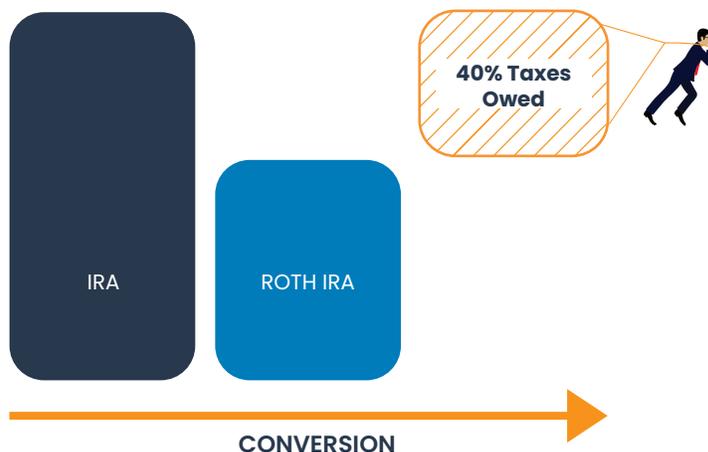


IRA TO ROTH IRA CONVERSION PROBLEM & SOLUTION^{1,2}

THE PROBLEM

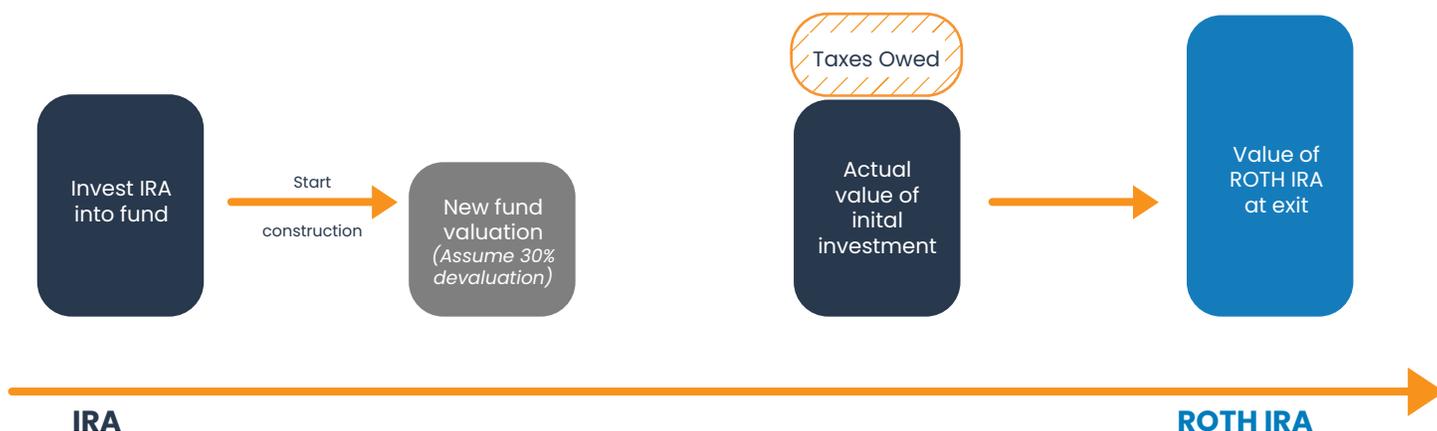
Withdrawing money from a traditional IRA could trigger a taxable event, including fees and penalties. The adjacent illustration assumes a total 40% tax rate, not including fees or penalties.



A SOLUTION

A traditional IRA that is invested in a ground-up development project may benefit from a reduction in Net Asset Value at the time of a potential Roth IRA conversion.

EXAMPLE FUND CONVERSION¹



1. For discussion purposes only, these are hypothetical only, and are not intended to be reflective of any actual costs or figures associated with this offering.
2. Please see the Operative Documents for a more complete description of the offering and all of its terms. All prospective investors must read and carefully review the entirety of the Private Placement Memorandum to understand the potential benefits and risks. Nothing contained herein should be regarded as tax, financial, or legal advice, and prospective investors are strongly encouraged to consult with their own tax, business, financial, and/or legal counsel as to tax, business, financial, legal, and related matters before deciding to invest. There is no assurance that Fund objectives will be achieved or maintained, including but not limited to any particular investors' desired tax treatment.

THIS MATERIAL IS CONFIDENTIAL. THE ACCEPTANCE AND RETENTION OF THIS MATERIAL BY THE RECIPIENT SHALL CONSTITUTE AN AGREEMENT TO THESE TERMS.

Real Estate Risk Disclosure.

- There is no guarantee that investment objectives will be successful or achieved, including, among other things, profits, returns, distributions, tax benefits, or exit strategy.
- Real estate investments may lose value during the life of the investment.
- Tax treatment and any stated tax benefits may change, are not guaranteed, and may negatively impact returns and result in unexpected tax liabilities.
- Financed real estate investments have potential for foreclosure.
- These assets are typically illiquid private placements with no secondary market.
- Cash flow distributions may be reduced or suspended due to vacancies, property damage, or operating shortfalls.
- Fees, expenses, and transaction costs may reduce returns and may outweigh anticipated tax benefits.
- Speak to your tax professional prior to investing.

General Risks of Investment.

- Performance depends on the successful operations of the multifamily real estate asset.
- Fluctuations in occupancy rates, rent, and operating expenses may adversely affect operating results, cash flow, and property value.
- Market conditions may make sale or refinancing difficult.
- Results may be affected by local economic and social conditions, population trends, neighborhood values, and competition. Key factors include vacancy rates, tenant financial stability, rent and sales levels, supply and demand for comparable properties, interest rates, taxes, government regulations, inflation, zoning or environmental laws, and hazardous material issues.
- Properties may be subject to uninsured or underinsured losses.

General Risks Associated with the Construction and Development of Commercial Property.

Commercial real estate development is cyclical and sensitive to economic conditions, interest rates, financing availability, and property demand.

- Project performance may be affected by local market trends, supply and demand, natural disasters, availability of materials and labor, and regulatory or tax changes.
- Rising costs, including tariffs, government fees, or inflation, may adversely affect project economics.
- Construction may face delays due to weather, strikes, energy shortages, regulatory requirements, or unforeseen contingencies.
- Cost overruns may exceed available funding, requiring additional capital from sponsors or third-party sources, which may not be available.
- Use of third-party equity, mezzanine debt, or preferred equity may subordinate investor interests.
- Construction delays or higher costs may reduce cash flow and long-term project performance.

Leverage.

- The project will likely use debt financing, increasing investment risk.
- Loan terms, availability, and future refinancing are uncertain.
- Cash flow may be insufficient to cover debt service and operating expenses.
- Failure to meet debt obligations could result in foreclosure and total loss of investment.
- High leverage may reduce operational flexibility and limit cash available for distributions or future business needs.