agreement.

The term "partnership" is defined in Code Sections 7701(a)(2) and 761(a) to include a syndicate, group, pool, joint venture, or other unincorporated organization through or by means of which any business, financial operation, or venture is carried on, and which is not properly classified for tax purposes as a corporation, trust, or estate. After promulgation of the so-called "check-the-box" Regulations, the substance of any business arrangement involving two or more participants must be examined to determine whether it rises to the level of an organization that is recognized as an entity separate from the participants for tax purposes. *See also*, Treasury Regulation Section 301.7701-2(c)(1) (the term "partnership" means a business entity that is not a corporation and that has at least two members).

An organization need not be an entity under applicable non-tax law to constitute a business entity in a tax sense. Thus, an economic relationship governed by a contract that does not create a juridical entity under local law, such as the relationships created by the Master Lease, may constitute an organization that rises to the level of an entity for purposes of the check-the-box Regulations. Under the check-the-box Regulations, a contractual arrangement will create a separate entity for federal income tax purposes and will constitute a business entity potentially classifiable as a partnership for tax purposes "if the participants carry on a trade, business, financial operation, or venture and divide the profits therefrom." Treasury Regulation Sections 301.7701-1(a)(1), (2), -2(a).

In the case of the Master Lease, the Additional and Supplemental Rent are measured by percentages of the gross revenues of the Master Tenant above specified thresholds and with no dollar cap on annual or cumulative Supplemental Rent. Sharing in gross income above a threshold may in some cases amount to a sharing in net income. In addition, Rent under the Master Lease varies with the level of Uncontrollable Expenses, and the Lender has the contractual right to terminate the Master Lease in consequence of a Loan Event of Default not attributable to the Master Tenant. These features raise the question of whether the Trust and the Master Tenant are partners in a partnership for Federal income tax purposes.

Insofar as the Trust's participation in the results of operation of the Real Estate is concerned, the Sponsor has represented that the Rent payable under the Master Lease constitutes fair market value rent for the Real Estate. Uncontrollable Expenses are not of sufficient magnitude, alone or in combination with other factors, to transmute the Master Lease from a true lease into a partnership agreement in disguise in a tax sense.

Insofar as the right of the Lender to terminate the Master Lease is concerned, a lessee may always and typically does bargain with its lessor's creditor for a continuation of the lessee's right of quite enjoyment of the leased property in the event of a loan default not attributable to a lease default. The lessee may be successful in such negotiation, or the creditor may insist that the lease be subject and subordinate to the loan in all circumstances, such that the creditor preserves all of its potential options and thereby gives itself maximum flexibility to take such action as it then considers most advantageous at the time of a loan default in light of market conditions and other factors that it considers relevant at the time. Acceding to such a demand of the creditor is a commercial decision

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that a lessee in such circumstances may decide to take in light of the rent reserved in the lease and other factors that the lessee concludes may make the risk acceptable to it.

In the current situation, for example, the Master Tenant presumably views the risk of a Trust bankruptcy or insolvency not attributable to a Master Tenant bankruptcy or insolvency as highly unlikely and even remote. Similarly, the risk of an Investor's transferring an Interest in the Trust to a proscribed transferee without Lender consent may be perceived by the Master Tenant as not overly significant because under the terms of the Trust Agreement such a transfer may not be made without the consent of the Trust Manager. More generally, by agreeing that the Master Lease is subject and subordinate to the Loan Documents , the Master Tenant has implicitly made a business decision to take the risk of being dispossessed from the Real Estate in enumerated circumstances not within its control which the Master Tenant views as acceptable in light of its expected reward from entering into the transaction. Nothing in the subject Loan arrangements makes the Master Tenant the agent or nominee of the Trust or vice versa, conflates the Trust and the Master Tenant into a single entity, transmutes the Trust from investment trust to business trust, or creates a partnership or joint venture between the Trust and the Master Tenant.

Nor is the Trust's responsibility to the Lender for specified actions of the Master Tenant indicative of a joint venture between the Trust and the Master Tenant for tax purposes. Rent payable by the Master Tenant to the Trust under the Master Lease is the expected source of funds to be used by the Trust to pay debt service to the Lender. The Lender therefore has a clear commercial interest in the Master Tenant's (and its Property Manager's) proper operation and management of the Real Estate and in the integrity of the Master Tenant as a solvent bankruptcy remote entity. Moreover, the Master Tenant was chosen by the Trust rather than by the Lender, and the Property Manager was chosen by the Master Tenant. Accordingly, the possibility that the Trust could have its Real Estate foreclosed on in consequence of a Loan Event of Default attributable to the Master Tenant (or the Property Manager) should not, by itself or in combination with other factors, result in the creation of a partnership between the Trust and the Master Tenant.

In addition, the Master Lease is styled as a lease of property, the Master Lease grants to the Master Tenant the right to possession and use of the Real Estate for a term of years, which is the classic indicia of a lease, and the Trust has lessor remedies such as repossession of the Real Estate in the case of an uncured event of default thereunder by the Master Tenant. The Sponsor has represented that the Master Tenant is reasonably capitalized, is acting as a principal for its own account in leasing the Real Estate from the Trust and subleasing the Real Estate to subtenants, and may reasonably be expected to realize a commercially reasonable profit from its lease and sublease of the Real Estate. The Master Tenant has not contributed and will not contribute capital to a joint venture with the Trust (Rent not in our view being fairly characterized as contributed capital), the Master Tenant does and will not share in any losses of the Trust, Rent is payable to the Trust even if the Master Tenant is operating at a loss, the Trust does and will not share in the management of the Real Estate during the term of the Master Lease, and the Master Tenant is not and will not be held out to taxing authorities or third parties as a partner with the Trust. In addition, the Sponsor has represented that the Trust and Master Tenant intend that the Master Lease constitute a true lease and not a partnership or joint venture agreement. Moreover, the Master Lease expressly

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provides that the parties thereto agree that the Master Lease is a true lease and not a partnership or joint venture.

We also note that under Code Section 7701(e)(2), dealing with the inverse situation of potential re-characterization of a partnership agreement as a disguised lease, a partnership agreement is treated as a lease for tax purposes if the arrangement is properly treated as a lease agreement, taking into account all relevant factors including whether the potential lessee is in physical possession of the underlying property, whether the potential lessee controls the underlying property, and whether payments by the potential lessee to the potential lessor do not substantially exceed the fair rental value of the underlying property for the term of the arrangement. In the case of the Master Lease, the Master Tenant has the right to possession of the Real Estate, the Master Tenant controls the Real Estate, and the Rent does not substantially exceed fair market rent.

On balance, we believe that the Trust and the Master Tenant have separate profit motives rather than a joint proprietary interest in profits, that the Trust derives its profits in its capacity as the lessor of the Real Estate whereas the Master Tenant derives its profits in its capacity as lessee and sublessor of the Real Estate, and that the Master Tenant is not engaged in carrying on a trade or business in partnership with the Trust with a view to dividing the profits therefrom within the meaning of the check-the-box Regulations. Accordingly, in our judgment the Master Lease should not be re-characterized as a partnership agreement for federal income tax purposes, and the Trust and the Master Tenant should not be characterized as partners (or as co-owners of the Real Estate) for federal income tax purposes. *See generally*, William S. McKee, William F. Nelson, Robert L. Whitmire, Gary R. Huffman and James P. Whitmire, Federal Taxation of Partnerships and Partners (5th ed. 2025), at para. 3.02, 3.04, 3.05; *see also*, *Commissioner v. Tower*, 327 U.S. 280 (1946); *Commissioner v. Culbertson* 337 U.S. 733 (1949); *Luna v. Commissioner*, 42 T.C. 1067 (1964); *Bussing v. Commissioner*, 88 T.C. 449 (1987), *supplemental opinion*, 89 T.C. 1050 (1987).

C. The Master Lease Should Not be Recharacterized as a Management Contract.

If the Master Tenant were re-characterized for tax purposes as a manager of the Real Estate hired by the Trust, then the Trust could be treated as being engaged in an active real estate business and not as a mere passive investor in real estate subject to a long-term net lease. In that event, the Trust would be classified as a corporation or partnership rather than a trust for tax purposes, and the Interests would not be treated as real property potentially eligible for like-kind exchange treatment under Code Section 1031.

The Trust has granted to the Master Tenant the right to possession and use of the Real Estate for a term of years. The Sponsor has represented that the rent payable under the Master Lease constitutes fair market value rent. Having ceded the right to possession and use of the Real Estate to the Master Tenant pursuant to the Master Lease, the Trust and its Trustees do not control or have the right to control the day-to-day operations of the Real Estate. Rather, the operations of the Real Estate, including the maintenance thereof, and the collection of rents from subtenants, will be handled by the Property Manager under the Property Management Agreement and, in turn, by the Sub-PM under the Sub-PMA. The Master Tenant and not the Trust is the party to the Property Management Agreement, and so it is the Master Tenant and not the Trust that has hired

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an agent or independent contractor to utilize the Real Estate on its behalf to run a housing business. Also, pursuant to the Sub-PMA, the Property Manager has subcontracted all day-to-day, on-site management, leasing and related functions for the Real Estate to the Sub-PM (which is unaffiliated with the Sponsor). In addition, and consistent with the foregoing, the Sponsor has represented that the Trust and Master Tenant intend that the Master Lease constitutes a true lease and not a management, agency, or nominee agreement. And the parties thereto have expressly agreed therein that the Master Lease is a true lease and not a management agreement. In addition, the Sponsor has represented that the Master Tenant is reasonably capitalized, is acting as a principal for its own account and may reasonably be expected to realize a commercially reasonable profit from its lease and sublease of the Real Estate.

Accordingly, in our view the Master Lease should be respected as a true lease and not re-characterized as a management, agency, or nominee agreement, and the Master Tenant should not be disregarded, for federal income tax purposes. *See, e.g.*, *Meagher v. Commissioner*, 36 T.C.M. 1091 (1977) (management contract respected as such and not re-characterized as lease); *McNabb v. Commissioner*, 47 AFTR 2d 81-513 (W.D. Wash. 1980) (agreement constituted lease rather than management contract); *Amerco v. Commissioner*, 82 T.C. 654 (1984) (leases respected as such and not re-characterized as agency agreements). *See also*, Code Section 7701(e)(1) (a contract which purports to be a service contract shall be treated as a lease of property if such contract is properly treated as a lease of property taking into account all relevant facts including physical possession of the property, control of the property, and the relationship of the contract price to the rental value of the property).

4. Classification of the Trust as a "Grantor Trust" for Federal Income Tax Purposes.

Under Code Section 671 *et seq*., where a grantor is treated as the owner of any portion of a trust (commonly referred to as a "grantor trust"), the grantor takes into account for federal income tax purposes the income and deductions which are attributable to that portion of the trust. A grantor trust includes an organization that is properly classified as a trust for federal income tax purposes if the income of the organization may be distributed or held or accumulated for future distribution to the grantor in the discretion of the grantor or a non-adverse party or without the approval or consent of an adverse party. For this purpose, an adverse party is any person having a substantial beneficial interest in the trust which would be adversely affected by the exercise or non-exercise of a power which he possesses respecting the trust. A non-adverse party is any person who is not an adverse party.

A grantor includes any person to the extent such person either creates a trust, or directly or indirectly makes a gratuitous transfer of property to a trust. A grantor also includes any person who acquires any interest in a trust from a grantor of the trust if the interest acquired is an interest in an investment trust. Treasury Regulation Section 1.671-2(e)(1), (3).

Like the DST in Revenue Ruling 2004-86, the Trust satisfies the Code requirements for qualification as a grantor trust. Section 3.3(c) of the Trust Agreement provides that the Investors shall be treated for federal income tax purposes as owning a direct interest in the Real Estate and other Trust Property and shall be obligated to report their Interests consistently with such

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characterization. Article 7 of the Trust Agreement (1) directs the Trust Manager to distribute all available cash to the Investors in accordance with their "Percentage" after paying debt service on the Loan and related expenses and paying or reimbursing the Trustees for any fees or expenses paid or incurred by the Trustees on behalf of the Trust and retaining funds as required for a reasonable reserve as necessary to pay anticipated current and future ordinary Trust expenses, and (2) requires undistributed cash to be invested only in short-term government obligations and in certificates of deposit or interest-bearing bank accounts with a bank or trust company having a minimum stated capital. Section 3.3(c) of the Trust Agreement provides that from and after such time as there is more than one Investor in the Trust, the Trust shall not constitute a business entity, but shall instead constitute a "grantor trust" within the meaning of Subpart E of Part 1, Subchapter J of the Code (Code Sections 671 *et seq*.).

The Trust is a grantor trust because its income is distributed or held for distribution to the Investors without the consent or approval of an adverse party. Code Section 677.

5. The Investors Should be Respected as the Owners of their Respective Interests Notwithstanding the Existence of the FMV Option.

In a variety of contexts, the Treasury Regulations promulgated under the Code treat an option as having been effectively exercised upon grant if, among other things, exercise of the option is reasonably certain or substantially certain as of the date of grant. *See, e.g.*, Treasury Regulation Section 1.1504-4 (subject to specified exceptions, an option to acquire the stock of a corporation is treated as exercised for purposes of determining whether the corporation is a member of an affiliated group eligible to file a consolidated federal income tax return if based on all the facts and circumstances it is reasonably certain that the option will be exercised and it could reasonably be anticipated that the issuance or transfer of the option in lieu of the issuance, redemption or transfer of the underlying stock would result in the elimination or deferral of a substantial amount of federal income tax liability); Treasury Regulation Section 1.1361-1(l)(4)(iii) (subject to specified exceptions, an option issued by a corporation with respect to its stock is treated as a second class of stock in the corporation for purposes of Subchapter S of the Code if, taking into account all the facts and circumstances, the option is substantially certain to be exercised (by the holder or a potential transferee) and has a strike price substantially below the fair market value of the underlying stock on the date the option is issued, transferred by a person who is eligible to be a shareholder in an S corporation to a person who is not eligible to be a shareholder in an S corporation, or materially modified).

Revenue Rulings issued by the IRS in a variety of contexts similarly look, among other things, to whether an option is deep in the money, whether there is otherwise a very high probability that the option will be exercised, or whether there is economic compulsion to exercise the option. *See, e.g.*, Revenue Ruling 82-150, 1982-2 C.B. 110 (U.S. person holding option to purchase at any time all of the stock in a foreign corporation treated as the owner of the stock for foreign personal holding company purposes where the holder paid 70% of the fair market value of the stock to the issuer of the option at the time the option was granted); Revenue Ruling 83-98, 1983-2 C.B. 40 (notes convertible into stock of the issuer treated as equity where, among other things, the notes were structured such that there was a very high probability of conversion); Revenue Ruling 2003-

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97, 2003-2 C.B. 380 (investment unit consisting of note plus forward contract to purchase stock treated as consisting of two separate items of property for federal income tax purposes where the holder had a legal right to separate the note from the forward and the holder was not economically compelled to keep them unseparated; if the characterization of an instrument or a transaction for federal income tax purposes either depends on, or could be affected by, the existence of a person's legal right or option to elect a certain course of action, the tax consequences often depend on whether the exercise (or non-exercise) of the right or option is economically compelled based on all the facts and circumstances).

The FMV Option is governed by Article 10 of the Trust Agreement. Article 10 grants the Operating Partnership an option to require all Investors to exchange their Interests in the Trust for OP Units or, at the election of each Investor, cash. The Sponsor has represented that (1) in the event of an exercise of the FMV Option, it is reasonable to expect that the cash or OP Units to be paid to the Investors as the purchase price for their Interests in the Trust will have an aggregate fair market value at the time of such purchase equal or approximately equal to the fair market value of the Real Estate at the time of such purchase, and (2) as disclosed in the Private Placement Memorandum, there are many factors that may influence whether or not the FMV Option will be exercised, including but not limited to significant changes in interest rates, significant decreases in the value of the Real Estate, adverse changes in economic conditions generally or specifically with respect to the locations of the Real Estate, there is a significant increase in the supply of, or decrease in the demand for, properties that are similar to or that compete with the Real Estate, there is a catastrophic loss or damage to the Real Estate, liabilities associated with the Real Estate are discovered or are determined to be greater than previously anticipated, an environmentally hazardous condition is discovered at the Real Estate, the Property is subject to a material condemnation proceeding, either the REIT (as defined below) or the Operating Partnership suspend capital raising activities or elect not to acquire additional properties, and there is an adverse change in tax, real estate, environmental or zoning laws, and in light of the foregoing, neither the Operating Partnership nor the Sponsor currently intends to exercise or cause the Operating Partnership to exercise the FMV Option, and there is at a minimum a reasonable possibility that the FMV Option will not be exercised. Moreover, the Private Placement Memorandum states that the FMV Option may or may not be exercised by the Operating Partnership.

Accordingly, for federal income tax purposes the FMV Option should not be deemed to have been exercised as of the date of grant, with the result that the Investors should be respected as the owners of their respective Interests in the Trust for tax purposes notwithstanding the existence of the FMV Option.

6. Treatment of the Investors as Directly Holding Interests in the Real Estate for Federal Income Tax Purposes.

Section 671 of the Code provides that where a grantor is treated as the owner of any portion of a trust, there shall then be included in computing the taxable income of the grantor those items of income and deductions of the trust which are attributable to that portion of the trust to the extent that such items would be taken into account in computing taxable income of an individual. Under

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Code Section 671 a grantor includes in computing his taxable income those items of income and deductions which are attributable to or included in any portion of a trust of which he is treated as the owner. An item of income or deduction included in computing the taxable income of a grantor under Code Section 671 is treated for federal income tax purposes as if it had been received or paid directly by the grantor. Treasury Regulation Section 1.671-2(a), (c).

In Revenue Ruling 2004-86, the IRS held that a person who is treated as the grantor of a grantor trust is considered to own its proportionate share of the assets of the trust for federal income tax purposes. Revenue Ruling 2004-86 went on to hold that an owner of a grantor trust that holds real property is considered to be the owner of a fractional interest in the real property and that, accordingly, real property can be exchanged for an interest in such a grantor trust without the recognition of gain or loss so long as the other requirements of Code Section 1031 are satisfied.

As indicated above, upon the issuance of the Interests to the Investors, the Trust will satisfy the tax law requirements for qualification as an investment trust and a grantor trust, and thus the Investors should be treated for federal income tax purposes as owning direct interests in the property held by the Trust. Accordingly, the Investors should be treated as owning direct interests in the Real Estate for purposes of Code Section 1031.

7. The Property Management Fee and the Disposition Fee.

If the Property Management Fee and/or the Disposition Fee were to be recharacterized for federal income tax purposes as creating a partnership between the Property Manager and the Trust and/or the Trust Manager and the Trust, in respect of the ownership of the Real Estate from the outset, then an acquisition of the Interests in the Trust would not qualify as replacement property for purposes of the like-kind exchange provisions of Code Section 1031. If the Property Management Fee and/or the Disposition Fee were recharacterized for federal income tax purposes as conveying to the Property Manager and/or the Trust Manager an ownership interest in the Real Estate as a tenant-in-common with the Trust, then the real property deemed owned by the Investors as grantors of the Trust for purposes of Code Section 1031 would be proportionately reduced.

The Property Management Fee is equal to the greater of (x) two and one half percent (2.50%) of the Gross Receipts of the Real Estate and (y) $8,500.00 (such amount to be pro-rated for any partial months), calculated on a per-month basis. In our view the Property Manager should not be viewed as engaged in carrying on a trade or business in partnership with the Master Tenant with a view to dividing the profits therefrom within the meaning of the check-the-box Regulations discussed above. The Property Management Agreement is styled as a management agreement. The Master Tenant hired the Property Manager to manage and operate the Real Estate. The Property Management Agreement provides that the Master Tenant has hired the Property Manager as an independent contractor. The Property Management Agreement is terminable upon various events. The Property Manager has a separate rather than a joint interest in profiting from the operation of the Real Estate. The Property Management Fee is measured by gross revenue from operation of the Real Estate, and the Sponsor has represented that the Property Management Fee is at fair market value. Also, pursuant to the Sub-PMA, the Property Manager has subcontracted all day-to-day, on-site management, leasing and related functions for the Real Estate to the Sub-PM

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(which is unaffiliated with the Sponsor) and, accordingly, will pay over the entire Property Management Fee to the Sub-PM. Moreover, the Property Manager has not contributed capital to a joint venture with the Master Tenant, does not share in any losses of the Master Tenant, and is not held out to taxing authorities or third parties as a partner of the Master Tenant. Accordingly, in our judgment the Property Manager is not properly characterized for federal income tax purposes as standing in a partner-to-partner relationship with the Master Tenant. Moreover, even if the Property Manager were properly characterized for federal income tax purposes as standing in a partner-to-partner relationship with the Master Tenant, such a partnership relationship would not transmute the Trust into a partnership and cause an acquisition of the Interests in the Trust to fail to qualify as replacement property for purposes of the like-kind exchange provisions of Code Section 1031.

Nor should the Property Manager be viewed as a partner of the Trust, or of the Trust and the Master Tenant, for tax purposes. Although the Property Manager shares in the results of operation of the Real Estate through the Property Management Fee, that Fee is for services rendered to the Master Tenant with respect to the management of the Real Estate and the Property Manager does not have any interest in the residual value of the Real Estate owned by the Trust.

The Disposition Fee is equal to 3.5% of the of the gross proceeds of the Real Estate and may not, in combination with any brokerage commissions exceed 3.5% of the gross sales price.

In our view the Trust Manager should not be viewed as engaged in carrying on a trade or business in partnership with the Trust with a view to dividing the profits therefrom within the meaning of the check-the-box Regulations discussed above. The Sponsor has represented that the Disposition Fee is compensation for the agreement of the Trust Manager to assist the Trust in disposing of the Real Estate as the Trust may reasonably request. Accordingly, the Disposition Fee is a fee for services rendered or to be rendered, or for the Trust Manager's agreement to stand ready to provide disposition services if reasonably requested to do so by the Trust, rather than simply a share of the residual value of the Real Estate. Moreover, the Disposition Fee is a percentage of gross proceeds of the Real Estate rather than a percentage of the Trust's taxable gain or net economic profit on a sale of the Real Estate and although any third party broker costs are in addition to the Disposition Fee, the Disposition Fee and brokerage fee cannot exceed 3.5% of the gross sales price of the Real Estate. The Trust Manager has a separate rather than a joint interest in profiting from the Real Estate, has not contributed capital to a joint venture with the Trust, does not share in any losses of the Trust, and is not held out to taxing authorities or third parties as a partner of the Trust. Accordingly, in our judgment the Trust Manager is not properly characterized for federal income tax purposes as standing in a partner-to-partner relationship with the Trust notwithstanding the Trust Manager's affiliation with the Sponsor, the Operating Partnership, the Asset Manager, the Master Tenant, the Property Manager, and the Guarantor or any other factor.

Nor in our view should the Property Management Fee or the Disposition Fee be characterized as granting to the Property Manager or the Trust Manager, respectively, an undivided interest in the Real Estate as a tenant-in-common with the Trust. The Trust alone holds title to the Real Estate. No document denominated as a tenancy-in-common or similar agreement exists between the Trust (or any Trustee or the Asset Manager) and the Property Manager or the Trust Manager.

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Accordingly, the Property Management Fee and the Disposition Fee should not result in the creation of a partnership or a tenancy-in-common between the Trust and the Property Manager and/or the Trust Manager for federal income tax purposes.

CONCLUSION

Based on the facts and the authorities discussed above, we conclude that the acquisition of the Interests by the Investors should be treated as the direct acquisition of interests in the Real Estate for purposes of Code Section 1031.

This Opinion is given in reliance upon the accuracy and completeness of the documents, facts, assumptions and representations described herein. Any misstatement, or any change of a material fact referred to or omission of any material fact may require an adverse modification of all or a part of our Opinion.

This Opinion is based on existing federal law, including judicial decisions, applicable Treasury Regulations, and current published administrative positions of the IRS, all of which are subject to change either prospectively or retroactively. We assume no responsibility to inform the addressee or any Investor of any future change in the law. Although this Opinion represents our considered legal judgment, it has no binding effect and, therefore, there can be no assurance that the IRS will not be able to successfully challenge the conclusions reached herein. This Opinion is delivered subject to this understanding and agreement. Finally, this Opinion is intended solely for the use of the Investors and may not be shown to or relied upon by any other party without our express written approval.

Very truly yours,

SEYFARTH SHAW LLP

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Accordingly, the Property Management Fee and the Disposition Fee should not result in the creation of a partnership or a tenancy-in-common between the Trust and the Property Manager and/or the Trust Manager for federal income tax purposes.

CONCLUSION

Based on the facts and the authorities discussed above, we conclude that the acquisition of the Interests by the Investors should be treated as the direct acquisition of interests in the Real Estate for purposes of Code Section 1031.

This Opinion is given in reliance upon the accuracy and completeness of the documents, facts, assumptions and representations described herein. Any misstatement, or any change of a material fact referred to or omission of any material fact may require an adverse modification of all or a part of our Opinion.

This Opinion is based on existing federal law, including judicial decisions, applicable Treasury Regulations, and current published administrative positions of the IRS, all of which are subject to change either prospectively or retroactively. We assume no responsibility to inform the addressee or any Investor of any future change in the law. Although this Opinion represents our considered legal judgment, it has no binding effect and, therefore, there can be no assurance that the IRS will not be able to successfully challenge the conclusions reached herein. This Opinion is delivered subject to this understanding and agreement. Finally, this Opinion is intended solely for the use of the Investors and may not be shown to or relied upon by any other party without our express written approval.

Very truly yours,

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APPENDIX I – FINANCIAL FORECAST

The following Financial Forecast is intended to supplement the disclosures contained in this Offering Memorandum. The Financial Forecast was prepared based upon our assumptions, including current estimates of income and expenses relating to the operation of the Properties. We believe these assumptions to be reasonable and are not aware of any material factors other than as set forth in the Offering Memorandum of which this Appendix forms a part that would cause the financial information not to be necessarily indicative of future operating results. However, if the assumptions with respect to the Properties do not prove correct, the Properties will have difficulty in achieving its anticipated results. Some of the other underlying assumptions inevitably may not materialize and unanticipated events and circumstances may occur. Therefore, the actual results achieved during the period covered is likely to vary from the Financial Forecast, and the variation may be material. As a result, your rate of return may be higher or lower than that set forth. Your return on your investment in the Interests will depend upon economic factors and conditions beyond our control.

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Assumptions and Notes for the Forecast

1. The Trust acquired the Property on December 18, 2025 from the seller of the Property for $66,600,000, excluding direct and indirect costs and fees as noted below and in the Financial Forecast the Trusts financed the acquisition of the Properties with the Depositor Contributions. The Trust financed its acquisition of the Property with (a) a $38,625,000 first mortgage loan from Keybank National Association under the Federal National Mortgage Association (Fannie Mae) Delegated Underwriting and Servicing (DUS) loan program, and (b) with the cash portion of the Depositor Contribution to the Trust. The Loan requires the Trust to make monthly, interest-only payments, calculated on the basis of a 360-day year, in an annual amount equal to approximately $155,616-$172,289, on each payment date through January 1, 2036. The carry costs on the Depositor Contribution to the Trust are projected to have a blended rate of approximately 8.00% per annum, or approximately $1,035,162. The total cost of acquiring the Property, including the contract price, transactional closing costs, fees and financing closing costs was $71,819,554.

2. The difference between the contract price payable to Seller, $66,600,000, and the total proceeds of $78,111,498 from the Offering, including Depositor's share of the Interests, represents all estimated costs and expenses related to the Offering, marketing, and transferring of the Interests, the amount of the Supplemental Reserve Account (defined below), other Trust reserves and escrows and the payment of the Acquisition Fee in the amount of $1,665,000. The annualized cash on cash return is calculated based on the $39,486,498 of Class 1 Interests being sold to Investors (100% ownership of the Trust).

3. The income forecast for the Property is based on the rent roll, recent leases, market conditions and other income for 2026. Underlying assumptions include (1) a vacancy factor of 6.0%-6.5%; (2) a residential rent general inflation of 3.0%; (3) fee-based and utility reimbursement income with a general inflation factor of 2.75%; (4) controllable expenses (consisting of payroll, maintenance and repairs, landscaping and turnover, and marketing and administration expenses) based on a general inflation factor of 2.75%; and (5) uncontrollable expenses (consisting of utilities, taxes, and insurance) based on a general inflation factor of 2.75% to 5%.

4. Sponsor will be entitled to an annual asset management fee pro-rata and as set forth in the Management Agreement equal to 0.20% of the Sponsor purchase price.

5. The Master Tenant will pay an annual property management fee in the initial amount equal to 2.50%, of the gross income generated by the Property. The Property Manager has subcontracted all day-to-day, on-site management, leasing and related functions for the Property to an unaffiliated sub-manager and expects to pass thru to the sub-manager the full 2.50% property management fee. The initial Property Sub-Manager is RPM Living.

6. The rent payable under the Master Lease consists of: (1) an amount of Base Rent payable in arrears on the last day of each calendar month (the annual Base Rent amount being $2,028,564 for 2026; (2) Additional Rent equal to the amount by which annual Gross Income (as defined in the Master Lease) exceeds the annual Additional Rent Breakpoint, as provided in the Master Lease (such breakpoint being $4,344,000 for 2026) up to a maximum annual amount (such amount being $5,340,000 in 2035); and (3) Supplemental Rent equal to 90% of the amount by which annual Effective Gross Revenue exceeds the annual Supplemental Rent Breakpoint, as provided in the Master Lease (such breakpoint being $6,042,000 for 2026) ("**Supplemental Rent**" and, collectively with the Base Rent and the Additional Rent, collectively the "**Rent**"). The difference between the Base Rent and the Additional Rent Breakpoint for the Property for a given month, if any, after taking into account any expenses of the Property, will inure to the benefit of the Master Tenant, BHM Parkview Leasco, LLC. The Trust anticipates that this will result in additional income ranging from approximately $61,277 to $141,707 per year to the Master Tenant. Such amounts will not be available for distributions to the Trust or the Investors. The Master Tenant must pay the Base Rent to the Lender, as required, in accordance with the terms of the Loan Documents. The Additional Rent will be estimated and paid to the Trust on a monthly basis with year-end reconciliation. Supplemental Rent, if payable, is payable in arrears within 90 days after the end of each year. In addition, the Trust will be responsible for (and Rent will be reduced by) the amount by which the actual Uncontrollable Costs (with "**Uncontrollable Costs**" being comprised of property taxes, utility and insurance costs) exceed the Projected Uncontrollable Costs (as defined in the Master Lease and shown on Appendix I*, Financial Forecast*), and the Master Tenant will pay to Appendix I – Page 5 the Trust (as Appendix I –

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Page 5 Additional Rent) the amount, if any, by which the Projected Uncontrollable Costs are greater than the actual Uncontrollable Costs.

7. Loan proceeds were used to fund in advance $310,471 into a Lender-controlled reserve account required under the Loan Documents (the "Lender Replacement Reserve", and "Tax and Insurance Escrow"). The Trust will also establish (and control) a reserve funded from proceeds of the Offering for Property costs and expenses, in the initial amount of $2,000,000 (the "Supplemental Trust Reserve"), same being available to Master Tenant for Landlord Costs and Lender Reserve requirements. Any amount remaining in the reserve accounts upon the sale of the Property shall be distributed to the Investors based on their respective pro rata Interests. Partner identified no immediate repairs, but identified certain long-term replacement and repair needs for the Property totaling $541,819 in inflated dollars ($205 per unit per year), assuming a 10-year holding period and an inflation rate of 2.5%. These long-term replacement and repair needs include the following items: **Site:** Asphalt seal coat and restriping ($54,000), and pool / spa filtration / circulation equipment replacement ($4,800). Subtotal: $58,800. **Structural Frame and Building Envelopes:** Exterior cleaning, painting and sealing ($198,000). Subtotal: $198,000. **Mechanical/Electrical/Plumbing Systems:** Replace hot water heaters ($3,750), replace split-system furnace/fan coil ($2,700), and replace split-system condenser ($2,200). Subtotal: $8,650. **Interior Elements:** Replace apartment carpet ($146,250), replace apartment vinyl ($10,000), replace apartment dishwasher ($3,500), replace apartment microwave ($14,750), replace apartment washer and dryer combo ($6,750), replace apartment refrigerator ($4,750), and replace apartment oven/range ($750). Subtotal: $186,750.

Following completion of the sale of the Maximum Offering Amount, the Trust would have approximately $2,000,000 in the Supplemental Trust Reserve, $250,000 in the Trust Operating Account available for use by the Master Tenant with respect to initial operating costs at the Property, $105,600 in the Replacement Reserve Account (totaling $2,355,600) available for improvements to and maintenance of the Property, which is higher than the $541,819 estimated capital repair items in the Assessment.

8. The Forecasted Statement of Cash Flows depicts the Tax Equivalent Yield and the Percentage of Income Sheltered through the Offering based on the following depreciation assumptions. Allocations to building and site are derived from UHY, LLP estimates which assume 90.0% allocation to the building. The building allocation amount of $63,415,447 is depreciated over 30 years for a total annual depreciation amount of $2,113,848. The calculations are also based on an assumed effective tax rate of 40% of taxable income.

9. Annual property tax estimates were derived with the assistance of a tax consultant Ryan, LLC.

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Investment Summary
BR Parkview Multifamily, DST

OFFERING SUMMARY

Offering Price		
Forward 12 Months Net Operating Income	$	3,870,686
Capitalization Rate[1]		5.81%
Offering Price		**$78,111,498**
Gross Loan Proceeds		$38,625,000
Upfront DST Escrow / Repair Reserve		(105,600)
Tax / Insurance / Repair / Interest Escrows		(204,871)
Net Loan Proceeds		$38,314,529
Offering Proceeds	$	39,486,498

Financing Terms	
Mortgage Principal	$38,625,000
Interest Rate	5.18%
Amortization	10 Year Interest Only, 30 Year Amortization
Annual Interest Only Payment	$ 2,028,564
Annual Principal and Interest Payment	N/A
Maturity Date	January 1, 2036

2026 Return		
Additional Rent	$	1,698,000
Asset Management Fee		(133,200)
Cash from Additional Rent	$	1,564,800
Supplemental Rent		39,981
Net Cash Flow	$	1,604,781
Annualized Cash on Cash Return[2]		**4.40%**

ESTIMATED USE OF PROCEEDS

Sources		
Offering Proceeds	$	39,486,498
Gross Loan Proceeds		$38,625,000
Total Sources	**$**	**78,111,498**

Application			% of Offering Proceeds	% of Total Proceeds
Selling Commissions and Fees				
Sales Commission	$	2,369,190	6.00%	3.03%
Marketing/Due Diligence Allowance Expense	$	493,581	1.25%	0.63%
Managing Broker Dealer Fee	$	552,811	1.40%	0.71%
Organization and Offering Expenses	$	315,892	0.80%	0.40%
Total	$	3,731,474	9.45%	4.78%
Acquisition Expenses				
Total Acquisition Costs	$	71,819,554		91.94%
Trust-Controlled Reserves	$	2,000,000		2.56%
Trust Operating Account	$	250,000		0.40%
Lender-Controlled Reserves	$	310,471		0.40%
Total	$	74,380,024		95.22%
Total Application	**$**	**78,111,498**		
	$	**-**		

Total Acquisition Expenses			
Real Estate Acquisition Price			$ 66,600,000
Acquisition Fee			1,665,000
Acquisition Closing Costs			
Closing and Title Costs	$	256,116	
Third Party Reports and Due Diligence	$	221,992	
Legal Costs	$	471,500	
			$ 949,608
Financing Closing Costs			
Lender Closing & Transfer Costs	$	1,088,034	
Loan-Related Costs	$	1,516,912	
			$ 2,604,946
Total Acquisition Expenses			$ 71,819,554

1 Based on 12 months forward nominal NOI. Assumes base purchase price of $66,600,000.
2 Assumes AM Fee deferral of $133,200

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Net Operating Income Summary
BR Parkview Multifamily, DST

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total Gross Potential Rent	$ 6,057,617	$ 6,232,215	$ 6,419,182	$ 6,611,757	$ 6,810,110	$ 7,014,413	$ 7,224,845	$ 7,441,591	$ 7,664,838	$ 7,894,784
Other Income	638,698	657,859	677,595	697,923	718,861	740,426	762,639	785,518	809,084	833,356
Total Income	$ 6,696,316	$ 6,890,074	$ 7,096,777	$ 7,309,680	$ 7,528,970	$ 7,754,839	$ 7,987,485	$ 8,227,109	$ 8,473,922	$ 8,728,140
Vacancy and Credit Loss	(609,892)	(565,149)	(533,959)	(549,978)	(566,477)	(583,472)	(600,976)	(619,005)	(637,575)	(656,702)
Gross Income	$ 6,086,424	$ 6,324,926	$ 6,562,817	$ 6,759,702	$ 6,962,493	$ 7,171,368	$ 7,386,509	$ 7,608,104	$ 7,836,347	$ 8,071,438
Payroll	$ 488,400	$ 501,831	$ 515,631	$ 529,811	$ 544,381	$ 559,352	$ 574,734	$ 590,539	$ 606,779	$ 623,465
Repairs and Maintenance	66,000	67,815	69,680	71,596	73,565	75,588	77,667	79,803	81,997	84,252
Landscaping and Turnover	178,200	183,101	188,136	193,309	198,626	204,088	209,700	215,467	221,392	227,481
Admin and Marketing	224,400	230,571	236,912	243,427	250,121	256,999	264,067	271,329	278,790	286,457
Total Controllable Expenses	$ 957,000	$ 983,318	$ 1,010,359	$ 1,038,144	$ 1,066,693	$ 1,096,027	$ 1,126,167	$ 1,157,137	$ 1,188,958	$ 1,221,655
Utilities	$ 356,400	$ 366,201	$ 376,272	$ 386,619	$ 397,251	$ 408,175	$ 419,400	$ 430,934	$ 442,784	$ 454,961
Taxes	568,017	570,820	941,646	946,317	951,011	977,164	1,004,036	1,031,647	1,060,018	1,089,168
Insurance	182,160	191,268	200,831	210,873	221,417	232,487	244,112	256,317	269,133	282,590
Total Uncontrollable Expenses	$ 1,106,577	$ 1,128,289	$ 1,518,749	$ 1,543,809	$ 1,569,679	$ 1,617,827	$ 1,667,548	$ 1,718,898	$ 1,771,935	$ 1,826,719
Property Management Fee	$ 152,161	$ 158,123	$ 164,070	$ 168,993	$ 174,062	$ 179,284	$ 184,663	$ 190,203	$ 195,909	$ 201,786
Total Expenses	$ 2,215,738	$ 2,269,730	$ 2,693,178	$ 2,750,945	$ 2,810,434	$ 2,893,138	$ 2,978,378	$ 3,066,238	$ 3,156,802	$ 3,250,159
Net Operating Income	**$ 3,870,686**	**$ 4,055,196**	**$ 3,869,639**	**$ 4,008,757**	**$ 4,152,059**	**$ 4,278,230**	**$ 4,408,131**	**$ 4,541,866**	**$ 4,679,545**	**$ 4,821,278**

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Forecasted Statement of Cash Flows
BR Parkview Multifamily, DST

		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
GROSS INCOME		**$ 6,086,424**	**$ 6,324,926**	**$ 6,562,817**	**$ 6,759,702**	**$ 6,962,493**	**$ 7,171,368**	**$ 7,386,509**	**$ 7,608,104**	**$ 7,836,347**	**$ 8,071,438**
Total Expenses		2,215,738	2,269,730	2,693,178	2,750,945	2,810,434	2,893,138	2,978,378	3,066,238	3,156,802	3,250,159
NET OPERATING INCOME		**$ 3,870,686**	**$ 4,055,196**	**$ 3,869,639**	**$ 4,008,757**	**$ 4,152,059**	**$ 4,278,230**	**$ 4,408,131**	**$ 4,541,866**	**$ 4,679,545**	**$ 4,821,278**
Master Lease Rent											
BASE RENT											
(Debt Service)		2,028,564	2,028,564	2,034,121	2,028,564	2,028,564	2,028,564	2,034,121	2,028,564	2,028,564	2,028,564
(Lender Replacement Reserves)		$ 79,200	$ 81,378	$ 83,616	$ 85,915	$ 88,278	$ 90,706	$ 93,200	$ 95,763	$ 98,397	$ 101,102
Trust Reserve Account Contributions		(79,200)	(81,378)	(83,616)	(85,915)	(88,278)	(90,706)	(93,200)	(95,763)	(98,397)	(101,102)
Master Tenant Base Income [1]		99,699	141,707	82,700	90,491	121,003	128,299	127,500	125,199	124,634	61,277
ADDITIONAL RENT											
Additional Rent Breakpoint		*$ 4,344,000*	*$ 4,440,000*	*$ 4,810,000*	*$ 4,870,000*	*$ 4,960,000*	*$ 5,050,000*	*$ 5,140,000*	*$ 5,220,000*	*$ 5,310,000*	*$ 5,340,000*
Additional Rent		$ 1,698,000	$ 1,831,200	$ 1,698,000	$ 1,831,200	$ 1,831,200	$ 1,831,200	$ 1,831,200	$ 1,831,200	$ 1,831,200	$ 1,831,200
Asset Management Fee		(133,200)	(133,200)	(133,200)	(133,200)	(133,200)	(133,200)	(133,200)	(133,200)	(133,200)	(133,200)
Deferred Asset Management Fee		133,200	-	133,200	-	-	-	-	-	-	-
Additional Rent Cash Flow [2]		**$ 1,698,000**	**$ 1,698,000**	**$ 1,698,000**	**$ 1,698,000**	**$ 1,698,000**	**$ 1,698,000**	**$ 1,698,000**	**$ 1,698,000**	**$ 1,698,000**	**$ 1,698,000**
Initial Capital	$ 39,486,498										
Additional Rent Cash on Cash Return		**4.30%**	**4.30%**	**4.30%**	**4.30%**	**4.30%**	**4.30%**	**4.30%**	**4.30%**	**4.30%**	**4.30%**
SUPPLEMENTAL RENT											
Supplemental Rent Breakpoint		*$ 6,042,000*	*$ 6,271,000*	*$ 6,508,000*	*$ 6,701,000*	*$ 6,791,000*	*$ 6,881,000*	*$ 6,971,000*	*$ 7,051,000*	*$ 7,141,000*	*$ 7,171,000*
Master Tenant Supplemental Income [3]	10.0%	$ 4,442	$ 5,373	$ 5,482	$ 5,850	$ 17,129	$ 29,017	$ 41,531	$ 55,690	$ 69,515	$ 90,024
Supplemental Rent	90.0%	$ 39,981	$ 48,533	$ 49,336	$ 52,832	$ 154,344	$ 261,331	$ 373,958	$ 501,394	$ 625,813	$ 810,394
Supplemental Rent Cash Flow [4]		$ 39,981	$ 48,533	$ 49,336	$ 52,832	$ 154,344	$ 261,331	$ 373,958	$ 501,394	$ 625,813	$ 810,394
Supplemental Rent Cash on Cash Return		0.10%	0.12%	0.12%	0.13%	0.39%	0.66%	0.95%	1.27%	1.58%	2.05%
Total Cash Flow		$ 1,737,981	$ 1,746,533	$ 1,747,336	$ 1,750,832	$ 1,852,344	$ 1,959,331	$ 2,071,958	$ 2,199,394	$ 2,323,813	$ 2,508,394
Total Cash on Cash Return		**4.40%**	**4.42%**	**4.43%**	**4.43%**	**4.69%**	**4.96%**	**5.25%**	**5.57%**	**5.89%**	**6.35%**
FORECASTED PRINCIPAL AMORTIZATION											
Beginning Loan Balance		$ 38,625,000	$ 38,625,000	$ 38,625,000	$ 38,625,000	$ 38,625,000	$ 38,625,000	$ 38,625,000	$ 38,625,000	$ 38,625,000	$ 38,625,000
Principal Amortization		-	-	-	-	-	-	-	-	-	-
Ending Balance		**$ 38,625,000**	**$ 38,625,000**	**$ 38,625,000**	**$ 38,625,000**	**$ 38,625,000**	**$ 38,625,000**	**$ 38,625,000**	**$ 38,625,000**	**$ 38,625,000**	**$ 38,625,000**
Loan to Offering Price		*49.4%*	*49.4%*	*49.4%*	*49.4%*	*49.4%*	*49.4%*	*49.4%*	*49.4%*	*49.4%*	*49.4%*
Yield		**4.40%**	**4.42%**	**4.43%**	**4.43%**	**4.69%**	**4.96%**	**5.25%**	**5.57%**	**5.89%**	**6.35%**
TAX ANALYSIS FOR NON-1031 INVESTOR											
Pre-Tax Cash Flow		$ 1,737,981	$ 1,746,533	$ 1,747,336	$ 1,750,832	$ 1,852,344	$ 1,959,331	$ 2,071,958	$ 2,199,394	$ 2,323,813	$ 2,508,394
Estimated Income Tax @ 40% Rate[6]		$ (695,193)	$ (698,613)	$ (698,934)	$ (700,333)	$ (740,937)	$ (783,732)	$ (828,783)	$ (879,757)	$ (929,525)	$ (1,003,358)
Estimated Income Tax Benefit / Deduction (Depreciation and Otl		$ 845,539	$ 845,539	$ 845,539	$ 845,539	$ 845,539	$ 845,539	$ 845,539	$ 845,539	$ 845,539	$ 845,539
Estimated Total Income Taxes Paid		$ 370,347	$ 166,926	$ 166,605	$ 165,207	$ 124,602	$ 81,807	$ 36,756	$ (14,218)	$ (63,986)	$ (137,818)
After Tax Cash Flow		$ 2,108,328	$ 1,913,459	$ 1,913,941	$ 1,916,038	$ 1,976,946	$ 2,041,138	$ 2,108,714	$ 2,185,176	$ 2,259,827	$ 2,370,576
After Tax Return		**5.34%**	**4.85%**	**4.85%**	**4.85%**	**5.01%**	**5.17%**	**5.34%**	**5.53%**	**5.72%**	**6.00%**
Effective Tax Equivalent Yield		**8.90%**	**8.08%**	**8.08%**	**8.09%**	**8.34%**	**8.62%**	**8.90%**	**9.22%**	**9.54%**	**10.01%**
Percentage Sheltered		**153.27%**	**123.89%**	**123.84%**	**123.59%**	**116.82%**	**110.44%**	**104.43%**	**98.38%**	**93.12%**	**86.26%**
FORECASTED LENDER RESERVE ACCOUNT											
		2026	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**
Beginning Balance		$ 105,600	$ 107,733	$ 109,910	$ 112,130	$ 114,395	$ 116,706	$ 119,064	$ 121,469	$ 123,923	$ 126,427
Lender Replacement Reserve Contribution		79,200	81,378	83,616	85,915	88,278	90,706	93,200	95,763	98,397	101,102
Capital Expenditures	$300 per unit	(79,200)	(81,378)	(83,616)	(85,915)	(88,278)	(90,706)	(93,200)	(95,763)	(98,397)	(101,102)
Interest Income	2.00%	2,133	2,176	2,220	2,265	2,311	2,358	2,405	2,454	2,504	2,554
Ending Balance		$ 107,733	$ 109,910	$ 112,130	$ 114,395	$ 116,706	$ 119,064	$ 121,469	$ 123,923	$ 126,427	$ 128,981
FORECASTED TRUST CONTROLLED RESERVES ACCOUNT											
Beginning Balance		$ 2,000,000	$ 1,959,646	$ 1,916,278	$ 1,869,772	$ 1,792,479	$ 1,738,511	$ 1,647,162	$ 1,551,449	$ 1,451,212	$ 1,107,604
Contribution to Lender Replacement Reserves		(79,200)	(81,378)	(83,616)	(85,915)	(88,278)	(90,706)	(93,200)	(95,763)	(98,397)	(101,102)
Capital Expenses		(750)	(750)	(750)	(28,000)	(1,000)	(34,500)	(34,500)	(34,500)	(270,800)	(46,650)
Interest Income	2.00%	39,596	38,759	37,861	36,623	35,310	33,857	31,986	30,027	25,588	20,883
Ending Balance		$ 1,959,646	$ 1,916,278	$ 1,869,772	$ 1,792,479	$ 1,738,511	$ 1,647,162	$ 1,551,449	$ 1,451,212	$ 1,107,604	$ 980,735
Total Reserve Amount		$ 2,067,380	$ 2,026,187	$ 1,981,902	$ 1,906,875	$ 1,855,218	$ 1,766,227	$ 1,672,918	$ 1,575,136	$ 1,234,031	$ 1,109,716

[1] The difference between the Base Rent and the Additional Rent Breakpoint for the Property for a given month, if any, after taking into account any expenses of the Property, will inure to the benefit of the Master Tenant. Such amounts will not be available for distributions to the Trust or the Investors.

[2] The Additional Rent will be estimated and paid on a monthly basis with year-end reconciliation.

[3] Under the Master Lease, the Master Tenant will earn 10% of Effective Gross Revenue exceeding the Supplemental Rent Breakpoint, as provided in the Master Lease.

[4] The Supplemental Rent will be estimated and paid on an annual basis with year-end reconciliation within 90 days of the end of the calendar year.

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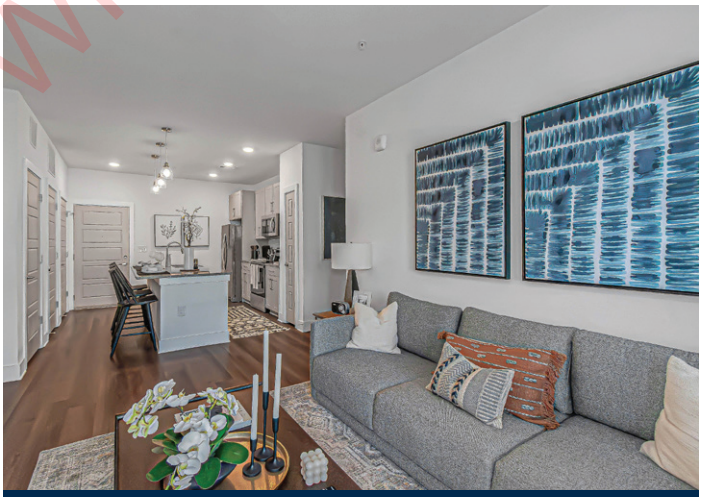
BR Parkview Multifamily, DST



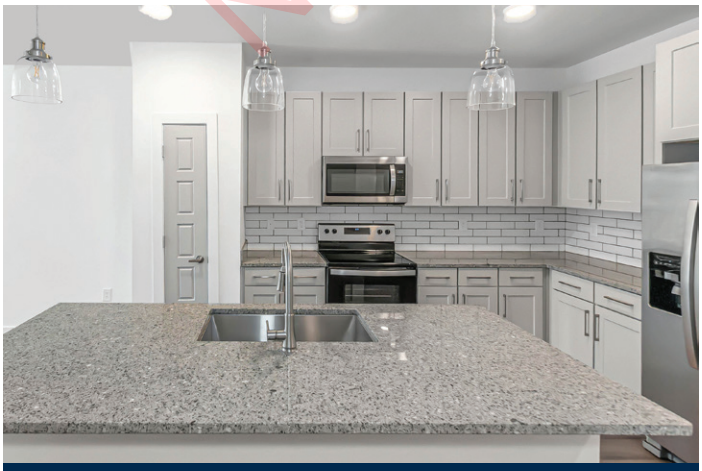
Lobby



Bedroom



Dining and Living Area



Granite Countertops with Tiled Backsplash



Private Balcony

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BR Parkview Multifamily, DST

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

Minimum Purchase: $100,000 (0.2533%) for 1031 Exchange

Maximum Offering Amount: $39,486,498

The Sponsor has not authorized any person to make any representations or furnish any information with respect to the Offering or the Interests, other than as set forth in this Memorandum or other documents or information the Sponsor or Bluerock may furnish to you upon request. This Memorandum constitutes an offer only to the person whose name appears in the appropriate space on the cover page. Furthermore, the delivery of this Memorandum to you will not constitute an offer, or solicitation of an offer, to purchase the Interests to anyone in any jurisdiction in which such an offer or solicitation is not authorized.

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